

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
Comprehensive Annual Financial Report for the
Fiscal Year Ended
June 30, 2020



Soldotna, Alaska
99669
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, 2020**

Mr. John O'Brien, Superintendent of Schools

Prepared by Finance Department

**Dave Jones
Assistant Superintendent of Instructional Support**

**Elizabeth Hayes
Director of Finance**

**Jimmy Love
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

Assistant Superintendent

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October 21, 2020

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

The Comprehensive Annual Financial Report (CAFR) of the Kenai Peninsula Borough School District (District), for the fiscal year ended June 30, 2020 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 5, 2020. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2020 are free of material 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, 2020 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 (CAFR)

The District's CAFR consists of four parts:

1. The introductory section includes this transmittal letter, a list of the elected officials of the Board of Education and their offices held, a list of selected administration officials, the District's administrative organizational chart, and information on financial reporting achievements.
2. The financial section consists of the MD&A, the basic financial statements, required supplementary information, and combining and individual fund statements and schedules. The independent auditor's report is also a part of the financial section. Combining statements are presented when the District has at least one non-major fund of a given fund category. Various combining statements are also presented to demonstrate compliance with the Alaska Department of Education and Early Development's *Uniform Chart of Accounts and Account Code Descriptions for Public School Districts*.
3. The schedules section includes the schedules of state and federal financial assistance.
4. The statistical section provides mostly trend data and non-financial information useful in assessing a government's financial condition. It also includes demographic and other miscellaneous information of the District. Some tables present District data which has been combined with data provided by the Kenai Peninsula Borough (primary government) to give a consolidated overview of the District's financial status.

The Reporting Entity

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

Relationship with Kenai Peninsula Borough

Pursuant to Alaska Statute 14.12.020(c), the Kenai Peninsula Borough Assembly provides 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 58,708. Approximately 8,535 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 closures of the schools in the third quarter due to 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 was 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. Due to statewide closure of schools and a federal waiver because of Covid 19 spring of 2020, the state of Alaska did not administer PEAKS during spring of 2020

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). Due to statewide closure of schools spring 2020 because of Covid 19 KPBSD did not administer benchmark assessments spring of 2020.

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 FY20, real and personal taxable assessed values increase 2.97%, compared to FY19 which increased by 0.61%.

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 FY20 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 FY20 budgeted sales tax revenue represents about 40% of general fund revenues. Concerns of sales tax revenue due to the COVID closure will have an impact of the FY21 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 FY20 base student allocation (BSA) used in the Public-School Funding Program was unchanged at \$5,930 per student. Interest earnings came in higher than anticipated, and making some changes to staffing formulas, the District was able to increase our fund balance that will ensure we can meet the needs of structured salary and benefit increases.

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 FY20, the District was funded at a higher level than the previous two fiscal years but remained slightly below the maximum allowable. 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 (CAFR) for the fiscal year ended June 30, 2019.

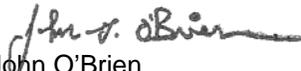
This was the twenty-ninth year the District has received this prestigious award. In order to be awarded a Certificate of Excellence, the school district must meet certain reporting criteria, and publish an easily readable and efficiently organized CAFR. This report satisfied both generally accepted accounting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

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

Acknowledgments

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

Respectfully submitted,


John O'Brien
Superintendent


Dave Jones
Assistant Superintendent

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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 (CAFR)
for the Fiscal Year Ended June 30, 2019.**

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



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

Claire Hertz, SFO
President

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

David J. Lewis
Executive Director

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2019-2020 Organizational Chart



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

Board of Education

Superintendent

**Assistant Superintendent
 Instruction**

Directors

Elementary and
 Secondary
 Education

Pupil Services

Federal Programs/
 K-12 Schools/
 Assessment

Human Resources/
 Professional
 Development

Curriculum
 Student Activities

Program Supervisors
 Intervention/Pre-K
 Coordinator
 Itinerant Specialists

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

Communications
 Liaison

**Assistant Superintendent
 Instructional Support**

Directors

Information
 Services

Planning and
 Operations

Finance

Supervisors/
 Managersg
 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

Mrs. Penny Vadla, President
Mr. Zen Kelly, Vice President
Mr. Jason Tauriainen, Clerk
Mr. Michael Illg, Treasurer
Ms. Debbie Cary, Member
Mr. Greg Madden, Member
Mrs. Virginia Morgan, Member
Mr. Matt Morse, Member
Mrs. Patti Truesdell, Member
Ms. Cameron Blackwell, Student Representative

ADMINISTRATION

Mr. John O'Brien, Superintendent of Schools
Mr. Dave Jones, Assistant Superintendent of Instructional Support

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FINANCIAL SECTION

FINANCIAL SECTION

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

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Anchorage, AK 99503

Independent Auditor's Report

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

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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



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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Kenai Peninsula Borough School District as of June 30, 2020 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 25 through 31, budgetary comparison information on pages 77 through 79, the Schedules of Net Pension Liability, and Pension Contributions, and the Schedules of Net Other Postemployment Benefits (OPEB) Liability and OPEB Contributions on pages 80 through 83 and 84 through 95, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Kenai Peninsula Borough School District's basic financial statements. The accompanying combining and individual fund financial statements, Schedule of Compliance - AS 14.17.505, Instructional Expense Percentage, 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 required parts of the basic financial statements.



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

The accompanying introductory and statistical sections, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 2020 on our consideration of Kenai Peninsula Borough School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Kenai Peninsula Borough School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Kenai Peninsula School District's internal control over financial reporting and compliance.

BDO USA, LLP

Anchorage, Alaska
October 21, 2020

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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Management's Discussion and Analysis

As management of the Kenai Peninsula Borough School District (District), we offer readers of the Kenai Peninsula Borough School District's financial statements this overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2020. 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

- There was a substantial change to the net position of the District, due to implementation of the Governmental Accounting Standards Board (GASB) Statement 68 in FY15, regarding accounting for pension plans. In FY18 GASB Statement 75 was implemented to bring Post Employment Benefits Other Than Pension (OPEB) into alignment with the GASB 68 Pension rule. It requires that OPEB be reported in the financial report of the employer (the District), even though the OPEB plan is a cost-sharing plan where the obligation to employees of more than one employer are pooled and used to pay the benefits of employees of any employer participating in the plan.
- As a result of implementation of GASB 68 and GASB 75, the net position of the District changed on paper, from \$29,738,785 as of June 30, 2014 to (\$44,135,495) as of June 30, 2020. This dramatic change in the district's net position is a result of District's calculated share of net pension liability and OPEB of (\$87,795,490).
- The District's share of the liability to employees for defined benefit pensions and OPEB was calculated by the State of Alaska Department of Administration using actuarial valuations of the total pension and OPEB liability and projections of benefit payments, including adjustments to pensions for various reasons, such as cost-of-living-adjustments.
- As of June 30, 2020, the District's governmental funds reported combined ending fund balances of \$25,936,165, an increase of \$3,352,337 in comparison to the prior year.
- For the third time in nine years, the District increased Fund Balance in the General Fund. This was the second year the district had not planned the use of Fund Balance. The increase in interest earnings over budgeted and the COVID19 pandemic, which decreased our expenditures for substitutes and extra-curricular contract payments, contributed in the increase in fund Balance by \$3,506,151.
- At the end of the current fiscal year, nonexempt fund balance for the General Fund was \$13,692,849 which is 9.63% of current year expenditures, as compared to 9.18% at the end of FY19. This amount is in compliance with Alaska Statute, AS 14.17.505, which states a district may not accumulate in a fiscal year a non-exempt portion of its year-end fund balance greater than 10% of its expenditures for that fiscal year. Of this \$13,692,849 non-exempt fund balance, about 12% or \$1,677,222 is unassigned fund balance and available for spending. This is a decrease of unassigned fund balance of \$2,252,663 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 FY19 was \$1,682,409 and at the end of FY20 it is \$1,142,463, a decrease of \$539,946 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 and the intent of the implementation of GASB 68 and GASB 75 is to improve the usefulness of information in the financial reports by recognizing the entire net pension liability of the District. The changes in the Statement of Net Position are intended to improve information about pensions provided by all state

and local governmental employers and about financial support for pensions provided by other entities. In our case, this means the state's on-behalf contributions to the retirement system.

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 Activities also recognizes the reductions to revenues and expenditures due to implementation of GASB 68 and GASB 75 and recognition of the net pension liability and OPEB.

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 31 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 28 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.

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

The basic fiduciary fund financial statement can be found on page 45 of this report.

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

The notes to the financial statements can be found on pages 49-74 of this report.

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

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

- ESEA Program
- Individuals with Disabilities in Education (IDEA) Part B Compliance Monitoring:
 - State Performance Plan
 - Annual Performance Report
- Intensive Needs Funding Claims Review

The combining and individual fund statements referred to earlier in connection with nonmajor governmental funds can be found on pages 122-168.

Governmental-wide Financial Analysis

For the second year in a row, the District was able in increase fund balance. The increase in FY20, was a result of higher interest earnings over budgeted and reductions in expenditures, such as substitutes and temporary employees due to COVID-19 closure of all schools for the fourth quarter. 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 Employee Retirement System (PERS) and the Teachers Retirement System (TRS) to help pay down the unfunded liabilities in those retirement accounts.

As noted earlier, the increase or decrease in net position over time may serve as a useful indicator of a government's financial position. In the case of the District, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$44,135,495 on June 30, 2020 compared to \$64,725,882 on June 30, 2019, which was a decrease in the deficit of the total net position of \$20,590,387. This dramatic shift was a direct result of the implementation of GASB 68 and GASB 75. Use of fund balance is part of the District's strategy to sustain current programs and staffing levels and provide the best possible educational experience for District students.

**Net Position
Governmental Activities**

	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Current and Other Assets	\$ 47,497,852	\$ 41,890,543
Non-Current Assets	4,773,890	-
Capital Assets	2,429,784	2,439,439
Total Assets	<u>54,701,526</u>	<u>44,329,982</u>
Deferred Outflows - Pension related	12,719,918	16,845,740
Total Assets and Deferred Outflows	<u>67,421,444</u>	<u>61,175,722</u>
Current and Other Liabilities	13,271,528	14,957,114
Long-term Liabilities	90,857,267	102,437,422
Total Liabilities	<u>104,128,795</u>	<u>117,394,536</u>
Deferred Inflows - Pension related	7,428,144	8,507,068
Total Liabilities and Deferred Inflows	<u>111,556,939</u>	<u>125,901,604</u>
Net Position		
Net Investment in Capital Assets	2,429,784	2,439,439
Restricted	2,016,374	3,267,336
Unrestricted	(48,581,653)	(70,432,657)
Total Net Poistion	<u>\$ (44,135,495)</u>	<u>\$ (64,725,882)</u>

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

**Changes in Net Position
Governmental Activities**

	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Revenues:		
Program revenues		
Charges for Services	\$584,617	\$717,010
Operating Grants and Contributions	18,219,435	19,133,664
General Revenues		
Public School Funding Program	79,060,074	79,299,353
Retirement: On-Behalf Payments	7,913,428	4,121,405
State of Alaska Supplemental	2,105,854	1,389,955
Medicaid Reimbursement	146,948	195,558
E-Rate Program	648,931	613,575
Borough Appropriation	52,489,253	49,738,432
Earnings on Investments	1,203,960	1,153,016
Other Local Revenue	<u>228,456</u>	<u>169,505</u>
Total Revenues	<u>143,796,904</u>	<u>156,531,473</u>
Expenses:		
Instruction	57,388,072	60,897,420
Special Education - Instruction	19,604,059	21,539,750
Special Education Support Services - Student	5,176,632	5,444,428
Support Services – Student	4,101,863	4,430,806
Support Services - Instruction	3,192,768	3,153,296
School Administration	5,356,059	5,704,211
School Administration Support Services	4,872,619	4,695,858
District Administration	1,174,133	1,200,909
District Administration Support Services	6,607,614	5,846,366
Operations and Maintenance of Plant	21,228,709	19,648,660
Student Activities	1,467,417	1,884,164
Student Transportation Services	7,796,876	7,951,356
Community Services	50,209	71,692
Food Services	<u>3,993,539</u>	<u>3,752,004</u>
Total Expenses	<u>142,010,569</u>	<u>146,220,920</u>
Change in Net Position	<u>20,590,387</u>	<u>10,310,553</u>
Beginning Net Position as of July 1	<u>(64,725,882)</u>	<u>(75,036,435)</u>
Ending Net Position as of June 30	<u>(\$44,135,495)</u>	<u>(\$64,725,882)</u>

Prior to FY15, the change in total net position varied from year to year, but by relatively small amounts. For example, the change from FY14 to FY15 was about 4%. The change in total net position from FY14 to FY20 is over to \$88M, due to the change in reporting required by GASB 68 and GASB 75. The total net position of the District now includes the District's calculated share of net pension liability and OPEB for the defined benefit pension plans that some District employees are eligible to participate in.

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 \$19,847,930. Of that amount, nonspendable fund balance totaled \$2,427,700, committed fund balance totaled \$4,366,075, restricted fund balance was \$2,016,374, assigned fund balance totaled \$9,360,559 and unassigned was \$1,677,222. This is a decrease for unassigned fund balance of \$2,252,663 from the prior year. The fund balance in the general fund increased \$3,506,151 from the prior year.

For the last several years, both the Title I Fund and the Equipment Fund have been designated as Major Funds. Over \$3.0 million, or 78% 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 23.5 FTE for certified employees and about 4 FTE for support employees paid from Title I grant funds. Equipment Fund expenditures in the amount of \$267,668 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 FY20 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.
- Closed the Soldotna Prep school.
- Increased High School PTR +5.
- Reduction of school supply budgets by 10% district wide.
- Eliminate extra-curricular state travel budgets
- Transfer to Food Service in the amount of \$864,420 to cover costs of the implementation of new Federal regulations, increased salary and benefit costs and increased food costs.

FY20 Budget Revisions approved by the Board of Education included:

- Increase in expenditures for Charter schools based on enrollment.
- Increase 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 FY20 Average Daily Membership (ADM) or student count.

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

Capital Assets

The District's investment in capital assets for its governmental activities as of June 30, 2020 amounts to \$2,429,784 (net of accumulated depreciation) compared to \$2,439,439 as of June 30, 2019. The investment in capital assets includes furniture and equipment. Additional information on the District's capital assets can be found in note 4.

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

In setting the budgets for FY20, 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 FY20 a review of all expenditures was conducted with the Board of Education, through that review budget cuts totaling \$2,001,715 were implemented. Included was an increase to the High School PTR of +5, resulting in the reduction of 15 FTE teachers. We also consolidated the Soldotna Prep School, that housed 9th graders, into Soldotna High making that a 9-12 school, saving the district an estimated \$631,409.
- 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 FY20 local funding was passed by the Borough Assembly with an increase in the amount of \$2,773,659 over the FY19 funding level of \$49,738,432 for a total of \$52,512,091. This increase in Borough Funding is \$25,000 below the maximum allowable.
- In 2018, the State of Alaska Legislature approved one-time supplemental funding for FY19 and FY20.
- Concerns about reduced enrollment and the associated reduction in revenue is a major concern for FY20. 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

- For the first time in eight years, the beginning FY20 budget does not reflect a deficit in revenue, so no planned use of fund balance is planned. Subsequent to the approval of the FY20 budget, we have completed negotiations with our teachers and support staff bargaining units, that will increase the expenditure budget. With the approval of the new contracts, we anticipate having to use a large amount of the unassigned fund balance. 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 Employee 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 FY20.
- 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 no deficit in revenue. The actual result for FY20 resulted in an increase in fund balance for the second time in nine years.
- A high-quality operational maintenance program that ensures the continued use and economic value of borough facilities.

COVID-19

In March of 2020, all schools in the State of Alaska, by State Health Mandate 008, were closed to in person learning, and the education of our students was to be done via virtual or remote learning activities. This shift from the traditional learning model happened quickly and as we adjusted to the new way of teaching our students it became apparent that COVID-19 was going to require additional resources to address the unknown needs during a pandemic. We began the process of analyzing what those needs would be when we were able to open our doors to in-person learning. Some of the needs were personal protection equipment, additional cleaning supplies, substitutes, bussing needs, serving meals, and ensuring that our most vulnerable population needs were met. The CARES act funding will help us address those needs. The grant for our district was \$2,295,953 and we felt the funding would be needed in FY21 and made the decision to defer the funds until July 1, 2020.

Request for information

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

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BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements:

Statement of Net Position

Statement of Activities

Fund Financial Statements:

Balance Sheet, Governmental Funds

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

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

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

Statement of Net Position – Internal Service Fund

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

Statement of Cash Flows – Internal Service Fund

Student Activity Agency Fund, Statement of Fiduciary Assets and Liabilities

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KENAI PENINSULA BOROUGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
June 30, 2020

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

Current Assets:	
Cash	\$ 11,945
Equity in Central Treasury	38,690,086
Equity in Central Treasury - Restricted for Health Care	3,318,306
Accounts Receivable	154,027
Due from Other Governments	2,650,634
Prepays	1,623,559
Inventories	1,049,295
	47,497,852
Total Current Assets	
Noncurrent Assets:	
Net OPEB Assets	4,773,890
	4,773,890
Total Noncurrent Assets	
Capital Assets:	
Furniture and Equipment	9,946,997
Less Accumulated Depreciation	(7,517,213)
	2,429,784
Capital Assets - Net of Accumulated Depreciation	
Total Capital Assets	
Deferred Outflows of Resources - pension/OPEB related	
	12,719,918
Total Assets and Deferred Outflows of Resources	
	67,421,444

LIABILITIES AND DEFERRED INFLOWS OF RESOURCES

Current Liabilities:	
Accounts Payable	936,719
Accrued Liabilities	7,538,917
Health Claims payable - IBNR	3,342,000
Other Health Care Liabilities	1,406,512
Compensated Absences	47,380
	13,271,528
Total Current Liabilities	
Noncurrent Liabilities:	
Due in more than one year:	
Compensated Absences Payable	3,061,777
Net Pension and OPEB Liabilities	87,795,490
	90,857,267
Total Noncurrent Liabilities	
Total Liabilities	
Deferred Inflows of Resources - pension/OPEB related	
	7,428,144
Total Liabilities and Deferred Inflows of Resources	
	111,556,939

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
June 30, 2020

NET POSITION

Net Investment in Capital Assets	2,429,784
Restricted for:	
Facilities Maintenance	1,142,463
Homeschool Carry Over	873,911
Unrestricted	<u>(48,581,653)</u>
Total Net Position	<u>\$ (44,135,495)</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, 2020

<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>	
Governmental activities:				
Instruction	\$ 57,388,072	\$ -	\$ 5,752,758	\$ (51,635,314)
Special Education - Instruction	19,604,059	-	1,454,674	(18,149,385)
Special Education Support Services - Students	5,176,632	-	-	(5,176,632)
Support Services - Students	4,101,863	-	17,120	(4,084,743)
Support Services - Instruction	3,192,768	-	57,588	(3,135,180)
School Administration	5,356,059	-	7,414	(5,348,645)
School Administration Support Services	4,872,619	-	6,115	(4,866,504)
District Administration	1,174,133	-	-	(1,174,133)
District Administration Support Services	6,607,614	-	259,011	(6,348,603)
Operations and Maintenance of Plant	21,228,709	-	208,255	(21,020,454)
Student Activities	1,467,417	-	8,796	(1,458,621)
Community Services	50,209	21,772	-	(28,437)
Student Transportation - To and From School	7,796,876	-	7,801,442	4,566
Food Service	3,993,539	562,845	2,646,262	(784,432)
Total governmental activities	<u>\$ 142,010,569</u>	<u>\$ 584,617</u>	<u>\$ 18,219,435</u>	<u>\$ (123,206,517)</u>

General revenues:

Grants and contributions not restricted to specific programs:

Borough direct appropriation	52,489,253
Public School Funding Program	79,060,074
State of Alaska Supplemental	2,105,854
Retirement: On-behalf Payments	7,913,428
Earnings on Investments	1,203,960
E-Rate Program	648,931
Medicaid Reimbursement	146,948
Other Local Revenue	228,456
Total general revenues	<u>143,796,904</u>
Change in net position	<u>20,590,387</u>
Net position, beginning of year	<u>(64,725,882)</u>
Net position, end of year	<u>\$ (44,135,495)</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, 2020

	Major Funds			Non-Major Funds	Total Governmental Funds
	General	Equipment	Title I	Other Governmental	
<u>ASSETS</u>					
Assets:					
Cash	\$ 11,945	\$ -	\$ -	\$ -	\$ 11,945
Equity in Central Treasury	23,207,507	3,456,219	-	2,258,615	28,922,341
Accounts Receivable	154,027	-	-	-	154,027
Prepaid Items	1,623,559	-	-	-	1,623,559
Due from Other Governments	-	-	1,683,581	967,053	2,650,634
Due from Special Revenue Funds	2,518,741	-	-	-	2,518,741
Inventories	804,141	-	-	245,154	1,049,295
Total Assets	<u>\$ 28,319,920</u>	<u>\$ 3,456,219</u>	<u>\$ 1,683,581</u>	<u>\$ 3,470,822</u>	<u>\$ 36,930,542</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts Payable	\$ 933,073	\$ -	\$ -	\$ 3,646	\$ 936,719
Accrued Liabilities	7,538,917	-	-	-	7,538,917
Due to General Fund	-	-	1,683,581	835,160	2,518,741
Total Liabilities	<u>8,471,990</u>	<u>-</u>	<u>1,683,581</u>	<u>838,806</u>	<u>10,994,377</u>
Fund Balances:					
Nonspendable:					
Inventories	804,141	-	-	245,154	1,049,295
Prepaid Items	1,623,559	-	-	-	1,623,559
Restricted for:					
Home School Carry-over	873,911	-	-	-	873,911
Facilities Maintenance	1,142,463	-	-	-	1,142,463
Special Revenue Funds	-	-	-	1,264,106	1,264,106
Committed:					
Minimum Fund Balance Policy	4,366,075	-	-	-	4,366,075
Equipment Fund	-	3,456,219	-	-	3,456,219
Student Nutrition Services	-	-	-	1,130,630	1,130,630
Community Theater	-	-	-	37,102	37,102
Assigned to:					
School Incentive Purchases	715,705	-	-	-	715,705
Property, Casualty, and Liability Insurance	750,000	-	-	-	750,000
Professional - Technical Services	407,021	-	-	-	407,021
Utility Services	45,404	-	-	-	45,404
Purchased Services	7,793	-	-	-	7,793
Supplies	351,571	-	-	-	351,571
Other Expenses	1,174,349	-	-	-	1,174,349
Equipment	117,332	-	-	-	117,332
Subsequent Year Operations	5,791,384	-	-	-	5,791,384
Unassigned	<u>1,677,222</u>	<u>-</u>	<u>-</u>	<u>(44,976)</u>	<u>1,632,246</u>
Total Fund Balances	<u>19,847,930</u>	<u>3,456,219</u>	<u>-</u>	<u>2,632,016</u>	<u>25,936,165</u>
Total Liabilities and Fund Balances	<u>\$ 28,319,920</u>	<u>\$ 3,456,219</u>	<u>\$ 1,683,581</u>	<u>\$ 3,470,822</u>	<u>\$ 36,930,542</u>

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, 2020

Fund balances – total governmental funds \$ 25,936,165

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

The cost of capital assets (furniture and equipment) purchased is reported as an expenditure in governmental funds. The statement of net position includes those capital assets among the assets of the School District as a whole. The cost of those capital assets is allocated over their useful lives (as depreciation expense) to the various functions reported as governmental activities in the statement of activities.

