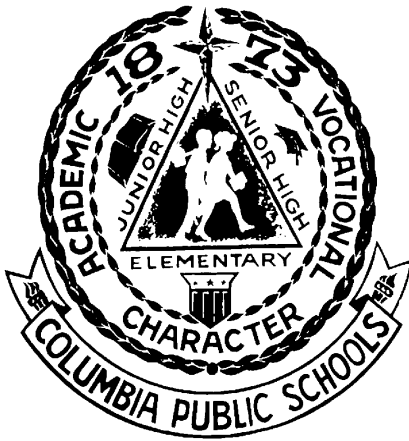


Comprehensive Annual Financial Report



*Columbia Public School District
Columbia, Missouri*

For Fiscal Year Ended June 30, 2005

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2005**

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

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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Introductory Section

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2005**

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

BOARD OF EDUCATION

Mr. J. C. Headley, President

Ms. Karla DeSpain, Vice President

Mr. David P. Ballenger, Member

Dr. Kerry Crist, Member

Mr. Elton Fay, Member

Mr. Donald R. Ludwig, Member

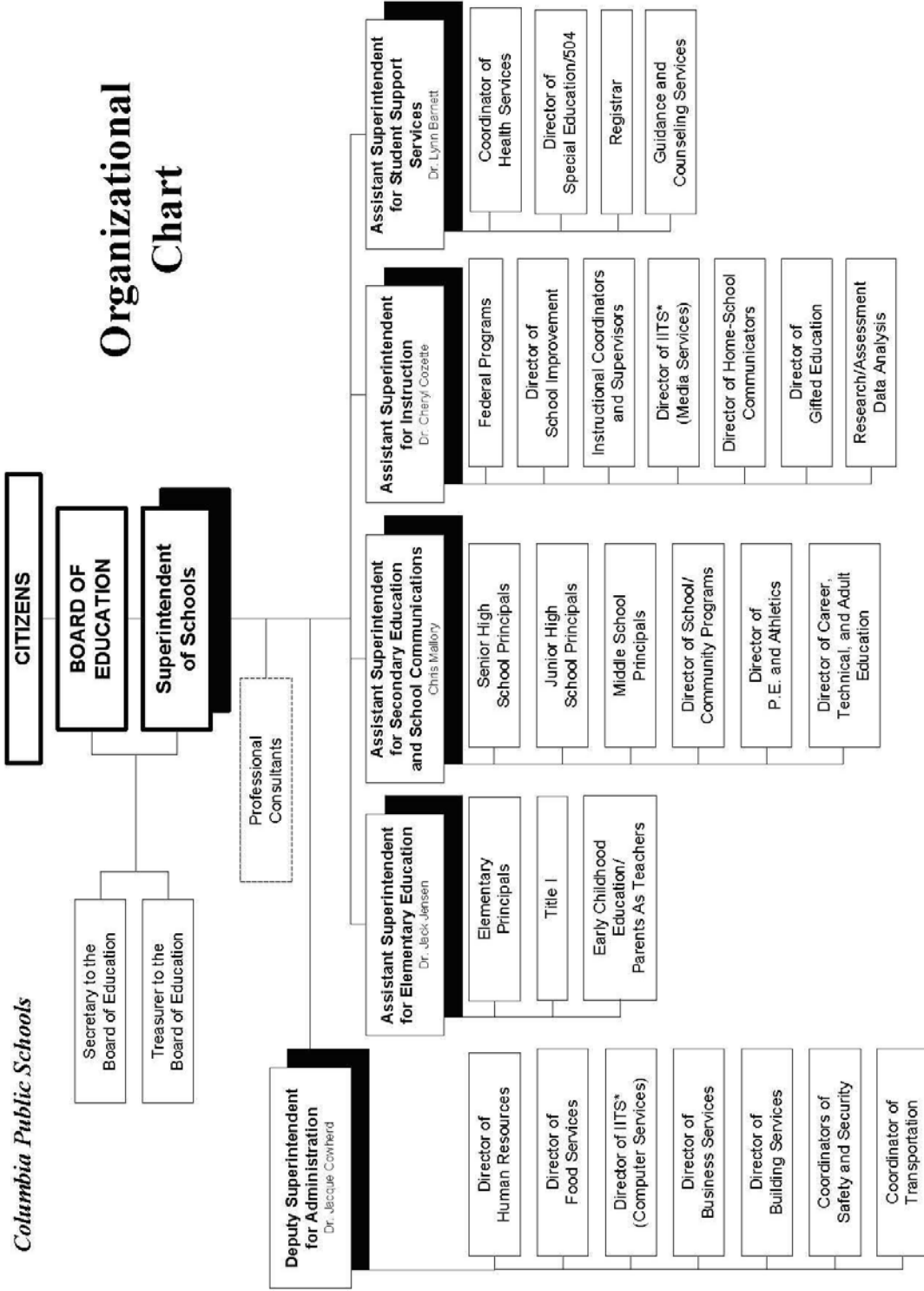
Mr. Darin Preis, Member

DISTRICT ADMINISTRATION

Dr. Phyllis A. Chase	Superintendent of Schools
Dr. Jacque Cowherd	Deputy Superintendent for Administration
Dr. Cheryl Cozette	Assistant Superintendent for Curriculum & Instruction
Dr. Jack Jensen	Assistant Superintendent for Elementary Education
Christopher Mallory	Assistant Superintendent for Secondary Education
Dr. Lynn Barnett	Assistant Superintendent for Student Support Services/ Secretary to the Board of Education
Dr. Mary A. Laffey	Director of Human Resources
Kevan Snell	Director of Business Services/ Treasurer to the Board of Education
Jeaneal Alexander	Director of Special Education
Patricia Brooks	Director of Nutrition Services

