

KDLG PUBLIC RADIO STATION
(A Special Revenue Fund of Dillingham City School District)

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

Year Ended June 30, 2023

KDLG PUBLIC RADIO STATION
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Basic Financial Statements, Required Supplementary Information,
Supplementary Information and Compliance Report

Year Ended June 30, 2023

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Independent Auditor's Report

Members of the School Board
KDLG Public Radio Station
Dillingham, Alaska

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the KDLG Public Radio Station (a Special Revenue Fund of Dillingham City School District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the KDLG Public Radio Station's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the KDLG Public Radio Station, as of June 30, 2023, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Budgetary Comparison Schedule and notes on pages 16-17 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operation, economic or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit basic financial statements. We do not express an opinion or provide an assurance won the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide an assurance.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the KDLG Public Radio Station's basic financial statements. The accompanying combining schedule of assets, liabilities and fund balances – all grants and combining schedule of revenues, expenditures and changes in fund balance – all grants are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Emphasis of Matter

As discussed in Note 1, the financial statements of the KDLG Public Radio Station, a Special Revenue Fund of Dillingham City School District, are intended to present the financial position and the changes in financial position of only that portion of the governmental activities, major fund, and the aggregate remaining fund information of Dillingham City School District that is attributable to the transactions of the KDLG Public Radio Station. They do not purport to, and do not present fairly the financial position of the Dillingham City School District as of June 30, 2023, or changes in its financial position, for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Prior-Year Summarized Information

We have previously audited the KDLG Public Radio Station's (a Special Revenue Fund of Dillingham City School District) 2022 financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities and the major fund of KDLG Public Radio Station (a Special Revenue Fund of Dillingham City School District), in our report dated January 11, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2023, on our consideration of the KDLG Public Radio Station internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the KDLG Public Radio Station 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 KDLG Public Radio Station internal control over financial reporting and compliance.



Anchorage, Alaska
December 4, 2023

KDLG PUBLIC RADIO STATION
(A Special Revenue Fund of Dillingham City School District)

Statement of Net Position

June 30, 2023

(With Comparative Totals for 2022)

	Activities	
	2023	2022
<u>Assets</u>		
Current:		
Cash and cash equivalents	\$ 808,695	763,443
Accounts receivable	34,357	71,001
Total current assets	<u>843,052</u>	<u>834,444</u>
Non-current:		
Capital assets	67,638	67,638
Accumulated depreciation	(58,541)	(57,003)
Total non-current assets	<u>9,097</u>	<u>10,635</u>
Total assets	<u>\$ 852,149</u>	<u>845,079</u>
<u>Liabilities</u>		
Current:		
Due to primary government	294,146	121,340
Unearned revenue	189,677	336,170
Total liabilities	<u>483,823</u>	<u>457,510</u>
<u>Net Position</u>		
Net investment in capital assets	9,097	10,635
Unrestricted	359,229	376,934
Total net position	<u>\$ 368,326</u>	<u>387,569</u>

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

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KDLG PUBLIC RADIO STATION
(A Special Revenue Fund of Dillingham City School District)

Balance Sheet - Governmental Fund

June 30, 2023

(With Comparative Totals for 2022)

	<u>Assets</u>	2023	2022
Assets:			
Cash and cash equivalents		\$ 808,695	763,443
Accounts receivable		34,357	71,001
Total assets		<u>\$ 843,052</u>	<u>834,444</u>
	<u>Liabilities and Fund Balance</u>		
Liabilities:			
Due to primary government		294,146	121,340
Unearned revenue		189,677	336,170
Total liabilities		<u>483,823</u>	<u>457,510</u>
Fund balance:			
Committed - KDLG Radio		<u>359,229</u>	<u>376,934</u>
Total liabilities and fund balance		<u>\$ 843,052</u>	<u>834,444</u>
Reconciliation of Net Position between the Government-wide and Fund Financial Statements			
Amount reported as fund balance on the governmental fund balance sheet		359,229	
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and are not reported in the funds.		<u>9,097</u>	
Net position of governmental activities		<u>\$ 368,326</u>	

