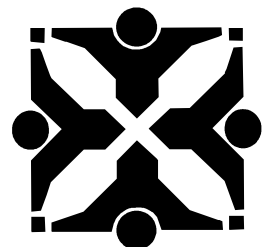


CITY OF COLUMBIA, MISSOURI

**Comprehensive
Annual Financial Report**

For the Fiscal Year
October 1, 2005 - September 30, 2006

Department of Finance
Lori B. Fleming, Director



CITY OF COLUMBIA, MISSOURI

**Comprehensive
Annual Financial Report**

For the Fiscal Year
October 1, 2005 - September 30, 2006

Department of Finance
Lori B. Fleming, Director

CITY OF COLUMBIA, MISSOURI

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CITY OF COLUMBIA, MISSOURI

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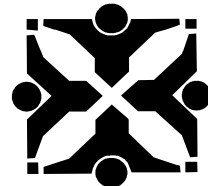
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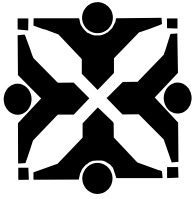
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CITY OF COLUMBIA, MISSOURI

INTRODUCTORY SECTION





CITY OF COLUMBIA, MISSOURI

FINANCE DEPARTMENT
ADMINISTRATION

February 9, 2007

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 "relates to the physical, economic, social and political characteristics of the City." Its design is to provide financial statement users with additional historical perspective, context, and detail to assist in using the information in the financial statements, notes to the financial statements, and required supplementary information to understand and assess the City's economic condition. This year's CAFR includes the implementation of Governmental Accounting Standards Board Statement No. 44, *Economic Condition Reporting: The Statistical Section*.

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 the Columbia Regional Airport, Columbia Terminal Railroad, Columbia Area Transit System and four intrastate bus services. The City encompasses approximately 60 square miles and has a current estimated population of 93,219. Columbia continues to enjoy a steady growth rate, increasing 7,927 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 40,495 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 eight 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 16 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 three of the top ten employers in the Columbia area. Service industries provide approximately 36% of non-farm employment with the medical industry comprising two 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 3.2% in 2006, has been well below the national average of approximately 4.6%.

Major Initiatives

During 2006, the City of Columbia had a change in management. 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. Bill has 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

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. Fiscal year 2006 focused on implementing this plan.

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.

During 2006 the City hired a consultant to help with a community visioning project. The consultant will assist in a community-wide discussion where all citizens create a shared vision for Columbia's future. People will talk about what matters to them. They will discover shared goals and make plans to reach them. The final product will be a community vision of Columbia for the next five, ten or even 15 years. This process will continue through 2007.

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 2006. 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 2006.

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, 2005. 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, 2006, the portfolio had a fair value of \$74,931,132 with maturities of overnight to 29 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 \$292,150,643 and a fair value of \$310,203,629 as of September 30, 2006. 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 \$225,691,740 and a fair value of \$228,027,571. Approximately 64% of the pooled cash portfolio is in U.S. government and agency securities. Thirty-one percent of the pooled cash portfolio is in a money market fund. The percentage is up from last year due to the proceeds from the Water and Electric bond issue that were not received in time to be invested by year end. A detailed listing of the securities held in the pooled cash portfolio can be found on pages 163 and 164.

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 \$7,244,892 and a fair value of \$7,244,926. A detailed listing of the securities held in this portfolio can be found on page 165.

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 \$59,214,011 and a fair value of \$74,931,132 on September 30, 2006. 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 page 165.

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 \$1,998,051 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-seven 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**

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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, 2005

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.



A handwritten signature in black ink, appearing to read "Thomas J. Moran".

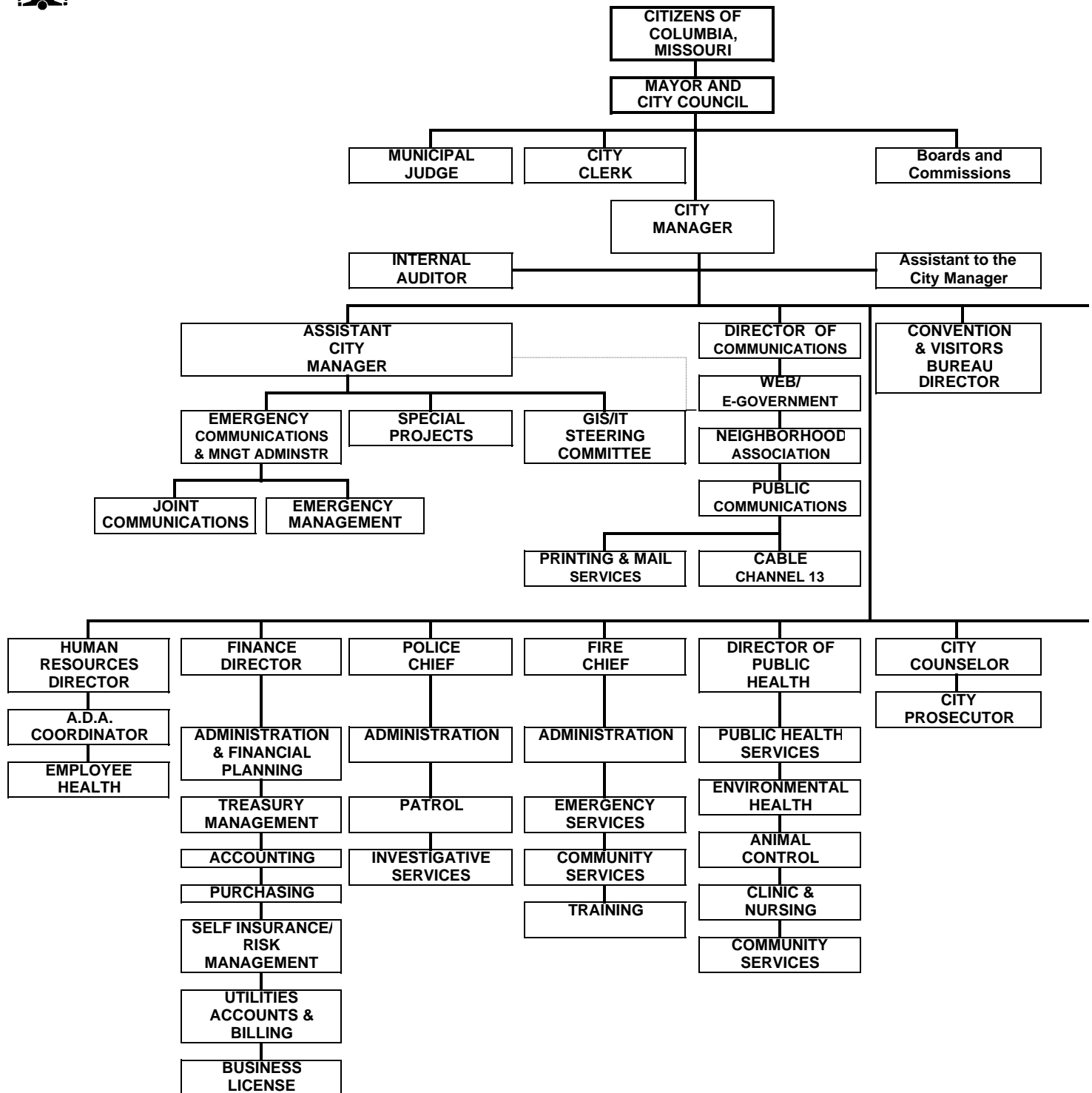
President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

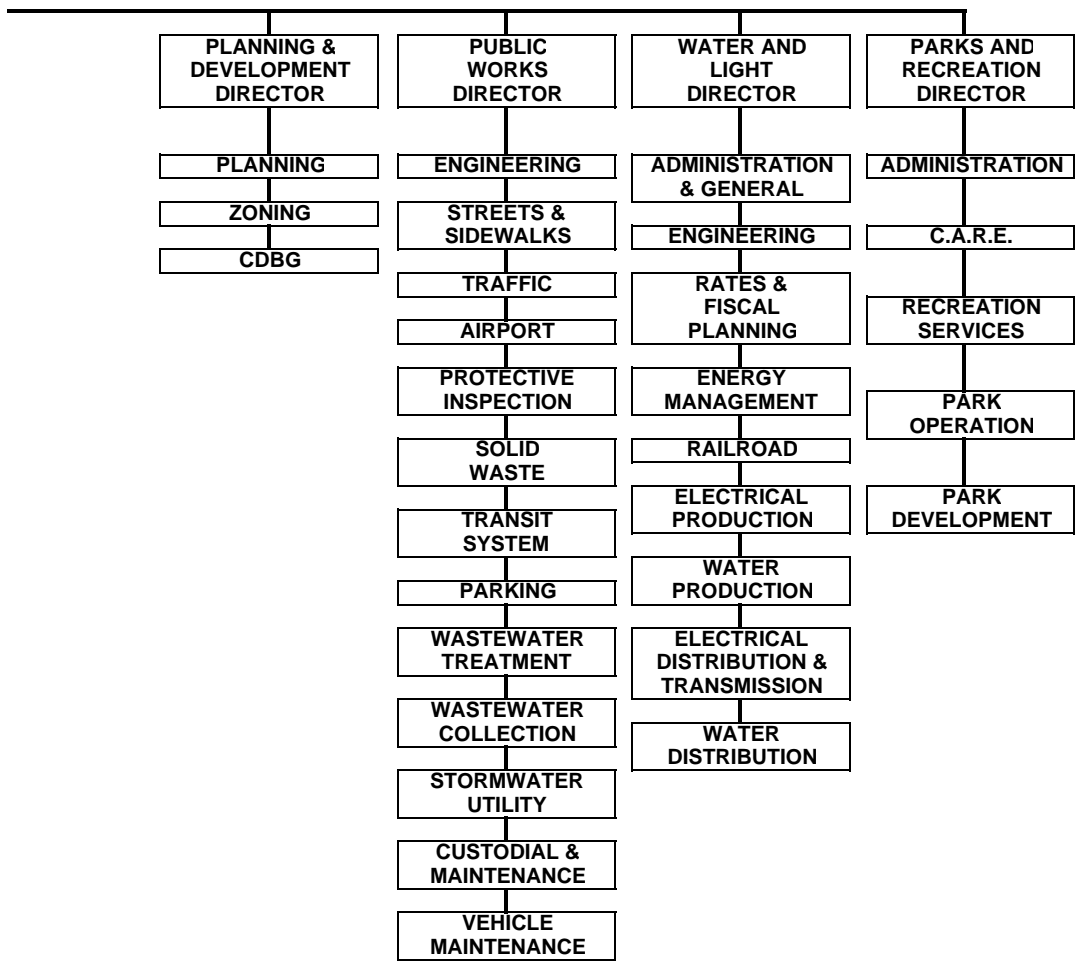
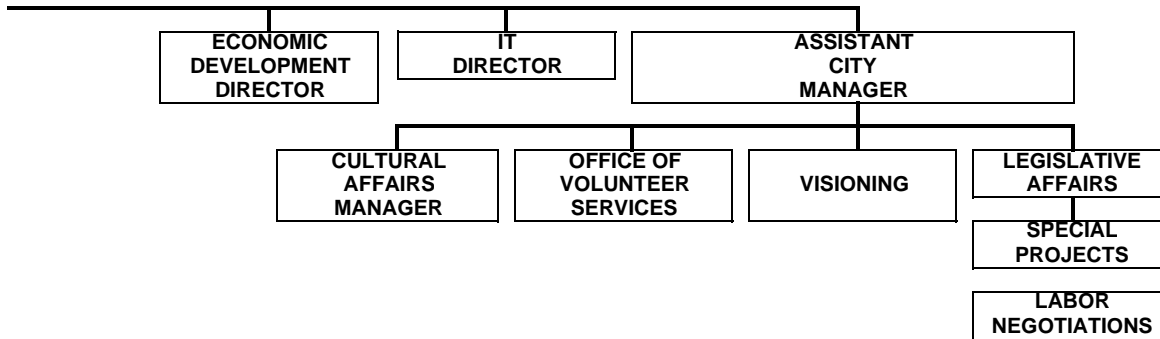