Columbia Public Schools

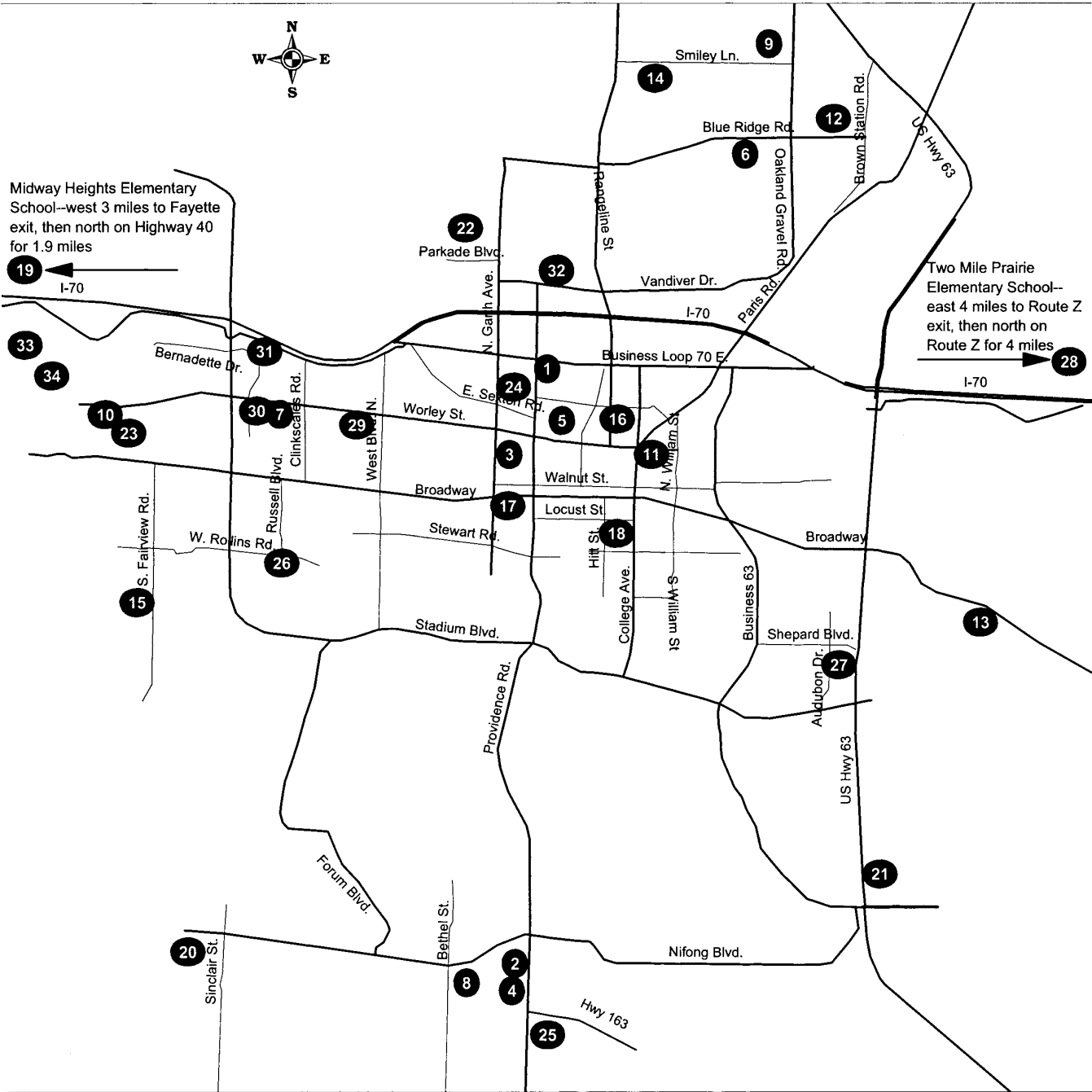
Organizational Chart



*One position

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 | | |

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, 2004

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.



Nancy L. Zielke

President

Jeffrey R. Enos

Executive Director

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, 2004

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

A handwritten signature in cursive script, appearing to read 'James Timbault'.

President

A handwritten signature in cursive script, appearing to read 'Anne W. Miller'.

Executive Director

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Financial Section

**COLUMBIA PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2005**

The discussion and analysis of the Columbia Public School District's financial performance provides a narrative overview of financial activities by the management of the District 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 basic financial statements, and other supplementary information to enhance their understanding of the District's financial performance.

Financial Highlights

- The total assets of the Columbia Public School District exceeded its liabilities at the end of the 2005 fiscal year by \$67,230,784 (net assets). Of this amount, \$32,174,731 (unrestricted net assets) may be used to meet the District's ongoing obligations to taxpayers and creditors.
- The District's total net assets increased \$2,192,941. This increase was the result of additional unexpected revenues received that were not spent during the current year.
- The governmental funds reported a combined ending fund balance of \$71,814,266, a decrease of \$13,520,315 from the prior year. A little over three-fourths of this amount, \$56,934,571, is available for spending at the District's discretion (unreserved, undesignated fund balance), within each respective fund.
- The combined unreserved fund balance for the General Fund and Teachers Fund is \$31,556,332, or 24.3% of the current year expenditures of these funds.
- The total long-term debt of the District decreased \$4,802,984 during the year.

Overview of the Financial Statements

The Financial 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 basic financial statements, and
- combining and individual fund statements and schedules.

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 basic 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.

**COLUMBIA PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2005**

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, as well as present financial information for the District's component unit.

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

Table 1				
Major Features of the District-Wide and Fund Financial Statements				
	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 and adult education	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"> • Statement of net assets • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures, and changes in fund balances • Statement of revenues, expenditures, and changes in fund balances-budget and actual 	<ul style="list-style-type: none"> • Statement of net assets • Statement of revenues expenses, and changes in net assets • Statement of cash flows 	<ul style="list-style-type: none"> • Statement of fiduciary net assets • Statement of changes in fiduciary assets and liabilities
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

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 (Statement of Net Assets) and how they have changed (Statement of Activities). Net assets, which is the difference between the District's assets and liabilities, is 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.

**COLUMBIA PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2005**

- 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.

The district-wide statements are broken out into two parts, the primary government and the component unit. The primary government is further broken out 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. These activities are primarily financed by property taxes and state formula aid.
- Business-type activities – The District charges fees and receives federal and state reimbursements to cover the costs of its food services operation and adult education program.

The District's component unit is the Columbia Public School District Foundation, which is a legally separate entity. Although the Board does not control the activities of the component unit, the component unit provides its resources solely to the District. The component unit's fiscal year end is December 31. The financial information presented for the component unit is for its fiscal year ending December 31, 2004.

This Management's Discussion and Analysis focuses on the primary government, which is under the control of the Board and District administration.

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 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 District has two types of proprietary funds, enterprise funds and internal service funds. The enterprise funds include the Food Services and Adult Education Funds, for which the District charges fees and for which revenues are expected to cover all expenses. Enterprise funds are included as business-type activities in the district-wide financial statements. The internal service funds include three funds used to account for the

**COLUMBIA PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2005**

District's self-insurance for medical, dental, and workers' compensation programs. These funds are used to allocate the costs of these programs to the functions that benefit from their use. Since internal service funds predominantly benefit governmental activities rather than business-type activities, they have been included in governmental activities in the district-wide financial statements.

- 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

As noted earlier, net assets may serve over time as a useful indicator of the District's financial position. As of the end of the most recently completed fiscal year, assets exceeded liabilities by just over \$67 million. Of that amount, 29% represents the District's investment in capital assets (land, buildings, equipment, etc.), 23% represents amounts that are subject to external restrictions on how they can be used (debt service, capital projects, teachers' salaries and benefits, etc.), and the remaining 48%, just over \$32 million, is available to fund the ongoing operations of the District.

The long-term perspective shown in the district-wide statements indicates the District continues to remain financially sound. The District's current assets exceed current liabilities indicating an ability to meet immediate financial needs. Obligations under long-term debt of the District decreased by \$4.8 million during the year and the District continues to be able to meet its obligations under long-term debt while also maintaining a reasonable balance of almost \$8 million in net assets restricted for debt service.

Table 2 provides condensed information regarding the District's assets, liabilities, and net assets. As indicated previously, changes in net assets can serve as an indicator that the District's financial situation is improving or deteriorating.

**COLUMBIA PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2005**

Table 2 Condensed Statement of Net Assets June 30, 2005 With Comparative Totals for June 30, 2004 (In Thousands)						
	Governmental Activities		Business-Type Activities		Total	
	2005	2004	2005	2004	2005	2004
Current and Other Assets	\$ 165,487	\$ 172,902	\$ 2,463	\$ 2,131	\$ 167,950	\$ 175,033
Capital Assets	140,713	129,971	613	667	141,326	130,638
Total Assets	<u>306,200</u>	<u>302,873</u>	<u>3,076</u>	<u>2,798</u>	<u>309,276</u>	<u>305,671</u>
Current Liabilities	92,462	86,306	240	181	92,702	86,487
Noncurrent Liabilities	149,192	154,004	151	142	149,343	154,146
Total Liabilities	<u>241,654</u>	<u>240,310</u>	<u>391</u>	<u>323</u>	<u>242,045</u>	<u>240,633</u>
Investment in Capital Assets, Net of Related Debt	18,991	19,762	613	667	19,604	20,429
Restricted	15,452	18,803	-	-	15,452	18,803
Unrestricted	<u>30,103</u>	<u>23,998</u>	<u>2,072</u>	<u>1,808</u>	<u>32,175</u>	<u>25,806</u>
Total Net Assets	<u>\$ 64,546</u>	<u>\$ 62,563</u>	<u>\$ 2,685</u>	<u>\$ 2,475</u>	<u>\$ 67,231</u>	<u>\$ 65,038</u>

As of June 30, 2005, the District is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same was also true for the prior fiscal year.

