

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

Comprehensive Annual Financial Report for the Fiscal Year Ended

June 30, 2010



**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, 2010**

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

School District Map

Letter of Transmittal

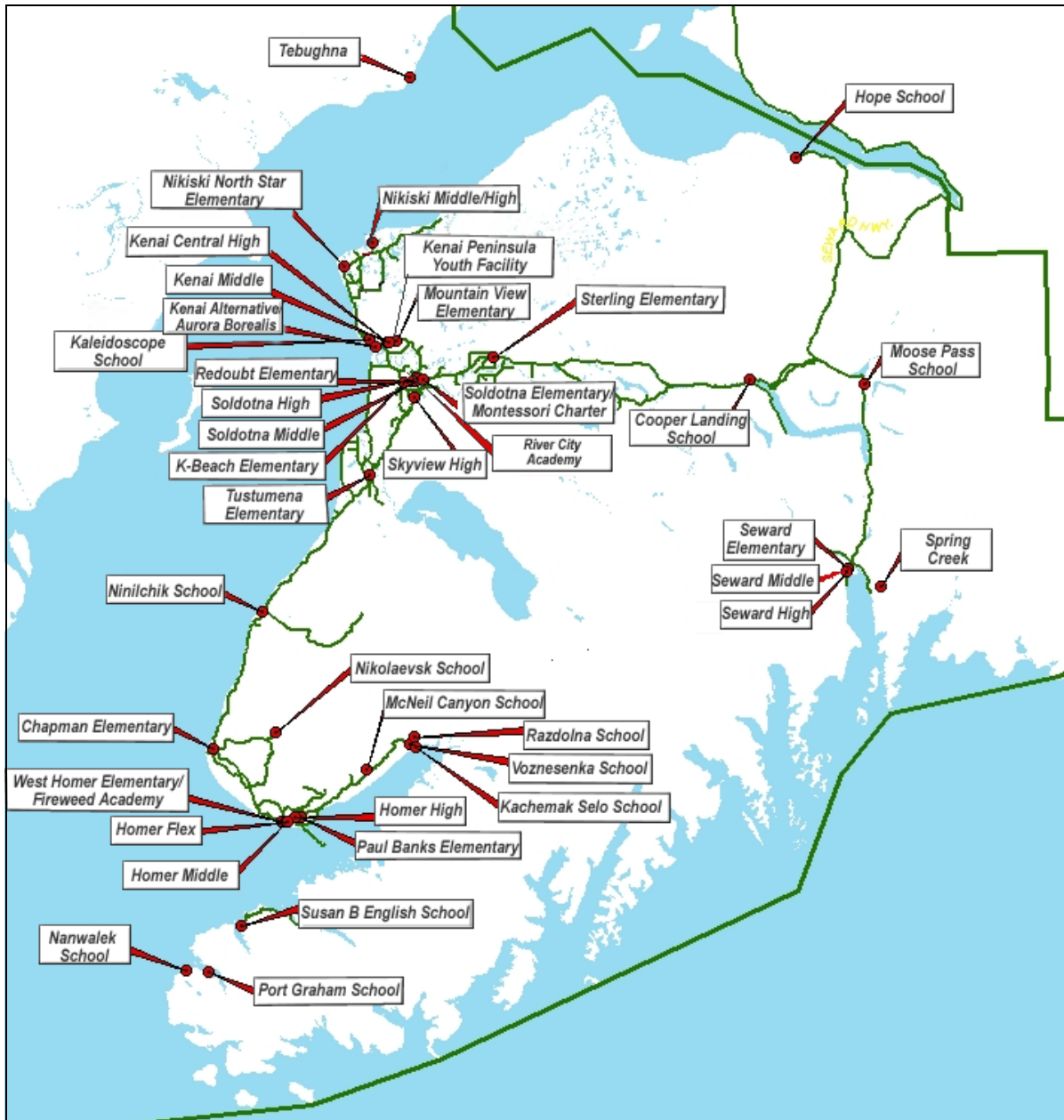
Certificate of Excellence, ASBO

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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October 11, 2010

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, 2010 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 9, 2010. 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, 2010 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, 2010 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. 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.

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 9,145 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.

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 meet Adequate Yearly Progress (AYP) for 2009-2010. Of the thirty-one categories measured by AYP, our District fell short in just two areas (students with disabilities – math and students with disabilities – language arts). The District did meet AYP for grade span 3-5, 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 that mandates all students must demonstrate competence in language arts and math through assessments given in grades three through ten. The levels of proficiency students must meet increase over the years, with all students to be proficient by the end of the 2013 -2014 school year.

AYP is measured at the school level, and at the district level. The majority of District schools made AYP in 2010. Overall, about 87% of the District's students proved proficient or above in language arts, and about 80% 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 funds approximately 85% of the State's 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.

For the most part, the Borough's economy has experienced consistent, gradual growth since the late 1980s. Local indicators point to continued growth and stability. 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 and FY10. The Borough's FY11 budget was 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 FY10 budgeted sales tax revenue represents about 39% of general fund revenues. The oil and gas property is subject to significant fluctuations in value; future years indicate a continued decline. Projections vary widely as to expectations for either growth or further decline in Cook Inlet oil and gas activity. Short-term, the Borough's property tax base will continue to be impacted.

The FY10 base student allocation (BSA) used in the Public School Funding Program was \$5,580 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 first time in twenty-one years. There was an additional amount of revenue allowable for local effort, but due to local concerns about the budget, the district chose not to request the additional funding. At this point, the borough has initially funded the school district \$2 million less than the estimated maximum allowable for the FY11 school year. Discussions about the budget will be taking place between the borough assembly and board of education in fall of 2010. Future inflationary costs will likely need to be absorbed by budget reductions and/or use of fund balance.

The Alaska Legislature enacted HB273, which continues to provide for education funding formula increases for FY10, and FY11 and phased in implementation of district cost factor increases 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 appears to be leveling after many years of on-going decline which could provide financial stability for the District. There are significant concerns, however, about continued maximum local effort funding given heated FY10 budget discussions. 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, Department of Administration Commissioner, and 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 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, 2009.

This was the twentieth 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, 2009

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

Handwritten signature of Erin Green in cursive.

President

Handwritten signature of John D. Mueso in cursive.

Executive Director

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Kenai Peninsula Borough School District
Education Stakeholders
(students, parents, community members, businesses)

Board of Education

Superintendent

Assistant Superintendent
Instruction

Assistant Superintendent
Instructional Support

Directors

Directors

Elementary
Education/K-12
Curriculum

Secondary
Education/
Assessment

Pupil Services

Federal Programs/
K-12 Schools

Finance

Planning and
Operations

Human Resources

Information
Services

Supervisors/Managers

Supervisors/Managers

Supervisors/Managers

Health Services

Pupil Services
(Various schools,
OT/PT,
Assessment,
Gifted, Student
Workforce)

Pupil Services
(Various schools,
Surrogate, Behavior
Programs,
Foundations,
Assessment)

Pupil Services
(Various schools,
Preschools,
Intensive, Child
Find, Speech, RTI,
Transportation
Liaison, Alternate
Assessment)

Bilingual Education

Federal Programs

Student Nutrition

Warehouse

Transportation

Professional
Development

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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. Sammy Crawford, Treasurer
Mrs. Sunni Hilts, Clerk
Ms. Lynn Hohl, Member
Mr. Marty Anderson, Member
Mr. Bill Holt, Member
Mrs. Penny Vadla, Member
Mr. Tim Navarre, Member
Miss Destini Riley, 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

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

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Independent Auditor's Report

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

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, 2010, 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 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, 2010, 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 11, 2010 on our consideration of the Kenai Peninsula Borough School District's internal control over financial reporting and 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Audit Standards* and should be considered in assessing the results of our audit.

Members of the School Board
Kenai Peninsula Borough School District

The accompanying management's discussion and analysis on pages 23-29 and the budgetary comparison information on pages 63-66 are not required parts 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 fund financial statements and other schedules, listed in the table of contents as supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is 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, are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has 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 11, 2010

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, 2010. 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 \$31,572,555. Of this amount, \$28,489,644 (unrestricted net assets) may be used to meet the District's ongoing obligations.
- As of June 30, 2010, the District's governmental funds reported combined ending fund balances of \$29,164,994, a decrease of \$994,263 in comparison to the prior year.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$11,930,347. This amount is in compliance with AS 14.17.505 that states a district may not accumulate in a fiscal year an unreserved portion of its year-end fund balance greater than 10% of its expenditures for that fiscal year. Of this \$11,930,347, \$5,737,714 was unreserved, undesignated and available for spending. The unreserved, undesignated fund balance for the General Fund represented 4.74% of total General Fund expenditures.
- Due to the conversion of the Public Employees' Retirement System (PERS) to a cost-sharing plan by the Alaska Legislature in FY09, the District is no longer obligated to pay any prior recorded Net Pension/Other Post-Employment Benefits (OPEB) obligation, so that debt was written off. The District recognized a special item (gain) in the amount of \$5,024,344 in the FY09 Statement of Activities. Recording a special item of this nature is extra-ordinary and unusual; it reflected approximately 50% of the FY09 increase in net assets.

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 two categories: governmental 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 45-60 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:

Carl Perkins Program Audit
Intensive Needs Funding Claims Review
IDEA Compliance Monitoring

The combining and individual fund statements referred to earlier in connection with nonmajor governmental funds can be found on pages 93-139.

Governmental-wide Financial Analysis

The District ended the year in a better financial position than anticipated as of June 30, 2010 compared to June 30, 2009, due primarily to three factors: 1. conservative fiscal policy targeting financial stability to ensure current pupil/teacher ratios for subsequent years, 2. a statewide increase in funding and 3. enrollment higher than originally projected. Use of fund balance was less than originally estimated, so those funds are still available to the District for future needs. Although enrollment exceeded projections, actual enrollment is still declining. With the increase in educational funding 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 \$31,572,555, on June 30, 2010 compared to \$32,757,618 on June 30, 2009, which was a reduction in total net assets of \$1,185,063.

Net Assets		
Governmental Activities		
	<u>June 30, 2010</u>	<u>June 30, 2009</u>
Current and other assets	\$43,062,480	\$42,923,852
Capital assets	<u>2,407,561</u>	<u>2,598,361</u>
Total Assets	<u>45,470,041</u>	<u>45,522,213</u>
Current and other liabilities	10,752,789	9,656,815
Long-term liabilities	<u>3,144,697</u>	<u>3,107,780</u>
Total Liabilities	<u>13,897,486</u>	<u>12,764,595</u>
Net Assets		
Invested in capital assets, net of debt	2,407,561	2,598,361
Restricted	675,350	570,373
Unrestricted	<u>28,489,644</u>	<u>29,588,884</u>
Total Net Assets	<u>\$31,572,555</u>	<u>\$32,757,618</u>

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

Changes in Net Assets		
Governmental Activities		
	<u>June 30, 2010</u>	<u>June 30, 2009</u>
Revenues:		
Program revenues		
Charges for Services	\$950,232	\$994,849
Operating Grants and Contributions	20,631,827	14,967,746
General Revenues		
Public School Funding Program	64,062,960	62,317,926
Retirement: On-Behalf Payments	11,901,565	15,227,995
Other State Funding	250,195	245,599
Borough Appropriation	42,983,376	41,146,945
Earnings on Investments	1,351,985	1,563,679
Other	1,087,535	887,654
Total Revenues	<u>143,219,675</u>	<u>137,352,393</u>
Expenses:		
Instruction	68,715,631	61,820,342
Special Education - Instruction	16,673,739	15,047,686
Special Education - Pupil	4,712,605	4,568,803
Support Services - Pupil	3,817,779	3,569,636
Support Services - Instruction	2,612,624	2,382,071
School Administration	6,414,684	5,903,499
School Administration - Support	4,140,290	4,011,390
District Administration	861,516	839,511
District Administration - Support	6,323,003	4,831,610
Operation and Maintenance of Plant	19,048,197	18,537,698
Student Activities	2,262,698	1,509,638
Student Transportation Services	5,500,984	5,636,018
Community Services	58,130	55,605
Student Nutrition Services	3,262,858	3,190,105
Total Expenses	<u>144,404,738</u>	<u>131,903,612</u>
Special Item – Write-off NPO/OPEB	<u>-</u>	<u>5,024,344</u>
Change in Net Assets	<u>(1,185,063)</u>	<u>10,473,125</u>
Beginning Net Assets as of July 1	<u>32,757,618</u>	<u>22,284,493</u>
Ending Net Assets as of June 30	<u><u>\$31,572,555</u></u>	<u><u>\$32,757,618</u></u>

The FY09 increase in current assets and corresponding increase in total assets related to the decrease in total liabilities involved the special item write-off in the amount of \$5,024,344 noted previously in Financial Highlights, resulting from the Public Employees Retirement system changing to a cost-sharing plan effective FY09. 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?

As of June 30, 2010, the District's governmental funds reported combined ending fund balances of \$29,164,994, a decrease of \$994,263 in comparison with the prior year. A portion of fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) to liquidate contracts and purchase orders of the prior period: \$2,095,972, 2) for inventories: \$1,162,715, 3) for prepaid expenses: \$1,211,684 and 4) for expected health care costs: \$4,994,173. The fund balance remainder of \$19,700,450 is unreserved, although \$6,192,633 is shown as designated for certain ongoing projects and subsequent year (FY11) operations and maintenance of facilities. The remaining undesignated fund balance is comprised of \$7,770,103 for special revenue funds, leaving \$5,737,714 available for spending at the District's discretion.

The general fund is the chief operating fund of the District. At the end of the current fiscal year, total fund balance was \$21,001,365, unreserved designated fund balance was \$6,192,633, and unreserved undesignated fund balance was \$5,737,714. The general fund balance decreased \$161,302 from the prior year. This decrease is primarily due to unanticipated revenue and a conservative spending approach on a district-wide basis. Given expected increased costs resulting from settlement of the collective bargaining process, rising health care costs and possible increases to employer retirement system rates, as well as possible continued reductions in local revenue, it has been necessary to review all spending with an eye to future needs.

General Fund Budgetary Highlights

Significant items in the FY10 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. This allocation provides a part of the cost schools incur; remaining costs are covered by fund-raising and/or sponsorships.
- Funding for safety equipment related to High School Extra-Curricular Activities

FY10 Budget Revisions approved by the Board of Education included:

- Shift between local effort funding and In-Kind Services by the amount of \$1,016,094, primarily due to increases in the Maintenance and Insurance budgets.
- Funding for two elementary school assistant principals at schools with more than 400 students.
- Furnishings for a new teacher housing duplex at Nanwalek.
- Settlement of Interest Based Bargaining with associated increases in salaries, benefits and health care costs.
- With receipt of final enrollment numbers from the state, the district realized an increase in state revenue of \$1,063,631. The additional local effort funding that increase allowed was not requested from the borough.
- Charter school budgets were increased by a total of \$38,880 to reflect a net enrollment increase.
- 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) by selecting Board Meetings tab.

Capital Assets and Debt Administration

Capital assets. The District's investment in capital assets for its governmental activities as of June 30, 2010 amounts to \$2,407,561 (net of accumulated depreciation) compared to \$2,598,361 as of June 30, 2009. The investment in capital assets includes furniture and equipment. Additional information on the District's capital assets can be found in note 4.

Long-term debt. Due to the conversion of the Public Employees' Retirement System (PERS) to a cost-sharing plan by the Alaska Legislature in FY09, the District is no longer obligated to pay any prior recorded Net Pension/Other Post-Employment Benefits Obligation and that debt in the amount of \$5,024,344 has been written off. Additional information on long-term debt can be found in note 5 of this report.

