

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

Comprehensive Annual Financial Report for the

Fiscal Year Ended

June 30, 2014



A Component Unit of the Kenai Peninsula Borough

Soldotna, Alaska

COMPREHENSIVE ANNUAL FINANCIAL REPORT

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

**A Component Unit of the Kenai Peninsula Borough
Soldotna, Alaska**

**For the Fiscal Year Ended
June 30, 2014**

Dr. Steve Atwater, Superintendent of Schools

Prepared by Finance Department

**Dave Jones
Assistant Superintendent of Instructional Support**

**Laurie Olson
Director of Finance**

**Elizabeth Hayes
Accountant**

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Kenai Peninsula Borough School District

TABLE OF CONTENTS

Page

Title Page..... i
Table of Contents..... iii

I. INTRODUCTORY SECTION

A. School District Map 3
B. Letter of Transmittal 5
C. Certificate of Excellence, ASBO 11
D. Organizational Chart 13
E. Kenai Peninsula Borough School Board & Administration 15

II. FINANCIAL SECTION

Independent Auditor's Report 19
Management's Discussion and Analysis 25

Basic Financial Statements

Government-Wide Financial Statements

A. Statement of Net Position..... 35
B. Statement of Activities..... 36

Fund Financial Statements

A. Balance Sheet, Governmental Funds 37
B. Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position 38
C. Statement of Revenues, Expenditures and Changes in Fund Balance Governmental Funds..... 39
D. Reconciliation of Governmental Funds, Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities 40
E. Internal Service Funds, Statement of Net Position 41
F. Internal Service Funds, Statement of Revenues, Expenses, and Changes in Fund Net Position 42
G. Internal Service Funds, Statement of Cash Flows 43

H. Student Activity Agency Fund, Statement of Fiduciary Assets and Liabilities44

Notes to the Financial Statements.....47

Required Supplementary Information

Major Funds

A. Major Governmental Funds – General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget
and Actual65

B. Major Governmental Special Revenue Funds – Equipment, Schedule of
Revenues, Expenditures and Changes in Fund Balance, Budget and Actual66

C. Major Governmental Special Revenue Funds – Title I, Schedule of Revenues,
Expenditures and Changes in Fund Balance, Budget and Actual67

Additional Supplementary Information

General Fund

A. General Fund Balance Sheet68

B. General Fund Schedule of Changes in Fund Balance.....69

C. General Fund Schedule of Revenues - Budget (GAAP Basis) and Actual.....70

D. General Fund Schedule of Expenditures - Budget (GAAP Basis) and Actual.....71

E. Schedule of Compliance – AS 14.17.50582

F. Schedule of Compliance – AS 14.17.52083

Equipment Fund – Special Revenue

A. Balance Sheet – Major Fund – Equipment84

B. Major Fund – Equipment – Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget (GAAP Basis) and Actual85

Title I Fund – Special Revenue

A. Balance Sheet – Major Fund – Title I86

B. Major Fund – Title I – Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget (GAAP Basis) and Actual87

Non-Major Funds - Special Revenue Funds

A.	Special Revenue Funds	90
B.	Combining Balance Sheet – Non-Major Special Revenue Funds	92
C.	Combining Statement of Revenues, Expenditures and Changes in Fund Balance Non-Major Special Revenue Funds	98
(1)	Alaska Works – Construction Education Foundation, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual ...	105
(2)	Artists in Schools, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	106
(3)	Alaska Staff Development Network – Leadership Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	107
(4)	Association of Alaska School Boards – Artist Tops, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	108
(5)	Building Trades, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	109
(6)	Career and Technical Education, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	110
(7)	Carl Perkins - Basic, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	111
(8)	Community Theater, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	112
(9)	Corporate and Miscellaneous Grants, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	113
(10)	Early Literacy, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	114
(11)	Education Jobs Grant, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	115
(12)	Food Service, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	116
(13)	Food Service – Fresh Fruit and Vegetable Program, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	117
(14)	Food Service – Nutritional Alaskan Foods, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	118
(15)	Fourth R Training, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	119

(16) Gear Up Kenai Peninsula, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	120
(17) Governor’s Alternative Schools, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	121
(18) Legislative Equipment, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	122
(19) Legislative Student Nutrition, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	123
(20) McKinney-Vento Homeless, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	124
(21) Mentor Project, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	125
(22) Migrant Education, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	126
(23) National Space Grant, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	127
(24) Principal Coach, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	128
(25) School Improvement, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	129
(26) Staff Development Mini – Grants, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	130
(27) Student Transportation, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	131
(28) Title I-D, Delinquent, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	132
(29) Title VI-B, IDEA Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	133
(30) Title VII, Indian Education, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	134
(31) Upward Bound, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	135
(32) Youth First, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	136
(33) Youth in Detention, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	137
(34) Youth Risk Behavior Survey, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual	138

Internal Service Funds

A. Internal Service Funds, Statement of Net Position141

B. Internal Service Funds, Statement of Revenues, Expenses and
Changes in Fund Net Position142

C. Internal Service Funds, Statement of Cash Flows.....143

Fiduciary Fund

A. Fiduciary Fund – Statement of Changes in Assets and Liabilities.....147

Capital Assets

A. Schedule of Changes in General Capital Assets151

B. Schedule of General Capital Assets – By Location152

C. Comparative Schedule of Capital Assets – By Source.....153

III. SCHEDULES SECTION

A. Schedule of State Financial Assistance157

B. Schedule of Expenditures of Federal Awards.....158

IV. STATISTICAL SECTION

A. Statistical Section Overview.....160

Table

B. Net Position by Component I161
Last Ten Fiscal Years

C. Net Expenses, General Revenues, and Change in Net Position II 162
from the Statement of Activities
Last Ten Fiscal Years

D. Total Change in Net Position III 163
Last Ten Fiscal Year

E. General Fund Balances, Special Revenue Fund Balances,
Total Fund Balance IV 164
Last Ten Fiscal Years

F. Governmental Funds Revenues V165
Last Ten Fiscal Years

G. Governmental Funds ExpendituresVI 166
Last Ten Fiscal Years

H.	Other Financing Sources and Uses and Net Change in Fund Balance	VII	.....	167
	Last Ten Fiscal Years			
I.	Assessed Value and Estimated Actual Value of Taxable Property	VIII	.....	168
	Last Ten Fiscal Years			
J.	Property Tax Rates and Tax Levies, Direct and Overlapping Governments.....	IX	.....	169
	Last Ten Fiscal Years			
K.	Principal Property Taxpayers	X	.....	170
L.	Principal Employers	XI	.....	171
M.	Property Tax Levies and Collections	XII	.....	172
	Last Ten Fiscal Years			
N.	Legal Debt Margin Information.....	XIII	.....	173
	Last Ten Fiscal Years			
O.	Ratio of Net Area Wide General Bonded Debt to Assessed Value	XIV	.....	174
	and Net Bonded Debt per Capita and Student Capita			
	Last Ten Fiscal Years			
P.	Computation of Direct and Overlapping Debt.....	XV	.....	175
	Last Ten Fiscal Years			
Q.	Demographic and Economic Statistics	XVI	.....	176
R.	General Fund Full-Time Equivalent District Employees by Function	XVII	.....	177
	Last Ten Fiscal Years			
S.	All Funds Full-Time Equivalent District Employees by Function.....	XVIII	.....	178
T.	Average Per Pupil General Fund Operating Expenditures	XIX	.....	179
	Last Ten Fiscal Years			
U.	Average Daily Membership as Compared to Assessed Valuation			
	Showing Assessed Valuation Support Per Student.....	XX	.....	180
	Last Ten Fiscal Years			

INTRODUCTORY SECTION

INTRODUCTORY SECTION

School District Map

Letter of Transmittal

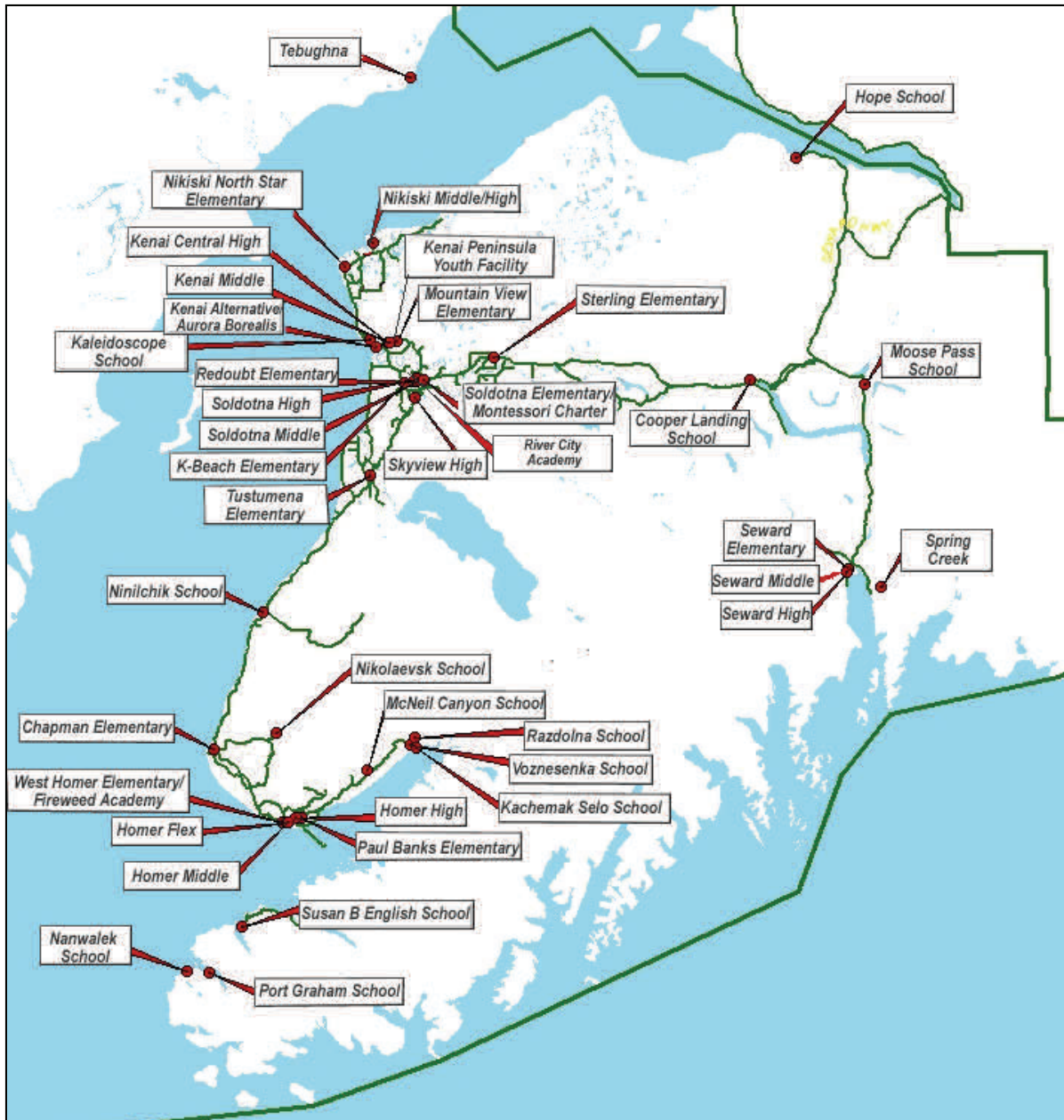
Certificate of Excellence, ASBO

Organizational Chart

Kenai Peninsula Borough School Board and Administration

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The Kenai Peninsula Borough School District Map



The Kenai Peninsula Borough School Board governs the Kenai Peninsula Borough School District and is comprised of nine members. The School Board generally meets at least once a month on Mondays, in the Assembly Chambers of the Borough Building located on Binkley Street in Soldotna, Alaska. The School Board holds their regularly scheduled meeting in Homer and Seward once each year. In addition, special meetings and work sessions are scheduled throughout the year.

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KENAI PENINSULA BOROUGH SCHOOL DISTRICT

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October 20, 2014

Members of the Board of Education and Residents of the School District
Kenai Peninsula Borough School District
Soldotna, Alaska

The Comprehensive Annual Financial Report (CAFR) of the Kenai Peninsula Borough School District (District), for the fiscal year ended June 30, 2014 is submitted herewith. This report was prepared by the School District's finance department following the guidelines recommended by the Association of School Business Officials International and generally accepted accounting principles (GAAP). The statutes of the State of Alaska require that the Board of Education provide for an audit of all school accounts within ninety days following the close of the fiscal year, by an independent certified public accountant.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the School District. We believe the data, as presented, is accurate in all material aspects and is presented in a manner designed to fairly set forth the financial position and results of operations of the School 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 School District's financial affairs have been included.

The District's financial statements have been audited by BDO USA, LLP, a firm of licensed certified public accountants; field work was completed September 5, 2014. 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, 2014 are free of material misstatement. 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 unqualified opinion that the District's financial statements for the fiscal year ended June 30, 2014 are fairly presented in conformity with GAAP. The auditor's report is presented as the first component of the financial section of this report.

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

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement 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 Board of Education and their offices held, a list of selected administration officials, the District's administrative organizational chart, and information on financial reporting achievements.
2. The financial section consists of the MD&A, the basic financial statements, required supplementary information, and combining and individual fund statements and schedules. The independent auditor's report is also a part of the financial section. 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 schedules section includes the schedules of state and federal financial assistance.
4. The statistical section provides mostly 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 which has been combined with data provided by the Kenai Peninsula Borough (primary government) to give a consolidated overview of the District's financial status.

The Reporting Entity

This report includes all funds of the District. The Kenai Peninsula Borough School District is a dependent unit; therefore, the financial data is required to be reported in the Comprehensive Annual Financial Report (CAFR) of the Kenai Peninsula Borough. Audited financial statements for the Borough are available upon request from its administrative offices. The District CAFR provides greater detail as a special report in accordance with State regulations.

Relationship with Kenai Peninsula Borough

Pursuant to Alaska Statute 14.12.020(c), the Kenai Peninsula Borough Assembly provides the money which must be raised from local sources to maintain and operate the School District. Alaska Statute 14.14.060 states that a Borough can establish a centralized treasury and is responsible for major rehabilitation, all construction and major repair of school buildings. The Kenai Peninsula Borough provides for new construction, debt service, centralized treasury, building maintenance, and the cost of property, liability, and fire insurance for school facilities.

Therefore, such physical plant, bonded debt, capital improvement funds, for tax levies, tax collection, maintenance of buildings and insurance for buildings are accounted for by the Kenai Peninsula Borough and are reflected in their report. The maintenance of buildings and insurance of buildings is also required by the State of Alaska to be shown in the School District report as "in-kind revenue and expenditures." These amounts are shown in the report in the General Fund Schedules. In FY11, voters of the borough approved a bond for upgrades to roofs on school buildings.

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

Board of Education – Governance of the School District

Alaska Statute sections 12.12.010 – 115 provide for the creation of school districts in the State of Alaska and establish a school board as the governing body for each district. The nine voting members of the School District Board of Education (Board of Education) determine policy for operation and management of the District. Each member serves for three years, some elected each year for overlapping terms.

Profile of the District

The District encompasses 25,600 square miles. Approximately 9,000 students attend forty-three schools and the home school program in our district, in twenty-one communities. Our schools include a variety of configurations from K-12 schools in remote sites to more conventional configurations in our larger communities. The School District provides a full range of educational services on an area-wide basis within the Kenai Peninsula Borough. These services include elementary, secondary, bilingual and vocational instruction, education for exceptional students, correspondence study, pupil transportation, food service program, activity and athletic programs and instructional and general administrative services. Special needs are met with the assistance of programs and services such as English language education, gifted/talented, bilingual/bicultural, Chapter 1/Migrant Education and special education. Enrollments have generally been declining for the past ten years, but the rate of decline has lessened recently.

The mission of the Kenai Peninsula Borough School District is to develop productive, responsible citizens who are prepared to be successful in a dynamic world.

In September 2012 Alaska applied for a flexibility waiver from the provisions of the federal Elementary and Secondary Education Act (ESEA). The waiver was approved in May 2013 by the United States Department of Education. In June 2013, the State Board adopted a new accountability system for our public schools. The new system has been named the Alaska School Performance Index (ASPI). The ASPI system effectively replaces the former Adequate Yearly Progress (AYP) model that has been in place since 2002.

Under the new accountability system, students will continue to take state assessments in reading, writing and math. Parents and educators will use the assessment results to help understand how well each student meets state academic standards. The public also will have access to state assessment results for schools and districts in the aggregate, including a breakdown by student subgroups such as income, disability and ethnicity.

Each school and district will have its own annual goal for improvement, based on reducing its percentage of non-proficient students by half in six years, including in each subgroup of students. Results will be reported each year, as will high school graduation rates. The new accountability system will rank schools on a 100-point scale, based on student growth as well as proficiency in state assessments, attendance, high school graduation, and student performance on work-ready and college entrance exams. Based on the 100-point scale, schools will receive a rating of one star to five stars.

Districts will be required to implement improvement plans in one-star and two-star schools and in any school with substantial achievement gaps among student subgroups. The state will recognize high-performing and high-improving schools; require the lowest-performing 5 percent of Title I schools (recipients of federal anti-poverty funds) to implement a significant program of improvement; and require the next 10 percent of low-performing Title I schools to implement interventions to address their specific deficiencies.

ASPI results for the Kenai Peninsula Borough School District at the end of FY14 are:

- 5 Stars – 11 schools
- 4 Stars – 23 schools
- 3 Stars – 7 schools
- 2 Stars – 2 schools
- 1 Star – 1 school

Internal Control

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

Budgetary Controls

The objective of the District's budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Resources are allocated to and accounted for in individual funds, based upon the purposes for which those funds were created. Transfers of \$50,000 or more are authorized by the

Board of Education. Therefore, the legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriation) is the fund level. All other transfers are authorized by the superintendent and reported quarterly to the Board of Education.

Factors Affecting Financial Condition

The District and Borough governments are largely dependent upon actions of the State government to finance their operating and capital programs. Projected declining levels of production indicate that State oil revenue, which comprises about half of the State's revenue budget, will likely not continue to fund local governments at the current level. State funding for municipal operations is limited to revenue sharing, PERS on-behalf payments, school debt reimbursement and fish tax. As the State government attempts to control its operating budget, it seems likely that more responsibilities will tend to be shifted down to the local level.

After experiencing consistent, gradual growth since the late 1980s, the borough's economy has experienced setbacks over the last several years with the closure of Agrium, ConocoPhillips LNG plant and Lowe's. In recent years, taxable property values have increased at a rate faster than Borough expenditures. As a result, the Borough's tax rate has decreased. Borough wide, the general government tax rate has decreased from 8.59 mills in FY96 to 6.5 mills in FY07, 5.5 mills in FY08, and 4.5 mills from FY09 through FY14. The Borough's FY15 budget was also developed based on a mill rate of 4.5.

Sales tax continues to generate a large portion of the Borough's revenue. In FY98, sales tax revenue represented 21% of total general fund revenues; in FY13 budgeted sales tax revenue represents about 42% of general fund revenues. The oil and gas property is subject to significant fluctuations in value. Short-term, the Borough's property tax base will continue to be impacted. Recent activity would tend to indicate that Cook Inlet oil and gas exploration is on the upswing.

The FY14 base student allocation (BSA) used in the Public School Funding Program was \$5,680 per student. The District was able to keep abreast of structured salary and benefit increases, in addition to maintaining pupil/teacher ratios district-wide.

The financial condition of the School District is, and will continue to be, a pressing concern for the future. The State Public School Funding Program sets the amount of general school funding the School District receives from the State and it also sets the limit of the amount to be raised from local sources under an equalization section of the formula. The Kenai Peninsula Borough has not funded the School District to the maximum allowed under the foundation formula since FY10. Discussions about the budget will continue to evolve between the borough assembly and board of education.

The Alaska Legislature enacted Free Conference Committee Substitute for House Bill 278 (FCCS HB278), which was signed by the governor that changed school funding in several ways. The BSA for FY15 was increased by \$150 to \$5,830, the multiplier for correspondence students was increased from .80 to .90 and one time funding was increased to \$2,987,202. Additional changes to funding for Charter Schools included a cap on the Indirect Cost rate at 4% and a share of the local funding received beyond the minimum required contribution.

Changes in enrollment have a dramatic impact on the District's Public School Funding Program revenue from the State. Enrollment appeared to be leveling after many years of on-going decline, which would provide financial stability for the District. However, enrollment numbers continue to decline. More information on this topic is included in the Management's Discussion and Analysis.

Cash Management

All cash funds of the District are maintained in the Borough's central treasury to maximize investment income while minimizing risk of loss of capital. The District is not authorized to secure direct investments. Borough ordinances describe the objectives, policies and procedures for the investment of Borough funds and apply to the investment of all Borough monies, unless provided expressly by ordinance. The Borough's investment policy is to minimize market risks, maintain sufficient liquidity and achieve reasonable rates of return.

The School District staff works closely with the Borough staff concerning cash management and projected cash flow. Interest income is allocated to the District based upon the cumulative, month-end cash equity balances.

Risk Management

The District, in conjunction with the Borough, has a limited self-insurance program which is administered by a risk management committee. As part of this program, resources are accumulated in an internal service fund of the Borough which is more fully described in the notes.

Pension and Other Post-employment Benefits

The District participates in two defined benefit pension plans. The Alaska Public Employees' Retirement System (PERS) was converted to a cost-sharing plan on July 1, 2008 by the Alaska Legislature and covers eligible State and local government employees. The Alaska Teachers' Retirement System (TRS) is a cost-sharing multiple employer plan that covers teachers and other eligible participants.

The plans were established and are administered by the State of Alaska to provide pension, post-employment healthcare, death, and disability benefits. Benefit and contribution provisions are established by State law and may be amended only by the State Legislature.

The State of Alaska Legislature also created the Public Employees' Retirement System (PERS) Tier IV and Teachers' Retirement System (TRS) Tier III, which are defined contribution retirement plans established for employees hired after July 1, 2006 or for employees converting from the PERS Tier I, II or III or TRS Tier I or II defined benefit plans. The plans are administered by the State of Alaska, Commissioner of the Department of Administration. Benefit and contribution provisions are established by State law and may only be amended by the State Legislature. The Alaska Retirement Management Board may also determine certain contribution requirements.

Further information about both plans is included in the notes to the financial statements.

Certificate of Excellence

The Association of School Business Officials (ASBO) International awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2013.

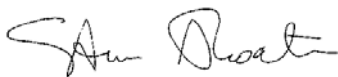
This was the twenty-fourth year the District has received this prestigious award. In order to be awarded a Certificate of Excellence, the school district must meet certain reporting criteria, and publish an easily readable and efficiently organized CAFR. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Excellence is valid for a period of one year only. We believe our current CAFR continues to meet the high standards of the Certificate of Excellence program and we are submitting it to ASBO International to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report could not be accomplished without the efficient and dedicated services of the entire staff of the District's Business Office and the cooperation of the Borough Finance Department. We would like to express our appreciation to all the people who assisted and contributed to the preparation of this report. We would also like to thank the members of the Board of Education for their unflinching support for maintaining the highest standards of professionalism in the management of the District's finances.

Respectfully submitted,



Dr. Steve Atwater
Superintendent



Dave Jones
Assistant Superintendent

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Association of School Business Officials International



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

Kenai Peninsula Borough School District

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2013*

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards



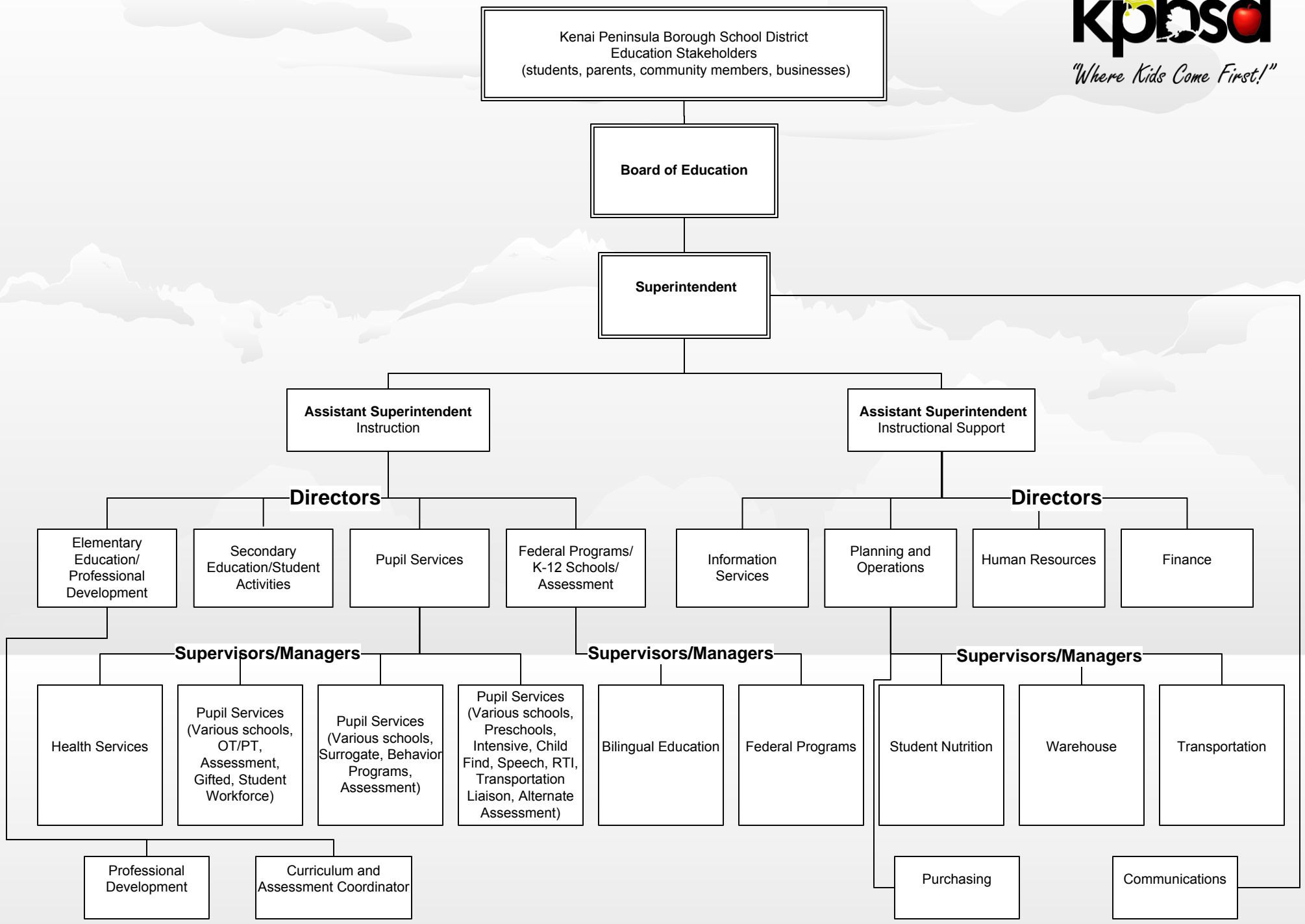
A handwritten signature in black ink, reading "Terrie S. Simmons".