Cost of capital assets	\$ 9,946,997	
Accumulated depreciation to date	<u>(7,517,213)</u>	
		2,429,784

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. 5,228,382

The PERS/TRS OPEB plan has been funding in excess of required contributions. This asset is not a Financial resource and therefore it is not reported in the funds. 4,773,890

Other Long-term liabilities not due and payable in the current period, and therefore not reported in the funds:
Due in more than one year:
Net Pension and OPEB Liabilities (87,795,490)

Certain changes in net pension liabilities and not OPEB liabilities are deferred rather than recognized immediately. These items are amortized over time.

Deferred outflows of resources for pensions	7,207,933
Deferred inflows of resources for pensions	(3,223,943)
Deferred outflows of resources for OPEB	5,511,985
Deferred inflows of resources for OPEB	<u>(4,204,201)</u>

Net position (\$44,135,495)

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, 2020

	Major Funds			Non-Major Funds	Total Governmental Funds
	General	Equipment	Title I	Other Governmental	
Revenues:					
Local	\$ 52,489,253	\$ -	\$ -	\$ -	\$ 52,489,253
State	91,901,060	-	-	8,114,848	100,015,908
Federal-Direct	-	-	-	399,754	399,754
Federal-Through the State	146,948	-	4,597,390	4,627,604	9,371,942
Earnings on Investments	1,203,960	359,873	-	-	1,563,833
E-Rate	648,931	-	-	-	648,931
Food Sales	-	-	-	562,845	562,845
Corporate Grants and User Fees	-	-	-	140,998	140,998
Other Local Revenues	228,456	-	-	740	229,196
Total Revenues	146,618,608	359,873	4,597,390	13,846,789	165,422,660
Expenditures - Current:					
Instruction	63,157,217	45,732	4,446,817	1,167,502	68,817,268
Special Education - Instruction	21,164,305	-	-	1,454,674	22,618,979
Special Education Support Services - Students	6,110,763	-	-	-	6,110,763
Support Services - Students	4,801,293	6,267	-	10,388	4,817,948
Support Services - Instruction	3,634,751	-	-	63,088	3,697,839
School Administration	6,675,931	-	-	-	6,675,931
School Administration Support Services	5,156,499	7,414	-	8,254	5,172,167
District Administration	1,277,546	-	-	-	1,277,546
District Administration Support Services	6,928,112	-	150,573	108,903	7,187,588
Operations and Maintenance of Plant	21,746,782	208,255	-	-	21,955,037
Student Activities	1,594,838	-	-	30,701	1,625,539
Community Services	-	-	-	53,374	53,374
Student Transportation- To and From School	-	-	-	7,983,297	7,983,297
Food Service	-	-	-	4,077,047	4,077,047
Total Expenditures	142,248,037	267,668	4,597,390	14,957,228	162,070,323
Excess (Deficiency) of Revenues Over Expenditures	4,370,571	92,205	-	(1,110,439)	3,352,337
Other Financing Sources (Uses):					
Transfers In	-	-	-	864,420	864,420
Transfers Out	(864,420)	-	-	-	(864,420)
Total Other Financing Sources (Uses)	(864,420)	-	-	864,420	-
Net Change in Fund Balances	3,506,151	92,205	-	(246,019)	3,352,337
Fund Balances, Beginning of Year	16,341,779	3,364,014	-	2,878,035	22,583,828
Fund Balances, End of Year	\$ 19,847,930	\$ 3,456,219	\$ -	\$ 2,632,016	\$ 25,936,165

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, 2020

Net change in fund balances – total governmental funds \$ 3,352,337

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 depreciation exceeded equipment purchases
in the current period.

Equipment purchases	\$ 637,504	
Current depreciation expense	<u>(630,829)</u>	6,675

Loss on retirement of assets		(16,330)
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Internal service funds are used by management to charge the costs of health care to individual funds. Change in net position is reported with governmental activities.		3,784,556
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Changes related to net pension obligation, net OPEB obligation and related accounts can increase or decrease net pension and OPEB liabilities. This is the net decrease in equity due to changes in net position and OPEB obligations and related deferred inflows and outflows.		<u>13,463,149</u>
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Change in net position		<u>\$20,590,387</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, 2020

	<u>Internal Service Funds</u>
<u>ASSETS</u>	
Equity in Central Treasury	\$ 9,767,745
Equity in Central Treasury - Restricted for Healthcare	<u>3,318,306</u>
Total assets	<u><u>\$ 13,086,051</u></u>
<u>LIABILITIES</u>	
Current Liabilities:	
Health Claims Payable (IBNR)	\$ 3,342,000
Contributions Collected from Employees in Excess of Negotiated Agreement	1,406,512
Compensated Absences	<u>47,380</u>
Total Current Liabilities	4,795,892
Noncurrent Liabilities:	
Compensated Absences, Net of Current Portion	<u>3,061,777</u>
Total Liabilities	<u><u>\$ 7,857,669</u></u>
<u>NET POSITION</u>	
Net Position - Unrestricted	<u>5,228,382</u>
Total Net Position	<u><u>\$ 5,228,382</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, 2020

	<u>Internal Service Funds</u>
Operating Revenues:	
Charges to Other Funds	\$ 2,005,638
Employer Contributions	25,970,421
Employee Contributions, Net of adjustment per negotiated agreement	<u>3,180,970</u>
 Total Operating Revenues	 <u>31,157,029</u>
Operating Expenses:	
Administrative Services	2,005,638
Healthcare Claims and Administrative Fees	<u>25,478,697</u>
 Total operating expenses	 <u>27,484,335</u>
 Operating income (loss)	 <u>3,672,694</u>
 Nonoperating Revenues - Interest Income	 <u>111,862</u>
 Increase in Net Position	 3,784,556
 Total Net Position, Beginning of Year	 <u>1,443,826</u>
 Total Net Position, End of Year	 <u><u>\$ 5,228,382</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, 2020

	<u>Internal Service Funds</u>
Cash flows from operating activities:	
Payments for interfund services provided	\$ 2,005,638
Payments to employees	(1,864,089)
Receipts from employer - current year contributions	24,321,948
Receipts from employees - current year contributions	4,506,230
Payments for claims and services	(25,831,894)
Net cash flow from operating activities	<u>3,137,833</u>
 Cash flows from investing activities - interest income received	 <u>111,862</u>
 Net increase in cash and cash equivalents	 <u>3,249,695</u>
 Cash and cash equivalents, beginning of year	 <u>9,836,356</u>
 Cash and cash equivalents, end of year	 <u>\$ 13,086,051</u>
 Reconciliation of operating income to net cash from operating activities:	
Operating income	\$ 3,672,694
Decrease in compensated absences payable	141,549
Decrease in Health care payable	(353,197)
Contributions collected from employees in excess of negotiated agreement	(323,213)
 Net cash from operating activities	 <u>\$ 3,137,833</u>

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 STUDENT ACTIVITY AGENCY FUND
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
 June 30, 2020

	Student Activity Agency Fund
Assets:	
Equity in Central Treasury	\$ 3,291,419
Cash	25,896
Accounts Receivable	9,364
Total Assets	\$ 3,326,679
Liabilities:	
Amounts Due to Student Groups	3,326,679
Total Liabilities	\$ 3,326,679

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

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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, 2020

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, 2020, the School District recorded in-kind services provided by the Borough for school operations as follows:

Custodial	\$ 109,747
Utilities	74,069
Maintenance	8,338,586
Insurance	2,970,178
Audit	<u>95,790</u>
	<u>\$ 11,588,370</u>

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. The agency fund reports only assets and liabilities and, as such, cannot be said to have a measurement focus. Agency funds do, however, use the accrual basis of accounting to recognize receivables and payables. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements.

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

absences, health care reserve and claims and judgments, are recorded only when payment is due. Prepaid expenditures are reported on the consumption method, meaning an expenditure is reported during the period it is consumed.

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

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

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

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

Additionally, the School District reports the following fund types:

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

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

Fund Accounting

The accounts of the School District are organized on the basis of funds. A fund is considered a separate set of self-balancing accounts comprised of assets, liabilities, fund balance, revenues and expenditures for transactions related to certain district functions or activities. Fund balance represents the excess of assets over liabilities. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate fund types.

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

General Fund - The general School District activities are recorded in the General Fund. The revenues of the General Fund are derived primarily from allocations received from the State of Alaska, the Kenai Peninsula Borough, and the United States government. Primary expenditures in the general fund are made for student instruction, operation of plant and administration.

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

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

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

Government-wide Financial Statements

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

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

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets (net of accumulated depreciation) reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on use, either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws, or regulations of other governments.

Budgets

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

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

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

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

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

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

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

Due to the low price of oil in the past 6 years, the State of Alaska revenues have dropped dramatically. The State of Alaska relies on oil for about 90% of their budget. The legislature completed their work and funded education at the same level as FY19 using reserves. We developed our budget with no increase to the base student allocations (BSA). The amount of funding by the Borough for FY20 was \$52,489,253 which was \$2,750,821 over FY19.

The FY20 budget was developed and approved with an estimated enrollment of 8,681 students.

The FY20 General Fund budget amendments are detailed as follows:

Kenai Peninsula Borough School District FY20 Revenue Budget and Planned Use of Fund Balance Change - General Fund				
Revenue Source	7/1/2019 KPBSD Original Budget	1/13/2020 KPBSD Budget Revision	6/1/2020 KPBSD Budget Revision	KPBSD Final Budget
Borough In-Kind	\$ 11,048,424	\$ -	\$ -	\$ 11,048,424
Borough Appropriation	41,463,667	-	(22,838)	41,440,829
Earnings on Investments	300,000	-	-	300,000
E-Rate	700,000	-	-	700,000
Miscellaneous	180,000	-	-	180,000
Total Local Revenue	53,692,091	-	(22,838)	53,669,253
Foundation Program	79,009,719	(236,393)	-	78,773,326
One-Time Funding	2,100,012	260,977	(255,135)	2,105,854
TRS On-Behalf Payment	8,862,055	-	-	8,862,055
PERS On-Behalf Payment	1,186,234	-	-	1,186,234
Quality Schools	287,358	(609)	-	286,749
Total State Revenue	91,445,378	23,975	(255,135)	91,214,218
Medicaid	225,000	-	-	225,000
Total Federal Revenue	225,000	-	-	225,000
Total General Fund Revenue	145,362,469	23,975	(277,973)	145,108,471
Planned Use of Fund Balance	-	-	-	-
Total General Fund Revenue and Planned Use of Fund Balance	\$ 145,362,469	\$ 23,975	\$ (277,973)	\$ 145,108,471

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, 2019, 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.

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

Investments are stated at fair market value.

Short Term Interfund Receivables/Payables

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

Inventories

Inventories are recorded at average cost on a first-in, first-out basis. General fund inventory consists of expendable supplies held at the central warehouse for issuance to schools or other School District locations. Food Service Fund inventory consists primarily of foodstuffs. The cost of inventory items in the School Operating Fund and Food Service Fund is included in expenditures when issued to schools from the central warehouse or issued for consumption. Land acquired for the Building Trades Project (see Note 11) 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 11. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on estimated useful lives of 5 to 20 years for furniture and equipment.

Compensated Absences

It is the School District's policy to allow employees to accumulate leave benefits which vary by 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 the 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 financial 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 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 Systems (TRS) and additions to/from PERS/TRS fiduciary net position have been determined on the same basis as they are reported by PERS/TRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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, 2020 is as follows:

	Carrying Value of Equity in Central Treasury	Due to (from) other funds	Reported Equity in Central Treasury
General Fund	\$ 23,207,507	\$ (2,518,741)	\$ 20,688,766
Equipment Fund	3,456,219	-	3,456,219
Title I Fund	-	1,683,581	1,683,581
Other Governmental Funds	2,258,615	835,160	3,093,775
Internal Service Fund	<u>13,086,051</u>	-	<u>13,086,051</u>
Governmental Fund Total	<u>\$ 42,008,392</u>	<u>\$ -</u>	<u>\$ 42,008,392</u>
Agency Fund	<u>\$ 3,291,419</u>	<u>\$ -</u>	<u>\$ 3,291,419</u>

NOTE 3 - RECEIVABLES

Receivables at June 30, 2020, consist of the following:

	General Fund	Special Revenue Funds	Total
Accounts Receivable	\$ 154,027	\$ -	\$ 154,027
Intergovernmental:			
Major Special Revenue:			
Federal – Through the State – Title I	-	1,683,581	1,683,581
Non-Major Special Revenue:			
State	-	26,303	26,303
Federal – Through the State	-	790,968	790,968
Federal – Direct	-	149,782	149,782
Total Receivables	<u>\$ 154,027</u>	<u>\$ 2,650,634</u>	<u>\$ 2,804,661</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, 2020, were as follows:

Governmental activities:	July 1, 2019 Balance	Additions	Deletions	June 30, 2020 Balance
Furniture and equipment	\$ 9,496,888	\$ 637,504	\$ (187,395)	\$ 9,946,997
Less accumulated depreciation for furniture and equipment	<u>(7,057,449)</u>	<u>(630,829)</u>	<u>171,065</u>	<u>(7,517,213)</u>
Governmental activities capital assets, net	<u>\$ 2,439,439</u>	<u>\$ 6,675</u>	<u>\$ (16,330)</u>	<u>\$ 2,429,784</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 225,139
Special education instruction	1,843
Support services instruction	2,581
School administration	255
School administration support services	38,421
District administration	2,995
District administration support services	121,680
Operations and maintenance of plant	106,174
Student activities	118,974
Food services	<u>12,767</u>
Total depreciation expense	<u>630,829</u>

Schedule of Capital Assets Depreciation Classes by Useful Life

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

NOTE 5 - LONG TERM DEBT

The School District's long-term debt as of June 30, 2020 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, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Total June 30, 2020</u>	<u>Amount due in one year</u>
Compensated Absences	\$ 2,967,608	\$ 2,005,638	\$(1,864,089)	\$ 3,109,157	\$ 47,380

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, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Total June 30, 2020</u>
Net Pension	\$84,761,550	1,819,004	-	\$86,580,554
OPEB	\$14,770,097	-	(13,555,161)	1,214,936
Total Net Pension and OPEB Liabilities	\$99,531,647	1,819,004	(13,555,161)	\$87,795,490

Note 6 - Defined Benefit (DB) Pension Plans

General Information About the Plan

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/drj>. 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.

Note 7 - 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.

Employee Contribution Rates

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

Employer and Other Contribution Rates

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

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

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

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

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

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

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

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

<i>PERS</i>	Measurement Period July 1, 2018 to June 30, 2019	District Fiscal Year July 1, 2019 to June 30, 2020
Employer contributions (including DBUL)	\$ 2,338,677	\$ 2,060,313
Nonemployer contributions (on-behalf)	1,165,059	1,325,208
Total Contributions	\$ 3,503,736	\$ 3,385,521

<i>TRS</i>	Measurement Period July 1, 2018 to June 30, 2019	District Fiscal Year July 1, 2019 to June 30, 2020
Employer contributions (including DBUL)	\$ 2,370,502	\$ 2,220,904
Nonemployer contributions (on-behalf)	8,442,963	9,174,109
Total Contributions	\$ 10,813,465	\$ 11,395,013

In addition, employee contributions to the Plans totaled \$523,456 for PERS and \$2,166,398 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, 2020, the District reported a liability for its proportionate share of the net pension liability (NPL) that reflected a reduction for State pension support provided to the District. The amount recognized by the District for its proportional share, the related State proportion, and the total portion of the net pension liability that was associated with the District were as follows:

	PERS	TRS
<i>District's proportionate share of NPL</i>	\$ 36,478,614	\$ 50,101,940
State's proportionate share of NPL associated with the District	14,487,820	74,304,123
Total Net Pension Liability	\$ 50,966,434	\$ 124,406,063

The total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 to calculate the net pension liability as of that date. The District's proportion of the net pension liability is based on the ratio of the present value of projected future contributions for each employer to the present value of project future contributions to the Plan for the fiscal years 2020 to 2039. At the June 30, 2019 measurement date, the District's proportion for PERS was 0.66637 percent, which was a decrease of 0.03193 percent from its proportion measured as of June 30, 2018. At the June 30, 2019 measurement date, the District's proportion for TRS was 2.68134 percent, which was an increase of 0.06619 from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the District recognized pension expense of \$4,652,166 for PERS and \$4,767,268 for TRS. In addition, the District recognized on-behalf revenue of \$1,968,095 and \$5,709,518 for support provided by the State for PERS and TRS, respectively. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<i>PERS</i>	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ (540,026)
Changes in assumptions	1,116,814	(-)
Net difference between projected and actual earnings on pension plan investments	523,026	(-)
Changes in proportion and differences between District contributions and proportionate share of contributions	-	(682,343)
District contributions subsequent to the measurement date	2,060,313	(-)
Total Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions	\$ 3,700,153	\$ (1,222,369)

<i>TRS</i>	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ (1,358,634)
Changes in assumptions	-	(354,570)
Net difference between projected and actual earnings on pension plan investments	1,286,876	(-)
Changes in proportion and differences between District contributions and proportionate share of contributions	-	(288,370)
District contributions subsequent to the measurement date	2,220,904	(-)
Total Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions	\$ 3,507,780	\$ (2,001,574)

The \$2,060,313 for PERS and \$2,220,904 for TRS reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<i>Year Ending June 30,</i>	<i>PERS</i>	<i>TRS</i>
2021	\$ 474,773	\$ (570,410)
2022	(386,159)	(932,913)
2023	148,397	351,765
2024	180,460	436,860
2025	-	-
Thereafter	-	-
Total Amortization	\$ 417,471	\$ (714,698)

Actuarial Assumptions

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

Actuarial cost method	Entry age normal; level percentage of payroll
Amortization method	Level percentage of pay, closed
Inflation	2.50%
Salary increases	Range from 6.75% to 2.75% based on service.
Investment rate of return	7.38%, net of pension plan investment expenses. This is based on an average inflation rate of 2.50% and a real rate of return of 4.88%.
Mortality	Pre-termination and post-termination mortality rates were based upon the 2013-2017 actual mortality experience. Pre-termination mortality rates were based on 100% of the RP-2014 white-collar employee table with MP-2017 generational improvement. Post-termination mortality rates were based on 91% of male and 96% of female rates of the RP-2014 table with MP-2017 generational improvement (PERS); and 93% of male and 90% of female rates of the RP-2014 white-collar healthy annuitant table with MP-2017 generational improvement (TRS). Deaths are assumed to be occupational 40% of the time (PERS) and 15% of the time (TRS).

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

Long-Term Expected Rate of Return

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

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

Discount Rate

The discount rate used to measure the total pension liability was 7.38%. This is a reduction in the discount rate used since the prior measurement date, which was 8.00%. The projection of cash flows used to determine the discount rate assumed that employer and State contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

<i>PERS</i>	Proportional Share	1% Decrease (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
District's proportionate share of the net pension liability	0.66637%	\$ 48,145,370	\$ 36,478,614	\$ 26,708,087

<i>TRS</i>	Proportional Share	1% Decrease (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
District's proportionate share of the net pension liability	2.68134%	\$ 72,173,234	\$ 50,101,940	\$ 31,570,387

Pension Plan Fiduciary Net Position

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

Note 8 - Defined Contribution (DC) Pension Plan

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

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, 2020 to cover a portion of the District's employer match contributions. For the year ended June 30, 2020, forfeitures reduced pension expense by \$9,913.

Employee Contribution Rate

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

Employer Contribution Rate

For the year ended June 30, 2020, the District was required to contribute 5% of covered salary into the Plan for PERS and 7% of covered salary for TRS.

The District and employee contributions to PERS for pensions for the year ended June 30, 2020 were \$596,499 and \$954,395, respectively. The District and employee contributions to TRS for pensions for the year ended June 30, 2020 were \$1,790,370 and \$2,046,134, respectively. The District contribution amount was recognized as pension expense/expenditures.

