

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2012



**Kenosha Unified  
School District**

maximizing the brilliance of children



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Kenosha Unified School District  
Comprehensive Annual Financial Report  
Fiscal Year Ended June 30, 2012

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# INTRODUCTION



**Kenosha Unified  
School District**

maximizing the brilliance of children



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November 2012

Members of the Board of Education  
Citizens of the Kenosha Unified School District No. 1

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the Kenosha Unified School District No. 1 for the year ended June 30, 2012. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and are reported as a whole and of its various funds. This report is a complete disclosure of all financial activities of the District.

This report is prepared in conformance with generally accepted accounting principles (GAAP) for governments as promulgated by the Government Account Standards Board (GASB). This report is also consistent with legal reporting requirements of the State of Wisconsin. In addition to meeting legal requirements, this report is intended to present a comprehensive summary of significant financial data to meet the needs of citizens, taxpayers, employees, financial institutions, intergovernmental agencies, creditors, and the Board of Education.

The Management Discussion and Analysis also provides analysis of some key data presented in the basic financial statements.

The comprehensive annual financial report is presented in three sections:

1. The **INTRODUCTORY SECTION** contains the Table of Contents and this Letter of Transmittal. The letter of transmittal includes a list of principal officers and the organizational chart. The introductory section is not audited.
2. The **FINANCIAL SECTION** begins with the independent auditor's report. This section includes the management's discussion and analysis, basic financial statements, notes to the basic financial statements, combining and individual fund statements, and required budgetary supplemental information. All reports of the financial section are audited.
3. The **STATISTICAL SECTION**, which is not audited, includes selected financial, demographic, and economic data, generally presented on a multi-year basis. This section also includes all disclosures, not contained elsewhere in the CAFR, to comply with the Securities and Exchange Commission continuing disclosure requirements for general obligation debt issues.

## THE REPORTING ENTITY

The legal name of the district is the Kenosha School District No. 1, however, the name commonly used by the district is the Kenosha Unified School District. The School District was established in 1967 and is located in eastern Kenosha County. The District includes the City of Kenosha, the Town of Somers, and the Village of Pleasant Prairie.

The District is an independent entity governed by an elected seven member School Board. The Board has the power and duty to set budgets, certify tax levies, issue debt, and perform other tasks necessary to the operation of the District. The District is subject to the general oversight of the Wisconsin Department of Public Instruction. This oversight generally includes an approval process that reviews compliance to standards enacted by legislative mandate.

The District serves a general population of approximately 162,001 in an area of about 85 square miles. The District operates 23 elementary schools (grades PK-5), 5 middle schools (grade 6-8), and 5 high schools (grades 9-12), 6 charter schools, 1 alternative school, and 14 non-school-site early education schools. In addition to providing a PK-12 education for students, the District operates a school food service program and a community service program that includes three athletic fields.

The district office is housed in a separate facility. At the end of the 2011-2012 school year, the District served 22,978 pupils in its regular education program. This is a decrease of 144 students from the 2010-2011 year.

The School District enjoys a favorable economic environment and local indicators point to continued growth. Residential development continues in the District at a pace that is both constant and diverse. Although the District is primarily residential, significant commercial development has taken place during the past few years.

## MANAGEMENT SYSTEMS AND CONTROLS

Kenosha Unified is committed to developing, maintaining, and improving effective management systems and controls. The District makes conscientious efforts to employ highly qualified employees through active recruitment and thorough reference evaluations. Further, operations are annually evaluated to assure they function effectively and provide appropriate levels of supervision and segregation of duties.

### Budget Adoption

Budgetary control is decentralized to managers of each budgetary location. Overall administrative responsibility rests with the Chief Financial Officer under the direction of the Superintendent and consistent with School Board policy. Board policy allows for limited re-appropriation of budgets within a budgetary location by authority of budgetary location managers. Re-appropriation of budget amounts between and among operating units requires authorization of the Chief Financial Officer. School Board approval is required to change appropriations at the function level. Wisconsin statutes require that any budget change authorized by the School Board must be approved by a 2/3 vote of the total board. The change is not effective until published in the district's official newspaper, within 10 days of the Board action.

The budget process starts each year in November. Starting in November, operating budget managers prepare requests for the upcoming year. The Business Office compiles requests and tentative recommendations, consistent with the strategic plan and annual goals. The School Board adopts the interim budget in July and submits a recommended tentative property tax levy to the annual meeting of electors. The original budget is adopted in October following an official enrollment count, adjustment of estimates made in the interim budget and certification of general state aid.

## **Cash Management and Investments**

The goal of financial management in any school system is to make the most productive use of financial resources in the operations of the school district. The District has developed a cash flow projection schedule that predicts, with reasonable accuracy, the timing and amounts of cash receipts and disbursements.

A primary consideration in any program of cash management and investment must be the safeguarding of public funds from potential loss. Board policy establishes investment parameters and follows state statutes. Allowable investments include: (1) time deposits, (2) insured, collateralized or guaranteed bonds or securities, (3) other government bonds or securities or (4) commercial paper rated at least second or above.

Other cash management alternatives are participation in the Wisconsin Investment Series Cooperative (WISC) or the State of Wisconsin Local Government Pooled Investment Fund (LGIP). Administration provides the school board with a quarterly report on investments and earnings.

## **Risk Management**

Kenosha Unified School District No. 1 maintains a risk management program that includes a comprehensive insurance program specifically designed to meet school district needs, casualty and benefit insurance consultation, active safety committees oriented to identification and avoidance of risk, and periodic review of contracts and policies to assure regulatory compliance and adherence to legal constructs. The Executive Director of Business Services oversees risk management for the District.

## **Independent Audit**

Kenosha Unified's policy and state law requires an annual audit of the financial statements of the District by an independent certified public accountant. Compliance with this request has occurred and the auditor's opinion is included in this report.

Our external auditor reviews our internal control and operational procedures. This consists of a survey of the School District from an overview position and includes, but is not limited to, a tour of facilities, discussions with management and other key personnel and the completion of an internal control questionnaire. The purpose of this review is to provide us with a general sense of the operating environment. During the system "walk-through" we review in depth the features for apparent system weaknesses, compensating secondary controls and determination of possible system modifications to improve efficiency.

## **Financial Reporting**

This is the twelfth year the Kenosha Unified School District No. 1 has prepared the Comprehensive Annual Financial Report (CAFR). Kenosha Unified has been required to implement GASB Statement 34 for its fiscal year beginning after June 15, 2002. GASB 34 creates the following financial statements that had not previously been published:

- Statement of net assets to report all assets and liabilities of the district as a whole.
- Statement of activities to report all revenues and expenses of the district as a whole.
- Budgetary comparison statements to inform readers of changes in the budget during the fiscal year as well as compare year-end results with the final budget.

## ACCOMPLISHMENTS

Kenosha Unified School District No. 1 (KUSD) takes pride in its comprehensive instructional, co-curricular, and support programs. The District offers a variety of choice and charter schools as well as magnet programs; including an advance technologies high school academy, an accelerated learning middle school and a nationally recognized theatre arts program. Many of the District's schools have adopted comprehensive school reform (CSR) models.

Professional development for staff is provided on a regular and scheduled basis. Plans are being developed to provide for an increased number of e-technology or online capabilities. Professional development opportunities in KUSD, based upon its Transformation Plan, are focused on the improvement of classroom instruction. All offerings are aligned with District direction and initiatives. KUSD personnel also engage in collaborative staff development efforts such as mentoring and coaching activities, study groups, action research projects, distance learning courses, and numerous job-embedded staff development learning opportunities. In addition, KUSD non-certified staff have taken advantage of technology training and other training specific to their work groups.

### Transformation Plan

In February 2011 a committee comprised of volunteers representing constituencies of the school district finalized a framework for a Transformation Plan to guide the District through 2014. The Vision of the District is "Maximizing the brilliance of children", with the Mission being "To assure every child experiences high quality, personalized learning success."

The Values outlined in the Transformation Plan include "Blended Personalized Learning, Multi-Dimensional Life and Career Skills, and Relevant Global Knowledge." The Goals established by the committee call for the District to "Improve student achievement, Expand collaborative partnerships with families, community, and industry, and secure resources (time, people, finances, operating processes) to support learning. In addition, the framework includes strategies and action steps for each goal that was identified.

The Federal Elementary/Secondary Education Act, No Child Left Behind (NCLB) Act requires that districts and schools make adequate yearly progress (AYP) toward state-established benchmarks in four areas: test participation, reading proficiency, math proficiency, and the other academic indicator: attendance or high school graduation. Overall, for the 2011-2012 school year, KUSD achieved satisfactory status.

### Initiatives

- Implementing Oasys individual education plan writing.
- Implementing new Seclusion/Restraint Law.
- Positive Behavior Intervention Strategies.
- Reforming practices and procedures for special education eligibility.
- In April 2011 Roosevelt Elementary School was selected to host a teacher of Chinese as part of the 2012-13 Teachers of Critical Languages Program (TCLP). TCLP is implemented by the American Councils for International Education and is sponsored by the Bureau of Educational and Cultural Affairs of the United States Department of State. The program is designed to increase the study and acquisition of important world languages in U.S. schools.
- District-wide rollout of personalized world language learning opportunities using Rosetta Stone at the elementary school level and Tell Me More at the middle school level.

- Middle school math teachers completed preliminary work to align instruction to the Common Core State Standards and eliminate a deficit model of two-track instruction in grades 7 and 8.
- Completed first level of Common Core Math and Next Generation Science curriculum documents for math in kindergarten through grade 8, science in grades 6 through 8, Biology, Algebra 1, and Geometry.
- In October/November 2011 middle and high school math teachers completed a clean sweep of all chemical storage areas and updated lab safety equipment/procedures.
- Completed research and purchase of *Everyday Math* online resources to assist elementary teachers in converting curriculum to align with Common Core Standards.
- The Summer School pilot of ALEKS math was successful and continues in the 2012-13 school year.
- Completed research and made Engineering is Elementary units available to elementary teachers to support STEM activities in science.
- In July 2012 completed credit recovery course design for math and science courses offered through the Odyssey (Compass Learning) software.
- Created workable class sizes and multi-age classrooms while reducing expenditures.
- Facilitated creative use of support staff to provide professional development for teachers regarding instructional practice.
- A mentoring and leadership program for high school students will be established with the Kenosha Area Business Alliance that will promote leadership and service for students that are currently not involved in these initiatives at their high school.
- Adopted a graduation requirement of 10 service hours for every student and will be recognizing a diploma of distinction for 100 hours of community service.
- A district wide initiative is being advanced with the intention of inviting area businesses to partner with our schools in support of Math and Science related learning opportunities.
- We have expanded our eSchool to include elementary and middle school students. We now have eSchool available for students in K - 12.
- We have been approved for a waiver for 5 professional learning days at the Middle and High School that will focus upon training that will directly improve student achievement.
- My Big Campus will be the platform that all teachers will use to establish asynchronous learning opportunities for students in grades 6 - 12 grade. The five professional learning days at the middle and high school will also be asynchronous learning days for students. Our district now has an online learning graduation requirement for the freshman class starting school in the fall of 2012.

## Partnerships

- Kenosha County with Child Fatality Review Team.
- Kenosha County with Suicide Prevention Coalition.
- Kenosha Community Health Center—School-Based Health Care.

- Kenosha County Health Department—Nurses and Notifications.
- Boys and Girls Club—STEP Program.
- Carthage College—Committee to help develop programs for future educators.
- Kenosha Achievement Center.
- University of Wisconsin—Milwaukee—Early Childhood Collaboration.
- Trauma Sensitive School Committee—Wisconsin Department of Public Instruction, St. Amelians, Wisconsin Family Ties, University of Wisconsin—Milwaukee.
- Kenosha Public Library.
- Gateway Technical College.
- Collaborated with 15 local childcare centers to provide Kenosha Unified School District early education opportunities at those centers.
- Collaborated with the Kenosha Community Health Center and other local dentists/physicians to ensure child in Head Start receive a physical examination and an initial dental screening with follow-up care when needed.
- Community collaboration with agencies that work with children under the age of 5 and their families for the purpose of streamlining services.
- Represented Kenosha Unified School District on the Gateway Technical College Advisory Committee to the Early Education Program.
- Social Studies partners with the Kenosha Rotary in awarding students the George Taylor Economics Scholarship and the John Wavro Scholarship.
- Career and Technical Education partners with local businesses to place students, through the Youth Apprenticeship Program, in paid positions with the businesses specific to the students' career pathways of interest and areas of study.
- Career and Technical Education partners with the Kenosha Rotary, which recognizes student accomplishments at a luncheon where students receive vocational awards.
- Kenosha Unified School District athletics partnered with outside agencies to attain revenue for our school programs. Agencies partnered with include: McDonalds, Milwaukee Bucks, and individual private sponsorships from businesses and individuals.
- HOPE Council Program Committee member (committee involvement).
- Kenosha Chamber of Commerce (professional development partner).
- Kenosha Area Business Alliance (professional development partner).
- Gateway Technical College (professional development partner).
- Kenosha Police Department (professional development partner).
- Boys and Girls Club (professional development partner).



- Hope Council (professional development partner).
- National Alliance for the Mentally Ill (professional development partner).
- Kenosha County University of Wisconsin—Extension (professional development partner).
- Concordia University (professional development partner).
- University of Wisconsin—Parkside (professional development partner).
- Carthage College (professional development partner).
- Cardinal Stritch (professional development partner).
- Marquette University (professional development partner).
- University of Wisconsin—Milwaukee (professional development partner).
- Boys and Girls Club (partners to provide the YEA Program during Summer School).
- University of Wisconsin—Parkside (Chiwaukee Academy and DELTA Academy).
- Association of Supervision and Curriculum Development (provided training on instructional coaching and Understanding by Design).
- Illinois Math and Science Association (conducted a Problem-Based Learning Institute in Kenosha Unified School District for 60 teachers).
- Boys and Girls Club of Kenosha (constantly working with “The Club” to impact opportunities for Kenosha Unified School District students through after-school programs).
- Annual Lights on Event in partnership with the Boys and Girls Club of Kenosha.
- Partnership between community members and the Office of Student Engagement and Equity to provide knowledge and assistance to students and families through various mentor groups (HERMANAS, HERMANOS, SISTAS, and BROTHAS).
- SISTAS Career Extravaganza (provided an opportunity for middle and high school students to attend an event to learn about different professions).

All presenters were people of color. Students visited with professionals to gain insight as to the education needed and the other steps they must take to enter into specific professions.

- Increased mentoring opportunities through organizations such as the Kenosha Area Business Alliance, Big Brothers Big Sisters of Racine and Kenosha Counties, Goodwill Foster Grandparents, Mentor Kenosha Racine through the University of Wisconsin—Parkside, and the Retired and Senior Volunteer Program
- Program exchange between Tremper High School choirs and the University of Wisconsin—LaCrosse.
- McDonalds Corporation (monthly monetary donation to Fine Arts).
- Kenosha News Weather Art weekly publication.

- Kenosha Public Libraries student art exhibits.
- Andersen Arts Center student art exhibits.
- Kenosha Public Museum student performances and art exhibits.
- Kenosha Parks Department for the Festival of Arts and Flowers.
- Kenosha County Parks for the Ice Cream Social.
- University of Wisconsin—Parkside—art department (working with staff and students in Chalk Talk with Wing Hui).
- Carthage College art department bringing the David Diaz art experience to Edward Bain School of Language and Art.
- Hansen Pool and Spa underwriting the November 2011 Jazz Festival guest artist.
- Expose Kenosha assisting in getting student art work and music performances throughout the community.
- Boys and Girls Club: Youth Employment in the Arts.
- Kenosha Band Boosters providing instruments and monetary support to help supply instruments to families in need.
- Kenosha Orchestra Boosters providing instruments and monetary support to help supply instruments to families in need.
- Kenosha Choir Boosters providing scholarship opportunities to families in financial need.
- Boy Scouts of America projects that include Tremper High School percussion room remodeling and instrument donation drive to provide increased scholarship instruments to the district's middle and high schools.
- Jefferson Elementary School art teacher and physical education teacher secured a grant to put a mural in the Jefferson Gym through Fuel up to Play 60. The mural was drawn and painted by students and promoted physical activity and healthy eating.
- The Carthage College student microgravity team partnered with the district to provide interactive parent-child learning experiences and plans to continue the work in the 2012-13 school year.
- Facilitated school-based volunteer opportunities for a local bank.
- Facilitated United Way <sup>3</sup>Readers are Leaders<sup>2</sup> events at schools.
- Facilitated school-based Seal-A-Smile dental exams and sealants program.
- Gratefully accepted and distributed community donations of hats, scarves, mittens and school supplies.
- Facilitated contact between clergy and neighboring schools for the purposes of mentoring and support.

## **Presentations, Publications, Innovative Leadership/Recognition**

- Autism Presentation at CESA #3.
- Mentor for Aspiring Principals Program through the University of Wisconsin—Milwaukee.
- National Louis University—Trauma Presentation.
- Title 1 Conference—Trauma Presentation.
- Teach diversity in the classrooms at Concordia College.
- A teacher consultant was named to the board of Cooperative Children's Book Center, a national organization that provides library services to professionals (housed at the University of Wisconsin—Madison).
- The coordinator of Library Media and Instructional Technology and an instructional technology consultant will present at WASDA's SLATE conference in December 2012 on behalf of the TOSA/WRI Grant.
- The library media consultant serves as the president on the Kenosha Public Library Board (Kenosha Unified School District representative).
- The library media consultant serves as the AASL learning for life coordinator for the Wisconsin Educational Technology and Media Association.
- Two early education teachers received their National Board certification.
- The Early Education Program integrated all programs at all sites, reducing the number of transitions for children and families to different schools. Children that are in the program now have the opportunity to attend the school they live closest to.
- Learning Forward Academy 2013 Member.
- PDP Team Reviewers (through the Wisconsin Department of Public Instruction for new educators both in Kenosha Unified School District and throughout the state).
- Six Kenosha Unified School District teachers earned their National Board Certification (December 2011).
- The 2012 Learning Forward Team Grant was awarded to the district under the leadership of Dr. Michele Hancock and Dr. Sonia James Wilson for the work being done with the DELTA Academy.
- A teacher from Strange Elementary School was awarded a scholarship to participate in the National Writing Project during the summer of 2012. The project is an intense five-week professional learning experience.
- Dr. Robert Wells is a member of the Kenosha West Rotary International.
- Elementary music teacher, Kari Gordon, is the director and teaches at the Washington Island Scandinavian Festival.
- Elementary music teacher, Kari Gordon, is the director of Children's Music Camp at Washington Island Music Festival.
- Elementary music teacher, Kari Gordon, is an Autism Intervention lead therapist.

- Dr. Robert Wells is a member of the City of Kenosha Commission on the Arts.
- Dr. Robert Wells is a committee member on Gateway Technical College's Martin Luther King Day Celebration Committee.
- Polly Ambon, Tremper High School choir teacher, serves on the board of directors and is scholarship chairperson for the Wisconsin Choral Director's Association.
- Tremper High School teacher—president elect of Wisconsin Chapter of American Association of Teachers of French, recipient of the 2012 AATF Outstanding Chapter Officer Award, sponsored by CERAN Lingua.

This award recognizes a current or immediate past AATF chapter president or treasurer who has done exemplary work in supporting teachers in his or her chapter in promoting the AATF and in communicating effectively with members and AATF representatives at all levels.

- The coordinator of Science and Mathematics, together with the coordinator of Literacy, visited each of the district's 41 schools to present an introduction to the Common Core State Standards and the required instructional shifts.
- The coordinator of Science successfully integrated the duties associated with math curriculum and instruction into her job description, thus becoming the coordinator of both science and mathematics.
- The coordinator of Science and Mathematics conducted/facilitated 12 Content Meetings for professional development of middle school and high school math and science teachers.
- In June 2012 the coordinator of Science and Mathematics completed the Research for Better Teaching Workshop: Observing and Analyzing Teachers.
- Facilities will be receiving a WAC Award from the Wisconsin Asthma Coalition (WAC) at their fall meeting on October 12 at the Best Western Harborside Inn in Kenosha.
- Facilities received a 2011 Top Projects award for the design and construction project at Indian Trail from The Daily Reporter at the Top Projects Banquet held at the Harley Davidson Museum in Milwaukee.

## Student Achievement

- The Wisconsin Knowledge and Concepts Examination (WKCE) is given to all Wisconsin public school students in November of each year. The exam assesses students based on the Wisconsin Model Academic Standards (WMAS) and the Assessment Frameworks, which are concepts and skills students need to know at the beginning of the school year. Students in grades 3, 5, 6, and 7 are tested in the content areas of reading and mathematics, while 4<sup>th</sup>, 8<sup>th</sup>, and 10<sup>th</sup> grade students respond to questions in language arts, science, social studies, and writing in addition to reading and mathematics. Highlights of KUSD results are as follows comparing November 2010 to November 2011:

### Reading

- Grade 3: The district % of students proficient/advanced decreased from 79.1% to 74.9%
- Grade 4: The district % of students proficient/advanced decreased slightly from 79.6% to 78.6%

- Grade 5: The district % of students proficient/advanced decreased from 83.7% to 75.1%
- Grade 6: The district % of students proficient/advanced decreased from 85.6% to 81.2%
- Grade 7: The district % of students proficient/advanced decreased slightly from 86.0% to 85.1%
- Grade 8: The district % of students proficient/advanced decreased from 84.6% to 81.8%
- Grade 10: The district % of students proficient/advanced decreased slightly from 70.4% to 69.0%

#### Math

- Grade 3: The district % of students proficient/advanced decreased slightly from 72.6% to 72.5%
- Grade 4: The district % of students proficient/advanced decreased from 80.4% to 75.9%
- Grade 5: The district % of students proficient/advanced decreased from 82.5% to 77.5%
- Grade 6: The district % of students proficient/advanced decreased slightly from 80.1% to 79.0%
- Grade 7: The district % of students proficient/advanced increased from 80.4% to 82.4%
- Grade 8: The district % of students proficient/advanced increased from 78.6% to 81.5%
- Grade 10: The district % of students proficient/advanced decreased from 62.6% to 59.5%
- Early education programming was available in 23 of the 26 schools that provide elementary level education.
- There were over 20 winners of the state-level writing contest. There was one national winner from the group.
- Over 500 students participated in GOT BOOKS?, the middle school reading challenge organized by the district.
- The Lincoln Jazz Band performed at the 2012-13 Wisconsin Schools of Recognition Ceremony in Madison.
- Scott Hodges, from the Kenosha School of Technology Enhanced Curriculum, is conducting two professional development sessions for elementary teachers new to the use of the Science, Technology, Engineering, and Mathematics (STEM) curriculum from LEGO: Simple and Motorized Mechanisms.
- The fall athletic season is winding down, and the Wisconsin Interscholastic Athletic Association (WIAA) fall tournament series is beginning throughout the month of October 2012. Kenosha Unified School District has numerous teams and individuals expected to advance throughout the different series and positively represent Kenosha.

- Teaching and Learning coordinators will be participating in presentations in October, November, and December 2012 to review on-line curriculum content by the three large educational publishers—Pearson, Holt-McDougal, and McGraw-Hill. Publishers will show-case their on-line content (aligned to Common Core and Next Generation Science Standards), Web-based assessment tools, and adaptive/prescriptive curriculum and intervention programs in all content areas for grades 6 through 12.
- The Teaching and Learning content coordinators are creating a classroom framework to provide consistency for instructional delivery. The framework includes research-based high-yield strategies, such as lesson opening, student engagement activities, formative assessment, etc. Specific planning routines related to the Common Core Standards are also built in. The framework will be introduced to principals in early January 2013.
- The coordinator of Literacy, in conjunction with kindergarten teachers and instructional coaches from seven elementary schools, has organized an action research project focused on early literacy. Baseline data has been gathered. The next step is to offer intervention to identified students.
- Middle school honors opportunities were developed in social studies and are available for all students.
- Asynchronous learning offers students opportunities to extend their learning in social studies and career and technical education while not at school via Web links posted on the Kenosha Unified School District Web site.
- Career and Technical Education provided extended learning opportunities for students in summer 2012 by providing summer camps at Indian Trail High School and Academy and LakeView Technology Academy. The camp focuses at Indian Trail were medical lab techniques, physiology, anatomy, and forensics. The focuses at LakeView were biotechnology, engineering, machine processing, and information technology.
- At least one Kenosha Unified school was represented in the state championships (final bracket or final game) for the following sports:
  - Boys cross country, Girls cross country
  - Football
  - Boys golf, Girls golf
  - Gymnastics
  - Boys swimming, Girls swimming
  - Boys tennis, Girls tennis
  - Boys track, Girls track
  - Wrestling
  - Girls soccer
  - Baseball
- Middle school sports will continue to be an avenue for students to stay involved at school beyond the school day.
- Physical education at the high school revamped their curriculum to align better with national standards and to increase personalized learning.
- Physical education K-12 realigned their curriculum to align better with national standards and to increase personalized learning.
- All Kenosha Unified School District schools had the opportunity to expand their use of the NWEA Measure of Academic Progress for student growth and achievement to add grades K1 and 11-12. Teachers utilize these personalized assessments to monitor individual student growth in both math



and reading. Professional development in fall 2012 targets building the teacher capacity to fully understand how this tool can assist in personalizing the learning for their students.

- Students who attend 21<sup>st</sup> Century Community Learning Centers (CLCs) attend schools at higher rates than non-CLC students.
- Teachers reported that students involved with CLCs come to class more prepared than in the past and have assignments completed.
- The Attendance Improvement Means Success (AIMS) office has worked to reengage students back into the classroom environment to ensure they gain the knowledge they need to succeed academically.
- *Exemplary Soloists* recognized by the Wisconsin School Music Association
  - Indian Trail High School and Academy: Mary Kelly Hutchinson—violin
  - Indian Trail High School and Academy: Kendall Bunnell—piano
  - Indian Trail High School and Academy: Michelle Rodriguez-Alto—voice
  - Tremper High School: John Sturino—parade drum
  - Tremper High School: Megan Johnson—flute
  - Tremper High School: Justin Udry—alto saxophone
  - Tremper High School: Luis Moreno—violin
  - Tremper High School: Kyle Stalsberg—viola
  - Tremper High School: Andrew McNair—baritone/bass voice
- Over 200 students received first place awards at the WSMA State Solo and Ensemble Festival at the University of Wisconsin—Parkside.
- WSMA—Julie Lake, from Bradford High School, won second place in the Instrumental Solo Category for the composition *Piano Concerto in Ab Movements 1 and 2*.
- The Tremper High School Theatre program earned the following awards at the Wisconsin High School Forensics Association State Level Theatre Festival:
  - Critic's Choice (the highest award granted at the festival)
  - Outstanding Directing
  - Outstanding Acting: Robin Feltman
  - Outstanding Acting: Luke Walaszek
- Bradford High School AP Studio Art Drawing created an umbrella for the Raining Art on the Rita Tallent Picken Regional Center for the Humanities, University of Wisconsin—Parkside.
- Bradford High School Drawing, Painting, and Printmaking 2 students created portraits for orphans in Honduras as part of the Memory Project.
- Lance Middle School eighth grade band placed first and received a superior at Cedar Point, Ohio, Music in the Parks Festival.
- Lance Middle School students selected to the WSMA Honors Project:
  - Dana Kvitek—flute (band)
  - Lauryn Novak—flute (band)
  - Mike Krellwitz—tuba (orchestra)
- Bradford High School qualified for the state festival and received an All-State award.

- Claudio Parrone, Bradford High School, received an Outstanding Acting Award at the state level.
- Maddie Hailer, Bradford High School, received an Outstanding Acting Award at the state level.
- Kenosha Unified Theatre at the International Thespian Festival opened the Lied Main State with two performances of *Tarzan*.
- Samantha Greathouse, Tremper High School: First Place, Painting, Visual Arts Classic.
- Samantha Marianya, Tremper High School: First Place, Printmaking, Visual Arts Classic.
- Time Zeusutek, Tremper High School: First Place, Ceramics, Visual Arts Classic.
- Jazz All-Starts appearance at the Mahone Foundation Jazz Festival.
- Allen Anderson, Bradford High School: Gold Key Scholastic Award in drawing.
- John Brunner, Bradford High School: Gold Key Scholastic Award in drawing.
- Gianna Filippelli, Bradford High School: Gold Key Scholastic Award in sculpture.
- Stephanie Escobedo, Indian Trail High School and Academy: Silver Key Scholastic Award in drawing.
- Kailey Franklin: Indian Trail High School and Academy: Silver Key Scholastic Award.
- Kayla Jaeger, Indian Trail High School and Academy: Silver Key Scholastic Award.
- Cecelia Martinez, Indian Trail High School and Academy: Silver Key Scholastic Award in drawing.
- Hannah Niesen, Indian Trail High School and Academy: Silver Key Scholastic Award in drawing.
- Myra Riveria, Indian Trail High School and Academy: Silver Key Scholastic Award in drawing.
- Ariana Voyles, Indian Trail High School and Academy: Silver Key Scholastic Award in drawing.
- Carly Epping, Tremper High School: Gold Key Scholastic Award in printmaking.
- Live Gripko, Tremper High School: Gold Key Scholastic Award in watercolor.
- Laura Thomsen, Tremper High School: Silver Key Scholastic Award in painting.
- Nicole Thomsen, Tremper High School: Silver Key Scholastic Award in printmaking.
- At Tremper High School a senior German student was awarded the Modern Languages Scholarship at Carthage College for German. This competitive scholarship for French, Chinese, and German students is awarded annually to one senior in the amount of \$20,000 per year for four years.
- Tremper High School students were inducted into LaSociété Honoraire de Français of the American Association of Teachers of French. Candidates must have completed the equivalent of French 102, maintained an A- average in French, and maintained a B- average overall.
- In January 2012 the Middle School Math Contest was held for district math teams at Lance Middle School.

