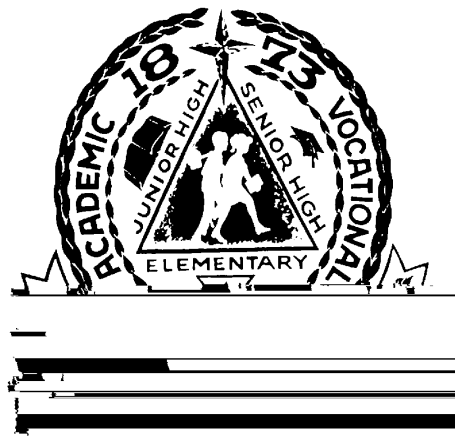


# *Comprehensive Annual Financial Report*

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*Columbia Public School District  
Columbia, Missouri*

*For Fiscal Year Ended June 30, 2003*

## ***Introductory Section***

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2003**

**COLUMBIA PUBLIC SCHOOL DISTRICT  
1818 West Worley  
Columbia, Missouri 65203**

**BOARD OF EDUCATION**

Mr. Russell C. Still, President

Mr. J. C. Headley, Vice President

Mr. David P. Ballenger, Member

Dr. Kerry Crist, Member

Ms. Karla DeSpain, Member

Mr. Elton Fay, Member

Mr. Donald R. Ludwig, Member

Mr. Christopher L. Mallory, Secretary

Mr. Kevan Snell, Treasurer

**SUPERINTENDENT OF SCHOOLS**

Dr. Phyllis A. Chase, Superintendent

Dr. Jacque Cowherd, Deputy Superintendent

**REPORT ISSUED BY DEPARTMENT OF BUSINESS SERVICES**

Mr. Kevan Snell, Director of Business Services  
Mr. Greg Silvey, Assistant Director of Business Services  
Mr. David Martin, CPA  
Mr. Brian Benter, CPA

# COLUMBIA PUBLIC SCHOOL DISTRICT TABLE OF CONTENTS

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Dr. Phyllis A. Chase  
Superintendent of Schools

916 Bernadette Drive (573) 886-2129  
Columbia, Missouri 65203

October 1, 2003

Members Board of Education

The District provides a comprehensive curriculum to meet the needs of a diverse student population. Course offerings at the senior high schools vary from those which are considered college preparatory to those which prepare students to enter particular vocations upon graduating from high school. The District also provides an extensive adult education program with approximately 9,900 part-time and full-time adult students enrolled annually in more than 1,080 courses. Approximately 15% of the school population is served by the Special Education Department of the Columbia Public School District. Specially trained teachers provide services to students needing both modified programs and specialized instruction. The District has developed programs for exceptional pupils which include services for students with mental or orthopedic handicaps, speech or language disorders, learning disabilities, behavior disorders, and auditory or visual handicaps, as well as services for infants and pre-school severely handicapped children. It is the goal of the Columbia Public School District to provide appropriate instructional services for each



million in population. In addition, Columbia serves as the home of several insurance companies and many light industrial facilities. Education is also a significant portion of the Columbia economic base with the University of Missouri and two private colleges serving more than 25,000 students and the Columbia Public Schools with an enrollment of approximately 16,100 students.

To attract new industry to the community, the City of Columbia has implemented an industrial revenue bond program. In addition, the Columbia Industrial Development Corporation assists industry in land purchases, construction and financing.

Other area industry consists of printing, structural metal fabrication, structural materials production, electronics products and bottling and food processing.

The economic diversity of Columbia, along with the high quality of education offered here, makes Columbia an attractive community. As such, Columbia continues to experience stable growth, and enjoys a low unemployment rate (2.5% in June 2003).

### **Financial Planning**

The District has several advisory committees established to assist in various areas related to the overall growth of the District. These committees either directly or indirectly impact the future financial planning of the District. Committees have been established in the following areas: Facilities Planning, Energy and Environmental Issues, Technology, and the Enrollment Planning Commission.

In addition, the District has continued to maintain and update a facilities and equipment plan by going to the voters every two years for an authorization to issue general obligation bonds for financing. Voters have approved 23 consecutive authorizations, totaling \$187.6 million, dating back to 1960. The District currently has \$8.8 million of a \$23.8 million authorization available for issuance, approved by the voters in April 2002. The first issue of this authorization, \$15 million, was issued in fiscal year 2003. The remaining \$8.8 million will be issued in fiscal year 2004.

### **Pension Trust Fund**

The District's retirement programs are multi-employer plans created by, and operating under, Missouri statutes. The District contributes to these state retirement systems created by Chapter 169 of the Revised Missouri Statutes to provide retirement allowances for substantially all of its employees. Teachers are covered by the Public School Retirement System of Missouri and non-teachers are covered by the Non-Teacher School Employee Retirement System of Missouri. Both systems are advance funded plans, which are required by statute to remain in actuarial balance.

The current contribution rates are 10.5% and 5.0% respectively. Non-teachers also participate in the Social Security retirement plan. Contribution rates provide for funding the systems' liability for past service cost.

The conversion to the self-funded benefit programs has been successful in controlling fringe benefits costs. Programs implemented in previous years to help control medical costs continue to prove to be effective, although less so than in past years. These programs include the establishment of a preferred health provider network, utilization review, and large case management. Programs implemented to control costs associated with workers compensation claims have also proven to be effective. These programs include a directed medical program, centralized reporting, and utilizing the loss control services of the District's third party administrator.

### **Cash Management**

Cash temporarily idle during the year was invested in U. S. Government Securities and a daily investment account.

The District's depository provides the District with an Automated Cash Management Account, allowing the District to earn interest on daily funds. The rate of interest paid the District for this account is 10 basis points above the current weekly discount auction rate of 13 week Treasury Bills.

Cash balances from all funds, except the Debt Service Fund and the Internal Service Funds, are combined and invested to the extent available in certificates of deposit and other short-term securities when these rates are greater than that available on the daily investment account. Earnings from such investments are allocated to the respective funds on the basis of applicable cash balance participation by each fund. Separate accounts are maintained for the Debt Service Fund and the Internal Service Funds and interest is deposited directly into these accounts.

Investment decisions related to particular instruments are based on the rate available on the District's daily investment account and comparing these rates with comparative bids for locally issued certificates of deposit and available rates for U.S. Government Securities with similar maturities.

Missouri statutes limit investments of school districts to the following:

- \* Open time deposits for ninety days.
- \* Certificates of deposit.
- \* Bonds of the state of Missouri, of the United States, or of any wholly owned corporation of the United States, and other short-term obligations of the United States.
- \* Under limited circumstances, commercial paper and bankers' acceptances.

Missouri statutes also require that the interest accruing from the investment of surplus funds be credited to the fund from which the money was invested.

### **Independent Audit**

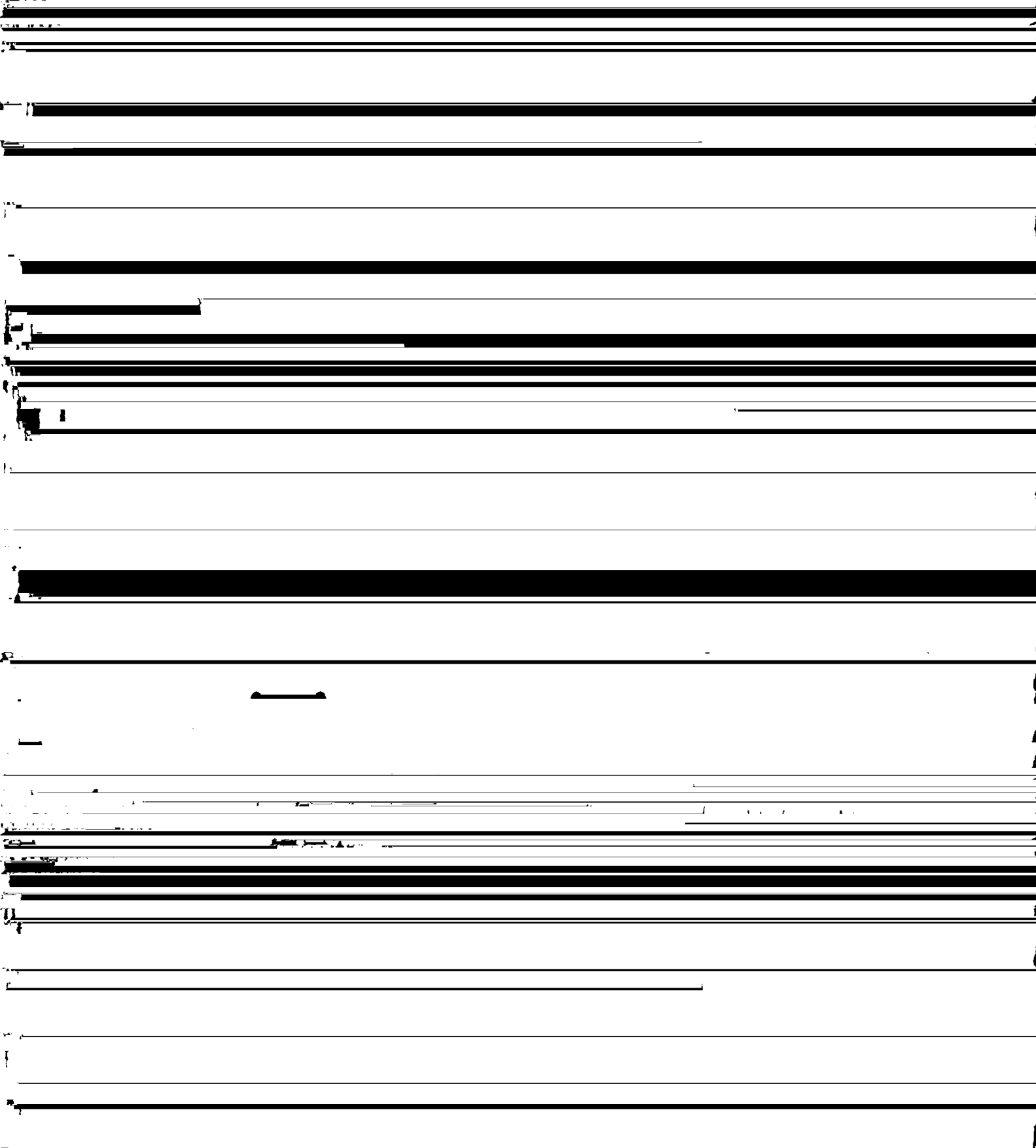
The Revised Statutes of the State of Missouri and the District's adopted policy require an audit of the books of accounts, financial records and transactions of all funds of the District. The audit is performed by independent certified public accountants who are selected by the District's Board of Education. This requirement has been complied with and the auditors' opinion has been included in this report.

### **Financial Reporting Awards**

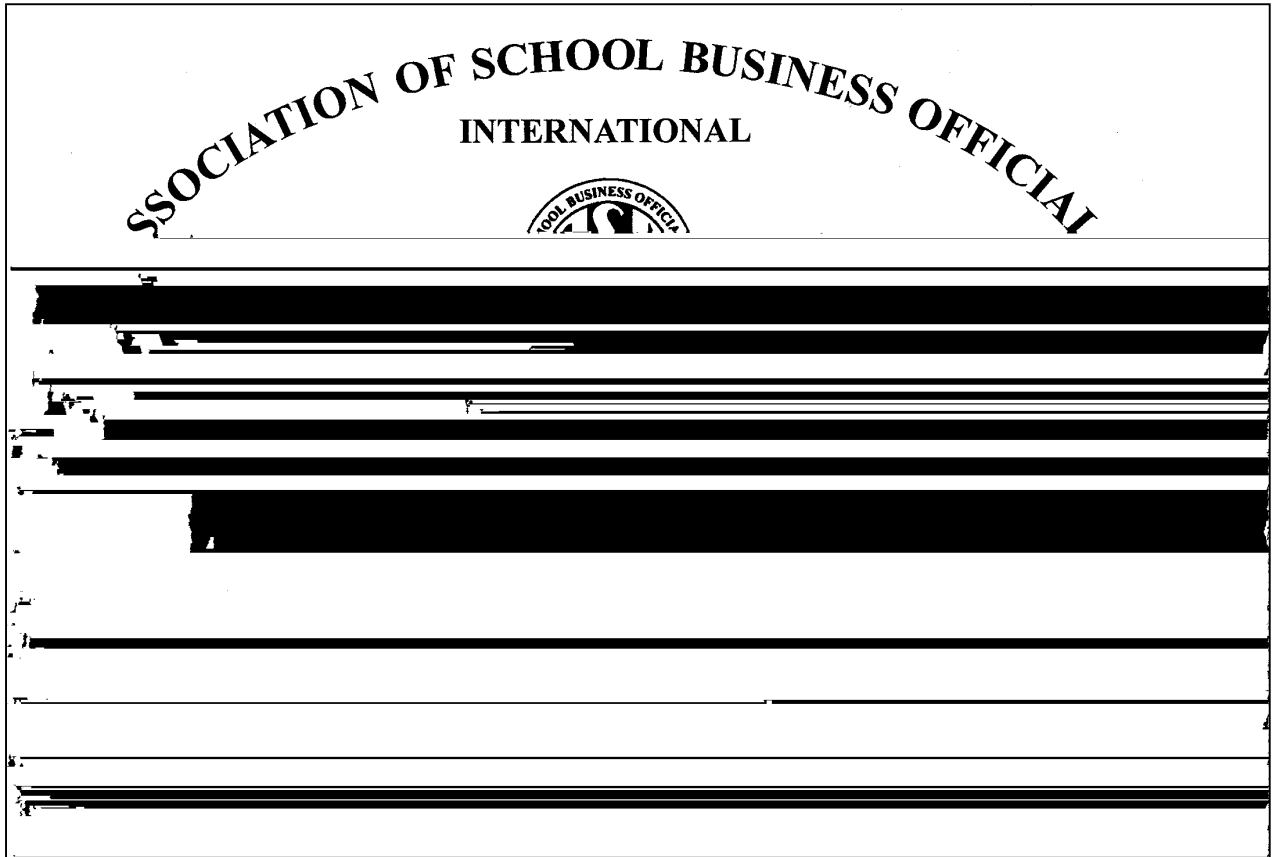
This past year, our Comprehensive Annual Financial Report earned both the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting and the Association of School Business Officials (ASBO) Certificate of Excellence. These awards are made only to governmental

**Closing Statement**

It is our intention that this Comprehensive Annual Financial Report will provide the District's management, outside investors, and interested local citizens with the most accurate and complete information available.