Note 9 - Defined Benefit OPEB Plans

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

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

Employer Contribution Rate

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

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

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

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

	Measurement Period		District Fiscal Year	
	July 1, 2018 to June 30, 2019		July 1, 2019 to June 30, 2020	
<i>PERS</i>				
Employer contributions – ARHCT	\$	856,817	\$	822,255
Employer contributions - RMP		110,926		157,244
Employer contributions - ODD		30,678		31,018
Total Contributions	\$	998,421	\$	1,010,517

	Measurement Period		District Fiscal Year	
	July 1, 2018 to June 30, 2019		July 1, 2019 to June 30, 2020	
<i>TRS</i>				
Employer contributions – ARHCT	\$	1,144,462	\$	1,251,986
Employer contributions - RMP		197,424		278,435
Employer contributions - ODD		19,979		20,462
Total Contributions	\$	1,361,868	\$	1,550,883

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

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

		PERS		TRS
District's proportionate share of NOL – ARHCT	\$	988,798	\$	-
District's proportionate share of NOL – RMP		226,138		-
Total District's Proportionate Share of NOL	\$	1,214,936	\$	-
State's proportionate share of the ARHCT NOL associated with the District		393,110		-
Total Net OPEB Liabilities	\$	1,608,046	\$	-

		PERS		TRS
District's proportionate share of NOA – ARHCT	\$	-	\$	(4,088,863)
District's proportionate share of NOA – RMP		-		(245,491)
District's proportionate share of NOA - ODD		(182,171)		(257,365)
Total District's Proportionate Share of NOA	\$	(182,171)	\$	(4,591,719)
State's proportionate share of the ARHCT NOA associated with the District		-		(6,085,037)
Total Net OPEB Assets	\$	(182,171)	\$	(10,676,756)

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

<i>PERS</i>	June 30, 2018 Measurement Date Employer Proportion	June 30, 2019 Measurement Date Employer Proportion	Change
District's proportionate share of the net OPEB liabilities (assets):			
ARHCT	0.69807%	0.66640%	(0.03167)%
RMP	0.96646%	0.94524%	(0.02122)%
ODD	0.96646%	0.75138%	(0.21508)%

<i>TRS</i>	June 30, 2018 Measurement Date Employer Proportion	June 30, 2019 Measurement Date Employer Proportion	Change
District's proportionate share of the net OPEB liabilities (assets):			
ARHCT	2.60919%	2.67559%	0.06640%
RMP	6.59816%	6.39967%	(0.19849)%
ODD	6.59816%	6.40052%	(0.19764)%

For the year ended June 30, 2020, the District recognized OPEB expense of \$(6,469,706) for PERS and \$(8,974,666) for TRS. Of these amounts, \$(2,540,673) for PERS and \$(15,378,352) 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:

PERS	OPEB expense		On-behalf revenue
ARHCT	\$	(6,641,137)	\$ (2,540,673)
RMP		157,839	-
ODD		13,592	-
Total	\$	(6,469,706)	\$ (2,540,673)

TRS	OPEB expense		On-behalf revenue
ARHCT	\$	(9,207,413)	\$ (15,378,352)
RMP		235,594	-
ODD		(2,847)	-
Total	\$	(8,974,666)	\$ (15,378,352)

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

PERS	ARHCT	RMP	ODD	Total
Deferred Outflows of Resources:				
Changes in assumptions	\$ 1,312,117	\$ 109,456	\$ -	\$ 1,421,573
Changes in proportion and differences between District contributions and proportionate share of contributions	139,589	779	27,612	167,980
District contributions subsequent to the measurement date	822,255	157,244	31,018	1,010,517
Total Deferred Outflows of Resources Related to OPEB Plans	\$ 2,273,961	\$ 267,479	\$ 58,630	\$ 2,600,070

PERS	ARHCT	RMP	ODD	Total
Deferred Inflows of Resources:				
Difference between expected and actual experience	\$ (664,452)	\$ (16,752)	\$ (56,798)	\$ (738,002)
Changes in assumptions	-	-	(3,483)	(3,483)
Difference between projected and actual investment earnings	(432,986)	(2,495)	(1,204)	(436,685)
Changes in proportion and differences between District contributions and proportionate share of contributions	(80,011)	(5,027)	(4,049)	(89,087)
Total Deferred Inflows of Resources Related to OPEB Plans	\$ (1,177,449)	\$ (24,274)	\$ (65,534)	\$ (1,267,257)

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

<i>PERS</i>	ARHCT	RMP	ODD	Total
<hr/>				
Year Ending June 30,				
2021	\$ 370,690	\$ 8,785	\$ (6,462)	\$ 373,013
2022	(336,552)	8,785	(6,462)	(334,229)
2023	104,171	14,774	(4,797)	114,148
2024	135,948	14,668	(4,763)	145,853
2025	-	12,376	(5,320)	7,056
Thereafter	-	26,573	(10,118)	16,455
<hr/>				
Total Amortization	\$ 274,257	\$ 85,961	\$ (37,922)	\$ 322,296

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

<i>TRS</i>	ARHCT	RMP	ODD	Total
<hr/>				
Deferred Outflows of Resources:				
Difference between expected and actual experience	\$ -	\$ 153,365	\$ -	\$ 153,365
Changes in assumptions	398,690	112,363	-	511,053
Changes in proportion and differences between District contributions and proportionate share of contributions	683,777	7,251	5,586	696,614
District contributions subsequent to the measurement date	1,251,986	278,435	20,462	1,550,883
<hr/>				
Total Deferred Outflows of Resources Related to OPEB Plans	\$ 2,334,453	\$ 551,414	\$ 26,048	\$ 2,911,915

<i>TRS</i>	ARHCT	RMP	ODD	Total
<hr/>				
Deferred Inflows of Resources:				
Difference between expected and actual experience	\$ (748,269)	\$ (20,105)	\$ (29,059)	\$ (797,433)
Changes in assumptions	(1,235,561)	(258,888)	(285)	(1,494,734)
Difference between projected and actual investment earnings	(632,750)	(6,412)	(1,818)	(640,980)
Changes in proportion and differences between District contributions and proportionate share of contributions	(-)	(1,864)	(1,933)	(3,797)
<hr/>				
Total Deferred Inflows of Resources Related to OPEB Plans	\$ (2,616,580)	\$ (287,269)	\$ (33,095)	\$ (2,936,944)

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

<i>TRS</i>	ARHCT	RMP	ODD	Total
<hr/>				
Year Ending June 30,				
2021	\$ (1,401,591)	\$ (10,473)	\$ (4,639)	\$ (1,416,703)
2022	(500,228)	(10,473)	(4,639)	(515,340)
2023	160,963	4,835	(2,655)	163,143
2024	206,743	4,617	(2,552)	208,808
2025	-	(1,271)	(3,167)	(4,438)
Thereafter	-	(1,525)	(9,857)	(11,382)
<hr/>				
Total Amortization	\$ (1,534,113)	\$ (14,290)	\$ (27,509)	\$ (1,575,912)

Actuarial Assumptions

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

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

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

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

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

Long-Term Expected Rate of Return

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

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

Discount Rate

The discount rate used to measure the total OPEB liability for each plan as of June 30, 2019 was 7.38%. This is a reduction in the discount rate used since the prior measurement date, which was 8.00%. The projection of cash flows used to determine the discount rate assumed that employer and State contributions will continue to follow the current funding policy which meets State statutes. Based on those assumptions, the fiduciary net position of each plan was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability for each plan.

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	0.66640%	\$ 7,953,642	\$ 988,789	\$ (4,740,548)
RMP	0.94524%	\$ 567,983	\$ 226,138	\$ (31,221)
ODD	0.75138%	\$ (172,802)	\$ (182,171)	\$ (189,745)

<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	2.67559%	\$ 6,135,529	\$ (4,088,863)	\$ (12,458,136)
RMP	6.39967%	\$ 430,186	\$ (245,491)	\$ (747,993)
ODD	6.40052%	\$ (258,261)	\$ (257,365)	\$ (256,853)

%

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>	<i>Proportional Share</i>	<i>1% Decrease</i>	<i>Current Healthcare Cost Trend Rate</i>	<i>1% Increase</i>
District's proportionate share of the net OPEB liability (asset):				
ARHCT	0.66640%	\$ (5,410,635)	\$ 988,798	\$ (8,798,519)
RMP	0.94524%	\$ (69,550)	\$ 226,138	\$ 630,907
ODD	0.75138%	\$ 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	2.67559	\$ (13,381,268)	\$ (4,088,863)	\$ 7,309,899
RMP	6.39967	\$ (818,838)	\$ (245,491)	\$ 548,772
ODD	6.40052	\$ 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.

Note 10 - Defined Contribution OPEB Plans

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

Contribution Rate

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

Annual Postemployment Healthcare Cost

In fiscal year 2020, the District contributed \$557,301 in DC OPEB costs to PERS and \$796,301 in DC OPEB costs to TRS. These amounts have been recognized as expense/expenditures.

NOTE 11 – 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 12 - FOOD SERVICE SPECIAL REVENUE FUND

The United States Department of Agriculture provided \$141,946 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 13 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivable and payables resulting from short-term operating advances at June 30, 2020 are as follows:

	Receivable	Payable
Major Fund - General Fund	\$ 2,518,741	\$ -
Major Fund – Title IA	-	1,683,581
Non-major governmental funds	-	835,160
	<u>\$ 2,518,741</u>	<u>\$ 2,518,741</u>

Interfund Transfers

Transfers between funds for the year ended June 30, 2020 were as follows:

	Transfer In:	
Transfer Out: From the General Fund to Non-Major Governmental Funds for operating subsidies	<u>Non-Major Governmental Funds</u>	<u>Total</u>
	<u>\$864,420</u>	<u>\$864,420</u>

Interfund transfers are not expected to be repaid to the General Fund.

NOTE 14 - 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	15,000,000
Workers' compensation	250,000	Statutory benefits
Property:		
Buildings	100,000	1,008,191,455
Fire & EMS apparatus	20,000	Cash value
Other vehicles	20,000	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>2020</u>	<u>2019</u>
Beginning of fiscal year liability	\$ 2,290,132	\$ 1,762,948
Current year claims incurred and changes in estimates for claims incurred in prior years	1,461,210	2,127,826
Claims and expenses paid	<u>(1,606,517)</u>	<u>(1,600,642)</u>
End of fiscal year liability	\$ <u>2,144,825</u>	\$ <u>2,290,132</u>

Included above is a liability for incurred but not reported (IBNR) claims of \$528,903. 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 \$25,478,696 for the year ended June 30, 2020 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, 2018, 2019 and 2020 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>
2017 – 2018	3,913,179	32,502,931	(32,698,110)	3,718,000
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

NOTE 15 – 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 for fiscal year 2021. The District is dependent upon its workforce to deliver its services. Developments such as social distancing and shelter-in-place directives will impact the District’s ability to deploy its workforce effectively. While expected to be temporary, prolonged workforce disruptions 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 2020.

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 for the Coronavirus Relief Fund to be used to make payments for specified uses to States and certain local governments. It also appropriated certain relief funds, for which the District may be eligible. At the time of this report, \$2,295,953 has been awarded. The district spent \$0 of these monies in fiscal year 2020, the remaining unspent monies to be expended in 2021. The School District will continue to examine the impact that the CARES Act may have. Currently, the school district is unable to determine the full impact that the CARES Act will have on the district’s financial condition, results of operations or liquidity.

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, 2020.

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, 2020, 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, 2020, will not have a material effect on the financial statements as of and for the year ended June 30, 2020.

NOTE 16 - SUBSEQUENT EVENTS

The district has no subsequent events to report.

NOTE 17 – NEW ACCOUNTING PRONOUNCEMENTS

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

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

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

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

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

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

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

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

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

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

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

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

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 – 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 (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 Liability – 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, 2020

	Budgeted Amounts			Variance with
	Original	Final	Current	Final Budget - Positive (Negative)
Revenues:				
Local	\$ 52,512,091	\$ 52,489,253	\$ 52,489,253	\$ -
State	91,445,378	91,214,218	91,901,060	686,842
Federal-Through the State	225,000	225,000	146,948	(78,052)
Earnings on Investments	300,000	300,000	1,203,960	903,960
E-Rate	700,000	700,000	648,931	(51,069)
Other Local Revenues	180,000	180,000	228,456	48,456
Total Revenues	<u>145,362,469</u>	<u>145,108,471</u>	<u>146,618,608</u>	<u>1,510,137</u>
Expenditures:				
Instruction	68,271,896	67,528,320	63,157,217	4,371,103
Special Education - Instruction	21,531,297	21,151,014	21,164,305	(13,291)
Special Education Support Services - Students	5,747,858	6,152,903	6,110,763	42,140
Support Services - Students	4,893,212	4,894,005	4,801,293	92,712
Support Services - Instruction	3,742,292	3,609,751	3,634,751	(25,000)
School Administration	6,383,500	6,587,343	6,675,931	(88,588)
School Administration Support Services	5,082,805	5,188,897	5,156,499	32,398
District Administration	1,150,397	1,285,723	1,277,546	8,177
District Administration Support Services	6,070,333	6,769,064	6,928,112	(159,048)
Operations and Maintenance of Plant	19,577,168	21,146,411	21,746,782	(600,371)
Student Activities	2,047,291	1,718,264	1,594,838	123,426
Total Expenditures	<u>144,498,049</u>	<u>146,031,695</u>	<u>142,248,037</u>	<u>3,783,658</u>
Excess (Deficiency) of Revenues over Expenditures	864,420	(923,224)	4,370,571	5,293,795
Other Financing Uses:				
Transfers Out - Special Revenue Fund	(864,420)	(864,420)	(864,420)	-
Total Other Financing Uses:	<u>(864,420)</u>	<u>(864,420)</u>	<u>(864,420)</u>	<u>-</u>
Net Changes in Fund Balances	<u>\$ -</u>	<u>\$ (1,787,644)</u>	3,506,151	<u>\$ 5,293,795</u>
Fund Balance, Beginning of Year			<u>16,341,779</u>	
Fund Balance, End of Year			<u>\$ 19,847,930</u>	

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, 2020

	<u>Budgeted Amounts</u>		<u>Current</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>Current</u>
Revenues:				
Earnings on Investment	\$ 75,000	\$ 75,000	\$ 359,873	\$ 284,873
Expenditures:				
Instruction	3,364,014	3,119,310	45,732	3,073,578
Support Services - Student:	-	6,267	6,267	-
School Administration Support Services	-	21,809	7,414	14,395
Operations and Maintenance of Plant	-	216,628	208,255	8,373
Total Expenditures	<u>3,364,014</u>	<u>3,364,014</u>	<u>267,668</u>	<u>3,096,346</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$ (3,289,014)</u>	<u>\$ (3,289,014)</u>	\$ 92,205	<u>\$ 3,381,219</u>
Fund Balances, Beginning of Year			<u>3,364,014</u>	
Fund Balances, End of Year			<u>\$ 3,456,219</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, 2020

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Current	
Revenues:				
Federal-Through the State	\$ 5,799,310	\$ 6,085,500	\$ 4,597,390	\$ (1,488,110)
Expenditures:				
Instruction	5,602,218	5,878,622	4,446,817	1,431,805
District Administration Support Services	197,092	206,878	150,573	56,305
Total Expenditures	5,799,310	6,085,500	4,597,390	1,488,110
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ -	\$ -	\$ -	\$ -
Fund Balances, Beginning of Year			-	
Fund Balances, End of Year			\$ -	

See accompanying notes to required supplementary information.

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S INFORMATION ON 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 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
2011	*	*	*	*	*	*	*
2012	*	*	*	*	*	*	*
2013	*	*	*	*	*	*	*
2014	*	*	*	*	*	*	*
2015	0.43650%	\$ 20,359,190	\$ 18,808,964	\$ 39,168,154	\$ 18,773,897	108.00%	62.37%
2016	0.92024%	43,767,462	11,719,024	55,486,486	19,473,427	225.00%	63.96%
2017	0.79436%	44,401,767	5,594,848	49,996,615	19,434,112	228.00%	59.55%
2018	0.64263%	33,220,332	12,376,127	45,596,459	19,876,163	167.00%	63.37%
2019	0.69830%	34,698,935	10,050,083	44,749,018	18,984,756	183.00%	65.19%
2020	0.66637%	36,478,614	14,487,820	50,966,434	19,290,478	189.00%	63.42%

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

Neither the PERS or the TRS plan is reporting any changes in benefit terms from the prior measurement period.
Neither the PERS or the TRS plan is reporting any changes in assumptions from the prior measurement period.

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
2011	*	*	*	*	*
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%

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

Neither the PERS or the TRS plan is reporting any changes in benefit terms from the prior measurement period.
Neither the PERS or the TRS plans is reporting any changes in assumptions from the prior measurement period.

See accompanying notes to required supplemental information.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S INFORMATION ON 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 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
2011	*	*	*	*	*	*	*
2012	*	*	*	*	*	*	*
2013	*	*	*	*	*	*	*
2014	*	*	*	*	*	*	*
2015	1.01287%	\$ 30,376,532	\$ 168,912,841	\$ 199,289,373	\$ 50,739,168	60.00%	55.70%
2016	2.53294%	47,123,960	75,318,635	122,442,595	51,226,585	92.00%	73.82%
2017	3.08305%	70,396,678	83,669,621	154,066,299	50,808,163	139.00%	68.40%
2018	2.37178%	48,066,866	83,885,219	131,952,085	50,962,839	95.00%	72.39%
2019	2.61515%	50,062,615	74,423,081	124,485,696	51,646,847	97.00%	74.09%
2020	2.68134%	50,101,940	74,304,123	124,406,063	51,746,390	97.00%	74.68%

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

Neither the PERS or the TRS plan is reporting any changes in benefit terms from the prior measurement period.
Neither the PERS or the TRS plan is reporting any changes in assumptions from the prior measurement period.

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
2011	*	*	*	*	*
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%

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

Neither the PERS or the TRS plan is reporting any changes in benefit terms from the prior measurement period.
Neither the PERS or the TRS plans is reporting any changes in assumptions from the prior measurement period.

See accompanying notes to required supplemental information.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE ON THE NET OPEB LIABILITY - 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 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
2011	*	*	*	*	*	*	*
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%

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

Neither the PERS or the TRS plan is reporting any changes in benefit terms from the prior measurement period.
Neither the PERS or the TRS plans is reporting any changes in assumptions from the prior measurement period.

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
2011	*	*	*	*	*
2012	*	*	*	*	*
2013	*	*	*	*	*
2014	*	*	*	*	*
2015	*	*	*	*	*
2016	*	*	*	*	*
2017	*	*	*	*	*
2018	\$ 653,666	\$ 653,666	\$ -	\$ 8,264,382	7.91%
2019	\$ 856,817	\$ 856,817	\$ -	\$ 7,764,321	11.04%
2020	\$ 822,255	\$ 822,255	\$ -	\$ 7,272,924	11.31%

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

Neither the PERS or the TRS plan is reporting any changes in benefit terms from the prior measurement period.
Neither the PERS or the TRS plans is reporting any changes in assumptions from the prior measurement period.

See accompanying notes to required supplemental information.

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE ON 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 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
2011	*	*	*	*	*	*	*
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%

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

Neither the PERS or the TRS plan is reporting any changes in benefit terms from the prior measurement period.
Neither the PERS or the TRS plans is reporting any changes in assumptions from the prior measurement period.

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
2011	*	*	*	*	*
2012	*	*	*	*	*
2013	*	*	*	*	*
2014	*	*	*	*	*
2015	*	*	*	*	*
2016	*	*	*	*	*
2017	*	*	*	*	*
2018	\$ 112,666	\$ 112,666	\$ -	\$ 10,938,541	1.03%
2019	\$ 110,926	\$ 110,926	\$ -	\$ 11,800,626	0.94%
2020	\$ 157,244	\$ 157,244	\$ -	\$ 11,929,933	1.32%

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

Neither the PERS or the TRS plan is reporting any changes in benefit terms from the prior measurement period.
Neither the PERS or the TRS plans is reporting any changes in assumptions from the prior measurement period.

See accompanying notes to required supplemental information.

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE ON 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 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)
2011	*	*	*	*	*	*	*
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%

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

Neither the PERS or the TRS plan is reporting any changes in benefit terms from the prior measurement period.
Neither the PERS or the TRS plans is reporting any changes in assumptions from the prior measurement period.

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
2011	*	*	*	*	*
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	\$ 30,018	\$ -	\$ 11,929,933	0.26%

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

Neither the PERS or the TRS plan is reporting any changes in benefit terms from the prior measurement period.
Neither the PERS or the TRS plans is reporting any changes in assumptions from the prior measurement period.

See accompanying notes to required supplemental information.

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE ON 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 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)
2011	*	*	*	*	*	*	*
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%

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

Neither the PERS or the TRS plan is reporting any changes in benefit terms from the prior measurement period.
 Neither the PERS or the TRS plans is reporting any changes in assumptions from the prior measurement period.

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
2011	*	*	*	*	*
2012	*	*	*	*	*
2013	*	*	*	*	*
2014	*	*	*	*	*
2015	*	*	*	*	*
2016	*	*	*	*	*
2017	*	*	*	*	*
2018	\$ 1,267,282	\$ 1,267,282	\$ -	\$ 27,581,904	4.60%
2019	\$ 1,144,462	\$ 1,144,462	\$ -	\$ 26,442,673	4.33%
2020	\$ 1,251,986	\$ 1,251,986	\$ -	\$ 25,045,084	5.00%

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

Neither the PERS or the TRS plan is reporting any changes in benefit terms from the prior measurement period.
Neither the PERS or the TRS plans is reporting any changes in assumptions from the prior measurement period.

See accompanying notes to required supplemental information.

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE ON 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 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)
2011	*	*	*	*	*	*	*
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%

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

Neither the PERS or the TRS plan is reporting any changes in benefit terms from the prior measurement period.
Neither the PERS or the TRS plans is reporting any changes in assumptions from the prior measurement period.

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
2011	*	*	*	*	*
2012	*	*	*	*	*
2013	*	*	*	*	*
2014	*	*	*	*	*
2015	*	*	*	*	*
2016	*	*	*	*	*
2017	*	*	*	*	*
2018	\$ 197,427	\$ 197,427	\$ -	\$ 23,716,202	0.83%
2019	\$ 215,820	\$ 215,820	\$ -	\$ 24,979,191	0.79%
2020	\$ 278,435	\$ 278,435	\$ -	\$ 25,576,702	1.09%

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

Neither the PERS or the TRS plan is reporting any changes in benefit terms from the prior measurement period.
Neither the PERS or the TRS plans is reporting any changes in assumptions from the prior measurement period.

See accompanying notes to required supplemental information.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE ON 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 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)
2011	*	*	*	*	*	*	*
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%

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

Neither the PERS or the TRS plan is reporting any changes in benefit terms from the prior measurement period.
Neither the PERS or the TRS plans is reporting any changes in assumptions from the prior measurement period.