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

In setting the budgets for FY11, 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 were spelled out for FY09, FY10 and FY11. Incremental increases will be seen in each FY11 to intensive needs funding and the district cost factor. While this legislation provides known increased revenue, which is an unprecedented circumstance in funding Alaska's public schools, it has created challenges related to continued maximum local effort funding from the Kenai Peninsula Borough for school operations.
- With declining oil revenue, there are serious concerns about the State of Alaska's ability to increase education funding beyond the enactment of HB273 beyond FY11. 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 have provided the highest level of local educational funding allowed per the funding formula for many years. When the increase in state funding due to increased enrollment allowed for an additional amount from the borough in FY10, the district chose not to request that additional amount. Consequently, the district was funded at less than the maximum allowed in FY10. The Kenai Peninsula Borough Assembly reduced the maximum allowed budget for the school district by \$2 million for the initial FY11 budget. Meetings between the school board, administration and the assembly are planned for FY11 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 the district has experienced a long running enrollment decline, it is possible that trend may be leveling off

Expenditure Budget

- A fund balance allocation of \$ 4,923,931 is budgeted for FY11 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 \$12,521,688 for FY11.
- 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.
- Staffing increases to the expenditure budget implemented in FY09 and carried forward into FY11 include:
 - 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
- 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, 2010

ASSETS

Current Assets:	
Cash	\$ 29,739
Equity in Central Treasury	35,627,741
Accounts Receivable	109,886
Due from Other Governments	4,920,715
Prepaid	1,211,684
Inventories	<u>1,162,715</u>
Total Current Assets	<u>43,062,480</u>
Capital Assets:	
Furniture and Equipment	6,174,068
Less Accumulated Depreciation	<u>(3,766,507)</u>
Capital Assets - Net of Accumulated Depreciation	<u>2,407,561</u>
Total Assets	<u>45,470,041</u>

LIABILITIES

Current Liabilities:	
Accounts Payable	422,484
Accrued Liabilities	10,243,224
Compensated Absences	<u>87,081</u>
Total Current Liabilities	<u>10,752,789</u>
Noncurrent Liabilities:	
Noncurrent Portion of Long-Term Obligations:	
Compensated Absences	<u>3,144,697</u>
Total Noncurrent Liabilities	<u>3,144,697</u>
Total Liabilities	<u>13,897,486</u>

NET ASSETS

Invested in Capital Assets	2,407,561
Restricted:	
Charter Schools	675,350
Unrestricted	<u>28,489,644</u>
Total Net Assets	<u>\$ 31,572,555</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, 2010

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
Instruction	\$ 68,715,631	\$ -	\$ 8,747,171	\$ (59,968,460)
Special Education - Instruction	16,673,739	-	3,211,417	(13,462,322)
Special Education - Pupil	4,712,605	-	-	(4,712,605)
Support Services - Pupil	3,817,779	-	102,140	(3,715,639)
Support Services - Instruction	2,612,624	-	-	(2,612,624)
School Administration	6,414,684	-	466,330	(5,948,354)
School Administration - Support	4,140,290	-	15,131	(4,125,159)
District Administration	861,516	-	-	(861,516)
District Administration - Support	6,323,003	-	482,205	(5,840,798)
Operation & Maintenance of Plant	19,048,197	-	29,171	(19,019,026)
Pupil Activities	2,262,698	-	17,883	(2,244,815)
Community Services	58,130	44,465	-	(13,665)
Pupil Transportation	5,500,984	-	5,459,969	(41,015)
Food Service	3,262,858	905,767	2,100,410	(256,681)
Total governmental activities	<u>\$ 144,404,738</u>	<u>\$ 950,232</u>	<u>\$ 20,631,827</u>	<u>\$ (122,822,679)</u>

General revenues:

Grants and contributions not restricted to specific programs:

Borough direct appropriation	42,983,376
Public School Funding Program	64,062,960
Retirement: On-behalf Payments	11,901,565
Other State Revenue	250,195
Earnings on Investments	1,351,985
E-Rate Program	575,663
Medicaid Reimbursement	408,492
Other	103,380

Total general revenues 121,637,616

Change in net assets (1,185,063)

Net assets, beginning of year 32,757,618

Net assets, end of year \$ 31,572,555

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2010

	General	Equipment	SFSF	Title I	Other Governmental	Total Governmental Funds
ASSETS						
Assets:						
Cash	\$ 29,739	\$ -	\$ -	\$ -	\$ -	\$ 29,739
Equity in Central Treasury	24,489,341	6,676,615	-	-	1,230,007	32,395,963
Accounts Receivable	95,935	-	-	-	13,951	109,886
Prepaid Items	1,211,684	-	-	-	-	1,211,684
Due from Other Governments	-	-	1,092,890	1,405,126	2,422,699	4,920,715
Due from Special Revenue Funds	4,951,464	-	-	-	-	4,951,464
Inventories	769,189	-	-	-	393,526	1,162,715
Total Assets	\$ 31,547,352	\$ 6,676,615	\$ 1,092,890	\$ 1,405,126	\$ 4,060,183	\$ 44,782,166
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$ 302,763	\$ 79,630	\$ 3,407	\$ 11,385	\$ 25,299	\$ 422,484
Accrued Liabilities	10,243,224	-	-	-	-	10,243,224
Due to General Fund	-	-	1,089,483	1,393,741	2,468,240	4,951,464
Total Liabilities	10,545,987	79,630	1,092,890	1,405,126	2,493,539	15,617,172
Fund Balances:						
Reserved for:						
Encumbrances	2,095,972	-	-	-	-	2,095,972
Inventories	769,189	-	-	-	393,526	1,162,715
Prepaid Items	1,211,684	-	-	-	-	1,211,684
Self Insurance - Health Care	4,994,173	-	-	-	-	4,994,173
Unreserved:						
Designated for:						
School Incentive Purchases	584,169	-	-	-	-	584,169
Charter Schools	675,350	-	-	-	-	675,350
Subsequent Year Operation	4,531,115	-	-	-	-	4,531,115
Facilities Maintenance	401,999	-	-	-	-	401,999
Undesignated:						
General Fund	5,737,714	-	-	-	-	5,737,714
Special Revenue Fund	-	6,596,985	-	-	1,173,118	7,770,103
Total Fund Balances	21,001,365	6,596,985	-	-	1,566,644	29,164,994
Total Liabilities and Fund Balances	\$ 31,547,352	\$ 6,676,615	\$ 1,092,890	\$ 1,405,126	\$ 4,060,183	\$ 44,782,166

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET ASSETS
 June 30, 2010

Fund balances – total governmental funds		\$ 29,164,994
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	6,174,068	
Accumulated depreciation to date	<u>(3,766,507)</u>	<u>2,407,561</u>
Net assets		<u>\$31,572,555</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, 2010

	General	Equipment	SFSF	Title I	Other Governmental	Total Governmental Funds
Revenues:						
Local	\$ 42,983,376	\$ -	\$ -	\$ -	\$ 183,728	\$ 43,167,104
State	76,214,720	-	-	-	6,769,831	82,984,551
Federal-Direct	-	-	-	-	401,153	401,153
Federal-Through the State	408,492	-	2,695,110	3,565,878	6,947,960	13,617,440
Food Sales	-	-	-	-	905,767	905,767
Corporate Grants and User Fees	-	-	-	-	106,591	106,591
Earnings on Investments	1,351,985	-	-	-	-	1,351,985
Other Revenues	679,043	-	-	-	6,041	685,084
Total Revenues	121,637,616	-	2,695,110	3,565,878	15,321,071	143,219,675
Expenditures - Current:						
Instruction	58,943,232	1,237,558	2,634,305	3,301,850	2,812,896	68,929,841
Special Education - Instruction	13,476,190	-	-	-	3,211,417	16,687,607
Special Education Services - Pupil	4,709,847	-	-	-	-	4,709,847
Support Services - Pupil	3,726,239	-	186	101,954	-	3,828,379
Support Services - Instruction	2,608,450	-	-	-	-	2,608,450
School Administration	5,946,291	1,894	-	-	466,330	6,414,515
School Administration - Support	4,126,102	-	-	-	15,131	4,141,233
District Administration	855,280	-	-	-	-	855,280
District Administration - Support	5,830,732	-	60,619	162,074	259,512	6,312,937
Operation & Maintenance of Plant	18,982,117	100,734	-	-	29,171	19,112,022
Pupil Activities	1,764,159	-	-	-	67,753	1,831,912
Community Services	-	-	-	-	58,130	58,130
Pupil Transportation	-	-	-	-	5,492,429	5,492,429
Food Service	-	-	-	-	3,231,356	3,231,356
Total Expenditures	120,968,639	1,340,186	2,695,110	3,565,878	15,644,125	144,213,938
Excess (Deficiency) of Revenues Over Expenditures	668,977	(1,340,186)	-	-	(323,054)	(994,263)
Other Financing Sources (Uses):						
Transfers In	-	-	-	-	830,279	830,279
Transfers Out	(830,279)	-	-	-	-	(830,279)
Total Other Financing Sources (Uses)	(830,279)	-	-	-	830,279	-
Net Change in Fund Balances	(161,302)	(1,340,186)	-	-	507,225	(994,263)
Fund Balances, Beginning of Year	21,162,667	7,937,171	-	-	1,059,419	30,159,257
Fund Balances, End of Year	\$ 21,001,365	\$ 6,596,985	\$ -	\$ -	\$ 1,566,644	\$ 29,164,994

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, 2010

Net change in fund balances – total governmental funds		\$ (994,263)
Amounts reported for governmental activities in the statement of activities are different because:		
<p style="margin-left: 40px;">Governmental funds report capital outlays 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 capital outlays exceeded depreciation in the current period.</p>		
Capital outlays	\$ 567,500	
Current depreciation expense	<u>(404,411)</u>	163,089
Loss on retirement of assets		<u>(353,889)</u>
Change in net assets		<u>\$ (1,185,063)</u>

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, 2010

	Employee Compensated Leave Fund
<u>ASSETS</u>	
Current assets:	
Equity in central treasury	<u>\$ 3,231,778</u>
Total current assets	<u>3,231,778</u>
Total assets	<u><u>3,231,778</u></u>
 <u>LIABILITIES</u>	
Current liabilities:	
Compensated absences payable	<u>3,231,778</u>
Total current liabilities	<u>3,231,778</u>
 <u>NET ASSETS</u>	
Unrestricted	<u>-</u>
Total net assets	<u><u>\$ -</u></u>

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, 2010

	Employee Compensated Leave Fund
Operating Revenues:	
Charges for sales and services	\$ <u>2,455,268</u>
Total operating revenues	<u>2,455,268</u>
Operating Expenses:	
Administrative service	<u>2,455,268</u>
Total Operating expenses	<u>2,455,268</u>
Operating income (loss)	<u>-</u>
Total net assets beginning	<u>-</u>
Total net assets ending	<u>\$ -</u>

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, 2010

	Employee Compensated Leave Fund
 CASH FLOWS FROM OPERATING ACTIVITIES:	
Charges to other funds	\$ 2,455,268
Cash paid to employees	<u>(2,368,187)</u>
Cash used by operating activities	<u>87,081</u>
 Increase in cash and cash equivalents	 87,081
Cash and cash equivalents, beginning of year	<u>3,144,697</u>
Cash and cash equivalents, end of year	<u>\$ 3,231,778</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>87,081</u>
Total adjustments	<u>87,081</u>
Net cash provided by operating activities	<u>\$ 87,081</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, 2010

	<u>Student Activity Agency Fund</u>
Assets:	
Equity in Central Treasury	\$ 2,261,628
Accounts Receivable	<u>30,678</u>
Total Assets	<u>\$ 2,292,306</u>
Liabilities:	
Accounts Payable	\$ 785
Amounts Due to Student Groups	<u>2,291,521</u>
Total Liabilities	<u>\$ 2,292,306</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, 2010

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 907-262-4441.

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, 2010, the School District recorded in-kind services provided by the Borough for school operations as follows:

Custodial	\$ 105,719
Utilities	67,017
Maintenance	6,352,881
Insurance	2,599,006
Audit	<u>45,411</u>
	<u>\$ 9,170,034</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.

When both restricted and unrestricted resources are available for use, it is the School District's policy to use restricted resources first, then unrestricted resources as they are needed.

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. Undesignated fund balance represents the excess of assets over liabilities and reserved fund balance.

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 transfers from the General Fund designated to finance particular functions and activities.

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 lapse at year-end. However, these amounts are automatically reappropriated by Board Policy as part of the subsequent year's budget.

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

The FY10 budget was based on the continued implementation of HB273 which was enacted in 2008. The bill progressively increased three components of the State Foundation funding formula over multiple fiscal years as follows:

Fiscal Year	District Cost Factor	Intensive Multiplier	Base Student Allocation
FY2010	62.5% of ISER	x 11	\$5,580
FY2011	75.0% of ISER	x 13	\$5,680
FY2012	87.5% of ISER		
FY2013	100.0% of ISER		

The FY10 budget was developed and approved with an estimated enrollment of 9,047 students. The District calculated and requested Borough funding at the maximum local allowable amount. On June 2, 2009 the Borough funded the District's FY10 Budget request at the maximum amount as requested. Per the Department of Education and Early Development (DOEED), the District's actual OASIS enrollment in October of 2010 was 9,145 students. This enrollment increase resulted in a State Foundation funding increase of slightly more than one million dollars. The estimated budget increase was revised at the January 11, 2010 board meeting, and the budget was finalized per DOEED final calculations at the June 7, 2010 board meeting.

Because of the way the State Foundation funding formula works, the maximum local contribution increases when state funding increases. The final OASIS calculation that increased state revenue resulted in the ability of KPB to provide an additional \$277,818 in funding to the school district. However, due to financial concerns at the Borough level, the district chose not to request this additional funding,

The budget amendments are detailed as follows:

**Kenai Peninsula Borough School District
FY10 Revenue Budget Change – General Fund**

	4-13-09	8-10-09	10-5-09	1-11-10	6-7-10	KPBSD Final
<u>Revenue Source</u>	KPBSD Original Budget	KPBSD Budget Revision	KPBSD Budget Revision	KPBSD Budget Revision	KPBSD Budget Revision	Budget
Borough In-Kind	\$ 8,153,940	\$ -	\$ 1,016,094	\$ -	\$ -	\$ 9,170,034
Borough Appropriation	34,829,436	-	(1,016,094)	-	-	33,813,342
Investment Earnings	420,000	-	-	-	-	420,000
E-Rate	646,000	-	-	-	-	646,000
Miscellaneous	80,000	-	-	-	-	80,000
Use of Fund Balance	<u>1,245,667</u>	<u>899,482</u>	<u>2,379,694</u>	<u>-</u>	<u>-</u>	<u>4,524,843</u>
Total Local Revenue	<u>45,375,043</u>	<u>899,482</u>	<u>2,379,694</u>	<u>-</u>	<u>-</u>	<u>48,654,219</u>
Foundation Program	63,027,255	-	-	1,060,590	(24,886)	64,062,959
TRS On-Behalf Pmt	13,008,365	(891,862)	-	-	-	12,116,503
PERS On-Behalf Pmt	1,632,014	(820,685)	-	-	-	811,329
Quality Schools	<u>247,225</u>	<u>-</u>	<u>-</u>	<u>3,041</u>	<u>(71)</u>	<u>250,195</u>
Total State Revenue	<u>77,914,859</u>	<u>(1,712,547)</u>	<u>-</u>	<u>1,063,631</u>	<u>(24,957)</u>	<u>77,240,986</u>
Medicaid	<u>450,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>450,000</u>
Total Federal Revenue	<u>450,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>450,000</u>
General Fund Revenue	<u>\$ 123,739,902</u>	<u>\$ (813,065)</u>	<u>\$ 2,379,694</u>	<u>\$ 1,063,631</u>	<u>\$ (24,957)</u>	<u>\$ 126,345,205</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. A portion of fund balance is reserved for inventory 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

Reserves include encumbrances, inventories, prepaid expenses and self insurance; they represent those portions of fund balance legally segregated for future use. Designated portions of fund balances for the charter schools, school incentive purchases, facility maintenance and for subsequent year's operations represent tentative planning for future use of financial resources. Undesignated fund balance represents the excess of assets over liabilities and designated fund balance.

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 General Fund and Special Revenue Funds. Encumbrances outstanding at year-end are reported as reservations of fund balances since they do not constitute expenditures or liabilities and will be honored through subsequent year's expenditures.

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. A reconciliation of the carrying value to the reported value as of June 30, 2010 is as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Internal Service Fund</u>	<u>Governmental Total</u>	<u>Agency</u>
Carrying value of equity in Central Treasury	\$ 24,489,341	\$7,906,622	\$ 3,231,778	\$ 35,627,741	\$ 2,261,628
Due to (from) other funds	<u>(4,951,464)</u>	<u>4,951,464</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reported Equity in Central Treasury	<u>\$19,537,877</u>	<u>\$12,858,086</u>	<u>\$ 3,231,778</u>	<u>\$ 35,627,741</u>	<u>\$ 2,261,628</u>

NOTE 3 - RECEIVABLES

Receivables at June 30, 2010, consist of the following:

	<u>General</u>	<u>Special Revenue</u>	<u>Total</u>
Accounts	\$ 95,935	\$ 13,951	\$ 109,886
Intergovernmental:			
Major Special Revenue:			
Federal – Through the State		2,498,016	2,498,016
Non-Major Special Revenue:			
Local		72,364	72,364
State		231,467	246,890
Federal – Through the State		1,937,203	1,921,780
Federal – Direct		181,665	181,665
Total receivables	<u>\$ 95,935</u>	<u>\$ 4,934,666</u>	<u>\$ 5,030,601</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:

Governmental activities:	July 1, 2009 <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	June 30, 2010 <u>Balance</u>
Furniture and equipment	\$ 6,653,288	\$ 567,500	\$ (1,046,720)	\$ 6,174,068
Less accumulated depreciation for furniture and equipment	<u>(4,054,927)</u>	<u>(404,411)</u>	<u>692,831</u>	<u>(3,766,507)</u>
Governmental activities capital assets, net	<u>\$ 2,598,361</u>	<u>\$ 163,089</u>	<u>\$ (353,889)</u>	<u>\$ 2,407,561</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 107,042
Special Education - Instruction	1,212
Special Education - Pupil	44
Support services - Instruction	4,174
School administration	5,839
School administration - Support	15,969
District administration	4,300
District administration - Support	17,887
Operation and maintenance of plant	18,197
Pupil activities	189,690
Pupil transportation	8,555
Food services	31,502
Total depreciation expense	<u>\$ 404,411</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, 2010 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, 2009	Additions	Deletions	Ending Total June 30, 2010	Amount due in one year
Compensated Absences	<u>\$ 3,144,697</u>	<u>\$ 2,455,268</u>	<u>\$ 2,368,187</u>	<u>\$3,231,778</u>	<u>\$87,081</u>
Total Long -Term Debt	<u>\$ 3,144,697</u>	<u>\$ 2,455,268</u>	<u>\$ 2,368,187</u>	<u>\$ 3,231,778</u>	<u>\$87,081</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 (2.50% for pension and 4.25% for healthcare) for PERS and 8.65% (4.58% for pension and 4.07% 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 2010 were determined as part of the June 30, 2007 actuarial valuation and are as follows:

<u>PERS</u>	<u>Contractual Rate</u>	<u>ARM Board Adopted Rate</u>	<u>GASB 45* Rate</u>
Pension	8.16%	10.25%	10.72%
Postemployment healthcare	<u>13.84%</u>	<u>17.40%</u>	<u>53.96%</u>
Total contribution rate	<u>22.00%</u>	<u>27.65%</u>	<u>64.68%</u>

<u>TRS</u>	<u>Contractual Rate</u>	<u>ARM Board Adopted Rate</u>	<u>GASB 45* Rate</u>
Pension	6.66%	20.95%	22.73%
Postemployment healthcare	<u>5.90%</u>	<u>18.58%</u>	<u>54.45%</u>
Total contribution rate	<u>12.56%</u>	<u>39.53%</u>	<u>77.18%</u>

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

The significant actuarial information and assumptions used in the most recent valuation of the plan follow:

Valuation Date	June 30, 2009
Actuarial Cost Method	Entry age normal Level percentage of pay for pension Level dollar for healthcare
Amortization Method	Level dollar, closed
Equivalent Single Amortization Period	20 years PERS, 21 years TRS
Asset Valuation Method	5-year smoothed market
Investment Rate of Return	8.25% pension, 4.7% healthcare PERS, 4.5% healthcare TRS

Salary Scale	PERS Merit: 5.5% per year grading down to 1.5% after 5 years, for more than 6 years of service, 1.0% grading down to 0% Productivity: 0.5% per year TRS 6.0% for the first five years grading down to 4.0% after 15 years
Payroll Growth	4.0%
Inflation	3.5%
Health Cost Trend	Medical – 7.5% in FY10 trending downward by variable amounts to 5.9% in FY15, 5.8% through FY25, 5.7% through FY50, and 5.1% through FY100 Prescription Drugs – 9.6% in FY10 trending downward by variable amounts to 5.9% in FY15, 5.8% through FY25, 5.7% through FY50, and 5.1% through FY100

Under both plans, retiree healthcare benefits are partially funded. Both plans use the percentage of ARC methodology in the development of the investment rate of return.

