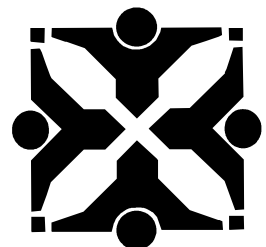


CITY OF COLUMBIA, MISSOURI

**Comprehensive  
Annual Financial Report**

For the Fiscal Year  
October 1, 2004 - September 30, 2005

Department of Finance  
Lori B. Fleming, Director



CITY OF COLUMBIA, MISSOURI

**Comprehensive  
Annual Financial Report**

For the Fiscal Year  
October 1, 2004 - September 30, 2005

Department of Finance  
Lori B. Fleming, Director

# CITY OF COLUMBIA, MISSOURI

## Table of Contents

	<b>Page</b>
<b>INTRODUCTORY SECTION:</b>	
Transmittal Letter	i-v
Certificate of Achievement	vii
Organizational Chart	viii
List of Officials	ix
<b>FINANCIAL SECTION:</b>	
<b>Independent Auditors' Report</b>	5-6
<b>Management's Discussion and Analysis</b>	9-18
<b>Basic Financial Statements</b>	
<b>Government-Wide Financial Statements</b>	
Statement of Net Assets	21
Statement of Activities	22-23
<b>Fund Financial Statements</b>	
<b>Governmental Funds Financial Statements</b>	
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
<b>Proprietary Funds Financial Statements</b>	
Statement of Net Assets	28-29
Statement of Revenues, Expenses, and Changes in Fund Net Assets	30-31
Statement of Cash Flows	32-33
<b>Fiduciary Fund Financial Statements</b>	
Statement of Fiduciary Net Assets	35
Statement of Changes in Fiduciary Net Assets	37
<b>Notes to the Basic Financial Statements</b>	43-78

(Continued)

# CITY OF COLUMBIA, MISSOURI

## Table of Contents

	<b>Page</b>
<b>Required Supplementary Information - Unaudited</b>	
<b>Budgetary Comparison Schedules – Governmental</b>	
General Fund	81
Transportation Sales Tax Fund	82
<b>Notes to the Budgetary Comparison Schedules</b>	83
<b>Pension Trust Funds Information</b>	
Schedule of Funding Progress	84
Schedule of Employer Contributions	85
<b>Supplementary Information</b>	
<b>Combining Fund Financial Statements and Schedule</b>	
<b>Non-Major Governmental Funds</b>	
Combining Balance Sheet	95
Combining Balance Sheet – Non-Major Special Revenue Funds	97-99
Combining Balance Sheet – Non-Major Debt Service Funds	101
Combining Statement of Revenues, Expenditures, and Changes In Fund Balances	103
Combining Statement of Revenues, Expenditures, and Changes In Fund Balances – Non-Major Special Revenue Funds	105-107
Combining Statement of Revenues, Expenditures, and Changes In Fund Balances – Non-Major Debt Service Funds	109
Budgetary Comparison Schedule – Non-Major Governmental Funds	110-115
<b>Non-Major Enterprise Funds</b>	
Combining Statement of Net Assets	119
Combining Statement of Revenues, Expenses, and Changes in Net Assets	121
Combining Statement of Cash Flows	123
<b>Internal Service Funds</b>	
Combining Statement of Net Assets	128-129
Combining Statement of Revenues, Expenses, and Changes in Net Assets	130-131
Combining Statement of Cash Flows	132-133
<b>Fiduciary Funds</b>	
Combining Statement of Fiduciary Net Assets	138-139
Combining Statement of Changes in Fiduciary Net Assets	140-141

(Continued)

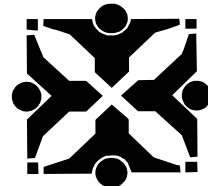
# CITY OF COLUMBIA, MISSOURI

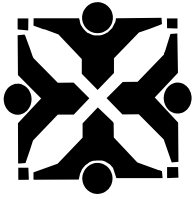
## Table of Contents

	<b>Table</b>	<b>Page</b>
<b>STATISTICAL SECTION:</b>		
General Government – Expenditures and Other Financing Uses By Function – Last Ten Fiscal Years	1	146-147
General Revenue and Other Financing Sources – Last Ten Fiscal Years	2	148-149
Tax Revenue By Source – General Fund – Last Ten Fiscal Years	3	151
Property Tax Levies and Tax Collections – General Fund – Last Ten Fiscal Years	4	152-153
Assessed and Estimated Actual Values of Taxable Property – Last Ten Fiscal Years	5	155
Property Tax Rates and Tax Levies – Direct and Overlapping Governments – Last Ten Fiscal Years	6	156-157
Special Assessment Billings and Collections – Last Ten Fiscal Years	7	159
Ratio of Net General Bonded Debt to Assessed Value and Per Capita – Last Ten Fiscal Years	8	160-161
Computation of Legal Debt Margin	9	162
Computation of Direct and Overlapping Debt	10	163
Schedule of Bonded Indebtedness	11	164
Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Governmental Expenditures and Other Financing Uses – Last Ten Fiscal Years	12	165
Water and Electric Utility Revenue Bond Coverage – Last Ten Fiscal Years	13	166
Sanitary Sewer Utility Revenue Bond Coverage – Last Ten Fiscal Years	14	167
Parking Revenue Bond Coverage – Last Nine Fiscal Years	15	169
Debt Service Requirements to Maturity – Special Obligation Bonds and Certificates of Participation	16	170-171
Debt Service Requirements to Maturity – Water and Electric Utility Bonds	17	172-174
Debt Service Requirement to Maturity – Sanitary Sewer Utility and Parking Revenue Bonds	18	175
Schedule of Electric Service Rates	19	176
Schedule of Water and Sanitary Sewer Service Rates	20	177
Property Value, Construction, and Bank Deposits	21	178
Principal Taxpayers	22	179
Demographic Statistics	23	180
Insurance in Force	24	181-182
Schedule of Marketable Securities and Investments	25	183-185
Salaries of Principal Officials	26	186
Largest Electric Utility Customers	27	187
Largest Water Utility Customers	28	188
Federal and State Grants	29	189
Top Ten Largest Employers	30	190

CITY OF COLUMBIA, MISSOURI

# INTRODUCTORY SECTION





# CITY OF COLUMBIA, MISSOURI

FINANCE DEPARTMENT  
ADMINISTRATION

February 7, 2006

**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 - Introductory**

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, 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 59 square miles and has a current estimated population of 90,967. Columbia continues to enjoy a steady growth rate, increasing 6,436 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 38,700 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 17 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 32% of all non-farm employment and are four of the top ten employers in the Columbia area. Service industries provide approximately 36% of non-farm employment with the medical industry comprising three of the top ten employers. The retailing industry is also strong providing approximately 16% of the employment in the area. The unemployment rate in Columbia, approximately 3.0% in 2005, has been well below the national average of approximately 5.1%.

## **Major Initiatives**

During 2005, the City of Columbia's major initiatives continued to focus on the eight most important strategies identified by the City Manager in his state of the City address. These initiatives are:



- ◆ Assure our comprehensive planning remains current
- ◆ Identify and address major challenges and opportunities
- ◆ Maintain and strengthen our central city
- ◆ Plan for orderly growth of our city from the inside outward
- ◆ Continue to maintain and improve existing infrastructure and provide for new infrastructure as required
- ◆ Continue to deliver services and programs in a timely, cost-effective manner
- ◆ Provide sufficient community resources to carry out programs and priorities
- ◆ Maintain proactive, two-way communication with our residents and community partners

During 2005 the City completed its second citizen survey. This survey provided useful information to the City on how well our citizens believe we are doing and provided guidance for staff in developing several important ballot issues that were voted on in November of 2005. Much of 2005 was spent working with citizens' groups to respond to identified areas where our citizens wanted the most emphasis. Emphasis on traffic flow and street maintenance is important to our citizens. As a result of this work, voters passed four of six ballot initiatives to provide funding for capital improvement projects for public safety, transportation and parks in Columbia.

As a growing community, it is important for the City's utilities to maintain the ability to provide service to all customers. The Water and Electric staff is continuing to work with consultants to meet our power supply needs of the future. The staff of the Electric Utility and Solid Waste Utility has worked together this past year to plan for the use of methane gas produced at the City-owned landfill to provide an energy source for city electric customers.

Long-time Columbia City Manager, Raymond A. Beck, announced his retirement during 2005. City Council worked with consultants to recruit nationally for his replacement. After an involved process that included an opportunity for community input, Council announced the appointment of Assistant City Manager, H. William Watkins III, as City Manager. Bill started his duties January 6, 2006.

### **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 2005. 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 2005.

### **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, 2004. 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, 2005, the portfolio had a fair value of \$70,356,521 with maturities of overnight to 32 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 \$226,999,940 and a fair value of \$243,536,239 as of September 30, 2005. 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 \$163,245,613 and a fair value of \$165,926,351. Approximately 82% of the pooled cash portfolio is in U.S. government and agency securities. Eleven percent of the pooled cash portfolio is in a money market fund. A detailed listing of the securities held in the pooled cash portfolio can be found on pages 183 and 184.

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 \$7,263,431 and a fair value of \$7,253,367. A detailed listing of the securities held in this portfolio can be found on page 180.

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 \$56,490,896 and a fair value of \$70,356,521 on September 30, 2005. As provided for in the current investment policies and guidelines, approximately 58% 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 184 and 185.

### ***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 \$1,825,032 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-six 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**

THIS PAGE IS INTENTIONALLY LEFT BLANK

# 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, 2004

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



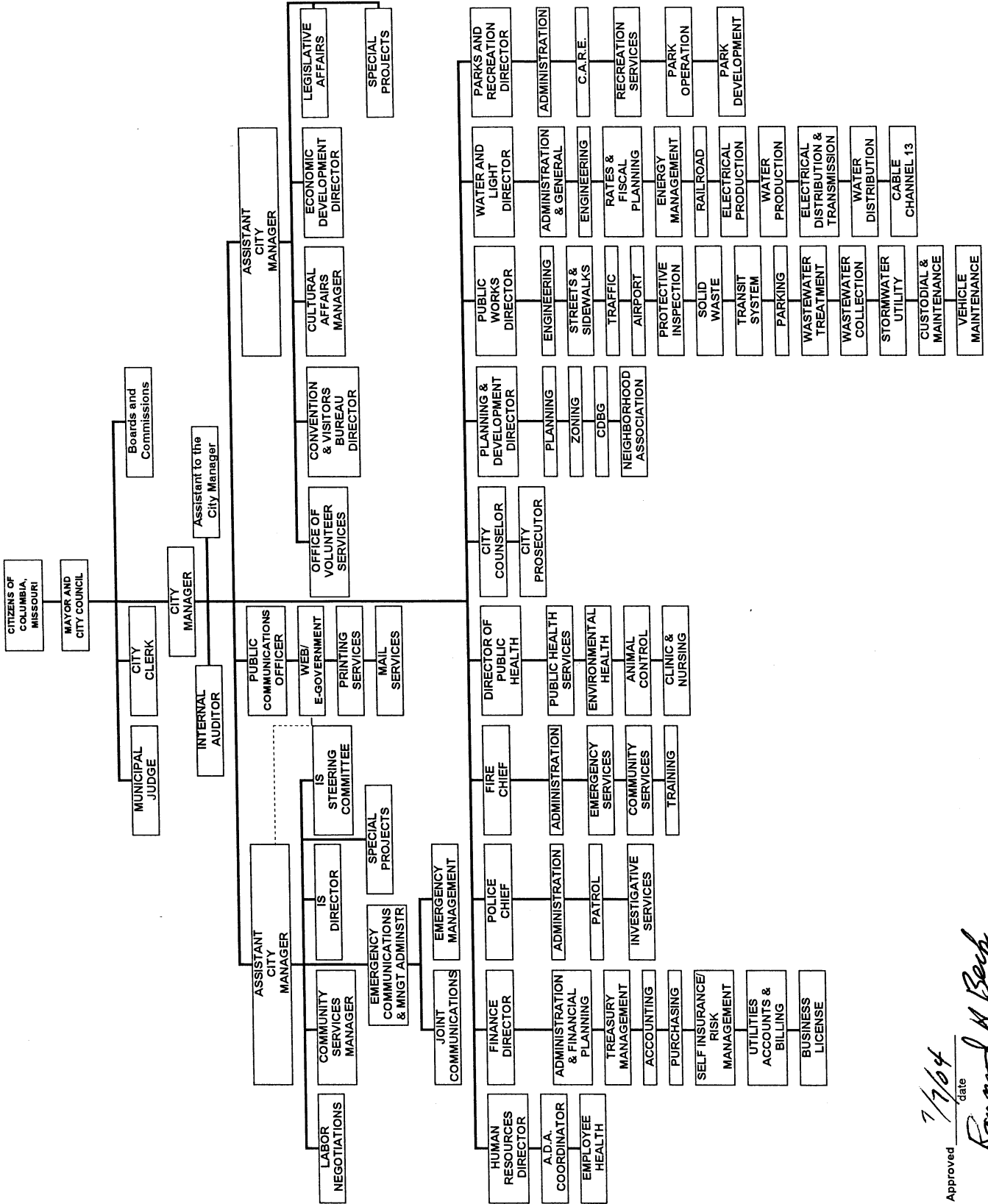
*Carla E. Perry*

President

*Jeffrey R. Egan*

Executive Director

# FUNCTIONAL ORGANIZATIONAL CHART - CITY OF COLUMBIA, MISSOURI



Approved 7/7/04 date  
*Raymond A. Beck*  
 City Manager

CITY OF COLUMBIA, MISSOURI

# **CITY OF COLUMBIA OFFICIALS**

## **MAYOR**

Darwin Hindman

## **CITY COUNCIL**

Almeta Crayton  
Christopher Janku  
Bob Hutton

Jim Loveless  
Laura Nauser  
Brian Ash

## **CITY MANAGER**

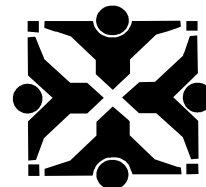
Raymond A. Beck

## **DIRECTOR OF FINANCE**

Lori B. Fleming

## **INDEPENDENT AUDITORS**

KPMG LLP

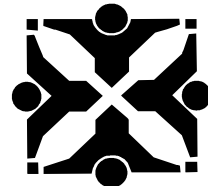


THIS PAGE IS INTENTIONALLY LEFT BLANK



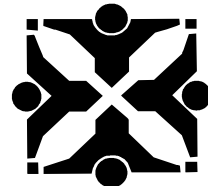
CITY OF COLUMBIA, MISSOURI

# FINANCIAL SECTION



CITY OF COLUMBIA, MISSOURI

# **INDEPENDENT AUDITORS' REPORT**





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, 2005, 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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, 2005, and the respective changes in financial position, and where applicable, cash flows, thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

Effective October 1, 2004, the City implemented Governmental Accounting Standards Board Statement No. 40, *Deposit and Investment Risk Disclosures—an Amendment of GASB Statement No. 3*.

In accordance with *Government Auditing Standards*, we also have issued our report dated February 7, 2006 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis, Budgetary Comparison Information, and Schedules of Funding Progress and Employer Contributions on pages 9 through 18 and 81 through 85, respectively, are not a required part of the basic financial statements, but are supplementary information required by U.S. generally accepted accounting principles. 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.

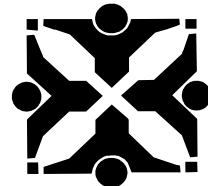
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining fund financial statements and schedule presented as supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. These sections 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.

**KPMG LLP**

St. Louis, Missouri  
February 7, 2006

CITY OF COLUMBIA, MISSOURI

# **MANAGEMENT'S DISCUSSION AND ANALYSIS**



## **City of Columbia, Missouri Management's Discussion and Analysis**

This is the fourth year the City of Columbia, Missouri (the City) has prepared financial statements in accordance with the guidelines prescribed in the Governmental Accounting Standards Board (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. Revenue growth has recovered from the recent economic slow down. 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 \$37,408,523 or 7.6%. Governmental activities net assets increased \$18,635,900 while business-type activities net assets increased \$18,772,623. Total unrestricted net assets increased \$3.7 million, but governmental unrestricted net assets actually decreased by \$2.8 million primarily due to the use of balances for capital projects.
- The City's property tax levy remained at 41 cents approximately 3 cents below the maximum allowed under state law. Revenues from real property taxes increased 5% while revenues from personal property decreased 9% or \$80,530. It should be noted that due to the recent reassessment, the State recalculated the maximum rate it will allow the City to levy in fiscal year 2006. The new maximum rate is \$0.4161, which is very close to the City's current levy.
- The City continued to experience strong growth in major revenue sources with a 6.1% increase in sales tax revenue and a 9% increase in Payment In Lieu of Tax from the Water and Electric utilities.
- The City staff and citizen committee developed a ballot proposal that was presented to voters in November 2005 to fund capital improvements for transportation, public safety and parks. Voters approved 4 of the 6 ballot proposals that extended existing sales taxes and increased fees charged on new construction.
- The City issued over \$30 million in Water & Electric System Revenue Bonds to finance expansion and improvements to the water treatment plant and distribution system. Staff also continues to work on a capital financing plan for expansion and improvements to the Electric System. Ballot issues are planned for FY 2006.
- The City reduced its use of reserves in the Employee Benefit Fund from 2004 by increasing premiums 15% in addition to transferring an additional \$1 million to the internal service fund. Health Insurance costs continued to increase requiring the use of reserves above the amount budgeted.
- Several large workers' compensation claims required the use of over \$2.2 million in reserves in the Self Insurance internal service fund. Reserves remain sufficient but the City anticipates a series of increases in premiums charged to the departments over the next few years to cover increases in claim costs.

### **The Comprehensive Annual Financial Report**

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 section

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 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, 2005 and 2004:

#### City of Columbia's Net Assets

	Governmental Activities		Business-type Activities		Total	
	2005	2004	2005	2004	2005	2004
Current and other assets	\$ 108,775,788	109,301,893	\$ 116,532,207	115,826,139	\$ 225,307,995	225,128,032
Capital assets	126,374,515	107,692,753	337,834,765	320,210,797	464,209,280	427,903,550
<b>Total assets</b>	<b>235,150,303</b>	<b>216,994,646</b>	<b>454,366,972</b>	<b>436,036,936</b>	<b>689,517,275</b>	<b>653,031,582</b>
Long-term liabilities	15,563,356	15,055,687	125,683,785	125,790,007	141,247,141	140,845,694
Other liabilities	4,821,306	5,809,218	13,925,855	14,262,220	18,747,161	20,071,438
Total liabilities	20,384,662	20,864,905	139,609,640	140,052,227	159,994,302	160,917,132
Net assets						
Invested in capital assets, net						
of related debt	116,334,515	96,703,253	222,079,198	206,726,083	338,413,713	303,429,336
Restricted	60,202,624	58,403,923	5,101,542	8,157,585	65,304,166	66,561,508
Unrestricted	38,228,502	41,022,565	87,576,592	81,101,041	125,805,094	122,123,606
Total net assets	\$ 214,765,641	196,129,741	\$ 314,757,332	295,984,709	\$ 529,522,973	492,114,450

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

Total assets for the City as a whole are \$689,517,275, an increase of \$36,485,693. Governmental activities total assets increased \$18,155,657 due to an increase in capital assets. Governmental activities current and other assets decreased slightly by \$526,105. Business-type activities total assets increased \$18,330,036. Total net capital assets increased \$36,305,730. Of this amount, \$18,681,762 was in governmental activities (primarily in street infrastructure and park land) and \$17,623,968 for business-type activities (primarily in Water and Electric and Sanitary Sewer funds).

Overall the City experienced a decrease in liabilities. Total liabilities have decreased \$922,830 that includes a slight increase in long term liabilities of \$401,447 and a larger decrease of \$1,324,277 in total other liabilities. Total governmental activities liabilities decreased \$480,243, while total business type liabilities decreased \$442,587. The decrease in other liabilities is due to accrued payroll costs and the number of paydays accrued because of the biweekly pay dates. While the change in long term liabilities was relatively small for both governmental and business type activities, an increase of \$507,669 and decrease of \$106,222 respectively, some components did have significant changes. Governmental activities experienced a significant increase in claims payable for workers' compensation, but a decrease in outstanding certificates of participation.

Total net assets for the City as a whole are \$529,522,973, an increase of \$37,409,523 or 7.6%. Governmental activities total net assets increased \$18,635,900 and business-type activities total net assets increased \$18,772,623, increases of 9.5% and 6.3%, respectively. The largest increase of \$34,984,377 was experienced in net assets invested in capital assets net of related debt. The City continues to invest in the expansion of the transportation system, 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 slightly by \$1,256,342. Total unrestricted net assets increased slightly by \$3,681,488. Business-type activities unrestricted net assets increased \$6,475,551, while



unrestricted net assets for governmental activities decreased by \$2,794,063 due mostly to losses in the self insurance fund and the budgeted use of accumulated balances for capital projects.

### Schedule of Activities

The following table reflects the revenues and expenses for the City's activities for the year ended September 30, 2005 and 2004:

	City of Columbia's Schedule of Activities					
	Governmental Activities		Business-type Activities		Total	
	2005	2004	2005	2004	2005	2004
Revenues:						
Program revenues:						
Charges for services	\$ 8,968,146	8,413,343	\$ 121,604,538	106,876,186	\$ 130,572,684	115,289,529
Grants and contributions	4,587,226	4,758,552	919,617	1,261,263	5,506,843	6,019,815
Capital grants and contributions	12,785,920	12,215,202	9,203,715	6,600,749	21,989,635	18,815,951
General revenues:						
Property taxes	9,295,077	8,601,981	-	-	9,295,077	8,601,981
Sales tax	35,593,421	33,549,370	-	-	35,593,421	33,549,370
Other taxes	10,389,422	9,930,006	-	-	10,389,422	9,930,006
Investment revenue	2,554,155	2,151,560	2,980,338	2,497,648	5,534,493	4,649,208
Other	1,557,884	1,320,073	5,870,721	2,159,741	7,428,605	3,479,814
Total revenues	<u>85,731,251</u>	<u>80,940,087</u>	<u>140,578,929</u>	<u>119,395,587</u>	<u>226,310,180</u>	<u>200,335,674</u>
Expenses:						
Policy development and admin.	14,712,020	11,532,002	-	-	14,712,020	11,532,002
Public safety	29,704,634	27,615,723	-	-	29,704,634	27,615,723
Transportation	7,700,932	5,895,028	-	-	7,700,932	5,895,028
Health and environment	7,058,136	6,685,175	-	-	7,058,136	6,685,175
Personal development	8,606,844	8,268,102	-	-	8,606,844	8,268,102
Misc. nonprogrammed activities	372,913	468,146	-	-	372,913	468,146
Interest on long-term debt	571,672	608,792	-	-	571,672	608,792
Electric Utility	-	-	72,115,157	63,246,225	72,115,157	63,246,225
Water Utility	-	-	11,440,612	9,958,766	11,440,612	9,958,766
Sanitary Sewer Utility	-	-	9,297,703	9,216,293	9,297,703	9,216,293
Regional Airport	-	-	1,812,969	1,808,651	1,812,969	1,808,651
Public Transportation	-	-	3,562,176	3,252,432	3,562,176	3,252,432
Solid Waste Utility	-	-	11,805,562	10,692,045	11,805,562	10,692,045
Parking Facilities	-	-	1,756,122	1,745,467	1,756,122	1,745,467
Recreation Services	-	-	6,230,875	5,844,897	6,230,875	5,844,897
Railroad	-	-	866,061	712,513	866,061	712,513
Storm Water Utility	-	-	1,287,269	1,048,514	1,287,269	1,048,514
Total expenses	<u>68,727,151</u>	<u>61,072,968</u>	<u>120,174,506</u>	<u>107,525,803</u>	<u>188,901,657</u>	<u>168,598,771</u>
Increase in assets before transfers	17,004,100	19,867,119	20,404,423	11,869,784	37,408,523	31,736,903
Transfers	1,631,800	1,002,251	(1,631,800)	(1,002,251)	-	-
Increase in net assets	<u>18,635,900</u>	<u>20,869,370</u>	<u>18,772,623</u>	<u>10,867,533</u>	<u>37,408,523</u>	<u>31,736,903</u>
Net assets, beginning	196,129,741	175,260,371	295,984,709	285,117,176	492,114,450	460,377,547
Net assets, ending	<u>\$ 214,765,641</u>	<u>196,129,741</u>	<u>\$ 314,757,332</u>	<u>295,984,709</u>	<u>\$ 529,522,973</u>	<u>492,114,450</u>

The government-wide statement of activities indicates the major sources of program revenues are charges for services which increased by 13.3%. Rate increases and continued customer growth in the City's Water, Electric and Sewer Utilities account for most of this increase. The largest increase in charges for service for business-type activities was for the Water utility at 21.0%. This increase was in part due to a 7.5% rate increase and growing

customer base. The City's enterprise operations continue to experience growth in their customer bases. Charges for services for governmental activities increased 6.0% due mostly to fleet operations increase in revenues from gasoline resale due to increased prices and an increase in contributions to the health plan account.

The amount of operating grants for fiscal year 2005 is 8.5% below the FY 2004 amount. Decreases in grants in the area of health and public transportation account for the majority of the change. Capital grants and contributions are up by over \$3 million, most of which, \$2.6 million, occurred in business type activities. The sanitary sewer utility accepted almost \$3.5 million more in capital contributions than in FY 2004. Governmental activities capital grants and contributions increased in the area of transportation because of the dedication of a large number (over \$7 million) in streets from developers of residential subdivisions.

General revenues experienced growth in all areas with a total increase of 13.3%. The City's electric utility sold over \$4.7 million in SO2 credits which accounted for the 108% increase in other revenue. Investment revenue increased 19% due to the improving market conditions. Sales tax is the most significant general revenue. Columbia had a growth in sales taxes of 6.1%. Staff continues to closely monitor the monthly sales tax files provided by the state.

Five of the ten business-type activities show program revenue in excess of expenditures. The City budgets for subsidies or transfers for all of these activities. All of these funds, except public transportation operations, have a positive result of operations when including general revenues and transfers. Public transportation had accumulated balances that were budgeted to be used in FY 2005. The City experienced no significant variance from projected revenues for FY 2005.

Total program expenses for FY 2005 are \$188,905,281, an increase of 12.0%. The majority of these expenses, \$120,174,506, are for business-type activities. Business-type activity expenses increased 11.8%. The largest increases in business-type expenses were in the electric utility and water utility. Of the \$8.8 million increase in the electric utility, \$7.5 was for purchased power. Long periods of hot and dry weather conditions over the summer required the city to treat and pump water at record levels, causing the increase in the water utility. Governmental activity expenses of \$68,730,775 increased 12.5%. The largest increase occurred in transportation and policy development and administration which is where most of the City's internal service fund activities are shown. Large increases in workers compensation costs account for a significant amount of this increase.

The total net assets increased \$37,408,523 or 7.6%. Governmental activities increased net assets by \$18,635,900 or 9.5%. Business-type activities increased net assets by \$18,772,623 or 6.3%. These amounts are higher than projections due to strong revenue growth and a larger than normal amount of capital contributions.

Net transfers were \$1,631,800 from business-type activities to governmental activities. However, the City transfers over \$4.7 million in general funds and transportation sales tax funds to support the operations of various business-type activities. For purposes of the government-wide financial statements, almost \$8.7 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 2005.

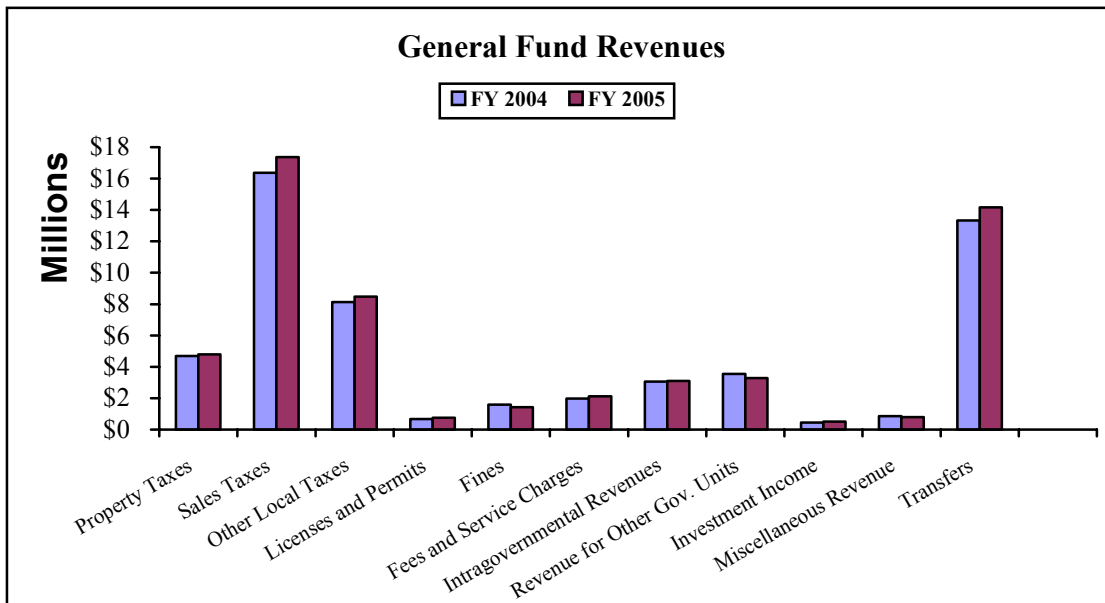
## **Fund Statements**

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 2005 with an increase in fund balance and net assets.

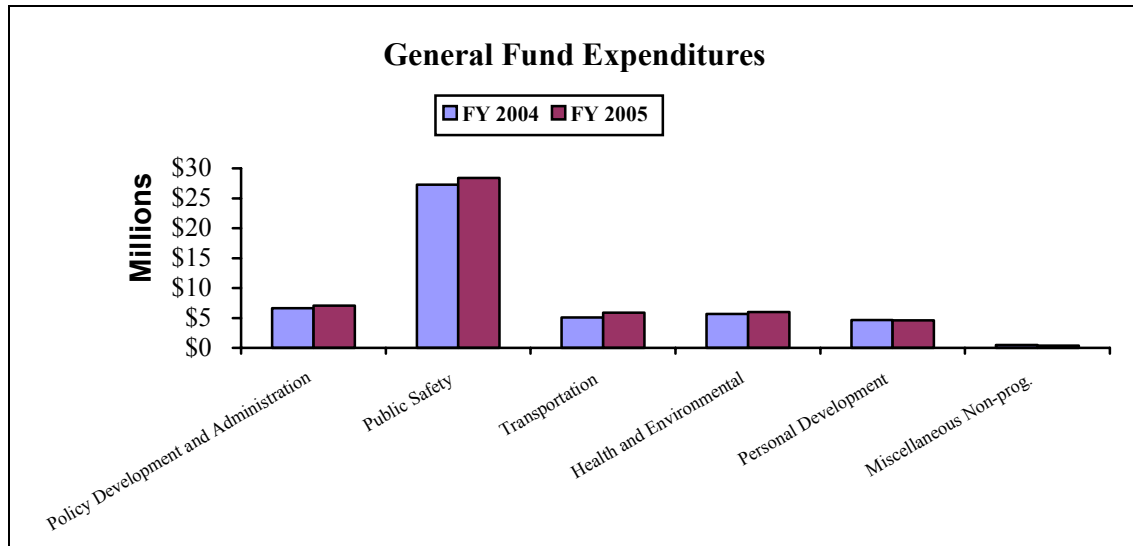
Undesignated general fund balance is 20.1% of expenditures and transfers, well above the 16% target set by Council policy. It is the City's policy to designate the portion of fund balance that has been appropriated as revenue for the FY 2006 budget. Even though the City had budgeted for the use of over \$4.1 million in appropriated fund balance

for FY 2005 and designated \$3.9 million for use in FY 2006, favorable variances in both revenues and expenditures resulted in a decrease in undesignated fund balance of only \$1.1 million. Care is taken to identify capital or other one time uses when the amount of appropriated fund balance increases substantially.

