

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT**  
**Comprehensive Annual Financial Report for the**  
**Fiscal Year Ended**  
**June 30, 2021**



**Soldotna, Alaska**  
**99669**  
**[www.kpbsd.k12.ak.us](http://www.kpbsd.k12.ak.us)**

# **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, 2021**

**Mr. Clayton Holland, Superintendent of Schools**

**Prepared by Finance Department**

**Elizabeth Hayes  
Director of Finance**

**Jimmy Love  
Chief Accountant**

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Kenai Peninsula Borough School District

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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

## Finance

Elizabeth Hayes, Executive Director

148 North Binkley Street Soldotna, Alaska 99669-7553

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October 25, 2021

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

The Comprehensive Annual Financial Report of the Kenai Peninsula Borough School District (District), for the fiscal year ended June 30, 2021, 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; fieldwork was completed September 3, 2021. 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, 2021 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 unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2021 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.

Generally Accepted Accounting Principles (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

The District's Comprehensive Annual Financial Report 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 component unit; therefore, the financial data is required to be reported in the Comprehensive Annual Financial Report of the Kenai Peninsula Borough. Audited financial statements for the Borough are available upon request from its administrative offices. The District Comprehensive Annual Financial Report 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 money 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, 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.

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 with a population of approximately 58,934. Approximately 7,756 students attend forty-two schools and the home school program in our district, in twenty-one communities. Of the 42 schools in our district, 4 are District operated Charter Schools. The Academic Policy Committee (APC) of each of the Charter Schools, is the governing board of the charter school. They establish and oversee curriculum, rules, policies, and finances. They hire the principal to operate the school under their guidance. Our schools include a variety of configurations from K-12 schools in remote sites to more conventional configurations in our larger communities. The buildings in our district vary in age. We have 13 buildings that were constructed over 50 years ago, 18 buildings between 25 and 49 years ago, and 2 that are 25 years or less. Seventeen of our buildings have had a renovation or add-on, such as auditorium, at least 25 years ago. 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 eleven years, and the rate of decline has lessened recently. Since the onset of COVID, we have seen a sharp decline in our brick-and-mortar schools with a shift to homeschool.

The mission of the Kenai Peninsula Borough School District is to empower all learners to positively shape their futures.

The Alaska Department of Education and Early Development (DEED) selected Data Recognition Corporation (DRC) to administer the statewide summative assessments for grades 3-10 in the spring of 2017. In the spring of 2018, only grades 3-9 participated in English language arts (ELA), math and grades 4, 8, and 10 in science. The new assessments in ELA and math were administered for the first time in spring 2017. The PEAKS assessments are intended to measure the skills and concepts in the Alaska English Language Arts and Mathematics Standards adopted in 2012 and will be used as a new baseline for future growth in the new accountability system proposed and approved by Federal Department of Education in 2018. In FY21 we tested 3,078 students in ELA grades 3 - 9 and 3,054 students in Math grades 3 - 9.

The Kenai Peninsula Borough School District uses online benchmark assessments to identify student academic deficiencies, provide support and monitor student progress. Aimsweb is used in elementary grades K-5 and MAPs is used grades 3-10. Products are nationally normed and together provide information in areas of Reading, Mathematics, Language Arts, Science, Algebra and Geometry for appropriate grade levels. The assessments provide for more accurate and timelier student placement, diagnosis of instructional needs, including instructional adjustments and measurement of student gains across reporting periods (fall, winter and spring). We had 2,864 students participate in the Aimsweb assessments in grades K-5 and MAPs assessments had 2,834 students in grades 3-10.

### 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 (BOE). The BOE each year adopts and approves the General fund, Equipment fund, Student Nutrition and Transportation fund budgets. Other special revenue funds are approved by the grantor for 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. For FY21, real and personal taxable assessed values increase 0.06%, compared to FY20 which increased by 2.97%.

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 FY18. In FY19, the tax rate increased for the first time since FY96 to 4.7mills. The tax rate for FY21 remained at 4.7mills.

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; projected FY21 budgeted sales tax revenue represents about 41% of general fund revenues. Concerns of sales tax revenue due to the COVID will continue to have an impact on funding. 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 FY21 base student allocation (BSA) used in the Public-School Funding Program was unchanged at \$5,930 per student. Student enrollment at the brick-and-mortar schools dropped more than 5% due to COVID with a shift to home-school. The State of Alaska has a hold harmless clause in the foundation formula that lessened the impact from the drop in enrollment on our Foundation revenue. The District used a large portion of fund balance in FY21.

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 did not fund the School District to the maximum allowed under the foundation formula from FY10 through FY15, however the borough assembly voted to provide maximum allowed funding to the district for FY16, and again fell below in FY17. In FY21, the District was funded below the level in FY20 due to concerns about the COVID impact on the Sales Tax revenue. Discussions about the budget will continue to evolve between the borough assembly and board of education.

Changes in enrollment have a dramatic impact on the District's Public-School Funding Program revenue from the State. The Alaska Legislature has also made known that cuts enacted in FY16 will likely be increased for FY20 and beyond, as oil revenue continues to be at low levels. More information on this topic is included in the Management's Discussion and Analysis.

### 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 for the fiscal year ended June 30, 2020.

This was the thirtieth 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 Comprehensive Annual Financial Report. 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 Comprehensive Annual Financial Report 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.

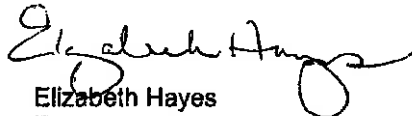
#### Acknowledgments

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,



Clayton Holland  
Superintendent



Elizabeth Hayes  
Executive Director of Finance

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ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

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

**Kenai Peninsula Borough School District**

**for its Comprehensive Annual Financial Report  
for the Fiscal Year Ended June 30, 2020.**

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



A handwritten signature in black ink that reads 'W. Edward Chabal'.

W. Edward Chabal  
President

A handwritten signature in black ink that reads 'David J. Lewis'.

David J. Lewis  
Executive Director

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# 2020-2021 Organizational Chart



**Kenai Peninsula Borough School District**  
 Education Stakeholders  
 (Students, Parents, Community Members, Businesses)

**Board of Education**

**Superintendent**

**Assistant Superintendent  
Instruction**

**Assistant Superintendent  
Instructional Support**

Directors

Directors

Schools & Compliance

Student Support Services

Professional Learning & Federal Programs

Human Resources

Communications, Community & Government Relations

Information Services

Planning and Operations

Finance

Curriculum  
Student Activities

Program Supervisors  
Intervention/Pre-K  
Coordinator  
Itinerant Specialists

Supervisors/  
Managers  
1) Title 1 Liaison  
2) Native Education

Supervisors/  
Managers  
1) Student Nutrition  
2) Transportation  
3) Warehouse

Purchasing

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

**SCHOOL BOARD**

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**Ms. Tegan Retzer, Student Representative**

**ADMINISTRATION**

**Mr. Clayton Holland, Superintendent of Schools**  
**Ms. Kari Dendurent, Assistant Superintendent of Instruction**

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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

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

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Kenai Peninsula Borough School District (the District), a component unit of Kenai Peninsula Borough, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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

#### *Emphasis of Matter*

As discussed in Note 12 to the financial statements, in 2021 the District adopted the provisions of Governmental Accounting Standards Board (GASB) Statement Number 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

#### *Responsibilities of Management for the Financial Statements*

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

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

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

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

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

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

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

### **Other Matters**

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, and schedules of the District's proportionate share of the net pension and net OPEB liability or asset and District contributions on pages 25 through 31 and 77 through 97, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing

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

### ***Other Supplementary Information***

Our audit for the year ended June 30, 2021 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying combining and individual fund financial statements and schedules, Schedule of Compliance as required by Alaska Statute 14.17.505, Instructional Expense Percentage, Schedules of Capital Assets, Schedule of Expenditures of Federal Awards, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the Schedule of State Financial Assistance, as required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* 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, Schedule of Compliance, Instructional Expense Percentage, Schedules of Capital Assets, Schedule of Expenditures of Federal Awards, and the Schedule of State Financial Assistance, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules, Schedule of Compliance, Instructional Expense Percentage, Schedule of Capital Assets, Schedule of Expenditures of Federal Awards, and the Schedule of State Financial Assistance is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2021.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Kenai Peninsula Borough School District as of and for the year ended June 30, 2020 (not presented herein), and have issued our report thereon dated October 21, 2020 which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended June 30, 2020 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2020 financial statements. The information was subjected to the audit procedures applied in the audit of the 2020 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2020.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 25, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

*BDO USA, LLP*

Anchorage, Alaska  
October 25, 2021

**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, 2021. 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 net position of the District changed on paper, from (\$44,135,653) as of June 30, 2020 to (\$29,285,731) as of June 30, 2021.
- GASB 84 – Fiduciary Activities was implemented for year ending June 30, 2021. This change in the reporting of our Fiduciary funds to governmental funds, resulted in our beginning of the year net position restated from (\$44,135,495) by (\$3,326,679) to (\$40,808,816).
- As of June 30, 2021, the District's governmental funds reported combined ending fund balances of \$24,858,794, a decrease of (\$4,404,050) in comparison to the prior year.
- At the end of the current fiscal year, nonexempt fund balance for the General Fund was \$10,140,054 which is 7.18% of current year expenditures, as compared to 9.63% at the end of FY20. 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 \$10,140,054 non-exempt fund balance, about 9% or \$910,504 is unassigned fund balance and available for spending. This is a decrease of unassigned fund balance of \$766,718 from the prior year.
- A portion of the fund balance is restricted for Facilities Maintenance and available for use by the Kenai Peninsula Borough Maintenance Department as a portion of In-Kind Services. The Restricted Fund Balance at the end of FY20 was \$1,142,463 and at the end of FY21 it is \$1,661,881, an increase of \$519,418 from the prior year.

### Overview of the Financial Statements

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 and deferred outflows of resources less liabilities and deferred inflows of resources, which results in net position. The statement is designed to display the financial position of the District.

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 35-37 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 35 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, for the purposes of this document. Data for the other 32 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 38-41 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 42-44.

**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 47-73 of this report.

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

The combining and individual fund statements referred to earlier in connection with nonmajor governmental funds can be found on pages 122-170.

### **Governmental-wide Financial Analysis**

Two factors affecting the District that will continue to be an issue are 1. The rising cost of healthcare and 2. Reduction in oil prices, which affect state revenues and levels of funding to the District. Information at this time indicates that the state will continue to contribute payments on behalf of the District to the Public Employees' 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, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$29,285,731 on June 30, 2021 compared to \$44,135,495 on June 30, 2020, which was a decrease in the deficit of the total net position of \$14,849,764. This dramatic shift was a direct result of the decrease in PERS/TRS Pension/OPEB liabilities from 2020. 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**

	June 30, 2021	June 30, 2020
Current Assets	\$ 48,574,394	\$ 47,497,852
Non-Current Assets	12,064,688	4,773,890
Capital Assets	2,856,362	2,429,784
Total Assets	63,495,444	54,701,526
Deferred Outflows of Resources	15,077,723	12,719,918
Total Assets and Deferred Outflows of Resources	78,573,167	67,421,444
Current Liabilities	14,444,621	13,271,528
Non-Current Liabilities	84,037,323	90,857,267
Total Liabilities	98,481,944	104,128,795
Deferred Inflows of Resources	9,376,954	7,428,144
Total Liabilities and Deferred Inflows of Resources	107,858,898	111,556,939
<b>Net Position</b>		
Net Investment in Capital Assets	2,856,362	2,429,784
Restricted	2,944,466	2,016,374
Unrestricted	(35,086,559)	(48,581,653)
Total Net Position	\$ (29,285,731)	\$ (44,135,495)



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

**Changes in Net Position  
Governmental Activities**

	For the Year Ended <u>June 30, 2021</u>	For the Year Ended <u>June 30, 2020</u>
Revenues:		
Program revenues		
Charges for Services	\$ 64,761	\$ 584,617
Operating Grants and Contributions	23,238,213	18,219,435
General Revenues		
Public School Funding Program	76,302,989	79,060,074
Retirement: On-Behalf Payments	9,474,638	7,913,428
State of Alaska Supplemental	32,630	2,105,854
Medicaid Reimbursement	-	146,948
Federal through Local Government	2,111,091	-
E-Rate Program	485,143	648,931
Borough Appropriation	47,888,909	52,489,253
Earnings on Investments	78,281	1,203,960
Other Local Revenue	219,326	228,456
Total Revenues	<u>159,895,981</u>	<u>162,600,956</u>
Expenses:		
Instruction	65,218,370	57,388,072
Special Education - Instruction	20,193,949	19,604,059
Special Education Support Services - Student	5,738,264	5,176,632
Support Services – Student	4,485,411	4,101,863
Support Services - Instruction	1,992,358	3,192,768
School Administration	5,724,025	5,356,059
School Administration Support Services	4,533,655	4,872,619
District Administration	1,306,159	1,174,133
District Administration Support Services	6,108,851	6,607,614
Operations and Maintenance of Plant	20,199,626	21,228,709
Student Activities	3,039,679	1,467,417
Student Transportation Services	6,341,542	7,796,876
Community Services	34,228	50,209
Food Services	3,456,779	3,993,539
Total Expenses	<u>148,372,896</u>	<u>142,010,569</u>
Change in Net Position	<u>11,523,085</u>	<u>20,590,387</u>
Beginning Net Position as of July 1 (Restated)	<u>(40,808,816)</u>	<u>(64,725,882)</u>
Ending Net Position as of June 30	<u>\$ (29,285,731)</u>	<u>\$ (44,135,495)</u>

## 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 unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. 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 \$15,823,901. Of that amount, nonspendable fund balance totaled \$2,081,006, committed fund balance totaled \$4,022,433, restricted fund balance was \$2,944,466, assigned fund balance totaled \$5,865,492 and unassigned was \$910,504. This is a decrease for unassigned fund balance of \$766,718 from the prior year. The fund balance in the General Fund decreased \$4,024,029 from the prior year.

For the last several years, both the Title I Special Revenue Fund and the Equipment Special Revenue Fund have been designated as Major Funds. Over \$3.5 million, or 80% of the Title I Fund expenditures were used for salaries and benefits of employees working to support students at Title I designated schools. This includes about 24.95 FTE for certified employees and about 4.5 FTE for support employees paid from Title I grant funds. Equipment Fund expenditures in the amount of \$131,388 were made for supplies and equipment such as desks, tables, chairs, and other equipment for schools, with purchase priority on safety needs.

## General Fund Budgetary Highlights

Significant items in the FY21 original budget and final amended budget can be summarized as follows:

- 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.
- Received a Coronavirus Relief Fund grant from Kenai Peninsula Borough for operations.
- Transfer to Food Service in the amount of \$750,000 to cover costs of the implementation of new Federal regulations, increased salary and benefit costs and increased food costs.

FY21 Budget Revisions approved by the Board of Education included:

- Decrease in expenditures for Charter schools based on enrollment.
- Decrease in salary and benefit budgets based on the actual employees hired in each position.
- Decrease in revenue from the State of Alaska due to the final FY21 Average Daily Membership (ADM) or student count.
- Increase in Connections homeschool allotments and computers based on increase student enrollment due to COVID-19.

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](http://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, 2021 amounts to \$2,856,362 (net of accumulated depreciation) compared to \$2,429,784 as of June 30, 2020. The investment in capital assets includes furniture and equipment. Additional information on the District's capital assets can be found in note 4.

## **Noncurrent Liabilities**

The District's noncurrent liabilities for its governmental activities are pension, OPEB and compensated absences. See note 5 & 6.

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

In setting the budgets for FY22, the District considered a number of issues with District-wide impact, among them:

### Revenue Budget

- 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. For fiscal year FY21 a review of all expenditures was conducted with the Board of Education, and the deficit between anticipated revenues and expenditures revealed that 48 FTE certificated staff and 9.70 FTE support staff would need to be deleted. With the COVID-19 relief funds, those positions will be filled using grant funds.
- 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. 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. In FY21 local funding was passed by the Borough Assembly with a decrease in the amount of \$2,512,091 under the FY20 funding level of \$52,512,091 for a total of \$50,000,000.
- Concerns about reduced enrollment and the associated reduction in revenue is a major concern for FY21. Since enrollment, reductions are generally scattered and not at one particular location or school, reductions to staff cannot always be made to reduce expenditures. This is due to a declining economy related to continued low oil prices.

### Expenditure Budget

- In FY22, we once again anticipated a deficit, so the planned use of fund balance is \$2,677,222. 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 (TRS) and Public Employees' Retirement System (PERS) 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 PERS and the TRS are estimated at around \$10M for FY22.
- All district programs were evaluated for continuation and all vacant positions were reviewed based on need before they were advertised.
- Health care costs continue to increase and the 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. FY20 budget originally passed with a deficit in revenue in the amount of \$5,791,384. The actual result for FY21 resulted in a use of fund balance of \$4,024,029
- A high-quality operational maintenance program that ensures the continued use and economic value of borough facilities.

## COVID-19

COVID-19 began affecting school districts in March 2020 and has continued to cause challenges in FY21. The beginning of the FY21 school year, brought a mix of remote and in-person learning and homeschool opportunities for our students. The CARES Act, provided the Elementary and Secondary School Emergency Relief (ESSER) funds in the amount of \$2,295,953. This funding was used in FY21 for personal protection equipment, additional cleaning supplies, substitutes, bussing needs, serving meals, and ensuring that our most vulnerable population needs were met. The ESSER II grant that has been awarded for our district is \$9,080,405 and will be used to sustain staffing at FY20 levels. The ESSER II funds will be used in FY22.

## **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 Funds

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

Statement of Cash Flows – Internal Service Funds

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KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
June 30, 2021

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

Current Assets:	
Cash	\$ 11,935
Equity in Central Treasury	37,988,919
Equity in Central Treasury - Restricted for Health Care	3,318,306
Accounts Receivable	202,927
Due from Other Governments	4,812,461
Prepays	1,272,067
Inventories	967,779
<u>Total Current Assets</u>	<u>48,574,394</u>
Noncurrent Assets:	
Net OPEB Assets	12,064,688
<u>Total Noncurrent Assets</u>	<u>12,064,688</u>
Capital Assets:	
Furniture and Equipment	10,458,102
Less Accumulated Depreciation	(7,601,740)
<u>Capital Assets - Net of Accumulated Depreciation</u>	<u>2,856,362</u>
<u>Total Capital Assets</u>	<u>2,856,362</u>
Deferred Outflows of Resources - Pension/OPEB related	15,077,723
<u>Total Assets and Deferred Outflows of Resources</u>	<u>\$ 78,573,167</u>

LIABILITIES AND DEFERRED INFLOWS OF RESOURCES

Current Liabilities:	
Accounts Payable	\$ 1,527,104
Accrued Liabilities	8,029,575
Unearned Revenue	253,236
Health Claims Payable - IBNR	2,993,545
Other Health Care Liabilities	1,530,526
Compensated Absences Payable	2,402,520
<u>Total Current Liabilities</u>	<u>16,736,506</u>
Noncurrent Liabilities:	
Due in more than one year:	
Compensated Absences Payable	904,579
Net Pension and OPEB Liabilities	80,840,859
<u>Total Noncurrent Liabilities</u>	<u>81,745,438</u>
<u>Total Liabilities</u>	<u>98,481,944</u>
Deferred Inflows of Resources - Pension/OPEB related	9,376,954
<u>Total Liabilities and Deferred Inflows of Resources</u>	<u>\$ 107,858,898</u>



KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
June 30, 2021

NET POSITION

Investment in Capital Assets	\$ 2,856,362
Restricted for:	
Facilities Maintenance	1,661,881
Home School Carry-over	1,282,585
Student Activities	3,356,079
Student Transportation	823,960
Unrestricted	<u>(39,266,598)</u>
Total Net Position	<u>\$ (29,285,731)</u>

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2021

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
<b>Governmental activities:</b>				
Instruction	\$ 65,218,370	\$ -	\$ 9,765,437	\$ (55,452,933)
Special Education - Instruction	20,193,949	-	1,611,763	(18,582,186)
Special Education Support Services - Students	5,738,264	-	-	(5,738,264)
Support Services - Students	4,485,411	-	186,422	(4,298,989)
Support Services - Instruction	1,992,358	-	3,000	(1,989,358)
School Administration	5,724,025	-	-	(5,724,025)
School Administration Support Services	4,533,655	-	14,079	(4,519,576)
District Administration	1,306,159	-	-	(1,306,159)
District Administration Support Services	6,108,851	-	437,106	(5,671,745)
Operations and Maintenance of Plant	20,199,626	-	5,549	(20,194,077)
Student Activities	3,039,679	-	2,225,600	(814,079)
Community Services	34,228	11,959	-	(22,269)
Student Transportation - To and From School	6,341,542	-	6,078,294	(263,248)
Food Service	3,456,779	52,802	2,910,963	(493,014)
Total governmental activities	<u>\$ 148,372,896</u>	<u>\$ 64,761</u>	<u>\$ 23,238,213</u>	<u>\$ (125,069,922)</u>
<b>General revenues:</b>				
Grants and contributions not restricted to specific programs:				
				47,888,909
				76,302,989
				32,630
				9,474,638
				78,281
				485,143
				2,111,091
				219,326
				<u>136,593,007</u>
				11,523,085
				<u>(40,808,816)</u>
				<u>\$ (29,285,731)</u>

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2021

	Major Funds			Non-Major Funds	Total Governmental Funds
	General	Equipment - Special Revenue	Title I - Special Revenue	Other	
<b><u>ASSETS</u></b>					
Assets:					
Cash	\$ 11,935	\$ -	\$ -	\$ -	\$ 11,935
Equity in Central Treasury	18,048,137	3,351,391	-	6,002,012	27,401,540
Accounts Receivable	197,374	-	-	5,553	202,927
Prepaid Items	1,272,067	-	-	-	1,272,067
Due from Other Governments	-	-	1,866,385	2,946,076	4,812,461
Due from Special Revenue Funds	4,811,826	-	-	-	4,811,826
Inventories	808,939	-	-	158,840	967,779
<b>Total Assets</b>	<b><u>\$ 25,150,278</u></b>	<b><u>\$ 3,351,391</u></b>	<b><u>\$ 1,866,385</u></b>	<b><u>\$ 9,112,481</u></b>	<b><u>\$ 39,480,535</u></b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>					
Liabilities:					
Accounts Payable	\$ 1,296,802	\$ -	\$ 14	\$ 230,288	\$ 1,527,104
Accrued Liabilities	8,029,575	-	-	-	8,029,575
Unearned Revenue	-	-	-	253,236	253,236
Due to General Fund	-	-	1,866,371	2,945,455	4,811,826
<b>Total Liabilities</b>	<b><u>9,326,377</u></b>	<b><u>-</u></b>	<b><u>1,866,385</u></b>	<b><u>3,428,979</u></b>	<b><u>14,621,741</u></b>
Fund Balances:					
Nonspendable:					
Inventories	808,939	-	-	158,840	967,779
Prepaid Items	1,272,067	-	-	-	1,272,067
Restricted for:					
Home School Carry-over	1,282,585	-	-	-	1,282,585
Facilities Maintenance	1,661,881	-	-	-	1,661,881
Student Activities	-	-	-	3,356,079	3,356,079
Student Transportation	-	-	-	823,960	823,960
Other Educational Purpose	-	-	-	131,388	131,388
Committed:					
Minimum Fund Balance Policy	4,022,433	-	-	-	4,022,433
Equipment Fund	-	3,351,391	-	-	3,351,391
Student Nutrition Services	-	-	-	1,243,554	1,243,554
Community Theater	-	-	-	14,657	14,657
Assigned to:					
School Incentive Purchases	868,014	-	-	-	868,014
Professional - Technical Services	313,517	-	-	-	313,517
Staff Travel	4,610	-	-	-	4,610
Purchased Services	32,692	-	-	-	32,692
Supplies	813,766	-	-	-	813,766
Other Expenses	1,031,032	-	-	-	1,031,032
Equipment	124,639	-	-	-	124,639
Subsequent Year Operations	2,677,222	-	-	-	2,677,222
Unassigned	910,504	-	-	(44,976)	865,528
<b>Total Fund Balances</b>	<b><u>15,823,901</u></b>	<b><u>3,351,391</u></b>	<b><u>-</u></b>	<b><u>5,683,502</u></b>	<b><u>24,858,794</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 25,150,278</u></b>	<b><u>\$ 3,351,391</u></b>	<b><u>\$ 1,866,385</u></b>	<b><u>\$ 9,112,481</u></b>	<b><u>\$ 39,480,535</u></b>

The notes to the basic 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, 2021

Fund balances – total governmental funds		\$ 24,858,794
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets are not financial resources and, therefore, are not reported in the funds.		
Cost of capital assets	\$ 10,458,102	
Accumulated depreciation to date	<u>(7,601,740)</u>	
		2,856,362
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.		
		6,074,515
Certain OPEB plans have been funded in excess of required contributions. This asset is not a financial resource and therefore are not reported in the funds.		
		12,064,688
Other noncurrent liabilities are not due and payable in the current period, and therefore not reported in the funds:		
Net Pension and OPEB Liabilities		(80,840,859)
Pension and OPEB deferred outflows of resources are not financial resources and, therefore, are not reported in the funds. Pension and OPEB deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.		
Deferred outflows of resources for pensions		8,881,737
Deferred inflows of resources for pensions		(3,674,512)
Deferred outflows of resources for OPEB		6,195,986
Deferred inflows of resources for OPEB		<u>(5,702,442)</u>
Net position		<u>(\$29,285,731)</u>

The notes to the basic 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, 2021

	Major Funds			Non-Major Funds	Total Governmental Funds
	General	Equipment - Special Revenue	Title I - Special Revenue	Other Governmental	
Revenues:					
Local	\$ 47,888,909	\$ -	\$ -	\$ -	\$ 47,888,909
State	87,070,694	-	-	6,447,313	93,518,007
Federal-Direct	-	-	-	434,785	434,785
Federal-Through the State and Local Intermediaries	2,111,091	-	4,674,189	9,298,428	16,083,708
Earnings on Investments	78,281	26,560	-	-	104,841
E-Rate	485,143	-	-	-	485,143
Food Sales	-	-	-	52,802	52,802
Corporate Grants and User Fees	-	-	-	1,437,547	1,437,547
Other Local Revenues	219,326	-	-	931,350	1,150,676
<b>Total Revenues</b>	<b>137,853,444</b>	<b>26,560</b>	<b>4,674,189</b>	<b>18,602,225</b>	<b>161,156,418</b>
Expenditures - Current:					
Instruction	63,058,952	33,403	4,462,436	5,227,559	72,782,350
Special Education - Instruction	21,685,009	-	-	1,611,763	23,296,772
Special Education Support Services - Students	6,181,743	-	-	-	6,181,743
Support Services - Students	4,552,800	-	-	186,422	4,739,222
Support Services - Instruction	3,508,325	-	-	3,000	3,511,325
School Administration	6,550,269	-	-	-	6,550,269
School Administration Support Services	5,178,368	11,320	-	14,079	5,203,767
District Administration	1,456,814	-	-	-	1,456,814
District Administration Support Services	6,447,526	-	211,753	225,353	6,884,632
Operations and Maintenance of Plant	21,001,746	86,665	-	5,549	21,093,960
Student Activities	1,560,921	-	-	2,403,017	3,963,938
Community Services	-	-	-	34,404	34,404
Student Transportation- To and From School	-	-	-	6,374,117	6,374,117
Food Service	-	-	-	3,487,155	3,487,155
<b>Total Expenditures</b>	<b>141,182,473</b>	<b>131,388</b>	<b>4,674,189</b>	<b>19,572,418</b>	<b>165,560,468</b>
Excess (Deficiency) of Revenues Over Expenditures	(3,329,029)	(104,828)	-	(970,193)	(4,404,050)
Other Financing Sources (Uses):					
Transfers In	-	-	-	695,000	695,000
Transfers Out	(695,000)	-	-	-	(695,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(695,000)</b>	<b>-</b>	<b>-</b>	<b>695,000</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(4,024,029)</b>	<b>(104,828)</b>	<b>-</b>	<b>(275,193)</b>	<b>(4,404,050)</b>
Fund Balances, Beginning of Year (Restated)	19,847,930	3,456,219	-	5,958,695	29,262,844
<b>Fund Balances, End of Year</b>	<b>\$ 15,823,901</b>	<b>\$ 3,351,391</b>	<b>\$ -</b>	<b>\$ 5,683,502</b>	<b>\$ 24,858,794</b>