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 5.65% of covered payroll to the Plan. In accordance with the provisions of GASB Statement Number 24, the District has recorded the State contribution in the amount of \$1,038,086 as a PERS on-behalf payment. This includes \$154,064 on-behalf payments received by the Kenai Peninsula Borough for maintenance in-kind services, and \$884,022 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. Only two years of information are available at this time.

Year Ended June 30	Annual Pension Cost	Annual OPEB Cost	Total Benefit Cost (TBC)	School District Contributions	% of TBC Contributed
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 26.97% of covered payroll to the Plan. In accordance with the provisions of GASB Statement Number 24, the District has recorded the State contribution in the amount of \$11,017,544 as a TRS on-behalf payment. However, because the District is not statutorily obligated for these payments, this amount is excluded from pension and OPEB cost as described here. The District's annual pension and other postemployment benefit (OPEB) costs for the years ending June 30, 2010, 2009, and 2008, respectively, were equal to the contractually agreed upon rate for each year.

Year Ended June 30	Annual Pension Cost	Annual OPEB Cost	Benefit Cost (TBC)	School District Contributions	% of TBC Contributed
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%
2008	1,969,125	2,711,468	4,680,593	4,680,593	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	0.99	0.99
Occupational death and disability benefits	<u>0.58</u>	<u>0.62</u>
	<u>9.57 %</u>	<u>11.61 %</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, 2010 were \$759,940 and \$238,752, respectively. The District and employee contributions to TRS for the year ended June 30, 2010 were \$978,613 and \$625,062, 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."

NOTE 8 - FOOD SERVICE SPECIAL REVENUE FUND

The United States Department of Agriculture provided \$166,593 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, 2010 are as follows:

	<u>Receivable</u>	<u>Payable</u>
Major Fund - General Fund	4,951,464	\$ -
Major Fund - SFSF	-	1,089,483
Major Fund – Title IA		1,393,741
Non-major governmental funds	-	2,468,240
	<u>\$ 4,951,464</u>	<u>\$ 4,951,464</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, 2010 were as follows:

	<u>Transfer In:</u>	
	<u>Non-Major Governmental Funds</u>	<u>Total</u>
Transfer Out: General Fund	\$830,279	\$830,279

NOTE 10 - RISK MANAGEMENT

The School District participates in a limited self-insurance program which is codified by Kenai Peninsula 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 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 Kenai Peninsula Borough Attorney, who has an extensive background in tort law, 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 School District would be in the areas of auto liability and general liability due to the fleet of vehicles operated and the number of properties owned and operated by the Kenai Peninsula Borough and School District. Based on 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 and educational errors and omissions 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 costs, which had increased substantially in prior years, effective October 1, 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.

	Beginning of Fiscal <u>Year Liability</u>	Current Year <u>Claim Estimates</u>	Claim <u>Payments</u>	End of Fiscal <u>Year Liability</u>
2007 – 2008	1,042,586	2,556,840	(2,030,110)	1,569,316
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

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 all permanent employees working more than half time. The School District retains a major portion of the risk of this plan, and, accordingly, is liable for any employee health claims that are approved for payment. Stop-loss limits are \$200,000 for individual claims and \$1,000,000 for aggregate claims. Health and medical expenditures totaled approximately \$18,287,856 for the year ended June 30, 2010 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, 2008, 2009 and 2010 follows:

	Beginning of Fiscal <u>Year Liability</u>	Current Year <u>Claim Estimates</u>	Claim <u>Payments</u>	End of Fiscal <u>Year Liability</u>
2007 – 2008	\$2,736,046	\$13,525,653	\$(13,517,409)	\$2,744,290
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

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, 2010.

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, 2010, 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, 2010, will not have a material effect on the financial statements as of and for the year ended June 30, 2010.

NOTE 12 - NEW ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board has passed several new accounting standards with upcoming implementation dates covering several topics as follows:

- GASB 54 – *Fund Balance Reporting and Governmental Fund Type Definitions*
- GASB 57 – *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*
- GASB 58 – *Accounting and Financial Reporting for Chapter 9 Bankruptcies*
- GASB 59 – *Financial Instruments Omnibus*

Of these statements, GASB 54 – *Fund Balance Reporting and Governmental Fund Type Definitions* will have a significant impact on the District's future financial reporting presentation. This statement will recategorize all existing fund balance classifications into five new categories:

- ✓ Nonspendable
- ✓ Restricted
- ✓ Committed
- ✓ Assigned
- ✓ Unassigned

The statement will require an analysis of all funds of the district to determine ongoing compliance with fund type categories as defined in the statement. In addition, the State of Alaska, Department of Education and Early Development is currently working on administrative regulations for financial reporting under the new statement which may also impact future financial statement or supplementary information presentation. GASB Statement 54 is in effect for the District's financial statements dated June 30, 2011.

Statements 57 through 59 are not expected to have any material impact on the financial statements.

NOTE 13 - SUBSEQUENT EVENTS

The district has no subsequent events to report.

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, 2010

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Local	\$ 42,983,376	\$ 42,983,376	\$ 42,983,376	\$ -
State	77,914,859	77,240,986	76,214,720	(1,026,266)
Federal-Through the State	450,000	450,000	408,492	(41,508)
Earnings on Investments	420,000	420,000	1,351,985	931,985
Other Revenues	726,000	726,000	679,043	(46,957)
Fund Balance Appropriation	1,245,667	4,524,843	-	(4,524,843)
Total Revenues	123,739,902	126,345,205	121,637,616	(4,707,589)
Expenditures:				
Current:				
Instruction	60,861,411	63,156,205	58,943,232	4,212,973
Special Education - Instruction	13,130,349	13,362,048	13,476,190	(114,142)
Special Education Services - Pupil	4,802,719	5,415,736	4,709,847	705,889
Support Services - Pupil	3,688,685	3,863,475	3,726,239	137,236
Support Services - Instruction	2,463,473	2,765,171	2,608,450	156,721
School Administration	5,511,331	6,242,974	5,946,291	296,683
School Administration - Support	4,109,130	4,204,794	4,126,102	78,692
District Administration	1,034,876	1,028,045	855,280	172,765
District Administration - Support	5,267,842	7,355,359	5,830,732	1,524,627
Operations & Maintenance of Plant	20,493,579	19,930,023	18,982,117	947,906
Pupil Activities	1,702,411	1,917,539	1,764,159	153,380
Total Expenditures	123,065,806	129,241,369	120,968,639	8,272,730
Other Financing Uses:				
Transfers Out - Special Revenue Fund	674,096	674,096	830,279	(156,183)
Total Expenditures and Other Financing Uses	123,739,902	129,915,465	121,798,918	8,116,547
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ -	\$ (3,570,260)	\$ (161,302)	\$ 3,408,958
Fund Balances, Beginning of Year			21,162,667	
Fund Balances, End of Year			\$ 21,001,365	

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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Federal-Through the State	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Instruction	-	6,379,978	1,237,558	5,142,420
School Administration	-	1,896	1,894	2
School Administration - Support	-	754,562	-	754,562
Operations & Maintenance of Plant	-	800,735	100,734	700,001
Total Expenditures	-	7,937,171	1,340,186	6,596,985
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ (7,937,171)</u>	<u>\$ (1,340,186)</u>	<u>\$ 6,596,985</u>
Fund Balances, Beginning of Year			<u>7,937,171</u>	
Fund Balances, End of Year			<u>\$ 6,596,985</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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Federal-Through the State	3,787,367	5,652,786	2,695,110	(2,957,676)
Expenditures:				
Current:				
Instruction	3,688,895	5,466,670	2,634,305	2,832,365
Support Services - Pupil	-	-	186	(186)
District Administration - Support	98,472	186,116	60,619	125,497
Total Expenditures	3,787,367	5,652,786	2,695,110	2,957,676
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ -	\$ -	\$ -	\$ -
Fund Balances, Beginning of Year			-	
Fund Balances, End of Year			\$ -	

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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Federal-Through the State	3,170,808	5,076,603	3,565,878	(1,510,725)
Expenditures:				
Current:				
Instruction	2,931,283	4,749,279	3,301,850	1,447,429
Support Services - Pupil	101,993	101,954	101,954	-
District Administration - Support	137,532	225,370	162,074	63,296
Total Expenditures	3,170,808	5,076,603	3,565,878	1,510,725
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ -	\$ -	\$ -	\$ -
Fund Balances, Beginning of Year			-	
Fund Balances, End of Year			\$ -	

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
BALANCE SHEET
June 30, 2010 and 2009

<u>ASSETS</u>	<u>2010</u>	<u>2009</u>
Cash on hand	\$ 29,739	\$ 38,986
Equity in Central Treasury	24,489,341	26,410,575
Accounts receivable	95,935	18,016
Prepaid Items	1,211,684	857,300
Due from Special Revenue Funds	4,951,464	2,607,885
Inventory	<u>769,189</u>	<u>793,795</u>
Total Assets	<u>\$ 31,547,352</u>	<u>\$ 30,726,557</u>
 <u>LIABILITIES AND FUND BALANCE</u> 		
Liabilities:		
Accounts payable	<u>\$ 302,763</u>	<u>\$ 324,999</u>
Accrued liabilities:		
Payroll	4,813,917	4,494,444
Retirement	424,462	308,751
Payroll taxes	1,721,212	1,410,930
Payroll deductions	28,350	13,998
Health	<u>3,255,283</u>	<u>3,010,768</u>
Total Accrued Liabilities	<u>10,243,224</u>	<u>9,238,891</u>
Total Liabilities	<u>10,545,987</u>	<u>9,563,890</u>
Fund Balance:		
Reserved for encumbrances	2,095,972	3,650,412
Reserved for inventory	769,189	793,795
Reserved for prepaid expenses	1,211,684	857,300
Reserved for self insurance - health care	<u>4,994,173</u>	<u>4,344,173</u>
Total Reserved Fund Balance	9,071,018	9,645,680
Unreserved:		
Designated for school/dept incentive purchases	584,169	631,750
Designated for charter schools	675,350	570,373
Designated for subsequent year operations	4,531,115	4,524,843
Designated for facilities maintenance	401,999	1,106,344
Undesignated	<u>5,737,714</u>	<u>4,683,677</u>
Total Unreserved Fund Balance	11,930,347	11,516,987
Total Fund Balance	<u>21,001,365</u>	<u>21,162,667</u>
Total Liabilities and Fund Balance	<u>\$ 31,547,352</u>	<u>\$ 30,726,557</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF CHANGES IN FUND BALANCE
For the Years Ended June 30, 2010 and 2009

	2010	2009
Fund Balance, Beginning of Year	\$ 21,162,667	\$ 19,394,111
Add Revenues and Other Financing Sources	121,637,616	121,389,798
Deduct Expenditures and Other Financing Uses	(121,798,918)	(119,621,242)
Fund Balance, End of Year	\$ 21,001,365	\$ 21,162,667

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance Positive (Negative)	
Revenues:					
Local:					
Operating Fund	\$ 34,829,436	\$ 33,813,342	\$ 33,813,342	\$ -	\$ 32,948,855
Kenai Peninsula Borough - In-Kind	8,153,940	9,170,034	9,170,034	-	8,198,090
Total Local	\$ 42,983,376	42,983,376	42,983,376	-	41,146,945
State:					
Public School Funding	63,027,255	64,062,959	64,062,960	1	62,317,926
Retirement: On-Behalf	14,640,379	12,927,832	11,901,565	(1,026,267)	15,227,995
LOG/Quality Schools	247,225	250,195	250,195	-	245,599
Other	-	-	-	-	-
Total State	77,914,859	77,240,986	76,214,720	(1,026,266)	77,791,520
Federal - Through the State:					
Medicaid	-	-	-	-	1,900
Medicaid - Direct Reimbursement	450,000	450,000	351,667	(98,334)	286,138
Medicaid - Allowance: State of Alaska	-	-	56,825	56,825	-
Total Federal - Through the State	450,000	450,000	408,492	(41,508)	288,038
Other Revenues:					
Earnings on Investments	420,000	420,000	1,351,985	931,985	1,563,679
Facilities Rental	30,000	30,000	39,600	9,600	33,800
Miscellaneous	50,000	50,000	63,780	13,780	139,526
E-Rate	646,000	646,000	575,663	(70,337)	426,290
Fund Balance Appropriation	1,245,667	4,524,843	-	(4,524,843)	-
Total Other Revenues	2,391,667	5,670,843	2,031,028	(3,639,815)	2,163,295
Total Revenues	123,739,902	126,345,205	121,637,616	(4,707,589)	121,389,798
Other Financing Sources:					
Operating Transfers In	-	-	-	-	-
Total Revenues and Other Financing Sources	\$ 123,739,902	\$ 126,345,205	\$ 121,637,616	\$ (4,707,589)	\$ 121,389,798

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Regular Instruction:					
Certified Salaries	\$ 31,226,454	\$ 31,502,612	\$ 30,682,228	\$ 820,384	\$ 28,674,521
Non-Certified Salaries	2,246,948	2,275,912	2,242,386	33,526	2,115,186
Employee Benefits	20,742,846	21,958,485	20,527,921	1,430,564	20,589,985
Professional-Technical Services	128,709	386,511	417,293	(30,782)	100,099
Travel	202,388	174,231	146,653	27,578	173,689
Student Travel	11,500	11,600	63,081	(51,481)	11,963
Utility Services	150,074	158,750	11,918	146,832	21,978
Purchased Services	929,644	1,038,022	607,725	430,297	813,829
Supplies and Materials	3,295,820	3,541,711	3,190,195	351,516	3,019,575
Other Expenses	1,076,528	1,125,350	120,225	1,005,125	85,194
Equipment	850,500	983,021	933,607	49,414	1,383,380
	<u>60,861,411</u>	<u>63,156,205</u>	<u>58,943,232</u>	<u>4,212,973</u>	<u>56,989,399</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Special Education Instruction:					
Certified Salaries	\$ 5,410,018	\$ 5,611,369	\$ 5,532,208	\$ 79,161	\$ 5,182,970
Non-Certified Salaries	2,308,321	2,418,570	2,461,637	(43,067)	2,269,792
Employee Benefits	5,123,506	5,039,018	5,217,608	(178,590)	5,343,949
Professional-Technical Services	12,468	26,380	11,656	14,724	9,555
Travel	57,896	38,567	34,117	4,450	33,198
Student Travel	8,501	6,445	2,290	4,155	77
Utility Services	-	-	715	(715)	-
Purchased Services	2,910	2,980	82	2,898	158
Supplies and Materials	66,116	76,066	71,217	4,849	75,981
Other Expenses	140,613	140,613	141,874	(1,261)	144,745
Equipment	-	2,040	2,786	(746)	13,413
	<u>13,130,349</u>	<u>13,362,048</u>	<u>13,476,190</u>	<u>(114,142)</u>	<u>13,073,838</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Special Education Services - Pupil:					
Certified Salaries	\$ 2,327,987	\$ 2,436,578	\$ 2,133,742	\$ 302,836	\$ 2,211,413
Non-Certified Salaries	359,198	317,359	398,805	(81,446)	309,391
Employee Benefits	1,607,389	1,591,573	1,422,066	169,507	1,589,288
Professional-Technical Services	368,286	923,661	623,481	300,180	357,057
Travel	93,297	73,877	68,757	5,120	57,226
Utility Services	5,345	4,938	4,001	937	5,034
Purchased Services	8,766	7,566	5,590	1,976	7,706
Supplies and Materials	28,739	51,372	45,075	6,297	26,031
Other Expenses	3,712	812	285	527	1,692
Equipment	-	8,000	8,045	(45)	2,788
	<u>4,802,719</u>	<u>5,415,736</u>	<u>4,709,847</u>	<u>705,889</u>	<u>4,567,626</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Support Services - Pupil:					
Certified Salaries	\$ 1,017,202	\$ 939,662	\$ 969,052	\$ (29,390)	\$ 991,049
Non-Certified Salaries	1,110,652	1,356,858	1,260,860	95,998	1,004,340
Employee Benefits	1,470,444	1,461,408	1,409,719	51,689	1,486,850
Professional-Technical Services	3,920	320	100	220	100
Travel	33,462	48,850	45,545	3,305	40,589
Utility Services	2,877	2,622	524	2,098	595
Purchased Services	15,062	12,788	3,535	9,253	3,719
Supplies and Materials	27,102	38,229	34,777	3,452	31,050
Other Expenses	7,964	1,403	771	632	6,573
Equipment	-	1,335	1,356	(21)	3,982
	<u>3,688,685</u>	<u>3,863,475</u>	<u>3,726,239</u>	<u>137,236</u>	<u>3,568,847</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Support Services - Instruction:					
Certified Salaries	\$ 839,161	\$ 862,370	\$ 811,761	\$ 50,609	\$ 789,533
Non-Certified Salaries	491,611	491,996	475,398	16,598	439,088
Employee Benefits	816,068	793,372	733,741	59,631	771,089
Professional-Technical Services	2,300	67,408	65,401	2,007	-
Travel	32,609	43,231	37,897	5,334	45,251
Student Travel	500	500	-	500	-
Utility Services	9,901	11,064	8,428	2,636	7,858
Purchased Services	119,691	262,258	254,181	8,077	100,680
Supplies and Materials	148,277	205,515	199,541	5,974	122,329
Other Expenses	3,355	5,008	3,312	1,696	1,723
Equipment	-	22,449	18,790	3,659	13,473
	<u>2,463,473</u>	<u>2,765,171</u>	<u>2,608,450</u>	<u>156,721</u>	<u>2,291,024</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
School Administration:					
Certified Salaries	\$ 3,587,476	\$ 4,176,457	\$ 3,955,565	\$ 220,892	\$ 3,510,423
Non-Certified Salaries	13,176	13,273	-	13,273	15,882
Employee Benefits	1,792,358	1,917,942	1,868,840	49,102	1,843,565
Professional - Technical Services	650	650	300	350	300
Travel	47,417	74,948	70,286	4,662	68,869
Utility Services	500	500	-	500	-
Purchased Services	-	-	16	(16)	-
Supplies and Materials	13,667	9,351	6,721	2,630	7,986
Other Expenses	30,837	32,603	32,003	600	31,615
Equipment	25,250	17,250	12,560	4,690	-
	<u>5,511,331</u>	<u>6,242,974</u>	<u>5,946,291</u>	<u>296,683</u>	<u>5,478,640</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
School Administration - Support:					
Non-Certified Salaries	\$ 1,959,133	\$ 2,064,280	\$ 2,040,211	\$ 24,069	\$ 1,886,817
Employee Benefits	1,455,729	1,442,032	1,455,865	(13,833)	1,500,777
Professional - Technical Services	1,500	1,500	-	1,500	-
Travel	1,450	7,051	12,253	(5,202)	5,892
Utility Services	566,839	509,444	451,762	57,682	405,038
Purchased Services	23,993	15,853	5,525	10,328	26,544
Supplies And Materials	66,536	66,530	68,097	(1,567)	97,109
Other Expenses	21,650	11,202	4,338	6,864	3,868
Equipment	12,300	86,902	88,051	(1,149)	65,215
	<u>4,109,130</u>	<u>4,204,794</u>	<u>4,126,102</u>	<u>78,692</u>	<u>3,991,260</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
District Administration:					
Certified Salaries	\$ 235,932	\$ 253,910	\$ 250,591	\$ 3,319	\$ 245,126
Non-Certified Salaries	169,736	188,947	171,616	17,331	115,052
Employee Benefits	290,950	242,760	246,076	(3,316)	247,127
Professional-Technical Services	133,354	113,289	23,375	89,914	49,108
Travel	72,862	83,915	54,428	29,487	71,094
Utility Services	21,315	19,483	13,785	5,698	13,747
Purchased Services	21,870	19,570	4,651	14,919	7,337
Supplies and Materials	20,482	21,045	18,428	2,617	24,350
Tuition and Stipends	38,400	42,000	33,600	8,400	29,335
Other Expenses	29,975	39,686	35,659	4,027	31,073
Equipment	-	3,440	3,071	369	1,235
	<u>1,034,876</u>	<u>1,028,045</u>	<u>855,280</u>	<u>172,765</u>	<u>834,584</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
District Administrative Support Services:					
Certified Salaries	\$ 226,330	\$ 240,816	\$ 273,317	\$ (32,501)	\$ 234,358
Non-Certified Salaries	1,917,749	2,086,882	2,266,179	(179,297)	1,940,095
Employee Benefits	1,270,758	1,215,935	1,282,124	(66,189)	1,454,517
Professional-Technical Services	138,750	266,587	181,724	84,863	137,811
Travel	69,899	100,059	87,670	12,389	80,495
Utility Services	48,122	170,310	162,387	7,923	27,711
Purchased Services	588,805	1,166,588	391,417	775,171	340,228
Insurance Premiums	448,395	764,975	764,975	-	486,447
Supplies and Materials	85,633	199,609	198,056	1,553	65,693
Other Expenses	156,498	165,469	32,322	133,147	23,482
Indirect Costs	300,903	300,903	(482,204)	783,107	(271,559)
Equipment	16,000	677,226	672,765	4,461	46,448
	<u>5,267,842</u>	<u>7,355,359</u>	<u>5,830,732</u>	<u>1,524,627</u>	<u>4,565,726</u>