Terrie S. Simmons, RSBA, CSBO
President

A handwritten signature in black ink, reading "John D. Musso".

John D. Musso, CAE, RSBA
Executive Director

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Kenai Peninsula Borough School District Organizational Chart/2013-2014

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KENAI PENINSULA BOROUGH SCHOOL DISTRICT
148 North Binkley Street
Soldotna, Alaska 99669

SCHOOL BOARD

Mr. Joe Arness, President
Mrs. Liz Downing, Vice President
Ms. Lynn Hohl, Treasurer
Ms. Penny Vadla, Clerk
Ms. Sammy Crawford, Member
Mr. Marty Anderson, Member
Mr. Bill Holt, Member
Ms. Sunni Hilts, Member
Mr. Tim Navarre, Member
Mr. Hayden Beard, Student Representative

ADMINISTRATION

Dr. Steve Atwater, Superintendent of Schools
Mr. Sean Dusek, Assistant Superintendent of Instruction
Mr. Dave Jones, Assistant Superintendent of Instructional Support

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FINANCIAL SECTION

FINANCIAL SECTION

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

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Independent Auditor's Report

Member of the School Board
Kenai Peninsula Borough School District
Soldotna, 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 Kenai Peninsula Borough School District, a component unit of Kenai Peninsula Borough, Alaska, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the 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 Kenai Peninsula Borough School District, Alaska, as of June 30, 2014, 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

Prior-Year Comparative Information

The financial statements include summarized prior-year 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 Kenai Peninsula Borough School District's financial statements for the year ended June 30, 2013, from which such summarized information was derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 25–31 and 65–67 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 placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit for the year ended June 30, 2014 was conducted for the purpose of forming opinions on the financial statements that collectively comprise Kenai Peninsula Borough School District's basic financial statements. The accompanying introductory and statistical sections, combining and individual fund financial statements and schedules, and other schedules, as listed in the table of contents for the year ended June 30, 2014 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying combining and individual fund financial statements and schedules, and other schedules, as listed in the table of contents, 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 for the year ended June 30, 2014 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 other schedules, as listed in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2014.

The accompanying introductory and statistical sections, as listed in the table of contents, 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 it.

Kenai Peninsula Borough School District's basic financial statements for the year ended June 30, 2013 (not presented herein), were audited by other auditors whose report dated October 4, 2013, expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The report of the other auditors dated October 4, 2013, stated that the combining and individual nonmajor fund financial statements, and other schedules for the year ended June 30, 2013 were subjected to the auditing procedures applied in the audit of the 2013 basic financial statements and certain additional auditing procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those basic financial statements or the those basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and, in their opinion, was fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2013.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 6, 2014 on our consideration of Kenai Peninsula 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 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 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 Kenai Peninsula Borough School District's internal control over financial reporting and compliance.

BDO USA, LLP

Anchorage, Alaska
October 6, 2014

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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Management's Discussion and Analysis

As management of the Kenai Peninsula Borough School District (District), we offer readers of the Kenai Peninsula Borough School District's financial statements this overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 5-9 of this report.

Financial Highlights

- The assets of the Kenai Peninsula Borough School District exceeded its liabilities at the close of the most recent year by \$29,738,785. Of this amount, \$23,662,678 (unrestricted net position) may be used to meet the District's ongoing obligations.
- As of June 30, 2014, the District's governmental funds reported combined ending fund balances of \$24,442,165, a decrease of \$2,098,961 in comparison to the prior year.
- The State Legislature provided approximately \$25 million in one-time safety money statewide to address the safety needs in schools; our District received \$1,452,652. In addition to the safety funding, KPBSD received \$1,729,349 in additional one-time funding provided by the Legislature to districts for the 3rd consecutive year. While this one-time funding is helpful, the fact that it is not within the Foundation Formula means the District cannot rely on it as recurring funding and budget its use accordingly.
- Also for the third year in a row, the District used a substantial amount of Fund Balance. While the district has planned the gradual draw-down of Fund Balance, the plan also includes cutting back on expenditures to balance the budget.
- At the end of the current fiscal year, non-exempt fund balance for the General Fund was \$13,103,639 which is 8.86% of current year expenditures, as compared to 8.69% at the end of FY13. This amount is in compliance with Alaska Statute, AS 14.17.505, which states a district may not accumulate in a fiscal year a non-exempt portion of its year-end fund balance greater than 10% of its expenditures for that fiscal year. Of this \$13,103,369, \$6,116,952 was unassigned and available for spending. The unassigned fund balance for the General Fund represented 4.14% of total General Fund expenditures, which is within the limits of Board Policy 3470.

Overview of the Financial Statements

The Management's Discussion and Analysis serves as an introduction to the District's basic financial statements, which are the government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements. The government-wide financial statements report information about the overall finances of the District similar to a business enterprise. These statements combine and consolidate short-term, spendable resources with capital assets and long-term obligations.

The Statement of Net Position represents information on all of the District's assets less liabilities, which results in net position. The statement is designed to display the financial position of the District. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities provides information which shows how the District's net position changed as a result of the year's activities. The statement uses the accrual basis of accounting, which is similar to the accounting method used by private-sector business. All of the revenues and expenses are reported regardless of the timing of when cash is received or paid.

The Statement of Net Position and the Statement of Activities distinguish functions of the District that are financed primarily by intergovernmental revenues and charges for services (governmental activities) from functions where user fees and charges to customers help to cover some of the cost of services (business-type activities). The District does not have any business-type activities.

The government-wide financial statements can be found on pages 35-36 of this report.

Fund financial statements. A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate fiscal accountability. All of the funds of the District can be divided into three categories: governmental funds, internal service funds and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements.

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

The District maintains 30 individual governmental funds. Information is presented separately in the Balance Sheet – Governmental Funds and the Schedule of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds for the General Fund, Equipment Fund, and the Title I Fund, all of which are considered to be major funds. Data for the other 27 funds are combined into a single aggregated presentation. Data for each of these non-major governmental funds is provided in the Combining Balance Sheet and the individual funds section of the Special Revenue portion of the financial statements.

The District adopts an annual appropriated budget for the general fund and special revenue funds. Budgetary comparison statements have been provided to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 37-40 of this report.

Internal Service Funds. Internal Service funds are an accounting device used to accumulate and allocate costs.

The District has used an Internal Service Fund to account for compensated leave balances since FY04. Additionally, an Internal Service Fund was established in FY12 to account for the District Health Care Plan. Internal Service Fund data can be found on pages 41-43.

Fiduciary funds. Fiduciary funds are used to account for assets held by the District in a trustee capacity or as an agent for others. Activities from fiduciary funds are not included in the government-wide financial statements because the District cannot use these assets for its operations.

The basic fiduciary fund financial statement can be found on page 44 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 47-62 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information.

The District was successfully involved in the following reviews, audits, and/or examinations by the State of Alaska Department of Education and Early Development:

Food Service audit by the State of Alaska
 Individuals with Disabilities in Education (IDEA) Part B Compliance Monitoring:
 - State Performance Plan
 - Annual Performance Report
 Intensive Needs Funding Claims Review
 Student Immunization Records

The combining and individual fund statements referred to earlier in connection with nonmajor governmental funds can be found on pages 92-138.

Governmental-wide Financial Analysis

In FY14, the District planned for and used a significant amount of fund balance and plans to use more in FY15 in addition to a small change in the Pupil/Teacher Ratio to reduce expenditures. Two factors affecting the District that will continue to be an issue are 1. The rising cost of healthcare and 2. Legislative action providing one-time funding, which does not allow the opportunity for long-term planning and budgeting. The one-time funding limits the District's ability to plan for the future in a fiscally responsible manner. Indications are that the state will continue to contribute payments on behalf of the District to the Public Employee Retirement System (PERS) and the Teachers Retirement System (TRS) to help pay down the unfunded liabilities in those retirement accounts.

As noted earlier, the increase or decrease in net position over time may serve as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$29,738,785, on June 30, 2014 compared to \$31,127,469 on June 30, 2013 which was a decrease in total net position of \$1,388,684. Use of fund balance is part of the District's strategy to sustain current programs and staffing levels and provide the best possible educational experience for District students.

**Net Position
 Governmental Activities**

	<u>June 30, 2014</u>	<u>June 30, 2013</u>
Current and other assets	\$ 42,894,651	\$ 45,223,787
Capital assets	<u>3,604,976</u>	<u>3,054,829</u>
Total Assets	<u>46,499,627</u>	<u>48,278,616</u>
Current and other liabilities	13,259,313	13,837,756
Long-term liabilities	<u>3,501,529</u>	<u>3,313,391</u>
Total Liabilities	<u>16,760,842</u>	<u>17,151,147</u>
Net Position		
Net Investment in capital assets	3,604,976	3,054,829
Restricted	2,471,131	556,395
Unrestricted	<u>23,662,678</u>	<u>27,516,245</u>
Total Net Position	<u>\$ 29,738,785</u>	<u>\$ 31,127,469</u>

Changes in net position. The total revenues and expenses for governmental activities are reflected in the following chart:

Changes in Net Position Governmental Activities		
	<u>June 30, 2014</u>	<u>June 30, 2013</u>
Revenues:		
Program revenues		
Charges for Services	\$683,135	\$745,201
Operating Grants and Contributions	19,290,617	18,134,117
General Revenues		
Public School Funding Program	78,348,712	77,574,055
Retirement: On-Behalf Payments	24,234,519	22,907,953
Other State Funding	200,451	164,384
E-Rate Program	1,219,637	590,640
Borough Appropriation	43,500,000	43,000,000
Earnings on Investments	475,548	55,918
Other Local Revenue	<u>128,744</u>	<u>200,605</u>
Total Revenues	<u>168,081,363</u>	<u>163,372,873</u>
Expenses:		
Instruction	75,266,303	73,192,512
Special Education - Instruction	21,809,338	21,592,288
Special Education Support Services - Student	5,958,859	6,090,491
Support Services – Student	4,961,996	4,783,866
Support Services - Instruction	3,780,721	3,476,192
School Administration	7,846,925	7,261,568
School Administration Support Services	4,969,562	4,805,263
District Administration	1,253,600	1,134,698
District Administration Support Services	6,219,036	6,210,335
Operations and Maintenance of Plant	23,096,259	21,254,202
Student Activities	2,452,215	2,364,058
Student Transportation Services	7,334,939	7,459,992
Community Services	40,583	48,657
Food Services	<u>4,479,711</u>	<u>4,226,732</u>
Total Expenses	<u>169,470,047</u>	<u>163,900,854</u>
Change in Net Position	<u>(1,388,684)</u>	<u>(527,981)</u>
Beginning Net Position as of July 1	<u>31,127,469</u>	<u>31,655,450</u>
Ending Net Position as of June 30	<u><u>\$29,738,785</u></u>	<u><u>\$31,127,469</u></u>

In FY14, there was a decrease in total net position in the amount of \$1,388,684 due to the planned use of fund balance to sustain levels of service.

Financial Analysis of the Government's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, the unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Did the District generate enough revenue to pay for current obligations? What is available for spending at the end of the year?

The general fund is the chief operating fund of the District. At the end of the current fiscal year, total fund balance was \$18,396,866. Of that amount, nonspendable fund balance totaled \$1,687,933, restricted fund balance was \$2,471,131, assigned fund balance totaled \$8,120,850 and unassigned was \$6,116,952. The fund balance in the general fund decreased \$1,226,433 from the prior year. This decrease was a planned use of fund balance to sustain staffing levels. With recent federal changes in health care requirements and continued expected increases in health care costs putting pressure on the budget, all spending is evaluated for sustainability and need.

For the last several years, both the Title I Fund and the Equipment Fund have been designated as Major Funds. For FY14, the Title I Fund was not quite large enough to earn the Major Fund designation, but it is being reported as a Major Fund for the benefit of the readers of the document and for consistency. Over \$2.4 million or 80% of the Title I Fund expenditures was used for salaries and benefits of employees working to support students at Title I designated schools. This includes about 18 FTE for certified employees and about 3 FTE for support employees paid for from the Title I grant funds. Equipment Fund expenditures in the amount of \$1,051,544 were made for supplies and equipment such as desks, tables, chairs, and other equipment for schools. The Equipment Fund is a Major Fund.

General Fund Budgetary Highlights

Significant items in the FY14 original budget and final amended budget can be summarized as follows:

- Additional funding from the legislature of \$1,452,652 for student safety and security enhancement.
- Continued programmatic staffing levels implemented in FY09 to support vocational education, credit recovery, creative/practical arts and foreign language and staffing of secondary counselors and K-8 grade interventionists to address student needs district-wide.
- Continuation of student travel funds to assist students traveling to state competitions. Additional funding for student activity travel to fund a part of the travel cost schools incur besides that spent traveling to state competitions; remaining costs are covered by fund-raising and/or sponsorship.
- Transfer to Food Service in the amount of \$1,424,759 to cover costs of the implementation of new Federal regulations, increased salary and benefit costs and increased food costs.
- Salary and benefit accounts comprise approximately 81% of our expenditures, of that healthcare costs are 12%.

FY14 Budget Revisions approved by the Board of Education included:

- A decrease in student enrollment of 112 students from our projected enrollment resulted in a decrease in State Foundation revenue in the amount of \$328,828.
- An increase in E-rate funding due to resolution of a review from a prior year in the amount of \$556,500.

- Adjust the Kenai Peninsula Borough (KPB) in-kind budgets to align with KPB Ordinance 2013-19, which resulted in a reduction to KPB appropriation in the amount of \$136,480.
- An Increase the amount of the transfer to Food Service and elimination of transfer to Community Theater.
- In addition to the budget revision approved by the Board, budget transfers were approved by administration and/or the Board of Education when deemed appropriate for school and department operations in accordance with Board Policy.

Details on all budget revisions may be found by accessing the Board of Education's section of the District's website (www.kpbsd.k12.ak.us) by selecting Board Meetings tab.

Capital Assets

The District's investment in capital assets for its governmental activities as of June 30, 2014 amounts to \$3,604,976 (net of accumulated depreciation) compared to \$3,054,829 as of June 30, 2013. The investment in capital assets includes furniture and equipment. Additional information on the District's capital assets can be found in note 4.

Economic Factors and the Next Year's General Fund Budget and Rates.

In setting the budgets for FY15, the District considered a number of issues with District-wide impact, among them:

Revenue Budget

- The Alaska Legislature made changes to the foundation funding formula for the first time since the revision in 2008, in addition to offering one-time funding again in FY15. Changes for FY15 include an adjustment to the school size factor for small Charter schools, an increase in the Correspondence Student multiplier from .80 to .90, a \$150 increase in the Base Student Allocation (BSA) from \$5,680 to \$5,830 and an increase in the one-time funding. With additional increases to the BSA in FY16 and FY17, the one-time funding is scheduled to decline each year. The increases within the formula are especially appreciated as the district can rely on that funding to assist in long-term planning. The District continues to request forward funding measures through the legislature so the budget can be built with more certainty and less disruption.
- The legislature approved a lump sum payment to the Division of Retirement in the amount of \$3 billion, of which 2/3 will go to the Teachers Retirement system (TRS) and the remaining 1/3 to the Public Employees Retirement System (PERS). This contribution is not expected to impact the current rates of employer-share contributions to the retirement plans or the continuing assistance from the legislature in the form of 'on-behalf' payments towards the unfunded liability in the retirement plans.
- Additional impacts to the FY15 revenue budget will be felt from changes to the amount of state funding for Charter schools and to the multiplier for Correspondence students. The total impact to state funding from the changes to the foundation funding formula was \$3,185,674 more than original revenue projections. In addition, there will be one-time funding again in FY15, which is projected at a total of \$2,987,202.
- Another change to the method of funding charter schools will provide them a portion of the local effort funding the district receives that is above the required minimum contribution. This portion is referred to as "additional allowable" funding.

- With declining oil revenue and no forward funding mechanism currently in place, there are serious concerns about the future of education funding in the state. Therefore, the District continues to maintain a conservative approach to all budget matters, including a structured and planned use of fund balance to maintain current staffing formulas as long as possible.
- Borough residents provided the highest level of local educational funding allowed through the funding formula for many years. That changed in FY10 when the district was first funded at less than the maximum allowed. That trend has continued and meetings between the school board, administration and the assembly continue to focus on the funding issue. A change in the local support calculation of the state foundation formula from 4 mills to 2.65 mills has resulted in a shift, with a large portion previously provided by the borough now provided by the state.
- Enrollment continues to decline, resulting in reduced revenue, but not at one particular location, so reductions to staff cannot always be made to reduce expenditures.

Expenditure Budget

- A fund balance allocation of \$ 4,048,564 is budgeted for FY15 operations. Continued use of fund balance is expected in the next few years to maintain current staffing formulas. The District's goal is to mitigate increased class sizes for as long as financially possible.
- Increasing Teachers Retirement System and Public Employee Retirement System required fund obligations are currently being partially funded for the District by the Alaska Legislature on a year by year basis. Payments made on-behalf of the district to the Public Employees Retirement System and the Teachers Retirement System are estimated at over \$33.6M for FY15.
- All district programs were evaluated for continuation and all vacant positions were reviewed based on need before they were advertised. Staffing formulas were increased by .5 PTR as a step in reducing salary and benefit expenditures.
- Health care costs continue to increase and impact of the Affordable Care Act will affect future year costs.
- Continued reduction in the historical variance between budget and actual revenues and expenditures is actively pursued.
- A high quality operational maintenance program that ensures the continued use and economic value of borough facilities.

Request for information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's financial situation. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Assistant Superintendent of Instructional Support, Kenai Peninsula Borough School District, 148 N. Binkley Street, Soldotna, AK 99669.

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BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements:

Statement of Net Position

Statement of Activities

Fund Financial Statements:

Balance Sheet, Governmental Funds

Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position

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

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

Statement of Net Position – Internal Service Fund

Statement of Revenues, Expenses, and Changes in Fund Net Position – Internal Service Fund

Statement of Cash Flows – Internal Service Fund

Student Activity Agency Fund, Statement of Fiduciary Assets and Liabilities

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KENAI PENINSULA BOROUGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
June 30, 2014

ASSETS

Current Assets:	
Cash	\$ 23,804
Equity in Central Treasury	33,873,420
Equity in Central Treasury - Restricted for Health Care	3,318,306
Accounts Receivable	827,624
Due from Other Governments	2,696,308
Prepaid	950,000
Inventories	<u>1,205,189</u>
Total Current Assets	<u>42,894,651</u>
Capital Assets:	
Furniture and Equipment	8,637,118
Less Accumulated Depreciation	<u>(5,032,142)</u>
Capital Assets - Net of Accumulated Depreciation	<u>3,604,976</u>
Total Assets	<u>46,499,627</u>

LIABILITIES

Current Liabilities:	
Accounts Payable	937,196
Accrued Liabilities	7,700,292
Health Claims payable - IBNR	4,126,180
Other Health Care Liabilities	431,424
Compensated Absences	<u>64,221</u>
Total Current Liabilities	<u>13,259,313</u>
Noncurrent Liabilities:	
Noncurrent Portion of Long-Term Obligations:	
Compensated Absences Payable	3,501,529
Total Noncurrent Liabilities	<u>3,501,529</u>
Total Liabilities	<u>16,760,842</u>

NET POSITION

Net Investment in Capital Assets	3,604,976
Restricted:	
Charter Schools	625,619
Facilities Maintenance	1,845,512
Unrestricted	<u>23,662,678</u>
Total Net Position	<u>\$ 29,738,785</u>

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2014

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
Instruction	75,266,303	\$ -	\$ 4,311,044	\$ (70,955,259)
Special Education - Instruction	21,809,338	-	2,693,627	(19,115,711)
Special Education Support Services - Student	5,958,859	-	53,450	(5,905,409)
Support Services - Student	4,961,996	-	-	(4,961,996)
Support Services - Instruction	3,780,721	-	74,934	(3,705,787)
School Administration	7,846,925	-	1,059,302	(6,787,623)
School Administration Support Services	4,969,562	-	18,301	(4,951,261)
District Administration	1,253,600	-	-	(1,253,600)
District Administration Support Services	6,219,036	-	385,737	(5,833,299)
Operations and Maintenance of Plant	23,096,259	-	234,502	(22,861,757)
Student Activities	2,452,215	-	20,350	(2,431,865)
Community Services	40,583	25,840	-	(14,743)
Student Transportation	7,334,939	-	7,729,490	394,551
Food Service	4,479,711	657,295	2,709,880	(1,112,536)
Total governmental activities	<u>\$ 169,470,047</u>	<u>\$ 683,135</u>	<u>\$ 19,290,617</u>	<u>\$ (149,496,295)</u>

General revenues:

Grants and contributions not restricted to specific programs:

Borough direct appropriation	43,500,000
Public School Funding Program	78,348,712
Retirement: On-behalf Payments	24,234,519
Earnings on Investments	475,548
E-Rate Program	1,219,637
Medicaid Reimbursement	200,451
Other Local Revenue	128,744
Total general revenues	<u>148,107,611</u>
Change in net position	<u>(1,388,684)</u>
Net position, beginning of year	<u>31,127,469</u>
Net position, end of year	<u>\$ 29,738,785</u>

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2014

	General	Equipment	Title I	Other Governmental	Total Governmental Funds
<u>ASSETS</u>					
Assets:					
Cash	\$ 23,804	\$ -	\$ -	\$ -	\$ 23,804
Equity in Central Treasury	21,755,561	4,542,164	-	1,079,003	27,376,728
Accounts Receivable	825,039	-	-	2,585	827,624
Prepaid Items	950,000	-	-	-	950,000
Due from Other Governments	-	-	1,125,507	1,570,801	2,696,308
Due from Special Revenue Funds	2,732,655	-	-	-	2,732,655
Inventories	737,933	-	-	467,256	1,205,189
Total Assets	\$ 27,024,992	\$ 4,542,164	\$ 1,125,507	\$ 3,119,645	\$ 35,812,308
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts Payable	\$ 927,834	\$ 690	\$ 302	\$ 8,370	\$ 937,196
Accrued Liabilities	7,700,292	-	-	-	7,700,292
Due to General Fund	-	-	1,125,205	1,607,450	2,732,655
Total Liabilities	8,628,126	690	1,125,507	1,615,820	11,370,143
Fund Balances:					
Nonspendable:					
Inventories	737,933	-	-	467,256	1,205,189
Prepaid Items	950,000	-	-	-	950,000
Restricted for:					
Charter Schools	625,619	-	-	-	625,619
Facilities Maintenance	1,845,512	-	-	-	1,845,512
Assigned to:					
School Incentive Purchases	466,992	-	-	-	466,992
Self-Insurance Health Care	2,611,341	-	-	-	2,611,341
Professional - Technical Services	105,081	-	-	-	105,081
Staff Travel	17,341	-	-	-	17,341
Utility Services	1,652	-	-	-	1,652
Purchased Services	70,738	-	-	795	71,533
Supplies	469,649	19,873	-	13,309	502,831
Equipment	329,492	49,194	-	6,367	385,053
Subsequent Year Operations	4,048,564	4,472,407	-	1,061,074	9,582,045
Unassigned	6,116,952	-	-	(44,976)	6,071,976
Total Fund Balances	18,396,866	4,541,474	-	1,503,825	24,442,165
Total Liabilities and Fund Balances	\$ 27,024,992	\$ 4,542,164	\$ 1,125,507	\$ 3,119,645	\$ 35,812,308

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET POSITION
 June 30, 2014

Fund balances – total governmental funds		\$ 24,442,165
Amounts reported for governmental activities in the statement of net position are different because:		
<p>The cost of capital assets (furniture and equipment) purchased is reported as an expenditure in governmental funds. The statement of net position includes those capital assets among the assets of the School District as a whole. The cost of those capital assets is allocated over their useful lives (as depreciation expense) to the various functions reported as governmental activities in the statement of activities.</p>		
Cost of capital assets	8,637,118	
Accumulated depreciation to date	<u>(5,032,142)</u>	3,604,976
<p>Internal service funds are used by the school district to charge the cost of certain activities, such as health care, to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.</p>		
		<u>1,691,644</u>
Net position		<u>\$29,738,785</u>

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2014

	General	Equipment	Title I	Other Governmental	Total Governmental Funds
Revenues:					
Local	\$ 43,500,000	\$ -	\$ -	\$ -	\$ 43,500,000
State	102,583,231	-	-	9,443,778	112,027,009
Federal-Direct	-	-	-	498,606	498,606
Federal-Through the State	200,451	-	3,034,141	5,896,279	9,130,871
Earnings on Investments	475,548	138,724	-	-	614,272
E-Rate	1,219,637	-	-	-	1,219,637
Food Sales	-	-	-	657,295	657,295
Corporate Grants and User Fees	-	-	-	121,502	121,502
Other Local Revenues	128,744	-	-	183,427	312,171
Total Revenues	148,107,611	138,724	3,034,141	16,800,887	168,081,363
Expenditures - Current:					
Instruction	70,609,236	414,064	2,895,390	1,384,714	75,303,404
Special Education - Instruction	19,130,390	-	-	2,693,627	21,824,017
Special Education Support Services - Student	5,964,489	-	-	-	5,964,489
Support Services - Student	4,913,235	-	-	53,450	4,966,685
Support Services - Instruction	3,696,749	-	-	74,934	3,771,683
School Administration	6,794,017	-	-	1,059,302	7,853,319
School Administration Support Services	4,943,625	-	-	18,301	4,961,926
District Administration	1,261,255	-	-	-	1,261,255
District Administration Support Services	5,855,606	-	138,751	246,986	6,241,343
Operations and Maintenance of Plant	22,443,817	637,480	-	95,778	23,177,075
Student Activities	2,296,866	-	-	723,283	3,020,149
Community Services	-	-	-	40,621	40,621
Student Transportation	-	-	-	7,343,482	7,343,482
Food Service	-	-	-	4,450,876	4,450,876
Total Expenditures	147,909,285	1,051,544	3,034,141	18,185,354	170,180,324
Excess (Deficiency) of Revenues Over Expenditures	198,326	(912,820)	-	(1,384,467)	(2,098,961)
Other Financing Sources (Uses):					
Transfers In	-	-	-	1,424,759	1,424,759
Transfers Out	(1,424,759)	-	-	-	(1,424,759)
Total Other Financing Sources (Uses)	(1,424,759)	-	-	1,424,759	-
Net Change in Fund Balances	(1,226,433)	(912,820)	-	40,292	(2,098,961)
Fund Balances, Beginning of Year	19,623,299	5,454,294	-	1,463,533	26,541,126
Fund Balances, End of Year	\$ 18,396,866	\$ 4,541,474	\$ -	\$ 1,503,825	\$ 24,442,165

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2014

Net change in fund balances – total governmental funds \$ (2,098,961)

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

Governmental funds report equipment purchases as expenditures. However,
in the statement of activities, the cost of those assets is allocated over
their estimated useful lives and reported as depreciation expense.
This is the amount by which equipment purchases exceeded depreciation
in the current period.