- In February 2012 middle school math students participated in the Math Counts math meet at the University of Wisconsin—Parkside.
- In April 2012, Indian Trail students participated in the regional Science Olympiad competition.
- Redesigned elementary education to organize teachers into teams called Families for the purpose of planning for and providing instruction.
- Restructured elementary school times to provide teacher collaboration and professional development time every Friday afternoon.
- Created department, school, and grade-level SMART goals to focus on student achievement, particularly achievement of targeted subgroups of students - Black, Hispanic, English Language Learners, and special education. Surpassed stated goal in reading, made progress toward goal in math.

### Technology Initiatives

- iPads for cognitively disabled classrooms.
- Adopted software program for special education.
- Trained staff on the use of My Big Campus.
- Nook book pilot was launched in all high schools. Each building has developed a collection on each machine, developed checkout procedures, and developed a Nook marketing plan for the students and staff.
- The eBook collection continues to grow, with both online and downloadable options expanding in all schools with libraries. The downloadable reader selection process is completed; and Follett Reader, which seamlessly integrates with the library software to access this new collection, will be used.
- Library iPad labs will begin to appear in 20 schools in fall 2012. Staff development has occurred, and ongoing instructional coaching is planned for implementation of the iPad initiative. This project will be extended to all schools that have a library media teacher within the next year.
- Completed an enterprise class wireless environment in all KUSD buildings.
- iPad use expanded for World Language program.
- Washington Middle School and Indian Trail Academy are involved in a 1:1 laptop project. Every student receives a laptop/ tablet and completes course work through technology-based instruction.
- Kenosha eSchool, the district online charter school, expanded to include grade levels K-12 (formerly 9-12).
- Implemented pilot online reenrollment for our returning KUSD students.
- Established a regional technology support structure for all KUSD buildings.

## Other

- Awarded the Wisconsin Technology Initiative Lighthouse Grant through the TOSA Foundation that implemented interactive technology in 15 targeted elementary classrooms.
- The elementary kit-based science team successfully distributed all materials necessary for elementary teachers to teach quality hands-on science in each elementary school and made the necessary adjustment to streamline the process at a substantial cost savings for the 2012-13 school year

## LOOKING AHEAD

The District has a strong vision to improve student achievement through transformation. This plan will strategically move KUSD forward into the 21<sup>st</sup> Century. Our specific Transformation Plan Goals include:

### 1. Improve Student Achievement.

#### Strategies:

- a. Create models of personalized learning that encompasses collaboration, creativity, critical thinking, and communication around meaningful learning targets.
- b. Ensure all students and staff are proficient in information, technology, and media literacy to be successful in the global community.
- c. Establish authentic learning environments that require research based instructional strategies, to promote student use of communication, creativity, collaboration and critical thinking skills.
- d. Provide a continuum of timely and varied feedback, for all stakeholders that delivers information necessary to ensure student success.

### 2. Expand Collaborative Partnerships with Families, Community, and Industry.

#### Strategies:

- a. Engage with diverse community partners to develop personalized learning opportunities for all students.
- b. Foster the idea of a serving society by engaging every PK-12 student in service learning initiatives on an annual basis.
- c. Ensure a welcoming environment and sense of belonging within our community.
- d. Cultivate, enrich and sustain lifelong learning opportunities for all families.

### 3. Secure Resources (time, people, finances, and operating processes) to Support Learning.

#### Strategies:

- a. Maximize the use of technology to reduce costs.
- b. Build partnerships and collaborate with private sector, institutions of higher learning, non-profit organizations, foundations, and community.
- c. Pursue and secure available external funding.
- d. Assess and evaluate resources annually to ensure maximum effectiveness.

## Initiatives

- Academic Showcase.
- Aspiring Administrator Leadership Institute.
- Common Core Standards.
- Cultural Competency: Beyond Diversity.
- Differentiation: Inclusion (special education); ELL; Co-teaching; Gifted and talented.
- District-wide roll out of SmartMusic Practice and Assessment software.
- E-book options and Nook pilot at high schools.
- Inquiry-based learning: Problem-based learning; Inquiry circles; Service learning; Experiential learning; Expeditionary learning.
- Instructional coaches.
- Instructional framework.
- Interactive technology—whiteboards and student response systems.
- iPad program development with administration, teachers, students, and departments (Speech, Early Childhood, Library Media, etc.).
- Literacy: Guided Reading; Disciplinary Literacy; STEM Literacy; Visual Literacy.
- MAP Testing.
- Multiage classrooms.
- My Big Campus (on-line collaborative learning environment).
- Rewriting the elementary library media curriculum to include quarterly assessment across the district.
- STEM integration of science, technology, and math.
- Teacher leadership.
- Delta Academy
- 21<sup>st</sup> Century Skills: Technology; Information/Media literacy; Four Cs: Creativity and innovation, Critical thinking and problem solving, Communication and collaboration, Life and career skills; Assessment/Grading; Numeracy, Guided Math.
- Workshop model; Reading workshop; Writing workshop.
- Implementation of MAP testing – with Educational Accountability, Information Services, Instructional Technology and Teaching and Learning staff to provide “benchmarking” assessment.

## Challenges

Although the District's educational program is in good condition, the following challenges for its financial future have been identified:

- The Kenosha Unified School District faces a number of challenges during the next few years: decrease in state funding; collective bargaining agreements through June 2013; fixed operating expenses; decreased funding per student; limited revenue sources; and declining property values.
- In January, 2011, Superintendent of Schools Dr. Michele Hancock secured the firm of Crowe Horwath, LLP to perform a financial and process assessment review of KUSD. This review did not constitute an audit, but an evaluation used by the leadership of the District to identify key areas for improvement. Of primary concern was the identification of a Structural Deficit. The report indicated the District's expenses are growing more rapidly than revenues and will result in reducing fund balance. The assessment recommended that to achieve budget sustainability, the District must increase revenues, decrease expenditures, or both.
- KUSD had to use some of its fund balance at the end of the 2010-2011 and 2011-2012 school years, bringing its fund balance down to 6.6% of operations, or \$15,683,728. The District is committed to restoring fund balance to achieve the Board Policy minimum of 15% of operations. Fund balance is considered during budget development.
- In May 2012 Moody's Investors Service removed the "negative outlook" and changed the District's rating to A1-stable. Moody's recognized the efforts of leadership to reduce expenses and its efforts to restore fund balance. Earlier in the year the District took strict measures when the outlook included using over \$8 million of fund balance. Instead, the District reduced 2011-2012 operating expenses by over \$7 million, using only \$1.1 million of fund balance.
- KUSD challenges include tax base valuation declines since 2010, consecutive operating deficits resulting in diminished reserved levels, and limited near-term expenditure flexibility due to contractual commitments combined with state aid reductions.

## ACKNOWLEDGEMENTS

We express our appreciation to Kenosha Unified School District's dedicated staff, and Schenck, S.C., Certified Public Accountants, for their assistance in preparing the report.

Respectfully submitted,



Dr. Michele Hancock  
Superintendent of Schools



Tina M. Schmitz  
Chief Financial Officer



**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHOOL BOARD AND ADMINISTRATION  
2011-2012**

**MEMBERS OF THE BOARD OF EDUCATION**

Mary Snyder	President
David Gallo	Vice President
Jo Ann Taube	Clerk
Carl Bryan	Treasurer
Tamarra Coleman	Member
Robert Nuzzo	Member
Rebecca Stevens	Member

**ADMINISTRATION**

Dr. Michele Hancock	Superintendent of Schools
Tina M. Schmitz	Chief Financial Officer
Daniel Tenuta	Assistant Superintendent of Secondary School Leadership
Karen Davis	Assistant Superintendent of Elementary School Leadership
Dr. Sue Savaglio-Jarvis	Assistant Superintendent of Teaching and Learning
Sheronda Glass	Executive Director of Business Services
Kristopher Keckler	Executive Director of Information Systems, Data Management and Evaluation
Tanya Ruder	Executive Director of Community Partnerships and Media Relations
Susan Valeri	Director of Special Education and Student Support
Patrick Finnemore	Director of Facilities

**REPORT PREPARED BY**

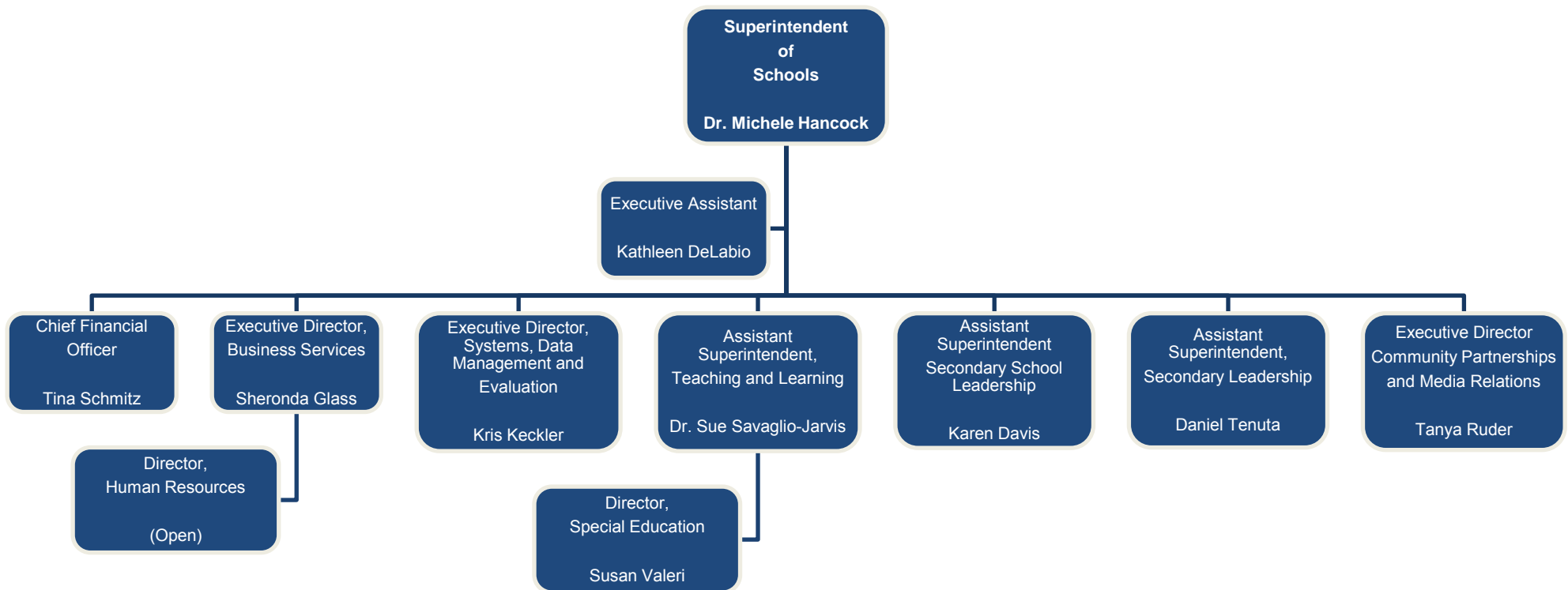
Tina M. Schmitz  
Chief Financial Officer

**Our Vision: *“Maximizing the brilliance of children.”***

**Our Mission: *“To assure every child experiences  
high quality, personalized learning success.”***



*District Leadership Council as of 8-1-2012*



# FINANCIAL



**Kenosha Unified  
School District**

*maximizing the influence of children*



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INDEPENDENT AUDITORS' REPORT ON  
BASIC FINANCIAL STATEMENTS

To the Board of Education  
Kenosha Unified School District No. 1  
Kenosha County, Wisconsin

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Kenosha Unified School District No. 1 ("District"), as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's Board of Education and management. Our responsibility is to express opinions on these financial statements based on our audit. The prior year summarized comparative information has been derived from the District's financial statements and, in our report dated December 2, 2011, we expressed unqualified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information.

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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes 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, 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, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2012, 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 November 21, 2012, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of employer contributions, schedule of funding progress, and notes to required supplementary information on pages 23 through 31 and 67 through 71, respectively, be presented to supplement the basic financial statements. Such information, although not part of the financial statements, is required by the Government Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The financial information listed in the table of contents as supplemental information is presented for purposes of additional analysis and is not a required part of the financial statements. The supplemental information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory section and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



Certified Public Accountants

Green Bay, Wisconsin  
November 21, 2012



## **Management's Discussion and Analysis For the Year Ended June 30, 2012**

The discussion and analysis of the Kenosha Unified School District's financial performance provides an overall review of financial activities for the fiscal year. The analysis focuses on school district financial performance as a whole.

### **FINANCIAL HIGHLIGHTS**

- The liabilities of the District exceeded the assets at the close of the fiscal year by \$8.3 million (*net assets*). Of this amount, \$69.3 million represents amounts invested in capital assets, net of related debt, \$24,177 is restricted for debt, and \$560,078 is restricted for food service. This results in an unrestricted assets balance of (\$78.2) million.
- Net assets for the most recent fiscal year decreased \$3.3 million over the prior year. The change includes a decrease of \$3.5 million in governmental activities and an increase of \$188,833 in business-type activities.
- The District's total long-term liabilities decreased by \$3.9 million
- Total capital assets decreased by \$8 million, primarily as a result of a prior year adjustment for the major expenditures for the Reuther remodeling project.
- In governmental funds, total fund balance decreased by \$6.1 million due mostly due to capital projects. The fund balance in the General Fund experienced a net decrease from operations of \$1.1 million.
- At the end of the current fiscal year, unassigned fund balance for the general fund was approximately \$11.4 million dollars.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

The District's basic financial statements are comprised of 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition, other supplementary information is provided for the basic financial statements.

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

The government-wide financial statements are the *statement of net assets* and *statement of activities*. These statements present an aggregate view of the District's finances in a manner similar to private-sector business. Both statements distinguish functions that are supported principally by property taxes and intergovernmental revenues, called *governmental activities*, from functions that are intended to recover all or a significant portion of costs through user fees and charges called *business type activities*.

- The *statement of net assets* presents information on all of the District's assets and liabilities, with the difference between the two reported as *net assets*. 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* presents information showing how the District's net assets changed during the year. This statement reports the cost of government functions and how those functions were financed in the fiscal year.

# Management's Discussion and Analysis

## For the Year Ended June 30, 2012

### Fund Financial Statements

The District also produces *fund financial statements*. A fund is a grouping of related accounts, which is used to maintain control over resources that have been segregated for specific activities. The District, like other state and local governments, uses fund accounting to demonstrate compliance with finance related legal requirements. Fund statements generally report operations in more detail than the government-wide statements and provide information that may be useful in evaluating a district's near-term financing requirements.

The District has three kinds of funds: *governmental*, *proprietary* and *fiduciary*. *Governmental funds* include the District's five regular funds (general, debt service, special revenue trust, Head Start and community service) and individual capital project funds as needed. The District has one *proprietary* fund, the food service fund and three *fiduciary funds*, an agency fund for student and parent organizations, a retiree health insurance fund used to provide for premiums the District has obligated itself related to prior service of retired employees, and a trust fund for scholarships.

There are two fund financial statements, the *balance sheet* and the *statement of revenues, expenditures and changes in fund balances* (operating statement). Financial information is presented separately on both the *balance sheet* and the *statement of revenues, expenditures and changes in fund balances* for the general fund, debt service fund and the capital projects fund as these are considered to be major funds. Data for the special revenue trust fund, community service fund and Head Start fund is combined into a single, aggregated column. Data for each of these individual non-major funds is provided separately as supplementary information.

A reconciliation to facilitate the comparison of the Statement of Net Assets to the Governmental Funds Balance Sheet is presented at the bottom of the governmental funds statement. A separate statement to reconcile the Statement of Activities to the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds is also presented.

The proprietary fund statements for the District's food service program are prepared on the same basis of accounting and measurement focus as the government-wide financial statements. In addition, the District provides a *statement of cash flows* for the proprietary funds.

The District serves as a trustee, or *fiduciary*, for student and parent organizations, a retiree insurance fund and a trust fund for scholarships. The assets of these organizations do not directly benefit the District. The District's responsibility is limited to ensuring the assets reported in these funds are used only for their intended purposes. *Fiduciary* activities are excluded from the government-wide financial statements because the District cannot use these assets to finance its operations.

The District adopts an annual appropriation budget for its governmental funds. Budgetary comparison statements have been provided to demonstrate budget compliance.

### Notes to the Financial Statements

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

# Management's Discussion and Analysis For the Year Ended June 30, 2012

## FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Table 1, below, provides a summary of the District's net assets for the year ended June 30, 2012 compared to 2011. The District's combined net assets decreased by \$28,512,801 to (\$8,346,408).

**Table 1**  
**Condensed Statement of Net Assets**  
*(in thousands of dollars)*

	Governmental Activities		Business-type Activities		Total School District		Total % Change
	2011	2012	2011	2012	2011	2012	2011-2012
Current and other assets	\$ 84,206	\$ 74,297	\$ 642	\$ 716	\$ 84,848	\$ 75,013	-11.6%
Capital assets	\$ 172,735	\$ 164,571	\$ 1,082	\$ 1,192	\$ 173,817	\$ 165,763	-4.6%
<b>Total assets</b>	<b>\$ 256,941</b>	<b>\$ 238,868</b>	<b>\$ 1,724</b>	<b>\$ 1,908</b>	<b>\$ 258,665</b>	<b>\$ 240,776</b>	<b>-6.9%</b>
Long-term debt outstanding	\$ 181,210	\$ 177,262	\$ -	\$ -	\$ 181,210	\$ 177,262	-2.2%
Other liabilities	\$ 74,188	\$ 71,704	\$ 161	\$ 156	\$ 74,349	\$ 71,860	-3.3%
<b>Total liabilities</b>	<b>\$ 255,398</b>	<b>\$ 248,967</b>	<b>\$ 161</b>	<b>\$ 156</b>	<b>\$ 255,559</b>	<b>\$ 249,123</b>	<b>-2.5%</b>
<b>Net assets</b>							
Invested in capital assets, net of related debt	\$ 64,216	\$ 68,115	\$ 1,082	\$ 1,192	\$ 65,298	\$ 69,307	6.1%
Restricted	\$ 761	\$ 24	\$ 481	\$ 560	\$ 1,242	\$ 584	-53.0%
Unrestricted	\$ (63,434)	\$ (78,237)	\$ -	\$ -	\$ (63,434)	\$ (78,237)	23.3%
<b>Total net assets</b>	<b>\$ 1,543</b>	<b>\$ (10,098)</b>	<b>\$ 1,563</b>	<b>\$ 1,752</b>	<b>\$ 3,106</b>	<b>\$ (8,346)</b>	<b>-368.7%</b>

*Note: may be rounding differences.*

The largest portion of the District's net assets is its investment in capital assets (e. g. land, buildings, and equipment); less related outstanding debt used to acquire those assets. These assets are used to provide services to students and consequently are not available for future spending.

Restricted net assets account for (7%) of total net assets. The District is required by state statute to have available in the debt service fund an amount sufficient to make debt payments required between the beginning of the fiscal year (July 1) and receipt of the first tax payments (normally on or about January 20th). The restricted net assets of governmental activities are entirely comprised of amounts restricted for debt service payments. Unrestricted net assets for the District decreased \$14,803,106 to (\$78,237,330) million.

Table 2 provides summarized operating results and their impact on net assets. The District relies primarily on property taxes (32.3%), state sources (49.1%) and operating grants and contributions (18.6%) to fund District activities. There were only minor variations between years within the sources of revenue.

Program revenues, in the form of charges for services and operating grants and contributions, decreased \$3,236,510 for governmental activities reflecting a decrease in federal and state grants.

## Management's Discussion and Analysis For the Year Ended June 30, 2012

Program revenues increased \$475,727 for business type activities due mostly to increased federal funds.

Overall, expenses decreased 6.7% primarily due to reduction in staffing and other operating expenses.

**Table 2**  
**Changes in Net Assets from Operating Results**  
*(in thousands of dollars)*

	Governmental Activities		Business-type Activities		Total School District		Total % Change
	2011	2012	2011	2012	2011	2012	2011-2012
<b>Revenues</b>							
Program revenues							
Charges for services	\$ 1,492	\$ 1,295	\$ 2,982	\$ 3,099	\$ 4,474	\$ 4,395	-1.8%
Operating grants & contributions	\$ 36,064	\$ 33,024	\$ 5,355	\$ 5,713	\$ 41,419	\$ 38,738	-6.5%
General revenues							
Property taxes	\$ 94,976	\$ 93,681	\$ -	\$ -	\$ 94,976	\$ 93,681	-1.4%
State formula aid	\$ 147,240	\$ 142,394	\$ -	\$ -	\$ 147,240	\$ 142,394	-3.3%
Other	\$ 9,793	\$ 11,340	\$ -	\$ -	\$ 9,793	\$ 11,340	15.8%
<b>Total revenues</b>	<b>\$ 289,565</b>	<b>\$ 281,734</b>	<b>\$ 8,337</b>	<b>\$ 8,813</b>	<b>\$ 297,902</b>	<b>\$ 290,547</b>	<b>-2.5%</b>
<b>Expenses</b>							
Instruction	\$ 196,614	\$ 180,225	\$ -	\$ -	\$ 196,614	\$ 180,225	-8.3%
Pupil & instructional services	\$ 35,249	\$ 31,209	\$ -	\$ -	\$ 35,249	\$ 31,209	-11.5%
Administration and business	\$ 23,805	\$ 20,468	\$ -	\$ -	\$ 23,805	\$ 20,468	-14.0%
Maintenance and operations	\$ 26,493	\$ 27,324	\$ -	\$ -	\$ 26,493	\$ 27,324	3.1%
Transportation	\$ 7,052	\$ 6,784	\$ -	\$ -	\$ 7,052	\$ 6,784	-3.8%
Community service	\$ 1,459	\$ 1,399	\$ -	\$ -	\$ 1,459	\$ 1,399	-4.1%
Interest on debt	\$ 7,005	\$ 6,903	\$ -	\$ -	\$ 7,005	\$ 6,903	-1.5%
Other	\$ 9,090	\$ 10,868	\$ 8,270	\$ 8,624	\$ 17,360	\$ 19,492	12.3%
<b>Total expenses</b>	<b>\$ 306,767</b>	<b>\$ 285,180</b>	<b>\$ 8,270</b>	<b>\$ 8,624</b>	<b>\$ 315,037</b>	<b>\$ 293,804</b>	<b>-6.7%</b>
<b>Increase (decrease) in net assets</b>	<b>\$ (17,202)</b>	<b>\$ (3,446)</b>	<b>\$ 67</b>	<b>\$ 189</b>	<b>\$ (17,135)</b>	<b>\$ (3,257)</b>	

*Note: may be rounding differences*

## Management's Discussion and Analysis For the Year Ended June 30, 2012

### Governmental Activities

Table 3 presents the cost of the eight major District activities. The table reports each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost reflects the financial burden that was placed on the District's taxpayers by each of these functions.

The cost of all governmental activities this year was \$285,179,856. Individuals who directly participated or benefited from a program offering paid \$1,295,315 of the costs. Federal and state governments subsidized certain programs with grants and contributions of \$33,024,175. The net cost of governmental activities totaling \$250,860,366 was financed by general revenues of the District.

The District relies primarily on property taxes and general state aid to fund governmental activities. School funding regulations restrict the amount by which these two revenue sources, in combination, may be increased. This restriction, called revenue limit, is intended to help hold down increases in property taxes throughout the state. The 2011-2012 District equalized property value of \$8,503,804,152 represents a 4.79% decrease over the previous year and the total tax mill rate is \$11.02 and represents a 3.94% increase over the previous year.

General state aid is paid according to a formula taking into consideration district spending and property values as compared to spending and property values for the state as a whole. The District's property values are growing slower than the state average. This year, the District's share of general state aid increased by \$11,419,748.

**Table 3**  
**Net Cost of Governmental Activities**  
*(in thousands of dollars)*

	<b>Total Cost of Services</b>		<b>Percentage Change</b>	<b>Net Cost of Services</b>		<b>Percentage Change</b>
	<b>2011</b>	<b>2012</b>	<b>2011-2012</b>	<b>2011</b>	<b>2012</b>	<b>2011-2012</b>
Instruction	\$ 196,614	\$ 180,225	-8.3%	\$ 163,808	\$ 153,017	-6.6%
Pupil & instructional services	\$ 35,249	\$ 31,209	-11.5%	\$ 31,022	\$ 27,180	-12.4%
Administration and business	\$ 23,805	\$ 20,468	-14.0%	\$ 23,805	\$ 20,079	-15.7%
Maintenance and operations	\$ 26,493	\$ 27,324	3.1%	\$ 26,493	\$ 27,324	3.1%
Transportation	\$ 7,052	\$ 6,784	-3.8%	\$ 6,777	\$ 5,514	-18.6%
Community service	\$ 1,459	\$ 1,399	-4.1%	\$ 1,211	\$ 1,221	0.8%
Interest on debt	\$ 7,005	\$ 6,903	-1.5%	\$ 7,005	\$ 5,657	-19.2%
Other	\$ 9,090	\$ 10,868	19.6%	\$ 9,090	\$ 10,868	19.6%
<b>Total</b>	<b>\$ 306,767</b>	<b>\$ 285,180</b>	<b>-7.0%</b>	<b>\$ 269,211</b>	<b>\$ 250,860</b>	<b>-6.8%</b>

*Note: totals may not add due to rounding.*

## Management's Discussion and Analysis For the Year Ended June 30, 2012

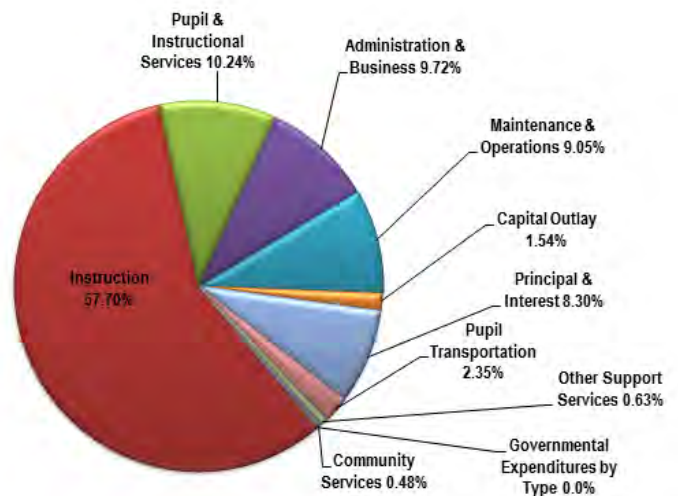
### GOVERNMENTAL REVENUES BY TYPE

Governmental Revenues by Type	2011	2012
State Sources	\$ 164,778,840	\$155,070,668
Property Taxes	\$ 94,975,748	\$ 93,988,056
Federal Sources	\$ 23,485,542	\$ 21,466,446
Other Local Sources	\$ 4,547,089	\$ 2,981,186
Other Sources	\$ 1,361,022	\$ 8,255,505
Interdistrict Sources	\$ 337,698	\$ 358,267
Intermediate Sources	\$ 78,481	\$ 60,065
<b>Total Revenues</b>	<b>\$ 289,564,420</b>	<b>\$282,180,193</b>



### GOVERNMENTAL EXPENDITURES BY TYPE

Governmental Expenditures by Type	2011	2012
Instruction	\$ 180,661,138	\$166,413,082
Pupil & Instructional Services	\$ 31,539,272	\$ 29,533,160
Administration & Business	\$ 31,007,907	\$ 28,043,096
Maintenance & Operations	\$ 26,629,938	\$ 26,094,119
Capital Outlay	\$ 16,808,215	\$ 4,432,758
Principal & Interest	\$ 16,526,963	\$ 23,932,631
Pupil Transportation	\$ 7,051,879	\$ 6,783,011
Other Support Services	\$ 1,523,872	\$ 1,814,429
Community Services	\$ 1,458,807	\$ 1,385,600
<b>Total Expenses</b>	<b>\$ 313,207,991</b>	<b>\$288,431,886</b>



# **Management's Discussion and Analysis For the Year Ended June 30, 2012**

## **BUSINESS-TYPE ACTIVITIES**

Revenues for the District's business-type activities (food service program) were \$8,812,727 comprised of charges for services (35.2%) and federal and state reimbursements (64.8%). Expenses of \$8,624,098 resulted in operating income of \$188,629 for the year. Major expenses include food and supply purchases (59.0%) and labor/benefits (41.0%). The District raises school lunch prices to provide for inflationary cost increases.