Continued

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Operation and Maintenance of Plant:					
Certified Salaries	\$ -	\$ -	\$ 60	\$ (60)	\$ -
Non-Certified Salaries	3,204,118	3,272,765	3,048,784	223,981	2,855,507
Employee Benefits	2,264,738	2,172,236	2,131,591	40,645	2,552,007
Professional-Technical Services	-	-	7,000	(7,000)	-
Travel	15,502	13,199	4,258	8,941	3,975
Utility Services	431,473	431,473	333,106	98,367	305,911
Energy	6,688,816	5,725,036	4,810,469	914,567	5,160,787
Purchased Services	6,699,479	6,882,733	7,251,304	(368,571)	6,532,330
Insurance Premiums	815,583	919,789	919,788	1	763,345
Supplies and Materials	293,986	353,660	327,727	25,933	305,872
Other Expenses	77,384	52,535	-	52,535	(20,298)
Equipment	2,500	106,597	148,030	(41,433)	70,096
	<u>20,493,579</u>	<u>19,930,023</u>	<u>18,982,117</u>	<u>947,906</u>	<u>18,529,532</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
 YEAR ENDED JUNE 30, 2010
 With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Pupil Activity:					
Certified Salaries	\$ 921,916	\$ 1,034,865	\$ 785,822	\$ 249,043	\$ 667,526
Non-Certified Salaries	195,293	212,689	391,009	(178,320)	340,075
Employee Benefits	422,127	429,459	350,692	78,767	356,464
Professional - Technical Services	750	750	-	750	-
Travel	4,973	8,393	6,475	1,918	8,680
Student Travel	91,000	91,000	107,671	(16,671)	133,833
Utility Services	83	83	-	83	-
Purchased Services	20,744	33,210	21,294	11,916	16,714
Supplies and Materials	10,980	56,567	47,455	9,112	7,312
Other Expenses	34,545	35,560	38,785	(3,225)	24,271
Equipment	-	14,963	14,956	7	(275,185)
	<u>1,702,411</u>	<u>1,917,539</u>	<u>1,764,159</u>	<u>153,380</u>	<u>1,279,690</u>
 Total Expenditures	 <u>123,065,806</u>	 <u>129,241,369</u>	 <u>120,968,639</u>	 <u>8,272,730</u>	 <u>115,170,166</u>
Other Financing Uses:					
Transfer To Community Theater Fund	-	-	13,665	(13,665)	12,774
Transfer To Food Service Fund	674,096	674,096	316,614	357,482	424,998
Transfer To Charter School	-	-	-	-	2,322,383
Transfer To AASB - Laptop Initiative	-	-	-	-	76,133
Transfer To Pupil Transportation Fund	-	-	500,000	(500,000)	-
Transfer To Equipment Fund	-	-	-	-	1,614,788
Transfer To TRS Fund	-	-	-	-	-
Total Other Financing Uses	<u>674,096</u>	<u>674,096</u>	<u>830,279</u>	<u>(156,183)</u>	<u>4,451,076</u>
 Total Expenditures and Other Financing Uses	 <u>\$ 123,739,902</u>	 <u>\$ 129,915,465</u>	 <u>\$ 121,798,918</u>	 <u>\$ 8,116,547</u>	 <u>\$ 119,621,242</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 SCHEDULE OF COMPLIANCE - AS 14.17.505
 Year Ended June 30, 2010

	School Operating Fund		
	Reserved Fund Balance	Unreserved Fund Balance	Total
Reserved:			
Encumbrances	\$ 2,095,972	\$ -	\$ 2,095,972
Inventories	769,189	-	769,189
Prepaid Expenses	1,211,684	-	1,211,684
Self Insurance Health Care	4,994,173	-	4,994,173
Unreserved:			
Designated			
School Incentive Purchases	-	584,169	584,169
Charter Schools	-	675,350	675,350
Subsequent Year Operations	-	4,531,115	4,531,115
Facilities Maintenance	-	401,999	401,999
Undesignated	-	5,737,714	5,737,714
	\$ 9,071,018	\$ 11,930,347	\$ 21,001,365

Unreserved fund balance as a percentage of current year expenditures:

$$\frac{\text{Unreserved fund balance}}{\text{Current year expenditures}} = \frac{11,930,347}{120,968,639} = \underline{9.86\%}$$

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
SCHEDULE OF COMPLIANCE - AS 14.17.520
Year Ended June 30, 2010

Instruction:

Regular Instruction	\$ 58,943,232	
Special Education Instruction	13,476,190	
Special Education Services - Student	4,709,847	
Support Services - Pupil	3,726,239	
Support Services - Instruction	2,608,450	
School Administration	<u>5,946,291</u>	
Total Instruction	<u>89,410,249</u>	73.91%

Non-Instruction:

School Administration - Support	4,126,102	
District Administration	855,280	
District Administration - Support Services	5,830,732	
Operation of Plant	18,982,117	
Pupil Activities	<u>1,764,159</u>	
Total Non- Instruction	<u>31,558,390</u>	26.09%
Total Expenditures	<u>120,968,639</u>	

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
BALANCE SHEET - MAJOR FUND - EQUIPMENT
June 30, 2010

With Comparative Totals as of June 30, 2009

	2010	2009
ASSETS		
Equity in Central Treasury	\$ 6,676,615	\$ 7,937,171
Total Assets	\$ 6,676,615	\$ 7,937,171
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts Payable	\$ 79,630	\$ -
Due to General Fund	-	-
Total Liabilities	79,630	-
Special Revenue Fund	6,596,985	7,937,171
Total Fund Balance:	6,596,985	7,937,171
Total Liabilities and Fund Balances	\$ 6,676,615	\$ 7,937,171

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, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Local	\$ -	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-	-
Total Revenues	-	-	-	-	-
Other Financing Sources:					
Operating Transfers In	-	-	-	-	3,937,171
Total Revenues and Other Financing Sources	-	-	-	-	3,937,171
Expenditures					
Regular Instruction:					
Purchased Services	-	4,001	4,000	1	-
Supplies and Materials	-	287,064	195,279	91,785	-
Equipment	-	6,088,913	1,038,279	5,050,634	-
Total Regular Instruction	-	6,379,978	1,237,558	5,142,420	-
School Administration :					
Equipment	-	1,896	1,894	2	-
School Administration - Support:					
Professional - Technical Service	-	15,349	-	15,349	-
Utility Services	-	197,000	-	197,000	-
Supplies and Materials	-	87,666	-	87,666	-
Equipment	-	454,547	-	454,547	-
Total School Administration - Support	-	754,562	-	754,562	-
Operation and Maintenance of Plant:					
Professional - Technical Service	-	700,000	-	700,000	-
Purchased Services	-	66,875	66,875	-	-
Supplies and Materials	-	173	173	-	-
Equipment	-	33,687	33,686	1	-
Total Operation and Maintenance of Plant	-	800,735	100,734	700,001	-
Total Expenditures	-	7,937,171	1,340,186	2,909,128	-
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ (7,937,171)</u>	<u>(1,340,186)</u>	<u>\$ 6,596,985</u>	<u>3,937,171</u>
Fund Balance, Beginning of Year			7,937,171		4,000,000
Fund Balance, End of Year			<u>\$ 6,596,985</u>		<u>\$ 7,937,171</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 BALANCE SHEET - MAJOR FUND - STATE FISCAL STABILIZATION FUND
 June 30, 2010

With Comparative Totals as of June 30, 2009

	2010	2009
ASSETS		
Assets:		
Due from other Governments	\$ 1,092,890	\$ -
Total Assets	\$ 1,092,890	\$ -
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts Payable	\$ 3,407	\$ -
Due to General Fund	1,089,483	-
Total Liabilities	1,092,890	-
Fund Balance:	-	-
Total Liabilities and Fund Balances	\$ 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, 2010
 With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 3,787,367	\$ 5,652,786	\$ 2,695,110	\$ (2,957,676)	\$ -
Expenditures:					
Regular Instruction					
Certified Salaries	187,800	437,800	115,787	322,013	-
Non-Certified Salaries	37,000	37,000	27,980	9,020	-
Employee Benefits	93,473	93,473	23,726	69,747	-
Professional - Technical Service	354,000	704,000	683,688	20,312	-
Staff Travel	453,500	453,500	99,051	354,449	-
Student Travel	140,000	139,000	-	139,000	-
Utility Services	-	1,000	65	935	-
Purchased Services	3,000	8,500	8,249	251	-
Supplies and Materials	728,622	658,810	270,860	387,950	-
Other Expenses	-	1,242,087	-	1,242,087	-
Equipment	1,691,500	1,691,500	1,404,899	286,601	-
Total Regular Instruction	<u>3,688,895</u>	<u>5,466,670</u>	<u>2,634,305</u>	<u>2,832,365</u>	-
Support Services - Pupils					
Staff Travel	-	-	186	(186)	-
District Administration Support Services					
Indirect Costs	98,472	186,116	60,619	125,497	-
Total Expenditures	<u>3,787,367</u>	<u>5,652,786</u>	<u>2,695,110</u>	<u>2,957,676</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
 BALANCE SHEET - MAJOR FUND - TITLE I
 June 30, 2010

With Comparative Totals as of June 30, 2009

	2010	2009
ASSETS		
Assets:		
Accounts Receivable	\$ -	\$ 903
Due from other Governments	1,405,126	1,336,067
Total Assets	\$ 1,405,126	\$ 1,336,970
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts Payable	\$ 11,385	\$ 4,706
Due to General Fund	1,393,741	1,332,264
Total Liabilities	1,405,126	1,336,970
Fund Balance:	-	-
Total Liabilities and Fund Balances	\$ 1,405,126	\$ 1,336,970

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, 2010
 With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 3,170,808	\$ 5,076,603	\$ 3,565,878	\$ (1,510,725)	\$ 3,440,792
Expenditures:					
Regular Instruction					
Certified Salaries	1,053,339	1,846,859	1,310,500	536,359	1,348,482
Non-Certified Salaries	281,365	384,172	313,874	70,298	247,140
Employee Benefits	428,540	681,931	639,110	42,821	550,041
Professional - Technical Service	489,831	445,550	274,386	171,164	391,447
Staff Travel	120,213	250,035	195,446	54,589	250,713
Student Travel	7,500	52,817	2,405	50,412	954
Utility Services	5,300	6,255	4,826	1,429	5,375
Purchased Services	102,850	124,910	121,449	3,461	197,895
Supplies and Materials	139,206	465,560	410,594	54,966	176,211
Other Expenses	288,139	461,844	15,737	446,107	17,046
Equipment	15,000	29,346	13,523	15,823	39,621
Total Regular Instruction	<u>2,931,283</u>	<u>4,749,279</u>	<u>3,301,850</u>	<u>1,447,429</u>	<u>3,224,925</u>
Support Services - Pupil					
Certified Salaries	61,500	69,234	69,235	(1)	57,467
Non-Certified Salaries	-	903	902	1	429
Employee Benefits	22,254	29,927	29,927	-	24,710
Professional - Technical Service	1,200	875	875	-	-
Staff Travel	-	96	96	-	115
Supplies and Materials	319	919	919	-	506
Other Expenses	14,720	-	-	-	-
Equipment	2,000	-	-	-	-
Total Support Services - Pupil	<u>101,993</u>	<u>101,954</u>	<u>101,954</u>	<u>-</u>	<u>83,227</u>
District Administration Support Services					
Indirect Costs	137,532	225,370	162,074	63,296	132,640
Total Expenditures	<u>3,170,808</u>	<u>5,076,603</u>	<u>3,565,878</u>	<u>1,510,725</u>	<u>3,440,792</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>

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

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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.

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.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS

June 30, 2010
With Comparative Totals as of June 30, 2009

	AGC Alaska Works	ASDN Leadership	Building Trades	Carl Perkins Basic
ASSETS				
Equity in Central Treasury	\$ -	\$ -	\$ -	\$ -
Accounts receivable	-	-	-	-
Due from other Governments	72,364	15,423	-	124,403
Inventory	-	-	60,618	-
Total Assets	\$ 72,364	\$ 15,423	\$ 60,618	\$ 124,403
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ 877
Deferred Revenue	-	-	-	-
Due to General Fund	72,364	15,423	44,976	123,526
Total Liabilities	72,364	15,423	44,976	124,403
Fund Balances:				
Reserved for encumbrances	-	-	-	-
Reserved for equipment	-	-	-	-
Reserved for inventory	-	-	60,618	-
Unreserved:				
Unreserved - undesignated	-	-	(44,976)	-
Total Fund Balances	-	-	15,642	-
Total Liabilities and Fund Balances	\$ 72,364	\$ 15,423	\$ 60,618	\$ 124,403

Continued

	Community Theater	Corporate & Miscellaneous Grants	Food Service	Gear - Up Kenai
ASSETS				
Equity in Central Treasury	\$ -	\$ 4,416	\$ 431,678	\$ -
Accounts receivable	7,440	1,483	945	-
Due from other Governments	-	-	-	42,869
Inventory	-	-	332,908	-
Total Assets	\$ 7,440	\$ 5,899	\$ 765,531	\$ 42,869
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Deferred Revenue	-	-	-	-
Due to General Fund	7,440	-	-	42,869
Total Liabilities	7,440	-	-	42,869
Fund Balances:				
Reserved for encumbrances	-	-	-	-
Reserved for equipment	-	-	-	-
Reserved for inventory	-	-	332,908	-
Unreserved:				
Unreserved - undesignated	-	5,899	432,623	-
Total Fund Balances	-	5,899	765,531	-
Total Liabilities and Fund Balances	\$ 7,440	\$ 5,899	\$ 765,531	\$ 42,869

Continued

	Governor's Alternative	McKinney-Vento Homeless	McKinney-Vento Homeless - ARRA	Migrant Education
ASSETS				
Equity in Central Treasury	\$ -	\$ -	\$ -	\$ -
Accounts receivable	-	-	-	-
Due from other Governments	1,439	12,069	774	92
Inventory	-	-	-	-
Total Assets	\$ 1,439	\$ 12,069	\$ 774	\$ 92
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Deferred Revenue	-	-	-	-
Due to General Fund	1,439	12,069	774	92
Total Liabilities	1,439	12,069	774	92
Fund Balances:				
Reserved for encumbrances	-	-	-	-
Reserved for equipment	-	-	-	-
Reserved for inventory	-	-	-	-
Unreserved:				
Unreserved - undesignated	-	-	-	-
Total Fund Balances	-	-	-	-
Total Liabilities and Fund Balances	\$ 1,439	\$ 12,069	\$ 774	\$ 92