Equipment purchases	\$ 1,202,385	
Current depreciation expense	<u>(639,279)</u>	563,106

Loss on retirement of assets		(12,959)
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Internal service funds are used by management to charge the costs of health care to individual funds. Change in net position is reported with governmental activities.		<u>160,130</u>
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Change in net position		<u>\$ (1,388,684)</u>
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The notes to the financial statements are an integral part of this statement.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
STATEMENT OF NET POSITION
June 30, 2014

	<u>Internal Service Funds</u>
<u>ASSETS</u>	
Equity in Central Treasury	\$ 6,496,692
Equity in Central Treasury - Restricted for Healthcare	<u>3,318,306</u>
Total assets	<u><u>\$ 9,814,998</u></u>
<u>LIABILITIES</u>	
Current Liabilities	
Health Claims Payable (IBNR)	\$ 4,126,180
Contributions Collected from Employees in Excess of Negotiated Agreement	431,424
Compensated Absences	<u>64,221</u>
Total Current Liabilities	4,621,825
Noncurrent Liabilities	
Compensated Absences, net of current portion	<u>3,501,529</u>
Total Liabilities	<u><u>\$ 8,123,354</u></u>
<u>NET POSITION</u>	
Net Position - Unrestricted	<u>1,691,644</u>
Total Net Position	<u><u>\$ 1,691,644</u></u>

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
For the Year Ended June 30, 2014

	<u>Internal Service Funds</u>
Operating Revenues:	
Charges to Other Funds	\$ 1,846,585
Employer Contributions	19,092,111
Employee Contributions, Net of Excess Contributions of \$493,274	<u>3,926,754</u>
 Total Operating Revenues	 <u>24,865,450</u>
Operating Expenses:	
Administrative services	1,846,585
Healthcare Claims and Administrative Fees, Net of Increase in IBNR of \$162,000	<u>22,901,342</u>
 Total operating expenses	 <u>24,747,927</u>
 Operating income	 <u>117,523</u>
 Nonoperating Revenues - Interest Income	 <u>42,607</u>
 Increase in net position	 160,130
 Total net position, beginning of year	 <u>1,531,514</u>
 Total net position, end of year	 <u><u>\$ 1,691,644</u></u>

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
STATEMENT OF CASH FLOWS
Year Ended June 30, 2014

	Internal Service Funds
Cash flows from operating activities:	
Payments for interfund services provided	\$ 1,846,585
Payments to employees	(1,635,033)
Receipts from employer - current year contributions	19,092,111
Receipts from employees - current year contributions	3,237,286
Payments for claims and services	(23,141,162)
Net cash flow from operating activities	(600,213)
Cash flows from investing activities - interest income earned	42,607
Net decrease in cash and cash equivalents	(557,606)
Cash and cash equivalents, beginning of year	10,372,604
Cash and cash equivalents, end of year	\$ 9,814,998
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 117,523
Increase in compensated absences payable	211,552
Increase in Health care payable	(239,820)
Contributions used from employees health care reserve per negotiated agreement	(689,468)
Net cash (used) provided by operating activities	\$ (600,213)

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
June 30, 2014

	<u>Student Activity Agency Fund</u>
Assets:	
Equity in Central Treasury	\$ 2,623,607
Cash	<u>23,263</u>
Total Assets	<u>\$ 2,646,870</u>
Liabilities:	
Accounts Payable	\$ -
Amounts Due to Student Groups	<u>2,646,870</u>
Total Liabilities	<u>\$ 2,646,870</u>

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

NOTES TO THE FINANCIAL STATEMENTS

The notes to the Financial Statements include a summary of significant accounting policies and other information that is judged to be appropriate for full disclosure regarding the School District's financial position and operating results.

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KENAI PENINSULA BOROUGH SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

Pursuant to Alaska Statute, AS 29.35.160, the Kenai Peninsula Borough (the "Borough") has the responsibility of establishing, maintaining and operating a system of public schools. The Borough has delegated the administrative responsibilities for compliance with the statutes to the School Board of the Kenai Peninsula Borough School District, while retaining the responsibility for the physical plant except furniture and equipment. School District financial data is discretely presented in the Kenai Peninsula Borough Comprehensive Annual Financial Report.

Complete financial statements of the Borough may be obtained from the Borough Clerk's Office at 144 N. Binkley Street, Soldotna, Alaska 99669; phone number 907-714-2160.

These financial statements include all funds of the School District. The operational services provided directly by the Borough have been included in the General Fund as Intergovernmental-Local revenue and expenditures.

During the year ended June 30, 2014, the School District recorded in-kind services provided by the Borough for school operations as follows:

Custodial	\$ 109,858
Utilities	74,374
Maintenance	6,957,118
Insurance	1,770,892
Audit	<u>58,070</u>
	<u>\$8,970,312</u>

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. The agency fund reports only assets and liabilities and as such cannot be said to have a measurement focus. Agency funds do, however, use the accrual basis of accounting to recognize receivables and payables. 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. As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements.

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 School District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures

generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, health care reserve and claims and judgments, are recorded only when payment is due. Prepaid expenditures are reported on the consumption method, meaning an expenditure is reported during the period it is consumed.

All major revenue sources including revenues from the State of Alaska, the Kenai Peninsula Borough, and the United States government are considered susceptible to accrual. Entitlements and shared revenues are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Revenue for expenditure-driven grants is recognized when the qualifying expenditures have been incurred and all other grant requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the School District.

The School District reports the following major governmental funds based on the required quantitative criteria:

General Fund – The School District’s primary operating fund. Major revenue sources include the State of Alaska public school foundation program, the local government’s contribution to education, and other state and federal revenues. Expenditures are authorized in the annual budget and are made for such activities as student instruction, support services, administration, operations and maintenance, and student activities.

Equipment Special Revenue Fund – The Equipment fund was established by the Board of Education in recognition of the need to plan for the cyclical replacement of capital assets, furniture and other equipment and the impact such replacement has on the operating budget. This fund is dedicated to the orderly and planned acquisition and/or replacement of such items.

The following fund does not meet the required quantitative criteria, however the District chooses to present this fund as a major governmental fund:

Title I Special Revenue Fund – The Title I fund primarily provides supplemental reading support to struggling learners. Another focus of this fund addresses the needs of students struggling with mathematics concepts. In addition to direct services to students, Title I programs provide staff development opportunities and parent involvement support at each school.

Additionally, the School District reports the following fund types:

Agency Fund – The pupil activities agency fund accounts for the assets held by the School District as an agent for various student and school-related organizations.

Internal Service Fund – These funds account for the assets needed to pay for accrued employee compensated leave and the self-funded health care plan.

Fund Accounting

The accounts of the School District are organized on the basis of funds. A fund is considered a separate set of self-balancing accounts comprised of assets, liabilities, fund balance, revenues and expenditures for transactions related to certain district functions or activities. Fund balance represents the excess of assets over liabilities.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate fund types.

Governmental Funds Governmental fund operations are focused on the measurement of the sources and flow of current financial resources. This measurement is unique in that generally only current expendable financial resources are accounted for in this group. Governmental funds consist of the following fund types:

General Fund - The general School District activities are recorded in the General Fund. The revenues of the General Fund are derived primarily from allocations received from the State of Alaska, the Kenai

Peninsula Borough, and the United States government. Primary expenditures in the general fund are made for student instruction, operation of plant and administration.

The State Board of Education and Early Development adopted a revision to the Uniform Chart of Accounts and Account Code Descriptions for Public School Districts effective July 1, 2012.

Special Revenue Funds - These funds account for revenues from specific revenue sources including food service sales, transportation, grants from the State of Alaska and United States government, and other sources. Special Revenue funds are a revenue stream that is legally restricted or committed to a specific purpose.

Proprietary Funds Proprietary Funds are used to account for ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The measurement focus is upon the determination of net income and accrual basis of accounting. The only Proprietary Funds that the District has are Internal Service Funds. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a Proprietary Fund's principal ongoing operations. Operating expenses for Internal Service Funds include salaries, benefits, administrative expenses, and claims paid. All items not meeting this definition are reported as nonoperating revenues and expenses.

Internal Service Funds – Internal Service Funds are used to account for the financing of goods and services provided by one department to another on a cost reimbursement basis. The District has two Internal Service Funds, one for healthcare, and one for compensated absences.

Governmental Accounting Standards Board (GASB) Statement 34 requires Net Position of an Internal Service Fund be reported as unrestricted unless there are restrictions placed by an external source, such as a creditor, grantor or enabling legislation of other governments. Although the net position of the Internal Service Fund for Health Care are restricted for Health Care costs as stated in negotiated agreements between the district and employee groups, the District is required to present them in this document as Unrestricted Net Position.

Fiduciary Funds This fund category is used to account for those assets which the School District holds on behalf of others as their agent. The fiduciary funds are prepared under the economic resources measurement focus and the accrual basis of accounting.

Student Activity Fund - The Student Activity Fund accounts for each Kenai Peninsula Borough school's individual activity account which sponsors student activities within the school such as athletics and student clubs.

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the reporting entity as a whole. Fiduciary funds are not included in the district-wide financial statements. Fiduciary funds are reported only in the Statement of Fiduciary Assets and Liabilities at the fund financial statement level.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers, parents, or students who purchase, use, or directly benefit from goods or services provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. The State of Alaska public school foundation program revenue, local government's contribution to education, and other items not properly included among program revenues are reported instead as general revenues.

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets (net of accumulated depreciation) reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted

when there are limitations imposed on use, either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws, or regulations of other governments.

Budgets

The budgetary data presented in the financial statements is reflective of the following procedures:

The Kenai Peninsula Borough School District Board of Education is required by Alaska law to adopt and submit the annual budget to the Kenai Peninsula Borough Assembly by May 1 of each year for approval by the Borough Assembly. Within 30 days after receipt of the School District budget, the Borough Assembly must determine the total amount of funds to be made available from local sources for school purposes, and must furnish the Board of Education with a statement of this amount. Subsequent changes in the School District budget must be authorized by the Borough Assembly, as well as the Board of Education.

Subsequent to formal budget adoption, the Board of Education may, by motion, transfer appropriations between major budget classifications or departments. The Superintendent may transfer amounts between line items within a major budget classification. Appropriations on annual budgets lapse at year-end.

Activities of the general fund and the special revenue funds are included in the annual appropriating budget. Formal budgetary integration is employed as a management control device during the year for the General Fund and special revenue funds.

The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Kenai Peninsula Borough School District Board of Education. Resources are allocated to, and accounted for, in individual funds, based upon the purposes for which those funds were created. The legal level of control (that is, the level at which expenditures cannot legally exceed the appropriation) is at the fund level.

The District maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Open encumbrance amounts at year-end are automatically re-appropriated by Board Policy as part of the subsequent year's budget, since payment will occur in the subsequent year.

The District prepares its budget on the basis of generally accepted accounting principles (GAAP).

The legislature made changes to the State Foundation funding formula during the 2014 session that will impact the District substantially. The changes will take place starting in FY15 and include an increase to the Base Student Allocation in FY15, FY16 and FY17, an increase in the correspondence student multiplier, continued one-time funding with reductions each year as the BSA increases, increases to Charter School funding and a cap on Indirect Cost for Charter Schools of 4%.

The recent state change in calculating the required local contribution has reduced the total allowable contribution, as well. Even with the reduction in total allowed, the borough contribution of \$43,500,000 this year was less than the maximum allowable contribution for FY14 of 45,170,723

The FY14 budget was developed and approved with an estimated enrollment of 8,873 students. The Kenai Peninsula Borough funding for the district was less than the maximum allowed by state statute (the cap) and it appears that trend will continue.

Prior Year Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended June 30, 2013, from which the summarized information was derived.

The budget amendments are detailed as follows:

**Kenai Peninsula Borough School District
FY14 Revenue Budget and Planned Use of Fund Balance Change - General Fund**

<u>Revenue Source</u>	7/1/2013 KPBSD Original Budget	12/2/2013 KPBSD Budget Revision	7/7/2014 KPBSD Budget Revision	KPBSD Final Budget
Borough In-Kind	\$ 9,193,414	\$ -	\$ 136,480	\$ 9,329,894
Borough Appropriation	34,306,586	-	(136,480)	34,170,106
Earnings on Investments	1,000,000	(700,000)	-	300,000
E-Rate	646,000	556,500	-	1,202,500
Miscellaneous	80,000	-	-	80,000
Total Local Revenue	<u>45,226,000</u>	<u>(143,500)</u>	<u>-</u>	<u>45,082,500</u>
Foundation Program	75,076,483	(328,828)	144,094	74,891,749
State One-Time Funding	1,741,904	-	(12,555)	1,729,349
State One-Time Funding -Safety	1,465,836	-	(13,184)	1,452,652
TRS On-Behalf Payment	20,441,393	-	-	20,441,393
PERS On-Behalf Payment	2,404,023	-	-	2,404,023
Quality Schools	275,401	(844)	406	274,963
Total State Revenue	<u>101,405,040</u>	<u>(329,672)</u>	<u>118,761</u>	<u>101,194,129</u>
Medicaid	450,000	(250,000)	-	200,000
Total Federal Revenue	<u>450,000</u>	<u>(250,000)</u>	<u>-</u>	<u>200,000</u>
Total General Fund Revenue	<u>147,081,040</u>	<u>(723,172)</u>	<u>118,761</u>	<u>146,476,629</u>
Planned Use of Fund Balance	3,776,720	(594,738)	-	3,181,982
Total General Fund Revenue and Planned Use of Fund Balance	<u>\$ 150,857,760</u>	<u>\$ (1,317,910)</u>	<u>\$ 118,761</u>	<u>\$ 149,658,611</u>

Cash and Investments

The School District participates in a Central Treasury managed by the Kenai Peninsula Borough. The Central Treasury concept permits investment of combined funds. Each fund has an account titled, "Equity in Central Treasury" which is that fund's share of the Equity in Central Treasury, and represents the monies of that fund that are deposited in the Central Treasury.

Borough ordinance authorizes the Borough to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, bankers' acceptances of the fifty largest banks, highest rated commercial paper, repurchase agreements, fully collateralized certificates of deposit, money market mutual funds, highest rated bonds and notes issued by a state or political subdivision thereof, and the Alaska Municipal League Investment Pool, Inc. Borough ordinance places limitations on maturity of investments, and Borough investment procedures limit the level of investment by type. School District investments are insured or registered or are securities which are held by the Borough or its agent in the Borough's name.

Cash is used to account for cash held in bank accounts for the Student Activity Agency Fund and to account for petty cash and other cash not classified elsewhere. All deposits are collateralized by federal deposit insurance or by securities held by the Borough's agent in the Borough's name.

Investments are stated at fair market value.

Short Term Interfund Receivables/Payables

During the course of operations, individual funds may overdraw their share of the pooled cash in the Central Treasury. Such advances are classified as "due to other funds" while the offsetting interfund receivable is classified as "due from other funds" in the General Fund on the balance sheet.

Inventories

Inventories are recorded at average cost on a first-in, first-out basis. General fund inventory consists of expendable supplies held at the central warehouse for issuance to schools or other School District locations. Food Service Fund inventory consists primarily of foodstuffs. The cost of inventory items in the School Operating Fund and Food Service Fund is included in expenditures when issued to schools from the central warehouse or issued for consumption. Land acquired for the Building Trades Project (see Note 7) is recorded at cost. Inventory is reported as Nonspendable to indicate that inventory does not represent available, spendable resources, even though it is a component of assets.

School Maintenance Supply inventory is maintained and accounted for by the Kenai Peninsula Borough. The cost of these inventory items is included in Borough In-Kind Services.

Capital Assets

The Borough owns and accounts for all land, school buildings, and improvements other than buildings, which are provided to School District schools without charge. General capital assets, which consist of furniture and equipment, are reported in the governmental activities column in the district-wide financial statements. General capital assets are defined by the School District as assets with an initial, individual cost of \$5,000 or more, and an estimated useful life in excess of one year. Additional information may be found in Note 4. General capital assets are valued at cost or estimated historical cost when the original cost is not available and depreciated/ amortized over their estimated useful lives. Donated capital assets are valued at their estimated fair market value on the date received. The District owns land to be used for furthering vocational instruction. Additional information may be found in Note 7. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on estimated useful lives of 5 to 20 years for furniture and equipment.

Compensated Absences

It is the School District's policy to allow employees to accumulate leave benefits which vary by employee groups. Leave benefits include annual leave, certain sick leave balances that are paid at retirement, and personal leave which may be cashed in under certain conditions. The School District accumulates the resources to pay compensated absences and records its liability for these compensated absences in an Internal Service Fund.

Sick leave that is not payable upon retirement is recorded as an expenditure/expense when used. Compensated absences historically are expenditures of the general fund, food service fund, Title I fund and transportation fund.

Health Care

Since the School District is self-insured, covered employees and the District both contribute monthly to the pool from which claims and administrative fees are paid. The contributions and other income not used in a fiscal year are carried over to subsequent years to provide for shortfalls or unexpected increases in costs and are accounted for in an Internal Service Fund.

Fund Balance

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. The nonspendable fund balance 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 balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance - This classification reflects the constraints imposed on resources either (a) externally 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 formal resolutions or ordinances of the school board—the government’s highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the school 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 reflects the amounts constrained by the District’s “intent” to be used for specific purposes, but are neither restricted nor committed. The school board and Director of Finance have 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 non-spendable and are neither restricted nor committed. These include portions of fund balances assigned to the charter schools, school incentive purchases and for subsequent year’s operations.

Unassigned fund balance - This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the school board’s policy to use externally restricted resources first, then unrestricted resources—committed, assigned, and unassigned—in order as needed.

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 School Operating Fund and Special Revenue Funds. Encumbrances, if any, outstanding at year-end are reported as appropriate constraints of fund balance if they meet the criteria and definitions outlined later in these notes. Encumbrances are included as reductions to fund balance for the purpose of calculating fund balance limits in accordance with state regulations.

Grants

Reimbursable grant revenues are recognized in the respective grant fund at the time eligible expenditures are made.

In-Kind Contributions

The Kenai Peninsula Borough pays for certain expenditures of the school district. The School District records these amounts as in-kind contributions at their actual cost.

Interfund Transactions

Interfund services provided and used are accounted for as revenues and expenditures between the participating funds. Transactions that constitute reimbursement to a fund for expenditures initially made from it and that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the fund being reimbursed.

Except for interfund services and reimbursements, all other interfund transfers are reported as transfers.

NOTE 2 - EQUITY IN CENTRAL TREASURY

The carrying value of the equity in the Central Treasury varies from the balances reported on the balance sheet by the amount that individual funds have overdrawn their share of the pooled cash. The district does not have a policy regarding custodial credit risk, interest rate risk or foreign currency risk. A reconciliation of the carrying value to the reported value as of June 30, 2014 is as follows:

	Carrying Value of Equity in Central Treasury	Due to (from) other funds	Reported Equity in Central Treasury
General Fund	\$ 21,755,561	\$ (2,732,655)	\$ 19,022,906
Equipment Fund	4,542,164	-	4,542,164
Title I Fund	-	1,125,205	1,125,205
Other Governmental Funds	1,079,003	1,607,450	2,686,453
Internal Service Fund	<u>9,814,998</u>	-	<u>9,814,998</u>
Governmental Fund Total	<u>\$ 37,191,726</u>	<u>\$ -</u>	<u>\$ 37,191,726</u>
Agency Fund	<u>\$ 2,623,607</u>	<u>\$ -</u>	<u>\$ 2,623,607</u>

NOTE 3 - RECEIVABLES

Receivables at June 30, 2014, consist of the following:

	General Fund	Special Revenue Funds	Total
Accounts Receivable	\$ 825,039	\$ 2,585	\$ 827,624
Intergovernmental:			
Major Special Revenue:			
Federal – Through the State – Title I	-	1,125,507	1,125,507
Non-Major Special Revenue:			
Local	-	68,171	68,171
State	-	284,125	284,125
Federal – Through the State	-	1,066,252	1,066,252
Federal – Direct	-	<u>152,253</u>	<u>152,253</u>
Total Receivables	<u>\$ 825,039</u>	<u>\$ 2,698,893</u>	<u>\$ 3,523,932</u>

All receivables are considered collectible based upon the terms and nature of the grants and receivables; therefore, no allowance for uncollectible receivables has been provided.

NOTE 4 - CAPITAL ASSETS

The Borough owns and accounts for all land, school buildings and improvements other than buildings, which are provided to School District schools without charge. Capital assets, as recorded in the School District's financial records, consist of furniture and equipment. The changes in capital assets by major class for year ended June 30, 2014, were as follows:

Governmental activities:	July 1, 2013 Balance	Additions	Deletions	June 30, 2014 Balance
Furniture and equipment	\$ 7,850,542	\$ 1,202,385	\$ (415,809)	\$ 8,637,118
Less accumulated depreciation for furniture and equipment	<u>(4,795,713)</u>	<u>(639,279)</u>	<u>402,850</u>	<u>(5,032,142)</u>
Governmental activities capital assets, net	<u>\$ 3,054,829</u>	<u>\$ 563,106</u>	<u>\$ (12,959)</u>	<u>\$ 3,604,976</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 186,457
Special education instruction	5,928
Support services instruction	12,610
School administration	1,020
School administration support services	12,332
District administration	4,940
District administration support services	119,782
Operations and maintenance of plant	79,501
Student activities	183,642
Student transportation	-
Food services	<u>33,067</u>
Total depreciation expense	<u>\$ 639,279</u>

Schedule of Capital Assets
Depreciation Classes by Useful Life

<u>Useful Life (years)</u>	<u>Description</u>
5	Computers, software, printers, and library equipment.
7	Audio video and business equipment and vehicles
10	Buses, musical instruments, athletic, food service, and medical equipment.
15	Classroom, communication, custodial, shop, grounds and playground equipment.
20	Furniture

NOTE 5 - LONG TERM DEBT

The School District's long-term debt as of June 30, 2014 is comprised of the following:

Long-term contracts payable

The district currently has no long-term contracts payable.

Compensated absences payable

As discussed in Note 1, the School District established an employee compensated leave fund in FY04 to account for the assets required to pay for sick, personal, and annual leave accrued by employees.

	<u>Total June 30, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Total June 30, 2014</u>	<u>Amount due in one year</u>
Compensated Absences	\$3,354,197	\$ 1,846,585	\$(1,635,033)	\$ 3,565,750	\$ 64,221
Total Long -Term Debt	<u>\$ 3,354,197</u>	<u>\$ 1,846,585</u>	<u>\$(1,635,033)</u>	<u>\$ 3,565,750</u>	<u>\$ 64,221</u>

NOTE 6 – PENSION PLANS

Defined Benefit Pension Plan

The District participates in two defined benefit pension plans. The Teachers' Retirement System (TRS) is a cost-sharing multiple employer plan which covers teachers and other eligible participants. The 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 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.

The plans are included in comprehensive annual financial reports that include financial statements and other required supplemental information. The reports are available at the following address:

Department of Administration
Division of Retirement and Benefits
P.O. Box 110203
Juneau, Alaska 99811-0203

PERS Conversion to Cost Sharing

In April 2008, the Alaska Legislature passed legislation which converted the existing Public Employees' Retirement System (PERS) from an agent-multiple employer plan to a cost-sharing plan with an effective date of July 1, 2008. Under the cost-sharing arrangement, the State of Alaska Division of Retirement and Benefits no longer tracks individual employer assets and liabilities. Rather, all plan costs and past service liabilities are shared among all participating employers.

That same year, the State of Alaska passed additional legislation which statutorily capped the employer contribution, established a state funded "on-behalf" contribution, and required that employer contributions be calculated against all PERS eligible wages, including wages attributable to the defined contribution plan described later in these footnotes.

Funding Policy

Employee Contribution Rates

Regular employees are required to contribute 6.75% of their annual covered salary (2.97% for pension and 3.78% for healthcare) for PERS and 8.65% (4.45% for pension and 4.20% for healthcare) for TRS.

Employer and Other Contribution Rates

There are three contribution rates associated with the pension and healthcare contributions and related liabilities:

Contractual Rate: This is the required funding rate for participating employers. The contractual PERS rate is statutorily capped at 22% of eligible wages, subject to a wage floor, and other termination events. The contractual TRS rate is statutorily capped at 12.56%. Both PERS and TRS contributions are calculated against all participating PERS and TRS payroll, respectively, including those wages attributable to employees in the defined contribution plans.

ARM Board Adopted Rate: This is the rate formally adopted by the Alaska Retirement Management Board. This rate is actuarially determined to calculate annual funding requirements of the Plans, without regard to the statutory rate caps. There are no constraints or restrictions on the actuarial cost method or other assumptions used in this valuation, other than those established and agreed to by the ARM Board.

Current legislation provides that the State of Alaska will contribute the difference between the ARM Board adopted rate and the contractual (statutory) rate. These additional contributions are recognized by each employer as an on-behalf payment and are reflected as revenue and expense/expenditure within the financial statements.

GASB 43 Rate: This is the rate used to determine the long-term pension and healthcare liability for plan accounting purposes in accordance with generally accepted accounting principles as established by GASB. Certain actuarial methods and assumptions for this rate calculation are mandated by GASB. For FY14, the rate uses an 8.00% pension discount rate for both PERS and TRS and a 5.41% and 5.08% healthcare discount rate for PERS and TRS, respectively. Additionally, the GASB 43 rate disregards all future Medicare Part D payments.

The GASB 43 rate differs significantly from the ARM Board adopted rate as a direct result of differences in the actuarial valuation methodology and assumptions.

Contribution rates for the year ended June 30, 2014 was determined as part of the June 30, 2011 actuarial valuation and are as follows:

The employer contribution rate is statutorily capped at 22% and 12.56% for PERS and TRS respectively, although State legislation currently provides that the State of Alaska will contribute any amount over the statutory limit such that the total contribution equals the Alaska Retirement Management Board adopted rates. The Board adopted rate will generally be consistent with the actuarially determined rate.

<u>PERS</u>	<u>Contractual Rate</u>	<u>ARM Board Adopted Rate</u>	<u>GASB 43 Rate</u>
Defined Benefit Pension	10.64%	16.47%	27.94%
Defined Contribution Pension	0.00%	3.37%	
Postemployment healthcare	<u>11.36%</u>	<u>15.84%</u>	<u>52.55%</u>
Total contribution rate	<u>22.00%</u>	<u>35.68%</u>	<u>80.49%</u>

<u>TRS</u>	<u>Contractual Rate</u>	<u>ARM Board Adopted Rate</u>	<u>GASB 43 Rate</u>
Defined Benefit Pension	6.66%	31.40%	50.91%
Defined Contribution Pension	0.00%	3.52%	
Postemployment healthcare	<u>5.90%</u>	<u>18.70%</u>	<u>61.27%</u>
Total contribution rate	<u>12.56%</u>	<u>53.62%</u>	<u>112.18%</u>

Annual Pension and Postemployment Healthcare Cost – PERS

The District is required to contribute 22% of covered payroll, subject to a wage floor. In addition, the State of Alaska contributed approximately 13.68% of covered payroll to the Plan. In accordance with the provisions of GASB Statement Number 24, the District has recorded the State on-behalf amount of \$3,179,450 as revenue and expenditures. This includes \$445,694 on-behalf payments received by the Kenai Peninsula Borough for maintenance in-kind services, and \$2,733,756 for the School District. However, because the District is not statutorily obligated for these payments, this amount is excluded from pension and OPEB cost as described here.

