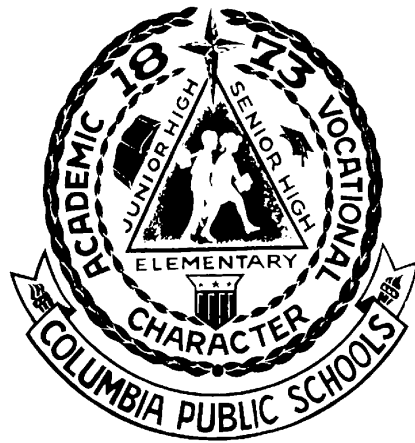


# ***Comprehensive Annual Financial Report***



*Columbia Public School District  
Columbia, Missouri*

*For Fiscal Year Ended June 30, 2002*

## ***Introductory Section***

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2002**

**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. James R. Ritter, 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

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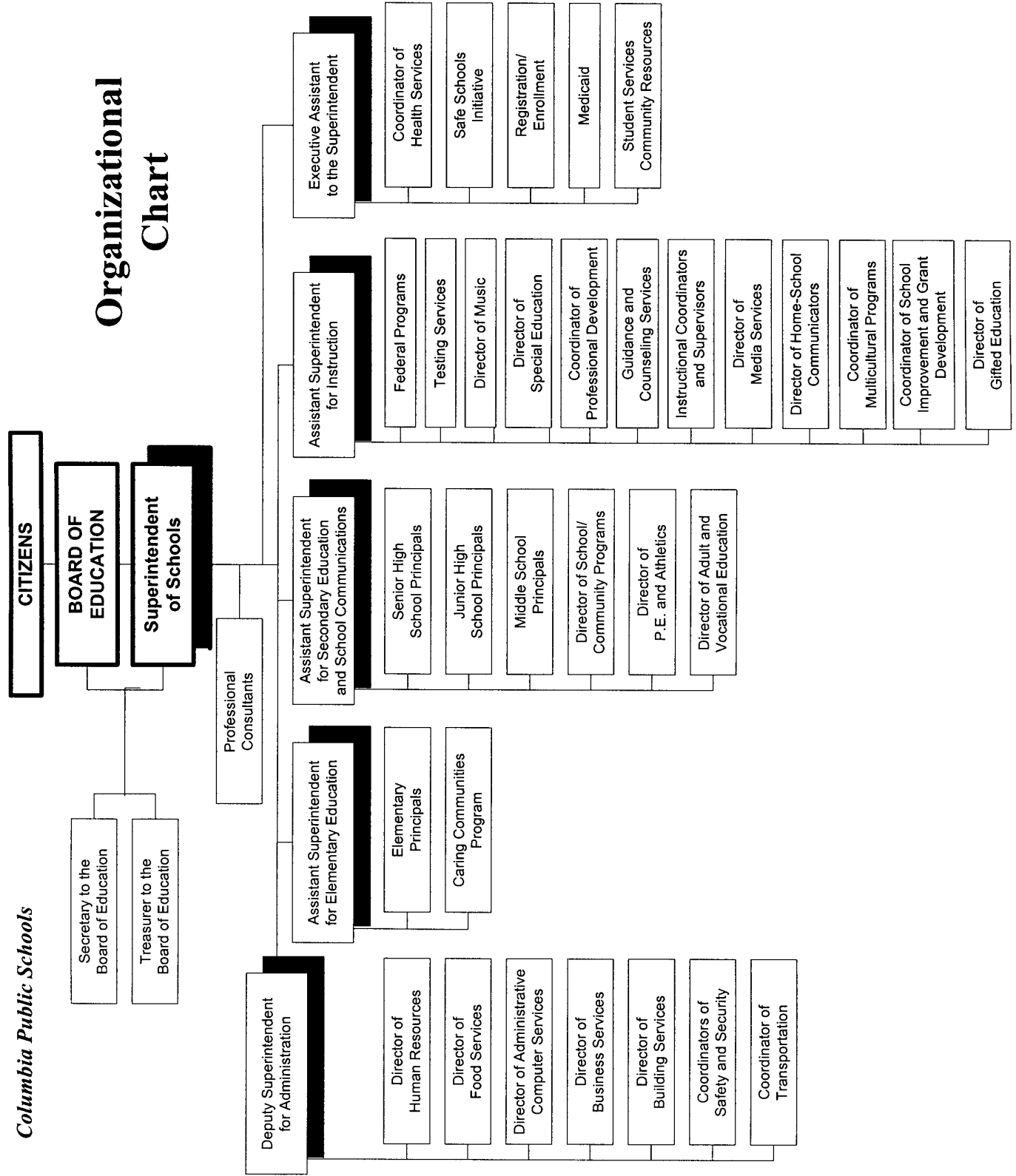
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# Organizational Chart





Dr. James R. Ritter  
Superintendent of Schools

916 Bernadette Drive (573) 886-2129

Columbia, Missouri 65203

October 1, 2002

Members, Board of Education  
Columbia Public School District  
Columbia, Missouri

The Comprehensive Annual Financial Report of the Columbia Public School District, Columbia, Missouri, for the fiscal year ended June 30, 2002, is presented on the following pages. The Columbia Public School District (the District) is governed by an elected seven member Board of Directors (the Board). The Board is the basic level of government, which has financial accountability and control over all activities related to K-12 public school education in the District. The Board is not included in any other governmental "reporting entity", as defined by Governmental Accounting Standards Board (GASB) pronouncements, since Board members are elected by the public and have decision making authority and primary accountability for fiscal matters. In addition, there are no component units which are included in the District's reporting entity. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the District as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the District's financial affairs have been included.

The report is presented in five sections: introductory, financial, statistical, state compliance, and single audit. The introductory section includes a listing of elected Board of Education members and District administrators, an organizational chart, and this transmittal letter. The financial section includes the auditors' report, the management's discussion and analysis, the basic financial statements and supplementary information. The statistical section includes selected financial and demographic information. The state compliance section includes financial statements presented in the manner required by the state and selected statistics. The single audit section includes information regarding the District's compliance with OMB Circular A-133 related to federal financial assistance received by the District. Standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements.

The report has been prepared by the District's Business Office following the requirements and guidelines contained in the GASB Codification of Governmental Accounting and Financial Reporting Standards. All of the District's activities and funds are presented in this report and have been audited by the District's Certified Public Accountants, Gerding, Korte & Chitwood, P.C. The auditors' opinion is unqualified again this year.

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

The area served by the Columbia Public School District encompasses 303 square miles and includes a population which is estimated to exceed 115,000. This area includes the City of Columbia with a population of approximately 85,000.

The Columbia Public School District was organized on January 7, 1873. The first high school opened in 1895 on the site where Jefferson Junior High School now stands and in 1909 a bond issue was voted for Columbia High School, now the original wing of the Jefferson Junior High School building. Today, the District includes eighteen elementary schools, three middle schools, three junior high schools, two senior high schools, one alternative school and one vocational school. A nineteenth elementary school is scheduled to open for the 2002-03 school year. Total enrollment (K-12) in the District is approximately 16,100 students. Enrollment growth reflects the growth of the community. For the period 1990 through

2000 overall enrollment of the District increased by 27%. Projections for the next five years indicate that student enrollment will stabilize at current levels.

The Columbia Public School District contracts with First Student, Inc. to provide transportation for eligible students to and from school and on school sponsored activity trips. Approximately 12,000 students are eligible to be transported to and from school on a daily basis. One hundred thirty-five (135) school buses are used in the transportation program. Most buses serve multiple routes.

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 child according to individual and unique needs.

### **Accounting System and Budgetary Control**

The District's accounting system for governmental funds reflects the modified accrual basis of accounting. The proprietary funds are maintained on an accrual basis of accounting. At the end of the year, the governmental funds are converted from the modified accrual basis to the accrual basis for presentation in district-wide financial statements. The District's budget and accounting records are maintained on the same basis of accounting. In developing the accounting system, consideration is given to the adequacy of internal accounting controls. We believe the District's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. However, the cost of internal controls should not outweigh the benefits and, therefore, the District's internal controls have been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. Again, as management we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Overall budgetary control is maintained at the fund level in accordance with Missouri statutes. Over expenditure of a fund's budget requires full disclosure and approval via board resolution. Budgetary variances at the function and object level are reported to the District's administration monthly.

The budget process is a twelve-month cycle. Beginning in July of each year (through December), administrators evaluate existing programs and solicit budget requests from site and departmental budget managers for the following year. In January and February, administrators compile and prioritize district needs based on budget requests received. During March and April, the administration presents initial revenue and expenditure projections to the Board of Education as preliminary budget information for the following fiscal year. In May, the preliminary information is formally presented to the Board of Education as a *proposed budget*. A public hearing is then held on the budget by the Board of Education. In June, the administration presents a final budget recommendation to the Board. A second public hearing is held by the Board of Education on the budget. The Board then votes on the adoption of the budget for the following fiscal year.

Budget amendments can, and will, be made periodically as additional information becomes available regarding revenue sources, such as revised estimates of the District's assessed valuation, the determination of the District's annual tax rate, grant submittals or approvals, or new information regarding expenditures is received.

### **Economic Condition**

Columbia is located midway between St. Louis and Kansas City at the crossroads of Interstate 70 and U.S. Highway 63. Medical and research facilities form a major portion of the Columbia economic base.



Five hospitals employ a significant portion of the Columbia area work force in medically related occupations. Columbia's medical facilities are comparable to those found in a typical city of nearly half a 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 (2.4% in July 2002).

### **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, School Building Needs and Attendance Boundaries, 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 a \$23.8 million authorization available for issuance, approved by the voters in April 2002. The first issue of this authorization will be issued in fiscal year 2003.

### **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 maximum contributions under present law that can be required of the District are 11.5% of teachers' salaries and 5.0% of non-teachers' salaries. The actual contribution rates currently 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 District has no responsibility for any unfunded liability in these state operated retirement programs.

### **Risk Management**

The District self-funded the medical benefits program in September of 1982. Administration of the program is handled by a third party administrator. Stop-loss protection is maintained by a policy purchased to cover specific claims in excess of \$250,000 per individual.

In addition to the medical benefits program, the District began to self-fund its workers compensation program in February of 1995. Administration of this program is handled by a third party administrator. Stop-loss protection is maintained by policies purchased to cover aggregate claims exceeding 155% of premiums and specific claims in excess of \$250,000.

The District began to self-fund its dental benefits program as of January 1, 1997. Due to the benefits limit of this program (\$1,500 per participant, annually) no additional stop-loss coverage is maintained.

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 units which publish a comprehensive annual financial report which is easily readable, efficiently organized and conforms to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

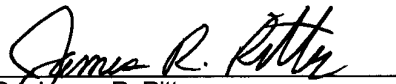
The awards are valid for a period of one year only. We believe our current report continues to conform to GFOA and ASBO requirements, and we will submit it for determination of its eligibility for renewed awards.

**Closing Statement**

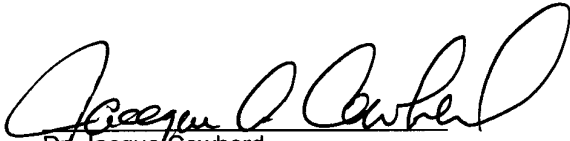
It is our intention that this Comprehensive Annual Financial Report will provide the District's management, outside investors, and interested local citizens with the most meaningful financial presentation possible. In this report, we are hopeful that all readers of the report will obtain a clear and concise picture of the District's financial condition as of June 30, 2002.

We want to express our appreciation to all staff members who assisted and contributed to the preparation of this report. We would also like to thank the members of the Board of Education for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

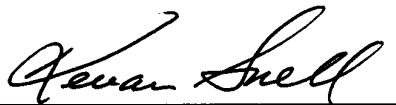
Respectfully submitted,



Dr. James R. Ritter,  
Superintendent



Dr. Jacques Cowherd,  
Deputy Superintendent for Administration



Kevan Snell,  
Director of Business Services

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

## ASSOCIATION OF SCHOOL BUSINESS OFFICIALS INTERNATIONAL



This Certificate of Excellence in Financial Reporting is presented to

### **Columbia Public School District**

For its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2001

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

*Clark J. Gohbell*

President

*Anna W. Miller*

Executive Director

# 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  
for the Fiscal Year Ended  
June 30, 2001

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Imelda Arce*  
President

*Jeffrey L. Esler*  
Executive Director

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2002**

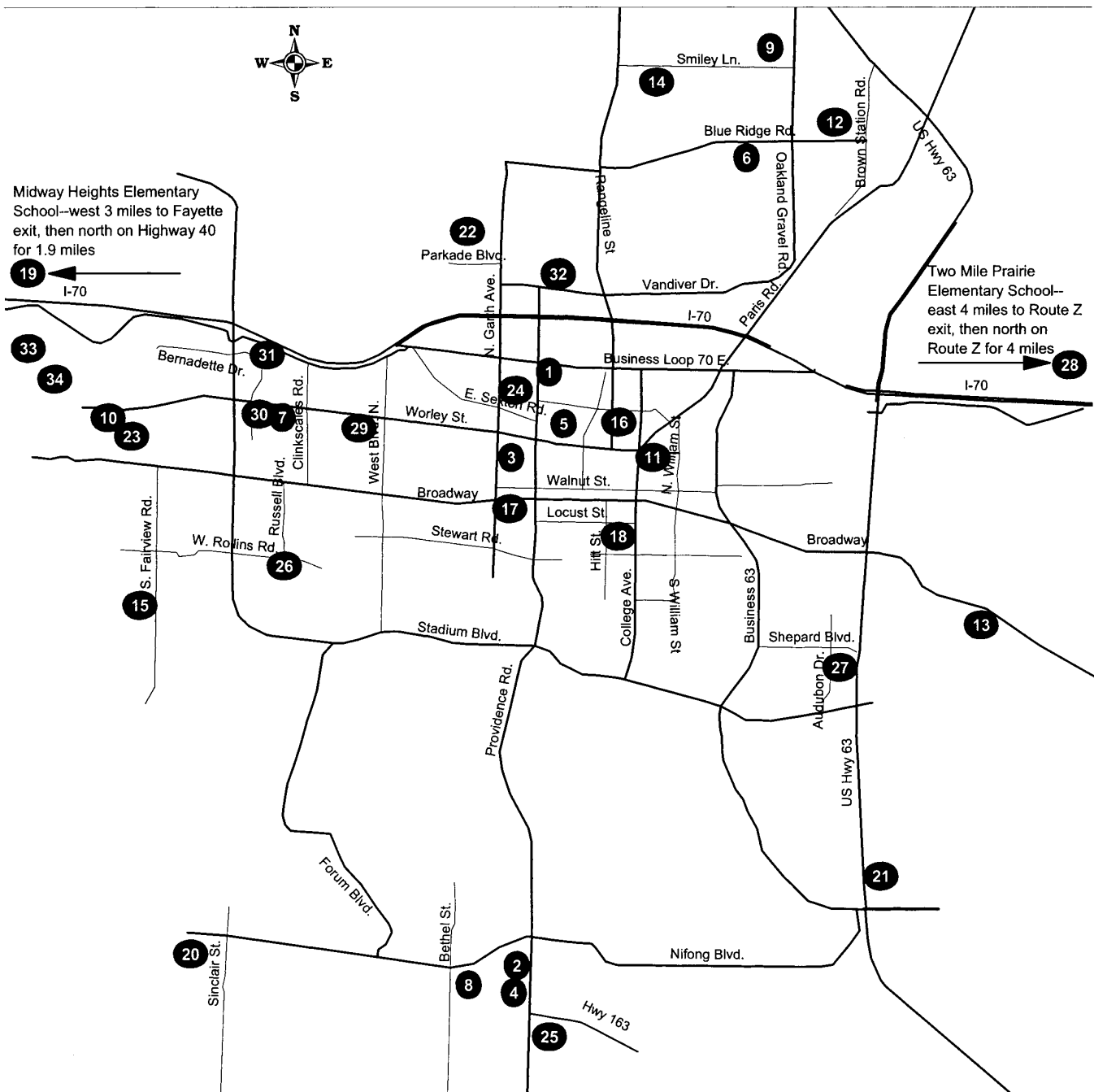
**COLUMBIA PUBLIC SCHOOL DISTRICT  
1818 West Worley  
Columbia, Missouri 65203**

**DISTRICT ADMINISTRATION**

Dr. James R. Ritter	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	Director of Student Services
Kevan Snell	Director of Business Services/ Treasurer to the Board of Education
Dr. Mary A. Laffey	Director of Human Resources
Dr. Kim Ratcliffe	Director of Special Education
Patricia Brooks	Director of Food Services

# Columbia Public School District

## School District Map



- |    |                              |    |                                  |    |  |
|----|------------------------------|----|----------------------------------|----|--|
| 1  | Hickman High School          | 12 | Blue Ridge Elementary School     | 24 | Ridgeway Elementary School                 |
| 2  | Rock Bridge High School      | 13 | Cedar Ridge Elementary School    | 25 | Rock Bridge Elementary School              |
| 3  | Douglass High School         | 14 | Derby Ridge Elementary School    | 26 | Russell Blvd. Elementary School            |
| 4  | Columbia Area Career Center  | 15 | Fairview Elementary School       | 27 | Shepard Blvd. Elementary School            |
| 5  | Jefferson Junior High School | 16 | Field Elementary School          | 28 | Two Mile Prairie Elementary School         |
| 6  | Oakland Junior High School   | 17 | Grant Elementary School          | 29 | West Blvd. Elementary School               |
| 7  | West Junior High School      | 18 | Lee Elementary School            | 30 | Administration Building                    |
| 8  | Gentry Middle School         | 19 | Midway Heights Elementary School | 31 | Business & Computer Services/Gifted Center |
| 9  | Lange Middle School          | 20 | Mill Creek Elementary School     | 32 | Vandiver District Services Building        |
| 10 | Smithton Middle School       | 21 | New Haven Elementary School      | 33 | Building Services                          |
| 11 | Benton Elementary School     | 22 | Parkade Elementary School        | 34 | Health Occupations                         |
|    |                              | 23 | Paxton Keeley Elementary School  |    |  |

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## ***Financial Section***



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## GERDING, KORTE & CHITWOOD

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

### INDEPENDENT AUDITORS' REPORT

Board of Education  
Columbia Public School District  
Columbia, Missouri

We have audited the accompanying basic financial statements of Columbia Public School District, Columbia, Missouri, as of and for the year ended June 30, 2002, as listed in the table of contents. These financial statements are the responsibility of Columbia Public School District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Columbia Public School District, Columbia, Missouri, as of June 30, 2002, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 17, the Columbia Public School District, Columbia, Missouri, has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, as of June 30, 2002.