Continued

	Principal Coach	Pupil Transportaion	School Improvement	Staff Development Mini-Grants
ASSETS				
Equity in Central Treasury	\$ -	\$ 785,220	\$ -	\$ -
Accounts receivable	-	-	-	-
Due from other Governments	114,947	-	11,705	2,540
Inventory	-	-	-	-
Total Assets	\$ 114,947	\$ 785,220	\$ 11,705	\$ 2,540
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ 5,648	\$ -	\$ -
Deferred Revenue	-	-	-	-
Due to General Fund	114,947	-	11,705	2,540
Total Liabilities	114,947	5,648	11,705	2,540
Fund Balances:				
Reserved for encumbrances	-	-	-	-
Reserved for equipment	-	-	-	-
Reserved for inventory	-	-	-	-
Unreserved:				
Unreserved - undesignated	-	779,572	-	-
Total Fund Balances	-	779,572	-	-
Total Liabilities and Fund Balances	\$ 114,947	\$ 785,220	\$ 11,705	\$ 2,540

Continued

	Statewide Alaska Mentorship	Title I-A ARRA	Title I-D Delinquent	Title II-D ARRA
ASSETS				
Equity in Central Treasury	\$ -	\$ -	\$ -	\$ -
Accounts receivable	-	-	-	-
Due from other Governments	72,480	495,863	17,464	15,981
Inventory	-	-	-	-
Total Assets	\$ 72,480	\$ 495,863	\$ 17,464	\$ 15,981
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Deferred Revenue	-	-	-	-
Due to General Fund	72,480	495,863	17,464	15,981
Total Liabilities	72,480	495,863	17,464	15,981
Fund Balances:				
Reserved for encumbrances	-	-	-	-
Reserved for equipment	-	-	-	-
Reserved for inventory	-	-	-	-
Unreserved:				
Unreserved - undesignated	-	-	-	-
Total Fund Balances	-	-	-	-
Total Liabilities and Fund Balances	\$ 72,480	\$ 495,863	\$ 17,464	\$ 15,981

Continued

	Title VI-B IDEA	Title VI-B IDEA - ARRA	Title VII Indian Education	Upward Bound	Youth First
ASSETS					
Equity in Central Treasury	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable	-	-	4,083	-	-
Due from other Governments	840,660	378,612	138,796	22,718	41,500
Inventory	-	-	-	-	-
Total Assets	\$ 840,660	\$ 378,612	\$ 142,879	\$ 22,718	\$ 41,500
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 10,081	\$ -	\$ -	\$ -	\$ -
Deferred Revenue	-	-	-	-	-
Due to General Fund	830,579	378,612	142,879	22,718	41,500
Total Liabilities	840,660	378,612	142,879	22,718	41,500
Fund Balances:					
Reserved for encumbrances	-	-	-	-	-
Reserved for equipment	-	-	-	-	-
Reserved for inventory	-	-	-	-	-
Unreserved:					
Unreserved - undesignated	-	-	-	-	-
Total Fund Balances	-	-	-	-	-
Total Liabilities and Fund Balances	\$ 840,660	\$ 378,612	\$ 142,879	\$ 22,718	\$ 41,500

Concluded

	Youth In Detention	Total June 30, 2010	Total June 30, 2009
ASSETS			
Equity in Central Treasury	\$ 8,693	\$ 1,230,007	\$ 878,997
Accounts receivable	-	13,951	43,669
Due from other Governments	-	2,422,699	1,196,246
Inventory	-	393,526	267,430
Total Assets	\$ 8,693	\$ 4,060,183	\$ 2,386,342
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 8,693	\$ 25,299	\$ 51,302
Deferred Revenue	-	-	-
Due to General Fund	-	2,468,240	1,275,621
Total Liabilities	8,693	2,493,539	1,326,923
Fund Balances:			
Reserved for encumbrances	-	-	-
Reserved for equipment	-	-	-
Reserved for inventory	-	393,526	267,430
Unreserved:			
Unreserved - undesignated	-	1,173,118	791,989
Total Fund Balances	-	1,566,644	1,059,419
Total Liabilities and Fund Balances	\$ 8,693	\$ 4,060,183	\$ 2,386,342

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 NON-MAJOR SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 2010
 With Comparative Totals for Year Ended June 30, 2009

	AGC Alaska Works	ASDN Leadership	Building Trades	Carl Perkins - Basic
Revenues:				
Local	\$ 183,728	\$ -	\$ -	\$ -
State	-	-	-	-
Federal-Direct	-	-	-	-
Federal-Through the State	-	68,210	-	249,139
Federal-Through other Intermediate Agencies	-	-	-	-
Food sales	-	-	-	-
Corporate grants and user fees	-	-	-	-
Other	-	-	-	-
Total Revenues	183,728	68,210	-	249,139
Expenditures:				
Current:				
Regular Instruction	168,171	-	-	237,948
Special Education - Instruction	-	-	-	-
Health Services	-	-	-	-
School Administration	-	68,210	-	-
School Administration - Support	-	-	-	-
Data Processing Svcs	-	-	-	-
Supporting services - pupil	-	-	-	-
Operation of plant	7,413	-	-	-
Pupil Activity	-	-	-	-
Community services	-	-	-	-
District Administration Support Services	8,144	-	-	11,191
Pupil transportation	-	-	-	-
Food services	-	-	-	-
Total Expenditures	183,728	68,210	-	249,139
Excess (Deficiency) of Revenues over Expenditures	-	-	-	-
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses):	-	-	-	-
Net Changes In Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	15,642	-
Fund Balances, End of Year	\$ -	\$ -	\$ 15,642	\$ -

Continued

	Community Theater	Corporate & Miscellaneous Grants	Food Service	Food Service ARRA
Revenues:				
Local	\$ -	\$ -	\$ -	\$ -
State	-	11,285	-	-
Federal-Direct	-	-	-	-
Federal-Through the State	-	383	2,075,390	7,962
Federal-Through other Intermediate Agencies	-	-	-	-
Food sales	-	-	905,767	-
Corporate grants and user fees	44,465	62,126	-	-
Other	-	-	6,041	-
Total Revenues	44,465	73,794	2,987,198	7,962
Expenditures:				
Current:				
Regular Instruction	-	55,911	-	-
Special Education - Instruction	-	-	-	-
Health Services	-	-	-	-
School Administration	-	-	-	-
School Administration - Support	-	-	-	-
Data Processing Svcs	-	-	-	-
Supporting services - pupil	-	-	-	-
Operation of plant	-	-	-	-
Pupil Activity	-	55,054	-	-
Community services	58,130	-	-	-
District Administration Support Services	-	-	-	-
Pupil transportation	-	-	-	-
Food services	-	-	3,212,377	7,962
Total Expenditures	58,130	110,965	3,212,377	7,962
Excess (Deficiency) of Revenues over Expenditures	(13,665)	(37,171)	(225,179)	-
Other Financing Sources (Uses):				
Transfers in	13,665	-	316,614	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses):	13,665	-	316,614	-
Net Changes In Fund Balances	-	(37,171)	91,435	-
Fund Balances, Beginning of Year	-	43,070	674,096	-
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ 5,899</u>	<u>\$ 765,531</u>	<u>\$ -</u>

Continued

	Food Service FFVP	Gear Up Kenai	Governor's Alternative	Legislative Equipment
Revenues:				
Local	\$ -	\$ -	\$ -	\$ -
State	-	-	-	362,964
Federal-Direct	-	110,925	-	-
Federal-Through the State	11,017	-	7,817	-
Federal-Through other Intermediate Agencies	-	-	-	-
Food sales	-	-	-	-
Corporate grants and user fees	-	-	-	-
Other	-	-	-	-
Total Revenues	11,017	110,925	7,817	362,964
Expenditures:				
Current:				
Regular Instruction	-	105,713	7,666	340,955
Special Education - Instruction	-	-	-	-
Health Services	-	-	-	-
School Administration	-	-	-	-
School Administration - Support	-	-	-	251
Data Processing Svcs	-	-	-	-
Supporting services - pupil	-	-	-	-
Operation of plant	-	-	-	21,758
Pupil Activity	-	-	-	-
Community services	-	-	-	-
District Administration Support Services	-	5,212	151	-
Pupil transportation	-	-	-	-
Food services	11,017	-	-	-
Total Expenditures	11,017	110,925	7,817	362,964
Excess (Deficiency) of Revenues over Expenditures	-	-	-	-
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses):	-	-	-	-
Net Changes In Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -

Continued

	McKinney - Vento Homeless	McKinney - Vento Homeless - ARRA	Migrant Education	Principal Coach
Revenues:				
Local	\$ -	\$ -	\$ -	\$ -
State	-	-	-	413,000
Federal-Direct	-	-	-	-
Federal-Through the State	21,148	16,478	3,158	-
Federal-Through other Intermediate Agencies	-	-	-	-
Food sales	-	-	-	-
Corporate grants and user fees	-	-	-	-
Other	-	-	-	-
Total Revenues	21,148	16,478	3,158	413,000
Expenditures:				
Current:				
Regular Instruction	20,154	15,704	3,143	-
Special Education - Instruction	-	-	-	-
Health Services	-	-	-	-
School Administration	-	-	-	398,120
School Administration - Support	-	-	-	14,880
Data Processing Svcs	-	-	-	-
Supporting services - pupil	-	-	-	-
Operation of plant	-	-	-	-
Pupil Activity	-	-	-	-
Community services	-	-	-	-
District Administration Support Services	994	774	15	-
Pupil transportation	-	-	-	-
Food services	-	-	-	-
Total Expenditures	21,148	16,478	3,158	413,000
Excess (Deficiency) of Revenues over Expenditures	-	-	-	-
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses):	-	-	-	-
Net Changes In Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -

Continued

	Pupil Transportation	School Improvement	Staff Development Mini-Grants	Statewide Alaska Mentorship
Revenues:				
Local	\$ -	\$ -	\$ -	\$ -
State	5,459,969	-	19,747	182,844
Federal-Direct	-	-	-	-
Federal-Through the State	-	18,252	-	-
Federal-Through other Intermediate Agencies	-	-	-	-
Food sales	-	-	-	-
Corporate grants and user fees	-	-	-	-
Other	-	-	-	-
Total Revenues	5,459,969	18,252	19,747	182,844
Expenditures:				
Current:				
Regular Instruction	-	18,252	19,747	182,844
Special Education - Instruction	-	-	-	-
Health Services	-	-	-	-
School Administration	-	-	-	-
School Administration - Support	-	-	-	-
Data Processing Svcs	-	-	-	-
Supporting services - pupil	-	-	-	-
Operation of plant	-	-	-	-
Pupil Activity	12,699	-	-	-
Community services	-	-	-	-
District Administration Support Services	-	-	-	-
Pupil transportation	5,492,429	-	-	-
Food services	-	-	-	-
Total Expenditures	5,505,128	18,252	19,747	182,844
Excess (Deficiency) of Revenues over Expenditures	(45,159)	-	-	-
Other Financing Sources (Uses):				
Transfers in	500,000	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses):	500,000	-	-	-
Net Changes In Fund Balances	454,841	-	-	-
Fund Balances, Beginning of Year	324,731	-	-	-
Fund Balances, End of Year	\$ 779,572	\$ -	\$ -	\$ -

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	970,671	36,911	70,739	2,607,076
Federal-Through other Intermediate Agencies	-	-	-	-
Food sales	-	-	-	-
Corporate grants and user fees	-	-	-	-
Other	-	-	-	-
Total Revenues	970,671	36,911	70,739	2,607,076
Expenditures:				
Current:				
Regular Instruction	927,854	35,177	67,415	-
Special Education - Instruction	-	-	-	2,485,042
Health Services	-	-	-	-
School Administration	-	-	-	-
School Administration - Support	-	-	-	-
Data Processing Svcs	-	-	-	-
Supporting services - pupil	-	-	-	-
Operation of plant	-	-	-	-
Pupil Activity	-	-	-	-
Community services	-	-	-	-
District Administration Support Services	42,817	1,734	3,324	122,034
Pupil transportation	-	-	-	-
Food services	-	-	-	-
Total Expenditures	970,671	36,911	70,739	2,607,076
Excess (Deficiency) of Revenues over Expenditures	-	-	-	-
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses):	-	-	-	-
Net Changes In Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -

Continued

	Title VI-B IDEA - ARRA	Title VII Indian Education	Upward Bound	Youth First
Revenues:				
Local	\$ -	\$ -	\$ -	\$ -
State	-	-	-	99,577
Federal-Direct	-	290,228	-	-
Federal-Through the State	760,891	-	22,718	-
Federal-Through other Intermediate Agencies	-	-	-	-
Food sales	-	-	-	-
Corporate grants and user fees	-	-	-	-
Other	-	-	-	-
Total Revenues	760,891	290,228	22,718	99,577
Expenditures:				
Current:				
Regular Instruction	-	276,592	22,718	94,964
Special Education - Instruction	726,375	-	-	-
Health Services	-	-	-	-
School Administration	-	-	-	-
School Administration - Support	-	-	-	-
Data Processing Svcs	-	-	-	-
Supporting services - pupil	-	-	-	-
Operation of plant	-	-	-	-
Pupil Activity	-	-	-	-
Community services	-	-	-	-
District Administration Support Services	34,516	13,636	-	4,613
Pupil transportation	-	-	-	-
Food services	-	-	-	-
Total Expenditures	760,891	290,228	22,718	99,577
Excess (Deficiency) of Revenues over Expenditures	-	-	-	-
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses):	-	-	-	-
Net Changes In Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -

Concluded

	Youth In Detention	Youth Risk Behavior Survey	Total June 30, 2010	Total June 30, 2009
Revenues:				
Local	\$ -	\$ -	\$ 183,728	\$ 247,181
State	220,445	-	6,769,831	6,622,333
Federal-Direct	-	-	401,153	306,186
Federal-Through the State	-	-	6,947,960	4,127,794
Federal-Through other Intermediate Agencies	-	-	-	3,305
Food sales	-	-	905,767	952,018
Corporate grants and user fees	-	-	106,591	163,808
Other	-	-	6,041	99,178
Total Revenues	220,445	-	15,321,071	12,521,803
Expenditures:				
Current:				
Regular Instruction	210,088	1,880	2,812,896	1,853,217
Special Education - Instruction	-	-	3,211,417	1,973,849
Health Services	-	-	-	789
School Administration	-	-	466,330	415,784
School Administration - Support	-	-	15,131	35,597
Data Processing Svcs	-	-	-	-
Supporting services - pupil	-	-	-	-
Operation of plant	-	-	29,171	50,299
Pupil Activity	-	-	67,753	55,213
Community services	-	-	58,130	55,605
District Administration Support Services	10,357	-	259,512	138,918
Pupil transportation	-	-	5,492,429	5,586,792
Food services	-	-	3,231,356	3,243,735
Total Expenditures	220,445	1,880	15,644,125	13,409,798
Excess (Deficiency) of Revenues over Expenditures	-	(1,880)	(323,054)	(887,995)
Other Financing Sources (Uses):				
Transfers in	-	-	830,279	513,905
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses):	-	-	830,279	513,905
Net Changes In Fund Balances	-	(1,880)	507,225	(374,090)
Fund Balances, Beginning of Year	-	1,880	1,059,419	1,433,509
Fund Balances, End of Year	\$ -	\$ -	\$ 1,566,644	\$ 1,059,419

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
ASSOCIATION of ALASKA SCHOOL BOARDS - LAPTOP INITIATIVE
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
State	\$ -	\$ -	\$ -	\$ -	\$ 112,000
Other Financing Sources:					
Operating Transfers In	-	-	-	-	76,133
Total Revenues and Other Financing Sources	-	-	-	-	188,133
Expenditures:					
Regular Instruction					
Certified Salaries	-	-	-	-	480
Non-Certified Salaries	-	-	-	-	1,200
Employee Benefits	-	-	-	-	129
Professional - Technical Services	-	-	-	-	88,800
Travel	-	-	-	-	1,568
Purchased Services	-	-	-	-	1,050
Supplies and Materials	-	-	-	-	8,667
Equipment	-	-	-	-	86,239
Total Regular Instruction	-	-	-	-	188,133
District Administration Support Services					
Indirect Costs	-	-	-	-	-
Total Expenditures	-	-	-	-	188,133
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

