

# KENAI PENINSULA BOROUGH SCHOOL DISTRICT

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Phone (907) 714-8888 Fax (907) 262-9132  
[www.kpbsd.k12.ak.us](http://www.kpbsd.k12.ak.us)

## SCHOOL BOARD COMMUNICATION

<b>Title:</b>	<b>FY11 Comprehensive Annual Financial Report (CAFR)</b>		
<b>Date:</b>	<b>October 10, 2011</b>	<b>Item Number:</b>	Worksession & Item 10b.
<b>Administrator:</b>	<b>Dave Jones, Assistant Superintendent</b> 		
<b>Attachments:</b>	<b>FY11 CAFR</b>		

Action Needed     For Discussion     Information     Other: \_\_\_\_\_

## BACKGROUND INFORMATION

We will discuss the FY11 Comprehensive Annual Financial Report (CAFR) at the 4:15 p. m. worksession on Monday, October 17, 2011. The FY11 CAFR is included for your review. Alex Beckman with Mikunda, Cottrell & Co., Inc. will be at the worksession to review the CAFR and answer any questions you may have.

The District has received an unqualified opinion with no findings for the 2011 Fiscal Year.

The CAFR will be brought forward to the Regular Meeting for Board acceptance.

## ADMINISTRATIVE RECOMMENDATION

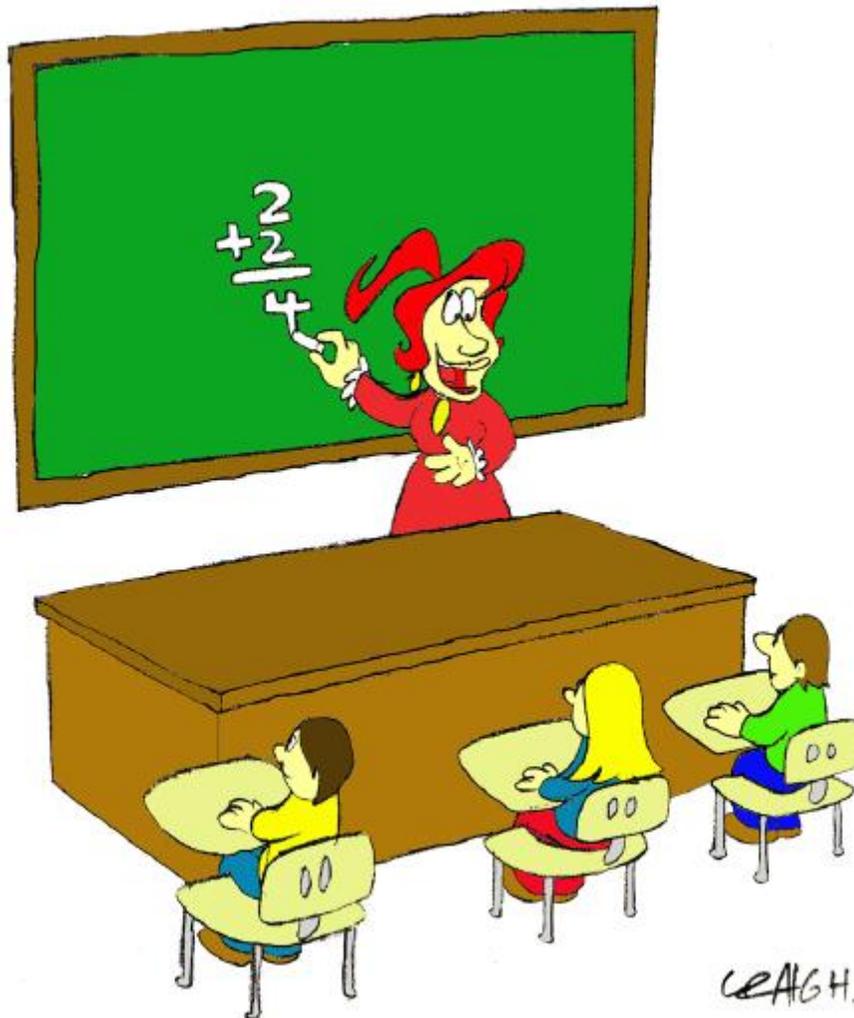
The administration recommends accepting the FY11 CAFR.

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# KENAI PENINSULA BOROUGH SCHOOL DISTRICT

## Comprehensive Annual Financial Report for the Fiscal Year Ended

June 30, 2011



A Component Unit of the Kenai Peninsula Borough  
Soldotna, Alaska

# **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

## **KENAI PENINSULA BOROUGH SCHOOL DISTRICT**

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

**For the Fiscal Year Ended  
June 30, 2011**

**Dr. Steve Atwater, Superintendent of Schools**

**Prepared by Finance Department**

**Dave Jones  
Assistant Superintendent of Instructional Support**

**Laurie Olson  
Director of Finance**

**Elizabeth Hayes  
Accountant**

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Kenai Peninsula Borough School District

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INTRODUCTORY SECTION

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**INTRODUCTORY SECTION**

School District Map

Letter of Transmittal

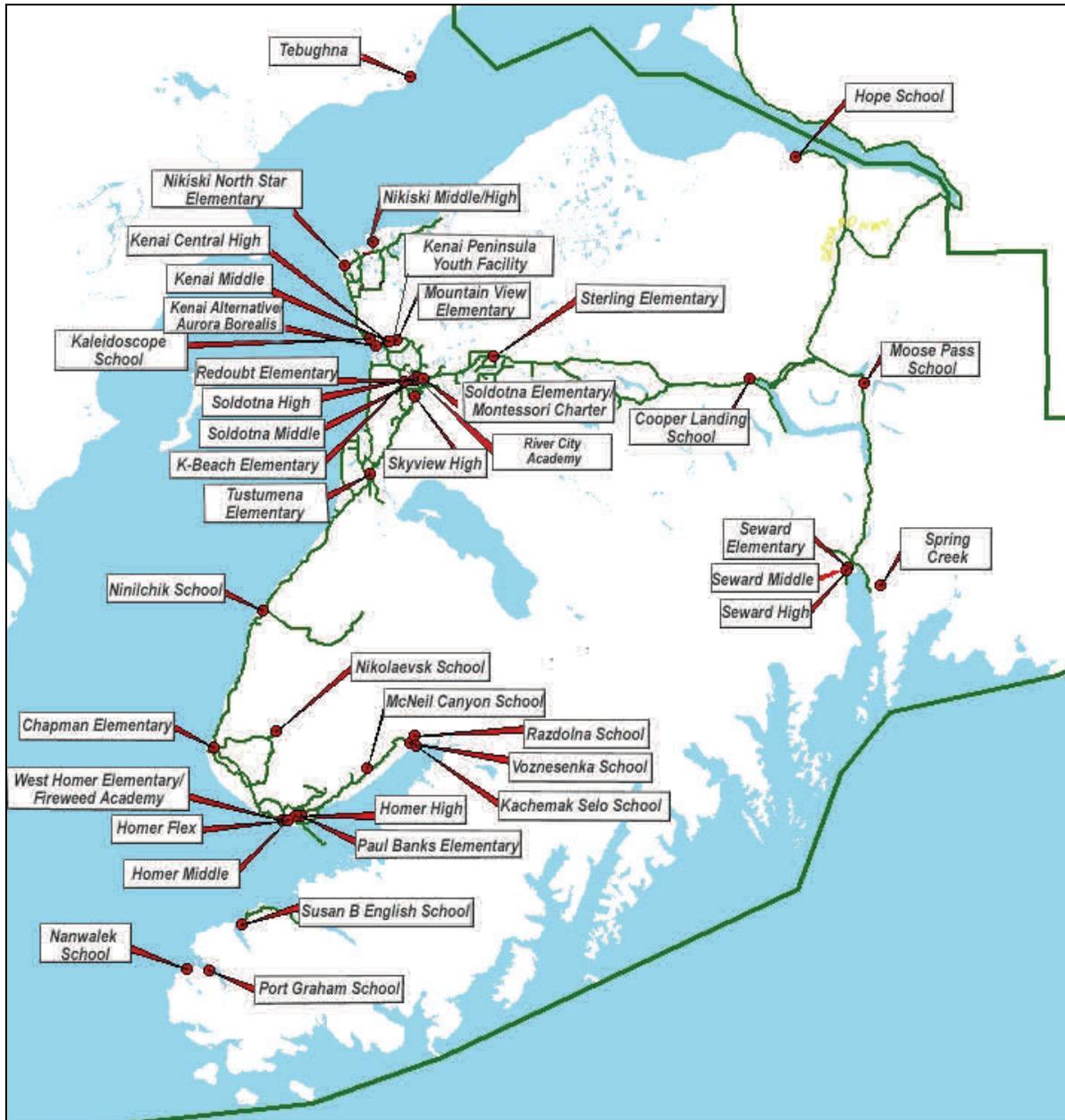
Certificate of Excellence, ASBO

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. The meetings are held in the Assembly Chambers of the Borough Building located on Binkley Street in Soldotna, Alaska. In addition, special meetings and work sessions are scheduled throughout the year.

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## KENAI PENINSULA BOROUGH SCHOOL DISTRICT

Dave Jones, Assistant Superintendent  
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Phone (907) 714-8888 Fax (907) 262-5867  
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October 11, 2011

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, 2011 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 Mikunda, Cottrell & Co., a firm of licensed certified public accountants; field work was completed September 8, 2011. 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, 2011 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the District's financial statements for the fiscal year ended June 30, 2011 are fairly presented in conformity with GAAP. The auditor's report is presented as the first component of the financial section of this report.

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

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

## Comprehensive Annual Financial Report (CAFR)

The District's CAFR consists of four parts:

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

## The Reporting Entity

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

## Relationship with Kenai Peninsula Borough

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

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

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

## Board of Education – Governance of the School District

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

## Profile of the District

The District encompasses 25,600 square miles. Approximately 9,148 students attend forty-four schools and the home school program in our district, in twenty-one communities. Our schools include a variety of configurations from K-12 schools in remote sites to more conventional configurations in our larger communities. The School District provides a full range of educational services on an area-wide basis within the Kenai Peninsula Borough. These services include elementary, secondary, bilingual and vocational instruction, education for exceptional students, correspondence study, pupil transportation, food service program, activity and athletic programs and instructional and general administrative services. Special needs are met with the assistance of programs and services such as English language education, gifted/talented, bilingual/bicultural, Chapter 1/Migrant Education and special education. Enrollments have generally been declining for the past ten years, but the rate of decline has lessened recently.

The mission of the District, in partnership with its richly diverse communities, is to develop creative, productive learners who demonstrate the skills, knowledge, and attitudes to meet life's challenges, by providing stimulating, integrated learning opportunities in a safe, supportive environment.

The District did not make Adequate Yearly Progress (AYP) for 2010-2011, but 30 of our 44 schools met AYP. Of the thirty-one categories measured by AYP, our District fell short in five areas:

- Students with disabilities – math
- Students with disabilities – language arts
- Limited English proficient – math
- Limited English proficient – language arts
- Alaska Native and American Indian – language arts

One of the reasons for failure to make AYP was the increase in the annual measurable objective (AMO). In FY10 the AMO for language arts was 77%, but that increased to 83% in FY11, the AMO for math in FY10 was 66%, but increased to 75% in FY11. The District did meet AYP for grade span 3-5 and 6-8, which allows us to remain at Level 1 status as a district. Our District is preparing to meet the challenges of helping all of our students grow in their academic abilities to meet this Federal law.

AYP is the accountability function of the federal No Child Left Behind Act requiring students to demonstrate competence in language arts and math through assessments given in grades three through ten. The levels of proficiency students must meet increases over the years, and by the end of the 2013 -2014 school year, 100% of students must be proficient.

AYP is measured at the school level and at the district level. The majority of District schools made AYP in 2011. Overall, about 87% of the District's students proved proficient or above in language arts, and about 79% were proficient or above in math. These levels allowed our District to maintain its leadership in comparison to the other large districts in Alaska.

## Internal Control

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

## Budgetary Controls

The objective of the District's budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Resources are allocated to and accounted for in individual funds, based upon the purposes for which those funds were created. Transfers of \$50,000 or more are authorized by the Board of Education. Therefore, the legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriation) is the fund level. All other transfers are authorized by the superintendent and reported quarterly to the Board of Education.

## Factors Affecting Financial Condition

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

After experiencing consistent, gradual growth since the late 1980s, the borough's economy has experienced recent setbacks with the closure of Agrium, ConocoPhillips LNG plant and Lowe's. In recent years, taxable property values have increased at a rate faster than Borough expenditures. As a result, the Borough's tax rate has decreased. Borough wide, the general government tax rate has decreased from 8.59 mills in FY96 to 6.5 mills in FY07, 5.5 mills in FY08, and 4.5 mills in FY09, FY10 and FY11. The Borough's FY12 budget was also developed based on a mill rate of 4.5. Sales tax continues to generate a large portion of the Borough's revenue. In FY98, sales tax revenue represented 21% of total general fund revenues; in FY11 budgeted sales tax revenue represents about 40% of general fund revenues. The oil and gas property is subject to significant fluctuations in value. Short-term, the Borough's property tax base will continue to be impacted. Recent activity would tend to indicate that Cook Inlet oil and gas exploration is on the upswing.

The FY11 base student allocation (BSA) used in the Public School Funding Program was \$5,680 per student. The District was able to keep abreast of structured salary and benefit increases, in addition to maintaining pupil/teacher ratios district-wide.

The financial condition of the School District is, and will continue to be, a pressing concern for the future. The State Public School Funding Program sets the amount of general school funding the School District receives from the State and it also sets the limit of the amount to be raised from local sources under an equalization section of the formula. The Kenai Peninsula Borough did not fund the School District to the maximum allowed under the foundation formula for the second year in a row. Although funding was provided lower than the cap, commitment for the funding was provided at an earlier date. This early indication of funding allowed the district to make plans for the budget. Discussions about the budget will continue to evolve between the borough assembly and board of education.

The Alaska Legislature enacted HB273, and FY11 was the last of increases to the base student allocation and intensive needs factor. Increases in the district cost factor continue to be implemented through FY13. This legislation includes structured increases to the special needs enrollment adjustment, the base student allocation, and the district cost factor portions of the education funding formula. There are concerns about the State's ability to fund increases for public education beyond FY11.

Changes in enrollment have a dramatic impact on the District's Public School Funding Program revenue from the State. Enrollment appeared to be leveling after many years of on-going decline, which would provide financial stability for the District. However, initial FY12 enrollment numbers indicate a decline maybe continuing. More information on this topic is included in the Management's Discussion and Analysis.

## Cash Management

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

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

## Risk Management

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

#### Pension and Other Post-employment Benefits

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

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

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

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

#### Certificate of Excellence

The Association of School Business Officials (ASBO) International awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2010.

This was the twenty-first 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.

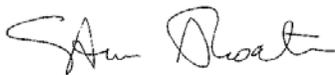
A Certificate of Excellence is valid for a period of one year only. We believe our current CAFR continues to meet the high standards of the Certificate of Excellence program and we are submitting it to ASBO International to determine its eligibility for another certificate.

#### 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.

We would also like to acknowledge the student efforts, particularly Craig Hills, a River City Academy student, for designing the cover of this document.

Respectfully submitted,



Dr. Steve Atwater  
Superintendent



Dave Jones  
Assistant Superintendent

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ASSOCIATION OF SCHOOL BUSINESS OFFICIALS INTERNATIONAL



This 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, 2010  
upon recommendation of the Association's Panel of Review  
which has judged that the Report substantially conforms  
to principles and standards of ASBO's Certificate of Excellence

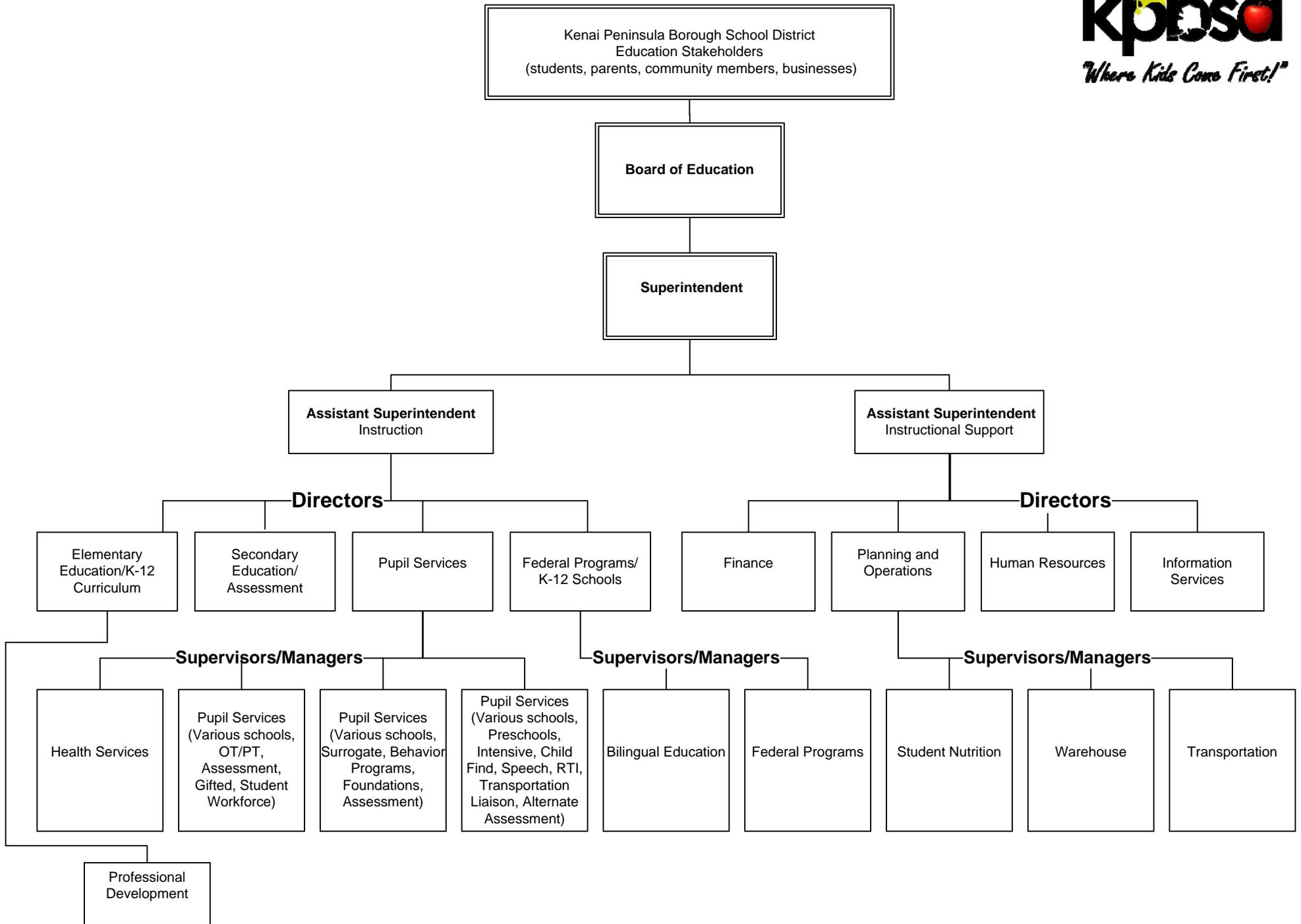
A handwritten signature in cursive script, appearing to read 'Chuck Lindner'.

President

A handwritten signature in cursive script, appearing to read 'John D. Mueso'.

Executive Director

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

**SCHOOL BOARD**

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

**ADMINISTRATION**

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

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FINANCIAL SECTION

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**FINANCIAL SECTION**

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

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Independent Auditor's Report

Members of the School Board  
Kenai Peninsula Borough School District  
(A Component Unit of the Kenai Peninsula Borough)  
Soldotna, Alaska

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, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Kenai Peninsula Borough School District's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 the Kenai Peninsula Borough School District, as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 3, 2011 on our consideration of the Kenai Peninsula Borough School District internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Members of the School Board  
Kenai Peninsula Borough School District  
(A Component Unit of the Kenai Peninsula Borough)

The accompanying management's discussion and analysis on pages 23 through 39 and the budgetary comparison schedules on pages 63 through 66 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Kenai Peninsula Borough School District's basic financial statements. The combining and individual nonmajor fund financial statements and other schedules, listed in the table of contents as additional supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken 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 express no opinion on them.

*Mikunda, Cottrell & Co.*

Anchorage, Alaska  
October 3, 2011

**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, 2011. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 5-9 of this report.

### Financial Highlights

- The assets of the Kenai Peninsula Borough School District exceeded its liabilities at the close of the most recent year by \$34,160,646. Of this amount, \$30,878,045 (unrestricted net assets) may be used to meet the District's ongoing obligations.
- As of June 30, 2011, the District's governmental funds reported combined ending fund balances of \$31,385,708, an increase of \$2,220,714 in comparison to the prior year.
- In February 2009, The Governmental Accounting Standards Board (GASB) released Statement No. 54 regarding fund balance reporting. While Statement No. 54 does not change the total amount reported as Fund Balance, it substantially alters the terminology and focus used for fund balance reporting. The goal is to provide a nontechnical explanation of the various parts of fund balance reported as Nonspendable, Restricted, Committed, Assigned and Unassigned Fund Balance. Previously, the fund balance was divided into Reserved and Unreserved, with additional designations within Unreserved for Designated and Undesignated. These changes have been implemented and are noted in this document.
- At the end of the current fiscal year, non-exempt fund balance for the General Fund was \$12,185,257. This amount is in compliance with AS 14.17.505 that 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 \$12,185,257, \$5,792,038 was unassigned and available for spending. The unassigned fund balance for the General Fund represented 4.65% of total General Fund expenditures.

### Overview of the Financial Statements

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

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

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

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

The Statement of Net Assets 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 33-34 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 34 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, State Fiscal Stabilization Fund (SFSF) and the Title I Fund, all of which are considered to be major funds. Data for the other 30 funds are combined into a single aggregated presentation. Data for each of these non-major governmental funds is provided in combining and individual funds section 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 35-38 of this report.

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

The District uses this fund to account for compensated leave balances. Individual fund data for this fund can be found on pages 39-41.

**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 42 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 45-59 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 also successfully involved in reviews, audits, and/or examinations by the State of Alaska Department of Education and Early Development:

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

The combining and individual fund statements referred to earlier in connection with nonmajor governmental funds can be found on pages 95-140.

### Governmental-wide Financial Analysis

The District ended the year in a better financial position than anticipated as of June 30, 2011 compared to June 30, 2010, due primarily to three factors: 1. conservative fiscal policy targeting financial stability to ensure current pupil/teacher ratios for subsequent years, 2. a significant increase in state revenue for education of Intensive Needs students and 3. reduced personnel costs due to unfilled positions. Anticipated use of fund balance did not occur, so those funds are available to the District for future needs. With the continued increase in District Cost Factor provided by the legislature and assuming continuation of the On-Behalf payments to Public Employee Retirement System (PERS) and Teachers Retirement System (TRS), the district will be in a better position to address ongoing educational needs, possible utility rate increases and other rising costs.

As noted earlier, the increase or decrease in net assets over time may serve as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$34,160,646, on June 30, 2011 compared to \$31,572,555 on June 30, 2010, which was an increase in total net assets of \$2,588,091.