# Certificate of Excellence/ASBO \_\_\_\_\_



# Certificate of Achievement/GFOA \_\_\_\_\_

## Certificate of Achievement for Excellence in Financial Reporting

Presented to

Columbia Public School  
District, Missouri

For its Comprehensive Annual  
Financial Report

June 30, 2002

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2003**

**COLUMBIA PUBLIC SCHOOL DISTRICT  
1818 West Worley  
Columbia, Missouri 65203**

**DISTRICT ADMINISTRATION**

Dr. Phyllis A. Chase	Superintendent of Schools
Dr. Jacque Cowherd	Deputy Superintendent for Administration
Skip Deming	Assistant Superintendent for Instruction
Dr. Cheryl Cozette	Assistant Superintendent for Elementary Education
Christopher L. Mallory	Assistant Superintendent for Secondary Education and School Communications/ Secretary to the Board of Education
Dr. Lynn Barnett	Assistant Superintendent for Student Support Services
Kevan Snell	Director of Business Services/ Treasurer to the Board of Education
Dr. Mary A. Laffey	Director of Human Resources
Jeaneal Alexander	Director of Special Education
Patricia Brooks	Director of Food Services

# Columbia Public School District

## School District Map



Smiley Ln. 9  
14



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## ***Financial Section***



**GERDING, KORTE & CHITWOOD**

Professional Corporation ♦ Certified Public Accountants  
20 South Fifth Street ♦ Columbia, Missouri 65201

**INDEPENDENT AUDITORS' REPORT**

Board of Education

Columbia Public Schools District

(11)

The Management's Discussion and Analysis is not a required part of the basic financial statements but is

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**COLUMBIA PUBLIC SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2003**

The discussion and analysis of the Columbia Public School District's financial performance provides an overall review of financial activities for the fiscal year. The reader is encouraged to consider the information presented here in conjunction with additional information presented in the letter of transmittal, the financial statements, notes to the financial statements, and other supplemental information to enhance their understanding of the District's financial performance.

**Financial Highlights**

- The total assets of the Columbia Public School District exceeded its liabilities at the end of the 2003 fiscal year by \$57,906,126 (net assets). Of this amount, \$22,623,503 (unrestricted net assets) may be used to meet the District's ongoing obligations.
- Net assets of the District's Business-Type Activities, the school food services program and the adult education program, are \$2,037,616, with \$1,360,761 in unrestricted net assets.
- As of June 30, 2003, the governmental funds reported a combined ending fund balance of \$72,425,570, an increase of \$16,618,087 from the prior year

**COLUMBIA PUBLIC SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2003**

The notes to the financial statements provide further explanation of some of the information in the statements and provide additional disclosures and more detailed data. This will allow statement readers to have a more complete description and understanding of the District's financial activities and position.

The combining and individual fund statements and schedules further explain and support the financial statements with combining schedules for nonmajor funds and comparisons of the District's budget to actual amounts for the year.

The major features of the District's financial statements, including the portion of the District's activities reported and the type of information contained is shown in Table 1.

---

Table 1

**Major Features of the District's Financial Statements**

--

**COLUMBIA PUBLIC SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2003**

net assets and how they have changed. Net assets, the difference between the District's assets and liabilities, are one way to measure the District's overall financial position.

- Increases or decreases in the District's net assets are an indicator of whether its financial position is improving or deteriorating.

**COLUMBIA PUBLIC SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2003**

- Fiduciary fund – The Distri

**COLUMBIA PUBLIC SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2003**

position with an increase in net assets of \$4.2 million, or 8.2% growth for the year. Business-type activities increased in net assets \$324,000, or 18.9% during fiscal year 2003.

Table 3 provides a summary of the changes in net assets for the year ended June 30, 2003.

<b>Table 3</b> <b>Changes In Net Assets from Operating Results</b> <b>Year Ended June 30, 2003</b> <b>With Comparative Totals for Year Ended June 30, 2002</b> (In Thousands)						
	Governmental Activities		Business-Type Activities		Total	
	2003	2002	2003	2002	2003	2002
<b>Revenues:</b>						
Program						



**COLUMBIA PUBLIC SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2003**

**Governmental and Business-Type Activities**

As shown in Table 3, general revenues provide 79.1% of the funding for governmental activities but 0% of the funding for business-type activities. The Columbia Public School District relies on property taxes for funding its governmental activities with 56.2% of general revenues coming from local property taxes.

The improvement in the District's overall financial position can be directly attributed to several factors:

- Current property tax collections exceeded the budgeted amount for fiscal year 2003 by a total of approximately \$705,200. The collection ratio for current property taxes exceeded the three yea

**COLUMBIA PUBLIC SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2003**

Table 4  
**Net Cost of Governmental and Business-Type Activities  
For Year Ended June 30, 2003  
With Comparative Totals for Year Ended June 30, 2002  
(In Thousands)**

	Total Cost of Services		Net Cost of Services	
	2003	2002	2003	2002
<b>Governmental Activities</b>				
Instruction	\$ 75,297	\$ 74,051	\$ 52,536	\$ 52,098
Pupil/Instructional Support	15,384	16,810		

**COLUMBIA PUBLIC SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2003**

- Charges for services in the adult education program represent \$1.2 million, or 59.1% of the total expenses of the program.
- Operating grants and contributions for t

**COLUMBIA PUBLIC SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2003**

revenues being significantly under budget but partially offset by expenditures being under budget as well.  
The shortfall in the revenues i

**COLUMBIA PUBLIC SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2003**

In addition, the District started new capital improvements totaling \$5.5 million, which included \$4.4 million for additions at Hickman High School. Other improvements included renovations to various schools throughout the District.

The District has a number of older buildings in use for instructional purposes. Generally, the buildings have been well maintained and are in good condition. However, the older buildings are in need of renovations for air conditioning and to accommodate the technology component of today's curriculum, as well as administrative functions.

Table 5 provides a summary of the District's capital assets as of June 30, 2003.

<b>Table 5</b> <b>Capital Assets</b> <b>June 30, 2003</b> <b>With Comparative Totals for June 30, 2002</b> (Net of Depreciation, In Thousands)						
	Governmental Activities		Business-Type Activities		Total	
	2003	2002	2003	2002	2003	2002
Land	\$ 8,861	\$ 3,836	██████████	██████████	██████████	██████████

**BASIC FINANCIAL STATEMENTS**

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**Governmental  
Activities**

**Business-Type**



<b>Functions/Programs</b>	<b>Expenses</b>	<b>Charges for Services</b>
<b>Governmental Activities</b>		
Instruction		
Regular Instruction	\$ 52,507,413	\$ 157,080
Special Education	18,155,878	-
Vocational Instruction	3,505,684	37,875
Student Activities - Athletics	779,063	113,757
Tuition to Other Districts	349,088	49,094
Total Instruction	75,297,126	357,806
Support Services		
Attendance	147,998	-
Guidance and Counseling	4,797,385	-
Health and Ancillary Services	2,630,980	15,000

	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>		<b>Business- Type Activities</b>	<b>Total</b>
\$	9,802,693	\$	-	\$ (42,547,640)	\$ (42,547,640)
	11,076,970		27,758	(7,051,150)	(7,051,150)
	817,818		678,571	(1,971,420)	(1,971,420)

**COLUMBIA PUBLIC SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2003**

	<u>General</u>	<u>Teachers</u>	<u>Debt Service</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 2,585,131	\$ -	\$ 4,740,812
Investments	20,537,131	9,529,599	3,990,393
Receivables (Net of Allowance for Uncollectibles)			
Local	23,611,302	36,921,841	11,367,544
County	-	250,376	-
State	410,692	758,870	-
Federal	295,737	17,004	-
Other	7,274	-	-
Inventories	292,679	-	-
Prepaid Expenditures	134,835	-	-
Restricted Assets			
Investments with Fiscal Agent - Refunding Escrow	-	-	14,190,058
Total Assets	<u>47,874,781</u>	<u>47,477,690</u>	<u>34,288,807</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Accounts Payable	359,244	189,400	5,825
Accrued Salaries and Payroll Taxes	6,101,636	1,195,476	-
Deferred Revenue	22,434,116	36,546,133	11,261,739
Total Liabilities	<u>28,894,996</u>	<u>37,931,009</u>	<u>11,267,564</u>
Fund Balances			
Reserved for			
Debt Service	-	-	14,190,058
Inventories	292,679	-	-
Prepaid Expenditures	134,835	-	-
Unreserved Reported in			
General Fund	18,552,271	-	-
Special Revenue Funds	-	9,546,681	-
Debt Service Fund	-	-	8,831,185
Capital Projects Fund	-	-	-
Total Fund Balances	<u>18,979,785</u>	<u>9,546,681</u>	<u>23,021,243</u>
Total Liabilities and Fund Balances	<u>\$ 47,874,781</u>	<u>\$ 47,477,690</u>	<u>\$ 34,288,807</u>

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

	<b>Capital Projects</b>	<b>Nonmajor Fund Grants and Donations</b>	<b>Total Governmental Funds</b>
\$	-	\$ 1,364,602	\$ 8,690,545
	21,950,230	-	56,007,353
	159,645	-	72,060,332

**COLUMBIA PUBLIC SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2003**

	<b>General</b>	<b>Teachers</b>
<b>REVENUES</b>		
Local	\$ 27,598,341	\$ 38,913,394
County	697,336	896,184
State	16,222,887	27,555,391
Federal	2,871,350	3,663,169
Tuition Other Districts	37,875	49,094
Total Revenues	47,427,789	71,077,232
<b>EXPENDITURES</b>		
Current		
Instruction		
Regular Instruction	8,450,557	43,592,172
Special Instruction	4,654,155	13,474,981
Vocational Instruction	736,850	2,175,533
Student Activities - Athletics	430,311	340,243
Tuition Other Districts	-	349,088
Total Instruction	14,271,873	59,932,017
Pupil Support Services		
Attendance	150,454	-
Guidance and Counseling	1,947,701	2,812,962
Health and Ancillary Services	1,676,549	877,616
Improvement of Instruction	1,064,660	1,158,886
Media Services	2,030,426	1,678,801
Total Support Services	6,869,790	6,528,265
Administration		
Board Services	316,632	-
General Administration	716,358	886,066
Building Administration	2,849,560	4,786,728
Business, Central Services	802,091	-
Total Administration	4,684,641	5,672,794
Other		
Operation of Plant	12,422,145	129,887
Pupil Transportation	5,353,642	-
Adult Literacy	7,364	46,836
Community Services	1,056,837	788,067
Total Other	18,839,988	964,790
Debt Service		
Principal	-	-
Interest and Fees	-	-
Total Debt Service	-	-
Capital Outlay and Construction		
Furniture and Equipment	-	-
Vehicles	-	-
Land and Site Improvements	-	-
Building Additions and Renovations	-	-
Total Capital Outlay and Construction	-	-
Total Expenditures	44,666,292	73,097,866
<b>EXCESS (DEFICIT) REVENUES OVER EXPENDITURES</b>	2,761,497	(2,020,634)
<b>OTHER FINANCING SOURCES (USES)</b>		
General Obligation Bonds Issued	-	-
Refunding Bonds Issued	-	-
Transfers In	-	175,472
Transfers Out	(175,472)	-
<b>NET CHANGE IN FUND BALANCES</b>	2,586,025	(1,845,162)
<b>FUND BALANCES, JULY 1</b>	16,393,760	11,391,843
<b>FUND BALANCES, JUNE 30</b>	\$ 18,979,785	\$ 9,546,681

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

	<b>Debt Service</b>	<b>Capital Projects</b>	<b>Nonmajor Fund Grants and Donations</b>	<b>Total Governmental Funds</b>
\$	11,322,281	\$ 395,497	\$ 988,591	\$ 79,218,104
	223,616	5,293	-	1,822,429
	1,358,643	79,727	2,234,924	47,451,572
	-	-	723,794	7,258,313
	-	-	-	86,969
	12,904,540	480,517	3,947,309	135,837,387
	-	-	835,190	52,877,919
	-	-	259,459	18,388,595
	-	-	658,977	3,571,360
	-	-	-	770,554
	-	-	-	349,088
	-	-	1,753,626	75,957,516
	-	-	-	150,454
	-	-	80,444	4,841,107
	-	-	99,726	2,653,891
	-	-	2,300	2,225,846
	-	-	178,567	3,887,794
	-	-	-	-