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, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Local	\$ 188,689	\$ 188,689	\$ 183,728	\$ (4,961)	\$ 247,181
Total Revenues	<u>188,689</u>	<u>188,689</u>	<u>183,728</u>	<u>(4,961)</u>	<u>247,181</u>
Expenditures:					
Regular Instruction					
Certified Salaries	45,800	42,300	41,398	902	34,399
Non-Certified Salaries	37,500	37,500	29,334	8,166	29,071
Employee Benefits	31,507	31,507	27,558	3,949	22,921
Staff Travel	2,000	2,000	2,164	(164)	2,137
Student Travel	500	500	-	500	-
Supplies and Materials	50,000	55,600	57,327	(1,727)	106,747
Equipment	12,500	10,400	10,390	10	30,304
Total Regular Instruction	<u>179,807</u>	<u>179,807</u>	<u>168,171</u>	<u>11,636</u>	<u>225,579</u>
Operation and Maintenance of Plant					
Non-Certified Salaries	-	-	5,431	(5,431)	5,100
Employee Benefits	-	-	1,982	(1,982)	6,084
Total Operation and Maintenance of Plant	<u>-</u>	<u>-</u>	<u>7,413</u>	<u>(7,413)</u>	<u>11,184</u>
District Administration Support Services					
Indirect Costs	<u>8,882</u>	<u>8,882</u>	<u>8,144</u>	<u>738</u>	<u>10,418</u>
Total Expenditures	<u>188,689</u>	<u>188,689</u>	<u>183,728</u>	<u>4,961</u>	<u>247,181</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, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal - Through the State	\$ 48,210	\$ 68,210	\$ 68,210	\$ -	\$ 37,494
Expenditures:					
School Administration					
Professional - Technical Services	21,050	16,450	-	16,450	14,560
Staff Travel	22,660	44,760	65,395	(20,635)	18,434
Purchased Services	-	2,500	2,500	-	
Supplies and Materials	4,500	4,500	315	4,185	4,500
Total Expenditures	48,210	68,210	68,210	-	37,494
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, 2010
 With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 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, 2010
 With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal - Through the State	\$ 41,164	\$ 264,932	\$ 249,139	\$ (15,793)	\$ 165,376
Expenditures:					
Regular Instruction					
Certified Salaries	9,600	58,710	53,630	5,080	45,152
Non-Certified Salaries	3,400	21,486	21,486	-	23,927
Employee Benefits	5,150	18,711	18,711	-	15,826
Professional - Technical Service	3,000	30,000	28,371	1,629	15,325
Staff Travel	3,290	32,974	31,247	1,727	23,520
Student Travel	802	15,700	14,798	902	6,651
Utility Services	-	-	-	-	595
Purchased Services	4,600	2,000	1,443	557	2,510
Supplies and Materials	4,100	57,312	57,311	1	13,763
Other Expenses	-	-	-	-	290
Equipment	5,549	16,360	10,951	5,409	10,847
Total Regular Instruction	39,491	253,253	237,948	15,305	158,406
District Administration Support Services					
Indirect Costs	1,673	11,679	11,191	488	6,970
Total Expenditures	41,164	264,932	249,139	15,793	165,376
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, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
User Fees	\$ -	\$ -	\$ 44,465	\$ 44,465	\$ 42,831
Other Financing Sources:					
Operating Transfers In	-	-	13,665	13,665	12,774
Total Revenue and Other Financing Sources	-	-	58,130	58,130	55,605
Expenditures:					
Community Services					
Non-Certified Salaries	-	-	41,596	(41,596)	39,172
Employee Benefits	-	-	10,904	(10,904)	10,774
Professional - Technical Service	-	-	-	-	240
Staff Travel	-	-	2,205	(2,205)	1,956
Utility Services	-	-	1,314	(1,314)	1,077
Purchased Services	-	-	145	(145)	215
Supplies and Materials	-	-	1,966	(1,966)	2,171
Total Expenditures	-	-	58,130	(58,130)	55,605
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, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
State	\$ -	\$ 11,285	\$ 11,285	\$ -	\$ -
Federal - Through the State	-	500	383	117	-
Corporate Grants	<u>33,201</u>	<u>62,125</u>	<u>62,126</u>	<u>(1)</u>	<u>120,978</u>
Total Revenues	<u>33,201</u>	<u>73,910</u>	<u>73,794</u>	<u>116</u>	<u>120,978</u>
Expenditures:					
Regular Instruction					
Certified Salaries	1,560	1,560	1,676	(116)	21,675
Non-Certified Salaries	-	-	-	-	715
Employee Benefits	221	221	234	(13)	5,289
Professional - Technical Service	6,761	12,759	12,683	76	2,536
Staff Travel	-	-	-	-	3,084
Student Travel	1,853	1,523	1,523	-	5,909
Purchased Services	-	-	-	-	332
Supplies and Materials	12,161	18,094	10,161	7,933	14,910
Other Expenses	-	-	5,000	(5,000)	-
Equipment	<u>9,200</u>	<u>24,634</u>	<u>24,634</u>	<u>-</u>	<u>15,472</u>
Total Regular Instruction	<u>31,756</u>	<u>58,791</u>	<u>55,911</u>	<u>2,880</u>	<u>69,922</u>
Pupil Activity					
Certified Salaries	-	-	120	(120)	-
Non-Certified Salaries	-	440	598	(158)	468
Employee Benefits	-	-	21	(21)	35
Professional - Technical Services	-	500	700	(200)	250
Student Travel	2,630	8,143	6,774	1,369	24,178
Purchased Services	-	3,414	3,414	-	3,823
Supplies and Material	30,885	34,972	32,685	2,287	10,916
Other Expenses	10,000	-	-	-	-
Equipment	<u>1,000</u>	<u>10,720</u>	<u>10,742</u>	<u>(22)</u>	<u>450</u>
Total Pupil Activity	<u>44,515</u>	<u>58,189</u>	<u>55,054</u>	<u>3,634</u>	<u>40,120</u>
Total Expenditures	<u>76,271</u>	<u>116,980</u>	<u>110,965</u>	<u>6,514</u>	<u>110,042</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (43,070)</u>	<u>\$ (43,070)</u>	<u>(37,171)</u>	<u>\$ 5,899</u>	<u>10,936</u>
Fund Balance, Beginning of Year			<u>43,070</u>		<u>32,134</u>
Fund Balance, End of Year			<u>\$ 5,899</u>		<u>\$ 43,070</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, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	2009 Actual
Revenues:					
Federal-Through the State	\$ 1,854,000	\$ 1,854,000	\$ 1,908,798	\$ 54,798	\$ 1,636,922
Food Sales	910,000	910,000	905,767	(4,233)	952,018
Commodities	95,000	95,000	166,592	71,592	94,193
Other	-	-	6,041	6,041	4,985
Total Revenues	2,859,000	2,859,000	2,987,198	128,198	2,688,118
Other Financing Sources:					
Operating Transfers In	674,096	674,096	316,614	(357,482)	424,998
Total Revenues and Other Financing Sources	3,533,096	3,533,096	3,303,812	(229,284)	3,113,116
Expenditures:					
Food Services					
Non-Certified Salaries	1,134,784	1,134,784	1,180,254	(45,470)	1,124,772
Employee Benefits	718,762	718,762	726,812	(8,050)	658,394
Staff Travel	14,000	15,416	14,227	1,189	14,644
Utility Services	4,550	4,550	3,004	1,546	3,869
Purchased Services	63,500	59,512	35,330	24,182	36,218
Supplies and Materials	1,566,000	1,533,410	1,210,949	322,461	1,236,600
Other Expenses	1,500	3,662	3,152	510	1,368
Equipment	30,000	63,000	38,649	24,351	157,335
Total Expenditures	3,533,096	3,533,096	3,212,377	320,719	3,233,200
Excess (Deficiency) of Revenue over Expenditures	\$ -	\$ -	91,435	\$ 91,435	(120,084)
Fund Balance, Beginning of Year			674,096		794,180
Fund Balance, End of Year			\$ 765,531		\$ 674,096

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, 2010
 With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 10,000	\$ 10,000	\$ 7,962	\$ (2,038.00)	\$ -
Expenditures:					
Food Service					
Supplies and Materials	10,000	10,000	7,962	2,038	-
Total Expenditures	10,000	10,000	7,962	2,038	-
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

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, 2010
 With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 2,500	\$ 11,025	\$ 11,017	\$ (8)	\$ 10,535
Expenditures:					
Food Service					
Supplies and Materials	2,500	11,025	11,017	8	10,535
Total Expenditures	2,500	11,025	11,017	8	10,535
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 GEAR UP KENAI PENINSULA
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE-
 BUDGET (GAAP BASIS) AND ACTUAL
 YEAR ENDED JUNE 30, 2010
 With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Direct	\$ 118,400	\$ 118,400	\$ 110,925	\$ (7,475)	\$ 119,302
Expenditures:					
Regular Instruction					
Professional - Technical Service	112,837	112,837	101,713	11,124	110,274
Other Expenses	-	-	4,000	(4,000)	4,000
Total Regular Instruction	112,837	112,837	105,713	7,124	114,274
District Administration Support Services					
Indirect Costs	5,563	5,563	5,212	351	5,028
Total Expenditures	118,400	118,400	110,925	7,475	119,302
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
GOVERNOR'S ALTERNATIVE SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 7,830	\$ 7,830	\$ 7,817	\$ (13)	\$ 23,000
Expenditures:					
Regular Instruction					
Supplies and Materials	7,500	3,431	3,418	13	15,658
Equipment	-	4,248	4,248	-	6,373
Total Regular Instruction	7,500	7,679	7,666	13	22,031
District Administration Support Services					
Indirect Costs	330	151	151	-	969
Total Expenditures	7,830	7,830	7,817	13	23,000
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, 2010

With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
State	\$ 507,654	\$ 507,654	\$ 362,964	\$ (144,690)	\$ 335,578
Expenditures:					
Regular Instruction					
Professional - Technical	-	2,670	2,670	-	4,434
Purchased Services	-	1,035	1,035	-	11,918
Supplies and Materials	452,129	227,667	81,999	145,668	140,521
Equipment	49,609	256,261	255,251	1,010	137,257
Total Regular Instruction	501,738	487,633	340,955	146,678	294,130
Health Services					
Supplies and Materials	-	-	-	-	789
School Administration - Support					
Supplies and Materials	-	450	251	-	918
Equipment	-	-	-	-	626
Total School Administration - Support	-	450	251	-	1,544
Operation of Plant					
Supplies and Materials	-	3,221	4,089	(868)	11,320
Equipment	5,916	19,669	17,669	2,000	27,795
Total Operation of Plant	5,916	22,890	21,758	1,132	39,115
Total Expenditures	507,654	510,973	362,964	147,810	335,578
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ (3,319)	-	\$ -	-
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, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 21,148	\$ 21,148	\$ 21,148	\$ -	\$ 33,348
Expenditures:					
Regular Instruction					
Certified Salaries	2,000	-	-	-	-
Non-Certified Salaries	8,872	9,395	6,705	2,690	1,655
Employee Benefits	2,580	2,580	1,940	640	374
Staff Travel	3,000	855	851	4	2,651
Student Travel	2,434	700	700	-	8,670
Purchased Services	-	-	-	-	8,063
Supplies and Materials	1,268	6,624	9,958	(3,334)	10,399
Other Expenses	-	-	-	-	131
Total Regular Instruction	<u>20,154</u>	<u>20,154</u>	<u>20,154</u>	<u>-</u>	<u>31,943</u>
District Administration Support Services					
Indirect Costs	<u>994</u>	<u>994</u>	<u>994</u>	<u>-</u>	<u>1,405</u>
Total Expenditures	<u>21,148</u>	<u>21,148</u>	<u>21,148</u>	<u>-</u>	<u>33,348</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
Fund Balance, Beginning of Year			<u>-</u>		<u>-</u>
Fund Balance, End of Year			<u>\$ -</u>		<u>\$ -</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
MCKINNEY-VENTO HOMELESS/AMERICAN RECOVERY AND REINVESTMENT ACT
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 37,587	\$ 37,587	\$ 16,478	\$ (21,109)	\$ -
Expenditures:					
Regular Instruction					
Certified Salaries	-	-	-	-	-
Non-Certified Salaries	2,000	2,000	-	2,000	-
Employee Benefits	200	200	-	200	-
Staff Travel	-	-	-	-	-
Student Travel	7,000	1,913	1,909	4	-
Purchased Services	1,295	7,295	7,293	2	-
Supplies and Materials	7,415	6,502	6,502	-	-
Other Expenses	17,911	17,911	-	17,911	-
Total Regular Instruction	35,821	35,821	15,704	20,117	-
District Administration Support Services					
Indirect Costs	1,766	1,766	774	992	-
Total Expenditures	37,587	37,587	16,478	21,109	-
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
MIGRANT EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 7,843	\$ 7,843	\$ 3,158	\$ (4,685)	\$ 2,155
Expenditures:					
Regular Instruction				-	
Staff Travel	4,765	4,765	300	4,465	
Supplies and Materials	2,843	2,843	2,843	-	2,155
Total Regular Instruction	7,608	7,608	3,143	4,465	2,155
District Administration Support Services					
Indirect Costs	235	235	15	220	-
Total Expenditures	7,843	7,843	3,158	4,685	2,155
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
NSTA/NASA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal - Through other Intermediate Agencies	\$ -	\$ -	\$ -	\$ -	\$ 3,305
Expenditures:					
Regular Instruction					
Supplies and Materials	-	-	-	-	2,665
Equipment	-	-	-	-	640
Total Expenditures	-	-	-	-	3,305
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 PRINCIPAL COACH
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE-
 BUDGET (GAAP BASIS) AND ACTUAL
 YEAR ENDED JUNE 30, 2010
 With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
State	\$ 413,000	\$ 413,000	\$ 413,000	\$ -	\$ 412,343
Expenditures:					
School Administration					
Professional - Technical Service	60,000	60,000	114,376	(54,376)	56,210
Staff Travel	300,803	300,803	231,517	69,286	288,129
Utility Services	3,750	3,750	3,592	158	2,961
Purchases Services	600	600	-	600	527
Supplies and Materials	30,000	30,000	41,562	(11,562)	26,613
Other Expenses	4,000	4,000	1,589	2,411	3,850
Equipment	-	-	5,484	(5,484)	-
Total School Administration	<u>399,153</u>	<u>399,153</u>	<u>398,120</u>	<u>1,033</u>	<u>378,290</u>
School Administration - Support					
Non-Certified Salaries	8,500	8,500	8,792	(292)	21,896
Employee Benefits	<u>5,347</u>	<u>5,347</u>	<u>6,088</u>	<u>(741)</u>	<u>12,157</u>
Total School Administration - Support	<u>13,847</u>	<u>13,847</u>	<u>14,880</u>	<u>(1,033)</u>	<u>34,053</u>
Total Expenditures	<u>413,000</u>	<u>413,000</u>	<u>413,000</u>	<u>-</u>	<u>412,343</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
PUPIL TRANSPORTATION
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	2009 Actual
Revenue:					
State	\$ 5,771,986	\$ 5,771,986	\$ 5,459,969	\$ (312,017)	\$ 5,335,064
Total Revenue	<u>5,771,986</u>	<u>5,771,986</u>	<u>5,459,969</u>	<u>(312,017)</u>	<u>5,335,064</u>
Other Financing Sources					
Operating Transfer In	<u>-</u>	<u>-</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>
Total Revenues and Other Financing Sources	<u>5,771,986</u>	<u>5,771,986</u>	<u>5,959,969</u>	<u>187,983</u>	<u>5,335,064</u>
Expenditures:					
Pupil Activity					
Non-Certified Salaries	3,000	3,000	1,458	1,542	1,838
Employee Benefits	239	239	109	130	140
Staff Travel	2,661	459	135	324	449
Purchased Services	2,000	9,927	5,991	3,936	1,844
Supplies and Materials	23,000	17,275	10,094	7,181	14,326
Other Expenses	<u>2,000</u>	<u>2,000</u>	<u>(5,088)</u>	<u>7,088</u>	<u>(3,503)</u>
Total Pupil Activity	<u>32,900</u>	<u>32,900</u>	<u>12,699</u>	<u>20,201</u>	<u>15,094</u>
Pupil Transportation					
Non-Certified Salaries	111,040	111,040	116,010	(4,970)	110,622
Employee Benefits	62,000	62,000	55,261	6,739	51,174
Staff Travel	9,000	9,000	5,075	3,925	4,712
Utility Services	1,600	2,100	1,014	1,086	924
Purchased Services	4,991,746	4,874,246	4,728,070	146,176	4,738,420
Supplies and Materials	552,400	674,900	586,924	87,976	680,790
Other Expenses	<u>11,300</u>	<u>5,800</u>	<u>75</u>	<u>5,725</u>	<u>150</u>
Total Pupil Transportation	<u>5,739,086</u>	<u>5,739,086</u>	<u>5,492,429</u>	<u>246,657</u>	<u>5,586,792</u>
Total Expenditures	<u>5,771,986</u>	<u>5,771,986</u>	<u>5,505,128</u>	<u>266,858</u>	<u>5,601,886</u>
Excess (Deficiency) of Revenue over Expenditures	<u>\$ -</u>	<u>\$ -</u>	454,841	<u>\$ 454,841</u>	(266,822)
Fund Balance, Beginning of Year			<u>324,731</u>		<u>591,553</u>
Fund Balance, End of Year			<u>\$ 779,572</u>		<u>\$ 324,731</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, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal - Through the State	\$ 18,601	\$ 18,601	\$ 18,252	\$ (349)	\$ -
Expenditures:					
Regular Instruction					
Non-Certified Salaries	500	500	-	500	-
Employee Benefits	40	40	-	40	-
Professional - Technical Service	15,500	15,500	16,772	(1,272)	-
Staff Travel	1,000	1,000	1,480	(480)	-
Supplies and Materials	1,561	1,561	-	1,561	-
Total Expenditures	18,601	18,601	18,252	349	-
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 STAFF DEVELOPMENT MINI-GRANTS
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE-
 BUDGET (GAAP BASIS) AND ACTUAL
 YEAR ENDED JUNE 30, 2010
 With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
State	\$ 4,207	\$ 26,537	\$ 19,747	\$ (6,790)	\$ 18,458
Total Revenues	<u>4,207</u>	<u>26,537</u>	<u>19,747</u>	<u>(6,790)</u>	<u>18,458</u>
Expenditures:					
Regular Instruction					
Certified Salaries	-	1,300	1,020	280	240
Non-Certified Salaries	-	240	200	40	400
Employee Benefits	-	70	93	(23)	49
Staff Travel	4,207	24,927	18,434	6,493	17,700
Other Expensed	-	-	-	-	69
Total Expenditures	<u>4,207</u>	<u>26,537</u>	<u>19,747</u>	<u>6,790</u>	<u>18,458</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, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
State	\$ 186,436	\$ 186,436	\$ 182,844	\$ (3,592)	\$ 76,622
Expenditures:					
Regular Instruction					
Certified Salaries	132,610	132,610	137,222	(4,612)	57,531
Non-Certified Salaries	-	-	900	(900)	-
Employee Benefits	41,575	41,575	44,722	(3,147)	19,091
Supplies and Materials	400	400	-	400	-
Other Expenses	11,851	11,851	-	11,851	-
Total Expenditures	186,436	186,436	182,844	3,592	76,622
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, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 1,776,201	\$ 1,776,201	\$ 970,671	\$ (805,530)	\$ -
Expenditures:					
Regular Instruction					
Certified Salaries	243,400	605,000	359,415	245,585	-
Non Certified Salaries	23,400	25,000	21,152	3,848	-
Employee Benefits	58,820	100,000	82,695	17,305	-
Professional-Technical Services	562,590	389,716	92,424	297,292	-
Staff Travel	20,000	45,000	40,078	4,922	-
Student Travel	40,000	30,000	5,603	24,397	-
Utility Services	-	2,500	607	1,893	-
Purchased Services	-	70,000	13,796	56,204	-
Supplies and Materials	90,000	358,821	252,732	106,089	-
Other Expenses	654,539	-	-	-	-
Equipment	-	70,000	59,352	10,648	-
Total Regular Instruction	<u>1,692,749</u>	<u>1,696,037</u>	<u>927,854</u>	<u>768,183</u>	<u>-</u>
District Administration Support Services					
Indirect Costs	<u>83,452</u>	<u>80,164</u>	<u>42,817</u>	<u>37,347</u>	<u>-</u>
Total Expenditures	<u>1,776,201</u>	<u>1,776,201</u>	<u>970,671</u>	<u>805,530</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
TITLE I-D, DELINQUENT
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 47,859	\$ 47,859	\$ 36,911	\$ (10,948)	\$ 46,300
Expenditures:					
Regular Instruction					
Certified Salaries	-	5,914	5,914	-	4,224
Non Certified Salaries	-	3,686	3,572	114	2,377
Employee Benefits	-	1,985	1,924	61	1,291
Professional-Technical Services	-	30,526	23,767	6,759	33,457
Supplies and Materials	-	3,500	-	3,500	3,000
Other Expenses	45,611	-	-	-	-
Total Regular Instruction	45,611	45,611	35,177	10,434	44,349
District Administration Support Services					
Indirect Costs	2,248	2,248	1,734	514	1,951
Total Expenditures	47,859	47,859	36,911	10,948	46,300
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