Overall revenues and transfers into the general fund were above the budgeted amount by \$1,319,088 or 2.4%. It should be noted for budget purposes the Payment in Lieu of Tax from the Water & Electric fund is treated as a revenue while GAAP requires that it be recognized as a transfer from other funds. General fund revenues excluding appropriated fund balance increased \$1,289,912 or 3.1%. The overall tax rate remained constant at 41 cents. This was still approximately 3 cents below the City's maximum authorized levy. The City experienced good growth in sales taxes at \$1,007,657 or 6.2% over FY 2004. Revenues from other taxes increased \$352,451 or 4.3% primarily due to increases in gross receipts tax on natural gas sales. Small decreases occurred in fines due to a change in noticing procedures that are currently being worked on, and in revenues from other governmental units due to reductions in health grants and homeland security grants.



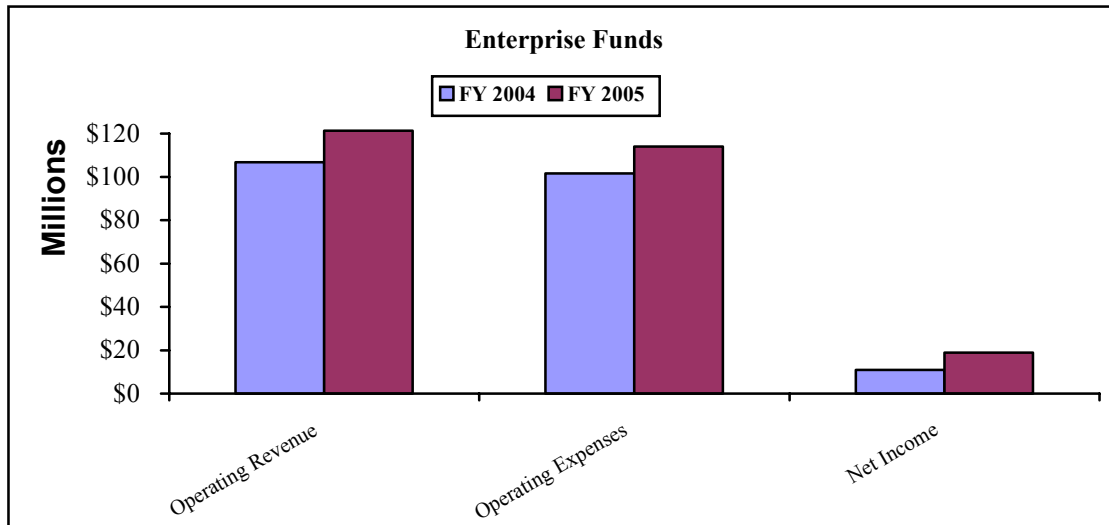
General fund expenditures were \$3.8 million under budget for FY 2005. Of this amount, \$1,498,105 has been encumbered to be spent in FY 2006. General fund expenditures, including transfers, increased \$5 million or 9.5%. The two largest increases were in the area of transportation and public safety. Transportation increased approximately \$1.6 million or 36%. Increased emphasis on street maintenance and increased costs of street lighting account for the increase. Public safety increased over \$1.9 million, an increase of 7.2%. This increase reflects the City's response to the citizens' survey that indicated a need for more resources in these areas.



Overall special revenue funds increased fund balance \$993,343 in FY 2005. Over \$3.7 million in balances were appropriated from the public improvement fund, transportation sales tax fund and special road district tax fund for capital projects. Almost \$1.5 million was accumulated in parks sales tax fund which will be utilized to fund future capital improvements for parks and recreation facilities.

Expenditures in the capital projects fund decreased approximately \$4.4 million in FY 2005. It is typical for these expenditures to vary widely from year to year depending on the nature of projects in the capital plan. Expenditures for transportation projects increased \$4.2 million due the work on East Broadway and the Green Meadows connector. The increase in park project expenditures of \$1.5 million is due primarily to the purchase of the Phillips property for future park expansion.

A review of the net assets of the proprietary funds indicates that all funds have positive unrestricted net assets except for the railroad operations. Operating revenues and operating expenses increased for the City's enterprise funds in FY 2005 by 13.7% and 9.3%, respectively. Change in net assets increased in FY 2005 by \$7,971,727 as rate increases were implemented in the electric, water and sanitary sewer utilities. In addition, the sanitary sewer utility recognized over \$5.1 in contributed capital primarily for donated sewer lines. The City's enterprise funds continue to experience strong growth in customer base. Several of the City's internal service funds experienced losses for FY 2005. All of the losses were budgeted as the accumulated balances were above those required to operate on a break even basis. The self insurance fund ended the year with a net loss greater than budgeted due to several large claims. Rate increases to user departments were budgeted in FY 2006 for both the self insurance fund and the employee benefit fund to ensure net assets remain at appropriate levels.



The City implemented a 9% rate increase in electric rates, a 7.5% increase in water rates and a 4% increase in sewer rates in 2005. Total production cost for the electric utility increased \$8 million or 17.7%. Actual cost of purchased power increased over 19%. Hot and dry weather conditions over the summer of 2005 increased demand in both the electric and water utility. The City anticipates continued rate increases as the energy market continues to change. Columbia still continues to have very competitive rates for our region. Once again, a slight decrease of \$33,933 or 2% occurred in parking revenues. Meter usage increased after a decline in FY 2004. The City implemented a parking card system to be used in parking meters that allows citizens to pay only for the time used. Revenue from garage and reserved lot permits are down due to the loss of spaces at 4th and Locust and reduced usage of lots closer to campus such as 10<sup>th</sup> and Cherry.

### 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 2005 final budget for the general fund includes approximately \$1.8 million of funds carried forward from FY 2004. The remaining increases to the FY 2005 budget were for grants and contributions received during the year. These grants and contributions also increased the general fund revenue budget for FY 2005. These changes are not expected to affect future budgets.

Overall, the general fund ended FY 2005 with favorable budget variances for both revenues and expenditures. Year-end revenues and transfers were 1.8% over budget. Stronger than anticipated economic growth in the City resulted in favorable budget variances in sales taxes, other local taxes and fees and service charges. It should be noted that for budget purposes, the Payment in Lieu of Tax from the Water & Electric fund is treated as revenue, while GAAP requires that it be recognized as a transfer from other funds. Other local tax revenues ended the year with a 7.8% favorable variance with the largest variance in gross receipts tax on natural gas. Services charges ended the year ahead of budget 23.6% due to continued growth in development that generated revenue from construction fees and right of way fees. Investment revenue did not meet budget expectations. Grant revenues are below budget especially in the area of general health for the Spanish minority health grant. However expenditures were adjusted accordingly by eliminating programs for which grant funds were not available.

General fund expenditures were 6.5% under budget for FY 2005. Of that amount over \$1.3 million is encumbered to be spent in FY 2006. Adjusted for this encumbrance carry forward, general fund expenditures were 4.2% under budget. Typically, the City anticipates expenditures to end the year between 3% and 6% below budget.

## Capital Assets

### City of Columbia Capital Assets (net of accumulated depreciation)

	Governmental Activities		Business-type Activities		Total	
	2005	2004	2005	2004	2005	2004
Land	\$ 23,209,300	19,622,790	\$ 9,295,029	9,238,763	\$ 32,504,329	28,861,553
Buildings	13,471,077	14,045,914	-	-	13,471,077	14,045,914
Improvements other than buildings	8,949,184	6,366,038	-	-	8,949,184	6,366,038
Structures and improvements	-	-	180,668,146	173,401,787	180,668,146	173,401,787
Furniture, fixtures and equipment	11,896,531	11,329,266	131,431,830	124,211,319	143,328,361	135,540,585
Infrastructure	60,247,632	51,587,217	-	-	60,247,632	51,587,217
Construction in progress	8,600,791	4,741,528	16,439,760	13,358,928	25,040,551	18,100,456
Total	\$ 126,374,515	107,692,753	\$ 337,834,765	320,210,797	\$ 464,209,280	427,903,550

## Major Capital Asset Events FY 2005

- Construction of Garth Avenue from Bear Creek to Blue Ridge, including a new bridge substantially completed at a cost of about \$1.5 million.
- Newly developed Stephens' Lake Park officially opened, including the Percent for Art installation by artist Carol A. Fleming.
- Purchase of 77 acres of Phillips property in southern Columbia and an additional 63 acres were donated for future park development.
- The \$2.5 million Upper Hinkson Outfall Relief Sewer project was completed.
- Construction of the South Grindstone Outfall Phase II and III sewers were begun. Total project cost will be approximately \$3.5 million.
- Major pavement repairs at the airport were completed at a cost of \$1.1 million, partially funded by an FAA grant.
- Construction of an additional 8 million gallon capacity at the water treatment plant continued at fiscal year end. The total project cost is estimated to be \$9.6 million.

Additional information on the City's capital assets can be found in Note VI on pages 56-58 of this report.

## Debt Administration

The City's debt issues are discussed in Note IX on pages 62-70 of this report. Please refer to it for additional information. During FY 2005, the City issued \$30,630,000 in Water and Electric Refunding and Improvement Revenue Bonds that were authorized by voters in November 2003 for the purpose of expanding capacity at the water plant, constructing a second 36 inch water main from the plant to the City and other improvements to the water system.

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**

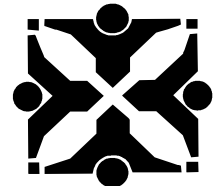
	<u>FY 2005</u>	<u>FY 2004</u>
<b><u>Government Activities</u></b>		
General Obligation Debt	\$ -	\$ -
Capital Lease Obligation	7,000,000	7,000,000
Certificates of Participation	<u>3,040,000</u>	<u>3,989,500</u>
	<u>\$ 10,040,000</u>	<u>\$ 10,989,500</u>
 <b><u>Business-type Activities</u></b>		
Revenue Bonds	\$ 104,049,387	\$ 101,270,467
Special Obligation Bonds	<u>16,856,180</u>	<u>19,952,347</u>
	<u>\$ 120,905,567</u>	<u>\$ 121,222,814</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](http://www.GoColumbiaMo.com).

CITY OF COLUMBIA, MISSOURI

# BASIC FINANCIAL STATEMENTS





**CITY OF COLUMBIA, MISSOURI**  
**STATEMENT OF NET ASSETS**  
**SEPTEMBER 30, 2005**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 75,092,653	\$ 46,273,821	\$ 121,366,474
Investments	7,376,367	-	7,376,367
Receivables (net of allowance for uncollectibles)	20,537,224	15,006,231	35,543,455
Due from other governments	-	130,060	130,060
Internal balances	2,759,614	(2,759,614)	-
Inventories	539,359	6,170,856	6,710,215
Deferred charges	-	1,785,646	1,785,646
Other assets	59,533	266,568	326,101
Restricted assets:			
Bond covenant account cash	2,411,038	44,114,310	46,525,348
Closure and postclosure reserve	-	2,751,003	2,751,003
Customer security and escrow deposits	-	2,654,654	2,654,654
Grants receivable	-	138,672	138,672
Capital assets:			
Non depreciable	31,810,091	25,734,789	57,544,880
Depreciable, net	94,564,424	312,099,976	406,664,400
<b>Total Assets</b>	<b>235,150,303</b>	<b>454,366,972</b>	<b>689,517,275</b>
<b>LIABILITIES</b>			
Accounts payable	2,842,009	5,941,287	8,783,296
Accrued payroll and payroll taxes	1,289,451	791,150	2,080,601
Accrued interest payable	128,023	2,014,748	2,142,771
Due to other governments	-	245,041	245,041
Unearned revenue	79,186	61,108	140,294
Construction contracts payable	-	1,898,791	1,898,791
Customer security and escrow deposits	-	2,654,654	2,654,654
Other liabilities	482,637	319,076	801,713
Long-term liabilities:			
Due within one year:			
Accrued compensated absences	1,594,171	878,925	2,473,096
Revenue bonds payable	-	1,850,000	1,850,000
Special obligation bonds payable	-	3,300,000	3,300,000
Claims payable - health insurance	959,479	-	959,479
Claims Payable - worker's compensation and general liability	2,513,498	-	2,513,498
Certificates of participation	955,000	-	955,000
Other long-term liabilities	-	431,803	431,803
Due in more than one year:			
Accrued compensated absences	456,208	287,002	743,210
Capital lease obligations	7,000,000	-	7,000,000
Revenue bonds payable	-	102,199,387	102,199,387
Special obligation bonds payable	-	13,556,180	13,556,180
Certificates of participation	2,085,000	-	2,085,000
Other long-term liabilities	-	3,180,488	3,180,488
<b>Total Liabilities</b>	<b>20,384,662</b>	<b>139,609,640</b>	<b>159,994,302</b>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	116,334,515	222,079,198	338,413,713
Restricted for:			
Debt service	7,736,146	3,860,962	11,597,108
Capital projects	24,911,911	138,672	25,050,583
Nonspendable	1,500,000	-	1,500,000
Statutory restrictions	26,054,567	1,101,908	27,156,475
Unrestricted	38,228,502	87,576,592	125,805,094
<b>Total Net Assets</b>	<b>\$ 214,765,641</b>	<b>\$ 314,757,332</b>	<b>\$ 529,522,973</b>

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, 2005**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>		<b>Program Revenues</b>
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Governmental activities:</b>				
Policy development and administration	\$ 14,712,020	\$ 5,338,128	\$ 57,774	\$ -
Public safety	29,704,634	1,719,602	1,435,186	106,634
Transportation	7,700,932	526,174	1,336,747	8,537,439
Health and environment	7,058,136	1,384,242	1,684,509	1,854,105
Personal development	8,606,844	-	73,010	2,287,742
Miscellaneous nonprogrammed activities	376,537	-	-	-
Interest on long-term debt	571,672	-	-	-
<b>Total governmental activities</b>	<b>68,730,775</b>	<b>8,968,146</b>	<b>4,587,226</b>	<b>12,785,920</b>
<b>Business-type activities:</b>				
Electric Utility	72,115,157	78,523,327	-	36,435
Water Utility	11,440,612	13,822,937	-	2,459,725
Sanitary Sewer Utility	9,297,703	8,647,406	-	5,163,026
Regional Airport	1,812,969	588,194	-	1,002,606
Public Transportation	3,562,176	779,326	833,769	104,638
Solid Waste Utility	11,805,562	11,338,115	69,811	115,000
Parking Facilities	1,756,122	1,641,734	-	-
Recreation Services	6,230,875	3,905,351	-	-
Railroad	866,061	847,329	-	123,672
Storm Water Utility	1,287,269	1,510,819	16,037	198,613
<b>Total business-type activities</b>	<b>120,174,506</b>	<b>121,604,538</b>	<b>919,617</b>	<b>9,203,715</b>
<b>Total City</b>	<b>\$ 188,905,281</b>	<b>\$ 130,572,684</b>	<b>\$ 5,506,843</b>	<b>\$ 21,989,635</b>

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**

<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
\$ (9,316,118)	\$ -	\$ (9,316,118)
(26,443,212)	-	(26,443,212)
2,699,428	-	2,699,428
(2,135,280)	-	(2,135,280)
(6,246,092)	-	(6,246,092)
(372,913)	-	(372,913)
(571,672)	-	(571,672)
<u>(42,385,859)</u>	<u>-</u>	<u>(42,385,859)</u>
-	6,444,605	6,444,605
-	4,842,050	4,842,050
-	4,512,729	4,512,729
-	(222,169)	(222,169)
-	(1,844,443)	(1,844,443)
-	(282,636)	(282,636)
-	(114,388)	(114,388)
-	(2,325,524)	(2,325,524)
-	104,940	104,940
-	438,200	438,200
-	<u>11,553,364</u>	<u>11,553,364</u>
<u>(42,385,859)</u>	<u>11,553,364</u>	<u>(30,832,495)</u>
9,295,077	-	9,295,077
35,593,421	-	35,593,421
2,469,274	-	2,469,274
697,996	-	697,996
1,062,898	-	1,062,898
4,644,927	-	4,644,927
1,514,327	-	1,514,327
2,554,155	2,980,338	5,534,493
1,557,884	5,870,721	7,428,605
1,631,800	(1,631,800)	-
<u>61,021,759</u>	<u>7,219,259</u>	<u>68,241,018</u>
18,635,900	18,772,623	37,408,523
196,129,741	295,984,709	492,114,450
<u>\$ 214,765,641</u>	<u>\$ 314,757,332</u>	<u>\$ 529,522,973</u>

-

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

**CITY OF COLUMBIA, MISSOURI  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2005**

	<b>Major Funds</b>			<b>Non-Major Funds</b>	<b>Total Governmental Funds</b>
	<b>General</b>	<b>Transportation Sales Tax</b>	<b>Capital Projects</b>		
<b>ASSETS</b>					
Cash and cash equivalents	\$ 15,402,803	\$ 1,841,321	\$ 33,183,312	\$ 19,738,517	\$ 70,165,953
Accounts receivable	463,438	-	281,090	1,271,607	2,016,135
Taxes receivable, net	6,154,925	851,067	-	4,069,132	11,075,124
Grants receivable	379,382	-	-	370,084	749,466
Rehabilitation loans receivable	-	-	-	5,714,825	5,714,825
Accrued interest	57,556	7,172	123,453	164,893	353,074
Due from other funds	1,138,142	-	2,500	-	1,140,642
Advances to other funds	-	-	-	2,613,431	2,613,431
Other assets - current	59,449	-	-	-	59,449
Restricted assets:					
Cash and cash equivalents	-	-	-	2,411,038	2,411,038
<b>Total assets</b>	<b>\$ 23,655,695</b>	<b>\$ 2,699,560</b>	<b>\$ 33,590,355</b>	<b>\$ 36,353,527</b>	<b>\$ 96,299,137</b>
<b>LIABILITIES</b>					
Accounts payable	\$ 766,097	\$ -	\$ 1,162,336	\$ 168,265	\$ 2,096,698
Accrued payroll and payroll taxes	1,402,388	-	-	28,412	1,430,800
Due to other funds	-	-	-	115,722	115,722
Advances from other funds	-	-	781,700	-	781,700
Unearned revenue	4,058,039	-	-	2,755,097	6,813,136
Other liabilities - current	436,778	-	-	847	437,625
<b>Total liabilities</b>	<b>6,663,302</b>	<b>-</b>	<b>1,944,036</b>	<b>3,068,343</b>	<b>11,675,681</b>
<b>FUND BALANCES</b>					
Reserved:					
Reserved for encumbrances	1,498,105	-	3,020,215	318,979	4,837,299
Reserved for development charges	-	-	-	1,271,389	1,271,389
Reserved for hotel/motel tax	-	-	-	634,757	634,757
Reserved for loans receivable	-	-	-	5,714,825	5,714,825
Reserved for contributions	-	-	-	1,500,000	1,500,000
Reserved for advances to other funds	-	-	-	2,613,431	2,613,431
Unreserved:					
Designated - appropriated	3,972,195	610,900	17,768,123	-	22,351,218
Special revenue funds	-	-	-	1,901,274	1,901,274
Designated - unrealized gains	-	-	-	33,588	33,588
Special revenue funds	-	-	-	88,423	88,423
Debt service funds	-	-	-	-	-
Undesignated	11,522,093	2,088,660	10,857,981	-	24,468,734
Undesignated, reported in non-major:					
Special revenue funds	-	-	-	9,562,325	9,562,325
Debt service funds	-	-	-	6,964,131	6,964,131
Permanent fund	-	-	-	2,682,062	2,682,062
<b>Total fund balances</b>	<b>16,992,393</b>	<b>2,699,560</b>	<b>31,646,319</b>	<b>33,285,184</b>	<b>84,623,456</b>
<b>Total liabilities and fund balances</b>	<b>\$ 23,655,695</b>	<b>\$ 2,699,560</b>	<b>\$ 33,590,355</b>	<b>\$ 36,353,527</b>	<b>\$ 96,299,137</b>

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, 2005**

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

Total fund balance - total governmental funds		\$ 84,623,456
<p>Capital assets used in governmental activities, including applicable internal service funds, are not current financial resources, and therefore, are not reported in the governmental funds.</p>		
Governmental capital assets	\$ 171,307,754	
Less accumulated depreciation	<u>(44,933,239)</u>	126,374,515
<p>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, net of capital assets.</p>		
		8,793,688
<p>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.</p>		
Accrued compensated absences	\$ (1,591,945)	
Capital lease obligations	(7,000,000)	
Certificates of participation	(3,040,000)	
Accrued interest payable	<u>(128,023)</u>	(11,759,968)
<p>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.</p>		
		6,733,950
<b>Net Assets of Governmental Activities</b>		<u><u>\$ 214,765,641</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, 2005**

	<b>Major Funds</b>			<b>Non-Major Funds</b>	<b>Total Governmental Funds</b>
	<b>General</b>	<b>Transportation Sales Tax</b>	<b>Capital Projects</b>		
<b>REVENUES</b>					
General property taxes	\$ 4,790,935	\$ -	\$ -	\$ 3,794,510	\$ 8,585,445
Sales tax	17,368,625	8,743,716	-	9,481,080	35,593,421
Other local taxes	8,478,760	-	-	1,514,327	9,993,087
Licenses and permits	746,319	-	-	19,765	766,084
Fines	1,423,992	-	-	-	1,423,992
Fees and service charges	2,116,369	-	-	543,214	2,659,583
Special assessment taxes	-	-	55,052	-	55,052
Intragovernmental revenue	3,093,319	-	-	-	3,093,319
Revenue from other governmental units	3,290,518	-	1,528,267	3,120,094	7,938,879
Investment revenue	509,713	65,794	1,001,733	678,582	2,255,822
Miscellaneous	793,895	-	487,950	276,039	1,557,884
Total Revenues	<u>42,612,445</u>	<u>8,809,510</u>	<u>3,073,002</u>	<u>19,427,611</u>	<u>73,922,568</u>
<b>EXPENDITURES</b>					
Current:					
Policy development and administration	7,065,027	-	-	2,158,776	9,223,803
Public safety	28,401,357	-	-	-	28,401,357
Transportation	5,893,676	-	-	-	5,893,676
Health and environment	5,986,332	-	-	1,036,303	7,022,635
Personal development	4,620,957	-	-	3,489,765	8,110,722
Misc. nonprogrammed activities	373,787	-	-	-	373,787
Capital outlay	1,911,700	-	11,066,963	-	12,978,663
Debt service:					
Redemption of serial bonds	-	-	-	949,500	949,500
Interest	-	-	-	578,002	578,002
Fiscal agent fees	-	-	-	2,750	2,750
Total Expenditures	<u>54,252,836</u>	<u>-</u>	<u>11,066,963</u>	<u>8,215,096</u>	<u>73,534,895</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(11,640,391)</u>	<u>8,809,510</u>	<u>(7,993,961)</u>	<u>11,212,515</u>	<u>387,673</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	14,176,389	-	9,683,720	3,273,600	27,133,709
Transfers out	<u>(3,683,013)</u>	<u>(9,131,067)</u>	<u>(24,113)</u>	<u>(13,498,368)</u>	<u>(26,336,561)</u>
Total Other Financing Sources (Uses)	<u>10,493,376</u>	<u>(9,131,067)</u>	<u>9,659,607</u>	<u>(10,224,768)</u>	<u>797,148</u>
Net Change in Fund Balances	(1,147,015)	(321,557)	1,665,646	987,747	1,184,821
FUND BALANCE - BEGINNING	<u>18,139,408</u>	<u>3,021,117</u>	<u>29,980,673</u>	<u>32,297,437</u>	<u>83,438,635</u>
FUND BALANCE - ENDING	<u>\$ 16,992,393</u>	<u>\$ 2,699,560</u>	<u>\$ 31,646,319</u>	<u>\$ 33,285,184</u>	<u>\$ 84,623,456</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, 2005**

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

Net change in fund balances - total governmental funds	\$ 1,184,821
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.	18,681,762
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	709,632
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds.	949,500
In the Statement of Activities compensated absences is accrued whereas in the Governmental Funds an expenditure is reported when due and matured.	(172,107)
In the Statement of Activities interest is accrued whereas in the Governmental Funds an expenditure is reported when due.	6,330
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>(2,724,038)</u>
Change in net assets of governmental activities	<u><u>\$ 18,635,900</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, 2005**

	<b>Major Enterprise Funds</b>		
	<b>Water and Electric Utility</b>	<b>Sanitary Sewer Utility</b>	<b>Solid Waste Utility</b>
<b>ASSETS</b>			
Current Assets:			
Cash and cash equivalents	\$ 19,642,096	\$ 8,539,797	\$ 3,551,902
Investments	-	-	-
Receivables (net of allowance for uncollectibles)	11,698,592	971,716	1,253,044
Grants Receivable	36,435	-	-
Accrued interest	248,875	37,885	27,818
Due from other funds	-	-	-
Loans receivable from other funds	104,208	-	-
Inventories	5,765,568	-	218,183
Other assets	265,830	-	-
Total current assets	<u>37,761,604</u>	<u>9,549,398</u>	<u>5,050,947</u>
Noncurrent Assets:			
Restricted assets:			
Bond covenant account cash	35,463,988	4,486,592	1,174,396
Closure and postclosure reserve	-	-	2,751,003
Customer security and escrow deposits	1,989,215	330,406	335,033
Grants receivable	-	-	15,000
Total restricted assets	<u>37,453,203</u>	<u>4,816,998</u>	<u>4,275,432</u>
Deferred charges	1,038,807	430,245	117,225
Loans receivable from other funds	842,023	-	-
Capital assets:			
Land	2,068,315	2,244,482	251,071
Structures and improvements	22,611,311	152,787,442	11,422,732
Furniture, fixtures and equipment	211,447,042	4,570,984	11,309,796
Construction in progress	14,112,437	801,885	180,314
Less accumulated depreciation	(100,430,458)	(36,165,578)	(13,918,387)
Total capital assets (net of accumulated depreciation)	<u>149,808,647</u>	<u>124,239,215</u>	<u>9,245,526</u>
Total noncurrent assets	<u>189,142,680</u>	<u>129,486,458</u>	<u>13,638,183</u>
<b>Total Assets</b>	<u>226,904,284</u>	<u>139,035,856</u>	<u>18,689,130</u>
<b>LIABILITIES</b>			
Current liabilities not payable from restricted assets:			
Accounts payable	5,267,063	190,853	245,954
Accrued payroll and payroll taxes	362,976	83,565	124,528
Accrued compensated absences	444,885	78,996	111,892
Accrued sales taxes	245,041	-	-
Due to other funds	930,683	-	-
Loan payable to other funds - current maturities	-	-	-
Unearned revenue	-	-	-
Other liabilities	224,147	797	502,012
Total current liabilities not payable from restricted assets	<u>7,474,795</u>	<u>354,211</u>	<u>984,386</u>
Current liabilities payable from restricted assets:			
Construction contracts payable	1,347,755	303,293	21,741
Accrued interest	1,523,281	296,166	59,224
Revenue bonds payable - current maturities	575,000	1,170,000	-
Special obligation bonds payable - current maturities	-	110,000	420,000
Customer security and escrow deposits	1,989,215	330,406	335,033
Advances from other funds	-	992,500	-
Total current liabilities payable from restricted assets	<u>5,435,251</u>	<u>3,202,365</u>	<u>835,998</u>
Noncurrent liabilities:			
Accrued compensated absences	149,822	35,206	38,843
Loans payable to other funds	-	-	-
Revenue bonds payable	80,752,295	18,919,049	-
Special obligation bonds payable	-	2,271,378	6,964,483
Other long-term liabilities	-	-	3,180,488
Total noncurrent liabilities	<u>80,902,117</u>	<u>21,225,633</u>	<u>10,183,814</u>
<b>Total Liabilities</b>	<u>93,812,163</u>	<u>24,782,209</u>	<u>12,004,198</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	69,056,352	103,048,788	2,281,043
Restricted for:			
Debt service	566,666	1,340,870	333,829
Capital projects	-	-	15,000
Unrestricted	63,469,103	9,152,839	4,055,060
<b>Total Net Assets</b>	<u>\$ 133,092,121</u>	<u>\$ 114,253,647</u>	<u>\$ 6,684,932</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				
\$ 4,658,546	\$ 2,260,079	\$ 3,067,146	\$ 3,486,378	\$ 45,205,944	\$ 5,994,577	
-	-	-	-	-	7,376,367	
85,716	62,618	129,962	266,374	14,468,022	679,262	
-	-	2,337	26,258	65,030	160,224	
23,257	8,109	11,433	12,924	370,301	22,052	
2,000	800	-	-	2,800	2,320	
-	-	-	-	104,208	-	
-	28,633	-	158,472	6,170,856	539,359	
-	600	-	138	266,568	84	
<u>4,769,519</u>	<u>2,360,839</u>	<u>3,210,878</u>	<u>3,950,544</u>	<u>66,653,729</u>	<u>14,774,245</u>	
1,783,196	1,206,138	-	-	44,114,310	-	
-	-	-	-	2,751,003	-	
-	-	-	-	2,654,654	-	
-	-	-	123,672	138,672	-	
<u>1,783,196</u>	<u>1,206,138</u>	<u>-</u>	<u>123,672</u>	<u>49,658,639</u>	<u>-</u>	
188,740	10,629	-	-	1,785,646	-	
-	-	-	-	842,023	-	
1,603,273	398,674	119,915	2,609,299	9,295,029	-	
14,311,360	19,205,083	7,820,971	22,878,577	251,037,476	4,247,646	
214,566	788,462	372,741	8,094,692	236,798,283	-	
273	248,041	524,455	572,355	16,439,760	130,722	
(6,154,516)	(4,244,438)	(2,135,573)	(12,723,918)	(175,772,868)	(3,091,358)	
<u>9,974,956</u>	<u>16,395,822</u>	<u>6,702,509</u>	<u>21,431,005</u>	<u>337,797,680</u>	<u>1,287,010</u>	
<u>11,946,892</u>	<u>17,612,589</u>	<u>6,702,509</u>	<u>21,554,677</u>	<u>390,083,988</u>	<u>1,287,010</u>	
<u>16,716,411</u>	<u>19,973,428</u>	<u>9,913,387</u>	<u>25,505,221</u>	<u>456,737,717</u>	<u>16,061,255</u>	
7,872	84,825	62,519	45,856	5,904,942	781,656	
9,728	90,789	16,607	89,111	777,304	342,390	
11,879	125,077	27,649	72,113	872,491	-	
-	-	-	-	245,041	-	
-	-	-	-	930,683	99,357	
61,108	-	-	104,208	104,208	-	
2,695	250	4,846	16,132	750,879	3,517,989	
<u>93,282</u>	<u>300,941</u>	<u>111,621</u>	<u>327,420</u>	<u>9,646,656</u>	<u>4,741,392</u>	
-	90,978	73,948	61,076	1,898,791	-	
120,187	15,890	-	-	2,014,748	-	
105,000	-	-	-	1,850,000	-	
320,000	2,450,000	-	-	3,300,000	-	
-	-	-	-	2,654,654	-	
-	767,168	-	72,063	1,831,731	-	
<u>545,187</u>	<u>3,324,036</u>	<u>73,948</u>	<u>133,139</u>	<u>13,549,924</u>	<u>-</u>	
4,339	19,819	5,738	28,210	281,977	-	
-	-	-	842,023	842,023	-	
2,528,043	-	-	-	102,199,387	-	
4,313,205	7,114	-	-	13,556,180	-	
-	-	-	-	3,180,488	-	
<u>6,845,587</u>	<u>26,933</u>	<u>5,738</u>	<u>870,233</u>	<u>120,060,055</u>	<u>-</u>	
<u>7,484,056</u>	<u>3,651,910</u>	<u>191,307</u>	<u>1,330,792</u>	<u>143,256,635</u>	<u>4,741,392</u>	
3,133,708	16,388,708	6,702,509	21,431,005	222,042,113	1,287,010	
429,349	1,190,248	-	-	3,860,962	-	
-	-	-	123,672	138,672	-	
<u>5,278,540</u>	<u>(1,257,438)</u>	<u>3,019,571</u>	<u>2,619,752</u>	<u>86,337,427</u>	<u>9,349,261</u>	
<u>\$ 9,232,355</u>	<u>\$ 16,321,518</u>	<u>\$ 9,722,080</u>	<u>\$ 24,174,429</u>	<u>313,481,082</u>	<u>\$ 11,319,863</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.

