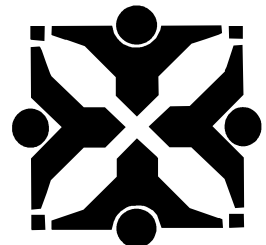


CITY OF COLUMBIA, MISSOURI

**Comprehensive
Annual Financial Report**

For the Fiscal Year
October 1, 2002 - September 30, 2003

Department of Finance
Lori B. Fleming, Director



CITY OF COLUMBIA, MISSOURI

**Comprehensive
Annual Financial Report**

For the Fiscal Year
October 1, 2002 - September 30, 2003

Department of Finance
Lori B. Fleming, Director

CITY OF COLUMBIA, MISSOURI

Table of Contents

	Page
INTRODUCTION SECTION:	
Transmittal Letter	i-vi
Certificate of Achievement	vii
Organizational Chart	viii
List of Officials	ix
FINANCIAL SECTION:	
Independent Auditors' Report	5-6
Management's Discussion and Analysis	9-17
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Assets	21
Statement of Activities	22-23
Fund Financial Statements	
Governmental Funds Financial Statements	
Balance Sheet	24
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	25
Statement of Revenues, Expenditures, and Changes in Fund Balances	26
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	27
Proprietary Funds Financial Statements	
Statement of Net Assets	28-29
Statement of Revenues, Expenses, and Changes in Fund Net Assets	30-31
Statement of Cash Flows	32-33
Fiduciary Fund Financial Statements	
Statement of Fiduciary Net Assets	35
Statement of Changes in Fiduciary Net Assets	37
Notes to the Basic Financial Statements	43-73

(Continued)

CITY OF COLUMBIA, MISSOURI

Table of Contents

	Page
Required Supplementary Information - Unaudited	
Budgetary Comparison Schedules – Governmental	
General Fund	77
Transportation Sales Tax Fund	78
Notes to the Budgetary Comparison Schedules	79
Pension Trust Funds Information	
Schedule of Funding Progress	80
Schedule of Employer Contributions	81-82
Supplementary Information	
Non-Major Governmental Funds	
Combining Balance Sheet	91
Combining Balance Sheet – Non-Major Special Revenue Funds	93-95
Combining Balance Sheet – Non-Major Debt Service Funds	97
Combining Statement of Revenues, Expenditures, and Changes In Fund Balance	99
Combining Statement of Revenues, Expenditures, and Changes In Fund Balance – Non-Major Special Revenue Funds	101-103
Combining Statement of Revenues, Expenditures, and Changes In Fund Balance – Non-Major Debt Service Funds	105
Budgetary Comparison Schedule – Non-Major Governmental Funds	106-111
Non-Major Enterprise Funds	
Combining Statement of Net Assets	115
Combining Statement of Revenues, Expenses, and Changes in Net Assets	117
Combining Statement of Cash Flows	119
Internal Service Funds	
Combining Statement of Net Assets	124-125
Combining Statement of Revenues, Expenses, and Changes in Net Assets	126-127
Combining Statement of Cash Flows	128-129
Fiduciary Funds	
Combining Statement of Fiduciary Net Assets	134-135
Combining Statement of Changes in Fiduciary Net Assets	136-137

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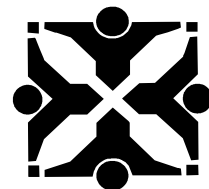
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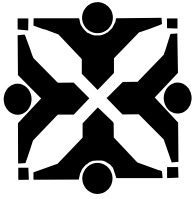
Table of Contents

	Table	Page
STATISTICAL SECTION		
General Government – Expenditures and Other Financing Uses By Function – Last Ten Fiscal Years	1	142-143
General Revenue and Other Financing Sources – Last Ten Fiscal Years	2	144-145
Tax Revenue By Source – General Fund – Last Ten Fiscal Years	3	147
Property Tax Levies and Tax Collections – General Fund – Last Ten Fiscal Years	4	148-149
Assessed and Estimated Actual Values of Taxable Property – Last Ten Fiscal Years	5	151
Property Tax Rates and Tax Levies – Direct and Overlapping Governments – Last Ten Fiscal Years	6	152-153
Special Assessment Billings and Collections – Last Ten Fiscal Years	7	155
Ratio of Net General Bonded Debt to Assessed Value and Per Capita – Last Ten Fiscal Years	8	156-157
Computation of Legal Debt Margin	9	158
Computation of Direct and Overlapping Debt	10	159
Schedule of Bonded Indebtedness	11	160
Ratio of Annual Debt Service Expenditures for General Bonded Debt to General Governmental Expenditures and Other Financing Uses – Last Ten Fiscal Years	12	161
Water and Electric Utility Revenue Bond Coverage – Last Ten Fiscal Years	13	162
Sanitary Sewer Utility Revenue Bond Coverage – Last Ten Fiscal Years	14	163
Parking Revenue Bond Coverage – Last Eight Fiscal Years	15	165
Debt Service Requirements to Maturity – General and Special Obligation Bonds	16	166-167
Debt Service Requirements to Maturity – Water and Electric Utility Bonds	17	168-169
Debt Service Requirement to Maturity – Sanitary Sewer Utility and Parking Revenue Bonds	18	170
Schedule of Electric Service Rates	19	171
Schedule of Water and Sanitary Sewer Service Rates	20	172
Property Value, Construction, and Bank Deposits	21	173
Principal Taxpayers	22	174
Demographic Statistics	23	175
Insurance in Force	24	176-177
Schedule of Marketable Securities and Investments	25	178-180
Salaries of Principal Officials	26	181
Largest Electric Utility Customers	27	182
Largest Water Utility Customers	28	183
Federal and State Grants	29	184

CITY OF COLUMBIA, MISSOURI

INTRODUCTION





CITY OF COLUMBIA, MISSOURI

FINANCE DEPARTMENT
ADMINISTRATION

January 9, 2004

Honorable Mayor, City Council, City Manager, and the Citizens of the City of Columbia:

Introduction

Management Responsibility

The Comprehensive Annual Financial Report (CAFR) of the City of Columbia, Missouri (the City) is submitted for your review in compliance with the provisions of Article II, Section 17 of the City Charter. This CAFR was prepared by the staff of the Finance Department in close cooperation with the external auditor, KPMG LLP. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. 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 activity of its various funds and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

CAFR Explanation

The Comprehensive Annual Financial Report has three sections.

Section I - Introduction

The introductory section includes this letter of transmittal, an organizational chart and a list of the City of Columbia's principal elected and appointed officials. This section also includes the Certificate of Achievement for Excellence in Financial Reporting awarded to the City by the Government Finance Officers Association.

Section II - Financial

The financial section includes the independent auditors' report, Management's Discussion and Analysis, the Basic Financial Statements, Required Supplementary Information, combining statements for non-major funds and other schedules that provide detailed information related to the Basic Financial Statements. The Basic Financial Statements are intended to provide an overview and broad perspective of the financial position and results of all operations of the City of Columbia. Management's Discussion and Analysis provides a narrative introduction, overview and analysis to accompany the Basic Financial Statements and should be read in conjunction with this letter of transmittal.

Section III - Statistical

The statistical section is designed to provide the user of the Comprehensive Annual Financial Report a broader and more complete understanding of the City. Where appropriate, ten-year comparative data is presented to indicate trends relating to the importance of various revenue sources, the composition of governmental expenditures and statutory debt limitations.

The Financial Reporting Entity

The Governmental Accounting Standards Board has established the criteria to determine the financial reporting entity for a municipal government's financial report. Therefore, the City used these criteria to examine the relationship of the City to other associated but legally separate entities, to determine if their inclusion in this report would be necessary to fairly present the financial position of the City. This criteria generally has to do with financial benefit or burden, and levels of influence over the activities of these organizations.

The financial reporting entity includes all funds of the City. This financial report does not include the Columbia Regional Library District or the Columbia Housing Authority or the City of Columbia New Century Fund, Inc. For a more detailed explanation of the relationship to these entities, refer to footnote number one in the Notes to the Basic Financial Statements on page 43.

Government Structure

The City of Columbia is a constitutional home rule charter city and was organized in 1892 pursuant to the laws of the State of Missouri. The City is governed by a home rule charter and has a Council-Manager, non-partisan form of government which was adopted in 1949. The Mayor and six council members are elected for three year staggered terms with two council members elected each year. The City is divided into six wards, with one council member representing each ward and the Mayor being elected at large.

Columbia is a full service City which provides not only the traditional basic services such as public safety, public works and planning, but also a wide variety of enterprise activities. Columbia provides a majority of utility services including water, electricity, solid waste, and sanitary sewers. Additionally, Columbia operates three transportation enterprises: the regional airport, public transportation and railroad operations. It is this comprehensive service approach that allows Columbia to be responsive to the community while managing growth in a professional and fiscally responsible manner.

Economic Condition and Outlook

The City of Columbia is located in Boone County in the central portion of the State of Missouri. The City's central location serves as a crossroad for travelers going east and west on Interstate 70 and north and south on U.S. 63. Columbia has excellent transportation resources being serviced by 14 motor carriers, Columbia Regional Airport, Columbia Terminal Railroad, Columbia Area Transit System and four intrastate bus services. The City encompasses approximately 56 square miles and has a current estimated population of 89,174. Columbia continues to enjoy a steady growth rate, increasing 4,643 from the 2000 census figures.

The City is the location of the main campus of the University of Missouri, Columbia College, and Stephens College. Approximately 35,000 students attend these institutions of higher education during the regular school year. In addition to higher education, Columbia is also a regional medical center with six hospitals. Insurance is a major business operation in the City with home offices of Shelter Insurance Companies, the Columbia Insurance Group, and a regional office of State Farm Insurance Company. Columbia is a regional shopping area for central Missouri with 15 shopping centers. Other area industry consists of printing, structural metal fabrication, structural materials production, electronic products, auto parts and food processing.

All of these activities have given Columbia a very stable employment base. Public education (including the University) and government comprise over 29% of all non-farm employment and are five of the top ten employers in the Columbia area. Service industries provide approximately 32% of non-farm employment with the medical industry comprising two of the top ten employers. The retailing industry is also very strong providing approximately 27% of the employment in the area. The unemployment rate in Columbia, approximately 2.1% in 2003, has been well below the national average of approximately 6.1%.

Major Initiatives

During 2003, the City of Columbia's major initiatives continued to focus on the seven most important strategies identified by the City Manager in his state of the City address. These initiatives are:

- ◆ Provide for city comprehensive planning/implementation
- ◆ Maintain and strengthen our central city
- ◆ Plan for orderly growth of our city
- ◆ Continue to provide and maintain infrastructure on a timely basis
- ◆ Continue to deliver services and programs in a timely and cost effective manner
- ◆ Provide for community resources
- ◆ Proactive two-way communication with our residents and with community partners

The City conducted its first citizen survey in April of 2003. This survey provided useful information to the City on how good a job our citizens believe we are doing. It also identified areas our citizens wanted the most emphasis on over the next two years. Overall our citizens seem satisfied with the level of service provided by the City. Emphasis on traffic flow and street maintenance is important to our citizens.

As a growing community, it is important for the City's utilities to maintain the ability to provide service to all customers. Much work was completed in 2003 to prepare for the voters a capital improvement plan for the Water & Electric and Sewer utilities to be financed with revenue bonds. The voters passed both ballot issues in November of 2003.

Another major initiative of 2003 was the continued expansion of the City's e-government capabilities. A major redesign of the City's web site has greatly enhanced the look and ease of navigation. Testing was nearly completed on the new parks and recreation software that will allow citizens to sign up and pay for parks programs online. The contract has been awarded for an online utility billing information and payment package that will allow utility customers to access utility information online and pay utility bills. This system will also allow for the same information to be accessed via the telephone to provide the same access to all customers whether or not they have online access.

Financial Trend Monitoring System

The International City Management Association (ICMA) under a grant from the National Science Foundation developed a comprehensive financial trend monitoring system. During FY80, the City of Columbia received permission to use the model, and was designated one of 24 test cities under the National Science Foundation grant.

The purpose in developing the City of Columbia's Financial Trend Monitoring System (CFTMS) was to enable the City to better understand the factors which affect the City's financial condition, and to present a clear picture of the City's financial strengths and weaknesses for review by City management, credit rating agencies and others with a need to know. The ICMA Financial Trend Monitoring System was modified by the City's Finance Department to apply not only to governmental funds, but also to include the City's diverse enterprise operations. The system monitors the indicators organized around environmental and financial factors such as external economic conditions, intergovernmental constraints, revenues, expenditures, operating position, debt structure, and the condition of capital plant. In order to use the Financial Trend Monitoring System, the City of Columbia began constructing indicators based upon five-year data for fiscal years 1977-81 and has been continually updated through fiscal year 2003. The data collection effort has permitted an assessment of current financial condition, and will be updated each year to provide continuing assessments. In 1997, the Financial Trend Monitoring System Manual, the General Government Manual and the Enterprise and Internal Service Funds Manual were all combined into one manual entitled "City of Columbia Ten Year Revenues, Expenditures and Financial Trends Manual."

The City continued to remain in excellent financial condition in 2003.

Financial Information

Internal Control Structure and Budgetary Controls

The City's government-wide financial statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by many businesses. The government-wide statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The fund financial statements present information for individual major funds rather than by fund type. Non-major funds are presented in total in one column. The City's general government operations are maintained on a modified accrual basis of accounting. This means that revenues are recorded when they are measurable and they are available to finance expenditures of the current period. Expenditures are recorded when the goods or services are received and the liabilities are incurred. The City's proprietary funds (enterprise funds and internal service funds) and fiduciary funds are maintained on a full accrual accounting basis. This means that revenues and expenses are recorded essentially in the same manner as in commercial accounting.

In recording the financial transactions for the City, and in developing this financial report, consideration is given to the adequacy of internal accounting controls. The controls are designed to provide reasonable, but not absolute, assurance the transactions are recorded correctly, and the financial reports are reliable. This concept of reasonable assurance recognizes the cost of a control should not exceed the benefits likely to be derived from the control. All internal control evaluations occur within the above framework. We believe the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The City's annual budget is prepared under the modified accrual basis of accounting. The primary basis of budgetary control is at the department level. Any increase in appropriations during the fiscal year must be approved by the City Council. Interdepartmental transfers are made with City Council approval. All remaining unencumbered appropriations lapse at fiscal year end. Capital Projects, however, remain appropriated until completed or until the City Council decides to eliminate the project.

Single Audit

The City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the United States Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-profit Organizations*. Information related to this single audit is included in a separate report.

Fiduciary Operations

Primary fiduciary operations of the City consist of the pension trust funds for the Firefighters and Police Retirement Plans. All full-time police officers and full-time firefighters are participants in their respective plans. The plans are financed by employer and employee contributions, which are actuarially determined. The latest actuarial valuations were made as of September 30, 2002. These plans are discussed in detail in the notes to the financial statements.

A detailed five-year experience study was completed in 1996. The results of this study were used to make minor adjustments to the actuarial assumptions used for each plan.

The Police and Firefighters' Retirement Funds' resources are generally invested in U.S. Treasury, Agency and Instrumentality Obligations, Corporate Bonds, Preferred stock, and Common stock. As of September 30, 2003, the portfolio had a fair value of \$60,637,487 with maturities of overnight to 25 years. Interest received on investments in this portfolio is higher than the Pooled Cash portfolio because the scope of investments is broader and the maturities are longer.

Cash Management

The primary responsibility of the Treasury Management Division of the Finance Department is to manage the investment portfolios and cash flow of the City. The City's investments are held in several portfolios that have a total cost of \$197,354,421 and a fair value of \$207,706,682 as of September 30, 2003. The City has adopted a comprehensive investment policy which authorizes the Finance Director to invest all City funds in any of the investment instruments outlined in the ordinance. In addition, the Police and Fire Pension Boards have adopted an asset allocation to be used specifically for the pension fund investments.

The City continues to manage a pooled funds investment program for all cash not restricted. By investing available fund balances as part of the pooled cash account the City receives more favorable interest rates. The pooled cash portfolio has a cost of \$132,330,951 and a fair value of \$138,010,591. Over 53% of the pooled cash portfolio is in U.S. government and agency securities. Thirty-nine percent of the pooled cash portfolio is in a money market fund. Due to the low interest rate environment, the City is holding these funds for the appropriate investment opportunity. A detailed listing of the securities held in the pooled cash portfolio can be found on pages 178 and 179.

The Self-insurance Reserve portfolio's primary purpose is to provide adequate reserves for the City's property, casualty and workers' compensation self-insurance program. This program was established and funded through the issuance of taxable and tax-exempt bonds in June 1988, which were fully retired in September 2002. This portfolio now consists of investments with a cost of \$9,055,727 and a fair value of \$9,058,604. A detailed listing of the securities held in this portfolio can be found on page 179.

Due to the compatible investment objectives of the funds, the City pools the Police and Firefighters' Retirement Funds portfolio. The portfolio had a cost of \$55,967,743 and a fair value of \$60,637,487 on September 30, 2003. As provided for in the current investment policies and guidelines, approximately 50% of the funds' assets are held in common stock and mutual funds. Remaining funds are allocated between corporate bonds, U.S. government and agency securities and a money market fund. A detailed listing of the securities held in this portfolio can be found on pages 179 and 180.

Risk Management

In June of 1988, the City established a self-insurance program to provide for the City's property, casualty and workers' compensation claims. This program was initially funded through the issuance of taxable and tax-exempt bonds. Annual contributions of \$1,705,501 have been made to the Self-insurance Fund by the City. These contributions, plus interest on the self-insurance portfolio are used to meet the normal expenses of the self-insurance program.

Other Information

Independent Audit

The State of Missouri statutes require an annual audit of all funds of the City. The firm of KPMG LLP has included its opinion in this report.

Certificate of Achievement

We believe this report meets and conforms to the very high standards of the Government Finance Officers Association (GFOA) of the United States and Canada for financial reporting of state and local governments. The City of Columbia, Missouri has received a Certificate of Achievement for Excellence in Financial Reporting for each of the last **twenty-four** years, and we believe our current report continues to conform to the Certificate of Achievement Program requirements.

We will be submitting this report to GFOA to determine its eligibility for another certificate because a Certificate of Achievement is valid for a one-year period only. In order to be awarded a Certificate, the financial report must satisfy accounting principles and must be organized to strict program standards. Such reports must also satisfy applicable legal requirements.

Finally, I would like to say the preparation of the Comprehensive Annual Financial Report could not have been accomplished without the dedicated staff of the Finance Department, especially personnel in the Accounting Division who actually compiled the report. Appreciation is also extended to the Mayor, the City Council, and the City Manager, for their part in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

**Lori B. Fleming
Director of Finance**

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Columbia,
Missouri

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2002

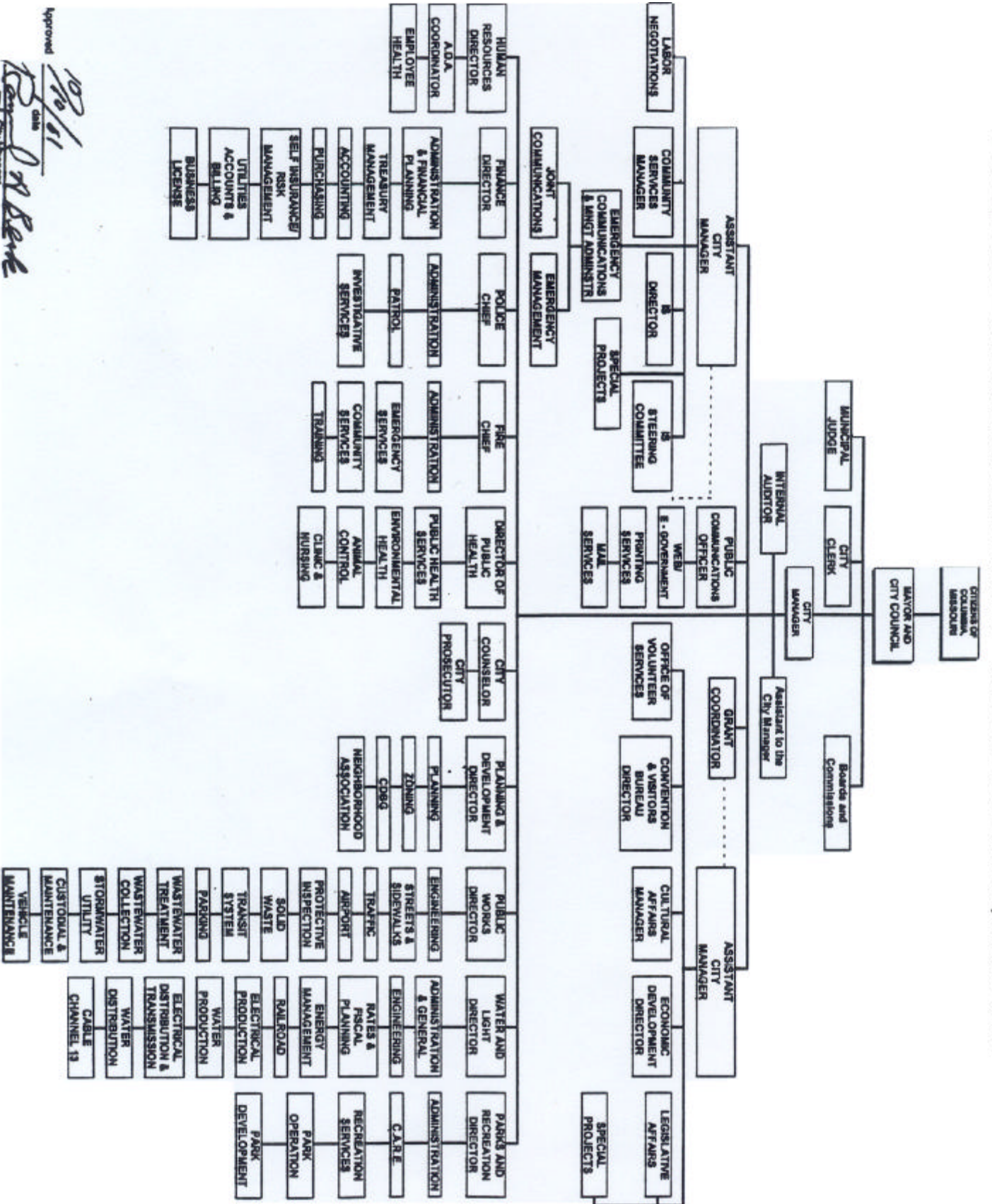
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



President

Executive Director

FUNCTIONAL ORGANIZATIONAL CHART - CITY OF COLUMBIA, MISSOURI



Approved 10/10/01 date *[Signature]*
 City Manager

CITY OF COLUMBIA, MISSOURI

CITY OF COLUMBIA OFFICIALS

MAYOR

Darwin Hindman

CITY COUNCIL

Almeta Crayton
Christopher Janku
Bob Hutton

Jim Loveless
John John
Brian Ash

CITY MANAGER

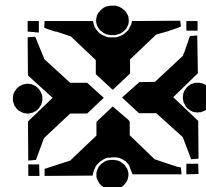
Raymond A. Beck

DIRECTOR OF FINANCE

Lori B. Fleming

INDEPENDENT AUDITORS

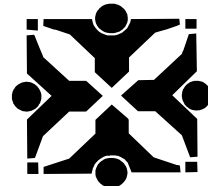
KPMG LLP



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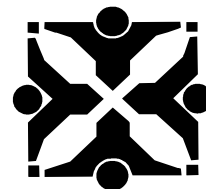
CITY OF COLUMBIA, MISSOURI

FINANCIAL SECTION



CITY OF COLUMBIA, MISSOURI

REPORT OF INDEPENDENT AUDITORS





KPMG LLP
Suite 900
10 South Broadway
St. Louis, MO 63102-1761

Independent Auditors' Report

The Honorable Mayor and Members
of the City Council
City of Columbia, Missouri:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Columbia, Missouri (the City), as of and for the year ended September 30, 2003, which collectively comprise the City's basic financial statements as listed in the accompanying table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions 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 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Columbia, Missouri as of September 30, 2003 and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis, budgetary comparison information, and schedules of funding progress and employer contributions on pages 9 through 17 and 77 through 82, respectively, are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the City of Columbia's basic financial statements. The introduction section, supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our



opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introduction section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

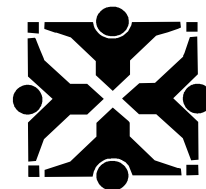
In accordance with *Government Auditing Standards*, we have also issued a report, dated January 9, 2004, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an 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.

KPMG LLP

St. Louis, Missouri
January 9, 2004

CITY OF COLUMBIA, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS



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City of Columbia, Missouri Management's Discussion and Analysis

This is the second year the City of Columbia, Missouri (the City) has prepared financial statements in accordance with the guidelines prescribed in GASB Statement 34. This discussion and analysis is meant to provide an objective and easily readable analysis of the City's financial activities based on current facts and conditions. Please read this in conjunction with the accompanying transmittal letter and basic financial statements.

Fiscal Year Highlights

Columbia continues to be a growing city. While recent economic factors have slowed the rate of growth in revenues, Columbia's resources are growing. The City provides a full range of governmental and proprietary services that include nine enterprise activities. This results in a greater volume of transactions and values than other cities of comparable size.

- The City's total net assets increased \$18,712,229 or 4.2%. Governmental activities net assets increased \$10,260,513 while business-type activities net assets increased \$8,451,716.
- City voters authorized approximately \$18,500,000 in Sanitary Sewer and \$28,000,000 in Water and Electric Revenue Bonds to finance major capital improvements.
- The City restructured 1985 Water and Electric Fund variable rate debt to fix the interest rates at current low levels and used current assets to reduce the amount outstanding.
- Construction was completed on the Activity and Recreation Center (ARC) and operation began in fiscal year 2003.
- The City retired the last of its General Obligation Debt in FY 2003.
- The City's property tax levy remained at 41 cents approximately 3 cents below the maximum allowed under state law.

The Comprehensive Annual Financial Report

The implementation of GASB 34 has changed the presentation and content of the financial statements from the statements issued prior to Fiscal Year 2002. This comprehensive annual financial report consists of six parts:

- Introductory section, which includes the transmittal letter and general information,
- Management's discussion and analysis (this part),
- The basic financial statements, which include the government-wide and the fund financial statements, along with the notes to the basic financial statements,
- Required supplementary information,
- Combining statements for non-major governmental funds, non-major enterprise funds, internal service funds, and fiduciary funds, and
- Statistical information.

The primary focus of local government's financial statements prior to GASB 34 had been to summarize fund type information on a current financial resource basis. The new accounting model now presents two kinds of information. The government-wide financial statements, which are new, provide both long-term and short-term information about the City's overall financial status. These statements are prepared on a full accrual basis to present information in a more corporate-like presentation. Fund financial statements are still included to provide useful information on individual parts of the government. More relevant detail is provided by distinct presentation of major funds in the basic financial statements, rather than summaries by total fund types.

Government-Wide Financial Statements

The basic financial statements include two government-wide financial statements: the statement of net assets and the statement of activities. These statements can be found on pages 21 to 23. The government-wide financial statements report information about the City as a whole using accounting methods similar to those used by the private sector.

The statement of net assets and statement of activities divide the City into the following:

- **Governmental activities** – All of the City’s basic services are considered to be governmental activities, including public safety, public works, health, parks, planning, cultural and economic development and general administration. These activities are supported primarily with general City revenue such as sales taxes, gross receipts taxes, P.I.L.O.T., property taxes, fines and specific program revenue like permit fees and grants.
- **Business-type activities** – All the City’s enterprise activities are included here. These operations derive revenues from charges for services that are intended to recoup the full cost of operations. Three of these operations require subsidies from tax revenue (airport, transit and recreation services).

The City does not include any component units in its financial statements.

Fund Financial Statements

Another major section of the basic financial statements is the fund financial statements. These statements are on pages 24 to 37. The fund financial statements provide detailed information about each of the City’s most significant funds, called “major funds”. All “non-major” funds are summarized and presented in a single column.

The City has three kinds of funds:

- **Governmental funds** – Most of the City’s basic services are included in governmental funds. These fund statements are prepared on a modified accrual basis, which means they measure only current financial resources and uses. Capital assets and other long-lived assets, along with long-term liabilities, are not presented in the governmental fund statements. Because this information does not encompass the long-term focus of the government-wide financial statements, additional information is provided on pages 25 and 27 that explains the differences between them.
- **Proprietary funds** – These statements include both enterprise funds and internal service funds. Statements are prepared on the full accrual basis and include all their assets and liabilities, current and long-term. This is the same basis used in the government-wide financial statements.
- **Fiduciary funds** - These statements include activity of funds that report trust responsibilities of the City. These funds are summarized by type; pension and private purpose trust. These assets are restricted in purpose and do not represent discretionary assets of the City. Therefore, these assets are not presented as a part of the government-wide financial statements.

Schedule of Net Assets

The following table reflects the condensed schedule of net assets as of September 30, 2003 and 2002:

City of Columbia's Net Assets

	Governmental Activities		Business-type Activities		Total	
	2003	2002	2003	2002	2003	2002
Current and other assets	\$ 100,721,927	96,304,336	\$ 106,511,016	119,691,008	\$ 207,232,943	215,995,344
Capital assets	97,105,151	90,891,725	308,207,485	295,840,496	405,312,636	386,732,221
Total assets	197,827,078	187,196,061	414,718,501	415,531,504	612,545,579	602,727,565
Long-term liabilities	14,719,185	16,786,375	115,370,312	118,017,289	130,089,497	134,803,664
Other liabilities	7,847,522	5,409,828	14,231,013	20,848,755	22,078,535	26,258,583
Total liabilities	22,566,707	22,196,203	129,601,325	138,866,044	152,168,032	161,062,247
Net assets						
Invested in capital assets, net of related debt	85,230,651	76,070,225	197,808,011	182,254,913	283,038,662	258,325,138
Restricted	47,930,717	49,276,777	7,983,948	8,186,065	55,914,665	57,462,842
Unrestricted	42,099,003	39,652,856	79,325,217	86,224,482	121,424,220	125,877,338
Total net assets	\$ 175,260,371	164,999,858	\$ 285,117,176	276,665,460	\$ 460,377,547	441,665,318

A review of the government-wide financial statement of net assets reveals the following:

Total assets for the City as a whole are \$612,545,579 an increase of \$9,818,014. Governmental activities total assets increased \$10,631,017 while business-type activities total assets decreased \$813,003. Total net capital assets increased \$18,580,415. Of this amount \$6,213,426 was in governmental activities (primarily in Streets and Parks) and \$12,366,989 for business-type activities (primarily in Water and Electric and Recreation Services Funds). Current assets were used in the Water and Electric fund to restructure and reduce the amount of Revenue Bonds outstanding. This is the major reason total liabilities have decreased \$8,894,215. Long-term liabilities decreased \$4,714,167. Other liabilities have decreased \$4,180,048. Of which, \$6,617,742 was a decrease in the business-type activities. The governmental activities increased \$2,437,694. The majority of this change, \$989,002 or 41%, is in accounts payable for capital projects.

Total net assets for the City as a whole are \$460,377,547, an increase of \$18,712,229 or 4.2%. Governmental activities total net assets increased \$10,260,513 and business-type activities total assets increased \$8,451,716, increases of 6.2% and 3.1%, respectively. A large increase of \$24,713,524 (9.6%) was experienced in net assets invested in capital assets net of related debt. The City continues to invest in the expansion of the water and electric distribution systems as well as the collection system in the sanitary sewer fund to accommodate our growing city. Restricted net assets decreased by \$1,548,177. This decrease occurred because of a change in the restrictions placed on the net assets of the Cultural Affairs Fund and a portion of the Public Improvement Fund, both of which are non-major funds. Total unrestricted net assets decreased \$4,453,118 or 3.5%. Business-type activities unrestricted net assets decreased \$6,899,265 due to the significant investment in capital assets net of related debt for the year of \$15,553,098. Unrestricted net assets for governmental activities increased by \$2,446,147 due to a change in the restrictions placed on net assets.

Schedule of Activities

The following table reflects the revenues and expenses for the City's activities for the year ended September 30, 2003 and 2002:

	City of Columbia's Schedule of Activities					
	Governmental Activities		Business-type Activities		Total	
	2003	2002	2003	2002	2003	2002
Revenues:						
Program revenues:						
Charges for services	\$ 8,528,017	7,012,099	\$ 101,883,995	96,402,644	\$ 110,412,012	103,414,743
Grants and contributions	4,325,098	3,890,031	1,304,361	1,166,886	5,629,459	5,056,917
Capital grants and contributions	2,455,945	2,740,029	4,703,521	6,369,450	7,159,466	9,109,479
General revenues:						
Property taxes	8,247,466	8,228,712	-	-	8,247,466	8,228,712
Sales tax	31,612,249	30,725,843	-	-	31,612,249	30,725,843
Other taxes	9,597,030	8,819,608	-	-	9,597,030	8,819,608
Investment revenue	1,478,964	6,542,331	1,895,527	6,559,492	3,374,491	13,101,823
Other	1,465,309	1,158,765	770,562	1,716,625	2,235,871	2,875,390
Total revenues	<u>67,710,078</u>	<u>69,117,418</u>	<u>110,557,966</u>	<u>112,215,097</u>	<u>178,268,044</u>	<u>181,332,515</u>
Expenses:						
Policy development and admin.	10,012,258	9,486,747	-	-	10,012,258	9,486,747
Public safety	26,447,188	25,307,596	-	-	26,447,188	25,307,596
Transportation	5,600,113	5,674,399	-	-	5,600,113	5,674,399
Health and environment	6,134,136	5,854,326	-	-	6,134,136	5,854,326
Personal development	8,604,106	8,209,699	-	-	8,604,106	8,209,699
Misc. nonprogrammed activities	297,170	400,061	-	-	297,170	400,061
Interest on long-term debt	834,347	1,206,283	-	-	834,347	1,206,283
Electric Utility	-	-	58,943,254	54,872,564	58,943,254	54,872,564
Water Utility	-	-	9,444,314	9,297,790	9,444,314	9,297,790
Sanitary Sewer Utility	-	-	8,979,382	8,649,912	8,979,382	8,649,912
Regional Airport	-	-	1,671,071	1,601,094	1,671,071	1,601,094
Public Transportation	-	-	3,044,024	2,936,602	3,044,024	2,936,602
Solid Waste Utility	-	-	10,432,357	10,293,259	10,432,357	10,293,259
Parking Facilities	-	-	1,755,804	1,841,303	1,755,804	1,841,303
Recreation Services	-	-	5,704,862	4,443,406	5,704,862	4,443,406
Railroad	-	-	661,508	529,662	661,508	529,662
Storm Water Utility	-	-	989,921	983,738	989,921	983,738
Total expenses	<u>57,929,318</u>	<u>56,139,111</u>	<u>101,626,497</u>	<u>95,449,330</u>	<u>159,555,815</u>	<u>151,588,441</u>
Increase in assets before transfers	9,780,760	12,978,307	8,931,469	16,765,767	18,712,229	29,744,074
Transfers	479,753	340,740	(479,753)	(340,740)	-	-
Increase in net assets	<u>10,260,513</u>	<u>13,319,047</u>	<u>8,451,716</u>	<u>16,425,027</u>	<u>18,712,229</u>	<u>29,744,074</u>
Net assets, beginning	164,999,858	151,680,811	276,665,460	260,240,433	441,665,318	411,921,244
Net assets, ending	<u>\$ 175,260,371</u>	<u>\$ 164,999,858</u>	<u>\$ 285,117,176</u>	<u>\$ 276,665,460</u>	<u>\$ 460,377,547</u>	<u>\$ 441,665,318</u>

The government-wide statement of activities indicates the major sources of program revenues are charges for services which increased by 6.8%. The City's largest utility, the Water and Electric Utility, accounts for the majority of charges for service. This fund experienced a 4% growth between FY 2002 and FY 2003 which is slightly lower than the growth in all business-type activities of 5.7%. The City's enterprise operations continue to experience good growth in their customer bases. Charges for services for governmental activities increased by over 21.6% due mostly to an increase in special assessment revenue which can vary widely from year to year based upon the capital improvement plan. Fleet operations also had an increase in revenues from work for outside agencies and an increase in employee contributions to the health plan account for the remaining increases.

The amount of operating grants for fiscal year 2003 is 11% above the FY 2002 amount. These increases have occurred in the areas of health and public safety and are reflected in an increase of funding available for homeland security. Capital grants and contributions are lower than previous years due to the \$1.2 million grant received by the Electric Utility for the Route AC project in FY 2002. The City did not have a similar large project that received grant funding in FY 2003.

General revenues experienced good growth in all areas except investment revenue. Lower balances and the continued low interest rate environment continue to take its toll on investment earnings. As higher interest earning investments mature, there is little opportunity to reinvest at a higher rate. Sales tax is the most significant general revenue. Columbia is fortunate to continue to see growth in sales taxes at a rate of 2.9% which was above budget projections of 2.5% for FY 2003. Staff continues to closely monitor the monthly sales tax files provided by the state.

Half of the City's business-type activities show program revenue in excess of expenditures, all except the airport and railroad operations have a positive result of operations when including general revenues and transfers. The City experienced no significant variance from projected revenues for FY 2003.

Total program expenses for FY 2003 are \$159,555,815, an increase of 5.3%. The majority of these expenses, \$101,626,497, are for business-type activities. Business-type activity expenses increased 6.4%. The largest increase in business-type expenses was in recreation services due to the opening of a new facility (ARC). Governmental activity expenses of \$57,929,318 have increased 3.2%. The largest increase occurred in policy development and administration. This increase was caused by increases in the employee benefit fund. Interest expense is lower due to the reduction in principal of the G. O. bonds outstanding during the year. As noted earlier the final payment was made during 2003.

The total net assets increased \$18,712,229 or 4.2%. Governmental activities increased net assets by \$10,260,513 or 6.2%. Business-type activities increased net assets by \$8,451,716 or 3.1%. These amounts are in line with projections.

Net transfers were \$479,753 from business-type activities to governmental activities. However, the City transfers over \$3.9 million in general funds and transportation sales tax funds to support the operations of various business-type activities. Approximately \$2.9 million in parks sales taxes are transferred to the recreation services fund for operations and capital needs. For purposes of the government-wide financial statements, over \$7 million in payment in lieu of tax funds that are paid by the Water and Electric Utilities to the general fund are included as transfers. Detail of individual transfers can be found in the notes to the financial statements.

The City did not have any special or extraordinary items in FY 2003.