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, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 97,492	\$ 97,492	\$ 70,739	\$ (26,753)	\$ -
Expenditures:					
Regular Instruction					
Certified Salaries	17,500	17,500	6,213	11,287	-
Non Certified Salaries	4,200	4,200	1,643	2,557	-
Employee Benefits	2,292	2,292	755	1,537	-
Professional-Technical Services	8,000	-	-	-	-
Staff Travel	43,670	10,195	9,786	409	-
Purchased Services	-	-	-	-	-
Supplies and Materials	9,749	51,577	49,018	2,559	-
Other Expenses	353	-	-	-	-
Equipment	7,500	7,500	-	7,500	-
Total Regular Instruction	93,264	93,264	67,415	25,849	-
District Administration Support Services					
Indirect Costs	4,228	4,228	3,324	904	-
Total Expenditures	97,492	97,492	70,739	26,753	-
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
TITLE VI-B, IDEA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 1,351,873	\$ 3,505,752	\$ 2,607,076	\$ (898,676)	\$ 2,060,698
Expenditures:					
Special Education - Instruction					
Certified Salaries	252,924	548,725	379,855	168,870	352,867
Non-Certified Salaries	350,509	1,368,161	1,041,151	327,010	839,257
Employee Benefits	668,185	1,214,520	906,057	308,463	697,019
Professional - Technical Service	-	60,000	54,591	5,409	11,606
Staff Travel	3,000	53,812	42,427	11,385	28,534
Purchased Services	-	5,000	1,490	3,510	-
Supplies and Materials	6,659	52,700	49,765	2,935	33,875
Other Expenses	3,268	-	-	-	-
Equipment	4,000	40,000	9,706	30,294	10,691
Total Special Education - Instruction	<u>1,288,545</u>	<u>3,342,918</u>	<u>2,485,042</u>	<u>857,876</u>	<u>1,973,849</u>
District Administration Support Services					
Indirect Costs	<u>63,328</u>	<u>162,834</u>	<u>122,034</u>	<u>40,800</u>	<u>86,849</u>
Total Expenditures	<u>1,351,873</u>	<u>3,505,752</u>	<u>2,607,076</u>	<u>898,676</u>	<u>2,060,698</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
Fund Balance, Beginning of Year			<u>-</u>		<u>-</u>
Fund Balance, End of Year			<u>\$ -</u>		<u>\$ -</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
TITLE VI-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, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010			Variance- Positive (Negative)	2009 Actual
	Original Budget	Current Budget	Actual		
Revenues:					
Federal-Through the State	\$ 2,547,745	\$ 2,547,745	\$ 760,891	\$ (1,786,854)	\$ -
Expenditures:					
Special Education - Instruction					
Certified Salaries	428,379	380,379	6,474	373,905	-
Non-Certified Salaries	783,230	783,230	168,358	614,872	-
Employee Benefits	739,136	739,136	139,122	600,014	-
Professional - Technical Service	150,000	80,000	12,232	67,768	-
Staff Travel	100,000	85,000	51,822	33,178	-
Purchased Services	15,000	9,373	-	9,373	-
Supplies and Materials	282,000	327,000	322,117	4,883	-
Equipment	50,000	30,000	26,250	3,750	-
Total Special Education - Instruction	2,547,745	2,434,118	726,375	1,707,743	-
District Administration Support Services					
Indirect Costs	-	113,627	34,516	79,111	-
Total Expenditures	2,547,745	2,547,745	760,891	1,786,854	-
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balance, Beginning of Year			-		-
Fund Balance, End of Year			\$ -		\$ -

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, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Direct	\$ 324,099	\$ 324,099	\$ 290,228	\$ (33,871)	\$ 306,186
Expenditures:					
Regular Instruction					
Certified Salaries	132,065	114,000	100,551	13,449	5,426
Non-Certified Salaries	17,282	29,721	29,552	169	93,485
Employee Benefits	49,725	55,257	56,053	(796)	58,108
Professional - Technical Service	70,800	69,444	60,462	8,982	102,345
Staff Travel	-	1,336	1,336	-	10,082
Student Travel	34,000	33,605	23,386	10,219	19,535
Utility Services	1,000	1,374	1,374	-	1,138
Purchased Services	-	20	20	-	176
Supplies and Materials	4,000	4,000	3,743	257	956
Other Expenses	-	115	115	-	782
Equipment	-	-	-	-	1,249
Total Regular Instruction	<u>308,872</u>	<u>308,872</u>	<u>276,592</u>	<u>32,280</u>	<u>293,282</u>
District Administration Support Services					
Indirect Costs	<u>15,227</u>	<u>15,227</u>	<u>13,636</u>	<u>1,591</u>	<u>12,904</u>
Total Expenditures	<u>324,099</u>	<u>324,099</u>	<u>290,228</u>	<u>33,871</u>	<u>306,186</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, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ 26,352	\$ 26,352	\$ 22,718	\$ (3,634)	\$ 22,658
Expenditures:					
Regular Instruction					
Certified Salaries	9,000	9,000	9,120	(120)	9,120
Non-Certified Salaries	4,500	4,500	4,500	-	5,106
Employee Benefits	1,604	1,604	1,592	12	1,645
Professional-Technical Services	-	-	-	-	50
Student Travel	2,122	2,122	2,361	(239)	1,668
Supplies and Materials	1,296	1,296	53	1,243	283
Other Expenses	7,830	7,830	5,092	2,738	4,786
Total Expenditures	26,352	26,352	22,718	3,634	22,658
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, 2010
With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
State	\$ 99,577	\$ 99,577	\$ 99,577	\$ -	\$ 77,418
Expenditures:					
Regular Instruction					
Certified Salaries	57,290	33,919	28,060	5,859	26,855
Non-Certified Salaries	-	19,440	24,372	(4,932)	6,956
Employee Benefits	17,460	17,460	18,806	(1,346)	4,116
Professional - Technical Service	-	4,800	4,380	420	-
Staff Travel	8,900	3,520	3,520	-	1,883
Student Travel	3,500	1,207	1,207	-	2,507
Utility Services	-	-	4	(4)	-
Purchases Services	-	-	-	-	132
Supplies and Materials	7,750	14,618	13,209	1,409	22,637
Equipment	-	-	1,406	(1,406)	9,069
Total Regular Instruction	<u>94,900</u>	<u>94,964</u>	<u>94,964</u>	<u>-</u>	<u>74,155</u>
District Administration Support Services					
Indirect Costs	<u>4,677</u>	<u>4,613</u>	<u>4,613</u>	<u>-</u>	<u>3,263</u>
Total Expenditures	<u>99,577</u>	<u>99,577</u>	<u>99,577</u>	<u>-</u>	<u>77,418</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, 2010
 With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
State	\$ 220,445	\$ 220,445	\$ 220,445	\$ -	\$ 217,356
Expenditures:					
Regular Instruction					
Certified Salaries	120,223	117,536	113,442	4,094	113,032
Non-Certified Salaries	32,715	36,338	36,000	338	35,101
Employee Benefits	48,023	51,094	51,504	(410)	49,009
Professional - Technical Service	4,547	-	3,500	(3,500)	-
Purchased Services	-	-	-	-	7,000
Supplies and Materials	4,725	5,925	5,642	283	4,053
Other Expenses	-	-	-	-	-
Equipment	-	-	-	-	-
Total Regular Instruction	<u>210,233</u>	<u>210,893</u>	<u>210,088</u>	<u>-</u>	<u>208,195</u>
District Administration Support Services					
Indirect Costs	<u>10,212</u>	<u>9,552</u>	<u>10,357</u>	<u>-</u>	<u>9,161</u>
Total Expenditures	<u>220,445</u>	<u>220,445</u>	<u>220,445</u>	<u>-</u>	<u>217,356</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, 2010
 With Comparative Actual Totals for Year Ended June 30, 2009

	2010				2009 Actual
	Original Budget	Current Budget	Actual	Variance- Positive (Negative)	
Revenues:					
Federal-Through the State	\$ -	\$ -	\$ -	\$ -	\$ 7,500
Expenditures:					
Regular Instruction	-	-	-	-	165
Student Travel	-	-	-	-	-
Supplies and Materials	1,880	1,880	1,880	-	5,455
Total Expenditures	1,880	1,880	1,880	-	5,620
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,880)	\$ (1,880)	(1,880)	\$ -	1,880
Fund Balance, Beginning of Year			1,880		-
Fund Balance, End of Year			\$ -		\$ 1,880

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FIDUCIARY FUND

Fiduciary Fund – Statement of Changes in Assets and Liabilities

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KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 FIDUCIARY FUND
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 Year Ended June 30, 2010

<u>Student Activity</u>	<u>Total June 30, 2009</u>	<u>Increases</u>	<u>Decreases</u>	<u>Total June 30, 2010</u>
Assets:				
Equity in Central Treasury	\$ 2,066,812	\$ 3,848,522	\$ 3,653,706	\$ 2,261,628
Accounts Receivable	400	-	400	-
Cash	145,727	-	115,049	30,678
Total Assets:	<u>\$ 2,212,939</u>	<u>\$ 3,848,522</u>	<u>\$ 3,769,155</u>	<u>\$ 2,292,306</u>
Liabilities:				
Accounts Payable	\$ 510	\$ 785	\$ (510)	\$ 785
Amount Due Student Groups	2,212,429	3,847,737	3,539,567	2,291,521
Total Liabilities:	<u>\$ 2,212,939</u>	<u>\$ 3,848,522</u>	<u>\$ 3,539,057</u>	<u>\$ 2,292,306</u>

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CAPITAL ASSETS

Schedule of Changes in General Capital Assets

Schedule of General Capital Assets – By Location

Comparative Schedule of General Capital Assets – By Source

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KENAI PENINSULA BOROUGH SCHOOL DISTRICT
 SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS
 Year Ended June 30, 2010

	General Capital Assets June 30, 2009	Additions	Deletions	Transfers	General Capital Assets June 30, 2010
Administration	\$ 1,918,528	\$ 430,398	\$ (504,546)	\$ (208,900)	\$ 1,635,480
Schools	4,734,760	137,102	(542,174)	208,900	4,538,588
	<u>\$ 6,653,288</u>	<u>\$ 567,500</u>	<u>\$ (1,046,720)</u>	<u>\$ -</u>	<u>\$ 6,174,068</u>

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
SCHEDULE OF GENERAL CAPITAL ASSETS - BY LOCATION
6/30/2010

	Equipment		Equipment
Administration:		Kenai:	
District Office and		High School	690,172
Warehouse	\$ 1,635,480	Kaleidoscope	21,389
Total Administration	1,635,480	Kenai Alternative	6,373
		Middle School	67,960
		Mt. View Elementary	37,352
		Total Kenai	823,246
Schools:			
Outside Cities:		Seldovia:	
Aurora Borealis	105,169	Susan B. English	176,655
Chapman Elementary	28,340	Total Seldovia	176,655
Hope	18,930		
Kachemak Selo	-	Seward:	
K-Beach	63,186	Elementary	33,879
McNeil Canyon	42,592	High School	399,424
Moose Pass	-	Middle	21,465
Nanwalek	19,081	Spring Creek	5,389
Nikiski High	462,158	Total Seward	460,157
Nikiski North Star	62,648		
Nikolaevsk	97,171	Soldotna:	
Ninilchik	212,514	Connections	6,775
Port Graham	17,878	Elementary	63,717
Skyview High	346,552	High School	550,170
Sterling	29,413	Middle School	93,462
Tebughna	24,674	Redoubt Elementary	107,410
Tustumena	28,232	River City Academy	-
Voznesenka	5,621	Total Soldotna	821,535
Total Outside Cities	1,564,159		
		Total Schools	4,538,588
Homer:			
High School	584,526	Total General Capital Assets	\$ 6,174,068
Homer Flex	13,163		
Middle School	45,383		
Paul Banks	25,192		
West Homer	24,572		
Total Homer	692,836		

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

COMPARATIVE SCHEDULE OF CAPITAL ASSETS - BY SOURCE
 June 30, 2010 and 2009

	<u>2010</u>	<u>2009</u>
General Capital Assets:		
Equipment	<u>\$ 6,174,068</u>	<u>\$ 6,653,288</u>
Investments in General Capital Assets from:		
General Obligation Bonds	\$ 793,001	\$ 2,582,384
State and Federal Grants	3,010,174	3,245,649
General Fund Revenue	<u>2,370,893</u>	<u>825,255</u>
Total Investment in General Capital Assets:	<u>\$ 6,174,068</u>	<u>\$ 6,653,288</u>

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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, 2010

<u>State Grantor</u>	<u>Program Number</u>	<u>Amount Expended During the Year Ended 06/30/10</u>
Department of Administration:		
* TRS On Behalf		\$ 11,017,543
* PERS On Behalf		<u>1,038,086</u>
Total Department of Administration		<u>12,055,629</u>
Department of Education and Early Development:		
Passed through Alaska State Council on the Arts:		
Artist in Residence	10IAIS0053	2,000
Artist in Schools	10IAIS0005	3,000
Artist in Schools	10IAIS0005	2,750
Artist in Schools	10IAIS0024	1,285
Artist in Schools	10IAIS0004	<u>2,250</u>
Total passed through Alaska State Council on the Arts		<u>11,285</u>
* Foundation		64,062,960
* Pupil Transportation		5,459,969
Quality Schools		250,195
Youth In Detention - Kenai Youth Facility	EY 10.024.01	65,810
Youth In Detention - Spring Creek	EY 10.024.02	<u>154,635</u>
Total Department of Education and Early Development		<u>70,004,854</u>
Department of Commerce, Community and Economic Development:		
Passed through the Kenai Peninsula Borough:		
KPB School District - Equipment and Supplies for District Schools	08-DC-310	91,855
KPB School District - Equipment and Supplies for District Schools	09-DC-220	<u>271,109</u>
Total Department of Commerce, Community and Economic Development		<u>362,964</u>
Department of Labor and Workforce Development -		
Youth First Initiative	10-1309	<u>99,577</u>
Total State Financial Assistance		<u>\$ 82,523,024</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, 2010

<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 06/30/10</u>
U.S. Department of Education - Direct:			
Gear Up Kenai Peninsula	84.334A	P334A050216	\$ 110,925
Title VII, Indian Education	84.060A	S060A080799	<u>290,228</u>
Total U.S. Department of Education - Direct			<u>401,153</u>
Passed through Alaska Department of Education:			
Education of Homeless Children and Youth Cluster:			
McKinney - Vento Homeless	84.196	FR 10.024.01	21,148
McKinney - Vento Homeless - ARRA	84.387	FR 10.024.01	<u>16,478</u>
Total Education of Homeless Children and Youth Cluster			<u>37,626</u>
Title 1, Part A Cluster:			
NCLB - Title I	84.010	IP 10.024.01	2,054,107
NCLB - Title I-A Highly Qualified	84.010	IP 10.024.01	2,502
NCLB - Title I-A 1% Parent Involvement	84.010	IP 10.024.01	14,630
NCLB - Title I-A 20% SES	84.010	IP 10.024.01	14,000
Title I-A Academic Achievement	84.010A	AA 10.024.01	5,219
Title I, School Improvement	84.010A	CA 10.024.01	<u>18,252</u>
Total CFDA 84.010			<u>2,108,710</u>
NCLB - Title I - ARRA	84.389	IP 10.024.01	<u>970,671</u>
Total Title I, Part A Cluster			<u>3,079,381</u>
Education Technology State Grants Cluster:			
NCLB - Title II-D Enhancing Educ. Thru Tech	84.318	IP 10.024.01	30,980
NCLB - Title II-D Enhancing Educ. Thru Tech - ARRA	84.386A	IP 10.024.01	<u>70,739</u>
Total Education Technology State Grants Cluster			<u>101,719</u>
Passed through Alaska Department of Education:			
Special Education Cluster:			
Title VI-B	84.027A	SE 10.024.01	\$ 2,551,752
Preschool Disabled	84.173A	SE 10.024.01	55,324
Title VI-B - ARRA	84.391	SE 10.024.01	<u>760,891</u>
Total Special Education Cluster			<u>3,367,967</u>
Migrant Education, Book	84.011	MB 10.024.01	2,843
Migrant Education, Parent Advisory Council	84.011	MP 10.024.01	315
NCLB - Title I-C Migrant	84.011	IP 10.024.01	<u>301,114</u>
Total CFDA 84.011			<u>304,272</u>
Title I-D, Delinquent (Transitional)	84.013A	CO 10.024.01	24,939
Title I-D, Delinquent (Transitional)	84.013A	CO 10.024.02	<u>11,972</u>
Total CFDA 84.013			<u>36,911</u>
Carl Perkins Basic	84.048A	EK 10.024.01	249,139