The notes to the basic 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, 2021

Net change in fund balances – total governmental funds \$ (4,404,050)

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	\$ 1,072,110	
Current depreciation expense	<u>(626,362)</u>	445,748

Loss on retirement of assets		(19,170)
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Internal service funds are used by management to charge the costs of compensated absences and health  
care to individual funds. Change in net position is reported with governmental  
activities. 846,133

Governmental funds report pension and OPEB payments as expenditures. However, in the  
statement of activities, the pension and OPEB costs are actuarially determined and are comprised  
of the change in the School District's contributions subsequent to the measurement date, proportion  
and difference between School District contributions and proportional share of contributions, difference  
between actual and expected experience and net difference between projected and actual earnings on  
investments. Pension and OPEB related. 14,654,424

Change in net position		<u>\$11,523,085</u>
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The notes to the basic financial statements are an integral part of this statement.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
INTERNAL SERVICE FUNDS  
STATEMENT OF NET POSITION  
June 30, 2021

	<u>Internal Service Funds</u>
<u>ASSETS</u>	
Current Assets:	
Equity in Central Treasury	\$ 10,587,379
Equity in Central Treasury - Restricted for Healthcare	<u>3,318,306</u>
Total Assets	<u><u>\$ 13,905,685</u></u>
<u>LIABILITIES</u>	
Current Liabilities:	
Health Claims Payable (IBNR)	\$ 2,993,545
Contributions Collected from Employees in Excess of Negotiated Agreement	1,530,526
Compensated Absences	<u>2,402,520</u>
Total Current Liabilities	6,926,591
Noncurrent Liabilities:	
Compensated Absences, Net of Current Portion	<u>904,579</u>
Total Liabilities	<u><u>\$ 7,831,170</u></u>
<u>NET POSITION</u>	
Net Position - Unrestricted	<u>6,074,515</u>
Total Net Position	<u><u>\$ 6,074,515</u></u>

The notes to the basic 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, 2021

	<u>Internal Service Funds</u>
Operating Revenues:	
Charges to Other Funds	\$ 2,814,977
Employer Contributions	24,896,223
Employee Contributions, Net of Adjustment per Negotiated Agreement	<u>4,304,246</u>
 Total Operating Revenues	 <u>32,015,446</u>
Operating Expenses:	
Administrative Services	2,814,977
Healthcare Claims and Administrative Fees	<u>28,369,768</u>
 Total Operating Expenses	 <u>31,184,745</u>
 Operating Income	 <u>830,701</u>
 Nonoperating Revenues - Interest Income	 <u>15,432</u>
 Increase in Net Position	 846,133
 Total Net Position, Beginning of Year	 <u>5,228,382</u>
 Total Net Position, End of Year	 <u><u>\$ 6,074,515</u></u>

The notes to the basic 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, 2021

	<u>Internal Service Funds</u>
Cash flows from operating activities:	
Payments for interfund services provided	\$ 2,814,977
Payments to employees	(2,617,035)
Receipts from employer - current year contributions	24,873,965
Receipts from employees - current year contributions	4,450,518
Payments for claims and services	(28,718,223)
Net cash flow from operating activities	<u>804,202</u>
Cash flows from investing activities - interest income received	<u>15,432</u>
Net increase in cash and cash equivalents	<u>819,634</u>
Cash and cash equivalents, beginning of year	<u>13,086,051</u>
Cash and cash equivalents, end of year	<u><u>\$ 13,905,685</u></u>
Reconciliation of operating income to net cash from operating activities:	
Operating income	\$ 830,701
Increase in compensated absences payable	197,942
Decrease in Health care payable	(370,713)
Contributions collected from employees in excess of negotiated agreement	<u>146,272</u>
Net cash from operating activities	<u><u>\$ 804,202</u></u>

The notes to the basic 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, 2021

**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. The School District is one of 3 discrete component units of the Kenai Peninsula Borough. The 2 others are the South Peninsula Hospital, located in Homer, and the Central Peninsula Hospital, located in Soldotna. 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 or <http://www.kpb.us/finance-dept/about-finance>

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, 2021, the School District recorded in-kind services provided by the Borough for school operations as follows:

Custodial	\$ 122,636
Utilities	73,108
Maintenance	7,270,221
Insurance	3,280,215
Audit	<u>97,134</u>
	<u>\$ 10,843,314</u>

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

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

## **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.

The School District reports the following major governmental funds:

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 District has elected to show this fund as a major 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 and pre-k programs in several schools. 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 type:

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

**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, 2018.

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 is 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.

### **Government-wide Financial Statements**

The Statement of Net Position and the Statement of Activities display information about the reporting entity as a whole.

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 deferred outflows of resources, and liabilities and deferred inflows of resources. 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 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 modified accrual basis of accounting.

Due to the low price of oil in the past 8 years, the State of Alaska revenues have dropped dramatically. The legislature completed their work and funded education at the same level as FY20 using reserves. We developed our budget with no increase to the base student allocations (BSA). The amount of funding by the Borough for FY21 was originally set at \$50,000,000.

The FY21 budget was developed and approved with an estimated enrollment of 8,573 students.

The FY21 General Fund budget amendments are detailed as follows:

Kenai Peninsula Borough School District  
FY21 Revenue Budget and Planned Use of Fund Balance Change - General Fund

Revenue Source	7/1/2020 KPBSD Original Budget	1/11/2021 KPBSD Budget Revision	6/17/2021 KPBSD Budget Revision	KPBSD Final Budget
Borough In-Kind	\$ 11,362,732	\$ -	\$ -	\$ 11,362,732
Borough Appropriation	38,637,268	-	(2,111,091)	36,526,177
Earnings on Investments	300,000	-	-	300,000
E-Rate	700,000	-	-	700,000
Miscellaneous	180,000	-	-	180,000
<b>Total Local Revenue</b>	<b>51,180,000</b>	<b>-</b>	<b>(2,111,091)</b>	<b>49,068,909</b>
Foundation Program	77,652,172	(1,470,800)	-	76,181,372
TRS On-Behalf Payment	8,973,675	-	-	8,973,675
PERS On-Behalf Payment	1,652,681	-	-	1,652,681
Quality Schools	285,929	4,150	-	290,079
<b>Total State Revenue</b>	<b>88,564,457</b>	<b>(1,466,650)</b>	<b>-</b>	<b>87,097,807</b>
Federal Through Local Government	-	-	2,111,091	2,111,091
<b>Total Federal Revenue</b>	<b>-</b>	<b>-</b>	<b>2,111,091</b>	<b>2,111,091</b>
<b>Total General Fund Revenue</b>	<b>139,744,457</b>	<b>(1,466,650)</b>	<b>-</b>	<b>138,277,807</b>
Planned Use of Fund Balance	5,791,384	412,649	-	6,204,033
<b>Total General Fund Revenue and Planned Use of Fund Balance</b>	<b>\$ 145,535,841</b>	<b>\$ (1,054,001)</b>	<b>\$ -</b>	<b>\$ 144,481,840</b>

## **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, 2020, from which the summarized information was derived.

## **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.

Investment earnings are transferred from KPB to the District on a monthly basis. Based on each fund's share of the equity in central treasury, a percentage of the earnings is provided to those funds.

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 General 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 acquisition 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 10 years for equipment and 20 years for furniture.

### **Compensated Absences**

It is the School District's policy to allow employees to accumulate leave benefits which vary by leave type and employee group. 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 are historically expenditures of the General Fund, Food Service Fund, Title I Fund and Transportation Fund.

### **Health Care**

Since the School District is self-insured, eligible 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.

### **Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows or resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

### **Pensions and OPEB**

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

### **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 a formal resolution 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 that imposed 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 for 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. Any encumbrances 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 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.

### **Prepaid Items**

Prepaid items are recorded using the consumption method. We report the prepaid items as an asset in the period in which they are purchases and defer the recognition of the expenditure until the period in which the prepaid items are used or consumed.

### **Management Estimates and Assumptions**

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

**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, 2021, is as follows:

	Carrying Value of Equity in Central Treasury	Due to (from) other funds	Reported Equity in Central Treasury
General Fund	\$ 18,048,137	\$ (4,811,826)	\$ 13,236,311
Equipment Fund	3,351,391	-	3,351,391
Title I Fund	-	1,866,371	1,866,371
Other Governmental Funds	6,002,012	2,945,455	8,947,467
Internal Service Fund	<u>13,905,685</u>	-	<u>13,905,685</u>
Total	<u>\$ 41,307,225</u>	<u>\$ -</u>	<u>\$ 41,307,225</u>

**NOTE 3 - RECEIVABLES**

Receivables at June 30, 2021, consist of the following:

	General Fund	Special Revenue Funds	Title I – Special Revenue Funds	Total
Accounts Receivable	\$ 197,374	\$ 5,553	\$ -	\$ 202,927
Intergovernmental:				
Major Special Revenue:				
Federal – Through the State – Title I	-	-	1,866,385	1,866,385
Non-Major Special Revenue:				
State	-	228,550	-	228,550
Federal – Through the State	-	1,576,411	-	1,576,411
Federal – Direct	-	209,765	-	209,765
Other	<u>-</u>	<u>931,350</u>	<u>-</u>	<u>931,350</u>
Total Receivables	<u>\$ 197,374</u>	<u>\$ 2,951,629</u>	<u>\$ 1,866,385</u>	<u>\$ 5,015,388</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, 2021, were as follows:

Governmental activities:	July 1, 2020 Balance	Additions	Deletions	June 30, 2021 Balance
Furniture and equipment	\$ 9,946,997	\$ 1,072,110	\$ (561,005)	\$ 10,458,102
Less accumulated depreciation for furniture and equipment	<u>(7,517,213)</u>	<u>(626,362)</u>	<u>541,835</u>	<u>(7,601,740)</u>
Governmental activities capital assets, net	<u>\$ 2,429,784</u>	<u>\$ 445,748</u>	<u>\$ (19,170)</u>	<u>\$ 2,856,362</u>

**Depreciation expense was charged to governmental activities as follows:**

Instruction	\$ 200,269
Special education instruction	1,735
Support services instruction	2,403
School administration	
School administration support services	38,635
District administration	2,995
District administration support services	99,098
Operations and maintenance of plant	98,345
Student activities	170,383
Food services	<u>12,499</u>
Total depreciation expense	<u>\$ 626,362</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 – NONCURRENT LIABILITIES**

The School District’s long-term debt as of June 30, 2021 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 Internal Service fund for employee compensated leave in FY04 to account for the assets required to pay for sick, personal, and annual leave accrued by employees.

	<u>Total June 30, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Total June 30, 2021</u>	<u>Amount due in one year</u>
Compensated Absences	\$ 3,109,157	\$ 2,814,977	\$ (2,617,035)	\$ 3,307,099	\$ 2,402,520

Net Pension and OPEB Liabilities

As discussed in Note 1, the School District the Net Pension and OPEB Liabilities are determined on the same basis as they are reported by PER/TRS.

	<u>Total June 30, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Total June 30, 2021</u>
Net Pension	\$86,580,554	-	(5,802,220)	\$80,778,334
Net OPEB	\$1,214,936	-	(1,152,411)	62,525
Total Net Pension and OPEB Liabilities	\$87,795,490	-	(6,954,631)	\$80,840,859

**Note 6 – RETIREMENT PLANS**

***General Information About the Plans***

The District participates in two defined benefit pension plans. The Alaska Teachers’ Retirement System (TRS) is a cost-sharing multiple employer plan which covers teachers and other eligible participants. The Alaska Public Employees’ Retirement System (PERS) is a cost-sharing multiple employer plan which covers eligible State and local government employees, other than teachers. Both Plans were established and are administered by the State of Alaska Department of Administration to provide pension, postemployment healthcare, death and disability benefits. Benefit and contribution provisions are established by State law and may be amended only by the State Legislature.

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

Both Plans provides for retirement, death and disability, and postemployment healthcare benefits. There are three tiers of employees, based on entry date. For all tiers within the Defined Benefit (DB) plans, full retirement benefits are generally

calculated using a formula comprised of a multiplier times the average monthly salary (AMS) times the number of years of service. The multiplier is increased at longevity milestone markers for most employees. The tiers within the Plans establish differing criteria regarding normal retirement age, early retirement age, and the criteria for calculation of AMS, COLA adjustments, and other postemployment benefits (OPEB). A complete benefit comparison chart is available at the website noted above.

#### ***(a) Defined Benefit (DB) Pension Plan***

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

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

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

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

The District recorded the related on-behalf contributions as revenue and expense or expenditures as prescribed by GAAP, pursuant to the relevant basis of accounting based on fund type.

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

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

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

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

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

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

*State Contribution Rate:* This is the rate paid in by the State as an on-behalf payment under the current statute. The statute requires the State to contribute, based on funding availability, an on-behalf amount equal to the difference between the ARM Board Rate and the Employer Effective Rate. In the governmental fund financial statements, on-behalf contribution amounts have been recognized as additional revenues and expenditures. In the government-wide financial statements, the on-behalf amounts reflect revenue and expense only during the measurement period in which the Plan recognizes the payments, resulting in a significant timing difference between the cash transfers and revenue and expense recognition.

Contribution rates for the year ended June 30, 2021 were determined in the June 30, 2019 actuarial valuations. The District's contribution rates for the 2021 fiscal year were as follows:

<i>PERS</i>	Employer Effective Rate	ARM Board Adopted Rate	State Contribution Rate
Pension	22.00%	26.58%	8.85%
Postemployment healthcare (ARHCT)	-%	4.27%	-%
<b>Total Contribution Rates</b>	<b>22.00%</b>	<b>30.85%</b>	<b>8.85%</b>

<i>TRS</i>	Employer Effective Rate	ARM Board Adopted Rate	State Contribution Rate
Pension	12.56%	27.07%	17.91%
Postemployment healthcare (ARHCT)	-%	3.4%	-%
<b>Total Contribution Rates</b>	<b>12.56%</b>	<b>30.47%</b>	<b>17.91%</b>

In 2021, the District was credited with the following contributions to the pension plans:

<i>PERS</i>	Measurement Period July 1, 2019 to June 30, 2020	District Fiscal Year July 1, 2020 to June 30, 2021
Employer contributions (including DBUL)	\$ 2,060,313	\$ 2,266,362
Nonemployer contributions (on-behalf)	1,325,208	1,689,932
<b>Total Contributions</b>	<b>\$ 3,385,521</b>	<b>\$ 3,956,294</b>

<i>TRS</i>	Measurement Period July 1, 2019 to June 30, 2020	District Fiscal Year July 1, 2020 to June 30, 2021
Employer contributions (including DBUL)	\$ 2,220,904	\$ 1,801,580
Nonemployer contributions (on-behalf)	9,174,109	8,773,802
<b>Total Contributions</b>	<b>\$ 11,395,013</b>	<b>\$ 10,575,382</b>

In addition, employee contributions to the Plans totaled \$461,491 for PERS and \$2,056,071 for TRS during the District's fiscal year.

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

At June 30, 2021, the District reported a liability for its proportionate share of the net pension liability (NPL) that reflected a reduction for State pension support provided to the District. The amount recognized by the District for its proportional share, the related State proportion, and the total portion of the net pension liability that was associated with the District were as follows:

	PERS	TRS
District's proportionate share of NPL	\$ 32,264,071	\$ 48,514,263
State's proportionate share of NPL associated with the District	13,351,057	84,186,451
<b>Total Net Pension Liability</b>	<b>\$ 45,615,128</b>	<b>\$ 132,700,714</b>

The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 to calculate the net pension liability as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, including the State, actuarially determined. At the June 30, 2020 measurement date, the District's proportion for PERS was 0.54674 percent, which was a decrease of 0.11963 percent from its proportion measured as of June 30, 2019. At the June 30, 2020 measurement date, the District's proportion for TRS was 2.38620 percent, which was a decrease of 0.29514 from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized pension expense (benefit) of \$2,372,964 for PERS and \$7,943,614 for TRS. In addition, the District recognized on-behalf revenue of \$1,725,355 and \$7,477,942 for support provided by the State for PERS and TRS, respectively. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<i>PERS</i>	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 102,350	\$ -
Changes in assumptions	-	-
Changes in benefits	-	-
Net difference between projected and actual earnings on pension plan investments	1,313,149	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	(1,531,767)
District contributions subsequent to the measurement date	2,266,362	-
<b>Total Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions</b>	<b>\$ 3,681,861</b>	<b>\$ (1,531,767)</b>

<i>TRS</i>	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 55,258	\$ -
Changes in assumptions	-	-
Changes in benefits	-	-
Net difference between projected and actual earnings on pension plan investments	3,343,038	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	(2,142,745)
District contributions subsequent to the measurement date	1,801,580	-
<b>Total Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions</b>	<b>\$ 5,199,876</b>	<b>\$ (2,142,745)</b>

The \$2,266,362 for PERS and \$1,801,580 for TRS reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<i>Year Ending June 30,</i>	<i>PERS</i>	<i>TRS</i>
2022	\$ (1,406,210)	\$ (2,049,853)
2023	461,797	1,180,907
2024	488,104	1,256,635
2025	340,043	867,862
2026	-	-
Thereafter	-	-
<b>Total Amortization</b>	<b>\$ (116,266)</b>	<b>\$ 1,255,551</b>



## Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2019, using the actuarial assumptions listed below, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020:

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Actuarial cost method	Entry age normal
Amortization method	Unfunded accrued actuarial liability, level percent of pay basis
Inflation	2.50% per year
Salary increases	Range from 6.75% to 2.75% based on service.
Allocation methodology	Amounts for the June 30, 2020 measurement date were allocated to employers based on the present value of contributions for fiscal years 2022 to 2039 to the Plan, as determined by projections based on the June 30, 2019 valuation. The liability is expected to go to zero at 2039.
Investment rate of return	7.38%, net of pension plan investment expenses. This is based on an average inflation rate of 2.50% and a real rate of return of 4.88%.
Mortality	Pre-commencement and post-commencement mortality rates were based upon the 2013-2017 actual mortality experience. Pre-commencement mortality rates were based on 100% of the RP-2014 table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. Post-commencement mortality rates were based on 91% of male and 96% of female rates of the RP-2014 health annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement (PERS); and 93% of male and 90% of female rates of the RP-2014 health annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement (TRS). Deaths are assumed to be occupational 40% of the time (PERS) and 15% of the time (TRS).

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The actuarial assumptions used in the June 30, 2019 actuarial valuation (latest available) were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017. As a result of this experience study, the ARM Board adopted updated actuarial assumptions for the June 30, 2018 actuarial valuation to better reflect expected future experience. The assumptions used in the June 30, 2019 actuarial valuation are the same as those used in the June 30, 2018 valuation, except the amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from defined benefit pension plan assets.

### Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return, excluding the inflation component of 2.36%, for each major asset class included in the pension plan's target asset allocation as of June 30, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Broad domestic equity	26%	6.24 %
Global equity (non-U.S.)	18%	6.67 %
Aggregate bonds	24%	(0.16)%
Opportunistic	8%	3.01 %
Real assets	13%	3.82 %
Private equity	11%	10.00 %
Cash equivalents	-%	(1.09)%

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### **Discount Rate**

The discount rate used to measure the total pension liability was 7.38%. This discount rate used did not change from the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employer and State contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

<i>PERS</i>	Proportional Share	1% Decrease (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
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District's proportionate share of the net pension liability	0.54674 %	\$ 41,950,111	\$ 32,264,071	\$ 24,140,181
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<i>TRS</i>	Proportional Share	1% Decrease (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
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District's proportionate share of the net pension liability	2.38620 %	\$ 68,080,674	\$ 48,514,263	\$ 32,058,932
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### **Pension Plan Fiduciary Net Position**

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

### **(b) Defined Contribution (DC) Pension Plan**

Employees hired after July 1, 2006 participate in PERS Tier IV or TRS Tier III, both DC plans. These Plans are administered by the State of Alaska, Department of Administration in conjunction with the DB plans noted above. Benefit and contribution provisions are established by State law and may be amended only by the State Legislature. The Alaska Retirement Management Board may also amend contribution requirements. Included in the Plans are individual pension accounts, a 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. These Plans are included in the comprehensive annual financial reports for PERS and TRS, and at the following website, as noted above. <http://doa.alaska.gov/dr3>.

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

### **Benefit Terms**

Employees are immediately vested in their own contributions and vest 25% with two years of service, plus an additional 25% per year thereafter for full vesting at five years of service. Nonvested employer contributions are forfeited upon termination of employment from the Plan. Such forfeitures were applied in the year ended June 30, 2021 to cover a portion of the District's employer match contributions. For the year ended June 30, 2021, forfeitures reduced pension expense by \$101,393.

### **Employee Contribution Rate**

Employees are required to contribute 8% of their annual covered salary for both PERS and TRS. This amount goes directly to the individual's account.

**Employer Contribution Rate**

For the year ended June 30, 2021, the District was required to contribute 5% of covered salary into the Plan for PERS and 7% of covered salary for TRS.

The District and employee contributions to PERS for pensions for the year ended June 30, 2021 were \$646,340 and \$1,034,139, respectively. The District and employee contributions to TRS for pensions for the year ended June 30, 2021 were \$1,977,106 and \$2,259,547, respectively. The District contribution amount was recognized as pension expense/expenditures.

**(c) Defined Benefit OPEB Plans**

As part of its participation in PERS and TRS, the District participates in the following cost sharing multiple employer defined benefit OPEB plans: Alaska Retiree Healthcare Trust (ARHCT), Retiree Medical Plan (RMP) and Occupational Death and Disability Plan (ODD).

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

**Employer Contribution Rate**

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

Employer contribution rates for the year ended June 30, 2021 were as follows:

	PERS	TRS
Alaska Retiree Healthcare Trust	-%	-%
Retiree Medical Plan	1.27%	0.93%
Occupational Death and Disability Benefits	0.31%	0.08%
<b>Total Contribution Rates</b>	<b>1.58%</b>	<b>1.01%</b>

In 2021, the District was credited with the following contributions to the OPEB plans:

	Measurement Period July 1, 2019 to June 30, 2020	District Fiscal Year July 1, 2020 to June 30, 2021
<i>PERS</i>		
Employer contributions – ARHCT	\$ 822,255	\$ 480,814
Employer contributions - RMP	157,244	164,170
Employer contributions - ODD	31,018	40,074
Nonemployer contributions (on-behalf)	-	-
<b>Total Contributions</b>	<b>\$ 1,010,517</b>	<b>\$ 685,058</b>

	Measurement Period July 1, 2019 to June 30, 2020	District Fiscal Year July 1, 2020 to June 30, 2021
<i>TRS</i>		
Employer contributions – ARHCT	\$ 1,251,986	\$ 1,651,052
Employer contributions - RMP	278,435	262,679
Employer contributions - ODD	20,462	22,595
Nonemployer contributions (on-behalf)	-	-
<b>Total Contributions</b>	<b>\$ 1,550,883</b>	<b>\$ 1,936,326</b>

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

At June 30, 2021, the District reported a liability for its proportionate share of the net OPEB liabilities (NOL) and net OPEB assets (NOA) that reflected a reduction for State OPEB support provided to the District. The amount recognized by the District for its proportional share, the related State proportion, and the total were as follows:

		PERS		TRS
District's proportionate share of NOL – ARHCT	\$	-	\$	-
District's proportionate share of NOL – RMP		62,525		-
District's proportionate share of NOL - ODD		-		-
<b>Total District's Proportionate Share of NOL</b>	<b>\$</b>	<b>62,525</b>	<b>\$</b>	<b>-</b>
State's proportionate share of the ARHCT NOL associated with the District		-		-
<b>Total Net OPEB Liabilities</b>	<b>\$</b>	<b>62,525</b>	<b>\$</b>	<b>-</b>

		PERS		TRS
District's proportionate share of NOA – ARHCT	\$	(2,474,977)	\$	(8,513,083)
District's proportionate share of NOA – RMP		-		(615,683)
District's proportionate share of NOA - ODD		(192,818)		(268,127)
<b>Total District's Proportionate Share of NOA</b>	<b>\$</b>	<b>(2,667,795)</b>	<b>\$</b>	<b>(9,396,893)</b>
State's proportionate share of the ARHCT NOA associated with the District		(1,026,822)		(14,837,400)
<b>Total Net OPEB Assets</b>	<b>\$</b>	<b>(3,694,617)</b>	<b>\$</b>	<b>(24,234,293)</b>

The total OPEB liabilities (assets) for the June 30, 2020 measurement date was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 to calculate the net OPEB liabilities (assets) as of that date. The District's proportion of the net OPEB liabilities (assets) is based on a projection of the District's long-term share of contributions to the OPEB plans relative to the projected contributions of all participating entities, actuarially determined.