In accordance with *Government Auditing Standards*, we have also issued a report dated September 26, 2002 on our consideration of the Columbia Public School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion thereon.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of the District, taken as a whole. The combining and individual fund statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the basic financial statements taken as a whole.

We did not audit the data included in the introductory and statistical sections of this report and, therefore, express no opinion thereon.

September 26, 2002

*Leidinger, Korte & Clithero*  
Certified Public Accountants

**COLUMBIA PUBLIC SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2002**

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.

This is the first year of implementing the new reporting model for the Columbia Public School District, as promulgated by the Governmental Accounting Standards Board (GASB) in its Statement No. 34, Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments, issued in June 1999. Certain comparative information between the current year and the prior year is required to be presented in this analysis. However, because this is the first year of implementing the new reporting model, certain necessary comparative information of the previous year was not prepared. Due to the financial resources necessary to prepare this information for the prior year and that GASB Statement No. 34 allows the omission of the comparative information in the year of implementation of the new reporting model, the District has omitted this information from this report. Future reports will include the comparative information.

**Financial Highlights**

- The total assets of the Columbia Public School District exceeded its liabilities at the end of the 2002 fiscal year by \$53,366,387 (net assets). Of this amount, \$14,489,241 (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 which is the District's only business-type activity, are \$1,114,438, with \$762,128 in unrestricted net assets.
- As of June 30, 2002, the governmental funds reported a combined ending fund balance of \$56,193,591, a decrease of \$1,269,129 from the prior year. Excluding the Capital Projects Fund, which decreased \$4,312,674, the fund balances for the remaining governmental funds increased \$3,043,545. The decrease in the Capital Projects Fund was planned and budgeted, primarily for the construction of a new elementary school.
- The combined unreserved fund balance for the General Fund and Teachers Fund is \$27,262,637, or 23.9% of the FY 02 expenditures of these funds.
- The net assets of the Internal Service Funds (established to account for the District's self-funded benefit programs) increased by \$1,248,744.
- The District issued \$10 million in general obligation bonds, the remainder of a \$35 million authorization approved by the voters in April 2000. District voters approved a \$23.8 million authorization in April 2002.

**Overview of the Financial Statements**

This section of the comprehensive annual financial report consists of three parts:

- management's discussion and analysis (this section),
- basic financial statements (district-wide and fund financial statements), including notes to the financial statements, and
- combining and individual fund statements and schedules.

**COLUMBIA PUBLIC SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2002**

The basic financial statements consist of two different kinds of statements that present different views of the District's financial activities.

- District-wide financial statements – these financial statements provide information about the District's overall financial status both short-term (the recently completed fiscal year) and long-term. The district-wide statements include the Statement of Net Assets and Statement of Activities.
- Fund financial statements - these financial statements focus on individual funds of the District and report the District's operations in more detail than the district-wide statements.

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.

<b>Table 1</b>				
<b>Major Features of the District-Wide and Fund Financial Statements</b>				
	District-wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance	Activities the district operates similar to private businesses, such as food services	Instances in which the district administers resources on behalf of someone else, such as student groups
Required financial statements	<ul style="list-style-type: none"> <li>• Statement of net assets</li> <li>• Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance sheet</li> <li>• Statement of revenues, expenditures, and changes in fund balances</li> <li>• Statement of revenues, expenditures, and changes in fund balances-budget and actual</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of net assets</li> <li>• Statement of revenues expenses, and changes in net assets</li> <li>• Statement of cash flows</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of fiduciary net assets</li> <li>• Statement of changes in fiduciary net assets, except for agency funds</li> </ul>
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/out flow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

**COLUMBIA PUBLIC SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2002**

**District-wide Statements**

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The two district-wide statements report the District's 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, respectively.
- To assess the District's overall financial position, additional non-financial factors, such as changes in the District's property tax base and the condition of its school buildings and other facilities, should be considered.

In the district-wide financial statements, the District's activities are divided into two categories:

- Governmental activities – Most of the District's basic services are included here, such as regular, vocational and special education, support services including operation of plant, transportation, community services and administration. Property taxes and state formula aid finance most of these activities.
- Business-type activities – The District charges fees and receives federal and state reimbursements to cover the costs of its food services operation. The financial activity of this program is reported as a business-type activity.

**Fund Financial Statements**

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds, not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by state law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debt) or to show that it is properly using certain revenues (such as grants and bond issue proceeds).

The District has three kinds of funds:

- Governmental funds – Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.
- Proprietary funds – The Food Services Fund, an activity for which the District charges a fee and for which revenues are expected to cover all expenses, is reported as a proprietary fund. Proprietary funds are reported in the same way as the district-wide statements.

**COLUMBIA PUBLIC SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2002**

- Fiduciary fund – The District serves as an agent, or fiduciary, and accounts for assets that belong to student groups in the fiduciary fund. The District is responsible for ensuring that the assets reported in this fund are used only for their intended purpose and to whom the assets belong. The District excludes this fund from the district-wide financial statements because it cannot use these assets to finance its operations.

**Financial Analysis of the District as a Whole**

Table 2 provides a summary of the District's net assets for the year ended June 30, 2002.

Table 2 Condensed Statement of Net Assets June 30, 2002 (In Thousands)			
	<b>Governmental Activities</b>	<b>Business- type Activities</b>	<b>Total</b>
Current and Other Assets	\$ 133,751	\$ 987	\$ 134,738
Capital Assets	<u>115,670</u>	<u>352</u>	<u>116,022</u>
Total Assets	<u>249,421</u>	<u>1,339</u>	<u>250,760</u>
Current Liabilities	76,796	127	76,923
Noncurrent Liabilities	<u>120,373</u>	<u>97</u>	<u>120,470</u>
Total Liabilities	<u>197,169</u>	<u>224</u>	<u>197,393</u>
Investment in Capital Assets, Net of Related Debt	13,834	352	14,186
Restricted for:			
Debt Service	9,814	-	9,814
Capital Projects	1,203	-	1,203
Teachers Salaries and Benefits	11,813	-	11,813
Other	1,861	-	1,861
Unrestricted	<u>13,727</u>	<u>762</u>	<u>14,489</u>
Total Net Assets	\$ <u>52,252</u>	\$ <u>1,114</u>	\$ <u>53,366</u>

The District's total net assets were \$53.4 million, as of June 30, 2002. Of this amount, \$14.4 million is unrestricted. The net assets of the District's only business-type activities, the food services program, were \$1.1 million as of June 30, 2002, with \$762,000 in unrestricted net assets.

**COLUMBIA PUBLIC SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2002**

Total net assets increased by \$3.9 million for the year ended June 30, 2002, representing an increase of 7.9%. Governmental activities were responsible for this improvement in the District's financial position with an increase in net assets of \$3.8 million, or 7.9% growth for the year. Business-type activities increased in net assets \$80,000, or 7.7% during fiscal year 2002.

Table 3 provides a summary of the changes in net assets for the year ended June 30, 2002.

Table 3 Changes In Net Assets from Operating Results Year Ended June 30, 2002 (In Thousands)			
	<u>Governmental Activities</u>	<u>Business- type Activities</u>	<u>Total</u>
<b>Revenues:</b>			
Program Revenues:			
Charges for Services	\$ 2,612	\$ 2,629	\$ 5,241
Operating Grants and Contributions	26,699	2,017	28,716
Capital Grants and Contributions	988	-	988
General Revenues:			
Property Taxes	60,302	-	60,302
Federal and State Aid	27,317	-	27,317
Other	17,334	-	17,334
<b>Total Revenues</b>	<u>135,252</u>	<u>4,646</u>	<u>139,898</u>
<b>Expenses:</b>			
Instruction	74,051	-	74,051
Support Services			
Pupil/Instructional Support	16,810		16,810
Administration	10,439	-	10,439
Operation of plant	13,477	-	13,477
Pupil Transportation	4,921	-	4,921
Adult Education	2,175	-	2,175
Other	3,352	-	3,352
Interest Payments	6,196	-	6,196
Food Services	-	4,566	4,566
<b>Total Expenses</b>	<u>131,421</u>	<u>4,566</u>	<u>135,987</u>
<b>Increase (decrease) in net assets</b>	<u>\$ 3,831</u>	<u>\$ 80</u>	<u>\$ 3,911</u>



**COLUMBIA PUBLIC SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2002**

**Governmental and Business-type Activities**

As shown in Table 3, general revenues provide 77.6% of the funding required 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 57.5% of general revenues coming from local property taxes.

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

- The District had identified a number of maintenance projects and "one-time needs" projects to be performed during the 2001-02 school year. Many of these projects were not scheduled, and will be funded, if appropriate, through scheduled renovation projects, paid from the Capital Projects Fund, in future years. This added \$1,196,754 to the General Fund's positive variance.
- The District also budgets each year for special maintenance projects and contingencies. This past year, funds were not entirely used in this area, creating a positive variance of \$357,673.
- Several departments did not spend the amount budgeted and/or contracted services were not needed, to the extent budgeted, creating a positive budget variance of \$444,231.
- Property tax collections, both current and delinquent exceeded budgeted amounts for fiscal year 2002 by a total of approximately \$444,400. The collection ratio for current property taxes exceeded the three year collection average by .46% (95.30% for 2002 versus 94.84% for the preceding three years).
- The District received a settlement of \$131,635 (net) as a result of a class action lawsuit related to defective siding on mobile classrooms owned and used by the District in its operations. These funds were placed into the Capital Projects Fund.
- The District received additional Medicaid reimbursement of \$247,000 through increased recordkeeping efforts and by using a consultant to file the necessary reimbursement forms.
- The District has a cost-sharing arrangement with its pupil transportation vendor for the cost of gasoline (the first \$.54 is paid by the contractor, the District pays the cost in excess of \$.54). Due to the price of gasoline during the 2001-02 school year the amount spent was under budget (positive) by approximately \$122,000.
- The District's nonmajor funds contributed to the overall financial improvement of the District, with the Grants and Donations Fund improving its fund balance for the year by \$62,303 and the Adult Education Fund improving by \$104,437.

Table 4 presents the cost of each of the major district governmental and business-type activities: instruction, pupil support services, administration, other support services, debt service, depreciation, food services program and other expenses. The table also shows each activity's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

**COLUMBIA PUBLIC SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2002**

Table 4 <b>Net Cost of Governmental and Business-type Activities For Year Ended June 30, 2002</b> (In Thousands)		
	<b>Total Cost of Services <u>2002</u></b>	<b>Net Cost of Services <u>2002</u></b>
<b>Governmental Activities</b>		
Instruction	\$ 74,051	\$ 52,098
Pupil/Instructional Support	16,810	15,870
Administration	10,439	9,967
Operation of plant	13,477	13,323
Pupil Transportation	4,921	2,155
Adult Education	2,175	(60)
Interest Payments	6,196	6,196
Other	3,352	1,573
Total Governmental Activities	131,421	101,122
<b>Business-type Activities</b>		
Food Services Program	4,566	(80)
<b>Total</b>	\$ 135,987	\$ 101,042

Table 4 provides the following highlights:

- The total cost of all governmental activities for fiscal year 2002 was \$131.4 million.
- Instruction represents 56.3% of the total cost of all governmental activities of the District.
- Pupil/Instructional Support Services (this area includes Guidance, Media Services – Library, Health/Psychology/Speech services and attendance services) represents 12.8% of the total cost of all governmental activities of the District.
- Administration (includes Board of Education, District, Building and Business Services) represents 7.9% of the total cost of all governmental activities.
- The net cost of all governmental activities was \$101.1 million, with \$30.3 million of the total cost being financed by revenues generated by the governmental activities.
- For business-type activities, the food services program, revenues exceeded expenses by \$80,000.
- Charges for services in the food services program represent \$2.6 million, or 57.6% of the total expenses of the program.
- Operating grants and contributions for the food services program, which includes federal and state aid, including payment for free and reduced meals and commodities totaled \$2.0 million, or 42.6% of the total expenses of the program.

**COLUMBIA PUBLIC SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2002**

**Financial Analysis of the District's Funds**

The strong financial performance of the District as a whole is reflected in its governmental funds as well. The District completed the year with a total governmental fund balance of \$56,193,591. This is a decrease of \$1,269,129 from the previous year. However, excluding the Capital Projects Fund, which decreased by \$4,312,674, the fund balances of the remaining governmental funds increased by \$3,043,545. The decrease in the Capital Projects Fund was planned and budgeted, primarily for the construction of a new elementary school, due to open for the 2002-03 school year.

The District budgeted a surplus in the General Fund of \$1,006,336, but ended the year with a surplus of \$3,539,689, or a positive variance of \$2,533,353. This significant variance (positive) from the final budget was primarily as a result of three factors:

- The District had identified a number of maintenance projects and "one-time needs" projects and included in the budget for fiscal 2002. During this past year some of these projects were not scheduled, or have since been scheduled to be completed with other renovation projects and financed with capital projects funds, in future years. In addition, the District budget for special maintenance projects and contingencies also created a positive variance. Combined, these factors added \$1,554,427 to the balances in the General Fund, and
- Departments not spending the amount budgeted and creating a positive variance in the amount of \$444,231, which by policy, appropriations lapse at year-end.

The Teachers Fund, while incurring a deficit, which was budgeted, did end the year with a positive variance compared to the final budget. The District had budgeted a deficit in the Teachers Fund of \$2,795,955, but ended the year with a deficit of \$2,620,445, or a positive variance of \$117,830.

The fund balance in the Debt Service Fund also increased for the year. The final budget reflected a projected increase in the balance of the Debt Service Fund by \$1,590,970. However, this amount was also exceeded with a positive variance of \$424,271, or a total increase of \$2,015,241 in fund balance. This positive variance was primarily due to increased tax collections and interest earned on a crossover refunding of two bond issues.

**General Fund Budgetary Highlights**

The District adopts a "final" budget in June each year for the following fiscal year. However, it is anticipated that budget amendments will be made periodically as additional information becomes available. Generally, the original budget is amended two or three times a year. For fiscal year 2002, the budget for the General Fund was amended on two occasions for the following reasons:

- Increased revenues due to new information being received regarding processing of Medicaid reimbursements (\$425,000).
- Increased current property tax revenues as a result of the increase in tax collections, although this was partially offset by a reduction in the tax levy due to reassessment (\$234,665).
- Increased the salaries and benefits budget for additional staffing, and for reserves of the medical and dental benefits programs (\$674,422).
- Increased the Board Services budget to cover legal expenses for several pending legal matters (\$175,000).
- Increased the Operation of Plant budget to schedule maintenance and repair projects from the prior year that were completed (\$559,796).

**COLUMBIA PUBLIC SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2002**

The above items were the more significant items amended in the General Fund budget for fiscal year 2002. The original budget, as approved in June 2001, had a surplus of \$2,102,326. The final budget, as amended, had a surplus of \$1,006,336. However, as explained previously, the General Fund ended the year with a positive variance of \$2,475,673.

**Capital Assets**

As of June 30, 2002, the District had \$115,670,491, net of depreciation in governmental activities invested in land, buildings and equipment and \$352,310, net of depreciation in business-type activities invested in furniture and equipment. This also includes construction in progress of \$12,944,332 as of year-end, which primarily consisted of the new elementary school scheduled for opening for the 2002-03 school year. (More detailed information regarding capital assets can be found in the notes to the financial statements, Note 10).

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, 2002.

Table 5 Capital Assets June 30, 2002 (Net of Depreciation, In Thousands)			
	<b><u>Governmental Activities</u></b>	<b><u>Business- type Activities</u></b>	<b><u>Total</u></b>
Land	\$ 3,874	\$ -	\$ 3,874
Construction in Progress	12,944	-	12,944
Buildings	95,007	-	95,007
Mobile Classrooms	1,465	-	1,465
Equipment and Furniture	2,380	352	2,732
<b>Total</b>	<b>\$ 115,670</b>	<b>\$ 352</b>	<b>\$ 116,022</b>

**Debt Administration**

As of June 30, 2002, the District had \$119,225,000 in general obligation bonds outstanding. The District issued \$10 million in general obligation bonds, dated March 1, 2002, which was the remainder of a \$35 million authorization approved by the voters in April 2000. (More detailed information regarding long-term debt can be found in the notes to the financial statements, Note 9).

In addition, the District has \$23.8 million in bonds authorized but unissued, as approved by the voters in April 2002. These bonds are scheduled to be sold in fiscal year 2003 (\$15 million) and fiscal year 2004 (\$8.8 million).

The outstanding general obligation bonds of the District have a Moody's rating of Aa2.