The District's total net assets increased \$2.2 million. This increase is due to additional revenues received during the year that were not spent and were added to reserves during the current year.

**COLUMBIA PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2005**

Table 3 provides a summary of the changes in net assets for the year ended June 30, 2005.

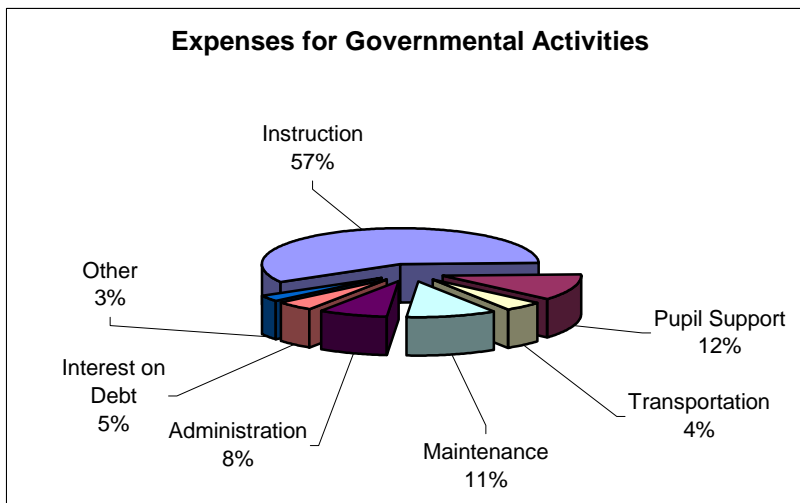
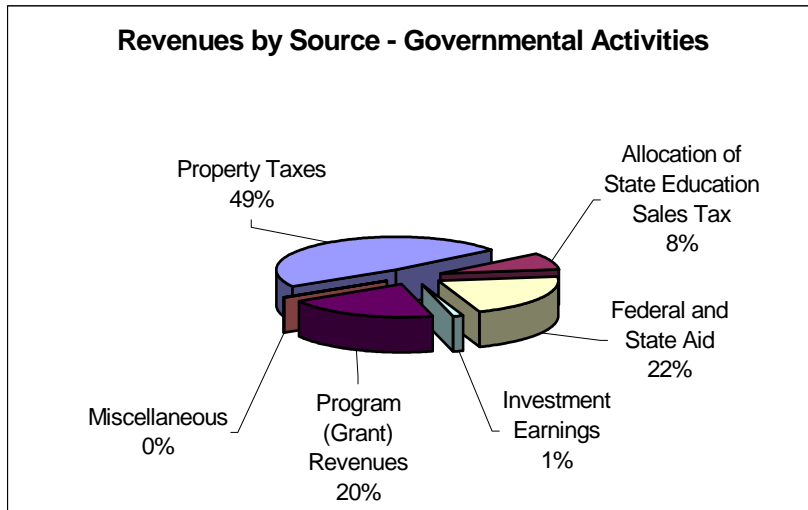
Table 3 Changes In Net Assets from Operating Results Year Ended June 30, 2005 With Comparative Totals for Year Ended June 30, 2004 (In Thousands)						
	Governmental Activities		Business-Type Activities		Total	
	2005	2004	2005	2004	2005	2004
Revenues:						
Program Revenues:						
Charges for Services	\$ 1,072	\$ 1,281	\$ 3,703	\$ 3,661	\$ 4,775	\$ 4,942
Operating Grants and Contributions	28,622	27,553	3,520	3,411	32,142	30,964
Capital Grants and Contributions	614	639	-	-	614	639
General Revenues:						
Property Taxes	71,189	70,003	-	-	71,189	70,003
Allocation of Statewide Education Sales Tax	12,472	11,950	-	-	12,472	11,950
Federal and State Aid	31,791	26,407	-	-	31,791	26,407
Other	2,594	1,924	-	-	2,594	1,924
Total Revenues	<u>148,354</u>	<u>139,757</u>	<u>7,223</u>	<u>7,072</u>	<u>155,577</u>	<u>146,829</u>
Expenses:						
Instruction	84,636	75,656	-	-	84,636	75,656
Support Services						
Pupil/Instructional Support	17,502	15,368	-	-	17,502	15,368
Administration	11,457	10,430	-	-	11,457	10,430
Operation of plant	15,636	14,748	-	-	15,636	14,748
Pupil Transportation	6,418	5,864	-	-	6,418	5,864
Other	3,882	3,872	-	-	3,882	3,872
Interest Payments	6,839	7,125	-	-	6,839	7,125
Food Services	-	-	5,246	4,782	5,246	4,782
Adult Education	-	-	1,768	1,853	1,768	1,853
Total Expenses	<u>146,370</u>	<u>133,063</u>	<u>7,014</u>	<u>6,635</u>	<u>153,384</u>	<u>139,698</u>
Increase (decrease) in net assets	<u>\$ 1,984</u>	<u>\$ 6,694</u>	<u>\$ 209</u>	<u>\$ 437</u>	<u>\$ 2,193</u>	<u>\$ 7,131</u>