**COLUMBIA PUBLIC SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2003**

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

Net change in fund balances of total governmental funds	\$	16,618,087
Governmental funds report capital outlays as expenditures. However in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period		6,489,464
Revenues in the Statement of Activities that do not provide current financial resources are not reported in the funds		(40,273)
The issuance of long-term debt (bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of the difference between bonds issued during the year and payments made on outstanding bonds		(19,715,000)
Additional expenses for bond interest payable reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds		(259,152)
Expenses for issuance costs, premiums, discounts, and similar items related to the issuance of debt are reported in the governmental funds as expenditures at the time of issuance, and are deferred and amortized in the Statement of Activities		135,679
Expenses related to the increase of the liability for compensated absences reported in the Statement of Activities are reported as expenditures in the governmental funds		(191,130)
Internal service funds are used by the District to charge the costs of employee benefits to individual funds. The net revenue of internal service funds is reported with governmental activities		1,178,043
Change in net assets of governmental activities	\$	<u><u>4,215,718</u></u>

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

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Local	\$ 27,269,127	\$		



	Original	Final	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Local	\$ 38,873,403	\$ 38,766,205	\$ 38,913,394	\$ 147,189
County	755,292	1,067,262	896,184	(171,078)
State	28,159,483	28,847,664	27,555,391	(1,292,273)
Federal	3,877,393	4,078,595	3,663,169	(415,426)
Tuition Other Districts	82,625	82,625	49,094	(33,531)
Total Revenues	71,748,196	72,842,351	71,077,232	(1,765,119)
<b>EXPENDITURES</b>				
Current				
Instruction				
Regular Instruction	44,472,264	44,507,264	43,592,172	915,092
Special Instruction	13,989,328	14,115,360	13,474,981	640,379
Vocational Instruction	2,241,063	2,241,063	2,175,533	65,530
Student Activities - Athletics	348,441	348,441	340,243	8,198
Tuition Other Districts	250,000	250,000	349,088	(99,088)
Total Instruction	61,301,096	61,462,128	59,932,017	1,530,111
Pupil Support Services				
Guidance and Counseling	2,833,779	2,739,827	2,812,962	(73,135)
Health and Ancillary Services	930,200	930,200	877,616	52,584
Improvement of Instruction	1,207,465	1,251,027	1,158,886	92,141
Media Services	1,723,916	1,723,916	1,678,801	45,115
Total Support Services	6,695,360	6,644,970	6,528,265	116,705
Administration				
General Administration	906,952	906,952	886,066	20,886
Building Administration	4,667,059	4,667,059	4,786,728	(119,669)
Total Administration	5,574,011	5,574,011	5,672,794	(98,783)
Other				
Operation of Plant	-	-	129,887	(129,887)

**COLUMBIA PUBLIC SCHOOL DISTRICT  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
JUNE 30, 2003**

	<b><u>Business-Type Activities- Nonmajor Enterprise Funds</u></b>	<b><u>Governmental Activities- Internal Service Funds</u></b>
<b>ASSETS</b>		
Current Assets		
Cash and Cash Equivalents	\$ 1,130,062	\$ 1,838,592
Investments	-	2,274,086
Receivables (Net of Allowance for Uncollectibles) -		
State	2,932	-
Federal	349,745	-
Other	-	24,857
Inventories	158,439	-
Prepaid Expenses	1,920	-
Total Current Assets	<u>1,643,098</u>	<u>4,137,535</u>
Noncurrent Assets		
Capital Assets (Net of Accumulated Depreciation)		
Land	37,763	-
Buildings	201,177	-
Furniture and Equipment	437,915	-
Total Noncurrent Assets	<u>676,855</u>	<u>-</u>
Total Assets	<u>2,319,953</u>	<u>4,137,535</u>
<b>LIABILITIES</b>		
Current Liabilities		
Accounts Payable	14,235	895,628
Accrued Salaries and Payroll Taxes	12,043	-
Deferred Revenue	129,421	-
Total Current Liabilities	<u>155,699</u>	<u>895,628</u>
Noncurrent Liabilities		
Liability for Long - Term		
Compensated Absences	126,638	-
Total Liabilities	<u>282,337</u>	<u>895,628</u>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	676,855	-
Unrestricted	1,360,761	3,241,907
Total Net Assets	<u>\$ 2,037,616</u>	<u>\$ 3,241,907</u>

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

**COLUMBIA PUBLIC SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2003**

	<b>Business-Type Activities- Nonmajor Enterprise Funds</b>	<b>Governmental Activities- Internal Service Funds</b>
<b>OPERATING REVENUES</b>		
Food Sales	\$ 2,667,828	\$ -
Tuition	1,192,950	-
Insurance Premiums	-	11,553,343
Total Operating Revenues	3,860,778	11,553,343
<b>OPERATING EXPENSES</b>		
Food Purchased	1,884,907	-
Salaries and Wages	2,849,111	69,491
Fringe Benefits	770,564	15,790
Supplies	290,436	1,129
Purchased Services	237,130	7,165
Travel	29,908	-
Repairs	116,887	-
Donated Commodities Used	174,201	-
Financial Aid	253,048	-
Excess Loss Insurance	-	325,736
Administration Fees	-	478,885
Benefits Paid/Accrued	-	9,515,024
Depreciation	78,717	-
Total Operating Expenses	6,684,909	10,413,220
<b>OPERATING INCOME (LOSS)</b>	(2,824,131)	1,140,123
<b>NONOPERATING REVENUES (EXPENSES)</b>		
State Assistance	391,055	-
Federal Assistance	2,532,682	-
Earnings on Investments	-	37,920
Donated Commodities	174,201	-
Other	50,214	-
Total Nonoperating Revenues (Expenses)	3,148,152	37,920
<b>CHANGES IN NET ASSETS</b>	324,021	1,178,043
<b>NET ASSETS, JULY 1, AS RESTATED (NOTE 16)</b>	1,713,595	2,063,864
<b>NET ASSETS, JUNE 30</b>	\$ 2,037,616	\$ 3,241,907

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

**COLUMBIA PUBLIC SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2003**

	<b>Business-Type Activities- Nonmajor Enterprise Funds</b>	<b>Governmental Activities- Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Sales/Tuition/Premiums	\$ 3,883,115	\$ 11,553,343
Cash Payments for Supplies and Services	(2,809,954)	(812,915)
Cash Payments to Employees for Services	(3,642,895)	(85,281)
Cash Payments for Claims/Benefits	-	(9,520,473)
Net Cash from Operating Activities	(2,569,734)	1,134,674
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Federal/State Assistance	2,871,605	-
Other	50,214	-
Advances (To) Claims Administrator	-	(24,857)
Net Cash From Noncapital Financing Activities	2,921,819	(24,857)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition of Capital Assets	(161,423)	-
Net Cash From Capital and Related Financing Activities	(161,423)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest on Investments	-	37,920
Investments Purchased	-	(4,665,114)
Investments Matured or Sold	332,578	4,232,778
Net Cash From Investing Activities	332,578	(394,416)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	523,240	715,401
<b>CASH AND CASH EQUIVALENTS, JULY 1</b>	606,822	1,123,191
<b>CASH AND CASH EQUIVALENTS, JUNE 30</b>	\$ 1,130,062	\$ 1,838,592
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES</b>		
Operating Income (Loss)	\$ (2,824,131)	\$ 1,140,123
Adjustments to Reconcile Operating Income (Loss) to Net Cash Used in Operating Activities		
Depreciation	78,717	-
Donated Commodities Used	174,201	-
Change in Assets and Liabilities		
(Increase) Decrease in Receivables	22,337	-
(Increase) Decrease in Inventories	(29,647)	-
(Increase) Decrease in Prepaid Expenses	3,492	-
Increase (Decrease) in Accounts Payable and Accrued Liabilities	(22,555)	(5,449)
Increase (Decrease) in Deferred Revenue	27,462	-
Increase (Decrease) in Compensated Absences Payable	390	-
Net Cash From Operating Activities	\$ (2,569,734)	\$ 1,134,674
<b>SCHEDULE OF NONCASH NONCAPITAL FINANCING ACTIVITIES</b>		
Donated commodities received	\$ 201,662	\$ -
Donated commodities used	\$ 174,201	\$ -

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

**COLUMBIA PUBLIC SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY  
STUDENT ACTIVITIES FUND  
JUNE 30, 2003**

**ASSETS**

Cash and Cash Equivalents	\$ 579,478
Total Assets	\$ <u>579,478</u>

**LIABILITIES**

Accounts Payable	\$ 43,170
Due to Student Groups	<u>536,308</u>
Total Liabilities	\$ <u>579,478</u>

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

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2003**

**Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Columbia Public School District (the District) have been prepared in conformity with U.S. 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 policies of the District are described below.

**Reporting Entity**

The District is governed by an elected seven-member board. The Columbia School District Board (the Board) is the basic level of government that has financial accountability and control over all activities related to public school education in the District. The accompanying financial statements present the activities of the District. The District is not a component unit of another reporting entity.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (a) the District is able to significantly influence the programs or services performed or provided by the organization; or (b) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. The District has no component units.

**District-wide and Fund Financial Statements**

**District-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 for 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:**

During the year, the District segregates transactions related to certain functions or activities into separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service funds are aggregated and presented in a single column on the face of the proprietary fund statements. The fiduciary fund is reported by type.

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2003**

**Fund Accounting**

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds, governmental, proprietary, and fiduciary.

**Governmental Funds**

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major governmental funds:

*General Fund -*

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2003**

Fiduciary Fund

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement or results of operations. The District's only fiduciary fund is an agency fund which is used to account for financial activities of various student groups.

**Basis of Accounting, Measurement Focus, and Financial Statement Presentation**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The district-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied (See Note 3). Sales taxes are recognized as revenue in the year of the underlying sale. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Property taxes, interest, and certain grants associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District. Measurable, but unavailable, revenues are reported as deferred revenue, as is the fair value of unused donated commodities.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the district-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the GASB. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The District has elected not to follow subsequent private-sector guidance.

The effect of interfund activity has been eliminated from the district-wide financial statements.

Amounts reported as program revenues include 1) charges to customers for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally designated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish between operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principle ongoing operations. The principle



**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2003**

operating revenues of the Food Services Fund, the Adult Education Fund, and the internal service funds include charges for meals, tuition, and insurance premiums, respectively. Operating expenses include the cost of providing meals (food and personal services), the cost of classes for adult education (personal services, financial aid, and supplies), and expenses related to providing employee benefits (personal services, professional fees, and direct benefit payments), respectively. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

**Deposits and Investments**

Cash balances from all funds, except the Debt Service Fund and Internal Service Funds, are combined and invested to the extent available in short-term securities. Earnings from such investments are allocated to the respective funds on the basis of applicable cash balance participation by each fund. Separate accounts are maintained for the Debt Service Fund and internal service funds. Interest is deposited directly into these accounts. Investments are stated at amortized cost, which approximates fair value. State statutes authorize the District to invest in U.S. Government Securities.

The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

**Receivables**

Receivables are reported by source. Local receivables include property taxes, sales taxes, and other receivables generated by the District's operations. County receivables primarily include fines and forfeitures. State receivables include receivables related to funding the District receives from the state. Federal receivables include amounts due to the District from federal grants.

**Inventories and Prepaid Items**

Inventories are stated at average cost. Inventories of supplies in the General Fund are accounted for using the consumption method. Under this method, the materials are reported as a financial resource when acquired and recognized as expenditures when used. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both district-wide and fund financial statements.

Reported inventories and prepaid items at year-end are offset by a fund balance reserve account, since they do not represent expendable financial resources, even though they are a component of total assets.

Inventory of the Food Services Fund is recorded as an expense when such items are used.

**Restricted Assets**

Proceeds from the crossover refundings of various general obligation bond issues are held by the District's escrow agent to be used to refund the general obligation bonds as they become due. The amount held by the escrow agent is reported in the district-wide and fund financial statements as restricted assets. The amount reported in the district-wide financial statements as liabilities payable from restricted assets include the amount of general obligation bonds that will be refunded with the restricted assets.

**Capital Assets**

Capital assets, which include Land, Buildings, Mobile Classroom Trailers, and Furniture and Equipment, are reported in the applicable governmental or business-type activity column of the district-wide financial statements. Capital assets purchased from proprietary funds are recorded in the

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2003**

proprietary fund financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year for Furniture and Equipment, and \$50,000 for other assets. All Land purchases are capitalized. Such assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated fair market value at the date of donation. The District does not own any infrastructure.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets being constructed and in progress as of the date of the financial statements are reported as Construction in Progress.

All reported capital assets except land and construction in progress are depreciated using the straight-line method over the following useful lives and with the following salvage values:

Capital Asset Type	Estimated Useful Life	Salvage Value
Buildings	75 years	25%
Mobile Classroom Trailers	25 years	0%
Furniture and Equipment	10 years	0%

**Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities, and long-term obligations are reported in the district-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that are paid in a timely manner and in full from current financial resources are reported as obligations of the funds in the fund financial statements. However, claims, judgments, and compensated absences that will be paid with governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds payable are reported as a liability on the fund financial statements when due.