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
2011	*	*	*	*	*
2012	*	*	*	*	*
2013	*	*	*	*	*
2014	*	*	*	*	*
2015	*	*	*	*	*
2016	*	*	*	*	*
2017	*	*	*	*	*
2018	\$ -	\$ -	\$ -	\$ 23,716,202	0.00%
2019	\$ 19,979	\$ 19,979	\$ -	\$ 24,979,191	0.08%
2020	\$ 20,462	\$ 20,462	\$ -	\$ 25,576,702	0.08%

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

Neither the PERS or the TRS plan is reporting any changes in benefit terms from the prior measurement period.
Neither the PERS or the TRS plans is reporting any changes in assumptions from the prior measurement period.

See accompanying notes to required supplemental information.

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR YEAR ENDED JUNE 30, 2020**

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, 2020, the Plan measurement date is June 30, 2019.

Changes in Assumptions:

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

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

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

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

Schedule of District Contributions

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

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

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, 2020, the Plan measurement date is June 30, 2019.

Changes in Assumptions:

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

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

Changes in Methods:

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

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

Schedule of District Contributions

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

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
BALANCE SHEET
June 30, 2020 and 2019

<u>ASSETS</u>	2020	2019
Cash on Hand	\$ 11,945	\$ 11,945
Equity in Central Treasury	23,207,507	20,915,440
Accounts Receivable	154,027	291,087
Prepaid Items	1,623,559	1,144,175
Due from Special Revenue Funds	2,518,741	2,441,500
Inventory	804,141	788,804
Total Assets	\$ 28,319,920	\$ 25,592,951
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts Payable	\$ 933,073	\$ 2,006,279
Accrued liabilities:		
Payroll	5,477,669	5,473,843
Retirement	347,232	188
Payroll Taxes	1,664,842	1,726,043
Payroll Deductions	49,174	44,819
Total Accrued Liabilities	7,538,917	7,244,893
Total Liabilities	8,471,990	9,251,172
Fund Balance:		
Nonspendable	2,427,700	1,932,980
Restricted	2,016,374	3,267,336
Comitted	4,366,075	5,584,860
Assigned	9,360,559	1,626,718
Unassigned	1,677,222	3,929,885
Total Fund Balance	19,847,930	16,341,779
Total Liabilities and Fund Balance	\$ 28,319,920	\$ 25,592,951

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF CHANGES IN FUND BALANCE
For the Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Fund Balance, Beginning of Year	\$ 16,341,779	\$ 14,199,854
Add Revenues and Other Financing Sources	146,618,608	142,363,184
Deduct Expenditures and Other Financing Uses	<u>(143,112,457)</u>	<u>(140,221,259)</u>
Fund Balance, End of Year	<u>\$ 19,847,930</u>	<u>\$ 16,341,779</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	<u>2020</u>			Variance Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Local:					
Kenai Peninsula Borough - Direct Appropriation	\$ 41,463,667	\$ 41,440,829	\$ 41,440,829	\$ -	\$ 38,883,797
Kenai Peninsula Borough - In-Kind Services	<u>11,048,424</u>	<u>11,048,424</u>	<u>11,048,424</u>	<u>-</u>	<u>10,854,635</u>
Total Local	<u>\$ 52,512,091</u>	<u>52,489,253</u>	<u>52,489,253</u>	<u>-</u>	<u>49,738,432</u>
State:					
Public School Funding	79,009,719	78,773,326	78,773,325	(1)	79,011,273
LOG/Quality Schools	287,358	286,749	286,749	-	288,080
Supplemental	2,100,012	2,105,854	2,105,854	-	1,389,955
Retirement: TRS On-Behalf	8,862,055	8,862,055	9,174,109	312,054	8,442,963
Retirement: PERS On-Behalf	1,186,234	1,186,234	1,325,208	138,974	1,165,059
Retirement: PERS On-Behalf Passed Through KPB	<u>-</u>	<u>-</u>	<u>235,815</u>	<u>235,815</u>	<u>195,768</u>
Total State	<u>91,445,378</u>	<u>91,214,218</u>	<u>91,901,060</u>	<u>686,842</u>	<u>90,493,098</u>
Federal - Through the State:					
Medicaid - Direct Reimbursement	<u>225,000</u>	<u>225,000</u>	<u>146,948</u>	<u>(78,052)</u>	<u>195,558</u>
Total Federal - Through the State	<u>225,000</u>	<u>225,000</u>	<u>146,948</u>	<u>(78,052)</u>	<u>195,558</u>
Earnings on Investments	<u>300,000</u>	<u>300,000</u>	<u>1,203,960</u>	<u>903,960</u>	<u>1,153,016</u>
E-Rate	<u>700,000</u>	<u>700,000</u>	<u>648,931</u>	<u>(51,069)</u>	<u>613,575</u>
Other Local Revenues:					
Facilities Rental	30,000	30,000	26,400	(3,600)	28,150
Miscellaneous	<u>150,000</u>	<u>150,000</u>	<u>202,056</u>	<u>52,056</u>	<u>141,355</u>
Total Other Local Revenues:	<u>180,000</u>	<u>180,000</u>	<u>228,456</u>	<u>48,456</u>	<u>169,505</u>
Total Revenues	<u>145,362,469</u>	<u>145,108,471</u>	<u>146,618,608</u>	<u>1,510,137</u>	<u>142,363,184</u>
Other Financing Sources:					
Fund Balance Appropriation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues and Other Financing Sources	<u>\$ 145,362,469</u>	<u>\$ 145,108,471</u>	<u>\$ 146,618,608</u>	<u>\$ 1,510,137</u>	<u>\$ 142,363,184</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED June 30, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020				
	Original Budget	Current Budget	Current	Variance- Positive (Negative)	2019 Actual
Instruction:					
Certificated Salaries	\$ 31,512,419	\$ 31,964,203	\$ 32,007,158	\$ (42,955)	\$ 33,177,832
Non-Certificated Salaries	1,843,382	2,156,335	2,157,708	(1,373)	2,279,754
Employee Benefits	22,913,559	22,619,690	23,022,884	(403,194)	21,779,158
Professional and Technical Services	100,000	129,894	128,748	1,146	607,581
Staff Travel	114,357	77,950	63,110	14,840	96,616
Student Travel	6,000	32,214	12,808	19,406	36,200
Utility Services	300,723	326,512	278,760	47,752	304,861
Other Purchased Services	388,589	372,736	371,742	994	482,219
Supplies, Materials, and Media	2,592,990	3,820,474	3,760,726	59,748	2,307,120
Other Expenses	7,479,275	4,618,097	(95,867)	4,713,964	(63,234)
Equipment	1,020,602	1,410,215	1,449,440	(39,225)	904,176
	<u>68,271,896</u>	<u>67,528,320</u>	<u>63,157,217</u>	<u>4,371,103</u>	<u>61,912,283</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED June 30, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Special Education Instruction:					
Certificated Salaries	\$ 7,374,182	\$ 7,125,690	\$ 7,137,464	\$ (11,774)	\$ 7,085,669
Non-Certificated Salaries	4,563,146	4,622,521	4,643,548	(21,027)	4,846,834
Employee Benefits	9,092,767	8,812,569	8,811,587	982	8,495,639
Professional and Technical Services	336,894	310,337	310,337	-	352,953
Staff Travel	34,367	16,615	19,331	(2,716)	33,541
Student Travel	1,550	652	638	14	715
Utility Services	-	32	32	-	110
Other Purchased Services	3,200	250	250	-	544
Supplies, Materials, and Media	92,191	203,091	183,680	19,411	286,607
Other Expenses	31,000	6,331	6,331	-	7,655
Equipment	2,000	52,926	51,107	1,819	18,526
	<u>21,531,297</u>	<u>21,151,014</u>	<u>21,164,305</u>	<u>(13,291)</u>	<u>21,128,793</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED June 30, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Special Education Support Services - Student:					
Certificated Salaries	\$ 2,645,187	\$ 2,671,901	\$ 2,680,912	\$ (9,011)	\$ 2,561,012
Non-Certificated Salaries	488,561	431,691	428,440	3,251	461,424
Employee Benefits	2,000,677	1,983,030	1,984,217	(1,187)	1,834,317
Professional and Technical Services	470,924	912,467	879,333	33,134	952,482
Staff Travel	67,455	70,627	70,622	5	80,204
Student Travel	-	-	-	-	583
Utility Services	5,000	4,654	4,637	17	2,297
Other Purchased Services	3,575	2,484	1,056	1,428	5,157
Supplies, Materials, and Media	50,739	52,286	37,790	14,496	55,358
Other Expenses	10,440	6,610	6,610	-	365
Equipment	5,300	17,153	17,146	7	47,181
	<u>5,747,858</u>	<u>6,152,903</u>	<u>6,110,763</u>	<u>42,140</u>	<u>6,000,380</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED June 30, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020				
	Original Budget	Current Budget	Current	Variance- Positive (Negative)	2019 Actual
Support Services - Student:					
Certificated Salaries	\$ 1,230,469	\$ 1,190,685	\$ 1,198,790	\$ (8,105)	\$ 1,086,587
Non-Certificated Salaries	1,521,814	1,535,568	1,484,780	50,788	1,532,089
Employee Benefits	2,007,243	2,031,138	1,999,623	31,515	1,848,427
Professional and Technical Services	-	1,740	1,740	-	75,801
Staff Travel	61,480	39,195	39,193	2	47,272
Student Travel	2,500	5,011	5,010	1	889
Utility Services	750	764	210	554	224
Other Purchased Services	6,700	9,546	7,989	1,557	6,617
Supplies, Materials, and Media	54,158	78,185	62,385	15,800	56,344
Other Expenses	7,098	973	375	598	5,695
Equipment	1,000	1,200	1,198	2	7,555
	<u>4,893,212</u>	<u>4,894,005</u>	<u>4,801,293</u>	<u>92,712</u>	<u>4,667,500</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED June 30, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Support Services - Instruction:					
Certificated Salaries	\$ 1,255,215	\$ 1,265,863	\$ 1,267,741	\$ (1,878)	\$ 1,131,012
Non-Certificated Salaries	703,378	636,514	632,339	4,175	734,826
Employee Benefits	1,172,275	1,124,924	1,153,024	(28,100)	1,078,104
Professional and Technical Services	43,000	44,365	44,363	2	10,666
Staff Travel	67,079	19,728	19,738	(10)	39,421
Student Travel	-	-	-	-	663
Utility Services	16,150	11,147	11,624	(477)	10,294
Other Purchased Services	60,600	1,226	1,225	1	36,656
Supplies, Materials, and Media	400,600	476,603	470,169	6,434	371,150
Other Expenses	19,495	10,166	17,414	(7,248)	27,582
Equipment	4,500	19,215	17,114	2,101	1,498
	<u>3,742,292</u>	<u>3,609,751</u>	<u>3,634,751</u>	<u>(25,000)</u>	<u>3,441,872</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED June 30, 2020
 With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
School Administration:					
Certificated Salaries	\$ 4,074,315	\$ 4,237,800	\$ 4,302,492	\$ (64,692)	\$ 4,144,402
Non-Certificated Salaries	13,986	12,604	12,601	3	12,938
Employee Benefits	2,170,619	2,202,160	2,250,060	(47,900)	2,024,280
Professional and Technical Services	-	-	890	(890)	-
Staff Travel	85,105	93,991	72,577	21,414	71,080
Supplies, Materials, and Media	9,134	8,875	7,115	1,760	7,680
Other Expenses	30,341	31,068	29,576	1,492	25,131
Equipment	-	845	620	225	55
	<u>6,383,500</u>	<u>6,587,343</u>	<u>6,675,931</u>	<u>(88,588)</u>	<u>6,285,566</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED June 30, 2020
 With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
School Administration Support Services:					
Non-Certificated Salaries	\$ 2,266,619	\$ 2,321,806	\$ 2,296,080	\$ 25,726	\$ 2,340,659
Employee Benefits	2,049,326	2,037,368	2,017,342	20,026	1,944,736
Professional and Technical Services	-	1,987	1,987	-	5,876
Staff Travel	2,300	5,077	3,403	1,674	3,581
Utility Services	672,850	708,311	733,816	(25,505)	713,906
Other Purchased Services	3,250	6,053	5,941	112	11,521
Supplies, Materials, and Media	58,860	59,112	55,061	4,051	82,494
Other Expenses	29,600	42,973	33,581	9,392	16,898
Equipment	-	6,210	9,288	(3,078)	4,395
	<u>5,082,805</u>	<u>5,188,897</u>	<u>5,156,499</u>	<u>32,398</u>	<u>5,124,066</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED June 30, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
District Administration:					
Certificated Salaries	\$ 197,170	\$ 194,944	\$ 194,943	\$ 1	\$ 358,411
Non-Certificated Salaries	282,827	358,180	358,176	4	256,018
Employee Benefits	328,935	377,118	357,600	19,518	386,183
Professional and Technical Services	154,900	207,598	219,181	(11,583)	181,224
Staff Travel	67,670	38,705	38,717	(12)	58,579
Utility Services	18,700	17,914	17,653	261	18,133
Other Purchased Services	30,400	27,132	27,146	(14)	26,628
Supplies, Materials, and Media	33,395	25,514	25,513	1	27,890
Other Expenses	36,400	35,978	35,978	-	36,737
Equipment	-	2,640	2,639	1	3,013
	<u>1,150,397</u>	<u>1,285,723</u>	<u>1,277,546</u>	<u>8,177</u>	<u>1,352,816</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED June 30, 2020
 With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
District Administrative Support Services:					
Certificated Salaries	\$ 125,575	\$ 132,554	\$ 132,550	\$ 4	\$ 167,394
Non-Certificated Salaries	2,458,895	2,681,449	2,681,780	(331)	2,454,015
Employee Benefits	1,694,299	1,795,151	1,808,331	(13,180)	1,579,698
Professional and Technical Services	353,890	374,537	374,536	1	334,220
Staff Travel	83,677	37,871	37,864	7	86,287
Utility Services	33,599	30,654	30,689	(35)	31,389
Other Purchased Services	355,599	324,500	324,993	(493)	475,382
Insurance and Bond Premiums	1,010,866	1,010,866	1,010,866	-	867,505
Supplies, Materials, and Media	220,999	280,686	342,906	(62,220)	229,980
Other Expenses	61,637	50,816	25,580	25,236	42,877
Indirect Costs	(368,503)	(368,503)	(259,474)	(109,029)	(287,168)
Equipment	39,800	418,483	417,491	992	75,173
	<u>6,070,333</u>	<u>6,769,064</u>	<u>6,928,112</u>	<u>(159,048)</u>	<u>6,056,752</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED June 30, 2020
 With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Operations and Maintenance of Plant:					
Non-Certificated Salaries	\$ 3,226,164	\$ 3,007,825	\$ 3,007,862	\$ (37)	\$ 2,998,115
Employee Benefits	2,683,758	2,591,011	2,781,672	(190,661)	2,600,241
Staff Travel	8,050	9,052	7,886	1,166	7,801
Utility Services	398,749	726,710	414,601	312,109	451,031
Energy	5,431,465	5,303,461	5,488,495	(185,034)	5,827,455
Other Purchased Services	6,816,922	8,432,367	8,970,471	(538,104)	8,727,219
Insurance and Bond Premiums	707,675	707,675	707,675	-	552,221
Supplies, Materials, and Media	302,185	338,314	317,054	21,260	296,659
Other Expenses	200	18,269	18,068	201	-
Equipment	2,000	11,727	32,998	(21,271)	59,219
	<u>19,577,168</u>	<u>21,146,411</u>	<u>21,746,782</u>	<u>(600,371)</u>	<u>21,519,961</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED June 30, 2020
 With Comparative Actual Totals for the Year Ended June 30, 2019

	2020				2019 Actual
	Original Budget	Current Budget	Current	Variance- Positive (Negative)	
Student Activities:					
Certificated Salaries	\$ 1,013,814	\$ 705,710	\$ 665,982	\$ 39,728	\$ 839,091
Non-Certificated Salaries	379,738	401,123	389,227	11,896	468,023
Employee Benefits	393,796	351,407	297,985	53,422	338,490
Staff Travel	8,155	8,725	7,155	1,570	9,024
Student Travel	151,000	152,919	147,587	5,332	205,298
Other Purchased Services	41,500	28,897	24,871	4,026	28,610
Supplies, Materials, and Media	8,687	24,540	16,509	8,031	23,945
Other Expenses	50,601	44,943	45,522	(579)	55,683
Equipment	-	-	-	-	13,106
	<u>2,047,291</u>	<u>1,718,264</u>	<u>1,594,838</u>	<u>123,426</u>	<u>1,981,270</u>
 Total Expenditures	 <u>144,498,049</u>	 <u>146,031,695</u>	 <u>142,248,037</u>	 <u>3,783,658</u>	 <u>139,471,259</u>
 Other Financing Uses:					
Transfer To Food Service Fund	864,420	864,420	864,420	-	750,000
Total Other Financing Uses	<u>864,420</u>	<u>864,420</u>	<u>864,420</u>	<u>-</u>	<u>750,000</u>
 Total Expenditures and Other Financing Uses	 <u>\$ 145,362,469</u>	 <u>\$ 146,896,115</u>	 <u>\$ 143,112,457</u>	 <u>\$ 3,783,658</u>	 <u>\$ 140,221,259</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 SCHEDULE OF COMPLIANCE - AS 14.17.505
 Year Ended June 30, 2020

Total fund balance - School Operating Fund		\$ 19,847,930
less exemptions per 4 ACC 09.160(a)		
Encumbrances	2,103,470	
Home School allotment	873,911	
Inventory	804,141	
Prepaid Items	1,623,559	
Property, Casualty, and Liability Insurance	750,000	
Total exemptions	6,155,081	
 Fund balance subject to 10% limitation		 \$ 13,692,849

Nonexempt fund balance as a percentage of current year expenditures:

Fund balance subject to limitation	13,692,849			
_____	=	_____	=	<u>9.63%</u>
Current year expenditures		142,248,037		

NOTE 1. Waiver of 10% Fund limitation

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

Instruction:

Regular Instruction	\$ 63,157,217	
Special Education Instruction	21,164,305	
Special Education Support Services - Student	6,110,763	
Support Services - Student	4,801,293	
Support Services - Instruction	3,634,751	
School Administration	<u>6,675,931</u>	
Total Instruction	<u>105,544,260</u>	74.20%

Non-Instruction:

School Administration Support Services	5,156,499	
District Administration	1,277,546	
District Administration Support Services	6,928,112	
Operations and Maintenance of Plant	21,746,782	
Student Activities	<u>1,594,838</u>	
Total Non-Instruction	<u>36,703,777</u>	25.80%
Total Expenditures	\$ 142,248,037	

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
BALANCE SHEET - MAJOR FUND - EQUIPMENT
June 30, 2020

With Comparative Totals as of June 30, 2019

	<u>2020</u>	<u>2019</u>
ASSETS		
Equity in Central Treasury	<u>\$ 3,456,219</u>	<u>\$ 3,364,014</u>
Total Assets	<u><u>\$ 3,456,219</u></u>	<u><u>\$ 3,364,014</u></u>
LIABILITIES AND FUND BALANCES		
Committed	<u>\$ 3,456,219</u>	<u>\$ 3,364,014</u>
Total Fund Balance:	<u>\$ 3,456,219</u>	<u>\$ 3,364,014</u>
Total Liabilities and Fund Balances	<u><u>\$ 3,456,219</u></u>	<u><u>\$ 3,364,014</u></u>

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, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Earnings on Investments	\$ 75,000	\$ 75,000	\$ 359,873	\$ 284,873	\$ 339,858
Expenditures:					
Instruction:					
Supplies, Materials, and Media	-	14,171	11,642	2,529	11,994
Equipment	3,364,014	3,105,139	34,090	3,071,049	55,341
Total Instruction	3,364,014	3,119,310	45,732	3,073,578	67,335
Support Services - Student:					
Supplies, Materials, and Media	-	232	232	-	-
Equipment	-	6,035	6,035	-	-
Total Support Services - Student	-	6,267	6,267	-	-
School Administration Support Services:					
Supplies, Materials, and Media	-	12,250	207	12,043	135
Equipment	-	9,559	7,207	2,352	-
Total School Administration	-	21,809	7,414	14,395	135
District Administration Support Services:					
Equipment	-	-	-	-	3,567
Total District Administration Support Services:	-	-	-	-	3,567
Operations and Maintenance of Plant:					
Supplies, Materials, and Media	-	14,438	6,744	7,694	6,221
Equipment	-	202,190	201,511	679	51,654
Total Operations and Maintenance of Plant	-	216,628	208,255	8,373	57,875
Total Expenditures	3,364,014	3,364,014	267,668	3,096,346	128,912
Excess (Deficiency) of Revenues Over Expenditures	\$ (3,289,014)	\$ (3,289,014)	92,205	\$ 3,381,219	210,946
Fund Balance, Beginning of Year			3,364,014		3,153,068
Fund Balance, End of Year			\$ 3,456,219		\$ 3,364,014

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
BALANCE SHEET - MAJOR FUND - TITLE I
June 30, 2020

With Comparative Totals as of June 30, 2019

	<u>2020</u>	<u>2019</u>
ASSETS		
Assets:		
Due from other Governments	<u>\$ 1,683,581</u>	<u>\$ 1,374,425</u>
Total Assets	<u><u>\$ 1,683,581</u></u>	<u><u>\$ 1,374,425</u></u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Due to General Fund	<u>\$ 1,683,581</u>	<u>\$ 1,374,425</u>
Total Liabilities	<u>1,683,581</u>	<u>1,374,425</u>
Fund Balance:	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances	<u><u>\$ 1,683,581</u></u>	<u><u>\$ 1,374,425</u></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, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current Current		
Revenues:					
Federal-Through the State	\$ 5,799,310	\$ 6,085,500	\$ 4,597,390	\$ (1,488,110)	\$ 3,870,270
Expenditures:					
Instruction					
Certificated Salaries	2,875,192	2,726,233	2,152,307	573,926	1,804,453
Non-Certificated Salaries	457,358	450,572	402,194	48,378	320,909
Employee Benefits	1,550,915	1,532,298	1,128,891	403,407	940,654
Professional and Technical Service	112,069	155,723	127,787	27,936	103,623
Staff Travel	169,783	189,253	129,315	59,938	136,138
Student Travel	84,550	282,512	134,068	148,444	47,730
Utility Services	9,555	8,958	5,593	3,365	7,368
Other Purchased Services	16,000	25,250	14,016	11,234	4,897
Supplies, Materials, and Media	233,253	397,028	277,980	119,048	332,181
Tuition - Students and Stipends	3,500	2,873	-	2,873	1,025
Other Expenses	46,729	46,751	23,008	23,743	25,357
Equipment	43,314	61,171	51,658	9,513	27,128
Total Regular Instruction	<u>5,602,218</u>	<u>5,878,622</u>	<u>4,446,817</u>	<u>1,431,805</u>	<u>3,751,463</u>
District Administration Support Services					
Indirect Costs	<u>197,092</u>	<u>206,878</u>	<u>150,573</u>	<u>56,305</u>	<u>118,807</u>
Total Expenditures	<u>5,799,310</u>	<u>6,085,500</u>	<u>4,597,390</u>	<u>1,488,110</u>	<u>3,870,270</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	Governor's Alternative Schools
AK Children's Trust	Marine/Aquatic Education
Alaska Energy Authority	McKinney-Vento Homeless
Broadband Assistance	Migrant Education
Building Trades	Project Aware
Carl Perkins – Basic	Safe Children's Act
Community Theater	Staff Development Mini – Grants
Corporate and Miscellaneous Grants	Student Transportation
COVID-19 Contact Tracing	Substance Addiction and Prevention
Department of Labor	Suicide Awareness Pre & Postvention
Early Learning	Title I-D, At-Risk
Food Service	Title I-D, Delinquent
Food Service - FFVP	Title VI-B, IDEA
Food Service –NSLP Equipment	Title VI, Indian Education
Food Service – Nutritional Alaskan Foods	Upward Bound
Future Educators	Youth in Detention
	Youth Risk Behavior Survey

SPECIAL REVENUE FUNDS

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

AK Children's Trust is in support of safe children, healthy families and strong communities.