**COLUMBIA PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2005**

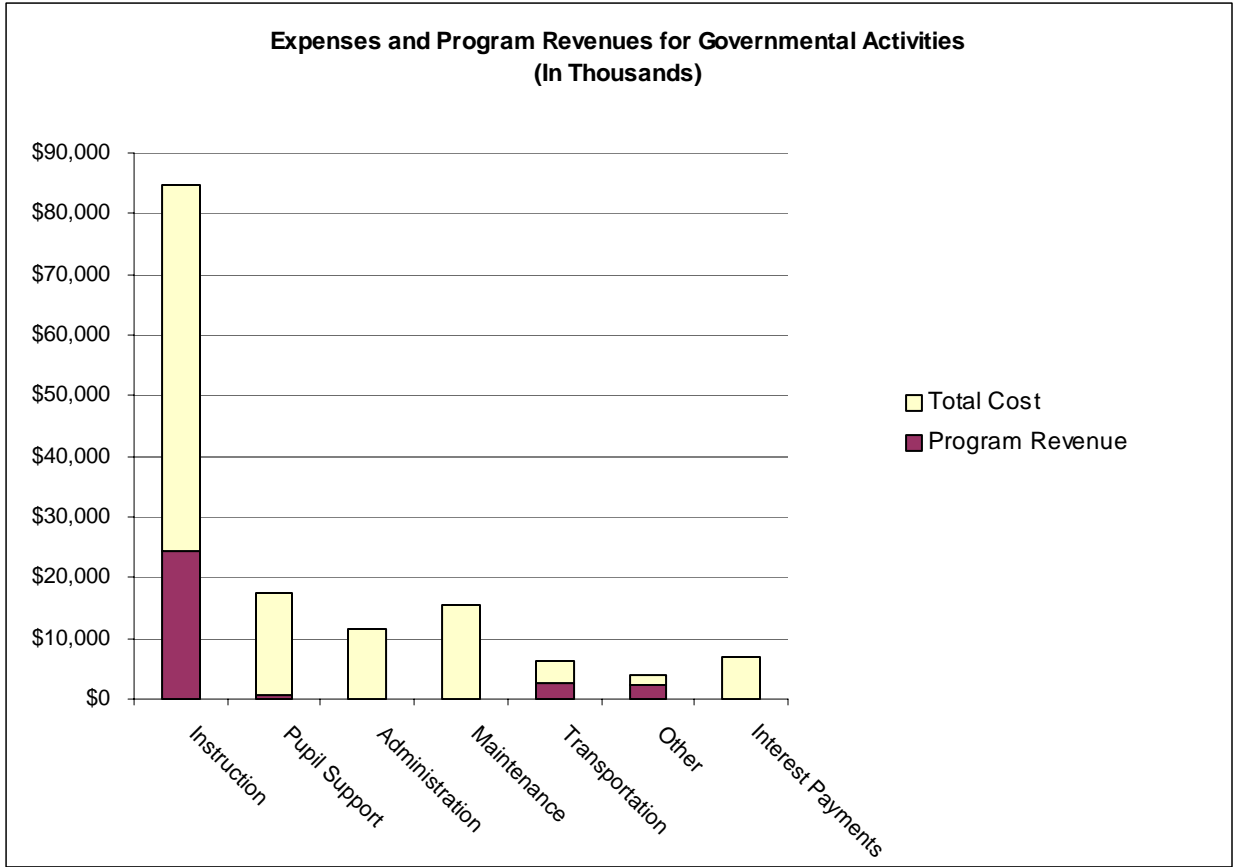
Governmental and Business-Type Activities

Expenses for Governmental Activities increased \$13 million. Of this increase, 85% (\$11 million) was in the areas of Instruction and Pupil/Instructional Support, primarily due to increases in teachers' salaries and benefits and payments to the District's summer school contractor. The increase in expenses was primarily financed by an increase of \$9 million in revenues, and the remaining \$4 million increase in expenses caused the change in net assets to be \$4 million lower than the prior year. Of the \$9 million increase in revenues, only \$1 million was from increases in property taxes while \$6 million was financed with additional state and federal grants and increases in state aid.

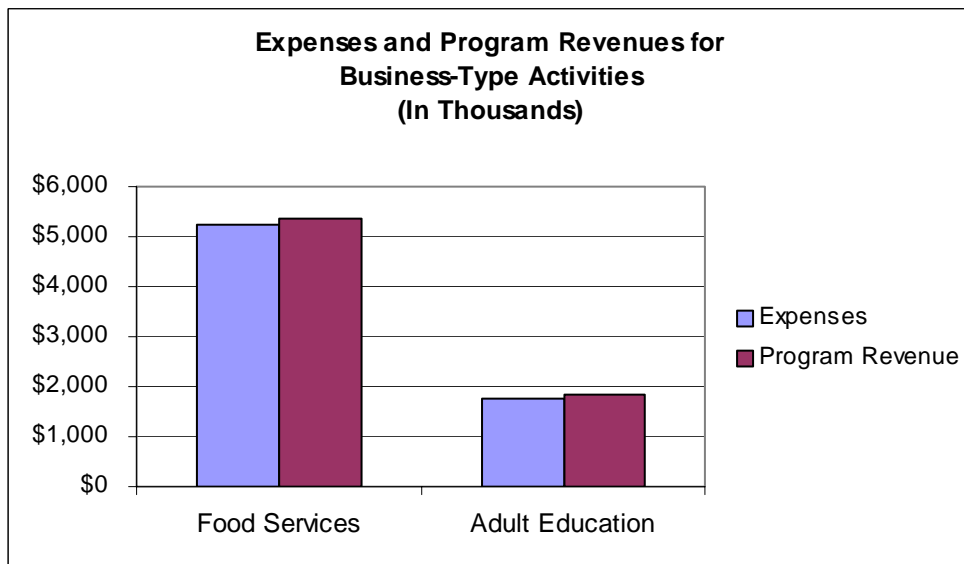
The District's Business-Type Activities continue to be entirely self-supporting and require no funding from the District's operating funds. The Business-Type Activities are funded through amounts charged for the services they provide as well as federal and state grants. The increase in expenses for the Business-Type Activities is primarily due to salary increases.



**COLUMBIA PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2005**



As displayed in the table above, program revenues account for only a small portion of total expenses for Governmental Activities. This contrasts with the table below that shows program revenues for Business-Type Activities exceed the expenses for those activities. This means that Governmental Activities are primarily funded by property taxes and other general revenues and Business-Type Activities are entirely self-funded through program revenues.



**COLUMBIA PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2005**

Financial Analysis of the District's Funds

The District completed the year with a total governmental fund balance of \$71,814,266. This is a decrease of \$13,520,315 from the previous year, primarily due to decreases in the Debt Service Fund and Capital Projects Fund. The overall position of the District's funds is strong and the District is able to meet all of its ongoing operational expenses without having to resort to any short-term financing activities.

The District refers to the combined balance of the General Fund and Teachers Fund as its operating funds. The balance of the operating funds decreased by approximately \$1.5 million. This was a planned decrease in the reserve balance of operating funds. Expenses for the operating funds increased \$13 million in the current year. The increase was primarily due to salary and benefit increases for teachers and support staff and payments made to the District's summer school contractor.

The balance of the Debt Service Fund decreased \$10 million during the year. This was due to principal payments that were made on the District's general obligation bonds that were funded by the proceeds from crossover refunding bonds that had been held by the District's fiscal agent in an escrow account since 2002 when the refunding bonds were issued.

The balance of the Capital Projects Fund decreased \$2.2 million during the year. This was a normal decrease in the balance of this fund as the timing of completion of capital projects often varies from the timing of issuance of general obligation bonds to finance the capital projects.

The District completed the year with a balance of net assets of \$2,684,586 in its proprietary funds. These funds are nonmajor funds and are presented in the district-wide statements as Business-Type Activities. The financial position of these funds remains strong and they continue to be able to be funded entirely through charges for the services they provide and federal and state grants. Revenues were greater than expenses for both the current and prior year for these funds.

General Fund Budgetary Highlights

The District adopts a 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 the current year, the budget for the General Fund was amended on two occasions for the following reasons:

- Increased revenues of \$2.4 million for additional state aid that was received during the year as a result of increased pupil counts from the 2004 summer school.
- Increased expenditures of \$3 million to pay the District's contractor for summer school.
- Increased revenues and expenditures for various grant programs to recognize final grant approvals.

Actual revenues exceeded budgeted amounts by \$684,063, primarily due to additional state aid received at the end of the year. Actual expenditures were \$914,941 less than budgeted, leaving a positive variance of over \$1.5 million in the ending balance of the fund. Costs related to pupil transportation were \$569,000 more than budgeted, mainly as a result of increased fuel costs and higher than expected costs to transport special education students. End of year payroll costs were also \$360,000 less than anticipated and various schools and departments did not spend all amounts budgeted for services and supplies.

**COLUMBIA PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2005**

Capital Assets

As of June 30, 2005, the District had \$140,713,105 and \$612,799, net of accumulated depreciation, invested in land, buildings and equipment in Governmental Activities and Business-Type Activities, respectively. This also includes construction in progress of \$9,533,338 as of year-end in Governmental Activities. (More detailed information regarding capital assets can be found in the notes to the basic financial statements, Note 10).