**Compensated Absences**

An accrual for certain salary related payments associated with annual leave and an accrual for sick leave is included in the compensated absences liability at year-end. The District's compensated

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2003**

**Net Assets**

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

**Fund Equity**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Budgets**

Budgets are presented in the accompanying financial statements for the General Fund and major special revenue funds which have legally adopted budgets. Budgets are also presented for other funds with legally adopted budgets in the Combining and Individual Fund Financial Statements and Schedules section. The budgets are prepared on the same basis of accounting used to prepare the financial statements. Budgets are legally adopted for the proprietary and fiduciary fund types, but are not presented in the accompanying financial statements.

The following procedures are followed in establishing the budgetary data reflected in the financial statements:

- (a) At the regular June Board meeting of the preceding fiscal year, the Administration submits a budget for the next succeeding fiscal year beginning July 1. The operating budget includes proposed expenditures and anticipated revenues.
- (b) The Board meets in special session prior to July 1, after sufficient public notice of the meeting has been given, for official adoption of the budget.

Once the budget is adopted and approved by the Board, the budget may be amended at the function and fund level, only by approval of a majority of the members of the Board of Education. The administration may amend the budget only at the object and location (school or building) level without seeking the approval of the Board. The Board of Education approved budget amendments for the year ended June 30, 2003, at its September 9, 2002, May 12, 2003, and June 9, 2003, meetings.

In accordance with Revised Statutes of Missouri (RSMo) 67.010, overexpenditure of a legally adopted budget, at the fund level, must have approval of the majority of the Board of Education members. Budgetary reviews are performed monthly by the administration and provided to the Board of Education.

All expenditures of the District are approved monthly at the regular meeting of the Board of Education. Appropriations lapse at year-end.

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2003**

**Note 2 RECONCILIATION OF DISTRICT-WIDE AND FUND FINANCIAL STATEMENTS**

**Explanation of certain differences between the governmental fund balance sheet and the district-wide statement of net assets**

The governmental fund balance sheet includes a reconciliation between fund balance of total governmental funds and net assets of governmental activities as reported in the district-wide statement of net assets. One element of that reconciliation explains that "Other long-term assets are not available to pay for current-period expenditures and, therefore are deferred in the funds." The details of this \$742,968 difference are as follows:

Another element of that reconciliation states that "Long-term liabilities, including bonds payable and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds." The details of this \$142,460,051 difference are as follows:

Compensated Absences	\$	1,310,974
Liabilities Payable from Restricted Assets		13,805,000
Accrued Interest Payable		

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2003**

Another element of that reconciliation states that "Revenues in the Statement of Activities that do not provide current financial resources are not reported in the funds." The details of this \$40,273 difference are as follows:

Earned but unavailable property tax	\$	604,979
Prior years' property tax		<u>(645,252)</u>
 Net adjustment to decrease net changes in fund balances of total governmental funds to arrive at changes in net assets of governmental activities	 \$	 <u><u>(40,273)</u></u>

Another element of that reconciliation states that "The issuance of long-term debt (bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds." The details of this \$19,715,000 difference are as follows:

General obligation bonds issued	\$	(15,000,000)
Refunding bonds issued		(14,320,000)
Bond payments		<u>9,605,000</u>
 Net adjustment to decrease net changes in fund balances of total governmental funds to arrive at changes in net assets of governmental activities	 \$	 <u><u>(19,715,000)</u></u>

Another element of that reconciliation states that "Additional expenses for bond interest payable reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds." The details of this \$259,152 difference are as follows.

Current bond interest	\$	(2,344,756)
Prior year's bond interest		<u>2,085,604</u>
 Net adjustment to decrease net changes in fund balances of total governmental funds to arrive at changes in net assets of governmental activities	 \$	 <u><u>(259,152)</u></u>

Another element of that reconciliation states that "

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2003**

**Note 3 PROPERTY TAX REVENUE RECOGNITION**

In the district-wide and fund financial statements, property tax revenues are recognized in accordance with GASB Statement No. 33. In the State of Missouri, January 1 is the lien date since property owners are required to pay property taxes as of that date. However, revenues collected are used to fund the operations of the subsequent school year. Property taxes are collected starting in November and are due by December 31. Property tax revenues are recognized in the district-wide financial statements in the year that the property taxes are used to fund the operation of the school district.

In the fund financial statements, property taxes are recognized when they become available and measurable. Property tax revenues are considered available when they become due or past due and receivable within the current period and received by the District within 60 days of the end of the fiscal year.

Revenues not meeting the above criteria are reported as deferred revenue to the extent a receivable (See Note 5) has been recognized on the related balance sheet or statement of net assets.

**Note 4 CASH & INVESTMENTS**

State statutes permit the District to invest its monies as follows:

1. Obligations of the United States government or any agency or instrumentality, including repurchase agreements.
2. Bonds of the state of Missouri, of the United States, or of any wholly owned corporation of the United States, and other short-term obligations of the United States.
3. Under limited circumstances, commercial paper and bankers' acceptances.
4. Deposit Accounts with insured financial institutions, provided those accounts are entirely insured by the Federal Depository Insurance Corporation (FDIC) or collateralized with government securities that have a fair value exceeding the deposit amount.

**Deposits**

The District pools the monies of its various funds, except for the Debt Service Fund and the Internal Service Funds, for investment purposes. State laws require that all deposits of the Debt Service Fund be kept separate and apart from all other funds of the District.

The bank balances of the District's deposits with financial institutions are entirely insured by the FDIC, or collateralized with U.S. Government Securities whose fair values exceed the amount of the bank balances of the deposit and that are held by an independent third party agent of the District in the District's name. At June 30, 2003, the aggregate carrying amount of the District's deposit balance was \$2,851,460 and the related bank balances totaled \$6,881,341.

**Investments**

For the year ended June 30, 2003, the District invested only in U.S. Government Securities held by the District's agent at the Federal Reserve Bank of St. Louis in the District's name. All interest revenues related to investment activities are allocated to the General Fund, Teachers Fund, and the Capital Projects Fund according to the average monthly cash balance of the fund. The District records interest revenue related to investment activities of the Debt Service Fund and Internal Service Funds in each respective fund since the securities are owned by those funds. All investments are short-term and are stated at amortized cost, which approximates fair value.

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2003**

The following table presents the District's investments into one of the following categories of custodial credit risk.

- Category 1: Insured or registered securities held by the District or by the District's agent in the District's name.
- Category 2: Uninsured and unregistered, with securities held by the counter party's trust department or agent in the District's name.
- Category 3: Uninsured and unregistered, with securities held by the counter party, or by its trust department or agent but not in the District's name.

	Category			Total
	1	2	3	
U.S. Government Securities	\$ 79,459,955	\$ -	\$ -	\$ 79,459,955
Total	\$ 79,459,955	\$ -	\$ -	\$ 79,459,955
Investments not subject to categorization - Missouri Health and Education Facilities Authority Direct Deposit Program Trust				2,379,143
Total Investments				\$ 81,839,098

Amounts reported under the Missouri Health and Education Facilities Authority Direct Deposit Program Trust include amounts withheld from the District's state aid and deposited into a trust account at a bank selected by the Authority. The Trustee uses the amounts deposited in the account to pay certain debt service obligations of the District. The Direct Deposit Program is established and regulated by state law.

A reconciliation of cash and cash equivalents and investments as shown on the balance sheet and the deposits and investments disclosed in this note are as follows:

**Balance sheet:**

**Assets:**

- Cash and cash equivalents
- Governmental Funds

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2003**

**Note 5 PROPERTY TAXES RECEIVABLE**

The amount of prior years' taxes due at June 30, 2003, was obtained from the County Collector who is responsible for the collection of all taxes. The net receivables were calculated as follows:

General	STμ
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**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2003**

PSRS members are required to contribute 10.5% of their annual covered salary and the Columbia Public School District is required to contribute a matching amount. The contribution requirements of members and the Columbia Public School District are established and may be amended by the PSRS Board of Trustees. The District's contributions to PSRS for the year ending June 30, 2003, were \$14,611,946, which was equal to the required contributions, which were made up of \$7,305,973 in employee contributions and \$7,305,973 in employer contributions. For the years ended June 30, 2003, 2002, and 2001, the district contributed 100% of the required contributions. The contributions for the last three fiscal years were as follows:

The Columbia Public School District also contributes to the Non-Teacher School Employee Retirement System of Missouri (NTRS), a cost-sharing multiple-employer defined benefit pension plan. NTRS provides retirement and disability benefits to employees of the district who work twenty or more hours

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2003**

**Note 8 OPERATING LEASES**

The District leases various buildings for additional office space, the Center for Gifted Education, and trailers for additional classroom space. These leases are considered for accounting purposes to be operating leases. Lease expenditures for the year ended June 30, 2003, were \$1,130,471. Future minimum lease payments for these leases are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2004	\$ 756,181
2005	628,011
2006	83,406
Total	<u>\$ 1,467,598</u>

Currently, all operating leases for the District expire by June 30, 2006. No future minimum lease payments are currently required after that date.

**Note 9 LONG-TERM DEBT**

**Bonds Payable**

All District bonds are general obligation bonds with maturities from 2004 to 2018 and average net interest rates at issue from 4.06% to 7.23%. General obligation bonds outstanding at June 30, 2003, were \$138,940,000. Scheduled bond retirement and interest payable in the next fiscal year are \$6,110,000 and \$6,932,550, respectively.

The District issued \$15,000,000 of general obligation bonds, dated March 1, 2003. The proceeds from the bonds are to be used for renovation and remodeling at various schools and the purchase of furniture and equipment. The March 1, 2003, bond issue was the first issue of \$23,800,000 that was authorized by the voters at the April 2002 election.

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2003**

The bonds are due, in total by year, as follows:

<u>Year Ending June 30</u>	<u>Bond Payment</u>	<u>Interest Payment</u>	<u>Total</u>
2004	\$ 6,110,000	\$ 6,932,550	\$ 13,042,550
2005	7,340,000	6,483,343	13,823,343
2006	8,340,000	6,093,798	14,433,798
2007	9,430,000	5,656,911	15,086,911
2008	11,335,000	5,155,979	16,490,979
2009-2013	68,675,000	16,834,147	85,509,147
2014-2018	27,710,000	2,505,675	

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2003**

	<u>Beginning Balance</u>	<u>Restatements</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>					
Capital assets that are not depreciated:					
Land	\$ 3,873,710	\$ (37,763)	\$ 25,133	\$ -	\$ 3,861,080
Construction in progress	12,944,332	-	7,031,459	(14,445,520)	5,530,271
Capital assets that are depreciated:					
Buildings	118,091,181	(289,976)	15,020,250	-	132,821,455
Mobile classroom trailers	2,218,976	-	-	-	2,218,976
Furniture and equipment	4,812,901	-	641,867	(26,634)	5,428,134
Total capital assets, governmental activities	<u>141,941,100</u>	<u>(327,739)</u>	<u>22,718,709</u>	<u>(14,472,154)</u>	<u>149,859,916</u>
Accumulated depreciation, governmental activities:					
Buildings	(23,083,578)	85,900	(1,245,829)	-	(24,243,507)
Mobile classroom trailers	(754,452)	-	(88,759)	-	(843,211)
Furniture and equipment	(2,432,579)	-	(422,503)	-	(2,855,082)
Total accumulated depreciation, governmental activities	<u>(26,270,609)</u>	<u>85,900</u>	<u>(1,757,091)</u>	<u>-</u>	<u>(27,941,800)</u>
Total capital assets, governmental activities, net	<u>\$ 115,670,491</u>	<u>\$ (241,839)</u>	<u>\$ 20,961,618</u>	<u>\$ (14,472,154)</u>	<u>\$ 121,918,116</u>
<b>Business-Type Activities:</b>					
Capital assets that are not depreciated:					
Land	\$ -	\$ 37,763	\$ -	\$ -	\$ 37,763
Capital assets that are depreciated:					
Buildings	-	289,976	-	-	289,976
Furniture and equipment	828,553	-	161,423	-	989,976
Total capital assets, business-type activities	<u>828,553</u>	<u>327,739</u>	<u>161,423</u>	<u>-</u>	<u>1,317,715</u>
Accumulated depreciation, business-type activities:					
Buildings	-	(85,900)	(2,899)	-	(88,799)
Furniture and equipment	(476,243)	-	(75,818)	-	(552,061)
Total accumulated depreciation, business-type activities	<u>(476,243)</u>	<u>(85,900)</u>	<u>(78,717)</u>	<u>-</u>	<u>(640,860)</u>

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2003**

**Grants**

As a recipient of various federal funds, the District is subject to the audit of these programs which could result in disallowance of grant expenditures. The District is unaware of any disallowances and expects such amounts, if any, to be immaterial.

**Note 13 RISK MANAGEMENT**

**Self Insurance**

Consistent with the requirements of GASB Statement No. 10 Accounting and Financial Reporting for Risk Financing and Related Insurance Issues, some of the District's risk management activities are reported in Internal Service Funds, and the claims liabilities associated with the fund are reported therein. The District has established a self-insured benefits program, which are medical, dental, and workers compensation programs in the Internal Service Funds. The purpose of these funds is to pay the medical and dental claims of the District's employees and their covered dependents and to pay workers compensation claims from accumulated assets of the fund.