## **FINANCIAL ASPECTS OF THE DISTRICT'S FUNDS**

The District completed the year with fund balance of \$16,327,040 down from last year's ending fund balance of \$22,473,046 due to the following:

- The general fund had a decrease in fund balance of \$1,126,257 primarily due to planned used of fund balance.
- The debt service fund had a decrease of \$736,496. The fund balance of the debt service fund will fluctuate each year, based on bond activity.
- The capital project fund had a decrease of \$3,903,298. This decrease is a result of the Indian Trail construction, and adjustments for the Reuther project.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

- The District adopts an interim budget in July for the year (beginning July 1st). Consistent with current state statutes and regulations an *original* budget is adopted in October, following a determination of the official enrollment and the certification of general state aids.
- The total Third Friday enrollment for school year 2011-2012 was 22,978 a decrease of 144 students from the 2010-2011 school year.
- The Third Friday membership count for the 2011-2012 school year, as measured on September 17, 2011, was 22,663, a decrease of 87 full time student equivalents from the final Third Friday count for the 2010-2011 school year.
- With the continued expansion of the four year-old (4K) Kindergarten program, 7 additional teaching staff (6.49 FTE) and 3 supporting teaching positions were added to the Early Childhood program.
- The 2011-2012 budget included a decrease in FTE necessary in light of the reduction in state funding.



# Management's Discussion and Analysis For the Year Ended June 30, 2012

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

At the end of fiscal year 2012, the District had invested \$269,472,824 in capital assets, including buildings, sites, library books, and equipment (See Table 4). Total accumulated depreciation on these assets total \$103,709,554. Capital Asset acquisitions for governmental activities totaled \$16,808,215. The District recognized depreciation expense of \$4,400,764 for governmental activities and \$71,790 for the food service program. Detailed information about capital assets can be found in Note 4(b) to the financial statements.

**Table 4**  
**Capital Assets**  
*(net of depreciation, in thousands of dollars)*

	Governmental Activities		Business-type Activities		Total School District		Total % Change
	2011	2012	2011	2012	2011	2012	2011-2012
Land	\$ 8,694	\$ 8,694	\$ -	\$ -	\$ 8,694	\$ 8,694	0.0%
Construction in progress	\$ 54,762	\$ 50,581	\$ -	\$ -	\$ 54,762	\$ 50,581	9.2%
Site improvements	\$ 6,208	\$ 6,208	\$ -	\$ -	\$ 6,208	\$ 6,208	0.0%
Buildings & building improvements	\$ 156,429	\$ 156,615	\$ -	\$ -	\$ 156,429	\$ 156,615	0.1%
Equipment & furniture	\$ 44,543	\$ 44,774	\$ 2,418	\$ 2,600	\$ 46,961	\$ 47,374	0.9%
Accumulated depreciation	\$ (97,901)	\$ (102,302)	\$ (1,336)	\$ (1,408)	\$ (99,237)	\$ (103,710)	4.5%
<b>Total</b>	<b>\$ 172,735</b>	<b>\$ 164,571</b>	<b>\$ 1,082</b>	<b>\$ 1,192</b>	<b>\$ 173,817</b>	<b>\$ 165,763</b>	<b>-4.6%</b>

*Note: totals may not add due to rounding.*

### Long-Term Debt

At year-end the District had \$117,674,000 in general obligation bonds and \$46,589,672 other long-term debt outstanding – a decrease of 14.6% from last year (see Table 5).

**Table 5**  
**Outstanding Long-Term Obligations**  
*(in thousands of dollars)*

	Total School District		Total Percentage Change
	2011	2012	2011-2012
General obligation debt	\$ 133,273	\$ 117,674	-11.7%
Other	\$ 58,964	\$ 46,590	-21.0%
<b>Total</b>	<b>\$ 192,237</b>	<b>\$ 164,264</b>	<b>-14.6%</b>



## **Management's Discussion and Analysis For the Year Ended June 30, 2012**

Debt of the District is secured by an irrevocable tax levy adopted by the School Board at the time of issuance. Wisconsin state statutes require that the first property tax receipts be segregated for annual debt service payments.

### **FACTORS BEARING ON THE DISTRICT'S FUTURE**

Currently known circumstances that will impact the District's financial status in the future are:

- Wisconsin has experienced several consecutive years of reductions in K-12 education funding. The 2011 Wisconsin Act 32 decreases general school aids by \$749 million over the biennium. As a result of the 2011-13 state budget school districts experienced a 5.5% revenue limit cut. This has had a significant impact on the District in that coupled with these decreases, the District has not been able to fully utilize certain provisions that the state has offered the K-12 districts; specifically, the employee contribution to the Wisconsin Retirement System (WRS), and additional employee contributions to health insurance. As of the writing of this report, some employee groups have agreed to provide and/or increase their contributions to their retirement and health insurance costs, while others have not.
- In October 2011 and March 2012, KUSD received a partial settlement from the CDO lawsuit. The Securities and Exchange Commission took action against the Royal Bank of Canada Capital Markets LLC for its misconduct in the sale of unsuitable investments to five Wisconsin school districts, including the District, and its inadequate disclosures regarding the risks associated with those investments. Legal action continues in this suit. In the meantime, the proceeds received to date have been used to pay down the \$9.5m State Trust Fund loan. The balance remaining on the State Trust Fund loan at June 30, 2012 is \$3,500,000.

### **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Tina Schmitz, Chief Financial Officer, (262-359-5921), Kenosha Unified School District, 3600 52<sup>nd</sup> Street, Kenosha, WI 53144.

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Statement of Net Assets**  
**As of June 30, 2012**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>Assets</b>			
<b>Current assets:</b>			
Cash and investments	\$ 38,944,495	\$ 395,352	\$ 39,339,847
Receivables:			
Taxes	20,886,158	-	20,886,158
Accounts	2,859,056	-	2,859,056
Due from other governments	7,275,811	196,934	7,472,745
Inventories and prepaid items	4,331,514	123,547	4,455,061
<b>Total current assets</b>	<b>74,297,034</b>	<b>715,833</b>	<b>75,012,867</b>
<b>Noncurrent assets:</b>			
Land	8,693,976	-	8,693,976
Construction in progress	50,581,201	-	50,581,201
Site improvements	6,208,343	-	6,208,343
Buildings and building improvements	156,615,223	-	156,615,223
Furniture and equipment	44,774,291	2,599,790	47,374,081
Less: Accumulated depreciation	(102,301,764)	(1,407,790)	(103,709,554)
<b>Total noncurrent assets</b>	<b>164,571,270</b>	<b>1,192,000</b>	<b>165,763,270</b>
<b>Total assets</b>	<b>238,868,304</b>	<b>1,907,833</b>	<b>240,776,137</b>
<b>Liabilities</b>			
<b>Current liabilities:</b>			
Accounts payable	1,600,158	-	1,600,158
Short-term notes payable	34,000,000	-	34,000,000
Accrued Liabilities			
Payroll, payroll taxes, insurance	22,059,069	-	22,059,069
Interest	1,346,263	-	1,346,263
Unearned revenue	109,320	155,755	265,075
Current portion of long-term obligations	12,589,672	-	12,589,672
<b>Total current liabilities</b>	<b>71,704,482</b>	<b>155,755</b>	<b>71,860,237</b>
<b>Noncurrent liabilities:</b>			
Noncurrent portion of long-term obligations	177,262,308	-	177,262,308
<b>Total non-current liabilities</b>	<b>177,262,308</b>	<b>-</b>	<b>177,262,308</b>
<b>Total liabilities</b>	<b>248,966,790</b>	<b>155,755</b>	<b>249,122,545</b>
<b>Net Assets</b>			
Invested in capital assets, net of related debt	68,114,667	1,192,000	69,306,667
Restricted for:			
Debt service	24,177	-	24,177
Food service	-	560,078	560,078
Unrestricted (deficit)	(78,237,330)	-	(78,237,330)
<b>Total net assets</b>	<b>(10,098,486)</b>	<b>1,752,078</b>	<b>(8,346,408)</b>
<b>Total liabilities and net assets</b>	<b>\$ 238,868,304</b>	<b>\$ 1,907,833</b>	<b>\$ 240,776,137</b>

*The Notes to the Basic Financial Statements are in integral part of this statement.*

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Statement of Activities**  
**For the Year ended June 30, 2012**

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Government Activities	Business-Type Activities	Total
<b>Governmental activities:</b>						
Instruction:						
Regular instruction	\$ 128,336,544	\$ 1,003,151	\$ 8,367,623	\$ (118,965,770)		\$ (118,965,770)
Vocational instruction	4,766,726	46,130	223,855	(4,496,741)		(4,496,741)
Special education instruction	38,506,917	-	17,012,216	(21,494,701)		(21,494,701)
Other instruction	8,614,653	67,655	487,502	(8,059,495)		(8,059,495)
<b>Total Instruction</b>	<b>180,224,840</b>	<b>1,116,936</b>	<b>26,091,196</b>	<b>(153,016,708)</b>		<b>(153,016,708)</b>
Support services:						
Pupil services	16,501,657	-	2,772,076	(13,729,581)		(13,729,581)
Instructional staff services	14,706,861	-	1,256,003	(13,450,858)		(13,450,858)
General administration services	1,346,054	-	-	(1,346,054)		(1,346,054)
School administration services	15,453,446	-	155,548	(15,297,898)		(15,297,898)
Business services	3,668,185	-	233,180	(3,435,005)		(3,435,005)
Operations & maintenance of plant	27,324,006	-	-	(27,324,006)		(27,324,006)
Pupil transportation services	6,783,815	-	1,269,447	(5,514,368)		(5,514,368)
Central services	7,714,879	-	-	(7,714,879)		(7,714,879)
Insurance	1,338,975	-	-	(1,338,975)		(1,338,975)
Other support services	1,814,429	-	-	(1,814,429)		(1,814,429)
Community services	1,399,386	178,379	-	(1,221,007)		(1,221,007)
Interest and fiscal charges	6,903,323	-	1,246,724	(5,656,599)		(5,656,599)
<b>Total Support Services</b>	<b>104,955,016</b>	<b>178,379</b>	<b>6,932,979</b>	<b>(97,843,658)</b>		<b>(97,843,658)</b>
<b>Total governmental activities</b>	<b>285,179,856</b>	<b>1,295,315</b>	<b>33,024,175</b>	<b>(250,860,366)</b>		<b>(250,860,366)</b>
<b>Business-type activities:</b>						
School food service program	8,624,098	3,099,388	5,713,339		188,629	188,629
<b>Total school district</b>	<b>\$ 293,803,954</b>	<b>\$ 4,394,703</b>	<b>\$ 38,737,514</b>	<b>(250,860,366)</b>	<b>188,629</b>	<b>(250,671,737)</b>
<b>General revenues:</b>						
Taxes						
Property taxes, levied for general purposes				77,070,827	-	77,070,827
Property taxes, levied for debt services				14,625,987	-	14,625,987
Property taxes, levied for community services				1,984,170	-	1,984,170
Other taxes				307,072	-	307,072
State and federal aids not restricted to specific functions						
General				142,393,589	-	142,393,589
Other				2,784,406	-	2,784,406
Interest and investment earnings				71,411	204	71,615
Miscellaneous				8,177,329	-	8,177,329
<b>Total general revenues</b>				<b>247,414,791</b>	<b>204</b>	<b>247,414,995</b>
<b>Change in net assets</b>				<b>(3,445,575)</b>	<b>188,833</b>	<b>(3,256,742)</b>
<b>Net assets - beginning of year (restated)</b>				<b>(6,652,911)</b>	<b>1,563,245</b>	<b>(5,089,666)</b>
<b>Net assets - end of year</b>				<b>\$ (10,098,486)</b>	<b>\$ 1,752,078</b>	<b>\$ (8,346,406)</b>

The Notes to the Basic Financial Statements are in integral part of this statement.

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Balance Sheet**  
**Governmental Funds**  
**As of June 30, 2012**

	General Fund	Debt Service Fund	Capital Projects Fund	Other Gov't Funds	Total Gov't Funds
<b>Assets</b>					
Cash and investments	\$ 38,296,273	\$ 24,177	\$ 341,397	\$ 282,648	\$ 38,944,495
Receivables:					
Taxes	20,886,158	-	-	-	20,886,158
Accounts	2,857,666	-	-	1,390	2,859,056
Due from other funds	173,229	-	-	-	173,229
Due from other governments	7,122,549	-	-	153,262	7,275,811
Inventories and prepaid items	4,317,847	-	-	13,667	4,331,514
<b>Total assets</b>	<b>73,653,722</b>	<b>24,177</b>	<b>341,397</b>	<b>450,967</b>	<b>74,470,263</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
Short-term notes payable	34,000,000	-	-	-	34,000,000
Accounts payable	1,600,158	-	-	-	1,600,158
Accrued Liabilities					
Payroll, payroll taxes, insurance	22,059,069	-	-	-	22,059,069
Interest	201,447	-	-	-	201,447
Deferred revenue	109,320	-	-	-	109,320
Due to other funds	-	-	-	173,229	173,229
<b>Total liabilities</b>	<b>57,969,994</b>	<b>-</b>	<b>-</b>	<b>173,229</b>	<b>58,143,223</b>
<b>Fund Balances:</b>					
Nonspendable	4,317,847	-	-	13,667	4,331,514
Restricted for capital projects	-	-	341,397	-	341,397
Restricted for debt service	-	24,177	-	-	24,177
Assigned for community services	-	-	-	277,738	277,738
Unassigned	11,365,881	-	-	(13,667)	11,352,214
<b>Total fund balances</b>	<b>15,683,728</b>	<b>24,177</b>	<b>341,397</b>	<b>277,738</b>	<b>16,327,040</b>
<b>Total liabilities and fund balances</b>	<b>\$ 73,653,722</b>	<b>\$ 24,177</b>	<b>\$ 341,397</b>	<b>\$ 450,967</b>	

**Total net assets reported for governmental activities in the statement of net assets are different from the amount reported above as total governmental funds fund balance because:**

Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund statements. Amounts reported for governmental activities in the statement of net assets:

Governmental capital asset	266,873,034	
Governmental accumulated depreciation	(102,301,764)	164,571,270

Long term liabilities, including bonds and notes payable, are not due in the current period and therefore are not reported in the fund statements. Long-term liabilities reported in the statement of net assets that are not reported in the funds balance sheet are:

General obligation debt	(117,674,000)	
Unamortized loss on advance refunding	595,470	
Accrued interest on general obligation debt	(1,144,816)	
Accrued OPEB obligation	(68,364,317)	
Compensated absences	(4,409,133)	(190,996,796)

**Total net assets - governmental activities** **\$ (10,098,486)**

*The Notes to the Basic Financial Statements are in integral part of this statement.*

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2012**

	<b>Total General Fund</b>	<b>Debt Service Fund</b>	<b>Capital Projects Fund</b>	<b>Other Gov't Funds</b>	<b>Total Gov't Funds</b>
<b>Revenues:</b>					
Property taxes	\$ 77,377,899	\$ 14,625,987	\$ -	\$ 1,984,170	\$ 93,988,056
Other local sources	2,760,004	8,388	34,415	178,379	2,981,186
Interdistrict sources	358,267	-	-	-	358,267
Intermediate sources	60,065	-	-	-	60,065
State sources	155,070,668	-	-	-	155,070,668
Federal sources	19,666,245	-	-	1,800,201	21,466,446
Other sources	560,499	7,249,094	445,912	-	8,255,505
<b>Total revenues</b>	<b>255,853,647</b>	<b>21,883,469</b>	<b>480,327</b>	<b>3,962,750</b>	<b>282,180,193</b>
<b>Expenditures:</b>					
<b>Current:</b>					
<b>Instruction:</b>					
Regular instruction	117,379,742	-	-	-	117,379,742
Vocational instruction	4,556,221	-	-	-	4,556,221
Special instruction	35,212,234	-	-	1,109,528	36,321,762
Other instruction	8,155,357	-	-	-	8,155,357
<b>Total instruction</b>	<b>165,303,554</b>	<b>-</b>	<b>-</b>	<b>1,109,528</b>	<b>166,413,082</b>
<b>Support Services</b>					
Pupil services	15,326,200	-	-	270,745	15,596,945
Instructional staff services	13,905,015	-	-	31,200	13,936,215
General administration services	1,288,420	-	-	-	1,288,420
Building administration services	14,322,475	-	-	155,548	14,478,023
Business services	2,096,424	-	-	1,390,084	3,486,508
Operation and maintenance	25,725,609	-	368,510	-	26,094,119
Pupil transportation	6,783,011	-	-	-	6,783,011
Central services	7,451,170	-	-	-	7,451,170
Insurance	1,338,975	-	-	-	1,338,975
Community service	-	-	-	1,385,600	1,385,600
Other support services	1,814,429	-	-	-	1,814,429
<b>Total support services</b>	<b>90,051,728</b>	<b>-</b>	<b>368,510</b>	<b>3,233,177</b>	<b>93,653,415</b>
<b>Debt Service:</b>					
Principal	-	16,339,000	-	-	16,339,000
Interest and fiscal charges	432,716	7,160,915	-	-	7,593,631
<b>Total debt service</b>	<b>432,716</b>	<b>23,499,915</b>	<b>-</b>	<b>-</b>	<b>23,932,631</b>
<b>Capital Outlay:</b>					
Capital outlay	417,643	-	4,015,115	-	4,432,758
<b>Total expenditures</b>	<b>256,205,641</b>	<b>23,499,915</b>	<b>4,383,625</b>	<b>4,342,705</b>	<b>288,431,886</b>
Excess (deficiency) of revenues over expenditures	(351,994)	(1,616,446)	(3,903,298)	(379,955)	(6,251,693)
<b>Other Financing Sources (Uses):</b>					
Net transfers from/(to)	(774,263)	774,263	-	-	-
Long-term debt issued	-	9,275,000	-	-	9,275,000
Payments on debt refinancing	-	(9,169,313)	-	-	(9,169,313)
<b>Total other financing sources (uses)</b>	<b>(774,263)</b>	<b>879,950</b>	<b>-</b>	<b>-</b>	<b>105,687</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(1,126,257)</b>	<b>(736,496)</b>	<b>(3,903,298)</b>	<b>(379,955)</b>	<b>(6,146,006)</b>
<b>Fund balances - beginning of year</b>	<b>16,809,985</b>	<b>760,673</b>	<b>4,244,695</b>	<b>657,693</b>	<b>22,473,046</b>
<b>Fund balances - end of year</b>	<b>\$ 15,683,728</b>	<b>\$ 24,177</b>	<b>\$ 341,397</b>	<b>\$ 277,738</b>	<b>\$ 16,327,040</b>

*The Notes to the Basic Financial Statements are in integral part of this statement.*

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Reconciliation of Statement Revenues, Expenditures and Changes in Fund Balances**  
**of Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2012**

**Net Change in Fund Balances - Total Governmental Funds** **\$ (6,146,006)**

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

The acquisition of capital assets are reported in the governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities.

Capital outlay reported in governmental fund statements	4,432,758	
Depreciation expense reported in the statement of activities	(4,400,434)	
Amount by which capital outlays are greater (less) than depreciation in the current period.		32,324

Some existing loans were refinanced during the year.

The amount of the loan is reported in the governmental funds as a source of financing. In the statement of net assets however, loans are not reported as a financing source, but rather constitute a long-term liability. The amount of loans reported in the governmental funds statement is:

	(9,275,000)	
		(9,275,000)

Certain employee benefits are reported in the government funds when amounts are due. The statement of activities reports the value of benefits earned during the year. This year the accrual of these benefits increased by:

(13,809,602)

Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net assets and does not affect the statement of activities.

The amount of long-term debt principal payments in the current year is:		24,874,000
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In governmental funds interest payments on outstanding debt are reported as an expenditure when paid. In the statement of activities interest is reported as it accrues.

The amount of interest paid during the current period	7,160,915	
The amount of interest accrued during the current period	(6,877,676)	
Interest paid is greater (less) than interest accrued by		283,239

The District refunded a prior debt issue by placing financial resources in an irrevocable trust to be used to refund the defeased debt. In the statement of activities, the difference is amortized over the life fo the refunded bonds

Payment on debt refinancing	9,169,313	
Book value of refunded debt	(8,535,000)	
		634,313

Current year amortization of loss on advance refunding		(38,843)
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<b>Change in Net Assets - Governmental Activities</b>		<b><u><u>\$ (3,445,575)</u></u></b>
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*The Notes to the Basic Financial Statements are in integral part of this statement.*

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Statement of Net Assets**  
**Proprietary Fund**  
**As of June 30, 2012**  
**(With Summarized Financial Information as of June 30, 2011)**

	<b>Food Service Fund</b>	
	<b>2012</b>	<b>2011</b>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and investments	\$ 395,352	\$ -
Due from other governments	196,934	792,173
Inventories and prepaid items	123,547	143,820
<b>Total current assets</b>	<b>715,833</b>	<b>935,993</b>
<b>Noncurrent Assets:</b>		
Furniture and equipment	2,599,790	2,418,015
Less accumulated depreciation	(1,407,790)	(1,335,634)
<b>Total non-current assets</b>	<b>1,192,000</b>	<b>1,082,381</b>
<b>Total assets</b>	<b>\$ 1,907,833</b>	<b>\$ 2,018,374</b>
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Due to other funds	\$ -	\$ 294,014
Accounts payable	-	10,127
Unearned revenue	155,755	150,988
<b>Total liabilities</b>	<b>155,755</b>	<b>455,129</b>
<b>Net Assets</b>		
Invested in capital assets	1,192,000	1,082,381
Restricted for food service	560,078	480,864
<b>Total net assets</b>	<b>1,752,078</b>	<b>1,563,245</b>
<b>Total liabilities and net assets</b>	<b>\$ 1,907,833</b>	<b>\$ 2,018,374</b>

*The Notes to the Basic Financial Statements are in integral part of this statement.*

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Statement of Revenues, Expenses and Changes in Net Assets**  
**Proprietary Fund**  
**For the Year Ended June 30, 2012**  
**(With Summarized Financial Information for the Year Ended June 30, 2011)**

	<b>Food Service Fund</b>	
	<b>2012</b>	<b>2011</b>
<b>Revenues:</b>		
<b>Operating revenue</b>		
Food sales	\$ 3,099,388	\$ 2,982,191
State sources	135,121	139,790
Federal sources	5,075,797	4,771,868
Federal commodities	502,421	443,831
<b>Total operating revenues</b>	<b>8,812,727</b>	<b>8,337,680</b>
<b>Operating Expenses:</b>		
Salaries and wages	2,317,410	2,170,942
Employer paid benefits	1,043,863	1,071,645
Purchased services	100,279	162,734
Supplies, food and materials	5,090,390	4,801,127
Depreciation	72,156	63,615
<b>Total operating expenses</b>	<b>8,624,098</b>	<b>8,270,063</b>
<b>Operating income</b>	<b>188,629</b>	<b>67,617</b>
<b>Non-operating revenues:</b>		
Investment earnings	204	1,454
<b>Total non-operating revenues</b>	<b>204</b>	<b>1,454</b>
<b>Change in net assets</b>	<b>188,833</b>	<b>69,071</b>
<b>Net Assets - beginning of year</b>	<b>1,563,245</b>	<b>1,494,174</b>
<b>Net Assets - end of year</b>	<b>\$ 1,752,078</b>	<b>\$ 1,563,245</b>

*The Notes to the Basic Financial Statements are in integral part of this statement.*



**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Statement of Cash Flows**  
**Proprietary Fund**  
**For the Year Ended June 30, 2012**  
**(With Summarized Financial Information for the Year Ended June 30, 2011)**

	<b>Food Service Fund</b>	
	<b>2012</b>	<b>2011</b>
<b>Cash Flows from Operating Activities</b>		
Cash received from user charges	\$ 3,104,155	\$ 3,010,960
Cash received from other government payments	5,806,157	4,826,400
Cash payments to employees for services	(3,361,273)	(3,242,587)
Cash payments for utilities and other purchased services	(100,279)	(162,734)
Cash payments to suppliers for goods and services	(4,871,837)	(4,426,719)
<b>Net cash provided by operating activities</b>	<b>576,923</b>	<b>5,320</b>
<b>Cash Flows from Capital and Related Financing Activities</b>		
Cash payments for acquisition of capital assets	(181,775)	(6,774)
<b>Net cash used by capital and related financing activities</b>	<b>(181,775)</b>	<b>(6,774)</b>
<b>Cash Flows from Investing Activities</b>		
Interest received	204	1,454
<b>Net cash provided by investing activities</b>	<b>204</b>	<b>1,454</b>
<b>Net increase in cash and cash equivalents</b>	<b>395,352</b>	<b>-</b>
<b>Cash and cash equivalents - beginning of year</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents - end of year</b>	<b>\$ 395,352</b>	<b>\$ -</b>
<b>Reconciliation of change of net assets to net cash provided by operating activities:</b>		
Operating income	\$ 188,629	\$ 67,617
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	72,156	63,615
Changes in assets and liabilities:		
Due from other governments	595,239	(85,259)
Due to (from) other funds	(294,014)	(122,191)
Accounts receivable	-	53
Accounts payable	(10,127)	9,989
Inventories and prepaid items	20,273	42,779
Unearned revenue	4,767	28,717
<b>Net cash provided by operating activities</b>	<b>\$ 576,923</b>	<b>\$ 5,320</b>
<b>Noncash Operating Activities</b>		
During the years, the District received commodities from the U.S. Department of Agriculture in the amount of:	\$ 502,421	\$ 443,831

*The Notes to the Basic Financial Statements are in integral part of this statement.*

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Statement of Net Assets**  
**Fiduciary Funds**  
**As of June 30, 2012**

	Retiree Health Ins	Private Purpose Trusts	Agency Fund
<b>Assets</b>			
Cash and investments	\$ 3,669,165	\$ 243,880	\$ 1,348,408
Assets held in trust for OPEB	4,445,321	-	-
<b>Total assets</b>	<b>8,114,486</b>	<b>243,880</b>	<b>1,348,408</b>
<b>Liabilities</b>			
Accounts payable	8,069	-	600
Due to student groups	-	-	1,347,808
<b>Total liabilities</b>	<b>8,069</b>	<b>-</b>	<b>1,348,408</b>
<b>Net assets</b>			
Held in trust	8,106,417	243,880	-
<b>Total liabilities and net assets</b>	<b>\$ 8,114,486</b>	<b>\$ 243,880</b>	<b>\$ 1,348,408</b>

*The Notes to the Basic Financial Statements are in integral part of this statement.*

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Statement of Changes in Fiduciary Net Assets**  
**Fiduciary Funds**  
**For the Year Ended June 30, 2012**

	<b>Retiree Health Ins</b>	<b>Private Purpose Trusts</b>
<b>ADDITIONS</b>		
Employer contributions	\$ 4,739,082	\$ -
Interest income <sup>(1)</sup>	27,667,098	1,531
Other income	2,370,122	38
<b>Total additions</b>	<u>34,776,302</u>	<u>1,569</u>
<b>DEDUCTIONS</b>		
Trust fund distributions	5,782,706	1,000
<b>Change in net assets</b>	<u>28,993,596</u>	<u>569</u>
Net Assets (deficit)--beginning of year	(20,887,179)	243,311
Net Assets--end of year	<u><b>\$ 8,106,417</b></u>	<u><b>\$ 243,880</b></u>

<sup>(1)</sup> Includes forgiveness of moral obligation debt of \$27,649,483, and \$17,615 of interest

*The Notes to the Basic Financial Statements are in integral part of this statement.*

## **KENOSHA UNIFIED SCHOOL DISTRICT**

### **Notes to the Basic Financial Statements**

**For the Year Ended June 30, 2012**

#### **Note 1 - Summary of Significant Accounting Policies**

The financial statements of the Kenosha Unified School District No. 1 (the "District") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the District are described below.

#### **Note 1(a) - Reporting Entity**

The Kenosha Unified School District No. 1 is organized as a common school district governed by an elected seven-member school board. The District operates grades pre-kindergarten through grade 12, Head Start, and several adult education and recreation programs. The District is comprised of three municipal taxing districts (Kenosha, Pleasant Prairie, and Somers).