The District completed capital improvement projects totaling \$6.3 million. This included \$3.4 million for the Jefferson Junior High School additions and \$1.7 million for the Oakland Junior High School additions. Other improvements included renovations to various schools throughout the District.

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

Table 4 provides a summary of the District's capital assets as of June 30, 2005.

Table 4 Capital Assets June 30, 2005 With Comparative Totals for June 30, 2004 (Net of Depreciation, In Thousands)						
	Governmental Activities		Business-Type Activities		Total	
	2005	2004	2005	2004	2005	2004
Land	\$ 3,861	\$ 3,861	\$ 38	\$ 38	\$ 3,899	\$ 3,899
Construction in Progress	9,533	4,803	-	-	9,533	4,803
Buildings	121,617	116,793	195	198	121,812	116,991
Mobile Classrooms	1,198	1,287	-	-	1,198	1,287
Equipment and Furniture	4,504	3,227	380	431	4,884	3,658
Total	\$ 140,713	\$ 129,971	\$ 613	\$ 667	\$ 141,326	\$ 130,638

Debt Administration

As of June 30, 2005, the District had \$147,715,000 in general obligation bonds outstanding. The District issued \$12.5 million in general obligation bonds, dated March 1, 2005, which was the first issue of \$22.5 million authorized by the voters in April 2004. (More detailed information regarding long-term debt can be found in the notes to the basic financial statements, Note 9).

The outstanding general obligation bonds of the District have a Moody's rating of Aa2, which is the same as the prior year.

**COLUMBIA PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2005**

Other Matters

The District's budget for the subsequent fiscal year approved by the Board in June 2005 further reduces the balance of reserve operating funds by \$4.2 million. This will leave a projected balance in reserve funds of 19.8% of fiscal year 2006 expenditures at the end of fiscal year 2006. The Board has targeted a level of 18% of reserve funds in the operating funds.

In August 2005, the District issued refunding bonds that will lower the District's future debt service payments by \$1.2 million.

At its 2005 Regular Session, the Missouri General Assembly approved, and the Governor signed, legislation that significantly changes the formula used by the state to determine the amount of state aid the District receives. Under the new formula, which is being phased in over 7 years beginning in 2007, the District currently projects it would receive very limited increases in state funding each year. The District does not anticipate that these increases will be adequate to cover the increased costs of running the District. The Board has discussed the changes in state funding, and will address the financing of future increases in the costs of running the District in the process of developing the budget for fiscal year 2007.

The District has joined 242 other school districts in a lawsuit against the state questioning the constitutionality of both the new and old funding formulas in that they provide for inadequate and unfairly distributed funding among Missouri school districts. A trial date has not been set on this lawsuit and the effects, if any, it may have on the amount of funding the District receives from the state in the future is not known at this time.

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

**COLUMBIA PUBLIC SCHOOL DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2005**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Columbia Public School District Foundation
ASSETS				
Cash and Cash Equivalents	\$ 5,900,951	\$ 518,748	\$ 6,419,699	\$ 245,049
Investments	60,875,760	1,491,416	62,367,176	504,776
Receivables (Net of Allowance for Uncollectibles)				
Local	82,526,926	242	82,527,168	-
State	1,055,886	-	1,055,886	-
Federal	246,755	249,513	496,268	-
Inventories	246,646	172,746	419,392	-
Prepaid Expenses	327,269	30,685	357,954	-
Restricted Assets				
Investment with Fiscal Agent - Refunding Escrow	14,306,280	-	14,306,280	-
Capital Assets (Net of Accumulated Depreciation)				
Land	3,861,080	37,763	3,898,843	-
Construction in Progress	9,533,338	-	9,533,338	-
Buildings	121,617,189	195,377	121,812,566	-
Mobile Classrooms	1,198,247	-	1,198,247	-
Furniture and Equipment	4,503,251	379,659	4,882,910	-
Total Assets	306,199,578	3,076,149	309,275,727	749,825
LIABILITIES				
Accounts Payable	4,401,573	7,268	4,408,841	-
Accrued Salaries and Payroll Taxes	6,638,622	26,658	6,665,280	-
Accrued Interest Payable	2,071,572	-	2,071,572	-
Deferred Revenue	79,349,561	206,393	79,555,954	-
Noncurrent Liabilities				
Due within One Year	8,950,000	34,334	8,984,334	-
Due in More than One Year	125,992,052	116,910	126,108,962	-
Liabilities Payable from Restricted Assets	14,250,000	-	14,250,000	-
Total Liabilities	241,653,380	391,563	242,044,943	-
NET ASSETS				
Investment in Capital Assets, Net of Related Debt	18,990,907	612,799	19,603,706	-
Restricted for:				
Debt Service	7,791,972	-	7,791,972	-
Capital Projects	2,430,029	-	2,430,029	-
Teachers' Salaries and Benefits	3,712,278	-	3,712,278	-
Other	1,518,068	-	1,518,068	-
Unrestricted	30,102,944	2,071,787	32,174,731	749,825
Total Net Assets	\$ 64,546,198	\$ 2,684,586	\$ 67,230,784	\$ 749,825

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

**COLUMBIA PUBLIC SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2005**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities				
Instruction				
Regular Instruction	\$ 60,010,663	\$ 137,166	\$ 9,986,045	\$ 30,000
Special Education	20,082,002	-	12,595,621	7,395
Vocational Instruction	3,455,086	66,750	929,034	576,946
Student Activities - Athletics	733,748	118,396	-	-
Tuition to Other Districts	354,159	-	-	-
Total Instruction	<u>84,635,658</u>	<u>322,312</u>	<u>23,510,700</u>	<u>614,341</u>
Support Services				
Attendance	163,181	-	-	-
Guidance and Counseling	4,948,835	-	-	-
Health and Ancillary Services	2,747,952	22,500	90,000	-
Improvement of Instruction	2,109,746	-	433,586	-
Media Services	7,532,218	8,476	206,793	-
Board Services	319,449	-	-	-
General Administration	1,687,864	-	11,999	-
Building Administration	8,649,127	-	-	-
Business, Central Services	800,688	-	-	-
Operation of Plant	15,636,034	123,141	-	-
Pupil Transportation	6,418,242	-	2,744,981	-
Adult Literacy	205,451	-	164,223	-
Community Services	3,676,452	595,447	1,460,085	-
Total Support Services	<u>54,895,239</u>	<u>749,564</u>	<u>5,111,667</u>	<u>-</u>
Non-Instruction/Support Services				
Interest Payments, Bonds	6,839,392	-	-	-
Total Non-Instruction/Support Services	<u>6,839,392</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Governmental Activities	<u>146,370,289</u>	<u>1,071,876</u>	<u>28,622,367</u>	<u>614,341</u>
Business-Type Activities				
Food Services	5,246,357	2,841,177	2,534,764	-
Adult Education	1,767,660	862,321	985,016	-
Total Business-Type Activities	<u>7,014,017</u>	<u>3,703,498</u>	<u>3,519,780</u>	<u>-</u>
Total Primary Government	<u>\$ 153,384,306</u>	<u>\$ 4,775,374</u>	<u>\$ 32,142,147</u>	<u>\$ 614,341</u>
Component Unit				
Columbia Public School District Foundation	\$ 57,542	\$ -	\$ 130,583	\$ -