FUNCTIONAL ORGANIZATIONAL CHART



Approved _____
date

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
Barbara Hoppe

CITY MANAGER

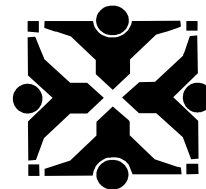
H. William (Bill) Watkins

DIRECTOR OF FINANCE

Lori B. Fleming

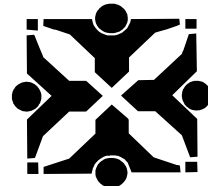
INDEPENDENT AUDITORS

KPMG LLP



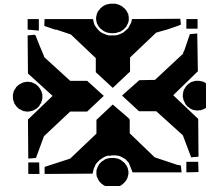
CITY OF COLUMBIA, MISSOURI

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 as of and for the year ended September 30, 2006, which collectively comprise the City of Columbia, Missouri's basic financial statements as listed in the accompanying table of contents. These financial statements are the responsibility of the City of Columbia, Missouri'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 of Columbia, Missouri'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, 2006, 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.

In accordance with *Government Auditing Standards*, we also have issued our report dated February 2, 2007 on our consideration of the City of Columbia, Missouri'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 of internal control over financial reporting and compliance and the results of that 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 considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 9 through 17, the Budgetary Comparison Information on pages 81 through 83, and Schedules of Funding Progress and Employer Contributions on pages 84 through 85, 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.

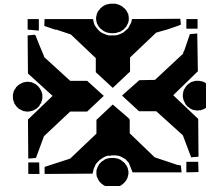
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Columbia, Missouri's basic financial statements. The combining fund financial statements and schedules are presented for purposes of additional analysis and are not a required 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 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 2, 2007

CITY OF COLUMBIA, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS



City of Columbia, Missouri Management's Discussion and Analysis

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.

- 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. During 2006, the City issued \$25,615,000 in Special Obligation Bonds to finance the implementation of these projects.
- The City's total net assets increased \$65,103,911 or 12.3%. Governmental activities net assets increased \$48,692,886 while business-type activities net assets increased \$16,411,025. Total unrestricted net assets increased \$12.3 million. Governmental activities unrestricted net assets increased \$9.4 million while business-type activities increased \$2.9 million with the majority of the reductions occurring in the Water & Electric Fund and Sanitary Sewer Fund.
- The City's property tax levy remained at 41 cents. Revenues from property taxes increased 5.6% or \$523,693 due to the recent reassessment. The State recalculated the maximum rate it will allow the City to levy in fiscal year 2007. The new maximum rate is \$0.4171, which is very close to the City's current levy.
- The City continued to experience growth in major revenue sources with a 7.6% increase in sales tax revenue and a 6.8% increase in Payment In Lieu of Tax from the Water and Electric utilities.
- The City issued over \$38 million in Special Obligation Bonds to finance expansion and improvements in the Electric Utility. The bonds were approved by voters in August 2006. An additional \$20 million in Special Obligation Bonds were issued earlier in fiscal year 2006 for sewer, solid waste and to refinance outstanding parking utility debt.
- The City reduced its use of reserves in the Employee Benefit Fund from 2005 by increasing premiums 12.5% in addition to transferring an additional \$500,000 to the internal service fund. Health Insurance costs continued to increase, however the use of reserves were not required for the first time since FY 2000. The City still needs to replenish reserves in this fund.

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, 2006 and 2005:

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

City of Columbia's Net Assets

	Governmental Activities		Business-type Activities		Total	
	2006	2005	2006	2005	2006	2005
Current and other assets	\$ 133,916,627	108,775,788	\$ 158,301,112	116,532,207	\$ 292,217,739	225,307,995
Capital assets	168,557,945	126,374,515	366,027,958	337,834,765	534,585,903	464,209,280
Total assets	302,474,572	235,150,303	524,329,070	454,366,972	826,803,642	689,517,275
Long-term liabilities	32,977,766	15,563,356	172,143,246	125,683,785	205,121,012	141,247,141
Other liabilities	6,038,279	4,821,306	21,017,467	13,925,855	27,055,746	18,747,161
Total liabilities	39,016,045	20,384,662	193,160,713	139,609,640	232,176,758	159,994,302
Net assets						
Invested in capital assets, net						
of related debt	167,789,506	116,334,515	261,159,491	248,494,657	428,948,997	364,829,172
Restricted	49,906,731	62,097,838	10,933,194	10,108,546	60,839,925	72,206,384
Unrestricted	45,762,290	36,333,288	59,075,672	56,154,129	104,837,962	92,487,417
Total net assets	\$ 263,458,527	214,765,641	\$ 331,168,357	314,757,332	\$ 594,626,884	529,522,973

Total assets for the City as a whole are \$826,803,642, an increase of \$137,286,367. Governmental activities total assets increased \$67,324,269 due to an increase in capital assets of over \$42 million most of which were streets donated by developers. There also was an increase in cash and cash equivalents of over \$23 million for governmental activities, most of which was in the Capital Projects Fund and represents bond proceeds not yet appropriated. Business-type activities total assets increased \$69,962,098. Business-type activities current and other assets increased approximately \$42 million, most of which is from bond proceeds that have not been spent. Total net capital assets increased \$70,376,623. Of this amount, \$42,183,430 was in governmental activities (primarily in street infrastructure and park land) and \$28,193,193 for business-type activities (primarily in Water and Electric and Sanitary Sewer funds).

Overall the City experienced an increase in liabilities of \$72,182,456. Long-term liabilities increased over \$63 million due to long term bonds that were issued in fiscal year 2006 as offset by current year refunding of bonds (approximately \$46 million in business-type activities and \$17 million in governmental activities). Other liabilities increased \$8.3 million most of which occurred in business-type activities. Construction contracts payable and accounts payable for business-type activities increased almost \$3.3 million and \$3.0 million respectively. Governmental activities other liabilities only increased \$1.2 million.

Total net assets for the City as a whole are \$594,626,884, an increase of \$65,103,911 or 12.3%. Governmental activities total net assets increased \$48,692,886 and business-type activities total net assets increased \$16,411,025, increases of 22.7% and 5.2%, respectively. Business-type net assets invested in capital assets net of related debt increased \$12.6 million. Governmental net assets invested in capital assets net of related debt increased in excess of \$51 million. Restricted net assets decreased approximately \$11 million. Total unrestricted net assets increased \$12,350,545. Business-type activities unrestricted net assets increased \$2,921,543, and unrestricted net assets for governmental activities increased \$9,429,002.

Schedule of Activities

The following table reflects the revenues and expenses for the City's activities for the year ended September 30, 2006 and 2005:

City of Columbia's Schedule of Activities

	Governmental Activities		Business-type Activities		Total	
	2006	2005	2006	2005	2006	2005
Revenues:						
Program revenues:						
Charges for services	\$ 9,999,694	8,968,146	\$ 136,791,449	121,604,538	\$ 146,791,143	130,572,684
Grants and contributions	5,423,564	4,587,226	1,706,958	919,617	7,130,522	5,506,843
Capital grants and contributions	37,383,705	12,785,920	10,546,398	9,203,715	47,930,103	21,989,635
General revenues:						
Property taxes	9,818,770	9,295,077	-	-	9,818,770	9,295,077
Sales tax	38,290,388	35,593,421	-	-	38,290,388	35,593,421
Other taxes	10,995,778	10,389,422	-	-	10,995,778	10,389,422
Investment revenue	3,944,122	2,554,155	4,283,787	2,980,338	8,227,909	5,534,493
Other	1,579,152	1,557,884	2,004,838	5,870,721	3,583,990	7,428,605
Total revenues	<u>117,435,173</u>	<u>85,731,251</u>	<u>155,333,430</u>	<u>140,578,929</u>	<u>272,768,603</u>	<u>226,310,180</u>
Expenses:						
Policy development and admin.	14,047,440	14,712,020	-	-	14,047,440	14,712,020
Public safety	32,167,354	29,704,634	-	-	32,167,354	29,704,634
Transportation	8,168,999	7,700,932	-	-	8,168,999	7,700,932
Health and environment	7,639,076	7,058,136	-	-	7,639,076	7,058,136
Personal development	9,038,976	8,606,844	-	-	9,038,976	8,606,844
Misc. nonprogrammed activities	297,304	372,913	-	-	297,304	372,913
Interest on long-term debt	458,311	571,672	-	-	458,311	571,672
Electric Utility	-	-	85,180,682	72,115,157	85,180,682	72,115,157
Water Utility	-	-	12,708,293	11,440,612	12,708,293	11,440,612
Sanitary Sewer Utility	-	-	10,200,386	9,297,703	10,200,386	9,297,703
Regional Airport	-	-	1,915,995	1,812,969	1,915,995	1,812,969
Public Transportation	-	-	4,125,604	3,562,176	4,125,604	3,562,176
Solid Waste Utility	-	-	11,480,727	11,805,562	11,480,727	11,805,562
Parking Facilities	-	-	1,664,290	1,756,122	1,664,290	1,756,122
Recreation Services	-	-	6,359,714	6,230,875	6,359,714	6,230,875
Railroad	-	-	885,845	866,061	885,845	866,061
Storm Water Utility	-	-	1,325,696	1,287,269	1,325,696	1,287,269
Total expenses	<u>71,817,460</u>	<u>68,727,151</u>	<u>135,847,232</u>	<u>120,174,506</u>	<u>207,664,692</u>	<u>188,901,657</u>
Increase in assets before transfers	45,617,713	17,004,100	19,486,198	20,404,423	65,103,911	37,408,523
Transfers	3,075,173	1,631,800	(3,075,173)	(1,631,800)	-	-
Increase in net assets	48,692,886	18,635,900	16,411,025	18,772,623	65,103,911	37,408,523
Net assets, beginning	214,765,641	196,129,741	314,757,332	295,984,709	529,522,973	492,114,450
Net assets, ending	<u>\$ 263,458,527</u>	<u>214,765,641</u>	<u>\$ 331,168,357</u>	<u>314,757,332</u>	<u>\$ 594,626,884</u>	<u>529,522,973</u>

The government-wide statement of activities indicates the major sources of program revenues are charges for services which increased by 12.4%. Rate increases and continued customer growth in the City's Water, Electric and Sewer Utilities account for most of this increase. The City's enterprise operations continue to experience growth in their customer bases. Charges for services for governmental activities increased 11.5% 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 2006 is 29% more than the FY 2005 amount. Increases in the amount received for operations of Public Transportation account for most of this increase. Capital grants and contributions are up by over \$25 million, most of which represents streets and other infrastructure donated by developers. Governmental activities accepted over \$30 million in capital contributions in FY 2006. This represents the dedication of a large number of streets from developers of residential subdivisions.

General revenues experienced growth in almost all areas with a total increase of 3.9%. Investment revenue increased 48.6% due to the improving market conditions and larger balances to invest. Sales tax is the most significant general revenue. Columbia had a growth in sales taxes of 7.5%. Staff continues to closely monitor the monthly sales tax files provided by the state. A decrease in the amount of SO2 allowances sold by the Electric Utility resulted in a decrease in other general revenues.

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 have a positive result of operations when including general revenues and transfers. The City experienced no significant variance from projected revenues for FY 2006.

Total program expenses for FY 2006 are \$207,664,692, an increase of 9.9%. The majority of these expenses, \$135,847,232, are for business-type activities. Business-type activity expenses increased 13%. The largest increases in business-type expenses were in the electric utility and water utility. Governmental activity expenses of \$71,817,460 increased 4.5%. The largest increase occurred in transportation (6.1%), public safety (8.3%) and health (8.2%). Policy development and administration which is where most of the City's internal service fund activities are shown, has a decrease of 4.5% due to fewer self insurance claims. Fiscal year 2005 had several large workers' compensation claims that were not repeated in fiscal year 2006.

The total net assets increased \$65,103,911 or 12.3% over fiscal year 2005. Most of this increase occurred in governmental activities which increased net assets by \$48,692,886. This is primarily due to the increased amount in capital contribution discussed above. Business-type activities increased net assets by \$16,411,025. This amount is slightly lower than fiscal year 2005 but still in line with budget estimates.

Net transfers were \$3,075,173 from business-type activities to governmental activities. However, the City transfers over \$4.4 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 \$9.3 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 2006.

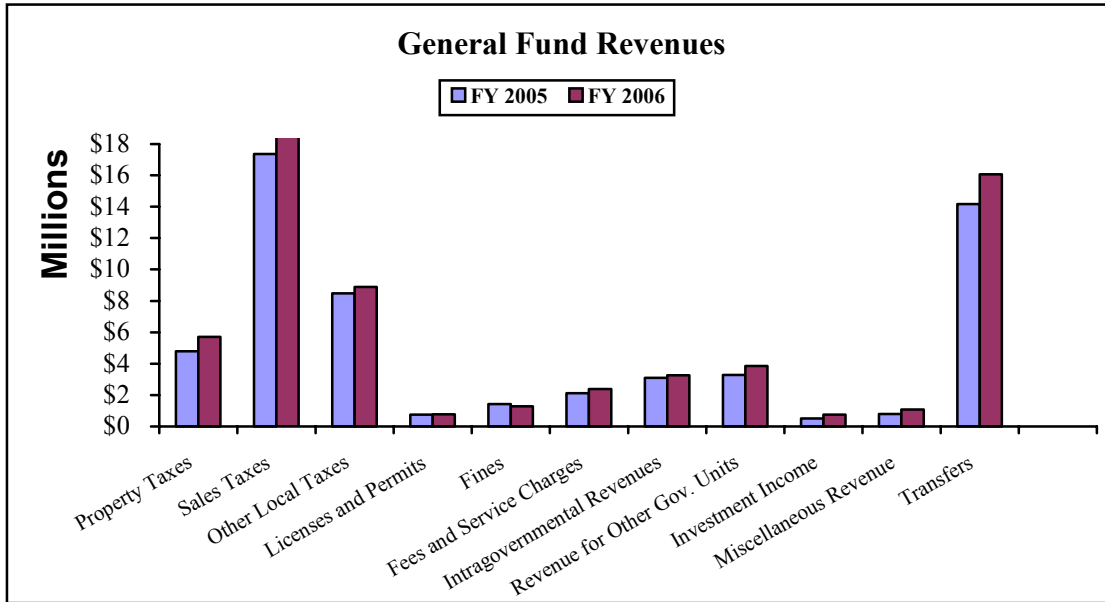
Fund Statements

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 2006 with an increase in fund balance and net assets.

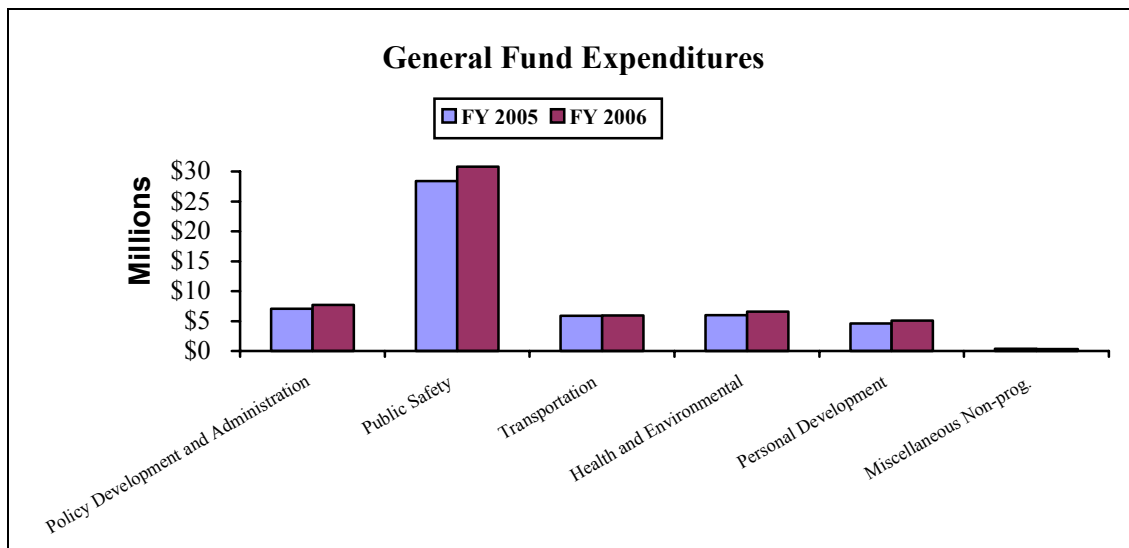
Undesignated general fund balance is 18.7% of expenditures and transfers, well above the 16% target set by Council policy. It is the City's policy to designate the portion of fund balance that has been appropriated as revenue for the FY 2007 budget. Even though the City had budgeted for the use of over \$3.9 million in appropriated fund balance for FY 2006 and designated \$3.7 million for use in FY 2007, favorable variances in both revenues and expenditures resulted in an increase in undesignated fund balance of \$1.4 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 \$2,265,479 or 3.5%. 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 \$5,955,266 or 10.5%. The overall property tax rate remained constant at 41

cents. The City experienced good growth in sales taxes at \$2,696,967 or 7.5% over FY 2005. Revenues from other taxes increased \$577,777 or 5.8% primarily due to increases in gross receipts tax on natural gas sales. Small decreases occurred in fines due to a decrease in cases. A one time transfer of a debt service reserve for G. O. Bonds that have been retired and an increase in transportation sales taxes transferred into the General Fund account for the increase in transfers.