1,276,250

Net assets of business-type activities

\$ 314,757,332

**CITY OF COLUMBIA, MISSOURI**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<b>Major Enterprise Funds</b>		
	<b>Water and Electric Utility</b>	<b>Sanitary Sewer Utility</b>	<b>Solid Waste Utility</b>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 92,127,894	\$ 8,595,695	\$ 11,286,765
<b>OPERATING EXPENSES</b>			
Personal services	11,554,038	2,911,573	4,186,070
Materials, supplies, and power	53,221,001	645,281	2,624,450
Travel and training	102,500	5,901	9,565
Intragovernmental	2,310,173	837,057	986,430
Utilities, services, and miscellaneous	4,864,443	1,351,064	1,845,012
Depreciation	7,631,416	2,472,558	1,626,027
Total Operating Expenses	<u>79,683,571</u>	<u>8,223,434</u>	<u>11,277,554</u>
Operating Income (Loss)	<u>12,444,323</u>	<u>372,261</u>	<u>9,211</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment revenue	1,488,102	783,223	230,167
Revenue from other governmental units	-	-	69,811
Sale of SO <sub>2</sub> Allowances	4,731,803	-	-
Miscellaneous revenue	954,250	24,552	50,734
Interest expense	(3,504,906)	(911,328)	(363,934)
Loss on disposal of capital assets	(3,303)	(1,500)	(84,523)
Miscellaneous expense	(64,043)	(90,413)	(9,018)
Total Nonoperating Revenues (Expenses)	<u>3,601,903</u>	<u>(195,466)</u>	<u>(106,763)</u>
Income (Loss) Before Contributions and Transfers	16,046,226	176,795	(97,552)
Transfers in	100,000	-	5,500
Transfers out	(9,953,602)	(91,728)	(67,594)
Capital contribution	2,496,160	5,163,026	115,000
Total Net Transfers and Capital Contributions	(7,357,442)	5,071,298	52,906
Change in Net Assets	8,688,784	5,248,093	(44,646)
TOTAL NET ASSETS - BEGINNING	<u>124,403,337</u>	<u>109,005,554</u>	<u>6,729,578</u>
TOTAL NET ASSETS - ENDING	<u>\$ 133,092,121</u>	<u>\$ 114,253,647</u>	<u>\$ 6,684,932</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			
\$ 1,641,734	\$ 3,905,351	\$ 1,503,957	\$ 2,214,849	\$ 121,276,245	\$ 22,698,465
356,720	3,241,613	599,598	2,927,304	25,776,916	4,362,170
101,513	790,676	79,656	870,331	58,332,908	4,480,644
-	9,627	1,560	7,884	137,037	76,172
101,940	447,194	126,194	516,842	5,325,830	806,392
150,193	917,314	147,459	653,390	9,928,875	16,831,299
605,161	582,687	318,826	1,215,683	14,452,358	299,880
<u>1,315,527</u>	<u>5,989,111</u>	<u>1,273,293</u>	<u>6,191,434</u>	<u>113,953,924</u>	<u>26,856,557</u>
<u>326,207</u>	<u>(2,083,760)</u>	<u>230,664</u>	<u>(3,976,585)</u>	<u>7,322,321</u>	<u>(4,158,092)</u>
181,165	57,452	90,646	116,694	2,947,449	331,222
-	-	16,037	833,769	919,617	190,943
-	-	-	-	4,731,803	-
5,029	9,818	82,677	11,858	1,138,918	316,339
(422,651)	(89,906)	-	(36,556)	(5,329,281)	-
-	-	(4,551)	(13,216)	(107,093)	(17,636)
(17,944)	(151,858)	-	-	(333,276)	-
<u>(254,401)</u>	<u>(174,494)</u>	<u>184,809</u>	<u>912,549</u>	<u>3,968,137</u>	<u>820,868</u>
71,806	(2,258,254)	415,473	(3,064,036)	11,290,458	(3,337,224)
174,000	4,683,179	130,000	3,504,606	8,597,285	1,002,526
(4,900)	(31,062)	(7,814)	(45,588)	(10,202,288)	(183,323)
-	-	198,613	1,230,916	9,203,715	-
169,100	4,652,117	320,799	4,689,934	7,598,712	819,203
240,906	2,393,863	736,272	1,625,898	18,889,170	(2,518,021)
<u>8,991,449</u>	<u>13,927,655</u>	<u>8,985,808</u>	<u>22,548,531</u>		<u>13,837,884</u>
\$ <u>9,232,355</u>	\$ <u>16,321,518</u>	\$ <u>9,722,080</u>	\$ <u>24,174,429</u>		\$ <u>11,319,863</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.

(116,547)

Change in net assets of business-type activities:

\$ 18,772,623

**CITY OF COLUMBIA, MISSOURI  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	Major Enterprise Funds		
	Water and Electric Utility Fund	Sanitary Sewer Utility Fund	Solid Waste Utility Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from customers (including other funds)	\$ 91,070,930	\$ 8,531,328	\$ 11,350,196
Cash received from other sources	5,686,053	24,552	50,734
Cash payments to suppliers	(59,058,803)	(1,997,324)	(4,460,760)
Cash payments to employees	(11,712,747)	(2,983,334)	(4,275,240)
Cash payments to other funds	(2,310,173)	(837,057)	(986,430)
Cash payments for other expenses	(455,966)	(90,606)	(66,803)
Net cash provided (used) for operating activities	<u>23,219,294</u>	<u>2,647,559</u>	<u>1,611,697</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers in	100,000	-	5,500
Transfers out	(9,953,602)	(91,728)	(67,594)
Operating grants	-	-	69,811
Net cash provided (used) for noncapital financing activities	<u>(9,853,602)</u>	<u>(91,728)</u>	<u>7,717</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Proceeds from bonds, loans, and capital leases	32,011,781	-	-
Debt service - interest payments	(3,707,605)	(929,879)	(366,929)
Debt service - principal	(28,247,415)	(1,231,772)	(402,400)
Acquisition and construction of capital assets	(18,226,423)	(6,693,072)	(895,608)
Payment of construction contracts	(1,098,096)	(595,689)	(21,015)
Fiscal agent fees payments	(2,743)	(60,840)	(557)
Capital contributions	2,459,725	5,163,026	100,000
Proceeds from advances from other funds	-	912,500	-
Net cash provided (used) for capital and related financing activities	<u>(16,810,776)</u>	<u>(3,435,726)</u>	<u>(1,586,509)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received	1,850,219	869,032	292,890
Purchase of investments	-	-	-
Sale of investments	-	-	-
Net cash provided (used) for investing activities	<u>1,850,219</u>	<u>869,032</u>	<u>292,890</u>
Net increase (decrease) in cash and cash equivalents	(1,594,865)	(10,863)	325,795
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<u>56,700,949</u>	<u>13,037,252</u>	<u>7,151,506</u>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u>\$ 55,106,084</u>	<u>\$ 13,026,389</u>	<u>\$ 7,477,301</u>
Displayed as:			
Cash and cash equivalents	\$ 19,642,096	\$ 8,539,797	\$ 3,551,902
Restricted assets	35,463,988	4,486,592	3,925,399
	<u>\$ 55,106,084</u>	<u>\$ 13,026,389</u>	<u>\$ 7,477,301</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) FOR OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ 12,444,323	\$ 372,261	\$ 9,211
Adjustments to reconcile operating income (loss) to net cash provided (used) for operating activities			
Depreciation	7,631,416	2,472,558	1,626,027
Changes in assets and liabilities:			
(Increase)/decrease in receivable	(1,044,486)	(64,367)	63,431
(Increase)/decrease in due from other funds	-	-	-
(Increase)/decrease in loans receivable from other funds	(383,769)	-	-
(Increase)/decrease in inventory	(850,860)	-	20,433
(Increase)/decrease in other assets	(28,653)	-	-
Increase/(decrease) in accounts payable	361,899	4,878	(139,969)
Increase/(decrease) in accrued payroll and payroll taxes	(158,709)	(71,761)	(89,170)
Increase/(decrease) in accrued sales tax	13,302	-	-
Increase/(decrease) in due to other funds	(12,478)	-	-
Increase/(decrease) in loans payable to other funds	-	-	-
Increase/(decrease) in other liabilities	1,871	44	137,803
Increase (decrease) in claims payable - worker's compensation and general liability	-	-	-
Other non-operating revenue (expense)	5,245,438	(66,054)	(16,069)
Net cash provided (used) for operating activities	<u>\$ 23,219,294</u>	<u>\$ 2,647,559</u>	<u>\$ 1,611,697</u>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Contributed sewer lines	\$ 2,459,725	\$ 1,674,440	\$ -
Change in fair value of investments	-	-	-
Construction contracts payable	1,347,755	303,293	21,741
Total noncash capital and related financing activities	<u>\$ 3,807,480</u>	<u>\$ 1,977,733</u>	<u>\$ 21,741</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			
\$ 1,647,973	\$ 3,848,125	\$ 1,543,564	\$ 2,218,984	\$ 120,211,100	\$ 23,995,046
5,029	9,818	82,677	11,858	5,870,721	316,339
(261,290)	(1,675,481)	(178,636)	(1,561,417)	(69,193,711)	(21,141,371)
(365,659)	(3,312,432)	(603,587)	(3,005,377)	(26,258,376)	(4,426,640)
(101,940)	(447,194)	(126,194)	(473,906)	(5,282,894)	(806,392)
(55,728)	(20,414)	(27,286)	(30,481)	(747,284)	(44,594)
<u>868,385</u>	<u>(1,597,578)</u>	<u>690,538</u>	<u>(2,840,339)</u>	<u>24,599,556</u>	<u>(2,107,612)</u>
174,000	4,683,179	130,000	3,504,606	8,597,285	1,002,526
(4,900)	(31,062)	(7,814)	(45,588)	(10,202,288)	(183,323)
-	-	13,700	807,511	891,022	30,719
<u>169,100</u>	<u>4,652,117</u>	<u>135,886</u>	<u>4,266,529</u>	<u>(713,981)</u>	<u>849,922</u>
-	-	-	484,800	32,496,581	-
(427,742)	(104,676)	-	(36,556)	(5,573,387)	-
(397,162)	(2,288,057)	-	(204,387)	(32,771,193)	-
(108,425)	(289,461)	(946,270)	(3,135,834)	(30,295,093)	(629,615)
(40,200)	(131,005)	(25,323)	(62,544)	(1,973,872)	-
(1,150)	(43,437)	-	-	(108,727)	-
-	-	198,613	1,118,677	9,040,041	-
-	(94,698)	-	-	817,802	-
<u>(974,679)</u>	<u>(2,951,334)</u>	<u>(772,980)</u>	<u>(1,835,844)</u>	<u>(28,367,848)</u>	<u>(629,615)</u>
233,616	76,468	116,124	146,599	3,584,948	373,376
-	-	-	-	-	(234,245)
-	-	-	-	-	1,250,000
<u>233,616</u>	<u>76,468</u>	<u>116,124</u>	<u>146,599</u>	<u>3,584,948</u>	<u>1,389,131</u>
296,422	179,673	169,568	(263,055)	(897,325)	(498,174)
6,145,320	3,286,544	2,897,578	3,749,433	92,968,582	6,492,751
<u>\$ 6,441,742</u>	<u>\$ 3,466,217</u>	<u>\$ 3,067,146</u>	<u>\$ 3,486,378</u>	<u>\$ 92,071,257</u>	<u>\$ 5,994,577</u>
\$ 4,658,546	\$ 2,260,079	\$ 3,067,146	\$ 3,486,378	\$ 45,205,944	\$ 5,994,577
1,783,196	1,206,138	-	-	46,865,313	-
<u>\$ 6,441,742</u>	<u>\$ 3,466,217</u>	<u>\$ 3,067,146</u>	<u>\$ 3,486,378</u>	<u>\$ 92,071,257</u>	<u>\$ 5,994,577</u>
\$ 326,207	\$ (2,083,760)	\$ 230,664	\$ (3,976,585)	\$ 7,322,321	\$ (4,158,092)
605,161	582,687	318,826	1,215,683	14,452,358	299,880
8,239	(56,426)	39,607	4,135	(1,049,867)	76,709
(2,000)	(800)	-	-	(2,800)	-
-	-	-	-	(383,769)	-
-	1,450	-	(27,621)	(856,598)	14,007
-	-	-	-	(28,653)	(2,320)
(21,196)	40,686	50,039	(1,950)	294,387	232,600
(8,939)	(70,819)	(3,989)	(78,073)	(481,460)	(64,470)
-	-	-	-	13,302	-
-	-	-	-	(12,478)	(1,769)
-	-	-	42,936	42,936	-
11,612	-	-	(241)	151,089	137
-	-	-	-	-	1,221,641
(50,699)	(10,596)	55,391	(18,623)	5,138,788	274,065
<u>\$ 868,385</u>	<u>\$ (1,597,578)</u>	<u>\$ 690,538</u>	<u>\$ (2,840,339)</u>	<u>\$ 24,599,556</u>	<u>\$ (2,107,612)</u>
\$ -	\$ -	\$ -	\$ -	\$ 4,134,165	\$ -
-	-	-	-	-	19,306
-	90,978	73,948	61,076	1,898,791	-
<u>\$ -</u>	<u>\$ 90,978</u>	<u>\$ 73,948</u>	<u>\$ 61,076</u>	<u>\$ 6,032,956</u>	<u>\$ 19,306</u>

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

THIS PAGE INTENTIONALLY LEFT BLANK

**CITY OF COLUMBIA, MISSOURI**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
**SEPTEMBER 30, 2005**

	<b>Pension Trust Funds</b>	<b>Private Purpose Trust Funds</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 351,770	\$ 283,141
Accrued interest	165,081	1,047
Other assets	-	2,958
Investments, at fair value:		
Corporate bonds	11,483,988	-
Common stock and mutual funds	40,660,644	-
U.S. Government and agency securities	2,417,643	-
Money market	6,511,337	-
Asset-backed securities	9,282,909	-
Capital assets	11,687	-
Accumulated depreciation	(11,687)	-
<b>Total Assets</b>	<b>70,873,372</b>	<b>287,146</b>
<b>LIABILITIES</b>		
Accounts payable	-	10,235
Other liabilities	11,404	8,905
<b>Total Liabilities</b>	<b>11,404</b>	<b>19,140</b>
<b>NET ASSETS</b>		
Net assets held in trust	70,861,968	268,006
<b>Total Net Assets</b>	<b>\$ 70,861,968</b>	<b>\$ 268,006</b>

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

THIS PAGE INTENTIONALLY LEFT BLANK



**CITY OF COLUMBIA, MISSOURI**  
**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

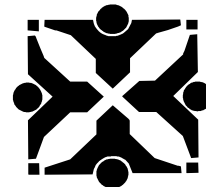
	<b>Pension Trust Funds</b>	<b>Private Purpose Trust Funds</b>
	<hr/>	<hr/>
<b>ADDITIONS</b>		
Contributions:		
Private	\$ -	\$ 2,000
Chamber	-	117,900
City	4,048,700	20,000
County	-	35,000
University	-	15,000
Employee	1,288,190	-
Net investment revenue:		
Net appreciation in fair value of investments	4,543,495	-
Interest and dividends	2,053,141	11,509
Miscellaneous	-	1,052
	<hr/>	<hr/>
<b>Total Additions</b>	<b>11,933,526</b>	<b>202,461</b>
	<hr/>	<hr/>
<b>DEDUCTIONS</b>		
Health and environment:		
Services and miscellaneous	-	14,268
Policy development and administration:		
Materials and supplies	119	23,652
Travel and training	-	18,690
Intragovernmental	-	200
Utilities, services, and miscellaneous	13,500	141,189
Pension benefits	5,119,572	-
Refund of employees' contributions	11,159	-
	<hr/>	<hr/>
<b>Total Deductions</b>	<b>5,144,350</b>	<b>197,999</b>
	<hr/>	<hr/>
Change in net assets	6,789,176	4,462
NET ASSETS - BEGINNING	<hr/>	<hr/>
	64,072,792	263,544
NET ASSETS - ENDING	<hr/> <hr/>	<hr/> <hr/>
	\$ 70,861,968	\$ 268,006

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

THIS PAGE INTENTIONALLY LEFT BLANK

# NOTES TO THE BASIC FINANCIAL STATEMENTS

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



# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

### Index

<b>Topic</b>	<b>Page(s)</b>
401(a) Retirement Plan	77
Advance Refunding	70
Annual Pension Cost	75-76
Basis of Accounting	44-46
Capital Assets	47, 56-58
Capital Contributions	49
Capital Lease Agreements	69-70
Capitalization of Interest	49
Certificates of Participation Series 2001A	65
Changes in Long-term Liabilities	62-63
City of Columbia New Century Fund, Inc.	43
Columbia Housing Authority	43
Columbia Regional Library District	43
Commitments	58-59
Compensated Absences	48
Conduit Debt - Industrial Revenue Bonds	70
Construction Commitments	58
Contingencies	73
Debt Service Requirement to Maturity	64
Deposits	51
Employee Retirement Systems and Plans	73-77
Employees' Health Plan	72
Financial Statement Presentation	44-46
Funding Policy	74-75
Government-Wide and Fund Financial Accounting	43-44
Grants	73
Interfund Receivables, Payables, and Transfers	60-61
Intragovernmental Revenue	48
Inventories	47
Investments	50-54
Landfill Closure and Postclosure Care Costs	72-73
Legal Debt Margin	70
Litigation	73
Long-term Liabilities	62-70
Measurement Focus	44-46
Net Assets	48
New Accounting Pronouncements	48
Obligation to Purchase Coal	59
Obligation to Purchase Electric Power	59
Parking Facilities Revenue Bonds - Series 1995 - Ordinance No. 014615	69
Pension Trust Funds' Investments	47
Plan Descriptions - LAGERS	74
Plan Descriptions - Police and Firefighter Pension	73-74

**CITY OF COLUMBIA, MISSOURI**

**Notes to the Basic Financial Statements  
September 30, 2005**

**Index**

<b>Topic</b>	<b>Page(s)</b>
Pooled Cash and Marketable Securities	46
Post Employment Health Plan (PEHP)	77
Property Tax Revenue Recognition	48
Receivables and Payables	55
Reconciliation of Government-Wide and Fund Financial Statements	49-50
Reporting Entity	43
Reverse Repurchase Agreements	54
Risk Management	71-72
Sanitary Sewer Revenue Bonds	67-69
Self Insurance	71-72
Special Obligation Bonds, Series 2001A and 2001B	65-66
Special Obligation Refunding and Capital Improvement Bonds - 1996 Series	65
Statement of Cash Flows	50
Statements of Changes in Fiduciary Net Assets	77
Statements of Fiduciary Net Assets for the Firefighters' and Police Retirement Funds	76
Stewardship, Compliance, and Accountability	50
Summary of Significant Accounting Policies	43-49
Tax Bills Receivable	47
Unbilled Revenue	46
Use of Estimates	50
Water and Electric Revenue Bonds	66-67

# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

### 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, 2005

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 they 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, 2005

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.

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



# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

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, 2005, \$99,357 had been reclassified due to a fund overdraft in the Self Insurance Reserve Fund, an internal service fund and \$92,405 in C.D.B.G. Fund, a special revenue fund.

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.

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, 2005.

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, 2005

### 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, which is based on quoted market prices.

### 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	2-10 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, 2005

### 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 2005 was 9% in January, increased by 2% in each succeeding month up through September for a maximum of 25%.

### 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 and scheduled holiday leave is accrued when incurred in the government-wide and proprietary financial statements. Certain amounts have been recorded in the governmental fund financial statements as part of accrued payroll and payroll taxes, since such amounts came due (matured) during the fiscal year ended September 30, 2005.

### 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 Statutory Restrictions includes \$20,759,074 for restricted tax revenues and \$5,295,493 for statutory restrictions.

***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. 42 Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries; GASB Statement No. 43 Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans; GASB Statement No. 44 Economic Condition Reporting: The Statistical Section; GASB Statement No. 45 Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension Plans; GASB Statement No. 46 Net Assets Restricted by Enabling Legislation – an amendment of GASB Statement No. 34; or GASB Statement No. 47 Accounting for Termination Benefits. The City will adopt and implement these statements at the required times.

# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

### 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 activities or governmental fund types within the fund financial statements.

### 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.

### 14. Amortization of Bond Costs

In the government-wide financial statements and the proprietary fund types in the fund financial statements, bond discounts and premiums are recorded as a reduction or addition to the debt obligation and bond issuance costs are recorded as deferred charges. Bond discounts and premiums and issuance costs are amortized using the straight-line method over the term of the related bonds. The loss on refunding is amortized as a component of interest expense over the remaining life of the bonds using the straight-line method.

## 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 (excluding capital 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	\$4,926,700
Accounts receivable	610,574
Accrued interest	18,026
Due from other funds	2,320
Inventory	539,359
Other assets – current	84
Investments	7,376,367
Accounts payable	(745,311)
Accrued payroll and payroll taxes	(317,085)
Due to other funds	(99,357)
Other liabilities – current	(45,012)
Claims payable – worker’s compensation and general liability	(2,513,498)
Claims payable – health insurance	(959,479)
Net adjustment to increase fund balance- total governmental funds to arrive at net assets-governmental activities	<u>\$8,793,688</u>

# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

### **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	(\$2,518,021)
Change in Net Assets of Internal Service Funds	
Reported with Business-Type Activities	116,547
Change in Capital Assets – all Internal Service Funds	(312,099)
Change in Capital Assets – Internal Service Funds	
Reported with Business-Type Activities	<u>(10,465)</u>
Net adjustment to increase net changes in fund balances-total governmental funds to arrive at changes in net assets of governmental activities	<u><u>(\$2,724,038)</u></u>

### **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, 2005, \$1,898,791 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, expenditures, 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.

# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

### 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, 2005, the bank balances in the City's checking accounts were \$655,604.

### 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, FFCB, FHLB 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." Money market mutual funds held by fiscal agents are classified as cash and cash equivalents on the balance sheet but as investments for custodial risk disclosure.

### Interest Rate Risk

Interest rate risk is the risk that the fair value of investments will be adversely affected by a change in interest rates. The City does not have a formal interest rate risk policy.

As of September 30, 2005 the City had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasuries	\$ 11,189,803	\$ 4,732,473	\$ 2,536,937		\$ 3,920,393
U.S. Agencies	142,282,547	38,552	32,645,685	53,976,178	55,622,132
Taxable Municipal Bonds	8,452,900			8,452,900	
Corporate Bonds	11,483,988	1,117,924	975,006	2,533,903	6,857,155
Tax-Exempt Securities	724,084			724,084	
Repurchase Agreements	1,994,000	1,994,000			
Money Market Accounts	32,066,266	32,066,266			
Mutual Funds	41,497,657	41,497,657			
Guaranteed Invest. Contracts	1,564,513	452,045	654,834	37,715	419,919
<b>Total</b>	<b>\$ 251,255,758</b>	<b>\$ 81,898,917</b>	<b>\$ 36,812,462</b>	<b>\$ 65,724,780</b>	<b>\$ 66,819,599</b>

# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

### **Credit Risk & Concentration of Credit Risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit risk is measured using credit quality ratings of investments in debt securities as described by nationally recognized rating agencies such as Standard & Poor's and Moody's. Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single issuer.

The City's investment policy is the "Prudent Person" standard. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. As such there is no limit on the amount that may be invested in one issuer.

Of the City's total investments, 24.67% are issues of the Federal Home Loan Mortgage Corporation (FreddieMac), 14.81% are issues of the Federal Home Loan Bank and 15.64% are issues of the Federal National Mortgage Association (FannieMae).

# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

The following table lists the credit ratings per Moody's and/or Standard and Poor's of the City's investments as of September 30, 2005:

Investment Type	Fair Value	Quality Ratings				
		AAA	AA+	AA	AA-	A+
U.S. Treasuries*	\$ 11,189,803	\$	\$	\$	\$	\$
U.S. Agencies	142,282,547	142,282,547				
Taxable Municipal Bonds	8,452,900	8,452,900				
Corporate Bonds	11,483,988	4,394,567	1,016,460	542,640	285,795	262,090
Tax Exempt Securities	724,084	724,084				
Repurchase Agreements	1,994,000	1,994,000				
Money Market Accounts	32,066,266					
Mutual Funds	41,497,657					
Guaranteed Invest. Cont.	1,564,513					
<b>Total</b>	<b>\$ 251,255,758</b>	<b>\$ 157,848,098</b>	<b>\$ 1,016,460</b>	<b>\$ 542,640</b>	<b>\$ 285,795</b>	<b>\$ 262,090</b>

continued below

Investment Type	Quality Ratings				
	A	A-	BBB	Baa2	Unrated
U.S. Treasuries*	\$	\$	\$	\$	\$
U.S. Agencies					
Taxable Municipal Bonds					
Corporate Bonds	3,687,870	189,068	633,462	472,036	
Tax Exempt Securities					
Repurchase Agreements					
Money Market Accounts					32,066,266
Mutual Funds					41,497,657
Guaranteed Invest. Cont.					1,564,513
	<b>\$ 3,687,870</b>	<b>\$ 189,068</b>	<b>\$ 633,462</b>	<b>\$ 472,036</b>	<b>\$ 75,128,436</b>

\* U.S. Treasury securities are explicitly guaranteed by the U.S. government and therefore do not require a rating.



# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

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

	<b>Balance September 30, 2005</b>
Fair value of investments	\$ 243,536,239
Investments with fiscal agents	7,719,519
Cash with fiscal agents	2,454,893
Cash on hand	24,142
Imprest accounts	(2,069,515)
Total	\$ 251,665,278

	<b>Government- Wide Statement of Net Assets</b>	<b>Fiduciary Funds Statement of Net Assets</b>	<b>Total</b>
Cash and cash equivalents	\$ 121,366,474	\$ 634,911	\$ 122,001,385
Investments	7,376,367	70,356,521	77,732,888
Restricted assets:			
Bond covenant account cash	46,525,348	—	46,525,348
Closure and postclosure reserve	2,751,003	—	2,751,003
Customer security and escrow deposits	2,654,654	—	2,654,654
Total	\$ 180,673,846	\$ 70,991,432	\$ 251,665,278

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 5% to 15% of the pooled investment portfolio in cash and cash equivalents to reduce the likelihood of selling a security to meet cash requirements. 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.

### 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.

# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

### V. RECEIVABLES AND PAYABLES

Balances at September 30, 2005 were as follows:

	Accounts	Accrued Interest	Grants Receivable/ Rehabilitation Loan	Taxes	Total Receivables	Allowance for Doubtful Accounts	Receivables, Net
Governmental activities:							
General	\$ 463,438	\$ 57,556	\$ 379,382	\$ 6,183,587	\$ 7,083,963	\$ (28,662)	\$ 7,055,301
Transportation Sales Tax	-	7,172	-	851,067	858,239	-	858,239
Capital Projects	281,090	123,453	-	-	404,543	-	404,543
Non-major Governmental Funds	1,271,607	164,893	6,084,909	4,120,676	11,642,085	(51,544)	11,590,541
Internal Service Funds	450,350	18,026	160,224	-	628,600	-	628,600
Total - governmental activities	<u>\$ 2,466,485</u>	<u>\$ 371,100</u>	<u>\$ 6,624,515</u>	<u>\$ 11,155,330</u>	<u>\$ 20,617,430</u>	<u>\$ (80,206)</u>	<u>\$ 20,537,224</u>
Business-type activities:							
Water and Electric Utility	\$ 13,680,327	\$ 248,875	\$ 36,435	\$ -	\$ 13,965,637	\$ (1,981,735)	\$ 11,983,902
Sanitary Sewer Utility	1,255,835	37,885	-	-	1,293,720	(284,119)	1,009,601
Solid Waste Utility	1,635,458	27,818	-	-	1,663,276	(382,414)	1,280,862
Parking Facilities	85,716	23,257	-	-	108,973	-	108,973
Recreation Services	62,618	8,109	-	-	70,727	-	70,727
Storm Water Utility	166,308	11,433	2,337	-	180,078	(36,346)	143,732
Non-major Enterprise Funds	266,374	12,924	26,258	-	305,556	-	305,556
Internal Service Funds	684,228	4,026	-	-	688,254	(455,316)	232,938
Total - business-type activities	<u>\$ 17,836,864</u>	<u>\$ 374,327</u>	<u>\$ 65,030</u>	<u>\$ -</u>	<u>\$ 18,276,221</u>	<u>\$ (3,139,930)</u>	<u>\$ 15,136,291</u>

Accounts payable 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, 2005

### VI. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2005 was as follows:

	<b>Balance October 1, 2004</b>	<b>Additions</b>	<b>Retirements</b>	<b>Balance September 30, 2005</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 19,622,790	\$ 3,586,510	\$ —	\$ 23,209,300
Construction in process	4,741,528	11,068,731	(7,209,468)	8,600,791
Total capital assets, not being depreciated	<u>24,364,318</u>	<u>14,655,241</u>	<u>(7,209,468)</u>	<u>31,810,091</u>
Capital assets, being depreciated:				
Buildings	21,818,779	24,013	(99,653)	21,743,139
Improvements other than buildings	8,289,366	2,791,480	—	11,080,846
Furniture, fixtures and equipment	26,463,496	2,830,253	(1,724,268)	27,569,481
Infrastructure	<u>68,981,412</u>	<u>10,122,785</u>	<u>—</u>	<u>79,104,197</u>
Total capital assets being depreciated	<u>125,553,053</u>	<u>15,768,531</u>	<u>(1,823,921)</u>	<u>139,497,663</u>
Less accumulated depreciation for:				
Buildings	(7,772,865)	(499,197)	—	(8,272,062)
Improvements other than buildings	(1,923,328)	(208,334)	—	(2,131,662)
Furniture, fixtures and equipment	(15,134,230)	(2,042,352)	1,503,632	(15,672,950)
Infrastructure	<u>(17,394,195)</u>	<u>(1,462,370)</u>	<u>—</u>	<u>(18,856,565)</u>
Total accumulated depreciation	<u>(42,224,618)</u>	<u>(4,212,253)</u>	<u>1,503,632</u>	<u>(44,933,239)</u>
Total capital assets, being depreciated, net	<u>83,328,435</u>	<u>11,556,278</u>	<u>(320,289)</u>	<u>94,564,424</u>
Governmental activities capital assets, net	<u>\$ 107,692,753</u>	<u>\$ 26,211,519</u>	<u>\$ (7,529,757)</u>	<u>\$ 126,374,515</u>

# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

	<u>Balance October 1, 2004</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2005</u>
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land and land rights	\$ 9,238,763	\$ 1,083,841	\$ (1,027,575)	\$ 9,295,029
Construction in progress	<u>13,358,928</u>	<u>21,193,066</u>	<u>(18,112,234)</u>	<u>16,439,760</u>
Total capital assets not being depreciated	<u>22,597,691</u>	<u>22,276,907</u>	<u>(19,139,809)</u>	<u>25,734,789</u>
Capital assets, being depreciated:				
Structures and improvements	238,305,070	12,759,353	—	251,064,423
Furniture, fixtures and equipment	<u>222,098,703</u>	<u>16,560,501</u>	<u>(1,816,518)</u>	<u>236,842,686</u>
Total capital assets being depreciated	<u>460,403,773</u>	<u>29,319,854</u>	<u>(1,816,518)</u>	<u>487,907,109</u>
Less accumulated depreciation for:				
Structures and improvements	(64,903,283)	(5,492,994)	—	(70,396,277)
Furniture, fixtures and equipment	<u>(97,887,384)</u>	<u>(8,969,829)</u>	<u>1,446,357</u>	<u>(105,410,856)</u>
Total accumulated depreciation	<u>(162,790,667)</u>	<u>(14,462,823)</u>	<u>1,446,357</u>	<u>(175,807,133)</u>
 Total capital assets being depreciated, net	 <u>297,613,106</u>	 <u>14,857,031</u>	 <u>(370,161)</u>	 <u>312,099,976</u>
 Business-type activities capital assets, net	 <u>\$ 320,210,797</u>	 <u>\$ 37,133,938</u>	 <u>\$ (19,509,970)</u>	 <u>\$ 337,834,765</u>

# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

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

**Governmental activities:**

Policy Development	\$ 280,682
Public Safety	1,303,277
Transportation	1,807,256
Health and Environment	35,501
Personal Development	496,122
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	289,415
Total depreciation expense - governmental-type activities:	\$ 4,212,253

**Business-type activities:**

Major funds:	
Water and Electric	\$ 7,631,416
Sanitary Sewer	2,472,558
Solid Waste	1,626,027
Parking Facilities	605,161
Recreational Services	582,687
Storm Water Utility	318,826
Non-major enterprise funds	1,215,683
Internal service funds	10,465
Total depreciation expense - business-type activities:	\$ 14,462,823

## VII. COMMITMENTS

### A. Construction Commitments

At September 30, 2005, construction contract commitments of the City were:

	<b>Amounts</b>
Major Governmental Fund:	
Capital Projects Fund	\$ 1,916,012
Enterprise Funds:	
Major Funds:	
Water and Electric Utility	5,447,037
Sanitary Sewer Utility	2,297,645
Solid Waste Utility	2,690
Recreation Services	276,547
Storm Water Utility	22,116
Total Enterprise Funds	8,046,035
Total	\$ 9,962,047

# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

### **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).

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, 2005, and ending May 31, 2006, 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 on September 30, 2005, was \$75.55 per ton. This price is adjusted monthly based on the average BTU/LB content for coal delivered during the month.

# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

### VIII. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund receivable and payable balances at September 30, 2005 are as follows:

	<b>Interfund receivables</b>	<b>Interfund payables</b>
Major Governmental Funds:		
General Fund	\$ 1,138,142	\$ —
Capital Projects Fund	2,500	781,700
Nonmajor governmental funds - permanent fund	2,613,431	—
Nonmajor governmental funds - special revenue funds	—	115,722
Enterprise Funds:		
Major Funds:		
Water and Electric Utility	946,231	930,683
Recreation Services	800	767,168
Parking Facilities	2,000	—
Sanitary Sewer Utility	—	992,500
Nonmajor enterprise	—	1,018,294
Internal Service Funds	2,320	99,357
Total	\$ 4,705,424	\$ 4,705,424

Interfund payables at September 30, 2005 include \$767,168 in the Recreation Services Fund, \$72,063 in the Regional Airport Fund, a non-major fund, and \$992,500 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 \$781,700 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 \$191,762 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 \$928,363 is reported as a receivable in the General Fund and a payable in the Water and Electric Utility Fund.

Loans with a balance of \$946,231, 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.

# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

Interfund transfers consisted of the following amounts:

	Transfer From												Total
	General Fund	Transportation Sales Tax	Capital Projects	Nonmajor Governmental	Water and Electric	Sanitary Sewer	Recreation Services	Parking Utility	Solid Waste	Storm Water	Non-Major Enterprise	Internal Service	
Major Governmental Funds:													
General Fund	\$ -	\$ 4,808,097	\$ -	\$ 657,914	\$ 8,694,081	\$ 2,518	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,297	\$ 14,178,907
Transportation Sales Tax	720,000	1,902,000	-	7,061,720	-	-	-	-	-	-	-	-	9,683,720
Capital Projects	585,420	-	-	2,688,180	-	-	-	-	-	-	-	-	3,273,600
Nonmajor Governmental													-
Major Enterprise Funds:													
Water and Electric	-	-	-	-	40,000	40,000	-	-	-	-	-	100,000	100,000
Storm Water	50,000	-	-	200	-	-	-	-	-	-	-	-	50,200
Solid Waste	5,300	-	-	2,000	-	-	-	-	-	-	-	-	7,300
Parking Facilities	172,000	-	24,113	3,023,556	-	-	-	-	-	-	-	-	3,219,669
Recreation Services	1,635,510	-	-	-	-	-	-	-	-	-	-	-	1,635,510
Nonmajor Enterprise	6,605	2,420,970	-	50,098	1,026,933	-	-	-	-	-	-	-	3,504,606
Internal Service	522,044	-	-	14,700	192,588	49,210	31,062	4,900	67,594	7,814	45,588	67,026	1,002,526
<b>Total</b>	<b>\$ 3,696,879</b>	<b>\$ 9,131,067</b>	<b>\$ 24,113</b>	<b>\$ 13,498,368</b>	<b>\$ 9,953,602</b>	<b>\$ 91,728</b>	<b>\$ 31,062</b>	<b>\$ 4,900</b>	<b>\$ 67,594</b>	<b>\$ 7,814</b>	<b>\$ 45,588</b>	<b>\$ 183,323</b>	<b>\$ 36,736,038</b>

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.

Included in the transfers schedule is a transfer from the Water and Electric Utilities Fund to the General Fund of \$8,694,081. The transfer represents PILOT payments.

Transfers for the general fund on the above interfund transfers schedule do not match transfers on the Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds due to transfers of capital assets between general fund departments and enterprise and internal service funds.

General fund transfers in per fund statements	\$ 14,176,389
Transfer of capital asset from Sanitary Sewer fund	<u>2,518</u>
<b>Total transfers in per transfer schedule</b>	<b>\$ <u><u>14,178,907</u></u></b>
General fund transfers out per fund statements	\$ 3,683,013
Transfer of capital asset to Custodial Maintenance fund	1,961
Transfer of capital asset to Airport fund	6,605
Transfer of capital asset to Solid Waste fund	<u>5,300</u>
<b>Total transfers out per transfer schedule</b>	<b>\$ <u><u>3,696,879</u></u></b>



# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

### IX. LONG-TERM LIABILITIES

#### A. Changes in Long-term Liabilities

	<u>Balance October 1, 2004</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2005</u>	<u>Current Portion</u>
<b>Governmental Activities:</b>					
Certificates of Participation:					
2001 A Series					
Fire Station	1,904,500	—	(949,500)	955,000	955,000
Health Center	2,085,000	—	—	2,085,000	—
Total Certificates of Participation	<u>3,989,500</u>	<u>—</u>	<u>(949,500)</u>	<u>3,040,000</u>	<u>955,000</u>
Capital Lease Obligations	7,000,000	—	—	7,000,000	—
Accrued Compensated Absences	1,876,318	1,734,615	(1,560,554)	2,050,379	1,594,171
Claims Payable - Worker's Compensation and General Liability	1,291,857	3,236,722	(2,015,081)	2,513,498	2,513,498
Claims Payable - Health Insurance	<u>898,012</u>	<u>7,644,995</u>	<u>(7,583,528)</u>	<u>959,479</u>	<u>959,479</u>
Total Governmental Activities	<u>\$ 15,055,687</u>	<u>\$ 12,616,332</u>	<u>\$ (12,108,663)</u>	<u>\$ 15,563,356</u>	<u>\$ 6,022,148</u>

Accrued compensated absences are generally liquidated by the general fund.

# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

	Balance October 1, 2004	Additions	Deductions	Balance September 30, 2005	Current Portion
<b>Business-type Activities:</b>					
Revenue Bonds:					
<i>Water &amp; Electric Utility:</i>					
1992 Water and Electric	\$ 7,185,000	\$ —	\$ (7,185,000)	\$ —	\$ —
1998 Water and Electric	28,010,000	—	(19,745,000)	8,265,000	70,000
2002 Water and Electric	16,025,000	—	(265,000)	15,760,000	455,000
2003 Water and Electric	8,900,000	—	(50,000)	8,850,000	50,000
2004 Water and Electric	17,095,000	—	—	17,095,000	—
2005 Water and Electric	—	30,630,000	—	30,630,000	—
Premiums (Discounts)	471,161	1,381,781	(48,935)	1,804,007	—
Gain (Loss) on Refunding	(361,010)	(772,194)	56,492	(1,076,712)	—
Total Water & Electric Utility	<u>77,325,151</u>	<u>31,239,587</u>	<u>(27,237,443)</u>	<u>81,327,295</u>	<u>575,000</u>
<i>Sanitary Sewer Utility:</i>					
1979 Sanitary Sewer System	285,000	—	(285,000)	—	—
1992 Sanitary Sewer System Series B	520,000	—	(45,000)	475,000	45,000
1999 Sanitary Sewer System Series A	3,075,000	—	(170,000)	2,905,000	170,000
1999 Sanitary Sewer System Series B	1,175,000	—	(65,000)	1,110,000	65,000
2000 Sanitary Sewer System Series B	2,130,000	—	(110,000)	2,020,000	110,000
2002 Sanitary Sewer System Series A	2,130,000	—	(100,000)	2,030,000	100,000
2002 Sanitary Sewer System Refunding	7,755,000	—	(200,000)	7,555,000	495,000
2003 Sanitary Sewer System Series B	3,620,000	—	(165,000)	3,455,000	160,000
2004 Sanitary Sewer System Series B	650,000	—	—	650,000	25,000
Premiums (Discounts)	(124,597)	—	13,646	(110,951)	—
Total Sanitary Sewer Utility	<u>21,215,403</u>	<u>—</u>	<u>(1,126,354)</u>	<u>20,089,049</u>	<u>1,170,000</u>
<i>Parking Facilities:</i>					
1995 Parking Facilities	2,780,000	—	(100,000)	2,680,000	105,000
Discounts	(50,087)	—	3,130	(46,957)	—
Total Parking Facilities	<u>2,729,913</u>	<u>—</u>	<u>(96,870)</u>	<u>2,633,043</u>	<u>105,000</u>
Total Revenue Bonds	<u>101,270,467</u>	<u>31,239,587</u>	<u>(28,460,667)</u>	<u>104,049,387</u>	<u>1,850,000</u>
Special Obligation Bonds:					
<i>Sanitary Sewer Utility:</i>					
2001 Sanitary Sewer	2,480,000	—	(105,000)	2,375,000	110,000
Premiums	6,796	—	(418)	6,378	—
Total Sanitary Sewer Utility	<u>2,486,796</u>	<u>—</u>	<u>(105,418)</u>	<u>2,381,378</u>	<u>110,000</u>
<i>Solid Waste Utility:</i>					
1996 Refuse System	3,530,000	—	(220,000)	3,310,000	230,000
2001 Refuse System	4,285,000	—	(185,000)	4,100,000	190,000
Discounts	(28,117)	—	2,600	(25,517)	—
Total Solid Waste Utility	<u>7,786,883</u>	<u>—</u>	<u>(402,400)</u>	<u>7,384,483</u>	<u>420,000</u>
<i>Parking Facilities:</i>					
1996 Parking Facilities	4,990,000	—	(305,000)	4,685,000	320,000
Discounts	(56,503)	—	4,708	(51,795)	—
Total Parking Facilities	<u>4,933,497</u>	<u>—</u>	<u>(300,292)</u>	<u>4,633,205</u>	<u>320,000</u>
<i>Recreation Services:</i>					
Certificates of Participation - 2001 A Series	4,665,500	—	(2,215,500)	2,450,000	2,450,000
Premiums	79,671	—	(72,557)	7,114	—
Total Recreation Services	<u>4,745,171</u>	<u>—</u>	<u>(2,288,057)</u>	<u>2,457,114</u>	<u>2,450,000</u>
Total Special Obligation Bonds	<u>19,952,347</u>	<u>—</u>	<u>(3,096,167)</u>	<u>16,856,180</u>	<u>3,300,000</u>
Accrued Compensated Absences	1,093,054	1,207,775	(1,134,902)	1,165,927	878,925
Accrued Landfill Closure/Post Closure Care Costs	3,474,139	138,152	—	3,612,291	431,803
Total Business-type Activities	<u>\$ 125,790,007</u>	<u>\$ 32,585,514</u>	<u>\$ (32,691,736)</u>	<u>\$ 125,683,785</u>	<u>\$ 6,460,728</u>

# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

### 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, 2005, including interest payments of \$56,510,185, are as follows:

Year ending September 30	Governmental Activities:		Business-type Activities:			
	Certificates of Participation 2001A		Special Obligation 1996 and 2001		Certificates of Participation 2001A	
	Principal	Interest	Principal	Interest	Principal	Interest
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	110,000	89,234	975,000	561,199	—	—
2010	115,000	84,381	1,020,000	512,785	—	—
2011–2015	650,000	336,405	5,910,000	1,732,519	—	—
2016–2020	815,000	156,569	3,345,000	452,393	—	—
2021–2025	190,000	4,869	555,000	13,320	—	—
2026–2030	—	—	—	—	—	—
	<u>\$ 3,040,000</u>	<u>\$ 983,429</u>	<u>\$ 14,470,000</u>	<u>\$ 5,221,184</u>	<u>\$ 2,450,000</u>	<u>\$ 47,670</u>

#### Business-type Activities: (continued)

#### Revenue Bonds

Year ending September 30	Water and Electric		Sanitary Sewer Utility		Parking Facilities	
	Principal	Interest	Principal	Interest	Principal	Interest
2006	\$ 575,000	\$ 3,308,871	\$ 1,170,000	\$ 849,359	\$ 105,000	\$ 153,047
2007	3,595,000	3,399,606	1,180,000	812,335	110,000	147,509
2008	3,755,000	3,244,750	1,205,000	772,131	120,000	141,469
2009	3,875,000	3,073,952	1,235,000	728,030	125,000	134,883
2010	4,020,000	2,905,270	1,260,000	680,382	130,000	127,836
2011–2015	20,575,000	12,101,327	6,645,000	2,578,809	785,000	512,142
2016–2020	17,460,000	8,125,106	5,910,000	1,067,161	—	391,500
2021–2025	16,900,000	3,952,465	1,595,000	146,778	1,305,000	39,150
2026–2030	9,845,000	864,034	—	—	—	—
	<u>\$ 80,600,000</u>	<u>\$ 40,975,381</u>	<u>\$ 20,200,000</u>	<u>\$ 7,634,985</u>	<u>\$ 2,680,000</u>	<u>\$ 1,647,536</u>

#### TOTAL DEBT SERVICE REQUIREMENTS TO MATURITY

Year ending September 30	Principal	Interest
2006	\$ 6,105,000	\$ 5,170,614
2007	5,875,000	5,107,800
2008	6,110,000	4,859,272
2009	6,320,000	4,587,298
2010	6,545,000	4,310,654
2011–2015	34,565,000	17,261,202
2016–2020	27,530,000	10,192,729
2021–2025	20,545,000	4,156,582
2026–2030	9,845,000	864,034
	<u>\$ 123,440,000</u>	<u>\$ 56,510,185</u>

# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

### C. 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.

### D. 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.

### E. 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%.

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.

# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

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

### **F. Water and Electric Revenue Bonds—2005 Series, 2004 Series, 2003 Series, 2002 Series, and 1998 Series**

In May of 2005, the City issued \$30,630,000 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. \$19,425,000 of the bonds were issued to refund \$19,685,000 of the outstanding 1998 Water and Electric Revenue Bonds, and \$11,205,000 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, 2029. Bonds maturing on October 1, 2016, and thereafter are subject to redemption prior to maturity at the option of the City at any time on or after October 1, 2015, 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 5.25%.

In March of 2004, the City issued \$17,095,000 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 facilities. Interest is paid semiannually on April 1 and October 1. Principal is due on April 1 and October 1 on maturities through October 1 2009, and thereafter on October 1 through October 1, 2028. Bonds maturing on October 1, 2015, and thereafter are subject to redemption prior to maturity at the option of the City at any time on or after October 1, 2014, 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 4.25%.

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%.

The bond ordinances require 110% coverage of the aggregate debt service for each fiscal year. The Water and Electric Utility Fund is required to be accounted for in a separate enterprise fund under the bond ordinances. These ordinances also require that after sufficient current assets have been set aside to operate the fund, all remaining monies held by the fund be restricted in separate accounts in the following sequence:

# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

Nature of accounts	Amount	Authorized expenditures
(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 \$8,739,211.	Paying principal and interest in the event of a deficiency in the current bond maturities and interest account.
(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.

### **G. Sanitary Sewer Revenue Bonds—2004 Series B, 2003 Series B, 2002 Refunding Series, 2002 Series A, 2000 Series B, 1999 Series A, 1999 Series B, and 1992 Series B**

The City issued \$650,000 of Sewerage System Bonds, Series B in May of 2004. 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, 2025, and interest payments are due on January 1 and July 1. The bonds maturing on and after January 1, 2015, are redeemable on each June 1 and December 1, commencing on June 1, 2014, at par plus accrued interest. The interest rates range from 2.00% to 5.25 % on this issue.

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

# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

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.

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 bond ordinances require 110% 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 \$214,840 for the 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, 2005

(e) Revenue bond construction	To account for revenue bond issue proceeds prior to expenditure for construction of utility plant additions.	Cost of construction projects.
-------------------------------	--	--------------------------------

### H. 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:

Nature of accounts	Amount	Authorized expenditures
(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.

### I. 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, 2005

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, 2005:

	<b>Debt Governmental Activities</b>
Year ending September 30:	
2006	418,250
2007	7,209,125
Total minimum lease payments	7,627,375
Less amount representing interest	(627,375)
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, 2005:

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

### **J. Conduit Debt – Industrial Revenue Bonds**

As of September 30, 2005, \$2,875,000 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.

### **K. Legal Debt Margin**

The City's legal debt margin is \$271,366,022. For more information on the legal debt margin, see Table 9 in the Statistical Section.

### **X. ADVANCE REFUNDING**

The City has 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, 2005, \$33,035,000 of bonds and lease debt outstanding are considered defeased. The table below details these issues.

# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

<u>Issue</u>	<u>Outstanding at September 30, 2005</u>
Enterprise funds revenue bonds/leases:	
Water and Electric 1992 series revenue bonds	\$ 3,690,000
Water and Electric 1998 series revenue bonds	19,685,000
1986 parking plaza lease/purchase agreement	1,345,000
Refuse 1986 series revenue bonds	95,000
Sanitary Sewer 1992 series revenue bonds	<u>8,220,000</u>
Total	<u>\$ 33,035,000</u>

### XI. DEFEASANCE

On May 17, 2005, the City of Columbia issued \$19,425,000 in Water and Electric revenue bonds with an average interest rate of 4.58% to advance refund \$19,685,000 of outstanding 1998 Water and Electric revenue bonds with an average interest rate of 4.97%. The proceeds of \$20,419,286 (after payment of \$124,936 issuance costs, and a premium of \$1,119,222) were used to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1998 Water and Electric revenue bonds. As a result, this portion of the 1998 Water and Electric revenue bonds are considered to be defeased and the liability for those bonds has been removed from the Water and Electric Utility.

The reacquisition price exceeded the net carrying amount of the old debt by \$772,194. 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. As a result of the advance refunding the City reduced its total debt service requirements by \$1,455,243, which resulted in an economic gain of \$999,224.

On May 17, 2005, the City defeased \$3,690,000 of Series 1992 Water and Electric Series B Revenue Bonds by placing \$3,795,165 in an irrevocable trust to provide for the October 1, 2005 debt service payment on these bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements.

### XII. 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, 2005, reserves, at fair value, included: the Replacement Catastrophic Reserve, \$683,592, and the Liquidity Reserve, \$6,569,775. 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 \$2,513,498 reported in the Self-insurance Reserve Fund at September 30, 2005 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.

# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

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 2004 and 2005 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>
9/30/2004	\$	1,505,763	\$	1,804,722	\$	(2,018,628)	\$	1,291,857
9/30/2005	\$	1,291,857	\$	3,236,722	\$	(2,015,081)	\$	2,513,498

### 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 \$959,479 are reported in the Employee Benefit Fund as of September 30, 2005. 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 2004 and 2005 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>
9/30/2004	\$	879,000	\$	6,891,870	\$	(6,872,858)	\$	898,012
9/30/2005	\$	898,012	\$	7,644,995	\$	(7,583,528)	\$	959,479

### XIII. 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, 2005, the liability recorded for landfill closure and postclosure care costs was \$3,612,291, which is based on 41.97% usage of the landfill, less costs paid to date of \$2,331,287. The City will recognize the remaining costs of closure and postclosure care of \$8,217,913 as the remaining capacity is filled. The estimated total current costs of the landfill closure and postclosure care (\$14,161,491) 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, 2005. 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 21 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

# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

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.

### XIV. 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 financial statements of the individual fund types included herein or on the overall financial position of the City at September 30, 2005.

#### 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.

### XV. 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.

#### 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. Benefits and refunds of the Police and the Firefighters' Retirement pension plans are recognized and payable when due.

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.

# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

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.

Financial Statements for the Police and Firefighters' Retirement Funds are presented within this document. There are no separately issued financial statements for the Police and Firefighters' Retirement Funds.

### *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:

	<u>Police Pension</u>	<u>Fire Pension</u>	<u>LAGERS</u>
Number of participants:			
Current membership (receiving benefits)	98	110	346
Terminated entitled, not yet receiving benefits	3	—	170
Current active members	141	126	838

### **B. Funding Policy**

The City's Police and Fire pension contributions for the fiscal year ended September 30, 2005, 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.

# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

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

	<u>Police Plan</u>	<u>Fire Plan</u>	<u>LAGERS</u>
Contribution rates:			
City – general, utility	29.27%	30.62%	13.9%, 14.2%
Plan members – contributory	8.35%	16.32%	—
Plan members – noncontributory	3.50%	—	—
Annual pension cost	\$2,113,978	\$1,934,722	\$4,499,040
Contributions made	\$2,113,978	\$1,934,722	\$4,499,040
Actuarial valuation date	9/30/2004	9/30/2004	2/29/2005
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.

### 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>
	6/30/2003	\$ 3,745,000	100%	\$ —
	6/30/2004	\$ 4,007,287	100%	\$ —
	6/30/2005	\$ 4,499,040	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	9/30/2003	\$ 1,541,029	100%	\$ —
	9/30/2004	\$ 1,675,017	100%	\$ —
	9/30/2005	\$ 2,113,978	100%	\$ —
Fire	9/30/2003	\$ 1,399,850	100%	\$ —
	9/30/2004	\$ 1,577,343	100%	\$ —
	9/30/2005	\$ 1,934,722	100%	\$ —

# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

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, 2005.

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. Statements of Fiduciary Net Assets for the Firefighters' and Police Retirement Funds as of September 30, 2005 are as follows:**

	<u>Firefighters'</u> <u>Retirement Fund</u>	<u>Police</u> <u>Retirement Fund</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 211,250	\$ 140,520	\$ 351,770
Accrued interest	99,137	65,944	165,081
Investments	42,251,412	28,105,109	70,356,521
Capital assets	7,018	4,669	11,687
Accumulated depreciation	<u>(7,018)</u>	<u>(4,669)</u>	<u>(11,687)</u>
<b>Total Assets</b>	<u>42,561,799</u>	<u>28,311,573</u>	<u>70,873,372</u>
<b>LIABILITIES</b>			
Other liabilities	<u>6,849</u>	<u>4,555</u>	<u>11,404</u>
<b>Total Liabilities</b>	<u>6,849</u>	<u>4,555</u>	<u>11,404</u>
<b>NET ASSETS</b>			
Net assets held in trust	<u>42,554,950</u>	<u>28,307,018</u>	<u>70,861,968</u>
<b>Total Net Assets</b>	<u>\$ 42,554,950</u>	<u>\$ 28,307,018</u>	<u>\$ 70,861,968</u>

# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

### E. Statements of Changes in Fiduciary Net Assets for the year ended September 30, 2005 are as follows:

	<u>Firefighters' Retirement Fund</u>	<u>Police Retirement Fund</u>	<u>Total</u>
<b>ADDITIONS</b>			
Contributions:			
City	\$ 1,934,722	\$ 2,113,978	\$ 4,048,700
Employee	1,031,120	257,070	1,288,190
Net investment income:			
Net appreciation			
in fair value of investments	2,687,220	1,856,275	4,543,495
Interest and dividends	1,237,438	815,703	2,053,141
	<u>6,890,500</u>	<u>5,043,026</u>	<u>11,933,526</u>
<b>DEDUCTIONS</b>			
Current:			
Policy development and administration:			
Materials and supplies	71	48	119
Intragovernmental	-	-	-
Utilities, services, and miscellaneous	8,137	5,363	13,500
Pension benefits	3,089,139	2,030,433	5,119,572
Refund of employee's contributions	-	11,159	11,159
	<u>3,097,347</u>	<u>2,047,003</u>	<u>5,144,350</u>
Change in net assets	3,793,153	2,996,023	6,789,176
NET ASSETS - BEGINNING	<u>38,761,797</u>	<u>25,310,995</u>	<u>64,072,792</u>
NET ASSETS - ENDING	<u>\$ 42,554,950</u>	<u>\$ 28,307,018</u>	<u>\$ 70,861,968</u>

### F. 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, 2005, there were 1,004 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, 2005, the City contributed \$800,922 to the plan. Plan provisions and contribution requirements are established and may be amended by the City Council.

### G. 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, 2005, there were 1,277 plan members. The City contributes \$21.00 to individual employee accounts on a monthly basis. 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, 2005, the City contributed \$358,159 to the plan.



# CITY OF COLUMBIA, MISSOURI

## Notes to the Basic Financial Statements September 30, 2005

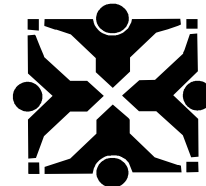
### XVI. SUBSEQUENT EVENTS

On October 17, 2005 Council passed Resolution R 232-05 authorizing early payment of the capital lease agreement with Stephen's College. The principal of \$7,000,000 and interest of \$209,125 was paid January 1, 2006.

On January 3, 2006, the Council passed Resolution R 5-06 authorizing the public sale of approximately \$20,005,000 Special Obligation Revenue Refunding and Improvement Bonds, Series 2006. The Bonds are being issued for the purpose of i) currently refunding the outstanding portion of the City's Special Obligation Refunding and Capital Improvement Bonds, Series 1996; ii) currently refunding the outstanding portion of the City's Parking Utility Revenue Bonds, Series 1995; iii) constructing, improving and extending the City-owned Sanitary Sewer Utility; iv) constructing and improving the City-owned Solid Waste Utility; v) funding a debt service reserve account; and vi) paying costs of issuance. The Bonds were sold on January 17, 2006.

CITY OF COLUMBIA, MISSOURI

# **REQUIRED SUPPLEMENTARY INFORMATION**



**CITY OF COLUMBIA, MISSOURI  
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
General property taxes	4,835,983	4,835,983	4,790,935	(45,048)
Sales tax	16,961,000	16,961,000	17,368,625	407,625
Other local taxes	7,867,615	7,867,615	8,478,760	611,145
Licenses and permits	677,710	677,710	746,319	68,609
Fines	1,624,402	1,624,402	1,423,992	(200,410)
Fees and service charges	1,712,437	1,712,437	2,116,369	403,932
Intragovernmental revenue	11,485,954	11,485,954	3,093,319	(8,392,635)
Revenue from other governmental units	3,371,628	3,807,875	3,290,518	(517,357)
Investment revenue	600,000	600,000	509,713	(90,287)
Miscellaneous revenue	694,560	715,168	793,895	78,727
<b>TOTAL REVENUES</b>	<b>49,831,289</b>	<b>50,288,144</b>	<b>42,612,445</b>	<b>(7,675,699)</b>
<b>EXPENDITURES:</b>				
Current:				
Policy development and administration:				
City Council	211,284	270,584	168,532	102,052
City Clerk	133,365	134,149	127,798	6,351
City Manager	782,417	786,734	762,069	24,665
Election	108,493	108,493	80,617	27,876
Financial Services	2,865,016	2,915,312	2,777,060	138,252
Human Resources	711,359	751,522	668,630	82,892
City Counselor	468,612	591,997	522,915	69,082
Public Works Administration	2,014,358	2,022,492	1,957,406	65,086
Total policy development and administration	7,294,904	7,581,283	7,065,027	516,256
Public safety:				
Police	15,290,683	15,626,804	15,138,821	487,983
City Prosecutor	356,763	357,018	334,379	22,639
Fire	10,765,710	11,069,744	10,594,659	475,085
Animal Control	394,367	394,964	392,124	2,840
Municipal Court	610,628	648,715	568,531	80,184
Emergency Management	188,678	191,698	167,551	24,147
Joint Communications	2,316,596	2,377,078	2,125,150	251,928
Total public safety	29,923,425	30,666,021	29,321,215	1,344,806
Transportation:				
Streets and Sidewalks	4,131,041	4,526,682	4,356,869	169,813
Street Lighting	850,000	1,136,569	1,136,569	-
Traffic	1,030,625	1,094,448	1,031,718	62,730
Total transportation	6,011,666	6,757,699	6,525,156	232,543
Health and environment:				
Health Services	4,317,020	4,615,809	3,976,631	639,178
Planning	668,231	672,249	616,073	56,176
Department of Economic Development	329,992	329,992	326,276	3,716
Protective Inspection	1,196,595	1,251,392	1,167,994	83,398
Total health and environment	6,511,838	6,869,442	6,086,974	782,468
Personal development:				
Parks and Recreation	3,927,479	4,014,624	3,782,565	232,059
Office of Community Services	288,620	316,091	285,525	30,566
Social Assistance	922,360	1,075,475	812,587	262,888
Total personal development	5,138,459	5,406,190	4,880,677	525,513
Miscellaneous nonprogrammed activities	867,932	767,097	373,787	393,310
<b>TOTAL EXPENDITURES</b>	<b>55,748,224</b>	<b>58,047,732</b>	<b>54,252,836</b>	<b>3,794,896</b>
<b>DEFICIENCY OF REVENUES OVER EXPENDITURES</b>	<b>(5,916,935)</b>	<b>(7,759,588)</b>	<b>(11,640,391)</b>	<b>(3,880,803)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers from other funds	5,448,668	5,481,332	14,176,389	8,695,057
Transfers to other funds	3,660,003	(3,683,013)	(3,683,013)	-
Appropriation of prior year fund balance	4,128,270	4,128,270	4,128,270	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>13,236,941</b>	<b>5,926,589</b>	<b>14,621,646</b>	<b>8,695,057</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>7,320,006</b>	<b>(1,832,999)</b>	<b>2,981,255</b>	<b>4,814,254</b>
Effect of appropriation of prior year fund balance	(4,128,270)	(4,128,270)	(4,128,270)	-
<b>FUND BALANCE, BEGINNING OF PERIOD</b>	<b>18,139,408</b>	<b>18,139,408</b>	<b>18,139,408</b>	<b>-</b>
<b>FUND BALANCE, END OF PERIOD</b>	<b>21,331,144</b>	<b>12,178,139</b>	<b>16,992,393</b>	<b>4,814,254</b>

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, 2005**

	<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	\$ 8,536,500	\$ 8,536,500	\$ 8,743,716	\$ 207,216
Investment revenue	55,000	55,000	65,794	10,794
TOTAL REVENUES	<u>8,591,500</u>	<u>8,591,500</u>	<u>8,809,510</u>	<u>218,010</u>
OTHER FINANCING (USES):				
Transfers to other funds	(9,131,067)	(9,131,067)	(9,131,067)	-
Transfers from other funds	-	-	-	-
TOTAL OTHER FINANCING (USES)	<u>(9,131,067)</u>	<u>(9,131,067)</u>	<u>(9,131,067)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(539,567)	(539,567)	(321,557)	218,010
FUND BALANCE, BEGINNING OF PERIOD	<u>2,919,644</u>	<u>2,919,644</u>	<u>3,021,117</u>	<u>101,473</u>
FUND BALANCE, END OF PERIOD	<u>\$ 2,380,077</u>	<u>\$ 2,380,077</u>	<u>\$ 2,699,560</u>	<u>\$ 319,483</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, 2005**

**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 \$2,299,508, and this increase is reflected in the final budgeted amounts in the accompanying required supplemental information. A Budgetary Comparison Schedule for the Transportation Sales Tax Fund is also included in Required Supplementary 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.