The accompanying financial statements present the activities of the Kenosha Unified School District No. 1 under GASB Statement 14 and 39 criteria. The school district is not a component unit of another reporting entity nor does it have any component units.

#### **Note 1(b) - Basis of Presentation**

##### Government-Wide Statements

The statement of net assets and the statement of activities present financial information about the District's governmental and business-type activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. These statements distinguish between the governmental and business-type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for business-type activities and for each function of the district's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

##### Fund Financial Statements

The fund statements provide information about the District's funds, including fiduciary funds. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds; each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

## KENOSHA UNIFIED SCHOOL DISTRICT

### Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal value. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities. The District reports on the following funds:

#### Major Governmental Funds:

*General Fund.* This is the District's primary operating fund. It accounts for all financial activity that is not required to be accounted for in another fund. The District follows the regulatory requirements of the Wisconsin Department of Public Instruction, which requires educational programs for students with disabilities to be reported in a separate Special Education Fund (Fund 27) from other instructional activities reported in the General Fund (Fund 10). Under GAAP, the activities of the Special Education Fund are reported with General Fund activities because excess expenditures are financed by a transfer from Fund 10. General fund sources include financial aid received from the state and federal government and payments from other school districts.

*Debt Service Fund.* This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental activities.

*Capital Projects Fund.* This fund accounts for the resources restricted for the acquisition or construction of specific capital projects or items.

#### Non-Major Governmental Funds:

*Head Start Fund.* This fund is used to account for the federal Head Start program.

*Community Service Fund.* This fund is used to account for activities such as adult education, community recreation programs such as evening swimming pool operation and softball leagues, elderly food service programs, non-special education preschool, day care services, and other programs which are not elementary and secondary educational programs but have the primary function of serving the community.

The District operates one enterprise fund, the *Food Service Fund*. This fund accounts for the activities of the District's food service, generally school breakfast, lunch and snack programs.

The District accounts for assets held as an agent for various student and parent organizations in a fiduciary agency fund.

The District accounts for assets that are accumulated to finance retiree health insurance benefits in the fiduciary fund – retiree health insurance trust.

The District accounts for assets that are accumulated to finance scholarships in the fiduciary fund – private purpose trust.

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2012**

**Note 1(c) - Measurement Focus and Basis of Accounting**

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues from exchange transactions are recorded when earned and expenses from exchange transactions are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments. Compensated absences are recognized as fund liabilities when they are due. General capital asset acquisitions are reported as expenditures in governmental funds. General long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the District may fund certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Therefore, when program expenses are incurred, both restricted and unrestricted net assets may be available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenues.

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.

**Note 1(d) - Assets and Liabilities**

**Cash and Investments**

The District's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. All funds share common (pooled) checking and investment accounts unless regulations require separate investment accounts, such as the debt service fund.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of several funds is allocated based on average investment balances.

For purposes of the statement of cash flows, all cash deposits and highly liquid investments with original maturities of three months or less from date of acquisition are considered to be cash equivalents.

## **KENOSHA UNIFIED SCHOOL DISTRICT**

### **Notes to the Basic Financial Statements**

**For the Year Ended June 30, 2012**

#### Property Tax Levy

Under Wisconsin law, personal property taxes and first and second installments real estate taxes are collected by city, town, and village treasurers who then make proportional settlement with the school district and county treasurer for those taxes collected on their behalf. Third installments real estate taxes and delinquent taxes are collected by the county treasurer who then makes settlement with the city, town, village and school districts before retaining any for county purposes. Taxes collected by the township are made in two installments, the first by the town, and the second by the county treasurer.

The District's property taxes are levied on or before October 31 on the equalized property valuation certified by the Department of Revenue. As permitted by a collecting municipality's ordinance, taxes may be paid in full or two or more installments with the first installment payable the subsequent January 31st, and a final payment no later than the following July 31st. The District is paid by the collecting municipality its proportionate share of tax collections received through the last day of the preceding month on or before January 15th, and by the 20th of each subsequent month thereafter. On or before August 20th, the County Treasurer makes full settlement to the District for any remaining balance. The County assumes all responsibility for delinquent real property taxes.

Property taxes are recognized as revenue in the period for which the taxes are levied. The 2011 tax levy is used to finance operations of the District's fiscal year ended June 30, 2012. All property taxes are considered due on January 1st, when an enforceable lien is assessed against the property and the taxpayer is liable for the taxes. All taxes are collected within 60 days of June 30th and are available to pay current liabilities.

#### Accounts Receivable

All accounts receivable are shown at gross amounts with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

#### Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund type inventories are recorded as expenditures when consumed rather than when purchased. Prepaid items represent payments made by the District for which benefits extend beyond June 30.

These non-liquid assets (inventories and prepaid items) of governmental fund types are offset by nonspendable fund balance accounts to signify that a portion of fund balance is not available for other subsequent expenditures.

#### Due to / Due from Other Funds

The amounts reported on the statement of net assets for due to and due from other funds represents amounts due between different fund types (governmental activities and business-type activities). Eliminations have been made for amounts due to and due from within the same fund type. See Note 5(d) for a detailed description of the individual interfund balances as of June 30, 2012.

## KENOSHA UNIFIED SCHOOL DISTRICT

### Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

#### Capital Assets

Capital assets are reported at actual cost or estimated historical costs, based on appraisals conducted by an independent third-party professional appraisal firm. Donated assets are reported at estimated fair market value at the time received.

Capitalization thresholds (the dollar valued above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the Government-wide statements and proprietary funds are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Buildings	\$5,000	Straight-line	50 years
Building improvements	\$5,000	Straight-line	20 to 25 years
Site improvements	\$5,000	Straight-line	10 to 20 years
Furniture & equipment*	\$5,000	Straight-line	5 to 15 years
Computer & related technology*	\$5,000	Straight-line	4 to 10 years
Library books*	\$5,000	Straight-line	7 years

\* For these categories, the District recognizes similar group purchases exceeding \$5,000 under the capitalization threshold for the year.

#### Deferred Revenues

The District reports deferred revenues on its balance sheet. Deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the District before it has a legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and the revenue is recognized.

#### Vested Employee Benefits

*Compensated Absences.* Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Generally, sick leave can be accumulated up to a maximum of 95 to 120 days depending on the employment agreement. Accumulated sick time may not be taken in compensation but, upon retirement for certain collective bargaining groups, the employee is granted a payout equal to 50% of cumulative sick days times their daily rate. The District accrues that sick leave which it deems probable of payout for employee retirement. Only sick leave relating to employees qualifying for retirement is accrued.

The entire compensated absence liability is reported on the government-wide financial statements. The estimated liabilities include required salary-related payments. For governmental fund financial statements only, the matured compensated absences payable to currently terminating employees are reported as a liability.



## KENOSHA UNIFIED SCHOOL DISTRICT

### Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

*Retirement Plans.* District employees participate in the Wisconsin Retirement System. All contributions made by the District on behalf of its employees are reported as expenditures when paid.

*Post-Employment Benefits.* The District provides varying amounts of health insurance to eligible retired employees until age 65, based on the employment agreement in existence at the date of their retirement. The benefit is offered to all employees who retire from the District on or after attaining age 55 (age 58 under a certain employment agreement) with at least fifteen years of service. The District will cover the cost of a single premium or a family premium based on the applicable employment agreement.

The District conducted an actuarial valuation study to determine the Unfunded Frozen Actuarial Accrued Liability and annual required contribution for the post-retirement healthcare and life insurance plans on the basis of GASB 45. See Note 5(f) for more detail.

#### Long-term Obligations

In the government-wide financial statements, and proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. For the government-wide statements and the proprietary fund statements, bond issuance costs are reported as deferred charges while bond discounts and premiums and gains and losses are included with long-term obligations. Issuance costs, bond premiums and discounts are amortized over the life of the issue using the straight-line method. Gains or losses on advanced refundings are amortized over the remaining life of the old debt or life of the new debt, whichever is shorter.

In the fund financial statements, governmental fund types recognize bond issuance costs, bond premium and discounts during the current period. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures while bond premiums and discounts are recorded as other financing sources or uses.

#### Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

#### Net Assets and Fund Equity

##### *Government-wide and Proprietary Fund Statements*

Equity is classified as net assets and displayed in three components:

- Invested in capital assets, net of related debt – Amount of capital assets, net of accumulated depreciation, less outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net assets – Amount of net assets that are subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- Unrestricted net assets – Net assets that are neither classified as restricted nor as investment in capital assets, net of related debt.

## **KENOSHA UNIFIED SCHOOL DISTRICT**

### **Notes to the Basic Financial Statements**

**For the Year Ended June 30, 2012**

#### *Governmental Fund Financial Statements*

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance – Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.
- Restricted fund balance – Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.
- Committed fund balance – Amounts that are constrained by specific purposes by action of the Board of Education. These constraints can only be removed or changed by the Board of Education using the same action that was used to create them.
- Assigned fund balance – Amounts that are constrained for specific purposes by action of District management. The Board of Education has authorized the Superintendent to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.
- Unassigned fund balance – Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

The District has adopted a fund balance spend down policy regarding the order in which fund balance will be utilized. Where applicable, the policy requires restricted funds to be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

#### Summarized Information

The basic financial statements include certain prior-year summarized information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2011 from which the summarized information was derived.

*Continued on Next Page*

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2012**

**Note 2** - Explanation of certain differences between governmental fund statements and government-wide statements

Due to the differences in the measurement focus and basis of accounting used on the government fund statements and government-wide statements certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

**Note 2(a)** - Explanation of differences between governmental funds statement of revenues, expenditures and changes in fund balances and the statement of activities

Differences between the governmental funds statement of revenues, expenditures and changes in fund balance and the statement of activities fall into three broad categories. The amounts shown in the columns on the following page represent:

1. Long-term revenue differences arise because governmental funds report revenues only when they are considered "available", whereas the statement of activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis whereas the accrual basis of accounting is used on the statement of activities. The long-term expenses reported below recognize the change in vested employee benefits.
2. Capital related differences include: 1) the difference between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale of assets as reported on the statement of activities, and 2) the difference between recording an expenditure for the purchase of capital items in the governmental fund statements and depreciation expense on those items as recorded in the statement of activities.
3. Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the governmental fund statements, whereas interest expense is recorded in the statement of activities as incurred, and principal payments are recorded as a reduction of liabilities in the statement of net assets.

*Continued on Next Page*

# KENOSHA UNIFIED SCHOOL DISTRICT

## Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

**Note 2(b)** – Detailed Explanation of Differences between Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance and the Statement of Activities.

	Total Governmental Funds	Long-term Revenues/ Expenses	Capital Assets		Long-term Debt Transactions	Statement of Activities Total
			Acquisitions	Depreciation		
<b>Revenues and Other Sources</b>						
Property taxes						
Property taxes	\$ 93,680,984	\$ -	\$ -	\$ -	\$ -	\$ 93,680,984
Other taxes	307,072	-	-	-	-	307,072
Other local sources:						
Interest and investment earnings	71,411	-	-	-	-	71,411
Charges for services	1,295,315	-	-	-	-	1,295,315
Miscellaneous	1,614,460	-	-	-	-	1,614,460
Interdistrict sources						
Other grants not restricted	358,267	-	-	-	-	358,267
Intermediate sources (general state and federal aids)						
Operating grants and contributions	60,065	-	-	-	-	60,065
State sources:						
Operating grants and contributions	12,268,189	-	-	-	-	12,268,189
General state aid	142,393,589	-	-	-	-	142,393,589
Other grants not restricted	408,890	-	-	-	-	408,890
Federal sources						
Operating grants and contributions	19,449,197	-	-	-	-	19,449,197
Other grants not restricted	2,017,249	-	-	-	-	2,017,249
Other revenue sources:						
Operating grants and contributions	1,246,724	-	-	-	-	1,246,724
Miscellaneous	7,008,781	-	-	-	(445,912)	6,562,869
Total revenues	282,180,193	-	-	-	(445,912)	281,734,281
<b>Expenditures</b>						
Regular Instruction	117,379,742	7,066,559	-	3,890,243	-	128,336,544
Vocational Instruction	4,556,221	189,528	-	20,977	-	4,766,726
Special Instruction	36,321,762	2,182,337	-	2,818	-	38,506,917
Other Instruction	8,155,357	412,538	-	46,758	-	8,614,653
Pupil Services	15,596,945	903,496	-	1,216	-	16,501,657
Instructional Staff Services	13,936,215	662,109	-	108,537	-	14,706,861
General Administration Services	1,288,420	56,894	-	740	-	1,346,054
School Administration Services	14,478,023	963,517	-	11,906	-	15,453,446
Business Services	3,486,508	127,170	-	54,507	-	3,668,185
Operations & Maintenance	26,094,119	1,017,119	-	212,768	-	27,324,006
Pupil Transportation	6,783,011	-	-	804	-	6,783,815
Central Services	7,451,170	214,549	-	49,160	-	7,714,879
Insurance	1,338,975	-	-	-	-	1,338,975
Community Service	1,385,600	13,786	-	-	-	1,399,386
Principal	16,339,000	-	-	-	(16,339,000)	-
Interest and fiscal charges	7,593,631	-	-	-	(690,308)	6,903,323
Other Support Services	1,814,429	-	-	-	-	1,814,429
Capital outlay	4,432,758	-	(4,432,758)	-	-	-
Total expenditures/expenses	288,431,886	13,809,602	(4,432,758)	4,400,434	(17,029,308)	285,179,856
<b>Other Financing Source/Uses - Changes in Net Assets</b>						
Debt proceeds	9,275,000	-	-	-	(9,275,000)	-
Payments on debt refinancing	(9,169,313)	-	-	-	9,169,313	-
Total Other	105,687	-	-	-	(105,687)	-
<b>Net Change for Year Ended June 30, 2012</b>	<b>\$ (6,146,006)</b>	<b>\$ (13,809,602)</b>	<b>\$ 4,432,758</b>	<b>\$ (4,400,434)</b>	<b>\$ 16,477,709</b>	<b>\$ (3,445,575)</b>

## KENOSHA UNIFIED SCHOOL DISTRICT

### Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

**Note 3 - Stewardship and compliance; violations of finance related legal/contractual provisions**

The District did not have any material violation of legal or contractual provisions for the fiscal year ended June 30, 2012, except for the item disclosed in Footnote 6(a).

**Note 4 - Detailed disclosures regarding assets and revenues**

**Note 4(a) - Cash and Investments**

*Deposit and Investment Risks*

Cash and Investments

The debt service and capital service fund accounts for their transactions through separate and distinct bank and investment accounts as required by State Statutes. In addition, the agency fund uses separate and distinct accounts. All other funds share in common bank and investment accounts.

Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following: time deposits; repurchase agreements; securities issued by federal, state and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool. Investments in the private-purpose trust fund and employee benefit trust fund may be invested in other types of investments as authorized under Wisconsin Statute 881.01, "Uniform Prudent Investor Act".

The carrying amount of the District's cash and investments totaled \$49,046,621 on June 30, 2012 as summarized below:

Petty Cash Funds	\$ 6,090
Deposits with Financial Institutions	663,081
Investments	
Repurchase Agreements	2,174,767
Wisconsin Local Government Investment Pool	27,653,131
Wisconsin Investment Series Cooperative	18,549,552
	<u>\$ 49,046,621</u>

Reconciliation to the Basic Financial Statements:

Basic Financial Statements	
Cash and Investments	\$ 39,339,847
Fiduciary Funds	
Retiree Health Insurance Trust Fund	8,114,486
Private-Purpose Trust Fund	243,880
Agency Fund	1,348,408
	<u>\$ 49,046,621</u>

## KENOSHA UNIFIED SCHOOL DISTRICT

### Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

Deposits and investments of the District are subject to various risks. Presented below is a discussion of the specific risks and the District's policy related to the risk.

#### Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The District does not have an additional custodial credit risk policy.

Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for time and savings deposits and \$250,000 for interest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the State of Wisconsin are insured by the FDIC in the amount of \$250,000 for all time accounts, savings accounts and interest-bearing demand deposit accounts per official custodian per depository institution. Deposits with credit unions are insured by the National Credit Union Share Insurance Fund (NCUSIF) in the amount of \$250,000 per credit union member. In addition, the District's non-interest bearing transaction accounts are fully insured through December 31, 2012. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available.

On June 30, 2012, \$0 of the District's deposits with financial institutions were in excess of federal depository insurance limits and uncollateralized.

On June 30, 2012, the District held repurchase agreement investments of \$2,174,767 of which the underlying securities are held by the investment's counterparty, not in the name of the District.

- continued on next page -

## KENOSHA UNIFIED SCHOOL DISTRICT

### Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

#### Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investments in securities to the top two ratings assigned by nationally recognized statistical rating organizations. The District does not have an additional credit risk policy. Presented below is the actual rating as of year-end for each investment type.

Wisconsin Local Government Investment Pool	<u>\$ 27,653,131</u>	Not Rated
Wisconsin Investment Series Cooperative		
Cash Management Series	3,548,261	Rating: S&P AAAm
Investment Series	1,291	Rating: S&P AAAm
Term Series Investment Pool	<u>15,000,000</u>	Not Rated
Subtotal	<u>18,549,552</u>	
Total Investments (Original Cost)	<u>\$ 46,202,683</u>	

#### Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total District investments are as follows:

Issuer:	Wisconsin Investment Series Cooperative
Investment Type and Amount:	Cash Management Series (\$3,548,261)
Investment Type and Amount:	Term Series Investment Pool (\$15,000,000)

#### Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following that shows the distribution of the District's investments by maturity (all mature in 12 months or less):

Repurchase Agreements	\$ 2,174,767
Wisconsin Local Government Investment Pool	27,653,131
Wisconsin Investment Series Cooperative	<u>18,549,552</u>
Total Investments	<u>\$ 48,377,450</u>

## **KENOSHA UNIFIED SCHOOL DISTRICT**

### **Notes to the Basic Financial Statements**

**For the Year Ended June 30, 2012**

#### Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The District's investments do not include investments that are highly sensitive to interest rate fluctuations.

#### Investment in Wisconsin Local Government Investment Pool

The District has investments in the Wisconsin local government investment pool of \$27,653,131 at year-end. The Wisconsin local government investment pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At June 30, 2012, the fair value of the District's share of the LGIP's assets was substantially equal to the carrying value.

#### Investment in Wisconsin Investment Series Cooperative

The District has investments in the Wisconsin Investment Series Cooperative (WISC) of \$18,549,552 at year end consisting of \$3,548,261 invested in the Cash Management Series, \$1,291 invested in the Investment Series and \$15,000,000 invested in a term series investment pool. The Cash Management Series has no minimum investment period, allows check writing privileges, and the average dollar weighted maturity is ninety (90) days or less. The Investment Series requires a 14 day minimum investment period and one business day withdrawal notice, and the average dollar weighted maturity is one hundred twenty (120) days or less. Term series Investment Pools consist of allowable investments under the Wisconsin Statutes which have maturities between 30 days and one year. The maturity date of the District's investment is August 1, 2012.

WISC is organized by and operated exclusively for Wisconsin public schools, technical colleges, and municipal entities. WISC is not registered with the Securities and Exchange Commission, but operates under Wisconsin intergovernmental Cooperation Statute, Wisconsin Statutes, Section 66.0301. WISC is governed by the Wisconsin Investment Series Cooperative Commission in accordance with the terms of the Intergovernmental Cooperation Agreement. WISC invests District funds in accordance with Wisconsin law. WISC reports the fair value of its underlying assets, at amortized cost, on a monthly basis. At June 30, 2012, the fair value of the District's share of the WISC assets was substantially equal to the carrying value.

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# KENOSHA UNIFIED SCHOOL DISTRICT

## Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

### Note 4(b) - Capital assets

Capital asset balances and activity for the year ended June 30, 2012 were as follows:

	Beginning Balance	Prior Year Adjustments	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>					
Capital assets not being depreciated:					
Sites (land)	\$ 8,693,976	\$ -	\$ -	\$ -	\$ 8,693,976
Construction in progress	54,761,783	(8,195,697)	4,015,115	-	50,581,201
Total capital assets not being depreciated	63,455,759	(8,195,697)	4,015,115	-	59,275,177
Capital assets being depreciated:					
Site Improvements	6,208,343	-	-	-	6,208,343
Buildings	149,204,300	-	-	-	149,204,300
Building improvements	7,224,290	-	186,633	-	7,410,923
Furniture and equipment	44,543,281	-	231,010	-	44,774,291
Total capital assets being depreciated	207,180,214	-	417,643	-	207,597,857
Less accumulated depreciation for:					
Site improvements	(4,021,823)	-	(295,119)	-	(4,316,942)
Buildings & building improvements	(54,670,452)	-	(2,976,399)	-	(57,646,851)
Furniture and equipment	(39,209,055)	-	(1,128,916)	-	(40,337,971)
Total accumulated depreciation	(97,901,330)	-	(4,400,434)	-	(102,301,764)
Total capital assets being depreciated, net of accumulated depreciation	109,278,884	-	(3,982,791)	-	105,296,093
Governmental activities capital assets, net of accumulated depreciation	<u>\$ 172,734,643</u>	<u>\$ (8,195,697)</u>	<u>\$ 32,324</u>	<u>\$ -</u>	<u>\$ 164,571,270</u>
<b>Business-type activities:</b>					
Capital assets being depreciated:					
Furniture & Equipment	\$ 2,418,015	\$ -	\$ 181,775	\$ -	\$ 2,599,790
Less accumulated depreciation	(1,335,634)	-	(72,156)	-	(1,407,790)
Business-type activities capital assets, net of accumulated depreciation	<u>\$ 1,082,381</u>	<u>\$ -</u>	<u>\$ 109,619</u>	<u>\$ -</u>	<u>\$ 1,192,000</u>

\* Depreciation expense was charged to governmental functions as follows:

Regular instruction	\$ 3,890,243
Vocational instruction	20,977
Special education instruction	2,818
Other instruction	46,758
Pupil services	1,216
Instructional staff services	108,537
General administration services	740
School administration services	11,906
Business services	54,507
Operation and maintenance of plant	212,768
Pupil transportation services	804
Central services	49,160
Total depreciation for governmental activities	<u>\$ 4,400,434</u>

# KENOSHA UNIFIED SCHOOL DISTRICT

## Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

### Note 5 - Detailed Disclosures Regarding Liabilities and Expenditures

#### Note 5(a) - Short-Term Debt

The District issues tax anticipation notes in advance of property tax collections. The notes are necessary because payments for the year begin in July whereas the tax collections are received from the municipalities beginning in January. Short-term debt activity for the year ended June 30, 2012 was as follows:

<u>Balance</u>	<u>Beginning Issued</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending Balance</u>
Tax anticipation notes	\$35,000,000	\$49,000,000	\$50,000,000	\$34,000,000

The \$34,000,000 Tax and Revenue Anticipation Promissory Notes matures on September 20, 2012 and bears interest of .79% per annum due at maturity.

See Note 5(b) for interest incurred and paid for the year ended June 30, 2012.

#### Note 5(b) - Long-Term Liabilities

Long-term liability balances and activity for the year ended June 30, 2012 were as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due within One Year</u>
<b>Governmental Activities:</b>					
General obligation debt					
Bonds and notes payable	\$133,273,000	\$ 9,275,000	\$ 24,874,000	\$ 117,674,000	\$11,128,000
Total general obligation debt	133,273,000	9,275,000	24,874,000	117,674,000	11,128,000
Unamortized loss on advance refunding	-	(634,313)	(38,843)	(595,470)	-
Other liabilities:					
Accrued OPEB Obligation	55,423,991	17,679,408	4,739,082	68,364,317	-
Compensated absences	3,539,857	4,470,652	3,601,376	4,409,133	1,461,672
Total other liabilities	58,963,848	22,150,060	8,340,458	72,773,450	1,461,672
<b>Total Long-Term Liabilities</b>	<b>\$192,236,848</b>	<b>\$ 30,790,747</b>	<b>\$ 33,175,615</b>	<b>\$ 189,851,980</b>	<b>\$12,589,672</b>

Total interest paid and accrued during the year:

	<u>Expense</u>	<u>Paid</u>
General obligation debt	\$ 6,877,676	\$ 7,160,915
Short-term borrowing	432,716	342,788
<b>Total Interest Paid</b>	<b>\$ 7,310,392</b>	<b>\$ 7,503,703</b>

# KENOSHA UNIFIED SCHOOL DISTRICT

## Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

The full faith, credit, and taxing powers of the District secure all general obligation debt, including business-type activities, if any. Bonds and notes payable is comprised of the following individual issues:

	Governmental Activities			
	Issue Dates	Interest Rates	Date of Maturity	Balance 6/30/2012
Bond - KOSL/Bain	10/10/02	2.75%-4.5%	04/01/16	\$ 8,775,000
Bond - Pension	11/26/02	3%-5.1%	04/01/18	1,300,000
Bond - Refinancing	06/15/05	3.75%-5.0%	04/01/16	10,900,000
G.O. promissory notes - Nash	02/01/06	3.24%-3.81%	04/01/25	18,985,000
Bond - Brass	06/20/07	3.69%-3.98%	04/01/27	6,680,000
Bond - Mahone	07/15/09	3.5%-5.0%	04/01/20	1,280,000
Bond - ITA Refinancing	07/15/09	4.00%-5.25%	04/01/24	20,425,000
Bond - ITA BAB	07/15/09	8.00%	04/01/29	20,000,000
State Trust Fund Loan - Reuther	06/10/10	4.25%	03/15/17	1,874,000
State Trust Fund Loan - Reuther	06/10/10	4.25%	03/15/18	1,575,000
State Trust Fund Loan - ITA	06/10/10	4.25%	03/15/19	9,753,000
State Trust Fund Loan - Reuther	06/10/10	4.25%	03/15/20	3,672,000
State Trust Fund Loan - OPEB	06/10/11	3.75%	04/01/21	3,500,000
Bond - Refinancing	02/15/12	3.75%	04/01/18	8,955,000
<b>Total Bonds and Notes</b>				<b>\$ 117,674,000</b>

The legal debt limit and margin of indebtedness is set at 10% of equalized value by Section 67.03 (1) (b), Wisconsin Statutes. The margin of indebtedness at June 30, 2012 is:

Equalized value certified by Wisconsin Department of Revenue for:	2012	\$9,196,472,052
Margin of indebtedness at 10%		919,647,205
Deduct long-term debt applicable to debt margin		117,674,000
<b>Margin of Indebtedness</b>		<b>\$ 801,973,205</b>

Aggregate cash flow requirements for retirement of long-term principal and interest on notes and bonds (including State Trust Loans) as of June 30, 2012 as follows:

Year ended June 30	Governmental Activities		
	Principal	Interest	Total
2013	\$ 11,128,000	\$ 5,780,485	\$ 16,908,485
2014	11,641,000	5,354,599	16,995,599
2015	12,102,000	4,885,881	16,987,881
2016	11,763,000	4,390,499	16,153,499
2017	6,924,000	3,890,225	10,814,225
2018-2022	30,411,000	15,244,368	45,655,368
2023-2027	25,700,000	8,156,138	33,856,138
2028-2029	8,005,000	967,200	8,972,200
<b>Totals</b>	<b>\$117,674,000</b>	<b>\$ 48,669,395</b>	<b>\$ 166,343,395</b>

# KENOSHA UNIFIED SCHOOL DISTRICT

## Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

### Defeasance of Debt

On February 15, 2012, the District issued \$9,275,000 General Obligation Refunding Bonds to purchase U.S. Government and Local Government Series securities of \$9,169,313 which were placed in an irrevocable trust which, together with investment income, will be sufficient to pay the principal of and interest on the 2014 through 2018 maturities of the November 26, 2002 General Obligation Bonds (Refunded Obligations) up to and including April 1, 2013 (call date). This advance refunding was undertaken to reduce total debt service payments over the next six years by \$471,158 and resulted in an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$434,595, or 5.09%.

In the current and prior years, the District defeased certain general obligation notes and bonds by placing the proceeds of new debt in an irrevocable trust to provide for all future debt service payments on the old debt. Accordingly, the trust account assets and liability for the defeased debt is not included in the District's financial statements. At June 30, 2012, \$11,295,000 of debt outstanding is considered defeased.