The District is covered by an excess loss contract on its medical benefits program which provides specific stop-loss coverage for claims in excess of \$250,000 per individual. The District is also covered by an excess loss contract on its workers compensation program which provides specific stop-loss coverage for claims in excess of \$300,000 for each accident and aggregate stop-loss coverage when aggregate claims exceed 155% of premiums. Settled claims have not exceeded this coverage in the last three fiscal years.

The District allocates the cost of providing the medical insurance and dental insurance to its employees and their dependents by annually determining a "premium" to be charged to the other funds for each covered employee to pay current or prior year claims. Also, all the funds of the District participate in the workers compensation program by making payments to the Internal Service Funds based on actuarial estimates of the amounts needed to pay prior-year and current-year claims. The Net Assets of the Internal Service Funds were \$3,241,907 as of June 30, 2003. The claims liability of \$895,628 reported in the fund at June 30, 2003 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the funds' claims liability amount for the past three fiscal years were:

<u>Year Ended June 30,</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payment</u>	<u>Administrative Cost</u>	<u>Balance at Fiscal Year-End</u>
2003	\$ 901,077	\$ 10,322,490	\$ (9,840,760)	\$ (487,179)	\$ 895,628
2002	807,692	9,301,944	(8,610,178)	(598,381)	901,077
2001	732,007	8,227,310	(7,631,970)	(519,655)	807,692

**Other Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. For the years ended June 30, 2003, 2002, and 2001, the settlements did not exceed the insurance coverage provided by commercial insurance.

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2003**

**Note 14 FUND EQUITY**

**Reservations**

Reservations of fund balances of governmental funds are established to either (1) satisfy legal covenants that require that a portion of the fund balance be segregated or (2) identify the portion of the fund balance that is not appropriate for future expenditures. Specific reservations of the fund balance accounts are summarized below.

**Reserve for Debt Service**

The reserve for debt service represents amounts invested with a fiscal agent to be used to refund certain bond issues.

**Reserve for Inventories**

The reserve for inventories was created to represent the portion of the fund balance that is not available for expenditures because the District expects to use these resources within the next budgetary period.

**Reserve for Prepaid Expenditures**

The reserve for prepaid expenditures was created to represent the portion of the fund balance that is not available for expenditures because the District will use these resources within the next budgetary period.

**Note 15 DEFERRED COMPENSATION PLAN**

Employees are eligible to participate in two deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. The plans, available to all District employees, permit them to defer a portion of their salary until future years. Participation in the plans is optional. The deferred compensation is not available, without penalty, to employees except under limited circumstances specified in the Internal Revenue Code.

Investments are selected by the plan participants and managed by individual investment agencies. The participants make the choice of the investment agency for the Section 403(b) plan. MetLife is the investment agency for all employees who participate in the Section 457 plan.

**Note 16 CHANGE IN ACCOUNTING PRINCIPLE**

The July 1, 2002, fund balance for the Adult Education Fund has been restated to reflect the change in accounting principle of presenting this fund as a proprietary fund instead of as a governmental fund. Proprietary funds are used in instances where fees are charged for services and the revenues generated by the activity are intended to cover all the costs of the activity. While this fund is not required to be presented as a proprietary fund, the District changed the presentation of this fund to more properly reflect the way the fund is treated in the accounting and budgetary policy.

Similarly, the July 1, 2002, net assets for governmental and business-type activities have been restated as a result of this change.

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2003**

The restatements of net assets and fund balance are as follows:

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>
July 1, 2002, net assets as previously reported	\$ 52,251,949	\$ 1,114,438
Restatement due to reclassifying adult education as a business-type activity	(599,157)	599,157
July 1, 2002, net assets as restated	\$ 51,652,792	\$ 1,713,595

	<b>Adult Education Fund</b>
July 1, 2002, fund balance as previously reported	\$ 386,108
Restatements to record:	
Capital assets	327,739
Accumulated depreciation	(85,900)
Liability for compensated absences	(28,790)
July 1, 2002, fund balance as restated	\$ 599,157

The comparative information presented for the year ended June 30, 2002, in Management's Discussion and Analysis has also been adjusted to reflect this change in accounting principle.

**Note 17 SUBSEQUENT EVENT**

On August 15, 2003, the District issued \$32,730,000 of general obligation refunding bonds. The proceeds from these refunding bonds are being used to provide resources for advance and crossover refundings of six outstanding bond issues of the District. These refundings were undertaken to reduce the District's obligation under long term debt by \$2,018,105, which resulted in an economic gain of \$1,493,079 (the difference between the present value of debt service payments refunded bonds and the general obligation refunding bonds until the refunding date).

**SUPPLEMENTARY INFORMATION**

**COMBINING AND INDIVIDUAL  
FUND STATEMENTS AND SCHEDULES**



## **GOVERNMENTAL FUNDS**

### **SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

Debt Service Fund - The Debt Service Fund accounts for the revenue collected from local taxation and allocated state aid for the payment of principal and interest on bonded indebtedness.

Capital Projects Fund - The Capital Projects Fund accounts for expenditures from the proceeds of bond issues, investment income earned on the proceeds and other revenues designated for acquisition or construction of major capital assets. The expenditures include major capital outlay projects and equipment purchases for instructional and support programs.

Grants and Donations Fund - This fund was established to account for certain local, state, and federal revenue received and the related expenditures. Expenditures are from all program areas and these programs are dependent upon special funding. Some categorical and noncategorical state and federal revenue is also included in the General Fund and the Teachers Fund.

	<b>Original</b>	<b>Final</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Local	\$ 11,468,684	\$ 11,167,204	\$ 11,322,281	\$ 155,077
County	304,803	304,803	223,616	(81,187)
State	1,398,677	1,398,677	1,358,643	(40,034)
Total Revenues	13,172,164	12,870,684	12,904,540	33,856
<b>EXPENDITURES</b>				
Debt Service				
Principal	5,495,000	9,605,000	9,605,000	-
Interest and Fees	6,276,811	6,376,811	6,362,844	13,967
Total Expenditures	11,771,811	15,981,811	15,967,844	13,967
<b>EXCESS (DEFICIT) REVENUES OVER EXPENDITURES</b>	1,400,353	(3,111,127)	(3,063,304)	47,823
<b>OTHER FINANCING SOURCES (USES)</b>				
Refunding Bonds Issued	-	14,320,000	14,320,000	-
<b>NET CHANGE IN FUND BALANCE</b>	1,400,353	11,208,873	11,256,696	47,823
<b>FUND BALANCE, JULY 1</b>	11,764,547	11,764,547	11,764,547	-14,
<b>FUND BALANCE, JUNE 30</b>	\$ 13,164,900	\$ 22,973,420		

**Variance  
with  
Final Budget  
Positive**

**Variance  
with  
Final Budget**

## **NONMAJOR ENTERPRISE FUNDS**

Enterprise Funds account for certain revenues derived from charges for services and assistance received from the State of Missouri and federal agencies. The District's accounting policy is for these funds to be self-sufficient, meaning they do not rely on funding from the general revenues of the District. The operations of enterprise funds are accounted for in a manner similar to private business enterprises.

Food Services Fund - This fund accounts for the revenue of the food service program and the related expenses for food purchases and other operating costs, including depreciation.

Adult Education Fund - This fund accounts for the revenue of the adult education program and the related expenses for personal services and other operating costs, including depreciation.

<b>ASSETS</b>	<b>Food Services</b>	<b>Adult Education</b>	<b>Total Nonmajor Enterprise Funds</b>
Current Assets			
Cash and Cash Equivalents	\$ 696,202	\$ 433,860	\$ 1,130,062
Receivables (Net of Allowance for Uncollectibles)			
State	-	2,932	2,932
Federal	293,916	55,829	349,745
Inventories	158,439	-	158,439
Prepaid Expenditures	1,920		

	<b>Food Services</b>	<b>Adult Education</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>OPERATING REVENUES</b>			
Food Sales	\$ 2,667,828	\$ -	\$ 2,667,828
Tuition	-	1,192,950	1,192,950
Total Operating Revenues	2,667,828	1,192,950	3,860,778
<b>OPERATING EXPENSES</b>			
Food Purchased	1,884,907	-	1,884,907
Salaries and Wages	1,676,006	1,173,105	2,849,111
Fringe Benefits	544,193	226,371	770,564
Supplies	109,897	180,539	290,436
Purchased Services	87,040	150,090	237,130
Travel	8,939	20,969	29,908
Repairs	106,310	10,577	116,887
Donated Commodities Used	174,201	-	174,201

	<b>Food Services</b>	<b>Adult Education</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received from Sales/Tuition	\$ 2,667,828	\$ 1,215,287	\$ 3,883,115
Cash Payments for Supplies and Services	(2,197,143)	(612,811)	(2,809,954)
Cash Payments to Employees for Services	(2,243,665)	(1,399,230)	(3,642,895)
Net Cash from Operating Activities	(1,772,980)	(796,754)	(2,569,734)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Federal/State Assistance	1,994,599	877,006	2,871,605
Other	-	50,214	50,214
Net Cash From Noncapital Financing Activities	1,994,599	927,220	2,921,819
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition of Capital Assets	(131,239)	(30,184)	(161,423)
Net Cash From Capital and Related Financing Activities	(131,239)	(30,184)	(161,423)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investments Matured or Sold	-	332,578	332,578
Net Cash From Investing Activities	-	332,578	



## **INTERNAL SERVICE FUNDS**

The Internal Service Funds were established to account for the District's self funded benefit's programs, which are medical, dental and workers compensation programs. The premiums of the Employee Benefits Funds are transferred as an expenditure from other funds as related to staff personnel. Claims paid, direct insurance payments and administrative costs are expenses of these funds.

**COLUMBIA PUBLIC SCHOOL DISTRICT  
COMBINING STATEMENT OF NET ASSETS - INTERNAL SERVICE FUNDS  
JUNE 30, 2003**

	<u>Workers Compensation</u>	<u>Medical Insurance</u>	<u>Dental Insurance</u>	<u>Total</u>
<b>ASSETS</b>				
Current Assets				
Cash and Cash Equivalents	\$ 36,028	\$ 1,550,477	\$ 252,087	\$ 1,838,592
Investments	281,968	1,992,118	-	2,274,086
Receivables	24,857	-	-	24,857
Total Assets	<u>342,853</u>	<u>3,542,595</u>	<u>252,087</u>	<u>4,137,535</u>
<b>LIABILITIES</b>				
Current Liabilities				
Accounts Payable	<u>-</u>	<u>895,628</u>	<u>-</u>	<u>895,628</u>
<b>NET ASSETS</b>				
Unrestricted	<u>342,853</u>	<u>2,646,967</u>	<u>252,087</u>	<u>3,241,907</u>
Total Net Assets	<u>\$ 342,853</u>	<u>\$ 2,646,967</u>	<u>\$ 252,087</u>	<u>\$ 3,241,907</u>

**COLUMBIA PUBLIC SCHOOL DISTRICT  
COMBINING STATEMENT OF CHANGES IN NET ASSETS - INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2003**

	<u>Workers Compensation</u>	<u>Medical Insurance</u>	<u>Dental Insurance</u>	<u>Total</u>
<b>OPERATING REVENUES</b>				
Insurance Premiums	\$ 657,142	\$ 9,985,514	\$ 910,687	\$ 11,553,343
<b>OPERATING EXPENSES</b>				
Salaries and Wages	-	67,390	2,101	69,491
Fringe Benefits	-	15,377	413	15,790
Supplies	-	1,129	-	1,129
Purchased Services	174	6,848	143	7,165
Excess Loss Insurance	83,000	242,736	-	325,736
Administration Fees	95,642	297,382	85,861	478,885
Benefits Paid/Accrued	685,879	8,059,661	769,484	9,515,024
Total Operating Expenses	<u>864,695</u>	<u>8,690,523</u>	<u>858,002</u>	<u>10,413,220</u>
<b>OPERATING INCOME (LOSS)</b>	(207,553)	1,294,991	52,685	1,140,123
<b>NONOPERATING REVENUES</b>				
Earnings on Investments	<u>7,982</u>	<u>27,569</u>	<u>2,369</u>	<u>37,920</u>
<b>CHANGES IN NET ASSETS</b>	(199,571)	1,322,560	55,054	1,178,043
<b>NET ASSETS, JULY 1</b>	<u>542,424</u>	<u>1,324,407</u>	<u>197,033</u>	<u>2,063,864</u>
<b>NET ASSETS, JUNE 30</b>	<u>\$ 342,853</u>	<u>\$ 2,646,967</u>	<u>\$ 252,087</u>	<u>\$ 3,241,907</u>

**Workers  
Compensation**

**Medical**

**Dental**

## **FIDUCIARY FUND**

The Student Activity Fund accounts for the receipt and disbursement of monies by various student organizations. The accounting reflects the District's agency relationship with the student organizations.