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.

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 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.

Marine/Aquatic Education grant is to help build project based learning activities to support the science curriculum.

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.

Project Aware is a grant that will make Alaska schools safer by improving public school students' mental health. Project aware will strategically increase direct mental health services to students in Alaska's alternative high schools, as data indicates alternative schools serve the state's concentrated at risk adolescent student population.

Safe Children's Act is a grant is to support activities, curricula, and/or other training material related to the implementation of the Alaska Safe Children's Act.

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

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

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.

Youth Risk Behavior Survey is used to identify behaviors in order to enhance school health programming and improve the school health environment.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
 June 30, 2020
 With Comparative Totals as of June 30, 2019

	Building Trades	Carl Perkins Basic	Community Theater	Corporate & Miscellaneous Grants
ASSETS				
Equity in Central Treasury	\$ -	\$ -	\$ 37,102	\$ 71,672
Accounts Receivable	-	-	-	-
Due from Other Governments	-	73,109	-	-
Inventory	60,618	-	-	-
Total Assets	<u>\$ 60,618</u>	<u>\$ 73,109</u>	<u>\$ 37,102</u>	<u>\$ 71,672</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to General Fund	44,976	73,109	-	-
Total Liabilities	<u>44,976</u>	<u>73,109</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Nonspendable	60,618	-	-	-
Restricted	-	-	-	71,672
Committed	-	-	37,102	-
Unassigned	(44,976)	-	-	-
Total Fund Balances	<u>15,642</u>	<u>-</u>	<u>37,102</u>	<u>71,672</u>
Total Liabilities and Fund Balances	<u>\$ 60,618</u>	<u>\$ 73,109</u>	<u>\$ 37,102</u>	<u>\$ 71,672</u>

Continued

	<u>COVID - 19 Contact Tracing</u>	<u>Department of Labor</u>	<u>Food Service</u>	<u>Future Educators</u>
ASSETS				
Equity in Central Treasury	\$ -	\$ 7,273	\$ 957,052	\$ 3,561
Accounts Receivable	-	-	-	-
Due from Other Governments	10,853	-	173,578	-
Inventory	-	-	184,536	-
Total Assets	<u>\$ 10,853</u>	<u>\$ 7,273</u>	<u>\$ 1,315,166</u>	<u>\$ 3,561</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to General Fund	10,853	-	-	-
Total Liabilities	<u>10,853</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Nonspendable	-	-	184,536	-
Restricted	-	7,273	-	3,561
Committed	-	-	1,130,630	-
Unassigned	-	-	-	-
Total Fund Balances	<u>-</u>	<u>7,273</u>	<u>1,315,166</u>	<u>3,561</u>
Total Liabilities and Fund Balances	<u>\$ 10,853</u>	<u>\$ 7,273</u>	<u>\$ 1,315,166</u>	<u>\$ 3,561</u>

Continued

	Governor's Alternative Schools	McKinney-Vento Homeless	Migrant Education	Student Transportaion
ASSETS				
Equity in Central Treasury	\$ -	\$ -	\$ -	\$ 1,181,955
Accounts Receivable	-	-	-	-
Due from Other Governments	23,648	3,693	3,479	-
Inventory	-	-	-	-
Total Assets	<u>\$ 23,648</u>	<u>\$ 3,693</u>	<u>\$ 3,479</u>	<u>\$ 1,181,955</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ 825	\$ 355
Due to General Fund	23,648	3,693	2,654	-
Total Liabilities	<u>23,648</u>	<u>3,693</u>	<u>3,479</u>	<u>355</u>
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	-	-	-	1,181,600
Committed	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,181,600</u>
Total Liabilities and Fund Balances	<u>\$ 23,648</u>	<u>\$ 3,693</u>	<u>\$ 3,479</u>	<u>\$ 1,181,955</u>

Continued

	Substance Addiction	Suicide Awareness	Title I-D At-Risk	Title I-D Delinquent
ASSETS				
Equity in Central Treasury	\$ -	\$ -	\$ -	\$ -
Accounts Receivable	-	-	-	-
Due from Other Governments	321	2,334	27,440	2,776
Inventory	-	-	-	-
Total Assets	<u>\$ 321</u>	<u>\$ 2,334</u>	<u>\$ 27,440</u>	<u>\$ 2,776</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to General Fund	321	2,334	27,440	2,776
Total Liabilities	<u>321</u>	<u>2,334</u>	<u>27,440</u>	<u>2,776</u>
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 321</u>	<u>\$ 2,334</u>	<u>\$ 27,440</u>	<u>\$ 2,776</u>

Concluded

	Title VI-B IDEA	Title VI Indian Education	Upward Bound	Total June 30, 2020	Total June 30, 2019
ASSETS					
Equity in Central Treasury	\$ -	\$ -	\$ -	\$ 2,258,615	\$ 2,643,758
Accounts Receivable	-	-	-	-	5,405
Due from Other Governments	473,367	149,782	22,673	967,053	1,034,931
Inventory	-	-	-	245,154	482,203
Total Assets	\$ 473,367	\$ 149,782	\$ 22,673	\$ 3,470,822	\$ 4,166,297
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ -	\$ -	\$ 2,466	\$ 3,646	\$ 219,187
Due to General Fund	473,367	149,782	20,207	835,160	1,069,075
Total Liabilities	473,367	149,782	22,673	838,806	1,288,262
Fund Balances:					
Nonspendable	-	-	-	245,154	482,203
Restricted	-	-	-	1,264,106	1,053,335
Committed	-	-	-	1,167,732	1,387,473
Unassigned	-	-	-	(44,976)	(44,976)
Total Fund Balances	-	-	-	2,632,016	2,878,035
Total Liabilities and Fund Balances	\$ 473,367	\$ 149,782	\$ 22,673	\$ 3,470,822	\$ 4,166,297

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, 2020
 With Comparative Totals for the Year Ended June 30, 2019

	Artist in Schools	Broadband Assistance	Building Trades	Carl Perkins - Basic
Revenues:				
State	\$ 500	\$ 6,115	\$ -	\$ -
Federal-Direct	-	-	-	-
Federal-Through the State	500	-	-	223,039
Food Sales	-	-	-	-
Corporate Grants and User Fees	-	-	-	-
Other Local	740	-	-	-
Total Revenues	<u>1,740</u>	<u>6,115</u>	<u>-</u>	<u>223,039</u>
Expenditures:				
Current:				
Instruction	1,740	-	-	215,384
Special Education - Instruction	-	-	-	-
Special Education Support Services - Students	-	-	-	-
Support Services - Students	-	-	-	-
Support Services - Instruction	-	-	-	-
School Administration	-	-	-	-
School Administration Support Services	-	6,115	-	-
Operations and Maintenance of Plant	-	-	-	-
Student Activities	-	-	-	-
Community Services	-	-	-	-
District Administration Support Services	-	-	-	7,655
Student Transportation To and From School	-	-	-	-
Food Services	-	-	-	-
Total Expenditures	<u>1,740</u>	<u>6,115</u>	<u>-</u>	<u>223,039</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	-	-	15,642	-
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,642</u>	<u>\$ -</u>

Continued

	Community Theater	Corporate & Miscellaneous Grants	COVID-19 Contact Tracing	Department of Labor
Revenues:				
State	\$ -	\$ -	\$ -	\$ -
Federal-Direct	-	-	-	-
Federal-Through the State	-	-	10,853	-
Food Sales	-	-	-	-
Corporate Grants and User Fees	21,772	119,226	-	-
Other Local	-	-	-	-
Total Revenues	21,772	119,226	10,853	-
Expenditures:				
Current:				
Instruction	-	110,430	-	3,059
Special Education - Instruction	-	-	-	-
Special Education Support Services - Students	-	-	-	-
Support Services - Students	-	-	10,388	-
Support Services - Instruction	-	5,500	-	-
School Administration	-	-	-	-
School Administration Support Services	-	2,139	-	-
Operations and Maintenance of Plant	-	-	-	-
Student Activities	-	28,903	-	-
Community Services	53,374	-	-	-
District Administration Support Services	-	-	465	-
Student Transportation To and From School	-	-	-	-
Food Services	-	-	-	-
Total Expenditures	53,374	146,972	10,853	3,059
Excess (Deficiency) of Revenues over Expenditures	(31,602)	(27,746)	-	(3,059)
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses):	-	-	-	-
Net Changes In Fund Balances	(31,602)	(27,746)	-	(3,059)
Fund Balances, Beginning of Year	68,704	99,418	-	10,332
Fund Balances, End of Year	\$ 37,102	\$ 71,672	\$ -	\$ 7,273

Continued

	Early Learning	Food Service	Food Service FFVP	Food Service NSLP Equipment
Revenues:				
State	\$ 115,819	\$ -	\$ -	\$ -
Federal-Direct	-	-	-	-
Federal-Through the State	-	2,497,342	143,300	5,620
Food Sales	-	562,845	-	-
Corporate Grants and User Fees	-	-	-	-
Other Local	-	-	-	-
Total Revenues	<u>115,819</u>	<u>3,060,187</u>	<u>143,300</u>	<u>5,620</u>
Expenditures:				
Current:				
Instruction	110,863	-	-	-
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	4,956	-	-	-
Student Transportation To and From School	-	-	-	-
Food Services	-	3,913,508	143,300	5,620
Total Expenditures	<u>115,819</u>	<u>3,913,508</u>	<u>143,300</u>	<u>5,620</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>(853,321)</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses):				
Transfers In	-	864,420	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>864,420</u>	<u>-</u>	<u>-</u>
Net Changes In Fund Balances	-	11,099	-	-
Fund Balances, Beginning of Year	<u>-</u>	<u>1,095,246</u>	<u>-</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ 1,106,345</u>	<u>\$ -</u>	<u>\$ -</u>

Continued

	Food Service Nutritional Alaskan Foods	Future Educators	Governor's Alternative Schools	McKinney - Vento Homeless
Revenues:				
State	\$ -	\$ -	\$ 45,989	\$ -
Federal-Direct	-	-	-	-
Federal-Through the State	-	6,240	-	20,000
Food Sales	-	-	-	-
Corporate Grants and User Fees	-	-	-	-
Other Local	-	-	-	-
Total Revenues	<u>-</u>	<u>6,240</u>	<u>45,989</u>	<u>20,000</u>
Expenditures:				
Current:				
Instruction	-	2,679	44,893	19,144
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	-	-	1,096	856
Student Transportation To and From School	-	-	-	-
Food Services	14,619	-	-	-
Total Expenditures	<u>14,619</u>	<u>2,679</u>	<u>45,989</u>	<u>20,000</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(14,619)</u>	<u>3,561</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	(14,619)	3,561	-	-
Fund Balances, Beginning of Year	<u>223,440</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 208,821</u>	<u>\$ 3,561</u>	<u>\$ -</u>	<u>\$ -</u>

Continued

	Migrant Education	Project Aware	Staff Development Mini-Grants	Student Transportation
Revenues:				
State	\$ -	\$ -	\$ -	\$ 7,801,442
Federal-Direct	-	-	-	-
Federal-Through the State	15,749	60,162	21,334	-
Food Sales	-	-	-	-
Corporate Grants and User Fees	-	-	-	-
Other Local	-	-	-	-
Total Revenues	15,749	60,162	21,334	7,801,442
Expenditures:				
Current:				
Instruction	15,749	-	21,334	-
Special Education - Instruction	-	-	-	-
Special Education Support Services - Students	-	-	-	-
Support Services - Students	-	-	-	-
Support Services - Instruction	-	57,588	-	-
School Administration	-	-	-	-
School Administration Support Services	-	-	-	-
Operations and Maintenance of Plant	-	-	-	-
Student Activities	-	-	-	1,798
Community Services	-	-	-	-
District Administration Support Services	-	2,574	-	-
Student Transportation To and From School	-	-	-	7,983,297
Food Services	-	-	-	-
Total Expenditures	15,749	60,162	21,334	7,985,095
Excess (Deficiency) of Revenues over Expenditures	-	-	-	(183,653)
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses):	-	-	-	-
Net Changes In Fund Balances	-	-	-	(183,653)
Fund Balances, Beginning of Year	-	-	-	1,365,253
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,181,600</u>

Continued

	Substance Addiction & Prevention	Suicide Awareness Pre & Postvention	Title I-D At-Risk	Title I-D Delinquent
Revenues:				
State	\$ 7,500	\$ 27,333	\$ -	\$ -
Federal-Direct	-	-	-	-
Federal-Through the State	-	-	60,159	10,135
Food Sales	-	-	-	-
Corporate Grants and User Fees	-	-	-	-
Other Local	-	-	-	-
Total Revenues	7,500	27,333	60,159	10,135
Expenditures:				
Current:				
Instruction	7,179	26,163	57,585	9,740
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	321	1,170	2,574	395
Student Transportation To and From School	-	-	-	-
Food Services	-	-	-	-
Total Expenditures	7,500	27,333	60,159	10,135
Excess (Deficiency) of Revenues over Expenditures	-	-	-	-
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses):	-	-	-	-
Net Changes In Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Continued

	Title VI-B IDEA	Title VI Indian Education	Upward Bound	Youth In Detention
Revenues:				
State	\$ -	\$ -	\$ -	\$ 110,150
Federal-Direct	-	399,754	-	-
Federal-Through the State	1,519,698	-	33,473	-
Food Sales	-	-	-	-
Corporate Grants and User Fees	-	-	-	-
Other Local	-	-	-	-
Total Revenues	1,519,698	399,754	33,473	110,150
Expenditures:				
Current:				
Instruction	-	382,650	33,473	105,437
Special Education - Instruction	1,454,674	-	-	-
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	65,024	17,104	-	4,713
Student Transportation To and From School	-	-	-	-
Food Services	-	-	-	-
Total Expenditures	1,519,698	399,754	33,473	110,150
Excess (Deficiency) of Revenues over Expenditures	-	-	-	-
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses):	-	-	-	-
Net Changes In Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -

Concluded

	Total June 30, 2020	Total June 30, 2019
Revenues:		
State	\$ 8,114,848	\$ 8,227,882
Federal-Direct	399,754	444,817
Federal-Through the State	4,627,604	6,017,340
Food Sales	562,845	679,755
Corporate Grants and User Fees	140,998	269,128
Other Local	740	1,624
Total Revenues	<u>13,846,789</u>	<u>15,640,546</u>
Expenditures:		
Current:		
Instruction	1,167,502	1,293,451
Special Education - Instruction	1,454,674	2,607,725
Special Education Support Services - Students	-	-
Support Services - Students	10,388	215,752
Support Services - Instruction	63,088	95,431
School Administration	-	-
School Administration Support Services	8,254	8,826
Operations and Maintenance of Plant	-	1,088
Student Activities	30,701	32,153
Community Services	53,374	71,736
District Administration Support Services	108,903	168,361
Student Transportation To and From School	7,983,297	7,956,192
Food Services	4,077,047	3,752,317
Total Expenditures	<u>14,957,228</u>	<u>16,203,032</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,110,439)</u>	<u>(562,486)</u>
Other Financing Sources (Uses):		
Transfers In	864,420	750,000
Transfers Out	-	-
Total Other Financing Sources (Uses):	<u>864,420</u>	<u>750,000</u>
Net Changes In Fund Balances	(246,019)	187,514
Fund Balances, Beginning of Year	<u>2,878,035</u>	<u>2,690,521</u>
Fund Balances, End of Year	<u>\$ 2,632,016</u>	<u>\$ 2,878,035</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, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
State	\$ 500	\$ 500	\$ 500	\$ -	\$ 335
Federal - Through the State	500	500	500	-	335
Other Local	740	740	740	-	1,003
Total Revenues	<u>1,740</u>	<u>1,740</u>	<u>1,740</u>	-	<u>1,673</u>
Expenditures:					
Instruction					
Professional and Technical Services	1,493	1,493	1,493	-	1,173
Supplies, Materials, and Media	247	-	-	-	500
Other Expenses	-	247	247	-	-
Total Expenditures	<u>1,740</u>	<u>1,740</u>	<u>1,740</u>	-	<u>1,673</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
AK CHILDREN'S TRUST
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Local	\$ -	\$ -	\$ -	\$ -	\$ 10,000
Expenditures:					
Instruction					
Certificated Salaries	-	-	-	-	477
Non-Certificated Salaries	-	-	-	-	239
Employee Benefits	-	-	-	-	80
Professional and Technical Services	-	-	-	-	8,211
Staff Travel	-	-	-	-	348
Student Travel	-	-	-	-	182
Supplies, Materials, and Media	-	-	-	-	463
Total Instruction	-	-	-	-	10,000
Total Expenditures	-	-	-	-	10,000
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

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, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Local	\$ 1,015,000	\$ 1,015,000	\$ -	\$ (1,015,000)	\$ -
Expenditures:					
Student Activities					
Other Purchased Services	2,450	2,450	-	2,450	
Equipment	<u>1,012,550</u>	<u>1,012,550</u>	<u>-</u>	<u>1,012,550</u>	<u>-</u>
Total Expenditures	<u>1,015,000</u>	<u>1,015,000</u>	<u>-</u>	<u>1,015,000</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<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
 BROADBAND ASSISTANCE
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE-
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2020
 With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
State	\$ 6,116	\$ 6,116	\$ 6,115	\$ (1)	\$ 6,115
Expenditures:					
School Administration Support Services					
Utility Services	6,116	6,116	6,115	\$ 1	6,115
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 BUILDING TRADES
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE-
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2020
 With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
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
 CARL PERKINS - BASIC
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE-
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2020
 With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal - Through the State	\$ 229,821	\$ 261,394	\$ 223,039	\$ (38,355)	\$ 277,351
Expenditures:					
Instruction					
Certificated Salaries	50,600	46,181	44,421	1,760	42,991
Non-Certificated Salaries	8,600	14,011	4,117	9,894	6,655
Employee Benefits	18,716	22,130	17,400	4,730	17,332
Professional and Technical Services	29,575	22,850	15,665	7,185	27,919
Staff Travel	8,900	10,000	8,400	1,600	13,730
Student Travel	5,200	1,000	350	650	5,062
Other Purchased Services	500	1,596	1,595	1	2,995
Supplies, Materials, and Media	61,413	87,622	79,308	8,314	50,427
Stipends	8,400	-	-	-	-
Equipment	29,714	46,823	44,128	2,695	102,603
Total Instruction	221,618	252,213	215,384	36,829	269,714
District Administration Support Services					
Indirect Costs	8,203	9,181	7,655	1,526	7,637
Total Expenditures	229,821	261,394	223,039	38,355	277,351
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, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Corporate Grants and User Fees	\$ 35,000	\$ 35,000	\$ 21,772	\$ (13,228)	\$ 37,255
Expenditures:					
Community Services:					
Non-Certificated Salaries	26,500	22,588	22,587	1	37,847
Employee Benefits	6,500	5,690	6,619	(929)	10,558
Staff Travel	-	-	563	(563)	52
Supplies, Materials, and Media	2,000	3,422	8,066	(4,644)	5,301
Other Expenses	-	-	3,359	(3,359)	-
Equipment	-	3,300	12,180	(8,880)	17,978
Total Expenditures	35,000	35,000	53,374	(18,374)	71,736
Excess (Deficiency) of Revenue over Expenditures	-	-	(31,602)	(31,602)	(34,481)
Other Financing Sources:					
Transfers In	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			68,704		103,185
Fund Balance, End of Year			\$ 37,102		\$ 68,704