<i>PERS</i>	June 30, 2019 Measurement Date Employer Proportion	June 30, 2020 Measurement Date Employer Proportion	Change
District's proportionate share of the net OPEB liabilities (assets):			
ARHCT	0.66640%	0.54652%	(0.11988)%
RMP	0.94524%	0.88150%	(0.06374)%
ODD	0.75138%	0.70733%	(0.04405)%

<i>TRS</i>	June 30, 2019 Measurement Date Employer Proportion	June 30, 2020 Measurement Date Employer Proportion	Change
District's proportionate share of the net OPEB liabilities (assets):			
ARHCT	2.67559%	2.37966%	(0.29593)%
RMP	6.39967%	6.24109%	(0.15858)%
ODD	6.40052%	6.22827%	(0.17225)%

For the year ended June 30, 2021, the District recognized OPEB expense (benefit) of \$(1,309,228) for PERS and \$(3,698,361) for TRS. Of these amounts, \$(660,786) for PERS and \$(8,960,202) for TRS was recorded for on-behalf revenue and expense for support provided by the ARHCT plans. OPEB expense and on-behalf revenue for the year ended is listed by plan in the table below:

<b>PERS</b>	<b>OPEB expense</b>		<b>On-behalf revenue</b>
ARHCT	\$	(1,656,283)	\$ (660,786)
RMP		314,488	-
ODD		56,839	-
<b>Total</b>	<b>\$</b>	<b>(1,284,956)</b>	<b>\$ (660,786)</b>

<b>TRS</b>	<b>OPEB expense</b>		<b>On-behalf revenue</b>
ARHCT	\$	(11,171,168)	\$ (8,960,202)
RMP		(429,245)	-
ODD		(19,686)	-
<b>Total</b>	<b>\$</b>	<b>(11,620,099)</b>	<b>\$ (8,960,202)</b>

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB plans from the following sources:

<b>PERS</b>	<b>ARHCT</b>	<b>RMP</b>	<b>ODD</b>	<b>Total</b>
<b>Deferred Outflows of Resources:</b>				
Difference between expected and actual experience	\$ -	\$ 325	\$ -	\$ 325
Changes in assumptions	-	87,810	-	87,810
Changes in benefits	-	-	-	-
Difference between projected and actual investment earnings	993,027	27,997	6,614	1,027,638
Changes in proportion and differences between District contributions and proportionate share of contributions	39,775	651	29,974	70,400
District contributions subsequent to the measurement date	480,814	164,170	40,074	685,058
<b>Total Deferred Outflows of Resources Related to OPEB Plans</b>	<b>\$ 1,513,616</b>	<b>\$ 280,953</b>	<b>\$ 76,662</b>	<b>\$ 1,871,231</b>

<b>PERS</b>	<b>ARHCT</b>	<b>RMP</b>	<b>ODD</b>	<b>Total</b>
<b>Deferred Inflows of Resources:</b>				
Difference between expected and actual experience	\$ (198,550)	\$ (13,437)	\$ (64,695)	\$ (276,682)
Changes in Assumptions	(1,725,206)	(161,643)	(2,824)	(1,889,672)
Changes in benefits	-	-	-	-
Difference between projected and actual investment earnings	-	-	-	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	(12,431)	(3,385)	(15,816)
<b>Total Deferred Inflows of Resources Related to OPEB Plans</b>	<b>\$ (1,923,755)</b>	<b>\$ (187,511)</b>	<b>\$ (70,904)</b>	<b>\$ (2,182,170)</b>

Amounts reported as deferred outflows of resources related to OPEB plans resulting from District contributions subsequent to the measurement date will be recognized as a reduction in the net OPEB liabilities (asset) in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<i>PERS</i>	ARHCT	RMP	ODD	Total
Year Ending June 30,				
2022	\$ (1,891,964)	\$ (8,635)	\$ (5,975)	\$ (1,906,574)
2023	353,461	(3,049)	(4,408)	346,004
2024	379,521	(3,148)	(4,375)	371,998
2025	268,029	(5,285)	(4,900)	257,844
2026	-	(12,028)	(6,568)	(18,596)
Thereafter	-	(38,583)	(8,090)	(46,673)
<b>Total Amortization</b>	<b>\$ (890,953)</b>	<b>\$ (70,728)</b>	<b>\$ (34,316)</b>	<b>\$ (995,997)</b>

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB plans from the following sources:

<i>TRS</i>	ARHCT	RMP	ODD	Total
Deferred Outflows of Resources:				
Difference between expected and actual experience	\$ -	\$ 130,869	\$ -	\$ 130,869
Changes in assumptions	-	96,216	-	96,216
Changes in benefits	-	-	-	-
Difference between projected and actual investment earnings	1,645,462	70,974	6,639	1,723,075
Changes in proportion and differences between District contributions and proportionate share of contributions	416,637	11,343	10,289	438,269
District contributions subsequent to the measurement date	1,651,052	262,679	22,595	1,936,326
<b>Total Deferred Outflows of Resources Related to OPEB Plans</b>	<b>\$ 3,713,151</b>	<b>\$ 572,081</b>	<b>\$ 39,523</b>	<b>\$ 4,324,755</b>

<i>TRS</i>	ARHCT	RMP	ODD	Total
Deferred Inflows of Resources:				
Difference between expected and actual experience	\$ (228,288)	\$ (46,602)	\$ (29,900)	\$ (304,790)
Changes in assumptions	(2,678,141)	(533,786)	(243)	(3,212,170)
Changes in benefits	-	-	-	-
Difference between projected and actual investment earnings	-	-	-	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	(1,627)	(1,685)	(3,312)
<b>Total Deferred Inflows of Resources Related to OPEB Plans</b>	<b>\$ (2,906,429)</b>	<b>\$ (582,015)</b>	<b>\$ (31,828)</b>	<b>\$ (3,520,272)</b>

Amounts reported as collective deferred outflows of resources related to OPEB plans resulting from District contributions subsequent to the measurement date will be recognized as a reduction in the net OPEB liabilities (asset) in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<i>TRS</i>	ARHCT	RMP	ODD	Total
Year Ending June 30,				
2022	\$ (2,493,861)	\$ (34,771)	\$ (2,722)	\$ (2,531,354)
2023	583,992	(19,843)	(791)	563,358
2024	624,708	(20,055)	(692)	603,961
2025	440,831	(25,797)	(1,290)	413,744
2026	-	(42,860)	(3,034)	(45,894)
Thereafter	-	(129,287)	(6,371)	(135,658)
<b>Total Amortization</b>	<b>\$ (844,330)</b>	<b>\$ (272,613)</b>	<b>\$ (14,900)</b>	<b>\$ (1,131,843)</b>

### **Actuarial Assumptions**

The total OPEB liability for each plan for the measurement period ended June 30, 2020 was determined by actuarial valuations as of June 30, 2019, using the following actuarial assumptions, applied to all periods included in the measurement, and rolled forward to the measurement date of June 30, 2020:

Actuarial cost method	Entry age normal
Amortization method	Unfunded accrued actuarial liability, level percent of pay basis
Inflation	2.50% per year
Salary increases	Graded by service, from 6.75% to 2.75%.
Allocation methodology	Amounts for the June 30, 2020 measurement date were allocated to employers based on the present value of contributions for fiscal years 2022 to 2039 to the Plan, as determined by projections based on the June 30, 2019 valuation. The liability is expected to go to zero at 2039.
Investment rate of return	7.38%, net of pension plan investment expenses. This is based on an average inflation rate of 2.50% and a real rate of return of 4.88%.
Mortality	Pre-commencement and post-commencement mortality rates were based upon the 2013-2017 actual mortality experience. Pre-commencement mortality rates were based on 100% of the RP-2014 table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. Post-commencement mortality rates were based on 91% of male and 96% of female rates of the RP-2014 health annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement (PERS); and 93% of male and 90% of female rates of the RP-2014 health annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement (TRS). Deaths are assumed to be occupational 40% of the time (PERS) and 15% of the time (TRS).
Participation (ARHCT)	100% system paid of members and their spouses are assumed to elect the healthcare benefits paid as soon as they are eligible. 20% of non-system paid members and their spouses are assumed to elect the healthcare benefits as soon as they are eligible.

The actuarial assumptions used in the June 30, 2019 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017. As a result of this experience study, the ARM Board adopted updated actuarial assumptions for the June 30, 2018 actuarial valuation to better reflect expected future experience. The assumptions used in the June 30, 2019 actuarial valuation are the same as those used in the June 30, 2018 valuation with the following exceptions:

1. Per capita claims costs were updated to reflect recent experience.
2. Retired member contribution trend rates were updated to reflect the ongoing shift in population from pre-Medicare to Medicare-eligible and a projection of expected future retiree contributions reflecting the 10% decrease from 2019 to 2020.
3. The Further Consolidated Appropriations Act, 2020 that was signed in December 2019 made several changes, including the repeal of the Cadillac Tax.
4. The amounts included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid for postretirement healthcare plan assets.

### **Long-Term Expected Rate of Return**

The long-term expected rate of return on OPEB plan investments for each plan was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of postretirement healthcare plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The best estimates of arithmetic rates of return, excluding the inflation component of 2.36% for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2020 are summarized in the following table:

<i>Asset Class</i>	<i>Target Allocation</i>	<i>Long-Term Expected Real Rate of Return</i>
Broad domestic equity	26%	6.24 %
Global equity (non-U.S.)	18%	6.67 %
Aggregate bonds	24%	(0.16)%
Opportunistic	8%	3.01 %
Real assets	13%	3.82 %
Private equity	11%	10.00 %
Cash equivalents	-%	(1.09)%

### **Discount Rate**

The discount rate used to measure the total OPEB liability for each plan as of June 30, 2020 was 7.38%. This discount rate used did not change from the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employer and State contributions will continue to follow the current funding policy which meets State statutes. Based on those assumptions, the fiduciary net position of each plan was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability for each plan.

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

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

<i>PERS</i>	<i>Proportional Share</i>	<i>1% Decrease (6.38%)</i>	<i>Current Discount Rate (7.38%)</i>	<i>1% Increase (8.38%)</i>
District's proportionate share of the net OPEB liability (asset):				
ARHCT	0.54652%	\$ 2,582,587	\$ (2,474,977)	\$ (6,664,137)
RMP	0.88150%	\$ 387,351	\$ 62,525	\$ (183,353)
ODD	0.70733%	\$ (181,190)	\$ (192,818)	\$ (202,112)
<i>TRS</i>	<i>Proportional Share</i>	<i>1% Decrease (6.38%)</i>	<i>Current Discount Rate (7.38%)</i>	<i>1% Increase (8.38%)</i>
District's proportionate share of the net OPEB liability (asset):				
ARHCT	2.37966%	\$ (469,316)	\$ (8,513,083)	\$ (15,147,403)
RMP	6.24109%	\$ 33,203	\$ (615,683)	\$ (1,110,928)
ODD	6.22827%	\$ (268,563)	\$ (268,127)	\$ (268,003)



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

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

<i>PERS</i>	Proportional Share	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
District's proportionate share of the net OPEB liability (asset):				
ARHCT	0.54652%	\$ (7,155,308)	\$ (2,474,977)	\$ 3,192,634
RMP	0.88150%	\$ (219,389)	\$ 62,525	\$ 445,988
ODD	0.70733%	\$ n/a	\$ n/a	\$ n/a

<i>TRS</i>	Proportional Share	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
District's proportionate share of the net OPEB liability (asset):				
ARHCT	2.37966%	\$ (15,885,715)	\$ (8,513,083)	\$ 454,538
RMP	6.24109%	\$ (1,167,957)	\$ (615,683)	\$ 144,232
ODD	6.22827%	\$ n/a	\$ n/a	\$ n/a

**OPEB Plan Fiduciary Net Position**

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

**(d) Defined Contribution OPEB Plans**

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

**Contribution Rate**

AS 39.30.370 establishes this contribution amount as "three percent of the average annual employee compensation of *all employees of all employers* in the plan". As of July 1, 2020, for actual remittance, this amount is calculated as a flat rate for each full-time or part-time employee per pay period and approximates \$2,159 per year for each full-time employee, and \$1.38 per hour for part-time employees.

**Annual Postemployment Healthcare Cost**

In fiscal year 2021, the District contributed \$693,594 in DC OPEB costs to PERS and \$859,909 in DC OPEB costs to TRS. These amounts have been recognized as expense/expenditures.

**NOTE 7 – BUILDING TRADES PROJECT**

The School District has acquired various parcels of land on which vocational education classes of Kenai Central High School previously 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 \$138,917 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, 2021 are as follows:

	<u>Receivable</u>	<u>Payable</u>
Major Fund - General Fund	\$ 4,811,826	\$ -
Major Fund – Title IA	-	1,866,371
Non-major governmental funds	-	2,945,455
	<u>\$ 4,811,426</u>	<u>\$ 4,811,426</u>

Interfund Transfers

Transfers between funds for the year ended June 30, 2021, were as follows:

Transfer Out:	<u>Transfer In:</u>	
From the General Fund to Non-Major Governmental Funds for operating subsidies	<u>Non-Major Governmental Funds</u>	<u>Total</u>
	<u>\$695,000</u>	<u>\$695,000</u>

**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 retentions and deductibles. New claims and outstanding claims are reviewed monthly by the Borough Attorney, and the Risk Manager. There were no material changes in the amounts of coverages, retentions, or deductibles 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 property loss, auto liability and general liability due to the number of properties and the fleet of vehicles owned and operated by the Borough and School District. The Borough also purchases aviation non-owned liability coverage which attaches excess of any other valid and collectible insurance. The Borough purchased pollution liability coverage for incidents arising from Borough owned landfills effective July 1, 2016.

Insurers provide annual aggregate limits in excess of our retention level for the exposures of general liability, auto liability, public officials' liability, educational errors and omissions and ambulance attendants' professional liability. Insurance coverage for these various liability exposures are written on a combined policy form.

Self-insured retention/deductible amounts and upper coverage limits of excess insurance for major coverages are as follows:

	<u>Self-Insured Retention/ Deductible</u>	<u>Upper Coverage Limits of Excess Insurance</u>
Auto and general liability	\$ 250,000	\$ 15,000,000
Employers liability	250,000	2,500,000
Workers' compensation	250,000	Statutory benefits
Property:		
Buildings	100,000	1,008,191,455
Fire & EMS apparatus	Variable	Cash value
Other vehicles	Variable	Cash value
Crime coverage	1,000	500,000

Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

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>2021</u>	<u>2020</u>
Beginning of fiscal year liability	\$ 2,144,825	\$ 2,290,132
Current year claims incurred and changes in estimates for claims incurred in prior years	2,567,374	1,461,210
Claims and expenses paid	<u>(1,393,930)</u>	<u>(1,605,517)</u>
End of fiscal year liability	\$ <u>3,318,269</u>	\$ <u>2,144,825</u>

Included above is a liability for incurred but not reported (IBNR) claims of \$893,906. 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 \$28,369,768 for the year ended June 30, 2021 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, 2019, 2020 and 2021 follows:

	Beginning of Fiscal <u>Year Liability</u>	Current Year <u>Claim Estimates</u>	Claim <u>Payments</u>	End of Fiscal <u>Year Liability</u>
2018 - 2019	3,718,000	31,654,483	(31,677,286)	3,695,197
2019 - 2020	3,695,197	28,063,055	(28,416,252)	3,342,000
2020 - 2021	3,342,000	27,829,768	(28,178,223)	2,993,545

#### **NOTE 11 – COMMITMENTS AND 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.

#### **COVID-19**

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

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the District’s financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the District is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity. The District is dependent upon its workforce to deliver its services. Developments such as social distancing and shelter-in-place directives will impact the District’s ability to deploy its workforce effectively. While expected to be temporary, prolonged workforce disruptions may negatively impact the District’s services. Furthermore, adverse economic effects of the COVID-19 outbreak may decrease the District’s student enrollment which could result in decrease in Federal and state funding. Although the District cannot estimate the length or gravity of the impact of the COVID-19 outbreak at this time, if the pandemic continues, it may have an adverse effect on the District’s results of future operations, financial position, and liquidity in fiscal year 2022.

On March 27, 2020 President Trump signed into law the “Coronavirus Aid, Relief and Economic Security (CARES) Act.” The CARES Act, among other things, appropriated funds through the Elementary and Secondary Emergency Relief (ESSER) fund to be used to make payments for specified uses to school districts. Through the first round of ESSER funding, \$2,295,953 has been awarded and fully expended in FY2021. Since the first ESSER funding was provided, the “Coronavirus Response and Relief Supplemental Appropriation (CRRSA) act was passed and ESSER II funding in the amount of \$9,080,405 was provided to the district also, the “American Rescue Plan (ARP)” was passed and ESSER III funding will be provided \$20,414,897. Both ESSER II and ESSER III will be available for FY22, FY23 and ESSER III will also be available in FY24. The School District will continue to examine the impact that the ESSER funding may have. Currently, the school district is unable to determine the full impact that the ESSER funding will have on the district’s financial condition, results of operations or liquidity.

#### **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, 2021.

## 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, 2021, 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, 2021, will not have a material effect on the financial statements as of and for the year ended June 30, 2021.

### NOTE 12 – CHANGE IN ACCOUNTING PRINCIPLE

In 2021, the Kenai Peninsula Borough School District (KPBSD) adopted the provisions of GASB Statement No. 84 Fiduciary Activities, which, among other accounting and reporting criteria, requires the KPBSD to address criteria for identifying and reporting fiduciary activities, as of the beginning of the KPBSD fiscal year. The KPBSD has determined the Pupil Activity Agency Fund reported in 2020 will now be reported as the Pupil Activity Special Revenue Fund. As a result of the implementation of this statement, the KPBSD has recorded an opening balance adjustment to reflect opening balance and net position as follows:

		Opening fund balance, as originally presented			Change in accounting principle adjustment		Opening fund balance, as restated
Governmental Funds	\$	25,936,165		\$	3,326,679	\$	29,262,844

		Opening net position, as originally presented			Change in accounting principle adjustment		Opening net position, as restated
Governmental Activities	\$	(44,135,495)		\$	3,326,679	\$	(40,808,816)

### NOTE 13 - SUBSEQUENT EVENTS

In preparing these financial statements, the School District has evaluated events and transactions for potential recognition or disclosure through June 30, 2021, the date the annual comprehensive financial states were available to be issued.

### NOTE 14 – NEW ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board (GASB) has issued several new accounting standards with upcoming implementation dates (effective dates are adjusted for the issuance of GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance). The following new accounting standards were implemented by the Kenai Peninsula Borough School District for 2021 reporting:

*GASB Statement No. 84 – Fiduciary Activities* – Effective for year-end June 30, 2021. This Statement addresses criteria for identifying and reporting fiduciary activities. We no longer report our Student Activities as an Agency fund, we now report them as a Special Revenue fund.

The Governmental Accounting Standards Board has issued several new accounting standards with upcoming implementation dates (effective dates adjusted for the issuance of GASB 95). Management has not fully evaluated the potential effects of these statements, and actual impacts have not yet been determined. The statements are as follows:

*GASB Statement No. 87 – Leases* – Effective for year-end June 30, 2022, This Statement addresses accounting and financial reporting for certain lease assets and liabilities for leases that previously were classified as operating leases. This Statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset.

*GASB Statement No. 89 - Accounting for Interest Cost Incurred before the End of a Construction Period* – Effective for year-end June 30, 2022. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus.

*GASB Statement No. 91 – Conduit Debt Obligations* – Effective for year-end June 30, 2023. This Statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with commitments extended by issuers, arrangements associated with conduit obligations, and related note disclosures. This Statement clarifies the definition of a conduit debt obligation and establishes standards for related accounting and financial reporting.

*GASB Statement No. 92 - Omnibus 2020* – Provisions of this Statement related to the effective date of Statement No. 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance. The effective date for all other provisions of the Statement are to be implemented for year-end June 30, 2022. This Statement addresses a variety of topics such as leases, the applicability of Statement No. 73 and Statement No. 74 for reporting assets accumulated for postemployment benefits, the applicability of Statement No. 84 to postemployment benefit arrangements, the measurements of liabilities and assets related to asset retirement obligations in a government acquisition, reporting of public entity risk pools, referencing to nonrecurring fair value measurements, and terminology used to refer to derivative instruments.

*GASB Statement No. 93 – Replacement of Interbank Offered Rates* – The provisions of this Statement, except for paragraph 11b, 13 and 14, are required to be implemented for year-end June 30, 2021. The requirements in paragraph 11b, 13 and 14 are required to be implemented for year-end June 30, 2022. This Statement addresses accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR).

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

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

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

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**REQUIRED SUPPLEMENTARY INFORMATION**

**BUDGETARY COMPARISON SCHEDULES 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

**REQUIRED INFORMATION FOR PENSION AND OPEB PLANS:**

Schedule of the District's Information on the Net Pension Liability – Public Employees Retirement System - PERS

Schedule of District Contributions – Public Employees Retirement System - PERS

Schedule of the District's Information on Net Pension Liability – Teachers Retirement System - TRS

Schedule of District Contributions – Teachers Retirement System – TRS

Schedule of the District's Proportionate Share on the Net OPEB Liability (Assets) – ARHCT- Public Employees Retirement System – PERS

Schedule of District Contributions – ARHCT – Public Employees Retirement System – PERS OPEB Plan

Schedule of the District's Proportionate Share on the Net OPEB Liability – RMP- Public Employees Retirement System – PERS

Schedule of District Contributions – RMP – Public Employees Retirement System – PERS OPEB Plan

Schedule of the District's Proportionate Share on the Net OPEB Liability (ASSET) – ODD - Public Employees Retirement System – PERS

Schedule of District Contributions – ODD – Public Employees Retirement System – PERS OPEB Plan

Schedule of the District's Proportionate Share on the Net OPEB (Assets) – ARHCT- Teachers Retirement System – TRS

Schedule of District Contributions – ARHCT – Teachers Retirement System – TRS OPEB Plan

Schedule of the District's Proportionate Share on the Net OPEB (Asset) – RMP- Teachers Retirement System – TRS

Schedule of District Contributions – RMP – Teachers Retirement System – TRS OPEB Plan

Schedule of the District's Proportionate Share on the Net OPEB (ASSET) – ODD - Teachers Retirement System – TRS

Schedule of District Contributions – ODD – Teachers Retirement System – TRS OPEB Plan

Notes to Required Supplementary Information

**OTHER 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

Instructional Expense Percentage

**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 1

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, 2021

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Local	\$ 50,000,000	\$ 47,888,909	\$ 47,888,909	\$ -
State	88,564,457	87,097,807	87,070,694	(27,113)
Federal-Through Local Government	-	2,111,091	2,111,091	-
Earnings on Investments	300,000	300,000	78,281	(221,719)
E-Rate	700,000	700,000	485,143	(214,857)
Other Local Revenues	180,000	180,000	219,326	39,326
<b>Total Revenues</b>	<b>139,744,457</b>	<b>138,277,807</b>	<b>137,853,444</b>	<b>(424,363)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Instruction	62,684,122	66,054,797	63,058,952	2,995,845
Special Education - Instruction	23,574,591	22,055,473	21,685,009	370,464
Special Education Support Services - Students	5,921,299	6,317,800	6,181,743	136,057
Support Services - Students	5,975,445	4,680,085	4,552,800	127,285
Support Services - Instruction	3,787,713	3,491,817	3,508,325	(16,508)
School Administration	6,633,510	6,579,913	6,550,269	29,644
School Administration Support Services	5,582,509	5,275,577	5,178,368	97,209
District Administration	1,383,633	1,358,349	1,456,814	(98,465)
District Administration Support Services	6,639,183	6,566,228	6,447,526	118,702
Operations and Maintenance of Plant	20,598,726	21,473,341	21,001,746	471,595
Student Activities	2,005,110	1,981,930	1,560,921	421,009
<b>Total Expenditures</b>	<b>144,785,841</b>	<b>145,835,310</b>	<b>141,182,473</b>	<b>4,652,837</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>(5,041,384)</b>	<b>(7,557,503)</b>	<b>(3,329,029)</b>	<b>4,228,474</b>
<b>Other Financing Uses - Transfers Out</b>	<b>(750,000)</b>	<b>(750,000)</b>	<b>(695,000)</b>	<b>55,000</b>
<b>Net Changes in Fund Balances</b>	<b>\$ (5,791,384)</b>	<b>\$ (8,307,503)</b>	<b>(4,024,029)</b>	<b>\$ 4,173,474</b>
<b>Fund Balance, Beginning of Year</b>			<b>19,847,930</b>	
<b>Fund Balance, End of Year</b>			<b>\$ 15,823,901</b>	

See accompanying notes to required supplementary information.

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, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>Actual</u>
Revenues:				
Earnings on Investments	\$ 75,000	\$ 75,000	\$ 26,560	\$ (48,440)
Expenditures:				
Instruction	3,438,007	3,316,422	33,403	3,283,019
School Administration Support Services	-	11,320	11,320	-
Operations and Maintenance of Plant	-	128,477	86,665	41,812
Total Expenditures	<u>3,438,007</u>	<u>3,456,219</u>	<u>131,388</u>	<u>3,324,831</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$ (3,363,007)</u>	<u>\$ (3,381,219)</u>	\$ (104,828)	<u>\$ 3,276,391</u>
Fund Balances, Beginning of Year			<u>3,456,219</u>	
Fund Balances, End of Year			<u>\$ 3,351,391</u>	

See accompanying notes to required supplementary information.

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, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal-Through the State	\$ 6,326,275	\$ 6,346,321	\$ 4,674,189	\$ (1,672,132)
Expenditures:				
Instruction	6,043,354	6,063,733	4,462,436	1,601,297
District Administration Support Services	282,921	282,588	211,753	70,835
Total Expenditures	<u>6,326,275</u>	<u>6,346,321</u>	<u>4,674,189</u>	<u>1,672,132</u>
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			<u>\$ -</u>	
Fund Balances, End of Year			<u>\$ -</u>	

See accompanying notes to required supplementary information.

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM - PERS  
Last Ten Fiscal Years**

Year Ended June 30,	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	State of Alaska's Proportionate Share of the Net Pension Liability	Total Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2012	*	*	*	*	*	*	*
2013	*	*	*	*	*	*	*
2014	*	*	*	*	*	*	*
2015	0.43650%	\$ 20,359,190	\$ 18,808,964	\$ 39,168,154	\$ 18,773,897	108.44%	62.37%
2016	0.92024%	43,767,462	11,719,024	55,486,486	19,473,427	224.75%	63.96%
2017	0.79436%	44,401,767	5,594,848	49,996,615	19,434,112	228.47%	59.55%
2018	0.64263%	33,220,332	12,376,127	45,596,459	19,876,163	167.14%	63.37%
2019	0.69830%	34,698,935	10,050,083	44,749,018	18,984,756	182.77%	65.19%
2020	0.66637%	36,478,614	14,487,820	50,966,434	19,290,478	189.10%	63.42%
2021	0.54674%	32,264,071	13,351,057	45,615,128	19,110,271	168.83%	61.61%

\* Pension tables are intended to present 10 years of information. Additional year's information will be added to the schedules as it becomes available.

See accompanying notes to required supplemental information.

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM - PERS  
Last Ten Fiscal Years**

Year Ended June 30,	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a percentage of Covered Payroll
2012	\$ 1,455,221	\$ 1,455,221	\$ -	\$ 17,382,542	8.37%
2013	1,421,239	1,421,239	-	18,005,047	7.89%
2014	1,578,145	1,578,145	-	18,773,897	8.41%
2015	1,802,254	1,802,254	-	19,473,427	9.25%
2016	1,883,310	1,883,310	-	19,434,112	9.69%
2017	2,115,824	2,115,824	-	19,876,163	10.65%
2018	2,293,306	2,293,306	-	18,984,756	12.08%
2019	2,338,677	2,338,677	-	19,290,478	12.12%
2020	2,060,313	2,060,313	-	19,110,271	10.78%
2021	2,266,362	2,266,362	-	19,386,662	11.69%

See accompanying notes to required supplemental information.

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
TEACHERS' RETIREMENT SYSTEM - TRS  
Last Ten Fiscal Years**

Year Ended June 30,	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	State of Alaska's Proportionate Share of the Net Pension Liability	Total Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2012	*	*	*	*	*	*	*
2013	*	*	*	*	*	*	*
2014	*	*	*	*	*	*	*
2015	1.01287%	\$ 30,376,532	\$ 168,912,841	\$ 199,289,373	\$ 50,739,168	59.87%	55.70%
2016	2.53294%	47,123,960	75,318,635	122,442,595	51,226,585	91.99%	73.82%
2017	3.08305%	70,396,678	83,669,621	154,066,299	50,808,163	138.55%	68.40%
2018	2.37178%	48,066,866	83,885,219	131,952,085	50,962,839	94.32%	72.39%
2019	2.61515%	50,062,615	74,423,081	124,485,696	51,646,847	96.93%	74.09%
2020	2.68134%	50,101,940	74,304,123	124,406,063	51,746,390	96.82%	74.68%
2021	2.38620%	48,514,263	84,186,451	132,700,714	50,934,655	95.25%	72.81%

\* Pension tables are intended to present 10 years of information. Additional year's information will be added to the schedules as it becomes available.

See accompanying notes to required supplemental information.

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
TEACHERS' RETIREMENT SYSTEM - TRS  
Last Ten Fiscal Years**

Year Ended June 30,	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a percentage of Covered Payroll
2012	\$ 2,499,363	\$ 2,499,363	\$ -	\$ 49,806,535	5.02%
2013	2,398,469	2,398,469	-	49,947,218	4.80%
2014	2,483,038	2,483,038	-	50,739,168	4.89%
2015	2,405,825	2,405,825	-	51,226,585	4.70%
2016	2,256,776	2,256,776	-	50,808,163	4.44%
2017	2,404,196	2,404,196	-	50,962,839	4.72%
2018	2,559,312	2,559,312	-	51,646,847	4.96%
2019	2,370,502	2,370,502	-	51,746,390	4.58%
2020	2,220,904	2,220,904	-	50,934,655	4.36%
2021	1,801,580	1,801,580	-	51,590,411	3.49%

See accompanying notes to required supplemental information.



**KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET) - ARHCT  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM - PERS  
Last Ten Fiscal Years**

Year Ended June 30,	District's Proportion of the Net OPEB Liability	District's Proportionate Share of the Net OPEB Liability	State of Alaska's Proportionate Share of the Net OPEB Liability	Total Net OPEB Liability	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2012	*	*	*	*	*	*	*
2013	*	*	*	*	*	*	*
2014	*	*	*	*	*	*	*
2015	*	*	*	*	*	*	*
2016	*	*	*	*	*	*	*
2017	*	*	*	*	*	*	*
2018	0.64274%	\$ 5,429,628	\$ 2,024,556	\$ 7,454,184	\$ 9,348,403	58.08%	89.68%
2019	0.69807%	\$ 7,164,181	\$ 2,079,867	\$ 9,244,048	\$ 8,264,382	86.69%	88.12%
2020	0.66640%	\$ 988,798	\$ 393,110	\$ 1,381,908	\$ 7,764,321	12.74%	98.13%
2021	0.54652%	\$ (2,474,977)	\$ (1,026,822)	\$ (3,501,799)	\$ 7,272,924	-34.03%	106.15%

\* Pension tables are intended to present 10 years of information. Additional year's information will be added to the schedules as it becomes available.

See accompanying notes to required supplemental information.

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS - ARHCT  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM - PERS OPEB PLAN  
Last Ten Fiscal Years**

Year Ended June 30,	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a percentage of Covered Payroll
2012	*	*	*	*	*
2013	*	*	*	*	*
2014	*	*	*	*	*
2015	*	*	*	*	*
2016	*	*	*	*	*
2017	*	*	*	*	*
2018	\$ 653,666	\$ 653,666	\$ -	\$ 8,264,382	7.909%
2019	\$ 856,817	\$ 856,817	\$ -	\$ 7,764,321	11.035%
2020	\$ 822,255	\$ 822,255	\$ -	\$ 7,272,924	11.306%
2021	\$ 480,814	\$ 480,814	\$ -	\$ 6,461,874	7.441%

\*Pension tables are intended to present 10 years of information. Additional year's information will be added to the schedules as it becomes available.