<u>Year Ended June 30</u>	<u>Annual Pension Cost</u>	<u>Annual OPEB Cost</u>	<u>Total Benefit Cost (TBC)</u>	<u>School District Contri- butions</u>	<u>% of TBC Contributed</u>
2014	1,167,008	1,245,978	2,412,986	2,412,986	100%
2013	1,093,355	1,394,370	2,487,725	2,487,725	100%
2012	1,230,731	1,353,210	2,583,941	2,583,941	100%

Annual Pension and Postemployment Healthcare Cost – TRS

The District is required to contribute 12.56% of covered payroll, subject to a wage floor. In addition, the State of Alaska contributed approximately 41.06% of covered payroll to the Plan. In accordance with the provisions of GASB Statement Number 24, the District has recorded the State on-behalf amount of \$21,055,069 as revenue and expenditures. However, because the District is not statutorily obligated for these payments, this amount is excluded from pension and OPEB cost as described here.

<u>Year Ended June 30</u>	<u>Annual Pension Cost</u>	<u>Annual OPEB Cost</u>	<u>Benefit Cost (TBC)</u>	<u>School District Contri- butions</u>	<u>% of TBC Contributed</u>
2014	2,287,074	2,026,087	4,313,161	4,313,161	100%
2013	2,279,918	2,153,133	4,433,051	4,433,051	100%
2012	2,928,606	1,760,915	4,689,521	4,689,521	100%

Defined Contribution Pension Plan

Employees hired after July 1, 2006 participate in PERS Tier IV and TRS Tier III Defined Contribution Retirement Plans. Both Plans are administered by the State of Alaska, Department of Administration. 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 accounts, retiree medical insurance plan and a separate Health Reimbursement Arrangement account that will help retired members pay medical premiums and other eligible medical expenses not covered by the medical plan.

Employee Contribution Rates

Employees are required to contribute 8.0% of their annual covered salary. This amount goes directly to the individual's account.

Employer Contribution Rates

The District is required to contribute the following amounts based on covered salary:

	<u>PERS TIER IV</u>	<u>TRS TIER III</u>
Individual account	5.00 %	7.00 %
Health reimbursement arrangement (HRA)	3.00	3.00
Retiree medical plan	0.48	0.47
Occupational death and disability benefits	<u>0.20</u>	<u>0.00</u>
	<u>8.68 %</u>	<u>10.47 %</u>

In addition, the employer must contribute to the Health Reimbursement Arrangement. 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, 2012, for actual remittance, this amount is calculated as a flat rate for each full time or part-time employee per pay period and approximates \$1,897 per year for each full-time employee and \$1.22 per hour for each part-time employee.

Employees are immediately vested in their own contributions and 25% per year in employer contributions. The District and employee contributions to PERS including the HRA contribution for the year ended June 30, 2014 were \$1,712,544 and \$623,132, respectively. The District and employee contributions to TRS for the year ended June 30, 2013 were \$2,064,469 and \$1,311,897, respectively.

NOTE 7 - BUILDING TRADES PROJECT

The School District has acquired various parcels of land on which vocational education classes of Kenai Central High School constructed houses. Periodically these houses are sold and the proceeds used to recover the School District's costs. These projects are supervised by the Kenai Peninsula Building Authority, a nonprofit organization established by the School District in October, 1969, for the specific purpose of administering and overseeing this "Building Trades Project." Remaining property is currently valued at \$60,618.

NOTE 8 - FOOD SERVICE SPECIAL REVENUE FUND

The United States Department of Agriculture provided \$169,996 of food, milk and supplies during the year without charge to the School District. These in-kind contributions have been reflected as revenue and expenditures within the Food Service Special Revenue Fund.

NOTE 9 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivable and payables resulting from short-term operating advances at June 30, 2014 are as follows:

	<u>Receivable</u>	<u>Payable</u>
Major Fund - General Fund	\$ 2,732,655	\$ -
Major Fund – Title IA	-	1,125,205
Non-major governmental funds	-	1,607,450
	<u>\$ 2,732,655</u>	<u>\$ 2,732,655</u>

Interfund Transfers

Transfers between funds for the year ended June 30, 2014 were as follows:

	<u>Transfer In:</u>	
Transfer Out:		
From the General Fund to		
Non-Major Governmental	<u>Non-Major Governmental Funds</u>	<u>Total</u>
Funds for operating	<u>\$1,424,759</u>	<u>\$1,424,759</u>
subsidies		

NOTE 10 - RISK MANAGEMENT

The Kenai Peninsula Borough has established an office of Risk Management and a limited self-insurance program which is codified by Borough ordinance and administered by a risk management committee. It is the responsibility of the risk management committee to insure, self-insure or select appropriate retention levels and deductibles for the risks confronting the Kenai Peninsula Borough, its Service Areas, and the School District. All losses and claims are reported to the Risk Management office and are handled internally within the retention and deductible level. New claims and outstanding claims are reviewed monthly by the Borough Attorney, and the Risk Manager. There were no significant changes in the amount of coverage during the current fiscal year.

The greatest exposure to financial loss confronting the Kenai Peninsula Borough and School District would be in the areas of pollution liability, auto liability and general liability due to the ownership of landfills, the fleet of vehicles operated and the number of properties owned and operated by the Borough and School District. The Borough is self-insured for pollution liability due to limited availability of coverage and the associated cost. Based on this historical evidence of claim value and the increasing ability to fund a greater level of retention, the risk management committee chose to retain the first \$250,000 of each occurrence at the beginning of fiscal year 1992.

Insurers provide annual aggregate limits up to \$11,750,000 in excess of our retention level for the exposures of general liability, auto liability, public officials' liability, educational errors and omissions, ambulance attendants' professional liability and landfill liability. Insurance coverage for these various types of liability exposure are being provided by insurers in a single package policy format. Building and contents are insured in excess of a \$100,000 deductible per occurrence, and data processing equipment and vehicles are insured in excess of a \$500 deductible per occurrence. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The Borough continues to fully insure the non-owned aircraft liability risks.

The Borough is self-insured for workers compensation cost, with a retention level of \$250,000.

The Kenai Peninsula Borough Insurance and Litigation Fund allocates the costs of insurance coverage on a proportionate share basis to the Borough, its Service Areas and the School District. In addition, an appropriate sum is charged for anticipated losses and claims that will be paid within the self-insured retention and deductible levels. The net position of the fund is designated for future catastrophic losses.

	<u>2014</u>	<u>2013</u>
Beginning of fiscal year liability	\$ 2,135,288	\$ 1,267,885
Current year claims incurred and changes in estimates for claims incurred in prior years	2,329,344	1,823,979
Claims and expenses paid	<u>(1,710,872)</u>	<u>(956,576)</u>
End of fiscal year liability	<u>\$ 2,753,760</u>	<u>\$ 2,135,288</u>

Included above is a liability for incurred but not reported (IBNR) claims of \$149,776. Experience indicates those losses or claims do not go unreported for any significant length of time, therefore, the exposure to IBNR losses or claims is minimal.

The School District maintains a health and medical benefit program which covers permanent employees working more than half time. The School District retains a major portion of the risk of this plan, and, accordingly, is liable for any employee health claims that are approved for payment. Stop-loss limits are \$200,000 for individual claims and 125% above projected annual cost for aggregate claims. Health and medical claims totaled approximately \$22,901,342; net of stop loss reimbursements of \$2,179,399, for the year ended June 30, 2013 and consisted of paid claims, stop-loss premiums and administrative fees. Accruals were made based on estimates of health claims at year end, including claims incurred but not reported. Such accruals are accounted for in the Internal Service Fund. A schedule of the changes in the health care claims liability for the three years ended June 30, 2012, 2013 and 2014 follows:

	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claim Estimates</u>	<u>Claim Payments</u>	<u>End of Fiscal Year Liability</u>
2011 – 2012	4,223,888	20,804,838	(20,824,726)	4,204,000
2012 – 2013	4,204,000	25,015,175	(24,853,175)	4,366,000
2013 – 2014	4,366,000	24,801,142	(25,040,962)	4,126,180

NOTE 11 - CONTINGENCIES

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 management, any current legal proceedings, commitments or contingent liabilities will not materially affect the financial position of the District.

Grants

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 General Fund. In the opinion of management, any disallowed claims will not have a material effect on any fund type of the School District included in the financial statements, as of and for the year ended June 30, 2014.

Unemployment Insurance

The School District finances its participation in the Unemployment Insurance program by reimbursing the program for the actual benefits paid to former employees. As of June 30, 2014, the School District had not recorded a liability for unemployment benefits for persons employed prior to that time as the amount is not currently subject to reasonable estimation. However, in the opinion of management, any unemployment insurance reimbursement claims based on wages paid prior to June 30, 2014, will not have a material effect on the financial statements as of and for the year ended June 30, 2014.

NOTE 12 - SUBSEQUENT EVENTS

The district has no subsequent events to report.

NOTE 13 – NEW ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board has passed several new accounting standards with upcoming implementation dates. Of the numerous statements, the following are expected to have some effect on the District's financial reporting. Actual impacts have not yet been determined.

GASB 68 – Accounting and Financial Reporting for Pensions – Effective for year end June 30, 2015 – This statement will require all governments that participate in defined benefit pension plans to report any “net pension liability” (as newly defined). An additional GASB statement provides guidance for the Plan reporting with a one year earlier implementation.

GASB 71 – Pension Transition for Contributions Made Subsequent to the Measurement Date – Effective for year-end June 30, 2015 – This statement is a companion to GASB Statement 68 and clarifies treatment of contributions made by a contributing entity to a defined benefit pension plan after the measurement date of the government’s beginning net pension liability.

REQUIRED SUPPLEMENTARY INFORMATION

MAJOR FUNDS:

Major Governmental Funds – General Fund – Schedule of Revenues, Expenditures and Changes in Fund Balance

Major Governmental Funds – Equipment – Schedule of Revenues, Expenditures and Changes in Fund Balance

Major Governmental Funds – Title I – Schedule of Revenues, Expenditures and Changes in Fund Balance

ADDITIONAL SUPPLEMENTARY INFORMATION

GENERAL FUND:

General Fund Balance Sheet

General Fund Schedule of Changes in Fund Balance

General Fund Schedule of Revenues – Budget (GAAP Basis) and Actual

General Fund Schedule of Expenditures – Budget (GAAP Basis) and Actual

Schedule of Compliance – AS 14.17.505

Schedule of Compliance – AS 14.17.520

EQUIPMENT FUND – SPECIAL REVENUE:

Balance Sheet – Major Fund – Equipment

Major Fund - Equipment - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual

TITLE I FUND – SPECIAL REVENUE:

Balance Sheet – Major Fund – Title I

Major Fund – Title I - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual

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KENAI PENINSULA BOROUGH SCHOOL DISTRICT
MAJOR GOVERNMENTAL FUNDS - GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Local	\$ 43,500,000	\$ 43,500,000	\$ 43,500,000	\$ -
State	101,405,040	101,194,129	102,583,231	1,389,102
Federal-Through the State	450,000	200,000	200,451	451
Earnings on Investments	1,000,000	300,000	475,548	175,548
E-Rate	646,000	1,202,500	1,219,637	17,137
Other Local Revenues	80,000	80,000	128,744	48,744
	<u>147,081,040</u>	<u>146,476,629</u>	<u>148,107,611</u>	<u>1,630,982</u>
Total Revenues				
Expenditures:				
Instruction	71,163,749	71,521,047	70,609,236	911,811
Special Education - Instruction	19,530,365	19,091,566	19,130,390	(38,824)
Special Education Support Services - Student	6,099,812	6,140,959	5,964,489	176,470
Support Services - Student	5,000,720	4,840,183	4,913,235	(73,052)
Support Services - Instruction	3,772,251	4,038,659	3,696,749	341,910
School Administration	7,113,743	6,947,488	6,794,017	153,471
School Administration Support Services	4,978,250	4,957,782	4,943,625	14,157
District Administration	1,147,564	1,216,230	1,261,255	(45,025)
District Administration Support Services	5,562,697	6,160,583	5,855,606	304,977
Operations and Maintenance of Plant	23,388,997	22,863,423	22,443,817	419,606
Student Activities	2,324,612	2,397,475	2,296,866	100,609
	<u>150,082,760</u>	<u>150,175,395</u>	<u>147,909,285</u>	<u>2,266,110</u>
Total Expenditures				
Excess (Deficiency) of Revenues over Expenditures	(3,001,720)	(3,698,766)	198,326	3,897,092
Other Financing Uses:				
Transfers Out - Special Revenue Fund	(775,000)	(1,100,000)	(1,424,759)	(324,759)
	<u>(775,000)</u>	<u>(1,100,000)</u>	<u>(1,424,759)</u>	<u>(324,759)</u>
Total Other Financing Uses:				
Net Changes in Fund Balances	<u>\$ (3,776,720)</u>	<u>\$ (4,798,766)</u>	<u>(1,226,433)</u>	<u>\$ 3,572,333</u>
Fund Balance, Beginning of Year			<u>19,623,299</u>	
Fund Balance, End of Year			<u>\$ 18,396,866</u>	

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
MAJOR GOVERNMENTAL SPECIAL REVENUE FUNDS - EQUIPMENT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Earnings on Investment	\$ 200,000	\$ 60,000	\$ 138,724	\$ 78,724
Expenditures:				
Instruction	5,444,016	4,920,426	414,064	4,506,362
Operations and Maintenance of Plant	-	533,868	637,480	(103,612)
Total Expenditures	5,444,016	5,454,294	1,051,544	4,402,750
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$ (5,244,016)</u>	<u>\$ (5,394,294)</u>	\$ (912,820)	<u>\$ 4,481,474</u>
Fund Balances, Beginning of Year			5,454,294	
Fund Balances, End of Year			<u>\$ 4,541,474</u>	

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 MAJOR GOVERNMENTAL SPECIAL REVENUE FUNDS - TITLE I
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Federal-Through the State	3,254,418	3,254,418	3,034,141	(220,277)
Expenditures:				
Instruction	3,109,013	3,110,212	2,895,390	214,822
District Administration Support Services	145,405	144,206	138,751	5,455
Total Expenditures	3,254,418	3,254,418	3,034,141	220,277
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	\$ -	<u>\$ -</u>
Fund Balances, Beginning of Year			-	
Fund Balances, End of Year			<u>\$ -</u>	

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
BALANCE SHEET
June 30, 2014 and 2013

<u>ASSETS</u>	<u>2014</u>	<u>2013</u>
Cash on hand	\$ 23,804	\$ 24,804
Equity in Central Treasury	21,755,561	23,103,653
Accounts receivable	825,039	298,375
Prepaid Items	950,000	1,017,300
Due from Special Revenue Funds	2,732,655	2,775,795
Inventory	<u>737,933</u>	<u>698,412</u>
Total Assets	<u>\$ 27,024,992</u>	<u>\$ 27,918,339</u>
 <u>LIABILITIES AND FUND BALANCE</u> 		
Liabilities:		
Accounts payable	<u>\$ 927,834</u>	<u>\$ 763,027</u>
Accrued liabilities:		
Payroll	5,356,413	5,378,153
Retirement	362,284	74,101
Payroll taxes	1,948,981	2,048,559
Payroll deductions	<u>32,614</u>	<u>31,200</u>
Total Accrued Liabilities	<u>7,700,292</u>	<u>7,532,013</u>
Total Liabilities	<u>8,628,126</u>	<u>8,295,040</u>
Fund Balance:		
Nonspendable	1,687,933	1,715,712
Restricted	2,471,131	1,485,931
Assigned	8,120,850	10,131,139
Unassigned	<u>6,116,952</u>	<u>6,290,517</u>
Total Fund Balance	<u>18,396,866</u>	<u>19,623,299</u>
Total Liabilities and Fund Balance	<u>\$ 27,024,992</u>	<u>\$ 27,918,339</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF CHANGES IN FUND BALANCE
For the Years Ended June 30, 2014 and 2013

	2014	2013
Fund Balance, Beginning of Year	\$ 19,623,299	\$ 20,364,278
Add Revenues and Other Financing Sources	148,107,611	144,493,555
Deduct Expenditures and Other Financing Uses	(149,334,044)	(145,234,534)
Fund Balance, End of Year	\$ 18,396,866	\$ 19,623,299

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance Positive (Negative)	
Revenues:					
Local:					
Kenai Peninsula Borough - Direct Appropriation	\$ 34,306,586	\$ 34,170,106	\$ 34,170,106	\$ -	\$ 33,806,586
Kenai Peninsula Borough - In-Kind Services	9,193,414	9,329,894	9,329,894	-	9,193,414
Total Local	\$ 43,500,000	43,500,000	43,500,000	-	43,000,000
State:					
Public School Funding	75,076,483	74,891,749	74,891,748	(1)	75,563,384
One-Time State Funding	1,741,904	1,729,349	1,729,349	-	1,734,738
One-Time State Funding - Safety	1,465,836	1,452,652	1,452,652	-	-
LOG/Quality Schools	275,401	274,963	274,963	-	275,933
Retirement: TRS On-Behalf	20,441,393	20,441,393	21,055,069	613,676	19,868,298
Retirement: PERS On-Behalf	2,404,023	2,404,023	2,733,756	329,733	2,629,710
Retirement: PERS On-Behalf Passed Through KP	-	-	445,694	445,694	409,945
Total State	101,405,040	101,194,129	102,583,231	1,389,102	100,482,008
Federal - Through the State:					
Medicaid - Direct Reimbursement	450,000	200,000	200,451	451	164,384
Total Federal - Through the State	450,000	200,000	200,451	451	164,384
Earnings on Investments	1,000,000	300,000	475,548	175,548	55,918
E-Rate	646,000	1,202,500	1,219,637	17,137	590,640
Other Local Revenues:					
Facilities Rental	30,000	30,000	29,450	(550)	28,100
Miscellaneous	50,000	50,000	99,294	49,294	172,505
Total Other Local Revenues:	80,000	80,000	128,744	48,744	200,605
Total Revenues	147,081,040	146,476,629	148,107,611	1,630,982	144,493,555
Other Financing Sources:					
Fund Balance Appropriation	3,776,720	3,181,982	-	(3,181,982)	-
Total Revenues and Other Financing Sources	\$ 150,857,760	\$ 149,658,611	\$ 148,107,611	\$ (1,551,000)	\$ 144,493,555

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Instruction:					
Certificated Salaries	\$ 33,850,299	\$ 33,375,773	\$ 33,378,258	\$ (2,485)	\$ 32,490,040
Non-Certificated Salaries	2,581,670	2,457,735	2,447,589	10,146	2,459,447
Employee Benefits	28,795,020	28,355,388	28,702,131	(346,743)	26,940,933
Professional and Technical Services	210,850	239,599	210,618	28,981	226,615
Staff Travel	202,977	231,121	172,773	58,348	197,444
Student Travel	19,825	43,428	39,184	4,244	19,478
Utility Services	322,850	316,500	277,002	39,498	270,588
Other Purchased Services	534,763	543,024	434,703	108,321	546,837
Supplies, Materials, and Media	3,155,088	3,791,924	3,270,122	521,802	3,671,293
Other Expenses	242,379	463,657	94,906	368,751	100,891
Equipment	1,248,028	1,702,898	1,581,950	120,948	1,758,733
	<u>71,163,749</u>	<u>71,521,047</u>	<u>70,609,236</u>	<u>911,811</u>	<u>68,682,299</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Special Education Instruction:					
Certificated Salaries	\$ 6,708,709	\$ 6,548,077	\$ 6,367,091	\$ 180,986	\$ 6,514,097
Non-Certificated Salaries	3,720,701	3,677,436	3,749,962	(72,526)	4,056,740
Employee Benefits	8,772,655	8,609,725	8,785,561	(175,836)	8,777,060
Professional and Technical Services	9,000	42,755	34,734	8,021	36,828
Staff Travel	38,770	58,909	47,680	11,229	79,945
Student Travel	1,200	1,471	1,562	(91)	535
Utility Services	500	92	107	(15)	322
Other Purchased Services	4,174	2,209	1,684	525	61,174
Supplies, Materials, and Media	100,556	125,338	116,700	8,638	263,142
Other Expenses	162,100	12,270	12,285	(15)	10,521
Equipment	12,000	13,284	13,024	260	159,050
	<u>19,530,365</u>	<u>19,091,566</u>	<u>19,130,390</u>	<u>(38,824)</u>	<u>19,959,414</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Special Education Support Services - Student:					
Certificated Salaries	\$ 2,778,701	\$ 2,617,211	\$ 2,592,706	\$ 24,505	\$ 2,744,456
Non-Certificated Salaries	314,450	344,707	360,326	(15,619)	360,949
Employee Benefits	2,408,900	2,349,061	2,270,331	78,730	2,295,968
Professional and Technical Services	451,300	631,785	584,391	47,394	546,645
Staff Travel	90,100	70,107	67,357	2,750	87,795
Utility Services	4,200	3,427	3,179	248	4,110
Other Purchased Services	2,550	4,422	4,094	328	1,717
Supplies, Materials, and Media	46,611	102,662	64,521	38,141	63,338
Other Expenses	1,000	198	198	-	681
Equipment	2,000	17,379	17,386	(7)	953
	<u>6,099,812</u>	<u>6,140,959</u>	<u>5,964,489</u>	<u>176,470</u>	<u>6,106,612</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Support Services - Student:					
Certificated Salaries	\$ 1,152,144	\$ 1,175,617	\$ 1,188,214	\$ (12,597)	\$ 1,118,744
Non-Certificated Salaries	1,470,858	1,353,415	1,393,200	(39,785)	1,421,924
Employee Benefits	2,258,842	2,171,777	2,210,168	(38,391)	2,083,085
Staff Travel	58,000	68,624	63,409	5,215	62,662
Student Travel	1,745	1,745	1,208	537	798
Utility Services	750	1,000	853	147	718
Other Purchased Services	4,711	7,754	4,562	3,192	4,839
Supplies, Materials, and Media	48,072	54,610	48,256	6,354	41,182
Other Expenses	5,598	1,398	506	892	6,101
Equipment	-	4,243	2,859	1,384	1,234
	<u>5,000,720</u>	<u>4,840,183</u>	<u>4,913,235</u>	<u>(73,052)</u>	<u>4,741,287</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Support Services - Instruction:					
Certificated Salaries	\$ 1,260,462	\$ 1,426,826	\$ 1,372,702	\$ 54,124	\$ 1,209,721
Non-Certificated Salaries	558,983	583,379	574,441	8,938	533,798
Employee Benefits	1,472,355	1,475,143	1,405,282	69,861	1,260,941
Professional and Technical Services	100,000	80,190	61,098	19,092	76,614
Staff Travel	91,719	132,036	115,033	17,003	86,101
Student Travel	500	500	-	500	32
Utility Services	10,050	10,258	10,512	(254)	11,878
Other Purchased Services	75,332	105,308	46,439	58,869	67,373
Supplies, Materials, and Media	198,250	203,889	92,664	111,225	215,971
Other Expenses	2,600	7,606	7,425	181	6,386
Equipment	2,000	13,524	11,153	2,371	26,769
	<u>3,772,251</u>	<u>4,038,659</u>	<u>3,696,749</u>	<u>341,910</u>	<u>3,495,584</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
School Administration:					
Certificated Salaries	\$ 4,160,247	\$ 4,045,340	\$ 3,949,003	\$ 96,337	\$ 4,044,676
Non-Certificated Salaries	15,039	11,240	11,018	222	12,660
Employee Benefits	2,833,933	2,758,337	2,712,820	45,517	2,685,014
Professional and Technical Services	-	83	83	-	-
Staff Travel	61,425	89,221	80,923	8,298	79,643
Other Purchased Services	-	744	744	-	-
Supplies, Materials, and Media	10,934	9,434	8,326	1,108	9,934
Other Expenses	32,165	32,949	30,961	1,988	31,410
Equipment	-	140	139	1	2,394
	<u>7,113,743</u>	<u>6,947,488</u>	<u>6,794,017</u>	<u>153,471</u>	<u>6,865,731</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
School Administration Support Services:					
Certificated Salaries	\$ 155,000	\$ 156,950	\$ 131,210	25,740	\$ 119,121
Non-Certificated Salaries	2,220,550	2,201,854	2,196,785	5,069	2,213,249
Employee Benefits	1,945,511	1,908,862	1,925,082	(16,220)	1,788,634
Staff Travel	9,063	10,893	13,842	(2,949)	9,583
Utility Services	550,550	554,599	560,628	(6,029)	516,002
Other Purchased Services	10,869	12,471	8,742	3,729	7,975
Supplies, Materials, and Media	53,982	84,766	84,114	652	80,321
Other Expenses	32,725	23,793	19,470	4,323	18,019
Equipment	-	3,594	3,752	(158)	15,378
	<u>4,978,250</u>	<u>4,957,782</u>	<u>4,943,625</u>	<u>14,157</u>	<u>4,768,282</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
District Administration:					
Certificated Salaries	\$ 278,662	\$ 300,246	\$ 300,466	\$ (220)	\$ 295,260
Non-Certificated Salaries	187,353	199,933	262,066	(62,133)	142,577
Employee Benefits	372,749	374,323	392,350	(18,027)	366,093
Professional and Technical Services	91,500	115,150	95,967	19,183	135,140
Staff Travel	93,850	92,650	85,570	7,080	76,075
Utility Services	15,550	15,235	18,304	(3,069)	18,913
Other Purchased Services	11,300	12,355	10,305	2,050	8,721
Supplies, Materials, and Media	22,500	33,798	31,385	2,413	19,735
Tuition and Stipends	33,600	33,600	33,600	-	33,600
Other Expenses	37,000	35,440	31,242	4,198	31,721
Equipment	3,500	3,500	-	3,500	4,913
	<u>1,147,564</u>	<u>1,216,230</u>	<u>1,261,255</u>	<u>(45,025)</u>	<u>1,132,748</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
District Administrative Support Services:					
Certificated Salaries	\$ 134,346	\$ 26,858	\$ 10,000	\$ 16,858	\$ 181,526
Non-Certificated Salaries	2,347,837	2,730,019	2,730,583	(564)	2,390,148
Employee Benefits	1,670,136	1,737,413	1,752,060	(14,647)	1,586,461
Professional and Technical Services	122,200	203,491	189,732	13,759	115,128
Staff Travel	105,800	101,835	96,321	5,514	109,623
Utility Services	34,014	34,362	34,612	(250)	36,978
Other Purchased Services	293,343	325,046	294,949	30,097	329,833
Insurance and Bond Premiums	804,155	478,107	478,107	-	804,155
Supplies, Materials, and Media	230,500	243,490	242,114	1,376	397,414
Other Expenses	75,615	53,212	29,275	23,937	30,673
Indirect Costs	(338,864)	(338,864)	(385,736)	46,872	(274,904)
Equipment	83,615	565,614	383,589	182,025	139,570
	<u>5,562,697</u>	<u>6,160,583</u>	<u>5,855,606</u>	<u>304,977</u>	<u>5,846,605</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Operations and Maintenance of Plant:					
Non-Certificated Salaries	\$ 3,533,510	\$ 3,357,460	\$ 3,233,937	\$ 123,523	\$ 3,120,912
Employee Benefits	2,890,545	2,810,084	3,191,444	(381,360)	2,933,749
Professional and Technical Services	-	-	-	-	1,565
Travel	7,475	8,398	3,037	5,361	5,982
Utility Services	412,041	379,575	389,622	(10,047)	389,434
Energy	6,336,164	5,625,682	5,511,290	114,392	5,585,135
Other Purchased Services	7,889,768	7,959,982	7,583,952	376,030	7,185,068
Insurance and Bond Premiums	525,873	634,696	634,696	-	525,873
Supplies, Materials, and Media	327,585	471,990	391,361	80,629	384,089
Other Expenses	200	8,500	8,512	(12)	32
Equipment	1,465,836	1,607,056	1,495,966	111,090	516,091
	<u>23,388,997</u>	<u>22,863,423</u>	<u>22,443,817</u>	<u>419,606</u>	<u>20,647,930</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Student Activities:					
Certificated Salaries	\$ 889,833	\$ 912,868	\$ 848,802	\$ 64,066	\$ 783,947
Non-Certificated Salaries	438,342	456,053	452,088	3,965	424,712
Employee Benefits	541,880	553,257	535,519	17,738	479,348
Staff Travel	4,400	10,026	10,412	(386)	13,343
Student Travel	307,762	302,285	298,283	4,002	298,862
Utility Services	100	100	-	100	-
Other Purchased Services	92,000	37,755	32,521	5,234	40,653
Supplies, Materials, and Media	12,213	61,977	56,844	5,133	81,992
Other Expenses	38,082	46,717	46,171	546	38,916
Equipment	-	16,437	16,226	211	9,433
	<u>2,324,612</u>	<u>2,397,475</u>	<u>2,296,866</u>	<u>100,609</u>	<u>2,171,206</u>
 Total Expenditures	 <u>150,082,760</u>	 <u>150,175,395</u>	 <u>147,909,285</u>	 <u>2,266,110</u>	 <u>144,417,698</u>
 Other Financing Uses:					
Transfer To Community Theater Fund	25,000	-	-	-	25,000
Transfer To Food Service Fund	750,000	1,100,000	1,424,759	(324,759)	791,836
Total Other Financing Uses	<u>775,000</u>	<u>1,100,000</u>	<u>1,424,759</u>	<u>(324,759)</u>	<u>816,836</u>
 Total Expenditures and Other Financing Uses	 <u>\$ 150,857,760</u>	 <u>\$ 151,275,395</u>	 <u>\$ 149,334,044</u>	 <u>\$ 1,941,351</u>	 <u>\$ 145,234,534</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 SCHEDULE OF COMPLIANCE - AS 14.17.505
 Year Ended June 30, 2014