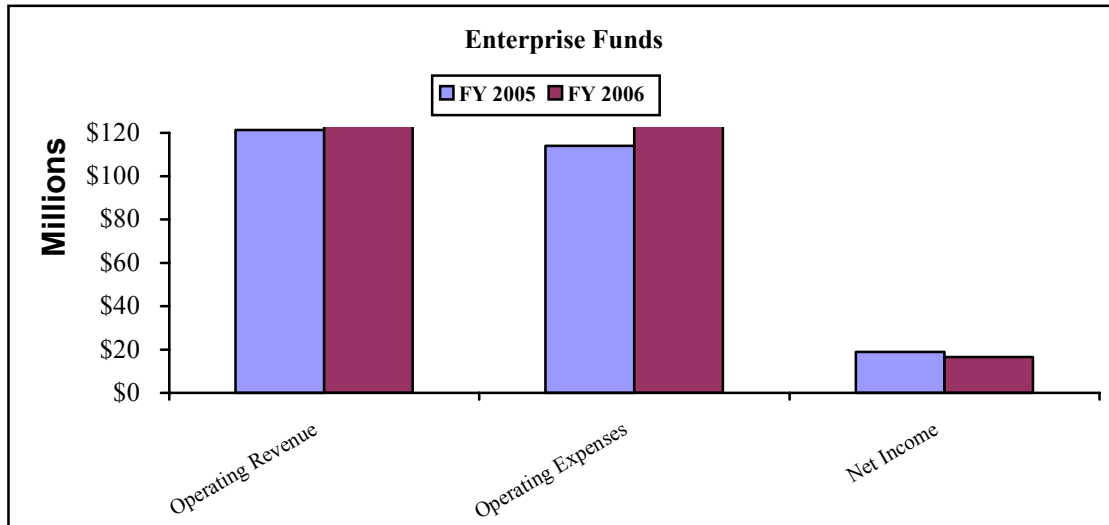
General fund expenditures were \$4.6 million under budget for FY 2006. Of this amount, \$1,445,303 has been encumbered to be spent in FY 2007. General fund expenditures, including transfers, increased \$3.6 million or 6.2%. The two largest increases were in the area of public safety and policy development and administration. Public safety increased approximately \$2.2 million or 7.5%. Policy development and administration increased \$612,276 or 8.7%. Election costs, recruitment/retirement payouts and increased rental costs for the finance department caused the increase in this area.



Overall special revenue funds decreased fund balance \$958,972 in FY 2006. Over \$2.3 million was appropriated from the transportation sales tax fund for capital projects. Over \$1.3 million and \$782,446 was accumulated in

special road district and parks sales tax fund, respectively, which will be utilized to fund future capital improvements.

A review of the net assets of the proprietary funds indicates that all funds have positive unrestricted net assets. Operating revenues and operating expenses increased for the City's enterprise funds in FY 2006 by 12.5% and 13.6%, respectively. Change in net assets of \$16,601,890 was a 12.1% decrease from last year's amount. The City's enterprise funds continue to experience growth in customer base. Several of the City's internal service funds experienced losses for FY 2006. All of the losses were budgeted as the accumulated balances were above those required to operate on a break even basis. Rate increases to user departments were budgeted in FY 2007 for both the self insurance fund and the employee benefit fund to ensure net assets remain at appropriate levels.



The City implemented an 8.5% rate increase in electric rates, a 6.75% increase in water rates and a 4% increase in sewer rates in 2006. Total production cost for the electric utility increased \$9.2 million or 17.1%. Actual cost of purchased power increased 14.2%. The City anticipates continued rate increases as the energy market continues to change. Columbia still continues to have very competitive rates for our region. Actual operating expenses decreased for solid waste operations. A change in the method, called "phase opening" approved by the Missouri Department of Natural Resources, used to calculate the city's post closure liability reduced current expenses and the related liability by \$1,422,558.

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 2006 final budget for the general fund includes approximately \$1.5 million of funds carried forward from FY 2005. The remaining increases to the FY 2006 budget were for grants and contributions received during the year. These grants and contributions also increased the general fund revenue budget for FY 2006. These changes are not expected to affect future budgets.

Overall, the general fund ended FY 2006 with favorable budget variances for both revenues, expenditures and transfers of \$6.9 million. Stronger than anticipated economic growth in the City resulted in favorable budget variances in general property taxes, sales taxes, other local taxes, fees and service charges and investment revenue. 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. General property taxes ended the year with an 8.5% favorable variance due to the reassessment. Other local tax revenues ended the year with a 7.1% favorable variance with the largest variance in gross receipts tax on natural gas. Services charges ended the year

ahead of budget 36.6% due to continued growth in development that generated revenue from construction fees and right of way fees. Investment revenue ended the year \$253,358 over budget. Fines did not meet budget expectation due to smaller case load.

General fund expenditures were 7.6% under budget for FY 2006. Of that amount over \$1.4 million is encumbered to be spent in FY 2006. Adjusted for this encumbrance carry forward, general fund expenditures were 5.1% 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	
	2006	2005	2006	2005	2006	2005
Land	\$ 27,992,388	23,209,300	\$ 9,236,922	9,295,029	\$ 37,229,310	32,504,329
Buildings	15,298,011	13,471,077	-	-	15,298,011	13,471,077
Improvements other than buildings	9,798,891	8,949,184	-	-	9,798,891	8,949,184
Structures and improvements	-	-	197,164,486	180,668,146	197,164,486	180,668,146
Furniture, fixtures and equipment	11,440,506	11,896,531	138,577,052	131,431,830	150,017,558	143,328,361
Infrastructure	98,169,465	60,247,632	-	-	98,169,465	60,247,632
Construction in progress	5,858,684	8,600,791	21,049,498	16,439,760	26,908,182	25,040,551
Total	\$ 168,557,945	126,374,515	\$ 366,027,958	337,834,765	\$ 534,585,903	464,209,280

Major Capital Asset Events FY 2006

- Howard Building renovations were completed and the Gentry Building renovation was close to completion at fiscal year end
- Purchase of all the land in the Daniel Boone Building block was completed at a cost of \$1.1 million enabling the municipal building expansion project to move forward
- Widening to four lanes of Broadway from Old 63 to Highway 63 was completed during FY06
- The 8 million gallon capacity water treatment plant expansion was placed in service during FY06 at a cost of about \$9.8 million
- Sewer line expansion continued with the completion of the South Grindstone Outfall Phase II and III project, costing approximately \$1.3 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 61-69 of this report. Please refer to it for additional information. During FY 2006, the City issued special obligation debt on three separate occasions.

In September of 2006, the City issued \$38,535,000 of Special Obligation Electric Utility Improvement Bonds. The bonds were issued for the purpose of providing funds to extend, expand, improve, repair, replace, and equip the Electric Utility.

In June of 2006, the City issued \$25,615,000 of Special Obligation Revenue Refunding and Improvement Bonds for the purpose of i) advance refunding the Certificates of Participation (city of Columbia, Missouri, Lessee), Series 2001A, outstanding in the principal amount of \$2,085,000; ii) funding certain public safety and road capital

improvements within the City; iii) making a deposit to the Debt Service Reserve Account; and iv) paying costs of issuance.

On February 1, 2006, the City issued \$20,005,000 of Special Obligation Revenue Refunding and Improvement Bonds 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) construction, improving and extending the City-owned sanitary sewer utility; iv) construction and improving the City-owned solid waste utility; v) funding a debt service reserve account; vi) paying cost of issuance.

City of Columbia Net Outstanding Debt

	FY 2006	FY 2005
<u>Government Activities</u>		
Capital Lease Obligation	\$ -	\$ 7,000,000
Certificates of Participation	-	3,040,000
Special Obligation Bonds	26,629,413	-
	\$ 26,629,413	\$ 10,040,000
 <u>Business-type Activities</u>		
Revenue Bonds	\$ 99,658,387	\$ 104,049,387
Special Obligation Bonds	66,116,207	16,856,180
	\$ 165,774,594	\$ 120,905,567

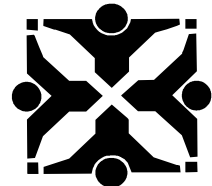
Financial Contact

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

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CITY OF COLUMBIA, MISSOURI

BASIC FINANCIAL STATEMENTS



CITY OF COLUMBIA, MISSOURI
STATEMENT OF NET ASSETS
SEPTEMBER 30, 2006

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 99,402,011	\$ 51,226,733	\$ 150,628,744
Investments	7,457,926	-	7,457,926
Receivables (net of allowance for uncollectibles)	22,113,663	16,460,215	38,573,878
Due from other governments	-	52,516	52,516
Internal balances	2,454,472	(2,454,472)	-
Inventories	503,991	8,623,176	9,127,167
Deferred charges	230,869	2,214,474	2,445,343
Other assets	84	394,402	394,486
Restricted assets:			
Bond covenant account cash	1,753,611	76,522,272	78,275,883
Closure and postclosure reserve	-	2,189,733	2,189,733
Customer security and escrow deposits	-	3,031,403	3,031,403
Grants receivable	-	40,660	40,660
Capital assets:			
Non depreciable	33,851,072	30,286,420	64,137,492
Depreciable, net	134,706,873	335,741,538	470,448,411
Total Assets	302,474,572	524,329,070	826,803,642
LIABILITIES			
Accounts payable	3,398,867	8,939,777	12,338,644
Accrued payroll and payroll taxes	1,743,595	1,030,162	2,773,757
Accrued interest payable	211,324	2,152,254	2,363,578
Due to other governments	-	283,189	283,189
Unearned revenue	179,525	61,875	241,400
Construction contracts payable	-	5,201,324	5,201,324
Customer security and escrow deposits	-	3,031,403	3,031,403
Other liabilities	504,968	317,483	822,451
Long-term liabilities:			
Due within one year:			
Accrued compensated absences	1,651,168	955,842	2,607,010
Revenue bonds payable	-	4,775,000	4,775,000
Special obligation bonds payable	2,110,000	1,360,000	3,470,000
Claims payable - health insurance	884,830	-	884,830
Claims Payable - worker's compensation and general liability	3,322,843	-	3,322,843
Other long-term liabilities	-	558,308	558,308
Due in more than one year:			
Accrued compensated absences	489,512	296,901	786,413
Revenue bonds payable	-	94,883,387	94,883,387
Special obligation bonds payable	24,519,413	64,756,207	89,275,620
Other long-term liabilities	-	4,557,601	4,557,601
Total Liabilities	39,016,045	193,160,713	232,176,758
NET ASSETS			
Invested in capital assets, net of related debt	167,789,506	261,159,491	428,948,997
Restricted for:			
Debt service	2,882,312	8,436,741	11,319,053
Capital projects	28,414,708	40,660	28,455,368
Statutory restrictions	18,609,711	2,455,793	21,065,504
Unrestricted	45,762,290	59,075,672	104,837,962
Total Net Assets	\$ 263,458,527	\$ 331,168,357	\$ 594,626,884