See accompanying notes to required supplemental information.

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY - RMP**  
**PUBLIC EMPLOYEES' RETIREMENT SYSTEM - PERS**  
**Last Ten Fiscal Years**

Year Ended June 30,	District's Proportion of the Net OPEB Liability	District's Proportionate Share of the Net OPEB Liability	State of Alaska's Proportionate Share of the Net OPEB Liability	Total Net OPEB Liability	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2012	*	*	*	*	*	*	*
2013	*	*	*	*	*	*	*
2014	*	*	*	*	*	*	*
2015	*	*	*	*	*	*	*
2016	*	*	*	*	*	*	*
2017	*	*	*	*	*	*	*
2018	1.02029%	\$ 53,208	\$ -	\$ 53,208	\$ 10,527,760	0.51%	93.98%
2019	0.96646%	\$ 122,982	\$ -	\$ 122,982	\$ 10,938,541	1.12%	88.71%
2020	0.94524%	\$ 226,138	\$ -	\$ 226,138	\$ 11,800,626	1.92%	83.17%
2021	0.88150%	\$ 62,525	\$ -	\$ 62,525	\$ 11,929,933	0.52%	95.23%

\* Pension tables are intended to present 10 years of information. Additional year's information will be added to the schedules as it becomes available.

See accompanying notes to required supplemental information.

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS - RMP  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM - PERS OPEB PLAN  
Last Ten Fiscal Years**

Year Ended June 30,	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a percentage of Covered Payroll
2012	*	*	*	*	*
2013	*	*	*	*	*
2014	*	*	*	*	*
2015	*	*	*	*	*
2016	*	*	*	*	*
2017	*	*	*	*	*
2018	\$ 112,666	\$ 112,666	\$ -	\$ 10,938,541	1.030%
2019	\$ 110,926	\$ 110,926	\$ -	\$ 11,800,626	0.940%
2020	\$ 157,244	\$ 157,244	\$ -	\$ 11,929,933	1.318%
2021	\$ 164,170	\$ 164,170	\$ -	\$ 12,924,789	1.270%

\*Pension tables are intended to present 10 years of information. Additional year's information will be added to the schedules as it becomes available.

See accompanying notes to required supplemental information.

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB (ASSET) - ODD**  
**PUBLIC EMPLOYEES' RETIREMENT SYSTEM - PERS**  
**Last Ten Fiscal Years**

Year Ended June 30,	District's Proportion of the Net OPEB (Asset)	District's Proportionate Share of the Net OPEB (Asset)	State of Alaska's Proportionate Share of the Net OPEB (Asset)	Total Net OPEB (Asset)	District's Covered Payroll	District's Proportionate Share of the Net OPEB (Asset) as a percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB (Asset)
2012	*	*	*	*	*	*	*
2013	*	*	*	*	*	*	*
2014	*	*	*	*	*	*	*
2015	*	*	*	*	*	*	*
2016	*	*	*	*	*	*	*
2017	*	*	*	*	*	*	*
2018	1.02029%	\$ (144,769)	\$ -	\$ (144,769)	\$ 10,527,760	-1.38%	212.97%
2019	0.96646%	\$ (187,706)	\$ -	\$ (187,706)	\$ 10,938,541	-1.72%	270.62%
2020	0.75138%	\$ (182,171)	\$ -	\$ (182,171)	\$ 11,800,626	-1.54%	297.43%
2021	0.70733%	\$ (192,818)	\$ -	\$ (192,818)	\$ 11,929,933	-1.62%	283.80%

\* Pension tables are intended to present 10 years of information. Additional year's information will be added to the schedules as it becomes available.

See accompanying notes to required supplemental information.

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS - ODD  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM - PERS OPEB PLAN  
Last Ten Fiscal Years**

Year Ended June 30,	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a percentage of Covered Payroll
2012	*	*	*	*	*
2013	*	*	*	*	*
2014	*	*	*	*	*
2015	*	*	*	*	*
2016	*	*	*	*	*
2017	*	*	*	*	*
2018	\$ 17,501	\$ 17,501	\$ -	\$ 10,938,541	0.16%
2019	\$ 30,678	\$ 30,678	\$ -	\$ 11,800,626	0.26%
2020	\$ 31,018	\$ 31,018	\$ -	\$ 11,929,933	0.26%
2021	\$ 40,074	\$ 40,074	\$ -	\$ 12,924,789	0.31%

\*Pension tables are intended to present 10 years of information. Additional year's information will be added to the schedules as it becomes available.

See accompanying notes to required supplemental information.

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET) - ARHCT**  
**TEACHERS' RETIREMENT SYSTEM - TRS**  
**Last Ten Fiscal Years**

Year Ended June 30,	District's Proportion of the Net OPEB Liability (Asset)	District's Proportionate Share of the Net OPEB Liability (Asset)	State of Alaska's Proportionate Share of the Net OPEB Liability (Asset)	Total Net OPEB Liability (Asset)	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability (Asset) as a percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
2012	*	*	*	*	*	*	*
2013	*	*	*	*	*	*	*
2014	*	*	*	*	*	*	*
2015	*	*	*	*	*	*	*
2016	*	*	*	*	*	*	*
2017	*	*	*	*	*	*	*
2018	2.36440%	\$ 4,348,912	\$ 7,626,401	\$ 11,975,313	\$ 29,158,996	14.91%	93.75%
2019	2.60919%	\$ 8,112,981	\$ 12,106,344	\$ 20,219,325	\$ 27,581,904	29.41%	90.23%
2020	2.67559%	\$ (4,088,863)	\$ (6,085,037)	\$ (10,173,900)	\$ 26,442,673	-15.46%	105.50%
2021	2.37966%	\$ (8,513,083)	\$ (14,837,400)	\$ (23,350,483)	\$ 25,045,084	-33.99%	113.78%

\* Pension tables are intended to present 10 years of information. Additional year's information will be added to the schedules as it becomes available.

See accompanying notes to required supplemental information.

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS - ARHCT  
TEACHERS' RETIREMENT SYSTEM - TRS OPEB PLAN  
Last Ten Fiscal Years**

Year Ended June 30,	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a percentage of Covered Payroll
2012	*	*	*	*	*
2013	*	*	*	*	*
2014	*	*	*	*	*
2015	*	*	*	*	*
2016	*	*	*	*	*
2017	*	*	*	*	*
2018	\$ 1,267,282	\$ 1,267,282	\$ -	\$ 27,581,904	4.595%
2019	\$ 1,144,462	\$ 1,144,462	\$ -	\$ 26,442,673	4.328%
2020	\$ 1,251,986	\$ 1,251,986	\$ -	\$ 25,045,084	4.999%
2021	\$ 1,651,052	\$ 1,651,052	\$ -	\$ 23,628,147	6.988%

\*Pension tables are intended to present 10 years of information. Additional year's information will be added to the schedules as it becomes available.

See accompanying notes to required supplemental information.



**KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB ASSET - RMP  
TEACHERS' RETIREMENT SYSTEM - TRS  
Last Ten Fiscal Years**

Year Ended June 30,	District's Proportion of the Net OPEB Asset	District's Proportionate Share of the Net OPEB Asset	State of Alaska's Proportionate Share of the Net OPEB Asset	Total Net OPEB Asset	District's Covered Payroll	District's Proportionate Share of the Net OPEB Asset as a percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Asset
2012	*	*	*	*	*	*	*
2013	*	*	*	*	*	*	*
2014	*	*	*	*	*	*	*
2015	*	*	*	*	*	*	*
2016	*	*	*	*	*	*	*
2017	*	*	*	*	*	*	*
2018	6.56894%	\$ (311,368)	\$ -	\$ (311,368)	\$ 21,803,843	-1.43%	118.16%
2019	6.59816%	\$ (211,009)	\$ -	\$ (211,009)	\$ 23,716,202	-0.89%	109.56%
2020	6.39967%	\$ (245,491)	\$ -	\$ (245,491)	\$ 24,979,191	-0.98%	110.03%
2021	6.24109%	\$ (615,683)	\$ -	\$ (615,683)	\$ 25,576,702	-2.41%	125.59%

\* Pension tables are intended to present 10 years of information. Additional year's information will be added to the schedules as it becomes available.

See accompanying notes to required supplemental information.

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS - RMP  
TEACHERS' RETIREMENT SYSTEM - TRS OPEB PLAN  
Last Ten Fiscal Years**

Year Ended June 30,	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a percentage of Covered Payroll
2012	*	*	*	*	*
2013	*	*	*	*	*
2014	*	*	*	*	*
2015	*	*	*	*	*
2016	*	*	*	*	*
2017	*	*	*	*	*
2018	\$ 197,427	\$ 197,427	\$ -	\$ 23,716,202	0.832%
2019	\$ 215,820	\$ 215,820	\$ -	\$ 24,979,191	0.790%
2020	\$ 278,435	\$ 278,435	\$ -	\$ 25,576,702	1.089%
2021	\$ 262,679	\$ 262,679	\$ -	\$ 27,962,263	0.939%

\*Pension tables are intended to present 10 years of information. Additional year's information will be added to the schedules as it becomes available.

See accompanying notes to required supplemental information.

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB ASSET - ODD**  
**TEACHERS' RETIREMENT SYSTEM - TRS**  
**Last Ten Fiscal Years**

Year Ended June 30,	District's Proportion of the Net OPEB Asset	District's Proportionate Share of the Net OPEB Asset	State of Alaska's Proportionate Share of the Net OPEB Asset	Total Net OPEB Asset	District's Covered Payroll	District's Proportionate Share of the Net OPEB Asset as a percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Asset
2012	*	*	*	*	*	*	*
2013	*	*	*	*	*	*	*
2014	*	*	*	*	*	*	*
2015	*	*	*	*	*	*	*
2016	*	*	*	*	*	*	*
2017	*	*	*	*	*	*	*
2018	6.56894%	\$ (214,673)	\$ -	\$ (214,673)	\$ 21,803,843	-0.98%	1342.59%
2019	6.59816%	\$ (231,332)	\$ -	\$ (231,332)	\$ 23,716,202	-0.98%	1304.81%
2020	6.40052%	\$ (257,365)	\$ -	\$ (257,365)	\$ 24,979,191	-1.03%	1409.77%
2021	6.22827%	\$ (268,127)	\$ -	\$ (268,127)	\$ 25,576,702	-1.05%	931.08%

\* Pension tables are intended to present 10 years of information. Additional year's information will be added to the schedules as it becomes available.

See accompanying notes to required supplemental information.

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS - ODD  
TEACHERS' RETIREMENT SYSTEM - TRS OPEB PLAN  
Last Ten Fiscal Years**

Year Ended June 30,	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a percentage of Covered Payroll
2012	*	*	*	*	*
2013	*	*	*	*	*
2014	*	*	*	*	*
2015	*	*	*	*	*
2016	*	*	*	*	*
2017	*	*	*	*	*
2018	\$ -	\$ -	\$ -	\$ 23,716,202	0.000%
2019	\$ 19,979	\$ 19,979	\$ -	\$ 24,979,191	0.080%
2020	\$ 20,462	\$ 20,462	\$ -	\$ 25,576,702	0.080%
2021	\$ 22,595	\$ 22,595	\$ -	\$ 27,962,263	0.081%

\*Pension tables are intended to present 10 years of information. Additional year's information will be added to the schedules as it becomes available.

See accompanying notes to required supplemental information.

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR YEAR ENDED JUNE 30, 2021**

**1. Public Employees' Retirement System and Teachers' Retirement System - Pension Plan**

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

These tables are presented based on the Plan measurement date. For June 30, 2021, the Plan measurement date is June 30, 2020.

*Changes in Assumptions:*

The actuarial assumptions used in the June 30, 2019 actuarial valuation (latest available) were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017. As a result of this experience study, the ARM Board adopted updated actuarial assumptions for the June 30, 2018 actuarial valuation to better reflect expected future experience. The assumptions used in the June 30, 2019 actuarial valuation are the same as those used in the June 30, 2018 valuation, except the amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from defined benefit pension plan assets.

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

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

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

***Schedule of District Contributions***

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

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

**2. Public Employees' Retirement System and Teachers' Retirement System - OPEB Plans**

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

These tables are presented based on the Plan measurement date. For June 30, 2021, the Plan measurement date is June 30, 2020.

*Changes in Assumptions:*

The actuarial assumptions used in the June 30, 2019 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017. As a result of this experience study, the ARM Board adopted updated actuarial assumptions for the June 30, 2018 actuarial valuation to better reflect expected future experience. The assumptions used in the June 30, 2019 actuarial valuation are the same as those used in the June 30, 2018 valuation with the following exceptions:

1. Per capita claims costs were updated to reflect recent experience.
2. Retired member contribution trend rates were updated to reflect the ongoing shift in population from pre-Medicare to Medicare-eligible and a projection of expected future retiree contributions reflecting the 10% decrease from 2019 to 2020.
3. The Further Consolidated Appropriations Act, 2020 that was signed in December 2019 made several changes, including the repeal of the Cadillac Tax.

4. The amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid for postretirement healthcare plan assets.

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

In 2020, an Employer Group Waiver Plan (EGWP) was implemented effective January 1, 2019. This arrangement replaced the Retiree Drug Subsidy (RDS) under Medicare Part D and resulted in largest projected subsidies to offset the cost of prescription drug coverage.

***Schedule of District Contributions***

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
GENERAL FUND  
BALANCE SHEET  
As of June 30, 2021 and June 30, 2020

<u>ASSETS</u>	<u>2021</u>	<u>2020</u>
Cash on Hand	\$ 11,935	\$ 11,945
Equity in Central Treasury	18,048,137	23,207,507
Accounts Receivable	197,374	154,027
Prepaid Items	1,272,067	1,623,559
Due from Special Revenue Funds	4,811,826	2,518,741
Inventory	<u>808,939</u>	<u>804,141</u>
Total Assets	<u>\$ 25,150,278</u>	<u>\$ 28,319,920</u>
 <u>LIABILITIES AND FUND BALANCE</u> 		
Liabilities:		
Accounts Payable	<u>\$ 1,296,802</u>	<u>\$ 933,073</u>
Accrued liabilities:		
Payroll	5,619,728	5,477,669
Retirement	431,625	347,232
Payroll Taxes	1,783,215	1,664,842
Payroll Deductions	<u>195,007</u>	<u>49,174</u>
Total Accrued Liabilities	<u>8,029,575</u>	<u>7,538,917</u>
Total Liabilities	<u>9,326,377</u>	<u>8,471,990</u>
Fund Balance:		
Nonspendable	2,081,006	2,427,700
Restricted	2,944,466	2,016,374
Comitted	4,022,433	4,366,075
Assigned	5,865,492	9,360,559
Unassigned	<u>910,504</u>	<u>1,677,222</u>
Total Fund Balance	<u>15,823,901</u>	<u>19,847,930</u>
Total Liabilities and Fund Balance	<u>\$ 25,150,278</u>	<u>\$ 28,319,920</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF CHANGES IN FUND BALANCE  
For the Years Ended June 30, 2021 and June 30, 2020

	<u>2021</u>	<u>2020</u>
Fund Balance, Beginning of Year	\$ 19,847,930	\$ 16,341,779
Add Revenues and Other Financing Sources	137,853,444	146,618,608
Deduct Expenditures and Other Financing Uses	<u>(141,877,473)</u>	<u>(143,112,457)</u>
Fund Balance, End of Year	<u>\$ 15,823,901</u>	<u>\$ 19,847,930</u>



KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF REVENUES - BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEARS ENDED JUNE 30, 2021 and JUNE 30, 2020

	2021			Variance Positive (Negative)	2020 Actual
	Original Budget	Final Budget	Actual		
Revenues:					
Local:					
Kenai Peninsula Borough - Direct Appropriation	\$ 38,637,268	\$ 36,526,177	\$ 36,526,177	\$ -	\$ 41,440,829
Kenai Peninsula Borough - In-Kind Services	11,362,732	11,362,732	11,362,732	-	11,048,424
Total Local	<u>\$ 50,000,000</u>	<u>47,888,909</u>	<u>47,888,909</u>	<u>-</u>	<u>52,489,253</u>
State:					
Public School Funding	77,652,172	76,181,372	76,021,227	(160,145)	78,773,325
LOG/Quality Schools	285,929	290,079	281,762	(8,317)	286,749
Supplemental	-	-	32,630	32,630	2,105,854
Retirement: TRS On-Behalf	8,973,675	8,973,675	8,773,802	(199,873)	9,174,109
Retirement: PERS On-Behalf	1,652,681	1,652,681	1,689,932	37,251	1,325,208
Retirement: PERS On-Behalf Passed Through KPB	-	-	271,341	271,341	235,815
Total State	<u>88,564,457</u>	<u>87,097,807</u>	<u>87,070,694</u>	<u>(27,113)</u>	<u>91,901,060</u>
Federal - Through the State:					
CARES act, KPB	-	2,111,091	2,111,091	-	-
Medicaid - Direct Reimbursement	-	-	-	-	146,948
Total Federal - Through the State	<u>-</u>	<u>2,111,091</u>	<u>2,111,091</u>	<u>-</u>	<u>146,948</u>
Earnings on Investments	<u>300,000</u>	<u>300,000</u>	<u>78,281</u>	<u>(221,719)</u>	<u>1,203,960</u>
E-Rate	<u>700,000</u>	<u>700,000</u>	<u>485,143</u>	<u>(214,857)</u>	<u>648,931</u>
Other Local Revenues:					
Facilities Rental	30,000	30,000	23,400	(6,600)	26,400
Miscellaneous	150,000	150,000	195,926	45,926	202,056
Total Other Local Revenues:	<u>180,000</u>	<u>180,000</u>	<u>219,326</u>	<u>39,326</u>	<u>228,456</u>
Total Revenues	<u>139,744,457</u>	<u>138,277,807</u>	<u>137,853,444</u>	<u>(424,363)</u>	<u>146,618,608</u>
Other Financing Sources:					
Fund Balance Appropriation	<u>5,791,384</u>	<u>6,204,033</u>	<u>-</u>	<u>(6,204,033)</u>	<u>-</u>
Total Revenues and Other Financing Sources	<u>\$ 145,535,841</u>	<u>\$ 144,481,840</u>	<u>\$ 137,853,444</u>	<u>\$ (6,628,396)</u>	<u>\$ 146,618,608</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED June 30, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance- Positive (Negative)	
Instruction:					
Certificated Salaries	\$ 32,746,947	\$ 32,260,986	\$ 32,313,218	\$ (52,232)	\$ 32,007,158
Non-Certificated Salaries	1,888,326	2,133,457	2,107,042	26,415	2,157,708
Employee Benefits	21,440,819	23,392,695	23,480,209	(87,514)	23,022,884
Professional and Technical Services	100,000	212,790	200,220	12,570	128,748
Staff Travel	114,357	82,044	27,120	54,924	63,110
Student Travel	6,000	3,564	2,762	802	12,808
Utility Services	300,649	325,536	279,200	46,336	278,760
Other Purchased Services	384,954	951,417	474,411	477,006	371,742
Supplies, Materials, and Media	2,514,244	4,149,987	3,369,628	780,359	3,760,726
Other Expenses	2,127,515	1,221,110	(125,688)	1,346,798	(95,867)
Equipment	1,060,311	1,321,211	930,830	390,381	1,449,440
	<u>62,684,122</u>	<u>66,054,797</u>	<u>63,058,952</u>	<u>2,995,845</u>	<u>63,157,217</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED June 30, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance- Positive (Negative)	
Special Education Instruction:					
Certificated Salaries	\$ 7,774,558	\$ 7,473,968	\$ 7,404,322	\$ 69,646	\$ 7,137,464
Non-Certificated Salaries	4,811,520	4,532,875	4,536,553	(3,678)	4,643,548
Employee Benefits	10,544,138	9,232,900	9,108,668	124,232	8,811,587
Professional and Technical Services	223,894	356,684	150,454	206,230	310,337
Staff Travel	34,367	33,804	18,251	15,553	19,331
Student Travel	1,550	969	30	939	638
Utility Services	-	-	-	-	32
Other Purchased Services	3,200	500	-	500	250
Supplies, Materials, and Media	150,364	382,740	448,895	(66,155)	183,680
Other Expenses	31,000	37,360	15,024	22,336	6,331
Equipment	-	3,673	2,812	861	51,107
	<u>23,574,591</u>	<u>22,055,473</u>	<u>21,685,009</u>	<u>370,464</u>	<u>21,164,305</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED June 30, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance- Positive (Negative)	
Special Education Support Services - Student:					
Certificated Salaries	\$ 2,738,562	\$ 2,671,277	\$ 2,691,170	\$ (19,893)	\$ 2,680,912
Non-Certificated Salaries	434,154	417,498	408,531	8,967	428,440
Employee Benefits	2,159,619	2,037,433	1,995,235	42,198	1,984,217
Professional and Technical Services	438,400	1,014,795	985,288	29,507	879,333
Staff Travel	78,255	70,720	29,661	41,059	70,622
Student Travel	-	-	-	-	-
Utility Services	5,000	6,728	6,043	685	4,637
Other Purchased Services	3,575	4,997	1,902	3,095	1,056
Supplies, Materials, and Media	50,794	81,836	61,324	20,512	37,790
Other Expenses	10,440	9,700	770	8,930	6,610
Equipment	2,500	2,816	1,819	997	17,146
	<u>5,921,299</u>	<u>6,317,800</u>	<u>6,181,743</u>	<u>136,057</u>	<u>6,110,763</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 GENERAL FUND  
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
 FOR THE YEAR ENDED June 30, 2021  
 With Comparative Actual Totals for the Year Ended June 30, 2020

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance- Positive (Negative)	
Support Services - Student:					
Certificated Salaries	\$ 1,596,173	\$ 1,067,437	\$ 1,087,731	\$ (20,294)	\$ 1,198,790
Non-Certificated Salaries	1,652,220	1,478,016	1,523,603	(45,587)	1,484,780
Employee Benefits	2,593,193	1,991,442	1,874,952	116,490	1,999,623
Professional and Technical Services	-	-	-	-	1,740
Staff Travel	61,480	37,874	7,282	30,592	39,193
Student Travel	2,500	2,500	-	2,500	5,010
Utility Services	806	806	196	610	210
Other Purchased Services	6,700	11,465	2,209	9,256	7,989
Supplies, Materials, and Media	55,275	74,082	51,655	22,427	62,385
Other Expenses	7,098	6,948	5,059	1,889	375
Equipment	-	9,515	113	9,402	1,198
	<u>5,975,445</u>	<u>4,680,085</u>	<u>4,552,800</u>	<u>127,285</u>	<u>4,801,293</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 GENERAL FUND  
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
 FOR THE YEAR ENDED June 30, 2021  
 With Comparative Actual Totals for the Year Ended June 30, 2020

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance- Positive (Negative)	
Support Services - Instruction:					
Certificated Salaries	\$ 1,118,886	\$ 1,207,868	\$ 1,301,227	\$ (93,359)	\$ 1,267,741
Non-Certificated Salaries	650,588	610,532	625,784	(15,252)	632,339
Employee Benefits	1,453,145	1,160,170	1,221,497	(61,327)	1,153,024
Professional and Technical Services	43,000	46,261	7,066	39,195	44,363
Staff Travel	67,079	26,929	1,633	25,296	19,738
Utility Services	13,650	14,305	10,072	4,233	11,624
Other Purchased Services	10,600	11,299	5,087	6,212	1,225
Supplies, Materials, and Media	411,270	386,164	315,106	71,058	470,169
Other Expenses	19,495	17,240	9,967	7,273	17,414
Equipment	-	11,049	10,886	163	17,114
	<u>3,787,713</u>	<u>3,491,817</u>	<u>3,508,325</u>	<u>(16,508)</u>	<u>3,634,751</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED June 30, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance- Positive (Negative)	
School Administration:					
Certificated Salaries	\$ 4,197,886	\$ 4,158,811	\$ 4,227,400	\$ (68,589)	\$ 4,302,492
Non-Certificated Salaries	13,692	13,566	6,678	6,888	12,601
Employee Benefits	2,300,835	2,292,981	2,260,379	32,602	2,250,060
Professional and Technical Services	-	500	257	243	890
Staff Travel	82,255	73,323	23,292	50,031	72,577
Supplies, Materials, and Media	9,201	8,808	5,427	3,381	7,115
Other Expenses	29,641	31,924	26,836	5,088	29,576
Equipment	-	-	-	-	620
	<u>6,633,510</u>	<u>6,579,913</u>	<u>6,550,269</u>	<u>29,644</u>	<u>6,675,931</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED June 30, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance- Positive (Negative)	
School Administration Support Services:					
Non-Certificated Salaries	\$ 2,380,221	\$ 2,301,365	\$ 2,308,710	\$ (7,345)	\$ 2,296,080
Employee Benefits	2,441,427	2,163,258	2,091,529	71,729	2,017,342
Professional and Technical Services	-	-	-	-	1,987
Staff Travel	1,800	2,166	2,109	57	3,403
Utility Services	669,850	714,305	695,319	18,986	733,816
Other Purchased Services	2,250	6,590	5,271	1,319	5,941
Supplies, Materials, and Media	57,361	58,121	48,080	10,041	55,061
Other Expenses	29,600	29,772	17,203	12,569	33,581
Equipment	-	-	10,147	(10,147)	9,288
	<u>5,582,509</u>	<u>5,275,577</u>	<u>5,178,368</u>	<u>97,209</u>	<u>5,156,499</u>



KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 GENERAL FUND  
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
 FOR THE YEAR ENDED June 30, 2021  
 With Comparative Actual Totals for the Year Ended June 30, 2020

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance- Positive (Negative)	
District Administration:					
Certificated Salaries	\$ 330,778	\$ 344,176	\$ 376,763	\$ (32,587)	\$ 194,943
Non-Certificated Salaries	301,025	293,186	308,034	(14,848)	358,176
Employee Benefits	406,265	351,159	429,064	(77,905)	357,600
Professional and Technical Services	159,000	203,371	216,995	(13,624)	219,181
Staff Travel	66,170	39,130	9,694	29,436	38,717
Utility Services	18,700	20,202	19,158	1,044	17,653
Other Purchased Services	30,400	29,400	21,646	7,754	27,146
Supplies, Materials, and Media	34,895	44,764	31,695	13,069	25,513
Other Expenses	36,400	32,200	32,365	(165)	35,978
Equipment	-	761	11,400	(10,639)	2,639
	<u>1,383,633</u>	<u>1,358,349</u>	<u>1,456,814</u>	<u>(98,465)</u>	<u>1,277,546</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED June 30, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance- Positive (Negative)	
District Administrative Support Services:					
Certificated Salaries	\$ 135,569	\$ 140,278	\$ 134,017	\$ 6,261	\$ 132,550
Non-Certificated Salaries	2,721,304	2,671,035	2,865,111	(194,076)	2,681,780
Employee Benefits	2,033,021	1,941,671	1,925,587	16,084	1,808,331
Professional and Technical Services	306,632	304,636	269,174	35,462	374,536
Staff Travel	83,677	40,177	8,916	31,261	37,864
Utility Services	33,068	31,032	28,930	2,102	30,689
Other Purchased Services	422,718	419,192	348,679	70,513	324,993
Insurance and Bond Premiums	1,010,866	1,010,866	1,010,866	-	1,010,866
Supplies, Materials, and Media	220,999	273,990	253,089	20,901	342,906
Other Expenses	61,637	66,680	28,706	37,974	25,580
Indirect Costs	(428,308)	(380,478)	(437,107)	56,629	(259,474)
Equipment	38,000	47,149	11,558	35,591	417,491
	<u>6,639,183</u>	<u>6,566,228</u>	<u>6,447,526</u>	<u>118,702</u>	<u>6,928,112</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 GENERAL FUND  
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
 FOR THE YEAR ENDED June 30, 2021  
 With Comparative Actual Totals for the Year Ended June 30, 2020

