The District Continues to Invest in Capital Assets

Significant construction and renovation activity has occurred at the District's campuses the past 3 years.

Most of the District's current-year construction occurred at the new Northwest campus. At year end, construction at the campus was still in progress and the District estimated that it would cost $7.1 million to complete. In addition, the District estimated that its other unfinished construction projects would cost approximately $3.3 million to complete.

The District has financed a significant portion of its capital assets with bonded debt. Although the capital assets balances have increased over the past 3 years, related bonded debt liabilities have decreased due to debt principal payments during the same time period. The figure below illustrates these trends.
The District’s financial information is presented in three basic financial statements: Statement of Net Assets; Statement of Revenues, Expenses, and Changes in Net Assets; and Statement of Cash Flows.

The Statement of Net Assets reports all assets and liabilities using the accrual basis of accounting, which is similar to the accounting that most private-sector institutions use. Net assets, the difference between assets and liabilities, are one way to measure the District’s financial health. The table to the right presents a summarized Statement of Net Assets.

The Statement of Revenues, Expenses, and Changes in Net Assets presents the District’s operating results, as well as nonoperating revenues and expenses. Revenues and expenses are classified as operating if they relate to the District’s primary educational activities; otherwise, they are classified as nonoperating. The summary to the right presents the District’s revenues and expenses for the year ended June 30, 2003.

The Statement of Cash Flows provides information about cash receipts and cash payments during the year. This statement helps users assess the District’s ability to generate net cash flows to meet its obligations as they come due, and the need for external financing. The summary below shows the net cash flows from each of the District’s major activities.