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, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Corporate Grants and User Fees	\$ -	\$ 119,226	\$ 119,226	\$ -	\$ 231,873
Expenditures:					
Instruction:					
Certificated Salaries	3,000	11,614	8,600	3,014	13,523
Non-Certificated Salaries	500	3,729	3,226	503	10,362
Employee Benefits	268	1,640	1,364	276	2,399
Professional and Technical Service	13,097	44,212	27,207	17,005	79,943
Staff Travel	1,000	2,451	1,485	966	3,225
Student Travel	15,075	25,195	13,922	11,273	29,818
Other Purchased Services	-	8,243	8,243	-	1,763
Supplies, Materials, and Media	57,772	57,300	34,411	22,889	42,642
Other Expenses	-	299	299	-	-
Equipment	6,206	22,673	11,673	11,000	115,625
Total Instruction	96,918	177,356	110,430	66,926	299,300
Support Services - Instruction					
Non-Certificated Salaries	-	-	-	-	145
Staff Travel	-	-	-	-	9,224
Other Purchased Services	-	2,500	2,500	-	-
Supplies, Materials, and Media	1,000	3,000	3,000	-	5,745
Other Expenses	-	-	-	-	14,031
Equipment	-	-	-	-	1,000
Total Support Services - Instruction	1,000	5,500	5,500	-	30,145
School Administration Support Services					
Supplies, Materials, and Media	-	2,139	2,139	-	2,711
Total School Administration Support Services	-	2,139	2,139	-	2,711
Operations and Maintenance of Plant:					
Supplies, Materials, and Media	-	-	-	-	540
Equipment	-	-	-	-	548
Total Operations and Maintenance of Plant	-	-	-	-	1,088

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, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Actual		
Student Activities:					
Student Travel	500	7,722	5,982	1,740	5,216
Other Purchased Services	-	13,597	13,597	-	4,000
Supplies, Materials, and Media	1,000	11,820	8,814	3,006	11,185
Equipment	-	510	510	-	3,000
Total Student Activities	<u>1,500</u>	<u>33,649</u>	<u>28,903</u>	<u>4,746</u>	<u>23,401</u>
Total Expenditures	<u>99,418</u>	<u>218,644</u>	<u>146,972</u>	<u>71,672</u>	<u>356,645</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (99,418)</u>	<u>\$ (99,418)</u>	(27,746)	<u>\$ 71,672</u>	(124,772)
Fund Balance, Beginning of Year			<u>99,418</u>		<u>224,190</u>
Fund Balance, End of Year			<u>\$ 71,672</u>		<u>\$ 99,418</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, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ 132,000	\$ 132,000	\$ 10,853	\$ (121,147)	\$ -
Expenditures:					
Support Services - Students					
Non-Certificated Salaries	-	74,800	9,650	65,150	-
Employee Benefits	-	5,723	738	4,985	-
Supplies, Materials, and Media	-	10,000	-	10,000	-
Other Expenses	126,352	35,829	-	35,829	-
Total Support Services - Instruction	126,352	126,352	10,388	115,964	-
District Administration Support Services					
Indirect Costs	5,648	5,648	465	5,183	-
Total Expenditures	132,000	132,000	10,853	121,147	-
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, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
State	\$ -	\$ -	\$ -	\$ -	\$ 19,711
Expenditures:					
Instruction					
Certificated Salaries	-	-	-	-	3,747
Non-Certificated Salaries	2,842	2,842	2,841	1	4,136
Employee Benefits	218	218	218	-	841
Supplies, Materials, and Media	<u>7,272</u>	<u>7,272</u>	<u>-</u>	<u>7,272</u>	<u>655</u>
Total Instruction	<u>10,332</u>	<u>10,332</u>	<u>3,059</u>	<u>7,273</u>	<u>9,379</u>
Total Expenditures	<u>10,332</u>	<u>10,332</u>	<u>3,059</u>	<u>7,273</u>	<u>9,379</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (10,332)</u>	<u>\$ (10,332)</u>	\$ (3,059)	<u>\$ 7,273</u>	\$ 10,332
Fund Balance, Beginning of Year			<u>10,332</u>		<u>-</u>
Fund Balance, End of Year			<u>\$ 7,273</u>		<u>\$ 10,332</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, 2020
 With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
State	\$ 115,819	\$ 115,819	\$ 115,819	\$ -	\$ -
Expenditures:					
Instruction					
Professional and Technical Service	110,863	110,863	110,863	-	-
District Administration Support Services					
Indirect Costs	4,956	4,956	4,956	-	-
Total Expenditures	115,819	115,819	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, 2020
 With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ 2,329,904	\$ 2,329,904	\$ 2,335,726	\$ 5,822	\$ 2,292,763
Food Sales	675,000	675,000	562,845	(112,155)	679,755
Commodities	150,000	150,000	161,616	11,616	186,737
Other Local Revenues	-	-	-	-	621
Total Revenues	<u>3,154,904</u>	<u>3,154,904</u>	<u>3,060,187</u>	<u>(94,717)</u>	<u>3,159,876</u>
Expenditures:					
Food Services					
Non-Certificated Salaries	1,406,829	1,399,740	1,380,691	19,049	1,362,355
Employee Benefits	1,089,354	1,089,354	961,244	128,110	1,005,909
Staff Travel	5,000	5,000	4,262	738	4,680
Utility Services	2,600	2,600	1,702	898	1,753
Other Purchased Services	31,700	35,547	35,429	118	21,527
Supplies, Materials, and Media	1,480,941	1,480,941	1,525,864	(44,923)	1,193,173
Other Expenses	2,900	2,900	1,074	1,826	4,826
Equipment	-	3,242	3,242	-	2,581
Total Expenditures	<u>4,019,324</u>	<u>4,019,324</u>	<u>3,913,508</u>	<u>105,816</u>	<u>3,596,804</u>
Excess (Deficiency) of Revenue over Expenditures	<u>(864,420)</u>	<u>(864,420)</u>	<u>(853,321)</u>	<u>11,099</u>	<u>(436,928)</u>
Other Financing Sources:					
Transfers In	<u>\$ 864,420</u>	<u>\$ 864,420</u>	864,420	<u>\$ -</u>	750,000
Fund Balance, Beginning of Year			<u>1,095,246</u>		<u>782,174</u>
Fund Balance, End of Year			<u>\$ 1,106,345</u>		<u>\$ 1,095,246</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, 2020
 With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ 23,818	\$ 143,302	\$ 143,300	\$ (2)	\$ 145,344
Expenditures:					
Food Service					
Supplies, Materials, and Media	23,818	143,302	143,300	2	142,345
Equipment	-	-	-	-	2,999
Total Expenditures	23,818	143,302	143,300	2	145,344
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, 2020
 With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
State	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Food Service					
Supplies, Materials, and Media	<u>223,440</u>	<u>223,440</u>	<u>14,619</u>	<u>208,821</u>	<u>225</u>
Total Expenditures	<u>223,440</u>	<u>223,440</u>	<u>14,619</u>	<u>208,821</u>	<u>225</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (223,440)</u>	<u>\$ (223,440)</u>	(14,619)	<u>\$ 208,821</u>	(225)
Fund Balance, Beginning of Year			<u>223,440</u>		<u>223,665</u>
Fund Balance, End of Year			<u>\$ 208,821</u>		<u>\$ 223,440</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, 2020
 With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ 5,620	\$ 5,620	\$ 5,620	\$ -	\$ 9,944
Total Revenues	<u>5,620</u>	<u>5,620</u>	<u>5,620</u>	<u>-</u>	<u>9,944</u>
Expenditures:					
Food Service Equipment	<u>5,620</u>	<u>5,620</u>	<u>5,620</u>	<u>-</u>	<u>9,944</u>
Total Expenditures	<u>5,620</u>	<u>5,620</u>	<u>5,620</u>	<u>-</u>	<u>9,944</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, 2020
 With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ 6,240	\$ 6,240	\$ 6,240	\$ -	\$ 492
Expenditures:					
Instruction					
Staff Travel	-	-	-	-	24
Student Travel	6,240	6,240	2,679	3,561	468
Total Expenditures	6,240	6,240	2,679	3,561	468
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	3,561	\$ 3,561	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ 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, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
State	\$ 46,000	\$ 46,000	\$ 45,989	\$ (11)	\$ 50,388
Expenditures:					
Instruction:					
Non-Certificated Salaries	-	183	181	2	536
Employee Benefits	-	13	14	(1)	41
Professional and Technical Service	-	500	500	-	8,575
Staff Travel	-	1,127	1,126	1	1,872
Student Travel	-	4,240	4,240	-	8,185
Other Purchased Service	-	-	-	-	45
Supplies, Materials, and Media	-	18,342	18,334	8	28,500
Other Expenses	44,032	125	125	-	-
Equipment	-	20,374	20,373	1	452
Total Instruction	44,032	44,904	44,893	11	48,206
District Administration Support Services					
Indirect Costs	1,968	1,096	1,096	-	2,182
Total Expenditures	46,000	46,000	45,989	11	50,388
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
MARINE/AQUATIC EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ -	\$ -	\$ -	\$ -	\$ 2,740
Expenditures:					
Instruction					
Non-Certificated Salaries	-	-	-	-	345
Employee Benefits	-	-	-	-	26
Student Travel	-	-	-	-	2,369
Total Expenditures	-	-	-	-	2,740
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

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, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	\$ 20,000
Expenditures:					
Instruction					
Staff Travel	-	5,670	5,670	-	4,100
Supplies, Materials, and Media	-	13,424	13,424	-	15,026
Other Expenses	20,000	50	50	-	-
Total Instruction	20,000	19,144	19,144	-	19,126
District Administration Support Services					
Indirect Costs	-	856	856	-	874
Total Expenditures	20,000	20,000	20,000	-	20,000
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
MIGRANT EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ 20,000	\$ 20,000	\$ 15,749	\$ (4,251)	\$ 14,555
Expenditures:					
Instruction					
Staff Travel	-	5,000	749	4,251	3,027
Supplies, Materials, and Media	20,000	15,000	15,000	-	11,528
Total Expenditures	20,000	20,000	15,749	4,251	14,555
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, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal - Through the State	\$ 60,500	\$ 60,500	\$ 60,162	\$ (338)	\$ 293,776
Expenditures:					
Support Services - Student					
Certificated Salaries	-	-	-	-	149,556
Employee Benefits	-	-	-	-	65,746
Supplies, Materials, and Media	-	-	-	-	450
Total Support Services - Student	-	-	-	-	215,752
Support Services - Instruction					
Certificated Salaries	-	43,315	43,315	-	31,036
Non-Certificated Salaries	-	-	-	-	3,714
Employee Benefits	-	13,066	13,066	-	9,924
Staff Travel	-	63	63	-	6,398
Supplies, Materials, and Media	-	1,467	1,144	323	11,900
Other Expenses	57,911	-	-	-	-
Equipment	-	-	-	-	2,314
Total Support Services - Instruction	57,911	57,911	57,588	323	65,286
District Administration Support Services					
Indirect Costs	2,589	2,589	2,574	15	12,738
Total Expenditures	60,500	60,500	60,162	338	293,776
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
SAFE CHILDREN'S ACT
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
State	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures:					
Instruction					
Certificated Salaries	-	-	-	-	420
Non-Certificated Salaries	-	-	-	-	60
Employee Benefits	-	-	-	-	37
Professional and Technical Service	-	-	-	-	3,100
Staff Travel	-	-	-	-	930
Supplies, Materials, and Media	-	-	-	-	3,739
Total Expenditures	-	-	-	-	8,286
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	(8,286)
Fund Balance, Beginning of Year			-		<u>8,286</u>
Fund Balance, End of Year			<u>\$ -</u>		<u>\$ -</u>

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, 2020
 With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ 7,200	\$ 37,547	\$ 21,334	\$ (16,213)	\$ 16,243
Total Revenues	<u>7,200</u>	<u>37,547</u>	<u>21,334</u>	<u>(16,213)</u>	<u>16,243</u>
Expenditures:					
Instruction					
Certificated Salaries	-	-	-	-	140
Employee Benefits	-	-	-	-	11
Staff Travel	7,200	37,547	21,334	16,213	16,092
Total Expenditures	<u>7,200</u>	<u>37,547</u>	<u>21,334</u>	<u>16,213</u>	<u>16,243</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 TRANSPORTATION
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenue:					
State	\$ 8,015,208	\$ 7,801,442	\$ 7,801,442	\$ -	\$ 7,996,818
Expenditures:					
Student Transportation To and From School					
Home to School					
Non-Certificated Salaries	59,848	64,817	63,740	1,077	54,563
Employee Benefits	42,319	43,126	41,271	1,855	37,305
Staff Travel	9,500	4,250	1,480	2,770	1,848
Utility Services	1,500	1,500	397	1,103	336
Other Purchased Services	7,681,874	7,681,874	7,861,486	(179,612)	7,858,405
Supplies, Materials, and Media	4,800	8,950	14,322	(5,372)	2,826
Other Expenses	194,426	300	-	300	-
Equipment	-	594	601	(7)	909
Total Student Transportation To and From School	<u>7,994,267</u>	<u>7,805,411</u>	<u>7,983,297</u>	<u>(177,886)</u>	<u>7,956,192</u>
Student Activities					
Student Activities					
Non-Certificated Salaries	2,500	1,500	124	1,376	1,309
Employee Benefits	191	114	10	104	100
Staff Travel	750	500	-	500	655
Utility Services	5,000	5,000	7,155	(2,155)	1,633
Other Purchased Services	-	-	1,371	(1,371)	1,091
Supplies, Materials, and Media	12,000	12,000	(6,862)	18,862	3,928
Other Expenses	500	500	-	500	36
Total Student Activities	<u>20,941</u>	<u>19,614</u>	<u>1,798</u>	<u>17,816</u>	<u>8,752</u>
Total Expenditures	<u>8,015,208</u>	<u>7,825,025</u>	<u>7,985,095</u>	<u>(160,070)</u>	<u>7,964,944</u>
Excess (Deficiency) of Revenue over Expenditures	<u>-</u>	<u>(23,583)</u>	<u>(183,653)</u>	<u>(160,070)</u>	<u>31,874</u>
Other Financing Sources:					
Transfers In	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance, Beginning of Year			<u>1,365,253</u>		<u>1,333,379</u>
Fund Balance, End of Year			<u>\$ 1,181,600</u>		<u>\$ 1,365,253</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, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
State	\$ 7,500	\$ 7,500	\$ 7,500	\$ -	\$ -
Expenditures:					
Instruction					
Professional and Technical Services	-	7,179	7,179	-	-
Other Purchased Services	7,179	-	-	-	-
Total Instruction:	7,179	7,179	7,179	-	-
District Administration Support Services					
Indirect Costs	321	321	321	-	-
Total Expenditures	7,500	7,500	7,500	-	-
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 SUICIDE AWARENESS PRE & POSTVENTION
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE-
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2020
 With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
State	\$ 27,500	\$ 27,500	\$ 27,333	\$ (167)	\$ 54,239
Expenditures:					
Support Services - Instruction					
Certificated Salaries	-	3,300	3,300	-	2,450
Non-Certificated Salaries	-	1,982	1,982	-	1,811
Employee Benefits	-	610	610	-	326
Professional and Technical Services	-	14,589	14,589	-	27,465
Staff Travel	-	3,950	3,950	-	7,798
Student Travel	-	50	50	-	649
Supplies, Materials, and Media	-	1,842	1,682	160	11,370
Other Expenses	26,323	-	-	-	-
Total Support Services - Instruction	26,323	26,323	26,163	160	51,869
District Administration Support Services					
Indirect Costs	1,177	1,177	1,170	7	2,370
Total Expenditures	27,500	27,500	27,333	167	54,239
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, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ 91,682	\$ 91,682	\$ 60,159	\$ (31,523)	\$ -
Expenditures:					
Instruction					
Non-Certificated Salaries	49,005	49,005	32,878	16,127	-
Employee Benefits	35,612	35,612	24,550	11,062	-
Staff Travel	1,000	1,000	157	843	-
Supplies, Materials, and Media	2,143	2,143	-	2,143	-
Total Instruction	87,760	87,760	57,585	30,175	-
District Administration Support Services					
Indirect Costs	3,922	3,992	2,574	1,418	-
Total Expenditures	91,682	91,752	60,159	31,593	-
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, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ 22,580	\$ 22,580	\$ 10,135	\$ (12,445)	\$ 16,534
Expenditures:					
Instruction					
Certificated Salaries	2,000	2,000	675	1,325	1,490
Non-Certificated Salaries	2,000	2,000	-	2,000	-
Employee Benefits	879	433	94	339	199
Professional and Technical Services	9,000	9,000	4,894	4,106	7,064
Staff Travel	2,000	5,000	2,392	2,608	-
Utilities	300	300	-	300	-
Supplies, Materials, and Media	3,853	1,593	776	817	3,487
Other Expenses	307	-	-	-	-
Equipment	1,345	1,345	909	436	3,571
Total Instruction	21,684	21,671	9,740	11,931	15,811
District Administration Support Services					
Indirect Costs	896	909	395	514	723
Total Expenditures	22,580	22,580	10,135	12,445	16,534
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
TITLE VI-B, IDEA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ 3,129,362	\$ 3,129,362	\$ 1,519,698	\$ (1,609,664)	\$ 2,726,898
Expenditures:					
Special Education - Instruction					
Certificated Salaries	217,043	217,043	130,579	86,464	242,889
Non-Certificated Salaries	1,263,741	1,263,741	726,897	536,844	1,267,865
Employee Benefits	1,428,608	1,428,608	527,292	901,316	1,026,375
Staff Travel	60,000	60,000	64,584	(4,584)	58,994
Other Purchased Services	3,000	3,000	1,230	1,770	690
Supplies, Materials, and Media	23,073	23,073	4,092	18,981	10,912
Total Special Education - Instruction	2,995,465	2,995,465	1,454,674	1,540,791	2,607,725
District Administration Support Services					
Indirect Costs	133,897	133,897	65,024	68,873	119,173
Total Expenditures	3,129,362	3,129,362	1,519,698	1,609,664	2,726,898
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

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, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Direct	\$ 443,913	\$ 444,686	\$ 399,754	\$ (44,932)	\$ 444,817
Expenditures:					
Instruction					
Certificated Salaries	75,638	85,352	65,548	19,804	99,357
Non-Certificated Salaries	99,230	95,984	87,117	8,867	87,590
Employee Benefits	55,806	65,840	58,790	7,050	56,019
Professional and Technical Services	143,269	120,617	120,465	152	140,125
Staff Travel	30,000	1,300	860	440	3,838
Student Travel	-	34,416	34,437	(21)	28,953
Other Purchased Services	-	11,078	11,078	-	-
Supplies, Materials, and Media	20,127	11,072	4,355	6,717	9,495
Total Instruction	424,070	425,659	382,650	43,009	425,377
District Administration Support Services					
Indirect Costs	19,843	19,027	17,104	1,923	19,440
Total Expenditures	443,913	444,686	399,754	44,932	444,817
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

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, 2020
With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
Federal-Through the State	\$ 30,000	\$ 32,000	\$ 33,473	\$ 1,473	\$ 13,628
Expenditures:					
Instruction					
Certificated Salaries	11,842	11,982	12,262	(280)	5,740
Non-Certificated Salaries	-	1,200	1,490	(290)	480
Employee Benefits	1,658	1,697	1,795	(98)	739
Staff Travel	-	715	715	-	-
Student Travel	-	1,764	4,615	(2,851)	1,962
Supplies, Materials, and Media	5,700	2,774	3,264	(490)	2,318
Other Expenses	10,800	10,070	7,534	2,536	2,120
Equipment	-	1,798	1,798	-	269
Total Expenditures	<u>30,000</u>	<u>32,000</u>	<u>33,473</u>	<u>(1,473)</u>	<u>13,628</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			<u>\$ -</u>		<u>\$ -</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 YOUTH IN DETENTION
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE-
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2020
 With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
State	\$ 110,150	\$ 110,150	\$ 110,150	\$ -	\$ 73,776
Expenditures:					
Instruction:					
Certificated Salaries	75,338	86,314	86,314	-	52,018
Non-Certificated Salaries	-	34	34	-	-
Employee Benefits	30,099	19,089	19,089	-	18,534
Total Instruction	105,437	105,437	105,437	-	70,552
District Administration Support Services					
Indirect Costs	4,713	4,713	4,713	-	3,224
Total Expenditures	110,150	110,150	110,150	-	73,776
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 YOUTH RISK BEHAVIOR SURVEY
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE-
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2020
 With Comparative Actual Totals for the Year Ended June 30, 2019

	2020			Variance- Positive (Negative)	2019 Actual
	Original Budget	Current Budget	Current		
Revenues:					
State	\$ -	\$ -	\$ -	\$ -	\$ 16,500
Expenditures:					
Instruction					
Certificated Salaries	-	-	-	-	3,100
Employee Benefits	-	-	-	-	430
Supplies, Materials, and Media	-	-	-	-	12,970
Total Expenditures	-	-	-	-	16,500
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<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, 2020

<u>ASSETS</u>	<u>Employee Compensated Leave Fund</u>	<u>Health Care Fund</u>	<u>Total Internal Service Funds</u>
Equity in Central Treasury	\$ 3,109,157	\$ 6,658,588	\$ 9,767,745
Equity in Central Treasury - Restricted for Healthcare	-	3,318,306	3,318,306
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 3,109,157</u>	<u>\$ 9,976,894</u>	<u>\$ 13,086,051</u>
 <u>LIABILITIES</u> 			
Current Liabilities:			
Health Claims Payable (IBNR)	\$ -	\$ 3,342,000	\$ 3,342,000
Contributions Collected from Employees in Excess of Negotiated Agreement	-	1,406,512	1,406,512
Compensated Absences	47,380	-	47,380
Total Current Liabilities	<hr/> 47,380	<hr/> 4,748,512	<hr/> 4,795,892
Noncurrent Liabilities:			
Compensated Absences, Net of Current Portion	<hr/> 3,061,777	<hr/> -	<hr/> 3,061,777
Total Liabilities	<u>\$ 3,109,157</u>	<u>\$ 4,748,512</u>	<u>\$ 7,857,669</u>
 <u>NET POSITION</u> 			
Net Position - Unrestricted	<hr/> -	<hr/> 5,228,382	<hr/> 5,228,382
Total Net Position	<u>\$ -</u>	<u>\$ 5,228,382</u>	<u>\$ 5,228,382</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, 2020