### **Note 5(c) - Operating Leases**

The District leases buildings and other equipment under non-cancelable operating leases. Total costs for such leases were \$735,292 for facility leases, \$105,884 for vehicle leases, and \$296,199 for copier leases for the year ended June 30, 2012. The future minimum lease payments totaling \$2,373,269 for these leases are as follows:

<u>Fiscal Years</u>	<u>Lease Total</u>
2013	727,545
2014	545,406
2015	480,431
2016	118,826
2017	47,335
2018-2022	162,045
2023-2027	162,045
2028-2031	129,636
<b>Totals</b>	<b><u>\$ 2,373,269</u></b>

### **Note 5(d) - Interfund Balances and Activity**

The General Fund is due money from the various funds as follows: \$166,929 from Head Start and \$6,300 from Food Service. The balances result from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

Interfund Receivables and Payables at June 30, 2012 were as follows:

	<u>Due from other funds</u>	<u>Due to other funds</u>	<u>Net internal balances on Statement of Net Assets</u>
Governmental Activities			
General Fund	\$ 173,229	\$ -	\$ 173,229
Head Start Fund	-	166,929	(166,929)
Community Services Fund	-	6,300	(6,300)
<b>Total Governmental Activities</b>	<b><u>\$ 173,229</u></b>	<b><u>\$ 173,229</u></b>	<b><u>\$ -</u></b>

# KENOSHA UNIFIED SCHOOL DISTRICT

## Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

Transfers within the reporting entity are substantially for the purposes of subsidizing operating functions, funding capital acquisitions or maintaining debt service on a routine basis. Resources are accumulated in a fund to support and simplify the administration of various projects. The government-wide statement of activities eliminates as reported within the segregated governmental and business-type activities columns. Only transfers between the two columns appear in this statement.

The following schedule reports transfers within the reporting entity:

	<u>Transfer out</u>	<u>Transfer in</u>	<u>Net Transfers on Statement of Activities</u>
Governmental Activities			
General Fund	\$ 774,263	\$ -	\$ 774,263
Debt Service Fund	-	774,263	(774,263)
<b>Total Governmental Activities</b>	<b>\$ 774,263</b>	<b>\$ 774,263</b>	<b>\$ -</b>

### Note 5(e) - Contributions to Pension Plan

All eligible District employees participate in the Wisconsin Retirement System (WRS), a cost-sharing, multiple-employer, defined benefit, public employee retirement system. All employees, initially employed by a participating WRS employer prior to July 1, 2011, expected to work at least 600 hours a year (440 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. Employees hired to work nine or ten months per year, (e.g. teachers contracts), but expected to return year after year are considered to have met the one-year requirement.

Prior to June 29, 2011, covered employees in the General/Teacher/Educational Support Personnel category were required by statute to contribute 6.5% of their salary (3.9% for Executives and Elected Officials, 5.8% for Protective Occupations with Social Security, and 4.8% for Protective Occupations without Social Security) to the plan. Employers could make these contributions to the plan on behalf of employees. Employers were required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits.

Effective the first day of the first pay period on or after June 29, 2011 the employee required contribution was changed to one-half of the actuarially determined contribution rate for General category employees, including Teachers, and Executives and Elected Officials. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement. Contribution rates are as follows:

	<u>2011</u>		<u>2012</u>	
	<u>Employee</u>	<u>Employer</u>	<u>Employee</u>	<u>Employer</u>
General (including Teachers)	5.80%	5.80%	5.90%	5.90%
Executives & Elected Officials	6.65%	6.65%	7.05%	7.05%
Protective with Social Security	5.80%	8.90%	5.90%	9.00%
Protective without Social Security	5.80%	11.20%	5.90%	11.30%

The payroll for the Kenosha Unified School District No. 1 employees covered by the WRS for the year

## KENOSHA UNIFIED SCHOOL DISTRICT

### Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

ended June 30, 2012 was \$102,391,142; the employer's total payroll was \$151,421,357. The total required contribution for the year ended June 30, 2012 was \$17,697,224, which consisted of \$16,070,597 of covered payroll from the employer for July 1, 2011 through June 30, 2012, and \$1,626,627 of covered payroll from employees for July 1, 2011 through June 30, 2012. The total contribution rates were 11.60% for the period of July 1, 2011 through December 31, 2011, and 11.80% for the period of January 1, 2012 through June 30, 2012. Employee contribution rates varied according to collective bargaining contracts. Total contributions for the years ended June 30, 2011 and 2010 were \$17,397,439 and \$14,800,727 respectively, equal to the required contributions for each year.

Employees who retire at or after age 65 (62 for elected officials and 54 for protective occupation employees with less than 25 years of service, 53 for protective occupation employees with more than 25 years of service) are entitled to receive a retirement benefit. Employees may retire at age 55 (50 for protective occupation employees) and receive actuarially reduced benefits. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor. A final average earnings is the average of the employee's three highest year's earnings. Employees terminating covered employment and submitting application before becoming eligible for a retirement benefit may withdraw their contributions and, by doing so, forfeit all rights to any subsequent benefit. For employees beginning participation on or after January 1, 1990, and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998 and prior to July 1, 2011 are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011 must have five years of creditable service to be vested.

The WRS also provides death and disability benefits for employees. Eligibility and the amount of all benefits are determined under Chapter 40 of Wisconsin Statutes.

The WRS issues an annual financial report that may be obtained by writing to the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931.

#### **Note 5(f) - Postemployment Benefits Trust**

On August 22, 2006, the District established the Kenosha Unified School District Post Employment Benefits Trust (the "Trust") for the purpose of holding assets (the "Trust Estate") for the payment of benefits to the members of the District's postemployment health and other OPEB benefits plan, and incurring debt, as provided in the agreement. The Trust is reported as a fiduciary fund in the District's basic financial statements. Separate financial statements are not prepared for the Trust. The basis of accounting and valuation of investments of the Trust are described in Note 1 while the required disclosures on the Trust's investments can be found in Note 4(a).

#### **A. Plan Descriptions and Contribution Information**

The District administers a single-employer defined benefit OPEB plan providing District retirees with medical and other postemployment benefits. The plan is administered by the District and does not issue a standalone financial report.



# KENOSHA UNIFIED SCHOOL DISTRICT

## Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

The District contracted with Milliman, Inc. to prepare an actuarial report dated October 22, 2010, which estimates the District's Expected Postretirement Benefit Obligation (EPSO) to be \$301,871,813 allocated, as follows:

Past Service Component (unfunded actuarial accrued liability)	\$145,248,524
Current Service Component (assets)	\$ 5,562,585
Future Service Component (present value of future normal costs)	<u>\$151,060,704</u>
Total Assets and Future Employer Contributions	\$301,871,813

The participant data as of July 1, 2010 was used in the development of the EPSO and ARC consisting of 2,373 active employees with the average age of 44.4 years and average service of 10.6 years, and 297 retirees (medical) with the average age of 61.3 years. Costs were calculated using the following assumptions:

### Cost Assumptions for Medical (M) and Dental (D)

Age	Est. Male Costs		Est. Female Costs	
	Single	Family	Single	Family
55	M\$13,176 D\$648	M\$27,492 D\$1,356	M\$14,004 D\$684	M\$27,456 D\$1,356
60	M\$17,592 D\$672	M\$34,920 D\$1,416	M\$17,040 D\$708	M\$34,908 D\$1,416
64	M\$21,816 D\$696	M\$42,468 D\$1,440	M\$20,376 D\$720	M\$42,468 D\$1,440

### B. Plan Assets and Debt Obligation

#### Plan Assets

The Trust has cash and investments totaling \$8,114,486 as of June 30, 2012.

#### Debt Obligations

In 2006, the Trust entered into the Indenture of Trust dated as of September 1, 2006 (the "Trust Note Indenture") and issued an aggregate of \$28.4 million of its taxable Post-Employment Benefits Trust Asset Backed Notes (the "Trust Notes") bearing interest at a floating rate based upon a spread over the 3-month LIBOR rate. The District issued \$9.5 million of its Taxable Note Anticipation Notes (the "District Notes") due September 1, 2011 and deposited the proceeds with the Trust. On June 8, 2011, the District refinanced these District Notes with the proceeds of a 10-year loan through the Wisconsin State Trust Fund Loan program. The combined proceeds of the Trust Notes and the District Notes were used to acquire an aggregate of \$37.5 million of floating rate credit-linked secured notes due 2013 (the "CDOs") issued by a Cayman Island investment vehicle (the "CDO Issuer"). The District anticipated that the Trust would receive interest payments on the CDOs sufficient to pay interest on the Trust Notes. The District expected to pay interest on the District Notes from its general funds, with excess Trust earnings on the CDOs expected to ultimately fund a portion of the District's OPEB liabilities.

Although the Trust Notes and the Trust Note Indenture provide that the Trust Notes are payable solely from the assets of the Trust that are pledged for that purpose under the Trust Note Indenture (including the Moral Obligation Contribution Agreement described below), it is an Event of Default under the Trust Note Indenture if the Asset Ratio falls below 95% and is not raised to at least 101% within 30 days after The Bank of New York Trust Company, N.A., the Trustee under the Trust Note Indenture (the "Indenture Trustee"), provides notice of that fact to the Trust and the District. The "Asset Ratio" is calculated by the valuation agent as the ratio of the value of the CDOs (as determined by the valuation agent, using a "market value" approach) to the outstanding principal amount of the Trust Notes.

## **KENOSHA UNIFIED SCHOOL DISTRICT**

### **Notes to the Basic Financial Statements**

**For the Year Ended June 30, 2012**

The District entered into a Moral Obligation Contribution Agreement with the Trust (the "Moral Obligation Agreement") in connection with the execution of the Trust Note Indenture and the issuance of the Trust Notes. In the Moral Obligation Contribution Agreement, the District agreed that if it is notified by the Indenture Trustee that the Asset Ratio is less than 101%, the District's Director of Business Services will include the amount of the deficiency in each annual budget submitted to the District School board until an appropriation of that amount is made and, if appropriated by the district School board from funds available for that purpose, will deposit with the Indenture Trustee for the account of the Trust an amount sufficient to cause the Asset Ratio to be at least 101%. The Moral Obligation Contribution Agreement includes a statement recognizing the District's "moral obligation" and expressing the District's "expectation and aspiration" to include any such deficiency in its next budget, but it expressly states that the District's obligation constitutes only a "moral obligation" and not a legal obligation or indebtedness of the District.

On February 7, 2008, the Indenture Trustee notified the Trust and the District that the Asset Ratio was below 95% and requested that the district pay such amounts to the Trust as were necessary to restore the Asset Ratio to 101% in accordance with the Moral Obligation Contribution Agreement.

Upon completion of the CDO transactions described above there were \$28.4 million of Trust Notes outstanding and \$37.5 million principal amount of CDOs held by the Trust. However, both the value of the CDOs and the Asset Ratio have since declined dramatically. As of June 30, 2010, the CDOs were valued in accordance with the Trust Note Indenture at \$0.

The District hired outside counsel in connection with these matters. Four other Wisconsin school districts and their OPEB investment trusts that have entered into similar financing arrangements have hired the same law firms for this purpose. The school boards for the five districts filed a lawsuit seeking rescission, actual and exemplary damages, costs and fees.

On August 10, 2011, the Securities and Exchange Commission ("SEC") filed a complaint against Stifel, Nicolaus & Co. Inc. and a former executive. On August 11, 2011, Stifel Financial Corp. ("Stifel") announced that it had finalized an agreement to purchase the Trust Notes from the holder of the Trust Notes.

On September 27, 2011, the SEC separately charged RBC Capital Markets LLC (RBCCM). The SEC subsequently accepted an Offer of Settlement and ordered RBCCM to pay disgorgement, prejudgment interest and a civil money penalty aggregating in the amount of \$30.4 million. Pursuant to the settlement order, RBCCM was ordered to pay such aggregate amount in specified proportions to each of the Plaintiffs, including a payment of \$6,331,061 to the District, which the District has received. The District has used \$633,106 of such amount to pay related attorney's fees, and used the remainder to pay down \$6 million of the June 10, 2011 State Trust Fund Loan. The District cannot use any of this payment for general or operating expenses. The District's suit against the RBCCM Defendants is still pending.

On March 6, 2012, the Stifel Defendants entered into a Partial Settlement Agreement with the Plaintiffs in the Plaintiffs' suit against the Stifel Defendants (the "Stifel Settlement"). Under the terms of the Stifel Settlement, Stifel paid \$13 million to the Plaintiffs and provided a standby letter of credit for an additional \$9.5 million to be paid when, among other conditions, Stifel's case with the SEC as described above is resolved. The Stifel Settlement also provides for an additional conditional payment by Stifel to the Plaintiffs of the difference between any amounts recovered by the Plaintiffs from the RBC Defendants and a maximum of \$11 million. Additionally, as part of the Stifel Settlement, all of the Stifel Defendants' counterclaims against the Plaintiffs have been dismissed. Finally, the Stifel Settlement relieves and releases the District from the terms of the Moral Obligation Agreement and



# KENOSHA UNIFIED SCHOOL DISTRICT

## Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

any other obligation to pay the Trust Notes. Accordingly, the Trust removed the liability from the Statement of Net Assets and recognized an addition of \$27,649,483 during the year. The District received \$2,041,431 from Stifel pursuant to the Stifel Settlement and is entitled to receive an additional \$3,454,876 under the standby letter of credit. The District has used \$1,831,740 of this amount to pay related attorney's fees, and expects to use the remainder to pay down June 10, 2011 State Trust Fund Loan.

Following the Stifel Settlement, the Plaintiffs and Stifel sought and received leave to file an amended complaint adding Stifel as a plaintiff against the RBC Defendants, which amended complaint was filed April 23, 2012. On June 12, 2012, the RBC Defendants filed an answer to the amended complaint and filed counterclaims against the Plaintiffs and the Stifel Defendants. On August 6, 2012, the Plaintiffs and the Stifel Defendants filed a Motion to Dismiss the RBC Defendants' counterclaims. Hearings on the motion are scheduled for the fall of 2012. The outcome of these legal proceedings cannot be predicted at this time.

### C. Annual OPEB Cost and Net OPEB Obligation

The District's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC), and the amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation.

	<u>6/30/2011</u>	<u>6/30/2012</u>
Annual Required Contribution	\$19,159,300	\$18,706,056
Interest on net OPEB	1,508,929	1,801,280
Adjustment to Annual Required Contribution	(2,097,634)	(2,827,928)
Annual OPEB Cost (expense)	\$18,570,595	\$17,679,408
Contributions made	(3,819,721)	(4,739,082)
Change in net OPEB Obligation	\$14,750,874	\$12,940,326
 OPEB Obligation - Beginning of Year	 40,673,117	 55,423,991
OPEB Obligation - End of Year	\$55,423,991	\$68,364,317

The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with a long-term perspective of the calculations. Additional information as of the latest actuarial valuation follows:

Valuation date	June 30, 2010
Actuarial cost method	Projected Unit Credit
Amortization method	Level
Remaining amortization period	30 years
Actuarial assumptions:	
Investment rate of return	4%
Healthcare cost trend rate	8.0% initial
	3.0% estimate

# KENOSHA UNIFIED SCHOOL DISTRICT

## Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

*Trend Information* – The District's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation is as follows:

Year Ended	OPEB Cost	Contribution (ARC)	OPEB Cost Contributed	% of ARC Contributed	OPEB Obligation
6/30/2007	\$16,338,000	\$16,338,000	\$13,913,935	85.16%	\$2,424,065
6/30/2008	\$16,338,000	\$16,338,000	\$4,849,914	29.68%	\$13,912,151
6/30/2009	\$16,016,770	\$16,016,770	\$3,500,153	21.85%	\$26,428,768
6/30/2010	\$17,794,452	\$18,206,897	\$3,550,103	19.50%	\$40,673,117
6/30/2011	\$18,570,595	\$19,159,300	\$3,819,721	19.94%	\$55,423,991
6/30/2012	\$17,679,408	\$18,706,056	\$4,739,082	25.33%	\$68,364,317

### D. Funded Status and Funding Progress

The funded status and progress of each plan as of the most recent actuarial valuation date is as follows (dollar amounts in millions):

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
	( a )	( b )	( b - a )	( a / b )	( c )	( [b-a] / c )
9/25/2006	\$1.8	\$126.3	\$124.5	1.4%	\$119.7	104.0%
9/25/2006	\$20.2	\$126.3	\$106.1	16.0%	\$120.8	87.8%
3/31/2009	\$5.5	\$124.0	\$118.5	4.4%	\$130.3	90.9%
7/1/2010	\$5.6	\$150.8	\$145.2	3.7%	\$140.6	103.3%

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. Actuarial valuations of an ongoing plan involve 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. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

### Note 5(g) - Risk Management

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health and accident claims; and natural disasters. For all risks of loss, the District's policy is to purchase commercial insurance. Settled claims have not exceeded commercial coverage in any of the past three years and there has been no significant reductions in insurance coverage from coverage in the prior year. Additional coverage details may be found in the Statistical Section of this report.

## KENOSHA UNIFIED SCHOOL DISTRICT

### Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

#### **Note 6 - Other Note Disclosures**

##### **Note 6(a) - Excess of Actual Expenditure over Budget**

There were no significant changes to the budget. The following individual funds had an excess of actual expenditures over budget by function for the year ended June 30, 2012:

General Fund	
Other General Fund	
Central services	2,154,205
Other support services	522,520
Special Education	
Pupil services	80,773
Business services	1,735
Operation and maintenance	10,408
Other support services	107,409
Community Service Fund	
Business services	394,385
Debt Service Fund	
Principal	6,220,000
Interest and fiscal charges	462,021
Capital Projects Fund	104,515

##### **Note 6(b) - Limitation of School District Revenues (Government)**

Wisconsin statutes limit the amount of revenues school districts are permitted to derive from general state aids and property taxes unless a higher amount is approved by a referendum of the taxpayers. This limitation does not apply to revenues needed for the repayment of any general obligation debt (including refinanced debt) authorized by either of the following: (a) a resolution of the school board or a referendum prior to August 12, 1993, (b) a referendum on or after August 12, 1993.

##### **Note 6(c) - Contingencies and Commitments**

From time to time, the District is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the District's attorney that the likelihood is remote that any such claims or proceedings will have a material effect on the District's financial position or results of operations.

The District participates in a number of state and federally assisted grant programs. These programs are subject to program compliance audits by grantors or their representatives. The audits of these programs for or including the year ended June 30, 2012 have not been conducted. Accordingly, the District's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2012**

**Note 6(d) - Changes in Beginning Fund Balances**

The following discloses the restatement of governmental activities net assets as of the beginning of the fiscal year:

	<u>Governmental Activities</u>
Net Assets, beginning of year, as previously stated	\$ 1,542,786
Decrease to adjusted capital assets	<u>\$ (8,195,697)</u>
Net Assets, beginning of year, as restated	<u><u>\$ (6,652,911)</u></u>

During the year, the District reviewed projects capitalized in prior years and identified \$8,195,697 of costs which were considered repairs and maintenance which were incorrectly capitalized into construction work in progress in accordance with the District's capitalization policies. Accordingly, an adjustment was made to remove the construction in progress (see Note 4(b)) and reduce net assets of the District's governmental activities.

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Budgetary Comparison Schedule for the**  
**Total General Fund**  
**For the Year Ended June 30, 2012**

	Original Budgeted Amounts			Final Budgeted Amounts			Actual Amounts			Variance with Final Budget Positive (Negative)
	Special Education	Other General Fund	Total General Fund	Special Education	Other General Fund	Total General Fund	Special Education	Other General Fund	Total General Fund	
<b>Revenues:</b>										
Property and other local taxes	\$ -	\$ 77,365,827	\$ 77,365,827	\$ -	\$ 77,365,827	\$ 77,365,827	\$ -	\$ 77,377,899	\$ 77,377,899	\$ 12,072
Other local sources	7,000	2,623,866	2,630,866	7,000	2,670,259	2,677,259	10,064	2,749,940	2,760,004	82,745
Interdistrict sources	20,000	300,000	320,000	20,000	300,000	320,000	20,601	337,666	358,267	38,267
Intermediate sources	-	59,500	59,500	-	59,500	59,500	-	60,065	60,065	565
State sources	10,555,000	144,510,532	155,065,532	10,555,000	144,524,036	155,079,036	10,535,821	144,534,847	155,070,668	(8,368)
Federal sources	5,904,022	10,999,703	16,903,725	6,928,040	11,302,173	18,230,213	8,492,167	11,174,078	19,666,245	1,436,032
Other sources	-	26,669	26,669	-	101,669	101,669	-	560,499	560,499	458,830
<b>Total revenues</b>	<b>16,486,022</b>	<b>235,886,097</b>	<b>252,372,119</b>	<b>17,510,040</b>	<b>236,323,464</b>	<b>253,833,504</b>	<b>19,058,653</b>	<b>236,794,994</b>	<b>255,853,647</b>	<b>2,020,143</b>
<b>Expenditures:</b>										
<b>Instruction:</b>										
Regular instruction	-	119,028,673	119,028,673	26,600	118,108,161	118,134,761	14,397	117,523,965	117,538,362	596,399
Vocational instruction	-	4,880,998	4,880,998	12,500	4,839,122	4,851,622	2,278	4,569,836	4,572,114	279,508
Special instruction	36,515,596	-	36,515,596	36,609,434	-	36,609,434	35,232,327	-	35,232,327	1,377,107
Other instruction	-	8,646,885	8,646,885	-	8,521,487	8,521,487	-	8,155,357	8,155,357	366,130
<b>Total instruction</b>	<b>36,515,596</b>	<b>132,556,556</b>	<b>169,072,152</b>	<b>36,648,534</b>	<b>131,468,770</b>	<b>168,117,304</b>	<b>35,249,002</b>	<b>130,249,158</b>	<b>165,498,160</b>	<b>2,619,144</b>
<b>Support Services</b>										
Pupil services	6,070,187	9,517,703	15,587,890	6,113,723	9,506,695	15,620,418	6,194,496	9,181,428	15,375,924	244,494
Instructional staff services	773,820	13,241,083	14,014,903	1,145,298	14,852,693	15,997,991	995,533	12,960,432	13,955,965	2,042,026
General administration services	-	1,432,349	1,432,349	-	1,382,118	1,382,118	-	1,288,420	1,288,420	93,698
Building administration services	-	14,407,342	14,407,342	10,500	14,399,916	14,410,416	-	14,340,935	14,340,935	69,481
Business services	15,000	2,062,598	2,077,598	15,000	2,116,703	2,131,703	16,735	2,079,689	2,096,424	35,279
Operations and maintenance	-	27,368,527	27,368,527	-	27,605,129	27,605,129	10,408	25,739,646	25,750,054	1,855,075
Pupil transportation	2,404,160	4,000,974	6,405,134	2,869,726	4,054,106	6,923,832	2,847,395	3,949,116	6,796,511	127,321
Central services	-	5,723,554	5,723,554	-	5,362,923	5,362,923	-	7,517,128	7,517,128	(2,154,205)
Insurance	-	1,354,957	1,354,957	-	1,354,957	1,354,957	-	1,338,975	1,338,975	15,982
Interest	-	506,943	506,943	-	505,943	505,943	-	432,716	432,716	73,227
Other support services	-	1,184,500	1,184,500	-	1,184,500	1,184,500	107,409	1,707,020	1,814,429	(629,929)
<b>Total support services</b>	<b>9,263,167</b>	<b>80,800,530</b>	<b>90,063,697</b>	<b>10,154,247</b>	<b>82,325,683</b>	<b>92,479,930</b>	<b>10,171,976</b>	<b>80,535,505</b>	<b>90,707,481</b>	<b>1,772,449</b>
<b>Total expenditures</b>	<b>45,778,763</b>	<b>213,357,086</b>	<b>259,135,849</b>	<b>46,802,781</b>	<b>213,794,453</b>	<b>260,597,234</b>	<b>45,420,978</b>	<b>210,784,663</b>	<b>256,205,641</b>	<b>4,391,593</b>
Excess (deficiency) of revenues over expenditures	(29,292,741)	22,529,011	(6,763,730)	(29,292,741)	22,529,011	(6,763,730)	(26,362,325)	26,010,331	(351,994)	6,411,736
<b>Other Financing Sources (Uses):</b>										
Transfer from/(to)	29,292,741	(30,759,834)	(1,467,093)	29,292,741	(30,759,834)	(1,467,093)	26,362,325	(27,136,588)	(774,263)	(692,830)
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>(8,230,823)</b>	<b>(8,230,823)</b>	<b>-</b>	<b>(8,230,823)</b>	<b>(8,230,823)</b>	<b>-</b>	<b>(1,126,257)</b>	<b>(1,126,257)</b>	<b>7,104,566</b>
<b>Fund balance - beginning of year</b>	<b>-</b>	<b>16,809,985</b>	<b>16,809,985</b>	<b>-</b>	<b>16,809,985</b>	<b>16,809,985</b>	<b>-</b>	<b>16,809,985</b>	<b>16,809,985</b>	<b>-</b>
<b>Fund balance - end of year</b>	<b>\$ -</b>	<b>\$ 8,579,162</b>	<b>\$ 8,579,162</b>	<b>\$ -</b>	<b>\$ 8,579,162</b>	<b>\$ 8,579,162</b>	<b>\$ -</b>	<b>\$ 15,683,728</b>	<b>\$ 15,683,728</b>	<b>\$ 7,104,566</b>

**KENOSHA UNIFIED SCHOOL DISTRICT**

## Schedule of Employer Contributions

## Other Post-Employment Benefit Plan

June 30, 2012

Year Ended	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
6/30/2007	\$ 13,913,935	\$ 16,338,000	85.16%
6/30/2008	\$ 4,849,914	\$ 16,338,000	29.68%
6/30/2009	\$ 3,500,153	\$ 16,016,770	21.85%
6/30/2010	\$ 3,550,103	\$ 18,206,897	19.50%
6/30/2011	\$ 3,819,721	\$ 19,159,300	19.94%
6/30/2012	\$ 4,739,082	\$ 18,706,056	25.33%

The notes to the required supplementary information is an integral part of this schedule.

**KENOSHA UNIFIED SCHOOL DISTRICT**

Schedule of Funding Progress  
Other Post-Employment Benefit Plan  
June 30, 2012

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age Normal	(3) Funded Ratio (1) / (2)	(4) Unfunded Actuarial Accrued Liability (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
9/25/2006	\$ 1,835,423	\$ 126,321,000	1.45%	\$ 124,485,577	\$ 119,700,000	104.00%
9/25/2006	\$ 20,200,000	\$ 126,321,000	15.99%	\$ 106,121,000	\$ 120,800,000	87.85%
7/1/2008	\$ 4,463,901	\$ 128,474,162	3.47%	\$ 124,010,261	\$ 130,300,000	95.17%
7/1/2010	\$ 5,562,585	\$ 150,811,109	3.69%	\$ 145,248,524	\$ 140,600,000	103.31%

The notes to the required supplementary information is an integral part of this schedule.

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Notes to Required Supplementary Information**  
**For the Year Ended June 30, 2012**

**Note 1 – Other Post-employment Benefits**

The District implemented GASB Statement No. 45, "Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions" for the fiscal year ended June 30, 2008.

**Note 2 – Budgets and Budgetary Accounting**

Budgets are adopted each fiscal year for all funds in accordance with Section 65.90 of the Wisconsin Statutes, using the budgetary accounting basis prescribed by the Wisconsin Department of Public Instruction (DPI), which is in accordance with generally accepted accounting principles. The legally adopted budget and budgetary expenditure control is exercised at the two-digit sub-function level in the General Fund and at the function level for all other funds. Reported budget amounts are as originally adopted or as amended by the School Board resolution. The DPI requires the District to separate special education revenues and expenditures from other general fund amounts. Funds such as the general fund, food service, and Head Start are typically used to liquidate long-term liabilities such as loans and leases. No major budget adjustments occurred in 2012.

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

- Based upon requests from district staff, district administration recommends budget proposals to the School Board.
- The School Board prepares a proposed budget including proposed expenditures and the means of financing them for the July 1 through June 30 fiscal year.
- A public notice is published containing a summary of the budget and identifying the time and place where a public hearing will be held on the proposed budget.
- Pursuant to the public budget hearing, the School Board may alter the proposed budget.
- After the School Board (following the public hearing) adopts the budget, no changes may be made in the amount of tax to be levied or in the amount of the various appropriations and the purposes of such appropriations unless authorized by a 2/3 vote of the entire School Board.
- Appropriations lapse at year-end unless authorized as a carryover by the School Board. The portion of fund balance representing carryover appropriations is reported as a committed or assigned fund balance.
- Encumbrance accounting is used by the District as an extension of formal budgetary control during the year. Encumbrances outstanding at year-end (e.g., purchase orders, contracts) are reported as reservations of fund balances. There were no encumbrances at the end of 2012.