**COLUMBIA PUBLIC SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2002**

**Contacting the District's Financial Management**

This financial report is designed to provide a general overview of the Columbia Public School District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the office of the Director of Business Services, Columbia Public School District, 916 Bernadette Drive, Columbia, MO 65203

## **BASIC FINANCIAL STATEMENTS**

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**COLUMBIA PUBLIC SCHOOL DISTRICT  
STATEMENT OF NET ASSETS  
JUNE 30, 2002**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 4,222,607	\$ 605,822	\$ 4,828,429
Investments	56,376,695	-	56,376,695
Receivables (Net of Allowance for Uncollectibles)			
Local	66,073,856	-	66,073,856
County	719,898	-	719,898
State	1,459,689	-	1,459,689
Federal	415,698	249,460	665,158
Other	200,871	-	200,871
Inventories	339,027	128,792	467,819
Prepaid Expenses	186,933	2,418	189,351
Restricted Assets			
Investment with Fiscal Agent - Refunding Escrow	3,755,442	-	3,755,442
Capital Assets (Net of Accumulated Depreciation)			-
Land	3,873,710	-	3,873,710
Construction in Progress	12,944,332	-	12,944,332
Buildings	95,007,603	-	95,007,603
Mobile Classrooms	1,464,524	-	1,464,524
Furniture and Equipment	2,380,322	352,310	2,732,632
Total Assets	249,421,207	1,338,802	250,760,009
<b>LIABILITIES</b>			
Accounts Payable	5,396,132	1,013	5,397,145
Accrued Salaries and Payroll Taxes	5,250,241	23,934	5,274,175
Accrued Interest Payable	2,085,604	-	2,085,604
Deferred Revenue	64,063,647	101,959	64,165,606
Noncurrent Liabilities			
Due within One Year	5,495,000	-	5,495,000
Due in More than One Year	111,073,634	97,458	111,171,092
Liabilities Payable from Restricted Assets	3,805,000	-	3,805,000
Total Liabilities	197,169,258	224,364	197,393,622
<b>NET ASSETS</b>			
Investment in Capital Assets, Net of Related Debt	13,833,760	352,310	14,186,070
Restricted for:			
Debt Service	9,814,342	-	9,814,342
Capital Projects	1,202,973	-	1,202,973
Teachers Salaries and Benefits	11,813,265	-	11,813,265
Other	1,860,496	-	1,860,496
Unrestricted	13,727,113	762,128	14,489,241
Total Net Assets	\$ 52,251,949	\$ 1,114,438	\$ 53,366,387

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



**COLUMBIA PUBLIC SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2002**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Charges for Services</b>
<b>Governmental Activities</b>		
Instruction		
Regular Instruction	\$ 51,648,524	\$ 317,687
Special Education	17,902,735	-
Vocational Instruction	3,399,091	105,250
Student Activities - Athletics	775,348	135,765
Tuition to Other Districts	325,486	24,373
Total Instruction	<u>74,051,184</u>	<u>583,075</u>
Support Services		
Attendance	153,602	-
Guidance and Counseling	4,907,155	-
Health and Ancillary Services	2,544,079	30,000
Improvement of Instruction	2,286,164	-
Media Services	6,918,783	8,332
Board Services	352,086	-
General Administration	1,531,762	-
Building Administration	7,063,174	-
Business, Central Services	1,492,325	-
Operation of Plant	13,477,311	154,781
Pupil Transportation	4,920,751	-
Adult Education	2,175,298	1,176,164
Community Services	3,351,898	659,799
Total Support Services	<u>51,174,388</u>	<u>2,029,076</u>
Non-Instruction/Support Services		
Interest Payments, Bonds	6,195,765	-
Total Non-Instruction/Support Services	<u>6,195,765</u>	<u>-</u>
Total Governmental Activities	<u>131,421,337</u>	<u>2,612,151</u>
<b>Business-Type Activities</b>		
Food Services	4,566,258	2,628,678
Total Business-Type Activities	<u>4,566,258</u>	<u>2,628,678</u>
Totals	<u>\$ 135,987,595</u>	<u>\$ 5,240,829</u>

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

Program Revenues		Net (Expenses) Revenues and Changes in Net Assets		
Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- Type Activities	Total
\$ 8,996,455	\$ 6,548	\$ (42,327,834)	\$ -	\$ (42,327,834)
10,870,677	-	(7,032,058)	-	(7,032,058)
753,036	482,371	(2,058,434)	-	(2,058,434)
-	260,808	(378,775)	-	(378,775)
-	-	(301,113)	-	(301,113)
<u>20,620,168</u>	<u>749,727</u>	<u>(52,098,214)</u>		<u>(52,098,214)</u>
-	-	(153,602)	-	(153,602)
195,183	60,642	(4,651,330)	-	(4,651,330)
90,000	-	(2,424,079)	-	(2,424,079)
382,280	-	(1,903,884)	-	(1,903,884)
24,161	149,010	(6,737,280)	-	(6,737,280)
-	-	(352,086)	-	(352,086)
19,000	-	(1,512,762)	-	(1,512,762)
452,988	-	(6,610,186)	-	(6,610,186)
-	-	(1,492,325)	-	(1,492,325)
-	-	(13,322,530)	-	(13,322,530)
2,766,379	-	(2,154,372)	-	(2,154,372)
1,029,742	28,904	59,512	-	59,512
1,118,657	-	(1,573,442)	-	(1,573,442)
<u>6,078,390</u>	<u>238,556</u>	<u>(42,828,366)</u>		<u>(42,828,366)</u>
-	-	(6,195,765)	-	(6,195,765)
-	-	(6,195,765)	-	(6,195,765)
<u>26,698,558</u>	<u>988,283</u>	<u>(101,122,345)</u>		<u>(101,122,345)</u>
2,017,612	-	-	80,032	80,032
<u>2,017,612</u>	<u>-</u>	<u>-</u>	<u>80,032</u>	<u>80,032</u>
<u>\$ 28,716,170</u>	<u>\$ 988,283</u>	<u>(101,122,345)</u>	<u>80,032</u>	<u>(101,042,313)</u>
General Revenues				
Taxes				
Property Taxes, Levied for General Purposes		49,623,838	-	49,623,838
Property Taxes, Levied for Debt Services		10,424,431	-	10,424,431
Property Taxes, Levied for Capital Projects		253,872	-	253,872
Other Taxes		14,885,189	-	14,885,189
Federal and State Aid Not Restricted to Specific Purposes				
General		27,317,398	-	27,317,398
Interest and Investment Earnings		1,728,418	-	1,728,418
Miscellaneous		719,863	-	719,863
Total, General Revenues		<u>104,953,009</u>	<u>-</u>	<u>104,953,009</u>
Changes in Net Assets		3,830,664	80,032	3,910,696
Net Assets, July 1		48,421,285	1,034,406	49,455,691
Net Assets, June 30		<u>\$ 52,251,949</u>	<u>\$ 1,114,438</u>	<u>\$ 53,366,387</u>

**COLUMBIA PUBLIC SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2002**

	<u>General</u>	<u>Teachers</u>	<u>Debt Service</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 384,449	\$ -	\$ 2,713,517
Investments	16,201,892	14,526,749	5,238,084
Receivables (Net of Allowance for Uncollectibles)			
Local	19,677,991	35,158,545	11,102,240
County	-	719,898	-
State	720,361	645,575	-
Federal	286,265	78,348	-
Other	87,437	-	-
Inventories	339,027	-	-
Prepaid Expenditures	183,939	-	-
Restricted Assets			
Investments with Fiscal Agent - Refunding Escrow	-	-	3,755,442
Total Assets	<u>37,881,361</u>	<u>51,129,115</u>	<u>22,809,283</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Accounts Payable	2,265,233	117,121	-
Accrued Salaries and Payroll Taxes	738,977	4,442,967	-
Deferred Revenue	18,483,391	35,177,184	11,044,736
Total Liabilities	<u>21,487,601</u>	<u>39,737,272</u>	<u>11,044,736</u>
Fund Balances			
Reserved for			
Debt Service	-	-	3,755,442
Inventories	339,027	-	-
Prepaid Expenditures	183,939	-	-
Unreserved Reported in			
General Fund	15,870,794	-	-
Special Revenue Funds	-	11,391,843	-
Debt Service Fund	-	-	8,009,105
Capital Projects Fund	-	-	-
Total Fund Balances	<u>16,393,760</u>	<u>11,391,843</u>	<u>11,764,547</u>
Total Liabilities and Fund Balances	<u>\$ 37,881,361</u>	<u>\$ 51,129,115</u>	<u>\$ 22,809,283</u>

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

**Governmental Fund Types**

<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ 1,450	\$ 3,099,416
16,732,983	1,835,237	54,534,945
135,080	-	66,073,856
-	-	719,898
-	93,753	1,459,689
-	51,085	415,698
91,097	22,337	200,871
-	-	339,027
-	2,994	186,933
-	-	3,755,442
<u>16,959,160</u>	<u>2,006,856</u>	<u>130,785,775</u>
2,041,835	70,866	4,495,055
-	68,297	5,250,241
134,380	7,197	64,846,888
<u>2,176,215</u>	<u>146,360</u>	<u>74,592,184</u>
-	-	3,755,442
-	-	339,027
-	2,994	186,933
-	-	15,870,794
-	1,857,502	13,249,345
-	-	8,009,105
14,782,945	-	14,782,945
<u>14,782,945</u>	<u>1,860,496</u>	<u>56,193,591</u>
\$ <u>16,959,160</u>	\$ <u>2,006,856</u>	

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

Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and, therefore are not reported in the funds	115,670,491
Other long-term assets are not available to pay for current-period expenditures and, therefore are deferred in the funds	783,241
Internal service funds are used by management to charge the costs of providing employee benefits to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets	2,063,864
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.	<u>(122,459,238)</u>
Net assets of governmental activities	\$ <u>52,251,949</u>

**COLUMBIA PUBLIC SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2002**

	<b>General</b>	<b>Teachers</b>
<b>REVENUES</b>		
Local	\$ 26,639,413	\$ 37,790,641
County	795,006	559,034
State	15,712,420	27,582,415
Federal	2,770,005	3,072,581
Tuition Other Districts	51,625	71,195
Total Revenues	45,968,469	69,075,866
<b>EXPENDITURES</b>		
Current		
Instruction		
Regular Instruction	8,097,967	42,780,823
Special Instruction	4,642,136	13,364,086
Vocational Instruction	735,019	2,200,825
Student Activities - Athletics	423,947	352,453
Tuition Other Districts	-	325,486
Total Instruction	13,899,069	59,023,673
Pupil Support Services		
Attendance	156,343	-
Guidance and Counseling	1,878,300	2,745,923
Health and Ancillary Services	1,556,899	908,353
Improvement of Instruction	980,691	1,100,613
Media Services	1,950,962	1,684,257
Total Support Services	6,523,195	6,439,146
Administration		
Board Services	352,086	-
General Administration	691,976	863,527
Building Administration	2,652,222	4,488,624
Business, Central Services	1,395,704	106,611
Total Administration	5,091,988	5,458,762
Other		
Operation of Plant	11,054,067	-
Pupil Transportation	4,921,314	-
Adult Education	6,604	45,636
Community Services	932,543	786,774
Total Other	16,914,528	832,410
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	42,428,780	71,753,991
<b>EXCESS (DEFICIT) REVENUES OVER EXPENDITURES</b>	3,539,689	(2,678,125)
<b>OTHER FINANCING SOURCES (USES)</b>		
General Obligation Bonds Issued	-	-
Transfers In	-	57,680
Transfers Out	(57,680)	-
<b>EXCESS (DEFICIT) REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	3,482,009	(2,620,445)
<b>FUND BALANCES, JULY 1, AS RESTATED (NOTE 14)</b>	12,911,751	14,012,288
<b>FUND BALANCES, JUNE 30</b>	\$ 16,393,760	\$ 11,391,843

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

**Governmental Fund Types**

	<b>Debt Service</b>	<b>Capital Projects</b>	<b>Other Funds</b>	<b>Total Governmental Funds</b>
\$	11,059,250	\$ 854,263	\$ 2,590,339	\$ 78,933,906
	283,993	7,911	-	1,645,944
	1,270,258	158,562	2,729,995	47,453,650
	-	-	1,512,542	7,355,128
	-	-	-	122,820
	<u>12,613,501</u>	<u>1,020,736</u>	<u>6,832,876</u>	<u>135,511,448</u>
	-	-	1,407,340	52,286,130
	-	-	154,343	18,160,565
	-	-	489,218	3,425,062
	-	-	-	776,400
	-	-	-	325,486
	<u>-</u>	<u>-</u>	<u>2,050,901</u>	<u>74,973,643</u>
	-	-	-	156,343
	-	-	335,382	4,959,605
	-	-	104,431	2,569,683
	-	-	222,907	2,304,211
	-	-	164,775	3,799,994
	<u>-</u>	<u>-</u>	<u>827,495</u>	<u>13,789,836</u>
	-	-	-	352,086
	-	-	-	1,555,503
	-	-	-	7,140,846
	-	-	-	1,502,315
	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,550,750</u>
	-	-	4,768	11,058,835
	-	-	-	4,921,314
	-	-	2,135,281	2,187,521
	-	-	1,647,691	3,367,008
	<u>-</u>	<u>-</u>	<u>3,787,740</u>	<u>21,534,678</u>
	4,745,000	-	-	4,745,000
	5,853,260	-	-	5,853,260
	<u>10,598,260</u>	<u>-</u>	<u>-</u>	<u>10,598,260</u>
	-	4,020,180	-	4,020,180
	-	79,420	-	79,420
	-	1,197,014	-	1,197,014
	-	10,036,796	-	10,036,796
	<u>-</u>	<u>15,333,410</u>	<u>-</u>	<u>15,333,410</u>
	<u>10,598,260</u>	<u>15,333,410</u>	<u>6,666,136</u>	<u>146,780,577</u>
	2,015,241	(14,312,674)	166,740	(11,269,129)
	-	10,000,000	-	10,000,000
	-	-	-	57,680
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(57,680)</u>
	2,015,241	(4,312,674)	166,740	(1,269,129)
	<u>9,749,306</u>	<u>19,095,619</u>	<u>1,693,756</u>	<u>57,462,720</u>
\$	<u><u>11,764,547</u></u>	\$ <u><u>14,782,945</u></u>	\$ <u><u>1,860,496</u></u>	\$ <u><u>56,193,591</u></u>

**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, 2002**

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

Net change in fund balances of total governmental funds	\$	(1,269,129)
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		9,752,252
Revenues in the Statement of Activities that do not provide current financial resources are not reported in the funds		(259,447)
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		(5,255,000)
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		(342,505)
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		(44,251)
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		<u>1,248,744</u>
Change in net assets of governmental activities	\$	<u><u>3,830,664</u></u>

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

**COLUMBIA PUBLIC SCHOOL DISTRICT  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2002**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Local	\$ 26,237,311	\$ 26,383,704	\$ 26,639,413	\$ 255,709
County	864,687	732,999	795,006	62,007
State	16,211,706	16,163,336	15,712,420	(450,916)
Federal	2,324,502	2,811,497	2,770,005	(41,492)
Tuition Other Districts	41,750	41,750	51,625	9,875
Total Revenues	<u>45,679,956</u>	<u>46,133,286</u>	<u>45,968,469</u>	<u>(164,817)</u>
<b>EXPENDITURES</b>				
Current				
Instruction				
Regular Instruction	8,359,812	8,368,629	8,097,967	270,662
Special Instruction	4,370,103	4,680,248	4,642,136	38,112
Vocational Instruction	918,362	919,162	735,019	184,143
Student Activities - Athletics	498,571	498,571	423,947	74,624
Total Instruction	<u>14,146,848</u>	<u>14,466,610</u>	<u>13,899,069</u>	<u>567,541</u>
Pupil Support Services				
Attendance	176,334	180,174	156,343	23,831
Guidance and Counseling	1,802,237	1,831,677	1,878,300	(46,623)
Health and Ancillary Services	1,383,201	1,542,281	1,556,899	(14,618)
Improvement of Instruction	1,094,439	1,124,839	980,691	144,148
Media Services	1,893,828	1,914,308	1,950,962	(36,654)
Total Support Services	<u>6,350,039</u>	<u>6,593,279</u>	<u>6,523,195</u>	<u>70,084</u>
Administration				
Board Services	184,905	359,905	352,086	7,819
General Administration	827,011	836,131	691,976	144,155
Building Administration	2,496,898	2,550,541	2,652,222	(101,681)
Business, Central Services	1,407,251	1,439,411	1,395,704	43,707
Total Administration	<u>4,916,065</u>	<u>5,185,988</u>	<u>5,091,988</u>	<u>94,000</u>
Other				
Operation of Plant	12,146,051	12,858,126	11,054,067	1,804,059
Pupil Transportation	5,146,216	5,147,016	4,921,314	225,702
Adult Education	8,405	8,405	6,604	1,801
Community Services	864,006	867,526	932,543	(65,017)
Total Other	<u>18,164,678</u>	<u>18,881,073</u>	<u>16,914,528</u>	<u>1,966,545</u>
Total Expenditures	<u>43,577,630</u>	<u>45,126,950</u>	<u>42,428,780</u>	<u>2,698,170</u>
<b>EXCESS (DEFICIT) REVENUES OVER EXPENDITURES</b>	2,102,326	1,006,336	3,539,689	2,533,353
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	(57,680)	(57,680)
<b>EXCESS (DEFICIT) REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	2,102,326	1,006,336	3,482,009	2,475,673
<b>FUND BALANCE, JULY 1, AS RESTATED (NOTE 14)</b>	<u>12,911,751</u>	<u>12,911,751</u>	<u>12,911,751</u>	-
<b>FUND BALANCE, JUNE 30</b>	<u>\$ 15,014,077</u>	<u>\$ 13,918,087</u>	<u>\$ 16,393,760</u>	<u>\$ 2,475,673</u>

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



**COLUMBIA PUBLIC SCHOOL DISTRICT  
TEACHERS FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2002**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Local	\$ 36,237,619	\$ 37,562,298	\$ 37,790,641	\$ 228,343
County	1,188,433	548,374	559,034	10,660
State	27,668,714	27,668,714	27,582,415	(86,299)
Federal	3,441,797	3,594,498	3,072,581	(521,917)
Tuition Other Districts	72,750	72,750	71,195	(1,555)
Total Revenues	<u>68,609,313</u>	<u>69,446,634</u>	<u>69,075,866</u>	<u>(370,768)</u>
<b>EXPENDITURES</b>				
Current				
Instruction				
Regular Instruction	42,475,528	43,293,999	42,780,823	513,176
Special Instruction	12,717,270	13,377,710	13,364,086	13,624
Vocational Instruction	1,890,884	1,923,044	2,200,825	(277,781)
Student Activities - Athletics	341,526	342,486	352,453	(9,967)
Tuition Other Districts	250,000	250,000	325,486	(75,486)
Total Instruction	<u>57,675,208</u>	<u>59,187,239</u>	<u>59,023,673</u>	<u>163,566</u>
Pupil Support Services				
Guidance and Counseling	2,898,052	2,935,972	2,745,923	190,049
Health and Ancillary Services	834,066	845,746	908,353	(62,607)
Improvement of Instruction	1,118,988	1,131,148	1,100,613	30,535
Media Services	1,644,625	1,669,585	1,684,257	(14,672)
Total Support Services	<u>6,495,731</u>	<u>6,582,451</u>	<u>6,439,146</u>	<u>143,305</u>
Administration				
General Administration	958,400	965,760	863,527	102,233
Building Administration	4,544,303	4,595,023	4,488,624	106,399
Business, Central Services	86,593	87,393	106,611	(19,218)
Total Administration	<u>5,589,296</u>	<u>5,648,176</u>	<u>5,458,762</u>	<u>189,414</u>
Other				
Adult Education	45,636	45,636	45,636	-
Community Services	738,747	779,087	786,774	(7,687)
Total Other	<u>784,383</u>	<u>824,723</u>	<u>832,410</u>	<u>(7,687)</u>
Total Expenditures	<u>70,544,618</u>	<u>72,242,589</u>	<u>71,753,991</u>	<u>488,598</u>
<b>EXCESS (DEFICIT) REVENUES OVER EXPENDITURES</b>	(1,935,305)	(2,795,955)	(2,678,125)	117,830
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	57,680	57,680
<b>EXCESS (DEFICIT) REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	(1,935,305)	(2,795,955)	(2,620,445)	175,510
<b>FUND BALANCE, JULY 1, AS RESTATED (NOTE 14)</b>	<u>14,012,288</u>	<u>14,012,288</u>	<u>14,012,288</u>	<u>-</u>
<b>FUND BALANCE, JUNE 30</b>	<u>\$ 12,076,983</u>	<u>\$ 11,216,333</u>	<u>\$ 11,391,843</u>	<u>\$ 175,510</u>