**CITY OF COLUMBIA, MISSOURI**  
 Required Supplementary Information - Unaudited  
**Schedule of Funding Progress**

**LAGERS**

<b>Actuarial valuation date</b>	<b>(a) Actuarial value of assets</b>	<b>(b) Entry age actuarial accrued liability</b>	<b>(b-a) Unfunded accrued liability (UAL)</b>	<b>(a/b) Funded ratio</b>	<b>[c] Annual covered payroll</b>	<b>[(b-a)/c] UAL as a percentage of covered payroll</b>
2/28/2003	70,528,966	83,131,089	12,602,123	85%	29,456,504	43%
2/29/2004	72,143,130	85,045,531	12,902,401	85%	30,179,637	43%
2/28/2005	76,251,746	90,165,333	13,913,587	85%	32,023,883	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 29, 2004 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**

<b>Actuarial valuation date</b>	<b>Actuarial value of assets</b>	<b>Entry age actuarial accrued liability</b>	<b>Unfunded accrued liability (UAL)</b>	<b>Funded ratio</b>	<b>Annual covered payroll</b>	<b>UAL as a percentage of covered payroll</b>
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%
9/30/2003	24,801,737	38,602,193	13,800,456	64%	6,259,230	220%
9/30/2004	25,325,718	40,664,190	15,338,472	62%	6,468,124	237%

**Firefighters' Retirement Plan**

<b>Actuarial valuation date</b>	<b>Actuarial value of assets</b>	<b>Entry age actuarial accrued liability</b>	<b>Unfunded accrued liability (UAL)</b>	<b>Funded ratio</b>	<b>Annual covered payroll</b>	<b>UAL as a percentage of covered payroll</b>
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%
9/30/2003	38,082,991	55,329,557	17,246,566	69%	5,833,970	296%
9/30/2004	38,790,024	59,513,851	20,723,827	65%	5,827,283	356%

See Independent Auditors' Report

**CITY OF COLUMBIA, MISSOURI**

Required Supplementary Information - Unaudited

**Schedule of Employer Contributions**

**Police Retirement Plan**

<u>Year ended September 30</u>	<u>Annual required contributions</u>	<u>Percent contributed</u>	<u>Net pension obligation</u>
1999	1,169,892	100%	-
2000	1,264,593	100%	-
2001	1,343,575	100%	-
2002	1,435,954	100%	-
2003	1,541,029	100%	-
2004	1,675,017	100%	-

**Firefighters' Retirement Plan**

<u>Year ended September 30</u>	<u>Annual required contributions</u>	<u>Percent contributed</u>	<u>Net pension obligation</u>
1999	1,055,836	100%	-
2000	1,085,657	100%	-
2001	1,136,419	100%	-
2002	1,149,108	100%	-
2003	1,399,850	100%	-
2004	1,577,343	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 8.0% per year, compounded annually; (b) projected salary increases of 4.5% per year, compounded annually, attributable to inflation; (c) additional projected salary increases ranging from 0% to 4.1% 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 September 30, 2004 was 23 years.

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

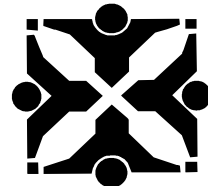
- Since it was reported to the actuary that the City's practice is to contribute the percent of payroll employer contribution rate shown in the actuarial valuation report, the annual required contributions shown in the Schedule of Employer Contributions are the actual contributions made by the City in the fiscal year.
- The actuarial value of assets shown in the Schedule of Funding Progress is the smoothed market value of assets.

THIS PAGE INTENTIONALLY LEFT BLANK



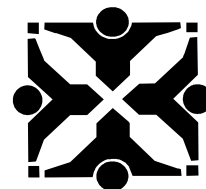
CITY OF COLUMBIA, MISSOURI

# SUPPLEMENTARY INFORMATION



CITY OF COLUMBIA, MISSOURI

**COMBINING FUND  
FINANCIAL STATEMENTS  
AND SCHEDULE**



## 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.

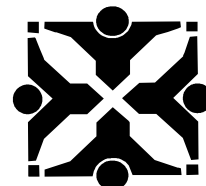
**Cultural Affairs Fund** - to account for monies reserved for cultural purposes. These monies are used to improve and sustain the cultural environment of the City by providing a system of support for area artists and cultural organizations.

**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.

**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.

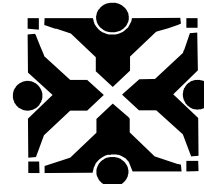
**Contributions Fund** - to account for all gifts, bequests, or other funds derived from property which may have been purchased or held in trust by or for the City of Columbia, Missouri. Resources in this fund shall only be used for parks and other recreational property or facilities.

### **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%. Financing was provided by an annual property tax levy. The City, over a period of several years, advance refunded these bonds. As of Fiscal Year 2004, the City has no outstanding liability.

**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**

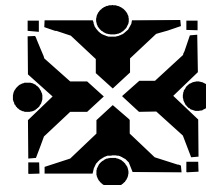
### **Debt Service Funds (continued)**

**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, 2005**

<b>ASSETS</b>	<b>Special Revenue Funds</b>	<b>Debt Service Funds</b>	<b>Permanent Fund</b>	<b>Total Nonmajor Governmental Funds</b>
Cash and cash equivalents	\$ 9,516,383	\$ 6,523,742	\$ 3,698,392	\$ 19,738,517
Accounts receivable	1,271,607	-	-	1,271,607
Taxes receivable, net	3,681,034	2,214	385,884	4,069,132
Grants receivable	370,084	-	-	370,084
Rehabilitation loans receivable	5,714,825	-	-	5,714,825
Accrued interest	42,679	24,428	97,786	164,893
Due from other funds	-	-	-	-
Advances to other funds	-	-	2,613,431	2,613,431
Restricted assets:				
Cash and cash equivalents	1,906,146	504,892	-	2,411,038
<b>TOTAL ASSETS</b>	<b>\$ 22,502,758</b>	<b>\$ 7,055,276</b>	<b>\$ 6,795,493</b>	<b>\$ 36,353,527</b>
<b>LIABILITIES AND FUND BALANCE</b>				
<b>LIABILITIES:</b>				
Accounts payable	\$ 167,743	\$ 522	\$ -	\$ 168,265
Interest payable	-	-	-	-
Accrued payroll and payroll taxes	28,412	-	-	28,412
Due to other funds	115,722	-	-	115,722
Unearned revenue	2,752,897	2,200	-	2,755,097
Other liabilities	847	-	-	847
General obligation bonds payable	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>3,065,621</b>	<b>2,722</b>	<b>-</b>	<b>3,068,343</b>
<b>FUND BALANCE:</b>				
Reserve for encumbrances	318,979	-	-	318,979
Reserve for development charges	1,271,389	-	-	1,271,389
Reserve for hotel/motel tax	634,757	-	-	634,757
Reserve for loans receivable	5,714,825	-	-	5,714,825
Reserve for contributions	-	-	1,500,000	1,500,000
Reserve for advances to other funds	-	-	2,613,431	2,613,431
Unreserved:				
Designated – appropriated	1,901,274	-	-	1,901,274
Designated – unrealized gains	33,588	88,423	-	122,011
Undesignated	9,562,325	6,964,131	2,682,062	19,208,518
<b>TOTAL FUND BALANCE</b>	<b>19,437,137</b>	<b>7,052,554</b>	<b>6,795,493</b>	<b>33,285,184</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 22,502,758</b>	<b>\$ 7,055,276</b>	<b>\$ 6,795,493</b>	<b>\$ 36,353,527</b>

See Independent Auditors' Report.

THIS PAGE INTENTIONALLY LEFT BLANK

**CITY OF COLUMBIA, MISSOURI  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
SEPTEMBER 30, 2005**

<b>ASSETS</b>	<b>Library Debt Fund</b>	<b>Library Operating Fund</b>	<b>Library Building Fund</b>	<b>Special Road District Tax Fund</b>	<b>Cultural Affairs Fund</b>
Cash and cash equivalents	\$ 1,301,412	\$ 817,409	\$82,309	\$ 616,889	\$ 181,976
Accounts receivable	-	-	-	1,238,934	1,708
Taxes receivable, net	1,281,033	1,381,053	-	-	-
Grants receivable	-	-	-	-	-
Rehabilitation loans receivable	-	-	-	-	-
Accrued interest	4,926	2,991	343	2,268	677
Other assets	-	-	-	-	-
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b><u>\$ 2,587,371</u></b>	<b><u>\$ 2,201,453</u></b>	<b><u>\$82,652</u></b>	<b><u>\$ 1,858,091</u></b>	<b><u>\$ 184,361</u></b>
<b>LIABILITIES AND FUND BALANCE</b>					
LIABILITIES:					
Accounts payable	\$ -	\$ 121,500	\$ -	\$ -	\$ 16,832
Interest payable	-	-	-	-	-
Accrued payroll and payroll taxes	-	-	-	-	4,698
Due to other funds	-	-	-	-	-
Unearned revenue	1,278,116	1,378,103	-	-	-
Other liabilities	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b><u>1,278,116</u></b>	<b><u>1,499,603</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>21,530</u></b>
FUND BALANCE:					
Reserve for encumbrances	-	-	-	-	5,171
Reserve for development charges	-	-	-	-	-
Reserve for hotel/motel tax	-	-	-	-	-
Reserve for loans receivable	-	-	-	-	-
Unreserved:					
Designated – appropriated	-	-	-	-	4,828
Designated – unrealized gains	-	12,646	-	5,082	-
Undesignated	1,309,255	689,204	82,652	1,853,009	152,832
<b>TOTAL FUND BALANCE</b>	<b><u>1,309,255</u></b>	<b><u>701,850</u></b>	<b><u>82,652</u></b>	<b><u>1,858,091</u></b>	<b><u>162,831</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b><u>\$ 2,587,371</u></b>	<b><u>\$ 2,201,453</u></b>	<b><u>\$82,652</u></b>	<b><u>\$ 1,858,091</u></b>	<b><u>\$ 184,361</u></b>

See Independent Auditors' Report.



**CITY OF COLUMBIA, MISSOURI  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
SEPTEMBER 30, 2005**

<b>ASSETS</b>	<b>Columbia Special Business District Fund</b>	<b>Convention and Tourism Fund</b>	<b>Community Development Grant Fund</b>	<b>Public Improvement Fund</b>
Cash and cash equivalents	\$ 17,794	\$ 463,235	\$ -	\$ 1,103,811
Accounts receivable	-	-	-	30,191
Taxes receivable, net	96,679	-	-	72,171
Grants receivable	-	-	370,084	-
Rehabilitation loans receivable	-	-	5,714,825	-
Accrued interest	65	4,072	-	8,972
Other assets	-	-	-	-
Restricted assets:				
Cash and cash equivalents	-	634,757	-	1,271,389
<b>TOTAL ASSETS</b>	<b><u>\$ 114,538</u></b>	<b><u>\$ 1,102,064</u></b>	<b><u>\$ 6,084,909</u></b>	<b><u>\$ 2,486,534</u></b>
<b>LIABILITIES AND FUND BALANCE</b>				
LIABILITIES:				
Accounts payable	\$ -	\$ 19,942	\$ 8,002	\$ 353
Interest payable	-	-	-	-
Accrued payroll and payroll taxes	-	12,768	7,820	-
Due to other funds	-	-	104,622	-
Unearned revenue	96,678	-	-	-
Other liabilities	-	-	847	-
<b>TOTAL LIABILITIES</b>	<b><u>96,678</u></b>	<b><u>32,710</u></b>	<b><u>121,291</u></b>	<b><u>353</u></b>
FUND BALANCE:				
Reserve for encumbrances	-	65,015	248,793	-
Reserve for development charges	-	-	-	1,271,389
Reserve for hotel/motel tax	-	634,757	-	-
Reserve for loans receivable	-	-	5,714,825	-
Unreserved:				
Designated – appropriated	-	2,486	-	-
Designated – unrealized gains	102	-	-	-
Undesignated	17,758	367,096	-	1,214,792
<b>TOTAL FUND BALANCE</b>	<b><u>17,860</u></b>	<b><u>1,069,354</u></b>	<b><u>5,963,618</u></b>	<b><u>2,486,181</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b><u>\$ 114,538</u></b>	<b><u>\$ 1,102,064</u></b>	<b><u>\$ 6,084,909</u></b>	<b><u>\$ 2,486,534</u></b>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
SEPTEMBER 30, 2005**

<b>Capital Improvement Sales Tax Fund</b>	<b>Park Sales Tax Fund</b>	<b>Contributions Fund</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ 1,905,604	\$ 2,370,408	\$ 655,536	\$ 9,516,383
-	-	774	1,271,607
425,535	424,563	-	3,681,034
-	-	-	370,084
-	-	-	5,714,825
6,986	8,915	2,464	42,679
-	-	-	-
-	-	-	1,906,146
<u>\$ 2,338,125</u>	<u>\$ 2,803,886</u>	<u>\$ 658,774</u>	<u>\$ 22,502,758</u>
\$ -	\$ -	\$ 1,114	\$ 167,743
-	-	-	-
-	-	3,126	28,412
-	-	11,100	115,722
-	-	-	2,752,897
-	-	-	847
-	-	15,340	3,065,621
-	-	-	318,979
-	-	-	1,271,389
-	-	-	634,757
-	-	-	5,714,825
1,573,100	320,860	-	1,901,274
15,758	-	-	33,588
749,267	2,483,026	643,434	9,562,325
<u>2,338,125</u>	<u>2,803,886</u>	<u>643,434</u>	<u>19,437,137</u>
<u>\$ 2,338,125</u>	<u>\$ 2,803,886</u>	<u>\$ 658,774</u>	<u>\$ 22,502,758</u>

See Independent Auditors' Report.

THIS PAGE INTENTIONALLY LEFT BLANK

**CITY OF COLUMBIA, MISSOURI  
COMBINING BALANCE SHEET  
NONMAJOR DEBT SERVICE FUNDS  
SEPTEMBER 30, 2005**

<b>ASSETS</b>	<b>1992 General Obligation Refunding Bonds Debt Service Fund</b>	<b>2001 Certificates of Participation - Stephens' Lake</b>	<b>2001 Certificates of Participation - Public Buildings</b>	<b>Total Nonmajor Debt Service Funds</b>
Cash and cash equivalents	\$ 502,584	\$ 5,979,651	\$ 41,507	\$ 6,523,742
Taxes receivable, net	2,214	-	-	2,214
Accrued interest	1,535	22,732	161	24,428
Restricted assets:				
Cash and cash equivalents	-	102	504,790	504,892
<b>TOTAL ASSETS</b>	<b><u>\$ 506,333</u></b>	<b><u>\$ 6,002,485</u></b>	<b><u>\$ 546,458</u></b>	<b><u>\$ 7,055,276</u></b>
<b>LIABILITIES AND FUND BALANCE</b>				
<b>LIABILITIES:</b>				
Accounts payable	\$ 522	\$ -	\$ -	\$ 522
Interest payable	-	-	-	-
Unearned revenue	2,200	-	-	2,200
General obligation bonds payable	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b><u>2,722</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>2,722</u></b>
<b>FUND BALANCE:</b>				
Unreserved:				
Designated - unrealized gains	88,423	-	-	88,423
Undesignated	415,188	6,002,485	546,458	6,964,131
<b>TOTAL FUND BALANCE</b>	<b><u>503,611</u></b>	<b><u>6,002,485</u></b>	<b><u>546,458</u></b>	<b><u>7,052,554</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b><u>\$ 506,333</u></b>	<b><u>\$ 6,002,485</u></b>	<b><u>\$ 546,458</u></b>	<b><u>\$ 7,055,276</u></b>

See Independent Auditors' Report.

THIS PAGE INTENTIONALLY LEFT BLANK

**CITY OF COLUMBIA, MISSOURI**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Permanent Fund</u>	<u>Total Nonmajor Governmental Funds</u>
REVENUES:				
General property taxes	\$ 3,794,183	\$ 327	\$ -	\$ 3,794,510
Sales tax	9,481,080	-	-	9,481,080
Other local taxes	1,514,327	-	-	1,514,327
Licenses and permits	19,765	-	-	19,765
Fees and service charges	543,214	-	-	543,214
Revenue from other governmental units	3,120,094	-	-	3,120,094
Investment revenue	334,964	178,786	164,832	678,582
Miscellaneous	276,039	-	-	276,039
<b>TOTAL REVENUES</b>	<u>19,083,666</u>	<u>179,113</u>	<u>164,832</u>	<u>19,427,611</u>
EXPENDITURES:				
Current:				
Policy development and administration	2,154,627	-	4,149	2,158,776
Health and environment	1,036,303	-	-	1,036,303
Personal development	3,489,765	-	-	3,489,765
Capital outlay	-	-	-	-
Debt Service:				
Redemption of serial bonds	-	949,500	-	949,500
Interest	-	578,002	-	578,002
Fiscal agent fees	-	2,750	-	2,750
<b>TOTAL EXPENDITURES</b>	<u>6,680,695</u>	<u>1,530,252</u>	<u>4,149</u>	<u>8,215,096</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>12,402,971</u>	<u>(1,351,139)</u>	<u>160,683</u>	<u>11,212,515</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	496,097	2,777,503	-	3,273,600
Transfers out	(13,498,368)	-	-	(13,498,368)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(13,002,271)</u>	<u>2,777,503</u>	<u>-</u>	<u>(10,224,768)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(599,300)	1,426,364	160,683	987,747
<b>FUND BALANCE, BEGINNING OF PERIOD</b>	<u>20,036,437</u>	<u>5,626,190</u>	<u>6,634,810</u>	<u>32,297,437</u>
<b>FUND BALANCE, END OF PERIOD</b>	<u>\$ 19,437,137</u>	<u>\$ 7,052,554</u>	<u>\$ 6,795,493</u>	<u>\$ 33,285,184</u>

See Independent Auditors' Report.

THIS PAGE INTENTIONALLY LEFT BLANK

**CITY OF COLUMBIA, MISSOURI**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<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	\$1,821,647	\$1,852,748	\$ -	\$ -	\$ -
Sales tax	-	-	-	-	-
Other local taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Fees and service charges	-	-	-	-	-
Revenue from other governmental units	-	-	-	1,238,934	27,055
Investment revenue	46,735	32,567	2,643	19,401	4,165
Miscellaneous	-	-	-	-	53,244
TOTAL REVENUES	<u>1,868,382</u>	<u>1,885,315</u>	<u>2,643</u>	<u>1,258,335</u>	<u>84,464</u>
EXPENDITURES:					
Current:					
Policy development and administration	-	-	-	-	342,936
Health and environment	-	-	-	-	-
Personal development	1,658,717	1,675,528	-	-	-
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>1,658,717</u>	<u>1,675,528</u>	<u>-</u>	<u>-</u>	<u>342,936</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>209,665</u>	<u>209,787</u>	<u>2,643</u>	<u>1,258,335</u>	<u>(258,472)</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	310,580
Transfers out	-	-	-	(2,708,425)	(2,625)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,708,425)</u>	<u>307,955</u>
NET CHANGE IN FUND BALANCE	209,665	209,787	2,643	(1,450,090)	49,483
FUND BALANCE, BEGINNING OF PERIOD	<u>1,099,590</u>	<u>492,063</u>	<u>80,009</u>	<u>3,308,181</u>	<u>113,348</u>
FUND BALANCE, END OF PERIOD	<u>\$1,309,255</u>	<u>\$ 701,850</u>	<u>\$ 82,652</u>	<u>\$ 1,858,091</u>	<u>\$ 162,831</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, 2005**

	<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	\$ 119,788	\$ -	\$ -	\$ -
Sales tax	-	-	-	742,558
Other local taxes	-	1,514,327	-	-
Licenses and permits	19,765	-	-	-
Fees and service charges	-	-	-	543,214
Revenue from other governmental units	-	-	1,854,105	-
Investment revenue	1,243	29,059	12,082	87,162
Miscellaneous	-	18,430	160	-
	<u>140,796</u>	<u>1,561,816</u>	<u>1,866,347</u>	<u>1,372,934</u>
TOTAL REVENUES				
EXPENDITURES:				
Current:				
Policy development and administration	156,571	1,621,562	-	33,558
Health and environment	-	-	1,036,303	-
Personal development	-	-	-	-
Capital outlay	-	-	-	-
	<u>156,571</u>	<u>1,621,562</u>	<u>1,036,303</u>	<u>33,558</u>
TOTAL EXPENDITURES				
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(15,775)</u>	<u>(59,746)</u>	<u>830,044</u>	<u>1,339,376</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	17,500	-	-	-
Transfers out	<u>(7,500)</u>	<u>(55,605)</u>	<u>(524,664)</u>	<u>(3,361,500)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>10,000</u>	<u>(55,605)</u>	<u>(524,664)</u>	<u>(3,361,500)</u>
NET CHANGE IN FUND BALANCE	(5,775)	(115,351)	305,380	(2,022,124)
FUND BALANCE, BEGINNING OF PERIOD	<u>23,635</u>	<u>1,184,705</u>	<u>5,658,238</u>	<u>4,508,305</u>
FUND BALANCE, END OF PERIOD	<u>\$ 17,860</u>	<u>\$ 1,069,354</u>	<u>\$ 5,963,618</u>	<u>\$ 2,486,181</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, 2005**

---

<u>Capital Improvement Sales Tax Fund</u>	<u>Park Sales Tax Fund</u>	<u>Contributions Fund</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ -	\$ -	\$ -	\$ 3,794,183
4,371,729	4,366,793	-	9,481,080
-	-	-	1,514,327
-	-	-	19,765
-	-	-	543,214
-	-	-	3,120,094
35,798	46,010	18,099	334,964
<u>-</u>	<u>-</u>	<u>204,205</u>	<u>276,039</u>
<u>4,407,527</u>	<u>4,412,803</u>	<u>222,304</u>	<u>19,083,666</u>
-	-	-	2,154,627
-	-	-	1,036,303
-	1,287	154,233	3,489,765
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>1,287</u>	<u>154,233</u>	<u>6,680,695</u>
<u>4,407,527</u>	<u>4,411,516</u>	<u>68,071</u>	<u>12,402,971</u>
-	-	168,017	496,097
<u>(3,745,587)</u>	<u>(2,928,860)</u>	<u>(163,602)</u>	<u>(13,498,368)</u>
<u>(3,745,587)</u>	<u>(2,928,860)</u>	<u>4,415</u>	<u>(13,002,271)</u>
661,940	1,482,656	72,486	(599,300)
<u>1,676,185</u>	<u>1,321,230</u>	<u>570,948</u>	<u>20,036,437</u>
<u>\$ 2,338,125</u>	<u>\$ 2,803,886</u>	<u>\$ 643,434</u>	<u>\$ 19,437,137</u>

See Independent Auditors' Report.

THIS PAGE INTENTIONALLY LEFT BLANK

**CITY OF COLUMBIA, MISSOURI**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR DEBT SERVICE FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<b>1992 General Obligation Refunding Bonds Debt Service Fund</b>	<b>2001 Certificates of Participation - Stephens' Lake</b>	<b>2001 Certificates of Participation - Public Buildings</b>	<b>Total Nonmajor Debt Service Funds</b>
REVENUES:				
General Property Taxes:				
Personal property	\$ 176	\$ -	\$ -	\$ 176
Interest and penalties	151	-	-	151
Total General Property Taxes	327	-	-	327
Investment revenue	11,877	153,244	13,665	178,786
<b>TOTAL REVENUES</b>	<b>12,204</b>	<b>153,244</b>	<b>13,665</b>	<b>179,113</b>
EXPENDITURES:				
Debt Service:				
Redemption of serial bonds	-	-	949,500	949,500
Interest	-	418,250	159,752	578,002
Fiscal agent fees	2,090	-	660	2,750
<b>TOTAL EXPENDITURES</b>	<b>2,090</b>	<b>418,250</b>	<b>1,109,912</b>	<b>1,530,252</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>10,114</b>	<b>(265,006)</b>	<b>(1,096,247)</b>	<b>(1,351,139)</b>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	1,668,250	1,109,253	2,777,503
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>1,668,250</b>	<b>1,109,253</b>	<b>2,777,503</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>10,114</b>	<b>1,403,244</b>	<b>13,006</b>	<b>1,426,364</b>
<b>FUND BALANCE, BEGINNING OF PERIOD</b>	<b>493,497</b>	<b>4,599,241</b>	<b>533,452</b>	<b>5,626,190</b>
<b>FUND BALANCE, END OF PERIOD</b>	<b>\$ 503,611</b>	<b>\$ 6,002,485</b>	<b>\$ 546,458</b>	<b>\$ 7,052,554</b>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI  
BUDGETARY COMPARISON SCHEDULE  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<b>Special Road District Tax Fund</b>		
	<b>Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance Positive (Negative)</b>
REVENUES:			
General property taxes	\$ -	\$ -	\$ -
Sales tax	-	-	-
Other local taxes	-	-	-
Fees and service charges	-	-	-
Revenue from other governmental units	1,200,000	1,238,934	38,934
Investment revenue	75,000	19,401	(55,599)
Miscellaneous revenue	-	-	-
TOTAL REVENUES	<u>1,275,000</u>	<u>1,258,335</u>	<u>(16,665)</u>
EXPENDITURES:			
Current:			
Policy development and administration	-	-	-
Personal development	-	-	-
Miscellaneous nonprogrammed activities:			
Other	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>1,275,000</u>	<u>1,258,335</u>	<u>(16,665)</u>
OTHER FINANCING SOURCES (USES):			
Transfers from other funds	-	-	-
Transfers to other funds	(2,708,425)	(2,708,425)	-
Restructure of financing	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(2,708,425)</u>	<u>(2,708,425)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(1,433,425)	(1,450,090)	(16,665)
FUND BALANCE, BEGINNING OF PERIOD	<u>3,351,827</u>	<u>3,308,181</u>	<u>(43,646)</u>
FUND BALANCE, END OF PERIOD	<u>\$ 1,918,402</u>	<u>\$ 1,858,091</u>	<u>\$ (60,311)</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI  
BUDGETARY COMPARISON SCHEDULE  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2005**

<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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	1,453,646	1,514,327	60,681
-	-	-	-	-	-
25,720	27,055	1,335	-	-	-
3,000	4,165	1,165	35,000	29,059	(5,941)
45,388	53,244	7,856	18,095	18,430	335
<u>74,108</u>	<u>84,464</u>	<u>10,356</u>	<u>1,506,741</u>	<u>1,561,816</u>	<u>55,075</u>
384,689	342,936	41,753	1,783,422	1,621,562	161,860
-	-	-	-	-	-
-	-	-	-	-	-
<u>384,689</u>	<u>342,936</u>	<u>41,753</u>	<u>1,783,422</u>	<u>1,621,562</u>	<u>161,860</u>
<u>(310,581)</u>	<u>(258,472)</u>	<u>52,109</u>	<u>(276,681)</u>	<u>(59,746)</u>	<u>216,935</u>
310,580	310,580	-	-	-	-
(2,625)	(2,625)	-	(55,605)	(55,605)	-
-	-	-	-	-	-
<u>307,955</u>	<u>307,955</u>	<u>-</u>	<u>(55,605)</u>	<u>(55,605)</u>	<u>-</u>
(2,626)	49,483	52,109	(332,286)	(115,351)	216,935
85,336	113,348	28,012	1,054,023	1,184,705	130,682
<u>\$ 82,710</u>	<u>\$ 162,831</u>	<u>\$ 80,121</u>	<u>\$ 721,737</u>	<u>\$ 1,069,354</u>	<u>\$ 347,617</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI  
BUDGETARY COMPARISON SCHEDULE  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<b>Public Improvement Fund</b>		
	<b>Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance Positive (Negative)</b>
REVENUES:			
General property taxes	\$ -	\$ -	\$ -
Sales tax	704,570	742,558	37,988
Other local taxes	-	-	-
Fees and service charges	450,000	543,214	93,214
Revenue from other governmental units	-	-	-
Investment revenue	130,000	87,162	(42,838)
Miscellaneous revenue	-	-	-
TOTAL REVENUES	<u>1,284,570</u>	<u>1,372,934</u>	<u>88,364</u>
EXPENDITURES:			
Current:			
Policy development and administration	33,558	33,558	-
Personal development	-	-	-
Miscellaneous nonprogrammed activities:			
Other	-	-	-
TOTAL EXPENDITURES	<u>33,558</u>	<u>33,558</u>	<u>-</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>1,251,012</u>	<u>1,339,376</u>	<u>88,364</u>
OTHER FINANCING SOURCES (USES):			
Transfers from other funds	-	-	-
Transfers to other funds	(3,571,500)	(3,361,500)	210,000
Restructure of financing	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(3,571,500)</u>	<u>(3,361,500)</u>	<u>210,000</u>
NET CHANGE IN FUND BALANCE	(2,320,488)	(2,022,124)	298,364
FUND BALANCE, BEGINNING OF PERIOD	<u>4,435,624</u>	<u>4,508,305</u>	<u>72,681</u>
FUND BALANCE, END OF PERIOD	<u>\$ 2,115,136</u>	<u>\$ 2,486,181</u>	<u>\$ 371,045</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI  
BUDGETARY COMPARISON SCHEDULE  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2005**

<b>Capital Improvement Sales Tax Fund</b>			<b>Park Sales Tax Fund</b>		
<b>Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance Positive (Negative)</b>	<b>Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance Positive (Negative)</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4,268,000	4,371,729	103,729	4,268,000	4,366,793	98,793
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
45,000	35,798	(9,202)	30,000	46,010	16,010
-	-	-	-	-	-
<u>4,313,000</u>	<u>4,407,527</u>	<u>94,527</u>	<u>4,298,000</u>	<u>4,412,803</u>	<u>114,803</u>
-	-	-	-	-	-
-	-	-	1,287	1,287	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,287</u>	<u>1,287</u>	<u>-</u>
<u>4,313,000</u>	<u>4,407,527</u>	<u>94,527</u>	<u>4,296,713</u>	<u>4,411,516</u>	<u>114,803</u>
-	-	-	-	-	-
(3,745,587)	(3,745,587)	-	(2,928,860)	(2,928,860)	-
-	-	-	-	-	-
<u>(3,745,587)</u>	<u>(3,745,587)</u>	<u>-</u>	<u>(2,928,860)</u>	<u>(2,928,860)</u>	<u>-</u>
567,413	661,940	94,527	1,367,853	1,482,656	114,803
<u>1,642,448</u>	<u>1,676,185</u>	<u>33,737</u>	<u>1,941,442</u>	<u>1,321,230</u>	<u>(620,212)</u>
<u>\$ 2,209,861</u>	<u>\$ 2,338,125</u>	<u>\$ 128,264</u>	<u>\$ 3,309,295</u>	<u>\$ 2,803,886</u>	<u>\$ (505,409)</u>

See Independent Auditors' Report.



**CITY OF COLUMBIA, MISSOURI  
BUDGETARY COMPARISON SCHEDULE  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<b>Contributions Fund</b>		
	<b>Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance Positive (Negative)</b>
REVENUES:			
General property taxes	\$ -	\$ -	\$ -
Sales tax	-	-	-
Other local taxes	-	-	-
Fees and service charges	-	-	-
Revenue from other governmental units	-	-	-
Investment revenue	15,000	18,099	3,099
Miscellaneous revenue	3,000	204,205	201,205
TOTAL REVENUES	<u>18,000</u>	<u>222,304</u>	<u>204,304</u>
EXPENDITURES:			
Current:			
Policy development and administration	-	-	-
Personal development	178,359	154,233	24,126
Miscellaneous nonprogrammed activities:			
Other	-	-	-
TOTAL EXPENDITURES	<u>178,359</u>	<u>154,233</u>	<u>24,126</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(160,359)</u>	<u>68,071</u>	<u>228,430</u>
OTHER FINANCING SOURCES (USES):			
Transfers from other funds	168,017	168,017	-
Transfers to other funds	(1,750)	(163,602)	(161,852)
Restructure of financing	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>166,267</u>	<u>4,415</u>	<u>(161,852)</u>
NET CHANGE IN FUND BALANCE	5,908	72,486	66,578
FUND BALANCE, BEGINNING OF PERIOD	<u>391,165</u>	<u>570,948</u>	<u>179,783</u>
FUND BALANCE, END OF PERIOD	<u>\$ 397,073</u>	<u>\$ 643,434</u>	<u>\$ 246,361</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI  
BUDGETARY COMPARISON SCHEDULE  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2005**

---

<b>Debt Service Funds (Combined)</b>		
<b>Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance Positive (Negative)</b>
\$ -	\$ 327	\$ 327
-	-	-
-	-	-
-	-	-
130,000	178,786	48,786
-	-	-
130,000	179,113	49,113
-	-	-
-	-	-
2,777,503	1,530,252	1,247,251
2,777,503	1,530,252	1,247,251
(2,647,503)	(1,351,139)	1,296,364
2,777,503	2,777,503	-
-	-	-
-	-	-
2,777,503	2,777,503	-
130,000	1,426,364	1,296,364
4,375,678	5,626,190	1,250,512
\$ 4,505,678	\$ 7,052,554	\$ 2,546,876

See Independent Auditors' Report.