<b>Net Assets</b>		
<b>Governmental Activities</b>		
	<u>June 30, 2011</u>	<u>June 30, 2010</u>
Current and other assets	\$48,204,722	\$43,062,480
Capital assets	<u>2,774,938</u>	<u>2,407,561</u>
Total Assets	<u>50,979,660</u>	<u>45,470,041</u>
Current and other liabilities	13,587,236	10,752,789
Long-term liabilities	<u>3,231,778</u>	<u>3,144,697</u>
Total Liabilities	<u>16,819,014</u>	<u>13,897,486</u>
 Net Assets		
Invested in capital assets	2,774,938	2,407,561
Restricted	507,663	675,350
Unrestricted	<u>30,878,045</u>	<u>28,489,644</u>
Total Net Assets	<u><u>\$34,160,646</u></u>	<u><u>\$31,572,555</u></u>

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

<b>Changes in Net Assets Governmental Activities</b>		
	<u>June 30, 2011</u>	<u>June 30, 2010</u>
Revenues:		
Program revenues		
Charges for Services	\$896,109	\$950,232
Operating Grants and Contributions	21,116,546	20,631,827
General Revenues		
Public School Funding Program	69,386,710	64,062,960
Retirement: On-Behalf Payments	13,615,283	11,901,565
Other State Funding	101,962	250,195
Borough Appropriation	42,588,135	42,983,376
Earnings on Investments	837,735	1,351,985
Other	<u>1,227,592</u>	<u>1,087,535</u>
Total Revenues	<u>149,770,072</u>	<u>143,219,675</u>
Expenses:		
Instruction	68,158,156	68,715,631
Special Education - Instruction	18,495,855	16,673,739
Special Education - Pupil	5,016,857	4,712,605
Support Services - Pupil	3,898,385	3,817,779
Support Services - Instruction	2,358,838	2,612,624
School Administration	6,673,392	6,414,684
School Administration - Support	4,178,505	4,140,290
District Administration	957,877	861,516
District Administration - Support	5,628,931	6,323,003
Operation and Maintenance of Plant	20,646,201	19,048,197
Student Activities	2,306,828	2,262,698
Student Transportation Services	5,514,495	5,500,984
Community Services	64,559	58,130
Student Nutrition Services	<u>3,283,102</u>	<u>3,262,858</u>
Total Expenses	<u>147,181,981</u>	<u>144,404,738</u>
Change in Net Assets	<u>2,588,091</u>	<u>(1,185,063)</u>
Beginning Net Assets as of July 1	<u>31,572,555</u>	<u>32,757,618</u>
Ending Net Assets as of June 30	<u><u>\$34,160,646</u></u>	<u><u>\$31,572,555</u></u>

In FY11, there was an increase in total net assets in the amount of \$2,588,091, due to higher than expected revenues and lower than expected salary and benefit costs. The FY10 decrease in total net assets of \$1,185,063 reflects an increase in total expense over total revenues, due primarily to negotiated salary and benefit increases.

## Financial Analysis of the Government's Funds

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

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

The general fund is the chief operating fund of the District. At the end of the current fiscal year, total fund balance was \$23,359,042. Of that amount, nonspendable fund balance totaled \$2,160,675, restricted fund balance was \$892,467, assigned fund balance totaled \$14,513,862 and unassigned was \$5,792,038. The general fund balance increased \$2,357,677 from the prior year. This increase is partially due to unanticipated revenue from the state and a conservative spending approach on a district-wide basis. With recent federal changes in health care requirements and continued expected increases in health care costs, all spending is evaluated for sustainability and need.

Major funds include Title I, the Equipment Fund and State Fiscal Stabilization Funds (SFSF). Over \$2.6 million or 68% of the Title I Fund expenditures was used for salaries and benefits of employees working to support students at Title I designated schools. This equates to about 20 FTE for certified employees and about 3.3 FTE for support employees paid for from the Title I grant funds. Equipment Fund expenditures in the amount of about \$560,000 were made for supplies and equipment such as lunch tables, snowblowers and science lab equipment for schools, as well as infrastructure upgrades like paving and floor covering. Approximately 75% of the SFSF (over \$2.1 million) was used to purchase instructional supplies and equipment for schools.

### General Fund Budgetary Highlights

Significant items in the FY11 original budget and final amended budget can be summarized as follows:

- Sustained programmatic staffing levels implemented in FY09 to continue to allow recovery of targeted elective offerings such as vocational education, credit recovery, creative/practical arts and foreign language. Continued staffing of secondary counselors and K-8 grade interventionists to address student needs district-wide.
- Increase in nursing staff to provide specialized care for rising numbers of students with significant health needs.
- Continuation of student travel funds to assist schools traveling to state competitions. Additional funding for student activity travel to fund a part of the cost schools incur outside state competitions; remaining costs are covered by fund-raising and/or sponsorships.
- Continued funding for safety equipment related to High School Extra-Curricular Activities

### FY11 Budget Revisions approved by the Board of Education included:

- Shift between local effort funding and In-Kind Services by the amount of \$220,649, primarily due to a reduction in Workers Compensation Insurance
- Increase in Intensive Needs funding from the state, due to identification of more Intensive Needs students.

- Small increase in State Foundation revenue and Quality Schools revenue due to slight increase in enrollment.
- Change in PERS and TRS On-Behalf to reflect estimated wages in FY11.
- In addition to the budget revision approved by the Board, budget transfers were approved by administration and/or the Board of Education deemed appropriate for school and department operations in accordance with Board Policy.

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

## **Capital Assets**

The District's investment in capital assets for its governmental activities as of June 30, 2011 amounts to \$2,774,938 (net of accumulated depreciation) compared to \$2,407,561 as of June 30, 2010. 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 FY12, the District considered a number of issues with District-wide impact, among them:

### Revenue Budget

- The Alaska Legislature passed HB273 in March 2008, enacting several changes to the school funding formula statute. The changes provided greater stability in financial planning because the increased amounts scheduled for the Base Student Allocation (BSA) and Intensive Needs funding factor were spelled out for FY09, FY10 and FY11. For FY12, the legislature did not increase the BSA or Intensive Needs Funding factor. District Cost Factor increases were scheduled for FY09 through FY13. While the previous legislation provided known increases in revenue prior to the end of the legislative session, the district can no longer rely on having that information before the budgeting process begins. This difference has a significant impact on hiring personnel for the subsequent fiscal year. One of the district's legislative priorities is to request forward funding so the budget can be built with more certainty and less disruption.
- With declining oil revenue and no forward funding mechanism currently in place, there are serious concerns about the future of education funding in the state. Therefore, the District continues to maintain a conservative approach to all budget matters, including a structured and planned use of fund balance to maintain current staffing formulas.
- Borough residents provided the highest level of local educational funding allowed per the funding formula for many years. The district has been funded at less than the maximum allowed in FY10, FY11 and FY12. Meetings between the school board, administration and the assembly will be held to continue discussions about the funding issue. Ultimately, the Kenai Peninsula Borough community will need to determine how much to invest in the education component of public services.
- Although it appeared in recent years that enrollment was leveling off, early enrollment indicators in the fall of 2011 indicate the decline may be continuing.

### Expenditure Budget

- A fund balance allocation of \$ 3,524,030 is budgeted for FY12 operations. Continued use of fund balance is expected in the next few years to maintain current staffing formulas. The District's

goal is to mitigate increased class sizes for as long as financially possible.

- Increasing Teachers Retirement System and Public Employee Retirement System required fund obligations are currently being partially funded for the District by the Alaska Legislature on a year by year basis. On-behalf payments made to the Public Employees Retirement System and the Teachers Retirement System are estimated at \$16,204,946 for FY12.
- All district programs were evaluated for continuation and all vacant positions were reviewed based on need before they were advertised. Maintaining staffing formulas including programmatic staffing implemented in FY09 is critical to manageable class size throughout the District.
- Changes to the expenditure budget in addition to the programmatic staffing implemented in FY09 includes:
  - Increased in-kind support compared to local funding provided by the Kenai Peninsula Borough for maintenance, utilities, insurance, audit, and custodian services
  - Elementary assistant principals for schools housing over 400 students
  - Increased staffing of nurses to meet routine medical needs for all students and to address the exceptional needs of medically fragile students
  - Continued funding for safety equipment and state travel for school activity programs and additional funding for extra-curricular travel
- Continued reduction in the historical variance between budget and actual revenues and expenditures is actively pursued.
- A high quality operational maintenance program that ensures the continued use and economic value of borough facilities.

### **Request for information**

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

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## **BASIC FINANCIAL STATEMENTS**

### **Government-Wide Financial Statements:**

Statement of Net Assets

Statement of Activities

### **Fund Financial Statements:**

Balance Sheet, Governmental Funds

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

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 Assets – Internal Service Fund

Statement of Revenues, Expenses, and Changes in Fund Net Assets – 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 ASSETS  
June 30, 2011

ASSETS

Current Assets:	
Cash	\$ 25,239
Equity in Central Treasury	38,194,065
Equity in Central Treasury - Restricted for Health Care Reserve	2,921,298
Accounts Receivable	282,897
Due from Other Governments	4,336,151
Prepaid	1,435,699
Inventories	<u>1,009,373</u>
Total Current Assets	<u>48,204,722</u>
Capital Assets:	
Furniture and Equipment	6,787,489
Less Accumulated Depreciation	<u>(4,012,551)</u>
Capital Assets - Net of Accumulated Depreciation	<u>2,774,938</u>
Total Assets	<u>50,979,660</u>

LIABILITIES

Current Liabilities:	
Accounts Payable	715,251
Accrued Liabilities	12,730,677
Compensated Absences	<u>141,308</u>
Total Current Liabilities	<u>13,587,236</u>
Noncurrent Liabilities:	
Noncurrent Portion of Long-Term Obligations:	
Compensated Absences	<u>3,231,778</u>
Total Noncurrent Liabilities	<u>3,231,778</u>
Total Liabilities	<u>16,819,014</u>

NET ASSETS

Invested in Capital Assets	2,774,938
Restricted:	
Charter Schools	507,663
Unrestricted	<u>30,878,045</u>
Total Net Assets	<u>\$ 34,160,646</u>

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2011

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
Instruction	68,158,156	\$ -	\$ 8,365,139	\$ (59,793,017)
Special Education - Instruction	18,495,855	-	3,998,785	(14,497,070)
Special Education - Pupil	5,016,857	-	-	(5,016,857)
Support Services - Pupil	3,898,385	-	5,392	(3,892,993)
Support Services - Instruction	2,358,838	-	-	(2,358,838)
School Administration	6,673,392	-	455,465	(6,217,927)
School Administration - Support	4,178,505	-	32,402	(4,146,103)
District Administration	957,877	-	-	(957,877)
District Administration - Support	5,628,931	-	329,323	(5,299,608)
Operation & Maintenance of Plant	20,646,201	-	182,326	(20,463,875)
Pupil Activities	2,306,828	-	34,400	(2,272,428)
Community Services	64,559	42,455	-	(22,104)
Pupil Transportation	5,514,495	-	5,492,563	(21,932)
Food Service	3,283,102	853,654	2,220,751	(208,697)
Total governmental activities	<u>\$ 147,181,981</u>	<u>\$ 896,109</u>	<u>\$ 21,116,546</u>	<u>\$ (125,169,326)</u>

General revenues:

Grants and contributions not restricted to specific programs:

Borough direct appropriation	42,588,135
Public School Funding Program	69,386,710
Retirement: On-behalf Payments	13,615,283
Other State Revenue	101,962
Earnings on Investments	837,735
E-Rate Program	591,046
Medicaid Reimbursement	593,496
Other	43,050

Total general revenues 127,757,417

Change in net assets 2,588,091

Net assets, beginning of year 31,572,555

Net assets, end of year \$ 34,160,646

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2011

	General	Equipment	SFSF	Title I	Other Governmental	Total Governmental Funds
<u>ASSETS</u>						
Assets:						
Cash	\$ 25,239	\$ -	\$ -	\$ -	\$ -	\$ 25,239
Equity in Central Treasury	26,994,021	6,495,654	-	-	1,331,304	34,820,979
Equity in Central Treasury - Restricted for Health Care Reserve	2,921,298	-	-	-	-	2,921,298
Accounts Receivable	277,987	-	-	1,680	3,230	282,897
Prepaid Items	1,435,699	-	-	-	-	1,435,699
Due from Other Governments	-	-	721,753	1,511,236	2,103,162	4,336,151
Due from Special Revenue Funds	4,384,590	-	-	-	-	4,384,590
Inventories	724,976	-	-	-	284,397	1,009,373
Total Assets	<u>\$ 36,763,810</u>	<u>\$ 6,495,654</u>	<u>\$ 721,753</u>	<u>\$ 1,512,916</u>	<u>\$ 3,722,093</u>	<u>\$ 49,216,226</u>
<u>LIABILITIES AND FUND BALANCES</u>						
Liabilities:						
Accounts Payable	\$ 674,091	\$ 38	\$ 848	\$ 355	\$ 39,919	\$ 715,251
Accrued Liabilities	12,730,677	-	-	-	-	12,730,677
Due to General Fund	-	-	720,905	1,512,561	2,151,124	4,384,590
Total Liabilities	<u>13,404,768</u>	<u>38</u>	<u>721,753</u>	<u>1,512,916</u>	<u>2,191,043</u>	<u>17,830,518</u>
Fund Balances:						
Nonspendable:						
Inventories	724,976	-	-	-	284,397	1,009,373
Prepaid Items	1,435,699	-	-	-	-	1,435,699
Restricted for:						
Facilities Maintenance	892,467	-	-	-	-	892,467
Assigned to:						
Charter Schools	507,663	-	-	-	-	507,663
School Incentive Purchases	668,169	-	-	-	-	668,169
Self-Insurance Health Care	6,883,423	-	-	-	-	6,883,423
Principal Mentor Program	50,000	-	-	-	-	50,000
Professional - Technical Services	489,583	-	-	-	-	489,583
Staff Travel	14,014	-	-	-	-	14,014
Student Travel	807	-	-	-	-	807
Purchased Services	728,316	33,217	-	-	98	761,631
Supplies	328,576	127,069	-	-	246	455,891
Equipment	569,281	210,949	-	-	56,975	837,205
Subsequent Year Operations	4,274,030	6,124,381	-	-	1,234,310	11,632,721
Unassigned	5,792,038	-	-	-	(44,976)	5,747,062
Total Fund Balances	<u>23,359,042</u>	<u>6,495,616</u>	<u>-</u>	<u>-</u>	<u>1,531,050</u>	<u>31,385,708</u>
Total Liabilities and Fund Balances	<u>\$ 36,763,810</u>	<u>\$ 6,495,654</u>	<u>\$ 721,753</u>	<u>\$ 1,512,916</u>	<u>\$ 3,722,093</u>	<u>\$ 49,216,226</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
 TO THE STATEMENT OF NET ASSETS  
 June 30, 2011

Fund balances – total governmental funds		\$ 31,385,708
Amounts reported for governmental activities in the statement of net assets are different because:		
<p style="margin-left: 40px;">The cost of capital assets (furniture and equipment) purchased is reported as an expenditure in governmental funds. The statement of net assets includes those capital assets among the assets of the School District as a whole. The cost of those capital assets is allocated over their useful lives (as depreciation expense) to the various functions reported as governmental activities in the statement of activities.</p>		
Cost of capital assets	6,787,489	
Accumulated depreciation to date	<u>(4,012,551)</u>	
		<u>2,774,938</u>
Net assets		<u>\$34,160,646</u>

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2011

	General	Equipment	SFSF	Title I	Other Governmental	Total Governmental Funds
<b>Revenues:</b>						
Local	\$ 42,588,135	\$ -	\$ -	\$ -	\$ 189,045	\$ 42,777,180
State	83,001,993	-	-	-	6,542,513	89,544,506
Federal-Direct	-	-	-	-	377,756	377,756
Federal-Through the State	593,496	-	2,572,579	3,716,084	7,665,331	14,547,490
Food Sales	-	-	-	-	853,654	853,654
Corporate Grants and User Fees	-	-	-	-	84,059	84,059
Earnings on Investments	378,916	458,819	-	-	-	837,735
Other Revenues	736,058	-	-	-	11,634	747,692
<b>Total Revenues</b>	<b>127,298,598</b>	<b>458,819</b>	<b>2,572,579</b>	<b>3,716,084</b>	<b>15,723,992</b>	<b>149,770,072</b>
<b>Expenditures - Current:</b>						
Instruction	59,783,730	99,824	2,514,830	3,558,350	2,291,959	68,248,693
Special Education - Instruction	14,494,765	-	-	-	3,998,785	18,493,550
Special Education Services - Pupil	5,016,857	-	-	-	-	5,016,857
Support Services - Pupil	3,892,993	-	-	5,392	-	3,898,385
Support Services - Instruction	2,341,670	12,464	-	-	-	2,354,134
School Administration	6,216,908	-	-	-	455,465	6,672,373
School Administration - Support	4,130,405	-	-	-	32,402	4,162,807
District Administration	977,921	-	-	-	-	977,921
District Administration - Support	5,391,467	-	57,749	152,342	271,574	5,873,132
Operation & Maintenance of Plant	20,215,124	447,900	-	-	29,984	20,693,008
Pupil Activities	2,116,977	-	-	-	44,237	2,161,214
Community Services	-	-	-	-	64,559	64,559
Pupil Transportation	-	-	-	-	5,498,915	5,498,915
Food Service	-	-	-	-	3,433,810	3,433,810
<b>Total Expenditures</b>	<b>124,578,817</b>	<b>560,188</b>	<b>2,572,579</b>	<b>3,716,084</b>	<b>16,121,690</b>	<b>147,549,358</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>2,719,781</b>	<b>(101,369)</b>	<b>-</b>	<b>-</b>	<b>(397,698)</b>	<b>2,220,714</b>
<b>Other Financing Sources (Uses):</b>						
Transfers In	-	-	-	-	362,104	362,104
Transfers Out	(362,104)	-	-	-	-	(362,104)
<b>Total Other Financing Sources (Uses)</b>	<b>(362,104)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>362,104</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>2,357,677</b>	<b>(101,369)</b>	<b>-</b>	<b>-</b>	<b>(35,594)</b>	<b>2,220,714</b>
<b>Fund Balances, Beginning of Year</b>	<b>21,001,365</b>	<b>6,596,985</b>	<b>-</b>	<b>-</b>	<b>1,566,644</b>	<b>29,164,994</b>
<b>Fund Balances, End of Year</b>	<b>\$ 23,359,042</b>	<b>\$ 6,495,616</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,531,050</b>	<b>\$ 31,385,708</b>

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
TO THE STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2011

Net change in fund balances – total governmental funds \$ 2,220,714

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

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

Equipment purchases	\$ 799,438	
Current depreciation expense	<u>(429,483)</u>	369,955

Loss on retirement of assets		<u>(2,578)</u>
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Change in net assets		<u>\$ 2,588,091</u>
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The notes to the financial statements are an integral part of this statement.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
STATEMENT OF NET ASSETS  
INTERNAL SERVICE FUND  
June 30, 2011

	Employee Compensated Leave Fund
<u>ASSETS</u>	
Current assets:	
Equity in central treasury	\$ 3,373,086
Total current assets	3,373,086
Total assets	3,373,086
<u>LIABILITIES</u>	
Current liabilities:	
Current portion of compensated absences payable	141,308
Total Current liabilities:	141,308
Noncurrent liabilities:	
Noncurrent portion of compensated absences payable	3,231,778
Total noncurrent liabilities	3,231,778
Total liabilities	3,373,086
<u>NET ASSETS</u>	
Unrestricted	-
Total net assets	\$ -

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
INTERNAL SERVICE FUND  
For the Year Ended June 30, 2011

	Employee Compensated Leave Fund
Operating Revenues:	
Charges for sales and services	\$ 2,844,272
Total operating revenues	2,844,272
Operating Expenses:	
Administrative service	2,844,272
Total Operating expenses	2,844,272
Operating income (loss)	-
Total net assets beginning	-
Total net assets ending	\$ -

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUND  
For the Year Ended June 30, 2011

	Employee Compensated Leave Fund
CASH FLOWS FROM OPERATING ACTIVITIES:	
Charges to other funds	\$ 2,844,272
Cash paid to employees	<u>(2,702,964)</u>
Cash used by operating activities	<u>141,308</u>
Increase in cash and cash equivalents	141,308
Cash and cash equivalents, beginning of year	<u>3,231,778</u>
Cash and cash equivalents, end of year	<u>\$ 3,373,086</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating Income	-
Change in assets and liabilities:	
Increase in compensated leave liability	<u>141,308</u>
Total adjustments	<u>141,308</u>
Net cash provided by operating activities	<u>\$ 141,308</u>

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
STUDENT ACTIVITY AGENCY FUND  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
June 30, 2011

	<u>Student Activity Agency Fund</u>
Assets:	
Equity in Central Treasury	\$ 2,549,028
Cash	<u>102,931</u>
Total Assets	<u>\$ 2,651,959</u>
Liabilities:	
Accounts Payable	\$ 275
Amounts Due to Student Groups	<u>2,651,684</u>
Total Liabilities	<u>\$ 2,651,959</u>

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

## **NOTES TO THE FINANCIAL STATEMENTS**

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

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KENAI PENINSULA BOROUGH SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2011

**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 accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the School District's accounting policies are described below.

**Reporting Entity**

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

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

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

During the year ended June 30, 2011, the School District recorded in-kind services provided by the Borough for school operations as follows:

Custodial	\$ 111,230
Utilities	63,364
Maintenance	6,357,801
Insurance	2,719,118
Audit	<u>50,636</u>
	<u>\$ 9,302,149</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 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 Kenai Peninsula Borough, the State of Alaska 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 local government's contribution to education, the State of Alaska public school foundation program, 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 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 capital equipment.

In addition, the District has elected to report the following funds as major funds for reasons of public interest:

State Fiscal Stabilization Fund (SFSF) – The SFSF fund is a new one-time appropriation under the American Recovery and Reinvestment Act. This grant is to be used to advance essential education reforms to benefit students from early learning through post-secondary education.

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

Additionally, the School District reports the following fund types:

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

Internal Service Fund – This fund accounts for the assets needed to pay for accrued employee compensated leave.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the district-wide fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

## **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 the Kenai Peninsula Borough and allocations received from the State of Alaska 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, 2001. The School District implemented this revision early, with a separate function to account for school administrators being the most significant change.

Special Revenue Funds - These funds account for revenues from specific revenue sources including food 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 focused on the measurement of the economic resources required for a particular purpose and limitations on the use of net assets rather than on the source of those assets. Proprietary funds report a statement of net assets, a statement of revenues, expenses and changes in net assets, and a statement of cash flows. Proprietary funds distinguish operating revenues and expenses from non-operating 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. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Internal Service Fund - The employee compensated leave fund was established effective FY04 to account for the assets required to pay for sick, personal, and annual leave accrued by employees.

**Fiduciary Funds** This fund category is used to account for those assets which the School District holds on behalf of others as their agent.

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 assets 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 Net Assets 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 local

government's contribution to education, State of Alaska public school foundation program revenue, and other items not properly included among program revenues are reported instead as general revenues.

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets (net of related debt) 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 assets are reported as restricted when there are limitations imposed on their 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 their 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 reappropriated by Board Policy as part of the subsequent year's budget as payment will occur in the subsequent year.

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

HB273 was enacted in 2008 and has been completely implemented. The bill progressively increased three components of the State Foundation funding formula; The Intensive Multiplier and Base Student Allocation for three years and the District Cost Factor for five years. The only change from FY12 to FY13 that is known at this point is the final scheduled increase to the District Cost Factor. With no additional plan for forward funding beyond FY12, funding for FY13 is uncertain.

The FY11 budget was developed and approved with an estimated enrollment of 9,075 students. The Kenai Peninsula Borough funding for the district was less than the maximum allowed by state statute (the cap) and it appears that trend will continue.