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

**COLUMBIA PUBLIC SCHOOL DISTRICT  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
JUNE 30, 2002**

	<b>Business-Type Activity - Nonmajor Enterprise Fund Food Services</b>	<b>Governmental Activities- Internal Service Funds</b>
	<u>                    </u>	<u>                    </u>
<b>ASSETS</b>		
Current Assets		
Cash and Cash Equivalents	\$ 605,822	\$ 1,123,191
Investments	-	1,841,750
Receivables (Net of Allowance for Uncollectibles) -		
Federal	249,460	-
Inventories	128,792	-
Prepaid Expenses	2,418	-
Total Current Assets	<u>986,492</u>	<u>2,964,941</u>
Noncurrent Assets		
Capital Assets - Furniture and Equipment (Net of Accumulated Depreciation)	<u>352,310</u>	<u>-</u>
Total Assets	<u>1,338,802</u>	<u>2,964,941</u>
<b>LIABILITIES</b>		
Current Liabilities		
Accounts Payable	1,013	901,077
Accrued Salaries and Payroll Taxes	23,934	-
Deferred Revenue	101,959	-
Total Current Liabilities	<u>126,906</u>	<u>901,077</u>
Noncurrent Liabilities		
Liability for Long - Term		
Compensated Absences	<u>97,458</u>	<u>-</u>
Total Liabilities	<u>224,364</u>	<u>901,077</u>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	352,310	-
Unrestricted	762,128	2,063,864
Total Net Assets	<u>\$ 1,114,438</u>	<u>\$ 2,063,864</u>

*The notes to the 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, 2002**

	<b>Business-Type Activity - Nonmajor Enterprise Fund Food Services</b>	<b>Governmental Activities- Internal Service Funds</b>
<b>OPERATING REVENUES</b>		
Food Sales	\$ 2,628,678	\$ -
Insurance Premiums	-	10,472,190
Other	-	401
Total Revenues	<u>2,628,678</u>	<u>10,472,591</u>
<b>OPERATING EXPENSES</b>		
Food Purchased	1,976,660	-
Salaries and Wages	1,619,187	62,630
Fringe Benefits	459,411	12,935
Supplies	89,727	1,709
Purchased Services	65,974	16,359
Travel	9,376	-
Repairs	108,319	-
Donated Commodities Used	166,062	-
Excess Loss Insurance	-	376,760
Administration Fees	-	580,314
Benefits Paid/Accrued	-	8,233,419
Depreciation	71,542	-
Total Operating Expenses	<u>4,566,258</u>	<u>9,284,126</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(1,937,580)</u>	<u>1,188,465</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
State Subsidies	37,229	-
Federal Subsidies	1,814,321	-
Earnings on Investments	-	60,279
Donated Commodities	166,062	-
Total Nonoperating Revenues (Expenses)	<u>2,017,612</u>	<u>60,279</u>
<b>CHANGES IN NET ASSETS</b>	80,032	1,248,744
<b>NET ASSETS, JULY 1, AS RESTATED (NOTE 14)</b>	<u>1,034,406</u>	<u>815,120</u>
<b>NET ASSETS, JUNE 30</b>	<u>\$ 1,114,438</u>	<u>\$ 2,063,864</u>

*The notes to the 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, 2002**

	<b>Business-Type Activity - Nonmajor Enterprise Fund Food Services</b>	<b>Governmental Activities- Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Sales/Premiums	\$ 2,641,669	\$ 10,472,190
Cash Payments for Supplies and Services	(2,263,893)	(975,142)
Cash Payments to Employees for Services	(2,121,676)	(75,565)
Cash Payments for Claims/Benefits	-	(8,140,034)
Other Cash Received	-	401
Net Cash from Operating Activities	<u>(1,743,900)</u>	<u>1,281,850</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Federal/State Assistance	<u>1,840,975</u>	-
Net Cash From Noncapital Financing Activities	<u>1,840,975</u>	-
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>		
Acquisition of Capital Assets	<u>(194,193)</u>	-
Net Cash From Capital Financing Activities	<u>(194,193)</u>	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest on Investments	-	60,279
Investments Purchased	-	(2,427,359)
Investments Matured or Sold	-	1,324,697
Net Cash From Investing Activities	<u>-</u>	<u>(1,042,383)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(97,118)	239,467
<b>CASH AND CASH EQUIVALENTS, JULY 1</b>	<u>702,940</u>	<u>883,724</u>
<b>CASH AND CASH EQUIVALENTS, JUNE 30</b>	<u>\$ 605,822</u>	<u>\$ 1,123,191</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES</b>		
Operating Income (Loss)	\$ (1,937,580)	\$ 1,188,465
Adjustments to Reconcile Operating Income (Loss) to Net Cash Used in Operating Activities		
Depreciation	71,542	-
Donated Commodities Used	166,062	-
Change in Assets and Liabilities		
(Increase) Decrease in Inventories	(17,120)	-
(Increase) Decrease in Prepaid Expenses	(1,828)	-
Increase (Decrease) in Accounts Payable and Accrued Liabilities	(49,315)	93,385
Increase (Decrease) in Deferred Revenue	12,991	-
Increase (Decrease) in Compensated Absences Payable	<u>11,348</u>	<u>-</u>
Net Cash From Operating Activities	<u>\$ (1,743,900)</u>	<u>\$ 1,281,850</u>
<b>SCHEDULE OF NONCASH NONCAPITAL FINANCING ACTIVITIES</b>		
Donated commodities received	\$ 268,022	\$ -
Donated commodities used	\$ 166,062	\$ -

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

**COLUMBIA PUBLIC SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUND  
JUNE 30, 2002**

		<u>Agency</u>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$	519,568
Accounts Receivable		2,396
Total Assets		<u>521,964</u>
 <b>LIABILITIES</b>		
Accounts Payable		15,706
Due to Student Groups		506,258
Total Liabilities	\$	<u>521,964</u>

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

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2002**

**Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Columbia Public School District (the District) have been prepared in conformity with generally accepted accounting principles (GAAP), as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting 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 FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2002**

**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* - The General Fund is the operating fund of the District and is used to account for all financial resources except those required to be accounted for in another fund.

*Teachers Fund* - The Teachers Fund is required to be established by state law and may be used for the payment of salaries and insurance benefits for certificated personnel. The fund's revenues include property taxes, investment income, and county, state, and federal aid. The fund is also used to account for certain tuition payments made between school districts.

*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.

The other governmental funds of the District account for grants, contributions, and other resources that are restricted for a particular purpose.

**Proprietary Funds**

Proprietary funds focus on the determination of changes in net assets, financial position, and cash flows and are classified as either enterprise or internal service.

*Enterprise Fund* - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods and services. The District had no major enterprise funds. The *Food Services Fund*, which accounts for the financial transactions related to the food service operation of the District, is the District's only enterprise fund and is presented as a nonmajor fund.

*Internal Service Funds* - Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the District on a cost-reimbursement basis. These funds were established to account for the District's self-funded employee benefits programs, which are medical, dental, and workers compensation. The premiums received by the internal service funds are transferred from other funds as an expense related to personal service. Claims paid, direct insurance payments, and administrative costs are expenses of these funds.

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2002**

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 and fiduciary fund financial 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). 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 operating revenues of the Food Services Fund and the internal service funds include charges for meals and



**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2002**

insurance premiums, respectively. Operating expenses include the cost of providing meals (food and personal services) 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 districtwide and fund financial statements.

Reported inventories and prepaid items at yearend 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 refunding of the District's 1992b and 1994b 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 districtwide and fund financial statements as restricted assets. The amount reported in the districtwide financial statements as liabilities payable from restricted assets include the amount of general obligation bonds that is to be refunded with the restricted assets. The difference between the restricted assets and the liabilities payable from restricted assets will be recovered as the proceeds held by the District's escrow agent earn interest between the end of the current fiscal period and the due dates of the general obligation bonds to be refunded.

**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 districtwide financial

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2002**

statements. Capital assets purchased from proprietary funds are recorded in the 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 districtwide 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 absences liability at June 30 consists of accumulated vacation pay, vested sick leave and certain salary related payments such as Social Security and Medicare.

All full-time twelve-month employees are eligible for vacation pay. Vacation pay is fully vested when earned. District employees are entitled to sick leave at the rate of one day per month of fulltime service. Employees are not compensated for unused sick leave upon termination of employment; however, upon retirement unused sick leave is paid at the substitute rate for that position based on the number of days accumulated. Teachers can take early teacher retirement at age fifty-five with five years of service or at any age with twenty-five years of service. Employees can take early non-teacher retirement at age fifty-five if they have five but fewer than twenty-five years of service. As a result, employees are considered vested in their sick leave balance when they have twenty-five years or more of service or are fifty-five years of age.

A liability for compensated absences is reported on the districtwide financial statements and on the proprietary fund financial statements. A liability for these amounts is reported in the governmental fund financial statements only if they have matured, for example, as a result of employee resignations and retirements.

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2002**

**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 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, 2002, at its December 10, 2001, and June 10, 2002, 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 yearend.

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2002**

**Note 2 RECONCILIATION OF DISTRICTWIDE 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 districtwide statement of net assets. One element the reconciliation explains that "Other longterm assets are not available to pay for current-period expenditures and, therefore are deferred in the funds." The details of this \$783,241 difference are as follows:

Deferred property tax related toprior year	\$	59,343
Deferred remainder of property tax unearned		723,898
		723,898
Net adjustment to increase fund balance of total governmental funds to arrive at net assets of governmental activities	\$	783,241

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 \$122,459,238 difference are as follows:

Compensated Absences	\$	1,148,634
Liabilities Payable from Restricted Assets		3,805,000
Accrued Interest Payable		2,085,604
General Obligation Bonds Due within One Year		5,495,000
General Obligation Bonds Due in More than One Year		109,925,000
Net adjustment to reduce fund balance of total governmental funds to arrive at net assets of governmental activities	\$	122,459,238

**Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances andthe district-wide statement of activities**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances of total governmental funds and changes in net assets of governmental activities as reported in the districtwide statement of activities. One element of that reconciliation explains that "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." The details of this \$9,752,252 difference are as follows:

Construction in Progress	\$	10,382,075
Equipment		1,056,393
Less: Depreciation Expense		(1,686,216)
Net adjustment to increase net changes in fund balances of total governmental funds to arrive at changes in net assets of governmental activities	\$	9,752,252

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2002**

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 \$259,447 difference are as follows:

Earned but unavailable property tax	\$	723,898
Prior years'property tax		<u>(983,345)</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>(259,447)</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 \$5,255,000 difference is as follows:

Bonds issued	\$	(10,000,000)
Bond payments		<u>4,745,000</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>(5,255,000)</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 \$342,505 differences is as follows.

Current bond interest	\$	(2,085,604)
Prior year's bond interest		<u>1,743,099</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>(342,505)</u></u>

**Note 3 PROPERTY TAX REVENUE RECOGNITION**

In the districtwide 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 districtwide 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.

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2002**

**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 Fund, 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, 2002, the aggregate carrying amount of the District's deposit balance was \$1,797,710 and the related bank balances totaled \$4,870,307.

**Investments**

For the year ended June 30, 2002, 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.

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 counterparty'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.

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2002**

	Category			Total
	1	2	3	
U.S. Government Securities	\$ 61,629,025	\$ -	\$ -	\$ 61,629,025
Total	\$ 61,629,025	\$ -	\$ -	61,629,025
Investments not subject to categorization- Missouri Health and Education Facilities Authority investment pool				2,037,964
Total Investments				\$ 63,666,989

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	\$	3,099,416
Cash and cash equivalents		
Proprietary Funds		605,822
Cash and cash equivalents		
Internal Service Funds		1,123,191
Cash and cash equivalents		
Fiduciary Funds		519,568
Investments- Governmental Funds		54,534,945
Investments- Debt Service Fund- with Fiscal Agent		3,755,442
Investments- Internal Service Funds		1,841,750
Total	\$	65,480,134

**Note disclosure:**

Cash on Hand	\$	15,435
Carrying Amount of Deposits		1,797,710
Investments		63,666,989
Total	\$	65,480,134

**Note 5 PROPERTY TAXES RECEIVABLE**

The amount of prior years'taxes due at June 30, 2002, is obtained from the County Collector who is responsible for the collection of all taxes. Calculation of the receivables is as follows:

	General Fund	Teachers Fund	Debt Service Fund	Capital Projects Fund	Total
Property Taxes Receivable (0102).....	\$ 18,522,164	\$ 34,727,022	\$ 11,157,554	\$ 135,753	\$ 64,542,493
Less: Allowance.....	(91,824)	(172,160)	(55,314)	(673)	(319,971)
Net Property Taxes Receivable.....	\$ 18,430,340	\$ 34,554,862	\$ 11,102,240	\$ 135,080	\$ 64,222,522
Deferred Revenue .....	\$ 18,334,879	\$ 34,375,883	\$ 11,044,736	\$ 134,381	\$ 63,889,879

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2002**

The allowance for doubtful collections was computed by multiplying 0.83% times the total amount of personal property taxes assessed for 2000 through 2002 taxes. The 0.83% is the average uncollected percentage of personal property taxes for 1995 through 1999 taxes. All real property taxes prior to 2000 have been collected and the District assumes all real property taxes will eventually be collected.

Property taxes are assessed and due based upon property ownership and valuation as of January 1 each year. The taxes are payable no later than December 31. A lien attaches on January 1. The levy rate is established by the Board of Education by September 1 each year. Any taxes due and not paid by December 31 are considered delinquent. The County Collector is responsible for the collection of all taxes for government entities in the county. Taxes collected are remitted to the District monthly.

**Note 6 INVENTORIES**

Physical inventories of goods on hand were taken as of June 30, 2002. Inventories on hand, stated at cost or average cost, at June 30, 2002, are as follows:

General Fund:	
Consumable supplies.....	\$ 326,936
Gasoline, fuel oil.....	12,091
Total .....	<u>\$ 339,027</u>
Food Service Fund:	
Food supplies- purchased.....	\$ 26,833
Donated commodities.....	101,959
Total .....	<u>\$ 128,792</u>

**Note 7 RETIREMENT PLANS**

The Columbia Public School District contributes to the Public School Retirement System of Missouri (PSRS), a cost-sharing multiple-employer defined benefit pension plan. PSRS provides retirement and disability benefits to fulltime (and certain parttime) certificated employees and death benefits to members and beneficiaries. Benefit provisions are set forth in Chapter 169.010141 of the Revised Statutes of Missouri (2000). The statutes assign responsibility for the administration of the system to a seven-member Board of Trustees. PSRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Public School Retirement System of Missouri, P. O. Box 28, Jefferson City, Missouri 65102 or by calling 1-800-392-6848.

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, 2002, were \$14,048,870, which was equal to the required contributions, which were made up of \$7,024,435 in employee contributions and \$7,024,435 in employer contributions. For the years ended June 30, 2002, 2001, and 2000, the district contributed 100% of the required contributions. The contributions for the last three fiscal years were as follows:

<u>Year Ended June 30,</u>	<u>Amount of Employer Contribution</u>	<u>Contribution as a Percentage of Covered Salaries</u>
2002	\$ 7,024,435	10.5%
2001	6,511,392	10.5%
2000	5,769,002	10.5%



**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2002**

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 per week and who do not contribute to the Public School Retirement System of Missouri. Benefit provisions are set forth in Chapter 169.600.715 of the Revised Statutes of Missouri (2000). The statutes assign responsibility for the administration of the system to the Board of Trustees of the Public School Retirement System. NTRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Non-Teacher School Employee Retirement System of Missouri, P.O. Box 268, Jefferson City, Missouri 65102 or by calling 1-800-392-6848.

NTRS members are required to contribute 5.0% 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 Board of Trustees. The District's contributions to NTRS for the year ending June 30, 2002, were \$1,770,490, which was equal to the required contributions, which were made up of \$885,245 in employee contributions and \$885,245 in employer contributions. For the years ended June 30, 2002, 2001, and 2000, the district contributed 100% of the required contributions. The contributions for the last three fiscal years were as follows:

Year Ended June 30,	Amount of Employer Contribution	Contribution as a Percentage of Covered Salaries
2002	\$ 885,245	5.0%
2001	702,124	4.5%
2000	578,969	4.5%

The District contributed to the Teacher Retirement System on total salaries and benefits of \$66,899,385 and to the Non-Teacher Retirement System on total salaries and benefits of \$17,704,903 for the year ended June 30, 2002. The overall payroll (salaries and benefits) for the District was \$91,542,109, which includes payroll of \$6,937,821 not subject to either retirement system.

The ten-year historical trend information is included in the Public School Retirement System's and Non-Teacher School Employee Retirement System's financial reports.

**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, 2002, were \$1,167,551. Future minimum lease payments for these leases are as follows:

Year Ending June 30,	Amount
2003	\$ 744,449
2004	525,262
2005	547,634
Total	\$ <u>1,817,345</u>

Currently, all operating leases for the District expire by June 30, 2005. No future minimum lease payments are currently required after that date.