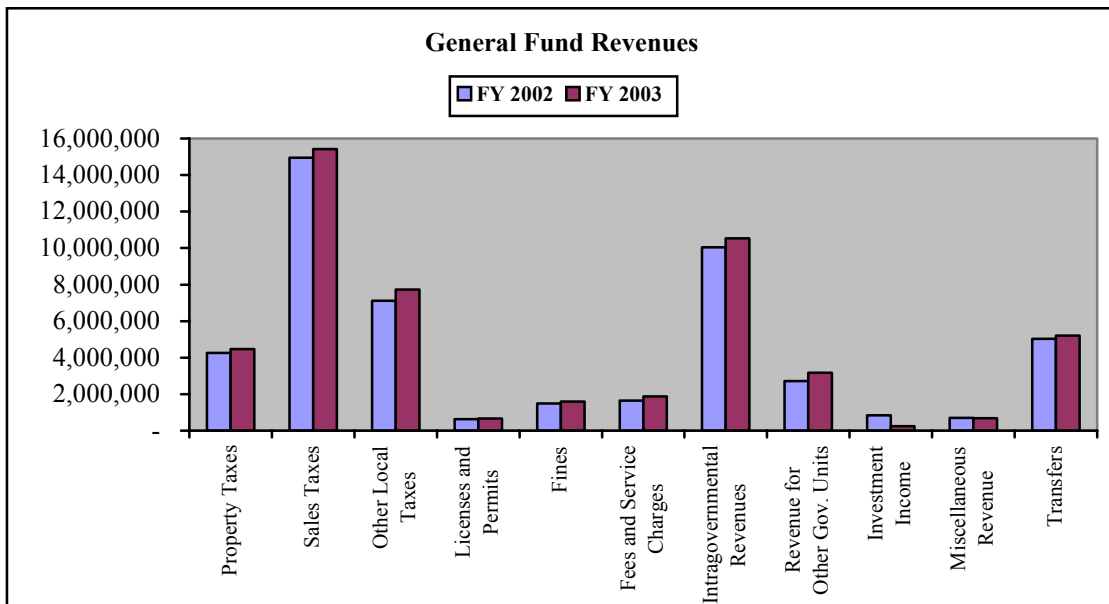
Fund Statements

The City's fund statements can be found on pages 24 to 37 of the basic financial statements. Reconciliation to the government-wide financial statements has been provided with these fund statements. Both governmental funds and proprietary funds ended FY 2003 with an increase in fund balance and net assets.

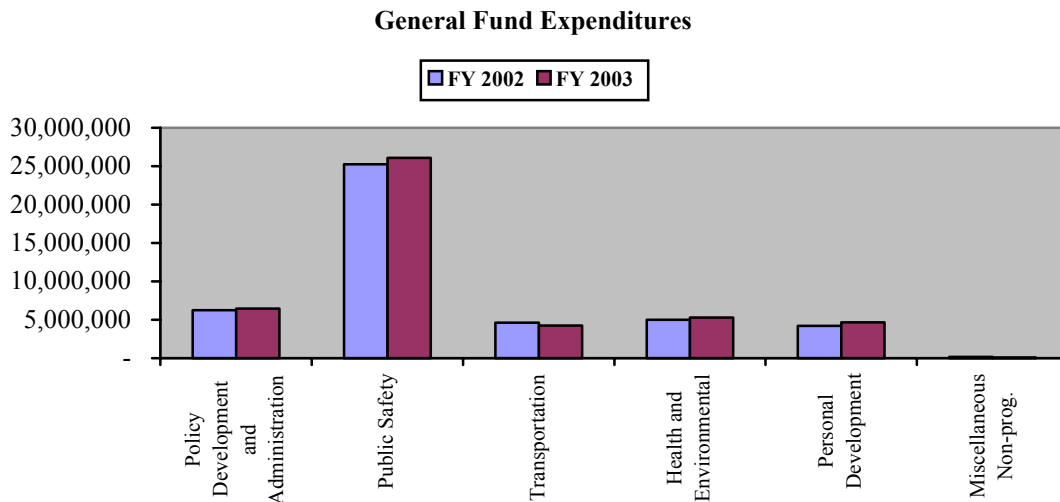
Undesignated general fund balance is 23.1% of expenditures and transfers, well above the 16% target set by Council policy. It is the City's policy to designate the portion of fund balance that has been appropriated as revenue for the FY 2004 budget. Even though the City had budgeted for the use of over \$2.5 million in appropriated fund balance

for FY 2003 and designated \$3.5 million for use in FY 2004, favorable variances in both revenues and expenditures resulted in an increase in undesignated fund balance of over \$1,000,000. Care is taken to identify capital or other one time uses when the amount of appropriated fund balance increases substantially.

Overall revenues in the general fund were above the budgeted amount by \$1,887,302 or 3.6%. General fund revenues excluding appropriated fund balance increased \$2,184,358 or 4.4%. The overall tax rate remained constant at 41 cents. This was still 4 cents below the City's maximum authorized levy. Sales taxes increased by \$475,247 or 3.2% over FY 2002. Due to the continued decline in interest rates, investment income decreased by \$596,563. The City's general fund revenue base remains stable with good growth for the local economic climate.



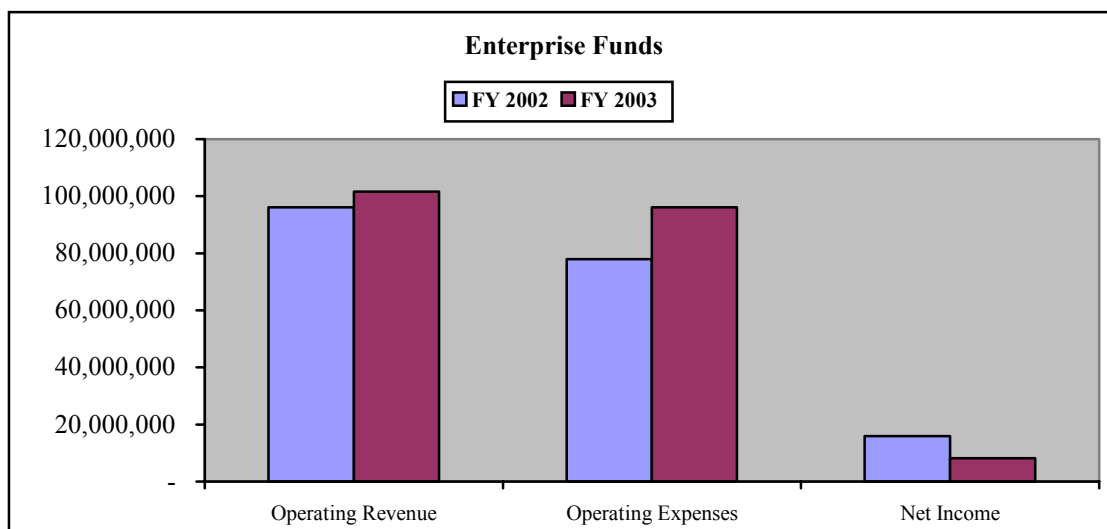
General fund expenditures were \$3.7 million under budget for FY 2003 and grew only by 2.34%. Of this amount, \$1,036,000 has been encumbered to be spent in FY 2004. General fund expenditures, including transfers, increased \$1.1 million. The largest increase was in the area of public safety, approximately \$828,000. The majority of the increase in public safety was in the Fire Department (\$443,000) and the Police Department (\$225,000). Transportation expenditures decreased in excess of \$367,000 due to major capital equipment purchases in FY 2002 that included a street sweeper and dump trucks.



Overall special revenue funds increased fund balance in excess of \$4 million in FY 2003. Over \$0.2 million was accumulated in transportation sales tax fund; \$1.6 in special road district tax fund; and \$772,000 in parks sales tax fund; all of which will be used for future capital projects.

Expenditures in the capital projects fund increased approximately \$2 million in FY 2003. It is typical for these expenditures to vary widely from year to year depending on the nature of projects in the capital plan. This year's increase represents significant expenditures for the new Sanford-Kimpton health facility under construction.

A review of the net assets of the proprietary funds indicates that all funds have positive accumulated retained earnings. All major enterprise funds ended FY 2003 with net income. The Self Insurance Reserve Fund and the Employee Benefit Fund ended the year with net losses. The use of net assets was budgeted for in these funds. Staff has been reviewing administrative expenses and claims in both of these funds to assist in reducing expenses. Changes were made to the fee structure of both of these funds for FY 2003. Operating revenues and operating expenses increased for the City's enterprise funds in FY 2003. Net income is down in FY 2003 as the City made the budgetary decision to postpone some rate increases until FY 2004.



Revenues for the Recreation Services Fund increased significantly (36%) from FY 2002 to FY 2003. Fees for the new ARC facility account for the majority of this increase in revenues for recreation services. Capital contributions in the Airport Fund decreased by \$1.2 million in FY 2003 due to fewer capital grants. There was a corresponding decrease in capital acquisition activity. Net income (loss) before capital contributions did not change significantly between FY 2002 and FY 2003. Net income for the Water and Electric Fund is down from \$9,774,530 in FY 2002 to \$3,178,293 in FY 2003. City administrators made the deliberate decision during the 2003 budget process to postpone an electric rate increase and utilize a series of smaller increases for water rates. The fund had sufficient retained earnings and available funds to implement this plan. The FY 2004 budget did implement the planned rate increases in water rates.

Budget Variances

It is the City's policy to allow departments to carry forward the budget allocation for project funds or for items that are encumbered at fiscal year end and will be expensed in the subsequent fiscal year. The FY 2003 final budget for the general fund includes approximately \$1.2 million of funds carried forward from FY 2002. The remaining increases to the FY 2003 budget were for grants and contributions received during the year. These grants and contributions also increased the general fund revenue budget for FY 2003. These changes are not expected to affect future budgets.

Overall, the general fund ended FY 2003 with favorable budget variances for both revenues and expenditures. Year-end revenues were 4.2% over budget. Investment revenue and grant revenues did not meet budget expectations.

Staff reduced expenditures for the grants that were not received. Other local tax and fee and service charge revenues ended the year ahead of budget by 17.4% and 17.7%, respectively. The appropriate adjustments were implemented in the FY 2004 budget process.

General fund expenditures were 7.5% under budget for FY 2003. Of that amount over \$1 million is encumbered to be spent in FY 2004. Adjusted for this encumbrance carry forward, general fund expenditures were 5.4% under budget. Typically the City anticipates expenditures to end the year between 3% and 6% below budget.

Overall actual investment revenue did not meet budget for FY 2003. However, this did not create any major budget concern for any of the funds. There were no other significant budget variances for the year.

Capital Assets

City of Columbia Capital Assets (net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2003	2002	2003	2002	2003	2002
Land	\$ 18,492,886	16,643,916	\$ 9,008,310	8,692,212	\$ 27,501,196	25,336,128
Buildings	12,679,227	13,016,130	-	-	12,679,227	13,016,130
Improvements other than buildings	6,269,202	6,119,763	-	-	6,269,202	6,119,763
Structures and improvements	-	-	169,580,720	157,129,864	169,580,720	157,129,864
Furniture, fixtures and equipment	10,027,218	8,772,445	113,738,293	110,202,836	123,765,511	118,975,281
Infrastructure	44,847,981	44,018,770	-	-	44,847,981	44,018,770
Construction in progress	4,788,637	2,320,701	15,880,162	19,815,584	20,668,799	22,136,285
Total	\$ 97,105,151	90,891,725	\$ 308,207,485	295,840,496	\$ 405,312,636	386,732,221

Major Capital Asset Events FY 2003

- Construction continued on the Upper Hinkson Outfall Relief Sewer project, construction in progress at the close of the fiscal year was \$2 million
- Construction began on the Grindstone Creek/Lake of the Woods Sewer project, budgeted at \$3.6 million
- A new water storage reservoir was completed and in service in fiscal year 2003 at a cost of \$1.9 million
- The Activities & Recreation Center was completed and opened for business in December 2002. The total project cost was \$11.1 million
- Cell 3 at the landfill was completed and went into service in January 2003 at a cost of \$2.8 million
- Construction began on the new Sanford-Kimpton City/County Health Department building scheduled to open in the summer of 2004
- Grasslands Park was acquired by the City through an agreement with adjacent landowners who purchased the property and donated it to the City at a value of \$680,000
- Development of Stephen's Lake Park began and will be a multiple-year project
- Construction began on Forum Boulevard from Dunbar Drive to Old Plank Road with a budget of \$1 million
- Pedestrian bridges were completed over Business Loop 70 and I-70
- Various other street and sidewalk projects were completed and continue at a cost of \$1.4 million during fiscal year 2003

Additional information on the City's capital assets can be found in Note VI on pages 53-55 of this report.

Debt Administration

The City's debt issues are discussed in Note IX on pages 59-67 of this report. Please refer to it for additional information. During FY 2003, the City restructured the Water and Electric 1985 Series B variable rate revenue bonds. The City used current assets to retire \$6.55 million and fix the interest rate on the remaining \$8.95 million. Also during FY 2003 the City issued \$3.62 million in sanitary sewer revenue bonds to continue the capital plan established in the 1998 ballot issue.

Only a small portion of the outstanding Certificates of Participation (C.O.P.'s) is paid from general revenues. Enterprise revenues service all of the Special Obligation debt. The C.O.P.'s issued for Stephen's Lake Property are serviced by the park's sales tax. The C.O.P.'s issued for the Activities & Recreation Center and Fire Station are serviced by the capital improvement sales tax. The City transferred \$700,000 in general fund property taxes to the capital project fund for funding of the public building expansion and renovation project. It is anticipated that once the plans are finalized for this project, the City will issue C.O.P.'s that will be funded through this revenue source.

City of Columbia Net Outstanding Debt

	<u>FY 2003</u>	<u>FY 2002</u>
<u>Government Activities</u>		
General Obligation Debt	\$ 700,000	\$ 2,125,000
Capital Lease Obligation	7,000,000	7,000,000
Certificates of Participation	4,874,500	5,696,500
	<u>\$ 12,574,500</u>	<u>\$ 14,821,500</u>
<u>Business-type Activities</u>		
Revenue Bonds	\$ 83,165,018	\$ 90,787,057
Special Obligation Bonds	19,950,437	22,798,526
	<u>\$ 103,115,455</u>	<u>\$ 113,585,583</u>

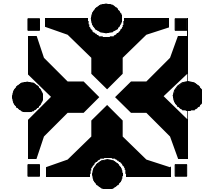
Financial Contact

The City's financial statements are designed to present users (citizens, taxpayers, customers, investors and creditors) with a general overview of the City's finances and to demonstrate the City's accountability. Any questions regarding the report or request for additional information should be directed to the Director of Finance, 701 East Broadway, Columbia, Missouri 65201. Financial reports may also be found on the City's web site at www.GoColumbiaMo.com.

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CITY OF COLUMBIA, MISSOURI

BASIC FINANCIAL STATEMENTS



CITY OF COLUMBIA, MISSOURI
STATEMENT OF NET ASSETS
SEPTEMBER 30, 2003

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 66,488,986	\$ 23,965,681	\$ 90,454,667
Investments	9,114,604	-	9,114,604
Receivables (net of allowance for uncollectibles)	17,484,334	13,023,251	30,507,585
Due from other governments	1,839,537	261,690	2,101,227
Internal balances	1,343,427	(1,343,427)	-
Inventories	474,920	5,019,240	5,494,160
Deferred charges	-	1,510,400	1,510,400
Other assets	76,644	250,899	327,543
Restricted assets:			
Cash and cash equivalents	3,899,475	61,428,110	65,327,585
Customer security and escrow deposits	-	2,320,172	2,320,172
Grants receivable	-	75,000	75,000
Capital assets:			
Non depreciable	23,281,523	24,888,472	48,169,995
Depreciable, net	73,823,628	283,319,013	357,142,641
Total Assets	<u>197,827,078</u>	<u>414,718,501</u>	<u>612,545,579</u>
LIABILITIES			
Accounts payable	4,886,243	5,495,908	10,382,151
Accrued payroll and payroll taxes	2,261,801	1,078,093	3,339,894
Accrued interest payable	159,503	2,082,544	2,242,047
Due to other governments	-	237,599	237,599
Unearned revenue	119,666	46,283	165,949
Construction contracts payable	-	2,681,653	2,681,653
Customer security and escrow deposits	-	2,320,172	2,320,172
Other liabilities	420,309	288,761	709,070
Long-term liabilities:			
Due within one year:			
Accrued compensated absences	712,128	876,657	1,588,785
Revenue bonds payable	-	4,715,000	4,715,000
General obligation bonds payable	700,000	-	700,000
Special obligation bonds payable	-	2,850,000	2,850,000
Claims payable	879,000	-	879,000
Certificates of participation	885,000	-	885,000
Other long-term liabilities	-	311,100	311,100
Due in more than one year:			
Accrued compensated absences	553,557	115,712	669,269
Capital lease obligations	7,000,000	-	7,000,000
Revenue bonds payable	-	83,165,018	83,165,018
Special obligation bonds payable	-	19,950,437	19,950,437
Certificates of participation	3,989,500	-	3,989,500
Other long-term liabilities	-	3,386,388	3,386,388
Total Liabilities	<u>22,566,707</u>	<u>129,601,325</u>	<u>152,168,032</u>
NET ASSETS			
Invested in capital assets, net of related debt	85,230,651	197,808,011	283,038,662
Restricted for:			
Debt service	4,966,497	6,819,949	11,786,446
Capital projects	18,201,101	75,000	18,276,101
Nonspendable	1,500,000	-	1,500,000
Other purposes	23,263,119	1,088,999	24,352,118
Unrestricted	42,099,003	79,325,217	121,424,220
Total Net Assets	<u>\$ 175,260,371</u>	<u>\$ 285,117,176</u>	<u>\$ 460,377,547</u>

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

**CITY OF COLUMBIA, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Program Revenues</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
Policy development and administration	\$ 10,012,258	\$ 4,439,151	\$ 38,001	\$ 25,000
Public safety	26,447,188	1,939,952	1,201,351	7,261
Transportation	5,600,113	972,989	1,234,043	949,402
Health and environment	6,134,136	1,175,925	1,761,974	1,391,877
Personal development	8,604,106	-	89,729	82,405
Miscellaneous nonprogrammed activities	297,170	-	-	-
Interest on long-term debt	834,347	-	-	-
Total governmental activities	57,929,318	8,528,017	4,325,098	2,455,945
Business-type activities:				
Electric Utility	58,943,254	65,043,670	-	-
Water Utility	9,444,314	11,219,163	-	1,466,800
Sanitary Sewer Utility	8,979,382	7,326,327	108,852	2,561,259
Regional Airport	1,671,071	551,350	-	173,376
Public Transportation	3,044,024	496,636	1,133,823	73,954
Solid Waste Utility	10,432,357	10,311,376	61,686	175,000
Parking Facilities	1,755,804	1,707,745	-	-
Recreation Services	5,704,862	3,354,222	-	170,083
Railroad	661,508	470,738	-	-
Storm Water Utility	989,921	1,402,768	-	83,049
Total business-type activities	101,626,497	101,883,995	1,304,361	4,703,521
Total City	\$ 159,555,815	\$ 110,412,012	\$ 5,629,459	\$ 7,159,466

General revenues:
Property taxes
Sales tax
Gasoline tax
Cigarette tax
Motor vehicle tax
Utilities tax
Gross receipts tax
Investment revenue
Miscellaneous
Transfers
Total general revenues and transfers
Change in net assets
Net assets - beginning
Net assets - ending

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

**Net (Expense) Revenue and
Changes in Net Assets**

Governmental Activities	Business-type Activities	Total
\$ (5,510,106)	\$ -	\$ (5,510,106)
(23,298,624)	-	(23,298,624)
(2,443,679)	-	(2,443,679)
(1,804,360)	-	(1,804,360)
(8,431,972)	-	(8,431,972)
(297,170)	-	(297,170)
(834,347)	-	(834,347)
<u>(42,620,258)</u>	<u>-</u>	<u>(42,620,258)</u>
-	6,100,416	6,100,416
-	3,241,649	3,241,649
-	1,017,056	1,017,056
-	(946,345)	(946,345)
-	(1,339,611)	(1,339,611)
-	115,705	115,705
-	(48,059)	(48,059)
-	(2,180,557)	(2,180,557)
-	(190,770)	(190,770)
-	495,896	495,896
-	<u>6,265,380</u>	<u>6,265,380</u>
<u>(42,620,258)</u>	<u>6,265,380</u>	<u>(36,354,878)</u>
8,247,466	-	8,247,466
31,612,249	-	31,612,249
2,364,583	-	2,364,583
658,429	-	658,429
1,029,653	-	1,029,653
4,215,766	-	4,215,766
1,328,599	-	1,328,599
1,478,964	1,895,527	3,374,491
1,465,309	770,562	2,235,871
479,753	(479,753)	-
<u>52,880,771</u>	<u>2,186,336</u>	<u>55,067,107</u>
10,260,513	8,451,716	18,712,229
164,999,858	276,665,460	441,665,318
<u>\$ 175,260,371</u>	<u>\$ 285,117,176</u>	<u>\$ 460,377,547</u>

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

**CITY OF COLUMBIA, MISSOURI
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2003**

	Major Funds			Non-Major Funds	Total Governmental Funds
	General	Transportation Sales Tax	Capital Projects		
ASSETS					
Cash and cash equivalents	\$ 13,656,089	\$ 1,245,326	\$ 26,710,784	\$ 17,683,220	\$ 59,295,419
Accounts receivable	656,444	-	45,288	52,547	754,279
Taxes receivable, net	5,475,335	873,426	-	3,974,809	10,323,570
Grants receivable	264,447	-	-	199,308	463,755
Rehabilitation loans receivable	-	-	-	5,326,216	5,326,216
Accrued interest	40,089	3,412	69,435	117,304	230,240
Due from other funds	2,717,566	-	-	93,781	2,811,347
Advances to other funds	-	-	-	1,268,827	1,268,827
Other assets - current	76,560	-	-	-	76,560
Restricted assets:					
Cash and cash equivalents	-	-	-	3,899,475	3,899,475
Total assets	\$ 22,886,530	\$ 2,122,164	\$ 26,825,507	\$ 32,615,487	\$ 84,449,688
LIABILITIES					
Accounts payable	\$ 923,753	\$ -	\$ 1,439,965	\$ 295,651	\$ 2,659,369
Interest payable	-	-	-	19,250	19,250
Accrued payroll and payroll taxes	1,850,841	-	112	74,823	1,925,776
Due to other funds	-	-	-	126,670	126,670
Advances from other funds	-	-	623,540	-	623,540
Unearned revenue	3,338,841	-	-	2,621,130	5,959,971
Other liabilities - current	379,228	-	-	847	380,075
General obligation bonds payable	-	-	-	700,000	700,000
Total liabilities	\$ 6,492,663	\$ -	\$ 2,063,617	\$ 3,838,371	\$ 12,394,651
FUND BALANCES					
Reserved:					
Reserved for encumbrances	1,036,088	-	4,493,082	143,448	5,672,618
Reserved for development charges	-	-	-	1,973,621	1,973,621
Reserved for hotel/motel tax	-	-	-	701,716	701,716
Reserved for loans receivable	-	-	-	5,257,109	5,257,109
Reserved for contributions	-	-	-	1,500,000	1,500,000
Reserved for advances to other funds	-	-	-	1,268,827	1,268,827
Unreserved:					
Designated - appropriated	3,587,694	-	8,808,920	777,610	13,174,224
Designated - unrealized gains:	280,231	-	496,405	-	776,636
Special revenue funds	-	-	-	158,979	158,979
Debt service funds	-	-	-	96,176	96,176
Permanent fund	-	-	-	35,422	35,422
Undesignated	11,489,854	2,122,164	10,963,483	-	24,575,501
Undesignated, reported in non-major:					
Special revenue funds	-	-	-	9,055,402	9,055,402
Debt service funds	-	-	-	4,163,321	4,163,321
Permanent fund	-	-	-	3,645,485	3,645,485
Total fund balances	\$ 22,886,530	\$ 2,122,164	\$ 26,825,507	\$ 32,615,487	\$ 84,449,688
Total liabilities and fund balances	\$ 22,886,530	\$ 2,122,164	\$ 26,825,507	\$ 32,615,487	\$ 84,449,688

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

**CITY OF COLUMBIA, MISSOURI
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
SEPTEMBER 30, 2003**

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

Total fund balance - total governmental funds		\$ 72,055,037
Capital assets used in governmental activities are not current financial resources, and therefore, are not reported in the governmental funds.		
Governmental capital assets	\$ 136,606,668	
Less accumulated depreciation	<u>(39,501,517)</u>	97,105,151
Internal service funds are used by management to charge the costs of custodial maintenance, information services, public communications, fleet operations, self insurance, and employee benefits; and, therefore, the assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		
		13,540,316
Long-term liabilities, including certificates of participation, capital lease obligations, and accrued compensated absences, are not due and payable in the current period, and therefore, are not reported as liabilities in the governmental funds.		
Accrued compensated absences	\$ (1,265,685)	
Capital lease obligations	(7,000,000)	
Certificates of participation	(4,874,500)	
Accrued interest payable	<u>(140,253)</u>	(13,280,438)
Some of the City's taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore, are reported as unearned revenue in the funds.		
		5,840,305
Net Assets of Governmental Activities		<u><u>\$ 175,260,371</u></u>

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

CITY OF COLUMBIA, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2003

	Major Funds			Non-Major Funds	Total Governmental Funds
	General	Transportation Sales Tax	Capital Projects		
REVENUES					
General property taxes	\$ 4,473,073	\$ -	\$ -	\$ 3,867,823	\$ 8,340,896
Sales tax	15,421,714	7,766,227	-	8,424,308	31,612,249
Other local taxes	7,734,635	-	-	1,328,599	9,063,234
Licenses and permits	672,343	-	-	19,913	692,256
Fines	1,597,787	-	-	-	1,597,787
Fees and service charges	1,871,284	-	-	488,355	2,359,639
Special assessment taxes	-	-	588,520	-	588,520
Intragovernmental revenue	2,985,738	-	-	-	2,985,738
Revenue from other governmental units	3,168,318	-	1,064,068	2,548,657	6,781,043
Investment revenue	249,677	29,036	532,756	438,467	1,249,936
Miscellaneous	688,784	-	551,993	224,532	1,465,309
Total Revenues	<u>38,863,353</u>	<u>7,795,263</u>	<u>2,737,337</u>	<u>17,340,654</u>	<u>66,736,607</u>
EXPENDITURES					
Current:					
Policy development and administration	6,434,027	-	-	1,645,453	8,079,480
Public safety	25,521,715	-	-	-	25,521,715
Transportation	4,116,302	-	-	-	4,116,302
Health and environment	5,258,409	-	-	858,176	6,116,585
Personal development	4,319,701	-	-	3,815,844	8,135,545
Misc. nonprogrammed activities	74,660	-	-	-	74,660
Capital outlay	1,101,681	-	7,072,211	7,500	8,181,392
Debt service:					
Redemption of serial bonds	-	-	-	1,522,000	1,522,000
Interest	-	-	-	687,333	687,333
Fiscal agent fees	-	-	-	4,295	4,295
Total Expenditures	<u>46,826,495</u>	<u>-</u>	<u>7,072,211</u>	<u>8,540,601</u>	<u>62,439,307</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(7,963,142)</u>	<u>7,795,263</u>	<u>(4,334,874)</u>	<u>8,800,053</u>	<u>4,297,300</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	12,751,620	21,707	3,107,056	3,736,966	19,617,349
Transfers out	<u>(2,897,215)</u>	<u>(7,597,235)</u>	<u>(741,099)</u>	<u>(7,892,742)</u>	<u>(19,128,291)</u>
Total Other Financing Sources (Uses)	<u>9,854,405</u>	<u>(7,575,528)</u>	<u>2,365,957</u>	<u>(4,155,776)</u>	<u>489,058</u>
Net Change in Fund Balances	1,891,263	219,735	(1,968,917)	4,644,277	4,786,358
FUND BALANCE - BEGINNING	<u>14,502,604</u>	<u>1,902,429</u>	<u>26,730,807</u>	<u>24,132,839</u>	<u>67,268,679</u>
FUND BALANCE - ENDING	<u>\$ 16,393,867</u>	<u>\$ 2,122,164</u>	<u>\$ 24,761,890</u>	<u>\$ 28,777,116</u>	<u>\$ 72,055,037</u>

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

**CITY OF COLUMBIA, MISSOURI
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

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

Net change in fund balances - total governmental funds	\$ 4,786,358
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.	5,836,439
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(93,430)
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds.	1,522,000
In the Statement of Activities compensated absences is accrued whereas in the Governmental Funds an expenditure is reported when due.	(17,270)
In the Statement of Activities interest is accrued whereas in the Governmental Funds an expenditure is reported when due.	(140,253)
Internal service funds are used by the City to charge the costs of custodial maintenance, information services, public communications, fleet operations, self insurance, and employee benefits to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	<u>(1,633,331)</u>
Change in net assets of governmental activities	<u><u>\$ 10,260,513</u></u>

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

CITY OF COLUMBIA, MISSOURI
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
SEPTEMBER 30, 2003

	Major Enterprise Funds		
	Water and Electric Utility	Sanitary Sewer Utility	Solid Waste Utility
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 13,690,360	\$ 792,474	\$ 689,090
Investments	-	-	-
Receivables (net of allowance for uncollectibles)	10,207,283	837,559	1,312,701
Grants Receivable	-	104,587	-
Accrued interest	128,930	25,934	16,886
Loans receivable from other funds	37,000	-	-
Inventories	4,646,798	-	200,597
Other assets	250,161	-	-
Total current assets	<u>28,960,532</u>	<u>1,760,554</u>	<u>2,219,274</u>
Restricted assets:			
Cash and cash equivalents	34,130,796	15,252,897	5,884,466
Customer security and escrow deposits	1,789,121	262,750	268,301
Grants receivable	-	-	75,000
Total restricted assets	<u>35,919,917</u>	<u>15,515,647</u>	<u>6,227,767</u>
Noncurrent Assets:			
Deferred charges	552,825	474,611	134,147
Loans receivable from other funds	320,851	-	-
Capital assets:			
Land	2,676,923	2,374,482	251,071
Structures and improvements	20,602,505	137,695,516	11,399,811
Furniture, fixtures and equipment	181,536,659	4,255,428	10,256,008
Construction in progress	9,914,294	3,993,517	69,045
Less accumulated depreciation	<u>(86,389,526)</u>	<u>(31,514,946)</u>	<u>(11,615,308)</u>
Total capital assets (net of accumulated depreciation)	<u>128,340,855</u>	<u>116,803,997</u>	<u>10,360,627</u>
Total noncurrent assets	<u>129,214,531</u>	<u>117,278,608</u>	<u>10,494,774</u>
Total Assets	<u>194,094,980</u>	<u>134,554,809</u>	<u>18,941,815</u>
LIABILITIES			
Current liabilities:			
Accounts payable	4,826,065	289,076	195,750
Accrued payroll and payroll taxes	462,964	126,786	170,045
Accrued compensated absences	423,621	84,176	122,611
Accrued sales taxes	237,599	-	-
Due to other funds	845,140	-	-
Loan payable to other funds - current maturities	-	-	-
Unearned revenue	-	-	-
Other liabilities	190,834	796	383,091
Total current liabilities	<u>6,986,223</u>	<u>500,834</u>	<u>871,497</u>
Payable from restricted assets:			
Construction contracts payable	757,115	1,624,349	65,811
Accrued interest	1,493,084	349,948	65,023
Revenue bonds payable - current maturities	3,685,000	935,000	-
Special obligation bonds payable - current maturities	-	105,000	385,000
Customer security and escrow deposits	1,789,121	262,750	268,301
Advances from other funds	-	38,000	-
Total liabilities payable from restricted assets	<u>7,724,320</u>	<u>3,315,047</u>	<u>784,135</u>
Noncurrent liabilities:			
Accrued compensated absences	64,842	15,371	14,022
Loans payable to other funds	-	-	-
Revenue bonds payable	59,907,285	20,530,951	-
Special obligation bonds payable	-	2,487,215	7,784,283
Other long-term liabilities	-	-	3,386,388
Total noncurrent liabilities	<u>59,972,127</u>	<u>23,033,537</u>	<u>11,184,693</u>
Total Liabilities	<u>74,682,670</u>	<u>26,849,418</u>	<u>12,840,325</u>
NET ASSETS			
Invested in capital assets, net of related debt	61,149,551	93,785,831	2,576,344
Restricted for:			
Debt service	3,530,794	1,312,400	671,959
Capital projects	-	-	75,000
Other purposes	-	698,241	-
Unrestricted	<u>54,731,965</u>	<u>11,908,919</u>	<u>2,778,187</u>
Total Net Assets	<u>\$ 119,412,310</u>	<u>\$ 107,705,391</u>	<u>\$ 6,101,490</u>

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

	Major Enterprise Funds			Non-Major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Parking Facilities	Recreation Services	Storm Water Utility				
\$ 2,957,374	\$ 1,216,977	\$ 872,761	\$ 2,519,389	\$ 22,738,425	\$ 8,420,823	
-	-	-	-	-	9,114,604	
93,197	-	129,396	133,424	12,713,560	601,492	
-	-	-	26,258	130,845	-	
14,147	3,614	5,762	8,248	203,521	21,797	
-	-	-	-	37,000	-	
-	32,940	-	138,905	5,019,240	474,920	
-	600	-	138	250,899	84	
<u>3,064,718</u>	<u>1,254,131</u>	<u>1,007,919</u>	<u>2,826,362</u>	<u>41,093,490</u>	<u>18,633,720</u>	
2,673,987	1,450,891	1,345,419	689,654	61,428,110	-	
-	-	-	-	2,320,172	-	
-	-	-	-	75,000	-	
<u>2,673,987</u>	<u>1,450,891</u>	<u>1,345,419</u>	<u>689,654</u>	<u>63,823,282</u>	<u>-</u>	
222,328	126,489	-	-	1,510,400	-	
-	-	-	-	320,851	-	
1,603,273	398,674	71,521	1,632,366	9,008,310	-	
14,251,343	18,148,494	5,866,055	21,200,382	229,164,106	4,409,074	
125,958	740,950	258,513	6,717,665	203,891,181	-	
273	7,021	1,353,547	542,465	15,880,162	85,988	
(4,946,847)	(3,108,839)	(1,627,293)	(10,565,524)	(149,768,283)	(3,678,727)	
<u>11,034,000</u>	<u>16,186,300</u>	<u>5,922,343</u>	<u>19,527,354</u>	<u>308,175,476</u>	<u>816,335</u>	
<u>11,256,328</u>	<u>16,312,789</u>	<u>5,922,343</u>	<u>19,527,354</u>	<u>310,006,727</u>	<u>816,335</u>	
<u>16,995,033</u>	<u>19,017,811</u>	<u>8,275,681</u>	<u>23,043,370</u>	<u>414,923,499</u>	<u>19,450,055</u>	
7,481	70,393	13,426	70,112	5,472,303	2,250,479	
14,486	130,858	21,280	121,706	1,048,125	365,993	
16,891	120,603	22,936	85,819	876,657	-	
-	-	-	-	237,599	-	
-	-	-	-	845,140	-	
-	-	-	37,000	37,000	-	
46,283	-	-	-	46,283	-	
1,669	3,257	4,846	15,368	599,861	919,234	
<u>86,810</u>	<u>325,111</u>	<u>62,488</u>	<u>330,005</u>	<u>9,162,968</u>	<u>3,535,706</u>	
-	19,381	126,256	88,741	2,681,653	-	
130,062	44,427	-	-	2,082,544	-	
95,000	-	-	-	4,715,000	-	
295,000	2,065,000	-	-	2,850,000	-	
-	-	-	-	2,320,172	-	
-	270,037	-	190,250	498,287	147,000	
<u>520,062</u>	<u>2,398,845</u>	<u>126,256</u>	<u>278,991</u>	<u>15,147,656</u>	<u>147,000</u>	
1,472	8,824	1,626	9,555	115,712	-	
-	-	-	320,851	320,851	-	
2,726,782	-	-	-	83,165,018	-	
4,928,788	4,750,151	-	-	19,950,437	-	
-	-	-	-	3,386,388	-	
<u>7,657,042</u>	<u>4,758,975</u>	<u>1,626</u>	<u>330,406</u>	<u>106,938,406</u>	<u>-</u>	
<u>8,263,914</u>	<u>7,482,931</u>	<u>190,370</u>	<u>939,402</u>	<u>131,249,030</u>	<u>3,682,706</u>	
3,378,430	11,436,149	5,922,343	19,527,354	197,776,002	816,335	
402,682	902,114	-	-	6,819,949	-	
-	-	-	-	75,000	-	
390,758	-	-	-	1,088,999	707,441	
<u>4,559,249</u>	<u>(803,383)</u>	<u>2,162,968</u>	<u>2,576,614</u>	<u>77,914,519</u>	<u>14,243,573</u>	
<u>\$ 8,731,119</u>	<u>\$ 11,534,880</u>	<u>\$ 8,085,311</u>	<u>\$ 22,103,968</u>	<u>283,674,469</u>	<u>\$ 15,767,349</u>	

Some amounts reported for business-type activities in the Statement of Net Assets are different because certain internal service fund assets and liabilities are included with business-type activities.