The budget amendments are detailed as follows:

**Kenai Peninsula Borough School District  
FY11 Revenue Budget Change – General Fund**

<u>Revenue Source</u>	4/5/2010 KPBSD Original Budget	12/6/2010 KPBSD Budget Revision	6/6/2011 KPBSD Budget Revision	KPBSD Final Budget
Borough In-Kind	\$ 9,614,831	\$ -	\$ (220,469)	\$ 9,394,362
Borough Appropriation	33,636,304	-	220,469	33,856,773
Earnings on Investments	420,000	-	-	420,000
E-Rate	646,000	-	-	646,000
Miscellaneous	80,000	-	-	80,000
Allocation of Fund Balance	<u>4,923,931</u>	<u>(2,949,077)</u>	<u>-</u>	<u>1,974,854</u>
Total Local Revenue	<u>49,321,066</u>	<u>(2,949,077)</u>	<u>-</u>	<u>46,371,989</u>
Foundation Program	66,422,006	2,949,077	15,672	69,386,755
TRS On-Behalf Payment	12,265,938	-	-	12,265,938
PERS On-Behalf Payment	902,078	-	-	902,078
Quality Schools	<u>255,750</u>	<u>-</u>	<u>7,609</u>	<u>263,359</u>
Total State Revenue	<u>79,845,772</u>	<u>2,949,077</u>	<u>23,281</u>	<u>82,818,130</u>
Medicaid	<u>450,000</u>	<u>-</u>	<u>-</u>	<u>450,000</u>
Total Federal Revenue	<u>450,000</u>	<u>-</u>	<u>-</u>	<u>450,000</u>
General Fund Revenue	<u>\$ 129,616,838</u>	<u>\$ -</u>	<u>\$ 23,281</u>	<u>\$ 129,640,119</u>

**Cash and Investments**

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

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

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

Investments are stated at fair market value.

### **Short Term Interfund Receivables/Payables**

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

### **Inventories**

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

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

### **Capital Assets**

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

### **Compensated Absences**

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

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

## **Fund Balance**

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form—prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

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

**Restricted fund balance** - This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

**Committed fund balance** - These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the school board—the government’s highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the school board removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

**Assigned fund balance** - This classification reflects the amounts constrained by the District’s “intent” to be used for specific purposes, but are neither restricted nor committed. The school board and Director of Finance have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as non-spendable and are neither restricted nor committed. These include portions of fund balances assigned to the charter schools, the principal mentor program, school incentive purchases and for subsequent year’s operations.

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

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

## **Encumbrances**

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the School Operating Fund and Special Revenue Funds. Encumbrances, if any, outstanding at year-end are reported as appropriate constraints of fund balance if they meet the criteria and definitions outlined later in these notes. Encumbrances are included as reductions to fund balance for the purpose of calculating fund balance limits in accordance with state regulations.

## **Grants**

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

## **In-Kind Contributions**

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

## Interfund Transactions

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

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

## NOTE 2 - EQUITY IN CENTRAL TREASURY

The carrying value of the equity in the Central Treasury varies from the balances reported on the balance sheet by the amount that individual funds have overdrawn their share of the pooled cash. The district does not have a policy regarding custodial credit risk, interest rate risk or foreign currency risk. A reconciliation of the carrying value to the reported value as of June 30, 2011 is as follows:

	General	Special Revenue	Internal Service Fund	Governmental Total	Agency
Carrying value of equity in Central Treasury	\$ 29,915,319	\$ 7,826,958	\$ 3,373,086	\$ 41,115,363	\$ 2,549,028
Due to (from) other funds					-
Major Funds	(2,233,466)	2,233,466	-	-	-
Non-Major Funds	(2,151,124)	2,151,124	-	-	-
Reported Equity in Central Treasury	<u>\$25,530,729</u>	<u>\$12,211,548</u>	<u>\$ 3,373,086</u>	<u>\$ 41,115,363</u>	<u>\$ 2,549,028</u>

## NOTE 3 - RECEIVABLES

Receivables at June 30, 2011, consist of the following:

	General	Special Revenue	Total
Accounts	\$ 277,987	\$ 4,910	\$ 282,897
Intergovernmental:			
Major Special Revenue:			
Federal – Through the State		2,232,989	2,232,989
Non-Major Special Revenue:			
Local		67,930	67,930
State		126,294	126,294
Federal – Through the State		1,750,504	1,750,504
Federal – Direct		158,434	158,434
Total receivables	<u>\$ 277,987</u>	<u>\$ 4,341,061</u>	<u>\$ 4,619,048</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, 2010, were as follows:

	July 1, 2010 <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	June 30, 2011 <u>Balance</u>
Governmental activities:				
Furniture and equipment	\$ 6,174,068	\$ 799,438	\$ (186,017)	\$ 6,787,489
Less accumulated depreciation for furniture and equipment	<u>(3,766,507)</u>	<u>(429,483)</u>	<u>183,439</u>	<u>(4,012,551)</u>
Governmental activities capital assets, net	<u>\$ 2,407,561</u>	<u>\$ 369,955</u>	<u>\$ (2,578)</u>	<u>\$ 2,774,938</u>

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

Instruction	\$ 138,130
Special Education - Instruction	2,305
Special Education - Pupil	-
Support services - Instruction	4,704
School administration	1,019
School administration - Support	15,698
District administration	4,655
District administration - Support	30,385
Operation and maintenance of plant	22,212
Pupil activities	176,881
Pupil transportation	15,580
Food services	17,914
Total depreciation expense	<u>\$ 429,483</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, 2011 is comprised of the following:

### Long-term contracts payable

The district currently has no long-term contracts payable.

### Compensated absences payable

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

	Total June 30, 2010	Additions	Deletions	Ending Total June 30, 2011	Amount due in one year
Compensated Absences	<u>\$ 3,231,778</u>	<u>\$ 2,844,272</u>	<u>\$ 2,702,964</u>	<u>\$3,373,086</u>	<u>\$141,308</u>
Total Long -Term Debt	<u>\$ 3,231,778</u>	<u>\$ 2,844,272</u>	<u>\$ 2,702,964</u>	<u>\$ 3,373,086</u>	<u>\$141,308</u>

## NOTE 6 – PENSION PLANS

### Defined Benefit Pension Plan

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

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

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

### PERS Conversion to Cost Sharing

In April 2008, the Alaska Legislature passed Senate Bill (SB) 125 which converted the existing Public Employees' Retirement System (PERS) from an agent-multiple employer plan to a cost-sharing plan with an effective date of July 1, 2008. Under the cost-sharing arrangement, the State of Alaska Division of Retirement and Benefits no longer tracks individual employer assets and liabilities. Rather, all plan costs and past service liabilities are shared among all participating employers. The cost-sharing plan requires a uniform employer contribution rate of 22% of active member wages, subject to a wage floor.

Legislation provides for State contributions in the event that the annually calculated and board adopted rate, which includes a provision to pay down the past-service liability, exceeds 22%. Any such additional contributions are recognized by each employer as an on-behalf payment.

In addition, in fiscal year 2008, the State of Alaska passed legislation (SB 123) which requires that the employer contribution be calculated on all PERS eligible wages, including wages attributable to the defined contribution plan described later in these footnotes.

**Funding Policy**

Regular employees are required to contribute 6.75% of their annual covered salary (2.41% for pension and 4.34% for healthcare) for PERS and 8.65% (4.59% for pension and 4.06% for healthcare) for TRS. The funding policy provides for periodic employer contributions based on actuarially determined rates that, expressed as a percentage of annual covered payroll, are sufficient to accumulate assets to pay both pension and postemployment healthcare benefits when due.

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

The District’s contribution rates for 2011 were determined as part of the June 30, 2008 actuarial valuations and are as follows:

<u>PERS</u>	Contractual Rate	ARM Board Adopted Rate	GASB 45* Rate
Pension	7.85%	9.98%	13.49%
Postemployment healthcare	<u>14.15%</u>	<u>17.98%</u>	<u>55.87%</u>
Total contribution rate	<u>22.00%</u>	<u>27.96%</u>	<u>69.36%</u>

<u>TRS</u>	Contractual Rate	ARM Board Adopted Rate	GASB 45* Rate
Pension	6.62%	20.32%	26.89%
Postemployment healthcare	<u>5.94%</u>	<u>18.24%</u>	<u>52.20%</u>
Total contribution rate	<u>12.56%</u>	<u>38.56%</u>	<u>79.09%</u>

\*This rate uses a 4.5% OPEB discount rate and disregards future Medicare Part D payments.

The projection of future benefits for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the School District and the plan members at that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial values of assets.

Projected benefits for financial reporting purposes do not incorporate any potential effects of legal or contractual funding limitations.

**Annual Pension and Postemployment Healthcare Cost – PERS**

The District is required to contribute 22% of covered payroll, subject to a wage floor. In addition, the State of Alaska contributed approximately 8.25% (2.29 percentage point higher than the required 5.96%) of covered payroll to the Plan. In accordance with the provisions of GASB Statement Number 24, the District has recorded the State on-behalf amount of \$1,579,758 as revenue and expenditures. This includes \$225,744 on-behalf payments received by the Kenai Peninsula Borough for maintenance in-kind services,

and \$1,354,014 for the School District. However, because the District is not statutorily obligated for these payments, this amount is excluded from pension and OPEB cost as described here.

Year Ended June 30	Annual Pension Cost	Annual OPEB Cost	Total Benefit Cost (TBC)	School District Contributions	% of TBC Contributed
2011	935,591	1,663,272	2,598,863	2,598,863	100%
2010	850,342	1,893,728	2,744,070	2,744,070	100%
2009	812,314	1,809,202	2,621,516	2,621,516	100%

### **Annual Pension and Postemployment Healthcare Cost – TRS**

The District is required to contribute 12.56% of covered payroll, subject to a wage floor. In addition, the State of Alaska contributed approximately 26.00% of covered payroll to the Plan. In accordance with the provisions of GASB Statement Number 24, the District has recorded the State on-behalf amount of \$12,261,269 as revenue and expenditures. However, because the District is not statutorily obligated for these payments, this amount is excluded from pension and OPEB cost as described here.

Year Ended June 30	Annual Pension Cost	Annual OPEB Cost	Benefit Cost (TBC)	School District Contributions	% of TBC Contributed
2011	2,563,965	2,273,705	4,837,670	4,837,670	100%
2010	2,269,208	2,611,144	4,880,352	4,880,352	100%
2009	2,189,749	2,519,744	4,709,493	4,709,493	100%

### **Defined Contribution Pension Plan**

The State of Alaska Legislature approved Senate Bill 141 to create the Public Employees' Retirement System (PERS) Tier IV and Teachers' Retirement System (TRS) Tier III Defined Contribution Retirement Plan for employees hired after July 1, 2006 or for employees converting from the PERS Tier I, II or III or TRS Tier I and II defined benefit plans. The plan is administered by the State of Alaska, Department of Administration, and 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 plan are individual pension accounts, retiree medical insurance plan and a separate Health Reimbursement Arrangement account that will help retired members pay medical premiums and other eligible medical expenses not covered by the medical plan. Employees are required to contribute 8.0% of their annual covered salary and the District is required to make the following contributions:

	PERS TIER IV	TRS TIER III
Individual account	5.00 %	7.00 %
Health reimbursement arrangement (HRA) *	3.00	3.00
Retiree medical plan	0.56	0.68
Occupational death and disability benefits	<u>0.31</u>	<u>0.28</u>
	<u>8.87 %</u>	<u>10.96 %</u>

\*Health Reimbursement Arrangement – AS 39.30.370 requires that the employer contribute “an amount equal to three percent of the employer’s average annual employee compensation.” For actual remittance, this amount is calculated as a flat rate for each full time or part-time employee per pay period.

Employees are immediately vested in their own contributions and 25% per year in employer contributions. The District and employee contributions to PERS including the HRA contribution for the year ended June 30, 2011 were \$1,008,832 and \$367,295, respectively. The District and employee contributions to TRS for the year ended June 30, 2011 were \$1,252,902 and \$799,029, respectively.

**NOTE 7 - BUILDING TRADES PROJECT**

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

**NOTE 8 - FOOD SERVICE SPECIAL REVENUE FUND**

The United States Department of Agriculture provided \$130,804 of food, milk and supplies during the year without charge to the School District. These in-kind contributions have been reflected as revenue and expenditures within the Food Service Special Revenue Fund.

**NOTE 9 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

Interfund receivable and payables resulting from short-term operating advances at June 30, 2011 are as follows:

	<u>Receivable</u>	<u>Payable</u>
Major Fund - General Fund	4,384,590	\$ -
Major Fund - SFSF	-	720,905
Major Fund – Title IA	-	1,512,561
Non-major governmental funds	-	2,151,124
	<u>\$ 4,384,590</u>	<u>\$ 4,384,590</u>

Interfund Transfers

Transfers from the general fund to non-major governmental funds are for operating subsidies.

Transfers between funds for the year ended June 30, 2011 were as follows:

	<u>Transfer In:</u>	
	<u>Non-Major Governmental Funds</u>	<u>Total</u>
Transfer Out: General Fund	\$362,104	\$362,104

**NOTE 10 - RISK MANAGEMENT**

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

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

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

In an attempt to reduce workers compensation cost, which had increased substantially in prior years, effective October 01, 2002 the Borough became self-insured for workers' compensation, with a retention level of \$250,000.

The Kenai Peninsula Borough Insurance and Litigation Fund annually allocates the costs for 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 assets of the fund are designated for future catastrophic losses.

	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claim Estimates</u>	<u>Claim Payments</u>	<u>End of Fiscal Year Liability</u>
2008 – 2009	\$1,569,316	\$2,088,946	\$(2,511,487)	\$1,146,775
2009 – 2010	1,146,775	674,988	(2,471,076)	649,313
2010 – 2011	649,313	1,510,864	(943,509)	1,216,668

Included above is a liability for incurred but not reported (IBNR) claims of \$50,000. 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. Starting July 1, 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 15% above projected annual cost for aggregate claims. Health and medical claims totaled approximately \$17,753,801 for the year ended June 30, 2011 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 General Fund. A schedule of the changes in the health care claims liability for the three years ended June 30, 2009, 2010 and 2011 follows:

	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claim Estimates</u>	<u>Claim Payments</u>	<u>End of Fiscal Year Liability</u>
2008 – 2009	\$2,744,290	\$15,616,253	\$(15,349,775)	\$3,010,768
2009 – 2010	3,010,768	18,285,633	(18,041,118)	3,255,283
2010 – 2011	3,255,286	17,491,630	(16,523,025)	4,223,888

## **NOTE 11 - CONTINGENCIES**

From time to time, the District may be a participant in legal proceedings related to the conduct of its business. In the normal course of business, it also has various commitments and contingent liabilities, which are not reflected in the accompanying financial statements. In the opinion of management, any current legal proceedings, commitments or contingent liabilities will not materially affect the financial position of the District.

### **Grants**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by the grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, would become a liability of the General Fund. In the opinion of management, any disallowed claims will not have a material effect on any fund type of the School District included in the financial statements, as of and for the year ended June 30, 2011.

### **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, 2011, 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, 2011, will not have a material effect on the financial statements as of and for the year ended June 30, 2011.

## **NOTE 12 - SUBSEQUENT EVENTS**

The district has no subsequent events to report.

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**REQUIRED SUPPLEMENTARY INFORMATION**

**MAJOR FUNDS:**

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

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

Major Governmental Funds – State Fiscal Stabilization Fund – Schedule of Revenues, Expenditures and Changes in Fund Balance

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

**ADDITIONAL SUPPLEMENTARY INFORMATION**

**GENERAL FUND:**

General Fund Balance Sheet

General Fund Schedule of Changes in Fund Balance

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

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

Schedule of Compliance – AS 14.17.505

Schedule of Compliance – AS 14.17.520

**EQUIPMENT FUND – SPECIAL REVENUE:**

Balance Sheet – Major Fund – Equipment

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

**STATE FISCAL STABILIZATION FUND (SFSF) – SPECIAL REVENUE:**

Balance Sheet – Major Fund – State Fiscal Stabilization Fund

Major Fund – State Fiscal Stabilization Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual

**TITLE I FUND – SPECIAL REVENUE:**

Balance Sheet – Major Fund – Title I

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

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KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
MAJOR GOVERNMENTAL FUNDS - GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Year Ended June 30, 2011

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Local	\$ 43,251,135	\$ 43,251,135	\$ 42,588,135	\$ (663,000)
State	79,845,772	82,818,130	83,001,993	183,863
Federal-Through the State	450,000	450,000	593,496	143,496
Earnings on Investments	420,000	420,000	378,916	(41,084)
Other Revenues	726,000	726,000	736,058	10,058
Fund Balance Appropriation	4,923,931	1,974,854	-	(1,974,854)
<b>Total Revenues</b>	<b>129,616,838</b>	<b>129,640,119</b>	<b>127,298,598</b>	<b>(2,341,521)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Instruction	63,958,794	62,190,560	59,783,730	2,406,830
Special Education - Instruction	13,979,928	14,457,978	14,494,765	(36,787)
Special Education Services - Pupil	5,048,451	5,564,385	5,016,857	547,528
Support Services - Pupil	3,897,350	4,067,274	3,892,993	174,281
Support Services - Instruction	2,539,245	2,493,051	2,341,670	151,381
School Administration	6,201,487	6,280,848	6,216,908	63,940
School Administration - Support	4,062,210	4,264,598	4,130,405	134,193
District Administration	1,048,904	1,106,496	977,921	128,575
District Administration - Support	5,902,655	7,434,085	5,391,467	2,042,618
Operations & Maintenance of Plant	20,232,273	20,743,321	20,215,124	528,197
Pupil Activities	1,980,010	2,273,315	2,116,977	156,338
<b>Total Expenditures</b>	<b>128,851,307</b>	<b>130,875,911</b>	<b>124,578,817</b>	<b>6,297,094</b>
<b>Other Financing Uses:</b>				
Transfers Out - Special Revenue Fund	765,531	1,535,531	362,104	1,173,427
<b>Total Expenditures and Other Financing Uses</b>	<b>129,616,838</b>	<b>132,411,442</b>	<b>124,940,921</b>	<b>7,470,521</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</b>	<b>\$ -</b>	<b>\$ (2,771,323)</b>	<b>\$ 2,357,677</b>	<b>\$ 5,129,000</b>
<b>Fund Balances, Beginning of Year</b>			<b>21,001,365</b>	
<b>Fund Balances, End of Year</b>			<b>\$ 23,359,042</b>	

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

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, 2011

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Earnings on Investment	\$ -	\$ -	\$ 458,819	\$ 458,819
Expenditures:				
Current:				
Instruction	5,291,772	4,767,675	99,824	4,667,851
Support Services - Instruction	-	12,465	12,464	1
School Administration - Support	-	459	-	459
District Administration	-	24,737	-	24,737
District Administration - Support	605,213	605,213	-	605,213
Operations & Maintenance of Plant	-	1,266,066	447,900	818,166
Total Expenditures	<u>5,896,985</u>	<u>6,676,615</u>	<u>560,188</u>	<u>6,116,427</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$ (5,896,985)</u>	<u>\$ (6,676,615)</u>	\$ (101,369)	<u>\$ 6,575,246</u>
Fund Balances, Beginning of Year			<u>6,596,985</u>	
Fund Balances, End of Year			<u>\$ 6,495,616</u>	

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
MAJOR GOVERNMENTAL SPECIAL REVENUE FUNDS - STATE FISCAL STABILIZATION FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Federal-Through the State	2,957,676	2,957,676	2,572,579	(385,097)
Expenditures:				
Current:				
Instruction	2,825,445	2,897,202	2,514,830	382,372
District Administration - Support	132,231	60,474	57,749	2,725
Total Expenditures	2,957,676	2,957,676	2,572,579	385,097
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	\$ -	<u>\$ -</u>
Fund Balances, Beginning of Year			-	
Fund Balances, End of Year			<u>\$ -</u>	

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

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, 2011

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Federal-Through the State	4,106,246	4,945,167	3,716,084	(1,229,083)
Expenditures:				
Current:				
Instruction	3,958,777	4,747,585	3,558,350	1,189,235
Support Services - Pupil	-	-	5,392	(5,392)
District Administration - Support	147,469	197,582	152,342	45,240
Total Expenditures	4,106,246	4,945,167	3,716,084	1,229,083
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	\$ -	<u>\$ -</u>
Fund Balances, Beginning of Year			-	
Fund Balances, End of Year			<u>\$ -</u>	

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
GENERAL FUND  
BALANCE SHEET  
June 30, 2011 and 2010

<u>ASSETS</u>	<u>2011</u>	<u>2010</u>
Cash on hand	\$ 25,239	\$ 29,739
Equity in Central Treasury	26,994,021	24,489,341
Equity in Central Treasury - Restricted for Health Care Reserve	2,921,298	-
Accounts receivable	277,987	95,935
Prepaid Items	1,435,699	1,211,684
Due from Special Revenue Funds	4,384,590	4,951,464
Inventory	<u>724,976</u>	<u>769,189</u>
Total Assets	<u>\$ 36,763,810</u>	<u>\$ 31,547,352</u>
 <u>LIABILITIES AND FUND BALANCE</u> 		
Liabilities:		
Accounts payable	<u>\$ 674,091</u>	<u>\$ 302,763</u>
Accrued liabilities:		
Payroll	4,959,812	4,813,917
Retirement	129,476	424,462
Payroll taxes	1,871,781	1,721,212
Payroll deductions	37,460	28,350
Health	<u>5,732,148</u>	<u>3,255,283</u>
Total Accrued Liabilities	<u>12,730,677</u>	<u>10,243,224</u>
Total Liabilities	<u>13,404,768</u>	<u>10,545,987</u>
Fund Balance:		
Nonspendable	2,160,675	1,980,873
Restricted	892,467	401,999
Assigned	14,513,862	12,880,779
Unassigned	<u>5,792,038</u>	<u>5,737,714</u>
Total Fund Balance	<u>23,359,042</u>	<u>21,001,365</u>
Total Liabilities and Fund Balance	<u>\$ 36,763,810</u>	<u>\$ 31,547,352</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF CHANGES IN FUND BALANCE  
For the Years Ended June 30, 2011 and 2010

	2011	2010
Fund Balance, Beginning of Year	\$ 21,001,365	\$ 21,162,667
Add Revenues and Other Financing Sources	127,298,598	121,637,616
Deduct Expenditures and Other Financing Uses	(124,940,921)	(121,798,918)
Fund Balance, End of Year	\$ 23,359,042	\$ 21,001,365