**Note 9 LONG-TERM DEBT**

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2002**

**Bonds Payable**

All District bonds are general obligation bonds with maturities from 2003 to 2016 and average net interest rates at issue from 4.13% to 7.23%. General obligation bonds outstanding at June 30, 2002, were \$119,225,000. Scheduled bond retirement and interest payable in the next fiscal year are \$5,495,000 and \$6,256,811, respectively.

The District issued \$10,000,000 of general obligation bonds, dated March 1, 2002. 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, 2002, bond issue was the remaining \$10,000,000 authorized by the voters in April 2000. The remaining authorized, but unissued, bonds total \$23,800,000, which was authorized by the voters at the April 2002 election.

All principal and interest requirements are funded in accordance with Missouri law by the annual tax levy on the District's assessed valuation and allocated state aid. In addition, at June 30, 2002, the District had accumulated \$11,764,547 in the Debt Service Fund for future debt requirements.

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

<b>Year Ending June 30</b>	<b>Bond Payment</b>	<b>Interest Payment</b>	<b>Total</b>
2003	\$ 5,495,000	\$ 6,256,811	\$ 11,751,811
2004	6,040,000	5,932,554	11,972,554
2005	6,960,000	5,581,894	12,541,894
2006	7,510,000	5,191,825	12,701,825
2007	9,105,000	4,766,158	13,871,158
2008-2012	55,125,000	15,527,207	70,652,207
2013-2016	28,990,000	2,661,994	31,651,994
	<u>\$ 119,225,000</u>	<u>\$ 45,918,443</u>	<u>\$ 165,143,443</u>

Article VI, Section 26(b), Constitution of Missouri, limits the amount of authorized general obligation bonds of a district to 15 percent of the assessed valuation of a district for state and county purposes. The estimated legal debt margin of the district at June 30, 2002, was:

Constitutional Debt Limit (Excluding State Assessed Utilities)	\$ 192,640,949
General Obligation Bonds Payable.....	(119,225,000)
	)
Total Estimated Legal Debt Margin.....	<u>\$ 73,415,949</u>

**Changes in Long-Term Debt**

Changes in long-term debt for the District for the year ended June 30, 2002, are as follows:

	<b>Governmental Activities</b>			<b>Business-Type Activities</b>	
	<b>Bonds</b>	<b>Compensated Absences</b>	<b>Total</b>	<b>Compensated Absences</b>	
Balance, June 30, 2001.....	\$ 113,970,000	\$ 1,104,383	\$ 115,074,383	\$ 86,110	
Additions.....	10,000,000	471,807	10,471,807	17,206	
Reductions.....	(4,745,000)	(427,556)	(5,172,556)	(5,858)	
Balance, June 30, 2002.....	<u>\$ 119,225,000</u>	<u>\$ 1,148,634</u>	<u>\$ 120,373,634</u>	<u>\$ 97,458</u>	
Due in one year.....	<u>\$ 5,495,000</u>	<u>\$ -</u>	<u>\$ 5,495,000</u>	<u>\$ -</u>	

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2002**

The district-wide financial statements include \$3,755,442 in Restricted Assets and \$3,805,000 in Liabilities Payable from Restricted Assets. The Liabilities Payable from Restricted Assets represents the liability for general obligation bonds that has been refunded with a crossover refunding. The refunded bonds will be retired on March 1, 2008. The Restricted Assets represent the amount that has been placed into an irrevocable escrow account that will be used to retire the bonds.

**Note 10 CHANGES IN CAPITAL ASSETS**

Capital Assets balances previous reported have been restated due to (1) the change in the District's capitalization policy, (2) reporting Construction in Progress separately, and (3) the change in accounting principle requiring capital assets to be depreciated. The restatements and changes in capital assets are as follows:

	<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	\$ -	\$ -	\$ -	\$ 3,873,710
Construction in progress	-	2,562,257	10,382,075	-	12,944,332
Capital assets that are depreciated:					
Buildings	120,554,331	(2,463,150)	-	-	118,091,181
Mobile classroom trailers	2,218,976	-	-	-	2,218,976
Furniture and equipment	23,481,721	(19,725,213)	1,056,393	-	4,812,901
Total capital assets, governmental activities	<u>150,128,738</u>	<u>(19,626,106)</u>	<u>11,438,468</u>	<u>-</u>	<u>141,941,100</u>
Accumulated depreciation, governmental activities:					
Buildings	-	(21,934,985)	(1,148,593)	-	(23,083,578)
Mobile classroom trailers	-	(665,693)	(88,759)	-	(754,452)
Furniture and equipment	-	(1,983,715)	(448,864)	-	(2,432,579)
Total accumulated depreciation, governmental activities	<u>-</u>	<u>(24,584,393)</u>	<u>(1,686,216)</u>	<u>-</u>	<u>(26,270,609)</u>
Total capital assets, governmental activities, net	<u>\$ 150,128,738</u>	<u>\$ (44,210,499)</u>	<u>\$ 9,752,252</u>	<u>\$ -</u>	<u>\$ 115,670,491</u>
<b>Business-Type Activities:</b>					
Furniture and equipment	\$ 1,567,644	\$ (933,284)	\$ 194,193	\$ -	\$ 828,553
Accumulated depreciation, furniture and equipment	<u>(1,149,522)</u>	<u>744,821</u>	<u>(71,542)</u>	<u>-</u>	<u>(476,243)</u>
Total capital assets, businesstype activities, net	<u>\$ 418,122</u>	<u>\$ (188,463)</u>	<u>\$ 122,651</u>	<u>\$ -</u>	<u>\$ 352,310</u>

Depreciation expense for governmental activities is reported in the Statement of Activities and was allocated to Operation of Plant.

**Note 11 CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS**

As of June 30, 2002, the School District had the following commitments with respect to unfinished capital projects:

<u>Capital Project</u>	<u>Remaining Construction Commitment</u>	<u>Expected Date of Completion</u>
<b>Capital Projects Fund</b>		
Paving Improvements at Various Schools	\$ 84,980	7/15/02
Paxton-Keeley Elementary School	862,344	7/31/02
Additions to Three Middle Schools	9,890	7/31/02
Smithton Middle School Kitchen Addition	590,954	8/16/02
Renovations at Various Locations	651,449	8/16/02
Tuckpointing & Masonry Repair	40,976	8/30/02
Asbestos Abatement Work	64,700	9/01/02

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2002**

Renovations at Thirteen Locations	152,568	9/30/02
Boiler Replacement at Russell Blvd. Elem.	100,440	9/30/02
Hickman High Addition & Renovations	4,870,000	8/01/03
	\$ 7,428,301	
	7,428,301	

**Note 12 CONTINGENT LIABILITIES**

**Litigation**

The District may periodically be the defendant in a lawsuit arising principally in the normal course of operations. In the opinion of the administration, the outcome of these lawsuits will not have a material adverse effect on the accompanying combined financial statements and accordingly, no provision for losses has been recorded.

**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 Risk Management 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 \$250,000 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 Risk Management 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 \$2,063,864 as of June 30, 2002. The claims liability of \$901,077 reported in the fund at June 30, 2002 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 Fund's claims liability amount for the past three fiscal years were:

Year	Beginning of Fiscal	Current Year Claims and	Balance
------	------------------------	----------------------------	---------

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2002**

<u>Ended June 30,</u>	<u>Year Liability</u>	<u>Changes in Estimates</u>	<u>Claim Payment</u>	<u>Administrative Cost</u>	<u>at Fiscal Year-End</u>
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
2000	\$ 579,704	\$ 6,872,278	\$ (6,255,322)	\$ (464,653)	\$ 732,007

**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, 2002, 2001, and 2000, the settlements did not exceed the insurance coverage provided by commercial insurance.

**Note 14 RESTATEMENTS OF FUND BALANCE**

The July 1, 2001, fund balances for the General Fund, Teachers Fund, and Food Services Fund have been restated.

The July 1, 2001, fund balances for the General Fund and Teachers Fund have been restated to recognize an additional receivable for Proposition C Sales Tax as follows:

	<u>General Fund</u>	<u>Teachers Fund</u>
July 1, 2001, fund balance as previously reported	\$ 11,743,444	\$ 13,446,057
Restatement due to recognition of additional Proposition C Sales Tax	<u>1,168,307</u>	<u>566,231</u>
July 1, 2001, fund balance as restated	\$ <u><u>12,911,751</u></u>	\$ <u><u>14,012,288</u></u>

The July 1, 2001, fund balance for the Food Services Fund has been restated as a result of changing the District's capitalization threshold for capital assets from \$1,000 to \$5,000 for Furniture and Equipment. The restatement is reported net of accumulated depreciation as follows:

	<u>Food Services Fund</u>
July 1, 2001, fund balance as previously reported	\$ 1,222,869
Restatement due to change in capitalization threshold	<u>(188,463)</u>
July 1, 2001, fund balance as restated	\$ <u><u>1,034,406</u></u>

**Note 15 FUND EQUITY**

**COLUMBIA PUBLIC SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2002**

**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 16 DEFERRED COMPENSATION PLAN**

Employees are eligible to participate in a deferred compensation plan created in accordance with Internal Revenue Code Section 403(b). The plan, available to all District employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available, without penalty, to employees until termination, retirement, death, or unforeseeable emergency.

Investments are managed by individual investment agencies. The choice of the investment agency is made by the participants.

**Note 17 CHANGES IN ACCOUNTING PRINCIPLES**

For the fiscal year ended June 30, 2002, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments". GASB 34 creates a new set of basic financial statements. GASB 34 requires school districts to include districtwide financial statements that are prepared on an accrual basis of accounting using the economic resources measurement focus. The previous requirement for fund financial statements is modified to present information for individual major funds rather than by fund type. Nonmajor funds are presented as a total in one column.

**COMBINING AND INDIVIDUAL  
FUND STATEMENTS AND SCHEDULES**

**NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS**

Special Revenue Funds account for certain revenues derived from the State of Missouri and federal agencies, supplemented by local sources, which are required to finance particular activities. The funds also account for the revenue and expenditures of the adult education 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.

Adult Education Fund - This fund was established to account for significant revenue and expenditures for adult and continuing education and related programs. Revenues are generated by fees to users and state and federal aid.



**COLUMBIA PUBLIC SCHOOL DISTRICT  
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2002**

	<u>Special Revenue Funds</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>Grants and Donations Fund</u>	<u>Adult Education Fund</u>	
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 450	\$ 1,000	\$ 1,450
Investments	1,502,659	332,578	1,835,237
Receivables (Net of Allowance for Uncollectibles)			
State	93,753	-	93,753
Federal	-	51,085	51,085
Other	-	22,337	22,337
Prepaid Expenditures	-	2,994	2,994
Total Assets	<u>\$ 1,596,862</u>	<u>\$ 409,994</u>	<u>\$ 2,006,856</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Accounts Payable	\$ 58,699	\$ 12,167	\$ 70,866
Accrued Salaries and Payroll Taxes	56,578	11,719	68,297
Deferred Revenue	7,197	-	7,197
Total Liabilities	<u>122,474</u>	<u>23,886</u>	<u>146,360</u>
Fund Balances			
Reserved for Prepaid Expenditures	-	2,994	2,994
Unreserved - Reported in			
Special Revenue Funds	1,474,388	383,114	1,857,502
Total Fund Balances	<u>1,474,388</u>	<u>386,108</u>	<u>1,860,496</u>
Total Liabilities and Fund Balances	<u>\$ 1,596,862</u>	<u>\$ 409,994</u>	<u>\$ 2,006,856</u>

**COLUMBIA PUBLIC SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2002**

	<b>Special Revenue Funds</b>		<b>Total Nonmajor Governmental Funds</b>
	<b>Grants and Donations Fund</b>	<b>Adult Education Fund</b>	
<b>REVENUES</b>			
Local	\$ 1,414,175	\$ 1,176,164	\$ 2,590,339
State	2,366,788	363,207	2,729,995
Federal	912,992	599,550	1,512,542
Total Revenues	4,693,955	2,138,921	6,832,876
<b>EXPENDITURES</b>			
Current			
Instruction			
Regular Instruction	1,407,340	-	1,407,340
Special Instruction	154,343	-	154,343
Vocational Instruction	489,218	-	489,218
Total Instruction	2,050,901	-	2,050,901
Pupil Support Services			
Guidance and Counseling	335,382	-	335,382
Health and Ancillary Services	104,431	-	104,431
Improvement of Instruction	222,907	-	222,907
Media Services	164,775	-	164,775
Total Support Services	827,495	-	827,495
Other			
Operation of Plant	4,768	-	4,768
Adult Education	297,286	1,837,995	2,135,281
Community Services	1,451,202	196,489	1,647,691
Total Other	1,753,256	2,034,484	3,787,740
Total Expenditures	4,631,652	2,034,484	6,666,136
<b>EXCESS (DEFICIT) REVENUES OVER EXPENDITURES</b>	62,303	104,437	166,740
<b>FUND BALANCES, JULY 1</b>	1,412,085	281,671	1,693,756
<b>FUND BALANCES, JUNE 30</b>	\$ 1,474,388	\$ 386,108	\$ 1,860,496

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

**COLUMBIA PUBLIC SCHOOL DISTRICT  
GRANTS AND DONATIONS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2002**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Local	\$ 1,275,879	\$ 1,574,770	\$ 1,414,175	\$ (160,595)
State	2,745,543	2,573,520	2,366,788	(206,732)
Federal	545,600	972,864	912,992	(59,872)
Total Revenues	<u>4,567,022</u>	<u>5,121,154</u>	<u>4,693,955</u>	<u>(427,199)</u>
<b>EXPENDITURES</b>				
Current				
Instruction				
Regular Instruction	1,091,860	1,345,407	1,407,340	(61,933)
Special Instruction	151,101	151,101	154,343	(3,242)
Vocational Instruction	716,000	716,000	489,218	226,782
Total Instruction	<u>1,958,961</u>	<u>2,212,508</u>	<u>2,050,901</u>	<u>161,607</u>
Pupil Support Services				
Guidance and Counseling	411,337	399,683	335,382	64,301
Health and Ancillary Services	113,326	113,326	104,431	8,895
Improvement of Instruction	245,317	277,019	222,907	54,112
Media Services	203,366	211,811	164,775	47,036
Total Support Services	<u>973,346</u>	<u>1,001,839</u>	<u>827,495</u>	<u>174,344</u>
Other				
Operation of Plant	-	5,000	4,768	232
Adult Education	62,375	299,575	297,286	2,289
Community Services	1,572,340	1,602,232	1,451,202	151,030
Total Other	<u>1,634,715</u>	<u>1,906,807</u>	<u>1,753,256</u>	<u>153,551</u>
Total Expenditures	<u>4,567,022</u>	<u>5,121,154</u>	<u>4,631,652</u>	<u>489,502</u>
<b>EXCESS (DEFICIT) REVENUES OVER EXPENDITURES</b>	-	-	62,303	62,303
<b>FUND BALANCE, JULY 1</b>	<u>1,412,085</u>	<u>1,412,085</u>	<u>1,412,085</u>	-
<b>FUND BALANCE, JUNE 30</b>	<u>\$ 1,412,085</u>	<u>\$ 1,412,085</u>	<u>\$ 1,474,388</u>	<u>\$ 62,303</u>

**COLUMBIA PUBLIC SCHOOL DISTRICT  
ADULT EDUCATION FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2002**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>			
Local	\$ 1,331,226	\$ 1,176,164	\$ (155,062)
State	674,876	363,207	(311,669)
Federal	520,863	599,550	78,687
Total Revenues	<u>2,526,965</u>	<u>2,138,921</u>	<u>(388,044)</u>
<b>EXPENDITURES</b>			
Current			
Other			
Adult Education	2,192,791	1,837,995	354,796
Community Services	225,000	196,489	28,511
Total Other	<u>2,417,791</u>	<u>2,034,484</u>	<u>383,307</u>
Total Expenditures	<u>2,417,791</u>	<u>2,034,484</u>	<u>383,307</u>
<b>EXCESS (DEFICIT) REVENUES OVER EXPENDITURES</b>	109,174	104,437	(4,737)
<b>FUND BALANCE, JULY 1</b>	<u>281,671</u>	<u>281,671</u>	<u>-</u>
<b>FUND BALANCE, JUNE 30</b>	<u>\$ 390,845</u>	<u>\$ 386,108</u>	<u>\$ (4,737)</u>

**COLUMBIA PUBLIC SCHOOL DISTRICT  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2002**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Local	\$ 10,419,467	\$ 10,681,378	\$ 11,059,250	\$ 377,872
County	337,164	260,601	283,993	23,392
State	1,288,797	1,288,797	1,270,258	(18,539)
Total Revenues	<u>12,045,428</u>	<u>12,230,776</u>	<u>12,613,501</u>	<u>382,725</u>
<b>EXPENDITURES</b>				
Debt Service				
Principal	4,745,000	4,745,000	4,745,000	-
Interest and Fees	<u>5,777,483</u>	<u>5,894,806</u>	<u>5,853,260</u>	<u>41,546</u>
Total Expenditures	<u>10,522,483</u>	<u>10,639,806</u>	<u>10,598,260</u>	<u>41,546</u>
<b>EXCESS (DEFICIT) REVENUES OVER EXPENDITURES</b>	1,522,945	1,590,970	2,015,241	424,271
<b>FUND BALANCE, JULY 1</b>	<u>9,749,306</u>	<u>9,749,306</u>	<u>9,749,306</u>	<u>-</u>
<b>FUND BALANCE, JUNE 30</b>	<u>\$ 11,272,251</u>	<u>\$ 11,340,276</u>	<u>\$ 11,764,547</u>	<u>\$ 424,271</u>