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

KDLG PUBLIC RADIO STATION
(A Special Revenue Fund of Dillingham City School District)

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

Year Ended June 30, 2023

(With Comparative Totals for 2022)

	<u>2023</u>	<u>2022</u>
Revenues:		
Local sources:		
Corporation for Public Broadcasting	\$ 306,976	272,259
Earnings on investment	4,005	554
Donations	43,517	71,574
Rental - charges for services	4,500	4,500
Other	196,608	197,418
Total revenues	<u>555,606</u>	<u>546,305</u>
Expenditures - community services	<u>573,311</u>	<u>495,683</u>
Excess (deficiency) of revenues over expenditures	(17,705)	50,622
Fund balance, beginning of year	<u>376,934</u>	<u>326,312</u>
Fund balance, end of year	<u>\$ 359,229</u>	<u>376,934</u>

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

KDLG PUBLIC RADIO STATION
(A Special Revenue Fund of Dillingham City School District)

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

Year Ended June 30, 2023

Net change in fund balance - governmental fund \$ (17,705)

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

The cost of capital assets purchased or constructed is reported as an expenditure in governmental funds. The statement of net position includes purchased and constructed capital assets among the assets of the Radio Station as a whole. The cost of those assets is allocated over estimated useful lives (as depreciation expense) to the various functions reported as governmental activities in the statement of activities.

Depreciation expense (1,538)

Change in net position of governmental activities \$ (19,243)

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

KDLG PUBLIC RADIO STATION
(A Special Revenue Fund of Dillingham City School District)

Notes to Basic Financial Statements

June 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The summary of financial operations presented herein of the KDLG Public Radio Station represents a single Special Revenue Fund of the Dillingham City School District (hereafter referred to as KDLG). The Basic Financial Statements of the District and this Special Revenue Fund have been prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operations or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as *general revenues*.

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

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

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

KDLG PUBLIC RADIO STATION
(A Special Revenue Fund of Dillingham City School District)

Notes to Basic Financial Statements, Continued

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

Intergovernmental Revenue

State of Alaska cost reimbursable grants and contracts are recorded to the extent of allowable expenditures in the period in which the expenditures were incurred. As discussed below KDLG Public Radio Station utilizes the Uniform Chart of Accounts for School Districts. As such, some intergovernmental revenue may be included in local source revenue.

Local Revenue

Rental income from KDLG owned property is recorded in the period to which it relates. Both interest and rental incomes are susceptible to accrual. Corporation for Public Broadcasting and other miscellaneous revenues are recognized in the year received.

KDLG only has a single fund used for operations.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures and expenses during the reporting period. Actual results could differ from those estimates.

D. Assets, Liabilities and Fund Balance

1. Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. There are no statutory limitations on the type of investment allowed.

2. Due to Primary Government

During the course of operations, numerous transactions occur between individual funds of the primary government. These receivables and payables are classified as "due from primary government" or "due to primary government" on the statement of net position and the balance sheet of the fund financial statements.

3. Capital Assets

Capital assets, which include equipment, are recorded in the government-wide financial statements at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated fair value at the date of donation. Assets greater than \$5,000 in the government-wide financial statements are capitalized and depreciated on straight-line method.

KDLG PUBLIC RADIO STATION
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Notes to Basic Financial Statements, Continued

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are considered operations and maintenance and are not capitalized in the government wide financial statements.

Equipment owned by the District for use by KDLG is depreciated under the straight-line method with estimated useful lives as follows:

	<u>Life in Years</u>
Equipment	5 – 10

4. Unearned Revenue

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

5. Net Position

In the government-wide financial statements, net position is reported in three categories: net investment in capital assets, restricted net position, and unrestricted net position.

Net position is reported as restricted when constraints placed on net position use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

6. Fund Balance

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

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

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

Committed fund balance – amounts constrained to specific purposes by KDLG, using the highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless KDLG takes the same highest-level action to remove or change the constraint.