**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Notes to Required Supplementary Information**  
**For the Year Ended June 30, 2012**

**Note 3 – Subsequent Event**

On November 6, 2012, the District received its Actuarial Valuation of GASB 43/45 Benefits as of July 1, 2012. The following changes in actuarial assumptions were made in this Actuarial Valuation compared to the Actuarial Valuation as of July 1, 2010:

- The interest discount rate was reduced from 4% to 3.75%
- Percentage of retirees electing family coverage was reduced from 35% to 25%
- The initial annual medical trend rate was decreased from 8.30% to 8.10%
- The initial annual dental trend rate was increased from 5.20% to 6.00%

A comparison of actuarial assets and liabilities follows:

	<i>July 1, 2010</i>	<i>July 1, 2012</i>
<i>Actuarial Value of Assets</i>	\$ 5,562,589	\$ 8,114,498
<i>Actuarial Accrued Liability (AAL)</i>	\$150,811,109	\$170,442,147
<i>Unfunded Actuarial Accrued Liability (UAAL)</i>	\$145,248,520	\$162,327,661

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**As of June 30, 2012**

	<u>Special Revenue Funds</u>		<b>Total Nonmajor Gov't Funds</b>
	<b>Head Start Fund</b>	<b>Community Service Fund</b>	
<b>Assets</b>			
Cash and investments	\$ -	\$ 282,648	\$ 282,648
Accounts receivable	-	1,390	1,390
Due from other governments	153,262	-	153,262
Prepaid items	13,667	-	13,667
<b>Total assets</b>	<b>166,929</b>	<b>284,038</b>	<b>450,967</b>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities:</b>			
Due to other funds	166,929	6,300	173,229
<b>Total liabilities</b>	<b>166,929</b>	<b>6,300</b>	<b>173,229</b>
<b>Fund Balances:</b>			
Nonspendable for prepaid items	13,667	-	13,667
Assigned for community services	-	277,738	277,738
Unassigned	(13,667)	-	(13,667)
<b>Total fund balances</b>	<b>-</b>	<b>277,738</b>	<b>277,738</b>
<b>Total liabilities and fund balances</b>	<b>\$ 166,929</b>	<b>\$ 284,038</b>	<b>\$ 450,967</b>

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2012**

	<b>Special Revenue Funds</b>		<b>Total Nonmajor Gov't Funds</b>
	<b>Head Start Fund</b>	<b>Community Service Fund</b>	
<b>Revenues:</b>			
Property taxes	\$ -	\$ 1,984,170	\$ 1,984,170
Other local sources	-	178,379	178,379
Federal sources	1,800,201	-	1,800,201
<b>Total revenues</b>	<b>1,800,201</b>	<b>2,162,549</b>	<b>3,962,750</b>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
Special education	1,109,528	-	1,109,528
<b>Total Instruction</b>	<b>1,109,528</b>	<b>-</b>	<b>1,109,528</b>
<b>Support Services</b>			
Pupil services	270,745	-	270,745
Instructional staff services	31,200	-	31,200
Building administration services	155,548	-	155,548
Business services	233,180	1,156,904	1,390,084
Community service	-	1,385,600	1,385,600
<b>Total support services</b>	<b>690,673</b>	<b>2,542,504</b>	<b>3,233,177</b>
<b>Total expenditures</b>	<b>1,800,201</b>	<b>2,542,504</b>	<b>4,342,705</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>(379,955)</b>	<b>(379,955)</b>
<b>Fund balances - beginning of year</b>	<b>-</b>	<b>657,693</b>	<b>657,693</b>
<b>Fund balances - end of year</b>	<b>\$ -</b>	<b>\$ 277,738</b>	<b>\$ 277,738</b>

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Comparative Balance Sheets**  
**Total General Fund**  
**As of June 30, 2012 and 2011**

	<b>2012</b>			<b>2011</b>		
	<b>Special Education</b>	<b>Other General Fund</b>	<b>Total General Fund</b>	<b>Special Education</b>	<b>Other General Fund</b>	<b>Total General Fund</b>
<b>Assets</b>						
Cash and investments	\$ (3,415,716)	\$ 41,711,989	\$ 38,296,273	\$ -	\$ 37,574,314	\$ 37,574,314
Receivables:						
Taxes	-	20,886,158	20,886,158	-	20,188,842	20,188,842
Accounts	2,540,601	317,065	2,857,666	2,319,995	2,542,046	4,862,041
Due from other funds	-	173,229	173,229	(4,227,519)	5,350,268	1,122,749
Due from other governments	875,302	6,247,247	7,122,549	1,907,524	8,278,873	10,186,397
Inventories and prepaid items	-	4,317,847	4,317,847	-	4,522,438	4,522,438
<b>Total assets</b>	<b>187</b>	<b>73,653,535</b>	<b>73,653,722</b>	<b>-</b>	<b>78,456,781</b>	<b>78,456,781</b>
<b>Liabilities and Fund Balance</b>						
<b>Liabilities:</b>						
Short-term notes payable	-	34,000,000	34,000,000	-	35,000,000	35,000,000
Accounts payable	187	1,599,971	1,600,158	-	3,372,724	3,372,724
Accrued liabilities						
Payroll, payroll taxes, insurance	-	22,059,069	22,059,069	-	22,979,795	22,979,795
Interest	-	201,447	201,447	-	291,375	291,375
Deferred revenue	-	109,320	109,320	-	2,902	2,902
<b>Total liabilities</b>	<b>187</b>	<b>57,969,807</b>	<b>57,969,994</b>	<b>-</b>	<b>61,646,796</b>	<b>61,646,796</b>
<b>Fund Balance:</b>						
Nonspendable	-	4,317,847	4,317,847	-	4,522,438	4,522,438
Unassigned	-	11,365,881	11,365,881	-	12,287,547	12,287,547
<b>Total fund balance</b>	<b>-</b>	<b>15,683,728</b>	<b>15,683,728</b>	<b>-</b>	<b>16,809,985</b>	<b>16,809,985</b>
<b>Total liabilities and fund balance</b>	<b>\$ 187</b>	<b>\$ 73,653,535</b>	<b>\$ 73,653,722</b>	<b>\$ -</b>	<b>\$ 78,456,781</b>	<b>\$ 78,456,781</b>

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Comparative Statements of Revenues, Expenditures and Changes in Fund Balance**  
**General Fund**  
**Budget and Actual**  
**For the Years Ended June 30, 2012 and 2011**

	2012							2011						
	Final Budget			Actuals			VARIANCE POSITIVE (NEGATIVE)	Final Budget			Actuals			VARIANCE POSITIVE (NEGATIVE)
	Special Education	Other General Fund	Total General Fund	Special Education	Other General Fund	Total General Fund		Special Education	Other General Fund	Total General Fund	Special Education	Other General Fund	Total General Fund	
<b>Revenues:</b>														
Property taxes	\$ -	\$ 77,365,827	\$ 77,365,827	\$ -	\$ 77,377,899	\$ 77,377,899	\$ 12,072	\$ -	\$ 79,457,892	\$ 79,457,892	\$ -	\$ 79,471,094	\$ 79,471,094	\$ 13,202
Other local sources	7,000	2,670,259	2,677,259	10,064	2,749,940	2,760,004	82,745	-	3,207,336	3,207,336	8,138	2,959,730	2,967,868	(239,468)
Interdistrict sources	20,000	300,000	320,000	20,601	337,666	358,267	38,267	-	306,000	306,000	21,740	315,958	337,698	31,698
Intermediate sources	-	59,500	59,500	-	60,065	60,065	565	-	81,517	81,517	-	78,481	78,481	(3,036)
State sources	10,555,000	144,524,036	155,079,036	10,535,821	144,534,847	155,070,668	(8,368)	10,163,463	154,213,513	164,376,976	10,444,563	154,334,277	164,778,840	401,864
Federal sources	6,928,040	11,302,173	18,230,213	8,492,167	11,174,078	19,666,245	1,436,032	8,824,280	16,662,847	25,487,127	7,713,778	13,724,132	21,437,910	(4,049,217)
Other sources	-	101,669	101,669	-	560,499	560,499	458,830	-	157,732	157,732	-	1,361,022	1,361,022	1,203,290
<b>Total revenues</b>	<b>17,510,040</b>	<b>236,323,464</b>	<b>253,833,504</b>	<b>19,058,653</b>	<b>236,794,994</b>	<b>255,853,647</b>	<b>2,020,143</b>	<b>18,987,743</b>	<b>254,086,837</b>	<b>273,074,580</b>	<b>18,188,219</b>	<b>252,244,694</b>	<b>270,432,913</b>	<b>(2,641,667)</b>
<b>Expenditures:</b>														
<b>Instruction:</b>														
Regular instruction	26,600	118,108,161	118,134,761	14,397	117,523,965	117,538,362	596,399	-	127,828,564	127,828,564	-	128,271,217	128,271,217	(442,653)
Vocational instruction	12,500	4,839,122	4,851,622	2,278	4,569,836	4,572,114	279,508	7,402	5,859,141	5,866,543	6,590	5,898,595	5,905,185	(38,642)
Special instruction	36,609,434	-	36,609,434	35,232,327	-	35,232,327	1,377,107	36,166,968	-	36,166,968	36,553,564	-	36,553,564	(386,596)
Other instruction	-	8,521,487	8,521,487	-	8,155,357	8,155,357	366,130	-	8,951,681	8,951,681	-	8,650,960	8,650,960	300,721
<b>Total instruction</b>	<b>36,648,534</b>	<b>131,468,770</b>	<b>168,117,304</b>	<b>35,249,002</b>	<b>130,249,158</b>	<b>165,498,160</b>	<b>(2,619,144)</b>	<b>36,174,370</b>	<b>142,639,386</b>	<b>178,813,756</b>	<b>36,560,154</b>	<b>142,820,772</b>	<b>179,380,926</b>	<b>567,170</b>
<b>Support Services</b>														
Pupil services	6,113,723	9,506,695	15,620,418	6,194,496	9,181,428	15,375,924	244,494	6,094,252	9,135,947	15,230,199	6,167,543	9,093,449	15,260,992	(30,793)
Instructional staff services	1,145,298	14,852,693	15,997,991	995,533	12,960,432	13,955,965	2,042,026	1,941,582	14,393,804	16,335,386	1,778,673	14,244,741	16,023,414	311,972
General administration services	-	1,382,118	1,382,118	-	1,288,420	1,288,420	93,698	-	1,654,159	1,654,159	-	1,667,468	1,667,468	(13,309)
Building administration services	10,500	14,399,916	14,410,416	-	14,340,935	14,340,935	69,481	-	15,315,508	15,315,508	-	15,468,744	15,468,744	(153,236)
Business services	15,000	2,116,703	2,131,703	16,735	2,079,689	2,096,424	35,279	20,000	1,639,862	1,659,862	18,079	5,098,080	5,116,159	(3,456,297)
Operations and maintenance	-	27,605,129	27,605,129	10,408	25,739,646	25,750,054	1,855,075	-	26,642,101	26,642,101	-	26,874,250	26,874,250	(232,149)
Pupil transportation	2,869,726	4,054,106	6,923,832	2,847,395	3,949,116	6,796,511	127,321	3,041,211	4,832,938	7,874,149	3,117,881	3,933,998	7,051,879	822,270
Central services	-	5,362,923	5,362,923	-	7,517,128	7,517,128	(2,154,205)	-	6,247,135	6,247,135	-	6,826,525	6,826,525	(579,390)
Insurance	-	1,354,957	1,354,957	-	1,338,975	1,338,975	15,982	-	624,957	624,957	-	568,192	568,192	56,765
Principal and interest	-	505,943	505,943	-	432,716	432,716	73,227	-	506,943	506,943	-	508,277	508,277	(1,334)
Other support services	-	1,184,500	1,184,500	107,409	1,707,020	1,814,429	(629,929)	-	1,184,500	1,184,500	58,800	1,465,072	1,523,872	(339,372)
<b>Total support services</b>	<b>10,154,247</b>	<b>82,325,683</b>	<b>92,479,930</b>	<b>10,171,976</b>	<b>80,535,505</b>	<b>90,707,481</b>	<b>1,772,449</b>	<b>11,097,045</b>	<b>82,177,854</b>	<b>93,274,899</b>	<b>11,140,976</b>	<b>85,748,796</b>	<b>96,889,772</b>	<b>(3,614,873)</b>
<b>Total expenditures</b>	<b>46,802,781</b>	<b>213,794,453</b>	<b>260,597,234</b>	<b>45,420,978</b>	<b>210,784,663</b>	<b>256,205,641</b>	<b>4,391,593</b>	<b>47,271,415</b>	<b>224,817,240</b>	<b>272,088,655</b>	<b>47,701,130</b>	<b>228,569,568</b>	<b>276,270,698</b>	<b>(4,182,043)</b>
Excess (deficiency) of revenues over expenditures	(29,292,741)	22,529,011	(6,763,730)	(26,362,325)	26,010,331	(351,994)	6,411,736	(28,283,672)	29,269,597	985,925	(29,512,911)	23,675,126	(5,837,785)	(6,823,710)
<b>Other Financing Sources (Uses):</b>														
Transfer from/(to)	29,292,741	(30,759,834)	(1,467,093)	26,362,325	(27,136,588)	(774,263)	692,830	28,283,672	(29,269,597)	(985,925)	29,512,911	(30,498,836)	(985,925)	-
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>(8,230,823)</b>	<b>(8,230,823)</b>	<b>-</b>	<b>(1,126,257)</b>	<b>(1,126,257)</b>	<b>7,104,566</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6,823,710)</b>	<b>(6,823,710)</b>	<b>(6,823,710)</b>
<b>Fund balance - beginning of year</b>	<b>-</b>	<b>16,809,985</b>	<b>16,809,985</b>	<b>-</b>	<b>16,809,985</b>	<b>16,809,985</b>	<b>-</b>	<b>-</b>	<b>23,633,695</b>	<b>23,633,695</b>	<b>-</b>	<b>23,633,695</b>	<b>23,633,695</b>	<b>-</b>
<b>Fund balance - end of year</b>	<b>\$ -</b>	<b>\$ 8,579,162</b>	<b>\$ 8,579,162</b>	<b>\$ -</b>	<b>\$ 15,683,728</b>	<b>\$ 15,683,728</b>	<b>\$ 7,104,566</b>	<b>\$ -</b>	<b>\$ 23,633,695</b>	<b>\$ 23,633,695</b>	<b>\$ -</b>	<b>\$ 16,809,985</b>	<b>\$ 16,809,985</b>	<b>\$ (6,823,710)</b>

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Comparative Balance Sheets**  
**Debt Service Fund**  
**As of June 30, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>Assets</b>		
Cash and investments	\$ 24,177	\$ 760,673
<b>Total assets</b>	<u><u>24,177</u></u>	<u><u>760,673</u></u>
 <b>Liabilities and Fund Balance</b>		
Due to other funds	-	-
<b>Total liabilities</b>	<u>-</u>	<u>-</u>
 <b>Fund Balance:</b>		
Restricted for debt service	24,177	760,673
<b>Total fund balance</b>	<u><u>24,177</u></u>	<u><u>760,673</u></u>
 <b>Total liabilities and fund balance</b>	<u><u>\$ 24,177</u></u>	<u><u>\$ 760,673</u></u>

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Comparative Statements of Revenues, Expenditures and Changes in Fund Balance**  
**Debt Service Fund**  
**Budget and Actual**  
**For the Years Ended June 30, 2012 and 2011**

	2012			2011		
	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
<b>Revenues:</b>						
Property taxes	\$ 14,625,987	\$ 14,625,987	\$ -	\$ 13,520,354	\$ 13,520,354	\$ -
Earnings on investments and rebates	5,287	8,388	3,101	16,934	16,934	-
Other revenue	1,517,679	7,249,094	5,731,415	1,094,831	1,094,831	-
<b>Total revenues</b>	<b>16,148,953</b>	<b>21,883,469</b>	<b>5,734,516</b>	<b>14,632,119</b>	<b>14,632,119</b>	<b>-</b>
<b>Expenditures:</b>						
<b>Support Services</b>						
Debt service						
Principal	10,119,000	16,339,000	(6,220,000)	8,913,000	8,913,000	-
Interest and fiscal charges	6,698,894	7,160,915	(462,021)	7,105,686	7,105,686	-
<b>Total expenditures</b>	<b>16,817,894</b>	<b>23,499,915</b>	<b>(6,682,021)</b>	<b>16,018,686</b>	<b>16,018,686</b>	<b>-</b>
Excess (deficiency) of revenues over expenditures	(668,941)	(1,616,446)	(947,505)	(1,386,567)	(1,386,567)	-
<b>Other Financing Sources (Uses)</b>						
Transfer from	985,925	774,263	(211,662)	985,925	985,925	-
Long-term debt issued	-	9,275,000	(9,275,000)	9,500,000	9,500,000	-
Payment on debt refinancing	-	(9,169,313)	9,169,313	(9,500,000)	(9,500,000)	-
<b>Total other financing sources (uses)</b>	<b>985,925</b>	<b>879,950</b>	<b>(317,349)</b>	<b>985,925</b>	<b>985,925</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>316,984</b>	<b>(736,496)</b>	<b>(1,264,854)</b>	<b>(400,642)</b>	<b>(400,642)</b>	<b>-</b>
<b>Fund balance - beginning of year</b>	<b>760,673</b>	<b>760,673</b>	<b>-</b>	<b>1,161,315</b>	<b>1,161,315</b>	<b>-</b>
<b>Fund balance - end of year</b>	<b>\$ 1,077,657</b>	<b>\$ 24,177</b>	<b>\$ (1,264,854)</b>	<b>\$ 760,673</b>	<b>\$ 760,673</b>	<b>\$ -</b>

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Comparative Balance Sheets**  
**Capital Projects Fund**  
**As of June 30, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>Assets</b>		
Cash and investments	\$ 341,397	\$ 4,310,104
<b>Total assets</b>	<u><u>341,397</u></u>	<u><u>4,310,104</u></u>
 <b>Liabilities and Fund Balance</b>		
<b>Liabilities:</b>		
Accounts payable	-	65,409
<b>Total Liabilities</b>	<u>-</u>	<u>65,409</u>
 <b>Fund Balance:</b>		
Restricted for capital projects	341,397	4,244,695
<b>Total fund balance</b>	<u>341,397</u>	<u>4,244,695</u>
 <b>Total liabilities and fund balance</b>	<u><u>\$ 341,397</u></u>	<u><u>\$ 4,310,104</u></u>



**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Comparative Statements of Revenues, Expenditures and Changes in Fund Balance**  
**Capital Projects Fund**  
**Budget and Actual**  
**For the Years Ended June 30, 2012 and 2011**

	2012			2011		
	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
<b>Revenues:</b>						
Interest income	\$ 34,415	\$ 34,415	\$ -	\$ 35,000	\$ 219,553	\$ 184,553
Other sources	-	445,912	445,912	-	-	-
<b>Total revenues</b>	<b>34,415</b>	<b>480,327</b>	<b>445,912</b>	<b>35,000</b>	<b>219,553</b>	<b>184,553</b>
<b>Expenditures:</b>						
<b>Current:</b>						
<b>Support Services</b>						
Operation and maintenance	456,310	368,510	87,800	-	-	-
<b>Capital Outlay:</b>						
New construction	3,822,800	4,015,115	(192,315)	17,868,691	16,545,999	1,322,692
<b>Total expenditures</b>	<b>4,279,110</b>	<b>4,383,625</b>	<b>(104,515)</b>	<b>17,868,691</b>	<b>16,545,999</b>	<b>1,322,692</b>
<b>Net Change in Fund Balance</b>	<b>(4,244,695)</b>	<b>(3,903,298)</b>	<b>341,397</b>	<b>(17,833,691)</b>	<b>(16,326,446)</b>	<b>1,507,245</b>
<b>Fund balance - beginning of year</b>	<b>4,244,695</b>	<b>4,244,695</b>	<b>-</b>	<b>20,571,141</b>	<b>20,571,141</b>	<b>-</b>
<b>Fund balance - end of year</b>	<b>\$ -</b>	<b>\$ 341,397</b>	<b>\$ 341,397</b>	<b>\$ 2,737,450</b>	<b>\$ 4,244,695</b>	<b>\$ 1,507,245</b>

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Comparative Balance Sheets**  
**Head Start Fund**  
**As of June 30, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>Assets</b>		
Due from other governments	\$ 153,262	\$ 849,129
Prepays	13,667	-
<b>Total assets</b>	<u><u>166,929</u></u>	<u><u>849,129</u></u>
<b>Liabilities and Fund Balance</b>		
<b>Liabilities:</b>		
Accounts payable	-	20,394
Due to other funds	166,929	828,735
<b>Total liabilities</b>	<u><u>166,929</u></u>	<u><u>849,129</u></u>
<b>Fund Balance:</b>		
Nonspendable for prepaid items	13,667	-
Unassigned	(13,667)	-
<b>Total fund balance</b>	-	-
<b>Total liabilities and fund balance</b>	<u><u>\$ 166,929</u></u>	<u><u>\$ 849,129</u></u>

**KENSOSHA UNIFIED SCHOOL DISTRICT**  
**Comparative Statements of Revenues, Expenditures and Changes in Fund Balance**  
**Head Start Fund**  
**Budget and Actual**  
**For the Years Ended June 30, 2012 and 2011**

	2012			2011		
	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
<b>Revenues:</b>						
Federal sources	\$ 1,968,420	\$ 1,800,201	\$ (168,219)	\$ 2,047,632	\$ 2,047,632	\$ -
<b>Total revenues</b>	<b>1,968,420</b>	<b>1,800,201</b>	<b>(168,219)</b>	<b>2,047,632</b>	<b>2,047,632</b>	<b>-</b>
<b>Expenditures:</b>						
Special education	1,214,835	1,109,528	105,307	1,321,871	1,280,212	41,659
<b>Total instruction</b>	<b>1,214,835</b>	<b>1,109,528</b>	<b>105,307</b>	<b>1,321,871</b>	<b>1,280,212</b>	<b>41,659</b>
<b>Support Services</b>						
Pupil services	303,272	270,745	32,527	237,725	213,576	24,149
Instructional staff services	31,315	31,200	115	31,315	59,194	(27,879)
School building administration	168,219	155,548	12,671	218,174	227,497	(9,323)
Business services	250,779	233,180	17,599	238,547	267,153	(28,606)
<b>Total support services</b>	<b>753,585</b>	<b>690,673</b>	<b>62,912</b>	<b>725,761</b>	<b>767,420</b>	<b>(41,659)</b>
<b>Total expenditures</b>	<b>1,968,420</b>	<b>1,800,201</b>	<b>168,219</b>	<b>2,047,632</b>	<b>2,047,632</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	-	-	-	-	-	-
<b>Fund balance - beginning of year</b>	-	-	-	-	-	-
<b>Fund balance - end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Comparative Balance Sheets**  
**Community Service Fund**  
**As of June 30, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>Assets</b>		
Cash and investments	\$ 282,648	\$ 626,775
Accounts receivable	<u>1,390</u>	<u>30,918</u>
<b>Total assets</b>	<b><u>284,038</u></b>	<b><u>657,693</u></b>
 <b>Liabilities and Fund Balance</b>		
<b>Liabilities:</b>		
Due to Other Funds	<u>6,300</u>	<u>-</u>
<b>Total liabilities</b>	<b><u>6,300</u></b>	<b><u>-</u></b>
 <b>Fund Balance:</b>		
Assigned	<u>277,738</u>	<u>657,693</u>
<b>Total fund balance</b>	<b><u>277,738</u></b>	<b><u>657,693</u></b>
 <b>Total liabilities and fund balance</b>	<b><u>\$ 284,038</u></b>	<b><u>\$ 657,693</u></b>

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Comparative Statements of Revenues, Expenditures and Changes in Fund Balance**  
**Community Service Fund**  
**Budget and Actual**  
**For the Years Ended June 30, 2012 and 2011**

	2012			2011		
	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
<b>Revenues:</b>						
Property taxes	\$ 1,981,240	\$ 1,984,170	\$ 2,930	\$ 1,981,240	\$ 1,984,300	\$ 3,060
Other local sources	124,725	178,379	53,654	124,725	247,903	123,178
<b>Total revenues</b>	<b>2,105,965</b>	<b>2,162,549</b>	<b>56,584</b>	<b>2,105,965</b>	<b>2,232,203</b>	<b>126,238</b>
<b>Expenditures:</b>						
<b>Support Services</b>						
Business services	762,519	1,156,904	(394,385)	869,177	866,169	3,008
Community service	1,677,763	1,385,600	292,163	1,362,181	1,458,807	(96,626)
<b>Total expenditures</b>	<b>2,440,282</b>	<b>2,542,504</b>	<b>(102,222)</b>	<b>2,231,358</b>	<b>2,324,976</b>	<b>(93,618)</b>
<b>Net Change in Fund Balance</b>	<b>(334,317)</b>	<b>(379,955)</b>	<b>(45,638)</b>	<b>(125,393)</b>	<b>(92,773)</b>	<b>32,620</b>
<b>Fund balance - beginning of year</b>	<b>657,693</b>	<b>657,693</b>	<b>-</b>	<b>750,466</b>	<b>750,466</b>	<b>-</b>
<b>Fund balance - end of year</b>	<b>\$ 323,376</b>	<b>\$ 277,738</b>	<b>\$ (45,638)</b>	<b>\$ 625,073</b>	<b>\$ 657,693</b>	<b>\$ 32,620</b>

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# STATISTICAL INFORMATION



**Kenosha Unified  
School District**

maximizing the brilliance of children



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**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Statistical Section**  
**Fiscal Year Ended June 30, 2012**

The statistical section of the District's comprehensive annual financial report presents detailed information as a context for understanding the information in the financial statements, note disclosures, and required supplementary information. The tables in this section were compiled by the District and are not subject to audit by any independent third-party.

The statistical section is divided into the following sub-sections:

- Financial Trends

These schedules contain comparative schedules to assist the reader in understanding and assessing how the District's financial position has changed over time.

- Revenue Capacity

These schedules contain tables to assist the reader in assessing property taxes, which are the District's most significant local revenue source.

- Debt Capacity

These schedules present information to assist the reader in understanding and assessing the District's current levels of outstanding debt burden, and the District's ability to issue additional debt in the future.

- Demographic and Economic Information

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

- 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 District provides.

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**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Net Assets by Component**  
**For Fiscal Years Ended June 30, 2003 through June 30, 2012**

	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2005-06</u>	<u>2004-05</u>	<u>2003-04</u>	<u>2002-03</u>
Invested in capital assets, net of related debt										
Governmental activities	\$ 68,114,667	\$ 64,216,338	\$ 61,345,525	\$ 64,312,318	\$ 58,686,961	\$ 51,838,292	\$ 47,792,419	\$ 42,224,414	\$ 33,201,432	\$ 30,005,641
Business-type activities	1,192,000	1,082,381	1,036,293	1,157,428	1,196,913	1,253,350	993,694	1,012,273	910,217	594,283
Restricted										
Governmental activities	24,177	760,673	1,161,315	2,066,359	2,190,190	942,484	2,077,256	1,920,816	2,580,541	3,223,756
Business-type activities	560,078	480,864	354,953	1,157,385	1,499,244	1,473,799	1,164,818	496,527	127,654	(116,363)
Unrestricted - governmental activities	<u>(78,237,330)</u>	<u>(63,434,224)</u>	<u>(43,731,693)</u>	<u>(34,911,840)</u>	<u>(20,386,620)</u>	<u>(7,042,623)</u>	<u>(4,955,758)</u>	<u>(7,265,738)</u>	<u>(4,145,256)</u>	<u>(5,072,595)</u>
<b>Total Net Assets</b>	<u>\$ (8,346,408)</u>	<u>\$ 3,106,032</u>	<u>\$ 20,166,393</u>	<u>\$ 33,781,650</u>	<u>\$ 43,186,688</u>	<u>\$ 48,465,302</u>	<u>\$ 47,072,429</u>	<u>\$ 38,388,292</u>	<u>\$ 32,674,588</u>	<u>\$ 28,634,722</u>

Source: Kenosha Unified School District annual financial reports

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Change in Net Assets (Combined Governmental and Business-type Activities)**  
**For Fiscal Years Ended June 30, 2004 through June 30, 2012**

	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2005-06</u>	<u>2004-05</u>	<u>2003-04</u>
<b>Revenues</b>									
Program revenues									
Charges for services									
Instruction	\$ 1,116,936	\$ 1,243,641	\$ 1,337,015	\$ 1,230,078	\$ 1,415,120	\$ 1,188,957	\$ 1,016,165	\$ 1,012,273	\$ 936,286
Support services	3,277,767	3,230,093	3,199,764	3,323,653	3,218,414	3,085,141	3,045,072	2,772,604	2,737,880
Operating grants & contributions			-						
Instruction	26,091,196	31,562,708	33,705,049	29,478,217	26,355,996	22,934,715	22,633,892	23,398,889	20,287,731
Support services	12,646,318	9,857,033	10,571,424	7,904,925	8,817,142	9,164,174	8,355,019	8,279,655	8,909,189
General revenues									
Property taxes	93,680,984	94,975,748	87,564,217	85,071,533	80,693,261	74,667,215	67,068,322	67,481,030	61,826,946
General aid	142,393,589	152,594,570	146,325,206	145,299,897	139,584,969	134,796,302	128,356,421	118,605,189	114,088,745
Other	11,340,422	4,439,760	3,867,546	2,979,311	4,676,795	4,507,648	5,068,646	1,956,891	1,811,126
<b>Total Revenues</b>	<u>\$290,547,212</u>	<u>\$297,903,553</u>	<u>\$286,570,221</u>	<u>\$275,287,614</u>	<u>\$264,761,697</u>	<u>\$250,344,152</u>	<u>\$235,543,537</u>	<u>\$223,506,531</u>	<u>\$210,597,903</u>
<b>Expenses</b>									
Instruction	\$180,224,840	\$196,614,457	\$187,047,737	\$178,778,272	\$168,299,604	\$149,677,374	\$139,850,839	\$137,284,108	\$129,990,578
Support services	113,579,114	118,422,387	113,137,741	105,914,380	99,316,642	99,273,904	87,008,561	80,519,132	76,567,459
<b>Total Expenses</b>	<u>293,803,954</u>	<u>315,036,844</u>	<u>300,185,478</u>	<u>284,692,652</u>	<u>267,616,246</u>	<u>248,951,278</u>	<u>226,859,400</u>	<u>217,803,240</u>	<u>206,558,037</u>
<b>Change in Net Assets</b>	(3,256,742)	(17,133,292)	(13,615,257)	(9,405,038)	(2,854,549)	1,392,874	8,684,137	5,703,291	4,039,866
<b>Net Assets - beginning of year</b>	<u>(5,089,668)</u> <sup>(3)</sup>	<u>20,239,321</u> <sup>(2)</sup>	<u>33,781,650</u>	<u>43,186,688</u>	<u>46,041,237</u>	<u>47,062,016</u> <sup>(1)</sup>	<u>38,377,879</u>	<u>32,674,588</u>	<u>28,634,722</u>
<b>Net Assets - end of year</b>	<u>\$ (8,346,408)</u>	<u>\$ 3,106,031</u>	<u>\$ 20,166,393</u>	<u>\$ 33,781,650</u>	<u>\$ 43,186,688</u>	<u>\$ 48,454,890</u>	<u>\$ 47,062,016</u>	<u>\$ 38,377,879</u>	<u>\$ 32,674,588</u>

(1) Beginning net assets were restated in 2007.