**COLUMBIA PUBLIC SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2002**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Local	\$ 969,152	\$ 975,525	\$ 854,263	\$ (121,262)
County	13,691	11,829	7,911	(3,918)
State	161,100	161,100	158,562	(2,538)
Total Revenues	<u>1,143,943</u>	<u>1,148,454</u>	<u>1,020,736</u>	<u>(127,718)</u>
<b>EXPENDITURES</b>				
Capital Outlay and Construction				
Equipment	4,760,000	4,192,000	4,020,180	171,820
Vehicles	-	80,000	79,420	580
Land and Site Improvements	-	1,248,000	1,197,014	50,986
Building Additions and Renovations	<u>10,340,000</u>	<u>10,480,000</u>	<u>10,036,796</u>	<u>443,204</u>
Total Expenditures	<u>15,100,000</u>	<u>16,000,000</u>	<u>15,333,410</u>	<u>666,590</u>
<b>EXCESS (DEFICIT) REVENUES OVER EXPENDITURES</b>	(13,956,057)	(14,851,546)	(14,312,674)	538,872
<b>OTHER FINANCING SOURCES AND (USES)</b>				
General Obligation Bonds Issued	<u>10,000,000</u>	<u>10,000,000</u>	<u>10,000,000</u>	<u>-</u>
<b>EXCESS (DEFICIT) REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	(3,956,057)	(4,851,546)	(4,312,674)	538,872
<b>FUND BALANCE, JULY 1</b>	<u>19,095,619</u>	<u>19,095,619</u>	<u>19,095,619</u>	<u>-</u>
<b>FUND BALANCE, JUNE 30</b>	<u>\$ 15,139,562</u>	<u>\$ 14,244,073</u>	<u>\$ 14,782,945</u>	<u>\$ 538,872</u>

## **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, 2002**

	<u>Workers Compensation</u>	<u>Medical Insurance</u>	<u>Dental Insurance</u>	<u>Total</u>
<b>ASSETS</b>				
Current Assets				
Cash and Cash Equivalents	\$ 53,353	\$ 865,374	\$ 204,464	\$ 1,123,191
Investments	601,261	1,240,489	-	1,841,750
Due from Workers Compensation Fund	-	107,555	-	107,555
Total Assets	<u>654,614</u>	<u>2,213,418</u>	<u>204,464</u>	<u>3,072,496</u>
<b>LIABILITIES</b>				
Current Liabilities				
Accounts Payable	4,635	889,011	7,431	901,077
Due to Medical Insurance Fund	107,555	-	-	107,555
Total Liabilities	<u>112,190</u>	<u>889,011</u>	<u>7,431</u>	<u>1,008,632</u>
<b>NET ASSETS</b>				
Unrestricted	542,424	1,324,407	197,033	2,063,864
Total Net Assets	<u>\$ 542,424</u>	<u>\$ 1,324,407</u>	<u>\$ 197,033</u>	<u>\$ 2,063,864</u>

**COLUMBIA PUBLIC SCHOOL DISTRICT  
COMBINING STATEMENT OF CHANGES IN NET ASSETS - INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2002**

	<u>Workers Compensation</u>	<u>Medical Insurance</u>	<u>Dental Insurance</u>	<u>Total</u>
<b>OPERATING REVENUES</b>				
Insurance Premiums	\$ 475,612	\$ 9,001,006	\$ 995,572	\$ 10,472,190
Other	300	101	-	401
Total Operating Revenues	<u>475,912</u>	<u>9,001,107</u>	<u>995,572</u>	<u>10,472,591</u>
<b>OPERATING EXPENSES</b>				
Salaries and Wages	48,385	10,175	4,070	62,630
Fringe Benefits	10,337	1,856	742	12,935
Supplies	-	1,709	-	1,709
Purchased Services	336	15,806	217	16,359
Excess Loss Insurance	44,054	332,706	-	376,760
Administration Fees	106,578	379,401	94,335	580,314
Benefits Paid/Accrued	455,708	7,020,618	757,093	8,233,419
Total Operating Expenses	<u>665,398</u>	<u>7,762,271</u>	<u>856,457</u>	<u>9,284,126</u>
<b>OPERATING INCOME (LOSS)</b>	(189,486)	1,238,836	139,115	1,188,465
<b>NON OPERATING REVENUES</b>				
Earnings on Investments	<u>43,270</u>	<u>15,638</u>	<u>1,371</u>	<u>60,279</u>
<b>CHANGES IN NET ASSETS</b>	(146,216)	1,254,474	140,486	1,248,744
<b>NET ASSETS, JULY 1</b>	<u>688,640</u>	<u>69,933</u>	<u>56,547</u>	<u>815,120</u>
<b>NET ASSETS, JUNE 30</b>	<u>\$ 542,424</u>	<u>\$ 1,324,407</u>	<u>\$ 197,033</u>	<u>\$ 2,063,864</u>

**COLUMBIA PUBLIC SCHOOL DISTRICT  
COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2002**

	<u>Workers Compensation</u>	<u>Medical Insurance</u>	<u>Dental Insurance</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash Received from Premiums	\$ 475,612	\$ 9,001,006	\$ 995,572	\$ 10,472,190
Cash Payments for Supplies and Services	(150,968)	(729,622)	(94,552)	(975,142)
Cash Payments to Employees for Services	(58,722)	(12,031)	(4,812)	(75,565)
Cash Payments for Claims/Benefits	(503,597)	(6,876,333)	(760,104)	(8,140,034)
Other Cash Received	300	101	-	401
Net Cash from Operating Activities	<u>(237,375)</u>	<u>1,383,121</u>	<u>136,104</u>	<u>1,281,850</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Increase (Decrease) of Interfund Payable/Receivable	<u>107,555</u>	<u>(107,555)</u>	-	-
Net Cash from Noncapital Financing Activities	<u>107,555</u>	<u>(107,555)</u>	-	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest on Investments	43,270	15,638	1,371	60,279
Investments Purchased	(1,186,870)	(1,240,489)	-	(2,427,359)
Investments Matured or Sold	<u>1,324,697</u>	<u>-</u>	<u>-</u>	<u>1,324,697</u>
Net Cash from Investing Activities	<u>181,097</u>	<u>(1,224,851)</u>	<u>1,371</u>	<u>(1,042,383)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	51,277	50,715	137,475	239,467
<b>CASH AND CASH EQUIVALENTS, JULY 1</b>	<u>2,076</u>	<u>814,659</u>	<u>66,989</u>	<u>883,724</u>
<b>CASH AND CASH EQUIVALENTS, JUNE 30</b>	<u>\$ 53,353</u>	<u>\$ 865,374</u>	<u>\$ 204,464</u>	<u>\$ 1,123,191</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ (189,486)	\$ 1,238,836	\$ 139,115	\$ 1,188,465
Change in Assets and Liabilities				
Increase (Decrease) in Accounts Payable	<u>(47,889)</u>	<u>144,285</u>	<u>(3,011)</u>	<u>93,385</u>
Net Cash From Operating Activities	<u>\$ (237,375)</u>	<u>\$ 1,383,121</u>	<u>\$ 136,104</u>	<u>\$ 1,281,850</u>

## **FIDUCIARY FUND**

The Agency 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.

**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF CHANGES IN DUE TO STUDENT GROUPS  
AGENCY FUND  
FOR THE YEAR ENDED JUNE 30, 2002**

	<u>Balance July 1, 2001</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2002</u>
Hickman High	\$ 220,743	\$ 564,226	\$ (521,214)	\$ 263,755
Rock Bridge High	58,039	257,845	(245,021)	70,863
Douglass High	3,806	7,567	(5,687)	5,686
Jefferson Junior High	28,706	61,782	(63,598)	26,890
Oakland Junior High	38,687	73,626	(82,582)	29,731
West Junior High	27,115	109,848	(122,301)	14,662
Gentry Middle	50,346	68,821	(70,208)	48,959
Lange Middle	12,482	37,773	(35,861)	14,394
Smithton Middle	11,766	31,510	(26,720)	16,556
Columbia Area Career Center	<u>13,591</u>	<u>104,552</u>	<u>(103,381)</u>	<u>14,762</u>
TOTAL	<u>\$ 465,281</u>	<u>\$ 1,317,550</u>	<u>\$ (1,276,573)</u>	<u>\$ 506,258</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%
Percent 4 Years of College .....	25.1%
Percent with 5 or More Years of College .....	21.1%
Percent with No Schooling .....	.3%

Source: 2000 Missouri Census Data Center

**COLUMBIA PUBLIC SCHOOL DISTRICT  
GENERAL SCHOOL SYSTEM EXPENDITURES AND EXPENSES BY FUNCTION  
1993 - 2002**

<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>
1993	\$ 5,455,949	\$ 27,750,830	\$ 6,346,839	\$ 1,200,599	\$ 2,605,025	\$ 6,320,020
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

Expenditures reported are for all Governmental Funds.

\* Expenses reported are for the Enterprise (Food Services) Fund (Operating Expenses and Depreciation)



	<b>Pupil Support Services</b>	<b>Food Services*</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>
\$	5,774,036	\$ 2,744,341	\$ 3,639,896	\$ 3,105,876	\$ 5,221,731	\$ 117,826	\$ 70,282,968
	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
	9,587,588	4,026,182	5,705,928	2,406,351	8,013,451	142,859	102,636,984
	10,221,630	4,024,313	5,871,671	6,687,123	8,781,757	178,125	111,237,768
	11,466,273	3,972,516	4,716,422	11,195,975	8,846,174	251,329	121,690,469
	12,540,962	4,428,065	6,400,434	14,266,787	9,830,371	264,226	141,088,872
	13,789,836	4,566,258	6,330,929	15,333,410	10,598,260	325,486	151,346,835

**COLUMBIA PUBLIC SCHOOL DISTRICT  
GENERAL SCHOOL SYSTEM REVENUES BY SOURCE  
1993 - 2002**

<u>Year Ended June 30</u>	<u>Local Revenue</u>	<u>County Revenue</u>	<u>State Revenue</u>	<u>Federal Revenue</u>	<u>Tuition Other Districts</u>	<u>Total Revenue</u>
1993	\$ 41,634,616	\$ 1,165,921	\$ 20,396,855	\$ 3,978,732	\$ 33,600	\$ 67,209,724
1994	45,204,648	1,178,360	23,869,492	4,333,877	48,750	74,635,127
1995	48,299,373	1,265,074	25,842,466	4,527,205	62,185	79,996,303
1996	51,734,905	1,404,843	30,217,831	4,800,748	87,927	88,246,254
1997	54,819,056	1,362,494	35,357,025	4,828,177	110,612	96,477,364
1998	59,633,685	1,316,562	38,587,948	5,414,788	106,460	105,059,443
1999	62,595,407	1,473,372	33,296,403	5,944,924	89,036	103,399,142
2000	71,158,375	1,937,035	39,719,367	7,334,192	52,480	120,201,449
2001	79,186,268	2,372,190	49,032,229	8,284,997	114,497	138,990,181
2002	81,562,584	1,645,944	47,490,879	9,335,511	122,820	140,157,738

Revenues reported are for all Governmental Funds and the Enterprise (Food Services) Fund.  
(Operating Revenue, State Subsidies, Federal Subsidies and Donated Commodities Received)

**COLUMBIA PUBLIC SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND REVENUES  
TAX RATE PER \$100 ASSESSED VALUATION  
1993 - 2002**

<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>
1993	4.37	\$ 664,624,859	\$ 29,044,106	\$ 27,254,329	\$ 1,673,951
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

\*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 (2002 tax revenue is based on the assessed valuation as of January 1, 2001).

**COLUMBIA PUBLIC SCHOOL DISTRICT  
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 1993 - 2002**

<u>Year Ended June 30</u>	<u>Assessed Valuation*</u>	<u>Assessment Ratio*</u>	<u>Estimated Actual Valuation</u>
1993	\$ 664,624,859	23.8%	\$ 2,789,558,459
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

\* 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  
1993 - 2002**

Year Ended June 30	<u>1993</u>	<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>
<b><u>City Residents:</u></b>										
City of Columbia	\$ .54	\$ .57	\$ .48	\$ .48	\$ .48	\$ .41	\$ .41	\$ .41	\$ .4100	\$ .4100
State of Missouri	.03	.03	.03	.03	.03	.03	.03	.03	.0300	.0300
County of Boone	.12	.12	.12	.12	.12	.12	.12	.13	.1300	.1300
Road and Bridge	.29	.29	.05	.05	.05	.05	.05	.05	.0500	.0500
Bridge Bond	.02	.02	.00	.00	.00	.00	.00	.00	.0000	.0000
Library	.30	.30	.30	.30	.30	.28	.29	.65	.6500	.6441
Group Home	.05	.12	.12	.12	.12	.11	.12	.12	.1200	.1189
Nursing Home	.02	.02	.00	.00	.00	.00	.00	.00	.0000	.0000
School District	4.37	4.37	4.45	4.55	4.56	4.12	4.12	4.70	4.7900	4.7544
Subtotal City Residents	<u>5.74</u>	<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>
<b><u>County Residents:</u></b>										
Fire District	.66	.66	.66	.66	.66	.60	.60	.60	.6000	.6000
Fire Dispatch Fund	.03	.03	.03	.03	.03	.03	.03	.03	.0300	.0295
Fire Bond	.19	.17	.19	.19	.19	.25	.22	.22	.2200	.2200
Less:										
City of Columbia (above)	(.54)	(.57)	(.48)	(.48)	(.48)	(.41)	(.41)	(.41)	(.4100)	(.4100)
Differential Library Tax	<u>(.05)</u>	<u>(.05)</u>	<u>(.05)</u>	<u>(.05)</u>	<u>(.05)</u>	<u>(.05)</u>	<u>(.05)</u>	<u>(.41)</u>	<u>(.4100)</u>	<u>(.4100)</u>
Total County Residents	<u>\$ 6.03</u>	<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>\$ 6.2100</u>	<u>\$ 6.1669</u>

Tax rates are reported on a calendar year basis. The 2001 calendar year tax levy was the rate levied to produce tax revenues for fiscal 2002.

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  
1993 - 2002**

<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>
1993	93,725	\$ 664,624,859	\$ 54,345,000	\$ 3,294,820	\$ 51,050,180	.077	\$ 545
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

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

**COLUMBIA PUBLIC SCHOOL DISTRICT  
LEGAL DEBT MARGIN  
1993 - 2002**

<u>Year Ended June 30</u>	<u>Assessed Value</u>	<u>Legal Debt Limit*</u>	<u>Indebtedness</u>	<u>Legal Debt Margin</u>
1993	\$ 664,624,859	\$ 66,462,486	\$ 54,345,000	\$ 12,117,486
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

\* 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.

**COLUMBIA PUBLIC SCHOOL DISTRICT  
DIRECT AND OVERLAPPING GENERAL INDEBTEDNESS  
1993 - 2002**

<u>Year Ended June 30</u>	<u>Columbia Public School District</u>	<u>City of Columbia</u>	<u>County of Boone</u>	<u>Boone County Fire Protection District</u>	<u>Columbia Library District</u>
1993	\$ 54,345,000	\$ 16,025,000	\$ 4,155,000	\$ 2,000,000	\$ -
1994	62,465,000	15,120,000	2,850,000	2,390,000	-
1995	68,320,000	14,185,000	1,645,000	2,015,000	-
1996	73,625,000	17,805,000	535,000	1,525,000	-
1997	79,000,000	10,570,000	685,000	1,500,000	-
1998	86,375,000	8,650,000	535,000	7,750,000	-
1999	93,125,000	6,040,000	700,000	6,655,000	22,000,000
2000	99,485,000	4,795,000	895,000	6,655,000	21,470,000
2001	113,970,000	3,490,000	955,000	6,500,000	20,755,000
2002	119,225,000	3,490,000	1,260,000	6,330,000	20,010,000

**Overlapping Debt**

The Columbia Public School District is located in Boone County, Missouri, and includes the City of Columbia and adjacent territory.

The overlapping debt is as follows:

	<u>Assessed Valuation</u>	<u>Percent Overlapping</u>	<u>Dollar Value of Overlapping Debt</u>
City of Columbia	\$ 1,020,341,889	100%	\$ 3,490,000
County of Boone	1,507,458,710	85%	1,073,452
Boone County Fire Protection District	378,669,328	70%	4,411,986
Columbia Library District	549,090,620	100%	<u>20,755,000</u>
Total			\$ 29,730,438

Source: Boone County Clerk



**COLUMBIA PUBLIC SCHOOL DISTRICT  
RATIO OF ANNUAL DEBT SERVICE FOR  
GENERAL BONDED DEBT TO TOTAL EXPENDITURES/EXPENSES  
1993 - 2002**

<u>Year Ended June 30</u>	<u>Debt Service Expenditures</u>	<u>Total Expenditures/Expenses</u>	<u>Ratio</u>
1993	\$ 5,221,731	\$ 70,282,968	.074
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

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

**COLUMBIA PUBLIC SCHOOL DISTRICT  
PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS  
1993 - 2002**

<u>Year Ended June 30</u>	<u>Property Value*</u>	<u>Construction Estimated Value City of Columbia</u>	<u>Columbia Commercial Bank Deposits</u>
1993	\$ 2,789,558,459	\$ 91,842,733	\$ 993,785,295
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

\*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)	\$ 32,081,629	2.50%
State Farm Mutual Automobile Ins. Co.	11,666,963	0.91%
Columbia Mall Limited Partnership	8,211,183	0.64%
Shelter Mutual Insurance Companies	8,161,209	0.64%
Columbia Foods	5,429,620	0.42%
Boone Electric Cooperative	4,542,294	0.35%
Quaker Oats Co.	4,097,431	0.32%
Rusk Rehabilitation Center	3,792,512	0.30%
Rayman Columbia Center Trust	3,777,439	0.29%
TCI Cablevision of Missouri	3,589,632	0.28%
Forum Shopping Center	3,312,212	0.26%
Square D Company	3,153,712	0.25%
Hollywood Theaters	2,770,841	0.22%
MBS Realty Partners LP	2,713,759	0.22%
Oscar Mayer Foods Corp.	2,690,559	0.21%
	<u>\$ 99,990,995</u>	<u>7.79%</u>

\*Major taxpayers are reported for the District's 2001 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	Medical
City of Columbia	Government
Columbia Public School District	Education
MFA Incorporated	Agriculture
Shelter Insurance Companies	Insurance
University Hospital and Clinics	Medical/Education

**500 - 999 Employees:**

Columbia Foods	Food Processing
Harry S. Truman Memorial Veterans Hospital	Medical
State Farm Insurance Companies	Insurance
Minnesota Mining & Mfg. Co. (3M)	Manufacturing

**200 - 499 Employees:**

ABC Laboratories Inc.	Manufacturing
APAC-Missouri Inc.	Maintenance
Boone County	Government
Boone County National Bank	Financial
Collins and Aikman	Manufacturing
Columbia College	Education
Columbia Regional Hospital	Medical
Columbia Water & Light	Utilities
Dana Corporation	Manufacturing
Holiday Inn Select Executive Center	Hotel
Joe Machens Ford	Automotive
MBS Textbook Exchange Inc.	Distribution of Textbooks
Quaker Oats Co.	Manufacturing
Square D	Manufacturing
Taco Bell	Restaurant
Tribune Publishing Company	Newspaper
Verizon	Telephone Services
WalMart	Retail
Watlow Inc.	Electrical

Source: Columbia Chamber of Commerce

**COLUMBIA PUBLIC SCHOOL DISTRICT  
AVERAGE DAILY ATTENDANCE AND MEMBERSHIP  
1993 - 2002**

<u>School Year</u>	<u>Average Daily Attendance*</u>	<u>Average Membership</u>	<u>Percentage of ADA to Average Membership</u>
1992-93	12,497	13,215	.946
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

\*Regular School Session Only

**COLUMBIA PUBLIC SCHOOL DISTRICT  
PER PUPIL COSTS  
GOVERNMENTAL FUNDS  
1993 - 2002**

<u>School Year</u>	<u>Total Expenditures</u>	<u>Average Daily Attendance*</u>	<u>Average Per Pupil Cost</u>
1992-93	\$ 67,538,627	12,497	\$ 5,404
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

\*Regular School Session Only

**COLUMBIA PUBLIC SCHOOL DISTRICT  
STATE CALCULATED PER PUPIL COSTS  
CURRENT EXPENDITURES PER AVERAGE DAILY ATTENDANCE (ADA)**

**DISTRICT VS. ENROLLMENT COMPARISON GROUP VS. ALL MISSOURI DISTRICTS**

The Missouri Department of Elementary and Secondary Education (DESE) collects financial and student information for comparison to enrollment peer groups and to all Missouri school districts. The Columbia School District's enrollment peer group is districts with an enrollment of 6,000 or more students (includes 29 school districts in Missouri). For school year 2001-02, there were 524 school districts in Missouri. Due to a conversion to a new computer system, the enrollment peer group comparison information is currently not available for the 2001-02 and the 2000-01 school years. DESE anticipates this comparative information will again be available in the future.