Assigned fund balance – amounts that are intended for a particular purpose. Intent can be expressed by the KDLG's Board or by the Superintendent or designee.

Unassigned – amounts available for any purpose.

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

KDLG PUBLIC RADIO STATION
(A Special Revenue Fund of Dillingham City School District)

Notes to Basic Financial Statements, Continued

When an expenditure has been duly authorized and funding to pay for the expenditure is available within multiple fund balance classifications, KDLG's policy is to utilize funding available in the most restrictive classification first.

7. Summary Financial Information for 2022

The basic financial statements include certain prior year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the KDLG Public Radio Station's basic financial statements for the year ended June 30, 2022, from which the summarized information was derived.

8. Fair Value of Financial Instruments

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

The carrying amount of notes receivable and notes payable approximates fair value for those financial instruments with interest at variable rates, as those rates approximate current market rates for notes with similar maturities and credit quality.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are prepared in connection with the application for the special program's funding and are reviewed and approved by the School Board. Expenditure authority is limited to the actual combined revenues, transfers from primary government and available fund balance.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. Encumbrances if any, outstanding at year-end are reported as assigned fund balance since they do not constitute expenditures or liabilities. The amount of encumbrances if significant, are disclosed in the notes to the financial statements as commitments.

KDLG PUBLIC RADIO STATION
(A Special Revenue Fund of Dillingham City School District)

Notes to Basic Financial Statements, Continued

III. DETAILED NOTES

A. Cash and cash equivalents

KDLG Public Radio Station has a separate checking account at Wells Fargo Bank in addition to activities provided by Dillingham City School District in its main operational accounts. All deposits are carried at fair value plus accrued interest.

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

Any amount in excess of FDIC limits is collateralized with securities held by the District's agent in the District's name.

Custodial Credit Risk – Custodial Credit Risk is the risk that in the event of a bank failure, KDLG's deposits will not be returned to the District. The District manages its custodial credit risk through its deposit and investment policy that requires all deposits to be insured or collateralized. At June 30, 2023, KDLG's deposits were fully insured and collateralized.

B. Capital Assets

Capital asset activity for the year ended June 30, 2023 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets, being depreciated:				
Equipment	\$ 67,638	-	-	67,638
Less accumulated depreciation	(57,003)	(1,538)	-	(58,541)
Net governmental capital assets	\$ 10,635	(1,538)	-	9,097

Depreciation of \$1,538 was charged to the community services function.

C. Interfund Receivables and Payables

Interfund receivables and payables are shown as "Due to Primary Government" and "Due from Primary Government." As of June 30, 2023, KDLG had Due to the Primary Government of \$294,146.

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

KDLG PUBLIC RADIO STATION
(A Special Revenue Fund of Dillingham City School District)

Notes to Basic Financial Statements, Continued

D. Grant Receivables

KDLG had grant receivables of \$34,357 at June 30, 2023. Management has determined that all amounts are fully collectible and no allowance for doubtful accounts has been established.

IV. OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to worker's compensation, torts, theft of, damage to, and destruction of assets, errors and omissions, and natural disasters. The District mitigates significant risk of loss through the acquisition of commercial insurance policies.

B. Indirect Administrative Support

Indirect Administrative Support provided by Dillingham City School District of \$83,966 for 2023 includes institutional support and physical plant operations. This amount of indirect support is included in the School Operating Fund of Dillingham City School District and, as such, has not been reported as revenue in the KDLG Public Radio Special Revenue Fund.

C. Subsequent Accounting Pronouncements

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

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

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

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

REQUIRED SUPPLEMENTARY INFORMATION

KDLG PUBLIC RADIO STATION

(A Special Revenue Fund of Dillingham City School District)