	Employee Compensated Leave Fund	Health Care Fund	Total Internal Service Funds
Operating Revenues:			
Charges to Other Funds	\$ 2,005,638	\$ -	\$ 2,005,638
Employer Contributions	-	25,970,421	25,970,421
Employee Contributions, Net of adjustment per negotiated agreement.	-	3,180,970	3,180,970
Total Operating Revenues	<u>2,005,638</u>	<u>29,151,391</u>	<u>31,157,029</u>
Operating Expenses:			
Administrative Services	2,005,638	-	2,005,638
Healthcare Claims and Administrative Fees	-	25,478,697	25,478,697
Total Operating Expenses	<u>2,005,638</u>	<u>25,478,697</u>	<u>27,484,335</u>
Operating income	<u>-</u>	<u>3,672,694</u>	<u>3,672,694</u>
Nonoperating Revenues - Interest Income	<u>-</u>	<u>111,862</u>	<u>111,862</u>
Increase in Net Position	-	3,784,556	3,784,556
Total Net Position, Beginning of Year	<u>-</u>	<u>1,443,826</u>	<u>1,443,826</u>
Total Net Position, End of Year	<u>\$ -</u>	<u>\$ 5,228,382</u>	<u>\$ 5,228,382</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2020

	Employee Compensated Leave Fund	Health Care Fund	Total Internal Service Funds
Cash flows for operating activities:			
Payments for interfund services provided	\$ 2,005,638	\$ -	\$ 2,005,638
Payments to employees	(1,864,089)	-	(1,864,089)
Receipts from employer - current year contributions	-	24,321,948	24,321,948
Receipts from employees - current year contributions	-	4,506,230	4,506,230
Payments for claims and services	-	(25,831,894)	(25,831,894)
Net cash flow for operating activities	<u>141,549</u>	<u>2,996,284</u>	<u>3,137,833</u>
Cash flows from investing activities - interest income received	-	111,862	111,862
Net increase (decrease) in cash and cash equivalents	<u>141,549</u>	<u>3,108,146</u>	<u>3,249,695</u>
Cash and cash equivalents, beginning of year	<u>2,967,608</u>	<u>6,868,748</u>	<u>9,836,356</u>
Cash and cash equivalents, end of year	<u>\$ 3,109,157</u>	<u>\$ 9,976,894</u>	<u>\$ 13,086,051</u>
Reconciliation of operating income to net cash used in operating activities:			
Operating income	\$ -	\$ 3,672,694	\$ 3,672,694
Increase in compensated absences payable	141,549	-	141,549
Decrease in health care payable	-	(353,197)	(353,197)
Contributions collected in excess of negotiated agreement	-	(323,213)	(323,213)
Net cash used in operating activities	<u>\$ 141,549</u>	<u>\$ 2,996,284</u>	<u>\$ 3,137,833</u>

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FIDUCIARY FUND

Fiduciary Fund – Statement of Changes in Assets and Liabilities

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KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 FIDUCIARY FUND
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 For the Year Ended June 30, 2020

<u>Student Activity</u>	<u>Total June 30, 2019</u>	<u>Increases</u>	<u>Decreases</u>	<u>Total June 30, 2020</u>
Assets:				
Cash	\$ 47,950	\$ 2,094,582	2,116,636	\$ 25,896
Equity in Central Treasury	3,002,641	6,116,077	5,827,299	3,291,419
Accounts Receivable	20,696	77,347	88,679	9,364
Total Assets:	<u>\$ 3,071,287</u>	<u>\$ 8,288,006</u>	<u>\$ 8,032,614</u>	<u>\$ 3,326,679</u>
Liabilities:				
Amount Due Student Groups	\$ 3,071,287	\$ 8,288,006	\$ 8,032,614	\$ 3,326,679
Total Liabilities:	<u>\$ 3,071,287</u>	<u>\$ 8,288,006</u>	<u>\$ 8,032,614</u>	<u>\$ 3,326,679</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, 2020

	General Capital Assets June 30, 2019	Additions	Deletions	Transfers	General Capital Assets June 30, 2020
Administration	\$ 2,786,096	\$ 439,097	\$ (24,385)	\$ (34,872)	\$ 3,165,936
Schools	6,710,792	198,407	(163,010)	34,872	6,781,061
	<u>\$ 9,496,888</u>	<u>\$ 637,504</u>	<u>\$ (187,395)</u>	<u>\$ -</u>	<u>\$ 9,946,997</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
SCHEDULE OF GENERAL CAPITAL ASSETS - BY LOCATION
June 30, 2020

	<u>Equipment</u>		<u>Equipment</u>
Administration:		Kenai:	
District Office and		Aurora Borealis	188,131
Warehouse	\$ 3,165,936	High School	1,257,643
Total Administration	<u>3,165,936</u>	Kaleidoscope	126,108
		Kenai Alternative	5,721
		Middle School	279,775
Schools:		Mt. View Elementary	<u>72,706</u>
Outside Cities:		Total Kenai	<u>1,930,084</u>
Chapman Elementary	47,080		
Cooper Landing	30,432	Seldovia:	<u>88,469</u>
Hope	43,464	Susan B. English	<u>88,469</u>
Kachemak Selo	25,198	Total Seldovia	
K-Beach	104,294		
McNeil Canyon	48,728	Seward:	
Moose Pass	12,401	Elementary	66,989
Nanwalek	46,551	High School	564,607
Nikiski High	621,514	Middle School	<u>51,723</u>
Nikiski North Star	56,191	Total Seward	<u>683,319</u>
Nikolaevsk	118,291		
Ninilchik	89,151	Soldotna:	
Port Graham	30,176	Connections	7,175
Skyview Middle	304,860	Elementary	134,578
Sterling	45,189	High School	946,337
Tebughna	35,572	Redoubt Elementary	<u>110,268</u>
Tustumena	34,614	Total Soldotna	<u>1,198,358</u>
Voznesenka	27,446		
Total Outside Cities	<u>1,721,152</u>	Total Schools	<u>6,781,061</u>
Homer:		Total General Capital Assets	<u>\$ 9,946,997</u>
Fireweed Academy	49,592		
High School	873,986		
Homer Flex	25,447		
Middle School	69,521		
Paul Banks	31,547		
Razdolna	36,897		
West Homer	<u>72,689</u>		
Total Homer	<u>1,159,679</u>		

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 COMPARATIVE SCHEDULE OF CAPITAL ASSETS - BY SOURCE
 June 30, 2020 and 2019

	2020	2019
General Capital Assets:		
Furniture and Equipment	\$ 9,946,997	\$ 9,496,888
Investments in General Capital Assets from:		
General Obligation Bonds	\$ 358,442	\$ 371,727
State and Federal Grants	3,645,744	3,645,834
General Fund Revenue	5,942,811	5,479,327
Total Investment in General Capital Assets:	\$ 9,946,997	\$ 9,496,888

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SCHEDULES SECTION

SCHEDULES SECTION

Schedule of State Financial Assistance

Schedule of Expenditures of Federal Awards

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KENAI PENINSULA BOROUGH SCHOOL DISTRICT

Schedule of State Financial Assistance

Year Ended June 30, 2020

<u>State Agency/Program Title</u>	<u>Award Number</u>	<u>Passed Through to Recipients</u>	<u>State Expenditures</u>
Department of Administration:			
* TRS On Behalf		\$ -	\$ 9,174,109
* PERS On Behalf		-	1,325,208
PERS On Behalf passed through Kenai Peninsula Borough		-	235,815
Total Department of Administration		-	10,735,132
Alaska State Council on the Arts			
Promotion of the Arts Partnerships Agreements			
Artist in Schools	FY20AIS0003	-	500
Total Alaska State Council on the Arts		-	500
Department of Education and Early Development:			
* Public School Funding Program		-	78,773,325
* House Bill 287		-	2,072,133
* Pupil Transportation		-	7,801,442
House Bill 39		-	33,721
Alternative Schools	BH 20.KPSD.01	-	45,989
Broadband Assistance Grant	SBG 20.024.12	-	6,115
Early Learning	PE 20.KPSD.01	-	115,819
Quality Schools		-	286,749
Substance Misuse and Addiction Prevention	AP 20.KPSD.01	-	7,500
Suidcide Awareness, Prevention & Postvention	SP 20.KPSD.01	-	27,333
Youth In Detention - Marathon School Facility	EY20.KPSD.01	-	110,150
Total Department of Education and Early Development		-	89,280,276
Department of Commerce, Community and Economic Development:			
Nutritional Alaskan Foods in Schools	13-NAFS-025	-	14,619
Total Department of Commerce, Community and Economic Development		-	14,619
Department of Labor:			
Alaska Division of Vocational Rehabilitation	AFP#1455, 1458 & 1474	-	3,059
Total Department of Labor		-	3,059
Total State Financial Assistance		\$ -	\$ 100,033,586

* State major program

Note 1: Basis of Presentation

The accompanying schedule of state financial assistance (the "Schedule") includes the state grant award of Kenai Peninsula Borough School District under programs of the State of Alaska for the year ended June 30, 2019. 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 2: Summary of Significant Accounting Policy

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2020

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster</u>	<u>Federal CFDA Number</u>	<u>Pass Through Entity Identifying Number</u>	<u>Provided To Subrecipients</u>	<u>Amount Expended During the Year Ended 06/30/20</u>
U.S. Department of Education - Direct:				
Indian Education Grants to Local Educational Agencies	84.060A		\$ -	\$ 399,754
Total U.S. Department of Education - Direct			<u>-</u>	<u>399,754</u>
Passed through Alaska Department of Education and Early Development:				
Title I Grants to Local Educational Agencies				
NCLB - Title I-A Basic	84.010	IP 20.KPSD.01	-	1,682,008
NCLB - Title I-A 1% Parent Involvement	84.010	IP 20.KPSD.01	-	15,910
NCLB - Title I-A Pre-K	84.010	IP 20.KPSD.01	-	1,032,161
Title I-A, School Improvement - Implementation	84.010	SI 20.KPSD.02	-	37,126
Title I-D, Neglected and Delinquent	84.010	ND 20.KPSD.01	-	60,159
Staff Development	84.010	SD.20.KPSD.01	-	6,262
Total CFDA 84.010			<u>-</u>	<u>2,833,626</u>
Supporting Effective Instruction State Grants				
NCLB - Title II-A, Training & Recruiting	84.367	IP 20.KPSD.01	-	652,767
Staff Development	84.367	SD.20.KPSD.01	-	2,311
Total CFDA 84.367			<u>-</u>	<u>655,078</u>
Special Education Cluster:				
Special Education Grants to Schools	84.027	SE 20.KPSD.01	-	1,455,082
Total CFDA 84.027			<u>-</u>	<u>1,455,082</u>
Special Education Preschool Grants	84.173	SE 20.KPSD.01	-	64,616
Total Special Education Cluster			<u>-</u>	<u>1,519,698</u>
Migrant Education State Grant Program				
Migrant Education, Book	84.011A	MB 20.KPSD.01	-	15,000
Migrant Education, Parent Advisory Council	84.011	MP20.KPSD.01	-	749
NCLB - Title I-C Migrant	84.011	IP 20.KPSD.01	-	868,767
Staff Development	84.011	SD.20.KPSD.01	-	5,753
Total CFDA 84.011			<u>-</u>	<u>890,269</u>
Education for Homeless Children and Youth	84.196	FR 20.KPSD.01	-	20,000
Title I State Agency Program for Neglected and Delinquent Children and Youth	84.013	IP 20.KPSD.01	-	10,135
Student Support and Academic Enrichment Program				
Title IV -A, Student Support and Academic Enrichment Program	84.424A	IP 20.KPSD.01	-	269,824
Staff Development	84.424	SD.20.KPSD.01	-	204
Total CFDA 84.424			<u>-</u>	<u>270,028</u>
Twenty-First Century Community Learning Centers - Staff Development				
Development	84.287	SD.20.KPSD.01	-	430
Title III-A, English Language Acquisition	84.365	IP 20.KPSD.01	-	38,827
Staff Development	84.365	SD.20.KPSD.01	-	316
Total CFDA 84.365			<u>\$ -</u>	<u>\$ 39,143</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards, continued

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster</u>	<u>Federal CFDA Number</u>	<u>Pass Through Entity Identifying Number</u>	<u>Provided To Subrecipients</u>	<u>Amount Expended During the Year Ended 06/30/20</u>
Passed thru the University of Fairbanks:				
Trio Cluster: Trio Upward Bound	84.047	P047A181279	\$ -	\$ 33,473
Career and Technical Education - Educator Rising	84.048	542584	-	6,240
Career and Technical Education	84.048	EK 20.KPSD.01	-	223,039
Staff Development	84.048	SD.20.KPSD.01	-	1,614
Total CFDA 84.048			-	230,893
Total U.S. Department of Education			-	6,902,527
U.S. Department of Health and Human Services:				
Passed through Alaska Department of Education and Early Development				
Substance Abuse and Mental Health Services Projects of Regional and National Significance				
Project AWARE - Youth Mental Health	93.243	AW 20.KPSD.01	-	662
Project AWARE - Youth Mental Health	93.243	AW 20.KPSD.02	-	59,500
Staff Development	93.243	SD.20.KPSD.01	-	4,444
Total CFDA 93.243			-	64,606
COVID-19 Contract Tracing	93.323	CV 20.KPSD.01	-	10,853
Total U.S Department of Health and Human Services			-	75,459
National Endowment for the Arts (NEA)				
Passed through Alaska State Council on the Arts -				
Promotion of the Arts Partnerships Agreements	45.025	FY20AIS0003	-	500
Total National Endowment for the Arts (NEA)			-	500
U.S. Department of Agriculture:				
Passed through Alaska Department of Education and Early Development:				
Child Nutrition Cluster:				
School Breakfast Program	10.553	MA 20.024.01	-	335,671
Commodities	10.555		-	141,946
National School Lunch Program - After School Snack	10.555	MA 20.024.01	-	430
National School Lunch Program	10.555	MA 20.024.01	-	1,317,531
Total CFDA 10.555			-	1,459,907
Summer Food Service Program	10.559	MA 20.024.01	-	174,767
COVID19 - Summer Food Service Program	10.559	MA 20.024.01	-	507,327
Total CFDA 10.559			-	682,094
Total Child Nutrition Cluster			\$ -	\$ 2,477,672

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards, continued

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster</u>	<u>Federal CFDA Number</u>	<u>Pass Through Entity Identifying Number</u>	<u>Provided To Subrecipients</u>	<u>Amount Expended During the Year Ended 06/30/20</u>
U.S. Department of Agriculture, continued:				
Passed through Alaska Department of Education and Early Development:				
Child Nutrition Discretionary Grants Limited Availability				
NSLP Equipment Assistant Grant	10.579	NS 20.KPSD.01	\$ -	\$ 5,620
State Administrative Expenses for Child Nutrition	10.560	FD 20.KPSD.01	-	19,670
Fresh Fruit & Vegetable Program	10.582	FF 20.KPSD.00	-	143,300
 Total U.S. Department of Agriculture			-	2,646,262
 Total Expenditures of Federal Awards			\$ -	\$ 9,624,748

Note 1. Basis of Presentation

The above schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Kenai Peninsula Borough School District under programs of the federal government for the year ended June 30, 2020. The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the schedule presents only a selected portion of the operations of Kenai Peninsula Borough School District, it is not intended to and does not present the financial position, changes in net position or cash flow the 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

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.

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TABLE I

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

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

	FISCAL YEAR				
	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Invested in Capital Assets	\$ 2,774,938	\$ 3,088,378	\$ 3,054,829	\$ 3,604,976	\$ 3,516,215
Restricted:					
Charter Schools	507,663	645,261	556,395	625,619	664,091
Facilities Maintenance	-	-	-	1,845,512	2,042,930
Homeschool Allotment	-	-	-	-	281,975
Total Restricted	507,663	645,261	556,395	2,471,131	2,988,996
Unrestricted	30,878,045	27,921,811	27,516,245	23,662,678	(30,561,702)
Total Net Position	\$ 34,160,646	\$ 31,655,450	\$ 31,127,469	\$ 29,738,785	\$ (24,056,491)

TABLE I

	FISCAL YEAR				
	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Invested in Capital Assets	\$ 3,491,363	\$ 3,083,746	\$ 2,699,269	\$ 2,439,439	\$ 2,429,784
Restricted:					
Charter Schools	626,097	741,273	894,618	885,704	-
Facilities Maintenance	2,288,499	1,321,447	1,791,509	1,682,409	1,142,463
Homeschool Allotment	393,338	549,790	675,503	699,223	873,911
Total Restricted	3,307,934	2,612,510	3,361,630	3,267,336	2,016,374
Unrestricted	(51,911,437)	(75,117,199)	(81,097,334)	(70,432,657)	(48,581,653)
Total Net Position	\$ (45,112,140)	\$ (69,420,943)	\$ (75,036,435)	\$ (64,725,882)	\$ (44,135,495)

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				
	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Expenses					
Government Activities:					
Instruction	\$ 68,158,156	\$ 70,671,418	\$ 73,207,376	\$ 75,266,303	\$ 87,002,086
Special Education - Instruction	18,495,855	19,939,292	21,592,288	21,809,338	25,120,274
Special Education Support Services-Students	5,016,857	5,606,638	6,090,491	5,958,859	6,985,692
Support Services - Students	3,898,385	4,307,528	4,769,002	4,961,996	5,139,495
Support Services - Instruction	2,358,838	3,432,382	3,476,192	3,780,721	4,025,162
School Administration	6,673,392	6,666,723	7,261,568	7,846,925	9,185,386
School Administration Support Services	4,178,505	4,585,996	4,805,263	4,969,562	5,197,826
District Administration	957,877	1,065,732	1,134,698	1,253,600	1,020,470
District Administration Support Services	5,628,931	6,658,848	6,210,335	6,219,036	6,349,127
Operations and Maintenance of Plant	20,646,201	22,639,419	21,254,202	23,096,259	23,453,558
Student Activities	2,306,828	2,344,153	2,364,058	2,452,215	2,684,455
Community Service	64,559	64,408	48,657	40,583	39,110
Student Transportation	5,514,495	6,116,707	7,459,992	7,334,939	7,932,255
Food Service	3,283,102	3,814,960	4,226,732	4,479,711	4,490,808
Total expenses	<u>\$ 147,181,981</u>	<u>\$ 157,914,204</u>	<u>\$ 163,900,854</u>	<u>\$ 169,470,047</u>	<u>\$ 188,625,704</u>
Program Revenues:					
Charges for Services:					
Food Service /Community Theater	896,109	825,329	745,201	683,135	669,280
Operating Grants and Contributions	21,116,546	18,381,570	18,134,117	19,290,617	18,719,908
Total Program Revenues	<u>22,012,655</u>	<u>19,206,899</u>	<u>18,879,318</u>	<u>19,973,752</u>	<u>19,389,188</u>
Total Net(Expense)Governmental Activities	(125,169,326)	(138,707,305)	(145,021,536)	(149,496,295)	(169,236,516)
General Revenues:					
Government Activities:					
Borough Direct Appropriation	\$ 42,588,135	\$ 43,251,135	\$ 43,000,000	\$ 43,500,000	\$ 44,013,525
Public School Funding Program	69,123,351	71,912,349	75,563,384	74,891,748	79,159,764
Retirement: On-behalf Payments	13,615,283	17,803,814	22,907,953	24,234,519	39,377,047
Other State Revenue	263,359	1,658,523	2,010,671	3,456,964	3,290,897
Earnings on Investment	837,735	898,439	55,918	475,548	326,758
E-Rate Program	591,046	118,707	590,640	1,219,637	287,658
Medicaid Reimbursement	593,496	343,617	164,384	200,451	211,375
Other	145,012	215,525	200,605	128,744	399,614
Total General Revenues	<u>\$ 127,757,417</u>	<u>\$ 136,202,109</u>	<u>\$ 144,493,555</u>	<u>\$ 148,107,611</u>	<u>\$ 167,066,638</u>
Special Item - writeoff NPO/OPEB	-	-	-	-	-
Change in Net Position	<u>\$ 2,588,091</u>	<u>\$ (2,505,196)</u>	<u>\$ (527,981)</u>	<u>\$ (1,388,684)</u>	<u>\$ (2,169,878)</u>

	FISCAL YEAR				
	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Expenses					
Government Activities:					
Instruction	\$ 78,317,961	\$ 79,665,098	\$ 63,689,016	\$ 60,897,420	\$ 57,388,072
Special Education - Instruction	27,315,525	27,506,978	20,645,587	21,539,750	19,604,059
Special Education Support Services-Students	6,345,150	6,579,272	5,425,276	5,444,428	5,176,632
Support Services - Students	7,037,564	6,303,071	3,733,089	4,430,806	4,101,863
Support Services - Instruction	4,002,804	3,505,986	2,861,897	3,153,296	3,192,768
School Administration	7,219,494	7,342,662	6,021,382	5,704,211	5,356,059
School Administration Support Services	6,849,331	6,358,677	4,506,896	4,695,858	4,872,619
District Administration	1,466,633	1,426,130	1,112,258	1,200,909	1,174,133
District Administration Support Services	8,191,709	7,223,584	5,489,703	5,846,366	6,607,614
Operations and Maintenance of Plant	24,178,696	23,610,034	20,274,357	19,648,660	21,228,709
Student Activities	2,499,171	2,515,146	2,152,801	1,884,164	1,467,417
Community Service	39,979	21,273	9,629	71,692	50,209
Student Transportation	7,998,559	8,160,684	7,737,829	7,951,356	7,796,876
Food Service	4,254,755	4,014,919	3,983,053	3,752,004	3,993,539
Total expenses	\$ 185,717,331	\$ 184,233,514	\$ 147,642,773	\$ 146,220,920	\$ 142,010,569
Program Revenues:					
Charges for Services:					
Food Service /Community Theater	686,127	655,869	698,771	717,010	584,617
Operating Grants and Contributions	18,531,943	17,288,971	17,919,104	19,133,664	18,219,435
Total Program Revenues	19,218,070	17,944,840	18,617,875	19,850,674	18,804,052
Total Net(Expense)Governmental Activities	(166,499,261)	(166,288,674)	(129,024,898)	(126,370,246)	(123,206,517)
General Revenues:					
Government Activities:					
Borough Direct Appropriation	\$ 48,238,432	\$ 48,238,432	\$ 49,738,432	\$ 49,738,432	\$ 52,489,253
Public School Funding Program	80,573,648	81,595,174	79,599,533	79,299,353	79,060,074
Retirement: On-behalf Payments	14,492,689	10,867,950	7,904,796	4,121,405	7,913,428
Other State Revenue	-	-	-	1,389,955	2,105,854
Earnings on Investment	623,325	83,033	193,053	1,153,016	1,203,960
E-Rate Program	1,088,548	751,344	719,477	613,575	648,931
Medicaid Reimbursement	287,646	250,781	298,727	195,558	146,948
Other	139,324	193,157	196,098	169,505	228,456
Total General Revenues	\$ 145,443,612	\$ 141,979,871	\$ 138,650,116	\$ 136,680,799	\$ 143,796,904
Special Item - writeoff NPO/OPEB	-	-	-	-	-
Change in Net Position	\$ (21,055,649)	\$ (24,308,803)	\$ 9,625,218	\$ 10,310,553	\$ 20,590,387

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

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

	FISCAL YEAR				
	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015*
Change in Net Position	\$ 2,588,091	\$ (2,505,196)	\$ (527,981)	\$ (1,388,684)	\$ (2,169,878)
Net Position - Beginning	31,572,555	34,160,646	31,655,450	31,127,469	(21,886,613)
Net Position - Ending	\$ 34,160,646	\$ 31,655,450	\$ 31,127,469	\$ 29,738,785	\$ (24,056,491)

*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.