(Continued)

THIS PAGE INTENTIONALLY LEFT BLANK

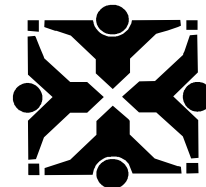
## **NON-MAJOR ENTERPRISE FUNDS**

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, 2005**

	<b>Regional Airport Fund</b>	<b>Public Transportation Fund</b>	<b>Railroad Fund</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>ASSETS</b>				
Current Assets:				
Cash and cash equivalents	\$ 237,084	\$ 2,874,215	\$ 375,079	\$ 3,486,378
Receivable, net	60,869	130,488	75,017	266,374
Grants receivable	-	26,258	-	26,258
Accrued interest	733	10,787	1,404	12,924
Inventory	-	59,436	99,036	158,472
Other assets	-	138	-	138
Total Current Assets	<u>298,686</u>	<u>3,101,322</u>	<u>550,536</u>	<u>3,950,544</u>
Noncurrent Assets:				
Restricted Assets:				
Grants receivable	-	-	123,672	123,672
Total Restricted Assets	<u>-</u>	<u>-</u>	<u>123,672</u>	<u>123,672</u>
Capital Assets:				
Land	1,538,836	-	1,070,463	2,609,299
Structures and improvements	18,464,880	284,208	4,129,489	22,878,577
Furniture, fixtures and equipment	1,974,577	4,846,692	1,273,423	8,094,692
Construction in progress	123	139,267	432,965	572,355
Less accumulated depreciation	<u>(8,433,123)</u>	<u>(2,257,970)</u>	<u>(2,032,825)</u>	<u>(12,723,918)</u>
Total Capital Assets	<u>13,545,293</u>	<u>3,012,197</u>	<u>4,873,515</u>	<u>21,431,005</u>
Total Noncurrent Assets	<u>13,545,293</u>	<u>3,012,197</u>	<u>4,997,187</u>	<u>21,554,677</u>
<b>Total Assets</b>	<u>13,843,979</u>	<u>6,113,519</u>	<u>5,547,723</u>	<u>25,505,221</u>
<b>LIABILITIES</b>				
Current liabilities not payable from restricted assets:				
Accounts payable	11,643	7,551	26,662	45,856
Accrued payroll and payroll taxes	24,094	57,757	7,260	89,111
Accrued compensated absences	39,407	27,439	5,267	72,113
Loans payable to other funds – current maturities	-	-	104,208	104,208
Other liabilities	16,132	-	-	16,132
Total current liabilities not payable from restricted assets	<u>91,276</u>	<u>92,747</u>	<u>143,397</u>	<u>327,420</u>
Current liabilities payable from restricted assets:				
Construction contracts payable	26,649	-	34,427	61,076
Advances from other funds	72,063	-	-	72,063
Total current liabilities payable from restricted assets	<u>98,712</u>	<u>-</u>	<u>34,427</u>	<u>133,139</u>
Noncurrent Liabilities:				
Accrued compensated absences	12,789	13,235	2,186	28,210
Loans payable to other funds	-	-	842,023	842,023
Total Noncurrent Liabilities	<u>12,789</u>	<u>13,235</u>	<u>844,209</u>	<u>870,233</u>
<b>Total Liabilities</b>	<u>202,777</u>	<u>105,982</u>	<u>1,022,033</u>	<u>1,330,792</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	13,545,293	3,012,197	4,873,515	21,431,005
Restricted for:				
Capital Projects	-	-	123,672	123,672
Unrestricted	<u>95,909</u>	<u>2,995,340</u>	<u>(471,497)</u>	<u>2,619,752</u>
<b>Total Net Assets</b>	<u>\$ 13,641,202</u>	<u>\$ 6,007,537</u>	<u>\$ 4,525,690</u>	<u>\$ 24,174,429</u>

See Independent Auditors' Report.

THIS PAGE IS INTENTIONALLY LEFT BLANK

**CITY OF COLUMBIA, MISSOURI**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**NONMAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Regional Airport Fund</u>	<u>Public Transportation Fund</u>	<u>Railroad Fund</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>OPERATING REVENUES:</b>				
Charges for services	\$ 588,194	\$ 779,326	\$ 847,329	\$ 2,214,849
<b>OPERATING EXPENSES:</b>				
Personal services	846,688	1,835,880	244,736	2,927,304
Materials, supplies, and power	108,449	674,648	87,234	870,331
Travel and training	4,332	2,763	789	7,884
Intragovernmental	140,504	328,186	48,152	516,842
Utilities, services, and miscellaneous	168,606	285,080	199,704	653,390
Depreciation	539,664	422,403	253,616	1,215,683
Total Operating Expenses	<u>1,808,243</u>	<u>3,548,960</u>	<u>834,231</u>	<u>6,191,434</u>
Operating Income (Loss)	<u>(1,220,049)</u>	<u>(2,769,634)</u>	<u>13,098</u>	<u>(3,976,585)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Investment revenue	8,961	84,370	23,363	116,694
Revenue from other governmental units	-	833,769	-	833,769
Miscellaneous revenue	5,215	2,378	4,265	11,858
Interest expense	(4,726)	-	(31,830)	(36,556)
Loss on disposal of capital assets	-	(13,216)	-	(13,216)
Miscellaneous expense	-	-	-	-
Total Nonoperating Revenues (Expenses)	<u>9,450</u>	<u>907,301</u>	<u>(4,202)</u>	<u>912,549</u>
Income (Loss) Before Contributions and Transfers	<u>(1,210,599)</u>	<u>(1,862,333)</u>	<u>8,896</u>	<u>(3,064,036)</u>
Transfers in	827,575	1,600,000	1,077,031	3,504,606
Transfers out	(14,000)	(28,088)	(3,500)	(45,588)
Capital contribution	<u>1,002,606</u>	<u>104,638</u>	<u>123,672</u>	<u>1,230,916</u>
Changes in Net Assets	605,582	(185,783)	1,206,099	1,625,898
<b>TOTAL NET ASSETS- BEGINNING OF PERIOD</b>	<u>13,035,620</u>	<u>6,193,320</u>	<u>3,319,591</u>	<u>22,548,531</u>
<b>TOTAL NET ASSETS- END OF PERIOD</b>	<u>\$ 13,641,202</u>	<u>\$ 6,007,537</u>	<u>\$ 4,525,690</u>	<u>\$ 24,174,429</u>

See Independent Auditors' Report.

THIS PAGE IS INTENTIONALLY LEFT BLANK



**CITY OF COLUMBIA, MISSOURI  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<b>Regional Airport Fund</b>	<b>Public Transportation Fund</b>	<b>Railroad Fund</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Cash received from customers (including other funds)	\$ 596,299	\$ 751,125	\$ 871,560	\$ 2,218,984
Cash received from other sources	5,215	2,378	4,265	11,858
Cash payments to suppliers	(281,734)	(965,195)	(314,488)	(1,561,417)
Cash payments to employees	(875,865)	(1,881,655)	(247,857)	(3,005,377)
Cash payments to other funds	(140,504)	(328,186)	(5,216)	(473,906)
Cash payments for other expenses	(1,620)	(25,894)	(2,967)	(30,481)
Net cash provided for (used for) operating activities	<u>(698,209)</u>	<u>(2,447,427)</u>	<u>305,297</u>	<u>(2,840,339)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Transfers from other funds	827,575	1,600,000	1,077,031	3,504,606
Transfers to other funds	(14,000)	(28,088)	(3,500)	(45,588)
Operating grants	-	807,511	-	807,511
Net cash provided for (used for) noncapital financing activities	<u>813,575</u>	<u>2,379,423</u>	<u>1,073,531</u>	<u>4,266,529</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Proceeds from bonds, loans, and capital leases	-	-	484,800	484,800
Debt service – interest payments	(4,726)	-	(31,830)	(36,556)
Debt service – principal	(60,420)	-	(143,967)	(204,387)
Acquisition and construction of capital assets	(1,216,001)	(195,794)	(1,724,039)	(3,135,834)
Decrease in construction contracts	(17,433)	-	(45,111)	(62,544)
Capital contributions	1,014,039	104,638	-	1,118,677
Net cash provided for (used for) capital and related financing activities	<u>(284,541)</u>	<u>(91,156)</u>	<u>(1,460,147)</u>	<u>(1,835,844)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES –</b>				
Interest received	10,991	109,256	26,352	146,599
Net cash provided for (used for) investing activities	<u>10,991</u>	<u>109,256</u>	<u>26,352</u>	<u>146,599</u>
Net increase (decrease) in cash and cash equivalents	(158,184)	(49,904)	(54,967)	(263,055)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>395,268</u>	<u>2,924,119</u>	<u>430,046</u>	<u>3,749,433</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 237,084</u>	<u>\$ 2,874,215</u>	<u>\$ 375,079</u>	<u>\$ 3,486,378</u>
Displayed as:				
Cash and cash equivalents	<u>\$ 237,084</u>	<u>\$ 2,874,215</u>	<u>\$ 375,079</u>	<u>\$ 3,486,378</u>
	<u>\$ 237,084</u>	<u>\$ 2,874,215</u>	<u>\$ 375,079</u>	<u>\$ 3,486,378</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) FOR OPERATING ACTIVITIES:</b>				
Operating income (loss)	\$ (1,220,049)	\$ (2,769,634)	\$ 13,098	\$ (3,976,585)
Adjustments to reconcile operating income to net cash provided (used) for operating activities:				
Depreciation	539,664	422,403	253,616	1,215,683
Changes in assets and liabilities:				
Decrease (increase) in receivable	8,105	(28,201)	24,231	4,135
Decrease (increase) in inventory	-	-	(27,621)	(27,621)
Increase (decrease) in accounts payable	(106)	(2,704)	860	(1,950)
Increase (decrease) in accrued payroll	(29,177)	(45,775)	(3,121)	(78,073)
Increase (decrease) in loans payable to other funds	-	-	42,936	42,936
Increase (decrease) in other liabilities	(241)	-	-	(241)
Other nonoperating revenue (expense)	3,595	(23,516)	1,298	(18,623)
Net cash provided for (used for) operating activities	<u>\$ (698,209)</u>	<u>\$ (2,447,427)</u>	<u>\$ 305,297</u>	<u>\$ (2,840,339)</u>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Construction contracts payable	\$ 26,649	\$ -	\$ 34,427	\$ 61,076
Total noncash capital and related financing activities	<u>\$ 26,649</u>	<u>\$ -</u>	<u>\$ 34,427</u>	<u>\$ 61,076</u>

THIS PAGE IS INTENTIONALLY LEFT BLANK

## 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.

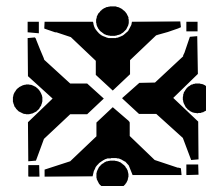
**Information Services Fund** - to account for the provision of hardware infrastructure to support the computing requirements of the City, as well as developing or implementing software to improve the operating efficiencies of the departments within the City.

**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.



THIS PAGE INTENTIONALLY LEFT BLANK

**CITY OF COLUMBIA, MISSOURI  
COMBINING STATEMENT OF NET ASSETS  
INTERNAL SERVICE FUNDS  
SEPTEMBER 30, 2005**

<b>ASSETS</b>	<b><u>Custodial and Maintenance Services Fund</u></b>	<b><u>Utility Customer Services Fund</u></b>	<b><u>Information Services Fund</u></b>
<b>CURRENT ASSETS:</b>			
Cash and cash equivalents	\$ 821,437	\$ 1,067,877	\$ 1,150,224
Investments	-	-	-
Receivable, net	-	228,912	5,658
Grants receivable	-	-	160,224
Accrued interest	3,050	4,026	4,306
Due from other funds	-	-	-
Inventory	7,201	-	6,672
Other assets	-	-	-
Total Current Assets	<u>831,688</u>	<u>1,300,815</u>	<u>1,327,084</u>
<b>CAPITAL ASSETS:</b>			
Property, plant, and equipment	129,538	71,350	3,372,405
Construction in progress	-	-	-
Less accumulated depreciation	<u>(61,210)</u>	<u>(34,265)</u>	<u>(2,603,331)</u>
Total Capital Assets	<u>68,328</u>	<u>37,085</u>	<u>769,074</u>
<b>TOTAL ASSETS</b>	<u>900,016</u>	<u>1,337,900</u>	<u>2,096,158</u>
<b>LIABILITIES AND NET ASSETS</b>			
<b>CURRENT LIABILITIES:</b>			
Accounts payable	9,930	36,345	235,761
Accrued payroll and payroll taxes	30,710	25,305	154,798
Due to other funds	-	-	-
Claims payable - health insurance	-	-	-
Claims payable - worker's compensation and general liability	-	-	-
Other liabilities	-	-	-
Total Current Liabilities	<u>40,640</u>	<u>61,650</u>	<u>390,559</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	68,328	37,085	769,074
Restricted for:			
Other purposes	-	-	-
Unrestricted	<u>791,048</u>	<u>1,239,165</u>	<u>936,525</u>
Total Net Assets	<u>\$ 859,376</u>	<u>\$ 1,276,250</u>	<u>\$ 1,705,599</u>

**CITY OF COLUMBIA, MISSOURI  
COMBINING STATEMENT OF NET ASSETS  
INTERNAL SERVICE FUNDS  
SEPTEMBER 30, 2005**

<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>
\$ 1,257,286	\$ 392,208	\$ -	\$ 1,305,545	\$ 5,994,577
-	-	7,376,367	-	7,376,367
117,838	23,285	-	303,569	679,262
-	-	-	-	160,224
4,695	1,539	(188)	4,624	22,052
-	-	2,320	-	2,320
16,083	509,403	-	-	539,359
-	84	-	-	84
<u>1,395,902</u>	<u>926,519</u>	<u>7,378,499</u>	<u>1,613,738</u>	<u>14,774,245</u>
216,191	424,812	33,350	-	4,247,646
-	130,722	-	-	130,722
<u>(139,475)</u>	<u>(232,227)</u>	<u>(20,850)</u>	<u>-</u>	<u>(3,091,358)</u>
<u>76,716</u>	<u>323,307</u>	<u>12,500</u>	<u>-</u>	<u>1,287,010</u>
<u>1,472,618</u>	<u>1,249,826</u>	<u>7,390,999</u>	<u>1,613,738</u>	<u>16,061,255</u>
43,637	276,489	8,912	170,582	781,656
24,527	82,554	8,716	15,780	342,390
-	-	99,357	-	99,357
-	-	-	959,479	959,479
-	-	2,513,498	-	2,513,498
-	-	-	45,012	45,012
<u>68,164</u>	<u>359,043</u>	<u>2,630,483</u>	<u>1,190,853</u>	<u>4,741,392</u>
76,716	323,307	12,500	-	1,287,010
-	-	683,592	-	683,592
<u>1,327,738</u>	<u>567,476</u>	<u>4,064,424</u>	<u>422,885</u>	<u>9,349,261</u>
<u>\$ 1,404,454</u>	<u>\$ 890,783</u>	<u>\$ 4,760,516</u>	<u>\$ 422,885</u>	<u>\$ 11,319,863</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, 2005**

	<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	\$ 692,179	\$ 1,097,137	\$3,000,680
OPERATING EXPENSES:			
Personal services	449,029	458,878	1,611,520
Materials and supplies	82,462	242,950	448,726
Travel and training	-	14,553	53,822
Intragovernmental	60,903	253,722	114,608
Utilities, services, and miscellaneous	234,556	497,315	940,535
Depreciation	4,777	10,465	250,971
TOTAL OPERATING EXPENSES	<u>831,727</u>	<u>1,477,883</u>	<u>3,420,182</u>
OPERATING INCOME (LOSS)	<u>(139,548)</u>	<u>(380,746)</u>	<u>(419,502)</u>
NONOPERATING REVENUES (EXPENSES):			
Investment revenue	25,970	32,889	33,688
Revenue from other governmental units	-	-	160,224
Miscellaneous revenue	158	258,107	32,116
Interest expense	-	-	-
Loss on disposal of capital assets	-	-	(17,636)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>26,128</u>	<u>290,996</u>	<u>208,392</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(113,420)	(89,750)	(211,110)
Transfers in	1,961	-	-
Transfers out	<u>(7,875)</u>	<u>(26,797)</u>	<u>(18,988)</u>
CHANGES IN NET ASSETS	(119,334)	(116,547)	(230,098)
TOTAL NET ASSETS- BEGINNING OF PERIOD	<u>978,710</u>	<u>1,392,797</u>	<u>1,935,697</u>
TOTAL NET ASSETS- END OF PERIOD	<u>\$ 859,376</u>	<u>\$ 1,276,250</u>	<u>\$1,705,599</u>

**CITY OF COLUMBIA, MISSOURI**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

<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>
\$ 744,265	\$ 5,185,497	\$ 1,825,032	\$ 10,153,675	\$ 22,698,465
302,288	1,216,157	114,288	210,010	4,362,170
216,078	3,464,512	3,635	22,281	4,480,644
982	2,978	3,196	641	76,172
56,281	253,573	25,323	41,982	806,392
76,450	55,960	4,045,176	10,981,307	16,831,299
8,196	19,971	5,500	-	299,880
<u>660,275</u>	<u>5,013,151</u>	<u>4,197,118</u>	<u>11,256,221</u>	<u>26,856,557</u>
<u>83,990</u>	<u>172,346</u>	<u>(2,372,086)</u>	<u>(1,102,546)</u>	<u>(4,158,092)</u>
36,946	5,070	169,881	26,778	331,222
-	30,719	-	-	190,943
26	25,882	-	50	316,339
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(17,636)</u>
<u>36,972</u>	<u>61,671</u>	<u>169,881</u>	<u>26,828</u>	<u>820,868</u>
120,962	234,017	(2,202,205)	(1,075,718)	(3,337,224)
-	-	-	1,000,565	1,002,526
<u>(105,250)</u>	<u>(20,038)</u>	<u>(1,750)</u>	<u>(2,625)</u>	<u>(183,323)</u>
15,712	213,979	(2,203,955)	(77,778)	(2,518,021)
<u>1,388,742</u>	<u>676,804</u>	<u>6,964,471</u>	<u>500,663</u>	<u>13,837,884</u>
<u>\$ 1,404,454</u>	<u>\$ 890,783</u>	<u>\$ 4,760,516</u>	<u>\$ 422,885</u>	<u>\$ 11,319,863</u>



**CITY OF COLUMBIA, MISSOURI  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<b>Custodial and Maintenance Services Fund</b>	<b>Utility Customer Services Fund</b>	<b>Information Services Fund</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers (including other funds)	\$ 692,179	\$ 1,102,825	\$ 3,001,096
Cash received from other sources	158	258,107	32,116
Cash payments to suppliers	(340,175)	(736,406)	(1,337,173)
Cash payments to employees	(459,181)	(472,153)	(1,629,452)
Cash payments to other funds	(60,903)	(253,722)	(114,608)
Other non-operating revenue (expense)	(7,247)	(9,602)	(10,363)
	<u>(175,169)</u>	<u>(110,951)</u>	<u>(58,384)</u>
Net cash provided for (used for) operating activities			
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Transfers in	1,961	-	-
Transfers out	(7,875)	(26,797)	(18,988)
Operating grants	-	-	-
	<u>(5,914)</u>	<u>(26,797)</u>	<u>(18,988)</u>
Net cash provided for (used for) noncapital financing activities			
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Debt service – interest	-	-	-
Debt service – principal	-	-	-
Acquisition and construction of capital assets	(1,961)	-	(524,515)
	<u>(1,961)</u>	<u>-</u>	<u>(524,515)</u>
Net cash provided for (used for) capital and related financing activities			
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest received	33,411	42,416	45,469
Purchase of investments	-	-	-
Sale of investments	-	-	-
	<u>33,411</u>	<u>42,416</u>	<u>45,469</u>
Net cash provided for (used for) investing activities			
Net increase (decrease) in cash and cash equivalents	(149,633)	(95,332)	(556,418)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	971,070	1,163,209	1,706,642
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 821,437</u>	<u>\$ 1,067,877</u>	<u>\$ 1,150,224</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) FOR OPERATING ACTIVITIES:</b>			
Operating income (loss)	\$ (139,548)	\$ (380,746)	\$ (419,502)
Adjustments to reconcile operating income (loss) to net cash provided (used) for operating activities:			
Depreciation	4,777	10,465	250,971
Changes in assets and liabilities:			
Decrease (increase) in receivables	-	5,688	416
Decrease (increase) in inventory	(971)	-	105
Decrease (increase) in other assets	-	-	-
Increase (decrease) in accounts payable	(22,186)	18,412	105,805
Increase (decrease) in accrued payroll	(10,152)	(13,275)	(17,932)
Increase (decrease) in due other funds	-	-	-
Increase (decrease) in other liabilities	-	-	-
Increase (decrease) in claims payable - worker's compensation and general liability	-	-	-
Other nonoperating revenue	(7,089)	248,505	21,753
	<u>(175,169)</u>	<u>(110,951)</u>	<u>(58,384)</u>
Net cash provided for (used for) operating activities			
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
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, 2005**

Public Communications Fund	Fleet Operations Fund	Self Insurance Reserve Fund	Employee Benefit Fund	Total Internal Service Funds
\$ 742,715	\$ 5,183,122	\$ 3,044,904	\$ 10,228,205	\$ 23,995,046
26	25,882	-	50	316,339
(255,682)	(3,412,861)	(4,069,493)	(10,989,581)	(21,141,371)
(306,187)	(1,236,809)	(114,036)	(208,822)	(4,426,640)
(56,281)	(253,573)	(25,323)	(41,982)	(806,392)
(11,203)	(3,859)	(2,320)	-	(44,594)
<u>113,388</u>	<u>301,902</u>	<u>(1,166,268)</u>	<u>(1,012,130)</u>	<u>(2,107,612)</u>
-	-	-	1,000,565	1,002,526
(105,250)	(20,038)	(1,750)	(2,625)	(183,323)
-	30,719	-	-	30,719
<u>(105,250)</u>	<u>10,681</u>	<u>(1,750)</u>	<u>997,940</u>	<u>849,922</u>
-	-	-	-	-
-	-	-	-	-
(29,061)	(56,078)	(18,000)	-	(629,615)
<u>(29,061)</u>	<u>(56,078)</u>	<u>(18,000)</u>	<u>-</u>	<u>(629,615)</u>
47,547	7,875	170,263	26,395	373,376
-	-	(234,245)	-	(234,245)
-	-	1,250,000	-	1,250,000
<u>47,547</u>	<u>7,875</u>	<u>1,186,018</u>	<u>26,395</u>	<u>1,389,131</u>
26,624	264,380	-	12,205	(498,174)
<u>1,230,662</u>	<u>127,828</u>	<u>-</u>	<u>1,293,340</u>	<u>6,492,751</u>
<u>\$ 1,257,286</u>	<u>\$ 392,208</u>	<u>\$ -</u>	<u>\$ 1,305,545</u>	<u>\$ 5,994,577</u>
\$ 83,990	\$ 172,346	\$ (2,372,086)	\$ (1,102,546)	\$ (4,158,092)
8,196	19,971	5,500	-	299,880
(1,550)	(2,375)	-	74,530	76,709
7,125	7,748	-	-	14,007
-	-	(2,320)	-	(2,320)
30,703	102,841	(17,486)	14,511	232,600
(3,899)	(20,652)	252	1,188	(64,470)
-	-	(1,769)	-	(1,769)
-	-	-	137	137
-	-	1,221,641	-	1,221,641
(11,177)	22,023	-	50	274,065
<u>\$ 113,388</u>	<u>\$ 301,902</u>	<u>\$ (1,166,268)</u>	<u>\$ (1,012,130)</u>	<u>\$ (2,107,612)</u>
\$ -	\$ -	\$ 19,306	\$ -	\$ 19,306
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,306</u>	<u>\$ -</u>	<u>\$ 19,306</u>

See Independent Auditors' Report.

THIS PAGE INTENTIONALLY LEFT BLANK

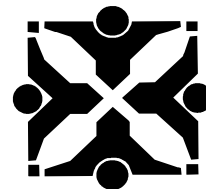
## FIDUCIARY FUNDS

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.



THIS PAGE INTENTIONALLY LEFT BLANK

**CITY OF COLUMBIA, MISSOURI**  
**COMBINING STATEMENT OF FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
**SEPTEMBER 30, 2005**

	<b>Pension Trust Funds</b>		
	<b>Firefighters' Retirement Fund</b>	<b>Police Retirement Fund</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 211,250	\$ 140,520	\$ 351,770
Accrued interest	99,137	65,944	165,081
Other assets	-	-	-
Investments	42,251,412	28,105,109	70,356,521
Capital assets	7,018	4,669	11,687
Accumulated depreciation	(7,018)	(4,669)	(11,687)
<b>Total Assets</b>	<b>42,561,799</b>	<b>28,311,573</b>	<b>70,873,372</b>
<b>LIABILITIES</b>			
Accounts payable	-	-	-
Other liabilities	6,849	4,555	11,404
<b>Total Liabilities</b>	<b>6,849</b>	<b>4,555</b>	<b>11,404</b>
<b>NET ASSETS</b>			
Net assets held in trust	42,554,950	28,307,018	70,861,968
<b>Total Net Assets</b>	<b>\$ 42,554,950</b>	<b>\$ 28,307,018</b>	<b>\$ 70,861,968</b>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI**  
**COMBINING STATEMENT OF FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
**SEPTEMBER 30, 2005**

	<b>Private Purpose Trust Funds</b>		
	<b>Conley Poor Fund</b>	<b>REDI Trust Fund</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 56,551	\$ 226,590	\$ 283,141
Accrued interest	210	837	1,047
Other assets	-	2,958	2,958
Investments	-	-	-
Capital assets	-	-	-
Accumulated depreciation	-	-	-
<b>Total Assets</b>	<b>56,761</b>	<b>230,385</b>	<b>287,146</b>
<b>LIABILITIES</b>			
Accounts payable	-	10,235	10,235
Other liabilities	-	8,905	8,905
<b>Total Liabilities</b>	<b>-</b>	<b>19,140</b>	<b>19,140</b>
<b>NET ASSETS</b>			
Net assets held in trust	56,761	211,245	268,006
<b>Total Net Assets</b>	<b>\$ 56,761</b>	<b>\$ 211,245</b>	<b>\$ 268,006</b>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Pension Trust Funds</u>		
	<u>Firefighters'</u> <u>Retirement Fund</u>	<u>Police</u> <u>Retirement Fund</u>	<u>Total</u>
<b>ADDITIONS</b>			
Contributions:			
Private	\$ -	\$ -	\$ -
Chamber	-	-	-
City	1,934,722	2,113,978	4,048,700
County	-	-	-
University	-	-	-
Employee	1,031,120	257,070	1,288,190
Net investment income:			
Net appreciation in fair value of investments	2,687,220	1,856,275	4,543,495
Interest and dividends	1,237,438	815,703	2,053,141
Miscellaneous	-	-	-
	<u>6,890,500</u>	<u>5,043,026</u>	<u>11,933,526</u>
<b>DEDUCTIONS</b>			
Current:			
Health and environment:			
Services and miscellaneous	-	-	-
Policy development and administration:			
Materials and supplies	71	48	119
Travel and training	-	-	-
Intragovernmental	-	-	-
Utilities, services, and miscellaneous	8,137	5,363	13,500
Pension benefits	3,089,139	2,030,433	5,119,572
Refund of employee's contributions	-	11,159	11,159
	<u>3,097,347</u>	<u>2,047,003</u>	<u>5,144,350</u>
Change in net assets	3,793,153	2,996,023	6,789,176
NET ASSETS - BEGINNING	<u>38,761,797</u>	<u>25,310,995</u>	<u>64,072,792</u>
NET ASSETS - ENDING	<u>\$ 42,554,950</u>	<u>\$ 28,307,018</u>	<u>\$ 70,861,968</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, 2005**

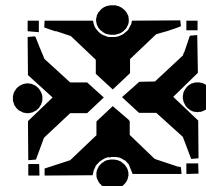
	<u>Private Purpose Trust Funds</u>		
	<u>Conley Poor Fund</u>	<u>REDI Trust Fund</u>	<u>Total</u>
<b>ADDITIONS</b>			
Contributions:			
Private	\$ -	\$ 2,000	\$ 2,000
Chamber	-	117,900	117,900
City	-	20,000	20,000
County	-	35,000	35,000
University	-	15,000	15,000
Employee	-	-	-
Net investment income:			
Net appreciation in fair value of investments	-	-	-
Interest and dividends	3,390	8,119	11,509
Miscellaneous	-	1,052	1,052
	<u>3,390</u>	<u>199,071</u>	<u>202,461</u>
<b>DEDUCTIONS</b>			
Current:			
Health and environment:			
Services and miscellaneous	14,268	-	14,268
Policy development and administration:			
Materials and supplies	-	23,652	23,652
Travel and training	-	18,690	18,690
Intragovernmental	-	200	200
Utilities, services, and miscellaneous	-	141,189	141,189
Pension benefits	-	-	-
Refund of employee's contributions	-	-	-
	<u>14,268</u>	<u>183,731</u>	<u>197,999</u>
Change in net assets	(10,878)	15,340	4,462
NET ASSETS - BEGINNING	<u>67,639</u>	<u>195,905</u>	<u>263,544</u>
NET ASSETS - ENDING	<u>\$ 56,761</u>	<u>\$ 211,245</u>	<u>\$ 268,006</u>

See Independent Auditors' Report.

THIS PAGE INTENTIONALLY LEFT BLANK

# STATISTICAL SECTION

The Statistical Section "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."



THIS PAGE INTENTIONALLY LEFT BLANK

TABLE 1

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

EXPENDITURES AND OTHER FINANCING USES BY FUNCTION  
LAST TEN FISCAL YEARS

<b>Fiscal Year Ended</b>	<b>Total</b>	<b>Policy Development and Administration</b>	<b>Public Safety</b>	<b>Transportation</b>
1996	53,789,060	6,167,095 11.47%	17,042,840 31.69%	3,519,198 6.54%
1997	55,871,278	6,351,294 11.37%	18,333,619 32.81%	3,380,411 6.05%
1998	56,561,908	6,708,191 11.86%	18,995,112 33.58%	3,966,967 7.01%
1999	62,939,078	7,016,308 11.15%	20,067,864 31.88%	4,076,785 6.48%
2000	60,653,382	7,188,527 11.85%	22,121,679 36.47%	3,859,721 6.36%
2001	74,631,405	7,562,805 10.13%	23,301,920 31.22%	4,105,897 5.50%
2002	74,503,019	7,837,951 10.52%	25,268,570 33.92%	4,631,933 6.22%
2003	72,635,379	8,069,752 11.11%	25,521,715 35.14%	4,116,302 5.67%
2004	77,312,129	8,369,358 10.83%	26,477,538 34.25%	4,314,145 5.58%
2005	86,546,696	9,219,654 10.65%	28,401,357 32.82%	5,893,676 6.81%

(a) Includes General, Special Revenue, and Debt Service Funds, excluding capital additions. Excludes Capital Projects and Permanent Funds.