Total fund balance - School Operating Fund		\$ 18,396,866
less exemptions per 4 ACC 09.160(a)		
Encumbrances		993,953
Inventory		737,933
Prepaid items		950,000
Self insurance		2,611,341
Total exemptions		5,293,227
 Fund balance subject to 10% limitation		 \$ 13,103,639

Nonexempt fund balance as a percentage of current year expenditures:

Fund balance subject to limitation		13,103,639			
Current year expenditures	=	147,909,285	=	<u>8.86%</u>	

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 SCHEDULE OF COMPLIANCE - AS 14.17.520
 For the Year Ended June 30, 2014

Instruction:

Regular Instruction	\$ 70,609,236
Special Education Instruction	19,130,390
Special Education Support Services - Student	5,964,489
Support Services - Student	4,913,235
Support Services - Instruction	3,696,749
School Administration	<u>6,794,017</u>

Total Instruction	<u>111,108,116</u>	75.12%
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Non-Instruction:

School Administration Support Services	4,943,625
District Administration	1,261,255
District Administration Support Services	5,855,606
Operations and Maintenance of Plant	22,443,817
Student Activities	<u>2,296,866</u>

Total Non-Instruction	<u>36,801,169</u>	24.88%
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Total Expenditures	<u>147,909,285</u>
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KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 BALANCE SHEET - MAJOR FUND - EQUIPMENT
 June 30, 2014

With Comparative Totals as of June 30, 2013

	2014	2013
ASSETS		
Equity in Central Treasury	\$ 4,542,164	\$ 5,454,294
Total Assets	\$ 4,542,164	\$ 5,454,294
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts Payable	\$ 690	\$ -
Due to General Fund	-	-
Total Liabilities	690	-
Assigned	4,541,474	5,454,294
Total Fund Balance:	4,541,474	5,454,294
 Total Liabilities and Fund Balances	 \$ 4,542,164	 \$ 5,454,294

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
MAJOR FUND - EQUIPMENT
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Earnings on Investments	\$ 200,000	\$ 60,000	\$ 138,724	\$ 78,724	\$ 22,783
Expenditures					
Instruction:					
Other Purchased Services	-	-	-	-	893
Supplies, Materials, and Media	-	179,859	275,159	(95,300)	7,438
Equipment	5,444,016	4,740,567	138,905	4,601,662	-
Total Instruction	5,444,016	4,920,426	414,064	4,506,362	8,331
Operations and Maintenance of Plant:					
Professional and Technical Service	-	-	-	-	530
Other Purchased Services	-	13,283	13,272	11	1,143
Supplies, Materials, and Media	-	146,695	150,212	(3,517)	26,583
Equipment	-	373,890	473,996	(100,106)	38,409
Total Operations and Maintenance of Plant	-	533,868	637,480	(103,612)	66,665
Total Expenditures	5,444,016	5,454,294	1,051,544	4,402,750	74,996
Excess (Deficiency) of Revenues Over Expenditures	\$ (5,244,016)	\$ (5,394,294)	(912,820)	\$ (4,324,026)	(52,213)
Fund Balance, Beginning of Year			5,454,294		5,506,507
Fund Balance, End of Year			\$ 4,541,474		\$ 5,454,294

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
BALANCE SHEET - MAJOR FUND - TITLE I
June 30, 2014

With Comparative Totals as of June 30, 2013

	2014	2013
ASSETS		
Assets:		
Due from other Governments	\$ 1,125,507	\$ 1,544,834
Total Assets	\$ 1,125,507	\$ 1,544,834
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts Payable	\$ 302	\$ 5,164
Due to General Fund	1,125,205	1,539,670
Total Liabilities	1,125,507	1,544,834
Fund Balance:	-	-
Total Liabilities and Fund Balances	\$ 1,125,507	\$ 1,544,834

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 MAJOR FUND - TITLE I
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE-
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 3,254,418	\$ 3,254,418	\$ 3,034,141	\$ (220,277)	\$ 3,340,180
Expenditures:					
Instruction					
Certificated Salaries	1,456,685	1,556,761	1,539,948	16,813	1,550,366
Non-Certificated Salaries	264,220	229,259	211,431	17,828	247,085
Employee Benefits	698,226	693,640	674,621	19,019	683,117
Professional and Technical Service	418,687	153,575	106,385	47,190	387,671
Staff Travel	151,004	248,895	186,292	62,603	178,418
Student Travel	1,500	15,015	15,149	(134)	1,000
Utility Services	6,000	7,375	2,952	4,423	4,204
Other Purchased Services	17,500	31,062	16,722	14,340	28,471
Supplies, Materials, and Media	76,928	131,435	105,389	26,046	105,894
Other Expenses	6,700	13,195	7,545	5,650	11,514
Equipment	11,563	30,000	28,956	1,044	4,541
Total Regular Instruction	3,109,013	3,110,212	2,895,390	214,822	3,202,281
District Administration Support Services					
Indirect Costs	145,405	144,206	138,751	5,455	137,899
Total Expenditures	3,254,418	3,254,418	3,034,141	220,277	3,340,180
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

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NON-MAJOR FUNDS – SPECIAL REVENUE FUNDS

Special Revenue Funds

Combining Balance Sheet Non-Major Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Non-Major Special Revenue Funds

These funds account for revenues from specific revenue sources including food sales, grants from the State of Alaska and the United States government, and transfers from the general fund which are designated to finance particular functions and activities.

Funds included in the special revenue category are:

- | | |
|--|-------------------------------|
| Alaska Works - CEF | McKinney – Vento Homeless |
| Artist in Schools | Mentor Project |
| Building Trades | Migrant Education |
| Career and Technical Education | Principal Coach |
| Carl Perkins – Basic | School Improvement |
| Community Theater | Staff Development Mini-Grants |
| Corporate and Miscellaneous Grants | Student Transportation |
| Early Literacy | Title I-D, Delinquent |
| Education Jobs | Title VI-B, IDEA |
| Food Service | Title VII, Indian Education |
| Food Service – FFVP | Upward Bound |
| Food Service – Nutritional Alaskan Foods | Youth First |
| Gear Up Kenai Peninsula | Youth in Detention |
| Governor's Alternative Schools | |
| Legislative Equipment Fund | |

SPECIAL REVENUE FUNDS

Alaska Works – Construction Education Foundation (CEF) grant is an Alaska Department of Labor funded project that supports our District's after school construction academies.

Artists in Schools is an Alaska State Council on the Arts grant that supports bringing Artists into our schools.

Building Trades was established as a vocational education program to teach students the vocational skills required for constructing houses.

Career and Technical Education is a State of Alaska Department of Workforce and Development grant to support activities in the implementation of strategies and actions defined in the Alaska Career and Technical Education Plan.

Carl Perkins - Basic programs provide improved vocational education for economically disadvantaged, physically challenged, English language learners, seasonal migrant families, at-risk students, parenting and/or pregnant youth, and students of under-represented minorities and gender.

Community Theater fund was established to account for community use of three theaters in the Central Peninsula area.

Corporate and Miscellaneous Grants encompass funds received from private businesses and State organizations and are most commonly grant awards for teacher-written grants for the classroom.

Early Literacy grant is administer early literacy screening assessments to all students in kindergarten, first and second graders; and third grade students identified as experiencing delays.

Education Jobs grant is a Federal Program that provides assistance to School Districts to save or create education jobs.

Food Service programs provide for daily lunches to students and staff.

Food Service – Fresh Fruit & Vegetable Program (FFVP) is designed to provide additional support to the daily breakfast and lunch program at two locations in our District.

Food Service – Nutritional Alaskan Foods program is to purchase Alaskan grown produce, seafood, aquatic protein or livestock products for use in school lunch programs.

Gear Up Kenai Peninsula provides academic and career support for students who are not achieving at their true potential and are economically disadvantaged. Students receive academic and career support and families receive information on post secondary planning within their means.

Governor's Alternative Schools grant will promote the health, fitness and nutritional needs of students for healthier lifestyles.

Legislative Equipment Fund awarded direct funding for schools to purchase equipment and supplies.

McKinney-Vento Homeless grant funds are used to facilitate the enrollment, attendance, retention and educational success of homeless students throughout the district.

Mentor Project is designed to match mentors with first year teachers. By mentoring new teachers, Alaska can improve the quality of instruction, increase teacher retention and improve student achievement.

Migrant Education grant provides additional resources to Migrant eligible students.

Principal Coach is a program funded by the State of Alaska Department of Education and Early Development for superintendents and school-site administrators new to the profession or new to the state with less than two years experience in Alaska.

School Improvement grants are designed to help turn around low performing schools.

Staff Development Mini-Grants provide funding for travel costs of employees attending meetings and conferences sponsored by the State Department of Education.

Student Transportation programs provide for transporting students to and from school.

Title I-D, Delinquent grant provides funds for transition services to incarcerated and adjudicated youth. Program activities include personal support as they re-enter public school, and career exploration support as well as training in healthy leisure time activities.

Title VI-B, Individuals with Disabilities Education Act (IDEA) grant provides funds for the overall improvement of service for students receiving Special Education.

Title VII, Indian Education programs provide math, reading, writing, and study skills tutorials to eligible Alaska Native and/or Native American students.

Upward Bound is a program designed to assist students with college potential who need additional academic preparation, advisement, and encouragement to succeed in high school and later, in college.

Youth First is a grant funded by Alaska Department of Labor to support vocational courses provided through the Workforce Development Center.

Youth in Detention grant provides the additional funding for the extended instructional, administrative, and operational activities associated with a year-round school program for incarcerated students

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
 June 30, 2014
 With Comparative Totals as of June 30, 2013

	Alaska Works CEF	Building Trades	Career Tech Ed	Carl Perkins Basic
ASSETS				
Equity in Central Treasury	\$ -	\$ -	\$ -	\$ -
Accounts receivable	-	-	-	-
Due from other Governments	68,171	-	7,275	84,961
Inventory	-	60,618	-	-
Total Assets	\$ 68,171	\$ 60,618	\$ 7,275	\$ 84,961
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ 7,275	\$ 884
Due to General Fund	68,171	44,976	-	84,077
Total Liabilities	68,171	44,976	7,275	84,961
Fund Balances:				
Nonspendable	-	60,618	-	-
Assigned	-	-	-	-
Unassigned	-	(44,976)	-	-
Total Fund Balances	-	15,642	-	-
Total Liabilities and Fund Balances	\$ 68,171	\$ 60,618	\$ 7,275	\$ 84,961

Continued

	Community Theater	Corporate & Miscellaneous Grants	Food Service	Gear - Up Kenai
ASSETS				
Equity in Central Treasury	\$ 55,330	\$ 41,837	\$ 92,100	\$ -
Accounts receivable	2,585	-	-	-
Due from other Governments	-	-	-	46,689
Inventory	-	-	406,638	-
Total Assets	\$ 57,915	\$ 41,837	\$ 498,738	\$ 46,689
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to General Fund	-	-	-	46,689
Total Liabilities	-	-	-	46,689
Fund Balances:				
Nonspendable	-	-	406,638	-
Assigned	57,915	41,837	92,100	-
Unassigned	-	-	-	-
Total Fund Balances	57,915	41,837	498,738	-
Total Liabilities and Fund Balances	\$ 57,915	\$ 41,837	\$ 498,738	\$ 46,689

Continued

	<u>Governor's Alternative</u>	<u>McKinney-Vento Homeless</u>	<u>Mentor Project</u>	<u>Migrant Education</u>
ASSETS				
Equity in Central Treasury	\$ -	\$ -	\$ -	\$ -
Accounts receivable	-	-	-	-
Due from other Governments	9,886	1,372	117,105	1,494
Inventory	-	-	-	-
Total Assets	<u>\$ 9,886</u>	<u>\$ 1,372</u>	<u>\$ 117,105</u>	<u>\$ 1,494</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to General Fund	9,886	1,372	117,105	1,494
Total Liabilities	<u>9,886</u>	<u>1,372</u>	<u>117,105</u>	<u>1,494</u>
Fund Balances:				
Nonspendable	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 9,886</u>	<u>\$ 1,372</u>	<u>\$ 117,105</u>	<u>\$ 1,494</u>

Continued

	<u>Principal Coach</u>	<u>School Improvement</u>	<u>Staff Development Mini-Grants</u>	<u>Student Transportaion</u>
ASSETS				
Equity in Central Treasury	\$ -	\$ -	\$ -	\$ 889,736
Accounts receivable	-	-	-	-
Due from other Governments	264,448	300	816	-
Inventory	-	-	-	-
Total Assets	<u>\$ 264,448</u>	<u>\$ 300</u>	<u>\$ 816</u>	<u>\$ 889,736</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ 168	\$ 43
Due to General Fund	264,448	300	648	-
Total Liabilities	<u>264,448</u>	<u>300</u>	<u>816</u>	<u>43</u>
Fund Balances:				
Nonspendable	-	-	-	-
Assigned	-	-	-	889,693
Unassigned	-	-	-	-
Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>889,693</u>
Total Liabilities and Fund Balances	<u>\$ 264,448</u>	<u>\$ 300</u>	<u>\$ 816</u>	<u>\$ 889,736</u>

Continued

	Title I-D Delinquent	Title VI-B IDEA	Title VII Indian Education	Youth First
ASSETS				
Equity in Central Treasury	\$ -	\$ -	\$ -	\$ -
Accounts receivable	-	-	-	-
Due from other Governments	3,872	847,262	105,564	11,586
Inventory	-	-	-	-
Total Assets	\$ 3,872	\$ 847,262	\$ 105,564	\$ 11,586
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to General Fund	3,872	847,262	105,564	11,586
Total Liabilities	3,872	847,262	105,564	11,586
Fund Balances:				
Nonspendable	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	-	-	-	-
Total Liabilities and Fund Balances	\$ 3,872	\$ 847,262	\$ 105,564	\$ 11,586

Concluded

	<u>Total June 30, 2014</u>	<u>Total June 30, 2013</u>
ASSETS		
Equity in Central Treasury	\$ 1,079,003	\$ 1,285,560
Accounts receivable	2,585	6,237
Due from other Governments	1,570,801	1,199,417
Inventory	<u>467,256</u>	<u>218,298</u>
Total Assets	<u>\$ 3,119,645</u>	<u>\$ 2,709,512</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts Payable	\$ 8,370	\$ 9,854
Due to General Fund	<u>1,607,450</u>	<u>1,236,125</u>
Total Liabilities	<u>1,615,820</u>	<u>1,245,979</u>
Fund Balances:		
Nonspendable	467,256	218,298
Assigned	1,081,545	1,290,211
Unassigned	<u>(44,976)</u>	<u>(44,976)</u>
Total Fund Balances	<u>1,503,825</u>	<u>1,463,533</u>
Total Liabilities and Fund Balances	<u>\$ 3,119,645</u>	<u>\$ 2,709,512</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2014
 With Comparative Totals for the Year Ended June 30, 2013

	Alaska Works CEF	Artist in Schools	Building Trades	Career Tech Ed
Revenues:				
State	\$ -	\$ 1,000	\$ -	\$ 38,722
Federal-Direct	-	-	-	-
Federal-Through the State	-	1,000	-	-
Federal-Through other Intermediate Agencies	-	-	-	-
Food sales	-	-	-	-
Corporate grants and user fees	-	-	-	-
Other Local	179,982	1,750	-	-
Total Revenues	179,982	3,750	-	38,722
Expenditures:				
Current:				
Instruction	114,927	3,750	-	38,722
Special Education - Instruction	-	-	-	-
Support Services - Students	-	-	-	-
Support Services - Instruction	56,663	-	-	-
School Administration	-	-	-	-
School Administration Support Services	-	-	-	-
Operations and Maintenance of Plant	-	-	-	-
Student Activities	-	-	-	-
Community Services	-	-	-	-
District Administration Support Services	8,392	-	-	-
Student Transportation	-	-	-	-
Food Services	-	-	-	-
Total Expenditures	179,982	3,750	-	38,722
Excess (Deficiency) of Revenues over Expenditures	-	-	-	-
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses):	-	-	-	-
Net Changes In Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	15,642	-
Fund Balances, End of Year	\$ -	\$ -	\$ 15,642	\$ -

Continued

	Carl Perkins - Basic	Community Theater	Corporate & Miscellaneous Grants	Early Literacy
Revenues:				
State	\$ -	\$ -	\$ -	\$ 18,271
Federal-Direct	-	-	-	-
Federal-Through the State	231,982	-	-	-
Federal-Through other Intermediate Agencies	-	-	-	-
Food sales	-	-	-	-
Corporate grants and user fees	-	25,840	95,662	-
Other Local	-	-	-	-
Total Revenues	<u>231,982</u>	<u>25,840</u>	<u>95,662</u>	<u>18,271</u>
Expenditures:				
Current:				
Instruction	221,558	-	37,846	-
Special Education - Instruction	-	-	5,500	-
Support Services - Students	-	-	-	-
Support Services - Instruction	-	-	-	18,271
School Administration	-	-	-	-
School Administration Support Services	-	-	-	-
Operations and Maintenance of Plant	-	-	1,026	-
Student Activities	-	-	20,350	-
Community Services	-	40,621	-	-
District Administration Support Services	10,424	-	-	-
Student Transportation	-	-	-	-
Food Services	-	-	-	-
Total Expenditures	<u>231,982</u>	<u>40,621</u>	<u>64,722</u>	<u>18,271</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>(14,781)</u>	<u>30,940</u>	<u>-</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes In Fund Balances	-	(14,781)	30,940	-
Fund Balances, Beginning of Year	-	72,696	10,897	-
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ 57,915</u>	<u>\$ 41,837</u>	<u>\$ -</u>

Continued

	Food Service	Food Service FFVP	Food Service Nutritional Alaskan Foods	Gear Up Kenai Peninsula
Revenues:				
State	\$ -	\$ -	\$ 237,528	\$ -
Federal-Direct	-	-	-	127,608
Federal-Through the State	2,352,208	118,449	-	-
Federal-Through other Intermediate Agencies	-	-	-	-
Food sales	657,295	-	-	-
Corporate grants and user fees	-	-	-	-
Other Local	1,695	-	-	-
Total Revenues	3,011,198	118,449	237,528	127,608
Expenditures:				
Current:				
Instruction	-	-	-	121,659
Special Education - Instruction	-	-	-	-
Support Services - Students	-	-	-	-
Support Services - Instruction	-	-	-	-
School Administration	-	-	-	-
School Administration Support Services	-	-	-	-
Operations and Maintenance of Plant	-	-	-	-
Student Activities	-	-	-	-
Community Services	-	-	-	-
District Administration Support Services	-	-	-	5,949
Student Transportation	-	-	-	-
Food Services	4,186,999	118,449	145,428	-
Total Expenditures	4,186,999	118,449	145,428	127,608
Excess (Deficiency) of Revenues over Expenditures	(1,175,801)	-	92,100	-
Other Financing Sources (Uses):				
Transfers in	1,424,759	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses):	1,424,759	-	-	-
Net Changes In Fund Balances	248,958	-	92,100	-
Fund Balances, Beginning of Year	157,680	-	-	-
Fund Balances, End of Year	\$ 406,638	\$ -	\$ 92,100	\$ -

Continued

	Governor's Alternative Schools	Legislative Equipment	McKinney - Vento Homeless	Mentor Project
Revenues:				
State	\$ 25,950	\$ 102,233	\$ -	\$ -
Federal-Direct	-	-	-	-
Federal-Through the State	-	-	19,379	313,292
Federal-Through other Intermediate Agencies	-	-	-	-
Food sales	-	-	-	-
Corporate grants and user fees	-	-	-	-
Other Local	-	-	-	-
Total Revenues	25,950	102,233	19,379	313,292
Expenditures:				
Current:				
Instruction	24,740	7,481	18,475	301,288
Special Education - Instruction	-	-	-	-
Support Services - Students	-	-	-	-
Support Services - Instruction	-	-	-	-
School Administration	-	-	-	-
School Administration Support Services	-	-	-	-
Operations and Maintenance of Plant	-	94,752	-	-
Student Activities	-	-	-	-
Community Services	-	-	-	-
District Administration Support Services	1,210	-	904	12,004
Student Transportation	-	-	-	-
Food Services	-	-	-	-
Total Expenditures	25,950	102,233	19,379	313,292
Excess (Deficiency) of Revenues over Expenditures	-	-	-	-
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses):	-	-	-	-
Net Changes In Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -

Continued

	Migrant Education	Principal Coach	School Improvement	Staff Development Mini-Grants
Revenues:				
State	\$ -	\$ 1,130,298	\$ -	\$ 13,965
Federal-Direct	-	-	-	-
Federal-Through the State	8,234	-	4,130	-
Federal-Through other Intermediate Agencies	-	-	-	-
Food sales	-	-	-	-
Corporate grants and user fees	-	-	-	-
Other Local	-	-	-	-
Total Revenues	8,234	1,130,298	4,130	13,965
Expenditures:				
Current:				
Instruction	8,074	-	4,130	13,965
Special Education - Instruction	-	-	-	-
Support Services - Students	-	-	-	-
Support Services - Instruction	-	-	-	-
School Administration	-	1,059,302	-	-
School Administration Support Services	-	18,301	-	-
Operations and Maintenance of Plant	-	-	-	-
Student Activities	-	-	-	-
Community Services	-	-	-	-
District Administration Support Services	160	52,695	-	-
Student Transportation	-	-	-	-
Food Services	-	-	-	-
Total Expenditures	8,234	1,130,298	4,130	13,965
Excess (Deficiency) of Revenues over Expenditures	-	-	-	-
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses):	-	-	-	-
Net Changes In Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -

Continued

	Student Transportation	Title I-D Delinquent	Title VI-B IDEA	Title VII Indian Education
Revenues:				
State	\$ 7,729,490	\$ -	\$ -	\$ -
Federal-Direct	-	-	-	370,998
Federal-Through the State	-	4,594	2,819,044	-
Federal-Through other Intermediate Agencies	-	-	-	-
Food sales	-	-	-	-
Corporate grants and user fees	-	-	-	-
Other Local	-	-	-	-
Total Revenues	7,729,490	4,594	2,819,044	370,998
Expenditures:				
Current:				
Instruction	-	4,380	-	353,702
Special Education - Instruction	-	-	2,688,127	-
Support Services - Students	-	-	-	-
Support Services - Instruction	-	-	-	-
School Administration	-	-	-	-
School Administration Support Services	-	-	-	-
Operations and Maintenance of Plant	-	-	-	-
Student Activities	702,933	-	-	-
Community Services	-	-	-	-
District Administration Support Services	-	214	130,917	17,296
Student Transportation	7,343,482	-	-	-
Food Services	-	-	-	-
Total Expenditures	8,046,415	4,594	2,819,044	370,998
Excess (Deficiency) of Revenues over Expenditures	(316,925)	-	-	-
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses):	-	-	-	-
Net Changes In Fund Balances	(316,925)	-	-	-
Fund Balances, Beginning of Year	1,206,618	-	-	-
Fund Balances, End of Year	\$ 889,693	\$ -	\$ -	\$ -

Concluded

	Upward Bound	Youth First	Youth In Detention	Total June 30, 2014	Total June 30, 2013
Revenues:					
State	\$ -	\$ 77,178	\$ 69,143	\$ 9,443,778	\$ 9,277,421
Federal-Direct	-	-	-	498,606	455,577
Federal-Through the State	23,967	-	-	5,896,279	4,787,106
Federal-Through other Intermediate Agencies	-	-	-	-	2,500
Food sales	-	-	-	657,295	703,256
Corporate grants and user fees	-	-	-	121,502	98,285
Other Local	-	-	-	183,427	192,210
Total Revenues	23,967	77,178	69,143	16,800,887	15,516,355
Expenditures:					
Current:					
Instruction	23,967	20,130	65,920	1,384,714	1,632,917
Special Education - Instruction	-	-	-	2,693,627	1,697,906
Support Services - Students	-	53,450	-	53,450	55,202
Support Services - Instruction	-	-	-	74,934	-
School Administration	-	-	-	1,059,302	414,036
School Administration Support Services	-	-	-	18,301	36,638
Operations and Maintenance of Plant	-	-	-	95,778	728,238
Student Activities	-	-	-	723,283	40,272
Community Services	-	-	-	40,621	48,786
District Administration Support Services	-	3,598	3,223	246,986	137,004
Student Transportation	-	-	-	7,343,482	7,473,969
Food Services	-	-	-	4,450,876	4,203,218
Total Expenditures	23,967	77,178	69,143	18,185,354	16,468,186
Excess (Deficiency) of Revenues over Expenditures	-	-	-	(1,384,467)	(951,831)
Other Financing Sources (Uses):					
Transfers in	-	-	-	1,424,759	816,836
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses):	-	-	-	1,424,759	816,836
Net Changes In Fund Balances	-	-	-	40,292	(134,995)
Fund Balances, Beginning of Year	-	-	-	1,463,533	1,598,528
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ 1,503,825	\$ 1,463,533