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance- Positive (Negative)	
Operations and Maintenance of Plant:					
Non-Certificated Salaries	\$ 3,289,841	\$ 3,019,241	\$ 3,029,824	\$ (10,583)	\$ 3,007,862
Employee Benefits	3,268,393	2,644,522	2,925,142	(280,620)	2,781,672
Staff Travel	8,050	8,827	1,577	7,250	7,886
Utility Services	416,456	421,733	384,872	36,861	414,601
Energy	5,538,027	5,573,567	5,453,582	119,985	5,488,495
Other Purchased Services	6,762,862	8,450,793	7,940,041	510,752	8,970,471
Insurance and Bond Premiums	1,017,712	1,017,712	1,017,712	-	707,675
Supplies, Materials, and Media	295,185	326,029	235,218	90,811	317,054
Other Expenses	200	200	-	200	18,068
Equipment	2,000	10,717	13,778	(3,061)	32,998
	<u>20,598,726</u>	<u>21,473,341</u>	<u>21,001,746</u>	<u>471,595</u>	<u>21,746,782</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 GENERAL FUND  
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
 FOR THE YEAR ENDED June 30, 2021  
 With Comparative Actual Totals for the Year Ended June 30, 2020

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance- Positive (Negative)	
Student Activities:					
Certificated Salaries	\$ 1,001,302	\$ 927,331	\$ 690,685	\$ 236,646	\$ 665,982
Non-Certificated Salaries	355,159	389,282	446,112	(56,830)	389,227
Employee Benefits	398,063	389,080	316,065	73,015	297,985
Staff Travel	8,155	8,155	496	7,659	7,155
Student Travel	145,000	157,984	9,373	148,611	147,587
Other Purchased Services	40,000	32,907	32,581	326	24,871
Supplies, Materials, and Media	6,830	19,986	11,609	8,377	16,509
Other Expenses	50,601	54,099	51,338	2,761	45,522
Equipment	-	3,106	2,662	444	-
	<u>2,005,110</u>	<u>1,981,930</u>	<u>1,560,921</u>	<u>421,009</u>	<u>1,594,838</u>
 Total Expenditures	 <u>144,785,841</u>	 <u>145,835,310</u>	 <u>141,182,473</u>	 <u>4,652,837</u>	 <u>142,248,037</u>
 Other Financing Uses:					
Transfer To Food Service Fund	750,000	750,000	550,000	200,000	864,420
Transfer To Student Activities	-	-	145,000	(145,000)	-
Total Other Financing Uses	<u>750,000</u>	<u>750,000</u>	<u>695,000</u>	<u>(145,000)</u>	<u>864,420</u>
 Total Expenditures and Other Financing Uses	 <u>\$ 145,535,841</u>	 <u>\$ 146,585,310</u>	 <u>\$ 141,877,473</u>	 <u>\$ 4,507,837</u>	 <u>\$ 143,112,457</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 SCHEDULE OF COMPLIANCE - AS 14.17.505  
 Year Ended June 30, 2021

Total fund balance - School Operating Fund		\$ 15,823,901
less exemptions per 4 ACC 09.160(a)		
Encumbrances		2,320,256
Home School allotment		1,282,585
Inventory		808,939
Prepaid Items		<u>1,272,067</u>
Total exemptions		<u>5,683,847</u>
Fund balance subject to 10% limitation		<u><u>\$ 10,140,054</u></u>

Nonexempt fund balance as a percentage of current year expenditures:

$$\begin{array}{rcl}
 \text{Fund balance subject to limitation} & & 10,140,054 \\
 \hline
 \text{Current year expenditures} & = & \frac{10,140,054}{141,182,473} = \underline{\underline{7.18\%}}
 \end{array}$$

**NOTE 1. Waiver of 10% Fund limitation**

On March 11, 2020, a Public Health Disaster Emergency was declared under AS 26.23.020. During fiscal year 2020, the State of Alaska issued notice over AS 14.17.505 and 4 AAC 09.160. Requirement that School Districts retain only 10% of their operating funds for the following year to be suspended until July 1, 2020. Subsequently, the State of Alaska Legislature with the passage of House Bill 76 moved to extended the waiver of 10% fund compliance through June 30, 2025. Kenai Peninsula Borough School District has elected to present this schedule.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 INSTRUCTIONAL EXPENSE PERCENTAGE  
 For the Year Ended June 30, 2021

Instruction:

Regular Instruction	\$ 63,058,952	
Special Education Instruction	21,685,009	
Special Education Support Services - Student	6,181,743	
Support Services - Student	4,552,800	
Support Services - Instruction	3,508,325	
School Administration	<u>6,550,269</u>	
Total Instruction	<u>105,537,098</u>	74.75%

Non-Instruction:

School Administration Support Services	5,178,368	
District Administration	1,456,814	
District Administration Support Services	6,447,526	
Operations and Maintenance of Plant	21,001,746	
Student Activities	<u>1,560,921</u>	
Total Non-Instruction	<u>35,645,375</u>	25.25%
Total Expenditures	\$ 141,182,473	

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 BALANCE SHEET - MAJOR FUND - EQUIPMENT  
 June 30, 2021

With Comparative Totals as of June 30, 2020

	2021	2020
ASSETS		
Equity in Central Treasury	\$ 3,351,391	\$ 3,456,219
Total Assets	\$ 3,351,391	\$ 3,456,219
LIABILITIES AND FUND BALANCES		
Committed	\$ 3,351,391	\$ 3,456,219
Total Fund Balance:	\$ 3,351,391	\$ 3,456,219
Total Liabilities and Fund Balances	\$ 3,351,391	\$ 3,456,219

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, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Earnings on Investments	\$ 75,000	\$ 75,000	\$ 26,560	\$ (48,440)	\$ 359,873
Expenditures:					
Instruction:					
Supplies, Materials, and Media	-	15,389	15,159	230	11,642
Equipment	3,438,007	3,301,033	18,244	3,282,789	34,090
Total Instruction	3,438,007	3,316,422	33,403	3,283,019	45,732
Support Services - Student:					
Supplies, Materials, and Media	-	-	-	-	232
Equipment	-	-	-	-	6,035
Total Support Services - Student	-	-	-	-	6,267
School Administration Support Services:					
Supplies, Materials, and Media	-	10,045	10,045	-	207
Equipment	-	1,275	1,275	-	7,207
Total School Administration	-	11,320	11,320	-	7,414
Operations and Maintenance of Plant:					
Other Purchased Services	-	95	95	-	-
Supplies, Materials, and Media	-	42,250	40,474	1,776	6,744
Equipment	-	86,132	46,096	40,036	201,511
Total Operations and Maintenance of Plant	-	128,477	86,665	41,812	208,255
Total Expenditures	3,438,007	3,456,219	131,388	3,324,831	267,668
Excess (Deficiency) of Revenues Over Expenditures	\$ (3,363,007)	\$ (3,381,219)	(104,828)	\$ 3,276,391	92,205
Fund Balance, Beginning of Year			3,456,219		3,364,014
Fund Balance, End of Year			\$ 3,351,391		\$ 3,456,219



KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
BALANCE SHEET - MAJOR FUND - TITLE I  
June 30, 2021

With Comparative Totals as of June 30, 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Assets:		
Due from other Governments	\$ 1,866,385	\$ 1,683,581
Total Assets	<u>\$ 1,866,385</u>	<u>\$ 1,683,581</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts Payable	\$ 14	\$ -
Due to General Fund	<u>1,866,371</u>	<u>1,683,581</u>
Total Liabilities	<u>1,866,385</u>	<u>1,683,581</u>
Fund Balance:	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 1,866,385</u>	<u>\$ 1,683,581</u>

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, 2021  
 With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current Current		
Revenues:					
Federal-Through the State	\$ 6,326,275	\$ 6,346,321	\$ 4,674,189	\$ (1,672,132)	\$ 4,597,390
Expenditures:					
Instruction					
Certificated Salaries	2,692,060	2,713,872	2,194,655	519,217	2,152,307
Non-Certificated Salaries	473,801	486,417	333,377	153,040	402,194
Employee Benefits	1,390,561	1,378,783	1,200,087	178,696	1,128,891
Professional and Technical Service	181,550	219,196	182,871	36,325	127,787
Staff Travel	267,942	201,687	11,471	190,216	129,315
Student Travel	198,725	44,749	-	44,749	134,068
Utility Services	4,200	21,877	16,793	5,084	5,593
Other Purchased Services	17,700	40,020	31,090	8,930	14,016
Supplies, Materials, and Media	613,747	726,785	390,237	336,548	277,980
Tuition - Students and Stipends	21,814	2,884	1,569	1,315	-
Other Expenses	35,820	35,820	27,411	8,409	23,008
Equipment	145,434	191,643	72,875	118,768	51,658
Total Regular Instruction	<u>6,043,354</u>	<u>6,063,733</u>	<u>4,462,436</u>	<u>1,601,297</u>	<u>4,446,817</u>
District Administration Support Services					
Indirect Costs	<u>282,921</u>	<u>282,588</u>	<u>211,753</u>	<u>70,835</u>	<u>150,573</u>
Total Expenditures	<u>6,326,275</u>	<u>6,346,321</u>	<u>4,674,189</u>	<u>1,672,132</u>	<u>4,597,390</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>

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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:

Artist in Schools	Food Service – Nutritional Alaskan Foods
Alaska Energy Authority	Future Educators
Broadband Assistance	Governor's Alternative Schools
Building Trades	McKinney-Vento Homeless
CARES Act, ESSER	Migrant Education
CARES Act, KPB	Staff Development Mini – Grants
Carl Perkins – Basic	Student Activities
Community Theater	Student Transportation
Corporate and Miscellaneous Grants	Substance Addiction and Prevention
COVID-19 Contact Tracing	Suicide Awareness Pre & Postvention
Department of Health and Social Services	Title I-D, At-Risk
Department of Labor	Title I-D, Delinquent
Early Learning	Title VI-B, IDEA
Food Service	Title VI, Indian Education
Food Service - FFVP	Upward Bound
Food Service –NSLP Equipment	Youth in Detention

## SPECIAL REVENUE FUNDS

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

Alaska Energy Authority grant is for the purchase of activity busses.

Broadband Assistance is a grant to be used to raise the bandwidth across the district to 10Mbps of download capacity at schools not currently at that level.

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

CARES Act, Elementary and Secondary School Emergency Relief Fund are to be used to address the impact that COVID-19 has had on Elementary and Secondary schools.

CARES Act, Kenai Peninsula Borough grant funds were used to purchase telecommunications services and assist with the home-to-school bus contract.

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.

COVID-19, Contact Tracing grant provides support for school nurses to conduct contact tracing and case and contact monitoring.

Department of Health and Social Services testing grant is to assist in the testing for COVID-19,

Department of Labor provides opportunities for work-based learning planned to contribute to the intellectual and career development of students.

Early Learning grant is providing Alaska's young children with quality early learning opportunities.

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 – NSLP Equipment is to purchase milk coolers

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

Future Educators grant is for travel to CTSO conference for teachers advisors and students.

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

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

Migrant Education grant provides additional resources to Migrant eligible students.

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

Student Activities fund supports activities that are based on student organizations/activities.

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

Substance Addiction and Prevention grant uses a public health approach to prevent and reduce substance use disorders.

Suicide Awareness Prevention & Postvention grant provides curricula and training to staff.

Title I-D, At-Risk grant is to provide prevention and intervention programs for youth.

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 VI, 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 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, 2021  
 With Comparative Totals as of June 30, 2020

	Alaska Energy Authority	Building Trades	CARES Act ESSER	Carl Perkins Basic
<b>ASSETS</b>				
Equity in Central Treasury	\$ -	\$ -	\$ -	\$ -
Accounts Receivable	-	-	-	-
Due from Other Governments	931,350	-	751,293	86,461
Inventory	-	60,618	-	-
<b>Total Assets</b>	<b>\$ 931,350</b>	<b>\$ 60,618</b>	<b>\$ 751,293</b>	<b>\$ 86,461</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ 978	\$ -
Unearned Revenue	-	-	-	-
Due to General Fund	931,350	44,976	750,315	86,461
<b>Total Liabilities</b>	<b>931,350</b>	<b>44,976</b>	<b>751,293</b>	<b>86,461</b>
Fund Balances:				
Nonspendable	-	60,618	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Unassigned	-	(44,976)	-	-
<b>Total Fund Balances</b>	<b>-</b>	<b>15,642</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 931,350</b>	<b>\$ 60,618</b>	<b>\$ 751,293</b>	<b>\$ 86,461</b>

Continued

	<u>Community Theater</u>	<u>Corporate &amp; Miscellaneous Grants</u>	<u>COVID - 19 Contact Tracing</u>	<u>Department of Health and Social Services</u>
ASSETS				
Equity in Central Treasury	\$ 12,625	\$ 92,101	\$ -	\$ 253,236
Accounts Receivable	2,032	811	-	-
Due from Other Governments	-	-	23,983	-
Inventory	-	-	-	-
Total Assets	<u>\$ 14,657</u>	<u>\$ 92,912</u>	<u>\$ 23,983</u>	<u>\$ 253,236</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Unearned Revenue	-	-	-	253,236
Due to General Fund	-	-	23,983	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>23,983</u>	<u>253,236</u>
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	-	92,912	-	-
Committed	14,657	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>14,657</u>	<u>92,912</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 14,657</u>	<u>\$ 92,912</u>	<u>\$ 23,983</u>	<u>\$ 253,236</u>



Continued

	Department of Labor	Early Learning	Food Service	Future Educators
ASSETS				
Equity in Central Treasury	\$ 2,186	\$ -	\$ 1,233,089	\$ 3,561
Accounts Receivable	-	-	-	-
Due from Other Governments	32,729	132,394	11,853	-
Inventory	-	-	98,222	-
	<u>-</u>	<u>-</u>	<u>98,222</u>	<u>-</u>
Total Assets	<u>\$ 34,915</u>	<u>\$ 132,394</u>	<u>\$ 1,343,164</u>	<u>\$ 3,561</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ 1,388	\$ -
Unearned Revenue	-	-	-	-
Due to General Fund	-	132,394	-	-
	<u>-</u>	<u>132,394</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>132,394</u>	<u>1,388</u>	<u>-</u>
Fund Balances:				
Nonspendable	-	-	98,222	-
Restricted	34,915	-	-	3,561
Committed	-	-	1,243,554	-
Unassigned	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>34,915</u>	<u>-</u>	<u>1,341,776</u>	<u>3,561</u>
Total Liabilities and Fund Balances	<u>\$ 34,915</u>	<u>\$ 132,394</u>	<u>\$ 1,343,164</u>	<u>\$ 3,561</u>

Continued

	Governor's Alternative Schools	McKinney-Vento Homeless	Student Activity	Student Transportaion
ASSETS				
Equity in Central Treasury	\$ -	\$ -	\$ 3,353,369	\$ 1,051,845
Accounts Receivable	-	-	2,710	-
Due from Other Governments	29,415	10,806	-	-
Inventory	-	-	-	-
<b>Total Assets</b>	<b>\$ 29,415</b>	<b>\$ 10,806</b>	<b>\$ 3,356,079</b>	<b>\$ 1,051,845</b>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ 227,885
Unearned Revenue	-	-	-	-
Due to General Fund	29,415	10,806	-	-
<b>Total Liabilities</b>	<b>29,415</b>	<b>10,806</b>	<b>-</b>	<b>227,885</b>
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	-	-	3,356,079	823,960
Committed	-	-	-	-
Unassigned	-	-	-	-
<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>3,356,079</b>	<b>823,960</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 29,415</b>	<b>\$ 10,806</b>	<b>\$ 3,356,079</b>	<b>\$ 1,051,845</b>

Continued

	Substance Addiction & Prevention	Suicide Awareness Pre & PostVention	Title I-D At-Risk	Title I-D Delinquent
ASSETS				
Equity in Central Treasury	\$ -	\$ -	\$ -	\$ -
Accounts Receivable	-	-	-	-
Due from Other Governments	1,817	8,212	25,591	2,598
Inventory	-	-	-	-
<b>Total Assets</b>	<b>\$ 1,817</b>	<b>\$ 8,212</b>	<b>\$ 25,591</b>	<b>\$ 2,598</b>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Unearned Revenue	-	-	-	-
Due to General Fund	1,817	8,212	25,591	2,598
<b>Total Liabilities</b>	<b>1,817</b>	<b>8,212</b>	<b>25,591</b>	<b>2,598</b>
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Unassigned	-	-	-	-
<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,817</b>	<b>\$ 8,212</b>	<b>\$ 25,591</b>	<b>\$ 2,598</b>

	Title VI-B IDEA	Title VI Indian Education	Upward Bound	Total June 30, 2021	Total June 30, 2020
<b>ASSETS</b>					
Equity in Central Treasury	\$ -	\$ -	\$ -	\$ 6,002,012	\$ 2,258,615
Accounts Receivable	-	-	-	5,553	-
Due from Other Governments	660,788	209,765	27,021	2,946,076	967,053
Inventory	-	-	-	158,840	245,154
<b>Total Assets</b>	<b>\$ 660,788</b>	<b>\$ 209,765</b>	<b>\$ 27,021</b>	<b>\$ 9,112,481</b>	<b>\$ 3,470,822</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ -	\$ 37	\$ -	\$ 230,288	\$ 3,646
Unearned Revenue	-	-	-	253,236	-
Due to General Fund	660,788	209,728	27,021	2,945,455	835,160
<b>Total Liabilities</b>	<b>660,788</b>	<b>209,765</b>	<b>27,021</b>	<b>3,428,979</b>	<b>838,806</b>
<b>Fund Balances:</b>					
Nonspendable	-	-	-	158,840	245,154
Restricted	-	-	-	4,311,427	1,264,106
Committed	-	-	-	1,258,211	1,167,732
Unassigned	-	-	-	(44,976)	(44,976)
<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,683,502</b>	<b>2,632,016</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 660,788</b>	<b>\$ 209,765</b>	<b>\$ 27,021</b>	<b>\$ 9,112,481</b>	<b>\$ 3,470,822</b>

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, 2021  
 With Comparative Totals for the Year Ended June 30, 2020

	Artist in Schools	Alaska Energy Authority	Broadband Assistance	Building Trades
Revenues:				
State	\$ 1,058	\$ -	\$ 11,542	\$ -
Federal-Direct	-	-	-	-
Federal-Through the State	500	-	-	-
Food Sales	-	-	-	-
Corporate Grants and User Fees	-	-	-	-
Other Local	-	931,350	-	-
Total Revenues	<u>1,558</u>	<u>931,350</u>	<u>11,542</u>	<u>-</u>
Expenditures:				
Current:				
Instruction	1,558	-	-	-
Special Education - Instruction	-	-	-	-
Special Education Support Services - Students	-	-	-	-
Support Services - Students	-	-	-	-
Support Services - Instruction	-	-	-	-
School Administration	-	-	-	-
School Administration Support Services	-	-	11,542	-
Operations and Maintenance of Plant	-	-	-	-
Student Activities	-	931,350	-	-
Community Services	-	-	-	-
District Administration Support Services	-	-	-	-
Student Transportation To and From School	-	-	-	-
Food Services	-	-	-	-
Total Expenditures	<u>1,558</u>	<u>931,350</u>	<u>11,542</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>-</u>	<u>-</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	-	-	-	-
Fund Balances, Beginning of Year (Restated)	-	-	-	15,642
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,642</u>

Continued

	CARES ACT ESSER	CARES ACT KPB	Carl Perkins - Basic	Community Theater
Revenues:				
State	\$ -	\$ -	\$ -	\$ -
Federal-Direct	-	-	-	-
Federal-Through the State	2,295,953	1,764,283	278,422	-
Food Sales	-	-	-	-
Corporate Grants and User Fees	-	-	-	11,959
Other Local	-	-	-	-
<b>Total Revenues</b>	<b>2,295,953</b>	<b>1,764,283</b>	<b>278,422</b>	<b>11,959</b>
Expenditures:				
Current:				
Instruction	2,204,882	1,764,283	269,498	-
Special Education - Instruction	-	-	-	-
Special Education Support Services - Students	-	-	-	-
Support Services - Students	-	-	-	-
Support Services - Instruction	-	-	-	-
School Administration	-	-	-	-
School Administration Support Services	-	-	-	-
Operations and Maintenance of Plant	-	-	-	-
Student Activities	-	-	-	-
Community Services	-	-	-	34,404
District Administration Support Services	91,071	-	8,924	-
Student Transportation To and From School	-	-	-	-
Food Services	-	-	-	-
<b>Total Expenditures</b>	<b>2,295,953</b>	<b>1,764,283</b>	<b>278,422</b>	<b>34,404</b>
Excess (Deficiency) of Revenues over Expenditures	-	-	-	(22,445)
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Changes In Fund Balances	-	-	-	(22,445)
Fund Balances, Beginning of Year (Restated)	-	-	-	37,102
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,657</u>

Continued

	Corporate & Miscellaneous Grants	COVID-19 Contact Tracing	Department of Health & Social Services	Department of Labor
Revenues:				
State	\$ -	\$ -	\$ -	\$ 32,729
Federal-Direct	-	-	-	-
Federal-Through the State	-	\$ 195,445	11,760	-
Food Sales	-	-	-	-
Corporate Grants and User Fees	170,837	-	-	-
Other Local	-	-	-	-
<b>Total Revenues</b>	<b>170,837</b>	<b>195,445</b>	<b>11,760</b>	<b>32,729</b>
Expenditures:				
Current:				
Instruction	99,012	-	11,760	5,087
Special Education - Instruction	-	-	-	-
Special Education Support Services - Students	-	-	-	-
Support Services - Students	-	186,422	-	-
Support Services - Instruction	3,000	-	-	-
School Administration	-	-	-	-
School Administration Support Services	2,537	-	-	-
Operations and Maintenance of Plant	5,549	-	-	-
Student Activities	39,499	-	-	-
Community Services	-	-	-	-
District Administration Support Services	-	9,023	-	-
Student Transportation To and From School	-	-	-	-
Food Services	-	-	-	-
<b>Total Expenditures</b>	<b>149,597</b>	<b>195,445</b>	<b>11,760</b>	<b>5,087</b>
Excess (Deficiency) of Revenues over Expenditures	21,240	-	-	27,642
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Changes In Fund Balances	21,240	-	-	27,642
Fund Balances, Beginning of Year (Restated)	71,672	-	-	7,273
Fund Balances, End of Year	<u>\$ 92,912</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,915</u>

Continued

	Early Learning	Food Service	Food Service FFVP	Food Service NSLP Equipment
Revenues:				
State	\$ 141,914	\$ -	\$ -	\$ -
Federal-Direct	-	-	-	-
Federal-Through the State	-	2,759,048	140,062	11,853
Food Sales	-	52,802	-	-
Corporate Grants and User Fees	-	-	-	-
Other Local	-	-	-	-
Total Revenues	<u>141,914</u>	<u>2,811,850</u>	<u>140,062</u>	<u>11,853</u>
Expenditures:				
Current:				
Instruction	135,362	-	-	-
Special Education - Instruction	-	-	-	-
Special Education Support Services - Students	-	-	-	-
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	6,552	-	-	-
Student Transportation To and From School	-	-	-	-
Food Services	-	3,325,545	140,062	11,853
Total Expenditures	<u>141,914</u>	<u>3,325,545</u>	<u>140,062</u>	<u>11,853</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>(513,695)</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses):				
Transfers In	-	550,000	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>550,000</u>	<u>-</u>	<u>-</u>
Net Changes In Fund Balances	-	36,305	-	-
Fund Balances, Beginning of Year (Restated)	<u>-</u>	<u>1,106,345</u>	<u>-</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ 1,142,650</u>	<u>\$ -</u>	<u>\$ -</u>



Continued

	Food Service Nutritional Alaskan Foods	Future Educators	Governor's Alternative Schools	McKinney - Vento Homeless
Revenues:				
State	\$ -	\$ -	\$ 42,087	\$ -
Federal-Direct	-	-	-	-
Federal-Through the State	-	-	-	24,212
Food Sales	-	-	-	-
Corporate Grants and User Fees	-	-	-	-
Other Local	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>42,087</b>	<b>24,212</b>
Expenditures:				
Current:				
Instruction	-	-	40,144	23,126
Special Education - Instruction	-	-	-	-
Special Education Support Services - Students	-	-	-	-
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	-	-	1,943	1,086
Student Transportation To and From School	-	-	-	-
Food Services	9,695	-	-	-
<b>Total Expenditures</b>	<b>9,695</b>	<b>-</b>	<b>42,087</b>	<b>24,212</b>
Excess (Deficiency) of Revenues over Expenditures	(9,695)	-	-	-
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Changes In Fund Balances	(9,695)	-	-	-
Fund Balances, Beginning of Year (Restated)	208,821	3,561	-	-
Fund Balances, End of Year	\$ 199,126	\$ 3,561	\$ -	\$ -

Continued

	Migrant Education	Staff Development Mini-Grants	Student Activities	Student Transportation
Revenues:				
State	\$ -	\$ -	\$ -	\$ 6,078,294
Federal-Direct	-	-	-	-
Federal-Through the State	14,800	1,273	-	-
Food Sales	-	-	-	-
Corporate Grants and User Fees	-	-	1,254,751	-
Other Local	-	-	-	-
<b>Total Revenues</b>	<b>14,800</b>	<b>1,273</b>	<b>1,254,751</b>	<b>6,078,294</b>
Expenditures:				
Current:				
Instruction	14,800	1,273	-	-
Special Education - Instruction	-	-	-	-
Special Education Support Services - Students	-	-	-	-
Support Services - Students	-	-	-	-
Support Services - Instruction	-	-	-	-
School Administration	-	-	-	-
School Administration Support Services	-	-	-	-
Operations and Maintenance of Plant	-	-	-	-
Student Activities	-	-	1,370,351	61,817
Community Services	-	-	-	-
District Administration Support Services	-	-	-	-
Student Transportation To and From School	-	-	-	6,374,117
Food Services	-	-	-	-
<b>Total Expenditures</b>	<b>14,800</b>	<b>1,273</b>	<b>1,370,351</b>	<b>6,435,934</b>
Excess (Deficiency) of Revenues over Expenditures	-	-	(115,600)	(357,640)
Other Financing Sources (Uses):				
Transfers In	-	-	145,000	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses):</b>	<b>-</b>	<b>-</b>	<b>145,000</b>	<b>-</b>
Net Changes In Fund Balances	-	-	29,400	(357,640)
Fund Balances, Beginning of Year (Restated)	-	-	3,326,679	1,181,600
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,356,079</u>	<u>\$ 823,960</u>

Continued

	Substance Addiction & Prevention	Suicide Awareness Pre & Postvention	Title I-D At-Risk	Title I-D Delinquent
Revenues:				
State	\$ 8,447	\$ 17,787	\$ -	\$ -
Federal-Direct	-	-	-	-
Federal-Through the State	-	-	62,488	3,434
Food Sales	-	-	-	-
Corporate Grants and User Fees	-	-	-	-
Other Local	-	-	-	-
<b>Total Revenues</b>	<b>8,447</b>	<b>17,787</b>	<b>62,488</b>	<b>3,434</b>
Expenditures:				
Current:				
Instruction	8,057	16,966	59,603	3,365
Special Education - Instruction	-	-	-	-
Special Education Support Services - Students	-	-	-	-
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	390	821	2,885	69
Student Transportation To and From School	-	-	-	-
Food Services	-	-	-	-
<b>Total Expenditures</b>	<b>8,447</b>	<b>17,787</b>	<b>62,488</b>	<b>3,434</b>
Excess (Deficiency) of Revenues over Expenditures	-	-	-	-
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Changes In Fund Balances	-	-	-	-
Fund Balances, Beginning of Year (Restated)	-	-	-	-
<b>Fund Balances, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Continued

	Title VI-B IDEA	Title VI Indian Education	Upward Bound	Youth In Detention
Revenues:				
State	\$ -	\$ -	\$ -	\$ 113,455
Federal-Direct	-	434,785	-	-
Federal-Through the State	1,689,772	-	45,123	-
Food Sales	-	-	-	-
Corporate Grants and User Fees	-	-	-	-
Other Local	-	-	-	-
<b>Total Revenues</b>	<b>1,689,772</b>	<b>434,785</b>	<b>45,123</b>	<b>113,455</b>
Expenditures:				
Current:				
Instruction	-	415,443	45,123	108,217
Special Education - Instruction	1,611,763	-	-	-
Special Education Support Services - Students	-	-	-	-
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	78,009	19,342	-	5,238
Student Transportation To and From School	-	-	-	-
Food Services	-	-	-	-
<b>Total Expenditures</b>	<b>1,689,772</b>	<b>434,785</b>	<b>45,123</b>	<b>113,455</b>
Excess (Deficiency) of Revenues over Expenditures	-	-	-	-
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Changes In Fund Balances	-	-	-	-
Fund Balances, Beginning of Year (Restated)	-	-	-	-
<b>Fund Balances, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Concluded