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF REVENUES - BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance Positive (Negative)	
Revenues:					
Local:					
Operating Fund	\$ 33,636,304	\$ 33,856,773	\$ 33,193,773	\$ (663,000)	\$ 33,813,342
Kenai Peninsula Borough - In-Kind	9,614,831	9,394,362	9,394,362	-	9,170,034
<b>Total Local</b>	<b>\$ 43,251,135</b>	<b>43,251,135</b>	<b>42,588,135</b>	<b>(663,000)</b>	<b>42,983,376</b>
State:					
Public School Funding	66,422,006	69,386,755	69,123,351	(263,404)	64,062,960
LOG/Quality Schools	255,750	263,359	263,359	-	11,901,565
Retirement: TRS On-Behalf	12,265,938	12,265,938	12,261,269	(4,669)	250,195
Retirement: PERS On-Behalf	902,078	902,078	1,354,014	451,936	-
<b>Total State</b>	<b>79,845,772</b>	<b>82,818,130</b>	<b>83,001,993</b>	<b>183,863</b>	<b>76,214,720</b>
Federal - Through the State:					
Medicaid - Direct Reimbursement	450,000	450,000	536,913	86,913	351,667
Medicaid - Allowance: State of Alaska	-	-	56,583	56,583	56,825
<b>Total Federal - Through the State</b>	<b>450,000</b>	<b>450,000</b>	<b>593,496</b>	<b>143,496</b>	<b>408,492</b>
Other Revenues:					
Earnings on Investments	420,000	420,000	378,916	(41,084)	1,351,985
Facilities Rental	30,000	30,000	43,050	13,050	39,600
Miscellaneous	50,000	50,000	101,962	51,962	63,780
E-Rate	646,000	646,000	591,046	(54,954)	575,663
Fund Balance Appropriation	4,923,931	1,974,854	-	(1,974,854)	-
<b>Total Other Revenues</b>	<b>6,069,931</b>	<b>3,120,854</b>	<b>1,114,974</b>	<b>(2,005,880)</b>	<b>2,031,028</b>
<b>Total Revenues</b>	<b>129,616,838</b>	<b>129,640,119</b>	<b>127,298,598</b>	<b>(2,341,521)</b>	<b>121,637,616</b>
Other Financing Sources:					
Operating Transfers In	-	-	-	-	-
<b>Total Revenues and Other Financing Sources</b>	<b>\$ 129,616,838</b>	<b>\$ 129,640,119</b>	<b>\$ 127,298,598</b>	<b>\$ (2,341,521)</b>	<b>\$ 121,637,616</b>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Regular Instruction:					
Certified Salaries	\$ 32,375,874	\$ 31,254,046	\$ 31,023,409	\$ 230,637	\$ 30,682,228
Non-Certified Salaries	2,162,010	2,287,717	2,256,307	31,410	2,242,386
Employee Benefits	22,129,040	21,750,924	21,201,586	549,338	20,527,921
Professional-Technical Services	171,761	245,562	194,546	51,016	417,293
Travel	206,533	180,314	131,557	48,757	146,653
Student Travel	11,500	20,442	25,684	(5,242)	63,081
Utility Services	145,765	190,714	67,272	123,442	11,918
Purchased Services	981,813	942,149	564,645	377,504	607,725
Supplies and Materials	3,838,646	3,509,479	2,942,978	566,501	3,190,195
Other Expenses	1,084,752	430,859	108,211	322,648	120,225
Equipment	851,100	1,378,354	1,267,535	110,819	933,607
	<u>63,958,794</u>	<u>62,190,560</u>	<u>59,783,730</u>	<u>2,406,830</u>	<u>58,943,232</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Special Education Instruction:					
Certified Salaries	\$ 5,906,626	\$ 5,945,544	\$ 5,932,144	\$ 13,400	\$ 5,532,208
Non-Certified Salaries	2,488,958	2,604,112	2,568,383	35,729	2,461,637
Employee Benefits	5,298,415	5,614,030	5,669,934	(55,904)	5,217,608
Professional-Technical Services	11,068	17,074	9,483	7,591	11,656
Travel	41,396	30,502	27,189	3,313	34,117
Student Travel	8,501	7,031	1,745	5,286	2,290
Utility Services	-	-	1,219	(1,219)	715
Purchased Services	2,910	3,748	3,120	628	82
Supplies and Materials	81,441	96,005	78,260	17,745	71,217
Other Expenses	140,613	139,113	202,471	(63,358)	141,874
Equipment	-	819	817	2	2,786
	<u>13,979,928</u>	<u>14,457,978</u>	<u>14,494,765</u>	<u>(36,787)</u>	<u>13,476,190</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Special Education Services - Pupil:					
Certified Salaries	\$ 2,546,195	\$ 2,457,563	\$ 2,430,847	\$ 26,716	\$ 2,133,742
Non-Certified Salaries	325,663	315,419	297,198	18,221	398,805
Employee Benefits	1,675,095	1,710,709	1,606,115	104,594	1,422,066
Professional-Technical Services	367,686	934,936	552,041	382,895	623,481
Travel	85,627	83,573	79,399	4,174	68,757
Utility Services	4,938	4,938	3,868	1,070	4,001
Purchased Services	8,766	8,196	6,844	1,352	5,590
Supplies and Materials	31,269	47,139	39,510	7,629	45,075
Other Expenses	3,212	1,412	535	877	285
Equipment	-	500	500	-	8,045
	<u>5,048,451</u>	<u>5,564,385</u>	<u>5,016,857</u>	<u>547,528</u>	<u>4,709,847</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 GENERAL FUND  
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
 YEAR ENDED JUNE 30, 2011  
 With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Support Services - Pupil:					
Certified Salaries	\$ 952,390	\$ 1,008,674	\$ 1,008,673	\$ 1	\$ 969,052
Non-Certified Salaries	1,377,251	1,377,336	1,264,872	112,464	1,260,860
Employee Benefits	1,479,571	1,553,880	1,507,153	46,727	1,409,719
Professional-Technical Services	3,920	642	100	542	100
Travel	32,466	50,859	49,754	1,105	45,545
Utility Services	2,622	2,622	603	2,019	524
Purchased Services	14,498	8,871	2,906	5,965	3,535
Supplies and Materials	31,229	52,539	47,380	5,159	34,777
Other Expenses	3,403	6,728	6,481	247	771
Equipment	-	5,123	5,071	52	1,356
	<u>3,897,350</u>	<u>4,067,274</u>	<u>3,892,993</u>	<u>174,281</u>	<u>3,726,239</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Support Services - Instruction:					
Certified Salaries	\$ 915,124	\$ 942,729	\$ 895,492	\$ 47,237	\$ 811,761
Non-Certified Salaries	489,368	467,412	447,698	19,714	475,398
Employee Benefits	830,617	837,090	801,145	35,945	733,741
Professional-Technical Services	2,300	18,452	7,655	10,797	65,401
Travel	31,319	49,740	46,190	3,550	37,897
Student Travel	500	4,317	1,811	2,506	-
Utility Services	9,064	9,064	6,568	2,496	8,428
Purchased Services	70,706	43,509	31,922	11,587	254,181
Supplies and Materials	186,397	109,763	94,273	15,490	199,541
Other Expenses	3,850	4,850	3,050	1,800	3,312
Equipment	-	6,125	5,866	259	18,790
	<u>2,539,245</u>	<u>2,493,051</u>	<u>2,341,670</u>	<u>151,381</u>	<u>2,608,450</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
School Administration:					
Certified Salaries	\$ 4,111,771	\$ 4,113,727	\$ 4,110,131	\$ 3,596	\$ 3,955,565
Non-Certified Salaries	14,166	13,522	13,543	(21)	-
Employee Benefits	1,961,901	2,011,897	1,979,393	32,504	1,868,840
Professional - Technical Services	650	780	300	480	300
Travel	50,192	84,759	73,122	11,637	70,286
Utility Services	500	360	-	360	-
Purchased Services	-	-	-	-	16
Supplies and Materials	12,280	9,997	7,258	2,739	6,721
Other Expenses	32,777	32,806	31,878	928	32,003
Equipment	17,250	13,000	1,283	11,717	12,560
	<u>6,201,487</u>	<u>6,280,848</u>	<u>6,216,908</u>	<u>63,940</u>	<u>5,946,291</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 GENERAL FUND  
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
 YEAR ENDED JUNE 30, 2011  
 With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
School Administration - Support:					
Non-Certified Salaries	\$ 2,005,128	\$ 2,042,838	\$ 2,029,019	\$ 13,819	\$ 2,040,211
Employee Benefits	1,417,913	1,525,609	1,499,654	25,955	1,455,865
Professional - Technical Services	1,500	-	-	-	-
Travel	4,525	12,185	10,407	1,778	12,253
Utility Services	516,256	536,877	479,148	57,729	451,762
Purchased Services	22,782	26,439	14,720	11,719	5,525
Supplies And Materials	61,177	74,901	68,807	6,094	68,097
Other Expenses	20,629	28,610	22,300	6,310	4,338
Equipment	12,300	17,139	6,350	10,789	88,051
	<u>4,062,210</u>	<u>4,264,598</u>	<u>4,130,405</u>	<u>134,193</u>	<u>4,126,102</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
District Administration:					
Certified Salaries	\$ 259,698	\$ 265,225	\$ 255,931	\$ 9,294	\$ 250,591
Non-Certified Salaries	196,574	197,755	191,199	6,556	171,616
Employee Benefits	263,246	293,643	286,814	6,829	246,076
Professional-Technical Services	131,084	113,284	54,537	58,747	23,375
Travel	72,862	80,262	58,769	21,493	54,428
Utility Services	19,483	15,033	14,242	791	13,785
Purchased Services	13,470	13,470	5,755	7,715	4,651
Supplies and Materials	20,475	24,747	20,381	4,366	18,428
Tuition and Stipends	42,000	42,000	33,600	8,400	33,600
Other Expenses	30,012	34,390	29,341	5,049	35,659
Equipment	-	26,687	27,352	(665)	3,071
	<u>1,048,904</u>	<u>1,106,496</u>	<u>977,921</u>	<u>128,575</u>	<u>855,280</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
District Administrative Support Services:					
Certified Salaries	\$ 246,178	\$ 269,062	\$ 267,152	\$ 1,910	\$ 273,317
Non-Certified Salaries	2,076,096	2,249,554	2,132,725	116,829	2,266,179
Employee Benefits	1,232,961	1,331,102	1,295,028	36,074	1,282,124
Professional-Technical Services	166,784	215,234	142,197	73,037	181,724
Travel	77,765	110,677	82,244	28,433	87,670
Utility Services	44,737	175,462	172,851	2,611	162,387
Purchased Services	588,805	1,208,975	290,138	918,837	391,417
Insurance Premiums	851,996	851,996	851,996	-	764,975
Supplies and Materials	84,760	346,280	324,658	21,622	198,056
Other Expenses	162,518	63,778	31,745	32,033	32,322
Indirect Costs	300,903	75,110	(481,665)	556,775	(482,204)
Equipment	69,152	536,855	282,398	254,457	672,765
	<u>5,902,655</u>	<u>7,434,085</u>	<u>5,391,467</u>	<u>2,042,618</u>	<u>5,830,732</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Operation and Maintenance of Plant:					
Certified Salaries	\$ -	\$ -	\$ 60	\$ (60)	\$ 60
Non-Certified Salaries	3,318,377	3,209,876	3,040,824	169,052	3,048,784
Employee Benefits	2,168,536	2,289,716	2,169,703	120,013	2,131,591
Professional-Technical Services	-	-	-	-	7,000
Travel	16,034	17,060	3,948	13,112	4,258
Utility Services	431,473	396,666	328,229	68,437	333,106
Energy	5,889,395	5,419,468	5,593,378	(173,910)	4,810,469
Purchased Services	6,981,553	7,258,947	7,166,476	92,471	7,251,304
Insurance Premiums	1,026,438	1,026,438	1,026,438	-	919,788
Supplies and Materials	330,732	428,506	409,526	18,980	327,727
Other Expenses	67,235	4,193	(2,659)	6,852	-
Equipment	2,500	692,451	479,201	213,250	148,030
	<u>20,232,273</u>	<u>20,743,321</u>	<u>20,215,124</u>	<u>528,197</u>	<u>18,982,117</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 GENERAL FUND  
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
 YEAR ENDED JUNE 30, 2011  
 With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Pupil Activity:					
Certified Salaries	\$ 1,059,200	\$ 1,123,703	\$ 825,624	\$ 298,079	\$ 785,822
Non-Certified Salaries	217,305	199,170	462,267	(263,097)	391,009
Employee Benefits	461,004	472,807	390,810	81,997	350,692
Professional - Technical Services	750	750	10,000	(9,250)	-
Travel	4,973	11,025	9,036	1,989	6,475
Student Travel	91,000	304,987	297,164	7,823	107,671
Utility Services	83	83	-	83	-
Purchased Services	100,500	35,812	24,293	11,519	21,294
Supplies and Materials	10,650	68,141	53,343	14,798	47,455
Other Expenses	34,545	40,565	37,659	2,906	38,785
Equipment	-	16,272	6,781	9,491	14,956
	<u>1,980,010</u>	<u>2,273,315</u>	<u>2,116,977</u>	<u>156,338</u>	<u>1,764,159</u>
 Total Expenditures	 <u>128,851,307</u>	 <u>130,875,911</u>	 <u>124,578,817</u>	 <u>6,297,094</u>	 <u>120,968,639</u>
Other Financing Uses:					
Transfer To Community Theater Fund	-	20,000	22,104	(2,104)	13,665
Transfer To Food Service Fund	765,531	765,531	140,000	625,531	316,614
Transfer To Pupil Transportation Fund	-	750,000	200,000	550,000	500,000
Total Other Financing Uses	<u>765,531</u>	<u>1,535,531</u>	<u>362,104</u>	<u>1,173,427</u>	<u>830,279</u>
 Total Expenditures and Other Financing Uses	 <u>\$ 129,616,838</u>	 <u>\$ 132,411,442</u>	 <u>\$ 124,940,921</u>	 <u>\$ 7,470,521</u>	 <u>\$ 121,798,918</u>

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KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 SCHEDULE OF COMPLIANCE - AS 14.17.505  
 Year Ended June 30, 2011

Total fund balance - School Operating Fund		\$ 23,359,042
less exemptions per 4 ACC 09.160(a)		
Encumbrances		2,130,577
Inventory		724,976
Prepaid items		1,435,699
Self insurance		<u>6,882,423</u>
Total exemptions		11,173,675
Fund balance subject to 10% limitation		<u><u>\$ 12,185,367</u></u>

Nonexempt fund balance as a percentage of current year expenditures:

Fund balance subject to limitation		12,185,367			
	=		=		<u>9.78%</u>
Current year expenditures		124,578,817			

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 SCHEDULE OF COMPLIANCE - AS 14.17.520  
 Year Ended June 30, 2011

Instruction:

Regular Instruction	\$ 59,783,730	
Special Education Instruction	14,494,765	
Special Education Services - Pupil	5,016,857	
Support Services - Pupil	3,892,993	
Support Services - Instruction	2,341,670	
School Administration	<u>6,216,908</u>	
Total Instruction	<u>91,746,923</u>	73.65%

Non-Instruction:

School Administration - Support	4,130,405	
District Administration	977,921	
District Administration - Support Services	5,391,467	
Operation of Plant	20,215,124	
Pupil Activities	<u>2,116,977</u>	
Total Non-Instruction	<u>32,831,894</u>	26.35%
Total Expenditures	<u>124,578,817</u>	

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 BALANCE SHEET - MAJOR FUND - EQUIPMENT  
 June 30, 2011

With Comparative Totals as of June 30, 2010

	2011	2010
ASSETS		
Equity in Central Treasury	\$ 6,495,654	\$ 6,676,615
Total Assets	\$ 6,495,654	\$ 6,676,615
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts Payable	\$ 38	\$ 79,630
Due to General Fund	-	-
Total Liabilities	38	79,630
Assigned	6,495,616	6,596,985
Total Fund Balance:	6,495,616	6,596,985
Total Liabilities and Fund Balances	\$ 6,495,654	\$ 6,676,615

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 MAJOR FUND - EQUIPMENT  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE-  
 BUDGET (GAAP BASIS) AND ACTUAL  
 YEAR ENDED JUNE 30, 2011  
 With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Earnings on Investments	\$ -	\$ -	\$ 458,819	\$ 458,819	\$ -
Total Revenues	-	-	458,819	458,819	-
Expenditures					
Regular Instruction:					
Purchased Services	-	-	-	-	4,000
Supplies and Materials	91,784	127,247	20,547	106,700	195,279
Equipment	5,199,988	4,640,428	79,277	4,561,151	1,038,279
Total Regular Instruction	5,291,772	4,767,675	99,824	4,667,851	1,237,558
Support Services - Instruction:					
Supplies	-	12,465	12,464	1	-
School Administration Support :					
Equipment	-	459	-	459	-
School Administration :					
Equipment	-	-	-	-	1,894
District Administration:					
Equipment	-	24,737	-	24,737	-
District Administration Support Services:					
Equipment	605,213	605,213	-	605,213	-
Operation and Maintenance of Plant:					
Professional - Technical Service	-	607,000	363,775	243,225	-
Purchased Services	-	89,734	51,671	38,063	66,875
Supplies and Materials	-	192,697	10,819	181,878	173
Equipment	-	376,635	21,635	355,000	33,686
Total Operation and Maintenance of Plant	-	1,266,066	447,900	818,166	100,734
Total Expenditures	5,896,985	6,676,615	560,188	6,116,427	1,340,186
Excess (Deficiency) of Revenues Over Expenditures	\$ (5,896,985)	\$ (6,676,615)	(101,369)	\$ 6,575,246	(1,340,186)
Fund Balance, Beginning of Year			6,596,985		7,937,171
Fund Balance, End of Year			\$ 6,495,616		\$ 6,596,985

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 BALANCE SHEET - MAJOR FUND - STATE FISCAL STABILIZATION FUND  
 June 30, 2011

With Comparative Totals as of June 30, 2010

	2011	2010
<b>ASSETS</b>		
Assets:		
Due from other Governments	\$ 721,753	\$ 1,092,890
Total Assets	\$ 721,753	\$ 1,092,890
<b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Accounts Payable	\$ 848	\$ 3,407
Due to General Fund	720,905	1,089,483
Total Liabilities	721,753	1,092,890
Fund Balance:	-	-
Total Liabilities and Fund Balances	\$ 721,753	\$ 1,092,890

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 MAJOR FUND - STATE FISCAL STABILIZATION FUND  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE-  
 BUDGET (GAAP BASIS) AND ACTUAL  
 YEAR ENDED JUNE 30, 2011  
 With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 2,957,676	\$ 2,957,676	\$ 2,572,579	\$ (385,097)	\$ 2,695,110
Expenditures:					
Regular Instruction					
Certified Salaries	-	302,432	302,432	-	115,787
Non-Certified Salaries	-	34,260	34,260	-	27,980
Employee Benefits	-	81,784	81,784	-	23,726
Professional - Technical Service	-	94,019	94,019	-	683,688
Staff Travel	-	167,855	167,855	-	99,051
Utility Services	-	21	20	1	65
Purchased Services	-	43,361	43,361	-	8,249
Supplies and Materials	-	568,437	510,220	58,217	270,860
Other Expenses	2,825,445	-	-	-	-
Equipment	-	1,605,033	1,280,879	324,154	1,404,899
Total Regular Instruction	<u>2,825,445</u>	<u>2,897,202</u>	<u>2,514,830</u>	<u>382,372</u>	<u>2,634,305</u>
Support Services - Pupils					
Staff Travel	-	-	-	-	186
District Administration Support Services					
Indirect Costs	<u>132,231</u>	<u>60,474</u>	<u>57,749</u>	<u>2,725</u>	<u>60,619</u>
Total Expenditures	<u>2,957,676</u>	<u>2,957,676</u>	<u>2,572,579</u>	<u>385,097</u>	<u>2,695,110</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  
BALANCE SHEET - MAJOR FUND - TITLE I  
June 30, 2011

With Comparative Totals as of June 30, 2010

	2011	2010
ASSETS		
Assets:		
Accounts Receivable	\$ 1,680	\$ -
Due from other Governments	1,511,236	1,405,126
Total Assets	\$ 1,512,916	\$ 1,405,126
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts Payable	\$ 355	\$ 11,385
Due to General Fund	1,512,561	1,393,741
Total Liabilities	1,512,916	1,405,126
Fund Balance:	-	-
Total Liabilities and Fund Balances	\$ 1,512,916	\$ 1,405,126

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
MAJOR FUND - TITLE I  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 4,106,246	\$ 4,945,167	\$ 3,716,084	\$ (1,229,083)	\$ 3,565,878
Expenditures:					
Regular Instruction					
Certified Salaries	1,729,815	2,305,309	1,882,706	422,603	1,310,500
Non-Certified Salaries	219,638	284,223	215,647	68,576	313,874
Employee Benefits	724,890	779,525	762,190	17,335	639,110
Professional - Technical Service	331,878	462,378	296,818	165,560	274,386
Staff Travel	119,697	237,682	146,874	90,808	195,446
Student Travel	386,960	192,136	1,065	191,071	2,405
Utility Services	10,350	10,311	2,860	7,451	4,826
Purchased Services	30,800	110,325	92,885	17,440	121,449
Supplies and Materials	130,001	187,423	99,192	88,231	410,594
Other Expenses	249,748	135,273	19,919	115,354	15,737
Equipment	25,000	43,000	38,194	4,806	13,523
Total Regular Instruction	<u>3,958,777</u>	<u>4,747,585</u>	<u>3,558,350</u>	<u>1,189,235</u>	<u>3,301,850</u>
Support Services - Pupil					
Certified Salaries	-	-	-	-	69,235
Non-Certified Salaries	-	-	4,996	(4,996)	902
Employee Benefits	-	-	396	(396)	29,927
Professional - Technical Service	-	-	-	-	875
Staff Travel	-	-	-	-	96
Supplies and Materials	-	-	-	-	919
Other Expenses	-	-	-	-	-
Equipment	-	-	-	-	-
Total Support Services - Pupil	<u>-</u>	<u>-</u>	<u>5,392</u>	<u>(5,392)</u>	<u>101,954</u>
District Administration Support Services					
Indirect Costs	147,469	197,582	152,342	45,240	162,074
Total Expenditures	<u>4,106,246</u>	<u>4,945,167</u>	<u>3,716,084</u>	<u>1,229,083</u>	<u>3,565,878</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>

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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:

Associated General Contractors- AK Works	Principal Coach
Artist in Schools	Pupil Transportation
ASDN Leadership	School Improvement
Building Trades	Staff Development Mini-Grants
Carl Perkins – Basic	Statewide Alaska Mentorship
Community Theater	Title I-A, ARRA
Corporate & Miscellaneous Grants	Title I-D, Delinquent
Food Service	Title II-D, ARRA
Food Service, ARRA	Title VI-B, IDEA
Food Service - FFVP	Title VI-B, IDEA, ARRA
Gear Up Kenai Peninsula	Title VII, Indian Education
Governor's Alternative Schools	Upward Bound
Legislative Equipment Fund	Youth First
McKinney – Vento Homeless	Youth in Detention
McKinney – Vento Homeless, ARRA	Youth Risk Behavior Survey
Migrant Education	

## SPECIAL REVENUE FUNDS

Associated General Contractors – AK Works grant is an Alaska Department of Labor funded project that supports our District's after school construction academies.

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

ASDN Leadership is an Alaska Staff Development Network grant that supports the Rural Alaska Principal Preparation and Support project throughout Rural Alaska.

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

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

Food Service – American Reinvestment and Recovery Act (ARRA) program provided for milk coolers.

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

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

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

Legislative Equipment Fund through SB46 awarded direct funding for schools to be used for equipment, curriculum, critical incident supplies and other items needed for school programs.

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

McKinney-Vento Homeless, American Reinvestment and Recovery Act (ARRA) 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.

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

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

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

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

Statewide Alaska Mentorship is a program funded by EED, providing three full-time positions for teacher mentors in our district. By mentoring new teachers, Alaska can improve the quality of instruction, increase teacher retention and improve student achievement.

Title I-A, American Reinvestment and Recovery Act (ARRA) grant provides for a supplemental academic program to children who are not on target to meet the state's content performance standard.

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 II-D, American Reinvestment and Recovery Act (ARRA) grants purpose is to increase technological literacy of students, and to increase the capacity of teachers to integrate technology into teaching and learning.

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

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

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

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

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

Youth Risk Behavior Survey provides incentive funds to schools to encourage the participation in a statewide survey.