General Revenues

Taxes

Property Taxes, Levied for General Purposes

Property Taxes, Levied for Debt Services

Property Taxes, Levied for Capital Projects

Other Taxes

Allocation of Statewide Education Sales Tax

Federal and State Aid Not Restricted to Specific Purposes

Interest and Investment Earnings

Miscellaneous

Total General Revenues

Changes in Net Assets

Net Assets, July 1, as restated

Net Assets, June 30

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

**Net (Expenses) Revenues
and Changes in Net Assets**

Primary Government			Component Unit
Governmental Activities	Business- Type Activities	Total	Columbia Public School District Foundation
\$ (49,857,452)	\$ -	\$ (49,857,452)	\$ -
(7,478,986)	-	(7,478,986)	-
(1,882,356)	-	(1,882,356)	-
(615,352)	-	(615,352)	-
(354,159)	-	(354,159)	-
<u>(60,188,305)</u>	<u>-</u>	<u>(60,188,305)</u>	<u>-</u>
(163,181)	-	(163,181)	-
(4,948,835)	-	(4,948,835)	-
(2,635,452)	-	(2,635,452)	-
(1,676,160)	-	(1,676,160)	-
(7,316,949)	-	(7,316,949)	-
(319,449)	-	(319,449)	-
(1,675,865)	-	(1,675,865)	-
(8,649,127)	-	(8,649,127)	-
(800,688)	-	(800,688)	-
(15,512,893)	-	(15,512,893)	-
(3,673,261)	-	(3,673,261)	-
(41,228)	-	(41,228)	-
(1,620,920)	-	(1,620,920)	-
<u>(49,034,008)</u>	<u>-</u>	<u>(49,034,008)</u>	<u>-</u>
(6,839,392)	-	(6,839,392)	-
<u>(6,839,392)</u>	<u>-</u>	<u>(6,839,392)</u>	<u>-</u>
<u>(116,061,705)</u>	<u>-</u>	<u>(116,061,705)</u>	<u>-</u>
-	129,584	129,584	-
-	79,677	79,677	-
-	<u>209,261</u>	<u>209,261</u>	<u>-</u>
<u>(116,061,705)</u>	<u>209,261</u>	<u>(115,852,444)</u>	<u>-</u>
-	-	-	73,041
58,137,258	-	58,137,258	-
11,281,371	-	11,281,371	-
140,683	-	140,683	-
1,629,305	-	1,629,305	-
12,471,601	-	12,471,601	-
31,790,801	-	31,790,801	-
2,175,247	-	2,175,247	10,100
419,119	-	419,119	-
<u>118,045,385</u>	<u>-</u>	<u>118,045,385</u>	<u>10,100</u>
1,983,680	209,261	2,192,941	83,141
<u>62,562,518</u>	<u>2,475,325</u>	<u>65,037,843</u>	<u>666,684</u>
<u>\$ 64,546,198</u>	<u>\$ 2,684,586</u>	<u>\$ 67,230,784</u>	<u>\$ 749,825</u>

**COLUMBIA PUBLIC SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2005**

	<u>General</u>	<u>Teachers</u>	<u>Debt Service</u>
ASSETS			
Cash and Cash Equivalents	\$ 17,726	\$ -	\$ 3,663,976
Investments	33,104,868	2,261,245	5,965,846
Receivables (Net of Allowance for Uncollectibles)			
Local	24,035,750	44,676,138	13,602,452
State	391,038	635,362	-
Federal	60,644	138,473	-
Inventories	246,646	-	-
Prepaid Expenditures	318,256	8,513	-
Restricted Assets			
Investments with Fiscal Agent - Refunding Escrow	-	-	14,306,280
Total Assets	<u>\$ 58,174,928</u>	<u>\$ 47,719,731</u>	<u>\$ 37,538,554</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 663,074	\$ 178,133	\$ 627
Accrued Salaries and Payroll Taxes	6,359,325	271,167	-
Deferred Revenue	22,357,208	43,936,005	13,542,833
Total Liabilities	<u>29,379,607</u>	<u>44,385,305</u>	<u>13,543,460</u>
Fund Balances			
Reserved for			
Debt Service	-	-	14,306,280
Inventories	246,646	-	-
Prepaid Expenditures	318,256	8,513	-
Unreserved Reported in			
General Fund	28,230,419	-	-
Special Revenue Funds	-	3,325,913	-
Debt Service Fund	-	-	9,688,814
Capital Projects Fund	-	-	-
Total Fund Balances	<u>28,795,321</u>	<u>3,334,426</u>	<u>23,995,094</u>
Total Liabilities and Fund Balances	<u>\$ 58,174,928</u>	<u>\$ 47,719,731</u>	<u>\$ 37,538,554</u>

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

Governmental Fund Types

<u>Capital Projects</u>	<u>Nonmajor Fund Grants and Donations</u>	<u>Total Governmental Funds</u>
\$ -	\$ 395,752	\$ 4,077,454
16,457,211	1,106,631	58,895,801
169,316	43,270	82,526,926
-	29,486	1,055,886
-	47,638	246,755
-	-	246,646
-	500	327,269
-	-	14,306,280
<u>\$ 16,626,527</u>	<u>\$ 1,623,277</u>	<u>\$ 161,683,017</u>
\$ 2,286,596	\$ 59,936	\$ 3,188,366
-	8,130	6,638,622
168,574	37,143	80,041,763
<u>2,455,170</u>	<u>105,209</u>	<u>89,868,751</u>
-	-	14,306,280
-	-	246,646
-	-	326,769
-	-	28,230,419
-	1,518,068	4,843,981
-	-	9,688,814
14,171,357	-	14,171,357
<u>14,171,357</u>	<u>1,518,068</u>	<u>71,814,266</u>
<u>\$ 16,626,527</u>	<u>\$ 1,623,277</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.	140,713,105
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	692,202
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.	2,590,249
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>(151,263,624)</u>
Net assets of governmental activities	<u>\$ 64,546,198</u>

**COLUMBIA PUBLIC SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2005**

	General	Teachers
REVENUES		
Local	\$ 31,823,166	\$ 40,268,287
County	851,323	735,316
State	18,606,301	28,332,693
Federal	3,440,585	4,321,476
Tuition From Other Districts	33,625	42,036
Total Revenues	54,755,000	73,699,808
EXPENDITURES		
Current		
Instruction		
Regular Instruction	12,443,750	46,736,856
Special Instruction	4,902,419	15,025,431
Vocational Instruction	685,055	2,357,865
Student Activities - Athletics	264,963	432,865
Tuition To Other Districts	-	354,159
Total Instruction	18,296,187	64,907,176
Pupil Support Services		
Attendance	163,462	-
Guidance and Counseling	1,804,132	3,060,645
Health and Ancillary Services	1,865,596	779,039
Improvement of Instruction	1,082,353	944,938
Media Services	2,682,320	1,831,215
Total Support Services	7,597,863	6,615,837
Administration		
Board Services	319,449	-
General Administration	814,724	851,477
Building Administration	3,126,229	5,345,698
Business, Central Services	801,449	-
Total Administration	5,061,851	6,197,175
Other		
Operation of Plant	13,012,638	-
Pupil Transportation	6,356,475	-
Adult Literacy	8,662	33,697
Community Services	1,258,338	521,653
Total Other	20,636,113	555,350
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	51,592,014	78,275,538
REVENUES OVER (UNDER) EXPENDITURES	3,162,986	(4,575,730)
OTHER FINANCING SOURCES (USES)		
General Obligation Bonds Issued	-	-
Transfers In	-	80,152
Transfers Out	(80,152)	-
NET CHANGES IN FUND BALANCES	3,082,834	(4,495,578)
FUND BALANCES, JULY 1	25,712,487	7,830,004
FUND BALANCES, JUNE 30	\$ 28,795,321	\$ 3,334,426