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

Year Ended June 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:				
Local sources:				
Corporation for Public Broadcasting	\$ -	212,870	306,976	94,106
Earnings on investment	200	200	4,005	3,805
Donations	55,000	55,000	43,517	(11,483)
Rental - charges for services	4,500	4,500	4,500	-
Other	163,060	163,060	196,608	33,548
Total revenues	<u>222,760</u>	<u>435,630</u>	<u>555,606</u>	<u>119,976</u>
Expenditures:				
Community services:				
Certificated salaries	8,474	8,474	8,474	-
Non-certificated salaries	260,244	261,299	209,462	51,837
Employee benefits	158,041	159,450	111,821	47,629
Housing allowance	12,000	12,000	-	12,000
Professional and technical services	133,629	133,629	88,985	44,644
Staff travel	17,292	16,427	7,861	8,566
Utility services	16,156	16,156	10,246	5,910
Energy	84,366	84,366	41,404	42,962
Other purchased services	1,500	1,500	1,258	242
Insurance and bond premiums	1,995	1,995	1,035	960
Supplies, materials and media	92,685	92,685	64,445	28,240
Other	34,115	34,115	22,970	11,145
Equipment	-	-	5,350	(5,350)
Total expenditures	<u>820,497</u>	<u>822,096</u>	<u>573,311</u>	<u>248,785</u>
Excess (deficiency) of revenues over expenditures	\$ <u>(597,737)</u>	<u>(386,466)</u>	(17,705)	<u>368,761</u>
Fund balance, beginning of year			<u>376,934</u>	
Fund balance, end of year			\$ <u>359,229</u>	

See accompanying notes to Required Supplementary Information.

KDLG PUBLIC RADIO STATION
(A Special Revenue Fund of Dillingham City School District)

Notes to Required Supplementary Information

June 30, 2023

1. KDLG Public Radio Station Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budgets and Budgetary Accounting

Annual budgets of the various KDLG Public Radio Station Fund is prepared in connection with the application for the special programs' funding and are reviewed and approved by the School Board. Expenditure authority for Special Revenue Fund programs is limited to the actual combined revenues, transfers from other funds and available fund balance within the program. The legal level of budgetary control for Special Revenue Funds is the fund level.

KDLG PUBLIC RADIO STATION
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Combining Schedule of Assets, Liabilities and Fund Balances - All Grants

June 30, 2023

	KDLG						
	370	372	376	385	386	387	389
Assets:							
Cash and cash equivalents	\$ 808,695	-	-	-	-	-	-
Accounts receivable	-	-	-	-	1,822	-	-
Due from primary government	-	71,344	2,434	111,545	-	126	-
Total assets	<u>\$ 808,695</u>	<u>71,344</u>	<u>2,434</u>	<u>111,545</u>	<u>1,822</u>	<u>126</u>	<u>-</u>
Liabilities:							
Due to primary government	448,600	-	-	-	1,822	-	2,350
Unearned revenue	-	69,063	2,434	111,545	-	126	3,699
Total liabilities	<u>448,600</u>	<u>69,063</u>	<u>2,434</u>	<u>111,545</u>	<u>1,822</u>	<u>126</u>	<u>6,049</u>
Fund balances:							
Committed	<u>360,095</u>	<u>2,281</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,049)</u>
	<u>\$ 808,695</u>	<u>71,344</u>	<u>2,434</u>	<u>111,545</u>	<u>1,822</u>	<u>126</u>	<u>-</u>
							(Continued)

(Continued)

KDLG PUBLIC RADIO STATION
(A Special Revenue Fund of Dillingham City School District)

Combining Schedule of Assets, Liabilities and Fund Balances - All Grants, Continued

	KDLG						
	390	391	393	395	397	398	Total
Assets:							
Cash and cash equivalents	\$ -	-	-	-	-	-	808,695
Accounts receivable	27,117	1,515	-	-	3,903	-	34,357
Due from primary government	-	-	2,902	2,650	-	160	191,161
Total assets	<u>\$ 27,117</u>	<u>1,515</u>	<u>2,902</u>	<u>2,650</u>	<u>3,903</u>	<u>160</u>	<u>1,034,213</u>
Liabilities:							
Due to primary government	27,117	1,515	-	-	3,903	-	485,307
Unearned revenue	-	-	-	2,650	-	160	189,677
Total liabilities	<u>27,117</u>	<u>1,515</u>	<u>-</u>	<u>2,650</u>	<u>3,903</u>	<u>160</u>	<u>674,984</u>
Fund balances:							
Committed	-	-	2,902	-	-	-	359,229
	<u>\$ 27,117</u>	<u>1,515</u>	<u>2,902</u>	<u>2,650</u>	<u>3,903</u>	<u>160</u>	<u>1,034,213</u>