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KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS  
 June 30, 2011  
 With Comparative Totals as of June 30, 2010

	AGC Alaska Works	ASDN Leadership	Building Trades	Carl Perkins Basic
<b>ASSETS</b>				
Equity in Central Treasury	\$ -	\$ -	\$ -	\$ -
Accounts receivable	-	-	-	-
Due from other Governments	67,930	14,364	-	103,930
Inventory	-	-	60,618	-
<b>Total Assets</b>	<b>\$ 67,930</b>	<b>\$ 14,364</b>	<b>\$ 60,618</b>	<b>\$ 103,930</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to General Fund	67,930	14,364	44,976	103,930
<b>Total Liabilities</b>	<b>67,930</b>	<b>14,364</b>	<b>44,976</b>	<b>103,930</b>
<b>Fund Balances:</b>				
Nonspendable	-	-	60,618	-
Assigned	-	-	-	-
Unassigned	-	-	(44,976)	-
<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>15,642</b>	<b>-</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 67,930</b>	<b>\$ 14,364</b>	<b>\$ 60,618</b>	<b>\$ 103,930</b>

Continued

	Community Theater	Corporate & Miscellaneous Grants	Food Service	Gear - Up Kenai
<b>ASSETS</b>				
Equity in Central Treasury	\$ -	\$ 10,050	\$ 323,007	\$ -
Accounts receivable	3,230	-	-	-
Due from other Governments	-	-	-	38,508
Inventory	-	-	223,779	-
<b>Total Assets</b>	<b><u>\$ 3,230</u></b>	<b><u>\$ 10,050</u></b>	<b><u>\$ 546,786</u></b>	<b><u>\$ 38,508</u></b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ 244	\$ -	\$ 660	\$ -
Due to General Fund	2,986	-	-	38,508
<b>Total Liabilities</b>	<b><u>3,230</u></b>	<b><u>-</u></b>	<b><u>660</u></b>	<b><u>38,508</u></b>
<b>Fund Balances:</b>				
Nonspendable	-	-	223,779	-
Assigned	-	10,050	322,347	-
Unassigned	-	-	-	-
<b>Total Fund Balances</b>	<b><u>-</u></b>	<b><u>10,050</u></b>	<b><u>546,126</u></b>	<b><u>-</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 3,230</u></b>	<b><u>\$ 10,050</u></b>	<b><u>\$ 546,786</u></b>	<b><u>\$ 38,508</u></b>

Continued

	Governor's Alternative	McKinney-Vento Homeless	McKinney-Vento Homeless - ARRA	Migrant Education
<b>ASSETS</b>				
Equity in Central Treasury	\$ -	\$ -	\$ -	\$ -
Accounts receivable	-	-	-	-
Due from other Governments	2,088	5,486	5,897	400
Inventory	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,088</b>	<b>\$ 5,486</b>	<b>\$ 5,897</b>	<b>\$ 400</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to General Fund	2,088	5,486	5,897	400
<b>Total Liabilities</b>	<b>2,088</b>	<b>5,486</b>	<b>5,897</b>	<b>400</b>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 2,088</b>	<b>\$ 5,486</b>	<b>\$ 5,897</b>	<b>\$ 400</b>

Continued

	Principal Coach	Pupil Transportaion	School Improvement	Staff Development Mini-Grants
ASSETS				
Equity in Central Treasury	\$ -	\$ 997,563	\$ -	\$ -
Accounts receivable	-	-	-	-
Due from other Governments	72,078	-	11,479	678
Inventory	-	-	-	-
Total Assets	<u>\$ 72,078</u>	<u>\$ 997,563</u>	<u>\$ 11,479</u>	<u>\$ 678</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ 38,331	\$ -	\$ -
Due to General Fund	72,078	-	11,479	678
Total Liabilities	<u>72,078</u>	<u>38,331</u>	<u>11,479</u>	<u>678</u>
Fund Balances:				
Nonspendable	-	-	-	-
Assigned	-	959,232	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>-</u>	<u>959,232</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 72,078</u>	<u>\$ 997,563</u>	<u>\$ 11,479</u>	<u>\$ 678</u>

Continued

	Statewide Alaska Mentorship	Title I-A ARRA	Title I-D Delinquent	Title II-D ARRA
<b>ASSETS</b>				
Equity in Central Treasury	\$ -	\$ -	\$ -	\$ -
Accounts receivable	-	-	-	-
Due from other Governments	39,833	302,656	11,456	42,313
Inventory	-	-	-	-
<b>Total Assets</b>	<b>\$ 39,833</b>	<b>\$ 302,656</b>	<b>\$ 11,456</b>	<b>\$ 42,313</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to General Fund	39,833	302,656	11,456	42,313
<b>Total Liabilities</b>	<b>39,833</b>	<b>302,656</b>	<b>11,456</b>	<b>42,313</b>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 39,833</b>	<b>\$ 302,656</b>	<b>\$ 11,456</b>	<b>\$ 42,313</b>

Continued

	Title VI-B IDEA	Title VI-B IDEA - ARRA	Title VII Indian Education	Upward Bound	Youth First
<b>ASSETS</b>					
Equity in Central Treasury	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable	-	-	-	-	-
Due from other Governments	767,019	468,408	119,926	15,008	13,705
Inventory	-	-	-	-	-
<b>Total Assets</b>	<b><u>\$ 767,019</u></b>	<b><u>\$ 468,408</u></b>	<b><u>\$ 119,926</u></b>	<b><u>\$ 15,008</u></b>	<b><u>\$ 13,705</u></b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to General Fund	767,019	468,408	119,926	15,008	13,705
<b>Total Liabilities</b>	<b><u>767,019</u></b>	<b><u>468,408</u></b>	<b><u>119,926</u></b>	<b><u>15,008</u></b>	<b><u>13,705</u></b>
<b>Fund Balances:</b>					
Nonspendable	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total Fund Balances</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 767,019</u></b>	<b><u>\$ 468,408</u></b>	<b><u>\$ 119,926</u></b>	<b><u>\$ 15,008</u></b>	<b><u>\$ 13,705</u></b>

Concluded

	Youth In Detention	Total June 30, 2011	Total June 30, 2010
<b>ASSETS</b>			
Equity in Central Treasury	\$ 684	\$ 1,331,304	\$ 1,230,007
Accounts receivable	-	3,230	13,951
Due from other Governments	-	2,103,162	2,422,699
Inventory	-	284,397	393,526
	<u>684</u>	<u>3,722,093</u>	<u>4,060,183</u>
<b>Total Assets</b>	<b>\$ 684</b>	<b>\$ 3,722,093</b>	<b>\$ 4,060,183</b>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts Payable	\$ 684	\$ 39,919	\$ 25,299
Due to General Fund	-	2,151,124	2,468,240
	<u>684</u>	<u>2,191,043</u>	<u>2,493,539</u>
<b>Total Liabilities</b>	<b>684</b>	<b>2,191,043</b>	<b>2,493,539</b>
Fund Balances:			
Nonspendable	-	284,397	393,526
Assigned	-	1,291,629	1,173,118
Unassigned	-	(44,976)	-
	<u>-</u>	<u>1,531,050</u>	<u>1,566,644</u>
<b>Total Fund Balances</b>	<b>-</b>	<b>1,531,050</b>	<b>1,566,644</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 684</b>	<b>\$ 3,722,093</b>	<b>\$ 4,060,183</b>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2011

With Comparative Totals for Year Ended June 30, 2010

	AGC Alaska Works	Artist in Schools	ASDN Leadership	Building Trades
<b>Revenues:</b>				
Local	\$ 186,507	\$ 2,538	\$ -	\$ -
State	-	3,017	-	-
Federal-Direct	-	-	-	-
Federal-Through the State	-	360	43,773	-
Food sales	-	-	-	-
Corporate grants and user fees	-	-	-	-
Other	-	-	-	-
<b>Total Revenues</b>	<b>186,507</b>	<b>5,915</b>	<b>43,773</b>	<b>-</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Regular Instruction	178,169	5,915	-	-
Special Education - Instruction	-	-	-	-
School Administration	-	-	43,773	-
School Administration - Support	-	-	-	-
Operation of plant	-	-	-	-
Pupil Activity	-	-	-	-
Community services	-	-	-	-
District Administration Support Services	8,338	-	-	-
Pupil transportation	-	-	-	-
Food services	-	-	-	-
<b>Total Expenditures</b>	<b>186,507</b>	<b>5,915</b>	<b>43,773</b>	<b>-</b>
Excess (Deficiency) of Revenues over Expenditures	-	-	-	-
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Changes In Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund Balances, Beginning of Year	-	-	-	15,642
<b>Fund Balances, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15,642</b>

Continued

	Carl Perkins - Basic	Community Theater	Corporate & Miscellaneous Grants	Food Service
Revenues:				
Local	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Federal-Direct	-	-	-	-
Federal-Through the State	241,542	-	-	2,165,473
Food sales	-	-	-	853,654
Corporate grants and user fees	-	42,455	41,604	-
Other	-	-	-	11,634
Total Revenues	<u>241,542</u>	<u>42,455</u>	<u>41,604</u>	<u>3,030,761</u>
Expenditures:				
Current:				
Regular Instruction	231,174	-	7,204	-
Special Education - Instruction	-	-	-	-
School Administration	-	-	-	-
School Administration - Support	-	-	-	-
Operation of plant	-	-	-	-
Pupil Activity	-	-	30,249	-
Community services	-	64,559	-	-
District Administration Support Services	10,368	-	-	-
Pupil transportation	-	-	-	-
Food services	-	-	-	3,390,166
Total Expenditures	<u>241,542</u>	<u>64,559</u>	<u>37,453</u>	<u>3,390,166</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>(22,104)</u>	<u>4,151</u>	<u>(359,405)</u>
Other Financing Sources (Uses):				
Transfers in	-	22,104	-	140,000
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>22,104</u>	<u>-</u>	<u>140,000</u>
Net Changes In Fund Balances	-	-	4,151	(219,405)
Fund Balances, Beginning of Year	<u>-</u>	<u>-</u>	<u>5,899</u>	<u>765,531</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,050</u>	<u>\$ 546,126</u>

Continued

	Food Service FFVP	Gear Up Kenai	Governor's Alternative	Legislative Equipment
<b>Revenues:</b>				
Local	\$ -	\$ -	\$ -	\$ -
State	-	-	-	172,508
Federal-Direct	-	109,566	-	-
Federal-Through the State	43,644	-	10,597	-
Food sales	-	-	-	-
Corporate grants and user fees	-	-	-	-
Other	-	-	-	-
<b>Total Revenues</b>	<b>43,644</b>	<b>109,566</b>	<b>10,597</b>	<b>172,508</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Regular Instruction	-	104,667	10,299	147,137
Special Education - Instruction	-	-	-	-
School Administration	-	-	-	500
School Administration - Support	-	-	-	594
Operation of plant	-	-	-	24,277
Pupil Activity	-	-	-	-
Community services	-	-	-	-
District Administration Support Services	-	4,899	298	-
Pupil transportation	-	-	-	-
Food services	43,644	-	-	-
<b>Total Expenditures</b>	<b>43,644</b>	<b>109,566</b>	<b>10,597</b>	<b>172,508</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Changes In Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances, Beginning of Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Continued

	McKinney - Vento Homeless	McKinney - Vento Homeless - ARRA	Migrant Education	Principal Coach
<b>Revenues:</b>				
Local	\$ -	\$ -	\$ -	\$ -
State	-	-	-	443,000
Federal-Direct	-	-	-	-
Federal-Through the State	13,580	21,109	3,242	-
Food sales	-	-	-	-
Corporate grants and user fees	-	-	-	-
Other	-	-	-	-
<b>Total Revenues</b>	<b>13,580</b>	<b>21,109</b>	<b>3,242</b>	<b>443,000</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Regular Instruction	12,973	20,165	3,224	-
Special Education - Instruction	-	-	-	-
School Administration	-	-	-	411,192
School Administration - Support	-	-	-	31,808
Operation of plant	-	-	-	-
Pupil Activity	-	-	-	-
Community services	-	-	-	-
District Administration Support Services	607	944	18	-
Pupil transportation	-	-	-	-
Food services	-	-	-	-
<b>Total Expenditures</b>	<b>13,580</b>	<b>21,109</b>	<b>3,242</b>	<b>443,000</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Changes In Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances, Beginning of Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Continued

	Pupil Transportation	School Improvement	Staff Development Mini-Grants	Statewide Alaska Mentorship
<b>Revenues:</b>				
Local	\$ -	\$ -	\$ -	\$ -
State	5,492,563	-	14,164	101,370
Federal-Direct	-	-	-	-
Federal-Through the State	-	18,862	-	-
Food sales	-	-	-	-
Corporate grants and user fees	-	-	-	-
Other	-	-	-	-
<b>Total Revenues</b>	<b>5,492,563</b>	<b>18,862</b>	<b>14,164</b>	<b>101,370</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Regular Instruction	-	18,862	14,164	101,370
Special Education - Instruction	-	-	-	-
School Administration	-	-	-	-
School Administration - Support	-	-	-	-
Operation of plant	-	-	-	-
Pupil Activity	13,988	-	-	-
Community services	-	-	-	-
District Administration Support Services	-	-	-	-
Pupil transportation	5,498,915	-	-	-
Food services	-	-	-	-
<b>Total Expenditures</b>	<b>5,512,903</b>	<b>18,862</b>	<b>14,164</b>	<b>101,370</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>(20,340)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	200,000	-	-	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses):</b>	<b>200,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Changes In Fund Balances</b>	<b>179,660</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances, Beginning of Year</b>	<b>779,572</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances, End of Year</b>	<b>\$ 959,232</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Continued

	Title I-A ARRA	Title I-D Delinquent	Title II-D ARRA	Title VI-B IDEA
Revenues:				
Local	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Federal-Direct	-	-	-	-
Federal-Through the State	805,530	17,956	75,671	2,396,170
Food sales	-	-	-	-
Corporate grants and user fees	-	-	-	-
Other	-	-	-	-
<b>Total Revenues</b>	<b>805,530</b>	<b>17,956</b>	<b>75,671</b>	<b>2,396,170</b>
Expenditures:				
Current:				
Regular Instruction	766,428	17,153	73,708	-
Special Education - Instruction	-	-	-	2,289,065
School Administration	-	-	-	-
School Administration - Support	-	-	-	-
Operation of plant	5,707	-	-	-
Pupil Activity	-	-	-	-
Community services	-	-	-	-
District Administration Support Services	33,395	803	1,963	107,105
Pupil transportation	-	-	-	-
Food services	-	-	-	-
<b>Total Expenditures</b>	<b>805,530</b>	<b>17,956</b>	<b>75,671</b>	<b>2,396,170</b>
Excess (Deficiency) of Revenues over Expenditures	-	-	-	-
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Changes In Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
<b>Fund Balances, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Continued

	Title VI-B IDEA - ARRA	Title VII Indian Education	Upward Bound	Youth First
<b>Revenues:</b>				
Local	\$ -	\$ -	\$ -	\$ -
State	-	-	-	85,000
Federal-Direct	-	268,190	-	-
Federal-Through the State	1,786,854	-	20,553	-
Food sales	-	-	-	-
Corporate grants and user fees	-	-	-	-
Other	-	-	-	-
<b>Total Revenues</b>	<b>1,786,854</b>	<b>268,190</b>	<b>20,553</b>	<b>85,000</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Regular Instruction	-	256,240	20,553	81,200
Special Education - Instruction	1,709,720	-	-	-
School Administration	-	-	-	-
School Administration - Support	-	-	-	-
Operation of plant	-	-	-	-
Pupil Activity	-	-	-	-
Community services	-	-	-	-
District Administration Support Services	77,134	11,950	-	3,800
Pupil transportation	-	-	-	-
Food services	-	-	-	-
<b>Total Expenditures</b>	<b>1,786,854</b>	<b>268,190</b>	<b>20,553</b>	<b>85,000</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Changes In Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances, Beginning of Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Concluded

	Youth In Detention	Youth Risk Behavior Survey	Total June 30, 2011	Total June 30, 2010
<b>Revenues:</b>				
Local	\$ -	\$ -	\$ 189,045	\$ 183,728
State	222,591	8,300	6,542,513	6,769,831
Federal-Direct	-	-	377,756	401,153
Federal-Through the State	-	415	7,665,331	6,947,960
Food sales	-	-	853,654	905,767
Corporate grants and user fees	-	-	84,059	106,591
Other	-	-	11,634	6,041
<b>Total Revenues</b>	<b>222,591</b>	<b>8,715</b>	<b>15,723,992</b>	<b>15,321,071</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Regular Instruction	212,639	8,715	2,291,959	2,812,896
Special Education - Instruction	-	-	3,998,785	3,211,417
School Administration	-	-	455,465	466,330
School Administration - Support	-	-	32,402	15,131
Operation of plant	-	-	29,984	29,171
Pupil Activity	-	-	44,237	67,753
Community services	-	-	64,559	58,130
District Administration Support Services	9,952	-	271,574	259,512
Pupil transportation	-	-	5,498,915	5,492,429
Food services	-	-	3,433,810	3,231,356
<b>Total Expenditures</b>	<b>222,591</b>	<b>8,715</b>	<b>16,121,690</b>	<b>15,644,125</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>-</b>	<b>-</b>	<b>(397,698)</b>	<b>(323,054)</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	362,104	830,279
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses):</b>	<b>-</b>	<b>-</b>	<b>362,104</b>	<b>830,279</b>
<b>Net Changes In Fund Balances</b>	<b>-</b>	<b>-</b>	<b>(35,594)</b>	<b>507,225</b>
<b>Fund Balances, Beginning of Year</b>	<b>-</b>	<b>-</b>	<b>1,566,644</b>	<b>1,059,419</b>
<b>Fund Balances, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,531,050</b>	<b>\$ 1,566,644</b>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
ASSOCIATED GENERAL CONTRACTORS - ALASKA WORKS  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Local	\$ 194,822	\$ 194,822	\$ 186,507	\$ (8,315)	\$ 183,728
Total Revenues	<u>194,822</u>	<u>194,822</u>	<u>186,507</u>	<u>(8,315)</u>	<u>183,728</u>
Expenditures:					
Regular Instruction					
Certified Salaries	32,875	30,600	29,400	1,200	41,398
Non-Certified Salaries	29,100	29,100	29,005	95	29,334
Employee Benefits	23,028	29,028	25,333	3,695	27,558
Professional - Technical Services	15,268	15,268	15,268	-	-
Staff Travel	4,750	3,950	2,876	1,074	2,164
Student Travel	4,250	5,050	3,800	1,250	-
Purchased Services	-	750	457	293	-
Supplies and Materials	68,902	72,252	72,030	222	57,327
Equipment	7,825	-	-	-	10,390
Total Regular Instruction	<u>185,998</u>	<u>185,998</u>	<u>178,169</u>	<u>7,829</u>	<u>168,171</u>
Operation and Maintenance of Plant					
Non-Certified Salaries	-	-	-	-	5,431
Employee Benefits	-	-	-	-	1,982
Total Operation and Maintenance of Plant	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,413</u>
District Administration Support Services					
Indirect Costs	<u>8,824</u>	<u>8,824</u>	<u>8,338</u>	<u>486</u>	<u>8,144</u>
Total Expenditures	<u>194,822</u>	<u>194,822</u>	<u>186,507</u>	<u>8,315</u>	<u>183,728</u>
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>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
ARTIST IN SCHOOLS  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Local	\$ 1,440	\$ 2,538	\$ 2,538	\$ -	\$ -
State	2,675	3,017	3,017	-	-
Federal - Through the State	<u>-</u>	<u>360</u>	<u>360</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>4,115</u>	<u>5,915</u>	<u>5,915</u>	<u>-</u>	<u>-</u>
Expenditures:					
Regular Instruction					
Certified Salaries	-	90	90	-	-
Employee Benefits	-	7	7	-	-
Professional - Technical Services	3,515	4,871	4,872	(1)	-
Utility Services	-	33	32	1	-
Supplies and Materials	<u>600</u>	<u>914</u>	<u>914</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>4,115</u>	<u>5,915</u>	<u>5,915</u>	<u>-</u>	<u>-</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  
ALASKA STAFF DEVELOPMENT NETWORK - LEADERSHIP  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal - Through the State	\$ 43,774	\$ 43,774	\$ 43,773	\$ (1)	\$ 68,210
Expenditures:					
School Administration					
Professional - Technical Services	15,934	15,609	15,000	609	-
Staff Travel	23,340	23,340	23,949	(609)	65,395
Purchased Services	-	-	-	-	2,500
Supplies and Materials	4,500	4,825	4,824	1	315
Total Expenditures	43,774	43,774	43,773	1	68,210
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  
 YEAR ENDED JUNE 30, 2011  
 With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenue:	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:	-	-	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund Balance, Beginning of Year			<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  
 YEAR ENDED JUNE 30, 2011  
 With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal - Through the State	\$ 59,072	\$ 268,158	\$ 241,542	\$ (26,616)	\$ 249,139
Expenditures:					
Regular Instruction					
Certified Salaries	18,396	62,790	57,102	5,688	53,630
Non-Certified Salaries	5,460	6,687	6,503	184	21,486
Employee Benefits	3,712	15,204	14,849	355	18,711
Professional - Technical Service	5,600	39,950	39,684	266	28,371
Staff Travel	8,493	24,318	19,171	5,147	31,247
Student Travel	1,960	11,200	8,089	3,111	14,798
Utility Services	-	-	-	-	-
Purchased Services	1,176	3,912	3,911	1	1,443
Supplies and Materials	11,634	82,897	72,223	10,674	57,311
Other Expenses	2,641	-	-	-	-
Equipment	-	9,642	9,642	-	10,951
Total Regular Instruction	59,072	256,600	231,174	25,426	237,948
District Administration Support Services					
Indirect Costs	-	11,558	10,368	1,190	11,191
Total Expenditures	59,072	268,158	241,542	26,616	249,139
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  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
User Fees	\$ -	\$ -	\$ 42,455	\$ 42,455	\$ 44,465
Other Financing Sources:					
Operating Transfers In	-	-	22,104	22,104	13,665
Total Revenue and Other Financing Sources	-	-	64,559	64,559	58,130
Expenditures:					
Community Services					
Non-Certified Salaries	-	-	45,019	(45,019)	41,596
Employee Benefits	-	-	12,475	(12,475)	10,904
Staff Travel	-	-	2,371	(2,371)	2,205
Utility Services	-	-	1,403	(1,403)	1,314
Purchased Services	-	-	650	(650)	145
Supplies and Materials	-	-	2,303	(2,303)	1,966
Equipment	-	-	338	(338)	-
Total Expenditures	-	-	64,559	(64,559)	58,130
Excess (Deficiency) of Revenue over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
CORPORATE AND MISCELLANEOUS GRANTS  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
<b>Revenues:</b>					
State	\$ -	\$ -	\$ -	\$ -	\$ 11,285
Federal - Through the State	-	-	-	-	383
Corporate Grants	<u>16,710</u>	<u>41,604</u>	<u>41,604</u>	<u>-</u>	<u>62,126</u>
<b>Total Revenues</b>	<u>16,710</u>	<u>41,604</u>	<u>41,604</u>	<u>-</u>	<u>73,794</u>
<b>Expenditures:</b>					
<b>Regular Instruction</b>					
Certified Salaries	2,624	5,249	1,575	3,674	1,676
Non-Certified Salaries	-	388	387	1	-
Employee Benefits	376	781	249	532	234
Professional - Technical Service	-	1,000	1,000	-	12,683
Student Travel	1,260	2,342	2,391	(49)	1,523
Supplies and Materials	950	2,925	1,602	1,323	10,161
Other Expenses	-	-	-	-	5,000
Equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,634</u>
<b>Total Regular Instruction</b>	<u>5,210</u>	<u>12,685</u>	<u>7,204</u>	<u>5,481</u>	<u>55,911</u>
<b>Pupil Activity</b>					
Certified Salaries	-	-	-	-	120
Non-Certified Salaries	-	-	-	-	598
Employee Benefits	-	-	-	-	21
Professional - Technical Services	-	-	-	-	700
Student Travel	5,000	6,756	6,756	-	6,774
Purchased Services	-	4,500	4,500	-	3,414
Supplies and Material	7,399	8,162	5,843	2,319	32,685
Other Expenses	5,000	10,900	8,650	2,250	-
Equipment	<u>-</u>	<u>4,500</u>	<u>4,500</u>	<u>-</u>	<u>10,742</u>
<b>Total Pupil Activity</b>	<u>17,399</u>	<u>34,818</u>	<u>30,249</u>	<u>4,569</u>	<u>55,054</u>
<b>Total Expenditures</b>	<u>22,609</u>	<u>47,503</u>	<u>37,453</u>	<u>10,050</u>	<u>110,965</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (5,899)</u>	<u>\$ (5,899)</u>	4,151	<u>\$ 10,050</u>	(37,171)
Fund Balance, Beginning of Year			<u>5,899</u>		<u>43,070</u>
Fund Balance, End of Year			<u>\$ 10,050</u>		<u>\$ 5,899</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
FOOD SERVICE  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	2010 Actual
Revenues:					
Federal-Through the State	\$ 2,109,500	\$ 2,109,500	\$ 2,034,669	\$ (74,831)	\$ 1,908,798
Food Sales	955,500	955,500	853,654	(101,846)	905,767
Commodities	95,000	95,000	130,804	35,804	166,592
Other	-	-	11,634	11,634	6,041
Total Revenues	<u>3,160,000</u>	<u>3,160,000</u>	<u>3,030,761</u>	<u>(129,239)</u>	<u>2,987,198</u>
Other Financing Sources:					
Operating Transfers In	<u>765,531</u>	<u>765,531</u>	<u>140,000</u>	<u>(625,531)</u>	<u>316,614</u>
Total Revenues and Other Financing Sources	<u>3,925,531</u>	<u>3,925,531</u>	<u>3,170,761</u>	<u>(754,770)</u>	<u>3,303,812</u>
Expenditures:					
Food Services					
Non-Certified Salaries	1,419,394	1,223,855	1,203,265	20,590	1,180,254
Employee Benefits	811,995	811,995	762,137	49,858	726,812
Staff Travel	19,000	24,709	17,597	7,112	14,227
Utility Services	4,550	4,550	2,673	1,877	3,004
Purchased Services	64,500	74,904	44,039	30,865	35,330
Supplies and Materials	1,576,592	1,567,474	1,353,148	214,326	1,210,949
Other Expenses	1,500	5,172	3,974	1,198	3,152
Equipment	<u>28,000</u>	<u>378,091</u>	<u>3,333</u>	<u>374,758</u>	<u>38,649</u>
Total Expenditures	<u>3,925,531</u>	<u>4,090,750</u>	<u>3,390,166</u>	<u>700,584</u>	<u>3,212,377</u>
Excess (Deficiency) of Revenue over Expenditures	<u>\$ -</u>	<u>\$ (165,219)</u>	<u>(219,405)</u>	<u>\$ (54,186)</u>	<u>91,435</u>
Fund Balance, Beginning of Year			<u>765,531</u>		<u>674,096</u>
Fund Balance, End of Year			<u>\$ 546,126</u>		<u>\$ 765,531</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 FOOD SERVICE/AMERICAN REINVESTMENT AND RECOVERY ACT  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE-  
 BUDGET (GAAP BASIS) AND ACTUAL  
 YEAR ENDED JUNE 30, 2011  
 With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ -	\$ -	\$ -	\$ -	\$ 7,962
Expenditures:					
Food Service					
Supplies and Materials	-	-	-	-	7,962
Total Expenditures	-	-	-	-	7,962
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  
 FOOD SERVICE - FRESH FRUIT & VEGETABLE PROGRAM  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE-  
 BUDGET (GAAP BASIS) AND ACTUAL  
 YEAR ENDED JUNE 30, 2011  
 With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 12,118	\$ 46,663	\$ 43,644	\$ (3,019)	\$ 11,017
Expenditures:					
Food Service					
Non-Certified Salaries	-	798	1,560	(762)	-
Employee Benefits	-	63	119	(56)	-
Supplies and Materials	2,500	45,802	41,965	3,837	11,017
Total Expenditures	2,500	46,663	43,644	3,019	11,017
Excess (Deficiency) of Revenues Over Expenditures	\$ 9,618	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 GEAR UP KENAI PENINSULA  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE-  
 BUDGET (GAAP BASIS) AND ACTUAL  
 YEAR ENDED JUNE 30, 2011  
 With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Direct	\$ 118,400	\$ 118,400	\$ 109,566	\$ (8,834)	\$ 110,925
Expenditures:					
Regular Instruction					
Professional - Technical Service	112,871	112,871	104,667	8,204	101,713
Other Expenses	-	-	-	-	4,000
Total Regular Instruction	<u>112,871</u>	<u>112,871</u>	<u>104,667</u>	<u>8,204</u>	<u>105,713</u>
District Administration Support Services					
Indirect Costs	<u>5,529</u>	<u>5,529</u>	<u>4,899</u>	<u>630</u>	<u>5,212</u>
Total Expenditures	<u>118,400</u>	<u>118,400</u>	<u>109,566</u>	<u>8,834</u>	<u>110,925</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  
GOVERNOR'S ALTERNATIVE SCHOOLS  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 10,000	\$ 11,000	\$ 10,597	\$ (403)	\$ 7,817
Expenditures:					
Regular Instruction					
Supplies and Materials	-	6,381	6,381	-	3,418
Other Expenses	9,553	-	-	-	-
Equipment	-	4,320	3,918	402	4,248
Total Regular Instruction	9,553	10,701	10,299	402	7,666
District Administration Support Services					
Indirect Costs	447	299	298	1	151
Total Expenditures	10,000	11,000	10,597	403	7,817
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 LEGISLATIVE EQUIPMENT  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE-  
 BUDGET (GAAP BASIS) AND ACTUAL  
 YEAR ENDED JUNE 30, 2011