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
ALASKA WORKS - CONSTRUCTION EDUCATION FOUNDATION
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Other Local	\$ 185,000	\$ 185,000	\$ 179,982	\$ (5,018)	\$ 184,119
Expenditures:					
Instruction					
Certificated Salaries	25,000	22,500	22,500	-	27,300
Non-Certificated Salaries	3,000	3,000	3,798	(798)	35,347
Employee Benefits	3,818	3,818	3,719	99	27,109
Professional and Technical Services	8,625	8,625	8,500	125	-
Staff Travel	-	-	528	(528)	1,404
Other Purchased Services	-	-	-	-	75
Supplies, Materials, and Media	76,214	76,330	71,875	4,455	74,730
Equipment	2,000	4,500	4,007	493	10,188
Total Instruction	118,657	118,773	114,927	3,846	176,153
Expenditures:					
Support Services - Instruction					
Non-Certificated Salaries	30,545	30,545	31,134	(589)	-
Employee Benefits	25,767	25,767	24,665	1,102	-
Staff Travel	1,500	1,500	864	636	-
Total Support Services - Instruction	57,812	57,812	56,663	1,149	-
District Administration Support Services					
Indirect Costs	8,531	8,415	8,392	23	7,966
Total Expenditures	185,000	185,000	179,982	5,018	184,119
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	\$ -
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
ARTISTS IN SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
State	\$ 500	\$ 1,000	\$ 1,000	\$ -	\$ 2,753
Federal - Through the State	500	1,000	1,000	-	2,752
Other Local	500	1,750	1,750	-	3,993
Total Revenues	1,500	3,750	3,750	-	9,498
Expenditures:					
Instruction					
Professional and Technical Services	1,500	3,500	3,500	-	8,010
Student Travel	-	-	-	-	155
Other Purchased Services	-	-	-	-	145
Supplies, Materials, and Media	-	250	250	-	1,188
Total Expenditures	1,500	3,750	3,750	-	9,498
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
ALASKA STAFF DEVELOPMENT NETWORK - LEADERSHIP
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal - Through the State	\$ -	\$ -	\$ -	\$ -	\$ 28,975
Expenditures:					
School Administration					
Staff Travel	-	-	-	-	24,478
Supplies, Materials, and Media	-	-	-	-	4,497
Total Expenditures	-	-	-	-	28,975
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
ASSOCIATION OF ALASKA SCHOOL BOARDS - ARTIST TOPS
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal - Through the State	\$ -	\$ -	\$ -	\$ -	\$ 4,160
Expenditures:					
Instruction					
Professional and Technical Services	-	-	-	-	900
Supplies, Materials, and Media	-	-	-	-	3,260
Total Expenditures	-	-	-	-	4,160
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
BUILDING TRADES
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenue:	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:	-	-	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund Balance, Beginning of Year			15,642		15,642
Fund Balance, End of Year			<u>\$ 15,642</u>		<u>\$ 15,642</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 CAREER AND TECHNICAL EDUCATION
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE-
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
State	\$ 60,000	\$ 60,000	\$ 38,722	\$ (21,278)	\$ -
Expenditures:					
Instruction					
Certificated Salaries	-	8,851	2,340	6,511	-
Non-Certificated Salaries	-	2,000	120	1,880	-
Employee Benefits	-	863	188	675	-
Professional and Technical Services	2,091	-	-	-	-
Staff Travel	-	13,826	1,770	12,056	-
Student Travel	3,909	4,460	4,304	156	-
Other Purchased Services	24,000	-	-	-	-
Supplies, Materials, and Media	11,610	20,331	20,331	-	-
Equipment	18,390	9,669	9,669	-	-
Total Expenditures	60,000	60,000	38,722	21,278	-
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 CARL PERKINS - BASIC
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE-
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal - Through the State	\$ 187,131	\$ 246,090	\$ 231,982	\$ (14,108)	\$ 216,359
Expenditures:					
Instruction					
Certificated Salaries	87,358	77,753	73,875	3,878	64,029
Non-Certificated Salaries	13,230	19,620	19,051	569	8,510
Employee Benefits	21,594	21,999	20,702	1,297	16,084
Professional and Technical Services	9,000	11,500	11,495	5	16,498
Staff Travel	19,100	35,263	35,306	(43)	25,277
Student Travel	5,818	5,535	4,891	644	8,862
Other Purchased Services	350	2,450	2,374	76	416
Supplies, Materials, and Media	20,072	52,438	45,429	7,009	44,672
Other Expenses	455	45	45	-	775
Equipment	1,500	8,406	8,390	16	22,350
Total Instruction	178,477	235,009	221,558	13,451	207,473
District Administration Support Services					
Indirect Costs	8,654	11,081	10,424	657	8,886
Total Expenditures	187,131	246,090	231,982	14,108	216,359
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
COMMUNITY THEATER
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Corporate Grants and User Fees	\$ 42,500	\$ 42,500	\$ 25,840	\$ (16,660)	\$ 41,945
Expenditures:					
Community Services:					
Non-Certificated Salaries	30,000	30,000	25,051	4,949	31,812
Employee Benefits	8,000	8,000	7,275	725	8,834
Staff Travel	1,500	1,500	2,645	(1,145)	1,730
Utility Services	1,000	1,000	434	566	828
Other Purchased Services	-	-	145	(145)	-
Supplies, Materials, and Media	2,000	2,000	5,071	(3,071)	5,582
Total Expenditures	42,500	42,500	40,621	1,879	48,786
Excess (Deficiency) of Revenue over Expenditures	-	-	(14,781)	(14,781)	(6,841)
Other Financing Sources:					
Transfers In	\$ -	\$ -	-	\$ -	25,000
Fund Balance, Beginning of Year			72,696		54,537
Fund Balance, End of Year			\$ 57,915		\$ 72,696

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
CORPORATE AND MISCELLANEOUS GRANTS
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	2013 Actual
Revenues:					
Corporate Grants and User Fees	4,000	95,662	95,662	-	56,340
Expenditures:					
Instruction:					
Certificated Salaries	-	-	-	-	525
Non-Certificated Salaries	-	463	325	138	205
Employee Benefits	-	37	25	12	89
Professional and Technical Service	-	3,000	3,365	(365)	1,600
Student Travel	-	12,567	9,744	2,823	5,189
Other Purchased Services	-	-	-	-	150
Supplies, Materials, and Media	10,737	23,991	16,628	7,363	15,493
Equipment	2,410	8,396	7,759	637	163
Total Instruction	13,147	48,454	37,846	10,608	23,414
Special Education - Instruction:					
Supplies, Materials, and Media	-	1,111	1,111	-	-
Equipment	-	4,389	4,389	-	3,000
Total Special Education - Instruction	-	5,500	5,500	-	3,000
Operations and Maintenance of Plant:					
Other Purchased Services	-	1,000	1,000	-	-
Supplies, Materials, and Media	-	18,425	26	18,399	-
Total Operations and Maintenance of Plant	-	19,425	1,026	18,399	-
Student Activities:					
Student Travel	-	6,600	6,600	-	2,200
Other Purchased Services	-	800	800	-	2,500
Supplies, Materials, and Media	1,750	12,030	8,990	3,040	17,070
Other Expenses	-	-	-	-	300
Equipment	-	13,750	3,960	9,790	-
Total Student Activities	1,750	33,180	20,350	12,830	22,070
Total Expenditures	14,897	106,559	64,722	41,837	48,484
Excess (Deficiency) of Revenues Over Expenditures	\$ (10,897)	\$ (10,897)	30,940	\$ 41,837	7,856
Fund Balance, Beginning of Year			10,897		3,041
Fund Balance, End of Year			\$ 41,837		\$ 10,897

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 EARLY LITERACY
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE-
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	2013 Actual
Revenues:					
State	\$ 18,271	\$ 18,271	\$ 18,271	\$ -	\$ -
Expenditures:					
Support Services - Student Supplies, Materials, and Media	18,271	18,271	18,271	-	-
Total Expenditures	18,271	18,271	18,271	-	-
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
EDUCATION JOBS GRANT
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal - Through the State	\$ -	\$ -	\$ -	\$ -	\$ 37,993
Expenditures:					
Instruction:					
Certificated Salaries	-	-	-	-	33,150
Employee Benefits	-	-	-	-	4,843
Total Instruction	-	-	-	-	37,993
Total Expenditures	-	-	-	-	37,993
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
FOOD SERVICE
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 2,250,000	\$ 2,450,000	\$ 2,182,212	\$ (267,788)	\$ 2,144,537
Food Sales	640,000	640,000	657,295	17,295	703,256
Commodities	110,000	110,000	169,996	59,996	139,253
Other Local Revenues	-	-	1,695	1,695	4,098
Total Revenues	<u>3,000,000</u>	<u>3,200,000</u>	<u>3,011,198</u>	<u>(188,802)</u>	<u>2,991,144</u>
Expenditures:					
Food Services					
Non-Certificated Salaries	1,446,034	1,456,522	1,531,653	(75,131)	1,414,610
Employee Benefits	1,059,032	1,091,928	1,032,877	59,051	949,397
Professional and Technical Services	-	-	-	-	2,700
Staff Travel	25,200	25,200	19,271	5,929	23,667
Utility Services	3,075	3,075	2,435	640	2,251
Other Purchased Services	64,000	65,000	48,803	16,197	32,038
Supplies, Materials, and Media	1,710,300	1,711,575	1,532,120	179,455	1,615,126
Other Expenses	4,500	4,500	4,144	356	4,117
Equipment	30,000	30,000	15,696	14,304	12,429
Total Expenditures	<u>4,342,141</u>	<u>4,387,800</u>	<u>4,186,999</u>	<u>200,801</u>	<u>4,056,335</u>
Excess (Deficiency) of Revenue over Expenditures	<u>(1,342,141)</u>	<u>(1,187,800)</u>	<u>(1,175,801)</u>	<u>11,999</u>	<u>(1,065,191)</u>
Other Financing Sources:					
Transfers In	<u>\$ 750,000</u>	<u>\$ 1,100,000</u>	1,424,759	<u>\$ 324,759</u>	791,836
Fund Balance, Beginning of Year			<u>157,680</u>		<u>431,035</u>
Fund Balance, End of Year			<u>\$ 406,638</u>		<u>\$ 157,680</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 FOOD SERVICE - FRESH FRUIT & VEGETABLE PROGRAM
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE-
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 18,022	\$ 118,704	\$ 118,449	\$ (255)	\$ 120,722
Expenditures:					
Food Service					
Non-Certificated Salaries	-	-	-	-	-
Employee Benefits	-	-	-	-	-
Supplies, Materials, and Media	18,022	118,704	118,449	255	120,722
Total Expenditures	18,022	118,704	118,449	255	120,722
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 FOOD SERVICE - NUTRITIONAL ALASKAN FOODS
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE-
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
State	\$ 128,905	\$ 237,528	\$ 237,528	\$ -	\$ 26,161
Expenditures:					
Food Service Supplies, Materials, and Media	128,605	237,528	145,428	92,100	26,161
Total Expenditures	128,605	237,528	145,428	92,100	26,161
Excess (Deficiency) of Revenues Over Expenditures	\$ 300	\$ -	92,100	\$ 92,100	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 FOURTH R TRAINING
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE-
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ -	\$ -	\$ -	\$ -	\$ 6,600
Expenditures:					
Instruction					
Certificated Salaries	-	-	-	-	260
Non-Certificated Salaries	-	-	-	-	1,063
Employee Benefits	-	-	-	-	101
Other Purchased Services	-	-	-	-	785
Supplies, Materials and Media	-	-	-	-	4,391
Total Expenditures	-	-	-	-	6,600
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 GEAR UP KENAI PENINSULA
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE-
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Direct	\$ 170,253	\$ 170,253	\$ 127,608	\$ (42,645)	\$ 148,835
Expenditures:					
Instruction					
Professional and Technical Service	162,316	162,316	121,659	40,657	142,018
District Administration Support Services					
Indirect Costs	7,937	7,937	5,949	1,988	6,817
Total Expenditures	170,253	170,253	127,608	42,645	148,835
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GOVERNOR'S ALTERNATIVE SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
State	\$ 25,000	\$ 25,950	\$ 25,950	\$ -	\$ 41,635
Federal-Through the State	-	-	-	-	1,227
Total Revenues	25,000	25,950	25,950	-	42,862
Expenditures:					
Instruction:					
Non-Certificated Salaries	-	-	-	-	112
Employee Benefits	-	-	-	-	9
Staff Travel	-	1,102	1,102	-	1,830
Other Purchased Services	-	3,834	3,619	215	2,500
Supplies, Materials, and Media	-	19,804	20,019	(215)	36,249
Other Expenses	25,000	-	-	-	199
Total Instruction	25,000	24,740	24,740	-	40,899
District Administration Support Services:					
Indirect Costs	-	1,210	1,210	-	1,963
Total Expenditures	25,000	25,950	25,950	-	42,862
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	\$ -
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 LEGISLATIVE EQUIPMENT
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE-
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 With Comparative Actual Totals for the Year Ended June 30, 2013

	2014			Variance- Positive (Negative)	2013 Actual
	Original Budget	Current Budget	Actual		
Revenues:					
State	\$ -	\$ 102,233	\$ 102,233	\$ -	\$ 965,267
Expenditures:					
Instruction:					
Other Purchased Services	-	-	-	-	250
Supplies, Materials, and Media	-	7,481	7,481	-	55,491
Equipment	-	-	-	-	180,950
Total Instruction	-	7,481	7,481	-	236,691
Support Services - Student					
Supplies, Materials, and Media	-	-	-	-	338
Operations and Maintenance of Plant:					
Supplies, Materials, and Media	-	64,110	64,110	-	375,302
Equipment	-	30,642	30,642	-	352,936
Total Operations and Maintenance of Plant	-	94,752	94,752	-	728,238
Total Expenditures	-	102,233	102,233	-	965,267
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			<u>\$ -</u>		<u>\$ -</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 LEGISLATIVE STUDENT NUTRITION
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE-
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
State	\$ -	\$ -	\$ -	\$ -	\$ 40,000
Expenditures:					
Support Services - Students					
Other Purchased Services	-	-	-	-	-
Supplies, Materials, and Media	-	-	-	-	2,996
Equipment	-	-	-	-	37,004
Total Expenditures	-	-	-	-	40,000
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			<u>\$ -</u>		<u>\$ -</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
MCKINNEY-VENTO HOMELESS
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 20,502	\$ 20,502	\$ 19,379	\$ (1,123)	\$ 25,247
Expenditures:					
Instruction					
Certificated Salaries	500	-	-	-	-
Non-Certificated Salaries	1,993	-	-	-	-
Employee Benefits	597	-	-	-	-
Staff Travel	500	1,800	1,824	(24)	4,321
Student Travel	3,000	1,000	1,000	-	2,095
Utility Services	-	30	23	7	-
Other Purchased Services	600	300	13	287	840
Supplies, Materials, and Media	7,069	16,416	15,615	801	16,835
Other Expenses	5,287	-	-	-	-
Total Instruction	19,546	19,546	18,475	1,071	24,091
District Administration Support Services					
Indirect Costs	956	956	904	52	1,156
Total Expenditures	20,502	20,502	19,379	1,123	25,247
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
MENTOR PROJECT
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 174,783	\$ 447,044	\$ 313,292	\$ (133,752)	\$ 199,612
Expenditures:					
Instruction					
Certificated Salaries	97,922	257,522	202,419	55,103	133,152
Non-Certificated Salaries	-	-	330	(330)	330
Employee Benefits	35,081	89,345	67,281	22,064	40,439
Staff Travel	32,751	75,676	28,642	47,034	16,915
Supplies, Materials and Media	1,155	6,155	1,418	4,737	991
Equipment	1,198	1,198	1,198	-	-
Total Instruction	168,107	429,896	301,288	128,608	191,827
District Administration Support Services					
Indirect Costs	6,676	17,148	12,004	5,144	7,785
Total Expenditures	174,783	447,044	313,292	133,752	199,612
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
MIGRANT EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 8,277	\$ 8,277	\$ 8,234	\$ (43)	\$ 2,256
Expenditures:					
Instruction					
Non-Certificated Salaries	-	351	350	1	-
Employee Benefits	-	27	27	-	-
Staff Travel	3,315	2,937	2,897	40	578
Supplies, Materials, and Media	4,800	4,800	4,800	-	1,650
Total Instruction	8,115	8,115	8,074	41	2,228
District Administration Support Services					
Indirect Costs	162	162	160	2	28
Total Expenditures	8,277	8,277	8,234	43	2,256
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
NATIONAL SPACE GRANT
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ -	\$ -	\$ -	\$ -	\$ 2,500
Expenditures:					
Instruction					
Supplies, Materials, and Media	-	-	-	-	2,500
Total Expenditures	-	-	-	-	2,500
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 PRINCIPAL COACH
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE-
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
State	\$ 1,107,714	\$ 1,130,714	\$ 1,130,298	\$ (416)	\$ 421,699
Expenditures:					
School Administration					
Professional and Technical Services	739,471	768,471	770,019	(1,548)	101,524
Staff Travel	270,000	256,850	258,593	(1,743)	253,254
Utility Services	1,650	1,650	1,426	224	1,440
Other Purchases Services	8,500	8,500	7,918	582	8,445
Supplies, Materials, and Media	15,000	19,500	18,366	1,134	7,576
Other Expenses	1,000	2,750	2,685	65	517
Equipment	-	300	295	5	12,305
Total School Administration	<u>1,035,621</u>	<u>1,058,021</u>	<u>1,059,302</u>	<u>(1,281)</u>	<u>385,061</u>
School Administration Support Services					
Non-Certificated Salaries	10,572	10,572	10,720	(148)	21,854
Employee Benefits	7,354	7,954	7,581	373	14,784
Total School Administration Support Services	<u>17,926</u>	<u>18,526</u>	<u>18,301</u>	<u>225</u>	<u>36,638</u>
District Administration Support Services					
Indirect Costs	54,167	54,167	52,695	1,472	-
Total Expenditures	<u>1,107,714</u>	<u>1,130,714</u>	<u>1,130,298</u>	<u>416</u>	<u>421,699</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			<u>\$ -</u>		<u>\$ -</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
SCHOOL IMPROVEMENT
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal - Through the State	\$ 4,399	\$ 4,399	\$ 4,130	\$ (269)	\$ 46,126
Expenditures:					
Instruction					
Certificated Salaries	2,154	700	700	-	8,154
Non-Certificated Salaries	1,807	-	-	-	3,061
Employee Benefits	389	102	97	5	1,128
Professional and Technical Services	-	-	-	-	15,610
Staff Travel	-	3,300	3,300	-	16,861
Supplies, Materials, and Media	49	297	33	264	1,312
Total Expenditures	4,399	4,399	4,130	269	46,126
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 STAFF DEVELOPMENT MINI-GRANTS
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE-
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
State	\$ 740	\$ 21,819	\$ 13,965	\$ (7,854)	\$ 11,497
Expenditures:					
Instruction					
Certificated Salaries	-	-	-	-	260
Non-Certificated Salaries	-	278	155	123	55
Employee Benefits	-	22	12	10	24
Staff Travel	740	21,119	13,798	7,321	11,158
Supplies, Materials, and Media	-	400	-	400	-
Total Expenditures	740	21,819	13,965	7,854	11,497
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
STUDENT TRANSPORTATION
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenue:					
State	\$ 7,680,611	\$ 7,729,490	\$ 7,729,490	\$ -	\$ 7,604,516
Expenditures:					
Student Activities					
Non-Certificated Salaries	3,000	3,000	4,343	(1,343)	1,554
Employee Benefits	239	239	332	(93)	119
Staff Travel	3,000	4,750	3,135	1,615	22
Energy	-	3,290	3,368	(78)	1,938
Other Purchased Services	-	595	594	1	1,829
Supplies, Materials, and Media	32,000	25,925	8,029	17,896	5,874
Other Expenses	1,000	1,440	1,303	137	836
Equipment	-	687,080	681,830	5,250	6,030
Total Student Activities	<u>39,239</u>	<u>726,319</u>	<u>702,934</u>	<u>23,385</u>	<u>18,202</u>
Student Transportation					
Non-Certificated Salaries	123,213	125,959	126,615	(656)	138,549
Employee Benefits	67,253	66,907	67,274	(367)	59,967
Staff Travel	9,500	9,500	805	8,695	4,370
Utility Services	1,500	1,500	594	906	695
Other Purchased Services	7,570,223	7,569,308	7,141,865	427,443	7,258,575
Supplies, Materials, and Media	7,300	8,215	6,328	1,887	11,613
Other Expenses	1,300	1,300	-	1,300	200
Total Student Transportation	<u>7,780,289</u>	<u>7,782,689</u>	<u>7,343,481</u>	<u>439,208</u>	<u>7,473,969</u>
Total Expenditures	<u>7,819,528</u>	<u>8,509,008</u>	<u>8,046,415</u>	<u>462,593</u>	<u>7,492,171</u>
Excess (Deficiency) of Revenue over Expenditures	<u>(138,917)</u>	<u>(779,518)</u>	<u>(316,925)</u>	<u>462,593</u>	<u>112,345</u>
Fund Balance, Beginning of Year			<u>1,206,618</u>		<u>1,094,273</u>
Fund Balance, End of Year			<u>\$ 889,693</u>		<u>\$ 1,206,618</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
TITLE I-D, DELINQUENT
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 5,765	\$ 5,765	\$ 4,594	\$ (1,171)	\$ 10,518
Expenditures:					
Instruction					
Certificated Salaries	555	-	-	-	-
Employee Benefits	-	180	180	-	-
Professional and Technical Services	-	25	14	11	-
Supplies, Materials, and Media	4,941	5,291	4,186	1,105	3,393
Equipment	-	-	-	-	6,962
Total Instruction	5,496	5,496	4,380	1,116	10,355
District Administration Support Services					
Indirect Costs	269	269	214	55	163
Total Expenditures	5,765	5,765	4,594	1,171	10,518
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
TITLE VI-B, IDEA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014			Variance- Positive (Negative)	2013 Actual
	Original Budget	Current Budget	Actual		
Revenues:					
Federal-Through the State	\$ 2,226,387	\$ 3,834,498	\$ 2,819,044	\$ (1,015,454)	\$ 1,776,037
Expenditures:					
Special Education - Instruction					
Certificated Salaries	361,390	411,390	346,257	65,133	303,964
Non-Certificated Salaries	793,348	1,426,348	1,148,560	277,788	673,257
Employee Benefits	761,281	1,211,200	1,016,224	194,976	577,387
Professional and Technical Services	24,772	74,772	49,699	25,073	7,821
Staff Travel	100,000	100,000	85,304	14,696	99,199
Other Purchased Services	10,000	10,000	4,107	5,893	3,900
Supplies, Materials, and Media	46,019	390,996	25,090	365,906	21,652
Other Expenses	20,000	20,000	2,000	18,000	3,057
Equipment	6,066	11,566	10,886	680	4,669
Total Special Education - Instruction	<u>2,122,876</u>	<u>3,656,272</u>	<u>2,688,127</u>	<u>968,145</u>	<u>1,694,906</u>
District Administration Support Services					
Indirect Costs	<u>103,511</u>	<u>178,226</u>	<u>130,917</u>	<u>47,309</u>	<u>81,131</u>
Total Expenditures	<u>2,226,387</u>	<u>3,834,498</u>	<u>2,819,044</u>	<u>1,015,454</u>	<u>1,776,037</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
Fund Balance, Beginning of Year			<u>-</u>		<u>-</u>
Fund Balance, End of Year			<u>\$ -</u>		<u>\$ -</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
TITLE VII - INDIAN EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Direct	\$ 388,344	\$ 388,344	\$ 370,998	\$ (17,346)	\$ 306,742
Expenditures:					
Instruction					
Certificated Salaries	6,300	630	818	(188)	37,079
Non-Certificated Salaries	148,000	142,790	142,671	119	119,428
Employee Benefits	98,021	104,584	98,334	6,250	88,634
Professional and Technical Services	66,193	65,325	57,803	7,522	24,464
Staff Travel	4,000	1,358	1,726	(368)	2,749
Student Travel	3,000	7,502	4,557	2,945	10,723
Utility Services	250	250	-	250	-
Other Purchased Services	1,600	1,600	1,600	-	2,420
Supplies, Materials, and Media	42,875	46,200	46,193	7	6,806
Other Expenses	-	-	-	-	390
Total Instruction	<u>370,239</u>	<u>370,239</u>	<u>353,702</u>	<u>16,537</u>	<u>292,693</u>
District Administration Support Services					
Indirect Costs	<u>18,105</u>	<u>18,105</u>	<u>17,296</u>	<u>809</u>	<u>14,049</u>
Total Expenditures	<u>388,344</u>	<u>388,344</u>	<u>370,998</u>	<u>17,346</u>	<u>306,742</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
Fund Balance, Beginning of Year			<u>-</u>		<u>-</u>
Fund Balance, End of Year			<u>\$ -</u>		<u>\$ -</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
UPWARD BOUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 30,000	\$ 30,000	\$ 23,967	\$ (6,033)	\$ 24,732
Expenditures:					
Instruction					
Certificated Salaries	11,842	11,842	11,842	-	11,810
Non-Certificated Salaries	-	188	188	-	196
Employee Benefits	1,658	1,672	1,372	300	1,668
Student Travel	3,000	2,798	1,865	933	293
Supplies, Materials, and Media	2,700	2,102	972	1,130	928
Other Expenses	10,800	10,800	7,130	3,670	5,906
Equipment	-	598	598	-	3,931
Total Expenditures	30,000	30,000	23,967	6,033	24,732
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
YOUTH FIRST
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
State	\$ 80,000	\$ 80,000	\$ 77,178	\$ (2,822)	\$ 85,000
Expenditures:					
Instruction					
Certificated Salaries	13,256	13,256	10,597	2,659	17,400
Non-Certificated Salaries	-	-	3,284	(3,284)	24,315
Employee Benefits	1,857	1,857	1,991	(134)	20,343
Staff Travel	3,368	3,368	2,250	1,118	2,998
Supplies, Materials, and Media	1,920	1,920	2,008	(88)	1,187
Total Instruction	<u>20,401</u>	<u>20,401</u>	<u>20,130</u>	<u>271</u>	<u>66,243</u>
Support Services - Students					
Non-Certificated Salaries	29,193	29,193	29,497	(304)	7,052
Employee Benefits	26,693	26,693	23,953	2,740	7,812
Total Support Services-Students	55,886	55,886	53,450	2,436	14,864
District Administration Support Services					
Indirect Costs	3,713	3,713	3,598	115	3,893
Total Expenditures	<u>80,000</u>	<u>80,000</u>	<u>77,178</u>	<u>2,822</u>	<u>85,000</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			<u>\$ -</u>		<u>\$ -</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 YOUTH IN DETENTION
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE-
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
State	\$ 69,143	\$ 69,143	\$ 69,143	\$ -	\$ 69,143
Expenditures:					
Instruction:					
Certificated Salaries	57,517	50,698	50,348	350	9,493
Non-Certificated Salaries	-	770	1,059	(289)	29,233
Employee Benefits	8,403	14,452	14,288	164	23,958
Supplies, Materials, and Media	-	-	225	(225)	3,292
Total Instruction	65,920	65,920	65,920	-	65,976
District Administration Support Services					
Indirect Costs	3,223	3,223	3,223	-	3,167
Total Expenditures	69,143	69,143	69,143	-	69,143
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 YOUTH RISK BEHAVIOR SURVEY
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE-
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 With Comparative Actual Totals for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
State	\$ -	\$ -	\$ -	\$ -	\$ 9,750
Expenditures:					
Instruction					
Certificated Salaries	-	-	-	-	3,200
Employee Benefits	-	-	-	-	447
Supplies, Materials, and Media	-	-	-	-	6,103
Total Expenditures	-	-	-	-	9,750
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