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, 2006**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Program Revenues</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
Policy development and administration	\$ 14,047,440	\$ 6,045,300	\$ 39,175	\$ 10,000
Public safety	32,167,354	1,562,965	1,532,163	32,000
Transportation	8,168,999	843,248	1,685,550	32,959,537
Health and environment	7,639,076	1,548,181	1,926,676	1,200,041
Personal development	9,038,976	-	240,000	3,182,127
Miscellaneous nonprogrammed activities	297,304	-	-	-
Interest on long-term debt	458,311	-	-	-
Total governmental activities	71,817,460	9,999,694	5,423,564	37,383,705
Business-type activities:				
Electric Utility	85,180,682	90,700,695	-	-
Water Utility	12,708,293	14,859,481	-	2,394,574
Sanitary Sewer Utility	10,200,386	8,873,887	-	7,121,802
Regional Airport	1,915,995	571,802	-	205,665
Public Transportation	4,125,604	1,054,996	1,536,792	824,357
Solid Waste Utility	11,480,727	12,583,784	136,365	-
Parking Facilities	1,664,290	1,657,637	-	-
Recreation Services	6,359,714	4,049,440	-	-
Railroad	885,845	851,388	-	-
Storm Water Utility	1,325,696	1,588,339	33,801	-
Total business-type activities	135,847,232	136,791,449	1,706,958	10,546,398
Total City	\$ 207,664,692	\$ 146,791,143	\$ 7,130,522	\$ 47,930,103

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

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

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

Governmental Activities	Business-type Activities	Total
\$ (7,952,965)	\$ -	\$ (7,952,965)
(29,040,226)	-	(29,040,226)
27,319,336	-	27,319,336
(2,964,178)	-	(2,964,178)
(5,616,849)	-	(5,616,849)
(297,304)	-	(297,304)
(458,311)	-	(458,311)
<u>(19,010,497)</u>	<u>-</u>	<u>(19,010,497)</u>
-	5,520,013	5,520,013
-	4,545,762	4,545,762
-	5,795,303	5,795,303
-	(1,138,528)	(1,138,528)
-	(709,459)	(709,459)
-	1,239,422	1,239,422
-	(6,653)	(6,653)
-	(2,310,274)	(2,310,274)
-	(34,457)	(34,457)
-	296,444	296,444
-	<u>13,197,573</u>	<u>13,197,573</u>
<u>(19,010,497)</u>	<u>13,197,573</u>	<u>(5,812,924)</u>
9,818,770	-	9,818,770
38,290,388	-	38,290,388
2,394,389	-	2,394,389
704,648	-	704,648
1,081,541	-	1,081,541
5,138,972	-	5,138,972
1,676,228	-	1,676,228
3,944,122	4,283,787	8,227,909
1,579,152	2,004,838	3,583,990
3,075,173	(3,075,173)	-
<u>67,703,383</u>	<u>3,213,452</u>	<u>70,916,835</u>
48,692,886	16,411,025	65,103,911
214,765,641	314,757,332	529,522,973
<u>\$ 263,458,527</u>	<u>\$ 331,168,357</u>	<u>\$ 594,626,884</u>

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

**CITY OF COLUMBIA, MISSOURI
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2006**

	Major Funds			Non-Major Funds	Total Governmental Funds
	General	Transportation Sales Tax	Capital Projects		
ASSETS					
Cash and cash equivalents	\$ 16,730,564	\$ -	\$ 59,451,831	\$ 18,035,293	\$ 94,217,688
Accounts receivable	596,789	-	1,698,618	1,422,311	3,717,718
Taxes receivable, net	6,592,116	875,326	-	4,082,784	11,550,226
Grants receivable	225,938	-	-	85,551	311,489
Rehabilitation loans receivable	-	-	-	5,649,074	5,649,074
Accrued interest	54,329	-	180,225	150,409	384,963
Due from other funds	1,676,460	-	515,509	12,820	2,204,789
Advances to other funds	-	-	-	2,469,545	2,469,545
Restricted assets:					
Cash and cash equivalents	-	-	-	1,753,611	1,753,611
Total assets	\$ 25,876,196	\$ 875,326	\$ 61,846,183	\$ 33,661,398	\$ 122,259,103
LIABILITIES					
Accounts payable	\$ 699,600	\$ -	\$ 1,851,292	\$ 218,879	\$ 2,769,771
Accrued payroll and payroll taxes	1,534,979	-	183	37,384	1,572,546
Due to other funds	528,329	570,837	-	-	1,099,166
Advances from other funds	-	-	990,148	-	990,148
Unearned revenue	4,457,089	-	-	2,629,070	7,086,159
Other liabilities	450,422	1,389	-	847	452,658
Total liabilities	7,670,419	572,226	2,841,623	2,886,180	13,970,448
FUND BALANCES					
Reserved:					
Reserved for encumbrances	1,445,303	-	4,603,341	137,624	6,186,268
Reserved for development charges	-	-	-	1,254,619	1,254,619
Reserved for hotel/motel tax	-	-	-	498,992	498,992
Reserved for loans receivable	-	-	-	5,649,074	5,649,074
Reserved for contributions	-	-	-	1,500,000	1,500,000
Reserved for advances to other funds	-	-	-	2,469,545	2,469,545
Unreserved:					
Designated - appropriated	3,773,196	-	23,597,753	-	27,370,949
Special revenue funds	-	-	-	1,133,425	1,133,425
Designated - unrealized gains	-	-	-	28,800	28,800
Special revenue funds	-	-	-	-	-
Undesignated	12,987,278	303,100	30,803,466	-	44,093,844
Undesignated, reported in non-major:					
Special revenue funds	-	-	-	12,172,091	12,172,091
Debt service funds	-	-	-	2,882,312	2,882,312
Permanent fund	-	-	-	3,048,736	3,048,736
Total fund balances	18,205,777	303,100	59,004,560	30,775,218	108,288,655
Total liabilities and fund balances	\$ 25,876,196	\$ 875,326	\$ 61,846,183	\$ 33,661,398	\$ 122,259,103

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, 2006**

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

Total fund balance - total governmental funds		\$ 108,288,655
<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	\$ 217,171,441	
Less accumulated depreciation	<u>(48,613,496)</u>	168,557,945
<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. (see page 49)</p>		
		8,240,773
<p>Long-term liabilities, including special obligation bonds, 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	\$ (1,925,612)	
Special Obligation Bonds, including unamortized bond premium and deferred amount on refunding	(26,629,413)	
Accrued interest payable	<u>(211,324)</u>	(28,766,349)
<p>Unamortized issue costs for special obligation bonds are not financial resources and are not reported in the funds</p>		
		230,869
<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>		
		6,906,634
Net Assets of Governmental Activities		<u><u>\$ 263,458,527</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, 2006

	Major Funds			Non-Major Funds	Total Governmental Funds
	General	Transportation Sales Tax	Capital Projects		
REVENUES					
General property taxes	\$ 5,699,585	\$ -	\$ -	\$ 3,946,501	\$ 9,646,086
Sales tax	18,701,474	9,396,971	-	10,191,943	38,290,388
Other local taxes	8,894,636	-	-	1,676,228	10,570,864
Licenses and permits	778,543	-	-	19,782	798,325
Fines	1,286,742	-	-	-	1,286,742
Fees and service charges	2,380,056	-	-	676,880	3,056,936
Special assessment taxes	-	-	251,548	-	251,548
Intragovernmental revenue	3,270,654	-	-	-	3,270,654
Revenue from other governmental units	3,844,979	140,000	2,361,318	2,627,317	8,973,614
Investment revenue	753,358	74,349	1,447,068	1,177,047	3,451,822
Miscellaneous	1,080,372	-	254,776	244,004	1,579,152
Total Revenues	<u>46,690,399</u>	<u>9,611,320</u>	<u>4,314,710</u>	<u>20,559,702</u>	<u>81,176,131</u>
EXPENDITURES					
Current:					
Policy development and administration	7,677,303	-	-	2,091,589	9,768,892
Public safety	30,809,809	-	-	-	30,809,809
Transportation	5,932,842	-	-	-	5,932,842
Health and environment	6,560,262	-	-	1,031,977	7,592,239
Personal development	5,067,491	-	-	3,433,753	8,501,244
Misc. nonprogrammed activities	296,909	-	-	-	296,909
Capital outlay	1,164,850	-	12,032,375	-	13,197,225
Debt service:					
Redemption of serial bonds	-	-	-	7,955,000	7,955,000
Interest	-	-	-	393,351	393,351
Fiscal agent fees	-	-	-	237,448	237,448
Total Expenditures	<u>57,509,466</u>	<u>-</u>	<u>12,032,375</u>	<u>15,143,118</u>	<u>84,684,959</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(10,819,067)</u>	<u>9,611,320</u>	<u>(7,717,665)</u>	<u>5,416,584</u>	<u>(3,508,828)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	16,053,701	16,900	35,930,049	5,996,026	57,996,676
Transfers out	(4,021,250)	(12,024,680)	(854,143)	(38,496,727)	(55,396,800)
Proceeds of 2006B S.O. Bonds	-	-	-	25,615,000	25,615,000
Premium on 2006B S.O. Bonds	-	-	-	1,139,950	1,139,950
Payment to refunded bond escrow agent	-	-	-	(2,180,799)	(2,180,799)
Total Other Financing Sources (Uses)	<u>12,032,451</u>	<u>(12,007,780)</u>	<u>35,075,906</u>	<u>(7,926,550)</u>	<u>27,174,027</u>
Net Change in Fund Balances	1,213,384	(2,396,460)	27,358,241	(2,509,966)	23,665,199
FUND BALANCE - BEGINNING	<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>
FUND BALANCE - ENDING	<u>\$ 18,205,777</u>	<u>\$ 303,100</u>	<u>\$ 59,004,560</u>	<u>\$ 30,775,218</u>	<u>\$ 108,288,655</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, 2006**