		<b>Balance July 1, 2002</b>		<b>Additions</b>		<b>Deductions</b>		<b>Balance June 30, 2003</b>
<b>ASSETS</b>								
Cash and Cash Equivalents	\$	519,568	\$	1,452,708	\$	1,392,798	\$	579,478
Accounts Receivable		2,396		-		2,396		-
Total Assets	\$	521,964	\$	1,452,708	\$	1,395,194	\$	579,478
<b>LIABILITIES</b>								
Accounts Payable	\$	15,706	\$	1,435,968	\$	1,408,504	\$	43,170
Due to Student Groups		506,258		1,450,312		1,420,262		536,308
Total Liabilities	\$	W n h V						

**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF CHANGES IN DUE TO STUDENT GROUPS  
STUDENT ACTIVITY FUND  
FOR THE YEAR ENDED JUNE 30, 2003**

	<u>Balance July 1, 2002</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2003</u>
Hickman High	\$ 263,755	\$ 577,726	\$ 577,270	\$ 264,211
Rock Bridge High	70,863	343,038	328,184	85,717
Douglass High	5,686	5,826	4,976	6,536
Jefferson Junior High	26,890	75,161	73,212	28,839
Oakland Junior High	29,731	65,211	69,975	24,967
West Junior High	14,662	114,574	107,188	22,048
Gentry Middle	48,959	65,543	65,199	49,303
Lange Middle	14,394	40,677	37,745	17,326
Smithton Middle	16,556	30,906	27,129	20,333
Columbia Area Career Center	<u>14,762</u>	<u>131,650</u>	<u>129,384</u>	<u>17,028</u>
TOTAL	<u>\$ 506,258</u>	<u>\$ 1,450,312</u>	<u>\$ 1,420,262</u>	<u>\$ 536,308</u>

***Statistical Section***



**COLUMBIA PUBLIC SCHOOL DISTRICT  
Demographic Statistics**

	<b>Columbia School District</b>
	<b>Columbia School District</b>
Total Population.....	112,803
Percent Male.....	48%
Percent Female.....	52%
Median Age.....	28.3
Total Households (Occupied Housing Unit) .....	44,419
Percent Family Households with Married Couples .....	42.4%
Percent Family Households with Male Householder, No Spouse.....	3.1%
Percent Family Households with Female Householder, No Spouse .....	10.6%
Percent Nonfamily Households .....	43.9%
	<b>Columbia School District</b>
Per Capita Income .....	\$19,992
Population with Income Above Poverty Level .....	83.7%
Population with Income Below Poverty Level.....	16.3%
Median Household Income .....	\$52,473
Total Enrollment.....	43,719
Percent Nursery.....	7.8%
Percent Elementary through High School .....	37.6%
Percent College.....	54.6%
Total Persons 25 Years and Over by Level of Education .....	63,112
Percent Nursery through High School.....	29.5%
Percent 1-3 Years of College .....	24%

**COLUMBIA PUBLIC SCHOOL DISTRICT  
GENERAL SCHOOL SYSTEM EXPENDITURES AND EXPENSES BY FUNCTION  
1994 - 2003**

<u>Year Ended June 30</u>	<u>Administration</u>	<u>Regular Instruction</u>	<u>Special Instruction</u>	<u>Vocational Instruction</u>	<u>Pupil Transportation</u>	<u>Operation and Maintenance</u>
1994	\$ 6,191,213	\$ 31,019,940	\$ 7,231,425	\$ 1,347,103	\$ 2,771,898	\$ 6,215,083
1995	6,567,144	33,782,207	8,216,039	1,454,676	3,034,073	6,817,372
1996	6,849,902	35,046,838	8,996,860	1,835,241	3,537,025	7,352,127
1997	6,983,169	37,761,501	9,843,083	2,256,787	3,703,053	7,893,577
1998	7,757,757	39,993,655	10,943,459	2,158,415	3,939,475	7,961,864
1999	7,976,282	41,375,742	11,790,921	2,460,320	4,209,018	7,660,866
2000	8,437,173	43,917,038	13,545,494	2,371,675	4,569,807	8,400,593
2001	9,569,488	49,004,439	15,677,072	3,239,948	4,650,642	11,216,438
2002	10,550,750	52,286,130	18,160,565	3,425,062	4,921,314	11,058,835
2003	10,357,435	52,877,919	18,388,595	3,571,360	5,353,642	12,556,216

Expenditures reported are for all Governmental Funds.

\* Expenses reported are for the Enterprise (Food Services & Adult Education) Funds (Operating Expenses and Depreciation). Prior to 2003, Adult Education was included in Community Services and Student Activities.

	<b>Pupil Support Services</b>	<b>Food Services*</b>	<b>Adult Education*</b>	<b>Community Services and Student Activities</b>	<b>Capital Outlay</b>	<b>Debt Service</b>	<b>Payments Between Districts</b>	<b>Total Expenditures and Expenses</b>
\$	6,670,448	\$ 3,121,096	\$ -	\$ 4,443,634	\$ 9,932,282	\$ 6,041,510	\$ 101,434	\$ 85,087,066
	7,422,327	3,456,916	-	4,237,052	12,377,985	6,534,364	131,280	94,031,435
	7,886,884	3,480,583	-	4,400,326	6,117,855	7,053,894	120,739	92,678,274
	8,563,376	3,642,603	-	4,528,677	8,892,076	7,466,996	146,119	101,681,017

**Year  
Ended**

**Local**

**Tuition**

**COLUMBIA PUBLIC SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND REVENUES  
TAX RATE PER \$100 ASSESSED VALUATION  
1994 - 2003**

<u>Year Ended June 30</u>	<u>Tax Rate</u>	<u>Assessed Valuation*</u>	<u>Total Property Tax Levied</u>	<u>Current Property Tax Revenue</u>	<u>Delinquent Property Tax Revenue</u>
1994	\$ 4.37	\$ 724,155,842	\$ 31,645,610	\$ 30,036,594	\$ 1,179,792
1995	4.45	763,909,133	33,993,956	32,326,860	1,206,270
1996	4.55	810,703,075	36,886,990	35,276,616	1,137,794
1997	4.56	873,346,561	39,824,603	38,127,804	1,314,272
1998	4.12	1,042,836,063	42,964,846	41,254,836	1,498,400
1999	4.12	1,090,964,765	44,947,748	42,694,136	1,879,827
2000	4.70	1,141,693,888	53,659,613	50,513,940	1,606,350
2001	4.79	1,195,928,843	57,284,992	54,465,792	2,584,862
2002	4.7544	1,284,272,994	61,059,475	58,210,710	2,350,881
2003	4.7544	1,337,034,886	63,567,987	60,944,362	2,219,589

\*Property tax revenue for a specific fiscal year is obtained by applying the tax rate per \$100 of assessed valuation for the prior calendar year (2003 tax revenue is based on the assessed valuation as of January 1, 2002).

**COLUMBIA PUBLIC SCHOOL DISTRICT  
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 1994 - 2003**

<u>Year Ended June 30</u>	<u>Assessed Valuation*</u>	<u>Assessment Ratio*</u>	<u>Estimated Actual Valuation</u>
1994	\$ 724,155,842	23.7%	\$ 3,060,691,408
1995	763,909,133	23.8%	3,214,945,048
1996	810,703,075	22.3%	3,643,181,105
1997	873,346,561	22.6%	3,872,861,996
1998	1,042,836,063	22.4%	4,647,153,807
1999	1,090,964,765	23.6%	4,627,911,072
2000	1,141,693,888	22.8%	5,000,366,659
2001	1,195,928,843	22.9%	5,232,589,843
2002	1,284,272,994	23.1%	5,548,816,924
2003	1,337,034,886	23.3%	5,750,633,083

\* Assessment Ratios are determined annually (February) by the State Tax Commission based on a random sample of real property within the county.

**COLUMBIA PUBLIC SCHOOL DISTRICT  
PROPERTY TAX RATES PER \$100 ASSESSED VALUATION  
DIRECT AND OVERLAPPING GOVERNMENTS  
1994 - 2003**

Year Ended June 30	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
<b><u>City Residents:</u></b>										
City of Columbia	\$ .57	\$ .48	\$ .48	\$ .48	\$ .41	\$ .41	\$ .41	\$ .4100	\$ .4100	\$ .4100
State of Missouri	.03	.03	.03	.03	.03	.03	.03	.0300	.0300	.0300
County of Boone	.12	.12	.12	.12	.12	.12	.13	.1300	.1300	.1300
Road and Bridge	.29	.05	.05	.05	.05	.05	.05	.0500	.0500	.0500
Bridge Bond	.02	.00	.00	.00	.00	.00	.00	.0000	.0000	.0000
Library	.30	.30	.30	.30	.28	.29	.65	.6500	.6441	.6391
Group Home	.12	.12	.12	.12	.11	.12	.12	.1200	.1189	.1194
Nursing Home	.02	.00	.00	.00	.00	.00	.00	.0000	.0000	.0000
School District	4.37	4.45	4.55	4.56	4.12	4.12	4.70	4.7900	4.7544	4.7544
Subtotal City Residents	<u>5.84</u>	<u>5.55</u>	<u>5.65</u>	<u>5.66</u>	<u>5.12</u>	<u>5.14</u>	<u>6.09</u>	<u>6.1800</u>	<u>6.1374</u>	<u>6.1329</u>
<b><u>County Residents:</u></b>										
Fire District	.66	.66	.66	.66	.60	.60	.60	.6000	.6000	.6000
Fire Dispatch Fund	.03	.03	.03	.03	.03	.03	.03	.0300	.0295	.0295
Fire Bond	.17	.19	.19	.19	.25	.22	.22	.2200	.2200	.2200
Less:										
City of Columbia (above)	(.57)	(.48)	(.48)	(.48)	(.41)	(.41)	(.41)	(.4100)	(.4100)	(.4100)
Differential Library Tax	<u>(.05)</u>	<u>(.05)</u>	<u>(.05)</u>	<u>(.05)</u>	<u>(.05)</u>	<u>(.05)</u>	<u>(.41)</u>	<u>(.3300)</u>	<u>(.3241)</u>	<u>(.3191)</u>
Total County Residents	<u>\$ 6.08</u>	<u>\$ 5.90</u>	<u>\$ 6.00</u>	<u>\$ 6.01</u>	<u>\$ 5.54</u>	<u>\$ 5.53</u>	<u>\$ 6.12</u>	<u>\$ 6.2900</u>	<u>\$ 6.2528</u>	<u>\$ 6.2533</u>

Tax rates are reported on a calendar year basis. The 2002 calendar year tax levy was the rate levied to produce tax revenues for fiscal 2003.

All commercial real estate taxpayers pay an additional \$.61 per \$100 assessed valuation; all taxpayers within the special business district pay an additional \$.43 per \$100 assessed valuation.

Source: Boone County Clerk  
Boone County Collector

**COLUMBIA PUBLIC SCHOOL DISTRICT  
RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE  
AND NET BONDED DEBT PER CAPITA  
1994 - 2003**

<u>Year Ended June 30</u>	<u>Estimated Population*</u>	<u>Assessed Value</u>	<u>Gross Bonded Debt</u>	<u>Less Debt Service Funds</u>	<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt To Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>
1994	96,450	\$ 724,155,842	\$ 62,465,000	\$ 2,561,778	\$ 59,903,222	.083	\$ 621
1995	99,175	763,909,133	68,320,000	2,386,901	65,933,099	.086	665
1996	101,900	810,703,075	73,625,000	2,700,912	70,924,088	.087	696
1997	104,625	873,346,561	79,000,000	3,130,218	75,869,782	.087	725
1998	107,350	1,042,836,063	86,375,000	3,749,382	82,625,618	.079	770
1999	110,075	1,090,964,765	93,125,000	4,014,717	89,110,283	.082	810
2000	112,800	1,141,693,888	99,485,000	4,049,751	95,435,249	.084	846
2001	113,800	1,195,928,843	113,970,000	9,749,306	104,220,694	.087	916
2002	115,000	1,284,272,994	119,225,000	11,764,547	107,460,453	.084	934
2003	116,800	1,337,034,886	138,940,000	23,021,243	115,918,757	.087	992

\*Population figures are estimated; the Columbia Public School District includes the City of Columbia and adjacent territory.



**COLUMBIA PUBLIC SCHOOL DISTRICT  
LEGAL DEBT MARGIN  
1994 - 2003**

<u>Year Ended June 30</u>	<u>Assessed Value</u>	<u>Legal Debt Limit*</u>	<u>Indebtedness</u>	<u>Legal Debt Margin</u>
1994	\$ 724,155,842	\$ 72,415,584	\$ 62,465,000	\$ 9,950,584
1995	763,909,133	76,390,913	68,320,000	8,070,913
1996	810,703,075	81,070,308	73,625,000	7,445,308
1997	873,346,561	87,334,656	79,000,000	8,334,656
1998	1,042,836,063	156,425,409	86,375,000	70,050,409
1999	1,090,964,765	163,644,715	93,125,000	70,519,715
2000	1,141,693,888	171,254,083	99,458,000	71,769,083
2001	1,195,928,843	179,389,326	113,970,000	65,419,326
2002	1,284,272,994	192,640,949	119,225,000	73,415,949
2003	1,337,034,886	200,555,233	138,940,000	61,615,233

\* Legal Debt Limit was increased to 15% of assessed valuation beginning with fiscal year 1998. All previous fiscal years had a legal debt limit of 10% of assessed valuation.