	1,442,707
Net assets of business-type activities	<u>\$ 285,117,176</u>

CITY OF COLUMBIA, MISSOURI
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2003

	Major Enterprise Funds		
	Water and Electric Utility	Sanitary Sewer Utility	Solid Waste Utility
OPERATING REVENUES			
Charges for services	\$ 76,094,540	\$ 7,286,584	\$ 10,270,718
OPERATING EXPENSES			
Personal services	10,405,135	2,775,688	3,636,230
Materials, supplies, and power	40,531,101	602,289	2,244,794
Travel and training	69,897	5,257	6,610
Intragovernmental	2,357,808	871,019	984,500
Utilities, services, and miscellaneous	5,080,529	1,247,708	1,816,353
Depreciation	6,703,032	2,421,963	1,336,859
Total Operating Expenses	<u>65,147,502</u>	<u>7,923,924</u>	<u>10,025,346</u>
Operating Income (Loss)	<u>10,947,038</u>	<u>(637,340)</u>	<u>245,372</u>
NONOPERATING REVENUES (EXPENSES)			
Investment revenue	896,385	637,088	118,537
Revenue from other governmental units	-	108,852	61,686
Miscellaneous revenue	648,104	7,682	89,231
Interest expense	(3,092,650)	(980,659)	(364,973)
Loss on disposal of capital assets	(46,697)	(4,600)	(31,110)
Miscellaneous expense	(92,911)	(68,355)	(9,042)
Total Nonoperating Revenues (Expenses)	<u>(1,687,769)</u>	<u>(299,992)</u>	<u>(135,671)</u>
Income (Loss) Before Contributions and Transfers	9,259,269	(937,332)	109,701
Transfers in	95,017	21,000	8,000
Transfers out	(7,642,793)	(43,969)	(19,350)
Capital contribution	<u>1,466,800</u>	<u>2,561,259</u>	<u>175,000</u>
Change in Net Assets	3,178,293	1,600,958	273,351
TOTAL NET ASSETS - BEGINNING	<u>116,234,017</u>	<u>106,104,433</u>	<u>5,828,139</u>
TOTAL NET ASSETS - ENDING	<u>\$ 119,412,310</u>	<u>\$ 107,705,391</u>	<u>\$ 6,101,490</u>

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

Major Enterprise Funds			Non-Major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Parking Facilities	Recreation Services	Storm Water Utility			
\$ 1,707,745	\$ 3,354,222	\$ 1,397,511	\$ 1,518,724	\$ 101,630,044	\$ 19,905,040
315,735	2,915,324	462,632	2,528,712	23,039,456	3,969,761
106,340	787,080	64,767	632,441	44,968,812	3,244,782
-	4,397	1,505	9,714	97,380	90,797
111,322	395,511	117,095	487,892	5,325,147	933,283
117,371	821,504	84,084	551,845	9,719,394	13,545,148
604,942	507,103	259,595	1,145,525	12,979,019	221,856
<u>1,255,710</u>	<u>5,430,919</u>	<u>989,678</u>	<u>5,356,129</u>	<u>96,129,208</u>	<u>22,005,627</u>
<u>452,035</u>	<u>(2,076,697)</u>	<u>407,833</u>	<u>(3,837,405)</u>	<u>5,500,836</u>	<u>(2,100,587)</u>
95,399	49,370	47,998	32,597	1,877,374	247,181
-	-	-	1,133,823	1,304,361	-
695	15,928	2,064	6,858	770,562	278,749
(461,917)	(228,262)	-	(18,724)	(5,147,185)	(6,761)
(20,934)	(3,956)	-	(1,750)	(109,047)	(500)
(17,243)	(41,725)	-	-	(229,276)	-
<u>(404,000)</u>	<u>(208,645)</u>	<u>50,062</u>	<u>1,152,804</u>	<u>(1,533,211)</u>	<u>518,669</u>
48,035	(2,285,342)	457,895	(2,684,601)	3,967,625	(1,581,918)
172,000	4,498,420	8,000	2,458,875	7,261,312	41,725
-	(8,046)	(2,525)	(22,277)	(7,738,960)	(53,135)
<u>-</u>	<u>170,083</u>	<u>83,049</u>	<u>247,330</u>	<u>4,703,521</u>	<u>-</u>
220,035	2,375,115	546,419	(673)	8,193,498	(1,593,328)
<u>8,511,084</u>	<u>9,159,765</u>	<u>7,538,892</u>	<u>22,104,641</u>		<u>17,360,677</u>
<u>\$ 8,731,119</u>	<u>\$ 11,534,880</u>	<u>\$ 8,085,311</u>	<u>\$ 22,103,968</u>		<u>\$ 15,767,349</u>

Some amounts reported for business-type activities in the Statement of Activities are different because the portion of the net income of certain internal service funds are reported with the business-type activities which those funds service.

258,218

Change in net assets of business-type activities:

\$ 8,451,716

**CITY OF COLUMBIA, MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	Major Enterprise Funds		
	Water and Electric Utility Fund	Sanitary Sewer Utility Fund	Solid Waste Utility Fund
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers (including other funds)	\$ 76,361,240	\$ 7,398,310	\$ 9,925,472
Cash received from other sources	648,104	7,682	89,231
Cash payments to suppliers	(46,262,583)	(1,632,727)	(3,678,599)
Cash payments to employees	(10,380,007)	(2,770,569)	(3,607,144)
Cash payments to other funds	(2,357,808)	(871,019)	(984,500)
Cash payments for other expenses	(565,779)	(198,640)	(133,587)
Net cash provided (used) by operating activities	<u>17,443,167</u>	<u>1,933,037</u>	<u>1,610,873</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	95,017	21,000	8,000
Transfers out	(7,642,793)	(43,969)	(19,350)
Operating grants	-	4,265	61,686
Net cash provided (used) by noncapital financing activities	<u>(7,547,776)</u>	<u>(18,704)</u>	<u>50,336</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from bonds, loans, and capital leases	8,903,683	3,729,153	-
Debt service - interest payments	(3,223,828)	(812,991)	(367,671)
Debt service - principal and advance refunding payments	(18,864,459)	(807,728)	(372,400)
Acquisition and construction of capital assets	(13,276,633)	(4,922,289)	(518,924)
Payment of construction contracts	(545,435)	(206,745)	(1,130,125)
Fiscal agent fees payments	(49,385)	(117,382)	(581)
Capital contributions	2,702,996	2,561,259	100,000
Net cash provided (used) by capital and related financing activities	<u>(24,353,061)</u>	<u>(576,723)</u>	<u>(2,289,701)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	1,626,563	842,573	258,374
Purchase of investments	-	-	-
Sale of investments	7,590,851	-	-
Net cash provided (used) by investing activities	<u>9,217,414</u>	<u>842,573</u>	<u>258,374</u>
Net increase (decrease) in cash and cash equivalents	(5,240,256)	2,180,183	(370,118)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>53,061,412</u>	<u>13,865,188</u>	<u>6,943,674</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 47,821,156</u>	<u>\$ 16,045,371</u>	<u>\$ 6,573,556</u>
Displayed as:			
Cash and cash equivalents	\$ 13,690,360	\$ 792,474	\$ 689,090
Restricted assets	34,130,796	15,252,897	5,884,466
	<u>\$ 47,821,156</u>	<u>\$ 16,045,371</u>	<u>\$ 6,573,556</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ 10,947,038	\$ (637,340)	\$ 245,372
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation	6,703,032	2,421,963	1,336,859
Changes in assets and liabilities:			
(Increase)/decrease in receivable	267,742	111,726	(345,246)
(Increase)/decrease in loans receivable from other funds	(236,080)	-	-
(Increase)/decrease in inventory	(624,736)	-	(15,444)
(Increase)/decrease in other assets	76,629	-	-
Increase/(decrease) in accounts payable	262,719	225,381	89,089
Increase/(decrease) in accrued payroll	25,128	5,119	29,086
Increase/(decrease) in accrued sales tax	62,203	-	-
Increase/(decrease) in due to other funds	(1,042)	-	-
Increase/(decrease) in loans payable to other funds	-	-	-
Increase/(decrease) in other liabilities	17,041	(2,854)	315,513
Other non-operating revenue (expense)	(56,507)	(190,958)	(44,356)
Net cash provided (used) by operating activities	<u>\$ 17,443,167</u>	<u>\$ 1,933,037</u>	<u>\$ 1,610,873</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES			
Contributed sewer lines	\$ 1,464,057	\$ 2,561,259	\$ -
Change in fair value of investments	-	-	-
Construction contracts payable	757,115	1,624,349	65,811
Total noncash capital and related financing activities	<u>\$ 2,221,172</u>	<u>\$ 4,185,608</u>	<u>\$ 65,811</u>

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

Major Enterprise Funds			Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Parking Facilities Fund	Recreation Services Fund	Storm Water Utility Fund			
\$ 1,684,469	\$ 3,354,297	\$ 1,373,174	\$ 1,505,795	\$ 101,602,757	\$ 19,740,901
695	15,928	2,064	6,858	770,562	278,749
(224,238)	(1,556,909)	(143,995)	(1,196,744)	(54,695,795)	(15,974,651)
(313,244)	(2,880,433)	(452,657)	(2,511,596)	(22,915,650)	(3,938,080)
(111,322)	(395,511)	(117,095)	(462,247)	(5,299,502)	(933,283)
(109,730)	(29,886)	(44,900)	(43,431)	(1,125,953)	(105,856)
<u>926,630</u>	<u>(1,492,514)</u>	<u>616,591</u>	<u>(2,701,365)</u>	<u>18,336,419</u>	<u>(932,220)</u>
172,000	4,498,420	8,000	2,458,875	7,261,312	41,725
-	(8,046)	(2,525)	(22,277)	(7,738,960)	(53,135)
-	-	-	1,134,635	1,200,586	-
<u>172,000</u>	<u>4,490,374</u>	<u>5,475</u>	<u>3,571,233</u>	<u>722,938</u>	<u>(11,410)</u>
-	-	-	261,900	12,894,736	-
(466,299)	(241,048)	-	(18,724)	(5,130,561)	(6,104)
(357,161)	(2,210,815)	-	(186,310)	(22,798,873)	147,000
(5,772)	(2,358,010)	(1,139,900)	(555,515)	(22,777,043)	(377,486)
-	(1,421,163)	(70,560)	(25,344)	(3,399,372)	-
(449)	(34,284)	-	-	(202,081)	-
-	170,083	83,049	372,772	5,990,159	-
<u>(829,681)</u>	<u>(6,095,237)</u>	<u>(1,127,411)</u>	<u>(151,221)</u>	<u>(35,423,035)</u>	<u>(236,590)</u>
207,555	91,969	96,046	86,327	3,209,407	359,391
-	-	-	-	-	(151,977)
-	-	-	-	7,590,851	1,100,000
<u>207,555</u>	<u>91,969</u>	<u>96,046</u>	<u>86,327</u>	<u>10,800,258</u>	<u>1,307,414</u>
476,504	(3,005,408)	(409,299)	804,974	(5,563,420)	127,194
5,154,857	5,673,276	2,627,479	2,404,069	89,729,955	8,293,629
<u>\$ 5,631,361</u>	<u>\$ 2,667,868</u>	<u>\$ 2,218,180</u>	<u>\$ 3,209,043</u>	<u>\$ 84,166,535</u>	<u>\$ 8,420,823</u>
\$ 2,957,374	\$ 1,216,977	\$ 872,761	\$ 2,519,389	\$ 22,738,425	\$ 8,420,823
2,673,987	1,450,891	1,345,419	689,654	61,428,110	-
<u>\$ 5,631,361</u>	<u>\$ 2,667,868</u>	<u>\$ 2,218,180</u>	<u>\$ 3,209,043</u>	<u>\$ 84,166,535</u>	<u>\$ 8,420,823</u>
\$ 452,035	\$ (2,076,697)	\$ 407,833	\$ (3,837,405)	\$ 5,500,836	\$ (2,100,587)
604,942	507,103	259,595	1,145,525	12,979,019	221,856
(23,276)	75	(24,337)	(12,929)	(26,245)	(16,379)
-	-	-	-	(236,080)	-
-	11,175	-	327	(628,678)	(33,310)
-	1,500	-	10,501	88,630	621
5,198	45,482	6,361	427	634,657	948,174
2,491	34,891	9,975	17,116	123,806	31,681
-	-	-	-	62,203	-
-	-	-	-	(1,042)	(147,760)
-	-	-	25,645	25,645	-
(5,725)	(585)	-	(3,498)	319,892	(8,788)
(109,035)	(15,458)	(42,836)	(47,074)	(506,224)	172,272
<u>\$ 926,630</u>	<u>\$ (1,492,514)</u>	<u>\$ 616,591</u>	<u>\$ (2,701,365)</u>	<u>\$ 18,336,419</u>	<u>\$ (932,220)</u>
\$ -	\$ -	\$ -	\$ -	\$ 4,025,316	\$ -
-	-	-	-	-	(3,791)
-	19,381	126,256	88,741	2,681,653	-
<u>\$ -</u>	<u>\$ 19,381</u>	<u>\$ 126,256</u>	<u>\$ 88,741</u>	<u>\$ 6,706,969</u>	<u>\$ (3,791)</u>

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

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**CITY OF COLUMBIA, MISSOURI
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
SEPTEMBER 30, 2003**

	Pension Trust Funds	Private Purpose Trust Funds
	<u> </u>	<u> </u>
ASSETS		
Cash and cash equivalents	\$ -	\$ 289,911
Accrued interest	157,592	753
Other assets	-	3,808
Investments, at fair value:		
Corporate bonds	8,652,951	-
Common stock and mutual funds	30,489,558	-
U.S. Government and agency securities	2,311,550	-
Money market	15,031,660	-
Asset-backed securities	4,151,768	-
Capital assets	11,688	-
Accumulated depreciation	(11,688)	-
	<u>60,795,079</u>	<u>294,472</u>
Total Assets		
LIABILITIES		
Accounts payable	-	5,874
Due to other funds	1,839,537	-
Other liabilities	47,068	5,290
	<u>1,886,605</u>	<u>11,164</u>
Total Liabilities		
NET ASSETS		
Net assets held in trust	<u>58,908,474</u>	<u>283,308</u>
Total Net Assets		
	<u><u>\$ 58,908,474</u></u>	<u><u>\$ 283,308</u></u>

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

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CITY OF COLUMBIA, MISSOURI
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2003

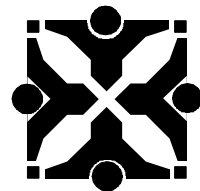
	Pension Trust Funds	Private Purpose Trust Funds
ADDITIONS		
Contributions:		
Private	\$ -	\$ 2,000
Chamber	-	97,500
City	2,940,879	20,000
County	-	35,000
University	-	15,000
Employee	1,169,886	-
Net investment revenue (expense):		
Net appreciation in fair value of investments	4,850,363	-
Interest and dividends	1,798,155	10,475
Miscellaneous	-	2,909
	10,759,283	182,884
DEDUCTIONS		
Health and environment:		
Services and miscellaneous	-	2,925
Policy development and administration:		
Materials and supplies	-	20,250
Travel and training	-	21,711
Intragovernmental	36,069	-
Utilities, services, and miscellaneous	14,952	196,407
Pension benefits	4,456,265	-
Refund of employees' contributions	14,589	-
	4,521,875	241,293
Change in net assets	6,237,408	(58,409)
NET ASSETS - BEGINNING	52,671,066	341,717
NET ASSETS - ENDING	\$ 58,908,474	\$ 283,308

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

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NOTES TO THE FINANCIAL STATEMENTS

The Notes to the Financial Statements include a summary of accounting policies followed and information used by the City that are judged to be most appropriate for full disclosure in the preparation of the financial statements.



CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

Index

Topic	Page(s)
401(a) Retirement Plan	72
Advance Refunding	68
Annual Pension Cost	72
Basis of Accounting	44-46
Capital Assets	47, 53-55
Capital Contributions	49
Capital Lease Agreements	66-67
Capitalization of Interest	48
Certificates of Participation Series 2001A	62
Changes in Long-term Liabilities	59-60
City of Columbia New Century Fund, Inc.	43
Columbia Housing Authority	43
Columbia Regional Library District	43
Commitments	56-57
Compensated Absences	48
Conduit Debt - Industrial Revenue Bonds	67
Construction Commitments	56
Contingencies	69-70
Current Refunding	67
Debt Service Requirement to Maturity	61
Deposits	50
Employee Retirement Systems and Plans	70-73
Employees' Health Plan	69
Financial Statement Presentation	44-46
Funding Policy	71
General Obligation Bonds - 1992 Refunding Series	61
Government-Wide and Fund Financial Accounting	43-44
Grants	69-70
Interfund Receivables, Payables, and Transfers	57-58
Intragovernmental Revenue	48
Inventories	47
Investments	50-52
Landfill Closure and Postclosure Care Costs	69
Legal Debt Margin	67
Litigation	70
Long-term Liabilities	59-67
Measurement Focus	44-46
Net Assets	48
New Accounting Pronouncements	48
Obligation to Purchase Coal	57
Obligation to Purchase Electric Power	56-57
Parking Facilities Revenue Bonds - Series 1995 - Ordinance No. 014615	66
Pension Trust Funds' Investments	47

CITY OF COLUMBIA, MISSOURI

**Notes to the Basic Financial Statements
September 30, 2003**

Index

Topic	Page(s)
Plan Descriptions - LAGERS	71
Plan Descriptions - Police and Firefighter Pension	70
Pooled Cash and Marketable Securities	46
Post Employment Health Plan (PEHP)	72-73
Property Tax Revenue Recognition	48
Receivables and Payables	52
Reconciliation of Government-Wide and Fund Financial Statements	49
Reporting Entity	43
Reverse Repurchase Agreements	52
Risk Management	68-69
Sanitary Sewer Revenue Bonds	64-66
Self Insurance	68
Special Obligation Bonds, Series 2001A and 2001B	62-63
Special Obligation Refunding and Capital Improvement Bonds - 1996 Series	62
Statement of Cash Flows	50
Stewardship, Compliance, and Accountability	50
Subsequent Event	73
Summary of Significant Accounting Policies	43-49
Tax Bills Receivable	47
Unbilled Revenue	46
Use of Estimates	50
Water and Electric Revenue Bonds	63-64

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies employed in the preparation of the accompanying financial statements, as presented on the basis set forth in Governmental Accounting Standards Board Statement 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.

A. Reporting Entity

The City of Columbia (the City) operates under a City Manager/Council, home rule charter form of government. The City's basic financial statements include the accounts of all City operations: Policy Development and Administration, Public Safety, Transportation, Health and Environment, and Personal Development. Enterprise operations owned by the City include a Water and Electric Utility, Sanitary Sewer Utility, Regional Airport, Public Transportation System, Solid Waste Collection Operation, Parking Facilities, Recreation Services, Railroad System and Storm Water System.

The City's relationship to other legally separate organizations has been examined to determine if their inclusion in the City's basic financial statements is necessary to fairly present the financial position and activities of the City. The criteria used in this determination included an examination of the nature and significance of the organization's relationship with the City, financial benefit or burden to the City, the ability of the City Council to appoint members of the entity's governing board, and the level of influence the City has over the activities of the organization. Based on these criteria, the following related organizations have been excluded from the accompanying financial statements:

Columbia Regional Library District (Library District) - The City's Mayor appoints all members to the Library District's board on a staggering-term basis (appointments do not correspond to the mayoral term), and a board member cannot be removed except for specific acts (illegal acts, etc.). The Library District is able to establish and approve its own budget and legally set its own tax rates. Therefore, although the City appoints all members of the Library District's board, the entity is able to act independently without City oversight.

Columbia Housing Authority (Authority) - This entity is similar to the Columbia Regional Library District. The City's Mayor appoints members of the Authority's board with the same restrictions, and cannot remove members without cause. The Authority establishes its own budgets, and is financed with federal funds and rentals. Operations are administered by the Authority without City oversight.

City of Columbia New Century Fund, Inc. (Foundation) - The Foundation is a legally separate, tax-exempt entity that acts primarily as a fund-raising organization to solicit contributions for the betterment of the City. The five member Board is appointed by the City Council to serve a one-year term. No board member is allowed to serve more than five terms on the Board. Although the City does not control the timing or amount of receipts from the Foundation, the majority of resources, or incomes thereon that the Foundation holds and invests are restricted to the activities of the City by the donors. However, the accumulation of restricted resources and the support given during the current year are not significant to the City.

B. Government-Wide and Fund Financial Accounting

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the City. The effect of interfund activities has been removed from these statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external parties.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

The financial statements for the Police and Firefighters' Retirement Funds, pension trust funds, are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due, as the City has a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

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 collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government 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, interest and principal on general long-term debt is recognized when due, or when payments are due early in the next fiscal year, and the advance of resources to the debt service fund is mandatory, and debt service expenditures are recognized before year-end to match the resources provided for these payments.

Property tax, sales tax, gasoline tax, motor vehicle tax, interest, and revenues from other governmental units 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. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *transportation sales tax fund*, a special revenue fund, accounts for City-enacted sales tax and expenditures for transportation purposes which include financial support of the public mass transportation system, construction and maintenance of streets, roads, bridges and airports to the extent of tax revenues.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

The *capital projects fund* is used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

The government reports the following major proprietary funds:

The *water and electric utility fund* accounts for the billing and collection of charges for water and electric service for most city residents. Revenues are used to pay for both operating expenses and capital expenditures to maintain these services.

The *sanitary sewer utility fund* is used to account for the provision of sanitary sewer services to the residents of the city and a limited number of customers outside the city limits. All activities necessary to provide such services are accounted for in this fund.

The *solid waste utility fund* accounts for the provision of solid waste collection and operation of the landfill and Material Recovery Facility.

The *parking facilities fund* is used to account for revenues and expenses resulting from the operation and maintenance of city parking lots, municipal garages, and parking meters.

The *recreation services fund* is used to account for revenues and expenses for various recreational services provided by the Parks and Recreation Department for which participants are charged fees.

The *storm water utility fund* accounts for storm water funding, implementation of storm water management projects, and to provide maintenance to existing drainage facilities.

Additionally, the government reports the following fund types:

Internal service funds account for custodial and maintenance services, utility customer services, information services, public communications, fleet operations, self-insurance reserves and employee benefits for covered employees provided to other departments or agencies of the government, or to other governments, on a cost reimbursement basis.

The *pension trust funds* are used to account for the accumulation of resources for pension benefit payments to qualified police and firefighter personnel.

The *private purpose trust funds* are used to account for resources held by the City in a trustee capacity for the payment of food and medical expenses of indigent persons of the City and as an agent to account for REDI (Regional Economic Development, Inc.) transactions.

The City applies all applicable pronouncements of the Financial Accounting Standards Board (FASB) in accounting and reporting for proprietary activities issued on or before November 30, 1989, unless these pronouncements conflict with applicable Governmental Accounting Standards Board (GASB) guidance as prescribed by GASB Statement No. 20. No pronouncements of the FASB issued after November 30, 1989 have been adopted.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

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

Proprietary funds distinguish 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 principal ongoing operations.

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

D. Assets, Liabilities, and Net Assets or Equity

1. Pooled Cash and Marketable Securities

Cash resources of certain individual funds are combined to form a pool of cash and investments. Interest income earned as a result of pooling is distributed to the appropriate funds based on the ending monthly balance of cash and marketable securities of each fund.

When a fund overdraws its share of pooled cash, the overdraft is reported as an interfund payable in that fund, and an interfund receivable in the General Fund. At September 30, 2003, \$1,863,256 had been reclassified due to fund overdrafts. Fund overdrafts included: Community Development Grant Special Revenue Fund (a non-major fund), \$23,719 and Police and Firefighters' Retirement Pension Trust Fund, \$1,839,537.

Investments are reported at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, which establishes fair values for certain investments and in accordance with City policy. No investments are reported at amortized cost. The fair values are based on quoted market prices and estimates are not used.

Collateral is required for demand deposits and certificates of deposit. The fair value of the collateral must equal 100% of the value of the investment in excess of deposit insurance. Obligations that may be pledged as collateral are of the same type as authorized for investment by the City. All legal requirements were met during the year ended September 30, 2003.

Obligations pledged to secure deposits are delivered to the custodial bank. Written custodial agreements are required that provide that the collateral securities be held separate from the assets of the custodial bank.

Repurchase agreements are purchased from brokers and local banks. Securities underlying a repurchase agreement must have a fair value of at least 100% of the cost of the repurchase agreement. No substitution of securities is permitted. Securities underlying overnight repurchase agreements are held as collateral in the Federal Reserve Bank. For bank repurchase agreements, the securities are not held in the City's name but are pledged against the repurchase agreement pool held by the dealer bank. For broker repurchase agreements, the securities are held in the City's name.

2. Unbilled Revenue

The City records as accounts receivable in the Enterprise Fund financial statements the amount of accrued, but unbilled revenue for the Water and Electric Utility, Sanitary Sewer Utility, Solid Waste and Storm Water Utility Funds determined by prorating actual subsequent billings.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

3. Tax Bills Receivable

Special assessment tax bills are sold at book value, without recourse, to the Designated Loan and Special Tax Bill Investment Fund (a non-major governmental fund) when the special assessment project is completed. These tax bills are reported as tax bills receivable in the Designated Loan and Special Tax Bill Investment Fund.

4. Inventories

Inventories are adjusted to annual and periodic physical counts and are valued at cost utilizing the following methods of valuation:

Enterprise Funds - weighted average and first-in, first-out
Internal Service Funds - first-in, first-out

5. Pension Trust Funds' Investments

The Police and Firefighters' Retirement Funds, pension trust funds, are invested in U.S. Treasury, agency and instrumentalities obligations, government national mortgage certificates, and preferred and common stocks and bonds. These investments are reported at fair value.

6. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

In accordance with GASB Statement No. 34, general government infrastructure assets (streets, bridges, sidewalks) have been capitalized retroactively to 1980 at historical cost.

The costs of normal maintenance and repairs that do not enhance functionality or materially extend the life of an asset are not capitalized.

Capital assets, with one exception, are depreciated using the straight-line method over the following estimated useful lives:

Buildings	40 years
Structures & Improvements	40-50 years
Air Easements	35 years
Mains & Sewers	99 years
Streets, Bridges, Sidewalks	50 years
Furniture and Other Equipment	10-20 years
Vehicles	5-10 years
Computer Equipment	5 years
Software	3 years

Landfill cells are depreciated using the units of consumption method.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

7. Property Tax Revenue Recognition

Property tax revenue is recognized independent of receivable recognition in the fiscal year for which the taxes have been levied (budgeted). Property tax revenue becomes available within the fiscal year of the levy. Delinquent taxes expected to be received later than 60 days after the close of the fiscal year are classified as unearned revenue within the governmental fund financial statements.

The City's property tax is levied each December 31 on the assessed valuation of property located within the City as of the preceding January 1, the lien date. Taxes are due in full on December 31, and become delinquent on January 1. The delinquent penalty for 2003 was 4% in January, increased by 2% in each succeeding month up through September for a maximum of 20%.

8. Intragovernmental Revenue

Several funds remit to the General Fund a budgeted fixed amount for management and accounting services rendered by the General Fund.

9. Compensated Absences

All vested or accumulated vacation, scheduled holiday leave and vested accumulated sick leave is accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

10. Net Assets

In the government-wide and proprietary fund financial statements, equity is displayed in three components as follows:

Invested in Capital Assets, Net of Related Debt – This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

Restricted – This consists of net assets that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation. Net Assets Restricted for Other Purposes includes \$18,313,385 for restricted tax revenues and \$4,949,734 for other purposes.

Unrestricted – This consists of net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

11. New Accounting Pronouncements

This report does not incorporate GASB Statement No. 40, *Deposit and Investment Risk Disclosures*. The City will adopt and implement this statement at the required time.

12. Capitalization of Interest

Net interest costs on funds borrowed to finance the construction of capital assets are capitalized and depreciated over the life of the related asset for business-type activities and proprietary fund types. Interest is not capitalized for governmental fund types within the fund financial statements.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

13. Capital Contributions

Capital contributions represent government grants and other aid used to fund capital projects. Capital contributions are recognized as revenue when the expenditure is made and amounts become subject to claim for reimbursement.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

An element of that reconciliation states that “internal service funds are used by management to charge the costs of custodial maintenance, information services, public communications, fleet operations, self insurance, and employee benefits.” The assets and liabilities of the internal service funds are therefore included in governmental activities in the following line items in the statement of net assets:

Cash and investments	\$7,193,567
Accounts receivable	367,705
Accrued interest	18,569
Inventory	474,920
Other assets – current	84
Investments	9,114,604
Accounts payable	(2,226,874)
Accrued payroll and payroll taxes	(336,025)
Advances from other funds	(147,000)
Other liabilities – current	(40,234)
Incurring but not reported claims	<u>(879,000)</u>
Net adjustment to increase fund balance- total governmental funds to arrive at net assets-governmental activities	<u>\$13,540,316</u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

An element of that reconciliation states that “internal service funds are used by management to charge the costs of custodial maintenance, information services, public communications, fleet operations, self insurance, and employee benefits.” The portion of the net revenue (expense) of these internal service funds arising out of their transactions with governmental funds is reported with governmental activities, because they service those activities.

Change in Net Assets – all Internal Service Funds	\$(1,593,328)
Change in Net Assets of Internal Service Funds Reported with Business-Type Activities	(258,218)
Depreciation – all Internal Service Funds	221,856
Depreciation – Internal Service Funds Reported with Business-Type Activities	<u>(3,641)</u>
Net adjustment to increase net changes in fund balances-total governmental funds to arrive at changes in net assets of governmental activities	<u>\$(1,633,331)</u>

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Statement of Cash Flows

The City defines cash and cash equivalents used in the statement of cash flows as all cash and highly liquid investments with an original maturity of three months or less (both restricted and unrestricted).

The City incurs certain contractual liabilities with respect to enterprise fund construction projects, which do not result in cash inflows to the City. At September 30, 2003, \$2,681,653 in construction contracts payable was reported in the Enterprise Funds.

B. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

IV. EQUITY IN POOLED CASH AND INVESTMENTS, CASH, INVESTMENTS, AND OBLIGATIONS UNDER REVERSE REPURCHASE AGREEMENTS

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of the pool is displayed on the government-wide statement of net assets as "Cash and Cash Equivalents." The investments of the Police and Firefighters' Retirement Plans, pension trust funds, are held separately from those of other City funds.

A. Deposits

At year-end, the bank balances of the City's deposits were covered by federal depository insurance or by collateral held by the City's agent in the City's name. At September 30, 2003, the bank balances in the City's checking accounts were \$1,543,604.

B. Investments

Statutes, the City Charter, Policy Resolutions, and legal opinions authorize the City to invest in obligations of the U.S. Treasury, agencies, and instrumentalities; states, agencies and political subdivisions thereof; mutual funds containing authorized securities; certificates of deposit of banks and savings and loans in Missouri; and repurchase agreements. U.S. government agency securities consist of investments in FNMA, FHLMC, and Government National Mortgage Association mortgage-backed securities. Mortgage-backed securities do not have a contractual maturity date and the City is subject to the risk of prepayment on these securities when changes in market interest rates occur. The City is also authorized to enter into reverse repurchase agreements. The assets of the Police and Firefighters' Retirement Funds may be invested, reinvested and managed by an investment fiduciary who shall "act with the same care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a similar capacity and familiar with those matters would use in the conduct of a similar enterprise with similar aims."

Investments are categorized to give an indication of the level of custodial risk. Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

includes uninsured and unregistered investments for which the securities are held by a financial institution's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker, dealer, or financial institution, or financial institution's trust department or safekeeping department or agent but not in the City's name. All City investments and cash with fiscal agents subject to the categorization outlined above are in Category 1. The cost and fair value of the City's investments at September 30, 2003 follows:

	Cost	Fair Value
U.S. Government Securities	\$ 78,126,961	\$ 81,165,114
Taxable Municipal Bonds	3,743,310	7,379,380
Corporate Bonds	7,739,968	8,652,951
Tax-Exempt Securities	326,484	640,922
Repurchase Agreements	1,689,000	1,689,000
	91,625,723	99,527,367
Investments not subject to categorization:		
Money Market Accounts	69,338,153	69,338,153
Mutual Funds	36,390,545	38,841,162
Total Investments	\$ 197,354,421	\$ 207,706,682

A reconciliation of cash and cash equivalents as shown on the government-wide statement of net assets is as follows:

	Balance September 30, 2003
Fair value of investments	\$ 207,706,682
Cash on hand	22,897
Investments with fiscal agents (not subject to categorization)	18,395,801
Cash with fiscal agents (not subject to categorization)	2,115,829
Imprest accounts	(96,783)
Total	\$ 228,144,426

	Government- Wide Statement of Net Assets	Fiduciary Funds Statement of Net Assets	Total
Cash and cash equivalents	\$ 90,454,667	\$ 289,911	\$ 90,744,578
Investments	9,114,604	60,637,487	69,752,091
Restricted assets:			
Cash and cash equivalents	65,327,585	—	65,327,585
Customer security and escrow deposits	2,320,172	—	2,320,172
Total	\$ 167,217,028	\$ 60,927,398	\$ 228,144,426

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

The City generally intends to buy and hold the securities in its portfolios, and to sell only when a gain is present or when a swap that offers substantial economic gains is available. The City maintains at least 5% to 15% of the pooled investment portfolio in cash and cash equivalents to meet cash requirements. At fiscal year end the cash and cash equivalent balance was in excess of this range. Due to the low interest rate environment, the City is holding these funds for the appropriate investment opportunity. During the next fiscal year, the City does not intend to sell any securities at a loss in order to meet cash requirements.

The City's investment policies require that securities underlying repurchase agreements must have a fair value of at least 100% of the cost of the repurchase agreement. The fair value of securities underlying repurchase agreements are determined monthly and significant variances below this required level did not occur. The level of repurchase agreements throughout the year is not significantly different than at year-end.

C. Reverse Repurchase Agreements

The City is permitted to enter into reverse repurchase agreements; that is, a sale of securities with a simultaneous agreement to repurchase them in the future at the same price plus a contracted rate of interest. The fair value of the securities underlying reverse repurchase agreements normally exceeds the cash received, providing the dealers a margin against a decline in fair value of the securities. If the dealers default on their obligations to resell these securities to the City or provide securities or cash of equal value, the City would suffer an economic loss equal to the difference between the fair value plus accrued interest of the underlying securities and the agreement obligation, including accrued interest. There were no defaults during the year, and there were no reverse repurchase agreements outstanding at year-end.

V. RECEIVABLES AND PAYABLES

Balance at September 30, 2003 were as follows:

	Accounts	Accrued Interest	Grants Receivable/ Rehabilitation Loan	Taxes	Total Receivables	Allowance for Doubtful Accounts	Receivables, Net
Governmental activities:							
General	\$ 656,444	\$ 40,089	\$ 264,447	\$ 5,484,323	\$ 6,445,303	\$ (8,988)	\$ 6,436,315
Transportation Sales Tax	-	3,412	-	873,426	876,838	-	876,838
Capital Projects	45,288	69,435	-	-	114,723	-	114,723
Non-major Governmental Funds	52,547	117,304	5,525,524	4,015,203	9,710,578	(40,394)	9,670,184
Internal Service Funds	367,705	18,569	-	-	386,274	-	386,274
Total - governmental activities	<u>\$ 1,121,984</u>	<u>\$ 248,809</u>	<u>\$ 5,789,971</u>	<u>\$ 10,372,952</u>	<u>\$ 17,533,716</u>	<u>\$ (49,382)</u>	<u>\$ 17,484,334</u>
Business-type activities:							
Water and Electric Utility	\$ 11,943,056	\$ 128,930	-	-	\$ 12,071,986	\$ (1,735,773)	\$ 10,336,213
Sanitary Sewer Utility	1,039,442	25,934	104,587	-	1,169,963	(201,883)	968,080
Solid Waste Utility	1,591,968	16,886	75,000	-	1,683,854	(279,267)	1,404,587
Parking Facilities	93,197	14,147	-	-	107,344	-	107,344
Recreation Services	-	3,614	-	-	3,614	-	3,614
Storm Water Utility	156,206	5,762	-	-	161,968	(26,810)	135,158
Non-major Enterprise Funds	133,424	8,248	26,258	-	167,930	-	167,930
Internal Service Funds	374,633	3,228	-	-	377,861	(140,846)	237,015
Total - business-type activities	<u>\$ 15,331,926</u>	<u>\$ 206,749</u>	<u>\$ 205,845</u>	<u>\$ -</u>	<u>\$ 15,744,520</u>	<u>\$ (2,384,579)</u>	<u>\$ 13,359,941</u>

Accounts payables consist of amounts due to vendors and are expected to be paid within one year.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

VI. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2003 was as follows:

	Balance October 1, 2002	Additions	Retirements	Balance September 30, 2003
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 16,643,916	\$ 1,848,970	\$ —	\$ 18,492,886
Construction in process	2,320,701	7,072,536	(4,604,600)	4,788,637
Total capital assets, not being depreciated	<u>18,964,617</u>	<u>8,921,506</u>	<u>(4,604,600)</u>	<u>23,281,523</u>
Capital assets, being depreciated:				
Buildings	19,887,222	110,632	—	19,997,854
Improvements other than buildings	7,660,180	336,634	—	7,996,814
Furniture, fixtures and equipment	21,984,967	2,916,988	(552,383)	24,349,572
Infrastructure	<u>58,968,598</u>	<u>2,012,307</u>	<u>—</u>	<u>60,980,905</u>
Total capital assets being depreciated	<u>108,500,967</u>	<u>5,376,561</u>	<u>(552,383)</u>	<u>113,325,145</u>
Less accumulated depreciation for:				
Buildings	(6,871,092)	(447,535)	—	(7,318,627)
Improvements other than buildings	(1,540,417)	(187,195)	—	(1,727,612)
Furniture, fixtures and equipment	(13,212,522)	(1,540,821)	430,989	(14,322,354)
Infrastructure	<u>(14,949,828)</u>	<u>(1,183,096)</u>	<u>—</u>	<u>(16,132,924)</u>
Total accumulated depreciation	<u>(36,573,859)</u>	<u>(3,358,647)</u>	<u>430,989</u>	<u>(39,501,517)</u>
Total capital assets, being depreciated, net	<u>71,927,108</u>	<u>2,017,914</u>	<u>(121,394)</u>	<u>73,823,628</u>
Governmental activities capital assets, net	<u>\$ 90,891,725</u>	<u>\$ 10,939,420</u>	<u>\$ (4,725,994)</u>	<u>\$ 97,105,151</u>

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

	<u>Balance October 1, 2002</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2003</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land and land rights	\$ 8,692,213	\$ 316,097	\$ —	\$ 9,008,310
Construction in progress	<u>19,815,584</u>	<u>18,510,940</u>	<u>(22,446,362)</u>	<u>15,880,162</u>
Total capital assets not being depreciated	<u>28,507,797</u>	<u>18,827,037</u>	<u>(22,446,362)</u>	<u>24,888,472</u>
Capital assets, being depreciated:				
Structures and improvements	211,802,660	17,388,393	—	229,191,053
Furniture, fixtures and equipment	<u>193,080,948</u>	<u>11,747,968</u>	<u>(903,577)</u>	<u>203,925,339</u>
Total capital assets being depreciated	<u>404,883,608</u>	<u>29,136,361</u>	<u>(903,577)</u>	<u>433,116,392</u>
Less accumulated depreciation for:				
Structures and improvements	(54,672,798)	(4,937,535)	—	(59,610,333)
Furniture, fixtures and equipment	<u>(82,878,111)</u>	<u>(8,045,125)</u>	<u>736,190</u>	<u>(90,187,046)</u>
Total accumulated depreciation	<u>(137,550,909)</u>	<u>(12,982,660)</u>	<u>736,190</u>	<u>(149,797,379)</u>
 Total capital assets being depreciated, net	 <u>267,332,699</u>	 <u>16,153,701</u>	 <u>(167,387)</u>	 <u>283,319,013</u>
 Business-type activities capital assets, net	 <u>\$ 295,840,496</u>	 <u>\$ 34,980,738</u>	 <u>\$ (22,613,749)</u>	 <u>\$ 308,207,485</u>

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:

Policy Development	\$	245,036
Public Safety		925,473
Transportation		1,483,811
Health and Environment		17,551
Personal Development		468,561
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets		<u>218,215</u>
Total depreciation expense - governmental-type activities:	\$	<u><u>3,358,647</u></u>

Business-type activities:

Major funds:

Water and Electric	\$	6,703,032
Sanitary Sewer		2,421,963
Solid Waste		1,336,859
Parking Facilities		604,942
Recreational Services		507,103
Storm Water Utility		259,595
Non-major enterprise funds		1,145,525
Internal service funds		<u>3,641</u>
Total depreciation expense - business-type activities:	\$	<u><u>12,982,660</u></u>

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

VII. COMMITMENTS

A. Construction Commitments

At September 30, 2003, construction contract commitments of the City were:

	Amounts
Major Governmental Fund:	
Capital Projects Fund	\$ 3,308,734
Enterprise Funds:	
Major Funds:	
Water and Electric Utility	2,099,956
Sanitary Sewer Utility	3,047,461
Solid Waste Utility	93,191
Storm Water Utility	8,592
Nonmajor Funds:	
Public Transportation	6,425
Railroad	34,963
Total Enterprise Funds	5,290,588
Total	\$ 8,599,322

B. Obligations to Purchase Electric Power

The Water and Electric Utility has an agreement with the Board of Municipal Utilities, Sikeston, Missouri, to purchase electric power effective through May 31, 2021. The City agreed to purchase 55 Megawatts at 110% of its proportionate share of monthly power costs (including debt service costs related to the revenue bond issue) as defined in the agreement. The City also contracted to purchase an additional 11 Megawatts from Sikeston commencing on June 1, 1992. The 11 Megawatts was purchased at \$4.50 per kilowatt per month until May 31, 2002. On June 1, 2002, the capacity charge for the 11 Megawatts changed to 100% of the fixed costs and the energy charged to 110% of the energy costs.