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

Net change in fund balances - total governmental funds		\$ 23,665,199
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.		8,361,084
Contributed capital assets are not reported in governmental funds. However, in the statement of activities the contribution of such capital assets is reported as revenues.		33,822,346
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		172,684
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds.		10,040,000
Bond proceeds provide current financial resources to governmental funds; however issuing debt increases long-term liabilities in the Statement of Net Assets:		
Bonds Payable	(25,615,000)	
Unamortized Premium on Bonds Payable	(1,110,212)	
Unamortized Issue Costs	230,869	
Deferred Amounts on Refunding	<u>95,799</u>	
		(26,398,544)
In the Statement of Activities compensated absences is accrued whereas in the Governmental Funds an expenditure is reported when due and matured.		(333,667)
In the Statement of Activities interest is accrued whereas in the Governmental Funds an expenditure is reported when due.		(83,301)
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. (see page 50)		<u>(552,915)</u>
Change in net assets of governmental activities		<u><u>\$ 48,692,886</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, 2006

	Major Enterprise Funds		
	Water and Electric Utility	Sanitary Sewer Utility	Solid Waste Utility
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 19,911,811	\$ 10,682,355	\$ 4,784,507
Investments	-	-	-
Receivables (net of allowance for uncollectibles)	13,161,413	901,658	1,400,144
Grants receivable	-	-	-
Accrued interest	248,288	52,844	31,868
Due from other funds	-	-	-
Loans receivable from other funds	107,511	-	-
Inventories	8,316,681	-	172,694
Other assets	394,196	-	-
Total current assets	<u>42,139,900</u>	<u>11,636,857</u>	<u>6,389,213</u>
Noncurrent assets:			
Restricted assets:			
Bond covenant account cash	63,354,917	8,431,972	3,176,753
Closure and postclosure reserve	-	-	2,189,733
Customer security and escrow deposits	2,261,226	383,217	386,960
Grants receivable	-	-	-
Total restricted assets	<u>65,616,143</u>	<u>8,815,189</u>	<u>5,753,446</u>
Deferred charges	1,559,512	473,476	123,577
Loans receivable from other funds	734,511	-	-
Capital assets:			
Land	2,103,842	2,244,482	251,071
Structures and improvements	32,568,145	162,770,456	11,406,732
Furniture, fixtures and equipment	225,795,759	4,517,850	11,862,090
Construction in progress	16,737,980	2,230,868	257,665
Less accumulated depreciation	<u>(107,943,896)</u>	<u>(38,467,720)</u>	<u>(15,276,989)</u>
Total capital assets (net of accumulated depreciation)	<u>169,261,830</u>	<u>133,295,936</u>	<u>8,500,569</u>
Total noncurrent assets	<u>237,171,996</u>	<u>142,584,601</u>	<u>14,377,592</u>
Total Assets	<u>279,311,896</u>	<u>154,221,458</u>	<u>20,766,805</u>
LIABILITIES			
Current liabilities:			
Accounts payable	8,142,663	150,719	474,824
Accrued payroll and payroll taxes	458,537	113,275	161,529
Accrued compensated absences	492,326	90,210	113,608
Accrued sales taxes	283,189	-	-
Due to other funds	975,075	-	-
Loan payable to other funds - current maturities	-	-	-
Unearned revenue	-	-	-
Other liabilities	440,608	774	417,210
Construction contracts payable	3,708,817	1,288,618	44,255
Accrued interest	1,698,299	343,368	63,060
Revenue bonds payable - current maturities	3,595,000	1,180,000	-
Special obligation bonds payable - current maturities	-	385,000	515,000
Customer security and escrow deposits	2,261,226	383,217	386,960
Advances from other funds	-	802,500	-
Total current liabilities	<u>22,055,740</u>	<u>4,737,681</u>	<u>2,176,446</u>
Noncurrent liabilities:			
Accrued compensated absences	157,733	35,175	39,883
Loans payable to other funds	-	-	-
Revenue bonds payable	77,130,692	17,752,695	-
Special obligation bonds payable	39,944,009	10,315,292	8,357,911
Other long-term liabilities	2,714,370	-	1,843,231
Total noncurrent liabilities	<u>119,946,804</u>	<u>28,103,162</u>	<u>10,241,025</u>
Total Liabilities	<u>142,002,544</u>	<u>32,840,843</u>	<u>12,417,471</u>
NET ASSETS			
Invested in capital assets, net of related debt	102,109,742	110,370,542	455,268
Restricted for:			
Debt service	6,639,005	815,976	532,512
Capital projects	-	-	-
Statutory restrictions	1,500,000	565,035	-
Other purposes	-	-	-
Unrestricted	<u>27,060,605</u>	<u>9,629,062</u>	<u>7,361,554</u>
Total Net Assets	<u>\$ 137,309,352</u>	<u>\$ 121,380,615</u>	<u>\$ 8,349,334</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			
\$	5,455,761	\$ 2,849,829	\$ 2,527,611	\$ 4,079,968	\$ 50,291,842	\$ 6,119,214
		-	-	-	-	7,457,926
	97,769	-	124,789	245,818	15,931,591	653,237
	-	-	-	26,258	26,258	-
	21,884	7,345	7,991	12,717	382,937	18,901
	-	-	-	-	-	-
	-	-	-	-	107,511	-
	-	26,705	-	107,096	8,623,176	503,991
	-	68	-	138	394,402	84
	<u>5,575,414</u>	<u>2,883,947</u>	<u>2,660,391</u>	<u>4,471,995</u>	<u>75,757,717</u>	<u>14,753,353</u>
	1,558,630	-	-	-	76,522,272	-
	-	-	-	-	2,189,733	-
	-	-	-	-	3,031,403	-
	-	-	-	40,660	40,660	-
	<u>1,558,630</u>	<u>-</u>	<u>-</u>	<u>40,660</u>	<u>81,784,068</u>	<u>-</u>
	57,909	-	-	-	2,214,474	-
	-	-	-	-	734,511	-
	1,509,613	398,674	119,942	2,609,298	9,236,922	-
	14,333,959	19,270,499	9,201,352	23,758,747	273,309,890	5,057,895
	226,892	809,578	273,436	8,496,997	251,982,602	-
	64,694	509,418	277,816	971,057	21,049,498	-
	<u>(6,666,701)</u>	<u>(4,787,247)</u>	<u>(2,402,223)</u>	<u>(14,034,256)</u>	<u>(189,579,032)</u>	<u>(3,750,131)</u>
	<u>9,468,457</u>	<u>16,200,922</u>	<u>7,470,323</u>	<u>21,801,843</u>	<u>365,999,880</u>	<u>1,307,764</u>
	<u>11,084,996</u>	<u>16,200,922</u>	<u>7,470,323</u>	<u>21,842,503</u>	<u>450,732,933</u>	<u>1,307,764</u>
	<u>16,660,410</u>	<u>19,084,869</u>	<u>10,130,714</u>	<u>26,314,498</u>	<u>526,490,650</u>	<u>16,061,117</u>
	15,807	82,732	7,985	49,358	8,924,088	644,785
	13,089	114,893	24,060	126,885	1,012,268	419,957
	15,592	113,429	21,823	97,738	944,726	-
	-	-	-	-	283,189	-
	-	-	-	-	975,075	130,548
	-	-	-	107,511	107,511	-
	61,875	-	-	-	61,875	-
	1,947	250	5,052	9,950	875,791	4,259,983
	2,627	6,689	103,234	47,084	5,201,324	-
	47,527	-	-	-	2,152,254	-
	-	-	-	-	4,775,000	-
	460,000	-	-	-	1,360,000	-
	-	-	-	-	3,031,403	-
	-	668,030	-	8,867	1,479,397	-
	<u>618,464</u>	<u>986,023</u>	<u>162,154</u>	<u>447,393</u>	<u>31,183,901</u>	<u>5,455,273</u>
	3,065	24,043	7,357	24,815	292,071	-
	-	-	-	734,511	734,511	-
	-	-	-	-	94,883,387	-
	6,138,995	-	-	-	64,756,207	-
	-	-	-	-	4,557,601	-
	<u>6,142,060</u>	<u>24,043</u>	<u>7,357</u>	<u>759,326</u>	<u>165,223,777</u>	<u>-</u>
	<u>6,760,524</u>	<u>1,010,066</u>	<u>169,511</u>	<u>1,206,719</u>	<u>196,407,678</u>	<u>5,455,273</u>
	3,540,559	16,200,922	7,470,323	20,984,057	261,131,413	1,307,764
	449,248	-	-	-	8,436,741	-
	-	-	-	40,660	40,660	-
	390,758	-	-	-	2,455,793	-
	-	-	-	-	-	-
	<u>5,519,321</u>	<u>1,873,881</u>	<u>2,490,880</u>	<u>4,083,062</u>	<u>58,018,365</u>	<u>9,298,080</u>
\$	<u>9,899,886</u>	<u>\$ 18,074,803</u>	<u>\$ 9,961,203</u>	<u>\$ 25,107,779</u>	<u>330,082,972</u>	<u>\$ 10,605,844</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.