INTERNAL SERVICE FUNDS

Internal Service Fund – Employee Compensated Leave
Internal Service Fund – Health Care

Statement of Net Position
Statement of Revenues, Expenditures, and Changes in Fund Net Position
Statement of Cash Flows

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KENAI PENINSULA BOROUGH SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
STATEMENT OF NET POSITION
June 30, 2014

	Employee Compensated Leave Fund	Health Care Fund	Total Internal Service Funds
<u>ASSETS</u>			
Equity in Central Treasury	\$ 3,565,750	\$ 2,930,942	\$ 6,496,692
Equity in Central Treasury - Restricted for Healthcare	-	3,318,306	3,318,306
	<hr/>	<hr/>	<hr/>
Total assets	\$ 3,565,750	\$ 6,249,248	\$ 9,814,998
	<hr/>	<hr/>	<hr/>
<u>LIABILITIES</u>			
Current Liabilities			
Health Claims Payable (IBNR)	\$ -	\$ 4,126,180	\$ 4,126,180
Contributions Collected from Employees in Excess of Negotiated Agreement	-	431,424	431,424
Compensated Absences	64,221	-	64,221
Total Current Liabilities	64,221	4,557,604	4,621,825
Noncurrent Liabilities			
Compensated Absences, net of current portion	3,501,529	-	3,501,529
	<hr/>	<hr/>	<hr/>
Total Liabilities	\$ 3,565,750	\$ 4,557,604	\$ 8,123,354
	<hr/>	<hr/>	<hr/>
<u>NET POSITION</u>			
Net Position - Unrestricted	-	1,691,644	1,691,644
	<hr/>	<hr/>	<hr/>
Total Net Position	\$ -	\$ 1,691,644	\$ 1,691,644
	<hr/>	<hr/>	<hr/>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
For the Year Ended June 30, 2014

	Employee Compensated Leave Fund	Health Care Fund	Total Internal Service Funds
	<u> </u>	<u> </u>	<u> </u>
Operating Revenues:			
Charges to Other Funds	\$ 1,846,585	\$ -	\$ 1,846,585
Employer Contributions	-	19,092,111	19,092,111
Employee Contributions, Net of adjustment per negotiated agreement.	-	3,926,754	3,926,754
	<u>1,846,585</u>	<u>23,018,865</u>	<u>24,865,450</u>
Total Operating Revenues			
Operating Expenses:			
Administrative services	1,846,585	-	1,846,585
Healthcare Claims and Administrative Fees	-	22,901,342	22,901,342
	<u>1,846,585</u>	<u>22,901,342</u>	<u>24,747,927</u>
Total operating expenses			
Operating income	-	117,523	117,523
Nonoperating Revenues - Interest Income	-	42,607	42,607
Increase in net position	-	160,130	160,130
Total net position, beginning of year	-	1,531,514	1,531,514
Total net position, end of year	<u>\$ -</u>	<u>\$ 1,691,644</u>	<u>\$ 1,691,644</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2014

	Employee Compensated Leave Fund	Health Care Fund	Total Internal Service Funds
Cash flows from operating activities:			
Payments for interfund services provided	\$ 1,846,585	\$ -	\$ 1,846,585
Payments to employees	(1,635,033)	-	(1,635,033)
Receipts from employer - current year contributions	-	19,092,111	19,092,111
Receipts from employees - current year contributions	-	3,237,286	3,237,286
Payments for claims and services	-	(23,141,162)	(23,141,162)
Net cash flow from operating activities	<u>211,552</u>	<u>(811,765)</u>	<u>(600,213)</u>
Cash flows from investing activities - interest income received	-	42,607	42,607
Net increase (decrease) in cash and cash equivalents	<u>211,552</u>	<u>(769,158)</u>	<u>(557,606)</u>
Cash and cash equivalents, beginning of year	<u>3,354,198</u>	<u>7,018,406</u>	<u>10,372,604</u>
Cash and cash equivalents, end of year	<u>\$ 3,565,750</u>	<u>\$ 6,249,248</u>	<u>\$ 9,814,998</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ -	\$ 117,523	\$ 117,523
Increase in compensated absences payable	211,552	-	211,552
Decrease in health care payable	-	(239,820)	(239,820)
Contributions collected from employees in excess of negotiated agreement	-	(689,468)	(689,468)
Net cash (used) provided by operating activities	<u>\$ 211,552</u>	<u>\$ (811,765)</u>	<u>\$ (600,213)</u>

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FIDUCIARY FUND

Fiduciary Fund – Statement of Changes in Assets and Liabilities

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KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 FIDUCIARY FUND
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 For the Year Ended June 30, 2014

<u>Student Activity</u>	<u>Total June 30, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>Total June 30, 2014</u>
Assets:				
Cash	\$ 28,149	\$ -	\$ 4,886	\$ 23,263
Equity in Central Treasury	<u>2,667,973</u>	<u>5,743,294</u>	<u>5,787,660</u>	<u>2,623,607</u>
Total Assets:	<u><u>\$ 2,696,122</u></u>	<u><u>\$ 5,743,294</u></u>	<u><u>\$ 5,792,546</u></u>	<u><u>\$ 2,646,870</u></u>
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Amount Due Student Groups	<u>2,696,122</u>	<u>5,743,294</u>	<u>5,792,546</u>	<u>2,646,870</u>
Total Liabilities:	<u><u>\$ 2,696,122</u></u>	<u><u>\$ 5,743,294</u></u>	<u><u>\$ 5,792,546</u></u>	<u><u>\$ 2,646,870</u></u>

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CAPITAL ASSETS

Schedule of Changes in General Capital Assets

Schedule of General Capital Assets – By Location

Comparative Schedule of General Capital Assets – By Source

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KENAI PENINSULA BOROUGH SCHOOL DISTRICT
SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS
For the Year Ended June 30, 2014

	General Capital Assets June 30, 2013	Additions	Deletions	Transfers	General Capital Assets June 30, 2014
Administration	\$ 2,334,035	\$ 891,559	\$ (71,292)	\$ (14,223)	\$ 3,140,079
Schools	<u>5,516,507</u>	<u>310,826</u>	<u>(344,517)</u>	<u>14,223</u>	<u>\$ 5,497,039</u>
	<u>\$ 7,850,542</u>	<u>\$ 1,202,385</u>	<u>\$ (415,809)</u>	<u>\$ -</u>	<u>\$ 8,637,118</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
SCHEDULE OF GENERAL CAPITAL ASSETS - BY LOCATION
June 30, 2014

	<u>Equipment</u>		<u>Equipment</u>
Administration:		Kenai:	
District Office and		Aurora Borealis	137,992
Warehouse	\$ 3,140,079	High School	804,492
Total Administration	<u>3,140,079</u>	Kaleidoscope	52,973
		Kenai Alternative	6,780
Schools:		Middle School	213,008
Outside Cities:		Mt. View Elementary	59,406
Chapman Elementary	25,713	Total Kenai	<u>1,274,651</u>
Cooper Landing	36,596		
Hope	44,138	Seldovia:	<u>106,233</u>
Kachemak Selo	22,067	Susan B. English	<u>106,233</u>
K-Beach	63,660	Total Seldovia	
McNeil Canyon	42,108		
Moose Pass	12,401	Seward:	
Nanwalek	36,510	Elementary	36,889
Nikiski High	508,359	High School	396,851
Nikiski North Star	48,478	Middle	40,756
Nikolaevsk	121,547	Total Seward	<u>474,496</u>
Ninilchik	228,801		
Port Graham	25,388	Soldotna:	
Skyview Middle	508,227	Connections	24,548
Sterling	39,067	Elementary	91,405
Tebughna	41,581	High School	619,537
Tustumena	35,726	Prep School	141,410
Voznesenka	23,092	Redoubt Elementary	64,670
Total Outside Cities	<u>1,863,459</u>	Total Soldotna	<u>941,570</u>
Homer:		Total Schools	<u>5,497,039</u>
Fireweed Academy	27,104		
High School	626,370	Total General Capital Assets	<u>\$ 8,637,118</u>
Homer Flex	12,939		
Middle School	58,742		
Paul Banks	41,706		
Razdolna	21,802		
West Homer	47,967		
Total Homer	<u>836,630</u>		

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 COMPARATIVE SCHEDULE OF CAPITAL ASSETS - BY SOURCE
 June 30, 2014 and 2013

	2014	2013
General Capital Assets:		
Furniture and Equipment	\$ 8,637,118	\$ 7,850,542
Investments in General Capital Assets from:		
General Obligation Bonds	\$ 515,410	\$ 720,922
State and Federal Grants	4,133,722	3,570,222
General Fund Revenue	3,987,986	3,559,398
Total Investment in General Capital Assets:	\$ 8,637,118	\$ 7,850,542

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SCHEDULES SECTION

SCHEDULES SECTION

Schedule of State Financial Assistance

Schedule of Expenditures of Federal Awards

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KENAI PENINSULA BOROUGH SCHOOL DISTRICT

Schedule of State Financial Assistance

For the Year Ended June 30, 2014

	<u>Program Number</u>	<u>Amount Expended</u>
Department of Administration:		
* TRS On Behalf		\$ 21,055,069
* PERS On Behalf		2,733,756
* PERS On Behalf passed through Kenai Peninsula Borough		<u>445,694</u>
Total Department of Administration		<u>24,234,519</u>
Department of Education and Early Development:		
* Foundation		74,891,748
* HB65 One-time State Funding		1,729,349
* SB18 One-time State Funding - Safety		1,452,652
Quality Schools		274,963
* Student Transportation		7,729,490
Artists in Schools - McNeil Canyon	AIS0005	500
Artists in Schools - Nikiski Middle/Senior High	AIS0011	500
Alternative Schools	SH 14.024.01	25,950
Early Literacy K-3	LE 14.024.01	18,271
Youth In Detention - Marathon	EY 14.024.01	<u>69,143</u>
Total Department of Education and Early Development		<u>86,192,566</u>
Department of Commerce, Community and Economic Development:		
Passed through Kenai Peninsula Borough:		
School District Equipment	13-DC-446	
Total passed through Kenai Peninsula Borough		<u>102,233</u>
Nutritional Alaskan Foods for Schools	14-NAF-025	<u>145,428</u>
Total Department of Commerce, Community and Economic Development		<u>247,661</u>
Department of Labor and Workforce Development -		
AYF FY14 Kenai SD - Career Guide	14-210	77,178
CTE - Engineering Academy	14-0008	<u>38,722</u>
Total Department of Labor and Workforce Development		<u>115,900</u>
 Total State Financial Assistance		\$ <u>110,790,646</u>

* State major program

Note 1: Basis of Presentation

The accompanying schedule of state financial assistance includes the state grant activity of Kenai Peninsula Borough School District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of State of Alaska Guide and Compliance Supplement for State Single Audits. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in preparation of, the basic financial statements.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2014

<u>Federal Grantor/Pass-Through Grantor</u>	<u>Federal CFDA Number</u>	<u>Pass Through Grantor's Number</u>	<u>Amount Expended</u>
U.S. Department of Education - Direct:			
Gear Up Kenai Peninsula	84.334A	P334A120121	\$ 127,608
Title VII, Indian Education	84.060A	S060A130799	370,998
Total U.S. Department of Education - Direct			498,606
Passed through Alaska Department of Education and Early Development:			
Title I, Part A Cluster:			
NCLB - Title I	84.010	IP 14.024.01	1,974,792
NCLB - Title I-A Highly Qualified	84.010	IP 14.024.01	345
NCLB - Title I-A 1% Parent Involvement	84.010	IP 14.024.01	21,306
Title I-A, School Improvement 1003 (a)	84.010A	CA 14.024.01	4,130
Total Title I, Part A Cluster			2,000,573
Special Education Cluster:			
Title VI-B	84.027A	SE 14.024.01	2,760,989
Preschool Disabled	84.173A	SE 14.024.01	58,055
Total Special Education Cluster			2,819,044
NCLB - Title I-C Migrant	84.011A	IP 14.024.01	228,359
Migrant Education, Book	84.011A	MB 14.024.01	4,800
Migrant Education, Parent Advisory Council	84.011	MP 14.024.01	3,434
Total CFDA 84.011			236,593
McKinney - Vento Homeless	84.196A	FR 14.024.01	19,379
Title I-D, Delinquent (Transitional)	84.013A	CO 14.024.01	4,594
Carl Perkins Basic	84.048A	EK 14.024.01	231,982
NCLB - Title III-A English Language Acquisition	84.365A	IP 14.024.01	12,672
NCLB - Title II-A, Training & Recruiting	84.367	IP 14.024.01	796,667
Total passed through Alaska Department of Education and Early Development			6,121,504
Passed through University of Alaska Fairbanks:			
UAF-Upward Bound - Seward	84.047A	P047A121760	10,969
UAF-Upward Bound - Nikiski	84.047A	P047A121760	12,998
Total CFDA 84.047			23,967
Alaska Statewide Mentor Project	84.411	U411B110072	313,292
Total passed through University of Alaska Fairbanks			337,259
Total U.S. Department of Education			6,957,369
National Endowment for the Arts -			
Passed through Alaska Department of Education and Early Development:			
Artists in Schools - McNeil Canyon	45.025	AIS0005	500
Artists in Schools - Nikiski Middle / High	45.025	AIS0011	500
Total National Endowment of the Arts			1,000
U.S. Department of Agriculture:			
Passed Through Alaska Department of Education and Early Development:			
Child Nutrition Cluster:			
National School Breakfast Program	10.553	MA 14.024.01	1,140
National School Breakfast Program	10.553	MA 14.024.01	454,774
National School Lunch Program	10.555	MA 14.024.01	1,726,298
Commodities	10.555		169,996
Total Child Nutrition Cluster			2,352,208
Fresh Fruit & Vegetable Program	10.582	FF 14.024.02	118,449
Total U.S. Department of Agriculture			2,470,657
Total Expenditures of Federal Awards			\$ 9,429,026

Note 1. Basis of Presentation

The above schedule of expenditures of federal awards includes the federal grant activity of Kenai Peninsula Borough School District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

STATISTICAL SECTION

STATISTICAL INFORMATION

Statistical tables give report users a better historical perspective and assist in assessing current financial status and trends of the Kenai Peninsula Borough School District.

Net Position by Component

Net Expenses, General Revenues, and Change in Net Position

Total Change in Net Position

General Fund Balances, Special Revenue Fund Balances, Total Fund Balance

Governmental Funds Revenues

Governmental Funds Expenditures

Other Financing Sources and Uses and Net Change in Fund Balance

Assessed Value and Estimated Actual of Taxable Property

Property Tax Rates and Tax Levies; Direct and Overlapping Governments

Principal Property Taxpayers

Principal Employers

Property Tax Levies and Collections

Legal Debt Margin Information

Ratio of Net Area Wide General Bonded Debt to Assessed Value
and Net Bonded Debt per Capita and Student Capita

Computation of Direct and Overlapping Debt

Demographic and Economic Statistics

General Fund Full-Time Equivalent District Employees by Function

All Funds Full-Time Equivalent District Employees by Function

Average Per Pupil General Fund Operating Expenditures

Average Daily Membership as Compared to Assessed Valuation

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

Statistical Section Overview

This part of the Kenai Peninsula Borough School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Table I	Net Position by Component
Table II	Net Expenses, General Revenues, and Change in Net Position
Table III	Total Change in Net Position
Table IV	General Fund Balances, Special Revenue Fund Balances, Total Fund Balance
Table V	Governmental Funds Revenues
Table VI	Governmental Funds Expenditures
Table VII	Other Financing Sources and Uses and Net Change in Fund Balance

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant local revenue source, property tax.

Table VIII	Assessed Value and Estimated Actual Value of Taxable Property
Table IX	Property Tax Rates and Tax Levies, Direct and Overlapping Governments
Table X	Principal Property Taxpayers
Table XI	Principal Employers
Table XII	Property Tax Levies and Collections

Debt Capacity

These schedules present information to help the reader assess the affordability of the Borough's current level of outstanding debt and the District's ability to issue additional debt in the future.

Table XIII	Legal Debt Margin Information
Table XIV	Ratio of Net Area Wide General Bonded Debt to Assessed Value and Net Bonded Debt per Capita and Student Capita
Table XV	Computation of Direct and Overlapping Debt

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Table XVI	Demographic and Economic Statistics
Table XVII	General Fund Full-Time Equivalent District Employees by Function
Table XVIII	All Funds Full-Time Equivalent District Employees by Function
Table XIX	Average Per Pupil General Fund Operating Expenditures
Table XX	Average Daily Membership as Compared to Assessed Valuation

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the government provides and the activities it performs.

This data not available at date of printing

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)

	FISCAL YEAR									
	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Invested in Capital Assets	\$ 917,475	\$ 1,128,957	\$ 2,788,379	\$ 2,481,217	\$ 2,598,361	\$ 2,407,561	\$ 2,774,938	\$ 3,088,378	\$ 3,054,829	\$ 3,604,976
Restricted										
Charter Schools	979,415	1,010,775	1,641,086	2,394,188	570,373	675,350	507,663	645,261	556,395	625,619
Facilities Maintenance	-	-	-	-	-	-	-	-	-	1,845,512
Special Revenue Funds	25,931	29,926	-	-	-	-	-	-	-	-
Total Restricted	1,005,346	1,040,701	1,641,086	2,394,188	570,373	675,350	507,663	645,261	556,395	2,471,131
Unrestricted	5,754,879	4,863,722	9,576,795	17,409,088	29,588,884	28,489,644	30,878,045	27,921,811	27,516,245	23,662,678
Total Net Position	\$ 7,677,700	\$ 7,033,380	\$ 14,006,260	\$ 22,284,493	\$ 32,757,618	\$ 31,572,555	\$ 34,160,646	\$ 31,655,450	\$ 31,127,469	\$ 29,738,785

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

NET EXPENSES, GENERAL REVENUES, AND CHANGE IN NET POSITION
FROM THE STATEMENT OF ACTIVITIES
LAST TEN FISCAL YEARS
(Unaudited)

	FISCAL YEAR									
	2004-2005*	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Expenses										
Government Activities:										
Instruction	\$ 44,487,883	\$ 49,522,478	\$ 52,582,325	\$ 63,518,566	\$ 61,820,342	\$ 68,715,631	\$ 68,158,156	\$ 70,671,418	\$ 73,207,376	\$ 75,266,303
Special Education - Instruction	8,406,422	8,862,570	9,735,531	12,695,426	15,047,686	16,673,739	18,495,855	19,939,292	21,592,288	21,809,338
Special Education Support Services - Student	3,104,193	3,225,301	3,550,817	4,361,409	4,568,803	4,712,605	5,016,857	5,606,638	6,090,491	5,958,859
Support Services - Student	2,042,984	2,600,385	2,871,350	3,653,689	3,569,636	3,817,779	3,898,385	4,307,528	4,769,002	4,961,996
Support Services - Instruction	1,596,111	2,044,711	2,194,911	2,433,644	2,382,071	2,612,624	2,358,838	3,432,382	3,476,192	3,780,721
School Administration	4,103,546	4,468,581	4,965,544	6,065,999	5,903,499	6,414,684	6,673,392	6,666,723	7,261,568	7,846,925
School Administration Support Services	3,088,974	3,318,375	3,579,108	3,836,494	4,011,390	4,140,290	4,178,505	4,585,996	4,805,263	4,969,562
District Administration	792,270	824,772	824,354	951,922	839,511	861,516	957,877	1,065,732	1,134,698	1,253,600
District Administration Support Services	2,954,860	3,567,003	3,907,855	4,842,365	4,831,610	6,323,003	5,628,931	6,658,848	6,210,335	6,219,036
Operations and Maintenance of Plant	15,618,107	16,197,981	16,470,683	18,031,850	18,537,698	19,048,197	20,646,201	22,639,419	21,254,202	23,096,259
Student Activities	1,134,118	1,196,254	1,282,403	1,953,371	1,509,638	2,262,698	2,306,828	2,344,153	2,364,058	2,452,215
Community Service	258,882	291,539	60,417	56,027	55,605	58,130	64,559	64,408	48,657	40,583
Student Transportation	4,509,731	4,737,416	5,209,957	5,455,201	5,636,018	5,500,984	5,514,495	6,116,707	7,459,992	7,334,939
Food Service	2,931,524	3,292,881	3,079,177	2,975,193	3,190,105	3,262,858	3,283,102	3,814,960	4,226,732	4,479,711
Total expenses	\$ 95,029,605	\$ 104,150,247	\$ 110,314,432	\$ 130,831,156	\$ 131,903,612	\$ 144,404,738	\$ 147,181,981	\$ 157,914,204	\$ 163,900,854	\$ 169,470,047
Program Revenues										
Charges for Services										
Food Service /Community Theater	1,231,122	1,216,514	1,006,322	1,000,689	994,849	950,232	896,109	825,329	745,201	683,135
Operating Grants and Contributions	13,150,270	15,528,173	14,944,233	14,181,235	14,967,746	20,631,827	21,116,546	18,381,570	18,134,117	19,290,617
Total Program Revenues	14,381,392	16,744,687	15,950,555	15,181,924	15,962,595	21,582,059	22,012,655	19,206,899	18,879,318	19,973,752
Total Net(Expense)Governmental Activities	(80,648,213)	(87,405,560)	(94,363,877)	(115,649,232)	(115,941,017)	(122,822,679)	(125,169,326)	(138,707,305)	(145,021,536)	(149,496,295)
General Revenues:										
Government Activities:										
Borough Direct Appropriation	\$ 33,744,607	\$ 34,973,682	\$ 37,941,676	\$ 37,701,117	\$ 41,146,945	\$ 42,983,376	\$ 42,588,135	\$ 43,251,135	\$ 43,000,000	\$ 43,500,000
Public School Funding Program	46,467,673	50,003,179	59,959,314	60,523,098	62,317,926	64,062,960	69,123,351	71,912,349	75,563,384	74,891,748
Retirement: On-behalf Payments	-	-	-	19,322,147	15,227,995	11,901,565	13,615,283	17,803,814	22,907,953	24,234,519
Other State Revenue	-	110,355	1,116,108	3,135,060	245,599	250,195	263,359	1,658,523	2,010,671	3,456,964
Earnings on Investment	197,556	494,410	1,067,126	1,746,569	1,563,679	1,351,985	837,735	898,439	55,918	475,548
E-Rate Program	435,323	508,938	657,616	722,223	426,290	575,663	591,046	118,707	590,640	1,219,637
Medicaid Reimbursement	212,193	526,918	492,697	549,024	288,038	408,492	593,496	343,617	164,384	200,451
Other	318,521	143,758	102,220	228,227	173,326	103,380	145,012	215,525	200,605	128,744
Total General Revenues	\$ 81,375,873	\$ 86,761,240	\$ 101,336,757	\$ 123,927,465	\$ 121,389,798	\$ 121,637,616	\$ 127,757,417	\$ 136,202,109	\$ 144,493,555	\$ 148,107,611
Special Item - writeoff NPO/OPEB	-	-	-	-	5,024,344	-	-	-	-	-
Change in Net Position	\$ 727,660	\$ (644,320)	\$ 6,972,880	\$ 8,278,233	\$ 10,473,125	\$ (1,185,063)	\$ 2,588,091	\$ (2,505,196)	\$ (527,981)	\$ (1,388,684)

* Program categories have changed as per State requirements as of fiscal year 2004-05

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

**TOTAL CHANGE IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)**

	FISCAL YEAR									
	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009*	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Change in Net Position	\$ 727,660	\$ (644,320)	\$ 6,972,880	\$ 8,278,233	\$ 10,473,125	\$ (1,185,063)	\$ 2,588,091	\$ (2,505,196)	\$ (527,981)	\$ (1,388,684)
Net Position - Beginning	6,950,040	7,677,700	7,033,380	14,006,260	22,284,493	32,757,618	31,572,555	34,160,646	31,655,450	31,127,469
Net Position - Ending	<u>\$ 7,677,700</u>	<u>\$ 7,033,380</u>	<u>\$ 14,006,260</u>	<u>\$ 22,284,493</u>	<u>\$ 32,757,618</u>	<u>\$ 31,572,555</u>	<u>\$ 34,160,646</u>	<u>\$ 31,655,450</u>	<u>\$ 31,127,469</u>	<u>\$ 29,738,785</u>

*Long term debt in the form of a Net Pension Obligation and Other Post-Employment Benefits (OPEB) was written off in FY09 when the Public Employees Retirement System (PERS) converted to a cost sharing plan.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND BALANCES, SPECIAL REVENUE FUND BALANCES, TOTAL FUND BALANCE
LAST TEN FISCAL YEARS
(Unaudited)

