

Kenai Peninsula Borough, Alaska

Single Audit Reports
Year Ended June 30, 2021

Kenai Peninsula Borough, Alaska

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Year Ended June 30, 2021

Kenai Peninsula Borough, Alaska

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

Honorable Mayor and
Members of the Assembly
Kenai Peninsula Borough
Soldotna, Alaska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Kenai Peninsula Borough, Alaska, (the Borough) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated November 16, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Borough's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

BDO USA, LLP

Anchorage, Alaska
November 16, 2021



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

Honorable Mayor and
Members of the Assembly
Kenai Peninsula Borough
Soldotna, Alaska

Report on Compliance

Opinion on Compliance for Each Major Federal Program

We have audited Kenai Peninsula Borough's (the Borough) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Borough's major federal programs for the year ended June 30, 2021. The Borough's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Borough complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

The Borough's basic financial statements include the operations of its component units, Kenai Peninsula Borough School District, South Peninsula Hospital, and Central Peninsula General Hospital, which expended \$16,518,493, \$7,372,793, and \$15,162,074 in federal awards, respectively, which are not included in the Borough's schedule of expenditures of federal awards during the year ended June 30, 2021. Our audit, described below, did not include the operations of Kenai Peninsula Borough School District, South Peninsula Hospital and Central Peninsula General Hospital because they were subjected to separate audits in accordance with the Uniform Guidance.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Borough and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of the Borough's compliance with the types of compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Borough's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the types of compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Borough's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the types of compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Borough's compliance with the requirements of the federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Borough's compliance with the types of compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Borough's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

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

We have audited the financial statements of the Borough as of and for the year ended June 30, 2021, and have issued our report thereon dated November 16, 2021, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

BDO USA, LLP

Anchorage, Alaska
November 16, 2021

Kenai Peninsula Borough
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Grant Number	Pass-Through Entity Identifier Number	Federal Assistance Listing Number	Award Amount	Provided to Subre- cipients	Total Federal Expenditures
U.S. Department of the Interior						
U.S. Bureau of Land Management:						
Payments in Lieu of Taxes	2021 SEC 6901/6902		15.226	\$ 3,353,970	\$ -	\$ 3,353,970
U.S. Fish and Wildlife Service -						
National Wildlife Refuge Revenue Sharing	FY2021		15.659	22,905	-	22,905
Total U.S. Department of the Interior					-	3,376,875
U.S. Department of Homeland Security						
Passed through Alaska Department of Military & Veterans Affairs:						
Disaster Grants - Public Assistance -						
November 2018 Cook Inlet Earthquake						
Disaster Relief Fund	FEMA-3410-EM	DR-4413-AK	97.036	413,103	-	35,348
Homeland Security Grant Program:						
2018 State Homeland Security Program	EMW-2018-SS-00045-S01	20SHSP-GY18	97.067	50,480	-	11,539
2019 State Homeland Security Program	EMW-2019-SS-00031-S01	20SHSP-GY19	97.067	64,794	-	330
2020 State Homeland Security Program	EMW-2020-SS-00012-S01	20SHSP-GY20	97.067	221,493	-	49,400
Total Assistance Listing 97.067					-	61,269
Emergency Management Performance Grant	EMS-2020-EP-00001-S01	20EMPG-GY20	97.042	161,548	-	161,548
Passed through City of Kenai -						
Assistance to Firefighters Grant -						
SCBA Equipment (CES & Nikiski Fire)	EMW-2018-FR-00456	MOA	97.044	872,727	-	284,100
Total U.S. Department of Homeland Security					-	542,265
U.S. Department of Transportation						
Highway Planning and Construction Cluster -						
Extend Kenai Spur Hwy-North Road	DTFH7017E30003		20.205	5,563,801	-	936,200
U.S. Department of Housing and Urban Development						
Passed Through Alaska Department of Commerce, Community & Economic Development -						
Community Development Block Grant/State's program and Non-Entitlement Grants in Hawaii	B-18-DC-02-0001	18-CDBG-05	14.228	487,500	-	17,149