The table below compares Current Expenditures Per ADA for the Columbia School District to large Missouri School Districts (6,000 or more students) and to all Missouri school districts. Current Expenditures Per ADA includes all expenditures for K-12 instruction and support services, excluding reimbursements by all sources for the food services program, receipts of the Student Activities Fund, and capital outlay.

<u>School Year</u>	<u>Columbia Public School District</u>	<u>Enrollment Comparison Group</u>	<u>All Missouri School Districts</u>
2001-02	\$ 7,594.97	Not available	\$ 6,991.00
2000-01	7,121.44	Not available	6,767.00
1999-00	6,354.42	7,453.35	6,296.23
1998-99	5,970.00	6,929.00	5,911.00
1997-98	5,780.22	6,625.74	5,621.48
1996-97	5,454.66	6,433.88	5,389.24
1995-96	5,255.01	6,286.12	5,199.00
1994-95	5,050.68	6,230.17	4,972.00
1993-94	4,751.54	5,909.94	4,715.00

Information not available prior to 1993-94 school year.

Source: Missouri Department of Elementary and Secondary Education

**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 2001-02, there were 524 school districts in Missouri.

The table below compares various ratios and financial factors of the Columbia Public School District with all Missouri School Districts for the last five (5) years.

	COLUMBIA					ALL MISSOURI DISTRICTS				
	1997-98	1998-99	1999-00	2000-01	2001-02	1997-98	1998-99	1999-00	2000-01	2001-02
Students per Teacher	14	14	13	13	13	15	14	14	14	14
Students per Classroom Teacher	20	19	18	18	18	19	19	18	18	18
Average Teacher Salary (Total)	\$36,239	\$36,510	\$37,788	\$39,244	\$40,768	\$33,943	\$34,803	\$35,656	\$36,714	\$37,926
Students per Administrator	244	250	245	251	238	232	223	219	213	209
Average Administrator Salary	\$61,603	\$63,061	\$65,648	\$69,181	\$70,390	\$57,894	\$60,905	\$63,020	\$65,475	\$67,450
Students Eligible for Free/Reduced Lunch	24.62%	25.34%	26.37%	27.22%	28.88%	35.27%	35.69%	36.33%	36.82%	38.20%
Total Calendar Days	176	176	176	176	176	175	175	176	174	175
Length of the School Day (hours)	6.65	6.65	6.65	6.65	6.52	6.35	6.37	6.42	6.42	6.44
Total Calendar Hours	1,162.90	1,162.90	1,162.90	1,159.67	1,135.02	1,101.93	1,101.32	1,118.26	1,093.50	1,105.15

Source: Missouri Department of Elementary and Secondary Education



**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF INSURANCE COVERAGE  
JUNE 30, 2002**

Insurance	Policy Number	Policy Period		Coverage
		From	To	
Blanket Building and Contents	ASV-016838-0100	09/15/01	09/15/02	Statement of Values, \$214,518,319 \$5,000 Deductible Except Flood and Earthquake, \$50,000 All Risk, Replacement Cost
Boiler and Machinery	BES 265 66 18	09/01/01	09/01/02	\$1,000,000 per Accident \$5,000 Deductible
Vehicles	FOO-1061-C12-25	09/12/01	09/12/02	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	07/01/01	07/01/02	Statutory Coverage
Bodily Injury & Property Damage Liability	ASV-016838-0100	09/15/01	09/15/02	\$300,000 Per Person \$2,000,000 Per Occurrence
School Leaders Errors and Omissions	LHZ5594552-016	07/01/01	07/01/02	\$2,000,000 Liability Per Occurrence \$15,000,000 Annual Aggregate \$10,000 Deductible Each Wrongful Act
Fidelity Bonds	POBO8203412 CCP0005917	07/15/01 12/11/01	07/15/02 12/11/02	Treasurer, \$400,000 Selected Personnel, Blanket Coverage: \$250,000
Liability & Student Activities Catastrophic Loss	C1-MO-A500 A1-MO-B599 A1-MO-C100	08/01/01	08/01/02	Catastrophic Loss Liability - \$5,000,000 Medical - \$10,000 to \$25,000 Accidental Death - \$3,000
Liability – Rock Climbing Wall (RBHS)	CLS0642323	04/03/02	04/03/03	\$3,000,000 Annual Aggregate \$2,000,000 Each Occurrence \$500 Deductible
Liability – Underground Storage Tank	7514232	07/12/01	07/12/02	\$2,000,000 Annual Aggregate \$2,000,000 Each Occurrence \$5,000 Deductible

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***State Compliance Section***



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**GERDING, KORTE & CHITWOOD**

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

We have audited the financial statements of Columbia Public School District, Columbia, Missouri, as of and for the year ended June 30, 2002, and have issued our report thereon dated September 26, 2002. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the financial statements of Columbia Public School District taken as a whole. The accompanying Schedules on pages 95 through 107 are presented for purposes of additional analysis and are not a required part of the financial statements. The information on those schedules has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, are fairly presented in all material respects in relation to the financial statements taken as a whole.

September 26, 2002

  
Certified Public Accountants



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**GERDING, KORTE & CHITWOOD**

Professional Corporation ♦ Certified Public Accountants  
20 South Fifth Street ♦ Columbia, Missouri 65201  
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**INDEPENDENT AUDITORS' REPORT ON MANAGEMENT'S ASSERTIONS  
ABOUT COMPLIANCE WITH SPECIFIED REQUIREMENTS OF  
MISSOURI LAWS AND REGULATIONS**

Board of Education  
Columbia Public School District  
Columbia, Missouri

We have examined management's assertions that Columbia Public School District, Columbia, Missouri, complied with the requirements of Missouri laws and regulations regarding budgetary and disbursement procedures; accurate disclosure by the District's attendance records of average daily attendance, resident membership on the last Wednesday of September and the number of students eligible to receive free or reduced price lunches on the last Wednesday of January; and accurate disclosure by pupil transportation records of the average daily transportation of pupils eligible and ineligible for state aid, the number of miles eligible and ineligible for state aid and the allowable costs for pupil transportation during the year ended June 30, 2002. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, Columbia Public School District, Columbia, Missouri, complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2002.

This report is intended solely for the information and use of the Board of Education, District management, and the Missouri Department of Elementary and Secondary Education and is not intended to be and should not be used by anyone other than these specified parties.

September 26, 2002

Certified Public Accountants

## **SCHEDULES FOR STATE COMPLIANCE**

**COLUMBIA PUBLIC SCHOOL DISTRICT  
COMBINED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2002**

	<b>General Fund</b>			
	<b>General</b>	<b>Food Service</b>	<b>Student Activities</b>	<b>Adult Education</b>
<b>REVENUES</b>				
Local	\$ 27,802,388	\$ 2,628,678	\$ 1,317,550	\$ 1,176,164
County	795,006	-	-	-
State	15,759,566	37,230	-	363,207
Federal	2,728,191	1,980,383	-	599,550
Tuition Other Districts	51,625	-	-	-
Total Revenues	<u>47,136,776</u>	<u>4,646,291</u>	<u>1,317,550</u>	<u>2,138,921</u>
<b>EXPENDITURES</b>				
Regular Instruction	8,097,967	-	-	-
Special Instruction	4,642,136	-	-	-
Vocational Instruction	735,019	-	-	-
Student Activities	423,947	-	1,276,573	-
Tuition Other Districts	-	-	-	-
Total Instruction	<u>13,899,069</u>	<u>-</u>	<u>1,276,573</u>	<u>-</u>
Attendance	156,343	-	-	-
Guidance and Counseling	1,878,300	-	-	-
Health and Ancillary Services	1,556,899	-	-	-
Improvement of Instruction	980,691	-	-	-
Media Services	1,950,962	-	-	-
Board Services	352,086	-	-	-
General Administration	691,976	-	-	-
Building Administration	2,652,222	-	-	-
Business, Central Services	1,395,704	-	-	-
Operation of Plant	11,017,521	-	-	-
Pupil Transportation	4,921,314	-	-	-
Food Services	-	4,279,790	-	-
Total Pupil Support Services	<u>27,554,018</u>	<u>4,279,790</u>	<u>-</u>	<u>-</u>
Adult Education	-	-	-	1,837,995
Community Services	6,604	-	-	196,489
Debt Services	932,543	-	-	-
Capital Outlay and Construction	-	-	-	-
Total Other	<u>939,147</u>	<u>-</u>	<u>-</u>	<u>2,034,484</u>
Total Expenditures	<u>42,392,234</u>	<u>4,279,790</u>	<u>1,276,573</u>	<u>2,034,484</u>
<b>EXCESS (DEFICIT) REVENUES OVER EXPENDITURES</b>	4,744,542	366,501	40,977	104,437
<b>OTHER FINANCING SOURCES (USES)</b>				
General Obligation Bonds Issued	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	(94,226)	(409,120)	-	-
<b>EXCESS (DEFICIT) REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	4,650,316	(42,619)	40,977	104,437
<b>FUND BALANCE, JULY 1</b>	<u>11,743,444</u>	<u>804,747</u>	<u>465,281</u>	<u>281,671</u>
<b>FUND BALANCE, JUNE 30</b>	<u>\$ 16,393,760</u>	<u>\$ 762,128</u>	<u>\$ 506,258</u>	<u>\$ 386,108</u>

<u>Grants and Donations</u>	<u>Total</u>	<u>Special Revenue Teachers Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total (Memorandum Only) 2002</u>
\$ 1,411,575	\$ 34,336,355	\$ 38,356,872	\$ 11,059,250	\$ 856,863	\$ 84,609,340
-	795,006	559,034	283,993	7,911	1,645,944
2,164,826	18,324,829	27,582,415	1,270,258	360,524	47,538,026
904,916	6,213,040	3,072,581	-	8,076	9,293,697
-	51,625	71,195	-	-	122,820
<u>4,481,317</u>	<u>59,720,855</u>	<u>69,642,097</u>	<u>12,613,501</u>	<u>1,233,374</u>	<u>143,209,827</u>
1,407,340	9,505,307	42,780,823	-	-	52,286,130
154,343	4,796,479	13,364,086	-	-	18,160,565
489,218	1,224,237	2,200,825	-	-	3,425,062
-	1,700,520	352,453	-	-	2,052,973
-	-	325,486	-	-	325,486
<u>2,050,901</u>	<u>17,226,543</u>	<u>59,023,673</u>	<u>-</u>	<u>-</u>	<u>76,250,216</u>
-	156,343	-	-	-	156,343
281,729	2,160,029	2,745,923	-	53,653	4,959,605
104,431	1,661,330	908,353	-	-	2,569,683
218,437	1,199,128	1,100,613	-	4,470	2,304,211
12,860	1,963,822	1,684,257	-	151,915	3,799,994
-	352,086	-	-	-	352,086
-	691,976	863,527	-	-	1,555,503
-	2,652,222	4,488,624	-	-	7,140,846
-	1,395,704	106,611	-	-	1,502,315
4,768	11,022,289	-	-	36,546	11,058,835
-	4,921,314	-	-	-	4,921,314
-	4,279,790	-	-	409,120	4,688,910
<u>622,225</u>	<u>32,456,033</u>	<u>11,897,908</u>	<u>-</u>	<u>655,704</u>	<u>45,009,645</u>
297,286	2,135,281	45,636	-	-	2,180,917
1,448,602	1,651,695	786,774	-	2,600	2,441,069
-	932,543	-	10,598,260	-	11,530,803
-	-	-	-	15,333,410	15,333,410
<u>1,745,888</u>	<u>4,719,519</u>	<u>832,410</u>	<u>10,598,260</u>	<u>15,336,010</u>	<u>31,486,199</u>
<u>4,419,014</u>	<u>54,402,095</u>	<u>71,753,991</u>	<u>10,598,260</u>	<u>15,991,714</u>	<u>152,746,060</u>
62,303	5,318,760	(2,111,894)	2,015,241	(14,758,340)	(9,536,233)
-	-	-	-	10,000,000	10,000,000
-	-	57,680	-	445,666	503,346
-	(503,346)	-	-	-	(503,346)
62,303	4,815,414	(2,054,214)	2,015,241	(4,312,674)	463,767
<u>1,412,085</u>	<u>14,707,228</u>	<u>13,446,057</u>	<u>9,749,306</u>	<u>19,095,619</u>	<u>56,998,210</u>
<u>\$ 1,474,388</u>	<u>\$ 19,522,642</u>	<u>\$ 11,391,843</u>	<u>\$ 11,764,547</u>	<u>\$ 14,782,945</u>	<u>\$ 57,461,977</u>



**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF REVENUES CLASSIFIED BY SOURCE  
FOR THE YEAR ENDED JUNE 30, 2002**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
<b>LOCAL SOURCES:</b>					
Current Tax	\$ 16,582,643	\$ 31,320,206	\$ 10,062,961	\$ 244,900	\$ 58,210,710
Delinquent Tax	667,356	1,265,311	403,739	14,475	2,350,881
Sales Tax	9,071,506	4,403,701	-	-	13,475,207
In Lieu of Tax	15,196	28,702	9,222	225	53,345
Intangible Tax	25,988	49,085	15,771	384	91,228
Surtax	360,477	680,854	218,751	5,328	1,265,410
Tuition, K-12	156,602	109,140	-	-	265,742
Tuition, Post Secondary	1,118,081	-	-	-	1,118,081
Earnings on Investments	380,640	418,778	321,473	456,645	1,577,536
Other Interest Earned	41,781	81,095	27,333	671	150,880
Food Service Sales	2,577,400	-	-	-	2,577,400
Student Activities	1,453,318	-	-	-	1,453,318
Community Services	9,984	-	-	-	9,984
Rentals	214,737	-	-	-	214,737
Offset Printing	154,781	-	-	-	154,781
Donations	513,361	-	-	-	513,361
Food Service Catering	51,277	-	-	-	51,277
Project Construct	446,714	-	-	796	447,510
Coupon Fund Raising Sales	16,646	-	-	-	16,646
Other Local Sources	477,867	-	-	133,439	611,306
Total Local Sources	<u>34,336,355</u>	<u>38,356,872</u>	<u>11,059,250</u>	<u>856,863</u>	<u>84,609,340</u>
<b>COUNTY SOURCES:</b>					
Fines & Forfeitures	-	299,007	-	-	299,007
State Assessed Utilities	730,457	138,109	244,822	6,957	1,120,345
County Stock Insurance	64,549	121,918	39,171	954	226,592
Total County Sources	<u>795,006</u>	<u>559,034</u>	<u>283,993</u>	<u>7,911</u>	<u>1,645,944</u>
<b>STATE SOURCES:</b>					
Basic Formula	8,936,061	16,877,667	1,055,748	131,766	27,001,242
Transportation	957,637	1,808,742	-	-	2,766,379
Exceptional Pupil Aid	1,309,383	2,473,102	-	-	3,782,485
Free and Reduced/At Risk	1,815,755	3,429,460	214,510	26,796	5,486,521
Foreign Insurance, Free Textbook	1,278,810	-	-	-	1,278,810
Vocational, Technical	511,078	322,516	-	-	833,594
Adult Basic Education	167,468	-	-	-	167,468
Food Service	37,230	-	-	-	37,230
Literacy Grant	60,000	-	-	-	60,000
Fair Share, Cigarette Tax	-	404,749	-	-	404,749
Early Childhood	478,752	918,899	-	-	1,397,651
Remedial Reading	85,296	161,104	-	-	246,400
Career Ladder	341,800	645,575	-	-	987,375
Parents as Teachers	245,328	463,364	-	-	708,692
Video Tax	4,804	-	-	3,447	8,251
Safe Schools Grant	25,000	-	-	-	25,000
School Health Grant	90,000	-	-	-	90,000
Grants for School Technology	543	-	-	148,467	149,010
Vocational Enhancement	482,371	-	-	-	482,371