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

**EXPENDITURES AND OTHER FINANCING USES BY FUNCTION  
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>
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
8.62% 6,662,314	10.08% 7,790,423	28.11% 21,730,513	1.94% 1,502,575	0.60% 465,263
8.11% 7,022,635	9.19% 7,956,489	30.21% 26,148,846	1.77% 1,530,252	0.43% 373,787

## 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>
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
2004	85,035,117	69.94% 59,471,993	0.82% 696,271	1.87% 1,586,050
2005	88,134,723	71.33% 62,866,034	0.87% 766,084	1.62% 1,423,992

(a) Includes General, Special Revenue, and Debt Service Funds. 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

<u>Fees and Service Charges</u>	<u>General and Administrative Charges</u>	<u>Other Revenue and Fund Transfers (c)</u>
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
2.94% 2,503,391	3.59% 3,052,749	20.84% 17,724,663
3.02% 2,659,583	3.51% 3,093,319	19.66% 17,325,711



THIS PAGE INTENTIONALLY LEFT BLANK

**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>
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%
2004	37,141,182	4,683,536 12.61%	16,360,968 44.05%	8,126,309 21.88%	7,970,369 21.46%
2005	39,332,401	4,790,935 12.18%	17,368,625 44.16%	8,478,760 21.56%	8,694,081 22.10%

(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**

<b><u>Fiscal Year Ended</u></b>	<b><u>Net Current Tax Levy (a)</u></b>	<b><u>Current Tax Collections</u></b>	<b><u>Percent Of Levy Collected</u></b>	<b><u>Delinquent Tax Collections</u></b>
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
2004	4,528,933 (b)	4,486,029	99.05%	44,526
2005	4,631,549 (b)	4,596,600	99.25%	41,817

(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**

---

<b><u>Total Tax Collections</u></b>	<b><u>Total Collections As A Percent Of Net Current Tax Levy</u></b>	<b><u>Outstanding Delinquent Taxes</u></b>	<b><u>Outstanding Delinquent As A Percent Net Current Tax Levy</u></b>
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%
4,530,555	100.04%	22,345	0.49%
4,638,417	100.15%	23,432	0.51%

THIS PAGE INTENTIONALLY LEFT BLANK

## CITY OF COLUMBIA, MISSOURI

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

<b>Fiscal Year Ended</b>	<b>Real Property</b>	<b>Personal Property</b>	<b>State Assessed Value</b>	<b>Total Assessed Value</b>	<b>Total Fair Market Value</b>	<b>Percentage Of Fair Market Value</b>
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	854,784,262	206,788,704	6,486,398	1,068,059,364	4,450,247,350	24.0%
2004	891,032,480	217,649,475	6,967,420	1,115,649,375	4,648,539,062	24.0%
2005	938,654,305	219,486,364	6,625,558	1,164,766,227	4,853,192,612	24.0%

## CITY OF COLUMBIA, MISSOURI

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

	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
CITY TAX RATES:					
General Fund	\$0.22	\$0.22	\$0.20	\$0.20	\$0.23
Debt Service Fund	0.26	0.26	0.21	0.21	0.18
Library Funds	<u>0.30</u>	<u>0.30</u>	<u>0.28</u>	<u>0.29</u>	<u>0.65</u>
Total City Tax Rate	<u>0.78</u>	<u>0.78</u>	<u>0.69</u>	<u>0.70</u>	<u>1.06</u>
SCHOOL DISTRICT	<u>4.55</u>	<u>4.56</u>	<u>4.12</u>	<u>4.12</u>	<u>4.70</u>
COUNTY TAX RATES:					
County	0.12	0.12	0.12	0.12	0.13
Hospital Maintenance	0.00	0.00	0.00	0.00	0.00
Bridge Bond	0.00	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	0.11	0.12	0.12
Boone Retirement Center	0.00	0.00	0.00	0.00	0.00
Highway	<u>0.05</u>	<u>0.05</u>	<u>0.05</u>	<u>0.05</u>	<u>0.05</u>
Total County Tax Rates (c)	<u>0.29</u>	<u>0.29</u>	<u>0.28</u>	<u>0.29</u>	<u>0.30</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>\$5.65</u>	<u>\$5.66</u>	<u>\$5.12</u>	<u>\$5.14</u>	<u>\$6.09</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>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
\$0.31	\$0.41	\$0.41	\$0.41	\$0.41
0.10	0.00	0.00	0.00	0.00
<u>0.65</u>	<u>0.64</u>	<u>0.63</u>	<u>0.63</u>	<u>0.57</u>
<u>1.06</u>	<u>1.05</u>	<u>1.04</u>	<u>1.04</u>	<u>0.98</u>
<u>4.79</u>	<u>4.75</u>	<u>4.94</u>	<u>4.94</u>	<u>4.69</u>
0.13	0.13	0.13	0.13	0.12
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	0.11
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>0.30</u>	<u>0.30</u>	<u>0.30</u>	<u>0.30</u>	<u>0.28</u>
<u>0.03</u>	<u>0.03</u>	<u>0.03</u>	<u>0.03</u>	<u>0.03</u>
<u><u>\$6.18</u></u>	<u><u>\$6.14</u></u>	<u><u>\$6.31</u></u>	<u><u>\$6.31</u></u>	<u><u>\$5.98</u></u>



THIS PAGE INTENTIONALLY LEFT BLANK

## CITY OF COLUMBIA, MISSOURI

SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS  
LAST TEN FISCAL YEARS

		<u>Tax Billed</u>	<u>Collections (a)</u>
Street Improvements	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
	2004	45,549	45,549
	2005	-	-
Street Maintenance	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
	2004	0	0
	2005	0	0
Sewer Districts	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
	2004	80,374	80,374
	2005	-	-

(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>
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	1,068,059,364 (b)	0	484,393
2004	90,066	1,115,649,375 (b)	0	493,497
2005	90,967	1,164,766,227 (b)	0	503,611

(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>
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
0	0.00 %	0.00
0	0.00 %	0.00

## CITY OF COLUMBIA, MISSOURI

COMPUTATION OF LEGAL DEBT MARGIN  
SEPTEMBER 30, 2005

Assessed value (2005 FY)		<u>\$1,356,830.109</u> *
Constitutional debt limit **		\$271,366,022
(20% assessed value)		
Total bonded debt	\$103,480,000	
Less:		
Water and Electric Utility Bonds	\$80,600,000	
Sanitary Sewer Utility Bonds	20,200,000	
Parking Revenue Bonds	2,680,000	
	<u>103,480,000</u>	
Total amount of debt applicable to debt limit		<u>0</u>
Legal debt margin		<u>\$271,366,022</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, 2005

<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	167,905,000	42,217,879	125,687,121	80.5%	101,115,289
Boone County	630,000	219,346	410,654	70.3%	288,854
Totals	<u>\$168,535,000</u>	<u>\$42,437,225</u>	<u>\$126,097,775</u>		<u>\$101,404,143</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, 2005

	<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:						
1998 Water & Electric System Revenue Bonds	3.75 – 6.00%	03/01/98	25	10/01/12	28,295,000	8,265,000
2002 Water & Electric System Revenue Bonds	3.00 – 6.00%	02/01/02	25	10/01/26	16,490,000	15,760,000
2003 Water & Electric System Refunding Bonds	2.00 – 5.00%	02/15/03	13	12/01/15	8,950,000	8,850,000
2004 Water & Electric System Revenue Bonds	2.00 – 4.25%	03/15/04	25	10/01/28	17,095,000	17,095,000
2005 Water & Electric System Revenue Bonds	3.00 – 5.25%	05/17/05	24	10/01/29	30,630,000	30,630,000
1979 Sanitary Sewerage System Revenue Bonds	5.00 – 7.00%	08/01/79	20	10/01/04	3,500,000	0
1992 Sanitary Sewerage System Bonds Series B	4.25 – 6.55%	06/01/92	20	01/01/13	870,000	475,000
1999 Sanitary Sewerage System Revenue Bonds Series A	3.625 – 5.250%	06/01/99	20	01/01/20	3,730,000	2,905,000
1999 Sanitary Sewerage System Revenue Bonds Series B	4.125 – 6.000%	12/01/99	20	07/01/20	1,420,000	1,110,000
2000 Sanitary Sewerage System Revenue Bonds Series B	4.350 – 5.625%	11/01/00	20	07/01/21	2,445,000	2,020,000
2002 Sanitary Sewerage System Revenue Bonds	3.000 – 5.375%	05/08/02	24	01/01/26	2,230,000	2,030,000
2002 Sanitary Sewerage System Refunding Bonds	2.000 – 3.750%	09/01/02	15	10/01/17	7,940,000	7,555,000
2003 Sanitary Sewerage System Revenue Bonds	2.00 – 5.25%	04/09/03	20	01/01/24	3,620,000	3,455,000
2004 Sanitary Sewerage System Revenue Bonds	2.00 – 5.25%	05/28/04	20	01/01/25	650,000	650,000
1995 Parking System Revenue Bonds	3.80 – 6.00%	09/15/95	25	10/01/20	3,400,000	<u>2,680,000</u>
Total Revenue Bonds						<u>\$103,480,000</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

<b>Fiscal Year Ended</b>	<b>General Obligation Refunding 1992 Issue Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>Total General Expenditures and Other Financing Uses (a)</b>	<b>Ratio of Debt Service Total to General Fund Expenditures</b>
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%
2004	0	0	0	78,819,869	0.00%
2005	0	0	0	88,458,396	0.00%

(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	
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
2004	79,237,016	62,559,631	16,677,385	3,685,000	2,992,679	6,677,679	2.50
2005	92,127,894	72,052,155	20,075,739	3,870,000	3,449,264	7,319,264	2.74

- (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	
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
2004	8,708,998	5,721,756	2,987,242	1,040,000	1,038,747	2,078,747	1.44
2005	9,378,918	5,750,876	3,628,042	1,245,000	994,648	2,239,648	1.62

- (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 years 2002 through 2004.
- (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.

THIS PAGE INTENTIONALLY LEFT BLANK

## CITY OF COLUMBIA, MISSOURI

PARKING REVENUE BOND COVERAGE (a)  
LAST TEN 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	\$ -	\$ 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
2004	1,675,667	682,007	993,660	95,000	163,052	258,052	3.85
2005	1,641,734	710,366	931,368	100,000	158,224	258,224	3.61

(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) Amount excludes depreciation expense.

## CITY OF COLUMBIA, MISSOURI

DEBT SERVICE REQUIREMENTS TO MATURITY  
SPECIAL OBLIGATION BONDS  
AND CERTIFICATES OF PARTICIPATION  
SEPTEMBER 30, 2005

Fiscal Year Ended	SPECIAL OBLIGATION BONDS 1996			SPECIAL OBLIGATION BONDS 2001		
	Maturities	Interest Due	Maturities and Interest	Maturities	Interest Due	Maturities and Interest
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	-	-	-	455,000	108,335	563,335
2018	-	-	-	480,000	86,710	566,710
2019	-	-	-	505,000	63,683	568,683
2020	-	-	-	530,000	39,227	569,227
2021	-	-	-	555,000	13,320	568,320
Total	<u>\$ 7,995,000</u>	<u>\$ 2,634,021</u>	<u>\$ 10,629,021</u>	<u>\$ 6,475,000</u>	<u>\$ 2,587,163</u>	<u>\$ 9,062,163</u>

## CITY OF COLUMBIA, MISSOURI

DEBT SERVICE REQUIREMENTS TO MATURITY  
SPECIAL OBLIGATION BONDS  
AND CERTIFICATES OF PARTICIPATION  
SEPTEMBER 30, 2005

CERTIFICATES OF PARTICIPATION 2001			CERTIFICATES OF PARTICIPATION 2001A			Total Maturities and Interest
Maturities	Interest Due	Maturities and Interest	Maturities	Interest Due	Maturities and Interest	
-	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
-	-	-	105,000	93,737	198,737	1,730,922
-	-	-	110,000	89,234	199,234	1,735,433
-	-	-	115,000	84,381	199,381	1,732,166
-	-	-	120,000	79,165	199,165	1,731,162
-	-	-	125,000	73,590	198,590	1,731,474
-	-	-	130,000	67,660	197,660	1,722,823
-	-	-	135,000	61,365	196,365	1,720,188
-	-	-	140,000	54,625	194,625	1,723,277
-	-	-	150,000	47,375	197,375	1,726,813
-	-	-	155,000	39,750	194,750	758,085
-	-	-	160,000	31,775	191,775	758,485
-	-	-	170,000	23,319	193,319	762,002
-	-	-	180,000	14,350	194,350	763,577
-	-	-	190,000	4,869	194,869	763,189
<u>\$ 7,000,000</u>	<u>\$ 627,375</u>	<u>\$ 7,627,375</u>	<u>\$ 5,490,000</u>	<u>\$ 1,031,099</u>	<u>\$ 6,521,099</u>	<u>\$ 33,839,658</u>

## CITY OF COLUMBIA, MISSOURI

DEBT SERVICE REQUIREMENTS TO MATURITY  
WATER AND ELECTRIC UTILITY BONDS  
SEPTEMBER 30, 2005

Fiscal Year Ended	1998 SERIES REVENUE BONDS			2002 SERIES REVENUE BONDS		
	Maturities	Interest Due	Maturities and Interest	Maturities	Interest Due	Maturities and Interest
2006	\$ 70,000	\$ 452,283	\$ 522,283	\$ 455,000	\$ 735,690	\$ 1,190,690
2007	1,550,000	404,260	1,954,260	465,000	719,011	1,184,011
2008	1,645,000	308,410	1,953,410	480,000	700,692	1,180,692
2009	1,710,000	207,760	1,917,760	495,000	680,945	1,175,945
2010	770,000	138,750	908,750	515,000	659,854	1,174,854
2011	800,000	102,240	902,240	535,000	636,873	1,171,873
2012	840,000	63,280	903,280	555,000	608,185	1,163,185
2013	880,000	21,560	901,560	580,000	579,210	1,159,210
2014	0	0	0	605,000	553,651	1,158,651
2015	0	0	0	630,000	526,556	1,156,556
2016	0	0	0	660,000	497,516	1,157,516
2017	0	0	0	690,000	466,380	1,156,380
2018	0	0	0	725,000	433,205	1,158,205
2019	0	0	0	760,000	397,746	1,157,746
2020	0	0	0	795,000	360,128	1,155,128
2021	0	0	0	835,000	319,875	1,154,875
2022	0	0	0	880,000	277,000	1,157,000
2023	0	0	0	920,000	232,000	1,152,000
2024	0	0	0	970,000	184,750	1,154,750
2025	0	0	0	1,015,000	135,125	1,150,125
2026	0	0	0	1,070,000	83,000	1,153,000
2027	0	0	0	1,125,000	28,125	1,153,125
2028	0	0	0	0	0	0
2029	0	0	0	0	0	0
2030	0	0	0	0	0	0
Total	<u>\$ 8,265,000</u>	<u>\$ 1,698,543</u>	<u>\$ 9,963,543</u>	<u>\$15,760,000</u>	<u>\$ 9,815,517</u>	<u>\$25,575,517</u>

## CITY OF COLUMBIA, MISSOURI

DEBT SERVICE REQUIREMENTS TO MATURITY  
WATER AND ELECTRIC UTILITY BONDS  
SEPTEMBER 30, 2005

2003 SERIES REVENUE BONDS			2004 SERIES REVENUE BONDS		
Maturities	Interest Due	Maturities and Interest	Maturities	Interest Due	Maturities and Interest
\$ 50,000	\$ 307,744	\$ 357,744	\$ -	\$ 655,793	\$ 655,793
770,000	298,581	1,068,581	480,000	655,793	1,135,793
790,000	280,044	1,070,044	500,000	643,693	1,143,693
805,000	250,044	1,055,044	515,000	633,642	1,148,642
825,000	216,512	1,041,512	535,000	617,905	1,152,905
855,000	189,747	1,044,747	555,000	600,118	1,155,118
880,000	160,987	1,040,987	570,000	580,467	1,150,467
915,000	129,575	1,044,575	590,000	560,118	1,150,118
950,000	95,750	1,045,750	605,000	536,217	1,141,217
985,000	59,469	1,044,469	630,000	511,518	1,141,518
1,025,000	20,500	1,045,500	650,000	485,917	1,135,917
0	0	0	675,000	459,418	1,134,418
0	0	0	700,000	431,917	1,131,917
0	0	0	730,000	403,318	1,133,318
0	0	0	760,000	373,517	1,133,517
0	0	0	790,000	342,518	1,132,518
0	0	0	825,000	310,217	1,135,217
0	0	0	870,000	275,883	1,145,883
0	0	0	910,000	239,392	1,149,392
0	0	0	950,000	200,788	1,150,788
0	0	0	995,000	159,693	1,154,693
0	0	0	1,040,000	116,450	1,156,450
0	0	0	1,085,000	71,294	1,156,294
0	0	0	1,135,000	24,118	1,159,118
0	0	0	0	0	0
<u>\$ 8,850,000</u>	<u>\$ 2,008,953</u>	<u>\$ 10,858,953</u>	<u>\$ 17,095,000</u>	<u>\$ 9,889,704</u>	<u>\$ 26,984,704</u>



TABLE 17, Cont.

## CITY OF COLUMBIA, MISSOURI

DEBT SERVICE REQUIREMENTS TO MATURITY  
WATER AND ELECTRIC UTILITY BONDS  
SEPTEMBER 30, 2005

Fiscal Year Ended	2005 SERIES REVENUE BONDS			Total Maturities and Interest
	Maturities	Interest Due	Maturities and Interest	
2006	\$ -	\$ 1,157,361	\$ 1,157,361	\$ 3,883,871
2007	330,000	1,321,961	1,651,961	6,994,606
2008	340,000	1,311,911	1,651,911	6,999,750
2009	350,000	1,301,561	1,651,561	6,948,952
2010	1,375,000	1,272,249	2,647,249	6,925,270
2011	1,430,000	1,223,161	2,653,161	6,927,139
2012	1,485,000	1,172,149	2,657,149	6,915,068
2013	1,535,000	1,119,299	2,654,299	6,909,762
2014	1,550,000	1,065,311	2,615,311	5,960,929
2015	1,615,000	1,005,886	2,620,886	5,963,429
2016	1,675,000	940,086	2,615,086	5,954,019
2017	1,755,000	860,518	2,615,518	4,906,316
2018	1,855,000	765,755	2,620,755	4,910,877
2019	1,950,000	665,874	2,615,874	4,906,938
2020	2,055,000	563,311	2,618,311	4,906,956
2021	2,150,000	468,936	2,618,936	4,906,329
2022	2,250,000	369,686	2,619,686	4,911,903
2023	2,370,000	254,186	2,624,186	4,922,069
2024	570,000	183,180	753,180	3,057,322
2025	595,000	158,929	753,929	3,054,842
2026	620,000	133,259	753,259	3,060,952
2027	650,000	106,271	756,271	3,065,846
2028	680,000	77,839	757,839	1,914,133
2029	705,000	47,797	752,797	1,911,915
2030	740,000	16,188	756,188	756,188
Total	<u>\$ 30,630,000</u>	<u>\$ 17,562,664</u>	<u>\$ 48,192,664</u>	<u>\$ 121,575,381</u>

## CITY OF COLUMBIA, MISSOURI

DEBT SERVICE REQUIREMENTS TO MATURITY  
 SANITARY SEWER UTILITY AND PARKING REVENUE BONDS  
 SEPTEMBER 30, 2005

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
2006	\$ 1,170,000	\$ 849,359	2,019,359	\$ 105,000	\$ 153,047	\$ 258,047
2007	1,180,000	812,335	1,992,335	110,000	147,509	257,509
2008	1,205,000	772,131	1,977,131	120,000	141,469	261,469
2009	1,235,000	728,030	1,963,030	125,000	134,883	259,883
2010	1,260,000	680,382	1,940,382	130,000	127,836	257,836
2011	1,300,000	629,615	1,929,615	140,000	120,206	260,206
2012	1,320,000	574,493	1,894,493	150,000	111,866	261,866
2013	1,360,000	517,542	1,877,542	155,000	102,982	257,982
2014	1,315,000	458,939	1,773,939	165,000	93,581	258,581
2015	1,350,000	398,220	1,748,220	175,000	83,507	258,507
2016	1,390,000	335,754	1,725,754	0	78,300	78,300
2017	1,430,000	271,021	1,701,021	0	78,300	78,300
2018	1,475,000	203,923	1,678,923	0	78,300	78,300
2019	800,000	149,180	949,180	0	78,300	78,300
2020	815,000	107,283	922,283	0	78,300	78,300
2021	520,000	70,058	590,058	1,305,000	39,150	1,344,150
2022	375,000	43,055	418,055	0	0	0
2023	390,000	24,252	414,252	0	0	0
2024	270,000	8,413	278,413	0	0	0
2025	40,000	1,000	41,000	0	0	0
	<u>\$ 20,200,000</u>	<u>\$ 7,634,985</u>	<u>\$ 27,834,985</u>	<u>\$ 2,680,000</u>	<u>\$ 1,647,536</u>	<u>\$ 4,327,536</u>

CITY OF COLUMBIA, MISSOURI

SCHEDULE OF ELECTRIC SERVICE RATES \*  
2004 – 2005

RESIDENTIAL SERVICE RATE (per kilowatt hour)

Customer charge	\$5.00	per month
All kWh winter, first 750 kWh summer	6.70	¢ per KWH
Over 750 kWh summer	7.37	¢ per KWH
Electric Heating (October through May) Over 750 kWh	5.36	¢ per KWH
Heat pump (October through May) Over 750 kWh	4.69	¢ per KWH

SMALL GENERAL SERVICE RATE (per kilowatt hour)

Customer charge (single-phase)	\$5.00	per month
Customer charge (three-phase)	\$7.00	per month
All kWh winter, first 1,500 kWh summer	6.74	¢ per KWH
Over 1,500 kWh summer	7.414	¢ per KWH
Electric Heating (October through May) over 1,500	6.403	¢ per KWH
Heat pump (October through May) Over 1,500 kWh	5.729	¢ 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

	<u>Summer</u>	<u>Nonsummer</u>
Demand charge:		
First 25 KW or less billing demand	\$270.00	\$216.00
Additional KW	\$10.80 per KW	\$8.64
Energy charge (All KWH)	\$3.60 ¢ per KWH	\$3.60 ¢ per KWH

INDUSTRIAL SERVICE RATE

	<u>Summer</u>	<u>Nonsummer</u>
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)	2.73 ¢ per KWH	2.73 ¢ per KWH

SPECIAL OUTDOOR LIGHTING

Customer Charge	\$40.00	per month
All 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, 2004. 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  
2004 – 2005**WATER RATES**

	<u>Inside City Limits</u>	<u>Outside City Limits</u>
Residential*: All CCF	\$ 1.533 per CCF	\$2.04 per CCF
Commercial*: All CCF	\$ 1.41 per CCF	\$ 1.88 per CCF
Large Commercial*: All CCF	\$ 1.295 per CCF	\$ 1.72 per CCF
*Summer Surcharged Rate: (June, July, August, and September water use in excess of 120% average for nonsummer use)	\$ 2.146 per CCF	\$ 2.854 per CCF

**Minimum Charge Per Month**

<u>Meter Size</u>	<u>Minimum Charge Per Month</u>	
	<u>Inside City Limits</u>	<u>Outside City Limits</u>
5/8 and 3/4 inch	\$5.00	\$6.65
1 inch	\$5.40	\$7.20
1 1/2 inch	\$7.75	\$10.30
2 inch	\$8.97	\$11.92
3 inch	\$21.96	\$29.20
4 inch	\$33.93	\$45.13
6 inch	\$67.86	\$90.26

**SANITARY SEWER RATES**

Residential and Commercial: Service Charge	\$ 3.90 per month
All Volume	\$ 0.925 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		
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 (c)	4,450,247,350
2004	81	61,239,547	1,429	206,711,394	2,021,000 (c)	4,648,539,062
2005	96	65,891,830	1,329	214,502,676	2,198,000 (c)	4,853,192,612

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

(b) Source: Bank Call Reports.

(c) Source: FDIC Summary of Deposits

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, 2005

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Columbia Foods	Manufacturer	\$ 16,172,404	1.39%
Minnesota Mining and Manufacturing (3M)	Office Products	11,824,531	1.02%
State Farm Mutual Automobile Ins Company	Insurance	11,323,902	0.97%
Shelter Mutual Insurance Co	Insurance	9,081,121	0.78%
Columbia Mall Limited Partnership	Property/Developer	8,520,254	0.73%
Broadway Crossings II	Property/Developer	7,381,873	0.63%
The Kronke Group	Property/Developer	6,650,848	0.57%
The Gates Corporation	Manufacturer	7,898,417	0.68%
Spicer Axle, Inc.	Manufacturer	7,551,096	0.65%
Sapp Emery & Sons Inc.	Property/Developer	6,748,026	0.58%
		<u>\$ 93,152,472</u>	<u>8.00%</u>

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

## CITY OF COLUMBIA, MISSOURI

DEMOGRAPHIC STATISTICS  
SEPTEMBER 30, 2005

	Date of Organization:	1892			
	Date of Incorporation:	1949			
	Form of Government:	Council/Manager			
	Area:	58.51			
Population:	1996–76,756	1998–80,642	2000–84,531	2002–88,291	2004–90,066
	1997–78,675	1999–82,658	2001–86,391	2003–89,174	2005–90,967
	Registered Voters:	57,423			
	Number of Households:	60,200			
	Median Household Buying				
	Income (family of four)	\$ 34,891			
	Median Age of Population	29.5			
	Cost of Living				
	(National Average is 100)	92.5			
Retail Sales (x \$1,000)	<b>2000 *</b>	<b>2001 *</b>	<b>2002 *</b>	<b>2003 *</b>	<b>2004 *</b>
Calendar –Year Basis:					
Food	\$ 196,667	\$ 235,391	\$ 208,992	\$ 230,235	\$ 203,612
Restaurants	168,088	194,154	215,523	234,086	246,851
General Merchandise	429,127	418,245	508,000	558,584	589,625
Furniture and Appliances	42,588	53,161	51,018	56,863	64,391
Automobiles	534,463	546,737	530,272	551,789	587,353
Miscellaneous Other	446,471	569,238	587,948	656,458	755,261
Total	\$ <u>1,817,404</u>	\$ <u>2,016,926</u>	\$ <u>2,101,753</u>	\$ <u>2,288,015</u>	\$ <u>2,447,093</u>
<b>Fire Protection</b>		<b>Communications</b>		<b>Public Parking</b>	
Number of stations	8	Newspapers (daily)	2	Parking meters on street	1,708
Number of employees	130	Newspapers (weekly & biweekly)	4	Parking lot meters	497
Number of vehicles	34	Radio stations	15	Garage attendant parking	389
Number of hydrants	4,440	TV stations	6	Unmetered off-street public parking	1,482
		Cable TV/Satellite	2	Total Public Parking	<u>4,076</u>
<b>Police Protection</b>		<b>Recreation</b>		<b>City Streets</b>	
Number of stations	1	Athletic clubs	10	Paved (miles)	371.44
Number of substations	5	Number of pools	7	Unimproved (miles)	26.41
Number of employees	178	Golf courses:		Sewer (miles)	579.2
Number of vehicles	90	(municipal)	2	Airports	1
		(college/university)	1	Airlines	1
<b>Education</b>		(private)	5	Transworld	
Elementary and high school enrollment	16,240	Parks (total acres 2,128)	40		
Elementary schools	20	<b>Community Facilities</b>			
Middle schools	3	Hospitals	6		
Junior high schools	3	Beds	1,105		
Senior high schools	4	Hotels/Motels	29		
Vocational School	1	Theaters (screens)	25		
Non-public schools	10	Churches	116		
Catholic parochial	1	<b>City Employees</b>			
Columbia College, enrollment	11,000	Full-time Equivalent (FTE)	1,186.90		
Stephens College, enrollment	700				
University of Missouri-Columbia, enrollment	27,000				

\* Total retail sales and store group sales for 1999–2003 were obtained from the 1999–2003 Survey of Buying Power.