	Total June 30, 2021	Total June 30, 2020
Revenues:		
State	\$ 6,447,313	\$ 8,114,848
Federal-Direct	434,785	399,754
Federal-Through the State	9,298,428	4,627,604
Food Sales	52,802	562,845
Corporate Grants and User Fees	1,437,547	140,998
Other Local	931,350	740
Total Revenues	<u>18,602,225</u>	<u>13,846,789</u>
Expenditures:		
Current:		
Instruction	5,227,559	1,167,502
Special Education - Instruction	1,611,763	1,454,674
Special Education Support Services - Students	-	-
Support Services - Students	186,422	10,388
Support Services - Instruction	3,000	63,088
School Administration	-	-
School Administration Support Services	14,079	8,254
Operations and Maintenance of Plant	5,549	-
Student Activities	2,403,017	30,701
Community Services	34,404	53,374
District Administration Support Services	225,353	108,903
Student Transportation To and From School	6,374,117	7,983,297
Food Services	3,487,155	4,077,047
Total Expenditures	<u>19,572,418</u>	<u>14,957,228</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(970,193)</u>	<u>(1,110,439)</u>
Other Financing Sources (Uses):		
Transfers In	695,000	864,420
Transfers Out	-	-
Total Other Financing Sources (Uses):	<u>695,000</u>	<u>864,420</u>
Net Changes In Fund Balances	(275,193)	(246,019)
Fund Balances, Beginning of Year (Restated)	<u>5,958,695</u>	<u>2,878,035</u>
Fund Balances, End of Year	<u>\$ 5,683,502</u>	<u>\$ 2,632,016</u>

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, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
State	\$ 1,058	\$ 1,058	\$ 1,058	\$ -	\$ 500
Federal - Through the State	500	500	500	-	500
Other Local	-	-	-	-	740
<b>Total Revenues</b>	<u>1,558</u>	<u>1,558</u>	<u>1,558</u>	-	<u>1,740</u>
Expenditures:					
Instruction					
Professional and Technical Services	1,558	1,558	1,558	-	1,493
Other Expenses	-	-	-	-	247
<b>Total Expenditures</b>	<u>1,558</u>	<u>1,558</u>	<u>1,558</u>	-	<u>1,740</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  
ALASKA ENERGY AUTHORITY  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Local	\$ 1,015,000	\$ 1,015,000	\$ 931,350	\$ (83,650)	\$ -
Expenditures:					
Student Activities					
Other Purchased Services	2,450	2,450	-	2,450	
Equipment	<u>1,012,550</u>	<u>1,012,550</u>	<u>931,350</u>	<u>81,200</u>	-
Total Expenditures	<u>1,015,000</u>	<u>1,015,000</u>	<u>931,350</u>	<u>83,650</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  
 BROADBAND ASSISTANCE  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE-  
 BUDGET (GAAP BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2021  
 With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
State	\$ 15,353	\$ 15,353	\$ 11,542	\$ (3,811)	\$ 6,115
Expenditures:					
School Administration Support Services					
Utility Services	15,353	15,353	11,542	\$ 3,811	6,115
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  
 BUILDING TRADES  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE-  
 BUDGET (GAAP BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2021  
 With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	<u>Original Budget</u>	<u>Current Budget</u>	<u>Current</u>		
Revenue:	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:	-	-	-	\$ -	-
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund Balance, Beginning of Year			<u>15,642</u>		<u>15,642</u>
Fund Balance, End of Year			<u>\$ 15,642</u>		<u>\$ 15,642</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
CORONAVIRUS AID, RECOVERY AND ECONOMIC SECURITY ACT  
ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal - Through the State	\$ 2,295,953	\$ 2,295,953	\$ 2,295,953	\$ -	\$ -
Total Revenues	<u>2,295,953</u>	<u>2,295,953</u>	<u>2,295,953</u>	-	-
Expenditures:					
Instruction					
Certificated Salaries	776,545	772,807	772,805	2	-
Non-Certificated Salaries	468,035	310,839	310,837	2	-
Employee Benefits	325,434	282,108	282,107	1	-
Professional and Technical Service	79,465	36,987	36,987	-	-
Staff Travel	-	2,080	2,080	-	-
Utility Services	31,992	85,935	85,936	(1)	-
Other Purchased Services	-	2,165	2,164	1	-
Supplies, Materials, and Media	427,975	380,247	380,252	(5)	-
Other Expenses	-	8,474	8,474	-	-
Equipment	84,410	323,240	323,240	-	-
Total Instruction	<u>2,193,856</u>	<u>2,204,882</u>	<u>2,204,882</u>	-	-
District Administration Support Services					
Indirect Costs	102,097	91,071	91,071	-	-
Total Expenditures	<u>2,295,953</u>	<u>2,295,953</u>	<u>2,295,953</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  
CORONAVIRUS AID, RECOVERY AND ECONOMIC SECURITY ACT - KENAI PENINSULA BOROUGH  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ 1,764,283	\$ 1,764,283	\$ 1,764,283	\$ -	\$ -
Expenditures:					
Instruction					
Professional and Technical Service	2,798	2,798	2,798	-	-
Other Purchased Services	1,740,942	1,740,942	1,740,942		
Equipment	20,543	20,543	20,543	-	-
Total Expenditures	1,764,283	1,764,283	1,764,283	-	-
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, 2021  
 With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal - Through the State	\$ 296,368	\$ 308,892	\$ 278,422	\$ (30,470)	\$ 223,039
Expenditures:					
Instruction					
Certificated Salaries	54,432	47,032	46,428	604	44,421
Non-Certificated Salaries	6,200	5,000	2,424	2,576	4,117
Employee Benefits	21,614	23,366	21,495	1,871	17,400
Professional and Technical Services	23,594	34,419	25,517	8,902	15,665
Staff Travel	21,080	2,040	1,252	788	8,400
Student Travel	15,800	-	-	-	350
Other Purchased Services	-	-	-	-	1,595
Supplies, Materials, and Media	71,665	101,598	87,275	14,323	79,308
Equipment	71,730	85,107	85,107	-	44,128
Total Instruction	286,115	298,562	269,498	29,064	215,384
District Administration Support Services					
Indirect Costs	10,253	10,330	8,924	1,406	7,655
Total Expenditures	296,368	308,892	278,422	30,470	223,039
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, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Corporate Grants and User Fees	\$ 35,000	\$ 35,000	\$ 11,959	\$ (23,041)	\$ 21,772
Expenditures:					
Community Services:					
Non-Certificated Salaries	10,000	15,122	14,777	345	22,587
Employee Benefits	2,500	4,343	4,344	(1)	6,619
Staff Travel	-	1,321	1,337	(16)	563
Other Purchased Services	-	447	446		
Supplies, Materials, and Media	3,000	9,201	9,201	-	8,066
Other Expenses	-	-	-	-	3,359
Equipment	19,500	8,359	4,299	4,060	12,180
Total Expenditures	35,000	38,793	34,404	4,388	53,374
Excess (Deficiency) of Revenue over Expenditures	-	(3,793)	(22,445)	(18,653)	(31,602)
Other Financing Sources:					
Transfers In	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			37,102		68,704
Fund Balance, End of Year			\$ 14,657		\$ 37,102

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, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Corporate Grants and User Fees	\$ -	\$ 170,836	\$ 170,837	\$ (1)	\$ 119,226
Expenditures:					
Instruction:					
Certificated Salaries	-	2,000	969	1,031	8,600
Non-Certificated Salaries	-	409	408	1	3,226
Employee Benefits	-	312	167	145	1,364
Professional and Technical Service	6,000	36,844	21,761	15,083	27,207
Staff Travel	-	346	-	346	1,485
Student Travel	10,275	7,834	834	7,000	13,922
Utilities	-	10	7	3	-
Other Purchased Services	-	7,409	7,299	110	8,243
Supplies, Materials, and Media	39,652	75,791	17,970	57,821	34,411
Other Expenses	-	31,950	31,950	-	299
Equipment	11,000	20,627	17,647	2,980	11,673
Total Instruction	66,927	183,532	99,012	84,520	110,430
Support Services - Instruction					
Other Purchased Services	-	500	-	-	2,500
Supplies, Materials, and Media	-	3,000	3,000	-	3,000
Total Support Services - Instruction	-	3,500	3,000	-	5,500
School Administration Support Services					
Supplies, Materials, and Media	-	2,537	2,537	-	2,139
Total School Administration Support Services	-	2,537	2,537	-	2,139
Operations and Maintenance of Plant:					
Other Purchased Services	-	549	549	-	-
Supplies, Materials, and Media	-	1,680	1,680	-	-
Equipment	-	3,320	3,320	-	-
Total Operations and Maintenance of Plant	-	5,549	5,549	-	-

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
CORPORATE AND MISCELLANEOUS GRANTS - CONTINUED  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021				2020 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Student Activities:					
Non-Certificated Salaries	-	1,343	1,342	1	-
Employee Benefits		89	89	-	-
Student Travel	1,740	6,193	6,192	1	5,982
Other Purchased Services	2,601	4,000	-	4,000	13,597
Supplies, Materials, and Media	405	18,591	15,481	3,110	8,814
Other Expenses	-	2,869	2,869	-	-
Equipment	-	14,306	13,526	780	510
<b>Total Student Activities</b>	<u>4,746</u>	<u>47,391</u>	<u>39,499</u>	<u>7,892</u>	<u>28,903</u>
<b>Total Expenditures</b>	<u>71,673</u>	<u>242,509</u>	<u>149,597</u>	<u>92,412</u>	<u>146,972</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (71,673)</u>	<u>\$ (71,673)</u>	21,240	<u>\$ 92,913</u>	(27,746)
Fund Balance, Beginning of Year			<u>71,672</u>		<u>99,418</u>
Fund Balance, End of Year			<u>\$ 92,912</u>		<u>\$ 71,672</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 COVID-19 CONTACT TRACING  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE-  
 BUDGET (GAAP BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2021  
 With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ 103,950	\$ 287,800	\$ 195,445	\$ (92,355)	\$ 10,853
Expenditures:					
Support Services - Students					
Non-Certificated Salaries	-	255,006	173,405	81,601	9,650
Employee Benefits	-	19,508	13,017	6,491	738
Other Expenses	99,151	-	-	-	-
Total Support Services - Instruction	99,151	274,514	186,422	88,092	10,388
District Administration Support Services					
Indirect Costs	4,799	13,286	9,023	4,263	465
Total Expenditures	103,950	287,800	195,445	92,355	10,853
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -



KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
DEPARTMENT OF HEALTH AND SOCIAL SERVICES  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ 1,324,982	\$ 1,324,982	\$ 11,760	\$ (1,313,222)	\$ -
Expenditures:					
Instruction					
Non-Certificated Salaries	5,237	5,237	-	5,237	-
Employee Benefits	1,553	1,553	-	1,553	-
Supplies, Materials, and Media	1,236,655	1,236,655	-	1,236,655	-
Other Expenses	69,177	69,177	-	69,177	-
Equipment	12,360	12,360	11,760	600	-
Total Instruction	1,324,982	1,324,982	11,760	1,313,222	-
Total Expenditures	1,324,982	1,324,982	11,760	1,313,222	-
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
DEPARTMENT OF LABOR  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
State	\$ -	\$ 24,222	\$ 32,729	\$ 8,507	\$ -
Expenditures:					
Instruction					
Certificated Salaries	-	-	-	-	-
Non-Certificated Salaries	-	12,000	910	11,090	2,841
Employee Benefits	-	918	70	848	218
Supplies, Materials, and Media	<u>7,273</u>	<u>18,577</u>	<u>4,107</u>	<u>14,470</u>	<u>-</u>
Total Expenditures	<u>7,273</u>	<u>31,495</u>	<u>5,087</u>	<u>26,408</u>	<u>3,059</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (7,273)</u>	<u>\$ (7,273)</u>	\$ 27,642	<u>\$ 34,915</u>	\$ (3,059)
Fund Balance, Beginning of Year			<u>7,273</u>		<u>10,332</u>
Fund Balance, End of Year			<u>\$ 34,915</u>		<u>\$ 7,273</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
EARLY LEARNING  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
State	\$ 143,484	\$ 143,484	\$ 141,914	\$ (1,570)	\$ 115,819
Expenditures:					
Instruction					
Professional and Technical Service	136,860	136,860	135,362	1,498	110,863
District Administration Support Services					
Indirect Costs	6,624	6,624	6,552	72	4,956
Total Expenditures	143,484	143,484	141,914	1,570	115,819
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, 2021  
 With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ 2,404,904	\$ 2,404,904	\$ 2,597,480	\$ 192,576	\$ 2,335,726
Food Sales	675,000	675,000	52,802	(622,198)	562,845
Commodities	150,000	150,000	161,568	11,568	161,616
Other Local Revenues	-	-	-	-	-
<b>Total Revenues</b>	<u>3,229,904</u>	<u>3,229,904</u>	<u>2,811,850</u>	<u>(418,054)</u>	<u>3,060,187</u>
Expenditures:					
Food Services					
Non-Certificated Salaries	1,501,180	1,501,180	1,332,545	168,635	1,380,691
Employee Benefits	1,036,960	1,036,960	1,003,071	33,889	961,244
Professional and Technical Service	-	1,224	1,260		
Staff Travel	6,500	5,276	1,336	3,940	4,262
Utility Services	2,600	2,600	1,657	943	1,702
Other Purchased Services	31,700	32,700	31,150	1,550	35,429
Supplies, Materials, and Media	1,398,064	1,368,685	923,708	444,977	1,525,864
Other Expenses	2,900	2,900	4,666	(1,766)	1,074
Equipment	-	28,379	26,152	2,227	3,242
<b>Total Expenditures</b>	<u>3,979,904</u>	<u>3,979,904</u>	<u>3,325,545</u>	<u>654,395</u>	<u>3,913,508</u>
Excess (Deficiency) of Revenue over Expenditures	<u>(750,000)</u>	<u>(750,000)</u>	<u>(513,695)</u>	<u>236,305</u>	<u>(853,321)</u>
Other Financing Sources:					
Transfers In	<u>\$ 750,000</u>	<u>\$ 750,000</u>	550,000	<u>\$ (200,000)</u>	864,420
Fund Balance, Beginning of Year			<u>1,106,345</u>		<u>1,095,246</u>
Fund Balance, End of Year			<u>\$ 1,142,650</u>		<u>\$ 1,106,345</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, 2021  
 With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ 33,566	\$ 140,097	\$ 140,062	\$ (35)	\$ 143,300
Expenditures:					
Food Service					
Supplies, Materials, and Media	33,566	140,097	140,062	35	143,300
Total Expenditures	33,566	140,097	140,062	35	143,300
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, 2021  
 With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
State	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Food Service					
Supplies, Materials, and Media	<u>208,821</u>	<u>208,821</u>	<u>9,695</u>	<u>199,126</u>	<u>14,619</u>
Total Expenditures	<u>208,821</u>	<u>208,821</u>	<u>9,695</u>	<u>199,126</u>	<u>14,619</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (208,821)</u>	<u>\$ (208,821)</u>	(9,695)	<u>\$ 199,126</u>	(14,619)
Fund Balance, Beginning of Year			<u>208,821</u>		<u>223,440</u>
Fund Balance, End of Year			<u>\$ 199,126</u>		<u>\$ 208,821</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 FOOD SERVICE NSLP EQUIPMENT  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE-  
 BUDGET (GAAP BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2021  
 With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ 11,853	\$ 11,853	\$ 11,853	\$ -	\$ 5,620
Total Revenues	<u>11,853</u>	<u>11,853</u>	<u>11,853</u>	<u>-</u>	<u>5,620</u>
Expenditures:					
Food Service Equipment	<u>11,853</u>	<u>11,853</u>	<u>11,853</u>	<u>-</u>	<u>5,620</u>
Total Expenditures	<u>11,853</u>	<u>11,853</u>	<u>11,853</u>	<u>-</u>	<u>5,620</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  
 FUTURE EDUCATORS - UNIVERSITY OF ALASKA  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE-  
 BUDGET (GAAP BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2021  
 With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ -	\$ -	\$ -	\$ -	\$ 6,240
Expenditures:					
Instruction					
Staff Travel	-	-	-	-	-
Student Travel	3,561	3,561	-	3,561	2,679
Total Expenditures	3,561	3,561	-	3,561	2,679
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	\$ 3,561
Fund Balance, Beginning of Year			3,561		-
Fund Balance, End of Year			\$ 3,561		\$ 3,561



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, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
State	\$ 51,500	\$ 51,500	\$ 42,087	\$ (9,413)	\$ 45,989
Expenditures:					
Instruction:					
Non-Certificated Salaries	-	300	127	173	181
Employee Benefits	-	23	10	13	14
Professional and Technical Service	-	-	-	-	500
Staff Travel	-	-	-	-	1,126
Student Travel	-	3,880	2,615	1,265	4,240
Other Purchased Service	-	1,305	1,305	-	-
Supplies, Materials, and Media	-	43,614	36,087	7,527	18,334
Other Expenses	49,122	-	-	-	125
Equipment	-	-	-	-	20,373
Total Instruction	<u>49,122</u>	<u>49,122</u>	<u>40,144</u>	<u>8,978</u>	<u>44,893</u>
District Administration Support Services					
Indirect Costs	<u>2,378</u>	<u>2,378</u>	<u>1,943</u>	<u>435</u>	<u>1,096</u>
Total Expenditures	<u>51,500</u>	<u>51,500</u>	<u>42,087</u>	<u>9,413</u>	<u>45,989</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  
MCKINNEY-VENTO HOMELESS  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ 24,213	\$ 24,213	\$ 24,212	\$ (1)	\$ 20,000
Expenditures:					
Instruction					
Staff Travel	4,000	-	-	-	5,670
Supplies, Materials, and Media	14,927	22,446	22,446	-	13,424
Other Expenses	4,168	-	-	-	50
Equipment	-	680	680	-	-
Total Instruction	<u>23,095</u>	<u>23,126</u>	<u>23,126</u>	<u>-</u>	<u>19,144</u>
District Administration Support Services					
Indirect Costs	<u>1,118</u>	<u>1,087</u>	<u>1,086</u>	<u>1</u>	<u>856</u>
Total Expenditures	<u>24,213</u>	<u>24,213</u>	<u>24,212</u>	<u>1</u>	<u>20,000</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  
MIGRANT EDUCATION  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ 14,800	\$ 14,800	\$ 14,800	\$ -	\$ 15,749
Expenditures:					
Instruction					
Staff Travel	-	-	-	-	749
Supplies, Materials, and Media	14,800	14,800	14,800	-	15,000
Total Expenditures	14,800	14,800	14,800	-	15,749
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
PROJECT AWARE  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal - Through the State	\$ -	\$ -	\$ -	\$ -	\$ 60,162
Expenditures:					
Support Services - Instruction					
Certificated Salaries	-	-	-	-	43,315
Employee Benefits	-	-	-	-	13,066
Staff Travel	-	-	-	-	63
Supplies, Materials, and Media	-	-	-	-	1,144
Total Support Services - Instruction	-	-	-	-	57,588
District Administration Support Services					
Indirect Costs	-	-	-	-	2,574
Total Expenditures	-	-	-	-	60,162
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, 2021  
 With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ 1,468	\$ 1,468	\$ 1,273	\$ (195)	\$ 21,334
Total Revenues	<u>1,468</u>	<u>1,468</u>	<u>1,273</u>	<u>(195)</u>	<u>21,334</u>
Expenditures:					
Instruction					
Professional and Technical Services	<u>1,468</u>	<u>1,468</u>	<u>1,273</u>	<u>195</u>	<u>21,334</u>
Total Expenditures	<u>1,468</u>	<u>1,468</u>	<u>1,273</u>	<u>195</u>	<u>21,334</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  
STUDENT ACTIVITY  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
FOR THE YEAR ENDED JUNE 30, 2021

	2021
	Current
Revenue:	
User Fees	\$ 1,254,751
Expenditures	
Student Activities:	
Certificated Salaries	6,881
Non-Certificated Salaries	210,560
Employee Benefits	16,935
Professional and Technical Service	12,851
Staff Travel	462
Student Travel	286,755
Utilities	513
Other Purchased Service	141,072
Supplies, Materials, and Media	649,074
Other Expenses	2,945
Equipment	42,303
Total Expenditures	1,370,351
Excess (Deficiency) of Revenue over Expenditures	(115,600)
Other Financing Sources:	
Transfers In	145,000
Fund Balance, Beginning of Year (Restated)	3,326,679
Fund Balance, End of Year	\$ 3,356,079

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, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenue:					
State	\$ 7,848,393	\$ 7,848,393	\$ 6,078,294	\$ (1,770,099)	\$ 7,801,442
Expenditures:					
Student Transportation To and From School					
Home to School					
Non-Certificated Salaries	66,507	66,507	59,788	6,719	63,740
Employee Benefits	44,571	44,571	44,122	449	41,271
Staff Travel	4,250	4,250	2,035	2,215	1,480
Utility Services	1,500	1,500	403	1,097	397
Other Purchased Services	7,864,474	7,864,474	6,260,499	1,603,975	7,861,486
Supplies, Materials, and Media	8,950	8,950	7,270	1,680	14,322
Other Expenses	300	300	-	300	-
Equipment	-	-	-	-	601
Total Student Transportation To and From School	<u>7,990,552</u>	<u>7,990,552</u>	<u>6,374,117</u>	<u>1,616,435</u>	<u>7,983,297</u>
Student Activities					
Student Activities					
Non-Certificated Salaries	3,000	3,000	26,745	(23,745)	124
Employee Benefits	230	230	30,070	(29,840)	10
Staff Travel	1,000	1,000	16	984	-
Utility Services	1,000	1,000	3,959	(2,959)	7,155
Other Purchased Services	-	-	952	(952)	1,371
Supplies, Materials, and Media	12,000	12,000	75	11,925	(6,862)
Other Expenses	500	500	-	500	-
Total Student Activities	<u>17,730</u>	<u>17,730</u>	<u>61,817</u>	<u>(44,087)</u>	<u>1,798</u>
Total Expenditures	<u>8,008,282</u>	<u>8,008,282</u>	<u>6,435,934</u>	<u>1,572,348</u>	<u>7,985,095</u>
Excess (Deficiency) of Revenue over Expenditures	<u>(159,889)</u>	<u>(159,889)</u>	<u>(357,640)</u>	<u>(197,751)</u>	<u>(183,653)</u>
Other Financing Sources:					
Transfers In	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	<u>\$ -</u>
Fund Balance, Beginning of Year			<u>1,181,600</u>		<u>1,365,253</u>
Fund Balance, End of Year			<u>\$ 823,960</u>		<u>\$ 1,181,600</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
SUBSTANCE ADDICTION AND PREVENTION  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
State	\$ 15,518	\$ 15,518	\$ 8,447	\$ (7,071)	\$ 7,500
Expenditures:					
Instruction					
Professional and Technical Services	-	8,400	6,000	2,400	7,179
Supplies, Materials, and Media	-	6,402	2,057		
Other Purchased Services	15,518	-	-	-	-
Total Instruction:	15,518	14,802	8,057	2,400	7,179
District Administration Support Services					
Indirect Costs	-	716	390	326	321
Total Expenditures	15,518	15,518	8,447	2,726	7,500
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -



KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
SUICIDAL AWARENESS PRE & POSTVENTION  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
State	\$ 27,000	\$ 27,000	\$ 17,787	\$ (9,213)	\$ 27,333
Expenditures:					
Instruction					
Certificated Salaries	-	3,000	-	3,000	3,300
Non-Certificated Salaries	-	-	-	-	1,982
Employee Benefits	-	230	-	230	610
Professional and Technical Services	-	15,200	12,850	2,350	14,589
Staff Travel	-	300	220	80	3,950
Student Travel	-	-	-	-	50
Supplies, Materials, and Media	-	7,024	3,896	3,128	1,682
Other Expenses	25,754	-	-	-	-
Total Support Services - Instruction	25,754	25,754	16,966	8,788	26,163
District Administration Support Services					
Indirect Costs	1,246	1,246	821	425	1,170
Total Expenditures	27,000	27,000	17,787	9,213	27,333
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
TITLE I-D, AT RISK  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ 90,872	\$ 90,872	\$ 62,488	\$ (28,384)	\$ 60,159
Expenditures:					
Instruction					
Non-Certificated Salaries	-	43,624	30,664	12,960	32,878
Employee Benefits	-	40,230	26,835	13,395	24,550
Staff Travel	-	1,800	1,332	468	157
Supplies, Materials, and Media	-	1,023	772		-
Other Expenses	90,872	-	-	-	-
		-			
Total Instruction	90,872	86,677	59,603	26,823	57,585
District Administration Support Services					
Indirect Costs	-	4,195	2,885	1,310	2,574
Total Expenditures	90,872	90,872	62,488	28,133	60,159
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

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, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ 28,189	\$ 28,189	\$ 3,434	\$ (24,755)	\$ 10,135
Expenditures:					
Instruction					
Certificated Salaries	4,300	4,300	-	4,300	675
Non-Certificated Salaries	2,000	2,000	-	2,000	-
Employee Benefits	447	755	-	755	94
Professional and Technical Services	9,000	4,600	-	4,600	4,894
Staff Travel	3,000	3,000	-	3,000	2,392
Utilities	300	300	58	242	-
Supplies, Materials, and Media	7,841	7,533	1,364	6,169	776
Equipment	-	4,613	1,943	2,670	909
Total Instruction	<u>26,888</u>	<u>27,101</u>	<u>3,365</u>	<u>23,736</u>	<u>9,740</u>
District Administration Support Services					
Indirect Costs	<u>1,301</u>	<u>1,088</u>	<u>69</u>	<u>1,019</u>	<u>395</u>
Total Expenditures	<u>28,189</u>	<u>28,189</u>	<u>3,434</u>	<u>24,755</u>	<u>10,135</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 VI-B, IDEA  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ 4,063,922	\$ 4,063,922	\$ 1,689,772	\$ (2,374,150)	\$ 1,519,698
Expenditures:					
Special Education - Instruction					
Certificated Salaries	289,042	289,042	115,797	173,245	130,579
Non-Certificated Salaries	1,016,072	1,522,774	852,543	670,231	726,897
Employee Benefits	837,505	1,613,173	631,200	981,973	527,292
Professional and Technical Services	-	25,000	9,144	15,856	-
Staff Travel	75,000	50,000	1,943	48,057	64,584
Other Purchased Services	3,000	3,000	880	2,120	1,230
Supplies, Materials, and Media	46,861	373,319	256	373,063	4,092
Other Expenses	<u>1,686,696</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Special Education - Instruction	<u>3,954,176</u>	<u>3,876,308</u>	<u>1,611,763</u>	<u>2,264,545</u>	<u>1,454,674</u>
District Administration Support Services					
Indirect Costs	<u>109,746</u>	<u>187,614</u>	<u>78,009</u>	<u>109,605</u>	<u>65,024</u>
Total Expenditures	<u>4,063,922</u>	<u>4,063,922</u>	<u>1,689,772</u>	<u>2,374,150</u>	<u>1,519,698</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 VI - INDIAN EDUCATION  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Direct	\$ 400,641	\$ 445,573	\$ 434,785	\$ (10,788)	\$ 399,754
Expenditures:					
Instruction					
Certificated Salaries	93,043	89,393	89,374	19	65,548
Non-Certificated Salaries	66,101	64,901	64,868	33	87,117
Employee Benefits	59,948	59,078	59,029	49	58,790
Professional and Technical Services	121,000	120,000	120,000	-	120,465
Staff Travel	2,000	2,650	2,605	45	860
Student Travel	18,800	-	-	-	34,437
Utilities	-	270	304	(34)	-
Other Purchased Services	10,000	591	590	1	11,078
Supplies, Materials, and Media	9,131	71,758	62,903	8,855	4,355
Other Expenses	1,290	-	-	-	-
Equipment	-	17,155	15,770	1,385	-
Total Instruction	<u>381,313</u>	<u>425,796</u>	<u>415,443</u>	<u>10,353</u>	<u>382,650</u>
District Administration Support Services					
Indirect Costs	<u>19,328</u>	<u>19,777</u>	<u>19,342</u>	<u>435</u>	<u>17,104</u>
Total Expenditures	<u>400,641</u>	<u>445,573</u>	<u>434,785</u>	<u>10,788</u>	<u>399,754</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, 2021  
With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ 56,500	\$ 56,500	\$ 45,123	\$ (11,377)	\$ 33,473
Expenditures:					
Instruction					
Certificated Salaries	13,500	12,909	9,300	3,609	12,262
Non-Certificated Salaries	-	-	-	-	1,490
Employee Benefits	-	1,285	1,281	4	1,795
Staff Travel	-	-	-	-	715
Student Travel	3,000	500	2	498	4,615
Supplies, Materials, and Media	2,700	11,543	10,964	579	3,264
Other Expenses	10,800	10,800	5,493	5,307	7,534
Equipment	26,500	19,463	18,083	1,380	1,798
Total Expenditures	56,500	56,500	45,123	11,377	33,473
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