**Year**

**Columbia  
Public**

**Boone  
County**

**COLUMBIA PUBLIC SCHOOL DISTRICT  
RATIO OF ANNUAL DEBT SERVICE FOR  
GENERAL BONDED DEBT TO TOTAL EXPENDITURES/EXPENSES  
1994 - 2003**

<u>Year Ended June 30</u>	<u>Debt Service Expenditures</u>	<u>Total Expenditures/Expenses</u>	<u>Ratio</u>
1994	\$ 6,041,510	\$ 85,087,066	.071
1995	6,534,364	94,031,435	.070
1996	7,053,894	92,678,274	.076
1997	7,466,996	101,681,017	.073
1998	8,013,451	102,636,984	.078
1999	8,781,757	111,237,768	.079
2000	8,846,174	121,690,469	.073
2001	9,830,371	141,088,872	.070
2002	10,598,260	151,346,835	.070
2003	15,967,844	155,224,209	.103

Expenditures reported are for all Governmental Funds.  
Expenses reported are for the Enterprise (Food Services & Adult Education) Funds (Operating Expenses and Depreciation).

**COLUMBIA PUBLIC SCHOOL DISTRICT  
PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS  
1994 - 2003**

<u>Year Ended June 30</u>	<u>Property Value*</u>	<u>Construction Estimated Value City of Columbia</u>	<u>Columbia Commercial Bank Deposits</u>
1994	\$ 3,060,691,408	\$ 138,823,578	\$ 999,734,101
1995	3,214,945,048	148,756,680	1,077,290,286
1996	3,643,181,105	151,073,831	1,039,977,453
1997	3,872,861,996	143,186,205	1,316,069,688
1998	4,647,153,807	147,481,791	1,395,673,747
1999	4,627,911,072	151,106,324	1,304,961,337
2000	5,000,366,659	111,599,076	1,472,770,840
2001	5,436,040,195	160,403,932	1,528,308,544
2002	5,548,816,924	157,494,400	1,563,308,000
2003	5,750,633,083	266,026,017	1,641,677,000

\*Property Value is the estimated actual valuation determined by a ratio set by the State Tax Commission for taxable property.

Source: City of Columbia, Department of Protective Inspections  
Columbia Commercial Banks

**COLUMBIA PUBLIC SCHOOL DISTRICT  
MAJOR TAXPAYERS**

	<u>Assessed Valuation*</u>	<u>Percentage of Total Assessed Valuation</u>
Minnesota Mining & Mfg. Co. (3M)	\$ 27,795,707	2.08%
City of Columbia	23,080,268	1.73%
Ameren UE	19,436,898	1.45%
State Farm Mutual Automobile Ins. Co.	11,091,059	0.83%
Shelter Mutual Insurance Companies	8,345,629	0.62%
Columbia Mall Limited Partnership	8,268,325	0.62%
Columbia Foods	5,770,966	0.43%
Boone Electric Cooperative	4,717,446	0.35%
Dan Hagan	4,146,825	0.31%
Rusk Rehabilitation Center	3,790,932	0.28%
Rayman Columbia Center Trust	3,777,439	0.28%
Boone County National Bank	3,440,480	0.26%
Forum Shopping Center	3,320,340	0.25%
Boone Hospital	3,142,112	0.24%
Spicer Axle Inc.	3,094,143	0.23%
	<u>\$ 133,218,569</u>	<u>9.96%</u>

\*Major taxpayers are reported for the District's 2002 fiscal year.

Source: Information Services  
Boone County Government Center

**COLUMBIA PUBLIC SCHOOL DISTRICT  
MAJOR EMPLOYERS**

**More Than 5,000 Employees:**

University of Missouri-Columbia

Education

**1,000 - 4,999 Employees:**

Boone Hospital Center

City of Columbia

Columbia Public School District

MFA Incorporated

Shelter Insurance Companies

Medical

Government

Education

Agriculture

**COLUMBIA PUBLIC SCHOOL DISTRICT  
AVERAGE DAILY ATTENDANCE AND MEMBERSHIP  
1994 - 2003**

<u>School Year</u>	<u>Average Daily Attendance*</u>	<u>Average Membership</u>	<u>Percentage of ADA to Average Membership</u>
1993-94	12,869	13,702	.939
1994-95	13,128	14,036	.935
1995-96	13,411	14,422	.930
1996-97	13,811	14,812	.932
1997-98	13,992	15,166	.923
1998-99	14,127	15,253	.926
1999-00	14,378	15,355	.936
2000-01	14,624	15,701	.931
2001-02	14,838	15,706	.945
2002-03	14,813	15,888	.932

\*Regular School Session Only

**COLUMBIA PUBLIC SCHOOL DISTRICT  
PER PUPIL COSTS  
GOVERNMENTAL FUNDS  
1994 - 2003**

<u>School Year</u>	<u>Total Expenditures</u>	<u>Average Daily Attendance*</u>	<u>Average Per Pupil Cost</u>
1993-94	\$ 81,965,970	12,869	\$ 6,369
1994-95	90,574,519	13,128	6,899
1995-96	89,197,691	13,411	6,651
1996-97	98,038,414	13,811	7,099
1997-98	98,610,802	13,992	7,048
1998-99	107,213,455	14,127	7,589
1999-00	117,717,953	14,378	8,187
2000-01	136,660,807	14,624	9,345
2001-02	146,780,577	14,838	9,892
2002-03	148,539,300	14,813	10,028

\*Regular School Session Only



**School**

**Columbia  
Public  
School**

**Enrollment  
Comparison**

**All  
Missouri**

**COLUMBIA PUBLIC SCHOOL DISTRICT  
COMPARISON TO MISSOURI SCHOOL DISTRICTS  
STAFF INFORMATION AND CALENDAR**

The Missouri Department of Elementary and Secondary Education (DESE) collects financial and student information for comparison to all Missouri school districts. For school year 2002-03, there were 524 school districts in Missouri.

**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF INSURANCE COVERAGE  
JUNE 30, 2003**

Insurance	Policy Number	Policy Period		Coverage
		From	To	
Blanket Building and Contents	OTR806410	09/15/02	09/15/03	Statement of Values, \$291,333,737 \$5,000 Deductible Except Flood and Earthquake, \$25,000 All Risk, Replacement Cost
Boiler and Machinery	BES 265 66 18	09/01/02	09/01/03	\$1,000,000 per Accident \$5,000 Deductible
Vehicles	FOO-1061-C12-25	09/12/02	09/12/03	Bodily Injury \$300,000 Each Person; \$2,000,000 Each Accident for Liability Property Damage \$2,000,000 Each Accident Medical Payment \$5,000 Each Person Uninsured Motorist \$100,000 Each Person; \$300,000 Each Accident Underinsured Motorist \$100,000 Each Person; \$300,000 Each Accident Collision - Cash Value Less \$100 Deductible Comprehensive - Cash Value Less \$100 Deductible Statutory Coverage
Workers' Compensation	Self-funded	07/01/02	07/01/03	
Bodily Injury & Property Damage Liability	OTR806410	09/15/02	09/15/03	\$300,000 Per Person \$2,000,000 Per Occurrence
Bodily Injury & Property Damage Liability Umbrella	CTDV11936	09/15/02	09/15/03	\$1,000,000 General Aggregate Limit
School Leaders Errors and Omissions	511-87-60	07/01/02	07/01/03	\$2,000,000 Liability Per Occurrence \$25,000 Deductible Each Wrongful Act
Fidelity Bonds	POBO8203412 CCP0056421 CCP0005917	07/15/02 03/01/02 12/11/02	07/15/03 03/01/03 12/11/03	Treasurer, \$400,000 Secretary, \$25,000 Selected Personnel, Blanket Coverage: \$250,000
Liability – Rock Climbing Wall (RBHS)	CLS0913679	04/03/03	04/03/04	\$3,000,000 Annual Aggregate \$2,000,000 Each Occurrence \$500 Deductible
Liability – Underground Storage Tank	7514232			

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***State Compliance Section***



Professional Corporation ♦ Certified Public Accountants  
20 South Fifth Street ♦ Columbia, Missouri 65201  
573-449-1599 ♦ FAX 573-443-8603

**INDEPENDENT AUDITORS' REPORT -  
STATE COMPLIANCE REPORTS**

Board of Education  
Columbia Public School District  
Columbia, Missouri



## **SCHEDULES FOR STATE COMPLIANCE**



	<b>General</b>	<b>Food Service</b>	<b>Student Activities</b>	<b>Adult Education</b>
<b>REVENUES</b>				
Local	\$ 27,598,341	\$ 2,667,828	\$ 1,450,312	\$ 1,294,374
County	697,336	-	-	-
State	15,973,748	36,478	-	354,577
Federal	2,871,350	2,176,778	-	530,105

<b>Grants and Donations</b>	<b>Total</b>	<b>Special Revenue Teachers Fund</b>	<b>Debt Service Fund</b>	<b>Capital Projects Fund</b>	<b>Total</b>
-----------------------------	--------------	--------------------------------------	--------------------------	------------------------------	--------------

**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF REVENUES CLASSIFIED BY SOURCE  
FOR THE YEAR ENDED JUNE 30, 2003**

<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Debt Service Fund</b>	<b>Capital Projects Fund</b>	<b>Total</b>
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**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF REVENUES CLASSIFIED BY SOURCE  
FOR THE YEAR ENDED JUNE 30, 2003  
(continued)**

	<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Debt Service Fund</b>	<b>Capital Projects Fund</b>	<b>Total</b>
<b>STATE SOURCES (cont.):</b>					
A+ Schools Grant	\$ 35,391	\$ -	\$ -	\$ -	35,391
Missouri Preschool	27,100	-	-	-	27,100
Child Care Consortium	40,359	-	-	-	40,359
Excess Cost	37,187	68,714	-	-	105,901
Extraordinary Costs	75,863	140,178	-	-	216,041
Mathematics Grant	3,289	-	-	-	3,289
Project Construct	1,019,544	-	-	-	1,019,544
Other State Sources	22,945	-	-	-	22,945
Total State Sources	18,599,727	27,555,391	1,358,643	328,865	47,842,626
<b>FEDERAL SOURCES:</b>					
Pell Grants	212,630	-	-	-	212,630
Voc Ed Act - Title I, Basic Grant	156,881	118,353	-	-	275,234
Title I - ESEA	618,358	1,545,329			

**COLUMBIA PUBLIC SCHOOL DISTRICT  
 SCHEDULE OF REVENUES CLASSIFIED BY SOURCE  
 FOR THE YEAR ENDED JUNE 30, 2003  
 (continued)**

	<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Debt Service Fund</b>	<b>Capital Projects Fund</b>	<b>Total</b>
<b>TUITION OTHER DISTRICTS:</b>					
Tuition Other Districts	-	11,219	-	-	11,219
Area Vocational School Fees	37,875				

**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES BY OBJECT  
FOR THE YEAR ENDED JUNE 30, 2003**

**Special**

**Debt**

**COLUMBIA PUBLIC SCHOOL DISTRICT  
 ASSESSED VALUATION AND TAX LEVY  
 JUNE 30, 2003**

The assessed valuation of the tangible taxable property for the calendar years 2002 and 2001 for purposes of local taxation was as follows:

	<u>Current Year</u>		<u>Prior Year</u>
Real Estate:			
Residential.....	\$ 733,217,332	\$	705,618,687
Agriculture .....	11,541,728		11,761,428
Commercial.....	320,806,701		290,086,192
Personal Property.....	271,469,125		276,806,687

**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF SELECTED STATISTICS  
FOR THE YEAR ENDED JUNE 30, 2003**

**1. Calendar**

A. The number of actual calendar hours classes were in session and pupils were under the direction of teachers during this school year was as follows:

Kindergarten - A.M.	532.44 hours	Grades 10-12 (Rock Bridge)	1,127.50 hours
Kindergarten – Full-day	1,067.50 hours	Grades 6-12 (Douglass)	1,108.16 hours
Grades 1-5	1,067.50 hours	Grades 6-12 (Juvenile Justice)	1,080.00 hours
Grades 6-7	1,111.00 hours		
Grades 8-12	1,080.00 hours		

B. The number of days classes were in session and pupils were under the direction of teachers during this school year was as follows:

Kindergarten - A.M.	174 Days	Grades 10-12 (Rock Bridge)	176 Days
Kindergarten - Full-day	174 Days	Grades 6-12 (Douglass)	176 Days
Grades 1-5	174 Days	Grades 6-12 (Juvenile Justice)	176 Days
Grades 6-7	174 Days		
Grades 8-12	176 Days		

**2. Students**

The number of eligible pupils (EP) for this school year was 15,202.67 (Section 163.011(4), RSMo), calculated as follows:

**AVERAGE DAILY ATTENDANCE (ADA)**

Regular Year	Full-time/ Part-time	Remedial	Total
Kindergarten – A.M.	10.34	-	10.34
Kindergarten – Full-day	1,118.46	-	1,118.46
Grades 1-5	5,742.09	-	5,742.09
Grades 6-12	7,942.36	-	7,942.36
Subtotal Regular Year	14,813.25	-	14,813.25
<b>SUMMER SCHOOL AVERAGE DAILY ATTENDANCE</b>			194.71
<b>TOTAL AVERAGE DAILY ATTENDANCE</b>			15,007.96
<b>DETERMINATION OF RESIDENT ELIGIBLE PUPILS FOR STATE AID</b>			
Total Average Daily Attendance (ADA) (above)			15,007.96
Summer School Average Daily Attendance			194.71
<b>RESIDENT ELIBIGLE PUPILS FOR STATE AID (EP)</b>			15,202.67
<b>SEPTEMBER RESIDENT MEMBERSHIP</b>			15,887.91



**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF SELECTED STATISTICS  
FOR THE YEAR ENDED JUNE 30, 2003**

**2. Students (Continued)**

**FREE AND REDUCED PRICE ELIGIBLE PUPILS (Section 163.011(6), RSMo)**

(This is a full-time equivalency (FTE) number as of last Wednesday of January, 2003.)