	FISCAL YEAR									
	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011*	2011-2012	2012-2013	2013-2014
General Fund										
Reserved	\$ 2,031,509	\$ 2,773,182	\$ 4,308,511	\$ 9,058,171	\$ 9,645,680	\$ 9,071,018	\$ -	\$ -	\$ -	\$ -
Unreserved	5,738,461	5,894,990	9,183,137	7,615,732	6,833,310	6,192,633	-	-	-	-
Undesignated	-	-	-	2,720,208	4,683,677	5,737,714	-	-	-	-
Total General Fund	\$ 7,769,970	\$ 8,668,172	\$ 13,491,648	\$ 19,394,111	\$ 21,162,667	\$ 21,001,365	\$ -	\$ -	\$ -	\$ -
Special Revenue Funds										
Reserved	\$ 20,492	\$ 15,642	\$ 288,282	\$ 254,471	\$ 267,430	\$ 393,526	\$ -	\$ -	\$ -	\$ -
Unreserved	730,823	656,776	2,112,873	-	-	-	-	-	-	-
Undesignated	-	-	-	5,179,038	8,729,160	7,770,103	-	-	-	-
Total Special Revenue Funds	\$ 751,315	\$ 672,418	\$ 2,401,155	\$ 5,433,509	\$ 8,996,590	\$ 8,163,629	\$ -	\$ -	\$ -	\$ -
Total Fund Balance	\$ 8,521,285	\$ 9,340,590	\$ 15,892,803	\$ 24,827,620	\$ 30,159,257	\$ 29,164,994	\$ -	\$ -	\$ -	\$ -
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,160,675	\$ 1,978,610	\$ 1,715,712	\$ 1,687,933
Restricted	-	-	-	-	-	-	892,467	983,984	1,485,931	2,471,131
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	14,513,862	10,593,166	10,131,139	8,120,850
Unassigned	-	-	-	-	-	-	5,792,038	6,808,518	6,290,517	6,116,952
Total General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,359,042	\$ 20,364,278	\$ 19,623,299	\$ 18,396,866
Special Revenue Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 284,397	\$ 366,559	\$ 218,298	\$ 467,256
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	7,787,245	6,783,452	6,744,505	5,623,019
Unassigned	-	-	-	-	-	-	(44,976)	(44,976)	(44,976)	(44,976)
Total Special Revenue Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,026,666	\$ 7,105,035	\$ 6,917,827	\$ 6,045,299
Total Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,385,708	\$ 27,469,313	\$ 26,541,126	\$ 24,442,165

* The District implemented GASB statement 54 in FY11, prospectively reported.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

**GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Unaudited)**

	FISCAL YEAR									
	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Federal Sources:										
Federal - Direct	\$ 212,193	\$ 270,719	\$ 290,474	\$ 287,390	\$ 306,186	\$ 401,153	\$ 377,756	\$ 424,110	\$ 455,577	\$ 498,606
Federal - Through the State	7,924,649	9,743,914	8,059,469	8,267,768	7,856,624	13,617,440	14,547,490	10,999,132	8,291,671	9,130,871
Federal - Through other Agencies	-	-	-	-	3,305	-	-	-	2,500	-
Total Federal Sources	\$ 8,136,842	\$ 10,014,633	\$ 8,349,943	\$ 8,555,158	\$ 8,166,115	\$ 14,018,593	\$ 14,925,246	\$ 11,423,242	\$ 8,749,748	\$ 9,629,477
State Sources:										
Public School Funding Program	\$ 46,467,673	\$ 50,113,534	\$ 61,075,422	\$ 63,658,158	\$ 62,563,525	\$ 64,313,155	\$ 69,386,710	\$ 72,182,738	\$ 75,839,317	\$ 75,166,711
Retirement: On-behalf Payments	-	-	-	19,322,147	15,227,995	11,901,565	13,615,283	17,803,814	22,907,953	24,234,519
One Time State Funding	-	-	-	-	-	-	-	1,388,134	1,734,738	3,182,001
Other State Revenue	5,160,238	5,243,702	5,604,033	6,001,393	6,622,333	6,769,831	6,542,513	7,076,188	9,278,661	9,443,778
Total All Other Government Funds	\$ 51,627,911	\$ 55,357,236	\$ 66,679,455	\$ 88,981,698	\$ 84,413,853	\$ 82,984,551	\$ 89,544,506	\$ 98,450,874	\$ 109,760,669	\$ 112,027,009
Local Sources:										
Borough Direct Appropriation	\$ 33,744,607	\$ 34,973,682	\$ 37,941,676	\$ 37,701,117	\$ 41,146,945	\$ 42,983,376	\$ 42,588,135	\$ 43,251,135	\$ 43,000,000	\$ 43,500,000
Corporate Grants and User Fees	284,106	241,800	103,246	123,135	163,808	106,591	84,059	117,033	98,285	121,502
Food Sales	995,196	989,802	965,162	955,879	952,018	905,767	853,654	781,299	703,256	657,295
Earnings on Investments	197,556	494,410	1,067,126	1,746,569	1,563,679	1,351,985	837,735	898,439	78,701	614,272
Other Local Revenue	771,047	1,393,248	759,836	1,045,833	945,975	868,812	936,737	486,986	982,214	1,531,808
Total All Other Government Funds	\$ 35,992,512	\$ 38,092,942	\$ 40,837,046	\$ 41,572,533	\$ 44,772,425	\$ 46,216,531	\$ 45,300,320	\$ 45,534,892	\$ 44,862,456	\$ 46,424,877
Total Revenue	\$ 95,757,265	\$ 103,464,811	\$ 115,866,444	\$ 139,109,389	\$ 137,352,393	\$ 143,219,675	\$ 149,770,072	\$ 155,409,008	\$ 163,372,873	\$ 168,081,363

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

**GOVERNMENTAL FUNDS EXPENDITURES
LAST TEN FISCAL YEARS
(Unaudited)**

	FISCAL YEAR									
	2004-2005*	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Expenditures:										
Instruction	\$ 44,352,605	\$ 49,422,945	\$ 52,407,303	\$ 63,488,942	\$ 62,067,541	\$ 68,929,841	\$ 68,248,693	\$ 70,705,651	\$ 73,540,692	\$ 75,303,404
Special Education - Instruction	8,129,066	8,584,176	9,513,798	12,667,079	15,047,687	16,687,607	18,493,550	19,969,419	21,697,320	21,824,017
Special Education Support Services - Stude	3,082,683	3,208,595	3,528,292	4,357,397	4,567,626	4,709,847	5,016,857	5,614,026	6,106,612	5,964,489
Support Services - Student	1,958,191	2,592,299	2,871,350	3,649,437	3,569,636	3,828,379	3,898,385	4,313,204	4,741,625	4,966,685
Support Services - Instruction	1,575,098	1,939,417	2,061,766	2,391,393	2,374,251	2,608,450	2,354,134	3,503,879	3,495,584	3,771,683
School Administration	4,085,433	4,450,469	4,949,959	6,051,927	5,894,424	6,414,515	6,672,373	6,674,487	7,279,767	7,853,319
School Administration Support Services	2,895,324	3,192,316	3,415,962	3,813,704	4,026,857	4,141,233	4,162,807	4,579,314	4,804,920	4,961,926
District Administration	774,266	806,948	826,561	950,172	834,584	855,280	977,921	1,060,774	1,132,748	1,261,255
District Administration Support Services	2,701,133	3,393,748	3,765,948	4,815,586	4,837,284	6,312,937	5,873,132	6,954,273	6,121,508	6,241,343
Operations and Maintenance of Plant	15,027,828	15,719,257	16,187,789	17,783,290	18,579,831	19,112,022	20,693,008	22,839,229	21,442,833	23,177,075
Student Activities	1,140,463	1,199,233	1,606,325	1,770,301	1,334,903	1,831,912	2,161,214	2,194,608	2,211,478	3,020,149
Community Services	249,130	278,567	56,971	56,027	55,605	58,130	64,559	64,493	48,786	40,621
Student Transportation	4,410,850	4,674,831	5,147,858	5,405,975	5,586,792	5,492,429	5,498,915	6,092,404	7,473,969	7,343,482
Food Service	2,804,057	3,182,705	2,974,349	2,973,342	3,243,735	3,231,356	3,433,810	3,870,392	4,203,218	4,450,876
Total Expenditures	<u>\$ 93,186,127</u>	<u>\$ 102,645,506</u>	<u>\$ 109,314,231</u>	<u>\$ 130,174,572</u>	<u>\$ 132,020,756</u>	<u>\$ 144,213,938</u>	<u>\$ 147,549,358</u>	<u>\$ 158,436,153</u>	<u>\$ 164,301,060</u>	<u>\$ 170,180,324</u>

* Program categories have changed as per State requirements as of fiscal year 2004-05

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCE
LAST TEN FISCAL YEARS
(Unaudited)

	FISCAL YEAR									
	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Excess of revenues over (under) expenditures	\$ 2,571,138	\$ 819,305	\$ 6,552,213	\$ 8,934,817	\$ 5,331,637	\$ (994,263)	\$ 2,220,714	\$ (3,027,145)	\$ (928,187)	\$ (2,098,961)
Other Financing Sources (Uses)										
Capitalized Leases	-	-	-	-	-	-	-	-	-	-
Transfers In	279,225	385,948	2,722,720	4,293,736	4,451,076	830,279	362,104	675,000	816,836	1,424,759
Transfers Out	(279,225)	(385,948)	(2,722,720)	(4,293,736)	(4,451,076)	(830,279)	(362,104)	(1,564,250)	(816,836)	(1,424,759)
Total other financing sources (Uses)	-	-	-	-	-	-	-	(889,250)	-	-
Net Change in fund balances	\$ 2,571,138	\$ 819,305	\$ 6,552,213	\$ 8,934,817	\$ 5,331,637	\$ (994,263)	\$ 2,220,714	\$ (3,916,395)	\$ (928,187)	\$ (2,098,961)

TABLE VIII

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(in thousands of dollars)**

Fiscal Year	Assessed Values			Tax Exempt Values		Total Taxable Assessed Value	Total Direct Tax Rate	Assessed Value as a Percentage of Actual Value
	Real Property	Oil Related	Personal Property	Real Property	Personal Property			
2004-05	3,656,476	611,303	253,567	215,076	42,051	4,264,219	6.50	94.31%
2005-06	4,009,648	561,689	285,351	304,702	44,210	4,507,776	6.50	92.82%
2006-07	4,402,946	558,190	295,431	340,356	28,161	4,888,050	6.50	92.99%
2007-08	4,940,180	607,052	224,479	374,395	27,938	5,369,378	5.50	93.03%
2008-09	5,533,794	635,272	220,272	394,457	28,124	5,966,757	4.50	93.39%
2009-10	5,883,881	703,063	245,915	434,556	29,205	6,369,098	4.50	93.21%
2010-11	5,901,904	713,954	259,714	451,127	30,914	6,393,531	4.50	92.99%
2011-12	6,180,464	698,991	257,619	472,878	30,955	6,633,241	4.50	92.94%
2012-13	6,172,547	810,065	286,399	520,490	32,511	6,716,010	4.50	92.39%
2013-14	6,202,494	989,766	292,407	492,565	31,906	6,960,196	4.50	92.99%

This information was obtained from the Kenai Peninsula Borough.

The Borough maintains taxing authority; the School District has no taxing authority.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
PROPERTY TAX RATES AND TAX LEVIES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	TAX RATE (MILLS)						
	Borough	City of Homer	City of Kenai	City of Seldovia	City of Seward	City of Kachemak*	City of Soldotna
2004-05	6.50	4.50	4.50	7.25	3.12	1.00	1.65
2005-06	6.50	4.50	4.50	7.25	3.12	2.00	1.65
2006-07	6.50	4.50	4.50	4.60	3.12	2.00	1.65
2007-08	5.50	4.50	4.50	4.60	3.12	2.00	1.65
2008-09	4.50	4.50	4.50	4.60	3.12	1.00	1.65
2009-10						1.00	1.65
2010-11						1.00	1.65
2011-12						1.00	0.65
2012-13						1.00	0.65
2013-14						1.00	0.50

Taxes are payable when billed. Payment in full is due on or before October 15 and becomes delinquent thereafter. At the option of the taxpayer, taxes may be paid in two equal installments. If the taxpayer elects this option, the first one-half of the taxes payable must be paid on or before September 15. The second one-half taxes then become due on or before November 15 and become delinquent thereafter. If the first one-half of the taxes payable are not paid by September 15, payment of taxes in full becomes due on or before October 15. Late payment penalty of 5% of the taxes due shall be added to all delinquent taxes on the day they become delinquent and an additional penalty of 5% of the taxes due shall be added to any tax more than 30 days delinquent. Interest shall be calculated at 10% per year from the date that the taxes would have ordinarily come due.

This information was obtained from the Kenai Peninsula Borough.

* Real Property Tax

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

TABLE X

PRINCIPAL PROPERTY TAXPAYERS
June 30, 2014
(Unaudited)

Taxpayer	2014			2005		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value (1)	Rank	Percentage of Total Taxable Assessed Value
Hilcorp Alaska, LLC	\$ 255,265,400	1	3.67%	\$ -		
ConocoPhillips, INC.	231,748,541	2	3.33%	131,038,332	3	3.07%
Tesoro Alaska	182,078,255	3	2.62%	146,426,542	2	3.43%
Marathon Oil Co.	132,805,710	4	1.91%	50,612,810	8	1.19%
CING Storage Alaska, LLC	120,238,430	5	1.73%	-		
Alaska Communications Systems	82,455,260	6	1.18%	76,740,031	7	1.80%
XTO Energy, INC.	59,551,440	7	0.86%	27,330,870	9	0.64%
Alaska Pipeline	48,762,486	8	0.70%	17,310,876	10	0.41%
Kenai Offshore Ventures, LLC	40,241,590	9	0.58%	-		
Cook Inlet Energy, LLC	32,411,100	10	0.47%	-		
Agrium, U.S., INC.				120,470,332	4	2.83%
BP Exploration Alaska, INC.				80,855,640	5	1.90%
Forest Oil Corp,				80,193,960	6	1.88%
Union Oil/Unocal				264,044,690	1	6.19%
Totals	<u>\$ 1,185,558,212</u>		<u>17.05%</u>	<u>\$ 995,024,083</u>		<u>23.34%</u>

This information obtained from the Kenai Peninsula Borough.

Total Assessed value based on total tax levy for FY2014 and FY2005 respectively.

\$ 6,960,196,000

\$ 4,264,247,000

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

PRINCIPAL EMPLOYERS
June 30, 2014
(Unaudited)

The State of Alaska has passed legislation that prevents disclosure of the number of employees for each employer.

This information obtained from the Kenai Peninsula Borough.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year	Collected in the Fiscal Year of the Levy			Collections in Subsequent Years	Total Collections to Date	
	Total Tax Levy for Fiscal Year	Amount	Percentage of Levy		Amount	Percentage of Levy
2004-05	27,820,350	27,446,158	98.655%	372,531	27,818,689	99.994%
2005-06	29,357,626	28,978,909	98.710%	377,088	29,355,997	99.994%
2006-07	31,768,274	31,346,983	98.674%	416,128	31,763,111	99.984%
2007-08	30,042,125	29,651,635	98.700%	384,223	30,035,858	99.979%
2008-09	26,779,449	26,431,968	98.702%	342,092	26,774,060	99.980%
2009-10	28,875,124	28,375,677	98.270%	492,542	28,868,219	99.976%
2010-11	29,058,274	28,630,610	98.528%	413,884	29,044,494	99.953%
2011-12	30,419,493	29,946,804	98.446%	449,655	30,396,459	99.924%
2012-13	30,823,497	30,382,636	98.570%	347,112	30,729,748	99.696%
2013-14	31,750,392	31,332,596	98.684%	-	31,332,596	98.684%

This information was obtained from the Kenai Peninsula Borough.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

NO DEBT LIMIT IS MANDATED BY LAW

This information was obtained from the Kenai Peninsula Borough.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
RATIO OF NET AREA WIDE GENERAL BONDED DEBT TO ASSESSED VALUE AND
NET BONDED DEBT PER CAPITA AND STUDENT CAPITA
LAST TEN FISCAL YEARS
(Unaudited)

<u>Fiscal Year</u>	<u>Population*</u>	<u>Average Daily Membership</u>	<u>Total Taxable Assessed Value</u>	<u>Net Bonded Debt Total Primary Government</u>	<u>Ratio of Net Bonded Debt To Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>	<u>Net Bonded Debt Per Student Capita</u>
2004-05	51,765	9,527	4,264,219,000	82,275,351	1.93%	1,589	8,636
2005-06	51,350	9,389	4,507,776,000	79,019,000	1.75%	1,539	8,416
2006-07	52,370	9,368	4,888,050,000	79,069,192	1.62%	1,510	8,440
2007-08	52,990	9,250	5,369,378,000	88,828,570	1.65%	1,676	9,603
2008-09	52,990	9,256	5,966,757,000	83,438,730	1.40%	1,575	9,015
2009-10	53,578	9,145	6,369,098,000	82,674,079	1.30%	1,543	9,040
2010-11	55,400	9,148	6,393,531,000	93,491,745	1.46%	1,688	10,220
2011-12	56,369	9,053	6,633,241,000	32,205,000 **	0.49%	571	3,557
2012-13	56,756	9,065	6,716,010,000	29,905,000 **	0.45%	527	3,299
2013-14	56,862	8,932	6,960,196,000	47,995,000 **	0.69%	844	5,373

This information was obtained from the Kenai Peninsula Borough.

* Data provided by the State of Alaska Department of Community & Economic Development.

** In fiscal year 2012 the Borough early adopted the GASB Statement 61, which changed accounting and financial reporting for Central Peninsula Hospital and South Peninsular Hospital. The debt is no longer presented as debt of the Primary Government.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
LAST TEN FISCAL YEARS
(Unaudited)

This information is no longer available from the Kenai Peninsula Borough.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
YEAR ENDED JUNE 30, 2014
(Unaudited)

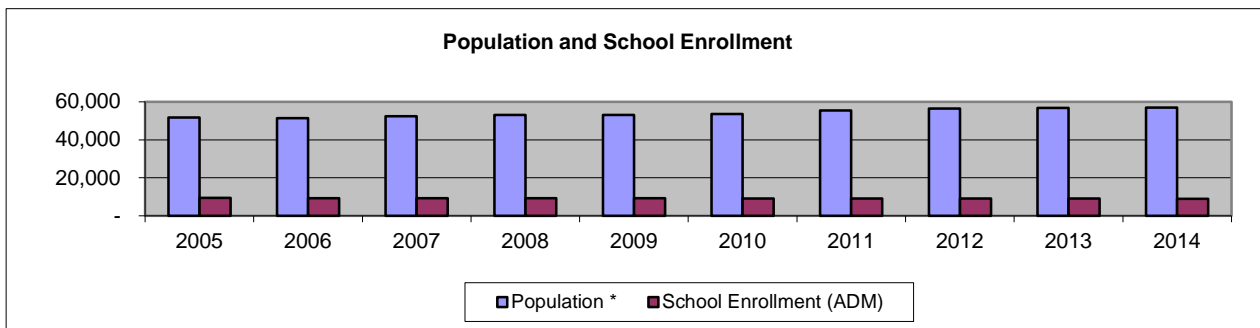
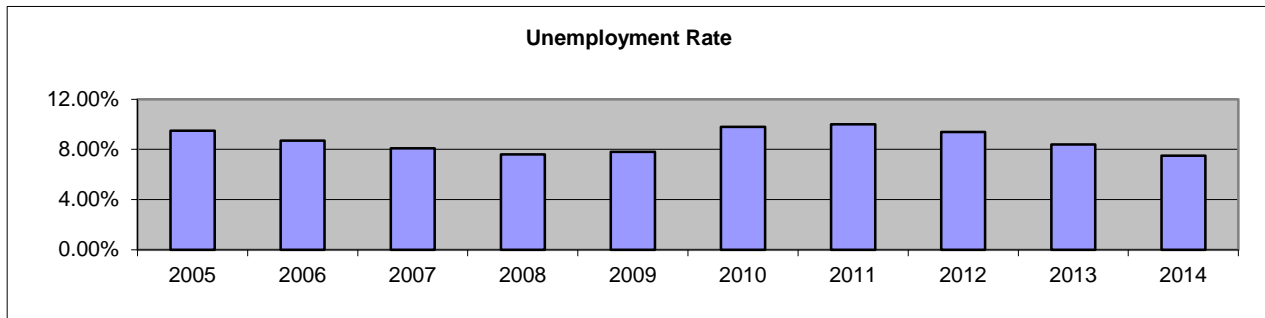
DEMOGRAPHIC DATA

Fiscal Year	Population *	Median Age **	School Enrollment (ADM)	Unemployment rate **
2005	51,765 **	38.0	9,527	9.50%
2006	51,350 **	39.7	9,389	8.70%
2007	52,370 **	39.1	9,368	8.10%
2008	52,990 **	39.2	9,250	7.60%
2009	52,990 **	39.2	9,256	7.80%
2010	53,578 **	39.4	9,145	8.80%
2011	55,400 **	40.6	9,148	10.00%
2012	56,369 **	40.6	9,083	9.40%
2013	56,756 **	41.4	9,065	8.40%
2014	56,862 **	40.00	8,932	7.50%

This information was obtained from the Kenai Peninsula Borough.
 Personal income information is no longer available.

* Data is provided by the State of Alaska Department of Community & Economic Development

** Data is provided by the State of Alaska Department of Labor & Workforce Development and is the average rate for the previous calendar year. The Department has changed their method of calculating unemployment rates retroactive to 2001.



KENAI PENINSULA BOROUGH SCHOOL DISTRICT

GENERAL FUND FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION
 LAST TEN FISCAL YEARS
 (Unaudited)

Fiscal Year	Instruction	Special Education Instruction	Special Education Support Svcs - Student	Support Services Student	Support Services Instruction	School Administration	School Administration Support Services	District Administration	District Administration Support Services	Operations and Maintenance of Plant	Student Activity	Total FTE
2004-05	467.90	144.54	39.49	29.67	17.20	37.65	51.20	4.50	31.25	85.51	2.87	911.78
2005-06	489.25	145.49	39.61	37.54	27.57	39.14	49.26	4.50	31.25	85.32	3.20	952.13
2006-07	503.38	152.30	39.62	39.49	29.86	37.00	50.31	4.50	31.25	84.07	3.10	974.88
2007-08	505.08	164.88	45.28	39.46	27.79	36.50	50.25	5.00	32.75	85.69	3.10	995.78
2008-09	538.34	171.02	44.55	40.98	26.36	36.90	53.82	5.00	35.75	85.38	3.30	1041.40
2009-10	555.17	172.48	45.05	45.46	25.80	39.35	57.46	5.00	36.00	86.18	2.50	1070.45
2010-11	546.82	178.06	45.08	45.34	24.61	39.80	55.32	5.00	37.50	85.57	2.93	1066.03
2011-12	546.78	213.92	47.06	46.83	26.35	40.00	54.45	5.00	36.50	85.69	2.40	1104.98
2012-13	544.23	216.08	45.21	47.71	31.62	41.18	54.38	5.00	36.50	84.88	2.24	1109.03
2013-14	551.63	215.77	44.57	46.31	32.68	39.43	59.36	5.00	36.50	85.66	2.80	1119.71

This information is obtained yearly from current staffing formula tables.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
ALL FUNDS FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Instruction	Special Education Instruction	Special Education Support Svcs Student	Support Services Student	Support Services Instruction	School Administration	School Administration Support Services	District Administration	District Administration Support Services	Operations and Maintenance of Plant	Student Activity	Food Service	Student Transportation	Total FTE
2003-04*														
2004-05*														
2005-06*														
2006-07*														
2008-09	582.56	204.10	44.55	40.98	26.86	36.90	54.57	5.00	38.75	85.38	3.30	39.35	2.00	1164.30
2009-10	600.95	219.53	45.05	45.46	26.30	39.35	59.21	5.00	40.00	86.18	2.50	39.82	2.00	1211.35
2010-11	599.36	249.36	45.08	45.34	26.56	39.80	55.32	5.00	39.00	85.57	2.93	41.17	2.00	1236.49
2011-12	600.83	261.17	47.06	46.83	26.35	40.00	54.45	5.00	39.50	85.69	2.40	43.36	2.00	1254.64
2012-13	577.07	265.03	45.21	47.71	31.62	41.18	54.38	5.00	37.75	84.88	2.24	47.45	2.00	1241.52
2013-14	594.98	256.11	44.57	46.31	32.68	39.43	59.36	5.00	36.50	85.66	2.80	46.69	2.00	1252.09

* Data not available at this time

This information is obtained yearly from current staffing formula tables.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
AVERAGE PER PUPIL GENERAL FUND OPERATING EXPENDITURES
LAST TEN FISCAL YEARS
(Unaudited)

<u>Fiscal Year</u>	<u>Total Operating Expenditures</u>	<u>Operating Expenditures Percentage Increase Over Previous Year</u>	<u>Average Daily Membership Grades K-12</u>	<u>Operating Expenditures Per Student Capita</u>	<u>Operating Expenditures Per Student Capita Percentage Increase Over Previous Year</u>
2004-05	79,043,017	0.04	9,527	8,297	0.03
2005-06	85,821,922	0.09	9,389	9,141	0.10
2006-07	94,363,370	0.10	9,368	10,073	0.10
2007-08	118,025,002	0.25	9,250	12,759	0.27
2008-09	119,621,242	0.01	9,256	12,924	0.01
2009-10	121,798,918	0.02	9,145	13,319	0.03
2010-11	124,940,921	0.03	9,148	13,658	0.03
2011-12	138,995,990	0.11	9,083	15,303	0.12
2012-13	145,234,534	0.04	9,065	16,021	0.05
2013-14	149,334,044	0.03	8,932	16,719	0.04

This information is obtained from the State of Alaska Department of Education & Early Development from the Annual Final Foundation report.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
AVERAGE DAILY MEMBERSHIP AS COMPARED TO ASSESSED VALUATION
SHOWING ASSESSED VALUATION SUPPORT PER STUDENT
LAST TEN FISCAL YEARS
(Unaudited)

<u>Fiscal Year</u>	<u>Average Daily Membership Grades K-12</u>	<u>Percentage Average Daily Membership Increase (Decrease) Over Previous Year</u>	<u>Total Taxable Assessed Valuation</u>	<u>Assessed Valuation Percentage Increase (Decrease) Over Previous Year</u>	<u>Assessed Valuation Support Per Student Capita</u>
2004-05	9,527	(0.4)	4,223,854,000	(0.3)	443,356
2005-06	9,389	(1.4)	4,507,776,000	6.3	480,112
2006-07	9,368	(0.2)	4,888,049,897	7.8	521,782
2007-08	9,250	(1.1)	5,369,378,000	9.1	580,473
2008-09	9,256	0.1	5,966,757,000	11.1	644,637
2009-10	9,145	(1.2)	6,369,098,000	6.7	696,457
2010-11	9,148	0.0	6,393,531,000	0.4	698,899
2011-12	9,083	(0.7)	6,633,241,000	3.8	730,292
2012-13	9,065	(0.2)	6,716,010,000	0.2	740,873
2013-14	8,932	(0.15)	6,960,196,000	0.4	779,243

This information is obtained from the State of Alaska Department of Education & Early Development from the Annual Final Foundation report.

DATE OF INCORPORATION ~ January 1, 1964
AUTHORITY OF INCORPORATION ~ State of Alaska Borough Act of 1961
AREA ~ Approximately 25,600 square miles

<u>Type of School</u>	<u>Number of Schools</u>	<u>ADM Enrollment</u>
High Schools	6	2,259
Middle Schools	4	982
Elementary Schools	13	3,296
Combined Elem/High School	11	677
Charter Schools	4	717
Alternative Schools	4	199
Correspondence Schools	1	802
Total	<u>43</u>	<u>8,932</u>