The Water and Electric Utility has an agreement with the Kansas City, Kansas Board of Public Utilities (BPU) to purchase electric power effective through April 5, 2013. The City will purchase 8.51% (20 Megawatts) of the electric power and energy of the BPU 235 Megawatts coal-fired Nearman Creek Power Station No. 1. In fiscal year 2003, the City paid a demand charge of \$8.115 per kilowatt on 20,000 kilowatts per month. The demand charge may be increased in the event of certain capital expenditures at the Nearman Plant. In addition to the demand charge, the City is required to pay a monthly fuel charge, based on the amount of power actually taken in any month, equal to 105% of the Nearman Plant's fuel cost per kilowatt hour. The City must also pay an operation and maintenance charge based upon its reserved capacity and the amount of power actually taken, and must make a payment in lieu of taxes equal to 5.9% of gross billings. The demand charge, a portion of the operating and maintenance charge, and associated payments in lieu of taxes, must be paid regardless of whether the Nearman Plant is operating. The City may terminate the contract if the Nearman Plant becomes permanently inoperable.

The Water and Electric Utility has an agreement with Ameren Energy Marketing to purchase electric power effective through December 31, 2014. The City agreed to purchase 20 Megawatts during the period June 1, 2001 until December 31, 2001, 25 megawatts during the period January 1, 2002 until December 31, 2002, and 36 megawatts during the period January 1, 2003 until the end of the contract term. The City paid a capacity charge of \$5.25/kW-month through December 31, 2001. Effective January 1, 2002, and each subsequent contract year thereafter, the capacity charge shall increase by 2.5%. The City pays an energy charge each month for all energy deliveries calculated as follows: actual fuel cost + (variable operations and maintenance cost * energy delivered) + (start charges * the number of individual unit starts).

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

In September 2003, the Water and Electric Utility made an additional agreement with Ameren Energy Marketing to purchase power commencing on June 1, 2004, and terminating on December 31, 2007. Under the terms of the contract, capacity shall be 50 Mw at \$11.49/Kw-month in 2004, 52 Mw at \$10.67/Kw-month in 2005, 54 Mw at \$11.73/Kw-month in 2006, and 56 Mw at \$13.43/Kw-month. The energy cost will be a flat \$1.6 cents/Kw-hour.

C. Obligation to Purchase Coal

The City has a purchase contract with Massey Coal Sales to buy coal for the municipal electric generating plant. The City will require approximately 40,000 tons per year for the contract term beginning June 1, 2002, and ending May 31, 2005 at a price subject to annual adjustment based on the final Producers Price Indexes as published by the U.S. Department of Labor. The price per ton for the fiscal year ending September 30, 2003 was \$35.00 per ton. This price is adjusted monthly based on the average BTU/LB content for coal delivered during the month.

VIII. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund receivable and payable balances at September 30, 2003 are as follows:

	Interfund receivables	Interfund payables
Major Governmental Funds:		
General Fund	\$ 2,717,566	\$ —
Capital Projects Fund	—	623,540
Nonmajor governmental funds - permanent fund	1,362,608	9,170
Nonmajor governmental funds - special revenue funds	—	117,500
Enterprise Funds:		
Major Funds:		
Water and Electric Utility	357,851	845,140
Recreation Services	—	270,037
Sanitary Sewer Utility	—	38,000
Nonmajor enterprise	—	548,101
Internal Service Funds	—	147,000
Trust Funds:		
Pension Trust	—	1,839,537
Total	\$ 4,438,025	\$ 4,438,025

Interfund payables at September 30, 2003 include \$270,037 in the Recreation Services Fund, \$190,250 in the Regional Airport Fund, a non-major fund, and \$38,000 in the Sanitary Sewer Utility Fund that are classified as Current Liabilities Payable from Restricted Assets because the funds advanced from the Designated Loan Fund were restricted for use on capital projects. These advances generally are not scheduled to be repaid in the next fiscal year.

Advances of \$623,540 from the Designated Loan Fund to the Capital Projects Fund are for special assessment tax bills. These will be repaid when the associated capital projects are completed and the special assessment taxes are levied.

Fund overdraws of pooled cash account for \$1,863,256 of interfund payables and a receivable in the General Fund. Detail by fund for these payables is included on page 46.

Payment in lieu of taxes of \$845,140 is reported as a receivable in the General Fund and a payable in the Water and Electric Utility Fund.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

Loans with a balance of \$357,851, from the Water and Electric Utility to the Railroad Fund for construction work and the purchase of a locomotive will not be repaid in the next fiscal year. A \$9,170 receivable in the General Fund for nuisance abatements, due from the Designated Loan Fund, will be repaid within the next fiscal year.

Interfund transfers consisted of the following amounts:

	Transfer From											Total
	General Fund	Transportation Sales Tax	Capital Projects	Nonmajor Governmental	Water and Electric	Sanitary Sewer	Solid Waste	Recreation Services	Storm Water	Non-Major Enterprise	Internal Service	
Major Governmental Funds:												
General Fund	\$ -	\$ 4,554,200	\$ -	\$ 643,370	\$ 7,554,050	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,751,620
Transportation Sales Tax	-	-	-	-	-	-	-	-	-	21,707	-	21,707
Capital Projects	700,000	722,200	-	1,649,722	-	32,609	-	-	2,525	-	-	3,107,056
Nonmajor Governmental	484,403	-	623,042	2,629,430	-	-	-	91	-	-	-	3,736,966
Major Enterprise Funds:												
Water and Electric	-	-	29,017	-	-	-	16,000	-	-	-	50,000	95,017
Sanitary Sewer	-	-	1,000	-	20,000	-	-	-	-	-	-	21,000
Solid Waste	-	-	-	-	8,000	-	-	-	-	-	-	8,000
Parking Facilities	172,000	-	-	-	-	-	-	-	-	-	-	172,000
Recreation Services	1,528,200	-	-	2,970,220	-	-	-	-	-	-	-	4,498,420
Storm Water	-	-	-	-	-	8,000	-	-	-	-	-	8,000
Nonmajor Enterprise	-	2,320,835	88,040	-	50,000	-	-	-	-	-	-	2,458,875
Internal Service	12,612	-	-	-	10,743	3,360	3,350	7,955	-	570	3,135	41,725
Total	\$ 2,897,215	\$ 7,597,235	\$ 741,099	\$ 7,892,742	\$ 7,642,793	\$ 43,969	\$ 19,350	\$ 8,046	\$ 2,525	\$ 22,277	\$ 53,135	\$ 26,920,386

Transfers are used to (1) move revenues from the fund that budgets or ordinance requires to collect them to the fund that budgets or ordinance requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

During the year ended September 30, 2003, \$670,300 was transferred from the Park Sales Tax Fund to the Capital Projects Fund for development of Stephen's Lake Park. A one-time transfer of \$600,000 was made from the Capital Projects Fund to the Special Road District Tax Fund as a result of closing a completed project.

Included in the transfers schedule is a transfer from the Water and Electric Utilities Fund to the General Fund of \$7,554,050. The transfer represents PILOT payments.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

IX. LONG-TERM LIABILITIES

A. Changes in Long-term Liabilities

	Balance October 1, 2002	Additions	Deductions	Balance September 30, 2003	Current Portion
Governmental Activities:					
General Obligation Bonds:					
1992 Refunding	\$ 2,125,000	\$ —	\$ (1,425,000)	\$ 700,000	\$ 700,000
Certificates of Participation:					
2001 A Series					
Fire Station	3,611,500	—	(822,000)	2,789,500	885,000
Health Center	2,085,000	—	—	2,085,000	—
Total Certificates of Participation	5,696,500	—	(822,000)	4,874,500	885,000
Capital Lease Obligations	7,000,000	—	—	7,000,000	—
Accrued Compensated Absences	1,248,415	17,270	—	1,265,685	712,128
Claims Payable	716,460	6,243,195	(6,080,655)	879,000	879,000
Total Governmental Activities	\$ 16,786,375	\$ 6,260,465	\$ (8,327,655)	\$ 14,719,185	\$ 3,176,128

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

	Balance October 1, 2002	Additions	Deductions	Balance September 30, 2003	Current Portion
Business-type Activities:					
Revenue Bonds:					
<i>Water & Electric Utility:</i>					
1985 Water and Electric Series B	\$ 15,500,000	\$ —	\$ (15,500,000)	\$ —	\$ —
1992 Water and Electric	13,645,000	—	(3,145,000)	10,500,000	3,315,000
1998 Water and Electric	28,130,000	—	(60,000)	28,070,000	60,000
2002 Water and Electric	16,490,000	—	(205,000)	16,285,000	260,000
2003 Water and Electric	—	8,950,000	—	8,950,000	50,000
Premiums (Discounts)	(105,702)	(164,870)	57,857	(212,715)	—
Total Water & Electric Utility	<u>73,659,298</u>	<u>8,785,130</u>	<u>(18,852,143)</u>	<u>63,592,285</u>	<u>3,685,000</u>
<i>Sanitary Sewer Utility:</i>					
1979 Sanitary Sewer System	815,000	—	(255,000)	560,000	275,000
1992 Sanitary Sewer System Series B	600,000	—	(40,000)	560,000	40,000
1992 Sanitary Sewer System Refunding	100,000	—	(100,000)	—	—
1999 Sanitary Sewer System Series A	3,405,000	—	(165,000)	3,240,000	165,000
1999 Sanitary Sewer System Series B	1,300,000	—	(60,000)	1,240,000	65,000
2000 Sanitary Sewer System Series B	2,340,000	—	(105,000)	2,235,000	105,000
2002 Sanitary Sewer System Series A	2,230,000	—	—	2,230,000	100,000
2002 Sanitary Sewer System Refunding	7,940,000	—	—	7,940,000	185,000
2003 Sanitary Sewer System Series B	—	3,620,000	—	3,620,000	—
Premiums (Discounts)	(285,892)	—	126,843	(159,049)	—
Total Sanitary Sewer Utility	<u>18,444,108</u>	<u>3,620,000</u>	<u>(598,157)</u>	<u>21,465,951</u>	<u>935,000</u>
<i>Parking Facilities:</i>					
1995 Parking Facilities	2,965,000	—	(90,000)	2,875,000	95,000
Discounts	(56,349)	—	3,131	(53,218)	—
Total Parking Facilities	<u>2,908,651</u>	<u>—</u>	<u>(86,869)</u>	<u>2,821,782</u>	<u>95,000</u>
Total Revenue Bonds	<u>95,012,057</u>	<u>12,405,130</u>	<u>(19,537,169)</u>	<u>87,880,018</u>	<u>4,715,000</u>
Special Obligation Bonds:					
<i>Sanitary Sewer Utility:</i>					
2001 Sanitary Sewer	2,685,000	—	(100,000)	2,585,000	105,000
Premiums	7,633	—	(418)	7,215	—
Total Sanitary Sewer Utility	<u>2,692,633</u>	<u>—</u>	<u>(100,418)</u>	<u>2,592,215</u>	<u>105,000</u>
<i>Solid Waste Utility:</i>					
1996 Refuse System	3,935,000	—	(200,000)	3,735,000	205,000
2001 Refuse System	4,640,000	—	(175,000)	4,465,000	180,000
Discounts	(33,317)	—	2,600	(30,717)	—
Total Solid Waste Utility	<u>8,541,683</u>	<u>—</u>	<u>(372,400)</u>	<u>8,169,283</u>	<u>385,000</u>
<i>Parking Facilities:</i>					
1996 Parking Facilities	5,560,000	—	(275,000)	5,285,000	295,000
Discounts	(65,920)	—	4,708	(61,212)	—
Total Parking Facilities	<u>5,494,080</u>	<u>—</u>	<u>(270,292)</u>	<u>5,223,788</u>	<u>295,000</u>
<i>Recreation Services:</i>					
Certificates of Participation - 2001 A Series	8,648,500	—	(1,918,000)	6,730,500	2,065,000
Premiums	89,630	—	(4,979)	84,651	—
Total Recreation Services	<u>8,738,130</u>	<u>—</u>	<u>(1,922,979)</u>	<u>6,815,151</u>	<u>2,065,000</u>
Total Special Obligation Bonds	<u>25,466,526</u>	<u>—</u>	<u>(2,666,089)</u>	<u>22,800,437</u>	<u>2,850,000</u>
Accrued Compensated Absences	996,455	—	(4,086)	992,369	876,657
Accrued Landfill Closure/Post Closure Care Costs	3,435,251	262,237	—	3,697,488	311,100
Total Business-type Activities	<u>\$ 124,910,289</u>	<u>\$ 12,667,367</u>	<u>\$ (22,207,344)</u>	<u>\$ 115,370,312</u>	<u>\$ 8,752,757</u>

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

B. Debt Service Requirements to Maturity

The annual requirements to amortize all bonded debt and the 2001A certificates of participation outstanding as of September 30, 2003, including interest payments of \$50,450,581, are as follows:

Year ending September 30	Governmental Activities:				Business-type Activities:			
	General Obligation		Certificates of Participation 2001A		Special Obligation 1996 and 2001		Certificates of Participation 2001A	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2004	\$ 700,000	\$ 19,250	\$ 885,000	\$ 196,442	\$ 785,000	\$ 766,246	\$ 2,065,000	\$ 225,260
2005	—	—	949,500	159,753	815,000	729,866	2,215,500	139,650
2006	—	—	955,000	120,332	850,000	691,335	2,450,000	47,670
2007	—	—	100,000	97,902	890,000	650,448	—	—
2008	—	—	105,000	93,737	925,000	607,185	—	—
2009–2013	—	—	600,000	394,029	5,365,000	2,294,028	—	—
2014–2018	—	—	740,000	234,890	4,850,000	861,958	—	—
2019–2023	—	—	540,000	42,538	1,590,000	116,230	—	—
2024–2028	—	—	—	—	—	—	—	—
	\$ 700,000	\$ 19,250	\$ 4,874,500	\$ 1,339,623	\$ 16,070,000	\$ 6,717,296	\$ 6,730,500	\$ 412,580

Business-type Activities: (continued)

Year ending September 30	Revenue Bonds						TOTAL DEBT SERVICE REQUIREMENTS TO MATURITY	
	Water and Electric		Sanitary Sewer Utility		Parking Facilities		Principal	Interest
	Principal	Interest*	Principal	Interest	Principal	Interest	Principal	Interest
2004	\$ 3,685,000	\$ 2,992,680	\$ 935,000	\$ 931,058	\$ 95,000	\$ 163,052	\$ 9,150,000	\$ 5,293,988
2005	3,870,000	2,791,650	1,140,000	856,544	100,000	158,224	9,090,000	4,835,687
2006	4,265,000	2,572,542	1,145,000	818,236	105,000	153,047	9,770,000	4,403,162
2007	2,785,000	2,393,512	1,155,000	782,088	110,000	147,509	5,040,000	4,071,459
2008	2,915,000	2,260,806	1,180,000	743,133	120,000	141,469	5,245,000	3,846,330
2009–2013	16,370,000	9,102,898	6,325,000	3,006,725	700,000	597,773	29,360,000	15,395,453
2014–2018	12,950,000	5,668,723	6,800,000	1,581,865	340,000	411,988	25,680,000	8,759,424
2019–2023	12,785,000	2,704,624	2,720,000	349,648	1,305,000	195,750	18,940,000	3,408,790
2024–2028	4,180,000	431,000	225,000	5,288	—	—	4,405,000	436,288
	\$ 63,805,000	\$ 30,918,435	\$ 21,625,000	\$ 9,074,585	\$ 2,875,000	\$ 1,968,812	\$ 116,680,000	\$ 50,450,581

C. General Obligation Bonds—1992 Refunding Series

General obligation bonds are supported by a pledge of the City's full faith and credit. These bonds, which are reported in the government-wide statement of net assets, were issued to finance various capital projects. \$484,393 is available in the City's Debt Service Funds to repay general obligation bonds. The remainder of the general obligation bonds is to be repaid from future property tax levies.

In August of 1992, the City issued \$16,670,000 in General Obligation Bonds for the purpose of refunding all of the City's General Obligation Street and Bridge Bond Series 1986, General Obligation Street and Bridge Bond Series 1983, and General Obligation Fire Protection Bond Series 1982, each of which were subject to redemption prior to maturity. Total outstanding on the refunded bonds was \$16,280,000. Interest payments on the new bonds are due on April 1 and October 1. Principal payments are due on October 1 each year. The final payment is due on October 1, 2003. Interest rates on this issue range from 2.75% to 9%.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

D. Special Obligation Refunding and Capital Improvement Bonds—1996 Series

In September of 1996, the City issued \$24,410,000 of Special Obligation Refunding and Capital Improvement Bonds for the purpose of refunding the 1986 Parking Facilities Certificates of Participation, the 1986 Refuse System Revenue Bonds and to fund the costs of various capital improvements to be purchased and constructed. Interest is paid semiannually on February 1 and August 1. Principal payments are due on February 1. The final payment for the Parking Facilities and the Solid Waste portion is due on February 1, 2016. Interest rates on this issue range from 3.75% to 5.45%.

The \$24,410,000 debt consisted of the following: (i) \$12,335,000 for various capital improvements for which the final payment of this amount was made on February 1, 2001; (ii) \$7,120,000 in the Parking Facilities Enterprise Fund; and (iii) \$4,955,000 in the Solid Waste Enterprise Fund. The apportionment of the \$12,335,000 consisted of \$5,465,000 for capital improvement sales tax projects approved by the voters of the City in November 1995 and \$6,870,000 for Route PP and B highway projects. The Parking Facilities portion consisted of \$2,620,000 to refund the City's outstanding \$2,265,000 1986 Parking Facilities Certificates of Participation and \$4,500,000 for improvements to the City's parking facilities. The Solid Waste portion consisted of \$685,000 to refund the City's outstanding \$685,000 1986 Refuse System Revenue Bonds and \$4,270,000 for landfill projects required for compliance with Subtitle D and Missouri Department of Natural Resources regulations.

These bonds are special obligations of the City payable solely from the annual appropriation of funds by the City for that purpose. The bond ordinance requires the City to establish, maintain and collect rates and charges for the use and services furnished by and through its Parking System and Solid Waste Disposal System to pay for operating and maintenance costs, principal and interest on the bonds and reserve accounts.

E. Certificates of Participation Series 2001A

In May 2001, \$16,990,000 of insured Certificates of Participation were issued for the purpose of funding construction of the new recreation center, constructing and equipping the new fire station, construction and improvements of the new health clinic, and renovation and improvement of city administrative facilities. Rental payments are due on February 1 and August 1 each year. The final payment is due February 1, 2021. Interest rates range from 4% to 5.125%. Rental payments are payable solely from amounts which may, but are not required to be, appropriated annually by the City. The City has not pledged general tax revenues, funds, or moneys to pay this obligation.

The base lease between the City as lessor and First Bank of Missouri as lessee and trustee transfers a leasehold interest in certain real estate held by the City to the trustee. The term of the base lease is May 1, 2001 through February 1, 2041, or the date the Certificates have been paid in full, whichever is earlier. A second lease between First Bank of Missouri as lessor and the City as lessee leases the properties to the City for rental payments through February 1, 2021. Title to the leased property shall remain in the City at all times.

The \$16,990,000 consisted of the following: \$4,405,000 for construction and equipping the new fire station and \$2,085,000 for construction and improvement of the new health clinic and renovation and improvement of city administrative facilities. The Recreation Services Fund portion of \$10,500,000 is to construct and equip the new recreation center. The new fire station and the recreation center are capital improvement sales tax projects approved by the voters of the City in November 1999.

F. Special Obligation Bonds, Series 2001A and 2001B

In November 2001, the City issued \$2,685,000 of Special Obligation Series A Bonds and \$4,640,000 of Special Obligation Series B Bonds for the purpose of acquisition, construction, improvement and extension of the City-owned sanitary sewer utility and the City's solid waste utility. Interest is paid semiannually on February 1 and August 1. Principal payments are due on February 1. The final payment is due on February 1, 2021. Interest rates on this issue range from 3.65% to 4.80%.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

The 2001 Series A Bonds, \$2,685,000, are reported in the Sanitary Sewer Utility Enterprise Fund and the 2001 Series B Bonds, \$4,640,000, are reported in the Solid Waste Utility Enterprise Fund.

The bonds are special obligations of the City payable solely from the annual appropriation of funds by the City for that purpose.

G. Water and Electric Revenue Bonds—2003 Series, 2002 Series, 1998 Series, and 1992 Series

In February of 2003, the City issued \$8,950,000 of Water and Electric System Revenue Bonds. The bonds are secured by a pledge of the revenues of the Water and Electric System. The bonds were issued for the purpose of refunding the City's Water and Electric System Revenue Bonds, 1985 Series B. Interest is paid semiannually on June 1 and December 1, and principal is due each year on December 1 through December 1, 2015. Bonds maturing on December 1, 2012 and thereafter are subject to redemption prior to maturity at the option of the City at any time on or after December 1, 2011 at a redemption price of 100% of the principal amount redeemed plus accrued interest to the redemption date. The interest rates on this issue range from 2.00% to 5.00%.

In February of 2002, the City issued \$16,490,000 of Water and Electric System Revenue Bonds. The bonds are to be paid by the net revenues of the system and are secured by a first lien on the revenues. The bonds were issued to provide funding for improvements and additions to the City's waterworks and electric facilities. Interest is paid semiannually on April 1 and October 1. Principal is due each year on October 1 through October 1, 2026. Bonds maturing on October 1, 2013 and thereafter are subject to redemption prior to maturity at the option of the City at any time on or after October 1, 2012 at a redemption price of 100% of the principal amount redeemed plus accrued interest to the redemption date. The interest rates on this issue range from 3.00% to 6.00%.

In March of 1998, the City issued \$28,295,000 of Water and Electric System Revenue Bonds. The bonds are to be paid by the net revenues of the system and are secured by a first lien on the revenues. \$5,535,000 of the bonds were issued to refund \$5,215,000 of the outstanding 1992 Water and Electric Revenue Bonds, and \$22,760,000 were issued to provide funding for improvements and additions to the City's waterworks and electric facilities. Interest is paid semiannually on April 1 and October 1. Principal is due each year on October 1 through October 1, 2022. Bonds maturing on October 1, 2009, and thereafter are subject to redemption prior to maturity at the option of the City at any time on or after October 1, 2008 at a redemption price of 100% of the principal amount redeemed plus accrued interest to the redemption date. The interest rates on this issue range from 3.75% to 6.00%.

In August of 1992, the City issued \$34,140,000 of Water and Electric System Revenue Bonds. The bonds are to be paid by the net revenues of the system and are secured by a first lien on the revenues. \$23,140,000 of the bonds were issued to refund \$19,265,000 of the outstanding 1985 Water and Electric Refunding Bonds, and \$11,000,000 were issued to provide funding for improvements and additions to the City's waterworks facilities. Interest is paid semiannually on April 1 and October 1. Principal is due each year on October 1 through October 1, 2012. Bonds maturing on October 1, 2012 are subject to redemption prior to maturity at the option of the City at any time on or after October 1, 2002 at par plus a premium of 2% reduced by 1% each year thereafter. The interest rates on this issue range from 2.75% to 6.125%.

<u>Nature of accounts</u>	<u>Amount</u>	<u>Authorized expenditures</u>
(a) Current bond maturities and interest	Monthly accumulations equal to semiannual debt service.	Paying current principal and interest on bonds.
(b) Revenue bond reserve	Amount equal to 1/60th of the debt service requirements until said account shall equal the debt reserve requirements in the amount of \$7,580,092.	Paying principal and interest in the event of a deficiency in the current bond maturities and interest account.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

(c) Renewal and replacement account	Amount of \$25,000 per month. Such payments shall be continued until the amount deposited and held in said fund shall equal \$1,500,000.	Paying unforeseen contingencies and meeting emergencies arising in the operation of the system.
(d) Revenue bond construction	To account for revenue bond issue proceeds prior to their expenditure for construction of utility plant.	To provide funds to pay construction cost to the extent such monies are available.

H. Sanitary Sewer Revenue Bonds—2003 Series B, 2002 Refunding Series, 2002 Series A, 2000 Series B, 1999 Series A, 1999 Series B, 1992 Series A, 1992 Series B, 1992 Refunding Series, and Series 1979

The City issued \$3,620,000 of Sewerage System Revenue Bonds, Series B in May of 2003. These bonds are to be paid by the net revenues of the system, and are secured by a first lien on the revenues of the system. These bonds were issued for extending and improving the sewerage system. Payments of principal are due on January 1 of each year through January 1, 2024 and interest payments are due on January 1 and July 1. The bonds maturing on and after January 1, 2014 are redeemable on each June 1 and December 1, commencing on December 1, 2012, at par plus accrued interest. The interest rates range from 2.00% to 5.25% on this issue.

The City issued \$7,940,000 of Sewerage System Revenue Refunding Bonds in September of 2002. These bonds are to be paid by the net revenues of the system, and are secured by a first lien on the revenues of the system. These bonds were issued to refund the 1992 Sewerage System Revenue Bonds. Payments of principal are due on October 1 of each year through October 1, 2017 and interest payments are due on October 1 and April 1. The bonds maturing on and after October 1, 2013 are redeemable on each October 1 and April 1, commencing on October 1, 2012, at par plus accrued interest. The interest rates range from 2.0% to 4.0% on this issue.

The City issued \$2,230,000 of Sewerage System Revenue Bonds, Series A in May of 2002. These bonds are to be paid by the net revenues of the system, and are secured by a first lien on the revenues of the system. These bonds were issued for extending and improving the sewerage system. Payments of principal are due on January 1 of each year through January 1, 2023 and interest payments are due on January 1 and July 1. The bonds maturing on and after January 1, 2013 are redeemable on each June 1 and December 1, commencing on June 1, 2012, at par plus accrued interest. The interest rates range from 3.0% to 5.375% on this issue.

The City issued \$2,445,000 of Sewerage System Revenue Bonds, Series B in November of 2000. These bonds are to be paid by the net revenues of the system, and are secured by a first lien on the revenues of the system. These bonds were issued for extending and improving the sewerage system. Payments of principal are due on July 1 of each year through July 1, 2021 and interest payments are due on January 1 and July 1. The bonds maturing on and after July 1, 2013 are redeemable on each June 1 and December 1, commencing on December 1, 2010, at par plus accrued interest. The interest rates range from 4.350% to 5.625% on this issue.

The City issued \$1,420,000 of Sewerage System Revenue Bonds, Series B in December of 1999. These bonds are to be paid by the net revenues of the system, and are secured by a first lien on the revenues of the system. These bonds were issued for extending and improving the sewerage system. Payments of principal are due on July 1 of each year through July 1, 2020 and interest payments are due on January 1 and July 1. The bonds maturing on and after July 1, 2011 are redeemable on each June 1 and December 1, commencing on June 1, 2010, at par plus accrued interest. The interest rates range from 4.125% to 6.000% on this issue.

The City issued \$3,730,000 of Sewerage System Revenue Bonds, Series A in June of 1999. These bonds are to be paid by the net revenues of the system, and are secured by a first lien on the revenues of the system. These bonds were issued for extending and improving the sewerage system. Payments of principal are due on January 1 of each year through January 1, 2020 and interest payments are due on January 1 and July 1. The bonds maturing on and after January 1, 2010 are redeemable on each June 1, and December 1, commencing on June 1, 2009, at par plus a premium of 1% reduced by .5% each year thereafter to June 1, 2011. The interest rates range from 3.625% to 5.25% on this issue.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

The City issued \$870,000 of Sewerage System Series B Revenue Bonds in June of 1992. These bonds are to be paid by the net revenues of the system, and are secured by a first lien on the revenues of the system. These bonds were issued for extending and improving the sewerage system. Payments of principal are due on January 1 of each year through January 1, 2013 and interest payments are due on January 1 and July 1. The bonds maturing January 1, 2008, and January 1, 2013 are redeemable on each June 1, and December 1, commencing on June 1, 2002, at par plus a premium of 2% reduced by 1% each year thereafter to June 1, 2004. The interest rates range from 4.25% to 6.55% on this issue.

The City issued \$795,000 of Sewerage System Revenue Bonds in August of 1992. These bonds are to be paid by the net revenues of the system, and are secured by a first lien on the revenues of the system. These bonds were issued to refund the 1982 Sewerage System Revenue Bonds. The bonds are not subject to optional redemption prior to maturity. The bonds are subject to mandatory sinking fund redemption on October 1 of each year through October 1, 2002, and payment prior to maturity at a redemption price of 100% of the principal amount redeemed plus accrued interest to the redemption date. Payments of interest payments are due on October 1 and April 1. The interest rate is 5.6% on this issue.

In August of 1979, the City issued \$3,500,000 of Sewerage System Revenue Bonds. These bonds are secured solely by the net revenues of the system. Bond ordinance requirements provide for the restricting of operating revenues after current operating expenses have been met. The bonds were issued for the purpose of extending and improving the sewerage system, including outfall sewers and wastewater treatment facilities. Interest payments are due semi-annually on October 1 and April 1. Principal payments are due each year on October 1 through October 1, 2004. Bonds maturing after October 1, 1989 are redeemable at par plus a premium of 4% reduced by 1/4% each year thereafter. The interest rates on this issue range from 5% to 7%.

The bond ordinances require 130% coverage of the highest year's debt service. In compliance with the bond ordinances, the Sewer Utility Fund is accounted for in a separate enterprise fund. Additional bond ordinance requirements provide for the restricting of operating revenues after current operating expenses have been met. These restrictions occur in the following sequence:

<u>Nature of accounts</u>	<u>Amount</u>	<u>Authorized expenditures</u>
(a) Operation and maintenance	Equal to one month's operating expenses of the utility.	Operating expenses when non-restricted current assets are not available for payment.
(b) Sinking fund (cash with fiscal agent)	Current fiscal year bond maturity and interest accumulated monthly.	Payment of current principal and interest on bonds.
(c) Revenue bond reserve	Amount equal to \$606,226 for the 1979 Series, 1992 Refunding and 2001 Special Obligation Series A Bonds. The 2002 Refunding Series included a premium paid of \$26,039 for a debt service reserve fund policy of \$743,963.	Payment of principal and interest due on bonds when other funds are unavailable.
(d) Contingency	Amount of \$2,000 per month. Such payments shall continue until the amount deposited and held in said fund shall equal \$200,000.	Unforeseen contingencies; emergencies affecting operation and maintenance replacement for effective and efficient operation.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

(e) Revenue bond construction	To account for revenue bond issue proceeds prior to expenditure for construction of utility plant additions.	Cost of construction projects.
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I. Parking Facilities Revenue Bonds—Series 1995—Ordinance No. 014615

The City issued \$3,400,000 of Parking System Revenue Bonds in September of 1995. These Bonds are to be paid by the net revenues of the system, and are secured by a first lien on the revenues of the system. These bonds were issued for extending and improving the system. Payments of principal are due on October 1 of each year through October 1, 2014, and a term bond of \$1,305,000 due October 1, 2020. Interest payments are due on October 1 and April 1. The bonds are redeemable after October 1, 2003 at par plus a premium of 2% reduced by 1% each year thereafter to October 1, 2005. The interest rates range from 3.8% to 6.0% on this issue.

The bond ordinances require 120% coverage of the highest year's debt service. In compliance with the bond ordinances, the Parking Facilities Fund is accounted for in a separate enterprise fund. Additional bond ordinance requirements provide for the restricting of operating revenues after current operating expenses have been met. These restrictions occur in the following sequence:

<u>Nature of accounts</u>	<u>Amount</u>	<u>Authorized expenditures</u>
(a) Operation and maintenance	Equal to one month's operating expenses of the utility.	Operating expenses when non-restricted current assets are not available for payment.
(b) Sinking fund (cash with fiscal agent)	Current fiscal year bond maturity and interest accumulated monthly.	Payment of current principal and interest on bonds.
(c) Revenue bond reserve	Amount equal to 1/48th of the maximum annual debt service, until said account shall equal the maximum annual debt service in the amount of \$261,865.	Payment of principal and interest due on bonds when other funds are unavailable.
(d) Revenue bond construction	To account for revenue bond issue proceeds prior to expenditure for construction of utility plant additions.	Cost of construction projects.

J. Capital Lease Agreements

On January 1, 2001, the City entered into a six-year lease purchase agreement with Stephens College for the purchase of Stephen's Lake Park. The principal amount of the lease is \$7,000,000 with an interest rate of 5.975% and a stated maturity of January 1, 2007. Semi-annual interest payments will be due through fiscal year 2006, with the principal amount due January 1, 2007 at which time ownership of the property will pass to the City. The City has the option to purchase the property on or after January 1, 2006 with 60 days notice and upon payment of interest then due plus principal.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

The following is a schedule of the present value of net minimum lease payments for all of the City's capitalized leases as of September 30, 2003:

	Governmental Activities
Year ending September 30:	
2004	\$ 418,250
2005	418,250
2006	418,250
2007	7,209,125
Total minimum lease payments	8,463,875
Less amount representing interest	(1,463,875)
Present value of net minimum lease payments	\$ 7,000,000

The following schedule shows the amount and asset classifications for capital lease items as of September 30, 2003:

	Governmental Activities
<i>Governmental Activities:</i>	
Land	\$ 7,000,000

K. Current Refunding

On February 15, 2003, the City issued \$8,950,000 in Water and Electric Revenue Bonds with an average interest rate of 3.597% to redeem \$15,500,000 of outstanding 1985 Water and Electric Series B Revenue Bonds with a variable interest rate. The net proceeds of \$8,914,043 (after payment issue costs) plus an additional \$6,598,103 were deposited in trust with an escrow agent to provide for the redemption of the bonds plus accrued interest on March 2, 2003.

The reacquisition price exceeded the net carrying amount of the old debt by \$164,870. This amount is being netted against the new debt and amortized over the remaining life of the new debt, which is the same as the life of the refunded debt. This refunding was undertaken to fix interest rates during a period of low interest rates, and resulted in an estimated economic loss of \$687,165.

L. Conduit Debt – Industrial Revenue Bonds

As of September 30, 2003, \$5,534,658 industrial revenue bonds are outstanding. The debt service on these issues is paid solely from the related lease agreements; these bonds do not constitute a liability of the City.

M. Legal Debt Margin

The City's legal debt margin is \$223,338,535. For more information on the legal debt margin, see Table 9 in the Statistical Data section.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

X. ADVANCE REFUNDING

In the current year and prior years, the City defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased debts are not included in the City's government-wide financial statements. On September 30, 2003, \$10,335,000 of bonds and lease debt outstanding are considered defeased. The table below details these issues.

Issue	Outstanding at September 30, 2003
Enterprise funds revenue bonds/leases:	
1986 parking plaza lease/purchase agreement	\$ 1,605,000
Refuse 1986 series revenue bonds	265,000
Sanitary Sewer 1992 series revenue bonds	8,465,000
Total	\$ 10,335,000

XI. RISK MANAGEMENT

A. Self-insurance

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 1988, the City established a risk management program for workers' compensation, liability, and property losses with two issues of special obligation bonds to establish reserves for self-insurance. At September 30, 2003, reserves, at fair value, included: the Replacement Catastrophic Reserve, \$707,000, and the Liquidity Reserve, \$8,351,604. An excess coverage insurance policy covers individual claims in excess of \$1,000,000 for liability, and property losses, and workers' compensation claims in excess of \$750,000. The City carries insurance policies with outside insurers for airport, railroad, health clinic, and boiler and explosion claims. There has been no significant change in insurance coverage from the previous fiscal year. Settled claims have not exceeded insurance coverage in any of the past three years.

All operations of the City participate in the program and make payments to the Self-insurance Reserve Internal Service Fund's Liquidity Reserve based on an estimate of the amounts needed to pay claims, and to meet the debt service requirements of the self-insurance bond issues. The claims liability of \$1,505,763 reported in the Self-insurance Reserve Fund at September 30, 2003 is based on the requirements of Governmental Accounting Standards Board 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. None of the claims liability has been discounted. The City has not purchased annuity contracts from commercial insurers to satisfy liabilities for any claim, therefore, no liability for claims has been removed from the balance sheet. Changes in the claims liability amount in fiscal years 2002 and 2003 were:

	Beginning of fiscal year liability	Current year claims and changes in estimates	Claim payments	Balance fiscal year-end
9/30/2002	\$ 828,069	\$ 1,487,198	\$ (1,372,730)	\$ 942,537
9/30/2003	\$ 942,537	\$ 2,164,674	\$ (1,601,448)	\$ 1,505,763

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

B. Employees' Health Plan

The Employee Benefit Internal Service Fund accounts for the transactions and reserves associated with the City's medical, dental, prescription drug, life, and long-term disability programs for City employees. Coverage for health, dental, and prescription drug plans are self-insured. The City has a stop-loss attachment point of \$100,000 per person. Other coverages are with commercial insurance carriers.

Incurred but not reported claims of \$879,000 are reported in the Employee Benefit Fund as of September 30, 2003. These medical and dental reserves are estimated based on submitted claim lag reports using a 15-month run-off, which are adjusted for inflation/utilization trends, plan design and population changes. Changes in the claims liability amount in fiscal years 2002 and 2003 were:

	<u>Beginning of fiscal year liability</u>	<u>Current year claims and changes in estimates</u>	<u>Claim payments</u>	<u>Balance fiscal year-end</u>
9/30/2002	\$ 766,142	\$ 5,304,983	\$ (5,354,665)	\$ 716,460
9/30/2003	\$ 716,460	\$ 6,243,195	\$ (6,080,655)	\$ 879,000

XII. LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

State and federal laws and regulations require that the City of Columbia place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. During fiscal year 1994, the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 18, *Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs*. GASB No. 18 requires that, in addition to recognizing operating expenses related to current activities of the landfill, an expense provision and related liability be recognized for future closure and postclosure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and postclosure care costs is accrued ratably over the useful life of the landfill based on the portion of the landfill used during the year and is being recorded in the Solid Waste Utility Enterprise Fund. As of September 30, 2003, the liability recorded for landfill closure and postclosure care costs was \$3,697,488, which is based on 38.45% usage of the landfill, less costs paid to date of \$1,648,664. The City will recognize the remaining costs of closure and postclosure care of \$8,557,353 as the remaining capacity is filled. The estimated total current costs of the landfill closure and postclosure care (\$13,903,505) is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor and maintain the landfill were acquired as of September 30, 2003. However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. The estimated remaining life of the landfill is approximately 22 years.