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 06/30/10</u>
NCLB - Title IV Drug Free Schools	84.186	IP 10.024.01	103,993
NCLB - Title III-A English Language Acquisition	84.365	IP 10.024.01	10,012
NCLB - Title II-A, Training & Recruiting	84.367	IP 10.024.01	1,023,964
NCLB - Title V-A, Innovative Education	84.367	IP 10.024.01	5,357
Total CFDA 84.367			<u>1,029,321</u>
State Fiscal Stabilization Fund, ARRA	84.394A	SF 10.024.01	<u>2,695,110</u>
Total passed through Alaska Department of Education			<u>11,015,451</u>
 TRIO Cluster -			
Passed through University of Alaska Fairbanks			
UAF-Upward Bound - Seward	84.047	05-0041	6,940
UAF-Upward Bound - Nikiski	84.047	05-0046	10,086
UAF-Upward Bound - Nanwalek	84.047	05-0048	5,692
Total CFDA 84.047			<u>22,718</u>
 Passed Through Alaska Staff Development Network - School Leadership			
	84.363A	U363A80070	\$ <u>68,210</u>
Total U.S. Department of Education			<u>11,507,532</u>
 National Endowment for the Arts - Passed through Alaska State Council on the Arts - Artist in Schools			
	45.025	10IAIS0004	<u>383</u>
 Department of Health and Human Services Centers for Disease Control and Prevention - Passed through Alaska Department of Education - Alternative Schools			
	93.938	SH 10.024.01	<u>7,817</u>
 U.S. Department of Agriculture:			
Child Nutrition Cluster - Passed Through Alaska Department of Education:			
National School Lunch Program	10.553	MA 10.024.01	296,228
National School Lunch Program	10.555	MA 10.024.01	1,612,570
Total Child Nutrition Cluster			<u>1,908,798</u>
Commodities	10.550		166,593
Fresh Fruit & Vegetable Program	10.582	FF 10.024.02	11,017
NSLP Equipment - ARRA	10.579	NS10.024.01	<u>7,962</u>
Total U.S. Department of Agriculture			<u>2,094,370</u>
Total Expenditures of Federal Awards			\$ <u>13,610,102</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 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
Expenses, General Revenues, and Net(Expense)/Revenue
General Revenue and Total Change in Net Assets
General Fund Balances, All Other Governmental 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	Expenses, General Revenues, and Net(Expense)/Revenue
Table III	General Revenue and Total Change in Net Assets
Table IV	General Fund Balances, All Other Governmental 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									
	2000-2001*	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-09	2009-10
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
Restricted										
Charter Schools		157,135	465,765	657,545	979,415	1,010,775	1,641,086	2,394,188	570,373	675,350
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
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
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

* The district began to report accrual information when it implemented GASB statement 34 in FY02

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									
	2000-2001*	2001-2002	2002-2003	2003-2004	2004-2005**	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Net Expenses										
Government Activities:										
Instruction	\$ -	\$ 43,280,023	\$ 43,079,317	\$ 42,347,765	\$ 37,470,450	\$ 40,677,575	\$ 45,569,630	\$ 56,433,650	\$ 56,805,517	\$ 59,968,460
Special Education - Instruction	-	-	-	-	8,406,422	8,862,570	9,735,531	12,695,426	13,073,837	13,462,322
Special Education - Pupil	-	-	-	-	3,104,193	3,225,301	3,550,817	4,361,228	4,568,803	4,712,605
Support Services - Pupil	-	6,902,861	6,904,871	6,886,049	2,034,625	2,578,315	2,854,976	3,565,911	3,485,620	3,715,639
Support Services - Instruction	-	-	-	-	1,596,111	2,044,711	2,194,911	2,433,644	2,382,071	2,612,624
School Administration	-	3,186,905	3,457,924	3,657,399	4,103,546	4,468,581	4,728,010	5,650,670	5,487,715	5,948,354
School Administration - Support	-	5,986,841	5,865,899	6,244,532	3,088,974	3,315,588	3,579,108	3,793,947	3,975,793	4,125,159
District Administration	-	-	-	-	792,270	824,772	824,354	951,922	839,511	861,516
District Administration - Support	-	-	-	-	2,954,860	3,560,804	3,907,855	4,572,251	4,560,052	5,840,798
Operation & Maintenance of Plant	-	13,580,657	13,626,274	13,841,199	15,618,107	15,996,516	16,424,930	17,935,992	18,487,399	19,019,026
Pupil Activities	-	1,418,175	1,443,880	1,101,760	1,134,118	1,196,254	(138,465)	1,934,081	1,469,519	2,244,815
Community Service	-	63,033	93,352	40,774	22,956	58,115	19,257	11,217	12,774	13,665
Pupil Transportation	-	59,250	108,283	(492,171)	(115,941)	144,992	667,508	1,010,104	300,954	41,015
Food Service	-	(12,263)	57,671	216,364	437,522	451,466	445,455	299,189	491,452	256,681
Total government activities	\$ -	\$ 74,465,482	\$ 74,637,471	\$ 73,843,671	\$ 80,648,213	\$ 87,405,560	\$ 94,363,877	\$ 115,649,232	\$ 115,941,017	\$ 122,822,679
General Revenues:										
Government Activities:										
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
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
Retirement: On-behalf Payments	-	-	-	-	-	-	-	19,322,147	15,227,995	11,901,565
Other State Revenue	-	1,686,156	-	-	-	110,355	1,116,108	3,135,060	245,599	250,195
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
E-Rate Program	-	-	-	491,215	435,323	508,938	657,616	722,223	426,290	575,663
Medicaid Reimbursement	-	-	279,021	281,073	212,193	526,918	492,697	549,024	288,038	408,492
Other	-	551,561	653,143	140,756	318,521	143,758	102,220	228,227	173,326	103,380
Total General Revenues	\$ -	\$ 76,755,749	\$ 75,930,416	\$ 74,651,751	\$ 81,375,873	\$ 86,761,240	\$ 101,336,757	\$ 123,927,465	\$ 121,389,798	\$ 121,637,616
Special Item - writeoff NPO/OPEB	-	-	-	-	-	-	-	-	5,024,344	-
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)

* The district began to report accrual information when it implemented GASB statement 34 in FY02

** 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									
	2000-2001*	2001-2002	2002-2003**	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009***	2009-2010
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)
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
Net Assets - Ending	<u>\$ -</u>	<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>

* The district began to report accrual information when it implemented GASB statement 34 in FY02

** 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, ALL OTHER GOVERNMENTAL FUND BALANCES, TOTAL FUND BALANCE
LAST TEN FISCAL YEARS
(Unaudited)

	FISCAL YEAR									
	2000-2001*	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
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>\$ -</u>	<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>
All Other Government 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 All Other Government Funds	<u>\$ -</u>	<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>
Total Fund Balance	<u>\$ -</u>	<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>

* The district began to report accrual information when it implemented GASB statement 34 in FY02

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Unaudited)

	FISCAL YEAR									
	2000-2001*	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Federal Sources:										
Federal - Direct	\$ -	\$ 235,236	\$ 279,021	\$ 280,073	\$ 212,193	\$ 270,719	\$ 290,474	\$ 287,390	\$ 306,186	\$ 401,153
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
Federal - Through other Agencies	-	-	-	-	-	-	-	-	3,305	-
Total Federal Sources	\$ -	\$ 7,058,878	\$ 7,917,526	\$ 7,985,578	\$ 8,136,842	\$ 10,014,633	\$ 8,349,943	\$ 8,555,158	\$ 8,166,115	\$ 14,018,593
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
Retirement: On-behalf Payments	-	-	-	-	-	-	-	19,322,147	15,227,995	11,901,565
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
Total All Other Government Funds	\$ -	\$ 48,698,033	\$ 48,960,540	\$ 47,401,008	\$ 51,627,911	\$ 55,357,236	\$ 66,679,455	\$ 88,981,698	\$ 84,413,853	\$ 82,984,551
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
Corporate Grants and User Fees	-	254,582	245,396	274,741	284,106	241,800	103,246	123,135	163,808	106,591
Food Sales	-	1,143,555	1,126,811	1,041,579	995,196	989,802	965,162	955,879	952,018	905,767
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
Other Revenue	-	1,033,389	670,283	658,852	771,047	1,393,248	759,836	1,045,833	945,975	868,812
Total All Other Government Funds	\$ -	\$ 34,467,036	\$ 33,048,044	\$ 33,358,440	\$ 35,992,512	\$ 38,092,942	\$ 40,837,046	\$ 41,572,533	\$ 44,772,425	\$ 46,216,531
Total Revenue	\$ -	\$ 90,223,947	\$ 89,926,110	\$ 88,745,026	\$ 95,757,265	\$ 103,464,811	\$ 115,866,444	\$ 139,109,389	\$ 137,352,393	\$ 143,219,675

* The district began to report accrual information when it implemented GASB statement 34 in FY02

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

GOVERNMENTAL FUNDS EXPENDITURES
LAST TEN FISCAL YEARS
(Unaudited)

	FISCAL YEAR									
	2000-2001*	2001-2002**	2002-2003**	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
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
Special Education - Instruction	-	-	-	-	8,129,066	8,584,176	9,513,798	12,667,079	15,047,687	16,687,607
Special Education Services - Pupil	-	-	-	-	3,082,683	3,208,595	3,528,292	4,357,397	4,567,626	4,709,847
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
Support Services - Instruction	-	-	-	-	1,575,098	1,939,417	2,061,766	2,391,393	2,374,251	2,608,450
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
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
District Administration	-	-	-	-	774,266	806,948	826,561	950,172	834,584	855,280
District Administration - Support	-	-	-	-	2,701,133	3,393,748	3,765,948	4,815,586	4,837,284	6,312,937
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
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
Community Services	-	291,872	303,099	285,206	249,130	278,567	56,971	56,027	55,605	58,130
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
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
Total Expenditures	\$ -	\$ 89,528,826	\$ 88,621,762	\$ 87,981,905	\$ 93,186,127	\$ 102,645,506	\$ 109,314,231	\$ 130,174,572	\$ 132,020,756	\$ 144,213,938

* The district began to report accrual information when it implemented GASB statement 34 in FY02

** 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									
	2000-2001*	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
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)
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
Transfers Out	-	(796,700)	(292,038)	(2,229,029)	(279,225)	(385,948)	(2,722,720)	(4,293,736)	(4,451,076)	(830,279)
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)

* The district began to report accrual information when it implemented GASB statement 34 in FY02

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			
2000-01	2,976,229	465,766	279,242	140,756	32,097	3,548,384	7.50	95.35%
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%

This information was obtained from the Kenai Peninsula Borough.

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

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

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

Fiscal Year	TAX RATE (MILLS)						
	Borough	City of Homer	City of Kenai	City of Seldovia	City of Seward	City of Kachemak*	City of Soldotna
2000-01	7.50	5.50	3.50	7.25	3.12	1.00	1.65
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

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

This information was obtained from the Kenai Peninsula Borough.

* Real Property Tax

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

TABLE X

PRINCIPAL PROPERTY TAXPAYERS
June 30, 2010
(Unaudited)

Taxpayer	2010			2001		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value (1)	Rank	Percentage of Total Taxable Assessed Value
UNOCAL	\$ 201,163,700	1	3.16%	\$ 299,376,925	1	8.44%
Tesoro Alaska Petroleum Co.	174,040,874	2	2.73%	83,987,300	4	2.37%
ConocoPhillips Co.	169,064,892	3	2.65%	50,805,000	5	1.43%
Marathon Oil Co.	152,571,000	4	2.40%	-		
Alaska Communication System	76,958,349	5	1.21%	36,887,455	6	1.04%
BP Exploration	68,108,560	6	1.07%	-		
XTO Energy Inc	48,092,800	7	0.76%	-		
Kenai Kachemak Pipeline	43,176,800	8	0.68%	-		
Fred Meyer of Alaska, Inc.	18,711,998	9	0.29%	14,747,282	10	0.42%
Alaska Pipeline	18,032,905	10	0.28%			
Agium, U.S.				217,850,900	2	6.14%
Phillips Petroleum Co.				94,491,990	3	2.66%
Cross Timbers Oil Co.				27,766,760	7	0.78%
ARCO Alaska, Inc.				26,541,880	8	0.75%
Cook Inlet Pipeline Co.				23,875,700	9	0.67%
Totals	\$ 969,921,878		15.23%	\$ 876,331,192		24.70%

This information obtained from the Kenai Peninsula Borough.

Total Assessed value based on total tax levy for FY2010 and FY2001 respectively.	\$ 6,369,098,000	\$ 3,548,384,000
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KENAI PENINSULA BOROUGH SCHOOL DISTRICT

TABLE XI

PRINCIPAL EMPLOYERS
June 30, 2010
(Unaudited)

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
2000-01	26,611,167	26,132,333	98.201%	477,165	26,609,498	99.994%
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%	-	28,375,677	98.270%

This information was obtained from the Kenai Peninsula Borough.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

NO DEBT LIMIT IS MANDATED BY LAW

This information was obtained from the Kenai Peninsula Borough.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

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

Fiscal Year	Population*	Average Daily Membership	Assessed Value	Net Bonded Debt	Ratio of Net Bonded Debt To Assessed Value	Net Bonded Debt Per Capita	Net Bonded Debt Per Student Capita
2000-01	50,172	9,947	3,548,384,000	15,889,000	0.45%	317	1,597
2001-02	52,245	9,799	3,717,713,000	13,409,000	0.36%	262	1,368
2002-03	53,316	9,632	4,044,041,000	17,874,000	0.44%	341	1,856
2003-04	51,733	9,562	4,222,404,000	87,009,000	2.06%	1,682	9,099
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	9,245	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

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)

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)

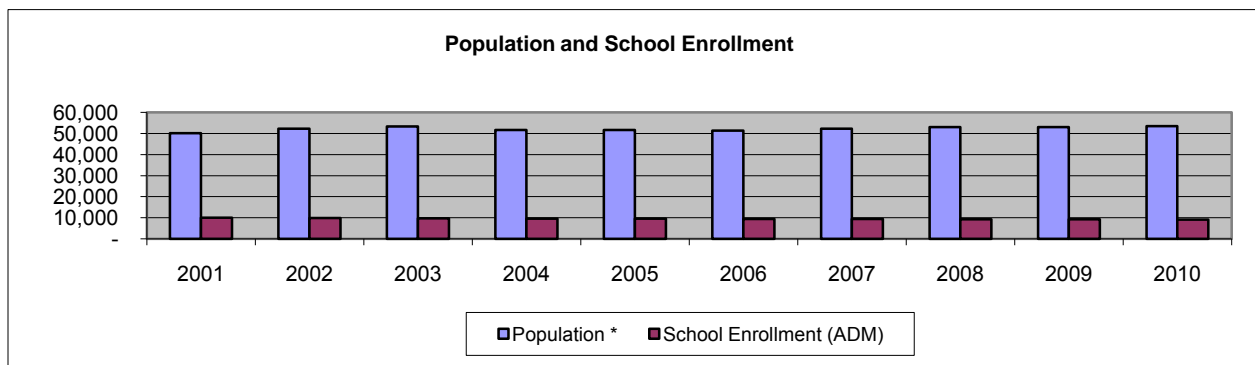
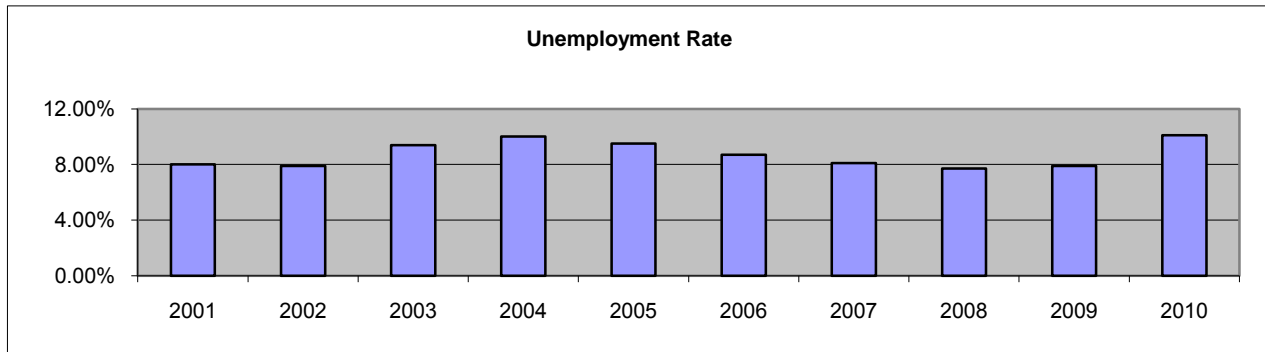
DEMOGRAPHIC DATA

Fiscal Year	Population *	Median Age **	School Enrollment (ADM)	Unemployment rate **
2001	50,172 **	35.9	9,963	8.00%
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	8.70%
2007	52,370 **	39.1	9,368	8.10%
2008	52,990 **	39.2	9,245	7.70%
2009	52,990 **	39.2	9,256	7.90%
2010	53,578 **	36.3	9,145	10.10%

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.



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
2000-01	534.67	136.76	45.65	33.47	28.42	35.00	57.69	5.50	29.17	103.04	5.05	1014.42
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

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
2000-01*														
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

* 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
2000-01	73,397,173	(0.20)	9,947	7,379	0.20
2001-02	76,116,629	0.04	9,799	7,768	0.05
2002-03	74,430,070	(0.02)	9,632	7,727	(0.01)
2003-04	76,253,975	0.02	9,562	7,975	0.03
2004-05	79,043,017	0.04	9,527	8,297	0.04
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	9,245	12,766	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

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>Assessed Valuation</u>	<u>Assessed Valuation Percentage Increase (Decrease) Over Previous Year</u>	<u>Assessed Valuation Support Per Student Capita</u>
2000-01	9,947	(0.4)	3,549,198,919	(5.4)	356,811
2001-02	9,799	(1.5)	3,728,772,943	5.1	380,526
2002-03	9,632	(1.7)	3,957,173,965	6.1	410,836
2003-04	9,562	(0.7)	4,236,549,880	7.1	443,061
2004-05	9,527	(0.4)	4,223,854,000	1.0	443,356
2005-06	9,389	(1.4)	4,507,776,000	1.1	480,112
2006-07	9,368	(0.2)	4,888,049,897	8.0	521,782
2007-08	9,245	(1.1)	5,369,378,000	9.1	580,787
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

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	2,420
Middle Schools	4	1,081
Elementary Schools	14	3,259
Combined Elem/High School	10	524
Charter Schools	4	665
Alternative Schools	5	237
Correspondence Schools	1	959
Total	44	9,145