(2) Beginning net assets were restated in 2011 for asset/depreciation adjustment

(3) Beginning net assets were restated in 2012 for construction in progress adjustment

Source: Kenosha Unified School District annual financial reports

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Fund Balances - Governmental Funds**  
**For Fiscal Years Ended June 30, 2001 through June 30, 2012**

<b>Year Ended June 30</b>	<b>General Fund</b>			<b>All Other Governmental Funds</b>			<b>Total</b>
	<b>Nonspendable</b>	<b>Unassigned</b>	<b>Total</b>	<b>Restricted</b>	<b>Assigned</b>	<b>Total</b>	
2012	\$ 4,317,847	\$ 11,365,881	\$ 15,683,728	\$ 365,574	\$ 277,738	\$ 643,312	\$ 16,327,040
2011 <sup>(1)</sup>	\$ 4,522,438	\$ 12,287,547	\$ 16,809,985	\$ 5,005,368	\$ 657,693	\$ 5,663,061	\$ 22,473,046
2010	\$ 3,147,295	\$ 20,486,400	\$ 23,633,695	\$ 21,732,456	\$ 750,466	\$ 22,482,922	\$ 46,116,617
2009	\$ 3,379,196	\$ 19,227,453	\$ 22,606,649	\$ 13,769,108	\$ 915,309	\$ 14,684,417	\$ 37,291,066
2008	\$ 4,379,290	\$ 17,676,886	\$ 22,056,176	\$ 2,200,333	\$ 918,670	\$ 3,119,003	\$ 25,175,179
2007	\$ 4,403,764	\$ 15,115,756	\$ 19,519,520	\$ 21,819,472	\$ 718,863	\$ 22,538,335	\$ 42,057,855
2006	\$ 5,238,539	\$ 10,748,661	\$ 15,987,200	\$ 22,940,966	\$ 655,623	\$ 23,596,589	\$ 39,583,789
2005	\$ 4,042,911	\$ 9,619,188	\$ 13,662,099	\$ 2,251,662	\$ 488,022	\$ 2,739,684	\$ 16,401,783
2004	\$ 4,304,877	\$ 8,729,031	\$ 13,033,908	\$ 3,344,807	\$ 413,375	\$ 3,758,182	\$ 16,792,090
2003	\$ 4,579,837	\$ 9,359,943	\$ 13,939,780	\$ 16,328,277	\$ 318,727	\$ 16,647,004	\$ 30,586,784
2002	\$ 3,963,317	\$ 10,992,549	\$ 14,955,866	\$ 5,053,107	\$ 305,303	\$ 5,358,410	\$ 20,314,276
2001	\$ 3,202,495	\$ 11,690,790	\$ 14,893,285	\$ 23,918,596	\$ 148,552	\$ 24,067,148	\$ 38,960,433

<sup>(1)</sup> For the year ended June 30, 2011 the District implemented GASB Statement No. 45 changing fund balance classifications.  
See Notes to the Basic Financial Statements - Note 1(d) Net Assets and Fund Equity for more detail.

Source: Kenosha Unified School District annual financial reports

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Governmental Funds**  
**For Fiscal Years Ended June 30, 2004 through June 30, 2012**

	<b>2011-12</b>	<b>2010-11</b>	<b>2009-10</b>	<b>2008-09</b>	<b>2007-08</b>	<b>2006-07</b>	<b>2005-06</b>	<b>2004-05</b>	<b>2003-04</b>
<b>Revenues</b>									
Local	\$ 96,969,242	\$ 99,522,837	\$ 91,973,629	\$ 89,291,484	\$ 85,500,995	\$ 80,758,651	\$ 72,349,748	\$ 70,633,795	\$ 64,718,549
Interdistrict	358,267	337,698	327,264	242,557	238,572	178,227	276,401	175,934	136,997
Intermediate	60,065	78,481	83,253	127,832	123,019	185,153	380,844	230,445	182,170
State	155,070,668	164,778,840	152,625,147	142,747,388	153,010,542	147,139,852	141,679,795	131,386,501	126,002,371
Federal	21,466,446	23,485,542	32,641,979	35,616,425	16,849,473	14,934,560	13,935,406	14,800,847	13,263,287
Other	8,255,505	1,361,022	1,001,452	5,876	2,097,393	581,009	751,284	690,061	732,025
<b>Total Revenue</b>	<b>282,180,193</b>	<b>289,564,420</b>	<b>278,652,724</b>	<b>268,031,562</b>	<b>257,819,994</b>	<b>243,777,452</b>	<b>229,373,478</b>	<b>217,917,583</b>	<b>205,035,399</b>
<b>Expenditures</b>									
Current									
Instruction	166,413,082	180,661,138	171,415,159	164,347,709	155,424,051	145,568,848	136,245,319	133,701,413	125,341,586
Support Services	93,653,415	99,211,674	91,593,922	87,829,831	82,398,431	76,204,247	75,210,142	68,438,875	65,266,566
Debt Services									
Principal	16,339,000	8,913,000	7,555,000	8,210,000	16,140,000	7,275,000	6,956,908	6,678,099	11,431,378
Interest and fiscal charges	7,593,631	7,613,963	7,674,068	6,108,845	6,423,983	6,422,482	4,730,697	5,685,549	5,632,917
Capital Outlay	4,432,758	16,808,215	29,899,026	9,419,289	14,316,205	21,832,809	4,048,406	3,803,954	16,565,044
<b>Total Expenditures</b>	<b>288,431,886</b>	<b>313,207,990</b>	<b>308,137,175</b>	<b>275,915,674</b>	<b>274,702,670</b>	<b>257,303,386</b>	<b>227,191,472</b>	<b>218,307,890</b>	<b>224,237,491</b>
Excess (deficiency) of revenues over expenditures	(6,251,693)	(23,643,570)	(29,484,451)	(7,884,112)	(16,882,676)	(13,525,934)	2,182,006	(390,307)	(19,202,092)
<b>Other Financing Sources (Uses)</b>									
Debt proceeds (net of debt payments)	105,687	-	38,310,000	20,000,000	-	25,500,000	21,000,000	-	5,275,000
Contribution to OPEB trust					-	(9,500,000)	-	-	-
Operating transfers in	-	30,498,836	24,806,128	28,221,338	27,392,323	27,141,603	23,741,289	22,040,831	20,594,004
Operating transfers out	-	(30,498,836)	(24,806,128)	(28,221,338)	(27,392,323)	(27,141,603)	(23,741,289)	(22,040,831)	(20,461,606)
<b>Net Change in Fund Balance</b>	<b>(6,146,006)</b>	<b>(23,643,570)</b>	<b>8,825,549</b>	<b>12,115,888</b>	<b>(16,882,676)</b>	<b>2,474,066</b>	<b>23,182,006</b>	<b>(390,307)</b>	<b>(13,794,694)</b>
Fund Balances, beginning of year	22,473,046	46,116,616	37,291,067	25,175,179	42,057,855	39,583,789	16,401,783	16,792,090	30,586,784
<b>FUND BALANCES, end of year</b>	<b>\$ 16,327,040</b>	<b>\$ 22,473,046</b>	<b>\$ 46,116,616</b>	<b>\$ 37,291,067</b>	<b>\$ 25,175,179</b>	<b>\$ 42,057,855</b>	<b>\$ 39,583,789</b>	<b>\$ 16,401,783</b>	<b>\$ 16,792,090</b>

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Assessed and Equalized Value of Taxable Property**  
**For Fiscal Years 2001 through 2012**

Year Ended June 30	ASSESSED VALUE					EQUALIZED VALUE		
	City of Kenosha	Village of Pleasant Prairie	Township of Somers	Total District		Total District Equalized Value	Assessed Value to Equalized Value	Percent Change in Equalized Value
2012	\$ 5,349,581,700	\$ 2,493,024,800	\$ 820,796,500	\$ 8,663,403,000		\$ 7,982,932,601	1.08524	-11.88%
2011	\$ 5,857,071,100	\$ 2,535,859,300	\$ 835,340,700	\$ 9,228,271,100		\$ 8,931,500,985	1.03323	-6.49%
2010	\$ 6,629,275,500	\$ 2,611,498,200	\$ 823,219,100	\$ 10,063,992,800		\$ 9,510,858,704	1.05816	-1.24%
2009	\$ 6,485,666,800	\$ 2,784,220,800	\$ 818,228,600	\$ 10,088,116,200		\$ 9,628,413,923	1.04774	1.34%
2008	\$ 6,633,850,400	\$ 2,764,015,600	\$ 725,471,800	\$ 10,123,337,800		\$ 9,499,722,109	1.06565	5.80%
2007	\$ 6,204,312,700	\$ 2,615,351,800	\$ 708,357,400	\$ 9,528,021,900		\$ 8,948,360,876	1.06478	8.83%
2006	\$ 6,194,403,300	\$ 2,519,584,900	\$ 693,967,750	\$ 9,407,955,950		\$ 8,158,321,427	1.15317	9.16%
2005	\$ 5,302,826,700	\$ 2,092,810,700	\$ 666,498,650	\$ 8,062,136,050		\$ 7,410,704,207	1.08790	8.09%
2004	\$ 5,120,051,200	\$ 2,071,092,200	\$ 500,548,100	\$ 7,691,691,500		\$ 6,811,019,618	1.12930	4.76%
2003	\$ 4,320,217,200	\$ 1,694,626,900	\$ 481,334,600	\$ 6,496,178,700		\$ 6,486,760,845	1.00145	3.00%
2002	\$ 4,346,974,500	\$ 1,626,455,500	\$ 475,374,500	\$ 6,448,804,500		\$ 6,292,405,445	1.02486	7.28%
2001	\$ 3,790,710,500	\$ 1,403,580,200	\$ 495,337,900	\$ 5,689,628,600		\$ 5,834,033,123	0.97525	12.75%

Source: Wisconsin Department of Revenue

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Equalized Property Tax Rates - All Overlapping Governments (per \$1000)**  
**For Fiscal Years 2001 through 2012**

Year Ended June 30	Operating	Debt Service	Community Service	Total	Local	County of Kenosha	Gateway Technical College	Special District	State of Wisconsin	Gross Rate	Tax Credits	Net Rate
<b>District Rates within the City of Kenosha</b>												
2012	9.06	1.72	0.23	11.01	10.29	4.49	1.43	0.00	0.17	27.39	-1.62	25.76
2011	9.42	1.61	0.24	11.26	10.14	4.52	1.48	0.00	0.18	27.57	-1.61	25.97
2010	7.73	1.28	0.19	9.20	8.67	3.92	1.29	0.00	0.17	23.25	-1.44	21.81
2009	7.56	1.25	0.19	9.00	8.48	3.82	1.25	0.00	0.17	22.72	-1.44	21.28
2008	7.00	1.30	0.18	8.81	10.36	5.30	1.27	0.00	0.21	25.95	-1.70	24.25
2007	6.86	1.30	0.18	8.34	10.30	5.29	1.24	0.00	0.20	25.37	-1.24	24.13
2006	7.98	1.56	0.18	9.72	10.28	5.27	1.31	0.00	0.19	26.77	-1.28	25.49
2005	7.41	1.49	0.15	9.05	10.20	5.37	1.56	0.00	0.20	26.38	-1.26	25.12
2004	7.31	1.56	0.17	9.04	10.17	5.36	1.58	0.00	0.20	26.35	-1.24	25.11
2003	7.30	1.55	0.15	9.00	10.18	5.37	1.60	0.00	0.20	26.35	-1.39	24.96
2002	7.71	1.42	0.17	9.30	10.67	5.25	1.60	0.00	0.20	27.02	-1.32	25.70
2001	7.88	1.35	0.07	9.30	10.34	4.91	1.60	0.00	0.20	26.35	-1.44	24.91
<b>District Rates within the Village of Pleasant Prairie</b>												
2012	9.06	1.72	0.23	11.01	4.08	4.49	1.43	0.00	0.17	21.18	-1.49	19.69
2011	9.00	1.54	0.23	10.76	4.30	4.32	1.41	0.00	0.17	20.97	-1.48	19.49
2010	7.53	1.25	0.19	8.97	3.39	4.12	1.25	0.00	0.17	17.90	-1.30	16.60
2009	7.54	1.25	0.19	8.98	3.39	4.12	1.25	0.00	0.17	17.91	-1.30	16.61
2008	7.45	1.27	0.18	8.90	3.38	4.06	1.24	0.00	0.17	17.75	-1.70	16.05
2007	7.10	1.24	0.16	8.50	3.18	4.00	1.20	0.00	0.17	17.05	-1.21	15.84
2006	6.97	1.22	0.16	8.35	3.15	4.10	1.24	0.00	0.18	17.02	-1.11	15.91
2005	6.81	1.20	0.15	8.16	3.31	4.39	1.33	0.00	0.20	17.39	-1.06	16.33
2004	7.34	1.57	0.15	9.06	3.68	4.74	1.41	0.00	0.20	19.09	-1.05	18.04
2003	7.30	1.52	0.15	8.97	4.03	5.24	1.55	0.00	0.20	19.99	-1.19	18.80
2002	7.30	1.54	0.15	8.99	3.81	5.02	1.47	0.00	0.20	19.49	-1.13	18.36
2001	7.88	1.35	0.07	9.30	4.07	5.29	1.60	0.00	0.20	20.46	-1.09	19.37
<b>District Rates within the Township of Somers</b>												
2012	9.09	1.72	0.23	11.05	4.12	4.51	1.44	1.15	0.17	22.43	-1.49	20.95
2011	8.94	1.53	0.22	10.69	4.06	4.29	1.40	1.15	0.17	21.76	-1.49	20.27
2010	7.50	1.24	0.19	8.93	3.24	3.80	1.25	1.00	0.17	18.39	-1.55	15.84
2009	7.49	1.24	0.19	8.92	3.24	3.80	1.26	1.00	0.17	18.39	-1.55	16.84
2008	8.67	1.26	0.20	10.13	3.27	4.30	1.41	1.33	0.19	20.63	-1.70	18.93
2007	7.76	1.23	0.18	9.22	3.11	4.24	1.41	1.00	0.20	19.18	-1.51	17.67
2006	7.77	1.23	0.18	9.18	3.06	4.20	1.36	0.32	0.19	18.31	-1.31	17.00
2005	6.81	1.20	0.15	8.16	2.74	4.08	1.33	0.31	0.19	16.81	-1.06	15.75
2004	7.34	1.56	0.15	9.05	2.73	4.40	1.40	0.34	0.20	18.12	-1.21	16.91
2003	7.32	1.56	0.15	9.03	3.24	4.69	1.48	0.36	0.20	19.00	-1.23	17.77
2002	7.30	1.55	0.15	9.00	4.44	5.33	1.60	0.00	0.20	20.57	-1.16	19.41
2001	7.88	1.35	0.07	9.30	3.11	5.29	1.60	0.00	0.20	19.50	-1.49	18.01

Source: Individual municipalities



**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Principal Taxpayers in District**  
**Fiscal Years 2001 and 2012 Comparison**

2012					2001				
Rank	Taxpayer	Type of Business	2011 Assessed Valuation	Estimated Net 2012 Taxes	Rank	Taxpayer	Type of Business	2000 Assessed Valuation	Estimated Net 2001 Taxes
1	Route 165 LLC	Real Estate	\$ 110,094,200	\$ 2,063,399	1	WisPark Corporation	Real Estate	\$ 80,639,500	\$ 1,578,049
2	Prime Outlets at Pleasant Prairie	Retail shopping	\$ 104,078,500	\$ 2,049,807	2	Kenosha Hospital & Medical Ctr	Healthcare	\$ 34,403,600	\$ 877,636
3	Centerpoint Properties Trust	Real Estate	\$ 66,930,200	\$ 1,317,954	3	Petretti Realty	Real Estate, Apartments	\$ 33,234,300	\$ 830,389
4	Chicagoland DC 2008 LLC	Agricultural	\$ 65,495,500	\$ 1,687,395	4	Prime Outlets	Retail Shopping	\$ 41,428,600	\$ 810,241
5	Affiliated Foods Midwest Cooperative	Commercial	\$ 52,869,600	\$ 1,362,108	5	Southport Plaza Ltd. Partners	Retail Shopping	\$ 30,979,700	\$ 774,056
6	CV II Lakeview LLC	Investment	\$ 42,666,800	\$ 840,166	6	Wisconsin Electric Power	Electric Utility	utility tax	\$ 753,137
7	Southport Plaza LTD Partners	Retail shopping	\$ 38,362,400	\$ 988,351	7	Dairyland Greyhound Park	Dog Track	\$ 28,170,000	\$ 703,853
8	OhioCubco Inc.	Real estate	\$ 34,375,600	\$ 676,797	8	Super Value Stores	Grocery	\$ 29,333,400	\$ 573,689
9	Edward Rose Associates	Real estate, apartments	\$ 26,772,700	\$ 689,759	9	Edward Rose Associates	Real Estate, Apartments	\$ 22,679,500	\$ 566,668
10	FR-Kenosha LLC	Commercial	\$ 25,629,600	\$ 660,309	10	Berwell, Inc.	Grocery	\$ 22,647,100	\$ 565,858
<b>Top Ten Total</b>			<b>\$ 567,275,100</b>	<b>\$ 12,336,045</b>	<b>Top Ten Total</b>			<b>\$ 323,515,700</b>	<b>\$ 8,033,576</b>
Total District Assessed Values			\$ 8,663,403,000		Total District Assessed Values			\$ 5,689,628,600	
Top Ten as a Percent of Total			6.55%		Top Ten as a Percent of Total			5.69%	

Source: City of Kenosha / Village of Pleasant Prairie

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Property Tax Levies and Collections**  
**For Fiscal Years 2001 through 2012**

<b>Year Ended June 30</b>	<b>Total Tax Levy - All Funds</b>	<b>Current Tax Collections</b>	<b>Percent of Current Taxes Collected</b>	<b>Prior Year Tax Collections</b>	<b>Total Tax Collections <sup>(1)</sup></b>	<b>Ratio of Total Tax Collections to Total Levy</b>
2012	\$ 93,680,984	\$ 72,794,826	77.71%	\$ 20,189,022	\$ 92,983,848	99.26%
2011	\$ 94,664,487	\$ 74,475,465	78.67%	\$ 19,686,468	\$ 94,161,933	99.47%
2010	\$ 87,275,173	\$ 67,618,703	77.48%	\$ 19,032,189	\$ 86,650,892	99.28%
2009	\$ 84,870,154	\$ 65,837,965	77.57%	\$ 17,039,831	\$ 82,877,796	97.65%
2008	\$ 80,510,905	\$ 63,479,685	78.85%	\$ 15,168,665	\$ 78,648,350	97.69%
2007	\$ 74,667,216	\$ 59,498,551	79.68%	\$ 12,907,243	\$ 72,405,794	96.97%
2006	\$ 66,553,032	\$ 53,392,416	80.23%	\$ 12,211,124	\$ 65,603,540	98.57%
2005	\$ 67,137,077	\$ 54,146,566	80.65%	\$ 11,989,843	\$ 66,136,409	98.51%
2004	\$ 61,560,509	\$ 49,488,812	80.39%	\$ 11,018,327	\$ 60,507,139	98.29%
2003	\$ 56,620,526	\$ 45,845,758	80.97%	\$ 10,667,829	\$ 56,513,587	99.81%
2002	\$ 54,268,974	\$ 43,601,146	80.34%	\$ 10,185,463	\$ 53,786,609	99.11%
2001	\$ 50,662,664	\$ 40,477,201	79.90%	\$ 8,868,768	\$ 49,345,969	97.40%

<sup>(1)</sup> Includes general, special revenue and debt service funds.

Source: Kenosha School District audited financial records.

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Outstanding General Obligation Direct Debt as a Percentage of Equalized Value on a Per Capita Basis**  
**For Fiscal Year 2001 through 2012**

<b>For the Year Ended</b>	<b>Outstanding General Obligation (Direct) Debt</b>	<b>Equalized Valuation</b>	<b>Ratio of G.O. Debt to Equalized Value</b>	<b>Population <sup>(1)</sup></b>	<b>G.O. Debt Per Capita</b>	<b>Total Personal Income within District <sup>(2)</sup></b>	<b>Ratio of G.O. Debt to Personal Income</b>
2012	\$ 117,674,000	\$ 9,196,472,052	1.28%	128,973	\$ 912	<i>data not available</i>	-
2011	\$ 133,273,000	\$ 8,931,500,985	1.49%	128,757	\$ 1,035	<i>data not available</i>	-
2010	\$ 142,205,000	\$ 9,510,858,704	1.50%	128,534	\$ 1,106	<i>data not available</i>	-
2009	\$ 110,945,000	\$ 9,628,413,923	1.15%	123,170	\$ 901	<i>data not available</i>	-
2008	\$ 99,155,000	\$ 9,499,722,109	1.04%	123,013	\$ 806	\$ 5,664,084,000	1.751%
2007	\$ 115,295,000	\$ 8,948,360,876	1.29%	122,177	\$ 944	\$ 5,542,407,000	2.080%
2006	\$ 97,070,000	\$ 8,158,321,427	1.19%	120,005	\$ 809	\$ 5,297,500,000	1.832%
2005	\$ 83,026,908	\$ 7,410,704,207	1.12%	119,393	\$ 695	\$ 5,009,881,000	1.657%
2004	\$ 92,800,005	\$ 6,811,019,618	1.36%	118,469	\$ 783	\$ 4,811,254,000	1.929%
2003	\$ 98,956,383	\$ 6,486,760,845	1.53%	117,018	\$ 846	\$ 4,683,278,000	2.113%
2002	\$ 72,452,267	\$ 5,957,077,923	1.22%	116,171	\$ 624	\$ 4,523,079,000	1.602%
2001	\$ 78,528,100	\$ 5,446,360,813	1.44%	114,711	\$ 685	\$ 4,395,882,000	1.786%

(1) Estimated by the Wisconsin Department of Administration

(2) 3-year estimate based on data compiled from 2006-2008 by US Dept of Commerce, Bureau of Economic Analysis

Sources: Kenosha School District audited financial reports/US Census Bureau/US Dept of Commerce, Bureau of Economic Analysis

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Calculation of Direct and Indirect Debt**  
**As of June 30, 2012**

<b>Governmental Unit</b>	<b>Outstanding Debt on June 30, 2012</b>	<b>Percent of Debt Within District</b>	<b>Outstanding Debt Within District</b>	<b>Anticipated New Debt in FYE 6/30/13 (<sup>1</sup>) (in total)</b>
Kenosha Unified	\$ 117,674,000	100.00%	\$ 117,674,000	\$ -
City of Kenosha	\$ 183,830,100	100.00%	\$ 183,830,100	\$ 11,000,000
Village of Pleasant Prairie	\$ 102,310,000	95.30%	\$ 97,501,430	\$ 6,860,000
Township of Somers	\$ 22,250,193	100.00%	\$ 22,250,193	\$ 277,412
Kenosha County	\$ 101,325,000	68.33%	\$ 69,235,373	\$ 11,862,420
Gateway Technical College	\$ 39,735,000	22.32%	<u>\$ 8,868,852</u>	\$ 12,000,000
<b>Total</b>			<u><b>\$ 499,359,948</b></u>	.
Population <sup>(2)</sup>				128,973
Direct Debt Per Capita			\$	894
Indirect Debt Per Capita			<u>\$</u>	<u>3,872</u>
Total Debt Per Capita			<u><b>\$</b></u>	<u><b>4,765</b></u>

<sup>(1)</sup> Estimates

<sup>(2)</sup> Estimated by the Wisconsin Department of Administration

Source: Kenosha School District Official Statements for the Sale of Notes.

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Direct Debt Ratios and Per Capita Data**  
**Fiscal Years 2001 through 2012**

<b>Year Ended</b>	<b>Outstanding General Obligation Debt</b>	<b>Equalized Valuation</b>	<b>Legal Debt Limit <sup>(1)</sup></b>	<b>Legal Debt Margin</b>	<b>G.O. Debt / Legal Debt Limit</b>
2012	\$ 117,674,000	\$ 9,196,472,052	\$ 919,647,205	\$ 801,973,205	12.80%
2011	\$ 133,273,000	\$ 8,931,500,985	\$ 893,150,099	\$ 759,877,099	14.92%
2010	\$ 142,205,000	\$ 9,510,858,704	\$ 951,085,870	\$ 808,880,870	14.95%
2009	\$ 110,945,000	\$ 9,628,413,923	\$ 962,841,392	\$ 851,896,392	11.52%
2008	\$ 99,155,000	\$ 9,499,722,109	\$ 949,972,211	\$ 850,817,211	10.44%
2007	\$ 115,295,000	\$ 8,948,360,876	\$ 894,836,088	\$ 779,541,088	12.88%
2006	\$ 97,070,000	\$ 8,158,321,427	\$ 815,832,143	\$ 718,762,143	11.90%
2005	\$ 83,026,908	\$ 7,410,704,207	\$ 741,070,421	\$ 658,043,513	11.20%
2004	\$ 92,800,005	\$ 6,811,019,618	\$ 681,101,962	\$ 588,301,957	13.62%
2003	\$ 98,956,383	\$ 6,486,760,845	\$ 648,676,085	\$ 549,719,702	15.26%
2002	\$ 72,452,267	\$ 5,957,077,923	\$ 595,707,792	\$ 523,255,525	12.16%
2001	\$ 78,528,100	\$ 5,446,360,813	\$ 544,636,081	\$ 466,107,981	14.42%

<sup>(1)</sup> Legal debt limit and margin of indebtedness is set at 10% of equalized value by Section 67.03 (1)(b), Wisconsin Statutes.

Source: Kenosha School District audited financial reports.

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Ratio of Annual Debt Service to Total Governmental Expenditures**  
**Fiscal Years 2001 through 2012**

<b>Year Ended June 30</b>	<b>G. O. Debt Interest Payments</b>	<b>G. O. Debt Principal Payments</b>	<b>Total G.O. Debt Service</b>	<b>Governmental Expenditures <sup>(1)</sup></b>	<b>Ratio of Debt Service to Expenditures</b>
2012	\$ 7,160,915	\$ 16,339,000	\$ 23,499,915	\$ 288,431,886	8.15%
2011	\$ 7,613,963	\$ 8,913,000	\$ 16,526,963	\$ 313,207,990	5.28%
2010	\$ 7,674,068	\$ 7,555,000	\$ 15,229,068	\$ 308,137,175	4.94%
2009	\$ 6,108,845	\$ 8,210,000	\$ 14,318,845	\$ 275,915,674	5.19%
2008	\$ 6,423,983	\$ 16,140,000	\$ 22,563,983	\$ 274,702,672	8.21%
2007	\$ 7,275,000	\$ 6,422,482	\$ 13,697,482	\$ 257,303,387	5.32%
2006	\$ 4,730,697	\$ 6,956,908	\$ 11,687,605	\$ 227,191,474	5.14%
2005	\$ 5,685,549	\$ 6,678,099	\$ 12,363,648	\$ 218,307,891	5.66%
2004	\$ 4,743,610	\$ 6,331,378	\$ 11,074,988	\$ 224,237,492	4.94%
2003	\$ 4,477,321	\$ 5,180,884	\$ 9,658,205	\$ 231,277,242	4.18%
2002	\$ 3,683,788	\$ 6,243,100	\$ 9,926,888	\$ 222,461,353	4.46%
2001	\$ 3,184,100	\$ 4,150,000	\$ 7,334,100	\$ 177,157,484	4.14%

<sup>(1)</sup> Includes all governmental fund types.