Kenai Peninsula Borough
Schedule of Expenditures of Federal Awards, continued
Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Grant Number	Pass-Through Entity Identifier Number	Federal Assistance Listing Number	Award Amount	Provided to Subre- cipients	Total Federal Expenditures
U.S. Department of Agriculture						
Passed Through Alaska Department of Commerce, Community & Economic Development - Forest Service Schools and Roads Cluster Schools and Roads - Grants to States - National Forest Receipts - Schools	FY2021	N/A	10.665	\$ 448,009	\$ -	\$ 448,009
Passed Through Alaska Department of Natural Resources - Cooperative Forestry Assistance:						
Kenai Peninsula Borough Community Wildfire Protection Plans Grant	2018-DG11100106-810	DNR 399170	10.664	103,366	-	5,349
Western Emergency Service Area Volunteer Fire Assistance Grant	N/A	2020 VFA	10.664	7,500	-	7,500
Kachemak Emergency Service Area Volunteer Fire Assistance Grant	N/A	2020 VFA	10.664	7,048	-	7,048
Kachemak Emergency Service Area Volunteer Fire Assistance Grant	N/A	2021 VFA	10.664	4,986	-	4,986
Nikiski Fire Service Area Volunteer Fire Assistance Grant	N/A	2021 VFA	10.664	4,626	-	4,626
Total Assistance Listing 10.664					-	29,509
Total U.S. Department of Agriculture					-	477,518
U.S. Department of Health & Human Services						
Passed Through Alaska Department of Health and Human Services - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) - COVID-19 Community Funding Program	NU50CK000509	C0621-570-H	93.323	2,037,530	-	192,887
U.S. Department of the Treasury						
Passed Through Alaska Department of Commerce, Community & Economic Development - Coronavirus Relief Fund - COVID-19 - Coronavirus Relief Fund	20-CRF-099	FY21	21.019	37,458,449	-	34,273,131
Passed Through Alaska Department of Labor & Workforce Development:						
COVID-19 - Coronavirus Relief Fund	FY21	FY21	21.019	38,908	-	38,908
Total Assistance Listing 21.019					-	34,312,039
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	FY21	FY21	21.027	4,638	-	4,638
Total U.S. Department of the Treasury					-	34,316,677
Total Expenditures of Federal Awards					\$ -	\$ 39,859,571

The accompanying notes are an integral part of this schedule.

Kenai Peninsula Borough, Alaska

Notes to the Schedule of Expenditures of Federal Awards Year Ended June 30, 2021

1. Basis of Presentation

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

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. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

3. Indirect Cost Rate

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



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

Honorable Mayor and
Members of the Assembly
Kenai Peninsula Borough
Soldotna, Alaska

Report on Compliance

Opinion on Compliance for Each Major State Program

We have audited Kenai Peninsula Borough's (the Borough) compliance with the types of compliance requirements described in the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* that could have a direct and material effect on each of the Borough's major state programs for the year ended June 30, 2021. The Borough's major state programs are identified in the accompanying Schedule of State Financial Assistance.

The Borough's basic financial statements include the operations of its component units, Kenai Peninsula Borough School District and Central Peninsula General Hospital, which expended \$93,527,702 and \$1,105,385 in state awards, respectively, which is not included in the Borough's Schedule of State Financial Assistance during the year ended June 30, 2021. Our audit, described below, did not include the operations of Kenai Peninsula Borough School District and Central Peninsula General Hospital because they were subjected to separate audits in accordance with the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*, for the year ended June 30, 2021. The Borough's basic financial statements also include the operations of its additional component unit, South Peninsula Hospital, which received \$0 in state awards which is not included in the Schedule of State Financial Assistance for the year ended June 30, 2021. Our audit, described below, did not include the operations of this component unit, because it was subjected to a separate audit; however, it did not meet the threshold for an audit in accordance with the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*.