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, 2021  
 With Comparative Actual Totals for the Year Ended June 30, 2020

	2021			Variance- Positive (Negative)	2020 Actual
	Original Budget	Current Budget	Current		
Revenues:					
State	\$ 113,455	\$ 113,455	\$ 113,455	\$ -	\$ 110,150
Expenditures:					
Instruction:					
Certificated Salaries	80,457	80,457	80,457	-	86,314
Non-Certificated Salaries	-	-	-	-	34
Employee Benefits	<u>27,760</u>	<u>27,760</u>	<u>27,760</u>	-	<u>19,089</u>
Total Instruction	<u>108,217</u>	<u>108,217</u>	<u>108,217</u>	-	<u>105,437</u>
District Administration Support Services					
Indirect Costs	<u>5,238</u>	<u>5,238</u>	<u>5,238</u>	-	<u>4,713</u>
Total Expenditures	<u>113,455</u>	<u>113,455</u>	<u>113,455</u>	-	<u>110,150</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>

**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, 2021

	<u>Employee Compensated Leave Fund</u>	<u>Health Care Fund</u>	<u>Total Internal Service Funds</u>
<u>ASSETS</u>			
Current Assets:			
Equity in Central Treasury	\$ 3,307,099	\$ 7,280,280	\$ 10,587,379
Equity in Central Treasury - Restricted for Healthcare	-	3,318,306	3,318,306
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Assets	<u>\$ 3,307,099</u>	<u>\$ 10,598,586</u>	<u>\$ 13,905,685</u>
<u>LIABILITIES</u>			
Current Liabilities:			
Health Claims Payable (IBNR)	\$ -	\$ 2,993,545	\$ 2,993,545
Contributions Collected from Employees in Excess of Negotiated Agreement	-	1,530,526	1,530,526
Compensated Absences	2,402,520	-	2,402,520
Total Current Liabilities	<u>2,402,520</u>	<u>4,524,071</u>	<u>6,926,591</u>
Noncurrent Liabilities:			
Compensated Absences, Net of Current Portion	<u>904,579</u>	<u>-</u>	<u>904,579</u>
Total Liabilities	<u>\$ 3,307,099</u>	<u>\$ 4,524,071</u>	<u>\$ 7,831,170</u>
<u>NET POSITION</u>			
Net Position - Unrestricted	<u>-</u>	<u>6,074,515</u>	<u>6,074,515</u>
Total Net Position	<u>\$ -</u>	<u>\$ 6,074,515</u>	<u>\$ 6,074,515</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
INTERNAL SERVICE FUNDS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
For the Year Ended June 30, 2021

	Employee Compensated Leave Fund	Health Care Fund	Total Internal Service Funds
Operating Revenues:			
Charges to Other Funds	\$ 2,814,977	\$ -	\$ 2,814,977
Employer Contributions	-	24,896,223	24,896,223
Employee Contributions, Adjustment per Negotiated Agreement	-	4,304,246	4,304,246
<b>Total Operating Revenues</b>	<b>2,814,977</b>	<b>29,200,469</b>	<b>32,015,446</b>
Operating Expenses:			
Administrative Services	2,814,977	-	2,814,977
Healthcare Claims and Administrative Fees	-	28,369,768	28,369,768
<b>Total Operating Expenses</b>	<b>2,814,977</b>	<b>28,369,768</b>	<b>31,184,745</b>
Operating Income	-	830,701	830,701
Nonoperating Revenues - Interest Income	-	15,432	15,432
Increase in Net Position	-	846,133	846,133
Total Net Position, Beginning of Year	-	5,228,382	5,228,382
<b>Total Net Position, End of Year</b>	<b>\$ -</b>	<b>\$ 6,074,515</b>	<b>\$ 6,074,515</b>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
INTERNAL SERVICE FUNDS  
STATEMENT OF CASH FLOWS  
For the Year Ended June 30, 2021

	Employee Compensated Leave Fund	Health Care Fund	Total Internal Service Funds
Cash flows from operating activities:			
Payments for interfund services provided	\$ 2,814,977	\$ -	\$ 2,814,977
Payments to employees	(2,617,035)	-	(2,617,035)
Receipts from employer - current year contributions	-	24,873,965	24,873,965
Receipts from employees - current year contributions	-	4,450,518	4,450,518
Payments for claims and services	-	(28,718,223)	(28,718,223)
Net cash flow from operating activities	<u>197,942</u>	<u>606,260</u>	<u>804,202</u>
Cash flows from investing activities - interest income received	-	15,432	15,432
Net increase in cash and cash equivalents	<u>197,942</u>	<u>621,692</u>	<u>819,634</u>
Cash and cash equivalents, beginning of year	<u>3,109,157</u>	<u>9,976,894</u>	<u>13,086,051</u>
Cash and cash equivalents, end of year	<u>\$ 3,307,099</u>	<u>\$ 10,598,586</u>	<u>\$ 13,905,685</u>
Reconciliation of operating income to net cash from operating activities:			
Operating income	\$ -	\$ 830,701	\$ 830,701
Increase in compensated absences payable	197,942	-	197,942
Decrease in health care payable	-	(370,713)	(370,713)
Contributions collected in excess of negotiated agreement	-	146,272	146,272
Net cash from operating activities	<u>\$ 197,942</u>	<u>\$ 606,260</u>	<u>\$ 804,202</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, 2021

	General Capital Assets June 30, 2020	Additions	Deletions	Transfers	General Capital Assets June 30, 2021
Administration	\$ 3,165,936	\$ 951,893	\$ (503,459)	\$ 1,891,174	\$ 5,505,544
Schools	6,781,061	120,217	(57,546)	(1,891,174)	4,952,558
	<u>\$ 9,946,997</u>	<u>\$ 1,072,110</u>	<u>\$ (561,005)</u>	<u>\$ -</u>	<u>\$ 10,458,102</u>



KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
SCHEDULE OF GENERAL CAPITAL ASSETS - BY LOCATION  
June 30, 2021

	<u>Equipment</u>		<u>Equipment</u>
Administration:		Kenai:	
District Office and		Aurora Borealis	188,131
Warehouse	\$ 5,505,544	High School	824,216
Total Administration	<u>5,505,544</u>	Kaleidoscope	120,557
		Kenai Alternative	13,421
		Middle School	230,917
Schools:		Mt. View Elementary	<u>72,706</u>
Outside Cities:		Total Kenai	<u>1,449,948</u>
Chapman Elementary	47,080		
Cooper Landing	23,839	Seldovia:	
Hope	43,464	Susan B. English	<u>96,169</u>
Kachemak Selo	25,198	Total Seldovia	<u>96,169</u>
K-Beach	110,762		
McNeil Canyon	48,728	Seward:	
Moose Pass	12,401	Elementary	66,989
Nanwalek	55,913	High School	201,760
Nikiski High	436,789	Middle School	<u>51,723</u>
Nikiski North Star	61,999	Total Seward	<u>320,472</u>
Nikolaevsk	47,140		
Ninilchik	102,513	Soldotna:	
Port Graham	35,838	Connections	14,425
Skyview Middle	315,897	Elementary	134,578
Sterling	63,283	High School	506,872
Tebughna	40,972	Redoubt Elementary	<u>109,669</u>
Tustumena	34,614	Total Soldotna	<u>765,544</u>
Voznesenka	<u>27,446</u>		
Total Outside Cities	<u>1,533,876</u>	Total Schools	<u>4,952,558</u>
Homer:		Total General Capital Assets	<u>\$ 10,458,102</u>
Fireweed Academy	49,592		
High School	478,045		
Homer Flex	27,558		
Middle School	90,221		
Paul Banks	31,547		
Razdolna	36,897		
West Homer	<u>72,689</u>		
Total Homer	<u>786,549</u>		

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 COMPARATIVE SCHEDULE OF CAPITAL ASSETS - BY SOURCE  
 June 30, 2021 and 2020

	2021	2020
General Capital Assets:		
Furniture and Equipment	\$ 10,458,102	\$ 9,946,997
Investments in General Capital Assets from:		
General Obligation Bonds	\$ 5,961,112	\$ 358,442
State and Federal Grants	4,138,548	3,645,744
General Fund Revenue	358,442	5,942,811
Total Investment in General Capital Assets:	\$ 10,458,102	\$ 9,946,997

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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  
(A Component Unit of the Kenai Peninsula Borough)**

**Schedule of State Financial Assistance  
Year Ended June 30, 2021**

<i>State Agency / Program Title</i>	<i>Award Number</i>	<i>Passed Through to Subrecipients</i>	<i>State Expenditures</i>
<b>Department of Administration</b>			
* TRS On Behalf		\$ -	\$ 8,773,802
* PERS On Behalf		-	1,689,932
PERS On Behalf passed through Kenai Peninsula Borough		-	271,341
<b>Total Department of Administration</b>		-	10,735,075
<b>Alaska State Council on the Arts</b>			
Promotion of the Arts Partnerships Agreements			
Artist in Schools	FY21AIS0004	-	1,058
<b>Department of Education and Early Development</b>			
* Public School Funding Program		-	76,021,227
* Pupil Transportation		-	6,078,294
House Bill 39		-	32,630
Alternative Schools	BH 21.KPSD.01	-	42,087
Broadband Assistance Grant	SBG 21.024.12	-	11,542
Early Learning	PE 21.KPBSD.01	-	141,914
Quality Schools	FY21	-	281,762
Substance Misuse and Addiction Prevention	AP 21.KPBSD.01	-	8,447
Suicide Awareness, Prevention & Postvention	SP 21.KPSD.01	-	17,787
Youth In Detention - Marathon School Facility	EY21.KPSD.01	-	113,455
<b>Total Department of Education and Early Development</b>		-	82,749,145
<b>Department of Commerce, Community and Economic Development</b>			
Nutritional Alaskan Foods in Schools	13-NAFS-025	-	9,695
<b>Department of Labor</b>			
Alaska Division of Vocational Rehabilitation	AFP # 1455, 1458 & 1474	-	32,729
<b>Total State Financial Assistance</b>		<b>\$ -</b>	<b>\$ 93,527,702</b>

\* State major program

**Note 1: Major Program Notification**

\*Denotes a major program

**Note 2: Basis of Presentation**

The accompanying schedule of state financial assistance (the "Schedule") includes the state award activity of Kenai Peninsula Borough School District under programs of the State of Alaska for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Because the Schedule presents only a selected portion of the operations of Kenai Peninsula Borough School District, it is not intended to and does not present the financial position, changes in net position or cash flows of Kenai Peninsula Borough School District.

**Note 3: Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting.

**Kenai Peninsula Borough School District**  
**(A Component Unit of the Kenai Peninsula Borough)**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2021**

<i>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</i>	<i>Federal Assistance Listing Number</i>	<i>Pass- Through Entity Identifying Number</i>	<i>Provided to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>U.S. Department of Education</b>				
Direct				
Indian Education Grants to Local Educational Agencies	84.060A		\$ -	\$ 434,785
Passed through Alaska Department of Education and Early Development:				
Title I Grants to Local Educational Agencies				
NCLB - Title I-A Basic	84.010	IP 21.KPSD.01	-	1,728,841
NCLB - Title I-A 1% Parent Involvement	84.010	IP 21.KPSD.01	-	14,942
NCLB - Title I-A Pre-K	84.010	IP 21.KPSD.01	-	964,439
Title I-A, School Improvement - Implementation	84.010	SI 21.KPSD.02	-	112,811
Title I-D, Neglected and Delinquent	84.010	ND 21.KPSD.01	-	62,488
Total CFDA 84.010			-	2,883,521
Supporting Effective Instruction State Grants				
NCLB - Title II-A, Training & Recruiting	84.367	IP 21.KPSD.01	-	694,465
Special Education Cluster (IDEA):				
Special Education Grants to States	84.027	SE 21.KPSD.01	-	1,624,892
Special Education Preschool Grants	84.173	SE 21.KPSD.01	-	64,880
Total Special Education Cluster (IDEA)			-	1,689,772
Migrant Education State Grant Program				
Migrant Education, Book	84.011A	MB 21.KPSD.01	-	14,800
NCLB - Title I-C Migrant	84.011	IP 21.KPSD.01	-	916,208
Total CFDA 84.011			-	931,008
Education for Homeless Children and Youth	84.196A	FR 21.KPSD.01	-	24,212
Title I State Agency Program for Neglected and Delinquent Children and Youth	84.013	IP 21.KPSD.01	-	3,434
Student Support and Academic Enrichment Program				
Title IV - A, Student Support and Academic Enrichment	84.424A	IP 21.KPSD.01	-	222,055
English Language Acquisition State Grants				
Title III - A, English Language Acquisition	84.365	IP 21.KPSD.01	-	20,428
Staff Development	84.365	SD 21.KPSD.01	-	1,273
Total CFDA 84.365			-	21,701



**Kenai Peninsula Borough School District**  
**(A Component Unit of the Kenai Peninsula Borough)**  
**Schedule of Expenditures of Federal Awards, continued**  
**Year Ended June 30, 2021**

<i>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</i>	<i>Federal Assistance Listing Number</i>	<i>Pass- Through Entity Identifying Number</i>	<i>Provided to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>U.S. Department of Education, continued</b>				
Passed thru the University of Fairbanks:				
TRIO Cluster: Trio Upward Bound	84.047	P047A181279	\$ -	\$ 45,123
Career and Technical Education - Basic Grants to States	84.048	EK 21.KPSD.01	-	278,422
Education Stabilization Fund COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425D	21.KPSD.01	-	2,295,953
<b>Total U.S. Department of Education</b>			-	9,524,451
<b>U.S. Department of Health and Human Services:</b>				
Passed thru the Alaska Department of Education and Early Development:				
Epidemiology and Laboratory Capacity for Infectious				
COVID-19 Contact Tracing	93.323	CV 21.KPSD.01	-	195,445
COVID-19 DHSS Testing	93.323	601-308-21026	-	11,760
Total CFDA 93.323			-	207,205
<b>Total U.S. Department of Health and Human Services</b>			-	207,205
<b>National Endowment for the Arts (NEA):</b>				
Passed through Alaska State Council on the Arts -				
Promotion of the Arts Partnerships Agreements	45.025	FY21AIS0004	-	500
<b>U.S. Department of Agriculture:</b>				
Passed through Alaska Department of Education and Early Development:				
Child Nutrition Cluster:				
National School Lunch Program - Commodities	10.555	FY2021	-	138,917
Summer Food Service Program for Children	10.559	MA 21.024.01	-	2,298,659
CARES Act - Summer Food Service Program for Children	10.559	MA 21.024.01	-	298,821
Total CFDA 10.559			-	2,597,480
Total Child Nutrition Cluster			-	2,736,397
Child Nutrition Discretionary Grants Limited Availability				
NSLP Equipment Assistant Grant	10.579	NS 21.KPSD.01	-	11,853
State Administrative Expenses for Child Nutrition	10.560	FD 21.KPSD.01	-	22,651
Fresh Fruit & Vegetable Program	10.582	FF 21.KPSD.01	-	33,531
Fresh Fruit & Vegetable Program	10.582	FF 21.KPSD.02	-	106,531
Total CFDA 10.582			-	140,062
<b>Total U.S. Department of Agriculture</b>			-	2,910,963

**Kenai Peninsula Borough School District**  
**(A Component Unit of the Kenai Peninsula Borough)**  
**Schedule of Expenditures of Federal Awards, continued**  
**Year Ended June 30, 2021**

<i>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</i>	<i>Federal Assistance Listing Number</i>	<i>Pass- Through Entity Identifying Number</i>	<i>Provided to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>U.S. Department of the Treasury:</b>				
Passed through Kenai Peninsula Borough:				
Coronavirus Relief Fund				
KPB CARES Act - Student Home-to-School Transportation	21.019	CAR21.43011	-	1,740,942
KPB CARES Act - Telework Capabilities	21.019	CAR21.43011	-	23,341
COVID-19 Education-Related Expenditures	21.019	CAR21.43011	-	2,111,091
Total CFDA 21.019			-	3,875,374
<b>Total U.S. Department of the Treasury</b>			-	3,875,374
<b>Total Expenditures of Federal Awards</b>			\$ -	\$ 16,518,493

**Note 1: Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Kenai Peninsula Borough School District under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations Part 200. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Kenai Peninsula Borough School District, it is not intended to and does not present the financial position, changes in net position or cash flows of Kenai Peninsula Borough School District.

**Note 2: Summary of Significant Accounting Policies**

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Note 3: Indirect Cost Rate**

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

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

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**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.**

TABLE I

## KENAI PENINSULA BOROUGH SCHOOL DISTRICT

**NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(Unaudited)**

	FISCAL YEAR				
	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Invested in Capital Assets	\$ 3,088,378	\$ 3,054,829	\$ 3,604,976	\$ 3,516,215	\$ 3,491,363
Restricted:					
Charter Schools	645,261	556,395	625,619	664,091	626,097
Facilities Maintenance	-	-	1,845,512	2,042,930	2,288,499
Homeschool Allotment	-	-	-	281,975	393,338
Student Activities	-	-	-	-	-
Student Transportation	-	-	-	-	-
Total Restricted	645,261	556,395	2,471,131	2,988,996	3,307,934
Unrestricted	27,921,811	27,516,245	23,662,678	(30,561,702)	(51,911,437)
Total Net Position	<u>\$ 31,655,450</u>	<u>\$ 31,127,469</u>	<u>\$ 29,738,785</u>	<u>\$ (24,056,491)</u>	<u>\$ (45,112,140)</u>

**TABLE I**

	FISCAL YEAR				
	2016-2017	2017-2018	2018-2019	2019-2020	2020-21
Invested in Capital Assets	\$ 3,083,746	\$ 2,699,269	\$ 2,439,439	\$ 2,429,784	\$ 2,856,362
Restricted:					
Charter Schools	741,273	894,618	885,704	-	-
Facilities Maintenance	1,321,447	1,791,509	1,682,409	1,142,463	1,661,881
Homeschool Allotment	549,790	675,503	699,223	873,911	1,282,585
Student Activities	-	-	-	-	3,356,079
Student Transportation	-	-	-	-	823,960
Total Restricted	2,612,510	3,361,630	3,267,336	2,016,374	7,124,505
Unrestricted	(75,117,199)	(81,097,334)	(70,432,657)	(48,581,653)	(39,266,598)
Total Net Position	<u>\$ (69,420,943)</u>	<u>\$ (75,036,435)</u>	<u>\$ (64,725,882)</u>	<u>\$ (44,135,495)</u>	<u>\$ (29,285,731)</u>



TABLE II

**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				
	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Expenses					
Government Activities:					
Instruction	\$ 70,671,418	\$ 73,207,376	\$ 75,266,303	\$ 87,002,086	\$ 78,317,961
Special Education - Instruction	19,939,292	21,592,288	21,809,338	25,120,274	27,315,525
Special Education Support Services-Students	5,606,638	6,090,491	5,958,859	6,985,692	6,345,150
Support Services - Students	4,307,528	4,769,002	4,961,996	5,139,495	7,037,564
Support Services - Instruction	3,432,382	3,476,192	3,780,721	4,025,162	4,002,804
School Administration	6,666,723	7,261,568	7,846,925	9,185,386	7,219,494
School Administration Support Services	4,585,996	4,805,263	4,969,562	5,197,826	6,849,331
District Administration	1,065,732	1,134,698	1,253,600	1,020,470	1,466,633
District Administration Support Services	6,658,848	6,210,335	6,219,036	6,349,127	8,191,709
Operations and Maintenance of Plant	22,639,419	21,254,202	23,096,259	23,453,558	24,178,696
Student Activities	2,344,153	2,364,058	2,452,215	2,684,455	2,499,171
Community Service	64,408	48,657	40,583	39,110	39,979
Student Transportation	6,116,707	7,459,992	7,334,939	7,932,255	7,998,559
Food Service	3,814,960	4,226,732	4,479,711	4,490,808	4,254,755
Total expenses	<u>\$ 157,914,204</u>	<u>\$ 163,900,854</u>	<u>\$ 169,470,047</u>	<u>\$ 188,625,704</u>	<u>\$ 185,717,331</u>
Program Revenues:					
Charges for Services:					
Food Service /Community Theater	825,329	745,201	683,135	669,280	686,127
Operating Grants and Contributions	18,381,570	18,134,117	19,290,617	18,719,908	18,531,943
Total Program Revenues	<u>19,206,899</u>	<u>18,879,318</u>	<u>19,973,752</u>	<u>19,389,188</u>	<u>19,218,070</u>
Total Net(Expense)Governmental Activities	(138,707,305)	(145,021,536)	(149,496,295)	(169,236,516)	(166,499,261)
General Revenues:					
Government Activities:					
Borough Direct Appropriation	\$ 43,251,135	\$ 43,000,000	\$ 43,500,000	\$ 44,013,525	\$ 48,238,432
Public School Funding Program	71,912,349	75,563,384	74,891,748	79,159,764	80,573,648
Retirement: On-behalf Payments	17,803,814	22,907,953	24,234,519	39,377,047	14,492,689
Other State Revenue	1,658,523	2,010,671	3,456,964	3,290,897	-
Earnings on Investment	898,439	55,918	475,548	326,758	623,325
E-Rate Program	118,707	590,640	1,219,637	287,658	1,088,548
CARES Act, KPB	-	-	-	-	-
Medicaid Reimbursment	343,617	164,384	200,451	211,375	287,646
Other	215,525	200,605	128,744	399,614	139,324
Total General Revenues	<u>\$ 136,202,109</u>	<u>\$ 144,493,555</u>	<u>\$ 148,107,611</u>	<u>\$ 167,066,638</u>	<u>\$ 145,443,612</u>
Special Item - writeoff NPO/OPEB	-	-	-	-	-
Change in Net Position	<u>\$ (2,505,196)</u>	<u>\$ (527,981)</u>	<u>\$ (1,388,684)</u>	<u>\$ (2,169,878)</u>	<u>\$ (21,055,649)</u>

TABLE II

	FISCAL YEAR				
	2016-2017	2017-2018	2018-2019	2019-2020	2020-21
Expenses					
Government Activities:					
Instruction	\$ 79,665,098	\$ 63,689,016	\$ 60,897,420	\$ 57,388,072	\$ 65,218,370
Special Education - Instruction	27,506,978	20,645,587	21,539,750	19,604,059	20,193,949
Special Education Support Services-Students	6,579,272	5,425,276	5,444,428	5,176,632	5,738,264
Support Services - Students	6,303,071	3,733,089	4,430,806	4,101,863	4,485,411
Support Services - Instruction	3,505,986	2,861,897	3,153,296	3,192,768	1,992,358
School Administration	7,342,662	6,021,382	5,704,211	5,356,059	5,724,025
School Administration Support Services	6,358,677	4,506,896	4,695,858	4,872,619	4,533,655
District Administration	1,426,130	1,112,258	1,200,909	1,174,133	1,306,159
District Administration Support Services	7,223,584	5,489,703	5,846,366	6,607,614	6,108,851
Operations and Maintenance of Plant	23,610,034	20,274,357	19,648,660	21,228,709	20,199,626
Student Activities	2,515,146	2,152,801	1,884,164	1,467,417	3,039,679
Community Service	21,273	9,629	71,692	50,209	34,228
Student Transportation	8,160,684	7,737,829	7,951,356	7,796,876	6,341,542
Food Service	4,014,919	3,983,053	3,752,004	3,993,539	3,456,779
Total expenses	<u>\$ 184,233,514</u>	<u>\$ 147,642,773</u>	<u>\$ 146,220,920</u>	<u>\$ 142,010,569</u>	<u>\$ 148,372,896</u>
Program Revenues:					
Charges for Services:					
Food Service /Community Theater	655,869	698,771	717,010	584,617	64,761
Operating Grants and Contributions	17,288,971	17,919,104	19,133,664	18,219,435	23,238,213
Total Program Revenues	<u>17,944,840</u>	<u>18,617,875</u>	<u>19,850,674</u>	<u>18,804,052</u>	<u>23,302,974</u>
Total Net(Expense)Governmental Activities	(166,288,674)	(129,024,898)	(126,370,246)	(123,206,517)	(125,069,922)
General Revenues:					
Government Activities:					
Borough Direct Appropriation	\$ 48,238,432	\$ 49,738,432	\$ 49,738,432	\$ 52,489,253	\$ 47,888,909
Public School Funding Program	81,595,174	79,599,533	79,299,353	79,060,074	76,302,989
Retirement: On-behalf Payments	10,867,950	7,904,796	4,121,405	7,913,428	9,474,638
Other State Revenue	-	-	1,389,955	2,105,854	32,630
Earnings on Investment	83,033	193,053	1,153,016	1,203,960	78,281
E-Rate Program	751,344	719,477	613,575	648,931	485,143
CARES Act, KPB	-	-	-	-	2,111,091
Medicaid Reimbursment	250,781	298,727	195,558	146,948	-
Other	193,157	196,098	169,505	228,456	219,326
Total General Revenues	<u>\$ 141,979,871</u>	<u>\$ 138,650,116</u>	<u>\$ 136,680,799</u>	<u>\$ 143,796,904</u>	<u>\$ 136,593,007</u>
Special Item - writeoff NPO/OPEB	-	-	-	-	-
Change in Net Position	<u>\$ (24,308,803)</u>	<u>\$ 9,625,218</u>	<u>\$ 10,310,553</u>	<u>\$ 20,590,387</u>	<u>\$ 11,523,085</u>

TABLE III

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

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

	FISCAL YEAR				
	2011-2012	2012-2013	2013-2014	2014-2015*	2015-2016
Change in Net Position	\$ (2,505,196)	\$ (527,981)	\$ (1,388,684)	\$ (2,169,878)	\$ (21,055,649)
Net Position - Beginning	34,160,646	31,655,450	31,127,469	(21,886,613)	(24,056,491)
Net Position - Ending	<u>\$ 31,655,450</u>	<u>\$ 31,127,469</u>	<u>\$ 29,738,785</u>	<u>\$ (24,056,491)</u>	<u>\$ (45,112,140)</u>

\*Net Position for 2014-2015 was restated for compliance of GASB 68.

\*\*Beginning Net Position for 2017-2018 was restated for compliance of GASB 75.

\*\*\*Beginning Net Position for 2021 was restated for GASB 84.