With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
State	\$ 172,436	\$ 172,436	\$ 172,508	\$ 72	\$ 362,964
Expenditures:					
Regular Instruction					
Professional - Technical	-	-	-	-	2,670
Purchased Services	-	-	-	-	1,035
Supplies and Materials	150,061	85,547	85,096	451	81,999
Equipment	21,116	62,044	62,041	3	255,251
Total Regular Instruction	171,177	147,591	147,137	454	340,955
School Administration					
Supplies and Materials	-	500	500	-	-
School Administration - Support					
Purchased Services	-	594	594	-	-
Supplies and Materials	-	-	-	-	251
Total School Administration - Support	-	594	594	-	251
Operation of Plant					
Supplies and Materials	-	14,713	14,589	124	4,089
Equipment	1,259	9,688	9,688	-	17,669
Total Operation of Plant	1,259	24,401	24,277	124	21,758
Total Expenditures	172,436	173,086	172,508	578	362,964
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ (650)	-	\$ -	-
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  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 19,888	\$ 19,888	\$ 13,580	\$ (6,308)	\$ 21,148
Expenditures:					
Regular Instruction					
Non-Certified Salaries	-	2,988	-	2,988	6,705
Employee Benefits	-	895	-	895	1,940
Staff Travel	-	3,500	3,279	221	851
Student Travel	-	4,156	4,156	-	700
Supplies and Materials	-	7,460	5,538	1,922	9,958
Other Expenses	18,999	-	-	-	-
Total Regular Instruction	18,999	18,999	12,973	6,026	20,154
District Administration Support Services					
Indirect Costs	889	889	607	282	994
Total Expenditures	19,888	19,888	13,580	6,308	21,148
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
MCKINNEY-VENTO HOMELESS/AMERICAN RECOVERY AND REINVESTMENT ACT  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 21,109	\$ 21,109	\$ 21,109	\$ -	\$ 16,478
Expenditures:					
Regular Instruction					
Student Travel	-	3,283	3,282	1	1,909
Purchased Services	-	3,912	3,723	189	7,293
Supplies and Materials	-	12,970	13,160	(190)	6,502
Other Expenses	<u>20,165</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Regular Instruction	<u>20,165</u>	<u>20,165</u>	<u>20,165</u>	<u>-</u>	<u>15,704</u>
District Administration Support Services					
Indirect Costs	<u>944</u>	<u>944</u>	<u>944</u>	<u>-</u>	<u>774</u>
Total Expenditures	<u>21,109</u>	<u>21,109</u>	<u>21,109</u>	<u>-</u>	<u>16,478</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
Fund Balance, Beginning of Year			<u>-</u>		<u>-</u>
Fund Balance, End of Year			<u>\$ -</u>		<u>\$ -</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
MIGRANT EDUCATION  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 7,842	\$ 7,842	\$ 3,242	\$ (4,600)	\$ 3,158
Expenditures:					
Regular Instruction					
Staff Travel	4,776	4,776	382	4,394	300
Supplies and Materials	<u>2,842</u>	<u>2,842</u>	<u>2,842</u>	-	<u>2,843</u>
Total Regular Instruction	<u>7,618</u>	<u>7,618</u>	<u>3,224</u>	<u>4,394</u>	<u>3,143</u>
District Administration Support Services					
Indirect Costs	<u>224</u>	<u>224</u>	<u>18</u>	<u>206</u>	<u>15</u>
Total Expenditures	<u>7,842</u>	<u>7,842</u>	<u>3,242</u>	<u>4,600</u>	<u>3,158</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  
 PRINCIPAL COACH  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE-  
 BUDGET (GAAP BASIS) AND ACTUAL  
 YEAR ENDED JUNE 30, 2011  
 With Comparative Actual Totals for Year Ended June 30, 2010

	2011				
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	2010 Actual
Revenues:					
State	\$ 428,000	\$ 443,000	\$ 443,000	\$ -	\$ 413,000
Expenditures:					
School Administration					
Professional - Technical Service	114,511	54,262	53,087	1,175	114,376
Staff Travel	232,000	328,601	331,460	(2,859)	231,517
Utility Services	3,600	3,600	2,109	1,491	3,592
Purchases Services	-	-	13	(13)	-
Supplies and Materials	41,500	19,524	18,558	966	41,562
Other Expenses	1,500	2,124	2,173	(49)	1,589
Equipment	5,200	5,200	3,792	1,408	5,484
Total School Administration	398,311	413,311	411,192	2,119	398,120
School Administration - Support					
Non-Certified Salaries	20,387	20,387	21,577	(1,190)	8,792
Employee Benefits	9,302	9,302	10,231	(929)	6,088
Total School Administration - Support	29,689	29,689	31,808	(2,119)	14,880
Total Expenditures	428,000	443,000	443,000	-	413,000
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
PUPIL TRANSPORTATION  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	2010 Actual
Revenue:					
State	\$ 5,484,200	\$ 5,484,200	\$ 5,492,563	\$ 8,363	\$ 5,459,969
Total Revenue	<u>5,484,200</u>	<u>5,484,200</u>	<u>5,492,563</u>	<u>8,363</u>	<u>5,459,969</u>
Other Financing Sources					
Operating Transfer In	-	-	200,000	200,000	500,000
Total Revenues and Other Financing Sources	<u>5,484,200</u>	<u>5,484,200</u>	<u>5,692,563</u>	<u>208,363</u>	<u>5,959,969</u>
Expenditures:					
Pupil Activity					
Non-Certified Salaries	3,000	3,419	3,678	(259)	1,458
Employee Benefits	239	239	284	(45)	109
Professional - Technical Service	-	258	258	-	-
Staff Travel	1,000	1,000	577	423	135
Energy	-	-	800	(800)	-
Purchased Services	500	4,201	6,893	(2,692)	5,991
Supplies and Materials	18,000	13,622	962	12,660	10,094
Other Expenses	1,500	1,500	536	964	(5,088)
Total Pupil Activity	<u>24,239</u>	<u>24,239</u>	<u>13,988</u>	<u>10,251</u>	<u>12,699</u>
Pupil Transportation					
Non-Certified Salaries	115,364	115,364	116,107	(743)	116,010
Employee Benefits	56,867	56,867	58,677	(1,810)	55,261
Staff Travel	9,000	9,000	3,911	5,089	5,075
Utility Services	1,100	1,100	986	114	1,014
Purchased Services	4,721,500	4,721,500	4,693,229	28,271	4,728,070
Supplies and Materials	554,830	555,452	625,627	(70,175)	586,924
Other Expenses	1,300	375	75	300	-
Equipment	-	303	303	-	75
Total Pupil Transportation	<u>5,459,961</u>	<u>5,459,961</u>	<u>5,498,915</u>	<u>(38,954)</u>	<u>5,492,429</u>
Total Expenditures	<u>5,484,200</u>	<u>5,484,200</u>	<u>5,512,903</u>	<u>(28,703)</u>	<u>5,505,128</u>
Excess (Deficiency) of Revenue over Expenditures	\$ -	\$ -	179,660	\$ 179,660	454,841
Fund Balance, Beginning of Year			<u>779,572</u>		<u>324,731</u>
Fund Balance, End of Year			<u>\$ 959,232</u>		<u>\$ 779,572</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
SCHOOL IMPROVEMENT  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal - Through the State	\$ 22,176	\$ 22,176	\$ 18,862	\$ (3,314)	\$ 18,252
Expenditures:					
Regular Instruction					
Non-Certified Salaries	2,500	6,019	6,018	1	-
Employee Benefits	210	1,193	1,191	2	-
Professional - Technical Service	10,063	11,653	11,653	-	16,772
Staff Travel	7,000	-	-	-	1,480
Student Travel	999	2,895	-	2,895	-
Supplies and Materials	1,055	416	-	416	-
Other Expenses	349	-	-	-	-
Total Expenditures	<u>22,176</u>	<u>22,176</u>	<u>18,862</u>	<u>3,314</u>	<u>18,252</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  
 STAFF DEVELOPMENT MINI-GRANTS  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE-  
 BUDGET (GAAP BASIS) AND ACTUAL  
 YEAR ENDED JUNE 30, 2011  
 With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
State	\$ 4,759	\$ 18,570	\$ 14,164	\$ (4,406)	\$ 19,747
Total Revenues	<u>4,759</u>	<u>18,570</u>	<u>14,164</u>	<u>(4,406)</u>	<u>19,747</u>
Expenditures:					
Regular Instruction					
Certified Salaries	-	1,500	1,080	420	1,020
Non-Certified Salaries	-	-	100	(100)	200
Employee Benefits	-	100	90	10	93
Staff Travel	4,259	16,470	12,894	3,576	18,434
Other Expensed	500	500	-	500	-
Total Expenditures	<u>4,759</u>	<u>18,570</u>	<u>14,164</u>	<u>4,406</u>	<u>19,747</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  
STATEWIDE ALASKA MENTORSHIP  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
State	\$ 99,985	\$ 101,371	\$ 101,370	\$ (1)	\$ 182,844
Expenditures:					
Regular Instruction					
Certified Salaries	77,403	77,597	77,597	-	137,222
Non-Certified Salaries	-	-	-	-	900
Employee Benefits	22,582	23,774	23,773	1	44,722
Total Expenditures	99,985	101,371	101,370	1	182,844
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
TITLE IA/AMERICAN RECOVERY AND REINVESTMENT ACT  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 805,530	\$ 805,530	\$ 805,530	\$ -	\$ 970,671
Expenditures:					
Regular Instruction					
Certified Salaries	-	404,574	404,573	1	359,415
Non Certified Salaries	-	15,730	10,425	5,305	21,152
Employee Benefits	-	140,201	139,794	407	82,695
Professional-Technical Services	-	66,729	66,728	1	92,424
Staff Travel	-	8,586	8,601	(15)	40,078
Student Travel	-	1,163	1,034	129	5,603
Utility Services	-	150	150	-	607
Purchased Services	-	830	829	1	13,796
Supplies and Materials	-	75,402	75,529	(127)	252,732
Other Expenses	769,517	206	205	1	-
Equipment	-	58,564	58,560	4	59,352
Total Regular Instruction	<u>769,517</u>	<u>772,135</u>	<u>766,428</u>	<u>5,707</u>	<u>927,854</u>
District Administration Support Services					
Indirect Costs	<u>36,013</u>	<u>33,395</u>	<u>33,395</u>	<u>-</u>	<u>42,817</u>
Operation and Maintenance of Plant:					
Non Certified Salaries	-	-	5,301	(5,301)	-
Employee Benefits	-	-	406	(406)	-
Total Operation and Maintenance of Plant	<u>-</u>	<u>-</u>	<u>5,707</u>	<u>(5,707)</u>	<u>-</u>
Total Expenditures	<u>805,530</u>	<u>805,530</u>	<u>805,530</u>	<u>-</u>	<u>970,671</u>
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>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
TITLE I-D, DELINQUENT  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 35,073	\$ 35,073	\$ 17,956	\$ (17,117)	\$ 36,911
Expenditures:					
Regular Instruction					
Certified Salaries	3,016	3,016	2,957	59	5,914
Non Certified Salaries	-	-	-	-	3,572
Employee Benefits	432	432	411	21	1,924
Professional-Technical Services	22,528	29,517	13,785	15,732	23,767
Supplies and Materials	540	540	-	540	-
Other Expenses	6,989	-	-	-	-
Total Regular Instruction	<u>33,505</u>	<u>33,505</u>	<u>17,153</u>	<u>16,352</u>	<u>35,177</u>
District Administration Support Services					
Indirect Costs	<u>1,568</u>	<u>1,568</u>	<u>803</u>	<u>765</u>	<u>1,734</u>
Total Expenditures	<u>35,073</u>	<u>35,073</u>	<u>17,956</u>	<u>17,117</u>	<u>36,911</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
Fund Balance, Beginning of Year			<u>-</u>		<u>-</u>
Fund Balance, End of Year			<u>\$ -</u>		<u>\$ -</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
TITLE II-D/AMERICAN RECOVERY AND REINVESTMENT ACT  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 84,353	\$ 84,353	\$ 75,671	\$ (8,682)	\$ 70,739
Expenditures:					
Regular Instruction					
Certified Salaries	-	14,291	11,170	3,121	6,213
Non Certified Salaries	-	3,269	3,269	-	1,643
Employee Benefits	-	2,772	1,700	1,072	755
Professional-Technical Services	-	-	-	-	-
Staff Travel	-	19,665	19,324	341	9,786
Purchased Services	-	2,040	2,040	-	-
Supplies and Materials	-	8,194	4,436	3,758	49,018
Other Expenses	80,582	-	-	-	-
Equipment	-	31,770	31,769	1	-
Total Regular Instruction	<u>80,582</u>	<u>82,001</u>	<u>73,708</u>	<u>8,293</u>	<u>67,415</u>
District Administration Support Services					
Indirect Costs	<u>3,771</u>	<u>2,352</u>	<u>1,963</u>	<u>389</u>	<u>3,324</u>
Total Expenditures	<u>84,353</u>	<u>84,353</u>	<u>75,671</u>	<u>8,682</u>	<u>70,739</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
Fund Balance, Beginning of Year			<u>-</u>		<u>-</u>
Fund Balance, End of Year			<u>\$ -</u>		<u>\$ -</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
TITLE VI-B, IDEA  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011			Variance- Positive (Negative)	2010 Actual
	Original Budget	Current Budget	Actual		
Revenues:					
Federal-Through the State	\$ 3,323,790	\$ 3,331,293	\$ 2,396,170	\$ (935,123)	\$ 2,607,076
Expenditures:					
Special Education - Instruction					
Certified Salaries	206,436	273,680	291,130	(17,450)	379,855
Non-Certified Salaries	800,329	1,409,960	988,362	421,598	1,041,151
Employee Benefits	773,054	1,266,177	874,362	391,815	906,057
Professional - Technical Service	-	40,000	38,343	1,657	54,591
Staff Travel	-	89,000	73,105	15,895	42,427
Purchased Services	-	5,000	974	4,026	1,490
Supplies and Materials	-	40,000	17,056	22,944	49,765
Other Expenses	1,395,372	6,000	5,243	757	-
Equipment	-	55,000	490	54,510	9,706
Total Special Education - Instruction	<u>3,175,191</u>	<u>3,184,817</u>	<u>2,289,065</u>	<u>895,752</u>	<u>2,485,042</u>
District Administration Support Services					
Indirect Costs	<u>148,599</u>	<u>146,476</u>	<u>107,105</u>	<u>39,371</u>	<u>122,034</u>
Total Expenditures	<u>3,323,790</u>	<u>3,331,293</u>	<u>2,396,170</u>	<u>935,123</u>	<u>2,607,076</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
Fund Balance, Beginning of Year			<u>-</u>		<u>-</u>
Fund Balance, End of Year			<u>\$ -</u>		<u>\$ -</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
TITLE VI-B, IDEA/AMERICAN RECOVERY AND REINVESTMENT ACT  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 1,786,854	\$ 1,786,854	\$ 1,786,854	\$ -	\$ 760,891
Expenditures:					
Special Education - Instruction					
Certified Salaries	-	76,827	73,006	3,821	6,474
Non-Certified Salaries	-	745,216	776,962	(31,746)	168,358
Employee Benefits	-	677,112	666,438	10,674	139,122
Professional - Technical Service	-	30,000	27,326	2,674	12,232
Staff Travel	-	52,700	42,689	10,011	51,822
Purchased Services	-	7,276	4,637	2,639	-
Supplies and Materials	-	57,001	57,108	(107)	322,117
Other Expenses	1,786,854	-	-	-	-
Equipment	-	63,683	61,554	2,129	26,250
Total Special Education - Instruction	<u>1,786,854</u>	<u>1,709,815</u>	<u>1,709,720</u>	<u>95</u>	<u>726,375</u>
District Administration Support Services					
Indirect Costs	-	77,039	77,134	(95)	34,516
Total Expenditures	<u>1,786,854</u>	<u>1,786,854</u>	<u>1,786,854</u>	<u>-</u>	<u>760,891</u>
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>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
TITLE VII - INDIAN EDUCATION  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Direct	\$ 351,828	\$ 351,828	\$ 268,190	\$ (83,638)	\$ 290,228
Expenditures:					
Regular Instruction					
Certified Salaries	31,540	6,200	5,359	841	100,551
Non-Certified Salaries	101,900	107,460	71,741	35,719	29,552
Employee Benefits	87,276	89,609	50,617	38,992	56,053
Professional - Technical Service	70,000	86,500	90,014	(3,514)	60,462
Staff Travel	8,100	6,000	2,795	3,205	1,336
Student Travel	30,000	32,100	31,490	610	23,386
Utility Services	120	1,400	845	555	1,374
Purchased Services	-	-	125	(125)	20
Supplies and Materials	5,699	4,983	2,361	2,622	3,743
Other Expenses	509	509	-	509	115
Equipment	1,000	1,400	893	507	-
Total Regular Instruction	<u>336,144</u>	<u>336,161</u>	<u>256,240</u>	<u>79,921</u>	<u>276,592</u>
District Administration Support Services					
Indirect Costs	<u>15,684</u>	<u>15,667</u>	<u>11,950</u>	<u>3,717</u>	<u>13,636</u>
Total Expenditures	<u>351,828</u>	<u>351,828</u>	<u>268,190</u>	<u>83,638</u>	<u>290,228</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
Fund Balance, Beginning of Year			<u>-</u>		<u>-</u>
Fund Balance, End of Year			<u>\$ -</u>		<u>\$ -</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
UPWARD BOUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 21,580	\$ 24,900	\$ 20,553	\$ (4,347)	\$ 22,718
Expenditures:					
Regular Instruction					
Certified Salaries	11,700	9,000	9,000	-	9,120
Non-Certified Salaries	-	4,500	4,500	-	4,500
Employee Benefits	-	-	781	(781)	1,592
Professional-Technical Services	-	-	-	-	-
Student Travel	2,600	2,000	790	1,210	2,361
Supplies and Materials	-	1,000	989	11	53
Other Expenses	7,280	8,400	4,493	3,907	5,092
Total Expenditures	21,580	24,900	20,553	4,347	22,718
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
YOUTH FIRST  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
State	\$ 85,000	\$ 85,000	\$ 85,000	\$ -	\$ 99,577
Expenditures:					
Regular Instruction					
Certified Salaries	28,844	28,844	17,030	11,814	28,060
Non-Certified Salaries	27,721	27,721	38,528	(10,807)	24,372
Employee Benefits	12,535	12,535	14,167	(1,632)	18,806
Professional - Technical Service	-	-	-	-	4,380
Staff Travel	3,500	3,500	2,594	906	3,520
Student Travel	1,800	1,800	1,893	(93)	1,207
Utility Services	-	-	-	-	4
Purchases Services	-	-	-	-	-
Supplies and Materials	6,800	6,800	6,988	(188)	13,209
Equipment	-	-	-	-	1,406
Total Regular Instruction	<u>81,200</u>	<u>81,200</u>	<u>81,200</u>	<u>-</u>	<u>94,964</u>
District Administration Support Services					
Indirect Costs	<u>3,800</u>	<u>3,800</u>	<u>3,800</u>	<u>-</u>	<u>4,613</u>
Total Expenditures	<u>85,000</u>	<u>85,000</u>	<u>85,000</u>	<u>-</u>	<u>99,577</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  
 YOUTH IN DETENTION  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE-  
 BUDGET (GAAP BASIS) AND ACTUAL  
 YEAR ENDED JUNE 30, 2011  
 With Comparative Actual Totals for Year Ended June 30, 2010