Source: Kenosha School District audited financial reports.

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Major Employers in the District <sup>(1)</sup>**  
**Fiscal Years 2001 and 2012 Comparison**

2012				2001			
Rank	Employer	Type of Business	No. of Employees <sup>(2)</sup>	Rank	Employer	Type of Business	No. of Employees <sup>(2)</sup>
1	Kenosha Unified School District	K12 Education	2,652	1	Kenosha Unified School District	K12 Education	2,482
2	Uline, Inc.	Shipping, Packaging Supplies	2,000+	2	DaimlerChrysler	Automobile Engines	2,275
3	United Hospital System	Healthcare	1,000-1,999	3	Kenosha Hospital & Medical Ctr	Healthcare	1,275
4	Kenosha County	County Government	1,212	4	Snap-On Tools Corporation	Diagnostic Equip/Tools	1,050
5	Aurora Health Care	Healthcare	1,188	5	Kenosha County	County Government	786
6	Snap-On Tools Corporation	Manufacturer, Hand Tools	1,056	6	City of Kenosha	City Government	765
7	City of Kenosha	City Government	733	7	Prime Outlets	Retail	715
8	University of Wisconsin-Parkside	Higher Education	650	8	Super Value Inc.	Grocery Wholesalers	675
9	Jockey International	Manufacturer, Clothing	370	9	Sanmina Corporation	Electronics Manufacturing	670
10	Ocean Spray Cranberries	Manufacturer, Food Products	303	10	University of Wisconsin-Parkside	Higher Education	607

<sup>(1)</sup> All figures on this schedule are estimate:

<sup>(2)</sup> Full time equivalent

Sources: Kenosha Area Business Alliance/Kenosha County

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Population Data <sup>(1)</sup>**  
**For the Years 1990 through 2012**

<b>Year Ended June 30</b>	<b>School District</b>	<b>City of Kenosha</b>	<b>Village of Pleasant Prairie</b>	<b>Town of Somers</b>	<b>Kenosha County</b>
2012	128,973	99,660	19,850	9,463	166,823
2011	128,757	99,450	19,790	9,517	166,632
2010	128,534	99,218	19,719	9,597	166,426
2009	123,170	96,000	19,570	9,516	162,243
2008	123,013	95,910	19,565	9,452	166,861
2007	122,177	95,736	18,942	9,410	162,001
2006	120,005	93,798	18,699	9,380	158,219
2005	119,393	93,297	18,606	9,352	157,503
2004	118,469	93,008	18,122	9,195	156,209
2003	117,018	92,078	17,675	9,103	154,234
2002	116,171	91,853	17,077	9,074	149,577
2001	114,711	90,963	16,493	9,070	146,934
2000	115,547	90,352	16,136	9,059	144,834
1999	111,402	87,664	14,226	8,519	142,467
1998	109,757	87,314	14,077	8,410	141,474
1997	108,125	86,800	13,765	8,314	140,133
1996	107,197	85,685	13,360	8,152	138,049
1995	106,227	84,998	13,093	8,136	136,828
1994	105,304	84,394	12,845	8,065	135,049
1993	103,900	83,308	12,604	7,988	133,406
1992	102,633	82,203	12,498	7,932	131,613
1991	101,071	80,968	12,216	7,887	129,443
1990	100,211	80,426	12,037	7,748	128,181

<sup>(1)</sup> Population figures are estimates; 1990, 2000, and 2010 are from census data

Source: State of Wisconsin, Demographic Services Center



**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Available Demographic Data <sup>(1)</sup>**  
**For Fiscal Years 2001 through 2011**

Jurisdiction	2011	%*	2010	%*	2009	%*	2008	%*	2007	%*	2006	%*	2005	%*	2004	%*	2002	%*	2001	%*
<b>Personal Income <sup>(2)</sup> (in thousands)</b>																				
State of Wisconsin					\$ 211,337,133	100%	\$ 212,553,339	100%	\$ 207,201,190	100%	\$ 198,598,447	100%	\$ 186,594,892	100%	\$ 180,338,032	100%	\$ 167,741,977	100%	\$ 162,791,684	100%
Kenosha County					\$ 5,462,095	3%	\$ 5,664,084	3%	\$ 5,542,407	3%	\$ 5,297,500	3%	\$ 5,009,881	3%	\$ 4,811,254	3%	\$ 4,523,079	3%	\$ 4,395,882	3%
<b>Adjusted Gross Income Per Tax Return <sup>(3)</sup></b>																				
State of Wisconsin			\$ 46,958	100%	\$ 45,372	100%	\$ 47,046	100%	\$ 48,985	100%	\$ 45,357	100%	\$ 40,821	100%	\$ 34,785	100%	\$ 27,828	100%	\$ 22,262	100%
Kenosha County			\$ 45,517	97%	\$ 45,603	100%	\$ 47,125	100%	\$ 46,273	94%	\$ 43,525	96%	\$ 39,173	96%	\$ 33,380	96%	\$ 26,704	96%	\$ 21,363	96%
City of Kenosha			\$ 40,312	86%	\$ 40,765	89%	\$ 41,749	89%	\$ 41,189	84%	\$ 38,841	86%	\$ 34,957	86%	\$ 29,788	86%	\$ 23,830	86%	\$ 19,064	86%
Village of Pleasant Prairie			\$ 64,558	137%	\$ 63,859	138%	\$ 64,774	138%	\$ 62,985	129%	\$ 58,388	129%	\$ 52,549	129%	\$ 44,779	129%	\$ 35,823	129%	\$ 28,658	129%
Town of Somers			\$ 64,604	138%	\$ 66,887	165%	\$ 77,424	165%	\$ 67,991	139%	\$ 63,117	139%	\$ 56,805	139%	\$ 48,405	139%	\$ 38,724	139%	\$ 30,979	139%
<b>Unemployment Rates <sup>(4) (5)</sup></b>																				
State of Wisconsin	7.6%	100%	8.3%	100%	9.1%	100%	4.7%	100%	5.0%	100%	4.8%	100%	4.9%	100%	5.3%	100%	5.5%	100%	4.6%	100%
Kenosha County (PMSA)	9.6%	126%	10.8%	130%	10.9%	120%	4.9%	104%	5.3%	106%	5.7%	119%	5.8%	118%	5.9%	111%	6.0%	109%	4.9%	107%
City of Kenosha	10.8%	142%	11.6%	140%	11.9%	131%	5.4%	115%	5.3%	106%	6.3%	131%	6.5%	133%	6.7%	126%	6.8%	124%	5.7%	124%

<sup>(1)</sup> Omitted data unavailable at the time of printing

<sup>(2)</sup> Department of Revenue, State of Wisconsin

<sup>(3)</sup> U.S. Department of Labor, Bureau of Labor Statistics

<sup>(4)</sup> Rates are corrected unadjusted rates as of June of each year

\* Percentage ratio to State

Other Sources: US Dept of Commerce, Bureau of Economic Analysis

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Staffing History**  
**For Fiscal Years 2001 through 2012**

<b>Employee Group</b>	<b>2011-12</b>	<b>2010-11</b>	<b>2009-10</b>	<b>2008-09</b>	<b>2007-08</b>	<b>2006-07</b>	<b>2005-06</b>	<b>2004-05</b>	<b>2003-04</b>	<b>2002-03</b>	<b>2001-02</b>	<b>2000-01</b>
Administration	122	119	118	113	111	108	108	108	113	114	96	101
Teachers & Instructional Support	1637	1630	1835	1791	1780	1741	1737	1759	1733	1693	1708	1631
Secretarial & Clerical	139	136	141	142	139	137	137	137	137	138	138	135
Educational Assistants	262	261	299	309	313	315	306	318	304	303	294	329
Service & Carpenters	215	210	205	212	214	209	209	211	215	213	213	211
Interpreters	11	10	10	11	11	11	11	11	12	12	12	9
Other/Misc.	61	57	44	47	36	25	25	25	27	24	26	75
Total Full-Time Equivalent	<u>2,447</u>	<u>2,423</u>	<u>2,652</u>	<u>2,624</u>	<u>2,604</u>	<u>2,546</u>	<u>2,533</u>	<u>2,569</u>	<u>2,540</u>	<u>2,496</u>	<u>2,487</u>	<u>2,491</u>

*Source: Kenosha Unified School District Human Resources Department*

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Government-Wide Revenues**  
**For the Fiscal Years Ended June 30, 2003 through June 30, 2012**

Year Ended June 30	Program Revenues						General Revenues				
	Regular Instruction	Vocational Instruction	Special Education	Other Instruction	Support Services	School Food Service Program	Taxes	State & Federal Aid	Interest & Investment Earnings	Misc. General Revenue	Total
2012	\$ 9,370,774	\$ 269,985	\$ 17,012,216	\$ 555,157	\$ 7,111,358	\$ 8,812,727	\$ 93,988,056	\$145,177,995	\$ 71,615	\$ 8,177,329	\$290,547,212
2011	\$ 17,716,237	\$ 288,137	\$ 14,503,060	\$ 298,915	\$ 4,749,447	\$ 8,337,679	\$ 94,975,748	\$152,594,570	\$ 1,352,410	\$ 3,087,350	\$297,903,553
2010	\$ 16,036,789	\$ 299,278	\$ 18,620,543	\$ 85,453	\$ 5,853,692	\$ 7,917,496	\$ 87,564,217	\$146,325,206	\$ 1,072,827	\$ 2,794,719	\$286,570,220
2009	\$ 16,899,296	\$ 294,510	\$ 13,443,817	\$ 70,674	\$ 3,972,523	\$ 7,256,053	\$ 85,071,533	\$145,299,897	\$ 999,836	\$ 1,979,476	\$275,287,615
2008	\$ 11,361,889	\$ 533,765	\$ 15,454,030	\$ 421,431	\$ 5,093,854	\$ 6,941,702	\$ 80,693,261	\$139,584,969	\$ 1,966,023	\$ 2,710,772	\$264,761,696
2007	\$ 9,726,388	\$ 679,261	\$ 12,670,857	\$ 1,047,166	\$ 5,682,615	\$ 6,566,700	\$ 74,667,215	\$134,796,302	\$ 2,809,296	\$ 1,698,352	\$250,344,152
2006	\$ 9,726,875	\$ 783,060	\$ 12,013,341	\$ 1,126,780	\$ 5,230,033	\$ 6,170,058	\$ 67,068,322	\$128,356,421	\$ 2,185,014	\$ 2,883,632	\$235,543,536
2005	\$ 10,639,340	\$ 693,406	\$ 11,835,682	\$ 1,253,147	\$ 5,452,897	\$ 5,599,362	\$ 67,481,030	\$118,605,189	\$ 934,098	\$ 1,022,794	\$223,516,945
2004	\$ 9,113,948	\$ 680,262	\$ 10,435,638	\$ 994,169	\$ 6,084,564	\$ 1,012,273	\$ 61,826,946	\$114,088,745	\$ 850,517	\$ 960,610	\$206,047,672
2003	\$ 7,839,114	\$ 699,656	\$ 8,723,968	\$ 1,020,663	\$ 7,109,163	\$ 5,206,998	\$ 57,029,624	\$108,940,186	\$ 945,580	\$ 1,104,715	\$198,619,667

Source: Kenosha Unified School District annual financial reports

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Government-Wide Expenses**  
**For Fiscal Years Ended June 30, 2003 through June 30, 2012**

Year Ended June 30	Instruction	Pupil Services	Instructional Staff Services	General & School Administration Services	Business Services	Operations & Maintenance	Pupil Transportation Services	Central Services / Insurance/ Other Support	Community Service	Retiree Health Fund and Interest and Fiscal Charges	School Food Service Program	Total
2012	\$ 180,224,840	\$ 16,501,657	\$ 14,706,861	\$ 16,799,500	\$ 3,668,185	\$ 27,324,006	\$ 6,783,815	\$ 10,868,283	\$ 1,399,386	\$ 6,903,323	\$ 8,624,098	\$ 293,803,954
2011	\$ 196,614,457	\$ 16,746,876	\$ 18,501,731	\$ 17,515,774	\$ 6,289,675	\$ 26,492,746	\$ 7,051,879	\$ 9,090,082	\$ 1,458,807	\$ 7,004,753	\$ 8,270,063	\$ 315,036,843
2010	\$ 187,047,737	\$ 15,963,636	\$ 17,239,421	\$ 16,749,643	\$ 4,942,728	\$ 24,651,670	\$ 7,029,925	\$ 8,411,667	\$ 1,381,684	\$ 7,926,304	\$ 8,841,062	\$ 300,185,477
2009	\$ 178,778,272	\$ 15,843,972	\$ 16,692,799	\$ 16,046,125	\$ 3,640,612	\$ 25,401,675	\$ 6,833,183	\$ 6,378,915	\$ 1,634,144	\$ 5,805,558	\$ 7,637,397	\$ 284,692,652
2008	\$ 168,299,603	\$ 14,166,007	\$ 14,621,254	\$ 15,011,234	\$ 2,510,002	\$ 25,197,453	\$ 6,418,253	\$ 7,207,076	\$ 1,284,430	\$ 5,928,240	\$ 6,972,694	\$ 267,616,246
2007	\$ 149,677,377	\$ 13,760,197	\$ 12,761,449	\$ 13,290,401	\$ 1,172,411	\$ 22,985,761	\$ 6,025,388	\$ 6,744,670	\$ 1,272,608	\$ 15,262,956	\$ 5,998,063	\$ 248,951,281
2006	\$ 139,850,839	\$ 12,699,628	\$ 11,632,504	\$ 12,649,987	\$ 3,310,621	\$ 24,019,017	\$ 6,043,720	\$ 6,019,557	\$ 461,609	\$ 4,651,572	\$ 5,520,346	\$ 226,859,400
2005	\$ 137,284,108	\$ 12,095,264	\$ 11,723,044	\$ 11,771,660	\$ 2,395,783	\$ 20,799,550	\$ 5,175,860	\$ 5,652,231	\$ 459,503	\$ 5,317,804	\$ 5,128,433	\$ 217,803,240
2004 <sup>(2)</sup>	\$ 129,990,578	\$ 11,670,187	\$ 11,317,085	\$ 11,631,555	\$ 2,333,841	\$ 19,075,980	\$ 5,162,258	\$ 4,550,207	\$ 449,122	\$ 5,537,070	\$ 4,870,156	\$ 206,588,039
2003 <sup>(1)</sup>	\$ 111,756,055	\$ 10,485,666	\$ 10,148,678	\$ 10,226,100	\$ 1,952,809	\$ 1,012,273	\$ 5,150,829	\$ 4,842,831	\$ 491,371	\$ 5,569,119	\$ 5,211,709	\$ 166,847,440

<sup>(1)</sup> Additional 2003 charges include payment to Wisc Retirement System for past service cost \$16,311,014 and unallocated depreciation for \$827,479

<sup>(2)</sup> Additional 2004 charges include unallocated depreciation for \$939,320

Source: Kenosha Unified School District annual financial reports

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Historical and Projected Student Enrollment (K-12)**  
**For Fiscal Years 2001 through 2015**

<b>Year Ended June 30</b>	<b>Enrollment</b>	<b>Enrollment Increase</b>	<b>Percent Increase (Decrease)</b>
2001	20,158	501	2.55%
2002	20,600	442	2.19%
2003	21,146	546	2.65%
2004	21,504	358	1.69%
2005	21,859	355	1.65%
2006	22,216	357	1.63%
2007	22,585	369	1.66%
2008	22,769	184	0.81%
2009	22,838	69	0.30%
2010	23,019	181	0.79%
2011	23,122	103	0.45%
2012	22,978	-144	-0.62%
2013*	22,639	-339	-1.48%

\* *Projected Enrollment*

*Source: Preliminary Enrollment Projections, Office of Information & Accountability, Kenosha Unified School District*

**KENOSHA UNIFIED SCHOOL DISTRICT**

**District Facilities  
As of June 30, 2012**

<b>Facility/School</b>	<b>Location</b>	<b>Sq. Feet</b>	<b>Acres</b>	<b>Year Built</b>	<b>Additions</b>	<b>Remodeling</b>	<b>Building Capacity</b>
EDUCATIONAL SUPPORT CENTER (ESC)	3600 52nd STREET	128,000	7.00	1964		1985	N/A
<b><u>High Schools</u></b>							
BRADFORD HIGH SCHOOL	3700 WASHINGTON ROAD	300,401	61.67	1960	1965, 1980, 2007		1,992
INDIAN TRAIL HIGH SCHOOL & ACADEMY	6800 60th STREET	408,474	39.08	1998	2011		2,500
LAKEVIEW TECHNICAL ACADEMY	9449 88th AVENUE	40,000	14.10	LEASED			400
REUTHER CENTRAL HIGH SCHOOL	913 57th STREET	143,366	3.60	1926	1993	1993	695
TREMPER HIGH SCHOOL	8560 26th AVENUE	313,802	40.00	1965	1981, 2006		2,147
<b><u>Middle Schools</u></b>							
BULLEN MIDDLE SCHOOL	2804 39th AVENUE	121,962	20.72	1969			825
LANCE MIDDLE SCHOOL	4515 80th STREET	137,290	23.97	1962			1,010
LINCOLN MIDDLE SCHOOL	6729 18th AVENUE	134,038	2.60	1929	1993	1993	945
MAHONE MIDDLE SCHOOL	6900 60th STREET	175,053	40.00	2002			1,035
WASHINGTON MIDDLE SCHOOL	811 WASHINGTON ROAD	99,643	3.75	1920	1966		775
<b><u>Elementary Schools</u></b>							
BOSE ELEMENTARY	1900 15th STREET	45,109	10.23	1968			507
BRASS COMMUNITY SCHOOL	6400 15th AVENUE	72,887	6.33	2008			659
CESAR CHAVEZ STATION	6300-27th AVENUE	20,500	1.98	LEASED TO OWN			250
CURTIS STRANGE ELEMENTARY	5414 49th AVENUE	57,192	12.13	1964	1969		583
EDWARD BAIN SCHL OF LANG & ART	2600 - 50th STREET	126,900	12.11	2004			1,089
FOREST PARK ELEMENTARY	6810 45th AVENUE	53,830	10.50	1956	1961		507
FRANK ELEMENTARY	1816 57th STREET	88,048	3.47	1896	1897, 1911, 1965, 1997	1997	659
GRANT ELEMENTARY	1716 35th STREET	43,040	4.30	1924	1954		329
GREWENOW ELEMENTARY	7714 20th AVENUE	49,230	6.40	1956		1961	405
HARVEY ELEMENTARY	2012 19th AVENUE	47,980	10.46	1961			481
HILLCREST SCHOOL	4616 24th STREET	22,405	16.23	1954	1956, 1959		N/A
JEFFERSON ELEMENTARY	1832 43rd STREET	36,575	3.28	1924	1954		405
JEFFERY ELEMENTARY	4011 86th STREET	45,209	10.00	1969			481
MCKINLEY ELEMENTARY	5520 32nd AVENUE	35,085	2.95	1950	2002		405
NASH ELEMENTARY	6801 99th AVENUE	73,636	16.00	2007			684
PLEASANT PRAIRIE ELEMENTARY	9208 WILMOT ROAD	73,306	21.63	1994			684

**KENOSHA UNIFIED SCHOOL DISTRICT**

**District Facilities**

**As of June 30, 2012**

<b>Facility/School</b>	<b>Location</b>	<b>Sq. Feet</b>	<b>Acres</b>	<b>Year Built</b>	<b>Additions</b>	<b>Remodeling</b>	<b>Building Capacity</b>
PRAIRIE LANE ELEMENTARY	10717 47th AVENUE	65,778	24.10	1953	1957, 1960, 2007	1957, 2007	608
ROOSEVELT ELEMENTARY	3322 ROOSEVELT ROAD	47,994	4.53	1929			481
SOMERS ELEMENTARY	1245 72nd AVENUE	69,100	20.00	1962	1964, 1992	1992	659
SOUTHPORT ELEMENTARY	723 76th STREET	53,200	6.25	1954	1961, 2000		633
STOCKER ELEMENTARY	6315 57th STREET	80,621	10.30	1993			684
VERNON ELEMENTARY	8518 22nd AVENUE	88,280	11.75	1961			785
WHITTIER ELEMENTARY	8542 51st AVENUE	63,888	6.71	1930	1991		709
WILSON ELEMENTARY	4520 33rd AVENUE	38,200	10.05	1954	1961		380
<b><u>Charter Schools</u></b>							
BROMPTON SCHOOL	8518 22nd AVENUE	HOUSED IN VERNON ELEMENTARY-SEE ABOVE					
DIMENSIONS OF LEARNING	6218 25th AVENUE	30,509	1.87	1911			200
HARBORSIDE/PAIDEIA ACADEMY	913 57th STREET	HOUSED IN REUTHER CENTRAL HIGH SCHOOL - SEE ABOVE					
KENOSHA eSCHOOL	6121 GREEN BAY ROAD	3,144	N/A	LEASED			N/A
KENOSHA SCHOOL OF TECHNOLOGY (KTEC)	6811 18TH AVENUE	43,390	2.84	LEASED		1957	441
<b>TOTALS</b>		<b>3,477,065</b>	<b>502.89</b>				

**OTHER LOCATIONS**

AMECHE FIELD	LOCATED ALONG 26TH AVI 10.8 ACRES OF LAND EAST OF TREMPER HIGH SCHOOL	LEASED
SIMMONS FIELD	LOCATED AT 78TH & SHERIDAN ROAD	LEASED
SENIOR CITIZEN RECREATION CENTER	2717 67TH STREET	LEASED

**CLOSED LOCATIONS**

JEFFERSON ANNEX ELEMENTARY	1808 41st PLACE	12,953	2.07	1929		1963	N/A
MCKINLEY MIDDLE SCHOOL	5710 32nd AVENUE	101,622	2.60	1921	1952, 1974		705

**Unimproved sites held for future expansion:**

STAHL PROPERTY	39 AVENUE & 109 STREET	69.0 ACRES FOR ELEMENTARY AND MIDDLE SCHOOL SITE
(CSI) INFUSINO PROPERTY	39 AVENUE & 15 STREET	16.86 ACRES FOR ELEMENTARY SCHOOL SITE
TOBIN CREEK	116 STREET & SHERIDAN F	12 ACRES FOR ELEMENTARY SCHOOL SITE

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Insurance Coverage Summary**  
**For Fiscal Year Ended June 30, 2012**

<b>Insurance Type</b>	<b>Company</b>	<b>Policy Period</b>	<b>Coverage</b>	<b>Limits of Liability</b>
Property Coverage	Local Government Property Insurance Fund	07/01/11-06/30/12	Blanket coverage Builders Risk Monies & securities Contractors equipment Deductible	588,556,033 1,400,000 varies/location 445,506 1000
Automobile Physical Damage	Local Government Property Insurance Fund	07/01/11-06/30/12	Comprehensive deductible Collision deductible	500 500
General Liability	Community Insurance Corporation	07/01/11-06/30/12	Bodily Injury and Property Damage	10,000,000
Educator's Legal Liability (E & O)			Errors & Omissions	- 10,000,000
Employee Benefits Liability			(covered under Legal)	- 10,000,000
Auto Liability			Uninsured/Underinsured/Medical Pymts	100,000/ 300,000
Excess Liability (umbrella)	The Insurance Company of the State of Pennsylvania	07/01/11-06/30/12	Each Occurrence Limit	5,000,000
Crime	Fidelity & Deposit Company of Maryland	07/01/11-06/30/12	Employee Dishonesty Deductible Forgery or Alteration Deductible Computer Fraud Deduct	2,000,000 10,000 25,000 1,000 100,000 1,000
Boilers & machinery	Hartford Steam Boiler Inspection and Insurance Company	07/01/11-06/30/12	Limit of Insurance Deductible	50,000,000 5,000
Workers' Compensation	Self Insured-TPA - Aegis Corporation Excess Coverage	07/01/11-06/30/12	SIR \$100,000 per occ/ \$1,000,000 aggregate stop loss	
Catastrophic Accident Insurance (Student)	WIAA	08/01/11-07/31/12	Student athletes	



**Bose**  
1900 15th St.  
Kenosha, WI 53140  
262-359-4044

**Bradford**  
3700 Washington Rd.  
Kenosha, WI 53144  
262-359-6200

**Brass Community School**  
6400 15th Ave.  
Kenosha, WI 53143  
262-359-8000

**Brompton School**  
8518 22nd Ave.  
Kenosha, WI 53143  
262-359-2191

**Bullen**  
2804 39th Ave.  
Kenosha, WI 53144  
262-359-4460

**Chavez/Head Start**  
6300 27th Ave.  
Kenosha, WI 53143  
262-359-6078

**Dimensions of Learning**  
6218 25th Ave.  
Kenosha, WI 53143  
262-359-6849

**EBSOLA/Creative Arts**  
2600 50th St.  
Kenosha, WI 53140  
262-359-2300

**EBSOLA/Dual Language**  
2600 50th St.  
Kenosha, WI 53140  
262-359-2300

**ESC**  
3600 52nd St.  
Kenosha, WI 53144  
262-359-6300

**Forest Park**  
6810 45th Ave.  
Kenosha, WI 53142  
262-359-6319

**Frank**  
1816 57th St.  
Kenosha, WI 53140  
262-359-6324

**Grant**  
1716 35th St.  
Kenosha, WI 53140  
262-359-6346

**Grewenow**  
7714 20th Ave.  
Kenosha, WI 53143  
262-359-6362

**Harvey**  
2012 19th Ave.  
Kenosha, WI 53140  
262-359-4040

**Harborside/Paideia**  
913 57th St.  
Kenosha, WI 53140  
262-359-8400

**Hillcrest**  
4616 24th St.  
Kenosha, WI 53144  
262-359-6118

**Indian Trail HS and Academy**  
6800 60th St.  
Kenosha, WI 53144  
262-359-8700

**Jefferson**  
1832 43rd St.  
Kenosha, WI 53140  
262-359-6390

**Jeffery**  
4011 87th St.  
Kenosha, WI 53142  
262-359-2100

**Kenosha eSchool**  
6121 Green Bay Rd., Suite #100  
Kenosha, WI 53142  
262-359-7715

**KTEC**  
6811 18th Ave.  
Kenosha, WI 53143  
262-359-3800

**LakeView Tech.**  
9449 88th Ave.  
Pleasant Prairie, WI 53158  
262-359-8155

**Lance**  
4515 80th St.  
Kenosha, WI 53142  
262-359-2240

**Lincoln**  
6729 18th Ave.  
Kenosha, WI 53143  
262-359-6296

**Mahone**  
6900 60th St.  
Kenosha, WI 53144  
262-359-8100

**McKinley**  
5520 32nd Ave.  
Kenosha, WI 53144  
262-359-6002

**Charles W. Nash**  
6801 99th Ave.  
Kenosha, WI 53142  
262-359-3500

**Pleasant Prairie**  
9208 Wilmot Rd.  
Pleasant Prairie, WI 53158  
262-359-2104

**Prairie Lane**  
10717 47th Ave.  
Pleasant Prairie, WI 53158  
262-359-3600

**Reuther Central**  
913 57th St.  
Kenosha, WI 53140  
262-359-6160

**Roosevelt**  
3322 Roosevelt Rd.  
Kenosha, WI 53142  
262-359-6097

**Somers**  
1245 72nd Ave.  
Kenosha, WI 53144  
262-359-3200

**Southport**  
723 76th St.  
Kenosha, WI 53143  
262-359-6309

**Stocker**  
6315 67th St.  
Kenosha, WI 53142  
262-359-2143

**Curtis A. Strange**  
5414 49th Ave.  
Kenosha, WI 53144  
262-359-6024

**Tremper**  
8560 26th Ave.  
Kenosha, WI 53143  
262-359-2200

**Vernon**  
8518 22nd Ave.  
Kenosha, WI 53143  
262-359-2113

**Washington**  
811 Washington Rd.  
Kenosha, WI 53140  
262-359-6291

**Whittier**  
8542 Cooper Rd.  
Pleasant Prairie, WI 53158  
262-359-2110

**Wilson**  
4520 33rd Ave.  
Kenosha, WI 53144  
262-359-6094



**Kenosha Unified  
School District**

maximizing the brilliance of children

*Prepared by the Office of Financial Services*