	1,085,385
Net assets of business-type activities	<u>\$ 331,168,357</u>

CITY OF COLUMBIA, MISSOURI
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	Major Enterprise Funds		
	Water and Electric Utility	Sanitary Sewer Utility	Solid Waste Utility
OPERATING REVENUES			
Charges for services	\$ 105,384,237	\$ 8,831,731	\$ 12,542,371
OPERATING EXPENSES			
Personal services	12,341,605	3,088,911	4,443,090
Materials, supplies, and power	64,890,204	623,616	3,397,600
Travel and training	145,324	6,566	12,061
Intragovernmental	2,588,286	891,821	1,035,774
Utilities, services, and miscellaneous	5,939,068	1,610,544	351,325
Depreciation	8,113,052	2,580,915	1,738,054
Total Operating Expenses	<u>94,017,539</u>	<u>8,802,373</u>	<u>10,977,904</u>
Operating Income (Loss)	<u>11,366,698</u>	<u>29,358</u>	<u>1,564,467</u>
NONOPERATING REVENUES (EXPENSES)			
Investment revenue	2,059,054	1,083,624	403,735
Revenue from other governmental units	-	-	136,365
SO ₂ Allowances	180,394	-	-
Miscellaneous revenue	1,245,683	265,754	47,275
Interest expense	(3,457,288)	(1,143,528)	(372,296)
Loss on disposal of capital assets	(27,649)	(87,124)	(46,449)
Miscellaneous expense	(69,328)	(91,366)	(9,421)
Total Nonoperating Revenues (Expenses)	<u>(69,134)</u>	<u>27,360</u>	<u>159,209</u>
Income (Loss) Before Contributions and Transfers	11,297,564	56,718	1,723,676
Transfers in	66,667	-	-
Transfers out	(9,541,574)	(51,552)	(59,274)
Capital contributions	<u>2,394,574</u>	<u>7,121,802</u>	<u>-</u>
Total Net Transfers and Capital Contributions	(7,080,333)	7,070,250	(59,274)
Change in Net Assets	4,217,231	7,126,968	1,664,402
TOTAL NET ASSETS - BEGINNING	<u>133,092,121</u>	<u>114,253,647</u>	<u>6,684,932</u>
TOTAL NET ASSETS - ENDING	<u>\$ 137,309,352</u>	<u>\$ 121,380,615</u>	<u>\$ 8,349,334</u>

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

Major Enterprise Funds			Non-Major	Total	Internal
Parking Facilities	Recreation Services	Storm Water Utility	Enterprise Funds	Enterprise Funds	Service Funds
\$ 1,657,637	\$ 4,049,440	\$ 1,582,718	\$ 2,478,186	\$ 136,526,320	\$ 25,970,493
348,362	3,304,991	640,134	3,154,362	27,321,455	4,823,370
95,340	884,351	82,542	1,152,612	71,126,265	5,402,932
-	6,697	2,171	18,711	191,530	77,083
111,486	466,717	141,660	547,509	5,783,253	888,265
155,389	1,013,739	83,103	744,976	9,898,144	16,487,440
513,044	567,095	348,398	1,275,197	15,135,755	352,883
<u>1,223,621</u>	<u>6,243,590</u>	<u>1,298,008</u>	<u>6,893,367</u>	<u>129,456,402</u>	<u>28,031,973</u>
<u>434,016</u>	<u>(2,194,150)</u>	<u>284,710</u>	<u>(4,415,181)</u>	<u>7,069,918</u>	<u>(2,061,480)</u>
297,791	110,035	130,602	155,552	4,240,393	535,694
-	-	33,801	1,536,792	1,706,958	47,631
-	-	-	-	180,394	-
206,790	8,522	28,853	21,567	1,824,444	317,396
(334,757)	(57,811)	-	(34,077)	(5,399,757)	(5,213)
(95,787)	(4,059)	(17,556)	-	(278,624)	(1,911)
(10,125)	(54,254)	-	-	(234,494)	-
<u>63,912</u>	<u>2,433</u>	<u>175,700</u>	<u>1,679,834</u>	<u>2,039,314</u>	<u>893,597</u>
497,928	(2,191,717)	460,410	(2,735,347)	9,109,232	(1,167,883)
172,000	4,749,302	-	2,705,368	7,693,337	610,209
(2,397)	(804,300)	(221,287)	(66,693)	(10,747,077)	(156,345)
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,030,022</u>	<u>10,546,398</u>	<u>-</u>
169,603	3,945,002	(221,287)	3,668,697	7,492,658	453,864
667,531	1,753,285	239,123	933,350	16,601,890	(714,019)
<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>
\$ <u>9,899,886</u>	\$ <u>18,074,803</u>	\$ <u>9,961,203</u>	\$ <u>25,107,779</u>		\$ <u>10,605,844</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.

(190,865)

Change in net assets of business-type activities:

\$ 16,411,025

**CITY OF COLUMBIA, MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2006**

	Major Enterprise Funds		
	Water and Electric Utility Fund	Sanitary Sewer Utility Fund	Solid Waste Utility Fund
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers (including other funds)	\$ 103,965,808	\$ 8,901,789	\$ 12,395,271
Cash received from other sources	-	-	-
Cash payments to suppliers	(67,615,069)	(2,280,883)	(4,908,686)
Cash payments to employees	(12,190,692)	(3,048,018)	(4,403,333)
Cash payments to other funds	(2,588,286)	(891,821)	(1,035,774)
Cash payments for other expenses	(90,218)	-	-
Net cash provided (used) for operating activities	<u>21,481,543</u>	<u>2,681,067</u>	<u>2,047,478</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	66,667	-	-
Transfers out	(9,541,574)	(51,552)	(59,274)
Miscellaneous cash receipts	1,426,077	265,754	47,275
Operating grants	36,435	-	136,365
Net cash provided (used) for noncapital financing activities	<u>(8,012,395)</u>	<u>214,202</u>	<u>124,366</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from bonds, loans, and capital leases	39,356,834	8,431,033	4,690,674
Debt service - interest payments	(3,282,270)	(1,096,326)	(368,460)
Debt service - principal	(601,603)	(1,343,788)	(3,217,607)
Acquisition and construction of capital assets	(23,885,067)	(10,436,142)	(995,291)
Payment of construction contracts	(1,347,755)	(303,293)	(21,741)
Fiscal agent fees payments	(2,858)	(59,282)	(412)
Capital contributions	2,394,574	7,121,802	15,000
Proceeds from advances from other funds	-	(190,000)	-
Net cash provided (used) for capital and related financing activities	<u>12,631,855</u>	<u>2,124,004</u>	<u>102,163</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	2,059,641	1,068,665	399,685
Purchase of investments	-	-	-
Sale of investments	-	-	-
Net cash provided (used) for investing activities	<u>2,059,641</u>	<u>1,068,665</u>	<u>399,685</u>
Net increase (decrease) in cash and cash equivalents	28,160,644	6,087,938	2,673,692
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>55,106,084</u>	<u>13,026,389</u>	<u>7,477,301</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 83,266,728</u>	<u>\$ 19,114,327</u>	<u>\$ 10,150,993</u>
Displayed as:			
Cash and cash equivalents	\$ 19,911,811	\$ 10,682,355	\$ 4,784,507
Restricted assets	63,354,917	8,431,972	5,366,486
	<u>\$ 83,266,728</u>	<u>\$ 19,114,327</u>	<u>\$ 10,150,993</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) FOR OPERATING ACTIVITIES			
Operating income (loss)	\$ 11,366,698	\$ 29,358	\$ 1,564,467
Adjustments to reconcile operating income (loss) to net cash provided (used) for operating activities			
Depreciation	8,113,052	2,580,915	1,738,054
Changes in assets and liabilities:			
(Increase)/decrease in receivable	(1,462,821)	70,058	(147,100)
(Increase)/decrease in due from other funds	-	-	-
(Increase)/decrease in loans receivable from other funds	104,209	-	-
(Increase)/decrease in inventory	(2,551,113)	-	45,489
(Increase)/decrease in other assets	(128,366)	-	-
Increase/(decrease) in accounts payable	2,875,600	(40,134)	228,870
Increase/(decrease) in accrued payroll and payroll taxes	150,913	40,893	39,757
Increase/(decrease) in accrued sales tax	38,148	-	-
Increase/(decrease) in due to other funds	44,392	-	-
Increase/(decrease) in loans payable to other funds	-	-	-
Increase/(decrease) in other liabilities	2,930,831	(23)	(1,422,059)
Increase (decrease) in claims payable - workers' compensation and general liability and health insurance	-	-	-
Net cash provided (used) for operating activities	<u>\$ 21,481,543</u>	<u>\$ 2,681,067</u>	<u>\$ 2,047,478</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES			
Contributed water and sewer lines	\$ 2,394,574	\$ 7,088,265	\$ -
Change in fair value of investments	(129,148)	(25,776)	(14,870)
Construction contracts payable	3,708,817	1,288,618	44,255
Total noncash capital and related financing activities	<u>\$ 5,974,243</u>	<u>\$ 8,351,107</u>	<u>\$ 29,385</u>

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

Parking Facilities Fund	Major Enterprise Funds		Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
	Recreation Services Fund	Storm Water Utility Fund			
\$ 1,647,584	\$ 4,112,858	\$ 1,587,891	\$ 2,498,742	\$ 135,109,943	\$ 26,837,054
-	-	-	-	-	-
(242,775)	(1,904,952)	(222,144)	(1,867,603)	(79,042,112)	(22,136,309)
(342,562)	(3,288,311)	(636,888)	(3,094,358)	(27,004,162)	(4,745,803)
(111,486)	(466,717)	(141,660)	(544,206)	(5,779,950)	(888,265)
-	532	-	-	(89,686)	2,320
<u>950,761</u>	<u>(1,546,590)</u>	<u>587,199</u>	<u>(3,007,425)</u>	<u>23,194,033</u>	<u>(931,003)</u>
172,000	4,749,302	-	2,705,368	7,693,337	610,209
(2,397)	(804,300)	(221,287)	(66,693)	(10,747,077)	(156,345)
206,790	8,522	28,853	21,567	2,004,838	317,396
-	-	36,138	1,536,792	1,745,730	207,855
<u>376,393</u>	<u>3,953,524</u>	<u>(156,296)</u>	<u>4,197,034</u>	<u>696,828</u>	<u>979,115</u>
6,156,683	-	-	-	58,635,224	-
(407,417)	(73,701)	-	(34,077)	(5,262,251)	(5,213)
(6,702,285)	(2,457,114)	-	(170,708)	(14,493,105)	-
(99,705)	(369,565)	(1,030,534)	(1,598,951)	(38,415,255)	(375,548)
-	(90,978)	(73,948)	(61,076)	(1,898,791)	-
(945)	(43,625)	-	-	(107,122)	-
-	-	-	1,113,034	10,644,410	-
-	(99,138)	-	-	(289,138)	-
<u>(1,053,669)</u>	<u>(3,134,121)</u>	<u>(1,104,482)</u>	<u>(751,778)</u>	<u>8,813,972</u>	<u>(380,761)</u>
299,164	110,799	134,044	155,759	4,227,757	538,845
-	-	-	-	-	(2,281,444)
-	-	-	-	-	2,199,885
<u>299,164</u>	<u>110,799</u>	<u>134,044</u>	<u>155,759</u>	<u>4,227,757</u>	<u>457,286</u>
572,649	(616,388)	(539,535)	593,590	36,932,590	124,637
6,441,742	3,466,217	3,067,146	3,486,378	92,071,257	5,994,577
<u>\$ 7,014,391</u>	<u>\$ 2,849,829</u>	<u>\$ 2,527,611</u>	<u>\$ 4,079,968</u>	<u>\$ 129,003,847</u>	<u>\$ 6,119,214</u>
\$ 5,455,761	\$ 2,849,829	\$ 2,527,611	\$ 4,079,968	\$ 50,291,842	\$ 6,119,214
1,558,630	-	-	-	78,712,005	-
<u>\$ 7,014,391</u>	<u>\$ 2,849,829</u>	<u>\$ 2,527,611</u>	<u>\$ 4,079,968</u>	<u>\$ 129,003,847</u>	<u>\$ 6,119,214</u>
\$ 434,016	\$ (2,194,150)	\$ 284,710	\$ (4,415,181)	\$ 7,069,918	\$ (2,061,480)
513,044	567,095	348,398	1,275,197	15,135,755	352,883
(12,053)	62,618	5,173	20,556	(1,463,569)	26,025
2,000	800	-	-	2,800	-
-	-	-	-	104,209	-
-	1,928	-	51,376	(2,452,320)	35,368
-	532	-	-	(127,834)	2,320
7,935	(2,093)	(54,534)	3,502	3,019,146	(136,871)
5,800	16,680	3,246	60,004	317,293	77,567
-	-	-	-	38,148	-
-	-	-	-	44,392	31,191
-	-	-	3,303	3,303	-
19	-	206	(6,182)	1,502,792	7,298
-	-	-	-	-	734,696
<u>\$ 950,761</u>	<u>\$ (1,546,590)</u>	<u>\$ 587,199</u>	<u>\$ (3,007,425)</u>	<u>\$ 23,194,033</u>	<u>\$ (931,003)</u>
\$ -	\$ -	\$ -	\$ -	\$ 9,482,839	\$ -
(9,631)	(3,042)	(3,114)	(5,847)	(191,428)	(8,877)
2,627	6,689	103,234	47,084	5,201,324	-
<u>\$ (7,004)</u>	<u>\$ 3,647</u>	<u>\$ 100,120</u>	<u>\$ 41,237</u>	<u>\$ 14,492,735</u>	<u>\$ (8,877)</u>