In our opinion, the Borough complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2021.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Our responsibilities under those standards and the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Borough and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of the Borough's compliance with the types of compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, state statutes, regulations, and the terms and conditions of its state awards applicable to its state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the types of compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Borough's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the types of compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Borough's compliance with the requirements of the state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Borough's compliance with the types of compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Borough's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

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

We have audited the financial statements of the Borough as of and for the year ended June 30, 2021, and have issued our report thereon dated November 16, 2021, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of state financial assistance is presented for purposes of additional analysis as required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of state financial assistances is fairly stated in all material respects in relation to the financial statements as a whole.

BDO USA, LLP

Anchorage, Alaska
November 16, 2021

Kenai Peninsula Borough
Schedule of State Financial Assistance
Year Ended June 30, 2021

State Agency / Program Title	Award Number	Total Award Amount	Passed Through to Subrecipients	State Expenditures
Alaska Department of Commerce, Community & Economic Development				
Shared Fisheries Business Tax	N/A	\$ 1,118	\$ -	\$ 1,118
Fish Resource Landing Tax	N/A	3,113	-	3,113
* Community Revenue Sharing - Borough	FY21	312,893	-	312,893
Community Revenue Sharing - Anchor Point: Anchor Point Public Library	FY14	4,540	1,512	1,512
Community Revenue Sharing - Ninilchik: Ninilchik Community Library	FY15	4,040	1,961	1,961
Community Assistance Program - Clam Gulch: Caribou Hills Cabin Hoppers	FY18	15,789	1,660	1,660
Community Assistance Program - Diamond Ridge: Kachemak Nordic Ski Club	FY18	6,366	538	538
Community Assistance Program - Diamond Ridge: Homer Cycling Club	FY18	538	538	538
Community Assistance Program - Diamond Ridge: Snomads Snowmachine Club, Inc	FY18	2,286	538	538
Community Assistance Program - Diamond Ridge: Kachemak Ski Club	FY18	6,710	538	538
Community Assistance Program - Seldovia Village: Seldovia Village Tribe	FY19	15,789	15,789	15,789
Community Assistance Program - Nanwalek: Native Village of Nanwalek	FY19	15,789	15,789	15,789
Community Assistance Program - Diamond Ridge: Kachemak Nordic Ski Club	FY19	4,126	255	255
Community Assistance Program - Diamond Ridge: Homer Cycling Club	FY19	3,412	255	255
Community Assistance Program - Diamond Ridge: Snomads Snowmachine Club, Inc	FY19	4,126	255	255
Community Assistance Program - Diamond Ridge: Kachemak Ski Club	FY19	4,126	255	255
Community Assistance Program - Fritz Creek: McNeil Canyon Community Council	FY19	5,263	233	233
Community Assistance Program - Fritz Creek: Kachemak Nordic Ski Club	FY19	5,263	1,316	1,316
Community Assistance Program - Fritz Creek: Snomads Snowmachine Club, Inc	FY19	5,263	1,316	1,316
Community Assistance Program - Diamond Ridge: Homer Cycling Club	FY20	4,834	4,007	4,007
Community Assistance Program - Diamond Ridge: Snomads Snowmachine Club, Inc	FY20	3,060	1,122	1,122
Community Assistance Program - Fritz Creek: Snomads Snowmachine Club, Inc	FY20	7,895	4,590	4,590
Community Assistance Program - Hope: Hope, Inc.	FY20	15,789	15,789	15,789
Community Assistance Program - Lowell Point: Lowell Point Community Council	FY20	15,789	15,789	15,789
Community Assistance Program - Seldovia Village: Seldovia Village Tribe	FY20	15,789	15,789	15,789
Community Assistance Program - Anchor Point: Anchor Point Public Library, Inc.	FY21	5,263	5,263	5,263
Community Assistance Program - Anchor Point: Anchor Point Senior Citizens, Inc.	FY21	5,263	5,263	5,263
Community Assistance Program - Anchor Point: Anchor Point Food Pantry	FY21	5,263	5,263	5,263
Community Assistance Program - Cohoe: Kasilof Public Library	FY21	7,894	7,894	7,894
Community Assistance Program - Cohoe: Boys & Girls Club of the Kenai Peninsula	FY21	7,895	7,895	7,895
Community Assistance Program - Cooper Landing: Cooper Landing Community Club	FY21	15,789	15,789	15,789