	2011				2010 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
State	\$ 222,591	\$ 222,591	\$ 222,591	\$ -	\$ 220,445
Expenditures:					
Regular Instruction					
Certified Salaries	117,180	117,180	116,073	1,107	113,442
Non-Certified Salaries	38,350	38,350	34,155	4,195	36,000
Employee Benefits	54,650	54,650	51,495	3,155	51,504
Professional - Technical Service	2,100	2,100	10,716	(8,616)	3,500
Purchased Services	-	-	200	(200)	-
Supplies and Materials	359	359	-	359	5,642
Other Expenses	-	-	-	-	-
Equipment	-	-	-	-	-
Total Regular Instruction	<u>212,639</u>	<u>212,639</u>	<u>212,639</u>	<u>-</u>	<u>210,088</u>
District Administration Support Services					
Indirect Costs	<u>9,952</u>	<u>9,952</u>	<u>9,952</u>	<u>-</u>	<u>10,357</u>
Total Expenditures	<u>222,591</u>	<u>222,591</u>	<u>222,591</u>	<u>-</u>	<u>220,445</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  
YOUTH RISK BEHAVIOR SURVEY  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JUNE 30, 2011  
With Comparative Actual Totals for Year Ended June 30, 2010

	2011				
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	2010 Actual
Revenues:					
State	\$ 8,300	\$ 8,300	\$ 8,300	\$ -	\$ -
Federal-Through the State	<u>-</u>	<u>415</u>	<u>415</u>	<u>-</u>	<u>-</u>
Total Revenues:	<u>8,300</u>	<u>8,715</u>	<u>8,715</u>	<u>-</u>	<u>-</u>
Expenditures:					
Regular Instruction					
Certified Salaries	3,600	3,600	3,600	-	-
Non-Certified Salaries	-	-	31	(31)	-
Employee Benefits	100	515	502	13	-
Student Travel	-	-	4	(4)	-
Purchased Services	-	-	120	(120)	-
Supplies and Materials	<u>4,600</u>	<u>4,600</u>	<u>4,458</u>	<u>142</u>	<u>1,880</u>
Total Expenditures	<u>8,300</u>	<u>8,715</u>	<u>8,715</u>	<u>-</u>	<u>1,880</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>(1,880)</u>
Fund Balance, Beginning of Year			<u>-</u>		<u>1,880</u>
Fund Balance, End of Year			<u>\$ -</u>		<u>\$ -</u>

**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  
 Year Ended June 30, 2011

<u>Student Activity</u>	<u>Total June 30, 2010</u>	<u>Increases</u>	<u>Decreases</u>	<u>Total June 30, 2011</u>
<b>Assets:</b>				
Equity in Central Treasury	\$ 2,261,628	\$ 3,848,522	\$ 3,561,122	\$ 2,549,028
Accounts Receivable	-	-	-	-
Cash	30,678	-	(72,253)	102,931
<b>Total Assets:</b>	<b><u>\$ 2,292,306</u></b>	<b><u>\$ 3,848,522</u></b>	<b><u>\$ 3,488,869</u></b>	<b><u>\$ 2,651,959</u></b>
<b>Liabilities:</b>				
Accounts Payable	\$ 785	\$ 275	\$ (785)	\$ 275
Amount Due Student Groups	2,291,521	3,848,247	3,489,654	2,651,684
<b>Total Liabilities:</b>	<b><u>\$ 2,292,306</u></b>	<b><u>\$ 3,848,522</u></b>	<b><u>\$ 3,488,869</u></b>	<b><u>\$ 2,651,959</u></b>

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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  
Year Ended June 30, 2011

	General Capital Assets June 30, 2010	Additions	Deletions	Transfers	General Capital Assets June 30, 2011
Administration	\$ 1,635,480	\$ 242,059	\$ (159,561)	\$ 348,114	\$ 2,066,092
Schools	4,538,588	557,379	(26,456)	(348,114)	4,721,397
	<u>\$ 6,174,068</u>	<u>\$ 799,438</u>	<u>\$ (186,017)</u>	<u>\$ -</u>	<u>\$ 6,787,489</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
SCHEDULE OF GENERAL CAPITAL ASSETS - BY LOCATION  
6/30/2011

	Equipment		Equipment
Administration:		Kenai:	
District Office and		High School	637,999
Warehouse	\$ 2,066,092	Kaleidoscope	27,820
Total Administration	2,066,092	Kenai Alternative	6,373
		Middle School	162,612
		Mt. View Elementary	52,943
		Total Kenai	887,747
Schools:			
Outside Cities:		Seldovia:	
Aurora Borealis	105,168	Susan B. English	111,440
Chapman Elementary	35,235	Total Seldovia	111,440
Cooper Landing	12,663		
Hope	25,429	Seward:	
Kachemak Selo	12,862	Elementary	33,879
K-Beach	48,933	High School	379,756
McNeil Canyon	42,592	Middle	21,465
Moose Pass	6,499	Spring Creek	5,389
Nanwalek	25,871	Total Seward	440,489
Nikiski High	457,624		
Nikiski North Star	69,543	Soldotna:	
Nikolaevsk	103,961	Connections	6,775
Ninilchik	224,597	Elementary	79,308
Port Graham	24,377	High School	559,334
Skyview High	413,850	Middle School	111,974
Sterling	29,413	Redoubt Elementary	131,596
Tebughna	24,674	River City Academy	-
Tustumena	35,127	Total Soldotna	888,987
Voznesenka	5,621		
Total Outside Cities	1,704,039	Total Schools	4,721,397
Homer:		Total General Capital Assets	\$ 6,787,489
High School	583,070		
Homer Flex	13,163		
Middle School	33,732		
Paul Banks	24,311		
West Homer	34,419		
Total Homer	688,695		

KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
 COMPARATIVE SCHEDULE OF CAPITAL ASSETS - BY SOURCE  
 June 30, 2011 and 2010

	2011	2010
General Capital Assets:		
Equipment	\$ 6,787,489	\$ 6,174,068
Investments in General Capital Assets from:		
General Obligation Bonds	\$ 719,400	\$ 793,001
State and Federal Grants	3,372,302	3,010,174
General Fund Revenue	2,695,787	2,370,893
Total Investment in General Capital Assets:	\$ 6,787,489	\$ 6,174,068

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SCHEDULES SECTION

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**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, 2011

	<u>Program Number</u>	<u>Amount Expended During the Year Ended 06/30/11</u>
Department of Administration:		
* TRS On Behalf		\$ 12,261,269
* PERS On Behalf		<u>1,354,014</u>
Total Department of Administration		<u>13,615,283</u>
Department of Education and Early Development:		
Passed through Alaska State Council on the Arts:		
Artist in Schools	10IAIS0005	2,675
Artist in Schools	10IAIS0033	<u>342</u>
Total passed through Alaska State Council on the Arts		<u>3,017</u>
* Foundation		69,123,351
* Pupil Transportation		5,492,563
Quality Schools		263,359
Youth Risk Behavior Survey	YR 11.024.01	8,300
Youth In Detention - Kenai Youth Facility	EY 11.024.02	66,451
Youth In Detention - Spring Creek	EY 11.024.01	<u>156,140</u>
Total Department of Education and Early Development		<u>75,113,181</u>
Department of Commerce, Community and Economic Development:		
Passed through the Kenai Peninsula Borough:		
KPB School District - Equipment and Supplies for District Schools	09-DC-220	147,508
KPB School District - Equipment and Supplies for District Schools	11-DC-249	<u>25,000</u>
Total Department of Commerce, Community and Economic Development		<u>172,508</u>
Department of Labor and Workforce Development -		
Youth First Initiative	11-1309	<u>85,000</u>
Total State Financial Assistance		\$ <u>88,985,972</u>

\* State major program

Note 1: Basis of Presentation

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

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT**

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2011

<u>Federal Grantor/Pass-Through Grantor</u>	<u>Federal CFDA Number</u>	<u>Pass Through Grantor's Number</u>	<u>Amount Expended During the Year Ended 06/30/11</u>
U.S. Department of Education - Direct:			
Gear Up Kenai Peninsula	84.334A	P334A050216	\$ 109,566
Title VII, Indian Education	84.060A	S060A100799	<u>268,190</u>
Total U.S. Department of Education - Direct			<u>377,756</u>
Passed through Alaska Department of Education:			
Education of Homeless Children and Youth Cluster:			
McKinney - Vento Homeless	84.196	FR 11.024.01	13,580
McKinney - Vento Homeless - ARRA	84.387	FR 11.024.01	<u>21,109</u>
Total Education of Homeless Children and Youth Cluster			<u>34,689</u>
Title 1, Part A Cluster:			
NCLB - Title I	84.010	IP 11.024.01	1,707,296
NCLB - Title I-A Highly Qualified	84.010	IP 11.024.01	993
NCLB - Title I-A 1% Parent Involvement	84.010	IP 11.024.01	9,138
NCLB - Title I-A 10% Professional Development	84.010	IP 11.024.01	194,239
NCLB - Title I-A 20% SES	84.010	IP 11.024.01	60,200
Title I, School Improvement	84.010A	CA 11.024.01	<u>18,862</u>
Total CFDA 84.010			<u>1,990,728</u>
NCLB - Title I - ARRA	84.389	IP 11.024.01	<u>805,530</u>
Total Title I, Part A Cluster			<u>2,796,258</u>
Education Technology State Grants Cluster:			
NCLB - Title II-D Enhancing Education Through Technology	84.318	IP 11.024.01	33,321
Title II-D Competitive ARRA, Artifact Tools	84.318X	ER 11.024.01	<u>48,918</u>
Total CFDA 84.318			<u>82,239</u>
NCLB - Title II-D Enhancing Education Through Technology - ARRA	84.386A	IP 11.024.01	<u>26,753</u>
Total Education Technology State Grants Cluster			<u>108,992</u>
Passed through Alaska Department of Education:			
Special Education Cluster:			
Title VI-B	84.027A	SE 11.024.01	\$ 2,327,332
Preschool Disabled	84.173A	SE 11.024.01	68,838
Title VI-B - ARRA	84.391	SE 11.024.01	1,687,552
Preschool Disabled - ARRA	84.391	SE 11.024.01	<u>99,302</u>
Total Special Education Cluster			<u>4,183,024</u>
Migrant Education, Book	84.011	MB 11.024.01	2,842
Migrant Education, Parent Advisory Council	84.011	MP 11.024.01	400
NCLB - Title I-C Migrant	84.011	IP 11.024.01	<u>279,361</u>
Total CFDA 84.011			<u>282,603</u>
Title I-D, Delinquent (Transitional)	84.013A	CO 11.024.01	3,526
Title I-D, Delinquent (Transitional)	84.013A	CO 11.024.02	<u>14,430</u>
Total CFDA 84.013			<u>17,956</u>

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

<u>Federal Grantor/Pass-Through Grantor</u>	<u>Federal CFDA Number</u>	<u>Pass Through Grantor's Number</u>	<u>Amount Expended During the Year Ended 06/30/11</u>
Carl Perkins Basic	84.048A	EK 11.024.01	241,141
Carl Perkins Vocational Education CTE	84.048A	EK 11.024.01	<u>401</u>
Total CFDA 84.048			<u>241,542</u>
NCLB - Title III-A English Language Acquisition	84.365	IP 11.024.01	10,334
NCLB - Title II-A, Training & Recruiting	84.367	IP 11.024.01	1,421,202
State Fiscal Stabilization Fund, ARRA	84.394A	SF 11.024.01	<u>2,572,579</u>
Total passed through Alaska Department of Education			<u>11,669,179</u>
TRIO Cluster -			
Passed through University of Alaska Fairbanks			
UAF-Upward Bound - Seward	84.047	11-0052	6,658
UAF-Upward Bound - Nikiski	84.047	11-0049	7,592
UAF-Upward Bound - Nanwalek	84.047	11-0043	<u>6,303</u>
Total CFDA 84.047			<u>20,553</u>
Passed Through Alaska Staff Development Network -			
School Leadership	84.363A	U363A80070	\$ <u>43,773</u>
Total U.S. Department of Education			<u>12,111,261</u>
National Endowment for the Arts -			
Passed through Alaska State Council on the Arts -			
Artist in the Schools	45.025	10IAIS0005	<u>360</u>
Department of Health and Human Services Centers for			
Disease Control and Prevention -			
Passed through Alaska Department of Education -			
Alternative Schools	93.938	SH 11.024.01	10,597
Youth Risk Behavior Survey	93.938	YR 11.024.02	<u>415</u>
Total CFDA 93.938			<u>11,012</u>
U.S. Department of Agriculture:			
Child Nutrition Cluster -			
Passed Through Alaska Department of Education:			
National School Lunch Program	10.553	MA 11.024.01	348,714
National School Lunch Program	10.555	MA 11.024.01	<u>1,685,955</u>
Total Child Nutrition Cluster			<u>2,034,669</u>
Commodities	10.565		130,804
Fresh Fruit & Vegetable Program	10.582	FF 11.024.02	<u>43,644</u>
Total U.S. Department of Agriculture			<u>2,209,117</u>
Total Expenditures of Federal Awards			\$ <u><u>14,331,750</u></u>

**Note 1. Basis of Presentation**

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

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STATISTICAL SECTION

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## **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 Assets by Component

Net Expenses, General Revenues, and Change in Net Assets

Total Change in Net Assets

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

#### Revenue Capacity

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

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

#### Debt Capacity

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

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

#### Demographic and Economic Information

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

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

#### Operating Information

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

This data not available at date of printing

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

## KENAI PENINSULA BOROUGH SCHOOL DISTRICT

NET ASSETS BY COMPONENT  
LAST TEN FISCAL YEARS  
(Unaudited)

	FISCAL YEAR									
	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
Invested in Capital Assets	\$ 245,238	\$ 954,935	\$ 999,893	\$ 917,475	\$ 1,128,957	\$ 2,788,379	\$ 2,481,217	\$ 2,598,361	\$ 2,407,561	\$ 2,774,938
Restricted										
Charter Schools	157,135	465,765	657,545	979,415	1,010,775	1,641,086	2,394,188	570,373	675,350	507,663
Special Revenue Funds	6,993	4,521	5,253	25,931	29,926	-	-	-	-	-
Total Restricted	164,128	470,286	662,798	1,005,346	1,040,701	1,641,086	2,394,188	570,373	675,350	507,663
Unrestricted	3,869,979	4,716,739	5,287,349	5,754,879	4,863,722	9,576,795	17,409,088	29,588,884	28,489,644	30,878,045
Total Net Assets	\$ 4,279,345	\$ 6,141,960	\$ 6,950,040	\$ 7,677,700	\$ 7,033,380	\$ 14,006,260	\$ 22,284,493	\$ 32,757,618	\$ 31,572,555	\$ 34,160,646

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT**  
**NET EXPENSES, GENERAL REVENUES, AND CHANGE IN NET ASSETS**  
**FROM THE STATEMENT OF ACTIVITIES**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

	FISCAL YEAR									
	2001-2002	2002-2003	2003-2004	2004-2005*	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
<b>Expenses</b>										
<b>Government Activities:</b>										
Instruction	\$ 49,528,666	\$ 49,727,605	\$ 48,950,365	\$ 44,487,883	\$ 49,522,478	\$ 52,582,325	\$ 63,518,566	\$ 61,820,342	\$ 68,715,631	\$ 68,158,156
Special Education - Instruction	-	-	-	8,406,422	8,862,570	9,735,531	12,695,426	15,047,686	16,673,739	18,495,855
Special Education - Pupil	-	-	-	3,104,193	3,225,301	3,550,817	4,361,409	4,568,803	4,712,605	5,016,857
Support Services - Pupil	6,918,727	6,918,425	6,893,000	2,042,984	2,600,385	2,871,350	3,653,689	3,569,636	3,817,779	3,898,385
Support Services - Instruction	-	-	-	1,596,111	2,044,711	2,194,911	2,433,644	2,382,071	2,612,624	2,358,838
School Administration	3,186,905	3,457,924	3,657,399	4,103,546	4,468,581	4,965,544	6,065,999	5,903,499	6,414,684	6,673,392
School Administration - Support	5,986,841	5,865,899	6,244,532	3,088,974	3,318,375	3,579,108	3,836,494	4,011,390	4,140,290	4,178,505
District Administration	-	-	-	792,270	824,772	824,354	951,922	839,511	861,516	957,877
District Administration - Support	-	-	-	2,954,860	3,567,003	3,907,855	4,842,365	4,831,610	6,323,003	5,628,931
Operation & Maintenance of Plant	13,580,657	13,626,274	13,841,199	15,618,107	16,197,981	16,470,683	18,031,850	18,537,698	19,048,197	20,646,201
Pupil Activities	1,418,175	1,443,880	1,101,760	1,134,118	1,196,254	1,282,403	1,953,371	1,509,638	2,262,698	2,306,828
Community Service	293,131	304,358	286,465	258,882	291,539	60,417	56,027	55,605	58,130	64,559
Pupil Transportation	4,649,507	4,789,453	4,306,006	4,509,731	4,737,416	5,209,957	5,455,201	5,636,018	5,500,984	5,514,495
Food Service	2,371,071	2,499,347	2,656,220	2,931,524	3,292,881	3,079,177	2,975,193	3,190,105	3,262,858	3,283,102
<b>Total expenses</b>	<b>\$ 87,933,680</b>	<b>\$ 88,633,165</b>	<b>\$ 87,936,946</b>	<b>\$ 95,029,605</b>	<b>\$ 104,150,247</b>	<b>\$ 110,314,432</b>	<b>\$ 130,831,156</b>	<b>\$ 131,903,612</b>	<b>\$ 144,404,738</b>	<b>\$ 147,181,981</b>
<b>Program Revenues</b>										
Charges for Services	1,373,313	1,337,292	1,287,270	1,231,122	1,216,514	1,006,322	1,000,689	994,849	950,232	896,109
Operating Grants and Contributions	12,094,885	12,658,402	12,806,005	13,150,270	15,528,173	14,944,233	14,181,235	14,967,746	20,631,827	21,575,365
<b>Total Program Revenues</b>	<b>13,468,198</b>	<b>13,995,694</b>	<b>14,093,275</b>	<b>14,381,392</b>	<b>16,744,687</b>	<b>15,950,555</b>	<b>15,181,924</b>	<b>15,962,595</b>	<b>21,582,059</b>	<b>22,471,474</b>
<b>Total Net(Expense)Governmental Activities</b>	<b>(74,465,482)</b>	<b>(74,637,471)</b>	<b>(73,843,671)</b>	<b>(80,648,213)</b>	<b>(87,405,560)</b>	<b>(94,363,877)</b>	<b>(115,649,232)</b>	<b>(115,941,017)</b>	<b>(122,822,679)</b>	<b>(124,710,507)</b>
<b>General Revenues:</b>										
<b>Government Activities:</b>										
Borough Direct Appropriation	\$ 30,189,118	\$ 30,618,860	\$ 31,635,539	\$ 33,744,607	\$ 34,973,682	\$ 37,941,676	\$ 37,701,117	\$ 41,146,945	\$ 42,983,376	\$ 42,588,135
Public School Funding Program	42,482,522	43,992,698	42,355,439	46,467,673	50,003,179	59,959,314	60,523,098	62,317,926	64,062,960	69,386,710
Retirement: On-behalf Payments	-	-	-	-	-	-	19,322,147	15,227,995	11,901,565	13,615,283
Other State Revenue	1,686,156	-	-	-	110,355	1,116,108	3,135,060	245,599	250,195	101,962
Earnings on Investment	1,846,392	386,694	(252,271)	197,556	494,410	1,067,126	1,746,569	1,563,679	1,351,985	378,916
E-Rate Program	-	-	491,215	435,323	508,938	657,616	722,223	426,290	575,663	591,046
Medicaid Reimbursement	-	279,021	281,073	212,193	526,918	492,697	549,024	288,038	408,492	593,496
Other	551,561	653,143	140,756	318,521	143,758	102,220	228,227	173,326	103,380	43,050
<b>Total General Revenues</b>	<b>\$ 76,755,749</b>	<b>\$ 75,930,416</b>	<b>\$ 74,651,751</b>	<b>\$ 81,375,873</b>	<b>\$ 86,761,240</b>	<b>\$ 101,336,757</b>	<b>\$ 123,927,465</b>	<b>\$ 121,389,798</b>	<b>\$ 121,637,616</b>	<b>\$ 127,298,598</b>
Special Item - writeoff NPO/OPEB	-	-	-	-	-	-	-	5,024,344	-	-
<b>Change in Net Assets</b>	<b>\$ 2,290,267</b>	<b>\$ 1,292,945</b>	<b>\$ 808,080</b>	<b>\$ 727,660</b>	<b>\$ (644,320)</b>	<b>\$ 6,972,880</b>	<b>\$ 8,278,233</b>	<b>\$ 10,473,125</b>	<b>\$ (1,185,063)</b>	<b>\$ 2,588,091</b>

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

## KENAI PENINSULA BOROUGH SCHOOL DISTRICT

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

	FISCAL YEAR									
	2001-2002	2002-2003*	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009**	2009-2010	2010-2011
Change in Net Assets	\$ 2,290,267	\$ 1,292,945	\$ 808,080	\$ 727,660	\$ (644,320)	\$ 6,972,880	\$ 8,278,233	\$ 10,473,125	\$ (1,185,063)	\$ 2,588,091
Net Assets - Beginning	1,989,078	4,849,015	6,141,960	6,950,040	7,677,700	7,033,380	14,006,260	22,284,493	32,757,618	31,572,555
Net Assets - Ending	<u>\$ 4,279,345</u>	<u>\$ 6,141,960</u>	<u>\$ 6,950,040</u>	<u>\$ 7,677,700</u>	<u>\$ 7,033,380</u>	<u>\$ 14,006,260</u>	<u>\$ 22,284,493</u>	<u>\$ 32,757,618</u>	<u>\$ 31,572,555</u>	<u>\$ 34,160,646</u>

\* Net Assets had additional capital assets in the amount of \$569,670.00 Restated amount \$489,015.00