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

Governmental Fund Types

	Debt Service	Capital Projects	Nonmajor Fund Grants and Donations	Total Governmental Funds
\$	12,554,168	\$ 1,817,375	\$ 1,036,389	\$ 87,499,385
	274,716	5,914	-	1,867,269
	1,348,964	79,393	2,121,598	50,488,949
	-	-	781,257	8,543,318
	-	-	-	75,661
	<u>14,177,848</u>	<u>1,902,682</u>	<u>3,939,244</u>	<u>148,474,582</u>
	-	-	471,716	59,652,322
	-	-	181,590	20,109,440
	-	-	532,779	3,575,699
	-	-	-	697,828
	-	-	-	354,159
	-	-	<u>1,186,085</u>	<u>84,389,448</u>
	-	-	-	163,462
	-	-	89,282	4,954,059
	-	-	106,173	2,750,808
	-	-	82,443	2,109,734
	-	-	<u>239,064</u>	<u>4,752,599</u>
	-	-	<u>516,962</u>	<u>14,730,662</u>
	-	-	-	319,449
	-	-	-	1,666,201
	-	-	-	8,471,927
	-	-	-	801,449
	-	-	-	<u>11,259,026</u>
	-	-	-	13,012,638
	-	-	61,812	6,418,287
	-	-	164,505	206,864
	-	-	<u>1,899,094</u>	<u>3,679,085</u>
	-	-	<u>2,125,411</u>	<u>23,316,874</u>
	17,505,000	-	-	17,505,000
	6,682,339	165,790	-	6,848,129
	<u>24,187,339</u>	<u>165,790</u>	<u>-</u>	<u>24,353,129</u>
	-	5,153,943	-	5,153,943
	-	78,405	-	78,405
	-	694,405	-	694,405
	-	<u>10,519,005</u>	-	<u>10,519,005</u>
	-	<u>16,445,758</u>	-	<u>16,445,758</u>
	<u>24,187,339</u>	<u>16,611,548</u>	<u>3,828,458</u>	<u>174,494,897</u>
	(10,009,491)	(14,708,866)	110,786	(26,020,315)
	-	12,500,000	-	12,500,000
	-	-	-	80,152
	-	-	-	<u>(80,152)</u>
	(10,009,491)	(2,208,866)	110,786	(13,520,315)
	<u>34,004,585</u>	<u>16,380,223</u>	<u>1,407,282</u>	<u>85,334,581</u>
\$	<u><u>23,995,094</u></u>	<u><u>14,171,357</u></u>	<u><u>1,518,068</u></u>	<u><u>71,814,266</u></u>

**COLUMBIA PUBLIC SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2005**

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

Net changes in fund balances of total governmental funds	\$	(13,520,315)
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		10,741,831
Revenues in the Statement of Activities that do not provide current financial resources are not reported in the funds		(59,077)
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		5,005,000
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		(121,716)
Expenses for issuance costs, premiums, discounts, and similar items related to the issuance of debt are reported in the governmental funds as expenditures at the time of issuance, and are deferred and amortized in the Statement of Activities		77,117
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		(270,283)
Internal service funds are used by the District to charge the costs of employee benefits to individual funds. The change in net assets of internal service funds is reported with governmental activities		131,123
Change in net assets of governmental activities	\$	<u><u>1,983,680</u></u>

The notes to the basic 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, 2005**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Local	\$ 32,061,493	\$ 31,566,439	\$ 31,823,166	\$ 256,727
County	855,984	855,984	851,323	(4,661)
State	15,593,739	17,994,630	18,606,301	611,671
Federal	3,328,855	3,611,384	3,440,585	(170,799)
Tuition From Other Districts	42,500	42,500	33,625	(8,875)
Total Revenues	<u>51,882,571</u>	<u>54,070,937</u>	<u>54,755,000</u>	<u>684,063</u>
EXPENDITURES				
Current				
Instruction				
Regular Instruction	9,367,659	12,873,927	12,443,750	430,177
Special Instruction	5,107,050	5,238,695	4,902,419	336,276
Vocational Instruction	772,409	832,190	685,055	147,135
Student Activities - Athletics	387,045	387,045	264,963	122,082
Total Instruction	<u>15,634,163</u>	<u>19,331,857</u>	<u>18,296,187</u>	<u>1,035,670</u>
Pupil Support Services				
Attendance	169,768	169,768	163,462	6,306
Guidance and Counseling	1,805,639	1,807,181	1,804,132	3,049
Health and Ancillary Services	1,955,823	1,975,057	1,865,596	109,461
Improvement of Instruction	1,257,820	1,255,813	1,082,353	173,460
Media Services	2,664,626	2,673,570	2,682,320	(8,750)
Total Support Services	<u>7,853,676</u>	<u>7,881,389</u>	<u>7,597,863</u>	<u>283,526</u>
Administration				
Board Services	325,000	325,000	319,449	5,551
General Administration	836,172	836,055	814,724	21,331
Building Administration	3,085,103	3,153,287	3,126,229	27,058
Business, Central Services	842,194	842,194	801,449	40,745
Total Administration	<u>5,088,469</u>	<u>5,156,536</u>	<u>5,061,851</u>	<u>94,685</u>
Other				
Operation of Plant	12,932,235	12,985,077	13,012,638	(27,561)
Pupil Transportation	5,778,894	5,786,594	6,356,475	(569,881)
Adult Literacy	8,891	8,891	8,662	229
Community Services	1,356,611	1,356,611	1,258,338	98,273
Total Other	<u>20,076,631</u>	<u>20,137,173</u>	<u>20,636,113</u>	<u>(498,940)</u>
Total Expenditures	<u>48,652,939</u>	<u>52,506,955</u>	<u>51,592,014</u>	<u>914,941</u>
REVENUES OVER EXPENDITURES	3,229,632	1,563,982	3,162,986	1,599,004
OTHER FINANCING USES				
Transfers Out	(893,681)	-	(80,152)	(80,152)
NET CHANGE IN FUND BALANCE	2,335,951	1,563,982	3,082,834	1,518,852
FUND BALANCE, JULY 1	<u>24,603,340</u>	<u>25,712,487</u>	<u>25,712,487</u>	<u>-</u>
FUND BALANCE, JUNE 30	<u>\$ 26,939,291</u>	<u>\$ 27,276,469</u>	<u>\$ 28,795,321</u>	<u>\$ 1,518,852</u>