KDLG PUBLIC RADIO STATION
(A Special Revenue Fund of Dillingham City School District)

Combining Schedule of Revenues and Expenditures and Changes in Fund Balances - All Grants

Year Ended June 30, 2023

	KDLG					
	370	371	372	385	387	389
Revenues:						
Local sources:						
Corporation for public broadcasting	\$ -	114,926	121,864	70,186	-	-
Earnings on investments	4,005	-	-	-	-	-
Donations	43,517	-	-	-	-	-
Rental - charges for services	4,500	-	-	-	-	-
Other	134,110	-	-	-	25,000	2,350
Total revenues	<u>186,132</u>	<u>114,926</u>	<u>121,864</u>	<u>70,186</u>	<u>25,000</u>	<u>2,350</u>
Expenditures:						
Community services	<u>203,837</u>	<u>114,926</u>	<u>121,864</u>	<u>70,186</u>	<u>25,000</u>	<u>2,350</u>
Excess (deficiency) of revenues over expenditures	<u>(17,705)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, beginning of year	<u>377,800</u>	<u>-</u>	<u>2,281</u>	<u>-</u>	<u>-</u>	<u>(6,049)</u>
Fund balances, end of year	<u>\$ 360,095</u>	<u>-</u>	<u>2,281</u>	<u>-</u>	<u>-</u>	<u>(6,049)</u>

(Continued)

KDLG PUBLIC RADIO STATION
(A Special Revenue Fund of Dillingham City School District)

Combining Schedule of Revenues and Expenditures and Changes in Fund Balances - All Grants, Continued

	KDLG					
	391	393	396	397	398	Total
Revenues:						
Local sources:						
Corporation for public broadcasting	\$ -	-	-	-	-	306,976
Earnings on investments	-	-	-	-	-	4,005
Donations	-	-	-	-	-	43,517
Rental - charges for services	-	-	-	-	-	4,500
Other	23,485	-	4,208	6,360	1,095	196,608
Total revenues	<u>23,485</u>	<u>-</u>	<u>4,208</u>	<u>6,360</u>	<u>1,095</u>	<u>555,606</u>
Expenditures:						
Community services	<u>23,485</u>	<u>-</u>	<u>4,208</u>	<u>6,360</u>	<u>1,095</u>	<u>573,311</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(17,705)</u>
Fund balances, beginning of year	<u>-</u>	<u>2,902</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>376,934</u>
Fund balances, end of year	<u>\$ -</u>	<u>2,902</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>359,229</u>

COMPLIANCE REPORT

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

Independent Auditor's Report

Members of the School Board
KDLG Public Radio Station
Dillingham, 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 and the major fund of KDLG Public Radio Station (a Special Revenue Fund of Dillingham City School District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise KDLG Public Radio Station's basic financial statements, and have issued our report thereon dated December 4, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered KDLG Public Radio Station'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 KDLG Public Radio Station's internal control. Accordingly, we do not express an opinion on the effectiveness of KDLG Public Radio Station's internal control.

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

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

Members of the School Board
KDLG Public Radio Station

Report on Compliance and Other Matters

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

Purpose of This Report

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

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

Anchorage, Alaska
December 4, 2023

KDLG PUBLIC RADIO STATION

Schedule of Findings and Responses

Year Ended June 30, 2023

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Unmodified

Is a going concern emphasis-of-matter paragraph:

Included in the audit report?

_____ yes X no

Internal control over financial reporting:

Significant deficiency(ies) identified?

_____ yes X none reported

Material weakness(es) identified?

_____ yes X no

Noncompliance material to the financial statements identified?

_____ yes X no

Section II – Financial Statement Findings

KDLG Public Radio Station did not have any findings related to the financial statements.