**TABLE III**

	FISCAL YEAR				
	2016-2017	2017-2018**	2018-2019	2019-20	2020-21***
Change in Net Position	\$ (24,308,803)	\$ 9,625,218	\$ 10,310,553	\$ 20,590,387	\$ 11,523,085
Net Position - Beginning (Restated)	(45,112,140)	(84,661,653)	(75,036,435)	(64,725,882)	(40,808,816)
Net Position - Ending	<u>\$ (69,420,943)</u>	<u>\$ (75,036,435)</u>	<u>\$ (64,725,882)</u>	<u>\$ (44,135,495)</u>	<u>\$ (29,285,731)</u>

TABLE IV

## KENAI PENINSULA BOROUGH SCHOOL DISTRICT

**GENERAL FUND BALANCES, SPECIAL REVENUE FUND BALANCES, TOTAL FUND BALANCE  
LAST TEN FISCAL YEARS  
(Unaudited)**

	FISCAL YEAR				
	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
General Fund:					
Nonspendable	\$ 1,978,610	\$ 1,715,712	\$ 1,687,933	\$ 707,220	\$ 2,064,255
Committed	-	-	-	-	4,200,580
Restricted	983,984	1,485,931	2,471,131	2,988,996	3,307,934
Assigned	10,593,166	10,131,139	8,120,850	5,655,347	3,625,958
Unassigned	6,808,518	6,290,517	6,116,952	7,897,978	2,671,214
Total General Fund	<u>\$ 20,364,278</u>	<u>\$ 19,623,299</u>	<u>\$ 18,396,866</u>	<u>\$ 17,249,541</u>	<u>\$ 15,869,941</u>
Special Revenue Funds:					
Nonspendable	\$ 366,559	\$ 218,298	\$ 467,256	\$ 271,235	\$ 233,827
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	6,783,452	6,744,505	5,623,019	5,389,396	5,568,658
Unassigned	(44,976)	(44,976)	(44,976)	(44,976)	(44,976)
Total Special Revenue Funds	<u>\$ 7,105,035</u>	<u>\$ 6,917,827</u>	<u>\$ 6,045,299</u>	<u>\$ 5,615,655</u>	<u>\$ 5,757,509</u>
Total Fund Balance	<u>\$ 27,469,313</u>	<u>\$ 26,541,126</u>	<u>\$ 24,442,165</u>	<u>\$ 22,865,196</u>	<u>\$ 21,627,450</u>

**TABLE IV**

	FISCAL YEAR				
	2016-2017	2017-2018	2018-2019	2019-2020	2020-21
General Fund:					
Nonspendable	\$ 2,212,284	\$ 2,074,756	\$ 1,932,980	\$ 2,427,700	\$ 2,081,006
Committed	4,157,085	4,289,271	5,584,860	4,366,075	4,022,433
Restricted	2,612,510	3,361,630	3,267,336	2,016,374	2,944,466
Assigned	1,618,721	2,802,979	1,626,718	9,360,559	5,865,492
Unassigned	3,954,326	1,671,218	3,929,885	1,677,222	910,504
Total General Fund	<u>\$ 14,554,926</u>	<u>\$ 14,199,854</u>	<u>\$ 16,341,779</u>	<u>\$ 19,847,930</u>	<u>\$ 15,823,901</u>
Special Revenue Funds:					
Nonspendable	\$ 159,748	\$ 301,696	\$ 482,203	\$ 245,154	\$ 158,840
Restricted	-	-	-	1,324,725	-
Committed	-	-	-	4,563,332	4,311,427
Assigned	5,263,514	5,586,869	5,804,822	-	4,609,602
Unassigned	(44,976)	(44,976)	(44,976)	(44,976)	(44,976)
Total Special Revenue Funds	<u>\$ 5,378,286</u>	<u>\$ 5,843,589</u>	<u>\$ 6,242,049</u>	<u>\$ 6,088,235</u>	<u>\$ 9,034,893</u>
Total Fund Balance	<u>\$ 19,933,212</u>	<u>\$ 20,043,443</u>	<u>\$ 22,583,828</u>	<u>\$ 25,936,165</u>	<u>\$ 24,858,794</u>

TABLE V

## KENAI PENINSULA BOROUGH SCHOOL DISTRICT

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

	FISCAL YEAR				
	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Federal Sources:					
Federal - Direct	\$ 424,110	\$ 455,577	\$ 498,606	\$ 514,450	\$ 723,255
Federal - Through the State	10,999,132	8,291,671	9,130,871	8,251,490	8,822,785
Federal - Through other Agencies	-	2,500	-	-	-
<b>Total Federal Sources</b>	<b>\$ 11,423,242</b>	<b>\$ 8,749,748</b>	<b>\$ 9,629,477</b>	<b>\$ 8,765,940</b>	<b>\$ 9,546,040</b>
State Sources:					
Public School Funding Program	\$ 72,182,738	\$ 75,839,317	\$ 75,166,711	\$ 79,442,023	\$ 80,573,648
Retirement: On-behalf Payments	17,803,814	22,907,953	24,234,519	143,894,553	9,867,341
One Time State Funding	1,388,134	1,734,738	3,182,001	3,008,638	-
Other State Revenue	7,076,188	9,278,661	9,443,778	9,822,601	8,906,803
<b>Total All Other Government Funds</b>	<b>\$ 98,450,874</b>	<b>\$ 109,760,669</b>	<b>\$ 112,027,009</b>	<b>\$ 236,167,815</b>	<b>\$ 99,347,792</b>
Local Sources:					
Borough Direct Appropriation	\$ 43,251,135	\$ 43,000,000	\$ 43,500,000	\$ 44,013,525	\$ 48,238,432
Corporate Grants and User Fees	117,033	98,285	121,502	89,114	101,594
Food Sales	781,299	703,256	657,295	637,595	648,542
Earnings on Investments	898,439	78,701	614,272	421,928	806,217
Other Local Revenue	486,986	982,214	1,531,808	877,415	1,347,717
<b>Total All Other Government Funds</b>	<b>\$ 45,534,892</b>	<b>\$ 44,862,456</b>	<b>\$ 46,424,877</b>	<b>\$ 46,039,577</b>	<b>\$ 51,142,502</b>
<b>Total Revenue</b>	<b>\$ 155,409,008</b>	<b>\$ 163,372,873</b>	<b>\$ 168,081,363</b>	<b>\$ 290,973,332</b>	<b>\$ 160,036,334</b>

TABLE V

	FISCAL YEAR				
	2016-2017	2017-2018	2018-2019	2019-2020	2020-21
<b>Federal Sources:</b>					
Federal - Direct	\$ 595,801	\$ 532,371	\$ 444,817	\$ 399,754	\$ 434,785
Federal - Through the State	8,897,264	9,035,872	10,069,540	9,371,942	16,083,708
Federal - Through other Agencies	-	-	-	-	-
<b>Total Federal Sources</b>	<b>\$ 9,493,065</b>	<b>\$ 9,568,243</b>	<b>\$ 10,514,357</b>	<b>\$ 9,771,696</b>	<b>\$ 16,518,493</b>
<b>State Sources:</b>					
Public School Funding Program	\$ 81,595,174	\$ 79,599,533	\$ 79,299,353	\$ 79,060,074	\$ 76,302,989
Retirement: On-behalf Payments	8,638,367	8,402,238	9,803,790	10,735,132	10,735,075
One Time State Funding	-	-	1,389,955	2,105,854	32,630
Other State Revenue	7,911,545	8,300,141	8,241,510	8,114,848	6,447,313
<b>Total All Other Government Funds</b>	<b>\$ 98,145,086</b>	<b>\$ 96,301,912</b>	<b>\$ 98,734,608</b>	<b>\$ 100,015,908</b>	<b>\$ 93,518,007</b>
<b>Local Sources:</b>					
Borough Direct Appropriation	\$ 48,238,432	\$ 49,738,432	\$ 49,738,432	\$ 52,489,253	\$ 47,888,909
Corporate Grants and User Fees	154,144	325,484	269,128	140,998	1,437,547
Food Sales	609,409	659,306	679,755	562,845	52,802
Earnings on Investments	107,323	250,082	1,492,874	1,563,833	104,841
Other Local Revenue	947,669	921,974	784,704	878,127	1,635,819
<b>Total All Other Government Funds</b>	<b>\$ 50,056,977</b>	<b>\$ 51,895,278</b>	<b>\$ 52,964,893</b>	<b>\$ 55,635,056</b>	<b>\$ 51,119,918</b>
<b>Total Revenue</b>	<b>\$ 157,695,128</b>	<b>\$ 157,765,433</b>	<b>\$ 162,213,858</b>	<b>\$ 165,422,660</b>	<b>\$ 161,156,418</b>



TABLE VI

## KENAI PENINSULA BOROUGH SCHOOL DISTRICT

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

	FISCAL YEAR				
	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Expenditures:					
Instruction	\$ 70,705,651	\$ 73,540,692	\$ 75,303,404	\$ 153,282,907	\$ 68,954,024
Special Education - Instruction	19,969,419	21,697,320	21,824,017	39,901,135	22,477,371
Special Education Support Services - Students	5,614,026	6,106,612	5,964,489	12,031,526	5,523,880
Support Services - Students	4,313,204	4,741,625	4,966,685	8,417,273	4,829,934
Support Services - Instruction	3,503,879	3,495,584	3,771,683	6,436,525	3,355,331
School Administration	6,674,487	7,279,767	7,853,319	16,635,574	6,319,716
School Administration Support Services	4,579,314	4,804,920	4,961,926	6,000,353	5,648,777
District Administration	1,060,774	1,132,748	1,261,255	1,673,515	1,266,201
District Administration Support Services	6,954,273	6,121,508	6,241,343	7,198,837	6,367,538
Operations and Maintenance of Plant	22,839,229	21,442,833	23,177,075	24,591,509	22,221,887
Student Activities	2,194,608	2,211,478	3,020,149	3,983,318	2,048,424
Community Services	64,493	48,786	40,621	38,992	39,961
Student Transportation	6,092,404	7,473,969	7,343,482	7,908,357	7,994,914
Food Service	3,870,392	4,203,218	4,450,876	4,450,480	4,226,122
Total Expenditures	<u>\$ 158,436,153</u>	<u>\$ 164,301,060</u>	<u>\$ 170,180,324</u>	<u>\$ 292,550,301</u>	<u>\$ 161,274,080</u>

TABLE VI

	FISCAL YEAR				
	2016-2017	2017-2018	2018-2019	2019-2020	2020-21
Expenditures:					
Instruction	\$ 67,655,239	\$ 67,188,905	\$ 67,024,532	\$ 68,817,268	\$ 72,782,350
Special Education - Instruction	23,002,905	22,952,720	23,736,518	22,618,979	23,296,772
Special Education Support Services - Students	5,632,611	5,777,098	6,000,380	6,110,763	6,181,743
Support Services - Students	4,685,499	4,730,603	4,883,252	4,818,413	4,739,222
Support Services - Instruction	2,946,476	3,023,218	3,537,303	3,697,839	3,511,325
School Administration	6,102,965	6,364,237	6,285,566	6,675,931	6,550,269
School Administration Support Services	5,366,431	5,179,450	5,133,027	5,172,167	5,203,767
District Administration	1,246,047	1,290,042	1,352,816	1,277,546	1,456,814
District Administration Support Services	6,091,360	6,140,335	6,347,487	7,187,123	6,884,632
Operations and Maintenance of Plant	22,230,492	21,174,774	21,578,924	21,955,037	21,093,960
Student Activities	2,208,189	2,139,986	2,013,423	1,625,539	3,963,938
Community Services	21,330	9,642	71,736	53,374	34,404
Student Transportation	8,182,675	7,747,867	7,956,192	7,983,297	6,374,117
Food Service	4,017,147	3,936,325	3,752,317	4,077,047	3,487,155
Total Expenditures	<u>\$ 159,389,366</u>	<u>\$ 157,655,202</u>	<u>\$ 159,673,473</u>	<u>\$ 162,070,323</u>	<u>\$ 165,560,468</u>

TABLE VII

## KENAI PENINSULA BOROUGH SCHOOL DISTRICT

**OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCE  
LAST TEN FISCAL YEARS  
(Unaudited)**

	FISCAL YEAR				
	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Excess of revenues over (under) expenditures	\$ (3,027,145)	\$ (928,187)	\$ (2,098,961)	\$ (1,576,969)	\$ (1,237,746)
Other Financing Sources (Uses):					
Transfers In	675,000	816,836	1,424,759	1,300,000	1,200,000
Transfers Out	(1,564,250)	(816,836)	(1,424,759)	(1,300,000)	(1,200,000)
Total other financing sources (Uses)	(889,250)	-	-	-	-
Net Change in fund balances	\$ (3,916,395)	\$ (928,187)	\$ (2,098,961)	\$ (1,576,969)	\$ (1,237,746)

**TABLE VII**

	FISCAL YEAR				
	2016-2017	2017-2018	2018-2019	2019-2020	2020-21
Excess of revenues over (under) expenditures	\$ (1,694,238)	\$ 110,231	\$ 2,540,385	\$ 3,352,337	\$ (4,404,050)
Other Financing Sources (Uses):					
Transfers In	1,755,072	850,000	750,000	864,420	695,000
Transfers Out	(1,755,072)	(850,000)	(750,000)	(864,420)	(695,000)
Total other financing sources (Uses)	-	-	-	-	-
Net Change in fund balances	\$ (1,694,238)	\$ 110,231	\$ 2,540,385	\$ 3,352,337	\$ (4,404,050)

**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			
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%
2014-15	6,330,106	1,142,158	324,853	826,802	32,999	6,937,316	4.50	88.97%
2015-16	6,625,363	1,224,525	339,478	876,982	33,986	7,278,398	4.50	88.88%
2016-17	6,915,818	1,467,353	368,985	902,055	34,392	7,815,709	4.50	89.30%
2017-18	7,315,913	1,468,600	361,549	971,773	33,844	8,140,448	4.50	89.00%
2018-19	7,355,511	1,518,606	358,789	1,008,085	34,792	8,190,029	4.70	88.70%
2019-20	7,606,558	1,563,998	353,177	1,055,143	34,914	8,433,676	4.70	88.55%
2020-21	7,762,088	1,493,429	358,947	1,094,461	35,444	8,484,559	4.70	88.25%

This information was obtained from the Kenai Peninsula Borough.

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

**TABLE IX**

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

TAX RATE (MILLS)							
Fiscal Year	Borough	City of Homer	City of Kenai	City of Seldovia	City of Seward	City of Kachemak*	City of Soldotna
2011-12	4.50	4.50	3.85	4.60	3.12	1.00	0.65
2012-13	4.50	4.50	3.85	4.60	3.12	1.00	0.65
2013-14	4.50	4.50	4.35	4.60	3.12	1.00	0.50
2014-15	4.50	4.50	4.35	4.60	3.12	1.00	0.50
2015-16	4.50	4.50	4.35	4.60	3.12	1.00	0.50
2016-17	4.50	4.50	4.35	4.00	3.12	1.00	0.50
2017-18	4.50	4.50	4.35	4.00	3.12	1.00	0.50
2018-19	4.70	4.50	4.35	7.50	3.84	1.00	0.50
2019-20	4.70	4.50	4.35	7.50	3.84	1.00	0.50
2020-21	4.70	4.50	4.35	7.50	3.84	2.00	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 maybe paid in two equal installments. If the taxpayer electes this option, the first on-half of the taxes payable must be paid on or before September 15. The second one-half taxes them 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.

This information was obtained from the Kenai Peninsula Borough.

\* Real Property Tax

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**June 30, 2021**  
**(Unaudited)**

**TABLE X**

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value (1)	Rank	Percentage of Total Taxable Assessed Value
Hilcorp Alaska, LLC	\$ 871,702,280	1	10.27%	\$ -	-	-
Tesoro Alaska	198,226,623	2	2.34%	321,276,064	1	4.84%
Harvest Alaska	191,459,960	3	2.26%			
Bluecrest Energy, Inc	135,632,260	4	1.60%			
Cook Inlet Natural Gas Storage Alaska, LLC	100,281,225	5	1.18%			
Furie Operating Alaska, LLC	96,097,570	6	1.13%			
Alaska Pipeline	70,236,131	7	0.83%	23,538,862	9	0.35%
Cook Inlet Energy	67,171,790	8	0.79%			
ACS	60,238,564	9	0.71%	83,432,332	5	1.26%
Enstar Natural Gass	47,669,663	10	0.56%			
Unocal	-			195,968,980	2	2.95%
ConocoPhillips	-			179,561,870	3	2.71%
Marathon Oil	-			138,887,280	4	2.09%
XTO Energy, INC.	-			51,626,800	6	0.78%
Kenai Kachemak Pipeline	-			28,577,530	7	0.43%
Wal-Mart Real Estate Business	-			27,056,400	8	0.41%
BP Exploration Alaska, INC.	-			23,297,413	10	0.35%
Totals	<u>\$ 1,838,716,066</u>		<u>21.67%</u>	<u>\$ 1,073,223,531</u>		<u>16.18%</u>

This information obtained from the Kenai Peninsula Borough.

Total Assessed value based on total tax levy for FY2019 and FY2009 respectively.

\$ 8,484,559,000

\$ 6,633,241,000

**TABLE XI**

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT**

**PRINCIPAL EMPLOYERS**

**June 30, 2021**

**(Unaudited)**

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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

TABLE XII

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
2011-12	30,419,493	29,946,804	98.446%	467,436	30,414,240	99.983%
2012-13	30,823,497	30,382,636	98.570%	432,510	30,815,146	99.973%
2013-14	31,750,392	31,332,596	98.684%	408,584	31,741,180	99.971%
2014-15	31,685,014	31,142,025	98.286%	533,148	31,675,173	99.969%
2015-16	33,108,951	32,410,590	97.891%	687,592	33,098,182	99.967%
2016-17	35,591,917	35,157,568	98.780%	418,511	35,576,079	99.956%
2017-18	37,068,282	36,645,827	98.860%	400,072	37,045,899	99.940%
2018-19	38,941,185	38,535,145	98.957%	365,278	38,900,423	99.895%
2019-20	40,079,402	39,607,678	98.823%	309,659	39,917,337	99.596%
2020-21	40,380,465	39,981,984	99.013%	-	39,981,984	99.013%

This information was obtained from the Kenai Peninsula Borough.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS

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**NO DEBT LIMIT IS MANDATED BY LAW**

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This information was obtained from the Kenai Peninsula Borough.

TABLE XIV

**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)**

Fiscal Year	Population*	Average Daily Membership	Total Taxable Assessed Value	Net Bonded Debt Total Primary Government	Ratio of Net Bonded Debt To Assessed Value	Net Bonded Debt Per Capita	Net Bonded Debt Per Student Capita
2011-12	56,369	8,922	6,633,241,000	33,991,568	0.51%	603	3,810
2012-13	56,756	8,886	6,716,010,000	31,178,941 **	0.46%	549	3,509
2013-14	56,862	8,756	6,960,196,000	51,231,835 **	0.74%	901	5,851
2014-15	57,147	8,826	6,937,316,000	47,734,564 **	0.69%	835	5,408
2015-16	57,763	8,788	7,278,398,000	47,599,968 **	0.65%	824	5,416
2016-17	58,060	8,785	7,815,709,000	50,506,063 **	0.65%	870	5,749
2017-18	58,060	8,712	8,140,448,000	46,685,244 **	0.57%	804	5,359
2018-19	58,471	8,680	8,190,029,000	42,729,425 **	0.52%	731	4,923
2019-20	58,708	8,535	8,433,676,000	39,585,425 **	0.47%	674	4,638
2020-21	58,934	7,756	8,484,559,000	36,284,450 **	0.43%	616	4,678

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 Peninsula Hospital. The debt is no longer presented as debt of the Primary Government.

**TABLE XV**

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

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

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**YEAR ENDED JUNE 30, 2021**  
**(Unaudited)**

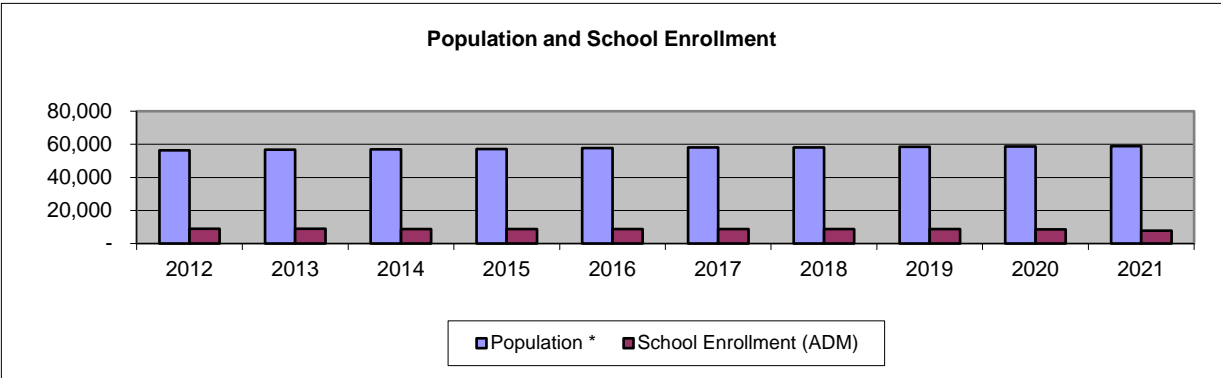
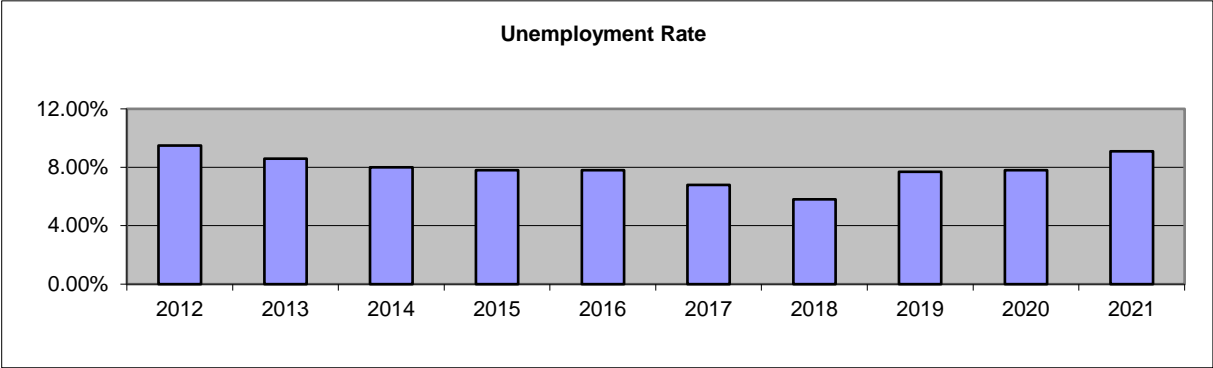


DEMOGRAPHIC DATA

Fiscal Year	Population *	Median Age **	School Enrollment (ADM)	Unemployment rate **
2012	56,369	40.6	8,922	9.50%
2013	56,756	41.4	8,886	8.60%
2014	56,862	40.0	8,756	8.00%
2015	57,147	40.5	8,826	7.80%
2016	57,763	40.0	8,788	7.80%
2017	58,060	40.6	8,785	6.80%
2018	58,024	41.4	8,712	5.80%
2019	58,471	41.4	8,680	7.70%
2020	58,708	41.8	8,535	7.80%
2021	58,934	41.8	7,756	9.10%

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)

<i>Fiscal Year</i>	<i>Instruction</i>	<i>Special Education Instruction</i>	<i>Special Education Support Svcs - Student</i>	<i>Support Services Student</i>	<i>Support Services Instruction</i>	<i>School Administration</i>	<i>School Administration Support Services</i>	<i>District Administration</i>	<i>District Administration Support Services</i>	<i>Operations and Maintenance of Plant</i>	<i>Student Activity</i>	<i>Total FTE</i>
2011-12	546.78	213.92	47.06	46.83	26.35	40.00	54.45	5.00	36.50	85.69	2.40	1,104.98
2012-13	544.23	216.08	45.21	47.71	31.62	41.18	54.38	5.00	36.50	84.88	2.24	1,109.03
2013-14	551.63	215.77	44.57	46.31	32.68	39.43	59.36	5.00	36.50	85.66	2.80	1,119.71
2014-15	547.14	213.28	46.47	45.86	30.57	39.07	56.16	5.00	38.50	85.28	2.70	1,110.03
2015-16	542.89	228.70	42.71	45.48	29.84	39.32	55.70	5.00	38.75	84.78	2.60	1,115.77
2016-17	529.60	232.13	42.80	44.41	26.77	37.67	54.99	5.00	36.25	85.23	2.60	1,097.45
2017-18	509.24	230.20	41.36	44.86	26.94	38.50	54.37	5.00	34.25	75.76	2.60	1,063.08
2018-19	518.77	222.76	43.79	45.03	15.88	38.60	69.23	5.00	31.50	74.89	2.00	1,067.45
2019-20	475.37	230.57	43.23	49.10	17.97	38.50	72.63	5.00	32.10	73.14	2.00	1,039.61
2020-21	491.47	225.42	41.73	46.76	18.26	38.50	55.81	6.05	37.92	78.14	2.00	1,042.06

This information is obtained yearly from current staffing formula tables.

TABLE XVIII

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

<i>Fiscal Year</i>	<i>Instruction</i>	<i>Special Education Instruction</i>	<i>Special Education Support Svcs Student</i>	<i>Support Services Student</i>	<i>Support Services Instruction</i>	<i>School Administration</i>	<i>School Administration Support Services</i>	<i>District Administration</i>	<i>District Administration Support Services</i>	<i>Operations and Maintenance of Plant</i>	<i>Student Activity</i>	<i>Food Service</i>	<i>Student Transportation</i>	<i>Total FTE</i>
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	1,254.64
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	1,241.52
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	1,252.09
2014-15	585.11	257.61	46.47	45.86	30.57	39.07	56.16	5.00	38.50	85.28	2.70	49.28	2.00	1,243.61
2015-16	578.59	257.88	42.71	47.73	29.84	39.32	55.70	5.00	38.75	84.78	2.60	48.59	1.75	1,233.24
2016-17	563.07	270.18	42.80	46.66	26.77	37.67	54.99	5.00	36.25	85.23	2.60	48.80	1.63	1,221.65
2017-18	543.59	271.78	41.36	47.11	26.94	38.50	54.37	5.00	34.25	75.76	2.60	45.82	1.38	1,188.46
2018-19	560.96	276.73	43.79	47.28	15.88	38.60	69.23	5.00	31.50	74.89	2.00	46.58	1.00	1,213.44
2019-20	519.84	259.22	43.23	51.55	17.97	38.50	72.63	5.00	32.10	73.14	2.00	44.63	1.00	1,160.81
2020-21	535.94	254.07	41.73	46.76	18.26	38.50	55.81	6.05	37.92	78.14	2.00	44.63	1.00	1,160.81

This information is obtained yearly from current staffing formula tables.

TABLE XIX

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

Fiscal Year	Total Operating Expenditures	Operating Expenditures Percentage Increase (Decrease) Over Previous Year	Average Daily Membership Grades K-12	Operating Expenditures Per Student Capita	Operating Expenditures Per Student Capita Percentage Increase (Decrease) Over Previous Year
2011-12	138,995,990	0.11	8,922	15,579	0.12
2012-13	145,234,534	0.04	8,886	16,345	0.05
2013-14	149,334,044	0.03	8,756	17,054	0.04
2014-15	272,731,469	0.83	8,826	30,901	0.81
2015-16	142,197,864	(0.48)	8,788	16,181	(0.48)
2016-17	141,065,303	(0.01)	8,785	16,058	(0.01)
2017-18	139,502,630	(0.01)	8,712	16,013	0.00
2018-19	140,221,259	0.01	8,680	16,155	0.01
2019-20	143,112,457	0.02	8,535	16,768	0.04
2020-21	141,877,473	(0.01)	7,756	18,293	0.09

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)**

Fiscal Year	Average Daily Membership Grades K-12	Percentage Average Daily Membership Increase (Decrease) Over Previous Year	Total Taxable Assessed Valuation	Assessed Valuation Increase (Decrease) Over Previous Year	Assessed Valuation Support Per Student Capita
2011-12	8,922	-0.62%	6,633,241,000	3.75%	743,470
2012-13	8,886	-0.40%	6,716,010,000	1.25%	755,797
2013-14	8,756	-1.46%	6,960,196,000	3.64%	794,906
2014-15	8,826	0.80%	6,937,316,000	-0.33%	786,009
2015-16	8,788	-0.43%	7,244,412,000	4.43%	824,353
2016-17	8,785	-0.03%	7,815,709,000	7.89%	889,665
2017-18	8,712	-0.83%	8,140,446,000	4.15%	934,395
2018-19	8,680	-0.37%	8,190,029,000	0.61%	943,552
2019-20	8,535	-1.67%	8,433,676,000	2.97%	988,128
2020-21	7,756	-9.13%	8,484,559,000	0.60%	1,093,935

DATE OF INCORPORATION ~ January 1, 1964

AUTHORITY OF INCORPORATION ~ State of Alaska Borough Act of 1961

AREA ~ Approximately 25,600 square miles

Type of School	Number of Schools	ADM Enrollment
High Schools	5	1,669
Middle Schools	4	883
Elementary Schools	13	2,128
Combined Elem/High School	11	531
Charter Schools	4	631
Alternative Schools	4	171
Correspondence Schools	1	1743
Total	42	7,756