The notes to the basic 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, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Local	\$ 41,281,986	\$ 40,477,622	\$ 40,268,287	\$ (209,335)
County	776,703	776,703	735,316	(41,387)
State	23,549,528	27,249,210	28,332,693	1,083,483
Federal	4,332,145	4,752,990	4,321,476	(431,514)
Tuition From Other Districts	64,871	64,871	42,036	(22,835)
Total Revenues	<u>70,005,233</u>	<u>73,321,396</u>	<u>73,699,808</u>	<u>378,412</u>
EXPENDITURES				
Current				
Instruction				
Regular Instruction	45,524,539	46,882,750	46,736,856	145,894
Special Instruction	15,064,779	15,251,625	15,025,431	226,194
Vocational Instruction	2,407,898	2,407,898	2,357,865	50,033
Student Activities - Athletics	439,108	439,108	432,865	6,243
Tuition To Other Districts	360,000	400,000	354,159	45,841
Total Instruction	<u>63,796,324</u>	<u>65,381,381</u>	<u>64,907,176</u>	<u>474,205</u>
Pupil Support Services				
Guidance and Counseling	3,118,040	3,118,040	3,060,645	57,395
Health and Ancillary Services	804,098	804,098	779,039	25,059
Improvement of Instruction	1,148,092	1,148,092	944,938	203,154
Media Services	1,801,737	1,801,737	1,831,215	(29,478)
Total Support Services	<u>6,871,967</u>	<u>6,871,967</u>	<u>6,615,837</u>	<u>256,130</u>
Administration				
General Administration	938,309	938,309	851,477	86,832
Building Administration	5,237,352	5,355,802	5,345,698	10,104
Total Administration	<u>6,175,661</u>	<u>6,294,111</u>	<u>6,197,175</u>	<u>96,936</u>
Other				
Adult Literacy	52,818	52,818	33,697	19,121
Community Services	758,050	758,050	521,653	236,397
Total Other	<u>810,868</u>	<u>810,868</u>	<u>555,350</u>	<u>255,518</u>
Total Expenditures	<u>77,654,820</u>	<u>79,358,327</u>	<u>78,275,538</u>	<u>1,082,789</u>
REVENUES UNDER EXPENDITURES	(7,649,587)	(6,036,931)	(4,575,730)	1,461,201
OTHER FINANCING SOURCES				
Transfers In	893,681	-	80,152	80,152
NET CHANGE IN FUND BALANCE	(6,755,906)	(6,036,931)	(4,495,578)	1,541,353
FUND BALANCE, JULY 1	<u>6,755,906</u>	<u>7,830,004</u>	<u>7,830,004</u>	<u>-</u>
FUND BALANCE, JUNE 30	<u>\$ -</u>	<u>\$ 1,793,073</u>	<u>\$ 3,334,426</u>	<u>\$ 1,541,353</u>

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

**COLUMBIA PUBLIC SCHOOL DISTRICT
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2005**

	<u>Business-Type Activities- Nonmajor Enterprise Funds</u>	<u>Governmental Activities- Internal Service Funds</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 518,748	\$ 1,823,497
Investments	1,491,416	1,979,959
Receivables (Net of Allowance for Uncollectibles)		
Local	242	-
Federal	249,513	-
Inventories	172,746	-
Prepaid Expenses	30,685	-
Total Current Assets	<u>2,463,350</u>	<u>3,803,456</u>
Noncurrent Assets		
Capital Assets (Net of Accumulated Depreciation)		
Land	37,763	-
Buildings	195,377	-
Furniture and Equipment	379,659	-
Total Noncurrent Assets	<u>612,799</u>	<u>-</u>
Total Assets	<u>3,076,149</u>	<u>3,803,456</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	7,268	1,213,207
Accrued Salaries and Payroll Taxes	26,658	-
Deferred Revenue	206,393	-
Total Current Liabilities	<u>240,319</u>	<u>1,213,207</u>
Noncurrent Liabilities		
Liability for Long - Term		
Compensated Absences	151,244	-
Total Liabilities	<u>391,563</u>	<u>1,213,207</u>
NET ASSETS		
Invested in Capital Assets, Net of Related Debt	612,799	-
Unrestricted	2,071,787	2,590,249
Total Net Assets	<u>\$ 2,684,586</u>	<u>\$ 2,590,249</u>

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

**COLUMBIA PUBLIC SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2005**

	Business-Type Activities- Nonmajor <u>Enterprise Funds</u>	Governmental Activities- Internal <u>Service Funds</u>
OPERATING REVENUES		
Food Sales	\$ 2,841,177	\$ -
Tuition	862,321	-
Insurance Premiums	-	13,387,746
Total Operating Revenues	3,703,498	13,387,746
OPERATING EXPENSES		
Food Purchased	2,047,158	-
Salaries and Wages	2,759,728	71,655
Fringe Benefits	803,441	16,528
Supplies	382,618	26
Purchased Services	253,020	8,016
Travel	21,710	-
Repairs	152,765	-
Donated Commodities Used	256,342	-
Financial Aid	265,950	-
Excess Loss Insurance	-	243,784
Administration Fees	-	302,552
Benefits Paid/Accrued	-	12,698,189
Depreciation	71,285	-
Total Operating Expenses	7,014,017	13,340,750
OPERATING INCOME (LOSS)	(3,310,519)	46,996
NONOPERATING REVENUES		
State Assistance	415,701	-
Federal Assistance	2,812,124	-
Earnings on Investments	-	84,127
Donated Commodities	256,342	-
Other	35,613	-
Total Nonoperating Revenues	3,519,780	84,127
CHANGES IN NET ASSETS	209,261	131,123
NET ASSETS, JULY 1	2,475,325	2,459,126
NET ASSETS, JUNE 30	\$ 2,684,586	\$ 2,590,249

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

**COLUMBIA PUBLIC SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2005**

	Business-Type Activities- Nonmajor Enterprise Funds	Governmental Activities- Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Sales/Tuition/Premiums	\$ 3,714,003	\$ 13,387,746
Cash Payments for Supplies and Services	(3,070,161)	(554,378)
Cash Payments to Employees for Services	(3,553,763)	(88,183)
Cash Payments for Claims/Benefits	-	(12,873,449)
Net Cash From Operating Activities	(2,909,921)	(128,264)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Federal/State Assistance	3,348,045	-
Other	35,613	-
Net Cash From Noncapital Financing Activities	3,383,658	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of Capital Assets	(17,264)	-
Net Cash From Capital and Related Financing Activities	(17,264)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on Investments	-	84,127
Investments Purchased	(1,491,416)	(5,454,385)
Investments Matured or Sold	1,551,951	4,663,597
Net Cash From Investing Activities	60,535	(706,661)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	517,008	(834,925)
CASH AND CASH EQUIVALENTS, JULY 1	1,740	2,658,422
CASH AND CASH EQUIVALENTS, JUNE 30	\$ 518,748	\$ 1,823,497
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES		
Operating Income (Loss)	\$ (3,310,519)	\$ 46,996
Adjustments to Reconcile Operating Income (Loss) to Net Cash From Operating Activities		
Depreciation	71,285	-
Donated Commodities Used	256,342	-
Change in Assets and Liabilities		
Decrease in Receivables	560	-
Decrease in Inventories	14,720	-
Increase in Prepaid Expenses	(10,962)	-
Decrease in Accounts Payable and Accrued Liabilities	(5,208)	(175,260)
Increase in Deferred Revenue	65,011	-
Increase in Compensated Absences Payable	8,850	-
Net Cash From Operating Activities	\$ (2,909,921)	\$ (128,264)
SCHEDULE OF NONCASH NONCAPITAL FINANCING ACTIVITIES		
Donated commodities received	\$ 262,759	\$ -
Donated commodities used	\$ 256,342	\$ -

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

**COLUMBIA PUBLIC SCHOOL DISTRICT
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY
STUDENT ACTIVITIES FUND
JUNE 30, 2005**

ASSETS

Cash	\$ 587,533
Accounts Receivable	2,955
Total Assets	<u>\$ 590,488</u>

LIABILITIES

Accounts Payable	\$ 23,973
Due to Student Groups	566,515
Total Liabilities	<u>\$ 590,488</u>

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