TABLE III

	FISCAL YEAR				
	2015-2016	2016-2017	2017-2018**	2018-2019	2018-2020
Change in Net Position	\$ (21,055,649)	\$ (24,308,803)	\$ 9,625,218	\$ 10,310,553	\$ 20,590,387
Net Position - Beginning	(24,056,491)	(45,112,140)	(84,661,653)	(75,036,435)	(64,725,882)
Net Position - Ending	\$ (45,112,140)	\$ (69,420,943)	\$ (75,036,435)	\$ (64,725,882)	\$ (44,135,495)

TABLE IV

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

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

	FISCAL YEAR				
	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
General Fund:					
Nonspendable	\$ 2,160,675	\$ 1,978,610	\$ 1,715,712	\$ 1,687,933	\$ 707,220
Committed	-	-	-	-	-
Restricted	892,467	983,984	1,485,931	2,471,131	2,988,996
Assigned	14,513,862	10,593,166	10,131,139	8,120,850	5,655,347
Unassigned	5,792,038	6,808,518	6,290,517	6,116,952	7,897,978
Total General Fund	<u>\$ 23,359,042</u>	<u>\$ 20,364,278</u>	<u>\$ 19,623,299</u>	<u>\$ 18,396,866</u>	<u>\$ 17,249,541</u>
Special Revenue Funds:					
Nonspendable	\$ 284,397	\$ 366,559	\$ 218,298	\$ 467,256	\$ 271,235
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	7,787,245	6,783,452	6,744,505	5,623,019	5,389,396
Unassigned	(44,976)	(44,976)	(44,976)	(44,976)	(44,976)
Total Special Revenue Funds	<u>\$ 8,026,666</u>	<u>\$ 7,105,035</u>	<u>\$ 6,917,827</u>	<u>\$ 6,045,299</u>	<u>\$ 5,615,655</u>
Total Fund Balance	<u>\$ 31,385,708</u>	<u>\$ 27,469,313</u>	<u>\$ 26,541,126</u>	<u>\$ 24,442,165</u>	<u>\$ 22,865,196</u>

TABLE IV

	FISCAL YEAR				
	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
General Fund:					
Nonspendable	\$ 2,064,255	\$ 2,212,284	\$ 2,074,756	\$ 1,932,980	\$ 2,427,700
Committed	4,200,580	4,157,085	4,289,271	5,584,860	2,016,374
Restricted	3,307,934	2,612,510	3,361,630	3,267,336	4,366,075
Assigned	3,625,958	1,618,721	2,802,979	1,626,718	9,360,559
Unassigned	2,671,214	3,954,326	1,671,218	3,929,885	1,677,222
Total General Fund	<u>\$ 15,869,941</u>	<u>\$ 14,554,926</u>	<u>\$ 14,199,854</u>	<u>\$ 16,341,779</u>	<u>\$ 19,847,930</u>
Special Revenue Funds:					
Nonspendable	\$ 233,827	\$ 159,748	\$ 301,696	\$ 482,203	\$ 245,154
Restricted	-	-	-	-	1,324,725
Committed	-	-	-	-	4,563,332
Assigned	5,568,658	5,263,514	5,586,869	5,804,822	-
Unassigned	(44,976)	(44,976)	(44,976)	(44,976)	(44,976)
Total Special Revenue Funds	<u>\$ 5,757,509</u>	<u>\$ 5,378,286</u>	<u>\$ 5,843,589</u>	<u>\$ 6,242,049</u>	<u>\$ 6,088,235</u>
Total Fund Balance	<u>\$ 21,627,450</u>	<u>\$ 19,933,212</u>	<u>\$ 20,043,443</u>	<u>\$ 22,583,828</u>	<u>\$ 25,936,165</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

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

	FISCAL YEAR				
	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Federal Sources:					
Federal - Direct	\$ 377,756	\$ 424,110	\$ 455,577	\$ 498,606	\$ 514,450
Federal - Through the State	14,547,490	10,999,132	8,291,671	9,130,871	8,251,490
Federal - Through other Agencies	-	-	2,500	-	-
Total Federal Sources	\$ 14,925,246	\$ 11,423,242	\$ 8,749,748	\$ 9,629,477	\$ 8,765,940
State Sources:					
Public School Funding Program	\$ 69,386,710	\$ 72,182,738	\$ 75,839,317	\$ 75,166,711	\$ 79,442,023
Retirement: On-behalf Payments	13,615,283	17,803,814	22,907,953	24,234,519	143,894,553
One Time State Funding	-	1,388,134	1,734,738	3,182,001	3,008,638
Other State Revenue	6,542,513	7,076,188	9,278,661	9,443,778	9,822,601
Total All Other Government Funds	\$ 89,544,506	\$ 98,450,874	\$ 109,760,669	\$ 112,027,009	\$ 236,167,815
Local Sources:					
Borough Direct Appropriation	\$ 42,588,135	\$ 43,251,135	\$ 43,000,000	\$ 43,500,000	\$ 44,013,525
Corporate Grants and User Fees	84,059	117,033	98,285	121,502	89,114
Food Sales	853,654	781,299	703,256	657,295	637,595
Earnings on Investments	837,735	898,439	78,701	614,272	421,928
Other Local Revenue	936,737	486,986	982,214	1,531,808	877,415
Total All Other Government Funds	\$ 45,300,320	\$ 45,534,892	\$ 44,862,456	\$ 46,424,877	\$ 46,039,577
Total Revenue	\$ 149,770,072	\$ 155,409,008	\$ 163,372,873	\$ 168,081,363	\$ 290,973,332

TABLE V

	FISCAL YEAR				
	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Federal Sources:					
Federal - Direct	\$ 723,255	\$ 595,801	\$ 532,371	\$ 444,817	\$ 399,754
Federal - Through the State	8,822,785	8,897,264	9,035,872	10,069,540	9,371,942
Federal - Through other Agencies	-	-	-	-	-
Total Federal Sources	\$ 9,546,040	\$ 9,493,065	\$ 9,568,243	\$ 10,514,357	\$ 9,771,696
State Sources:					
Public School Funding Program	\$ 80,573,648	\$ 81,595,174	\$ 79,599,533	\$ 79,299,353	\$ 79,060,074
Retirement: On-behalf Payments	9,867,341	8,638,367	8,402,238	9,803,790	10,735,132
One Time State Funding	-	-	-	1,389,955	2,105,854
Other State Revenue	8,906,803	7,911,545	8,300,141	8,241,510	8,114,848
Total All Other Government Funds	\$ 99,347,792	\$ 98,145,086	\$ 96,301,912	\$ 98,734,608	\$ 100,015,908
Local Sources:					
Borough Direct Appropriation	\$ 48,238,432	\$ 48,238,432	\$ 49,738,432	\$ 49,738,432	\$ 52,489,253
Corporate Grants and User Fees	101,594	154,144	325,484	269,128	140,998
Food Sales	648,542	609,409	659,306	679,755	562,845
Earnings on Investments	806,217	107,323	250,082	1,492,874	1,563,833
Other Local Revenue	1,347,717	947,669	921,974	784,704	878,127
Total All Other Government Funds	\$ 51,142,502	\$ 50,056,977	\$ 51,895,278	\$ 52,964,893	\$ 55,635,056
Total Revenue	\$ 160,036,334	\$ 157,695,128	\$ 157,765,433	\$ 162,213,858	\$ 165,422,660

TABLE VI

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

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

	FISCAL YEAR				
	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Expenditures:					
Instruction	\$ 68,248,693	\$ 70,705,651	\$ 73,540,692	\$ 75,303,404	\$ 153,282,907
Special Education - Instruction	18,493,550	19,969,419	21,697,320	21,824,017	39,901,135
Special Education Support Services - Students	5,016,857	5,614,026	6,106,612	5,964,489	12,031,526
Support Services - Students	3,898,385	4,313,204	4,741,625	4,966,685	8,417,273
Support Services - Instruction	2,354,134	3,503,879	3,495,584	3,771,683	6,436,525
School Administration	6,672,373	6,674,487	7,279,767	7,853,319	16,635,574
School Administration Support Services	4,162,807	4,579,314	4,804,920	4,961,926	6,000,353
District Administration	977,921	1,060,774	1,132,748	1,261,255	1,673,515
District Administration Support Services	5,873,132	6,954,273	6,121,508	6,241,343	7,198,837
Operations and Maintenance of Plant	20,693,008	22,839,229	21,442,833	23,177,075	24,591,509
Student Activities	2,161,214	2,194,608	2,211,478	3,020,149	3,983,318
Community Services	64,559	64,493	48,786	40,621	38,992
Student Transportation	5,498,915	6,092,404	7,473,969	7,343,482	7,908,357
Food Service	3,433,810	3,870,392	4,203,218	4,450,876	4,450,480
Total Expenditures	<u>\$ 147,549,358</u>	<u>\$ 158,436,153</u>	<u>\$ 164,301,060</u>	<u>\$ 170,180,324</u>	<u>\$ 292,550,301</u>

TABLE VI

	FISCAL YEAR				
	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Expenditures:					
Instruction	\$ 68,954,024	\$ 67,655,239	\$ 67,188,905	\$ 67,024,532	\$ 68,817,268
Special Education - Instruction	22,477,371	23,002,905	22,952,720	23,736,518	22,618,979
Special Education Support Services - Students	5,523,880	5,632,611	5,777,098	6,000,380	6,110,763
Support Services - Students	4,829,934	4,685,499	4,730,603	4,883,252	4,818,413
Support Services - Instruction	3,355,331	2,946,476	3,023,218	3,537,303	3,697,839
School Administration	6,319,716	6,102,965	6,364,237	6,285,566	6,675,931
School Administration Support Services	5,648,777	5,366,431	5,179,450	5,133,027	5,172,167
District Administration	1,266,201	1,246,047	1,290,042	1,352,816	1,277,546
District Administration Support Services	6,367,538	6,091,360	6,140,335	6,347,487	7,187,123
Operations and Maintenance of Plant	22,221,887	22,230,492	21,174,774	21,578,924	21,955,037
Student Activities	2,048,424	2,208,189	2,139,986	2,013,423	1,625,539
Community Services	39,961	21,330	9,642	71,736	53,374
Student Transportation	7,994,914	8,182,675	7,747,867	7,956,192	7,983,297
Food Service	4,226,122	4,017,147	3,936,325	3,752,317	4,077,047
Total Expenditures	<u>\$ 161,274,080</u>	<u>\$ 159,389,366</u>	<u>\$ 157,655,202</u>	<u>\$ 159,673,473</u>	<u>\$ 162,070,323</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

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

	FISCAL YEAR				
	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Excess of revenues over (under) expenditures	\$ 2,220,714	\$ (3,027,145)	\$ (928,187)	\$ (2,098,961)	\$ (1,576,969)
Other Financing Sources (Uses):					
Transfers In	362,104	675,000	816,836	1,424,759	1,300,000
Transfers Out	(362,104)	(1,564,250)	(816,836)	(1,424,759)	(1,300,000)
Total other financing sources (Uses)	-	(889,250)	-	-	-
Net Change in fund balances	\$ 2,220,714	\$ (3,916,395)	\$ (928,187)	\$ (2,098,961)	\$ (1,576,969)

TABLE VII

	FISCAL YEAR				
	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Excess of revenues over (under) expenditures	\$ (1,237,746)	\$ (1,694,238)	\$ 110,231	\$ 2,540,385	\$ 3,352,337
Other Financing Sources (Uses):					
Transfers In	1,200,000	1,755,072	850,000	750,000	864,420
Transfers Out	(1,200,000)	(1,755,072)	(850,000)	(750,000)	(864,420)
Total other financing sources (Uses)	-	-	-	-	-
Net Change in fund balances	\$ (1,237,746)	\$ (1,694,238)	\$ 110,231	\$ 2,540,385	\$ 3,352,337

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			
2010-11	5,901,904	713,954	259,714	451,127	30,914	6,393,531	4.50	92.99%
2011-12	6,180,464	698,991	257,619	472,878	30,955	6,633,241	4.50	92.94%
2012-13	6,172,547	810,065	286,399	520,490	32,511	6,716,010	4.50	92.39%
2013-14	6,202,494	989,766	292,407	492,565	31,906	6,960,196	4.50	92.99%
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%

This information was obtained from the Kenai Peninsula Borough.

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

PROPERTY TAX RATES AND TAX LEVIES - DIRECT AND OVERLAPPING GOVERNMENTS
 LAST TEN FISCAL YEARS
 (Unaudited)

TAX RATE (MILLS)							
Fiscal Year	Borough	City of Homer	City of Kenai	City of Seldovia	City of Seward	City of Kachemak*	City of Soldotna
2010-11	4.50	4.50	3.85	4.60	3.12	1.00	1.65
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

Taxes are payable when billed. Payment in full is due on or before October 15 and becomes delinquent thereafter. At the option of the taxpayer, taxes may be paid in two equal installments. If the taxpayer elects this option, the first on-half of the taxes payable must be paid on or before September 15. The second one-half taxes then become due on or before November 15 and become delinquent thereafter. If the first one-half of the taxes payable are not paid by September 15, payment of taxes in full becomes due on or before October 15.

This information was obtained from the Kenai Peninsula Borough.

* Real Property Tax

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

TABLE X

PRINCIPAL PROPERTY TAXPAYERS
June 30, 2020
(Unaudited)

Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value (1)	Rank	Percentage of Total Taxable Assessed Value
Hilcorp Alaska, LLC	\$ 849,347,520	1	10.07%	\$ -		
Tesoro Alaska	196,548,771	2	2.33%	-		
Furie Operating Alaska, LLC	196,090,140	3	2.33%	\$ 144,994,295	4	2.27%
Harvest Alaska	185,126,000	4	2.20%	-		
Bluecrest Energy, Inc	127,403,850	5	1.51%	-		
CING Storage Alaska, LLC	103,469,673	6	1.23%	-		
Cook Inlet Energy, LLC	77,578,280	7	0.92%	-		
Alaska Pipeline	71,152,159	8	0.84%	20,054,433	10	0.31%
Alaska Communications Systems	62,549,043	9	0.74%	-		
Enstar Natural Gass	47,032,467	10	0.56%	-		
Union Oil/Unocal	-			197,057,910	1	3.08%
ConocoPhillips, Inc.	-			175,579,250	2	2.75%
Marathon Oil Co.	-			147,717,210	3	2.31%
ACS of the Northland, Inc	-			86,106,708	5	1.35%
XTO Energy, INC.	-			52,092,610	6	0.81%
Kenai Kachemak Pipeline	-			43,099,610	7	0.67%
Wal-Mart Real Estate Business	-			27,245,900	8	0.43%
BP Exploration Alaska, INC.	-			25,723,349	9	0.40%
Totals	<u>\$ 1,916,297,903</u>		<u>22.73%</u>	<u>\$ 919,671,275</u>		<u>14.38%</u>

This information obtained from the Kenai Peninsula Borough.

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

\$ 8,433,676,000

\$ 6,393,531,000

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

PRINCIPAL EMPLOYERS
June 30, 2020
(Unaudited)

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

This information obtained from the Kenai Peninsula Borough.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

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

Fiscal Year	Collected in the Fiscal Year of the Levy			Collections in Subsequent Years	Total Collections to Date	
	Total Tax Levy for Fiscal Year	Amount	Percentage of Levy		Amount	Percentage of Levy
2010-11	29,058,274	28,630,610	98.528%	422,302	29,052,912	99.982%
2011-12	30,419,493	29,946,804	98.446%	466,986	30,413,790	99.981%
2012-13	30,823,497	30,382,636	98.570%	432,060	30,814,696	99.971%
2013-14	31,750,392	31,332,596	98.684%	408,552	31,741,148	99.971%
2014-15	31,685,014	31,142,025	98.286%	331,829	31,473,854	99.334%
2015-16	33,108,951	32,410,590	97.891%	686,708	33,097,298	99.965%
2016-17	35,591,917	35,157,568	98.780%	416,261	35,573,829	99.949%
2017-18	37,068,282	36,645,827	98.860%	374,441	37,020,268	99.870%
2018-19	38,941,185	38,535,145	98.957%	311,207	38,846,352	99.756%
2019-20	32,328,597	32,166,071	99.497%	-	32,166,071	99.497%

This information was obtained from the Kenai Peninsula Borough.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

NO DEBT LIMIT IS MANDATED BY LAW

This information was obtained from the Kenai Peninsula Borough.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

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

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
2010-11	55,400	8,978	6,393,531,000	95,191,726	1.49%	1,718	10,603
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

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.

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

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

DEMOGRAPHIC AND ECONOMIC STATISTICS
 YEAR ENDED JUNE 30, 2020
 (Unaudited)

DEMOGRAPHIC DATA

Fiscal Year	Population *	Median Age **	School Enrollment (ADM)	Unemployment rate **
2011	55,400	40.6	8,978	10.00%
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%

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.

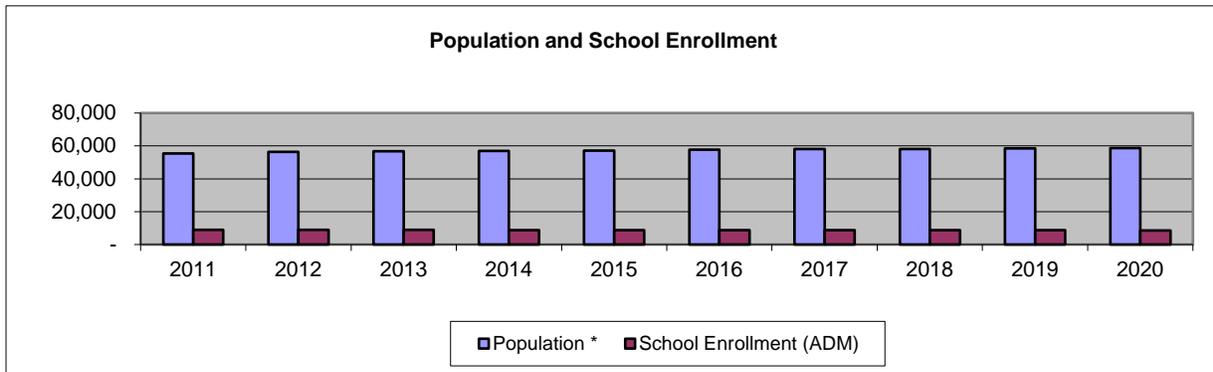
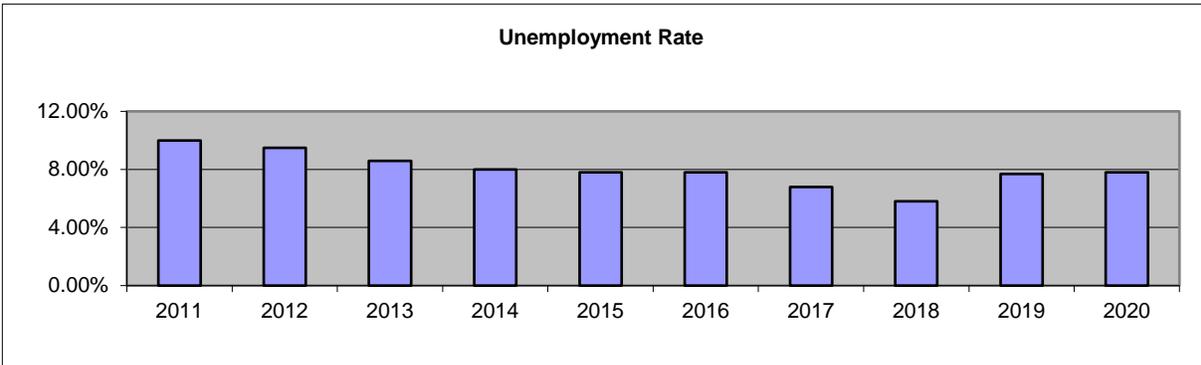


TABLE XVII

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>
2010-11	546.82	178.06	45.08	45.34	24.61	39.80	55.32	5.00	37.50	85.57	2.93	1,066.03
2011-12	546.78	213.92	47.06	46.83	26.35	40.00	54.45	5.00	36.50	85.69	2.40	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

This information is obtained yearly from current staffing formula tables.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

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

<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>
2010-11	599.36	249.36	45.08	45.34	26.56	39.80	55.32	5.00	39.00	85.57	2.93	41.17	2.00	1,236.49
2011-12	600.83	261.17	47.06	46.83	26.35	40.00	54.45	5.00	39.50	85.69	2.40	43.36	2.00	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

This information is obtained yearly from current staffing formula tables.

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

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
2010-11	124,940,921	0.03	8,978	13,916	0.04
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

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 Percentage Increase (Decrease) Over Previous Year	Assessed Valuation Support Per Student Capita
2010-11	8,978	-1.83%	6,393,531,000	0.38%	712,133
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

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	2,038
Middle Schools	4	1,103
Elementary Schools	13	3,074
Combined Elem/High School	11	588
Charter Schools	4	734
Alternative Schools	4	180
Correspondence Schools	1	818
Total	42	8,535

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