**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF REVENUES CLASSIFIED BY SOURCE  
FOR THE YEAR ENDED JUNE 30, 2002  
(continued)**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
<b>STATE SOURCES (cont.):</b>					
A+ Schools Grant	\$ 205,952	\$ -	\$ -	\$ 50,048	\$ 256,000
Missouri Preschool	120,372	-	-	-	120,372
Child Care Consortium	53,873	-	-	-	53,873
Extended Care	18,615	-	-	-	18,615
Excess Cost	3,949	4,219	-	-	8,168
Extraordinary Costs	38,660	73,018	-	-	111,678
Ready To Be Ready	159,674	-	-	-	159,674
Mathematics Grant	12,786	-	-	-	12,786
Project Construct	760,395	-	-	-	760,395
Show Me Science	58,891	-	-	-	58,891
Other State Sources	64,346	-	-	-	64,346
Total State Sources	<u>18,324,829</u>	<u>27,582,415</u>	<u>1,270,258</u>	<u>360,524</u>	<u>47,538,026</u>
<b>FEDERAL SOURCES:</b>					
Pell Grants	196,111	-	-	-	196,111
Voc Ed Act - Title I, Basic Grant	163,231	89,390	-	-	252,621
Title I - ESEA	659,794	1,071,793	-	-	1,731,587
Title VI - ESEA	230,523	238,896	-	-	469,419
Vocational	5,200	-	-	-	5,200
P.L. 94-142, Special Education	853,441	1,564,054	-	-	2,417,495
Early Childhood	228,974	108,448	-	-	337,422
J.T.P.A.	13,877	-	-	-	13,877
Adult Basic Education	271,832	-	-	-	271,832
Food Service	1,812,787	-	-	-	1,812,787
USDA, Commodities	166,062	-	-	-	166,062
Childcare Development	18,616	-	-	-	18,616
Title IV, Drug Free Schools	68,726	-	-	3,606	72,332
Title II	88,283	-	-	-	88,283
Learn & Serve America	19,000	-	-	-	19,000
School to Work	14,898	-	-	-	14,898
Medicaid	772,898	-	-	-	772,898
Public Safety Grant	19,900	-	-	-	19,900
Goals 2000	30,951	-	-	4,470	35,421
Boone Works	109,046	-	-	-	109,046
Erate	14,000	-	-	-	14,000
Even Start Family Literacy	200,000	-	-	-	200,000
Summer Food Service	98,204	-	-	-	98,204
Comprehensive School Reform	128,771	-	-	-	128,771
Other Federal Sources	27,915	-	-	-	27,915
Total Federal Sources	<u>6,213,040</u>	<u>3,072,581</u>	<u>-</u>	<u>8,076</u>	<u>9,293,697</u>
<b>OTHER SOURCES:</b>					
Sale of Bonds	-	-	-	10,000,000	10,000,000
Total Other Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,000,000</u>	<u>10,000,000</u>

**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF REVENUES CLASSIFIED BY SOURCE  
FOR THE YEAR ENDED JUNE 30, 2002  
(continued)**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
<b>TUITION OTHER DISTRICTS:</b>					
Tuition Other Districts	-	19,570	-	-	19,570
Area Vocational School Fees	51,625	51,625	-	-	103,250
Total Tuition Other Districts	<u>51,625</u>	<u>71,195</u>	<u>-</u>	<u>-</u>	<u>122,820</u>
 Total Revenues	 <u>\$ 59,720,855</u>	 <u>\$ 69,642,097</u>	 <u>\$ 12,613,501</u>	 <u>\$ 11,233,374</u>	 <u>\$ 153,209,827</u>

**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES BY OBJECT  
FOR THE YEAR ENDED JUNE 30, 2002**

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
<b>SALARIES:</b>					
Certificated Salaries	\$ 1,986,645	\$ 65,996,139	\$ -	\$ -	\$ 67,982,784
Non-Certificated Salaries	15,484,060	-	-	-	15,484,060
Total Salaries	<u>17,470,705</u>	<u>65,996,139</u>	<u>-</u>	<u>-</u>	<u>83,466,844</u>
<b>FRINGE BENEFITS:</b>					
Teacher Retirement	7,044,653	-	-	-	7,044,653
Non-Teacher Retirement	875,757	-	-	-	875,757
Social Security	2,144,905	-	-	-	2,144,905
Medical and Dental Benefits	2,353,607	5,432,366	-	-	7,785,973
Workers Compensation	511,825	-	-	-	511,825
Total Fringe Benefits	<u>12,930,747</u>	<u>5,432,366</u>	<u>-</u>	<u>-</u>	<u>18,363,113</u>
<b>PURCHASED SERVICES:</b>					
Instructional Services	-	325,486	-	-	325,486
Professional Services	2,007,843	-	-	-	2,007,843
Property Services	3,142,049	-	-	-	3,142,049
Contracted Transportation	4,775,657	-	-	-	4,775,657
Other Transportation, Non-Route	568,023	-	-	-	568,023
Travel	670,237	-	-	-	670,237
Insurance	311,561	-	-	-	311,561
Communications and Printing	881,892	-	-	-	881,892
Dues and Fees	436,218	-	-	-	436,218
Service Charges	227,310	-	-	-	227,310
Financial Aid Adult Ed.	10,813	-	-	-	10,813
Total Purchased Services	<u>13,031,603</u>	<u>325,486</u>	<u>-</u>	<u>-</u>	<u>13,357,089</u>
<b>SUPPLIES:</b>					
General Supplies	4,698,215	-	-	-	4,698,215
Free Textbooks	1,221,130	-	-	-	1,221,130
Library Books	71,213	-	-	-	71,213
Periodicals	-	-	-	-	-
Food Supplies	2,165,328	-	-	-	2,165,328
Gasoline	146,294	-	-	-	146,294
Utilities	1,925,559	-	-	-	1,925,559
Total Supplies	<u>10,227,739</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,227,739</u>
<b>CAPITAL OUTLAY:</b>					
Buildings and Additions	-	-	-	8,068,437	8,068,437
Improvements to Buildings	-	-	-	1,968,859	1,968,859
Improvements to Sites	-	-	-	1,196,514	1,196,514
Equipment and Vehicles	741,301	-	-	4,757,904	5,499,205
Total Capital Outlay	<u>741,301</u>	<u>-</u>	<u>-</u>	<u>15,991,714</u>	<u>16,733,015</u>
<b>DEBT SERVICE:</b>					
Principal	-	-	4,745,000	-	4,745,000
Interest	-	-	5,840,154	-	5,840,154
Professional Fees	-	-	13,106	-	13,106
Total Debt Service	<u>-</u>	<u>-</u>	<u>10,598,260</u>	<u>-</u>	<u>10,598,260</u>
Total Expenditures	<u>\$ 54,402,095</u>	<u>\$ 71,753,991</u>	<u>\$ 10,598,260</u>	<u>\$ 15,991,714</u>	<u>\$ 152,746,060</u>

**COLUMBIA PUBLIC SCHOOL DISTRICT  
 ASSESSED VALUATION AND TAX LEVY  
 JUNE 30, 2002**

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

	<b>Prior Year</b>	<b>Current Year</b>
Real Estate:		
Residential.....	\$ 632,927,046	\$ 705,618,687
Agriculture .....	11,797,855	11,761,428
Commercial .....	280,056,781	290,086,192
Personal Property.....	271,147,161	276,806,687
TOTAL	\$ 1,195,928,843	\$ 1,284,272,994

The tax levy per \$100 of the assessed valuation of tangible taxable property for the calendar year 2001 for purposes of local taxation was as follows:

	<b>Adjusted</b>	<b>Unadjusted</b>
Operating Fund.....	\$ 1.3544	\$ 1.7438
Teachers Fund .....	2.5581	2.5581
Debt Service Fund.....	.8219	.8219
Capital Projects Fund .....	.0200	.0200
TOTAL	\$ 4.7544	\$ 5.1438

**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF SELECTED STATISTICS  
YEAR ENDED JUNE 30, 2002**

**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)	1,135.02 hours
Kindergarten – Full-day	1,075.00 hours	Grades 6-12 (Douglass)	1,115.66 hours
Grades 1-5	1,075.00 hours	Grades 6-12 (Juvenile Justice)	1,087.50 hours
Grades 6-7	1,118.50 hours		
Grades 8-12	1,087.50 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 15,184.61 (Section 163.011(4), RSMo), calculated as follows:

**AVERAGE DAILY ATTENDANCE (ADA)**

Regular Year	Full-time/ Part-time	Remedial	Total
Kindergarten – A.M.	9.13	-	9.13
Kindergarten – Full-day	1,079.07	-	1,079.07
Grades 1-5	5,942.60	-	5,942.60
Grades 6-12	7,807.07	-	7,807.07
Subtotal Regular Year	<u>14,837.87</u>	<u>-</u>	14,837.87
<b>SUMMER SCHOOL AVERAGE DAILY ATTENDANCE</b>			<u>173.37</u>
<b>TOTAL AVERAGE DAILY ATTENDANCE</b>			<u>15,011.24</u>
<b>DETERMINATION OF RESIDENT ELIGIBLE PUPILS FOR STATE AID</b>			
Total Average Daily Attendance (ADA) (above)			15,011.24
Summer School Average Daily Attendance			<u>173.37</u>
<b>RESIDENT ELIBIGLE PUPILS FOR STATE AID (EP)</b>			<u>15,184.61</u>
<b>SEPTEMBER RESIDENT MEMBERSHIP</b>			<u>15,905.81</u>

(This is a calculated number adjusted for less than full-day kindergarten as of the last Wednesday of September, 2001.)

**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF SELECTED STATISTICS  
YEAR ENDED JUNE 30, 2002**

**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, 2002.)

	<u>2002</u>
Free	3,871.06
Reduced	667.49
Total	4,538.55

**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 8,259.50 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 2,078,520. Of this total, the eligible non-handicapped and handicapped miles was 1,793,132 and the ineligible non-route and disapproved miles (combined) was 285,388.

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     Special Literacy     Supplemental Literacy

MESL     EL/Civics     Other (name) \_\_\_\_\_





**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF SELECTED STATISTICS  
YEAR ENDED JUNE 30, 2002**

**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 \$5,486,521.

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 H, Basic Formula Apportionment amount was \$27,271,032.  
The District's 75% of 1% of the Basic Formula Apportionment amount was \$204,533.  
The amount spent for approved professional development committee plan activities was \$764,043.

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? \_\_\_\_\_

J. Lease purchase obligations entered into after November 1, 1993, and prior to January 1, 1997, for which the principal and interest payments are being made from the GTB/Line 1 transfer amount are in accordance with Section 165.011.5 (5), RSMo.

       Yes           No      X   N/A

K. Was the District's GTB/Line 1 transfer in excess of the adjusted operating expenditures?  
       Yes      X   No  
If yes, did the board approve a resolution to make the transfer, which identified the specific projects to be funded by the additional amount of the transfer and an expected expenditure date for such projects to be undertaken?

       Yes           No      X   N/A

L. The District set a levy in the Capital Projects Fund sufficient to cover the lease purchase principal and interest obligations for all Section 177.088 lease purchases entered into after January 1, 1997.

       Yes           No      X   N/A

M. The District issued general obligation refunding bonds in the current year.           Yes      X   No  
If yes, identify the type of refunding:           Current           Advance-Defeased           Advance-Crossover

N. The District has appropriately included all current and prior year crossover refunding bonds in its financial statements.

  X   Yes           No           N/A

O. The District took action prior to October 31 to cause an audit to be performed.      X   Yes           No

**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF SELECTED STATISTICS  
YEAR ENDED JUNE 30, 2002**

**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 report pursuant to Section 165.121, RSMo, within thirty days of the receipt of the audit.  
 Yes     No     N/A
- Q. If the District did not take action to cause an audit to be performed by October 31, the District published a financial summary in a local newspaper pursuant to Section 165.111, RSMo.  
 Yes     No     N/A
- R. Based on the District's federal expenditures, an audit was required to be performed in accordance with OMB Circular A-133 (Revised).  
 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.  
 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.  
 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.  
 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?  
 Yes     No  
 If no, has corrective action been recommended?     Yes     No

**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF TRANSPORTATION COSTS  
YEAR ENDED JUNE 30, 2002**

	<u>Regular</u>		<u>Handicapped Contracted</u>
	<u>District Owned</u>	<u>Contracted</u>	
Salary and Benefits	\$ 60,059	\$ -	\$ -
Purchased Services	344	3,749,448	1,026,548
Supplies	<u>-</u>	<u>84,915</u>	<u>-</u>
Total	<u>\$ 60,403</u>	<u>\$ 3,834,363</u>	<u>\$ 1,026,548</u>

## ***Single Audit Section***



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**GERDING, KORTE & CHITWOOD**

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

**INDEPENDENT AUDITORS' REPORT ON  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

To the 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 for the year ended June 30, 2002, and have issued our report thereon dated September 26, 2002. These basic financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Columbia Public School District, taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by *U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

September 26, 2002

  
Certified Public Accountants

**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2002**

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)	\$ 194,839
Perkins Loan	84.038	N/A		(1)	100,000
Total					<u>294,839</u>
<b>Passed Through State Department of Education:</b>					
Title I, Regular and Summer School	84.010A	010-093-L	X	\$ 2,138,490	2,128,164
Title I, Accountability	84.348A	010-093		27,336	27,336
Title VI	84.298A	010-093		94,666	88,194
Education of Handicapped:					
Entitlement	84.027A	010-093-JS, 010-093-EN01	X	2,113,173	2,113,173
Entitlement	84.323A	010-093-S2	X	3,956	3,956
Early Childhood	84.027A	010-093-EC04	X	37,864	37,864
Early Childhood	84.173A	010-093-EC01	X	291,800	291,800
Vocational Education	84.048A	010-093		252,621	252,621
Adult Basic Education	84.002A	010-093		271,832	271,832
Title II	84.281A	010-093		103,596	85,353
Drug-Free Schools & Communities (Title IV)	84.186A	010-093		78,011	72,332
Goals 2000	84.276A	010-093		37,000	35,121
Technology Literacy Challenge Fund	84.318X	010-093-C		49,969	461
Class Size Reduction	84.340	010-093	X	421,759	421,759
Show-Me Science Center	84.281B	010-093		54,904	54,904
Comprehensive School Reform-School Age Children	84.332A	010-093		46,540	46,540
Even Start	84.213C	N/A		200,000	200,000
Comprehensive School Reform	84.332A	N/A		150,000	128,771
Total					<u>6,260,181</u>
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>					<b>\$ <u>6,555,020</u></b>
<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)	\$ 1,446,149
National School Breakfast	10.553	010-093	X	(1)	357,597
Food Distribution	10.550	010-093	X	\$ 268,022	166,062
Total					<u>1,969,808</u>

**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2002  
(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 (Cont.)</u></b>					
<b>Passed Through State Department of Health and Senior Services:</b>					
Summer Food Program	10.559	010-093		(1)	\$ 77,502
Total					<u>77,502</u>
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>					<u>\$ 2,047,310</u>
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>					
<b>Passed Through Department of Public Safety:</b>					
Success + Efficacy = Prevention	16.540	010-093		\$ 19,900	\$ 19,900
Total					<u>19,900</u>
<b>TOTAL U.S. DEPARTMENT OF JUSTICE</b>					<u>\$ 19,900</u>
<b><u>U.S. DEPARTMENT OF LABOR</u></b>					
<b>Passed Through State Department of Education:</b>					
Job Training Partnership Act	17.250	DT-5005-0-01, 05-0005-0-01, 05-0005-0-06, 05-0005-9-01, 05-3005-0-01, 35-0005-0-01,		\$ 13,877	\$ 13,877
School to work	17.249	35-0005-9-01		(1)	14,420
Total					<u>28,297</u>
<b>Passed Through Advent Enterprises:</b>					
Welfare to work	17.253	N/A		\$ (1)	\$ 201,804
Total					<u>201,804</u>
<b>TOTAL U.S. DEPARTMENT OF LABOR</b>					<u>\$ 230,101</u>

**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2002  
(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>					
Refugee Children School Impact	93.576	010-093		\$ 10,724	\$ 9,214
Improving the Quality of Child Care	93.596	010-093		34,615	5,200
Comprehensive School Health	93.938	N/A		4,000	2,990
Total					<u>17,404</u>
<b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>					<u>\$ 17,404</u>
 <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		\$ 19,000	\$ 19,000
Total					<u>19,000</u>
<b>TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>					<u>\$ 19,000</u>
 <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)	\$ 456
Total					<u>456</u>
<b>TOTAL U.S. GENERAL SERVICES ADMINISTRATION</b>					<u>\$ 456</u>
 <b>TOTAL FEDERAL ASSISTANCE</b>					<u>\$ 8,889,191</u>

(1) No specific award amount





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## GERDING, KORTE & CHITWOOD

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

### REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Education  
Columbia Public School District  
Columbia, Missouri

We have audited the financial statements of Columbia Public School District as of and for the year ended June 30, 2002, and have issued our report thereon dated September 26, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

#### Compliance

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

#### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Columbia Public School District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

However, we noted other matters involving the internal control over financial reporting that we have reported to the management of Columbia Public School District in a separate letter dated September 26, 2002.

This report is intended solely for the information and use of the audit committee, management, others within the organization, Board of Education, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

September 26, 2002

  
Certified Public Accountants

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ROBERT A. GERDING

FRED W. KORTE, JR.

JOSEPH E. CHITWOOD

JAMES R. MCGINNIS



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## GERDING, KORTE & CHITWOOD

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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

To the Board of Education  
Columbia Public School District  
Columbia, Missouri

#### Compliance

We have audited the compliance of Columbia Public School District with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2002. Columbia Public School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Columbia Public School District's management. Our responsibility is to express an opinion on Columbia Public School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Columbia Public School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Columbia Public School District's compliance with those requirements.

In our opinion, Columbia Public School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2002.

#### Internal Control Over Compliance

The management of Columbia Public School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Columbia Public School District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

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ROBERT A. GERDING

FRED W. KORTE, JR.

JOSEPH E. CHITWOOD

JAMES R. MCGINNIS

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the audit committee, management, others within the organization, Board of Education, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

September 26, 2002

  
Certified Public Accountants

**COLUMBIA PUBLIC SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
AND SUMMARY OF AUDITORS' RESULTS  
JUNE 30, 2002**

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

*Federal Awards*

Internal control over major programs:

- 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
84.173	Education of the Handicapped
10.553	School Breakfast
10.555	School Lunch
10.550	Food Distribution
84.340	Class Size Reduction

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  
JUNE 30, 2002**

Section II: Findings

None

Section III: Questioned Costs

None

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