The City of Columbia has executed a contract of obligation with the Missouri Department of Natural Resources for landfill closure and postclosure care costs. This financial assurance instrument allows the Missouri Department of Natural Resources to collect the required amount from any state funds which could be dispersed to the City should the City fail to perform closure or postclosure care activities.

XIII. CONTINGENCIES

A. Grants

The City receives significant financial assistance from numerous federal, state, and local governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

financial statements of the individual fund types included herein or on the overall financial position of the City at September 30, 2003.

B. Litigation

Various suits and claims against the City are presently pending involving claims for personal injury, tax appeals, and miscellaneous cases. In the opinion of management, both individually and in the aggregate, such suits or claims will not have a material effect on the financial position of the City.

XIV. EMPLOYEE RETIREMENT SYSTEMS AND PLANS

Except for Railroad employees, all full-time, regular employees of the City of Columbia participate in one of three retirement plans. The City administers two single-employer defined benefit pension plans, the Police Retirement Fund which covers full-time regular police officers, and the Firefighters' Retirement Fund which covers full-time regular firefighters. The Authority to provide pensions for Police and Firefighters is established in Revised Statutes of Missouri (RSMo) Section 86.583, and firefighters' retirement and relief systems for all municipalities in RSMo Section 87.005-87.105. Benefit provisions and contribution requirements are established by City ordinance, and may be amended by City ordinance. The City also participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent, multi-employer statewide public employee retirement plan for units of local government established and is governed by provisions of the Revised Statutes of Missouri (RSMo) Section 70.600 - 70.755. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries and covers substantially all of the City's employees not covered by the Police or Firefighters Retirement Funds. The plan is qualified under the Internal Revenue Code Section 401a and it is tax exempt.

Financial Statements for the Police and Firefighters' Retirement Funds are presented solely within this document.

A. Plan Descriptions

Police and Firefighter Pension

Participants in the Police and the Firefighters' Retirement plans become fully vested at the completion of their probationary period, which is generally one year after employment. Participants are eligible for retirement benefits, payable monthly for life, upon reaching the age of 65, or 20 years of credited service. The plans also provide early retirement, death, and disability benefits.

Participants in the Police Retirement plan receive a normal benefit equal to 3.0% of their highest average salary multiplied by the number of years of active service up to 20 years, plus 2% of the highest average salary for each year of service in excess of 20 years, but not to exceed 70% of the highest average salary. This benefit shall continue for life. Participants in the police retirement plan employed as of October 1, 1991 could elect a second option. Under this option employees retiring after January 4, 1993 receive a benefit increase of 2% each year from retirement to age 62. When a covered employee reaches age 62, the retirement benefit shall equal 1.96% of the highest average salary times the years of service to a maximum of 46.5% of the highest average salary. The benefit calculated at age 62 is then increased by 2% for each year from retirement to age 61. This benefit is then payable from age 62 and increased in each future year by 2% of the preceding year's benefit.

Participants in the Firefighters' Retirement plan retiring after August 21, 1995 with 20 or more years of service receive a normal benefit equal to 70% of the highest annual salary plus 2% per year for each year in excess of 20 years, up to a maximum of 80% of the highest annual salary. The normal benefit is increased annually by 2%. A covered employee who has retired on account of age or length of service after September 30, 1984, but before January 4, 1993 after completing 25 or more years of service receives a normal benefit equal to 50% of the highest annual salary, plus an additional 2% increase in benefits to be paid on October 1 of each year ending in an even number, not to exceed 60% of the highest annual salary.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

LAGERS

Participants in the LAGERS plan become fully vested after five years of service. Participants are eligible for a monthly defined service retirement benefit with full benefits for general and utility employees at age sixty. Actuarially reduced benefits are available for general and utility employees at age fifty-five. An alternate unreduced retirement provision is available based on age and service totaling 80 years. LAGERS also provides disability and death benefits.

The Missouri Local Government Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to LAGERS, P.O. Box 1665, Jefferson City, MO 65102 or by calling 1-800-447-4334.

Membership of each plan consisted of the following at the date of the latest actuarial valuation:

	Police Pension	Fire Pension	LAGERS
Number of participants:			
Current membership (receiving benefits)	98	97	309
Terminated entitled, not yet receiving benefits	1	—	165
Current active members	138	124	793

B. Funding Policy

The City's Police and Fire pension contributions for the fiscal year ended September 30, 2003, were made in accordance with actuarially determined contribution requirements determined through actuarial valuation. The LAGERS contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute.

The City's annual pension cost for the current year and the related information for each plan is as follows:

	Police Plan	Fire Plan	LAGERS
Contribution rates:			
City – general, utility	26.24%	26.62%	12.9%, 12.8%
Plan members – contributory	8.35%	16.32%	—
Plan members – noncontributory	3.50%	—	—
Annual pension cost	\$1,541,029	\$1,399,850	\$3,745,000
Contributions made	\$1,541,029	\$1,399,850	\$3,745,000
Actuarial valuation date	9/30/2002	9/30/2002	2/28/2003
Actuarial cost method	same	same	entry age normal
Amortization method	level % of pay–closed	level % of pay–closed	level % of pay–open
Remaining amortization period	30 years	30 years	15 years
Asset valuation method	smooth 4 year market	smooth 4 year market	smooth 5 year market
Actuarial assumptions:			
Investment rate of return	8%	8%	7.5%
Projected salary increases *	5% – 8%	5% – 8%	0% – 4.2%
* Includes inflation at	5%	5%	4%
Benefit increases	2% annually until attained age of 62; 2% thereafter	2% annually or biannually contingent upon years of service	4% maximum annually based on consumer price index

Prior to September 22, 1985, participants in the police retirement plan were able to elect to receive a higher salary and make a contribution to the plan or elect to receive a lower salary and not make a contribution.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

C. Annual Pension Cost

LAGERS

Schedule of Employer Contributions

<u>Fiscal year ending</u>	<u>Annual pension cost (APC)</u>	<u>Percentage of APC contributed</u>	<u>Net pension obligation</u>
6/30/2001	\$ 3,734,456	100%	\$ —
6/30/2002	\$ 3,527,296	100%	\$ —
6/30/2003	\$ 3,745,000	100%	\$ —

Police and Firefighter Pension

Schedule of Employer Contributions

	<u>Fiscal year ending</u>	<u>Annual pension cost (APC)</u>	<u>Percentage of APC contributed</u>	<u>Net pension obligation</u>
Police	9/30/2001	\$ 1,343,575	100%	\$ —
	9/30/2002	\$ 1,435,954	100%	\$ —
	9/30/2003	\$ 1,541,029	100%	\$ —
Fire	9/30/2001	\$ 1,136,419	100%	\$ —
	9/30/2002	\$ 1,149,108	100%	\$ —
	9/30/2003	\$ 1,399,850	100%	\$ —

The City's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due. Administration costs are financed by the revenues of the Police and Firefighters' Retirement Funds.

There were no long-term contracts for contributions outstanding on September 30, 2003.

Although the assets of the plans are commingled for investment purposes, each plan's assets may be used only for the payment of benefits to the members of that plan, in accordance with the terms of the plan.

D. 401(a) Retirement Plan

The City sponsors a 401(a) plan which is a defined contribution plan established to provide benefits at retirement to permanent employees of the City. At September 30, 2003, there were 975 plan members. The City will contribute to the plan on behalf of each participant an amount equal to 2.0% of the participant's salary contingent upon the participant making a matching contribution to a Section 457 deferred compensation plan. For the year ended September 30, 2003, the City contributed \$732,003 to the plan. Plan provisions and contribution requirements are established and may be amended by the City Council.

E. Post Employment Health Plan (PEHP)

The City Council adopted a Post Employment Health Plan (PEHP), a defined contribution plan, in September 1997, which became effective in fiscal year 1998. All permanent City employees are eligible. At September 30, 2003, there were 1,229 plan members. The City contributes \$21.00 to individual employee accounts on a monthly basis.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2003

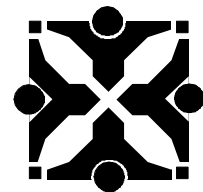
Upon retirement or separation, these funds are available to cover the cost of post-employment insurance premiums and medical expenses. In addition to the monthly contributions from the City, employees who terminate employment after 10 or more years of service may be eligible to convert unused sick leave hours (on a dollar-per-hour-basis) for deposit into the employee's PEHP account. For the year ended September 30, 2003, the City contributed \$345,205 to the plan.

XV. SUBSEQUENT EVENT

In November 2003 voters approved the issue of Sewer Revenue Bonds in the amount of \$18,500,000, and Water and Electric Revenue Bonds in the amount of \$28,300,000. The Sewer Utility bonds will be used to pay for repairs of existing sewerage service, and for extending sewer lines. The Water, and Electric Utility issue will be used to increase the City's water treatment capacity, increase water pressure to the northeast side of the City, replace older water mains, and add a second water transmission line from the water treatment facility to the City. As of the date of publication, no bonds had been issued from this referendum.

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REQUIRED SUPPLEMENTARY INFORMATION



CITY OF COLUMBIA, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
General property taxes	\$ 4,447,335	\$ 4,447,335	\$ 4,473,073	\$ 25,738
Sales tax	15,256,500	15,256,500	15,421,714	165,214
Other local taxes	6,588,600	6,588,600	7,734,635	1,146,035
Licenses and permits	651,477	651,477	672,343	20,866
Fines	1,472,400	1,472,400	1,597,787	125,387
Fees and service charges	1,590,375	1,590,375	1,871,284	280,909
Intragovernmental revenue	10,175,738	10,175,738	2,985,738	(7,190,000)
Revenue from other governmental units	2,980,517	3,187,089	3,168,318	(18,771)
Investment revenue	600,000	600,000	249,677	(350,323)
Miscellaneous revenue	453,094	560,587	688,784	128,197
TOTAL REVENUES	<u>44,216,036</u>	<u>44,530,101</u>	<u>38,863,353</u>	<u>(5,666,748)</u>
EXPENDITURES:				
Current:				
Policy development and administration	6,879,103	7,067,045	6,457,520	609,525
Public safety	26,742,349	27,257,327	26,096,541	1,160,786
Transportation	4,723,755	5,011,400	4,264,415	746,985
Health and environment	5,671,656	5,745,128	5,272,912	472,216
Personal development	4,699,737	5,084,683	4,660,447	424,236
Miscellaneous nonprogrammed activities	432,805	433,783	74,660	359,123
TOTAL EXPENDITURES	<u>49,149,405</u>	<u>50,599,366</u>	<u>46,826,495</u>	<u>3,772,871</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(4,933,369)</u>	<u>(6,069,265)</u>	<u>(7,963,142)</u>	<u>(1,893,877)</u>
OTHER FINANCING SOURCES (USES):				
Transfers from other funds	5,222,943	5,197,570	12,751,620	7,554,050
Transfers to other funds	(2,884,603)	(2,897,215)	(2,897,215)	-
Appropriation of prior year fund balance	2,595,029	2,595,029	2,595,029	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>4,933,369</u>	<u>4,895,384</u>	<u>12,449,434</u>	<u>7,554,050</u>
NET CHANGE IN FUND BALANCE	-	(1,173,881)	4,486,292	5,660,173
Effect of appropriation of prior year fund balance	(2,595,029)	(2,595,029)	(2,595,029)	-
FUND BALANCE, BEGINNING OF PERIOD	<u>14,502,604</u>	<u>14,502,604</u>	<u>14,502,604</u>	<u>-</u>
FUND BALANCE, END OF PERIOD	<u>\$ 11,907,575</u>	<u>\$ 10,733,694</u>	<u>\$ 16,393,867</u>	<u>\$ 5,660,173</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
BUDGETARY COMPARISON SCHEDULE
TRANSPORTATION SALES TAX FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Sales tax	\$ 7,650,000	\$ 7,650,000	\$ 7,766,227	\$ 116,227
Investment revenue	10,000	10,000	29,036	19,036
TOTAL REVENUES	<u>7,660,000</u>	<u>7,660,000</u>	<u>7,795,263</u>	<u>135,263</u>
OTHER FINANCING (USES):				
Transfers to other funds	(7,257,235)	(7,597,235)	(7,597,235)	-
Transfers from other funds	-	-	21,707	21,707
TOTAL OTHER FINANCING (USES)	<u>(7,257,235)</u>	<u>(7,597,235)</u>	<u>(7,575,528)</u>	<u>21,707</u>
NET CHANGE IN FUND BALANCE	402,765	62,765	219,735	156,970
FUND BALANCE, BEGINNING OF PERIOD	<u>1,902,429</u>	<u>1,902,429</u>	<u>1,902,429</u>	<u>-</u>
FUND BALANCE, END OF PERIOD	<u>\$ 2,305,194</u>	<u>\$ 1,965,194</u>	<u>\$ 2,122,164</u>	<u>\$ 156,970</u>

See Independent Auditors' Report.

CITY OF COLUMBIA, MISSOURI
Required Supplementary Information (Unaudited)
Notes to the Budgetary Comparison Schedules
For The Year Ended September 30, 2003

Budgetary Information

An annual budget prepared under the modified accrual basis of accounting is adopted in September prior to the beginning of each fiscal year for all revenues and expenditures of the General Fund of the City. The primary basis of budgetary control is at the department level. Departments may not legally exceed their total appropriation without City Council approval. A review of the current year's budget is made by the departments in September of each year and interdepartmental transfers are made with City Council approval. Any remaining unencumbered appropriations lapse at fiscal year end. Any increase in appropriations during the fiscal year must be approved by the City Council. During the current budget year, supplemental budget appropriations were necessary to approve funding for new grant programs, as well as other approved City programs. These appropriations increased the General Fund budget by \$1,449,961, and this increase is reflected in the final budgeted amounts in the accompanying required supplemental information. A Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual for the Transportation Sales Tax Fund is also included in Required Supplemental Information.

Project budgets prepared under the modified accrual basis of accounting are adopted for the Capital Projects Fund. All projects remain appropriated until completed or until the City Council decides to eliminate the project. The Debt Service Funds are controlled by related bond ordinances.

Excess of Expenditures Over Appropriations

For the year ended September 30, 2003, expenditures exceeded appropriations in the Special Road District Tax Governmental Fund by \$4,931. The overexpenditure occurred because of negative investment earnings. The Parks Sales Tax Governmental Fund also had expenditures exceeding appropriations of \$4,090 because of negative investment earnings. The Public Improvement Governmental Fund had expenditures exceeding appropriations of \$8,828. The overexpenditure was funded by greater than anticipated revenues.

CITY OF COLUMBIA, MISSOURI

Required Supplementary Information – Unaudited

Schedule of Funding Progress

LAGERS

Actuarial valuation date	(a) Actuarial value of assets	(b) Entry age actuarial accrued liability	(b-a) Unfunded accrued liability (UAL)	(a/b) Funded ratio	(c) Annual covered payroll	[(b-a)/c] UAL as a percentage of covered payroll
2/28/2001	64,552,217	64,530,534	(21,683)	100%	26,603,431	100%
2/28/2002	68,873,136	68,248,461	(624,675)	100%	28,472,930	100%
2/28/2003	70,528,966	83,131,089	12,602,123	85%	29,456,504	43%

Note: The assets and actuarial accrued liability do not include the assets and present value of benefits associated with the Benefit Reserve Fund and the Casualty Reserve Fund. The actuarial assumptions were changed in conjunction with the February 28, 2003 annual actuarial valuations. For a complete description of the actuarial assumptions used in the annual valuations, please contact the LAGERS office in Jefferson City.

Police Retirement Plan

Actuarial valuation date	Actuarial value of assets	Entry age actuarial accrued liability	Unfunded accrued liability (UAL)	Funded ratio	Annual covered payroll	UAL as a percentage of covered payroll
9/30/1996	13,680,220	21,146,876	7,466,656	65%	4,188,720	178%
9/30/1997	15,427,018	23,299,138	7,872,120	66%	4,233,851	186%
9/30/1998	17,308,242	25,630,672	8,322,430	68%	4,478,709	186%
9/30/1999	19,723,586	28,130,283	8,406,697	70%	4,885,545	172%
9/30/2000	22,296,556	30,701,128	8,404,572	73%	5,146,710	163%
9/30/2001	23,329,556	32,593,716	9,264,160	72%	5,624,856	165%
9/30/2002	24,129,696	35,629,888	11,500,192	68%	6,102,665	188%

Firefighters' Retirement Plan

Actuarial valuation date	Actuarial value of assets	Entry age actuarial accrued liability	Unfunded accrued liability (UAL)	Funded ratio	Annual covered payroll	UAL as a percentage of covered payroll
9/30/1996	19,767,750	26,787,270	7,019,520	74%	4,169,932	168%
9/30/1997	22,570,564	29,885,081	7,314,517	76%	4,339,834	169%
9/30/1998	25,725,677	32,970,461	7,244,784	78%	4,692,014	154%
9/30/1999	28,832,755	35,805,006	6,972,251	81%	4,738,337	147%
9/30/2000	33,126,153	40,218,742	7,092,589	82%	5,112,352	139%
9/30/2001	35,479,510	46,532,177	11,052,667	76%	5,140,736	215%
9/30/2002	36,819,272	51,148,331	14,329,059	72%	5,604,494	256%

See Independent Auditors' Report.

CITY OF COLUMBIA, MISSOURI

Required Supplementary Information – Unaudited

Schedule of Employer Contributions

Police Retirement Plan

Year ended September 30	Annual required contribution	Percent contributed	Net pension obligation
1996	900,808	100%	—
1997	1,039,540	100%	—
1998	1,072,564	100%	—
1999	1,169,892	100%	—
2000	1,264,593	100%	—
2001	1,343,575	100%	—
2002	1,435,954	100%	—

Firefighters' Retirement Plan

Year ended September 30	Annual required contribution	Percent contributed	Net pension obligation
1996	686,422	100%	—
1997	935,358	100%	—
1998	1,022,618	100%	—
1999	1,055,836	100%	—
2000	1,085,657	100%	—
2001	1,136,419	100%	—
2002	1,149,108	100%	—

Notes to the Required Schedules

The required contribution was determined using the entry age actuarial cost method. The actuarial assumptions included (a) a rate of return on the investment of present and future assets of 7.5% per year, compounded annually; (b) projected salary increases of 4% per year, compounded annually, attributable to inflation; (c) additional projected salary increases ranging from 0% to 4.2% per year, depending on age, attributable to seniority/merit; and (d) the assumption that benefits will increase after retirement as specified in the City Ordinance. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The amortization period on February 28, 2003 was 15 years.

See Independent Auditors' Report.

CITY OF COLUMBIA, MISSOURI
Required Supplementary Information - Unaudited
Schedule of Employer Contributions

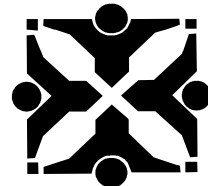
With respect to the actuarial information shown above, the following items are noted:

- Since it was reported to the actuary that the City's practice is to contribute the percent of payroll employer contribution rate shown in the actuarial valuation report, the annual required contributions shown in the Schedule of Employer Contributions are the actual contributions made by the City in the fiscal year.
- The 9-30-97 and the 9-30-02 actuarial valuation results for the Police Department are the revised results.

See Independent Auditors' Report.

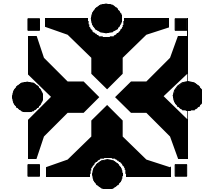
CITY OF COLUMBIA, MISSOURI

SUPPLEMENTARY INFORMATION



CITY OF COLUMBIA, MISSOURI

COMBINING FINANCIAL STATEMENTS



NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Library Debt Fund - to account for the monies reserved for debt service of the Daniel Boone Regional Library.

Library Operating Fund - to account for the receipts from the general property taxes for the Daniel Boone Regional Library and disbursements to the Daniel Boone Regional Library.

Library Building Fund - to account for monies reserved for maintenance and repairs of the Daniel Boone Regional Library Building.

Special Road District Tax Fund - to account for the road and bridge tax revenues. These revenues are used to improve, maintain, construct and repair certain streets and roads within the city limits.

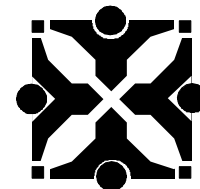
Cultural Affairs Fund - to account for monies reserved for cultural purposes. These monies are used to improve and sustain the cultural environment of the City by providing a system of support for area artists and cultural organizations.

Columbia Special Business District Fund - to account for the proceeds of property taxes levied on all property within the district for the purpose of providing promotion of the district as a shopping and entertainment area for the general public.

Convention and Tourism Fund - to account for the four percent tax levied on the gross daily rental receipts due from or paid by transient guests at hotels or motels. The revenues are used by the city for the purpose of promoting convention and tourism in the City of Columbia.

Community Development Grant Fund - to account for all federal monies received by the City and disbursed on Community Development Grant projects.

Public Improvement Fund - to account for and disburse monies the City receives from the city sales tax. This fund receives a portion of the city sales tax and is allocated for a wide range of public improvements to the City which includes streets, sidewalks and parks.



NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds (continued)

Capital Improvement Sales Tax Fund - to account for the 1/4 cent sales tax approved by voters in 1999 to be collected between January 2001 and December 2005 for funding of capital improvement projects.

Park Sales Tax Fund - to account for the city-enacted 1/4 percent (to be reduced to 1/8 percent in 2006) sales tax and expenditures for funding of local parks.

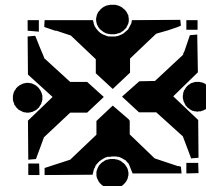
Contributions Fund - to account for all gifts, bequests, or other funds derived from property which may have been purchased or held in trust by or for the City of Columbia, Missouri. Resources in this fund shall only be used for parks and other recreational property or facilities.

Debt Service Funds

The debt service funds are used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment bond principal and interest from special assessment levies when the government is obligated in some manner for the payment.

1992 General Obligation Refunding Bonds Debt Service Fund - to accumulate monies for payment of the 1992 \$16,670,000 2.75%-5.5% General Obligation Refunding bonds which are serial bonds with annual installments of \$905,000-\$1,475,000 plus interest until maturity in 2003 and term bonds of \$2,925,000 at 9% maturing in 2006. Financing is to be provided by an annual property tax levy.

2001 Certificates of Participation - Stephens Lake - to accumulate monies for payment of the Series 2001 \$7,000,000 5.975% Certificates of Participation capital lease with semi-annual interest payments until maturity January 1, 2007, at which time the principal of \$7,000,000 is due. Financing is to be provided by the Parks Sales Tax.



**NON-MAJOR
GOVERNMENTAL FUNDS**

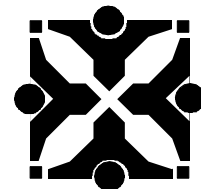
Debt Service Funds (continued)

2001 Certificates of Participation - Public Buildings - to accumulate monies for payment of the public buildings portion of Series 2001A \$6,490,000 4%-5.125% Certificates of Participation, with annual installments plus interest until maturity in 2021. Financing is to be provided by the Capital Improvement Sales Tax and transfers from the General Fund.

Permanent Fund

The permanent fund is used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

Designated Loan & Special Tax Bill Investment Fund - to account for the purchase of all special assessment tax bills. The fund also makes loans and advances to other funds.



**CITY OF COLUMBIA, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2003**

ASSETS	Special Revenue Funds	Debt Service Funds	Permanent Fund	Total Nonmajor Governmental Funds
Cash and cash equivalents	\$ 9,311,745	\$ 3,747,523	\$ 4,623,952	\$ 17,683,220
Accounts receivable	52,547	-	-	52,547
Taxes receivable, net	3,573,396	5,394	396,019	3,974,809
Grants receivable	199,308	-	-	199,308
Rehabilitation loans receivable	5,326,216	-	-	5,326,216
Accrued interest	31,113	9,866	76,325	117,304
Due from other funds	-	-	93,781	93,781
Advances to other funds	-	-	1,268,827	1,268,827
Restricted assets:				
Cash and cash equivalents	<u>2,675,337</u>	<u>1,224,138</u>	<u>-</u>	<u>3,899,475</u>
TOTAL ASSETS	<u>\$ 21,169,662</u>	<u>\$ 4,986,921</u>	<u>\$ 6,458,904</u>	<u>\$ 32,615,487</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES:				
Accounts payable	\$ 292,777	\$ 2,874	\$ -	\$ 295,651
Interest payable	-	19,250	-	19,250
Accrued payroll and payroll taxes	74,823	-	-	74,823
Due to other funds	117,500	-	9,170	126,670
Unearned revenue	2,615,830	5,300	-	2,621,130
Other liabilities	847	-	-	847
General obligation bonds payable	<u>-</u>	<u>700,000</u>	<u>-</u>	<u>700,000</u>
TOTAL LIABILITIES	<u>3,101,777</u>	<u>727,424</u>	<u>9,170</u>	<u>3,838,371</u>
FUND BALANCE:				
Reserve for encumbrances	143,448	-	-	143,448
Reserve for development charges	1,973,621	-	-	1,973,621
Reserve for hotel/motel tax	701,716	-	-	701,716
Reserve for loans receivable	5,257,109	-	-	5,257,109
Reserve for contributions	-	-	1,500,000	1,500,000
Reserve for advances to other funds	-	-	1,268,827	1,268,827
Unreserved:				
Designated – appropriated	777,610	-	-	777,610
Designated – unrealized gains	158,979	96,176	35,422	290,577
Undesignated	<u>9,055,402</u>	<u>4,163,321</u>	<u>3,645,485</u>	<u>16,864,208</u>
TOTAL FUND BALANCE	<u>18,067,885</u>	<u>4,259,497</u>	<u>6,449,734</u>	<u>28,777,116</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 21,169,662</u>	<u>\$ 4,986,921</u>	<u>\$ 6,458,904</u>	<u>\$ 32,615,487</u>

See Independent Auditors' Report.

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**CITY OF COLUMBIA, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2003**

ASSETS	Library Debt Fund	Library Operating Fund	Library Building Fund	Special Road District Tax Fund	Cultural Affairs Fund
Cash and cash equivalents	\$ 449,192	\$ 638,208	\$77,375	\$ 3,119,662	\$ 124,580
Accounts receivable	-	-	-	-	6,962
Taxes receivable, net	1,279,926	1,257,385	316	-	-
Grants receivable	-	-	-	-	-
Rehabilitation loans receivable	-	-	-	-	-
Accrued interest	1,189	1,664	227	7,973	323
Other assets	-	-	-	-	-
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
TOTAL ASSETS	<u>\$ 1,730,307</u>	<u>\$ 1,897,257</u>	<u>\$77,918</u>	<u>\$ 3,127,635</u>	<u>\$ 131,865</u>
LIABILITIES AND FUND BALANCE					
LIABILITIES:					
Accounts payable	\$ -	\$ 45,000	\$ -	\$ -	\$ 18,760
Interest payable	-	-	-	-	-
Accrued payroll and payroll taxes	-	-	-	-	13,019
Due to other funds	-	-	-	-	-
Unearned revenue	1,275,961	1,253,476	300	-	-
Other liabilities	-	-	-	-	-
TOTAL LIABILITIES	<u>1,275,961</u>	<u>1,298,476</u>	<u>300</u>	<u>-</u>	<u>31,779</u>
FUND BALANCE:					
Reserve for encumbrances	-	-	-	-	5,677
Reserve for development charges	-	-	-	-	-
Reserve for hotel/motel tax	-	-	-	-	-
Reserve for loans receivable	-	-	-	-	-
Unreserved:					
Designated – appropriated	-	-	-	-	18,603
Designated – unrealized gains	-	25,760	-	40,061	2,618
Undesignated	454,346	573,021	77,618	3,087,574	73,188
TOTAL FUND BALANCE	<u>454,346</u>	<u>598,781</u>	<u>77,618</u>	<u>3,127,635</u>	<u>100,086</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 1,730,307</u>	<u>\$ 1,897,257</u>	<u>\$77,918</u>	<u>\$ 3,127,635</u>	<u>\$ 131,865</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2003**

ASSETS	Columbia Special Business District Fund	Convention and Tourism Fund	Community Development Grant Fund	Public Improvement Fund
Cash and cash equivalents	\$ 24,810	\$ 467,447	\$ -	\$ 1,649,408
Accounts receivable	-	884	-	44,199
Taxes receivable, net	86,102	-	-	73,459
Grants receivable	-	-	199,308	-
Rehabilitation loans receivable	-	-	5,326,216	-
Accrued interest	63	3,027	-	9,512
Other assets	-	-	-	-
Restricted assets:				
Cash and cash equivalents	-	701,716	-	1,973,621
TOTAL ASSETS	<u>\$ 110,975</u>	<u>\$ 1,173,074</u>	<u>\$ 5,525,524</u>	<u>\$ 3,750,199</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES:				
Accounts payable	\$ -	\$ 72,406	\$ 153,467	\$ -
Interest payable	-	-	-	-
Accrued payroll and payroll taxes	-	33,651	21,275	-
Due to other funds	-	93,781	23,719	-
Unearned revenue	86,093	-	-	-
Other liabilities	-	-	847	-
TOTAL LIABILITIES	<u>86,093</u>	<u>199,838</u>	<u>199,308</u>	<u>-</u>
FUND BALANCE:				
Reserve for encumbrances	-	68,664	69,107	-
Reserve for development charges	-	-	-	1,973,621
Reserve for hotel/motel tax	-	701,716	-	-
Reserve for loans receivable	-	-	5,257,109	-
Unreserved:				
Designated – appropriated	-	48,379	-	-
Designated – unrealized gains	523	21,031	-	19,340
Undesignated	24,359	133,446	-	1,757,238
TOTAL FUND BALANCE	<u>24,882</u>	<u>973,236</u>	<u>5,326,216</u>	<u>3,750,199</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 110,975</u>	<u>\$ 1,173,074</u>	<u>\$ 5,525,524</u>	<u>\$ 3,750,199</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2003**

<u>Capital Improvement Sales Tax Fund</u>	<u>Park Sales Tax Fund</u>	<u>Contributions Fund</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 1,728,448	\$ 571,696	\$ 460,919	\$ 9,311,745
-	-	502	52,547
436,702	439,506	-	3,573,396
-	-	-	199,308
-	-	-	5,326,216
4,426	1,506	1,203	31,113
-	-	-	-
-	-	-	2,675,337
<u>\$ 2,169,576</u>	<u>\$ 1,012,708</u>	<u>\$ 462,624</u>	<u>\$ 21,169,662</u>
\$ -	\$ -	\$ 3,144	\$ 292,777
-	-	-	-
-	-	6,878	74,823
-	-	-	117,500
-	-	-	2,615,830
-	-	-	847
-	-	10,022	3,101,777
-	-	-	143,448
-	-	-	1,973,621
-	-	-	701,716
-	-	-	5,257,109
710,628	-	-	777,610
47,364	-	2,282	158,979
<u>1,411,584</u>	<u>1,012,708</u>	<u>450,320</u>	<u>9,055,402</u>
<u>2,169,576</u>	<u>1,012,708</u>	<u>452,602</u>	<u>18,067,885</u>
<u>\$ 2,169,576</u>	<u>\$ 1,012,708</u>	<u>\$ 462,624</u>	<u>\$ 21,169,662</u>

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**CITY OF COLUMBIA, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
SEPTEMBER 30, 2003**

ASSETS	1992 General Obligation Refunding Bonds Debt Service Fund	2001 Certificates of Participation - Stephens' Lake	2001 Certificates of Participation - Public Buildings	Total Nonmajor Debt Service Funds
Cash and cash equivalents	\$ 486,039	\$ 3,235,398	\$ 26,086	\$ 3,747,523
Taxes receivable, net	5,394	-	-	5,394
Accrued interest	1,134	8,671	61	9,866
Restricted assets:				
Cash and cash equivalents	<u>719,250</u>	<u>-</u>	<u>504,888</u>	<u>1,224,138</u>
TOTAL ASSETS	<u><u>\$ 1,211,817</u></u>	<u><u>\$ 3,244,069</u></u>	<u><u>\$ 531,035</u></u>	<u><u>\$ 4,986,921</u></u>
LIABILITIES AND FUND BALANCE				
LIABILITIES:				
Accounts payable	\$ 2,874	\$ -	\$ -	\$ 2,874
Interest payable	19,250	-	-	19,250
Unearned revenue	5,300	-	-	5,300
General obligation bonds payable	<u>700,000</u>	<u>-</u>	<u>-</u>	<u>700,000</u>
TOTAL LIABILITIES	<u>727,424</u>	<u>-</u>	<u>-</u>	<u>727,424</u>
FUND BALANCE:				
Unreserved:				
Designated - unrealized gains	96,176	-	-	96,176
Undesignated	<u>388,217</u>	<u>3,244,069</u>	<u>531,035</u>	<u>4,163,321</u>
TOTAL FUND BALANCE	<u>484,393</u>	<u>3,244,069</u>	<u>531,035</u>	<u>4,259,497</u>
TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 1,211,817</u></u>	<u><u>\$ 3,244,069</u></u>	<u><u>\$ 531,035</u></u>	<u><u>\$ 4,986,921</u></u>

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CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2003

	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Permanent Fund</u>	<u>Total Nonmajor Governmental Funds</u>
REVENUES:				
General property taxes	\$ 3,866,558	\$ 1,265	\$ -	\$ 3,867,823
Sales tax	8,424,308	-	-	8,424,308
Other local taxes	1,328,599	-	-	1,328,599
Licenses and permits	19,913	-	-	19,913
Fees and service charges	488,355	-	-	488,355
Revenue from other governmental units	2,548,657	-	-	2,548,657
Investment revenue	165,642	68,459	204,366	438,467
Miscellaneous	224,532	-	-	224,532
TOTAL REVENUES	<u>17,066,564</u>	<u>69,724</u>	<u>204,366</u>	<u>17,340,654</u>
EXPENDITURES:				
Current:				
Policy development and administration	1,635,725	-	9,728	1,645,453
Health and environment	858,176	-	-	858,176
Personal development	3,815,844	-	-	3,815,844
Capital outlay	7,500	-	-	7,500
Debt Service:				
Redemption of serial bonds	-	1,522,000	-	1,522,000
Interest	-	687,333	-	687,333
Fiscal agent fees	-	4,295	-	4,295
TOTAL EXPENDITURES	<u>6,317,245</u>	<u>2,213,628</u>	<u>9,728</u>	<u>8,540,601</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>10,749,319</u>	<u>(2,143,904)</u>	<u>194,638</u>	<u>8,800,053</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	1,016,133	2,720,833	-	3,736,966
Transfers out	(7,892,742)	-	-	(7,892,742)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(6,876,609)</u>	<u>2,720,833</u>	<u>-</u>	<u>(4,155,776)</u>
NET CHANGE IN FUND BALANCE	3,872,710	576,929	194,638	4,644,277
FUND BALANCE, BEGINNING OF PERIOD	<u>14,195,175</u>	<u>3,682,568</u>	<u>6,255,096</u>	<u>24,132,839</u>
FUND BALANCE, END OF PERIOD	<u>\$ 18,067,885</u>	<u>\$ 4,259,497</u>	<u>\$ 6,449,734</u>	<u>\$ 28,777,116</u>

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CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2003

	<u>Library Debt Fund</u>	<u>Library Operating Fund</u>	<u>Library Building Fund</u>	<u>Special Road District Tax Fund</u>	<u>Cultural Affairs Fund</u>
REVENUES:					
General property taxes	\$1,913,131	\$1,848,987	\$ 83	\$ -	\$ -
Sales tax	-	-	-	-	-
Other local taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Fees and service charges	-	-	-	-	-
Revenue from other governmental units	-	-	-	1,118,279	36,301
Investment revenue	18,896	29,856	1,551	-	1,403
Miscellaneous	-	-	-	-	53,743
TOTAL REVENUES	<u>1,932,027</u>	<u>1,878,843</u>	<u>1,634</u>	<u>1,118,279</u>	<u>91,447</u>
EXPENDITURES:					
Current:					
Policy development and administration	-	-	-	4,931	329,912
Health and environment	-	-	-	-	-
Personal development	1,712,558	1,946,976	-	-	-
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>1,712,558</u>	<u>1,946,976</u>	<u>-</u>	<u>4,931</u>	<u>329,912</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>219,469</u>	<u>(68,133)</u>	<u>1,634</u>	<u>1,113,348</u>	<u>(238,465)</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	600,000	247,500
Transfers out	-	-	-	(106,500)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>493,500</u>	<u>247,500</u>
NET CHANGE IN FUND BALANCE	219,469	(68,133)	1,634	1,606,848	9,035
FUND BALANCE, BEGINNING OF PERIOD	<u>234,877</u>	<u>666,914</u>	<u>75,984</u>	<u>1,520,787</u>	<u>91,051</u>
FUND BALANCE, END OF PERIOD	<u>\$ 454,346</u>	<u>\$ 598,781</u>	<u>\$ 77,618</u>	<u>\$ 3,127,635</u>	<u>\$ 100,086</u>

See Independent Auditors' Report.

CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2003

	<u>Columbia Special Business District Fund</u>	<u>Convention and Tourism Fund</u>	<u>Community Development Grant Fund</u>	<u>Public Improvement Fund</u>
REVENUES:				
General property taxes	\$ 104,357	\$ -	\$ -	\$ -
Sales tax	-	-	-	659,690
Other local taxes	-	1,328,599	-	-
Licenses and permits	19,913	-	-	-
Fees and service charges	-	-	-	488,355
Revenue from other governmental units	-	1,700	1,391,877	-
Investment revenue	607	13,295	10,795	55,007
Miscellaneous	-	7,898	3,933	-
	<u>124,877</u>	<u>1,351,492</u>	<u>1,406,605</u>	<u>1,203,052</u>
TOTAL REVENUES				
EXPENDITURES:				
Current:				
Policy development and administration	134,103	1,123,244	-	43,535
Health and environment	-	-	858,176	-
Personal development	-	-	-	-
Capital outlay	-	-	7,500	-
	<u>134,103</u>	<u>1,123,244</u>	<u>865,676</u>	<u>43,535</u>
TOTAL EXPENDITURES				
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(9,226)</u>	<u>228,248</u>	<u>540,929</u>	<u>1,159,517</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	17,500	-	-	1,557
Transfers out	<u>(7,500)</u>	<u>(14,800)</u>	<u>(267,962)</u>	<u>(612,110)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>10,000</u>	<u>(14,800)</u>	<u>(267,962)</u>	<u>(610,553)</u>
NET CHANGE IN FUND BALANCE	774	213,448	272,967	548,964
FUND BALANCE, BEGINNING OF PERIOD	<u>24,108</u>	<u>759,788</u>	<u>5,053,249</u>	<u>3,201,235</u>
FUND BALANCE, END OF PERIOD	<u>\$ 24,882</u>	<u>\$ 973,236</u>	<u>\$ 5,326,216</u>	<u>\$ 3,750,199</u>

See Independent Auditors' Report.

CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2003

<u>Capital Improvement Sales Tax Fund</u>	<u>Park Sales Tax Fund</u>	<u>Contributions Fund</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ -	\$ -	\$ -	\$ 3,866,558
3,882,994	3,881,624	-	8,424,308
-	-	-	1,328,599
-	-	-	19,913
-	-	-	488,355
-	-	500	2,548,657
27,637	-	6,595	165,642
-	-	158,958	224,532
<u>3,910,631</u>	<u>3,881,624</u>	<u>166,053</u>	<u>17,066,564</u>
-	-	-	1,635,725
-	-	-	858,176
-	4,939	151,371	3,815,844
-	-	-	7,500
<u>-</u>	<u>4,939</u>	<u>151,371</u>	<u>6,317,245</u>
<u>3,910,631</u>	<u>3,876,685</u>	<u>14,682</u>	<u>10,749,319</u>
21,576	-	128,000	1,016,133
<u>(3,696,600)</u>	<u>(3,103,850)</u>	<u>(83,420)</u>	<u>(7,892,742)</u>
<u>(3,675,024)</u>	<u>(3,103,850)</u>	<u>44,580</u>	<u>(6,876,609)</u>
235,607	772,835	59,262	3,872,710
<u>1,933,969</u>	<u>239,873</u>	<u>393,340</u>	<u>14,195,175</u>
<u>\$ 2,169,576</u>	<u>\$ 1,012,708</u>	<u>\$ 452,602</u>	<u>\$ 18,067,885</u>

See Independent Auditors' Report.

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CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2003

	1992 General Obligation Refunding Bonds Debt Service Fund	2001 Certificates of Participation - Stephens' Lake	2001 Certificates of Participation - Public Buildings	Total Nonmajor Debt Service Funds
REVENUES:				
General Property Taxes:				
Personal property	\$ 808	\$ -	\$ -	\$ 808
Interest and penalties	457	-	-	457
Total General Property Taxes	1,265	-	-	1,265
Investment revenue	35,025	33,393	41	68,459
TOTAL REVENUES	36,290	33,393	41	69,724
EXPENDITURES:				
Debt Service:				
Redemption of serial bonds	700,000	-	822,000	1,522,000
Interest	38,500	418,250	230,583	687,333
Fiscal agent fees	3,635	-	660	4,295
TOTAL EXPENDITURES	742,135	418,250	1,053,243	2,213,628
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(705,845)	(384,857)	(1,053,202)	(2,143,904)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	1,668,250	1,052,583	2,720,833
TOTAL OTHER FINANCING SOURCES (USES)	-	1,668,250	1,052,583	2,720,833
NET CHANGE IN FUND BALANCE	(705,845)	1,283,393	(619)	576,929
FUND BALANCE, BEGINNING OF PERIOD	1,190,238	1,960,676	531,654	3,682,568
FUND BALANCE, END OF PERIOD	\$ 484,393	\$ 3,244,069	\$ 531,035	\$ 4,259,497

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	Special Road District Tax Fund		
	Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
REVENUES:			
General property taxes	\$ -	\$ -	\$ -
Sales tax	-	-	-
Other local taxes	-	-	-
Fees and service charges	-	-	-
Revenue from other governmental units	1,200,000	1,118,279	(81,721)
Investment revenue	18,000	-	(18,000)
Miscellaneous revenue	-	-	-
TOTAL REVENUES	1,218,000	1,118,279	(99,721)
EXPENDITURES:			
Current:			
Policy development and administration	-	4,931	(4,931)
Personal development	-	-	-
Miscellaneous nonprogrammed activities:			
Other	-	-	-
TOTAL EXPENDITURES	-	4,931	(4,931)
DEFICIENCY OF REVENUES OVER EXPENDITURES	1,218,000	1,113,348	(104,652)
OTHER FINANCING SOURCES (USES):			
Transfers from other funds	-	600,000	600,000
Transfers to other funds	(106,500)	(106,500)	-
Restructure of financing	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(106,500)	493,500	600,000
NET CHANGE IN FUND BALANCE	1,111,500	1,606,848	495,348
FUND BALANCE, BEGINNING OF PERIOD	1,605,408	1,520,787	(84,621)
FUND BALANCE, END OF PERIOD	\$ 2,716,908	\$ 3,127,635	\$ 410,727

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

<u>Cultural Affairs Fund</u>			<u>Convention and Tourism Fund</u>		
<u>Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>	<u>Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	1,300,000	1,328,599	28,599
-	-	-	-	-	-
39,250	36,301	(2,949)	-	1,700	1,700
3,600	1,403	(2,197)	40,000	13,295	(26,705)
48,140	53,743	5,603	13,100	7,898	(5,202)
<u>90,990</u>	<u>91,447</u>	<u>457</u>	<u>1,353,100</u>	<u>1,351,492</u>	<u>(1,608)</u>
364,305	329,912	34,393	1,621,416	1,123,244	498,172
-	-	-	-	-	-
-	-	-	-	-	-
<u>364,305</u>	<u>329,912</u>	<u>34,393</u>	<u>1,621,416</u>	<u>1,123,244</u>	<u>498,172</u>
<u>(273,315)</u>	<u>(238,465)</u>	<u>34,850</u>	<u>(268,316)</u>	<u>228,248</u>	<u>496,564</u>
247,500	247,500	-	-	-	-
-	-	-	(14,800)	(14,800)	-
-	-	-	-	-	-
<u>247,500</u>	<u>247,500</u>	<u>-</u>	<u>(14,800)</u>	<u>(14,800)</u>	<u>-</u>
(25,815)	9,035	34,850	(283,116)	213,448	496,564
75,582	91,051	15,469	928,729	759,788	(168,941)
<u>\$ 49,767</u>	<u>\$ 100,086</u>	<u>\$ 50,319</u>	<u>\$ 645,613</u>	<u>\$ 973,236</u>	<u>\$ 327,623</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	Public Improvement Fund		
	Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
REVENUES:			
General property taxes	\$ -	\$ -	\$ -
Sales tax	648,400	659,690	11,290
Other local taxes	-	-	-
Fees and service charges	200,000	488,355	288,355
Revenue from other governmental units	-	-	-
Investment revenue	140,000	55,007	(84,993)
Miscellaneous revenue	-	-	-
TOTAL REVENUES	988,400	1,203,052	214,652
EXPENDITURES:			
Current:			
Policy development and administration	34,707	43,535	(8,828)
Personal development	-	-	-
Miscellaneous nonprogrammed activities:			
Other	-	-	-
TOTAL EXPENDITURES	34,707	43,535	(8,828)
DEFICIENCY OF REVENUES OVER EXPENDITURES	953,693	1,159,517	205,824
OTHER FINANCING SOURCES (USES):			
Transfers from other funds	-	1,557	1,557
Transfers to other funds	(612,110)	(612,110)	-
Restructure of financing	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(612,110)	(610,553)	1,557
NET CHANGE IN FUND BALANCE	341,583	548,964	207,381
FUND BALANCE, BEGINNING OF PERIOD	2,976,001	3,201,235	225,234
FUND BALANCE, END OF PERIOD	\$ 3,317,584	\$ 3,750,199	\$ 432,615

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

Capital Improvement Sales Tax Fund			Park Sales Tax Fund		
Budgeted Amounts	Actual Amounts	Variance Positive (Negative)	Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,700,000	3,882,994	182,994	3,700,000	3,881,624	181,624
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
40,000	27,637	(12,363)	35,000	-	(35,000)
-	-	-	-	-	-
<u>3,740,000</u>	<u>3,910,631</u>	<u>170,631</u>	<u>3,735,000</u>	<u>3,881,624</u>	<u>146,624</u>
-	-	-	-	-	-
-	-	-	849	4,939	(4,090)
-	-	-	-	-	-
-	-	-	<u>849</u>	<u>4,939</u>	<u>(4,090)</u>
<u>3,740,000</u>	<u>3,910,631</u>	<u>170,631</u>	<u>3,734,151</u>	<u>3,876,685</u>	<u>142,534</u>
-	21,576	21,576	-	-	-
(3,696,600)	(3,696,600)	-	(3,103,850)	(3,103,850)	-
-	-	-	-	-	-
<u>(3,696,600)</u>	<u>(3,675,024)</u>	<u>21,576</u>	<u>(3,103,850)</u>	<u>(3,103,850)</u>	<u>-</u>
43,400	235,607	192,207	630,301	772,835	142,534
2,100,562	1,933,969	(166,593)	54,621	239,873	185,252
<u>\$ 2,143,962</u>	<u>\$ 2,169,576</u>	<u>\$ 25,614</u>	<u>\$ 684,922</u>	<u>\$ 1,012,708</u>	<u>\$ 327,786</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	Contributions Fund		
	Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
REVENUES:			
General property taxes	\$ -	\$ -	\$ -
Sales tax	-	-	-
Other local taxes	-	-	-
Fees and service charges	-	-	-
Revenue from other governmental units	-	500	500
Investment revenue	18,000	6,595	(11,405)
Miscellaneous revenue	-	158,958	158,958
TOTAL REVENUES	18,000	166,053	148,053
EXPENDITURES:			
Current:			
Policy development and administration	-	-	-
Personal development	162,776	151,371	11,405
Miscellaneous nonprogrammed activities:			
Other	-	-	-
TOTAL EXPENDITURES	162,776	151,371	11,405
DEFICIENCY OF REVENUES OVER EXPENDITURES	(144,776)	14,682	159,458
OTHER FINANCING SOURCES (USES):			
Transfers from other funds	128,000	128,000	-
Transfers to other funds	(8,900)	(83,420)	(74,520)
Restructure of financing	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	119,100	44,580	(74,520)
NET CHANGE IN FUND BALANCE	(25,676)	59,262	84,938
FUND BALANCE, BEGINNING OF PERIOD	337,197	393,340	56,143
FUND BALANCE, END OF PERIOD	<u>\$ 311,521</u>	<u>\$ 452,602</u>	<u>\$ 141,081</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
 BUDGETARY COMPARISON SCHEDULE
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2003**

Debt Service Funds (Combined)		
Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
\$ -	\$ 1,265	\$ 1,265
-	-	-
-	-	-
-	-	-
41,000	68,459	27,459
-	-	-
41,000	69,724	28,724
-	-	-
-	-	-
3,461,233	2,213,628	1,247,605
3,461,233	2,213,628	1,247,605
(3,420,233)	(2,143,904)	1,276,329
2,720,833	2,720,833	-
-	-	-
-	-	-
2,720,833	2,720,833	-
(699,400)	576,929	1,276,329
2,500,676	3,682,568	1,181,892
\$ 1,801,276	\$ 4,259,497	\$ 2,458,221

See Independent Auditors' Report.

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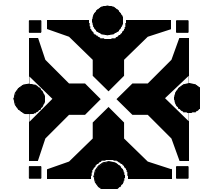
NON-MAJOR ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises-where the intent of the government's council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's council has decided that periodic determination of net income is appropriate for accountability purposes.

Regional Airport Fund - to account for all the expenses incurred and revenues received by operations at the Columbia Regional Airport.

Public Transportation Fund - to account for all the expenses and revenues resulting from the provision of public transportation services by the Columbia Area Transportation System.

Railroad Fund - to account for revenues and expenses resulting from the operation of a railroad branch line which runs from a Norfolk and Southern main line in Centralia, Missouri to the City of Columbia.



CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2003

	Regional Airport Fund	Public Transportation Fund	Railroad Fund	Total Nonmajor Enterprise Funds
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 308,207	\$ 2,028,444	\$ 182,738	\$ 2,519,389
Receivable, net	63,307	2,228	67,889	133,424
Grants receivable	-	26,258	-	26,258
Accrued interest	1,443	5,961	844	8,248
Inventory	-	59,436	79,469	138,905
Other assets	-	138	-	138
Total Current Assets	<u>372,957</u>	<u>2,122,465</u>	<u>330,940</u>	<u>2,826,362</u>
Restricted Assets:				
Cash and cash equivalents	283,015	264,057	142,582	689,654
Total Restricted Assets	<u>283,015</u>	<u>264,057</u>	<u>142,582</u>	<u>689,654</u>
Noncurrent Assets:				
Capital Assets:				
Land	1,538,836	-	93,530	1,632,366
Structures and improvements	17,309,134	250,731	3,640,517	21,200,382
Furniture, fixtures and equipment	1,356,118	4,617,817	743,730	6,717,665
Construction in progress	293	119,322	422,850	542,465
Less accumulated depreciation	(7,533,683)	(1,483,442)	(1,548,399)	(10,565,524)
Total Capital Assets	<u>12,670,698</u>	<u>3,504,428</u>	<u>3,352,228</u>	<u>19,527,354</u>
Total Noncurrent Assets	<u>12,670,698</u>	<u>3,504,428</u>	<u>3,352,228</u>	<u>19,527,354</u>
Total Assets	<u>13,326,670</u>	<u>5,890,950</u>	<u>3,825,750</u>	<u>23,043,370</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	17,538	18,359	34,215	70,112
Accrued payroll and payroll taxes	35,556	78,137	8,013	121,706
Accrued compensated absences	47,903	34,064	3,852	85,819
Loans payable to other funds – current maturities	-	-	37,000	37,000
Other liabilities	15,368	-	-	15,368
Total Current Liabilities	<u>116,365</u>	<u>130,560</u>	<u>83,080</u>	<u>330,005</u>
Payable from restricted assets:				
Construction contracts payable	-	960	87,781	88,741
Advances from other funds	190,250	-	-	190,250
Total payable from restricted assets	<u>190,250</u>	<u>960</u>	<u>87,781</u>	<u>278,991</u>
Noncurrent Liabilities:				
Accrued compensated absences	4,491	4,169	895	9,555
Loans payable to other funds	-	-	320,851	320,851
Total Noncurrent Liabilities	<u>4,491</u>	<u>4,169</u>	<u>321,746</u>	<u>330,406</u>
Total Liabilities	<u>311,106</u>	<u>135,689</u>	<u>492,607</u>	<u>939,402</u>
NET ASSETS				
Invested in capital assets, net of related debt	12,670,698	3,504,428	3,352,228	19,527,354
Unrestricted	344,866	2,250,833	(19,085)	2,576,614
Total Net Assets	<u>\$ 13,015,564</u>	<u>\$ 5,755,261</u>	<u>\$ 3,333,143</u>	<u>\$ 22,103,968</u>

See Independent Auditors' Report.

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CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2003

	<u>Regional Airport Fund</u>	<u>Public Transportation Fund</u>	<u>Railroad Fund</u>	<u>Total Nonmajor Enterprise Funds</u>
OPERATING REVENUES:				
Charges for services	\$ 551,350	\$ 496,636	\$ 470,738	\$ 1,518,724
OPERATING EXPENSES:				
Personal services	796,189	1,559,254	173,269	2,528,712
Materials, supplies, and power	82,899	494,794	54,748	632,441
Travel and training	5,256	3,134	1,324	9,714
Intragovernmental	135,492	315,570	36,830	487,892
Utilities, services, and miscellaneous	155,218	243,552	153,075	551,845
Depreciation	483,486	427,720	234,319	1,145,525
Total Operating Expenses	<u>1,658,540</u>	<u>3,044,024</u>	<u>653,565</u>	<u>5,356,129</u>
Operating Income (Loss)	<u>(1,107,190)</u>	<u>(2,547,388)</u>	<u>(182,827)</u>	<u>(3,837,405)</u>
NONOPERATING REVENUES (EXPENSES):				
Investment revenue	8,868	17,108	6,621	32,597
Revenue from other governmental units	-	1,133,823	-	1,133,823
Miscellaneous revenue	3,988	457	2,413	6,858
Interest expense	(10,781)	-	(7,943)	(18,724)
Loss on disposal of capital assets	(1,750)	-	-	(1,750)
Miscellaneous expense	-	-	-	-
Total Nonoperating Revenues (Expenses)	<u>325</u>	<u>1,151,388</u>	<u>1,091</u>	<u>1,152,804</u>
Income (Loss) Before Contributions and Transfers	<u>(1,106,865)</u>	<u>(1,396,000)</u>	<u>(181,736)</u>	<u>(2,684,601)</u>
Transfers in	720,835	1,688,040	50,000	2,458,875
Transfers out	(19,740)	(2,537)	-	(22,277)
Capital contribution	173,376	73,954	-	247,330
Changes in Net Assets	<u>(232,394)</u>	<u>363,457</u>	<u>(131,736)</u>	<u>(673)</u>
TOTAL NET ASSETS- BEGINNING OF PERIOD	<u>13,247,958</u>	<u>5,391,804</u>	<u>3,464,879</u>	<u>22,104,641</u>
TOTAL NET ASSETS- END OF PERIOD	<u>\$ 13,015,564</u>	<u>\$ 5,755,261</u>	<u>\$ 3,333,143</u>	<u>\$ 22,103,968</u>

See Independent Auditors' Report.

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**CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Regional Airport Fund</u>	<u>Public Transportation Fund</u>	<u>Railroad Fund</u>	<u>Total Nonmajor Enterprise Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers (including other funds)	\$ 529,034	\$ 531,229	\$ 445,532	\$ 1,505,795
Cash received from other sources	3,988	457	2,413	6,858
Cash payments to suppliers	(271,150)	(732,676)	(192,918)	(1,196,744)
Cash payments to employees	(795,129)	(1,543,990)	(172,477)	(2,511,596)
Cash payments to other funds	(135,492)	(315,570)	(11,185)	(462,247)
Cash payments for other expenses	(11,329)	(36,763)	4,661	(43,431)
Net cash provided by (used for) operating activities	<u>(680,078)</u>	<u>(2,097,313)</u>	<u>76,026</u>	<u>(2,701,365)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers from other funds	720,835	1,688,040	50,000	2,458,875
Transfers to other funds	(19,740)	(2,537)	-	(22,277)
Operating grants	-	1,134,635	-	1,134,635
Net cash provided by (used for) noncapital financing activities	<u>701,095</u>	<u>2,820,138</u>	<u>50,000</u>	<u>3,571,233</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Proceeds from bonds, loans, and capital leases	-	-	261,900	261,900
Debt service – interest payments	(10,781)	-	(7,943)	(18,724)
Debt service – principal and advance refunding payments	(134,845)	-	(51,465)	(186,310)
Acquisition and construction of capital assets	(110,046)	(104,278)	(341,191)	(555,515)
Decrease in construction contracts	(22,481)	(864)	(1,999)	(25,344)
Capital contributions	224,309	73,954	74,509	372,772
Net cash provided by (used for) capital and related financing activities	<u>(53,844)</u>	<u>(31,188)</u>	<u>(66,189)</u>	<u>(151,221)</u>
CASH FLOWS FROM INVESTING ACTIVITIES –				
Interest received	20,762	63,551	2,014	86,327
Net cash provided by (used for) investing activities	<u>20,762</u>	<u>63,551</u>	<u>2,014</u>	<u>86,327</u>
Net increase (decrease) in cash and cash equivalents	(12,065)	755,188	61,851	804,974
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>603,287</u>	<u>1,537,313</u>	<u>263,469</u>	<u>2,404,069</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 591,222</u>	<u>\$ 2,292,501</u>	<u>\$ 325,320</u>	<u>\$ 3,209,043</u>
Displayed as:				
Cash and cash equivalents	\$ 308,207	\$ 2,028,444	\$ 182,738	\$ 2,519,389
Restricted assets	283,015	264,057	142,582	689,654
	<u>\$ 591,222</u>	<u>\$ 2,292,501</u>	<u>\$ 325,320</u>	<u>\$ 3,209,043</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ (1,107,190)	\$ (2,547,388)	\$ (182,827)	\$ (3,837,405)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	483,486	427,720	234,319	1,145,525
Changes in assets and liabilities:				
Decrease (increase) in receivable	(22,316)	34,593	(25,206)	(12,929)
Decrease (increase) in due from other funds	-	-	-	-
Decrease (increase) in inventory	-	-	327	327
Decrease (increase) in other assets	-	10,501	-	10,501
Increase (decrease) in accounts payable	(24,279)	8,804	15,902	427
Increase (decrease) in accrued payroll	1,060	15,264	792	17,116
Increase (decrease) in due to other funds	-	-	-	-
Increase (decrease) in loans payable to other funds	-	-	25,645	25,645
Increase (decrease) in other liabilities	(3,498)	-	-	(3,498)
Other nonoperating revenue (expense)	(7,341)	(46,807)	7,074	(47,074)
Net cash provided by (used for) operating activities	<u>\$ (680,078)</u>	<u>\$ (2,097,313)</u>	<u>\$ 76,026</u>	<u>\$ (2,701,365)</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:				
Construction contracts payable	\$ -	\$ 960	\$ 87,781	\$ 88,741
Total noncash capital and related financing activities	<u>\$ -</u>	<u>\$ 960</u>	<u>\$ 87,781</u>	<u>\$ 88,741</u>

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INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Custodial and Maintenance Services Fund - to account for the provision of custodial services and building maintenance used by other city departments.

Utility Customer Services Fund - to account for utility accounts receivable billing and customer services provided by the Finance Department to the Water and Electric, Sanitary Sewer, Solid Waste and Storm Water utilities.

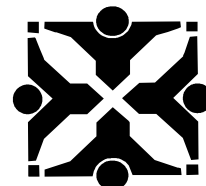
Information Services Fund - to account for the provision of hardware infrastructure to support the computing requirements of the City, as well as developing or implementing software to improve the operating efficiencies of the departments within the City.

Public Communications Fund - to account for the provision of printing press, xerox, interdepartmental mail, and postage services to other city departments, Columbia On-line Information Network and cable television operations.

Fleet Operations Fund - to account for operating a maintenance facility for automotive equipment, and for fuel used by some city departments.

Self Insurance Reserve Fund - to account for the payment of property and casualty losses, and uninsured workers' compensation claims.

Employee Benefit Fund - to account for the City of Columbia's self-insurance program for health, disability and life insurance for covered city employees. Other employee benefits accounted for in this fund include retirement sick leave, medical services, service awards, cafeteria plan and employee health/wellness.



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CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2003

ASSETS	Custodial and Maintenance Services Fund	Utility Customer Services Fund	Information Services Fund
CURRENT ASSETS:			
Cash and cash equivalents	\$ 1,000,221	\$ 1,227,256	\$ 1,767,963
Investments	-	-	-
Receivable, net	-	233,787	5,794
Accrued interest	2,598	3,228	4,627
Inventory	6,127	-	13,726
Other assets	-	-	-
Total Current Assets	<u>1,008,946</u>	<u>1,464,271</u>	<u>1,792,110</u>
CAPITAL ASSETS:			
Property, plant, and equipment	116,465	61,105	3,723,461
Construction in progress	-	-	-
Less accumulated depreciation	<u>(40,173)</u>	<u>(29,096)</u>	<u>(3,275,381)</u>
Total Capital Assets	<u>76,292</u>	<u>32,009</u>	<u>448,080</u>
TOTAL ASSETS	<u>1,085,238</u>	<u>1,496,280</u>	<u>2,240,190</u>
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES:			
Accounts payable	14,562	23,605	104,386
Accrued payroll and payroll taxes	41,239	29,968	147,281
Advances from other funds	-	-	147,000
Claims payable	-	-	-
Other liabilities	-	-	-
Total Current Liabilities	<u>55,801</u>	<u>53,573</u>	<u>398,667</u>
NET ASSETS			
Invested in capital assets, net of related debt	76,292	32,009	448,080
Restricted for:			
Other purposes	-	-	-
Unrestricted	<u>953,145</u>	<u>1,410,698</u>	<u>1,393,443</u>
Total Net Assets	<u>\$ 1,029,437</u>	<u>\$ 1,442,707</u>	<u>\$ 1,841,523</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2003**

<u>Public Communications Fund</u>	<u>Fleet Operations Fund</u>	<u>Self Insurance Reserve Fund</u>	<u>Employee Benefit Fund</u>	<u>Total Internal Service Funds</u>
\$ 1,171,694	\$ 50,997	\$ 52,778	\$ 3,149,914	\$ 8,420,823
-	-	9,114,604	-	9,114,604
115,838	15,308	-	230,765	601,492
3,056	139	17	8,132	21,797
19,206	435,861	-	-	474,920
-	84	-	-	84
1,309,794	502,389	9,167,399	3,388,811	18,633,720
165,278	327,415	15,350	-	4,409,074
-	85,988	-	-	85,988
(121,386)	(197,341)	(15,350)	-	(3,678,727)
43,892	216,062	-	-	816,335
1,353,686	718,451	9,167,399	3,388,811	19,450,055
22,447	180,556	1,521,362	383,561	2,250,479
24,231	101,983	6,697	14,594	365,993
-	-	-	-	147,000
-	-	-	879,000	879,000
-	-	-	40,234	40,234
46,678	282,539	1,528,059	1,317,389	3,682,706
43,892	216,062	-	-	816,335
-	-	707,441	-	707,441
1,263,116	219,850	6,931,899	2,071,422	14,243,573
\$ 1,307,008	\$ 435,912	\$ 7,639,340	\$ 2,071,422	\$ 15,767,349

See Independent Auditors' Report.

CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2003

	<u>Custodial and Maintenance Services Fund</u>	<u>Utility Customer Services Fund</u>	<u>Information Services Fund</u>
OPERATING REVENUES:			
Charges for services and other benefits	\$ 850,841	\$ 1,198,281	\$3,040,457
OPERATING EXPENSES:			
Personal services	392,982	435,079	1,437,465
Materials and supplies	86,998	241,367	203,357
Travel and training	666	5,281	74,784
Intragovernmental	55,250	315,151	131,010
Utilities, services, and miscellaneous	244,061	217,780	763,843
Depreciation	5,149	3,641	180,659
TOTAL OPERATING EXPENSES	<u>785,106</u>	<u>1,218,299</u>	<u>2,791,118</u>
OPERATING INCOME (LOSS)	<u>65,735</u>	<u>(20,018)</u>	<u>249,339</u>
NONOPERATING REVENUES (EXPENSES):			
Investment revenue	15,863	18,153	24,227
Miscellaneous revenue	270	262,188	841
Interest expense	-	-	(2,909)
Loss on disposal of capital assets	-	-	-
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>16,133</u>	<u>280,341</u>	<u>22,159</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	81,868	260,323	271,498
Transfers in	-	-	-
Transfers out	-	(2,105)	-
CHANGES IN NET ASSETS	81,868	258,218	271,498
TOTAL NET ASSETS- BEGINNING OF PERIOD	<u>947,569</u>	<u>1,184,489</u>	<u>1,570,025</u>
TOTAL NET ASSETS- END OF PERIOD	<u>\$ 1,029,437</u>	<u>\$ 1,442,707</u>	<u>\$1,841,523</u>

See Independent Auditors' Report.

CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2003

<u>Public Communications Fund</u>	<u>Fleet Operations Fund</u>	<u>Self Insurance Reserve Fund</u>	<u>Employee Benefit Fund</u>	<u>Total Internal Service Funds</u>
\$ 963,933	\$ 4,037,178	\$ 1,705,501	\$ 8,108,849	\$ 19,905,040
266,975	1,127,284	102,421	207,555	3,969,761
274,472	2,406,453	3,267	28,868	3,244,782
364	3,843	4,876	983	90,797
55,068	294,515	35,561	46,728	933,283
107,191	45,288	3,105,903	9,061,082	13,545,148
9,581	22,826	-	-	221,856
<u>713,651</u>	<u>3,900,209</u>	<u>3,252,028</u>	<u>9,345,216</u>	<u>22,005,627</u>
<u>250,282</u>	<u>136,969</u>	<u>(1,546,527)</u>	<u>(1,236,367)</u>	<u>(2,100,587)</u>
19,632	-	88,312	80,994	247,181
379	15,071	-	-	278,749
-	(3,852)	-	-	(6,761)
<u>-</u>	<u>(500)</u>	<u>-</u>	<u>-</u>	<u>(500)</u>
<u>20,011</u>	<u>10,719</u>	<u>88,312</u>	<u>80,994</u>	<u>518,669</u>
270,293	147,688	(1,458,215)	(1,155,373)	(1,581,918)
-	-	-	41,725	41,725
<u>(50,000)</u>	<u>(1,030)</u>	<u>-</u>	<u>-</u>	<u>(53,135)</u>
220,293	146,658	(1,458,215)	(1,113,648)	(1,593,328)
<u>1,086,715</u>	<u>289,254</u>	<u>9,097,555</u>	<u>3,185,070</u>	<u>17,360,677</u>
<u>\$ 1,307,008</u>	<u>\$ 435,912</u>	<u>\$ 7,639,340</u>	<u>\$ 2,071,422</u>	<u>\$ 15,767,349</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	Custodial and Maintenance Services Fund	Utility Customer Services Fund	Information Services Fund
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers (including other funds)	\$ 850,841	\$ 1,144,435	\$ 3,040,258
Cash received from other sources	270	262,188	841
Cash payments to suppliers	(331,290)	(480,308)	(1,011,528)
Cash payments to employees	(389,684)	(434,566)	(1,423,500)
Cash payments to other funds	(55,250)	(315,151)	(131,010)
Other non-operating revenue (expense)	(19,516)	(25,161)	(36,072)
Net cash provided by (used for) operating activities	<u>55,371</u>	<u>151,437</u>	<u>438,989</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers in	-	-	-
Transfers out	-	(2,105)	-
Net cash provided by (used for) noncapital financing activities	<u>-</u>	<u>(2,105)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Debt service – interest	-	-	(2,909)
Debt service – principal	-	-	147,000
Acquisition and construction of capital assets	-	-	(364,051)
Net cash provided by (used for) capital and related financing activities	<u>-</u>	<u>-</u>	<u>(219,960)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received	36,527	43,635	60,662
Purchase of investments	-	-	-
Sale of investments	-	-	-
Net cash provided by (used for) investing activities	<u>36,527</u>	<u>43,635</u>	<u>60,662</u>
Net increase (decrease) in cash and cash equivalents	91,898	192,967	279,691
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>908,323</u>	<u>1,034,289</u>	<u>1,488,272</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 1,000,221</u>	<u>\$ 1,227,256</u>	<u>\$ 1,767,963</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ 65,735	\$ (20,018)	\$ 249,339
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	5,149	3,641	180,659
Changes in assets and liabilities:			
Decrease (increase) in receivables	-	(53,846)	(199)
Decrease (increase) in inventory	94	-	2,657
Decrease (increase) in other assets	705	-	-
Increase (decrease) in accounts payable	341	(15,880)	27,799
Increase (decrease) in accrued payroll	3,298	513	13,965
Increase (decrease) in due other funds	-	-	-
Increase (decrease) in other liabilities	-	-	-
Other nonoperating revenue	(19,951)	237,027	(35,231)
Net cash provided by (used for) operating activities	<u>\$ 55,371</u>	<u>\$ 151,437</u>	<u>\$ 438,989</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:			
Change in fair value of investments	\$ -	\$ -	\$ -
Total noncash capital and related financing activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

Public Communications Fund	Fleet Operations Fund	Self Insurance Reserve Fund	Employee Benefit Fund	Total Internal Service Funds
\$ 848,095	\$ 3,894,369	\$ 1,697,715	\$ 8,265,188	\$ 19,740,901
379	15,071	-	-	278,749
(374,026)	(2,426,508)	(2,544,278)	(8,806,713)	(15,974,651)
(264,914)	(1,118,446)	(102,155)	(204,815)	(3,938,080)
(55,068)	(294,515)	(35,561)	(46,728)	(933,283)
(23,793)	(1,314)	-	-	(105,856)
<u>130,673</u>	<u>68,657</u>	<u>(984,279)</u>	<u>(793,068)</u>	<u>(932,220)</u>
-	-	-	41,725	41,725
(50,000)	(1,030)	-	-	(53,135)
<u>(50,000)</u>	<u>(1,030)</u>	<u>-</u>	<u>41,725</u>	<u>(11,410)</u>
-	(3,195)	-	-	(6,104)
-	-	-	-	147,000
-	(13,435)	-	-	(377,486)
-	(16,630)	-	-	(236,590)
43,856	-	89,034	85,677	359,391
-	-	(151,977)	-	(151,977)
-	-	1,100,000	-	1,100,000
<u>43,856</u>	<u>-</u>	<u>1,037,057</u>	<u>85,677</u>	<u>1,307,414</u>
124,529	50,997	52,778	(665,666)	127,194
<u>1,047,165</u>	<u>-</u>	<u>-</u>	<u>3,815,580</u>	<u>8,293,629</u>
<u>\$ 1,171,694</u>	<u>\$ 50,997</u>	<u>\$ 52,778</u>	<u>\$ 3,149,914</u>	<u>\$ 8,420,823</u>
\$ 250,282	\$ 136,969	\$ (1,546,527)	\$ (1,236,367)	\$ (2,100,587)
9,581	22,826	-	-	221,856
(115,838)	(2,835)	-	156,339	(16,379)
(2,150)	(33,911)	-	-	(33,310)
-	(84)	-	-	621
10,151	62,987	569,768	293,008	948,174
2,061	8,838	266	2,740	31,681
-	(139,974)	(7,786)	-	(147,760)
-	-	-	(8,788)	(8,788)
(23,414)	13,841	-	-	172,272
<u>\$ 130,673</u>	<u>\$ 68,657</u>	<u>\$ (984,279)</u>	<u>\$ (793,068)</u>	<u>\$ (932,220)</u>
\$ -	\$ -	\$ (3,791)	\$ -	\$ (3,791)
\$ -	\$ -	\$ (3,791)	\$ -	\$ (3,791)

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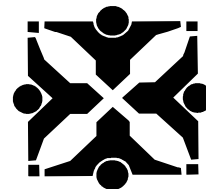
FIDUCIARY FUNDS

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the City's own programs.

Police and Firefighters' Retirement Funds - to account for the accumulation of resources for pension benefit payments to qualified police and firefighter personnel.

Conley Poor Fund - to account for resources for a trust that was established primarily for food and medical payments for indigent persons of Columbia, Missouri.

REDI Trust Fund - to account for all Regional Economic Development, Inc. transactions.



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CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
SEPTEMBER 30, 2003

	Pension Trust Funds		
	Firefighters' Retirement Fund	Police Retirement Fund	Total
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ -
Accrued interest	95,437	62,155	157,592
Other assets	-	-	-
Investments	36,721,819	23,915,668	60,637,487
Capital assets	7,078	4,610	11,688
Accumulated depreciation	(7,078)	(4,610)	(11,688)
Total Assets	36,817,256	23,977,823	60,795,079
LIABILITIES			
Accounts payable	-	-	-
Due to other funds	1,114,016	725,521	1,839,537
Other liabilities	28,504	18,564	47,068
Total Liabilities	1,142,520	744,085	1,886,605
NET ASSETS			
Net assets held in trust	35,674,736	23,233,738	58,908,474
Total Net Assets	\$ 35,674,736	\$ 23,233,738	\$ 58,908,474

See Independent Auditors' Report.

CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
SEPTEMBER 30, 2003

	Private Purpose Trust Funds		
	Conley Poor Fund	REDI Trust Fund	Total
ASSETS			
Cash and cash equivalents	\$ 73,636	\$ 216,275	\$ 289,911
Accrued interest	191	562	753
Other assets	-	3,808	3,808
Investments	-	-	-
Capital assets	-	-	-
Accumulated depreciation	-	-	-
	Total Assets	220,645	294,472
LIABILITIES			
Accounts payable	232	5,642	5,874
Due to other funds	-	-	-
Other liabilities	-	5,290	5,290
	Total Liabilities	10,932	11,164
NET ASSETS			
Net assets held in trust	73,595	209,713	283,308
	Total Net Assets	\$ 209,713	\$ 283,308

See Independent Auditors' Report.

CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2003

	Pension Trust Funds		
	Firefighters' Retirement Fund	Police Retirement Fund	Total
ADDITIONS			
Contributions:			
Private	\$ -	\$ -	\$ -
Chamber	-	-	-
City	1,399,850	1,541,029	2,940,879
County	-	-	-
University	-	-	-
Employee	950,599	219,287	1,169,886
Net investment income (expense):			
Net appreciation in fair value of investments	2,937,108	1,913,255	4,850,363
Interest and dividends	1,087,646	710,509	1,798,155
Miscellaneous	-	-	-
	Total additions	Total	Total
	<u>6,375,203</u>	<u>4,384,080</u>	<u>10,759,283</u>
DEDUCTIONS			
Current:			
Health and environment:			
Services and miscellaneous	-	-	-
Policy development and administration:			
Materials and supplies	-	-	-
Travel and training	-	-	-
Intragovernmental	21,817	14,252	36,069
Utilities, services, and miscellaneous	9,044	5,908	14,952
Pension benefits	2,489,304	1,966,961	4,456,265
Refund of employee's contributions	-	14,589	14,589
	Total deductions	Total	Total
	<u>2,520,165</u>	<u>2,001,710</u>	<u>4,521,875</u>
Change in net assets	3,855,038	2,382,370	6,237,408
NET ASSETS - BEGINNING	<u>31,819,698</u>	<u>20,851,368</u>	<u>52,671,066</u>
NET ASSETS - ENDING	<u>\$ 35,674,736</u>	<u>\$ 23,233,738</u>	<u>\$ 58,908,474</u>

See Independent Auditors' Report.

CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2003

	<u>Private Purpose Trust Funds</u>		
	<u>Conley Poor Fund</u>	<u>REDI Trust Fund</u>	<u>Total</u>
ADDITIONS			
Contributions:			
Private	\$ -	\$ 2,000	\$ 2,000
Chamber	-	97,500	97,500
City	-	20,000	20,000
County	-	35,000	35,000
University	-	15,000	15,000
Employee	-	-	-
Net investment income (expense):			
Net appreciation in fair value of investments	-	-	-
Interest and dividends	2,545	7,930	10,475
Miscellaneous	-	2,909	2,909
	<u>2,545</u>	<u>180,339</u>	<u>182,884</u>
Total additions	<u>2,545</u>	<u>180,339</u>	<u>182,884</u>
DEDUCTIONS			
Current:			
Health and environment:			
Services and miscellaneous	2,925	-	2,925
Policy development and administration:			
Materials and supplies	-	20,250	20,250
Travel and training	-	21,711	21,711
Intragovernmental	-	-	-
Utilities, services, and miscellaneous	-	196,407	196,407
Pension benefits	-	-	-
Refund of employee's contributions	-	-	-
	<u>2,925</u>	<u>238,368</u>	<u>241,293</u>
Total Deductions	<u>2,925</u>	<u>238,368</u>	<u>241,293</u>
Change in net assets	(380)	(58,029)	(58,409)
NET ASSETS - BEGINNING	<u>73,975</u>	<u>267,742</u>	<u>341,717</u>
NET ASSETS - ENDING	<u>\$ 73,595</u>	<u>\$ 209,713</u>	<u>\$ 283,308</u>

See Independent Auditors' Report.