Kenai Peninsula Borough
Schedule of State Financial Assistance, continued
Year Ended June 30, 2021

State Agency / Program Title	Award Number	Total Award Amount	Passed Through to Subrecipients	State Expenditures
Alaska Department of Commerce, Community & Economic Development, continued				
Community Assistance Program - Crown Point: Moose Pass Volunteer Fire Department	FY21	\$ 15,789	\$ 15,789	\$ 15,789
Community Assistance Program - Diamond Ridge: Kachemak Nordic Ski Club	FY21	3,060	3,060	3,060
Community Assistance Program - Diamond Ridge: Homer Cycling Club	FY21	4,834	4,834	4,834
Community Assistance Program - Diamond Ridge: Snomads Snowmachine Club, Inc	FY21	3,060	3,060	3,060
Community Assistance Program - Diamond Ridge: Kachemak Ski Club	FY21	4,835	4,835	4,835
Community Assistance Program - Fritz Creek: Kachemak Nordic Ski Club	FY21	7,894	7,894	7,894
Community Assistance Program - Fritz Creek: Snomads Snowmachine Club, Inc	FY21	7,895	7,895	7,895
Community Assistance Program - Funny River: Funny River Chamber of Commerce	FY21	15,789	15,789	15,789
Community Assistance Program - Hope: Hope Inc.	FY21	15,789	15,789	15,789
Community Assistance Program - Kachemak Selo: Village of Kachemak Selo, Inc.	FY21	15,789	15,789	15,789
Community Assistance Program - Kalifornsky Beach: Love Inc. of the Kenai Peninsula	FY21	3,947	3,947	3,947
Community Assistance Program - Kalifornsky Beach: Kenai Peninsula Food Bank, Inc.	FY21	3,947	3,947	3,947
Community Assistance Program - Kalifornsky Beach: Peninsula Spay Neuter Fund (Bridges)	FY21	3,948	3,948	3,948
Community Assistance Program - Kalifornsky Beach: Tsalteshi Trails Association	FY21	3,947	3,947	3,947
Community Assistance Program - Kasilof: Cohoe Cemetery Association	FY21	7,894	7,894	7,894
Community Assistance Program - Lowell Point: Lowell Point Community Council, Inc.	FY21	15,789	15,789	15,789
Community Assistance Program - Moose Pass: Moose Pass Chamber of Commerce	FY21	15,789	2,331	2,331
Community Assistance Program - Nikiski: North Peninsula Community Council, Inc.	FY21	7,894	7,894	7,894
Community Assistance Program - Nikiski: Nikiski Senior Citizens, Inc	FY21	7,895	7,895	7,895
Community Assistance Program - Nikolaevsk: Nikolaevsk Community Council	FY21	15,789	15,789	15,789
Community Assistance Program - Ninilchik: Kenai Peninsula Fair Association	FY21	4,615	4,615	4,615
Community Assistance Program - Ninilchik: Ninilchik Community Library	FY21	4,615	4,615	4,615
Community Assistance Program - Ninilchik: Ninilchik Student Saturday Lunch Program (Bridges)	FY21	1,943	1,943	1,943
Community Assistance Program - Ninilchik: Ninilchik Senior Citizens	FY21	4,615	4,615	4,615
Community Assistance Program - Port Graham: Port Graham Village Council	FY21	15,789	15,789	15,789
Community Assistance Program - Primrose: Moose Pass Volunteer Fire Department	FY21	15,789	15,789	15,789
Community Assistance Program - Salamatof: Alaska Children's Institute for the Performing Arts	FY21	15,789	15,789	15,789
Community Assistance Program - Sterling: Rural Alaska Community Action Program	FY21	5,263	5,263	5,263
Community Assistance Program - Sterling: Sterling Area Senior Citizens	FY21	5,263	5,263	5,263
Community Assistance Program - Sterling: Sterling Community Club	FY21	5,263	5,263	5,263
Community Assistance Program - Tyonek: Boys & Girls Club of Southcentral Alaska	FY21	15,789	15,789	15,789
Community Assistance Program - Voznesenka: Voznesenka Community Council	FY21	15,789	15,789	15,789
* Total Community Revenue Sharing			\$ 425,838	\$ 738,731