## CITY OF COLUMBIA, MISSOURI

INSURANCE IN FORCE  
SEPTEMBER 30, 2005City of Columbia – Property/Casualty Insurance Program  
Policy Period – October 1, 2004 to October 1, 2005

- I. Package Policy
- A. Insurance Company - Clarendon America Insurance Company
  - B. Best's Rating is A XII - Non-Admitted in Missouri
  - C. Annual Premium is \$203,389
  - D. Includes the following coverages:
    - 1. No Property - the City of Columbia has a \$250,000 SIR and a combination of Lexington and AIG/StarrTech will provide the Excess Property excess the \$250,000 SIR.
    - 2. Liability coverages - \$500,000 Self-Insured Retention
      - a. General Liability - \$1,750,000 Each Occurrence/ \$2,750,000 General Aggregate Per Location
      - b. Police Professional Liability - \$1,750,000 Each Occurrence
      - c. Products Liability - \$1,750,000 Aggregate
      - d. Public Officials Liability - \$1,750,000 Each Claim/Aggregate - 10/1/98 Retro-Date
      - e. Employment Practices Liability - \$1,750,000 Each Claim/Aggregate - 10/1/98 Retro-Date
      - f. Includes Sexual Abuse and Molestation
      - g. Employee Benefits Liability - \$1,750,000 Each Claim/Aggregate 10/1/98 Retro-Date
    - 3. Automobile Coverages - \$500,000 Self-Insured Retention
      - a. Auto Liability - \$1,750,000 Each Occurrence
      - b. Automobile Physical Damage - included in the Excess Property
- II. Property/Boiler and Machinery Coverages
- A. Insurance Company - FM Global Insurance Company
  - B. Best's Rating is A+ XIV - Admitted in Missouri
  - C. Policy # - FL948
  - D. Annual Premium is \$362,178
  - E. \$228,000,000 Limit with a \$100,000 Retention
  - F. \$100,000,000 Annual Aggregate for Earthquake with a \$100,000 Retention
  - G. \$100,000,000 Annual Aggregate for Floods - Zones A, B and V excluded with a \$100,000 Retention
  - H. \$5,000,000 Per Occurrence, or 25% of the Direct Property Loss, whichever is greater for Debris Removal
  - I. \$5,000,000 Per Occurrence for Motor Vehicles while on insured premises
  - J. \$10,000,000 Per Occurrence for EDP Equipment and Media
  - K. \$5,000,000 Per Occurrence for Extra Expense
  - L. \$10,000,000 Per Occurrence for Newly Acquired Real and Personal Property
- III. Crime Coverages
- A. Insurance Company - Federal Insurance Company (Chubb)
  - B. Best's Rating is A++ XV - Admitted in Missouri
  - C. Policy # - 81702669
  - D. Annual Premium is \$9,425
  - E. Coverages:
    - 1. Employee Dishonesty Bond - \$500,000 Limit - \$50,000 Deductible
    - 2. Money and Securities - \$500,000 Limit - \$50,000 Deductible
    - 3. Depositors Forgery - \$500,000 Limit - \$50,000 Deductible
    - 4. Money Orders and Counterfeit Papers - \$500,000 Limit - \$50,000 Deductible
    - 5. Computer Fraud - \$500,000 Limit - \$50,000 Deductible
    - 6. Credit Card - \$500,000 Limit - \$50,000 Deductible
- IV. Excess Workers' Compensation
- A. Insurance Company - Midwest Employers Casualty Company
  - B. Best's Rating is A X- Admitted in Missouri
  - C. Policy # - 35333061
  - D. Annual Premium is \$63,229
  - E. Statutory Limits
  - F. \$750,000 Self-Insured Retention - No Aggregate
  - G. Employers Liability Limit - \$1,000,000



## CITY OF COLUMBIA, MISSOURI

INSURANCE IN FORCE  
SEPTEMBER 30, 2005

- 
- VI. Chamber of Commerce Property
    - A. Insurance Company - Federal Insurance Company (Chubb)
    - B. Best's Rating is A++ XV - Admitted in Missouri
    - C. Policy # - 35333061
    - D. Annual Premium is \$3,207
    - E. Building Limit is \$934,977
    - F. All Risk Coverage
    - G. \$2,500 Deductible
  
  - VII. Airport Liability
    - A. Insurance Company - Illinois National Insurance Company
    - B. Best's Rating is A++ XV - Admitted in Missouri
    - C. Policy # - AE33950365
    - D. Annual Premium is \$16,578
    - E. Coverages
      - 1. General Liability: \$10,000,000 Limit Each Occurrence
      - 2. Products/Completed Operations: \$10,000,000 Aggregate Limit
      - 3. Personal and Advertising Injury: \$10,000,000 Aggregate Limit
      - 4. Personal Injury for Discrimination or Humiliation - \$10,000,000 Each Individual/Aggregate
      - 5. Incidental Medical Malpractice Liability: \$10,000,000 Each Occurrence/Aggregate
      - 6. Non-Owned Aircraft Liability - \$10,000,000 Each Occurrence
      - 7. Hangar Keepers Liability - \$10,000,000 Each Aircraft
      - 8. Hangar Keepers Liability - \$10,000,000 Each Loss
      - 9. Deductible - \$1,000 Each Aircraft
  
  - VIII. Health Department Professional Liability
    - A. Insurance Company - Columbia Casualty Company (CNA)
    - B. Best's Rating is A XV - Non-Admitted in Missouri
    - C. Policy # - HMA1040025803-02
    - D. Annual Premium \$27,850
    - E. Limits: \$1,000,000/\$2,000,000
    - F. Deductible - \$15,000
  
  - IX. Railroad Liability
    - A. Insurance Company - Steadfast Insurance Company
    - B. Best's Rating is A XV - Admitted in Missouri
    - C. Policy # - SCC54365160
    - D. Annual Premium \$34,500
    - E. Coverages:
      - 1. \$5,000,000 Each Occurrence/\$10,000,000 Aggregate
      - 2. \$25,000 SIR All Coverages, except \$100,000 SIR for FELA
      - 3. Claims-Made Policy
  
  - X. Railroad Rolling Stock
    - A. Insurance Company - Fireman's Fund Insurance Company
    - B. Best's Rating is A XV - Admitted in Missouri
    - C. Policy # - 04MXI197902150
    - D. Premium \$2,502
    - E. Coverages:
      - 1. \$238,000 All Covered Property - Any One Occurrence
      - 2. \$500 Deductible
        - a. SW 120 Electromotive Div. GM Corp. 1200 HP Diesel - Electric RR Eng, S#4278-1-COLT - \$100,000
        - b. EMD Model GP-10, 1952 - HP:1,750; Axles 4 - \$138,000
  
  - XI. Arthur J. Gallagher & Co. Broker Fee - \$35,000
  
  - XII. Loss Prevention Fee - \$20,000

## CITY OF COLUMBIA, MISSOURI

SCHEDULE OF MARKETABLE SECURITIES AND INVESTMENTS  
SEPTEMBER 30, 2005

Identification Number and Issuing Institution	Purchase Date	Face Amount, or Shares	Maturity Date	Coupon Interest Rate	Cost	Fair Value 09/30/05
POOLED CASH:						
U. S. Government and Agency Securities:						
FNMA 1991 - 138 L CMO 31358JXPI	04/27/98	2,560,000	10/25/06	8.000%	117,137	38,552
FNMA PL 155503 - 31366QU45	09/17/96	4,875,005	04/01/07	7.500%	32,973	29,560
FNMA 15 SF 159058 - 31366UTP	06/19/92	478,000	04/01/07	7.000%	2,815	4,328
FHLMC E00159CP - 31294JE87	09/30/92	400,000	09/01/07	6.500%	6,005	6,750
FHLMC GOLD M90785	11/24/03	2,550,000	12/01/07	4.000%	1,115,569	1,065,528
FHLMC GOLD M90803	various	6,940,000	03/01/08	4.500%	2,109,243	1,978,275
FNMA 050743 - 313615LY0	04/20/93	500,000	04/01/08	6.000%	15,139	17,012
FHLMC GOLD M90808 - 31282U4B0	07/23/03	2,000,000	06/01/08	4.000%	975,404	894,733
FNMA BALLOON 380457	05/17/04	1,300,000	07/01/08	6.090%	1,264,709	1,218,823
FHLMC CALL 3128X1SD0	11/24/03	1,000,000	07/08/08	3.000%	973,000	963,620
FHLB CALL 31339Y4U3	01/09/04	2,000,000	07/09/08	3.000%	1,948,000	1,923,760
FHLMC E000245CP - 31294JHW1	various	3,500,000	08/01/08	5.500%	156,299	161,343
FHLB Step Up 3133X8E32	09/15/04	1,270,000	09/15/08	3.000%	1,270,000	1,254,925
FHLMC E00247CP - 31294JHY7	various	4,940,000	10/01/08	5.500%	231,113	245,101
FHLMC E52721CP - 31357AW7	11/18/93	1,000,000	11/01/08	6.000%	33,054	33,765
FHLMC E52736CP - 31357UBD8	11/18/93	1,023,338	11/01/08	6.000%	41,581	42,759
FNMA 254137 - 31371KHN4	01/14/02	916,740	12/01/08	6.000%	56,298	38,360
FHLMC M80718 GOLD - 31282RYP3	01/30/02	1,590,682	01/01/09	5.000%	252,878	266,232
FHR 2412 EC - 31339DUH9	03/18/02	1,500,000	02/15/09	5.500%	467,873	480,942
FHLB Step Up 3133X3V59	02/27/04	2,115,000	02/27/04	3.000%	2,115,000	2,104,425
FNMA 254273 - 31371KMW8	02/25/02	1,000,000	03/01/09	5.000%	158,662	163,909
FFCB 31331Q2E6	02/10/04	1,750,000	04/08/09	3.000%	1,690,500	1,665,790
FNMA 381724 - 31377NAZ2	02/20/02	825,000	06/01/09	6.250%	791,070	791,933
FHLM PL M80765 - 31282RZ64	09/25/02	1,000,000	08/01/09	5.000%	219,180	197,218
FHLMC M80773 - 31282R2E3	10/24/02	1,000,000	10/01/09	5.000%	264,821	242,839
FHLMC M80779 - 31282R2L7	various	2,000,000	11/01/09	5.000%	566,777	512,394
FNMA 254582 - 31371KXK2	12/23/02	1,000,000	12/01/09	4.500%	389,502	353,540
FHLB STEPUP CALL 3133XAL62	02/25/05	1,000,000	02/25/10	4.000%	998,281	987,920
FMAN 2005 SER 2 CL1 - 3136FZR3	02/11/05	1,000,000	02/25/10	4.000%	1,000,000	991,880
FHLB STEPUP CALL 3133X4GP0	03/17/04	2,000,000	03/17/10	3.050%	1,997,500	1,962,500
FHLB STEPUP CALL 3133X6GR1	04/29/04	2,000,000	04/29/10	3.375%	1,990,000	1,968,120
FNMA STEPUP 3136F5VW8	05/19/04	4,000,000	05/19/10	3.250%	3,960,625	3,967,520
FHLMC MED TERM NOTE - 3128X1BE6	06/30/03	2,000,000	05/20/10	4.000%	2,022,200	1,948,680
FHMA P254809 - 31371LAJ8	02/22/05	1,000,000	06/01/10	4.500%	515,382	484,839
FHLMC GOLD M80842 - 31282R5B6	02/23/04	990,000	08/01/10	3.500%	755,690	736,913
FHLMC M80845 - 31282R5E0	12/23/03	2,000,000	09/01/10	4.500%	1,356,812	1,309,730
FNMA 254967 - 31371LFG9	10/23/03	2,000,000	10/01/10	3.500%	1,480,980	1,450,139
FMAN 2004-2 - 3136F6TA7	01/26/05	2,000,000	11/25/10	4.100%	1,576,005	1,531,290
FHLB STEPUP 3133X5AU2	03/30/04	2,000,000	09/30/11	3.000%	1,983,750	1,960,000
FNMA 73652 - 31362WZRO	03/07/01	1,150,000	10/01/11	7.440%	1,098,898	1,066,690
FHLMC - 3134AI MJ6	03/17/97	3,000,000	02/06/12	7.270%	2,990,232	3,120,000
FHLMC ANN STEP - 3128X34C4	02/22/05	1,000,000	02/10/12	4.000%	997,500	987,580
FNMA CALL - 31359MMF7	02/21/02	1,000,000	02/28/12	5.625%	975,313	1,012,190
FHLMC PL M30146-31282CET0	03/19/98	4,999,357	06/01/12	7.000%	98,619	25,316
HUD CALLABLE - 911759BN7	09/12/96	1,400,000	08/01/12	7.510%	1,366,715	1,393,475
FHLMC CMO 2422 VA - 31339DH76	10/30/02	1,500,000	11/15/12	6.500%	1,208,907	1,124,419
FNR 2005-3 CL1 - 3136F6YK9	07/29/05	1,500,000	12/25/12	4.400%	1,223,485	1,211,082
FMAN 2005 SER 4 - 3136F6YL7	08/08/05	2,000,000	12/26/12	4.650%	1,695,774	1,688,986
FHLMC CORP STEP - 3128X33H4	02/01/05	1,000,000	02/01/13	4.500%	1,005,000	993,650
FHLMC MED NOTE B/E - 3128X1BL0	02/24/05	2,000,000	05/06/13	4.750%	1,975,800	1,953,120
FHR 2055 OE - 3133TDX50	02/20/02	1,000,000	05/15/13	6.500%	610,361	592,460
FNMA PL 431577 - 31379WM20	07/20/98	2,000,000	07/01/13	5.000%	26,179	115,288
FHLB STEP-UP CALL - 3133XCD75	07/18/05	2,000,000	07/18/13	4.250%	1,998,750	1,980,000
FNMA POOL 254863 - 31371LB81	08/18/03	1,000,000	08/01/13	4.000%	670,690	649,764
FHLB CALLABLE - 3133M5T83	11/04/98	2,000,000	09/30/13	5.830%	2,014,260	2,052,500
FNMA 449353 - 31380TE23	11/17/98	3,000,000	10/01/13	5.500%	175,267	205,358
FHLB STEPUP 3133X3D91	01/30/04	2,600,000	01/30/14	4.000%	2,600,000	2,565,888
FHLB STEPUP 3133X45X0	03/24/04	2,000,000	03/24/14	4.000%	1,998,000	1,972,500
FHLB STEPUP 3133X6SN9	04/21/04	2,300,000	04/21/14	3.625%	2,289,938	2,248,250
FHLMC E00669 - 31294JW61	02/19/02	2,000,000	05/01/14	6.000%	293,361	260,990
FHLMC P60031 - 31288MA82	02/15/05	20,000,000	07/01/14	6.500%	1,788,967	1,721,042
FHR 2863 DA - 31395G4H2	12/30/04	1,125,000	09/15/14	4.250%	706,651	689,048
FNMA STEP UP - 3136F6DG1	09/20/05	1,000,000	09/16/14	4.125%	991,250	988,440
FHR 2877 LA - 31395HLH1	07/14/05	2,500,000	10/15/14	4.250%	1,770,797	1,748,728
FHLB STEP UP - 3133X9C73	09/20/05	1,000,000	11/18/14	4.000%	986,500	986,250
FHLB STEP UP - 3133X9EY2	11/26/04	2,000,000	11/26/14	4.250%	1,988,750	1,971,880
FHR 2752 CR - 31394RL72	01/28/05	2,000,000	12/15/14	4.250%	1,285,048	1,256,238
FHLB CALL STEP UP - 3133X9R36	12/17/04	2,000,000	12/17/14	4.250%	2,000,000	1,976,880
FHLB - 3133XAU62	05/23/05	1,700,000	03/09/15	4.000%	1,695,750	1,688,321
FHLB STEP UP CALL BOND - 3133XAVN4	03/30/05	1,000,000	03/16/15	4.500%	990,000	993,440
FHLB MULTISTEP CALL - 3133XAW29	various	2,000,000	03/16/15	4.000%	1,990,000	1,981,260
FHLB REMIC CL2015A - 3133XAWF0	04/01/05	2,000,000	03/25/15	4.950%	1,700,984	1,690,434
FHLB STEP UP CALL - 3133XB5E1	03/30/05	1,000,000	03/30/15	4.250%	999,000	993,440
FHLB SD 2015 1 - 3133XCQE6	08/09/05	1,000,000	07/28/15	5.250%	983,685	979,390
U.S. Treasury Strip 912833KF6	07/16/93	371,000	11/15/15	0.000%	78,452	236,513
FNR 2003-24 PN - 31393AK30	07/02/03	2,000,000	11/25/15	4.500%	2,054,375	1,973,780
FHLMC 2534 HA - 31393FSW7	05/19/04	3,800,000	04/15/16	5.000%	1,610,201	1,564,833
FHLMC E00975 GOLD - 31294KCL7	08/26/03	7,000,000	05/01/16	6.000%	812,524	751,311
FHLMC PL 0100X - 31294KDD4	03/30/05	8,000,000	07/01/16	5.500%	1,752,070	1,734,286
FHLMC PL291302 - 31344XNTO	various	58,282,764	04/01/17	7.000%	610,838	582,170

## CITY OF COLUMBIA, MISSOURI

SCHEDULE OF MARKETABLE SECURITIES AND INVESTMENTS  
SEPTEMBER 30, 2005

Identification Number and Issuing Institution	Purchase Date	Face Amount, or Shares	Maturity Date	Coupon Interest Rate	Cost	Fair Value 09/30/05
FNMA REM 3-11 CL DB - 31392HQG1	01/30/03	1,000,000	04/25/17	5.000%	443,612	418,680
FHLMC 2474 NE - 31392PZL2	09/16/03	4,180,622	07/15/17	5.000%	799,519	751,045
GNR 2004-67 A - 38374HUC2	07/15/05	750,000	09/16/17	3.648%	641,355	636,559
FNMA 2002-89 CI CA - 31392GPK5	12/30/02	1,000,000	12/26/17	5.000%	416,653	390,488
FHLMC C90211 - 31335HGU1	12/12/02	3,500,000	04/01/18	6.500%	227,542	175,313
FHR 2844 BA - 31395EUQ8	09/16/04	2,000,000	06/15/18	5.000%	1,625,971	1,563,215
GNR 2003-88 AC - 38373MJA9	07/15/05	725,000	06/15/18	2.194%	596,053	594,066
FNMA STEP-UP CALL - 3136F32N5	08/01/03	2,000,000	08/01/18	4.250%	2,000,000	1,970,000
FHLMC STEPUP 3128X1X77	10/29/03	1,000,000	10/29/18	4.875%	997,500	992,170
FHLMC C90263 - 31335HJG9	05/17/99	1,000,000	04/01/19	7.000%	113,641	94,392
FNMA LP 577376 - 31386YMZ4	11/26/01	953,329	08/01/19	7.500%	174,472	144,929
FHR 1013 Z - 312904RL1	11/21/02	780,000	10/15/20	9.000%	121,998	99,759
GNR 2005-12A - 38373MNJ5	07/15/05	575,000	05/16/21	4.044%	508,499	504,659
FNMA 253945 - 31371KBN0	04/29/02	1,200,000	08/01/21	6.500%	149,077	128,559
FHR 1116 I - 312906C40	11/30/98	505,000	08/15/21	5.500%	32,285	38,067
FHR 1125 X - 312906XG0	various	950,000	08/15/21	8.250%	150,133	118,961
FHR 1163 JA - 3129072D9	11/29/99	500,000	11/15/21	7.000%	42,028	44,611
FHR 2522 - 31393FT9	11/29/02	2,000,000	11/15/21	5.500%	647,284	611,915
FNR 91-162 GA - 31358KF37	02/20/01	493,000	12/25/21	8.250%	50,941	39,155
FHLMC REMIC 1280 CL B - 312909J88	various	78,574,999	04/15/22	6.000%	921,462	821,308
FHR 2534 ER - 31393FUH7	01/27/05	2,000,000	04/15/22	4.500%	828,900	810,620
GNR 2004-97 AB - 38374JE93	07/15/05	925,000	04/16/22	3.084%	867,627	861,548
FNMA REM 03-34 BA - 31393CET6	09/28/03	4,000,000	05/25/22	4.000%	2,061,641	2,015,617
FHLMC C90787 - 31335H2U6	02/12/04	1,758,744	11/01/23	4.000%	1,422,742	1,420,719
FNMA 255114 - 31371LK32	04/15/04	2,000,000	03/01/24	5.000%	1,629,516	1,572,132
FNMA 255271 - 31371LK32	04/15/04	2,000,000	05/01/24	5.000%	1,676,213	1,687,739
FHR 2759 VG - 31394TGN9	08/31/04	1,105,000	10/15/24	4.250%	1,115,359	1,086,524
FHR 1883 L - 31337WD7	05/10/02	2,000,000	09/15/26	7.000%	754,989	705,042
FNMA 1998 SER 61 CL PK - 31359US97	07/26/01	1,000,000	12/25/26	6.000%	0	644
FHR 2659 NP - 31394GP64	11/30/04	1,000,000	11/15/27	4.500%	1,006,563	987,830
FHLMC GOLD REMIC 2663AK - 31394HLT6	08/29/03	1,000,000	06/15/28	4.000%	517,307	519,876
FHR 2949WB - 31395R3K2	03/31/05	1,000,000	08/15/28	5.000%	949,331	943,156
GNMA POOL 002633M - 36202C4S9	08/24/98	1,000,000	08/20/28	8.000%	50,645	19,428
FHLMC REMIC 2109 CL PE - 31333TH2C0	05/12/05	2,500,000	12/15/28	6.000%	2,354,042	2,332,111
FHLMC 2691 EK - 31394LBR2	04/28/04	2,000,000	01/15/29	4.500%	1,343,531	1,317,274
FNR 2005-53 MU - 31394DH94	05/27/05	2,000,000	07/25/29	5.500%	2,014,107	1,975,661
GNMA REMIC 2002-63 AC - 38373VNH9	10/21/02	1,000,000	10/20/29	6.000%	54,495	18,983
FHLMC REMIC 2698 CI BA - 31394LPM8	02/24/05	3,000,000	11/15/32	5.000%	1,601,964	1,587,363
FHLMC ARM 1B0984 - 31336SUH9	02/23/04	2,000,000	07/01/33	3.295%	1,392,905	1,344,835
FNMA ARM 742243 - 31402YS88	12/23/03	1,000,000	09/01/33	3.816%	628,619	616,040
FNMA PL 777716 - 31404TAR4	04/26/04	2,000,000	04/01/34	3.750%	1,383,279	1,354,393
FNMA ARM 775566 - 31404QTX7	02/22/05	1,000,000	05/01/34	4.146%	728,881	720,084
FNMA PL 779076 - 31404UQ52	06/24/04	2,000,000	05/01/34	3.790%	1,770,446	1,767,788
FHR 2991 EG - 31395UWS6	08/04/05	2,000,000	11/15/34	5.500%	1,919,019	1,921,800
FHR 2915 UC - 31395LEW7	01/31/05	1,000,000	01/15/35	5.000%	647,402	632,582
FHLMC ARM 1B2795 - 3128JM7H4	03/23/05	2,000,000	03/01/35	4.446%	1,869,750	1,806,057
FHR 3000 JH - 31395WPD3	08/01/05	2,000,000	06/15/35	5.000%	1,973,871	1,963,084
FHR 3010 YC - 31395WDU8	07/29/05	2,000,000	07/01/35	5.000%	1,981,647	1,963,043
FHR 3020 DP - 31395XWY7	08/30/05	2,000,000	08/15/35	5.000%	1,981,132	1,957,252
Total U. S. Government and Agency Securities					138,196,665	135,770,213
Bonds						
FICO Strip - 31771CQR9	11/26/96	1,129,000	02/03/15	0.000%	326,484	724,084
Miscellaneous Securities						
San Bernardino City CA - 796825AW7	11/07/96	500,000	08/01/15	0.000%	126,255	306,055
Orange County CA Pension - 68428LBA1	12/02/96	13,500,000	09/01/15	0.000%	3,617,055	8,146,845
UBS Select Money Market Fund	various	60,206,303	-	-	18,985,154	18,985,154
Total Miscellaneous Securities					22,728,464	27,438,054
Repurchase Agreements:						
Boone County National Bank		1,689,000	10/01/03	0.000%	1,994,000	1,994,000
Total Pooled Cash Marketable Securities					\$ 163,245,613	\$ 165,926,351
SELF-INSURANCE RESERVE:						
Bonds:						
U.S. Treasury Strip 912828ANO	07/30/04	\$ 700,000	11/15/07	3.000%	\$ 693,656	\$ 683,592
Total Bonds					693,656	683,592
Mutual Funds:						
UMB Scout Tax Free Fund	various	7,635,071	—	—	6,569,775	6,569,775
Total Mutual Funds					6,569,775	6,569,775
Total Self-Insurance Reserve					\$ 7,263,431	\$ 7,253,367

## CITY OF COLUMBIA, MISSOURI

SCHEDULE OF MARKETABLE SECURITIES AND INVESTMENTS  
SEPTEMBER 30, 2005

Identification Number and Issuing Institution	Purchase Date	Face Amount, or Shares	Maturity Date	Coupon Interest Rate	Cost	Fair Value 09/30/05
<b>POLICE AND FIREFIGHTERS' RETIREMENT FUND:</b>						
Corporate Bonds:						
Assoc CRP N America 045906NZ3	11/15/02	1,000,000	05/17/06	7.230%	1,101,920	1,016,460
GTE Hawaii Tel Deb MBIA 362335AE1	12/18/02	100,000	09/01/06	7.375%	112,159	101,464
Countrywide Fdg Corp 22237LEG3	12/14/01	235,000	10/30/06	7.200%	247,589	240,880
Union Electric 906548BN1	08/17/93	250,000	05/01/08	6.750%	256,240	262,090
Pennzoil Company 709903BB3	11/21/89	400,000	11/15/09	10.125%	398,350	472,036
Caterpillar Powernote 14911QBU4	various	1,000,000	02/15/11	6.750%	1,103,890	1,084,790
McDonnell Doug Corp 580169AM2	02/07/01	150,000	04/01/12	9.750%	188,250	189,068
New Brunswick Province - 642866DV6	12/07/93	250,000	08/15/13	6.750%	244,537	285,795
General Electric Cap Corp 36962GN59	02/25/05	1,000,000	08/25/15	4.125%	1,000,000	974,250
Toyota Motor Credit 89233PUT1	08/19/05	1,000,000	08/10/17	5.250%	995,500	992,840
Petro Canada LTD - 716442AC2	02/14/01	250,000	06/30/18	9.700%	315,000	348,953
Coca-Cola Enterprises - 191219AV6	08/01/01	2,000,000	06/20/20	0.000%	535,520	886,360
May Dept. Stores - 577778BA0	03/27/01	600,000	07/15/26	8.300%	630,000	633,462
Chase Manhattan Corp. - 16161NAA8	07/05/01	8,000,000	03/24/27	0.000%	1,030,320	1,475,840
MBIA Inc. - 55262CAF7	02/08/00	500,000	10/01/28	6.625%	440,220	542,640
JP Morgan 2004-S2 CO 2A8 466247JE4	02/02/05	2,000,000	11/25/34	5.250%	2,010,000	1,977,060
Total Corporate Bonds					<u>10,609,495</u>	<u>11,483,988</u>
Common Stock and Mutual Funds:						
Evergreen Aggressive Growth	various	6,131	N/A	—	128,124	112,578
Fidelity Contra Fund	various	109,829	N/A	—	4,940,317	6,983,033
Fidelity Blue Chip Growth Fund	various	66,715	N/A	—	2,275,493	2,836,473
Fidelity Value Fund	various	14,793	N/A	—	769,390	1,220,176
American Century Ultra Fund	various	110,813	N/A	—	3,023,816	3,202,518
American Century Value Fund	various	518,228	N/A	—	3,728,911	4,450,604
American Century Int'l Growth	various	174,380	N/A	—	1,577,331	1,712,879
AIM Constellation Fund	various	60,819	N/A	—	1,495,069	1,463,326
AIM Global Aggressive Growth	various	94,795	N/A	—	1,619,271	2,031,475
Duff & Phelps Utilits Stk - 26432410	various	31,208	N/A	—	342,660	361,701
Standard & Poors Dep Recpts-78462F1	various	37,300	N/A	—	1,739,968	4,589,392
Legg Mason Value Trust	various	82,934	N/A	—	3,343,011	5,372,493
Vanguard Strategic Equity	various	258,219	N/A	—	4,192,815	6,323,996
Total Common Stock and Mutual Funds					<u>29,176,176</u>	<u>40,660,644</u>
U. S. Government and Agency Securities:						
Treasury Bond 253C-254D	06/09/83	2,000,000	11/15/06	—	895,669	1,819,000
AID-Republic of Panama - 698990AC2	08/29/83	144,583	08/01/11	—	125,417	115,833
Student Loan Mkt Assoc 863871AL3	08/29/91	1,000,000	05/15/14	—	221,898	482,810
Total U. S. Government and Agency Securities					<u>1,242,984</u>	<u>2,417,643</u>
Miscellaneous Securities:						
UBS Select Money Market Fund	various	13,692,382	—	—	6,511,337	6,511,337
Total Miscellaneous Securities					<u>6,511,337</u>	<u>6,511,337</u>
Asset-Backed Securities						
FHLMC REMIC 1364N CMO - 3129115B2	various	3,775,000	09/15/07	6.500%	49,712	127,651
GNMA 15 SF 337867X - 36224TJL5	02/18/93	860,000	10/15/07	6.500%	11,159	10,988
FHLMC E42095CP - 31357FKG4	04/20/93	598,514	11/01/07	6.000%	23,936	27,190
SBA Series 87-20H Cert - 83162CATO	11/25/87	11,460	11/01/07	10.050%	23,357	23,357
FHLMC REM F1423F - 312913UY0	06/25/93	500,000	12/15/07	7.000%	378,137	376,100
FNMA 15 SF 050743 CP - 313615LY0	various	855,000	04/01/08	6.000%	26,200	29,090
FHLB Callable - 31339Y4U3	01/09/04	1,000,000	07/09/08	3.000%	974,000	961,880
FNMA 271060-31372FB59	04/21/94	1,018,072	01/01/09	5.000%	59,067	90,442
FNMA 271083 - 31372FCU3	03/30/98	512,411	04/01/09	5.000%	0	17,366
FNMA 73562 - 31362WWX0	08/14/02	1,085,000	07/01/11	7.800%	1,076,442	1,038,844
FNMA 93140J - 31359BH34	12/03/93	500,000	06/25/13	6.650%	498,050	512,965
FHLMC 26-0794-3134113B4	08/24/87	500,000	10/01/16	8.000%	3,805	4,785
FHLMC MED NOTE B/E - 3128X2X67	01/13/05	1,000,000	04/08/19	5.500%	988,600	989,520
FHLMC REMIC 2509 ZG - 31392WJR2	04/19/04	1,100,000	10/15/32	5.500%	1,097,331	1,281,335
FNR 2005-5 CL AZ - 31394BA9	01/31/05	2,000,000	02/25/35	5.000%	1,765,625	1,847,029
FNMA REMIC 2005-30 CL Z - 31394C6F4	05/12/05	1,000,000	04/25/35	5.000%	928,471	895,730
GNMA 589240 PROJECT LOAN - 36201PSS5	05/18/05	1,000,000	09/15/37	6.400%	1,047,012	1,048,637
Total Asset-Backed Securities					<u>8,950,904</u>	<u>9,282,909</u>
Total Police and Firefighters' Investments					<u>\$ 56,490,896</u>	<u>\$ 70,356,521</u>
Total Restricted/Unrestricted Marketable Securities and Investments					<u>\$ 226,999,940</u>	<u>\$ 243,536,239</u>

## CITY OF COLUMBIA, MISSOURI

SALARIES OF PRINCIPAL OFFICIALS  
SEPTEMBER 30, 2005

---

<u>Official Title</u>	<u>Salary Range</u>
City Manager	\$95,826 – 130,809
Public Works Director	82,780 – 113,000
Water and Light Director	82,780 – 113,000
City Counselor	78,838 – 107,615
Finance Director	78,838 – 107,615
Assistant City Manager	71,508 – 97,604
Police Chief	71,508 – 97,604
Planning Director	71,508 – 97,604
Director of Health Services	68,097 – 92,964
Fire Chief	68,097 – 92,964
Parks and Recreation Director	68,097 – 92,964
Information Services Director	64,856 – 88,531
Economic Development Director	64,856 – 88,531
Human Resources Director	64,856 – 88,531
Convention/Visitor's Bureau Director	64,856 – 88,531
Manager of Cultural Affairs	43,898 – 59,921
Manager of Community Services	43,898 – 59,921
City Clerk	39,817 – 54,352
Municipal Judge (90% FTE)	61,287 – 83,668

## CITY OF COLUMBIA, MISSOURI

LARGEST ELECTRIC UTILITY CUSTOMERS  
SEPTEMBER 30, 2005

<b>Customer</b>	<b>Billed kWh</b>	<b>Billed Revenue</b>
Minnesota Mining and Manufacturing (3M)	46,150,758	\$ 2,108,767
Columbia Foods	31,515,393	1,510,856
Boone Hospital Center	22,020,840	1,165,766
Extrusion Technologies, Inc.	17,610,484	840,977
VA Hospital	16,433,858	947,916
Gates Rubber	16,281,211	952,886
Davidson Textron	15,123,459	859,150
Columbia Mall	12,183,112	742,749
Quaker Oats	12,051,117	672,138
University of Missouri - Columbia Regional Hospital	9,626,555	524,536
	198,996,787	\$ 10,325,741

## CITY OF COLUMBIA, MISSOURI

LARGEST WATER UTILITY CUSTOMERS  
SEPTEMBER 30, 2005

Customer	Billed CCF	Billed Revenue
Columbia Foods	440,845	\$ 571,025
Minnesota Mining and Manufacturing (3M)	226,961	294,175
Boone Hospital Center	58,750	81,383
VA Hospital	58,555	81,363
Extrusion Technologies, Inc.	36,647	47,869
University of Missouri - Columbia Regional Hospital	32,505	47,272
State Farm Insurance	24,396	44,624
Executive Center	23,170	28,977
Columbia Ready Mix	18,550	26,007
Days Inn Columbia	17,611	22,882
	937,990	\$ 1,245,577

## CITY OF COLUMBIA, MISSOURI

FEDERAL AND STATE GRANTS  
SEPTEMBER 30, 2005Policy Development and Administration:

Cultural Affairs	\$ 27,055	
Total Policy Development and Administration		\$ 27,055

Public Safety:

Police	237,394	
Fire	153,532	
Electric	36,435	
Information Services	160,224	
Joint communications	108,595	
Emergency Management	46,109	
Total Public Safety		742,289

Transportation:

Transportation Planning Grant	23,585	
Planning	74,228	
Garth Avenue Bridge	246,940	
Blue Ridge 763 to Garth	487,384	
Railroad	95,687	
Green Meadows to SouthHampton	660,937	
Airport	993,279	
Public Transportation	938,407	
Total Transportation		3,520,447

Health and Environment:

Health Department	923,595	
CDBG/HOME	1,854,105	
Fleet Operations	30,719	
Solid Waste	184,811	
Storm Water	106,750	
Total Health and Environment		3,099,980

Personal Development:

Flat Branch Park Phase II	15,146	
MLK Memorial Restoration	66,221	
TRIM -Parks & Recreation	9,982	
Community Services - OCS Support	1,056	
Emergency Shelter Grant	43,571	
Total Personal Development		135,976

**Total Federal and State Grants**

<b>\$ 7,525,747</b>
---------------------



## CITY OF COLUMBIA, MISSOURI

TOP TEN LARGEST EMPLOYERS  
SEPTEMBER 30, 2005

---

<u>Employer</u>	<u>Number of Full time, benefited Employees</u>
University of Missouri - Columbia	7,642
University Hospital and Clinics	3,551
Columbia Public Schools	2,030
Boone Hospital Center	1,334
City of Columbia, Missouri	1,187
State Farm Insurance	1,079
Shelter Insurance Company	1,019
MBS Textbook Exchange	935
US Department of Veteran Affairs	924
Harry S. Truman Veteran's Hospital	920