	<u>2003</u>
Free	4,071.51
Reduced	717.04
Total	4,788.55

**3. Transportation (Section 163.161, RSMo)**

A. The allowable cost for pupil transportation substantially conforms to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid.  Yes  No

If no, has corrective action been recommended?  Yes  No

B. The District's pupil transportation ridership records are so maintained as to accurately disclose in all material respects the average number of regular riders transported.  Yes  No

If no, has corrective action been recommended?  Yes  No

Based on the ridership records, the average number of students (K-12, vocational, and handicapped) transported on a regular basis (ADT) eligible for state transportation aid was 8,045.50 and the average number of students transported on a regular basis (ADT) ineligible to be counted for state transportation aid was 0.

C. The District's transportation odometer mileage records are so maintained as to accurately disclose in all material respects the eligible and ineligible mileage for the year.  Yes  No

If no, has corrective action been recommended?  Yes  No

Based on the actual odometer records, the total mileage for the year was 2,105,344. Of this total, the eligible non-handicapped and handicapped miles was 1,854,029 and the ineligible non-route and disapproved miles (combined) was 251,315.

D. The District operated the pupil transportation system for 176 days during this school year.

**4. Adult Education and Literacy**

A. The District participated in the Adult Education & Literacy (AEL) programs. If no, skip to part five.  Yes  No

If yes, check the appropriate programs.

Regular AEL <input checked="" type="checkbox"/>	Special Literacy <input checked="" type="checkbox"/>	Supplemental Literacy <input checked="" type="checkbox"/>
MESL <input checked="" type="checkbox"/>	EL/Civics <input checked="" type="checkbox"/>	Other (name) _____

**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF SELECTED STATISTICS  
FOR THE YEAR ENDED JUNE 30, 2003**

**4. Adult Education and Literacy (Continued)**

- B. The number of contact hours eligible for core funding reimbursement in AEL for this year was 98,659.51.
- No AEL teacher generated more than fifteen contact hours per teacher paid hour. \_X\_ Yes \_\_\_\_\_ No
  - No AEL teacher generated more than eight contact hours for special needs participants. \_X\_ Yes \_\_\_\_\_ No
- C. Teachers who are paid with AEL funds:
- are AEL certified. \_X\_ Yes \_\_\_\_\_ No
  - if employed as a substitute, have obtained 60 college credit hours from an accredited institution. \_X\_ Yes \_\_\_\_\_ No
  - have been designated as employed on the class schedule submitted to the state director. \_X\_ Yes \_\_\_\_\_ No
- D. The District has adequate procedures to maintain student record of enrollment, test scores, and attendance hours. \_X\_ Yes \_\_\_\_\_ No

**5. Career Ladder (Section 168.500, RSMo)**

- A. The District participated in the Career Ladder program. If no, skip to part six. \_X\_ Yes \_\_\_\_\_ No
- B. Revenues paid to the District by the state for career ladder participation were paid to the appropriate teachers. \_X\_ Yes \_\_\_\_\_ No
- C. The District's required local match for participation in the career ladder program was set aside and paid to participating teachers. \_X\_ Yes \_\_\_\_\_ No

**6. Finance**

- A. Bond as required by Section 162.401, RSMo, has been purchased for the District's treasurer in the total amount of \$400,000.
- B. The District's deposits were secured during the year as required by Sections 110.010 and 100.020, RSMo. \_X\_ Yes \_\_\_\_\_ No
- Details of the security agreement are located on page 48 of the report in Note 4 to the financial statements.
- C. The District maintained a separate bank account for its Debt Service Fund in accordance with Section 165.011, RSMo. \_X\_ Yes \_\_\_\_\_ No \_\_\_\_\_ N/A

**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF SELECTED STATISTICS  
FOR THE YEAR ENDED JUNE 30, 2003**

**6. Finance (Continued)**

D. The District allocated the state aid it received in accordance with Section 163.031.7, RSMo.   X   Yes        No

E. The District's Free & Reduced/At-Risk (Line 14) expenditures are in accordance with DESE and/or statutory requirements.   X   Yes        No

F. The District's expenditures for At-Risk activities were \$6,762,706.

G. The District has a school improvement plan and a professional development committee plan adopted by the board with the professional development committee plan identifying the expenditure of seventy-five percent (75%) of one percent (1%) of the current year basic formula apportionment.

	School Improvement Plan	<u>  X  </u>	Yes	<u>      </u>	No
	Professional Development Plan	<u>  X  </u>	Yes	<u>      </u>	No

H. The District's June, Basic Formula Calculation Sheet, Line K, Basic Formula Apportionment amount was \$27,110,875.

The District's 75% of 1% of the Basic Formula Apportionment amount was \$203,332.

The amount spent for approved professional development committee plan activities was \$698,910.

I. Did the District use state-funded grant monies to supplant existing salaries?        Yes   X   No

If yes, what grant monies were used to supplant existing salaries?

**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF SELECTED STATISTICS  
FOR THE YEAR ENDED JUNE 30, 2003**

**6. Finance (Continued)**

- P. For the preceding year (not the current audit period) in which the District took action to cause an audit to be performed by October 31, the District published a summary of the 2001-02 report within thirty days of the receipt of the audit pursuant to Section 165.121, RSMo.   X   Yes        No        N/A
- Q. Based on the District's federal expenditures, an audit was required to be performed in accordance with OMB Circular A-133 (Revised).   X   Yes        No

**7. Missouri School Improvement Program (MSIP)**

- A. The District has adequate procedures that allow for the proper recording and reporting of hours of absence.   X   Yes        No
- If no, has corrective action been recommended?        Yes        No
- B. The District has adequate procedures that allow for the identification and recording of dropouts as defined in the Core Data Manual (Exhibit 6) and the subsequent reporting of those students to the Adult Literacy Hotline and on the June Cycle of Core Data.   X   Yes        No
- If no, has corrective action been recommended?        Yes        No
- C. The District has a set of adequate procedures for following up on the College and Vocational Placement of all of the previous year's graduates 180 days after graduation.   X   Yes        No
- If no, has corrective action been recommended?        Yes        No
- D. The District has a set of procedures that ensures Advanced Courses and Vocational Courses (approved by the state) are properly identified and reported according to Core Data standards?   X   Yes        No
- If no, has corrective action been recommended?        Yes        No

**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF TRANSPORTATION COSTS  
YEAR ENDED JUNE 30, 2003**

	<u>Regular</u>		<u>Handicapped Contracted</u>
	<u>District Owned</u>	<u>Contracted</u>	
Salary and Benefits	\$ 47,079	\$ -	\$ -
Purchased Services	61	3,890,974	1,236,698
Supplies	-	134,498	44,332
Total	<u>\$ 47,140</u>	<u>\$ 4,025,472</u>	<u>\$ 1,281,030</u>

***Single Audit Section***



**GERDING, KORTE & CHITWOOD**

Professional Corporation ♦ Certified Public Accountants  
20 South Fifth Street ♦ Columbia, Missouri 65201  
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**INDEPENDENT AUDITORS' REPORT ON  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Board of Education  
Columbia Public School District  
Columbia, Missouri

We have audited the basic financial statements of the Columbia Public School District, Columbia, Missouri, as of and

**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2003**

Federal Grantor/ Pass-Through Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Major Federal Assist. Program	Program or Award Amount	Expenditures
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>					
<b>Direct Programs:</b>					
Pell Grant	84.063	N/A		(1)	\$ 212,630
Perkins Loan	84.038	N/A		(1)	82,515
Teachers Quality Enhancement	84.366	N/A		\$ 7,500	7,500
Total					302,645
<b>Passed Through State Department of Education:</b>					
Title I, Regular and Summer School	84.010A	010-093	X	\$ 2,539,184	2,163,687
Title II.A	84.281A	010-093	X	722,352	693,504
Title II.D	84.318A	010-093		56,915	56,915
Education of Handicapped:					
Entitlement	84.027A	010-093-EN01	X	2,414,924	2,414,924
Entitlement	84.323A	010-093-LI	X	6,452	6,452
Entitlement	84.158A	010-093-M1	X	2,046	2,046
Early Childhood	84.027A	010-093-EC04	X	259,282	259,282
Early Childhood	84.173A	010-093-EC01	X	191,824	191,824
Vocational Education	84.048A	010-093		275,234	275,234
Adult Basic Education	84.002A	010-093		263,063	263,063
Title III	84.365A	010-093		30,326	30,326
Drug-Free Schools & Communities (Title IV.A)	84.186A	010-093		90,201	76,490
Title V	84.340A	010-093		119,405	73,951
Lift	84.317	010-093		2,000	2,000
Show-Me Science Center	84.281B	010-093		54,070	54,070
Comprehensive School Reform-School Age Children	84.332A	010-093		20,000	20,000
Even Start	84.213C	N/A		177,778	177,778
Comprehensive School Reform	84.332A	N/A		150,000	122,309
Total					6,883,855
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>					



**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2003  
(continued)**

<u>Federal Grantor/ Pass-Through Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Major Federal Assist. Program</u>	<u>Program or Award Amount</u>	<u>Expenditures</u>
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>					
<b>Passed Through State Department of Education:</b>					
National School Lunch	10.555	010-093	X	(1)	\$ 1,557,331
National School Breakfast	10.553	010-093	X	(1)	400,790
Food Distribution	10.555	010-093	X	\$ 201,662	174,201
Total					<u>2,132,322</u>
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>					<b><u>\$ 2,132,322</u></b>
<b><u>U.S. DEPARTMENT OF LABOR</u></b>					
<b>Passed Through State Department of Education:</b>					
Job Training Partnership Act	17.225	39-0005-3-01, 32-0005-3-01		\$ 9,420	\$ <u>9,420</u>
Total					<u>9,420</u>
<b>Passed Through Advent Enterprises:</b>					
Welfare to Work	17.253	N/A		(1)	\$ 142,979
Total					<u>142,979</u>
<b>TOTAL U.S. DEPARTMENT OF LABOR</b>					<b><u>\$ 152,399</u></b>
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>					
<b>Passed Through Advent Enterprises:</b>					
Youth Build	14.243	N/A		\$ 47,000	\$ <u>10,071</u>
Total					<u>10,071</u>
<b>TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>					<b><u>\$ 10,071</u></b>

**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2003  
(continued)**

<u>Federal Grantor/ Pass-Through Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Major Federal Assist. Program</u>	<u>Program or Award Amount</u>	<u>Expenditures</u>
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>					
<b>Passed Through State Department of Education:</b>					
Temporary Assistance for Needy Families	93.558	010-093		\$ 3,500	\$ <u>3,500</u>
Total					<u>3,500</u>
<b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>					<b>\$ <u><u>3,500</u></u></b>
 <b><u>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u></b>					
<b>Passed Through State Department of Education:</b>					
Learn & Serve America	94.004	010-093		\$ 13,000	\$ <u>13,000</u>
Total					<u>13,000</u>
<b>TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>					<b>\$ <u><u>13,000</u></u></b>
 <b><u>U.S. GENERAL SERVICES ADMINISTRATION</u></b>					
<b>Passed Through The State Agency for Surplus Property:</b>					
Surplus Property	39.003	010-093		(1) \$ 4,649	\$ <u>4,649</u>
Total					<u>4,649</u>
<b>TOTAL U.S. GENERAL SERVICES ADMINISTRATION</b>					<b>\$ <u><u>4,649</u></u></b>
 <b>TOTAL FEDERAL ASSISTANCE</b>					<b>\$ <u><u>9,502,441</u></u></b>

(1) No specific award amount

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
JUNE 30, 2003**

1. Significant Accounting Policies

Purpose of Schedule and Reporting Entity



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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL**

**ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Education  
Columbia Public School District  
Columbia, Missouri

**GERDING, KORTE & CHITWOOD**

Professional Corporation ♦ Certified Public Accountants  
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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR  
PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH  
OMB CIRCULAR A-133**

Board of Education  
Columbia Public School District  
Columbia, Missouri

Compliance

We have audited the compliance of Columbia Public School District with the terms of compliance...

control that might be material weaknesses. A material weakness is a condition in which the design or operation of

**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
AND SUMMARY OF AUDITORS' RESULTS  
FOR THE YEAR ENDED JUNE 30, 2003**

Section I: Summary of Auditors' Results

*Financial Statements*

Type of auditor's report issued: unqualified

Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
  - Reportable condition(s) identified that are not considered to be material weaknesses?  Yes  None
- reported
- Noncompliance material to financial statements noted?  Yes  No

- Material weakness(es) identified?  Yes  No
  - Reportable condition(s) identified that are not considered to be material weaknesses?  Yes  None
- reported

Type of auditor's reports issued on compliance for major programs: unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?  Yes  No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010	Title 1.A - Program for Educationally Disadvantaged Students
84.027	Education of the Handicapped
84.323	Education of the Handicapped
84.158A	Education of the Handicapped
84.173	Education of the Handicapped
10.553	School Breakfast
10.555	School Lunch
10.550	Food Distribution
84.281a	Title IIa

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee?  Yes  No

**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
AND SUMMARY OF AUDITORS' RESULTS  
FOR THE YEAR ENDED JUNE 30, 2003**

Section II: Findings

None

Section III: Questioned Costs

None