Kenai Peninsula Borough
Schedule of State Financial Assistance, continued
Year Ended June 30, 2021

State Agency / Program Title	Award Number	Total Award Amount	Passed Through to Subrecipients	State Expenditures
Alaska Department of Commerce, Community & Economic Development, continued				
Marijuana Application Review Fees	FY21	\$ 19,300	\$ -	\$ 19,300
* Seward Bear Creek Flood Mitigation Projects	15-DC-090	500,000	-	110,501
Total Alaska Department of Commerce, Community & Economic Development			425,838	872,763
Alaska Department of Revenue				
Commercial Passenger Vessel Tax - Homer	FY20	35,445	35,445	35,445
* Commercial Passenger Vessel Tax - Seward	FY20	577,195	577,195	577,195
* Electric & Telephone Cooperative	FY21	152,786	-	152,786
Fish Tax - Reduction of FY20 Estimated Receivable	FY20	(54,847)	-	(54,847)
* Fish Tax (Estimated Receivable)	FY21	525,000	-	525,000
Total Alaska Department of Revenue			612,640	1,235,579
Alaska Department of Education & Early Development				
School Debt Reimbursement	N/A	1,991	-	1,991
Alaska Department of Administration				
Division of Retirement & Benefits -				
* PERS Relief FY21 HB205	FY21 HB205	1,864,312	-	1,864,312
Alaska Department of Military & Veteran Affairs				
Passed Through the Alaska Division of Homeland Security & Emergency Management -				
November 2018 Cook Inlet Earthquake Federal Declared Disaster	DR-4413-AK	129,095	-	11,783
Total Expenditures of State Financial Assistance			\$ 1,038,478	\$ 3,986,428

The accompanying notes are an integral part of this schedule.

Kenai Peninsula Borough, Alaska

Notes to the Schedule of State Financial Assistance Year Ended June 30, 2021

1. Major Program Notation

* Denotes a major program.

2. Basis of Presentation

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

3. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Kenai Peninsula Borough, Alaska

Schedule of Findings and Questioned Costs Year Ended June 30, 2021

Section I - Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether
the financial statements audited were prepared
in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

___ yes

X no

Significant deficiency(ies) identified?

___ yes

X (none reported)

Noncompliance material to financial statements noted?

___ yes

X no

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified?

___ yes

X no

Significant deficiency(ies) identified?

___ yes

X (none reported)

Type of auditor's report issued on compliance for
major federal programs:

Unmodified

Any audit findings disclosed that are required to be
reported in accordance with 2 CFR 200.516(a)?

___ yes

X no

Identification of major federal programs:

Assistance

Listing Number Name of Federal Program or Cluster

Agency

21.019

Coronavirus Relief Fund

U.S. Department of the Treasury

Dollar threshold used to distinguish between a Type A and Type B program:

\$ 1,195,787

Auditee qualified as low-risk auditee?

X yes

___ no

State Financial Assistance

Internal control over major state programs:

Material weakness(es) identified?

___ yes

X no

Significant deficiency(ies) identified?

___ yes

X (none reported)

Type of auditor's report issued on compliance for major
state programs:

Unmodified

Dollar threshold used to distinguish a state major program:

\$

75,000

Kenai Peninsula Borough, Alaska

Schedule of Findings and Questioned Costs, continued Year Ended June 30, 2021

Section II - Financial Statement Findings Required to be Reported in Accordance with *Government Auditing Standards*

There were no findings related to the financial statements which are required to be reported in accordance with the standards applicable to financial audits contained in *Government Auditing Standards*.

Section III - Federal Award Findings and Questioned Costs

There were no findings and questioned costs for federal awards (as defined in section 2 CFR 200.516(a) of the Uniform Guidance) that are required to be reported.

Section IV - State Award Findings and Questioned Costs

There were no findings and questioned costs for State awards (as defined in the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*) that are required to be reported.