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

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

	FISCAL YEAR									
	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011*
General Fund										
Reserved	\$ 1,144,809	\$ 2,361,057	\$ 1,549,919	\$ 2,031,509	\$ 2,773,182	\$ 4,308,511	\$ 9,058,171	\$ 9,645,680	\$ 9,071,018	\$ -
Unreserved	4,261,749	4,648,841	3,887,195	5,738,461	5,894,990	9,183,137	7,615,732	6,833,310	6,192,633	-
Undesignated	-	-	-	-	-	-	2,720,208	4,683,677	5,737,714	-
Total General Fund	<u>\$ 5,406,558</u>	<u>\$ 7,009,898</u>	<u>\$ 5,437,114</u>	<u>\$ 7,769,970</u>	<u>\$ 8,668,172</u>	<u>\$ 13,491,648</u>	<u>\$ 19,394,111</u>	<u>\$ 21,162,667</u>	<u>\$ 21,001,365</u>	<u>\$ -</u>
Special Revenue Funds										
Reserved	\$ 128,624	\$ 15,678	\$ 29,709	\$ 20,492	\$ 15,642	\$ 288,282	\$ 254,471	\$ 267,430	\$ 393,526	\$ -
Unreserved	297,313	111,267	483,324	730,823	656,776	2,112,873	-	-	-	-
Undesignated	-	-	-	-	-	-	5,179,038	8,729,160	7,770,103	-
Total Special Revenue Funds	<u>\$ 425,937</u>	<u>\$ 126,945</u>	<u>\$ 513,033</u>	<u>\$ 751,315</u>	<u>\$ 672,418</u>	<u>\$ 2,401,155</u>	<u>\$ 5,433,509</u>	<u>\$ 8,996,590</u>	<u>\$ 8,163,629</u>	<u>\$ -</u>
Total Fund Balance	<u>\$ 5,832,495</u>	<u>\$ 7,136,843</u>	<u>\$ 5,950,147</u>	<u>\$ 8,521,285</u>	<u>\$ 9,340,590</u>	<u>\$ 15,892,803</u>	<u>\$ 24,827,620</u>	<u>\$ 30,159,257</u>	<u>\$ 29,164,994</u>	<u>\$ -</u>
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,160,675
Restricted	-	-	-	-	-	-	-	-	-	892,467
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	14,513,862
Unassigned	-	-	-	-	-	-	-	-	-	5,792,038
Total General Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,359,042</u>					
Special Revenue Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 284,397
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	7,787,245
Unassigned	-	-	-	-	-	-	-	-	-	(44,976)
Total Special Revenue Funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,026,666</u>					
Total Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,385,708</u>					

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

## KENAI PENINSULA BOROUGH SCHOOL DISTRICT

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

	FISCAL YEAR									
	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
Federal Sources:										
Federal - Direct	\$ 235,236	\$ 279,021	\$ 280,073	\$ 212,193	\$ 270,719	\$ 290,474	\$ 287,390	\$ 306,186	\$ 401,153	\$ 377,756
Federal - Through the State	6,823,642	7,638,505	7,705,505	7,924,649	9,743,914	8,059,469	8,267,768	7,856,624	13,617,440	14,547,490
Federal - Through other Agencies	-	-	-	-	-	-	-	3,305	-	-
<b>Total Federal Sources</b>	<b><u>\$ 7,058,878</u></b>	<b><u>\$ 7,917,526</u></b>	<b><u>\$ 7,985,578</u></b>	<b><u>\$ 8,136,842</u></b>	<b><u>\$ 10,014,633</u></b>	<b><u>\$ 8,349,943</u></b>	<b><u>\$ 8,555,158</u></b>	<b><u>\$ 8,166,115</u></b>	<b><u>\$ 14,018,593</u></b>	<b><u>\$ 14,925,246</u></b>
State Sources:										
Public School Funding Program	\$ 43,948,821	\$ 43,992,698	\$ 42,355,439	\$ 46,467,673	\$ 50,113,534	\$ 61,075,422	\$ 63,658,158	\$ 62,563,525	\$ 64,313,155	\$ 69,386,710
Retirement: On-behalf Payments	-	-	-	-	-	-	19,322,147	15,227,995	11,901,565	13,615,283
Other State Revenue	4,749,212	4,967,842	5,045,569	5,160,238	5,243,702	5,604,033	6,001,393	6,622,333	6,769,831	6,542,513
<b>Total All Other Government Funds</b>	<b><u>\$ 48,698,033</u></b>	<b><u>\$ 48,960,540</u></b>	<b><u>\$ 47,401,008</u></b>	<b><u>\$ 51,627,911</u></b>	<b><u>\$ 55,357,236</u></b>	<b><u>\$ 66,679,455</u></b>	<b><u>\$ 88,981,698</u></b>	<b><u>\$ 84,413,853</u></b>	<b><u>\$ 82,984,551</u></b>	<b><u>\$ 89,544,506</u></b>
Local Sources:										
Borough Direct Appropriation	\$ 30,189,118	\$ 30,618,860	\$ 31,635,539	\$ 33,744,607	\$ 34,973,682	\$ 37,941,676	\$ 37,701,117	\$ 41,146,945	\$ 42,983,376	\$ 42,588,135
Corporate Grants and User Fees	254,582	245,396	274,741	284,106	241,800	103,246	123,135	163,808	106,591	84,059
Food Sales	1,143,555	1,126,811	1,041,579	995,196	989,802	965,162	955,879	952,018	905,767	853,654
Earnings on Investments	1,846,392	386,694	(252,271)	197,556	494,410	1,067,126	1,746,569	1,563,679	1,351,985	837,735
Other Local Revenue	1,033,389	670,283	658,852	771,047	1,393,248	759,836	1,045,833	945,975	868,812	936,737
<b>Total All Other Government Funds</b>	<b><u>\$ 34,467,036</u></b>	<b><u>\$ 33,048,044</u></b>	<b><u>\$ 33,358,440</u></b>	<b><u>\$ 35,992,512</u></b>	<b><u>\$ 38,092,942</u></b>	<b><u>\$ 40,837,046</u></b>	<b><u>\$ 41,572,533</u></b>	<b><u>\$ 44,772,425</u></b>	<b><u>\$ 46,216,531</u></b>	<b><u>\$ 45,300,320</u></b>
<b>Total Revenue</b>	<b><u>\$ 90,223,947</u></b>	<b><u>\$ 89,926,110</u></b>	<b><u>\$ 88,745,026</u></b>	<b><u>\$ 95,757,265</u></b>	<b><u>\$ 103,464,811</u></b>	<b><u>\$ 115,866,444</u></b>	<b><u>\$ 139,109,389</u></b>	<b><u>\$ 137,352,393</u></b>	<b><u>\$ 143,219,675</u></b>	<b><u>\$ 149,770,072</u></b>

## KENAI PENINSULA BOROUGH SCHOOL DISTRICT

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

	FISCAL YEAR									
	2001-2002	2002-2003	2003-2004	2004-2005*	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
Expenditures:										
Instruction	\$ 51,255,843	\$ 49,766,894	\$ 49,008,398	\$ 44,352,605	\$ 49,422,945	\$ 52,407,303	\$ 63,488,942	\$ 62,067,541	\$ 68,929,841	\$ 68,248,693
Special Education - Instruction	-	-	-	8,129,066	8,584,176	9,513,798	12,667,079	15,047,687	16,687,607	18,493,550
Special Education Services - Pupil	-	-	-	3,082,683	3,208,595	3,528,292	4,357,397	4,567,626	4,709,847	5,016,857
Support Services - Pupil	6,914,789	6,936,657	6,888,840	1,958,191	2,592,299	2,871,350	3,649,437	3,569,636	3,828,379	3,898,385
Support Services - Instruction	-	-	-	1,575,098	1,939,417	2,061,766	2,391,393	2,374,251	2,608,450	2,354,134
School Administration	3,306,541	3,420,590	3,635,245	4,085,433	4,450,469	4,949,959	6,051,927	5,894,424	6,414,515	6,672,373
School Administration - Support	5,897,106	5,750,012	6,256,017	2,895,324	3,192,316	3,415,962	3,813,704	4,026,857	4,141,233	4,162,807
District Administration	-	-	-	774,266	806,948	826,561	950,172	834,584	855,280	977,921
District Administration - Support	-	-	-	2,701,133	3,393,748	3,765,948	4,815,586	4,837,284	6,312,937	5,873,132
Operation & Maintenance of Plant	13,548,988	13,601,441	13,853,049	15,027,828	15,719,257	16,187,789	17,783,290	18,579,831	19,112,022	20,693,008
Pupil Activities	1,388,677	1,450,601	1,083,783	1,140,463	1,199,233	1,606,325	1,770,301	1,334,903	1,831,912	2,161,214
Community Services	291,872	303,099	285,206	249,130	278,567	56,971	56,027	55,605	58,130	64,559
Pupil Transportation	4,568,914	4,880,513	4,330,121	4,410,850	4,674,831	5,147,858	5,405,975	5,586,792	5,492,429	5,498,915
Food Service	2,356,096	2,511,955	2,641,246	2,804,057	3,182,705	2,974,349	2,973,342	3,243,735	3,231,356	3,433,810
Total Expenditures	<u>\$ 89,528,826</u>	<u>\$ 88,621,762</u>	<u>\$ 87,981,905</u>	<u>\$ 93,186,127</u>	<u>\$ 102,645,506</u>	<u>\$ 109,314,231</u>	<u>\$ 130,174,572</u>	<u>\$ 132,020,756</u>	<u>\$ 144,213,938</u>	<u>\$ 147,549,358</u>

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

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

	FISCAL YEAR									
	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
Excess of revenues over (under) expenditures	\$ 695,121	\$ 1,304,348	\$ 763,121	\$ 2,571,138	\$ 819,305	\$ 6,552,213	\$ 8,934,817	\$ 5,331,637	\$ (994,263)	\$ 2,220,714
Other Financing Sources (Uses)										
Capitalized Leases	623,522	-	-	-	-	-	-	-	-	-
Transfers In	796,700	292,038	279,212	279,225	385,948	2,722,720	4,293,736	4,451,076	830,279	362,104
Transfers Out	(796,700)	(292,038)	(2,229,029)	(279,225)	(385,948)	(2,722,720)	(4,293,736)	(4,451,076)	(830,279)	(362,104)
Total other financing sources (Uses)	623,522	-	(1,949,817)	-	-	-	-	-	-	-
Net Change in fund balances	\$ 1,318,643	\$ 1,304,348	\$ (1,186,696)	\$ 2,571,138	\$ 819,305	\$ 6,552,213	\$ 8,934,817	\$ 5,331,637	\$ (994,263)	\$ 2,220,714

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			
2001-02	3,027,956	606,604	285,653	161,085	41,258	3,717,713	7.00	94.83%
2002-03	3,290,671	680,522	290,369	176,523	40,998	4,044,041	6.50	94.90%
2003-04	3,509,442	673,367	276,616	196,210	40,844	4,222,404	6.50	94.68%
2004-05	3,656,476	611,303	253,567	215,076	42,051	4,264,247	6.50	94.31%
2005-06	4,009,648	561,689	285,351	304,702	44,210	4,507,776	6.50	92.82%
2006-07	4,402,946	558,190	295,431	340,356	28,161	4,888,050	6.50	92.99%
2007-08	4,940,180	607,052	224,479	374,395	27,938	5,369,378	5.50	93.03%
2008-09	5,533,794	635,272	220,272	394,457	28,124	5,966,757	4.50	93.39%
2009-10	5,883,881	703,063	245,915	434,556	29,205	6,369,098	4.50	93.21%
2010-11	5,901,904	713,954	259,714	451,127	30,914	6,393,531	4.50	92.99%

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
2001-02	7.00	5.50	3.50	7.25	3.12	1.00	1.65
2002-03	6.50	5.00	3.50	7.25	3.12	1.00	1.65
2003-04	6.50	5.00	5.00	7.25	3.12	1.00	1.65
2004-05	6.50	4.50	4.50	7.25	3.12	1.00	1.65
2005-06	6.50	4.50	4.50	7.25	3.12	2.00	1.65
2006-07	6.50	4.50	4.50	4.60	3.12	2.00	1.65
2007-08	5.50	4.50	4.50	4.60	3.12	2.00	1.65
2008-09	4.50	4.50	4.50	4.60	3.12	1.00	1.65
2009-10	4.50	4.50	4.00	4.60	3.12	1.00	1.65
2010-11	4.50	4.50	3.85	4.60	3.12	1.00	1.65

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

This information was obtained from the Kenai Peninsula Borough.

\* Real Property Tax



**KENAI PENINSULA BOROUGH SCHOOL DISTRICT**

**TABLE XI**

**PRINCIPAL EMPLOYERS**  
**June 30, 2011**  
**(Unaudited)**

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The State of Alaska has passed legislation that prevents disclosure of the number of employees for each employer. Although specific employee counts are available for 2008, because that information was released prior to legislation being implemented, the State will not provide detail information for 1999.

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
2001-02	26,096,387	25,644,795	98.270%	449,551	26,094,346	99.992%
2002-03	26,370,536	25,879,204	98.137%	487,835	26,367,039	99.987%
2003-04	27,558,497	27,062,845	98.201%	491,880	27,554,725	99.986%
2004-05	27,820,350	27,446,158	98.655%	370,330	27,816,488	99.986%
2005-06	29,357,626	28,978,909	98.710%	372,836	29,351,745	99.980%
2006-07	31,768,274	31,346,983	98.674%	409,044	31,756,027	99.961%
2007-08	30,042,125	26,651,635	98.700%	350,122	30,032,108	99.967%
2008-09	26,779,449	26,431,968	98.702%	297,046	26,729,014	99.812%
2009-10	28,875,124	28,375,677	98.270%	450,825	28,375,677	98.270%
2010-11	29,058,274	28,630,610	98.528%	-	28,630,610	98.528%

This information was obtained from the Kenai Peninsula Borough.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS

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NO DEBT LIMIT IS MANDATED BY LAW

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This information was obtained from the Kenai Peninsula Borough.

## 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	Ratio of Net Bonded Debt To Assessed Value	Net Bonded Debt Per Capita	Net Bonded Debt Per Student Capita
2001-02	52,245	9,799	3,717,713,000	13,409,000	0.36%	262	1,368
2002-03	53,316	9,661	4,044,041,000	17,874,000	0.44%	341	1,850
2003-04	51,733	9,467	4,222,404,000	87,009,000	2.06%	1,682	9,191
2004-05	51,765	9,527	4,264,247,000	82,014,000	1.92%	1,584	8,609
2005-06	51,350	9,389	4,507,776,000	79,019,000	1.75%	1,539	8,416
2006-07	52,370	9,368	4,888,050,000	79,069,192	1.62%	1,510	8,440
2007-08	52,990	9,250	5,369,378,000	88,828,570	1.65%	1,676	9,608
2008-09	52,990	9,256	5,966,757,000	83,438,729	1.40%	1,575	9,015
2009-10	53,578	9,145	6,369,098,000	82,674,079	1.30%	1,543	9,040
2010-11	55,400	9,148	6,393,531,000	92,860,000	1.45%	1,676	10,151

This information was obtained from the Kenai Peninsula Borough.

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

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

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

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**YEAR ENDED JUNE 30, 2010**  
**(Unaudited)**

DEMOGRAPHIC DATA

Fiscal Year	Population *	Median Age **	School Enrollment (ADM)	Unemployment rate **
2002	52,245 **	36.4	9,799	7.90%
2003	53,316 **	36.6	9,661	9.40%
2004	51,733 **	37.4	9,467	10.00%
2005	51,765 **	38.0	9,527	9.50%
2006	51,350 **	39.7	9,389	8.80%
2007	52,370 **	39.1	9,368	8.10%
2008	52,990 **	39.2	9,250	7.70%
2009	52,990 **	39.2	9,256	7.90%
2010	53,578 **	36.3	9,145	10.10%
2011	55,400 **	39.4	9,148	10.00%

This information was obtained from the Kenai Peninsula Borough.

\* 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.

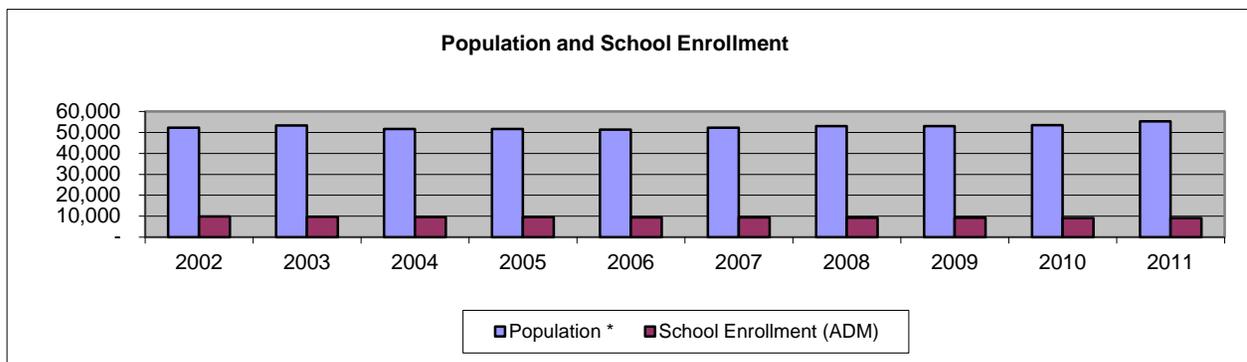
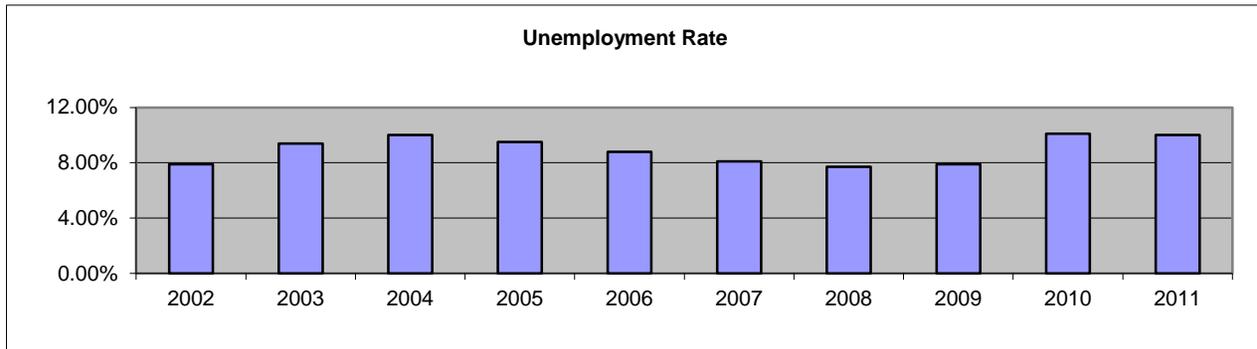


TABLE XVII

## KENAI PENINSULA BOROUGH SCHOOL DISTRICT

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

Fiscal Year	Regular Instruction	Special Education	Special Education Support Services	Pupil Support	Support Services Instruction	School Administration	School Administration Support	District Administration	District Administration Support Services	Operation and Maintenance of Plant	Student Activities	Total FTE
2001-02	539.90	135.67	44.22	33.87	25.63	35.00	57.19	5.50	30.50	103.10	4.85	1015.43
2002-03	523.43	134.51	47.50	35.24	24.60	35.00	56.69	4.50	32.25	102.73	4.60	1001.05
2003-04	479.91	142.62	42.86	33.57	20.76	35.35	56.25	4.00	32.75	88.75	3.71	940.53
2004-05	467.90	144.54	39.49	29.67	17.20	37.65	51.20	4.50	31.25	85.51	2.87	911.78
2005-06	489.25	145.49	39.61	37.54	27.57	39.14	49.26	4.50	31.25	85.32	3.20	952.13
2006-07	503.38	152.30	39.62	39.49	29.86	37.00	50.31	4.50	31.25	84.07	3.10	974.88
2007-08	505.08	164.88	45.28	39.46	27.79	36.50	50.25	5.00	32.75	85.69	3.10	995.78
2008-09	538.34	171.02	44.55	40.98	26.36	36.90	53.82	5.00	35.75	85.38	3.30	1041.40
2009-10	555.17	172.48	45.05	45.46	25.80	39.35	57.46	5.00	36.00	86.18	2.50	1070.45
2010-11	546.82	178.06	45.08	45.34	24.61	39.80	55.32	5.00	37.50	85.57	2.93	1066.03

This information is obtained yearly from current staffing formula tables.

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

Fiscal Year	Regular Instruction	Special Education	Special Education Support Services	Pupil Support	Support Services Instruction	School Administration	School Administration Support	District Administration	District Administration Support Services	Operation and Maintenance of Plant	Student Activities	Food Service	Pupil Transportation	Total FTE
2001-02*														
2002-03*														
2003-04*														
2004-05*														
2005-06*														
2006-07*														
2007-08*														
2008-09	582.56	204.10	44.55	40.98	26.86	36.90	54.57	5.00	38.75	85.38	3.30	39.35	2.00	1164.30
2009-10	600.95	219.53	45.05	45.46	26.30	39.35	59.21	5.00	40.00	86.18	2.50	39.82	2.00	1211.35
2010-11	599.36	249.36	45.08	45.34	26.56	39.80	55.32	5.00	39.00	85.57	2.93	41.17	2.00	1236.49

\* Data not available at this time

This information is obtained yearly from current staffing formula tables.

## KENAI PENINSULA BOROUGH SCHOOL DISTRICT

**AVERAGE PER PUPIL GENERAL FUND OPERATING EXPENDITURES  
LAST TEN FISCAL YEARS  
(Unaudited)**

Fiscal Year	Total Operating Expenditures	Operating Expenditures Percentage Increase Over Previous Year	Average Daily Membership Grades K-12	Operating Expenditures Per Student Capita	Operating Expenditures Per Student Capita Percentage Increase Over Previous Year
2001-02	76,116,629	0.04	9,799	7,768	0.05
2002-03	74,430,070	(0.02)	9,661	7,704	(0.01)
2003-04	76,253,975	0.02	9,467	8,055	0.05
2004-05	79,043,017	0.04	9,527	8,297	0.03
2005-06	85,821,922	0.09	9,389	9,141	0.10
2006-07	94,363,370	0.10	9,368	10,073	0.10
2007-08	118,025,002	0.25	9,250	12,759	0.27
2008-09	119,621,242	0.01	9,256	12,924	0.01
2009-10	121,798,918	0.02	9,145	13,319	0.03
2010-11	129,616,838	0.06	9,148	14,169	0.06

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

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

<u>Fiscal Year</u>	<u>Average Daily Membership Grades K-12</u>	<u>Percentage Average Daily Membership Increase (Decrease) Over Previous Year</u>	<u>Total Taxable Assessed Valuation</u>	<u>Assessed Valuation Percentage Increase (Decrease) Over Previous Year</u>	<u>Assessed Valuation Support Per Student Capita</u>
2001-02	9,799	(1.5)	3,728,772,943	5.1	380,526
2002-03	9,661	(1.7)	3,957,173,965	6.1	409,603
2003-04	9,467	(0.7)	4,236,549,880	7.1	447,507
2004-05	9,527	(0.4)	4,223,854,000	(0.3)	443,356
2005-06	9,389	(1.4)	4,507,776,000	6.3	480,112
2006-07	9,368	(0.2)	4,888,049,897	7.8	521,782
2007-08	9,250	(1.1)	5,369,378,000	9.1	580,473
2008-09	9,256	0.1	5,966,757,000	11.1	644,637
2009-10	9,145	(1.2)	6,369,098,000	6.7	696,457
2010-11	9,148	0.0	6,393,531,000	0.4	698,899

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

DATE OF INCORPORATION ~ January 1, 1964

AUTHORITY OF INCORPORATION ~ State of Alaska Borough Act of 1961

AREA ~ Approximately 25,600 square miles

<u>Type of School</u>	<u>Number of Schools</u>	<u>ADM Enrollment</u>
High Schools	6	2,257
Middle Schools	4	1,047
Elementary Schools	14	3,239
Combined Elem/High School	10	708
Charter Schools	4	704
Alternative Schools	5	218
Correspondence Schools	1	975
Total	<u>44</u>	<u>9,148</u>