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STATISTICAL DATA

The Statistical Data "relates to the physical, economic, social and political characteristics of the City." Its design is to provide "a broader and more complete understanding of the City and its financial affairs than is possible from the financial statements, notes and supporting schedule presentation in the Financial Section."

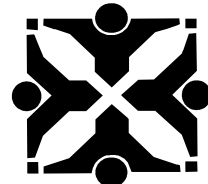


TABLE 1

**CITY OF COLUMBIA, MISSOURI
GENERAL GOVERNMENT (a)**

EXPENDITURES AND OTHER FINANCING USES BY FUNCTION (b)
LAST TEN FISCAL YEARS

<u>Fiscal Year Ended</u>	<u>Total</u>	<u>Policy Development and Administration</u>	<u>Public Safety</u>	<u>Transportation</u>
1994	45,884,619	11.67% 5,353,291	33.87% 15,542,102	6.79% 3,116,457
1995	50,680,617	11.45% 5,802,956	31.79% 16,109,255	6.97% 3,529,615
1996	53,789,060	11.47% 6,167,095	31.69% 17,042,840	6.54% 3,519,198
1997	55,871,278	11.37% 6,351,294	32.81% 18,333,619	6.05% 3,380,411
1998	56,561,908	11.86% 6,708,191	33.58% 18,995,112	7.01% 3,966,967
1999	62,939,078	11.15% 7,016,308	31.88% 20,067,864	6.48% 4,076,785
2000	60,653,382	11.85% 7,188,527	36.47% 22,121,679	6.36% 3,859,721
2001	74,631,405	10.13% 7,562,805	31.22% 23,301,920	5.50% 4,105,897
2002	74,503,019	10.52% 7,837,951	33.92% 25,268,570	6.22% 4,631,933
2003	72,635,379	11.11% 8,069,752	35.14% 25,521,715	5.67% 4,116,302

(a) Includes General, Special Revenue, and Debt Service Funds. Community Development Grant Fund was reclassified from a Trust Fund to a Special Revenue Fund in 1996, therefore, 1995 through 2002 numbers include this fund. Excludes Capital Projects and Permanent Funds.

(b) Fiscal years prior to 1996 include encumbrances.

**CITY OF COLUMBIA, MISSOURI
GENERAL GOVERNMENT (a)**

**EXPENDITURES AND OTHER FINANCING USES BY FUNCTION (b)
LAST TEN FISCAL YEARS**

<u>Health and Environment</u>	<u>Personal Development</u>	<u>Operating Transfers to Other Funds</u>	<u>Debt Service</u>	<u>Miscellaneous</u>
6.61% 3,034,278	8.10% 3,718,448	22.38% 10,268,519	9.79% 4,489,690	0.79% 361,834
7.50% 3,802,917	8.85% 4,485,948	22.98% 11,645,896	9.54% 4,835,242	0.92% 468,788
7.53% 4,051,992	8.22% 4,413,539	21.63% 11,632,865	12.39% 6,662,472	0.56% 299,059
7.77% 4,338,712	8.31% 4,644,060	22.16% 12,382,443	11.38% 6,355,441	0.15% 85,298
8.25% 4,663,835	8.83% 4,995,514	21.35% 12,077,252	9.02% 5,104,679	0.09% 50,358
7.35% 4,626,032	8.56% 5,388,990	27.37% 17,228,039	7.06% 4,442,594	0.15% 92,466
7.89% 4,782,554	11.81% 7,163,125	20.55% 12,462,765	4.88% 2,957,544	0.19% 117,467
6.98% 5,207,107	20.55% 15,335,759	20.99% 15,666,126	4.53% 3,384,123	0.09% 67,668
7.91% 5,895,469	10.86% 8,090,851	26.22% 19,533,282	4.12% 3,065,882	0.24% 179,081
8.42% 6,116,585	11.20% 8,135,545	25.31% 18,387,192	3.05% 2,213,628	0.10% 74,660

CITY OF COLUMBIA, MISSOURI

GENERAL REVENUE AND OTHER FINANCING SOURCES (a)
LAST TEN FISCAL YEARS

<u>Fiscal Year Ended</u>	<u>Total General Revenue</u>	<u>Taxes (b)</u>	<u>Licenses and Permits</u>	<u>Court Fines</u>
1994	47,862,885	69.25% 33,141,424	0.99% 474,996	1.53% 734,357
1995	52,236,144	66.57% 34,774,664	0.95% 494,149	1.33% 692,382
1996	54,598,093	67.58% 36,896,579	0.93% 508,783	1.43% 783,833
1997	58,146,901	67.12% 39,027,880	0.90% 526,049	1.62% 941,341
1998	60,608,350	67.45% 40,878,843	0.97% 585,911	1.74% 1,052,303
1999	58,378,868	58.98% 34,429,568	1.00% 584,779	1.67% 976,225
2000	61,718,222	68.75% 42,432,675	0.98% 607,876	1.86% 1,147,091
2001	79,351,601	62.28% 49,419,091	0.80% 638,640	1.51% 1,201,343
2002	77,336,815	70.23% 54,310,740	0.84% 651,697	1.93% 1,489,192
2003	80,305,197	70.44% 56,570,429	0.86% 692,256	1.99% 1,597,787

(a) Includes General, Special Revenue, and Debt Service Funds. Community Development Grant Fund was reclassified from a Trust Fund to a Special Revenue Fund in 1996, therefore, 1995 through 2002 numbers include this fund. Excludes Capital Projects and Permanent Funds.

(b) General Property Taxes, Sales Tax, Other Local Taxes, and Payment-In-Lieu-Of-Taxes.

(c) Revenue From Other Governmental Units, Investment Revenue, Miscellaneous Revenue, Increase in Obligation Under Capital Leases, Fixed Rate Receipts for fiscal years 1988 through 1991; Operating Transfers From Other Funds; Proceeds from 1992 Refunding Bonds; and Proceeds from 1996 Special Obligation Bonds.

CITY OF COLUMBIA, MISSOURI

GENERAL REVENUE AND OTHER FINANCING SOURCES (a)
LAST TEN FISCAL YEARS

Fees and Service Charges	General and Administrative Charges	Other Revenue and Fund Transfers (c)
2.19% 1,048,575	4.44% 2,123,848	21.60% 10,339,685
2.64% 1,382,099	4.31% 2,251,280	24.20% 12,641,570
2.76% 1,504,930	4.38% 2,390,833	22.92% 12,513,135
2.68% 1,557,454	4.28% 2,486,467	23.40% 13,607,710
2.51% 1,520,997	4.23% 2,561,574	23.11% 14,008,722
2.86% 1,668,461	4.31% 2,517,763	31.18% 18,202,072
2.72% 1,679,438	4.23% 2,612,334	21.45% 13,238,808
2.26% 1,790,282	3.65% 2,896,359	29.50% 23,405,886
2.38% 1,840,341	3.70% 2,862,384	20.92% 16,182,461
2.94% 2,359,639	3.72% 2,985,738	20.05% 16,099,348

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**CITY OF COLUMBIA, MISSOURI
GENERAL FUND**

TAX REVENUE BY SOURCE
LAST TEN FISCAL YEARS

<u>Fiscal Year Ended</u>	<u>Total Taxes</u>	<u>General Property Taxes</u>	<u>Sales Taxes</u>	<u>Other Local Taxes</u>	<u>Water and Electric P.I.L.O.T. (a)</u>
1994	20,910,859	1,303,949 6.20%	9,697,609 46.40%	4,719,503 22.60%	5,189,798 24.80%
1995	22,145,219	1,384,418 6.30%	10,424,318 47.10%	5,073,050 22.90%	5,263,433 23.80%
1996	23,571,166	1,441,622 6.10%	11,085,970 47.00%	5,312,947 22.50%	5,730,627 24.30%
1997	24,969,252	1,570,154 6.30%	11,651,707 46.70%	5,739,701 23.00%	6,007,690 24.10%
1998	26,181,887	1,695,791 6.50%	12,295,422 47.00%	5,844,435 22.30%	6,346,239 24.20%
1999	26,894,947	1,777,634 6.60%	12,869,673 47.90%	5,791,616 21.50%	6,456,024 24.00%
2000	28,113,729	2,103,145 7.50%	13,373,604 47.60%	5,879,396 20.90%	6,757,584 24.00%
2001	31,422,949	3,007,517 9.60%	14,443,129 46.00%	6,927,385 22.10%	7,044,918 22.40%
2002	33,500,345	4,263,326 12.73%	14,946,467 44.62%	7,110,539 21.23%	7,180,013 21.43%
2003	35,183,472	4,473,073 12.71%	15,421,714 43.83%	7,734,635 21.98%	7,554,050 21.47%

(a) Per the City Charter, the Water and Electric Utility is to remit to the General Government of the City of Columbia an amount substantially equal to the amount of taxes which would have been paid if the Water and Electric Utility were privately owned.

**CITY OF COLUMBIA, MISSOURI
GENERAL FUND**

**PROPERTY TAX LEVIES AND TAX COLLECTIONS
LAST TEN FISCAL YEARS**

<u>Fiscal Year Ended</u>	<u>Net Current Tax Levy (a)</u>	<u>Current Tax Collections</u>	<u>Percent Of Levy Collected</u>	<u>Delinquent Tax Collections</u>
1994	1,223,121 (b)	1,202,748	98.33%	23,387
1995	1,296,990 (b)	1,277,349	98.49%	11,909
1996	1,396,311 (b)	1,380,996	98.90%	18,910
1997	1,538,931 (b)	1,524,115	99.04%	16,362
1998	1,648,833 (b)	1,631,401	98.94%	12,276
1999	1,717,700 (b)	1,702,288	99.10%	21,223
2000	2,034,745 (b)	2,009,673	98.77%	14,418
2001	2,905,504 (b)	2,859,111	98.40%	18,770
2002	4,127,151 (b)	4,074,122	98.72%	49,570
2003	4,331,540 (b)	4,287,673	98.99%	46,432

(a) Balances are net of amounts deducted for estimated uncollectible taxes and collection fees withheld by County.

(b) Includes deferred property tax revenue.

**CITY OF COLUMBIA, MISSOURI
GENERAL FUND**

**PROPERTY TAX LEVIES AND TAX COLLECTIONS
LAST TEN FISCAL YEARS**

<u>Total Tax Collections</u>	<u>Total Collections As A Percent Of Net Current Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Outstanding Delinquent As A Percent Net Current Tax Levy</u>
1,226,135	100.25%	8,391	0.69%
1,289,258	99.40%	16,855	1.30%
1,399,906	100.26%	17,586	1.26%
1,540,477	100.10%	16,538	1.07%
1,643,677	99.69%	19,078	1.16%
1,723,511	100.34%	15,287	0.89%
2,024,091	99.48%	16,282	0.80%
2,877,881	99.05%	22,584	0.78%
4,123,692	99.92%	16,407	0.40%
4,334,105	100.06%	23,004	0.53%

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TABLE 5

CITY OF COLUMBIA, MISSOURI

ASSESSED AND ESTIMATED ACTUAL VALUES OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year Ended	Real Property	Personal Property	State Assessed Value	Total Assessed Value	Total Fair Market Value	Percentage Of Fair Market Value
1994	470,848,862	105,520,334	2,050,474	578,419,670	2,410,081,958	24.0%
1995	488,789,899	118,940,751	2,310,679	610,041,329	2,541,838,871	24.0%
1996	511,620,136	128,312,503	3,282,682	643,215,321	2,680,063,838	24.0%
1997	538,800,795	153,771,094	4,519,144	697,091,033	2,904,545,971	24.0%
1998	657,617,565	164,951,921	5,101,533	827,671,019	3,448,629,246	24.0%
1999	688,923,971	176,474,738	4,755,062	870,153,771	3,625,640,713	24.0%
2000	714,842,106	190,394,191	5,518,830	910,755,127	3,794,813,029	24.0%
2001	739,345,179	204,214,788	5,072,034	948,632,001	3,952,633,338	24.0%
2002	802,530,799	211,324,296	6,486,794	1,020,341,889	4,251,424,537	24.0%
2003	954,784,262	206,788,704	6,486,398	1,168,059,364	4,450,247,350	24.0%

CITY OF COLUMBIA, MISSOURI

PROPERTY TAX RATES AND TAX LEVIES – DIRECT AND OVERLAPPING GOVERNMENTS (a)
LAST TEN FISCAL YEARS

	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>
CITY TAX RATES:					
General Fund	\$0.22	\$0.22	\$0.22	\$0.22	\$0.20
Debt Service Fund	0.32	0.26	0.26	0.26	0.21
Library Funds	<u>0.30</u>	<u>0.30</u>	<u>0.30</u>	<u>0.30</u>	<u>0.28</u>
Total City Tax Rate	<u>0.84</u>	<u>0.78</u>	<u>0.78</u>	<u>0.78</u>	<u>0.69</u>
SCHOOL DISTRICT	<u>4.37</u>	<u>4.45</u>	<u>4.55</u>	<u>4.56</u>	<u>4.12</u>
COUNTY TAX RATES:					
County	0.12	0.12	0.12	0.12	0.12
Hospital Maintenance	0.00	0.00	0.00	0.00	0.00
Bridge Bond	0.02	0.00	0.00	0.00	0.00
Hospital Debt Service	0.00	0.00	0.00	0.00	0.00
Group Homes (b)	0.12	0.12	0.12	0.12	0.11
Boone Retirement Center	0.02	0.00	0.00	0.00	0.00
Highway	<u>0.29</u>	<u>0.05</u>	<u>0.05</u>	<u>0.05</u>	<u>0.05</u>
Total County Tax Rates (c)	<u>0.57</u>	<u>0.29</u>	<u>0.29</u>	<u>0.29</u>	<u>0.28</u>
STATE	<u>0.03</u>	<u>0.03</u>	<u>0.03</u>	<u>0.03</u>	<u>0.03</u>
TOTAL TAX RATIO FOR ALL OVERLAPPING GOVERNMENTS	<u>\$5.81</u>	<u>\$5.55</u>	<u>\$5.65</u>	<u>\$5.66</u>	<u>\$5.12</u>

(a) All tax rates are presented per \$100 of Assessed Valuation.

(b) These facilities are operated for handicapped persons, as defined in Section 198.900 RSMo, who are employed at the facility or in the community and/or for persons who are handicapped due to a developmental disability.

(c) The levy for the County Library District is not included on this table since this levy does not apply within City limits.

Source: Certified Copy of Order, Boone County Court.

CITY OF COLUMBIA, MISSOURI

PROPERTY TAX RATES AND TAX LEVIES – DIRECT AND OVERLAPPING GOVERNMENTS (a)
LAST TEN FISCAL YEARS

<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
\$0.20	\$0.23	\$0.31	\$0.41	\$0.41
0.21	0.18	0.10	0.00	0.00
<u>0.29</u>	<u>0.65</u>	<u>0.65</u>	<u>0.64</u>	<u>0.64</u>
<u>0.70</u>	<u>1.06</u>	<u>1.06</u>	<u>1.05</u>	<u>1.05</u>
<u>4.12</u>	<u>4.70</u>	<u>4.79</u>	<u>4.75</u>	<u>4.75</u>
0.12	0.13	0.13	0.13	0.13
0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00
0.12	0.12	0.12	0.12	0.12
0.00	0.00	0.00	0.00	0.00
<u>0.05</u>	<u>0.05</u>	<u>0.05</u>	<u>0.05</u>	<u>0.05</u>
<u>0.29</u>	<u>0.30</u>	<u>0.30</u>	<u>0.30</u>	<u>0.30</u>
<u>0.03</u>	<u>0.03</u>	<u>0.03</u>	<u>0.03</u>	<u>0.03</u>
<u><u>\$5.14</u></u>	<u><u>\$6.09</u></u>	<u><u>\$6.18</u></u>	<u><u>\$6.14</u></u>	<u><u>\$6.13</u></u>

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CITY OF COLUMBIA, MISSOURI

SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS
LAST TEN FISCAL YEARS

		<u>Tax Billed</u>	<u>Collections (a)</u>
Street Improvements	1994	63,530	63,530
	1995	147,229	147,229
	1996	73,709	73,709
	1997	100,600	100,600
	1998	173,758	173,758
	1999	15,153	15,153
	2000	79,976	79,976
	2001	0	0
	2002	84,662	84,662
	2003	588,520	588,520
Street Maintenance	1994	38,105	38,105
	1995	9,511	9,511
	1996	36,069	36,069
	1997	0	0
	1998	1,808	1,808
	1999	9,557	9,557
	2000	21,950	21,950
	2001	0	0
	2002	31,240	31,240
	2003	0	0
Sewer Districts	1994	17,101	17,101
	1995	104,563	104,563
	1996	0	0
	1997	46,159	46,159
	1998	0	0
	1999	0	0
	2000	0	0
	2001	0	0
	2002	44,691	44,691
	2003	0	0

(a) Special Assessment tax bills are sold to the Designated Loan and Special Tax Bill Investment Fund. Collections include tax bills which were awarded to contractors in exchange for work performed.

CITY OF COLUMBIA, MISSOURI

RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND PER CAPITA
LAST TEN FISCAL YEARS

<u>Fiscal Year Ended</u>	<u>Estimated Population</u>	<u>Assessed Value (a)</u>	<u>Gross Bonded Debt</u>	<u>Less Debt Service Funds</u>
1994	71,907	576,369,196	23,320,000	7,465,244
1995	73,078	607,730,650	20,105,000	8,307,568
1996	75,561	639,932,639	27,540,000	7,986,841
1997	76,316	697,091,033 (b)	22,580,000	7,843,602
1998	77,079	827,671,019 (b)	16,865,000	8,518,540
1999	79,082	870,153,771 (b)	7,620,000	6,739,832
2000	79,873	910,755,127 (b)	5,035,000	6,490,267
2001	86,391	948,632,001 (b)	2,125,000	2,574,573
2002	88,291	1,020,341,889 (b)	700,000	1,190,238
2003	89,174	1,168,059,364 (b)	0	484,393

(a) Real and personal property.

(b) Includes State Assessed.

CITY OF COLUMBIA, MISSOURI

RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND PER CAPITA
LAST TEN FISCAL YEARS

<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>
15,854,756	2.75 %	220.49
11,797,432	1.94 %	161.44
19,553,159	3.06 %	258.77
14,736,398	2.11 %	193.10
8,346,460	1.01 %	108.28
880,168	0.10 %	11.13
(1,455,267)	(0.16) %	(18.22)
(449,573)	(0.05) %	(5.20)
(490,238)	(0.05) %	(5.55)
0	0.00 %	0.00

CITY OF COLUMBIA, MISSOURI

COMPUTATION OF LEGAL DEBT MARGIN
SEPTEMBER 30, 2003

Assessed value (2003 FY)		<u>\$1,116,692,677</u> *
Constitutional debt limit **		\$223,338,535
(20% assessed value)		
Total bonded debt	\$88,305,000	
Less:		
Water and Electric Utility Bonds	\$63,805,000	
Sanitary Sewer Utility Bonds	21,625,000	
Parking Revenue Bonds	2,875,000	<u>88,305,000</u>
Total amount of debt applicable to debt limit		<u>0</u>
Legal debt margin		<u>\$223,338,535</u>

* All tangible property.

** Section 95.115 of the 1978 Missouri Revised Statutes permits any county or city, by vote of two-thirds of qualified electors voting thereon, to incur additional indebtedness for city purposes not to exceed 5 percent of the taxable tangible property therein, as shown by the last assessment.

Section 95.120 of the 1978 Missouri Revised Statutes permits any county or city, by a vote of two-thirds of qualified electors voting thereon, to incur additional indebtedness for city purposes not to exceed 5 percent of the taxable tangible property therein, as shown by the last assessment.

Sections 95.125 and 95.130 of the 1978 Missouri Revised Statutes provide that any city may become indebted not exceeding in the aggregate an additional 10 percent for the purpose of acquiring right-of-ways, constructing, extending, and improving streets and avenues and/or sanitary or storm sewer system, and an additional 10 percent for purchasing or construction of waterworks, electric, or other light plants, provided the total general obligation indebtedness of the city does not exceed 20 percent of the assessed valuation.

CITY OF COLUMBIA, MISSOURI

COMPUTATION OF DIRECT AND OVERLAPPING DEBT
SEPTEMBER 30, 2003

<u>Jurisdiction</u>	<u>Bond Issues Outstanding</u>	<u>Amount Available Debt Service Funds</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to City of Columbia</u>	<u>Amount Applicable to City of Columbia</u>
City of Columbia	\$0	\$0	\$0	0.0%	\$0
Columbia School District	138,940,000	23,021,243	115,918,757	79.2%	91,807,656
Boone County	959,000	66,232	892,768	69.2%	617,795
Totals	<u>\$139,899,000</u>	<u>\$23,087,475</u>	<u>\$116,811,525</u>		<u>\$92,425,451</u>

NOTE: Special Obligation Bonds are not included in this schedule but have been included in the past. This change accounts for the significant difference among this year and previous years' schedules.

CITY OF COLUMBIA, MISSOURI

SCHEDULE OF BONDED INDEBTEDNESS
SEPTEMBER 30, 2003

	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Term In Years</u>	<u>Maturity Date</u>	<u>Original Issue</u>	<u>Amount Outstanding</u>
REVENUE BONDS:						
1992 Water & Electric System Revenue Bonds	2.75 – 5.70%	07/01/92	20	10/01/12	34,140,000	10,500,000
1998 Water & Electric System Revenue Bonds	3.75 – 6.00%	03/01/98	25	10/01/22	28,295,000	28,070,000
2002 Water & Electric System Revenue Bonds	3.00 – 6.00%	02/01/02	25	10/01/26	16,490,000	16,285,000
2003 Water & Electric System Refunding Bonds	2.00 – 4.00%	02/15/03	13	12/01/15	8,950,000	8,950,000
1979 Sanitary Sewerage System Revenue Bonds	5.00 – 7.00%	08/01/79	20	10/01/04	3,500,000	560,000
1992 Sanitary Sewerage System Bonds Series B	4.25 – 6.55%	06/01/92	20	01/01/13	870,000	560,000
1992 Sanitary Sewerage System Refunding Bonds	5.60%	08/01/92	10	10/01/02	795,000	0
1999 Sanitary Sewerage System Revenue Bonds Series A	3.625 – 5.250%	06/01/99	20	01/01/20	3,730,000	3,240,000
1999 Sanitary Sewerage System Revenue Bonds Series B	4.125 – 6.000%	12/01/99	20	07/01/20	1,420,000	1,240,000
2000 Sanitary Sewerage System Revenue Bonds Series B	4.350 – 5.625%	11/01/00	20	07/01/21	2,445,000	2,235,000
2002 Sanitary Sewerage System Revenue Bonds	3.000 – 5.375%	05/08/02	24	01/01/26	2,230,000	2,230,000
2002 Sanitary Sewerage System Refunding Bonds	2.000 – 3.750%	09/01/02	15	10/01/17	7,940,000	7,940,000
2003 Sanitary Sewerage System Revenue Bonds	2.00 – 5.25%	04/09/03	20	01/01/24	3,620,000	3,620,000
1995 Parking System Revenue Bonds	3.80 – 6.00%	09/15/95	25	10/01/20	3,400,000	<u>2,875,000</u>
Total Revenue Bonds						<u><u>\$88,305,000</u></u>

CITY OF COLUMBIA, MISSOURI

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT
TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES AND OTHER FINANCING USES
LAST TEN FISCAL YEARS

<u>Fiscal Year Ended</u>	<u>General Obligation Refunding 1992 Issue Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Expenditures and Other Financing Uses (a)</u>	<u>Ratio of Debt Service Total to General Fund Expenditures</u>
1994	935,000	942,435	1,877,435	45,884,619	4.09%
1995	1,015,000	867,635	1,882,635	50,680,617	3.71%
1996	2,600,000	1,206,384	3,806,384	53,789,060	7.08%
1997	1,920,000	601,710	2,521,710	55,871,278	4.51%
1998	1,195,000	477,930	1,672,930	56,561,908	2.96%
1999	2,660,000	506,664	3,166,664	61,681,184	5.13%
2000	1,305,000	255,655	1,560,655	60,653,382	2.57%
2001	1,365,000	187,795	1,552,795	74,631,405	2.08%
2002	1,425,000	115,450	1,540,450	73,915,786	2.08%
2003	700,000	38,500	738,500	73,509,769	1.00%

(a) Includes General, Special Revenue, and Debt Service Funds. Fiscal years prior to 1996 include encumbrances.

CITY OF COLUMBIA, MISSOURI

WATER AND ELECTRIC UTILITY REVENUE BOND COVERAGE (a)
LAST TEN FISCAL YEARS

Fiscal Year Ended	WATER AND ELECTRIC UTILITY			REVENUE / REFUNDING BONDS			Revenue Bond Coverage
	Operating Revenue	Operating Expenses (c)	Net Revenue	Principal	Interest (b)	Total	
1994	56,290,190	41,381,747	14,908,443	1,860,000	2,697,149	4,557,149	3.27
1995	58,060,232	43,906,356	14,153,876	1,975,000	2,760,786	4,735,786	2.99
1996	61,469,098	46,683,099	14,785,999	2,100,000	2,603,721	4,703,721	3.14
1997	64,378,013	47,793,898	16,584,115	2,240,000	2,503,608	4,743,608	3.50
1998	68,573,930	51,395,707	17,178,223	2,395,000	2,139,657	4,534,657	3.79
1999	70,166,637	49,990,146	20,176,491	2,570,000	3,317,423	5,887,423	3.43
2000	69,271,332	51,540,778	17,730,554	2,755,000	3,189,547	5,944,547	2.98
2001	72,367,292	53,888,913	18,478,379	2,895,000	2,931,287	5,826,287	3.17
2002	73,119,302	54,840,910	18,278,392	3,035,000	2,494,394	5,529,394	3.31
2003	76,094,540	58,444,470	17,650,070	3,410,000	3,160,451	6,570,451	2.69

(a) Revenue bonds and their related interest are payable solely from the revenues derived from the operation of the enterprise owned by the City. The taxing power of the City is not pledged to secure payment of the bonds and interest.

(b) Interest payments made in the fiscal year.

(c) Amount excludes depreciation expense.

CITY OF COLUMBIA, MISSOURI

SANITARY SEWER UTILITY REVENUE BOND COVERAGE (a)
LAST TEN FISCAL YEARS

Fiscal Year Ended	SANITARY SEWER SYSTEM			REVENUE BONDS (d)			Revenue Bond Coverage
	Operating Revenue (c)	Operating Expenses (e)	Net Revenue	Principal	Interest (b)	Total	
1994	4,939,764	3,267,826	1,671,938	235,000	767,250	1,002,250	1.67
1995	5,127,096	3,649,102	1,477,994	250,000	753,916	1,003,916	1.47
1996	5,199,547	3,738,545	1,461,002	265,000	739,481	1,004,481	1.45
1997	5,362,156	4,120,262	1,241,894	285,000	723,898	1,008,898	1.23
1998	5,847,430	4,284,596	1,562,834	300,000	707,208	1,007,208	1.55
1999	6,330,643	4,279,077	2,051,566	320,000	746,511	1,066,511	1.92
2000	6,615,999	4,753,332	1,862,667	340,000	903,791	1,243,791	1.50
2001	6,625,021	4,626,936	1,998,085	570,000	1,003,502	1,573,502	1.27
2002	7,957,444	5,098,788	2,858,656	705,000	1,069,619	1,774,619	1.61
2003	7,923,672	5,501,961	2,421,711	825,000	795,719	1,620,719	1.49

- (a) Revenue bonds and their related interest are payable solely from the revenues derived from the operation of the enterprise owned by the City. The taxing power of the City is not pledged to secure payment of the bonds and interest.
- (b) Interest payments made during the fiscal year.
- (c) Includes investment revenue in fiscal year 2002 and 2003.
- (d) This includes Special Obligation Bonds, Series 2001A, which are to be treated as a sewer system revenue bond issue.
- (e) Amount excludes depreciation expense.

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CITY OF COLUMBIA, MISSOURI

PARKING REVENUE BOND COVERAGE (a)
LAST EIGHT FISCAL YEARS

<u>Fiscal Year Ended</u>	<u>Operating Revenue</u>	<u>Operating Expenses (c)</u>	<u>Net Revenue</u>	<u>Principal</u>	<u>Interest (b)</u>	<u>Total</u>	<u>Revenue Bond Coverage</u>
1996	\$885,931	\$309,216	\$576,715	\$0	\$102,429	\$102,429	5.63
1997	963,701	328,248	635,453	60,000	186,994	246,994	2.57
1998	988,387	419,692	568,695	65,000	184,554	249,554	2.28
1999	1,129,415	480,188	649,227	70,000	181,802	251,802	2.58
2000	1,138,465	591,317	547,148	75,000	178,737	253,737	2.16
2001	1,208,867	611,500	597,367	80,000	175,344	255,344	2.34
2002	1,694,281	738,795	955,486	85,000	171,609	256,609	3.72
2003	1,707,745	650,768	1,056,977	90,000	167,517	257,517	4.10

(a) Revenue bonds and their related interest are payable solely from the revenues derived from the operation of the enterprise owned by the City. The taxing power of the City is not pledged to secure payment of the bonds and interest. The Parking Revenue Bonds are dated September 15, 1995 and the first principal payment is due October 1, 1996; accordingly, 1996 through 2003 are the only years presented herein.

(b) Interest payments made during the fiscal year.

(c) Amount excludes depreciation expense.

CITY OF COLUMBIA, MISSOURI

DEBT SERVICE REQUIREMENTS TO MATURITY
GENERAL AND SPECIAL OBLIGATION BONDS
AND CERTIFICATES OF PARTICIPATION
SEPTEMBER 30, 2003

Fiscal Year Ended	SPECIAL OBLIGATION BONDS 1996			SPECIAL OBLIGATION BONDS 2001		
	Maturities	Interest Due	Maturities and Interest	Maturities	Interest Due	Maturities and Interest
2004	\$500,000	\$472,550	\$972,550	\$285,000	\$293,696	\$578,696
2005	525,000	446,663	971,663	290,000	283,203	573,203
2006	550,000	418,975	968,975	300,000	272,360	572,360
2007	580,000	389,450	969,450	310,000	260,998	570,998
2008	610,000	357,907	967,907	315,000	249,278	564,278
2009	645,000	324,014	969,014	330,000	237,185	567,185
2010	680,000	288,248	968,248	340,000	224,537	564,537
2011	715,000	250,753	965,753	355,000	211,244	566,244
2012	755,000	210,874	965,874	370,000	197,010	567,010
2013	795,000	168,438	963,438	380,000	181,725	561,725
2014	840,000	123,475	963,475	395,000	165,348	560,348
2015	885,000	76,037	961,037	420,000	147,615	567,615
2016	940,000	25,850	965,850	435,000	128,588	563,588
2017	0	0	0	455,000	108,335	563,335
2018	0	0	0	480,000	86,710	566,710
2019-2021	0	0	0	1,590,000	116,230	1,706,230
Total	\$9,020,000	\$3,553,234	\$12,573,234	\$7,050,000	\$3,164,062	\$10,214,062

CITY OF COLUMBIA, MISSOURI

DEBT SERVICE REQUIREMENTS TO MATURITY
GENERAL AND SPECIAL OBLIGATION BONDS
AND CERTIFICATES OF PARTICIPATION
SEPTEMBER 30, 2003

CERTIFICATES OF PARTICIPATION 2001			CERTIFICATES OF PARTICIPATION 2001A			Total Maturities and Interest
Maturities	Interest Due	Maturities and Interest	Maturities	Interest Due	Maturities and Interest	
\$0	\$418,250	\$418,250	\$2,950,000	\$421,702	\$3,371,702	\$5,341,198
0	418,250	418,250	3,165,000	299,402	3,464,402	5,427,518
0	418,250	418,250	3,405,000	168,002	3,573,002	5,532,587
7,000,000	209,125	7,209,125	100,000	97,902	197,902	8,947,475
0	0	0	105,000	93,737	198,737	1,730,922
0	0	0	110,000	89,234	199,234	1,735,433
0	0	0	115,000	84,381	199,381	1,732,166
0	0	0	120,000	79,165	199,165	1,731,162
0	0	0	125,000	73,590	198,590	1,731,474
0	0	0	130,000	67,660	197,660	1,722,823
0	0	0	135,000	61,365	196,365	1,720,188
0	0	0	140,000	54,625	194,625	1,723,277
0	0	0	150,000	47,375	197,375	1,726,813
0	0	0	155,000	39,750	194,750	758,085
0	0	0	160,000	31,775	191,775	758,485
0	0	0	540,000	42,538	582,538	2,288,768
<u>\$7,000,000</u>	<u>\$1,463,875</u>	<u>\$8,463,875</u>	<u>\$11,605,000</u>	<u>\$1,752,203</u>	<u>\$13,357,203</u>	<u>\$44,608,374</u>

CITY OF COLUMBIA, MISSOURI

DEBT SERVICE REQUIREMENTS TO MATURITY
WATER AND ELECTRIC UTILITY BONDS
SEPTEMBER 30, 2003

Fiscal Year Ended	2003 SERIES REVENUE BONDS			1992 SERIES REVENUE BONDS		
	Maturities	Interest Due	Maturities and Interest	Maturities	Interest Due	Maturities and Interest
2004	\$50,000	\$309,994	\$359,994	\$3,315,000	\$497,213	\$3,812,213
2005	50,000	308,744	358,744	3,495,000	308,190	3,803,190
2006	50,000	307,744	357,744	3,690,000	105,165	3,795,165
2007	770,000	298,581	1,068,581	0	0	0
2008	790,000	280,044	1,070,044	0	0	0
2009	805,000	250,044	1,055,044	0	0	0
2010	825,000	216,512	1,041,512	0	0	0
2011	855,000	189,747	1,044,747	0	0	0
2012	880,000	160,987	1,040,987	0	0	0
2013	915,000	129,575	1,044,575	0	0	0
2014	950,000	95,750	1,045,750	0	0	0
2015	985,000	59,469	1,044,469	0	0	0
2016	1,025,000	20,500	1,045,500	0	0	0
2017	0	0	0	0	0	0
2018	0	0	0	0	0	0
2019	0	0	0	0	0	0
2020	0	0	0	0	0	0
2021	0	0	0	0	0	0
2022	0	0	0	0	0	0
2023	0	0	0	0	0	0
2024	0	0	0	0	0	0
2025	0	0	0	0	0	0
2026	0	0	0	0	0	0
2027	0	0	0	0	0	0
Total	<u>\$8,950,000</u>	<u>\$2,627,691</u>	<u>\$11,577,691</u>	<u>\$10,500,000</u>	<u>\$910,568</u>	<u>\$11,410,568</u>

CITY OF COLUMBIA, MISSOURI

DEBT SERVICE REQUIREMENTS TO MATURITY
WATER AND ELECTRIC UTILITY BONDS
SEPTEMBER 30, 2003

1998 SERIES REVENUE BONDS			2002 SERIES REVENUE BONDS			Total
Maturities	Interest Due	Maturities and Interest	Maturities	Interest Due	Maturities and Interest	Maturities and Interest
\$60,000	\$1,429,305	\$1,489,305	\$260,000	\$756,168	\$1,016,168	\$6,677,680
60,000	1,426,755	1,486,755	265,000	747,961	1,012,961	6,661,650
70,000	1,423,943	1,493,943	455,000	735,690	1,190,690	6,837,542
1,550,000	1,375,920	2,925,920	465,000	719,011	1,184,011	5,178,512
1,645,000	1,280,070	2,925,070	480,000	700,692	1,180,692	5,175,806
1,710,000	1,179,420	2,889,420	495,000	680,945	1,175,945	5,120,409
1,790,000	1,086,950	2,876,950	515,000	659,854	1,174,854	5,093,316
1,875,000	1,001,718	2,876,718	535,000	636,873	1,171,873	5,093,338
1,970,000	910,375	2,880,375	555,000	608,185	1,163,185	5,084,547
2,065,000	812,503	2,877,503	580,000	579,210	1,159,210	5,081,288
1,205,000	732,388	1,937,388	605,000	553,651	1,158,651	4,141,789
1,270,000	671,433	1,941,433	630,000	526,556	1,156,556	4,142,458
1,330,000	606,750	1,936,750	660,000	497,516	1,157,516	4,139,766
1,400,000	538,500	1,938,500	690,000	466,380	1,156,380	3,094,880
1,475,000	466,625	1,941,625	725,000	433,205	1,158,205	3,099,830
1,550,000	391,000	1,941,000	760,000	397,746	1,157,746	3,098,746
1,630,000	311,500	1,941,500	795,000	360,128	1,155,128	3,096,628
1,715,000	227,875	1,942,875	835,000	319,875	1,154,875	3,097,750
1,800,000	140,000	1,940,000	880,000	277,000	1,157,000	3,097,000
1,900,000	47,500	1,947,500	920,000	232,000	1,152,000	3,099,500
0	0	0	970,000	184,750	1,154,750	1,154,750
0	0	0	1,015,000	135,125	1,150,125	1,150,125
0	0	0	1,070,000	83,000	1,153,000	1,153,000
0	0	0	1,125,000	28,125	1,153,125	1,153,125
<u>\$28,070,000</u>	<u>\$16,060,530</u>	<u>\$44,130,530</u>	<u>\$16,285,000</u>	<u>\$11,319,646</u>	<u>\$27,604,646</u>	<u>\$94,723,435</u>

CITY OF COLUMBIA, MISSOURI

DEBT SERVICE REQUIREMENTS TO MATURITY
 SANITARY SEWER UTILITY AND PARKING REVENUE BONDS
 SEPTEMBER 30, 2003

Fiscal Year Ended	SEWER REVENUE BONDS			PARKING REVENUE BONDS		
	Bond Principal Due	Bond Interest Due	Total Requirements	Bond Principal Due	Bond Interest Due	Total Requirements
2004	\$935,000	\$931,058	\$1,866,058	\$95,000	\$163,052	\$258,052
2005	1,140,000	856,544	1,996,544	100,000	158,224	258,224
2006	1,145,000	818,236	1,963,236	105,000	153,047	258,047
2007	1,155,000	782,088	1,937,088	110,000	147,509	257,509
2008	1,180,000	743,133	1,923,133	120,000	141,469	261,469
2009	1,205,000	700,445	1,905,445	125,000	134,883	259,883
2010	1,230,000	654,372	1,884,372	130,000	127,836	257,836
2011	1,270,000	604,948	1,874,948	140,000	120,206	260,206
2012	1,290,000	551,168	1,841,168	150,000	111,866	261,866
2013	1,330,000	495,792	1,825,792	155,000	102,982	257,982
2014	1,285,000	438,764	1,723,764	165,000	93,581	258,581
2015	1,320,000	379,477	1,699,477	175,000	83,507	258,507
2016	1,360,000	318,444	1,678,444	0	78,300	78,300
2017	1,395,000	255,286	1,650,286	0	78,300	78,300
2018	1,440,000	189,894	1,629,894	0	78,300	78,300
2019	760,000	136,875	896,875	0	78,300	78,300
2020	785,000	96,658	881,658	0	78,300	78,300
2021	485,000	61,183	546,183	1,305,000	39,150	1,344,150
2022	340,000	35,930	375,930	0	0	0
2023	350,000	19,002	369,002	0	0	0
2024	225,000	5,288	230,288	0	0	0
	<u>\$21,625,000</u>	<u>\$9,074,585</u>	<u>\$30,699,585</u>	<u>\$2,875,000</u>	<u>\$1,968,812</u>	<u>\$4,843,812</u>

CITY OF COLUMBIA, MISSOURI

SCHEDULE OF ELECTRIC SERVICE RATES *
2002 – 2003

RESIDENTIAL SERVICE RATE (per kilowatt hour)		
Customer charge		\$4.50 per month
All KWH		6.17 ¢ per KWH
Electric Heating (October through May) All KWH		5.50 ¢ per KWH
RESIDENTIAL HEAT PUMP RATE (OCTOBER – MAY)		
Customer charge		\$4.50 per month
All KWH		4.89 ¢ per KWH
SMALL GENERAL SERVICE RATE (per kilowatt hour)		
Customer charge (single-phase)		\$4.50 per month
Customer charge (three-phase)		\$6.34 per month
All KWH		6.19 ¢ per KWH
Electric Heating (October through May) KWH in excess of 75% of customer's summer maximum KWH		5.64 ¢ per KWH
SMALL GENERAL SERVICE HEAT PUMP RATE (October through May)		
Customer charge (single-phase)		\$4.50 per month
Customer charge (three-phase)		6.34 ¢ per KWH
KWH in excess of 50% of the customer's summer maximum KWH		4.50 ¢ per KWH
PRIVATE STREET AND OUTDOOR AREA LIGHTING RATE		
100 Watt Mercury Vapor (M.V.)		\$4.22 per month
100 Watt High Pressure Sodium (H.P.S.)		\$4.53 per month
175 Watt M.V.		\$5.23 per month
250 Watt M.V.		\$7.39 per month
250 Watt H.P.S.		\$13.44 per month
310 Watt H.P.S.		\$14.68 per month
400 Watt H.P.S.		\$16.14 per month
400 Watt M.V.		\$10.48 per month
700 Watt M.V.		\$19.84 per month
1,000 Watt M.V.		\$26.55 per month
100 Watt H.P.S. PTL		\$10.14 per month
175 Watt H.P.S. PTL		\$10.08 per month
LARGE GENERAL SERVICE RATE		
	Summer	Nonsummer
Demand charge:		
First 25 KW or less billing demand	\$175.00	\$140.00
Additional KW	\$7.00 per KW	\$5.60
Energy charge:		
First 360 KWH per KW of billing demand	4.00 ¢ per KWH	4.00
All additional KWH	3.20 ¢ per KWH	3.20
INDUSTRIAL SERVICE RATE		
	Summer	Nonsummer
Demand charge:		
First 750 KW or less billing demand	\$10,500.00	\$8,400.00
All additional KW	\$14.00 per KW	\$11.20 per KW
Energy charge (All KWH)	2.66 ¢ per KWH	2.66 ¢ per KWH
SPECIAL OUTDOOR LIGHTING		
Customer Charge		\$29.53 per month
Cost per KWH		8.95 ¢ per KWH
69 KV SERVICE RATE		
Demand charge (All KW of billing demand)		\$8.39 per KW
Energy charge (All KWH)		3.00 ¢ per KWH

* The rates shown in this table are those in effect at October 1, 2002. The electric service rates for residential service, small general service, and the energy charge portion for large general service and industrial services are increased or decreased by a fuel adjustment allowance. The fuel adjustment allowance is computed annually based on the energy costs estimate (purchased power and fuel) per kilowatt hour.

CITY OF COLUMBIA, MISSOURI

SCHEDULE OF WATER AND SANITARY SEWER SERVICE RATES
2002 – 2003**WATER RATES**

	<u>Inside City Limits</u>	<u>Outside City Limits</u>
Residential*: All CCF	\$ 1.395 per 100 CCF	\$ 1.855 per 100 CCF
Commercial*: All CCF	\$ 1.298 per 100 CCF	\$ 1.726 per 100 CCF
Large Commercial*: All CCF	\$ 1.126 per 100 CCF	\$ 1.498 per 100 CCF
*Summer Surcharged Rate: (June, July, August, and September water use in excess of 120% average for nonsummer use)	\$ 1.953 per 100 CCF	\$ 2.597 per 100 CCF

Minimum Charge Per Month

<u>Meter Size</u>	<u>Inside City Limits</u>	<u>Outside City Limits</u>
	5/8 inch	\$4.37
1 inch	\$4.63	\$6.16
1 1/2 inch	\$6.67	\$8.87
2 inch	\$8.58	\$11.41
3 inch	\$21.01	\$27.94
4 inch	\$32.47	\$43.19
6 inch	\$64.94	\$86.37

SANITARY SEWER RATES

Residential and Commercial: Service Charge	\$ 3.73 per month
All Volume	\$ 0.886 per 100 cu. ft.

CITY OF COLUMBIA, MISSOURI

PROPERTY VALUE, CONSTRUCTION, AND BANK DEPOSITS
LAST TEN FISCAL YEARS

Fiscal Year	Commercial Construction (a)		Residential Construction (a)		Bank Deposits (in thousands)	Estimated Property Value
	Number of Permits	Value	Number of Permits	Value		
1994	70	28,083,000	807	95,019,253	1,284,996 (b)	2,410,081,958
1995	66	35,516,604	642	72,265,643	1,386,790 (b)	2,541,838,871
1996	66	50,101,346	692	83,003,696	1,092,645 (b)	2,680,063,838
1997	87	35,749,827	643	74,793,276	1,074,011 (b)	2,904,545,971
1998	95	47,518,286	644	49,311,058	1,132,055 (b)	3,448,629,246
1999	93	28,822,469	714	92,116,794	1,145,164 (b)	3,625,640,713
2000	88	32,610,878	657	108,251,195	1,078,276 (b)	3,794,813,029
2001	66	47,443,935	620	88,884,682	1,185,841 (b)	3,952,633,338
2002	49	21,159,267	857	130,973,183	1,282,811 (b)	4,251,424,537
2003	75	68,302,290	1,069	173,903,598	1,735,000 (b)	4,450,247,350

(a) Source: City of Columbia Public Works Department.

(b) Source: Bank Call Reports.

NOTE: In 1996, Commerce Bank is not included with the Bank Deposits because it merged with Commerce Bank, Kansas City.
In 2000, Firststar took over Mercantile and regional information was not available.

CITY OF COLUMBIA, MISSOURI

PRINCIPAL TAXPAYERS
SEPTEMBER 30, 2003

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Minnesota Mining and Manufacturing (3M)	Office Products	\$ 27,800,031	2.60%
Columbia Mall Limited Partnership	Property/Developer	8,268,325	0.77%
State Farm Mutual Automobile Ins Company	Insurance	8,158,086	0.76%
Shelter Mutual Insurance Co	Insurance	7,603,028	0.71%
Columbia Foods	Manufacturer	6,336,834	0.59%
Dan Hagan	Property/Developer	3,869,202	0.36%
Rusk Rehabilitation Center	Health Care	3,783,072	0.35%
Rayman Columbia Center Trust	Property/Developer	3,777,439	0.35%
Spicer Axle, Inc.	Manufacturer	3,327,938	0.31%
Forum Shopping Center LLC	Property/Developer	3,320,340	0.31%
		<u>\$ 76,244,295</u>	<u>7.11%</u>

Note: The assessed value is approximately 32% of the estimated actual value of the property.

CITY OF COLUMBIA, MISSOURI

DEMOGRAPHIC STATISTICS
SEPTEMBER 30, 2003

	Date of Organization:	1892			
	Date of Incorporation:	1949			
	Form of Government:	Council/Manager			
	Area:	55.87			
Population:	1994-74,072	1996-76,756	1998-80,642	2000-84,531	2002-88,291
	1995-75,415	1997-78,675	1999-82,658	2001-86,391	2003-89,174
	Registered Voters:	35,025			
	Number of Households:	55,300			
	Median Household Buying				
	Income (family of four)	\$	34,476		
	Median Age of Population	29.5			
	Cost of Living				
	(National Average is 100)	98.1			
Retail Sales (x \$1,000)	1998 *	1999 *	2000 *	2001 *	2002 *
Calendar -Year Basis:					
Food	\$ 232,973	\$ 175,662	\$ 196,667	\$ 235,391	\$ 208,992
Restaurants	161,898	142,719	168,088	194,154	215,523
General Merchandise	313,328	394,318	429,127	418,245	508,000
Furniture and Appliances	114,436	55,066	42,588	53,161	51,018
Automobiles	505,325	478,477	534,463	546,737	530,272
Miscellaneous Other	435,591	411,408	446,471	569,238	587,948
Total	\$ <u>1,763,551</u>	\$ <u>1,657,650</u>	\$ <u>1,817,404</u>	\$ <u>2,016,926</u>	\$ <u>2,101,753</u>
Fire Protection		Communications		Public Parking	
Number of stations	8	Newspapers (daily)	2	Parking meters on street	1,705
Number of employees	128	Radio stations	15	Parking lot meters	490
Number of vehicles	32	TV stations	6	Garage attendant parking	813
Number of hydrants	4,023	Cable TV/Satellite	2	Unmetered off-street public parking	1,477
Police Protection		Recreation		Total Public Parking	<u>4,485</u>
Number of stations	1	Athletic clubs	15		
Number of substations	5	Number of pools	13	City Streets	
Number of employees	175	Golf courses:		Paved (miles)	330.13
Number of vehicles	90	(municipal)	2	Unimproved (miles)	51
		(college/university)	1	Sewer (miles)	459
		(private)	5	Airports	1
Education		Parks	40	Airlines	1
Elementary and high school enrollment	16,243	(total acres 2,093)		American Connections	
Elementary schools	20	Community Facilities			
Middle schools	3	Hospitals	6		
Junior high schools	3	Beds	1,143		
Senior high schools	4	Hotels/Motels	27		
Vocational School	1	Theaters (screens)	24		
Secondary learning center	1	Churches	116		
Catholic parochial	1	City Employees			
Columbia College, enrollment	8,000	Full-time Equivalent (FTE)	1,141.50		
Stephens College, enrollment	800				
University of Missouri-Columbia, enrollment	26,000				

* Total retail sales and store group sales for 1997-2002 were obtained from the 1997-2002 Survey of Buying Power.

CITY OF COLUMBIA, MISSOURI

INSURANCE IN FORCE
SEPTEMBER 30, 2003City of Columbia – Property/Casualty Insurance Program
Policy Period – October 1, 2002 to October 1, 2003

- I. Package Policy – Protected Self-Insurance Program
 - A. Clarendon Insurance Company
 - B. Policy #XSR39306166
 - C. Premium \$200,977
 - D. Liability Limits – \$1,750,000 Excess \$500,000 SIR
 - E. Coverages
 - 1. General Liability
 - 2. Automobile Bodily Injury, Property Damage, Uninsured/Underinsured Motorists
 - 3. Employee Benefits Liability
 - 4. Police Professional Liability
 - 5. Public Officials Liability including Employment Practices Liability

- II. Excess Property
 - A. Lexington Insurance Company
 - B. Policy #12812872
 - C. Premium \$421,094
 - D. Limit - \$5,000,000 Excess \$250,000 SIR

- III. Excess Property
 - A. AIG/Starr Tech
 - B. Policy #STA4102033
 - C. Premium \$106,539
 - D. Limit \$95,000,000 Excess \$5,000,000
 - E. Sub-Limits
 - 1. Flood - \$50,000,000 excess \$250,000 SIR Excluding Flood Zones A, B and V
 - 2. Earthquake - \$50,000,000 Excess \$250,000 SIR
 - 3. Licensed Vehicles - \$5,000,000 Excess \$250,000 SIR
 - 4. Mobile Equipment - Included above
 - 5. Newly Acquired Property - \$2,000,000 Excess \$250,000 SIR
 - 6. EDP Equipment and Media - \$1,500,000 Excess \$250,000 SIR
 - 7. Extra Expense - \$1,500,000 Excess \$250,000 SIR
 - 8. Debris Removal - \$5,000,000 or 25% of Loss, whichever is greater excess \$250,000 SIR
 - 9. Direct Loss Damage resulting from Terrorism - \$1,000,000 Excess \$250,000 SIR

- IV. Boiler and Machinery Coverages
 - A. Hartford Steam Boiler Company/AIG Starr Tech
 - B. Policy #STA4102033
 - C. Premium \$182,658
 - D. Limit – \$25,000,000
 - E. Boilers, Turbines, Transformers, and Other Related Pumps and Miscellaneous Machinery;
Deductibles vary from \$10,000 to \$250,000 depending on size and classification of object

- V. Crime Coverages
 - A. Federal Insurance Company
 - B. Policy #81702669
 - C. Premium \$8,950
 - D. Limits – \$500,000 Excess \$50,000 Deductible
 - E. Coverages
 - 1. Employee Dishonesty
 - 2. Money and Securities
 - 3. Depositors Forgery
 - 4. Money Orders and Counterfeit Papers
 - 5. Computer Fraud
 - 6. Credit Card Fraud

- VI. Excess Workers' Compensation
 - A. Midwest Employers Casualty Company
 - B. Policy #256SOMO
 - C. Premium \$44,039
 - D. Limits – Statutory
 - E. Employers Liability – \$1,000,000 Per Occurrence
 - F. \$750,000 Self-Insured Retention

CITY OF COLUMBIA, MISSOURI

INSURANCE IN FORCE
SEPTEMBER 30, 2003

-
- VII. Chamber of Commerce Coverage - Property Coverage
 - A. Federal Insurance Company
 - B. Policy #35333061
 - C. Premium \$2,950
 - D. Limits - \$934,977 - Building
 - E. \$2,500 Deductible
 - F. All Risk
 - G. 80% Coinsurance

 - VIII. Columbia Regional Airport Coverages
 - A. National Union Fire Insurance Company
 - B. Policy #58836
 - C. Premium \$16,466
 - D. Limits
 - 1. Airport Liability: \$10,000,000 Each Occurrence
 - 2. Products/Completed Operations: \$10,000,000 Aggregate
 - 3. Personal and Advertising Injury: \$10,000,000 Aggregate
 - 4. Personal Injury - \$1,000,000 Per Individual and Aggregate
 - 5. Incidental Medical Malpractice Liability: \$10,000,000 Each Occurrence and Aggregate
 - 6. Non-Owned Aircraft Liability - \$10,000,000 Each Occurrence
 - 7. Hangar Keepers Liability - \$10,000,000 Each Occurrence/Loss \$1,000 Deductible

 - IX. City of Columbia Health Department
 - A. Columbia Casualty Insurance Company
 - B. Policy #HMA1040025803
 - C. Premium \$27,000
 - D. Limits: Medical Professional Liability
 - 1. Each Person: \$1,000,000
 - 2. Total Limit: \$2,000,000

 - X. Columbia Terminal Railroad - Railroad Liability
 - A. Lexington Insurance Company
 - B. Policy #2664774
 - C. Premium \$25,000
 - D. Claims-Made Policy
 - E. Limits
 - 1. \$5,000,000 Each Occurrence and \$10,000,000 Aggregate
 - 2. Self-Insured Retention - \$25,000 Per Occurrence except \$100,000 SIR for FELA

 - XI. Columbia Terminal Railroad 0- Inland Marine/Rolling Stock
 - A. Fireman's Fund Insurance Company
 - B. Policy #MX197902150
 - C. Premium \$1,837
 - D. Limits:
 - 1. \$236,000 Per Occurrence
 - 2. \$500 Deductible

 - XII. Arthur J. Gallagher Service Fee
 - A. Annual Fee is \$35,000
 - B. Provides Brokerage Services with Insurance Policies written at 0% commissions

 - XIII. Arthur J. Gallagher Loss Prevention Fee
 - A. Annual Fee is \$20,000
 - B. Provides Loss Prevention Services and Programs with Alan Schmitt

CITY OF COLUMBIA, MISSOURI

SCHEDULE OF MARKETABLE SECURITIES AND INVESTMENTS
SEPTEMBER 30, 2003

Identification Number and Issuing Institution	Purchase Date	Face Amount, or Shares	Maturity Date	Coupon Interest Rate	Cost	Fair Value 09/30/03
POOLED CASH:						
U. S. Government and Agency Securities:						
FHLB CALLABLE - 3133M4R88	07/07/98	3,000,000	07/07/04	6.000%	2,997,187	3,109,230
FNMA 1991 - 138 L CMO 31358JXPI	04/27/98	2,560,000	10/25/06	8.000%	314,426	248,640
FHLMC MTN CALL - 3128X0EH8	11/06/02	1,508,000	10/30/06	3.520%	1,507,529	1,510,684
FHLB - ONE TIME CALL - 3133MGB62	07/30/01	950,000	01/30/07	5.750%	953,239	986,670
FNMA PL 155503 - 31366QU45	09/17/96	4,875,005	04/01/07	7.500%	101,760	102,559
FNMA 15 SF 159058 - 31366UTP	06/19/92	478,000	04/01/07	7.000%	15,035	17,301
FNMA - 31364KND8	05/04/00	1,000,000	05/04/07	7.500%	1,000,000	1,040,790
FNMA MTN - 31364C2R8	03/13/00	1,000,000	07/16/07	6.600%	955,000	1,044,500
FHLMC E00159CP - 31294JE87	09/30/92	400,000	09/01/07	6.500%	23,415	25,139
FFCB - 31331QFW2	10/22/02	1,000,000	10/22/07	3.950%	994,375	1,001,720
FNMA 050743 - 313615LY0	04/20/93	500,000	04/01/08	6.000%	56,636	60,800
FHLMC GOLD M90808 - 31282U4B0	07/23/03	2,000,000	06/01/08	4.000%	1,973,017	1,940,587
FNMA PL 380498 - 30377LUX9	11/14/01	500,000	07/01/08	6.260%	527,500	500,000
FHLMC E000245CP - 31294JHW1	various	3,500,000	08/01/08	5.500%	533,219	561,421
FNMA CALL - 3136F4DQ4	09/08/03	2,000,000	09/08/08	4.250%	2,000,000	2,051,880
FHLMC E00247CP - 31294JHY7	various	4,940,000	10/01/08	5.500%	683,815	727,841
FHLMC E52721CP - 31357UAW7	11/18/93	1,000,000	11/01/08	6.000%	78,047	81,765
FHLMC E52736CP - 31357UBD8	11/18/93	1,023,338	11/01/08	6.000%	77,765	81,817
FNMA 254137 - 31371KHN4	01/14/02	916,740	12/01/08	6.000%	237,285	224,908
FHLMC SER 2390 CL JH - 31339LPT1	01/14/02	1,000,000	12/15/08	5.250%	4,327	6,775
FHLMC M80718 GOLD - 31282RYP3	01/30/02	1,590,682	01/01/09	5.000%	695,277	724,251
FHR 2412 EC - 31339DUH9	03/18/02	1,500,000	01/15/09	5.500%	1,490,625	1,562,910
FNMA 254273 - 31371KMW8	02/25/02	1,000,000	03/01/09	5.000%	428,062	444,078
FHLM REMIC 1704 - 3133T4QB5	04/20/01	2,000,000	03/15/09	6.500%	3,183,339	3,733,647
FNMA 381724 - 31377NAZ2	02/20/02	825,000	06/01/09	6.250%	814,690	779,331
FHLM PL M80765 - 31282RZ64	09/25/02	1,000,000	08/01/09	5.000%	530,815	520,037
FHLMC M80773 - 31282R2E3	10/24/02	1,000,000	10/01/09	5.000%	587,657	577,977
FHLMC M80779 - 31282R2L7	various	2,000,000	11/01/09	5.000%	1,286,122	1,258,617
FNMA 254582 - 31371KXK2	12/23/02	1,000,000	12/01/09	4.500%	753,106	746,494
FHLMC CMO 2434 EG - 3133TVYF7	12/18/02	1,125,000	12/15/09	5.250%	71,494	55,822
FHLMC MED TERM NOTE - 3128X1BE6	06/30/03	2,000,000	05/20/10	4.000%	2,022,200	1,998,980
FHLB CALLABLE - 3133MBKCO	07/14/00	800,000	05/25/10	8.025%	820,960	874,880
FNMA 73652 - 31362WZRO	03/07/01	1,150,000	10/01/11	7.440%	1,131,452	1,071,859
FHLMC - 3134A1M6	03/17/97	3,000,000	02/06/12	7.270%	2,990,232	3,412,980
FNMA CALL - 31359MMF7	02/21/02	1,000,000	02/28/12	5.625%	975,313	1,063,280
FHLMC PL M30146-31282CET0	03/19/98	4,999,357	06/01/12	7.000%	329,729	255,399
HUD CALLABLE - 911759BN7	09/12/96	1,400,000	08/01/12	7.510%	1,376,715	1,531,474
FHLMC CMO 2422 VA - 31339DH76	10/30/02	1,500,000	11/15/12	6.500%	1,437,510	1,433,852
FHR 2055 OE - 3133TDX50	02/20/02	1,000,000	05/15/13	6.500%	1,034,688	1,083,350
FNMA PL 431577 - 31379WM20	07/20/98	2,000,000	07/01/13	5.000%	271,936	372,927
FNMA POOL 254863 - 31371LB81	08/18/03	1,000,000	08/01/13	4.000%	978,327	997,918
FHLB CALLABLE - 3133M5T83	11/04/98	2,000,000	09/30/13	5.830%	2,014,260	2,157,200
FNMA 449353 - 31380TE23	11/17/98	3,000,000	10/01/13	5.500%	542,354	593,098
FHLMC E00669 - 31294JW61	02/19/02	2,000,000	05/01/14	6.000%	617,165	605,730
FHLMC REMIC 2366MG - 31339GD32	10/30/01	1,000,000	12/15/14	6.000%	533,317	508,003
FHLMC CMO SERIES 2211 CL-VB - 3133TNEF7	07/23/01	1,000,000	01/15/15	7.500%	473,660	441,928
U.S. Treasury Strip 912833KF6	07/16/93	371,000	11/15/15	0.000%	78,452	210,750
FNR 2003-24 PN - 31393AK30	07/02/03	2,000,000	11/25/15	4.500%	2,054,375	2,004,260
FHLMC E00975 GOLD - 31294KCL7	08/26/03	7,000,000	05/01/16	6.000%	1,939,246	1,943,463
FHLMC PL291302 - 31344XNTO	various	58,282,764	04/01/17	7.000%	1,121,173	1,063,104
FNMA REM 3-11 CL DB - 31392HQG1	01/30/03	1,000,000	04/25/17	5.000%	766,430	770,459
FHLMC 2474 NE - 31392PZL2	09/16/03	4,180,622	07/15/17	5.000%	2,041,240	2,077,255
FNMA REMIC 02-83 JA - 31392GHQ1	11/29/02	1,000,000	12/25/17	5.000%	242,439	222,413
FNMA 2002-89 CI CA - 31392GPK5	12/30/02	1,000,000	12/26/17	5.000%	766,294	769,772
FHLMC C90211 - 31335HGU1	12/12/02	3,500,000	04/01/18	6.500%	527,190	493,263
FNMA STEP-UP CALL - 3136F32N5	08/01/03	2,000,000	08/01/18	4.250%	2,000,000	2,057,820
FHLMC C90263 - 31335HJG9	05/17/99	1,000,000	04/01/19	7.000%	236,574	225,874
FNMA LP 577376 - 31386YMZ4	11/26/01	953,329	08/01/19	7.500%	320,455	302,974
FHR 1013 Z - 312904RL1	11/21/02	780,000	10/15/20	9.000%	249,376	230,728
FNMA 253945 - 31371KBN0	04/29/02	1,200,000	08/01/21	6.500%	365,033	356,154
FHR 1116 I - 312906C40	11/30/98	505,000	08/15/21	5.500%	89,726	96,064
FHR 1125 X - 312906XG0	various	950,000	08/15/21	8.250%	292,938	262,586
FHR 1163 JA - 3129072D9	11/29/99	500,000	11/15/21	7.000%	106,090	111,422
FHLMC REMIC 1584 - 3133TIBWI	07/19/01	1,870,000	11/15/21	3.500%	214,530	306,769
FHR 2522 - 31393F5T9	11/29/02	2,000,000	11/15/21	5.500%	1,293,425	1,319,100
FNR 91-162 GA - 31358KF37	02/20/01	493,000	12/25/21	8.250%	104,630	100,487
FNMA 2002-16 CL QK PAC - 31392CUR3	03/28/02	1,000,000	03/25/22	5.500%	617,867	606,068
FHLMC REMIC 1280 CL B - 312909J88	various	78,574,999	04/15/22	6.000%	1,766,141	1,703,274
FNMA REM 03-34 BA - 31393CET6	09/28/03	4,000,000	05/25/22	4.000%	3,517,454	3,547,256
FNR G93-34 PJ - 31359EZS3	01/29/01	1,010,000	12/25/22	6.600%	622,239	636,834

CITY OF COLUMBIA, MISSOURI

SCHEDULE OF MARKETABLE SECURITIES AND INVESTMENTS
SEPTEMBER 30, 2003

Identification Number and Issuing Institution	Purchase Date	Face Amount, or Shares	Maturity Date	Coupon Interest Rate	Cost	Fair Value 09/30/03
GNMA REMIC 03-8 TA - 38373YVW1	01/30/03	1,000,000	07/16/26	5.500%	612,626	592,824
FHR 1883 L - 3133T7WD7	05/10/02	2,000,000	09/15/26	7.000%	1,684,339	1,727,356
FNMA 1998 SER 61 CL PK - 31359US97	07/26/01	1,000,000	12/25/26	6.000%	991,250	1,027,740
GNMA CMO SERIES 98-18PR - 3837H1SE2	07/23/02	1,000,000	03/20/27	6.500%	735,125	710,147
GNMA REMIC 2001-10PN - 383739LT4	01/22/02	1,425,000	10/16/27	5.500%	275,766	258,860
FHLMC GOLD REMIC 2663AK - 31394HLT6	08/29/03	1,000,000	06/15/28	4.000%	977,759	997,696
GNMA POOL 002633M - 36202C4S9	08/24/98	1,000,000	08/20/28	8.000%	96,954	69,629
FHLMC PL 2313BG - 3133TTJM4	11/29/01	1,000,000	01/25/29	6.000%	162,652	158,218
FHLMC CMO 2292 CL-AB - 3133TRVR3	03/19/02	2,000,000	04/15/29	6.500%	176,933	148,376
FHLMC CMO 2335 CY - 31339S83	06/10/02	1,000,000	08/15/29	6.500%	436,926	415,609
GNMA REMIC 2002-63 AC - 38373VNH9	10/21/02	1,000,000	10/20/29	6.000%	554,281	531,469
FHR 2383 PK - 31339GPW2	09/25/02	1,728,608	01/15/30	5.500%	1,803,154	1,807,674
Total U. S. Government and Agency Securities					<u>72,265,664</u>	<u>73,994,796</u>
Bonds						
FICO Strip - 31771CQR9	11/26/96	1,129,000	02/03/15	0.000%	<u>326,484</u>	<u>640,922</u>
Miscellaneous Securities						
San Bernardino City CA - 796825AW7	11/07/96	500,000	08/01/15	0.000%	126,255	265,015
Orange County CA Pension - 68428LBA1	12/02/96	13,500,000	09/01/15	0.000%	3,617,055	7,114,365
Liq Inst Reserve Money Market Fund	various	60,206,303	-	-	<u>54,306,493</u>	<u>54,306,493</u>
Total Miscellaneous Securities					<u>58,049,803</u>	<u>61,685,873</u>
Repurchase Agreements:						
Boone County National Bank		1,689,000	10/01/03	0.000%	<u>1,689,000</u>	<u>1,689,000</u>
Total Pooled Cash Marketable Securities					<u>\$ 132,330,951</u>	<u>\$ 138,010,591</u>
SELF-INSURANCE RESERVE:						
Bonds:						
U.S. Treasury Strip 912833GD6	09/05/02	\$ 700,000	07/31/04	2.250%	<u>\$ 704,123</u>	<u>707,000</u>
Total Bonds					<u>704,123</u>	<u>707,000</u>
Mutual Funds:						
UMB Scout Tax Free Fund	various	8,351,604	—	—	<u>8,351,604</u>	<u>8,351,604</u>
Total Mutual Funds					<u>8,351,604</u>	<u>8,351,604</u>
Total Self-Insurance Reserve					<u>\$ 9,055,727</u>	<u>9,058,604</u>
POLICE AND FIREFIGHTERS' RETIREMENT FUND:						
Corporate Bonds:						
Ford Motor Credit Co 345397GV9	05/26/93	250,000	05/15/05	6.750%	247,273	263,170
Assoc CRP N America 045906NZ3	11/15/02	1,000,000	05/17/06	7.230%	1,101,920	1,123,830
GTE Hawaii Tel Deb MBIA 362335AE1	12/18/02	100,000	09/01/06	7.375%	112,159	113,548
Countrywide Fdg Corp 22237LEG3	12/14/01	235,000	10/30/06	7.200%	247,589	265,263
Union Electric 906548BN1	08/17/93	250,000	05/01/08	6.750%	256,240	285,530
Pennzoil Company 709903BB3	11/21/89	400,000	11/15/09	10.125%	398,350	516,736
Caterpillar Powermote 14911QBU4	various	1,000,000	02/15/11	6.750%	1,103,890	1,095,380
McDonnell Doug Corp 580169AM2	02/07/01	150,000	04/01/12	9.750%	188,250	192,330
New Brunswick Province - 642866DV6	12/07/93	250,000	08/15/13	6.750%	244,537	295,718
Petro Canada LTD - 716442AC2	02/14/01	250,000	06/30/18	9.700%	315,000	368,460
Countrywide Home Ln - 22237LHGO	05/20/99	500,000	05/20/19	7.000%	497,500	497,795
Coca-Cola Enterprises - 191219AV6	08/01/01	2,000,000	06/20/20	0.000%	535,520	751,860
Pacific Gas & Elec - 694308EY9	05/24/99	400,000	10/01/23	6.750%	391,200	410,000
May Dept. Stores - 57778BA0	03/27/01	600,000	07/15/26	8.300%	630,000	675,996
Chase Manhattan Corp. - 16161NAA8	07/05/01	8,000,000	03/24/27	0.000%	1,030,320	1,272,480
MBIA Inc. - 55262CAF7	02/08/00	500,000	10/01/28	6.625%	440,220	524,855
Total Corporate Bonds					<u>7,739,968</u>	<u>8,652,951</u>

CITY OF COLUMBIA, MISSOURI

SCHEDULE OF MARKETABLE SECURITIES AND INVESTMENTS
SEPTEMBER 30, 2003

Identification Number and Issuing Institution	Purchase Date	Face Amount, or Shares	Maturity Date	Coupon Interest Rate	Cost	Fair Value 09/30/03
Common Stock and Mutual Funds:						
Evergreen Aggressive Growth	various	6,131	N/A	—	128,124	91,608
Fidelity Contra Fund	various	109,717	N/A	—	4,929,887	4,867,072
Fidelity Blue Chip Growth Fund	various	66,389	N/A	—	2,234,113	2,406,632
Fidelity Value Fund	various	14,723	N/A	—	708,019	803,620
American Century Ultra Fund	various	110,813	N/A	—	3,023,816	2,702,748
American Century Value Fund	various	505,996	N/A	—	3,048,264	3,385,119
American Century Int'l Growth	various	173,087	N/A	—	1,551,300	1,215,077
AIM Constellation Fund	various	60,819	N/A	—	1,495,069	1,170,783
AIM Global Aggressive Growth	various	94,795	N/A	—	1,619,271	1,265,525
Duff & Phelps Utilits Stk – 26432410	various	31,208	N/A	—	342,660	329,869
Standard & Poors Dep Recpts-78462F1	various	37,300	N/A	—	1,739,968	3,728,135
Legg Mason Value Trust	various	82,934	N/A	—	3,343,011	4,246,244
Vanguard Strategic Equity	various	256,422	N/A	—	3,875,439	4,277,126
Total Common Stock and Mutual Funds					28,038,941	30,489,558
U. S. Government and Agency Securities:						
Treasury Bond 253C-254D	06/09/83	2,000,000	11/15/06	—	895,669	1,689,840
AID-Republic of Panama – 698990AC2	08/29/83	202,083	08/01/11	—	173,333	163,750
Student Loan Mkt Assoc 863871AL3	08/29/91	1,000,000	05/15/14	—	221,898	457,960
Total U. S. Government and Agency Securities					1,290,900	2,311,550
Miscellaneous Securities:						
LIR Money Fund	various	15,510,540	—	—	15,031,660	15,031,660
Total Miscellaneous Securities					15,031,660	15,031,660
Asset-Backed Securities						
FHLMC 50-2095 – 31345RKG3	10/20/89	\$ 200,000	10/01/04	9.500%	\$ 2,812	\$ 0
FHLMC 312924RL9	06/27/02	1,000,000	11/06/06	4.650%	1,002,813	1,003,240
FHLMC REMIC 1364N CMO	various	3,775,000	09/15/07	6.500%	57,050	144,651
GNMA 15 SF 337867X	02/18/93	860,000	10/15/07	6.500%	47,651	49,430
FHLMC E42095CP	04/20/93	598,514	11/01/07	6.000%	92,546	99,090
SBA Series 87-20H Cert – 83162CATO	11/25/87	11,460	11/01/07	10.050%	25,895	25,895
FHLMC REM F1423F – 312913UY0	06/25/93	500,000	12/15/07	7.000%	505,565	543,755
FNMA 15 SF 205505 CP	03/17/93	255,000	03/01/08	6.000%	7,760	8,525
FNMA 15 SF 050743 CP	various	855,000	04/01/08	6.000%	97,161	103,968
FNMA 271060-31372FB59	04/21/94	1,018,072	01/01/09	5.000%	280,069	318,444
FNMA – 31372FCU3	03/30/98	512,411	04/01/09	5.000%	120,559	142,298
FNMA 73562	08/14/02	1,085,000	07/01/11	7.800%	1,123,811	1,157,670
FNMA 93140J – 31359BH34	12/03/93	500,000	06/25/13	6.650%	498,050	549,150
FHLMC 26-0794-3134113B4	08/24/87	500,000	10/01/16	8.000%	4,532	5,652
Total Asset-Backed Securities					3,866,274	4,151,768
Total Police and Firefighters' Investments					\$ 55,967,743	\$ 60,637,487
Total Restricted/Unrestricted Marketable Securities and Investments					\$ 197,354,421	\$ 207,706,682

CITY OF COLUMBIA, MISSOURI

SALARIES OF PRINCIPAL OFFICIALS
SEPTEMBER 30, 2003

Official Title	Salary Range
City Manager	\$89,887 – 122,703
Public Works Director	73,954 – 100,947
Water and Light Director	73,954 – 100,947
City Counselor	70,433 – 96,138
Finance Director	70,433 – 96,138
Assistant City Manager	63,877 – 87,204
Police Chief	63,877 – 87,204
Director of Health Services	60,838 – 83,046
Fire Chief	60,838 – 83,046
Parks and Recreation Director	60,838 – 83,046
Information Services Director	57,947 – 79,092
Economic Development Director	57,947 – 79,092
Planning Director	57,947 – 79,092
Human Resources Director	57,947 – 79,092
Convention/Visitor's Bureau Director	52,560 – 71,737
Manager of Cultural Affairs	39,220 – 53,533
Manager of Community Services	39,220 – 53,533
City Clerk	35,574 – 48,556
Municipal Judge (90% FTE)	57,489 – 78,484

CITY OF COLUMBIA, MISSOURI

LARGEST ELECTRIC UTILITY CUSTOMERS
SEPTEMBER 30, 2003

Customer	Billed kWh	Billed Revenue
Minnesota Mining and Manufacturing (3M)	45,271,359	\$ 2,066,332
Columbia Foods	31,413,042	1,486,036
Boone Hospital Center	19,832,771	1,041,245
Extrusion Technologies, Inc.	16,747,146	806,388
Davidson Textron	15,725,011	861,289
VA Hospital	15,671,600	878,151
Columbia Mall	12,355,882	737,353
Quaker Oats	11,872,105	667,899
Square D	9,617,914	508,650
Midwest Columbia Regional Hospital	8,834,812	470,795
	187,341,642	\$ 9,524,138

TABLE 28

CITY OF COLUMBIA, MISSOURI

LARGEST WATER UTILITY CUSTOMERS
SEPTEMBER 30, 2003

Customer	Billed CCF	Billed Revenue
Columbia Foods	395,021	\$ 479,493
Minnesota Mining and Manufacturing (3M)	194,666	236,531
VA Hospital	123,303	151,836
Boone Hospital Center	59,647	88,316
Extrusion Technologies, Inc.	34,528	42,320
State Farm Insurance	28,691	52,829
Midwest Columbia Regional Hospital	27,737	36,797
Executive Center	22,560	28,571
Lenoir Memorial Home	19,240	26,764
Columbia Ready Mix	16,097	23,389
	921,490	\$ 1,166,846

CITY OF COLUMBIA, MISSOURI

FEDERAL AND STATE GRANTS
SEPTEMBER 30, 2003Policy Development and Administration:

Blind Boone Home	\$	25,000	
Cultural Affairs		36,301	
Convention and Tourism		1,700	
Total Policy Development and Administration			\$ 63,001

Public Safety:

Police		277,850	
Fire		107,844	
Emergency Management		24,903	
Police/Fire MDC's		7,261	
Total Public Safety			417,858

Transportation:

Transportation Planning Grant		21,900	
Planning		93,864	
Garth Avenue Bridge		15,108	
Pedestrian Bridge over Business Loop 70		35,736	
Pedestrian Bridge over I-70		348,000	
Airport		173,376	
Public Transportation		1,207,777	
Total Transportation			1,895,761

Health and Environment:

Health Department		1,017,665	
CDBG		1,391,877	
Sanitary Sewer		108,852	
Solid Waste		236,686	
Storm Water		83,049	
Total Health and Environment			2,838,129

Personal Development:

Bear Creek Trail Phase IV		39,797	
MKT Trail-Land Purchase		19,407	
Volunteer Services		500	
CCRA Football/Lacrosse		23,201	
Community Services - OCS Support		6,100	
Emergency Shelter Grant		65,729	
Total Personal Development			154,734

Total Federal and State Grants

	\$	<u>5,369,483</u>
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