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

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CITY OF COLUMBIA, MISSOURI
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
SEPTEMBER 30, 2006

	Pension Trust Funds	Private Purpose Trust Funds
	<u> </u>	<u> </u>
ASSETS		
Cash and cash equivalents	\$ 452,496	\$ 299,390
Accrued interest	149,609	934
Other assets	-	2,958
Investments, at fair value:		
Corporate bonds	11,874,007	-
Common stock and mutual funds	43,709,426	-
U.S. Government and agency securities	2,587,467	-
Money market	6,256,572	-
Asset-backed securities	10,503,660	-
Capital assets	11,688	-
Accumulated depreciation	<u>(11,688)</u>	<u>-</u>
Total Assets	<u>75,533,237</u>	<u>303,282</u>
LIABILITIES		
Accounts payable	70	9,030
Other liabilities	<u>12,854</u>	<u>13,790</u>
Total Liabilities	<u>12,924</u>	<u>22,820</u>
NET ASSETS		
Net assets held in trust	<u>75,520,313</u>	<u>280,462</u>
Total Net Assets	<u><u>\$ 75,520,313</u></u>	<u><u>\$ 280,462</u></u>

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

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CITY OF COLUMBIA, MISSOURI
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2006

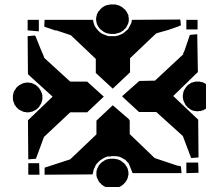
	Pension Trust Funds	Private Purpose Trust Funds
	<hr/>	<hr/>
ADDITIONS		
Contributions:		
Private	\$ -	\$ 2,000
Chamber	-	115,900
City	4,446,517	20,000
County	-	35,000
University	-	15,000
Employee	1,302,771	-
Net investment revenue:		
Net appreciation in fair value of investments	1,851,497	-
Interest and dividends	2,745,299	15,742
Miscellaneous	-	6,578
	<hr/>	<hr/>
Total Additions	10,346,084	210,220
	<hr/>	<hr/>
DEDUCTIONS		
Health and environment:		
Services and miscellaneous	-	6,324
Policy development and administration:		
Materials and supplies	-	20,207
Travel and training	903	28,832
Intragovernmental	-	-
Utilities, services, and miscellaneous	18,140	142,401
Pension benefits	5,564,758	-
Refund of employees' contributions	103,938	-
	<hr/>	<hr/>
Total Deductions	5,687,739	197,764
	<hr/>	<hr/>
Change in net assets	4,658,345	12,456
NET ASSETS - BEGINNING	70,861,968	268,006
	<hr/>	<hr/>
NET ASSETS - ENDING	\$ 75,520,313	\$ 280,462
	<hr/> <hr/>	<hr/> <hr/>

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

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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

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CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2006

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CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2006

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, 2006

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, 2006

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, 2006

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, 2006, \$130,548 had been reclassified due to a fund overdraft in the Self Insurance Reserve Fund, an internal service fund and \$570,837 in Transportation Sales Tax 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. 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, 2006.

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, 2006

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, 2006

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 2006 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, 2006.

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 is \$34,423,490 which is for restricted tax revenues.

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. 43 Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans; GASB Statement No. 45 Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension Plans or GASB Statement No. 48 Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues. The City will adopt and implement these statements at the required times.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2006

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.

15. Reclassifications

Certain amounts have been reclassified to conform with current year presentation.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2006

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	\$5,184,323
Accounts receivable	484,270
Accrued interest	15,923
Inventory	503,991
Other assets – current	84
Investments	7,457,926
Accounts payable	(629,096)
Accrued payroll and payroll taxes	(386,117)
Due to other funds	(130,548)
Other liabilities – current	(52,310)
Claims payable – worker’s compensation and general liability	(3,322,843)
Claims payable – health insurance	<u>(884,830)</u>
Net adjustment to increase fund balance- total governmental funds to arrive at net assets-governmental activities	<u><u>\$8,240,773</u></u>

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

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

Change in Net Assets – all Internal Service Funds	(\$714,019)
Change in Net Assets of Internal Service Funds	
Reported with Business-Type Activities	190,865
Change in Capital Assets – all Internal Service Funds	(20,754)
Change in Capital Assets – Internal Service Funds	
Reported with Business-Type Activities	<u>(9,007)</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>(\$552,915)</u></u>

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2006

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, 2006, \$5,201,324 in construction contracts payable was reported in the Enterprise Funds.

B. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues, 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.

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, 2006, the bank balances in the City's checking accounts were \$263,294.

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.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2006

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, 2006 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	\$ 13,504,776	\$ 7,841,799	\$ 1,705,837	\$ 242,441	\$ 3,714,699
U.S. Agencies	154,129,328	109,444	33,168,033	65,474,564	55,377,287
Taxable Municipal Bonds	8,732,225	-	-	8,732,225	-
Corporate Bonds	11,874,007	235,287	3,448,022	1,415,623	6,775,075
Tax-Exempt Securities	749,295	-	-	749,295	-
Repurchase Agreements	2,924,000	2,924,000	-	-	-
Money Market Accounts	81,020,291	81,020,291	-	-	-
Mutual Funds	43,709,426	43,709,426	-	-	-
Guaranteed Invest. Contracts	935,768	472,869	-	41,067	421,832
Total	\$ 317,579,116	\$ 136,313,116	\$ 38,321,892	\$ 76,655,215	\$ 66,288,893

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 does not have a specific credit risk policy and there is no limit on the amount that may be invested in one issuer. The City's investments are to be purchased using 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.

Of the City's total investments, 20.84% are issues of the Federal Home Loan Mortgage Corporation (FreddieMac), 12.87% are issues of the Federal Home Loan Bank and 12.87% are issues of the Federal National Mortgage Association (FannieMae).

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2006

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, 2006:

Investment Type	Fair Value	AAA	AA	AA1	A3
U.S. Treasuries*	\$ 13,504,776	\$ -	\$ -	\$ -	-
U.S. Agencies	154,129,328	154,129,328	-	-	-
Taxable Municipal Bonds	8,732,225	8,732,225	-	-	-
Corporate Bonds	11,874,007	4,746,020	2,220,246	276,343	235,287
Tax Exempt Securities	749,295	749,295	-	-	-
Repurchase Agreements	2,924,000	2,924,000	-	-	-
Money Market Accounts	81,020,291	-	-	-	-
Mutual Funds	43,709,426	-	-	-	-
Guaranteed Invest. Cont.	935,768	-	-	-	-
Total	<u>\$ 317,579,116</u>	<u>\$ 171,280,868</u>	<u>\$ 2,220,246</u>	<u>\$ 276,343</u>	<u>\$ 235,287</u>

continued below

Investment Type	Quality Ratings			
	A	BBB+	BBB	Unrated
U.S. Treasuries*	\$ -	\$ -	\$ -	-
U.S. Agencies	-	-	-	-
Taxable Municipal Bonds	-	-	-	-
Corporate Bonds	3,690,270	254,945	450,896	-
Tax Exempt Securities	-	-	-	-
Repurchase Agreements	-	-	-	-
Money Market Accounts	-	-	-	81,020,291
Mutual Funds	-	-	-	43,709,426
Guaranteed Invest. Cont.	-	-	-	935,768
Total	<u>\$ 3,690,270</u>	<u>\$ 254,945</u>	<u>\$ 450,896</u>	<u>\$ 125,665,485</u>

* 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, 2006

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

	Balance September 30, 2006
Fair value of investments	\$ 310,203,629
Investments with fiscal agents	7,375,487
Cash with fiscal agents	1,753,637
Cash on hand	23,742
Imprest accounts	(2,089,788)
Total	\$ 317,266,707

	Government- Wide Statement of Net Assets	Fiduciary Funds Statement of Net Assets	Total
Cash and cash equivalents	\$ 150,628,744	\$ 751,886	\$ 151,380,630
Investments	7,457,926	74,931,132	82,389,058
Restricted assets:			
Bond covenant account cash	78,275,883	—	78,275,883
Closure and postclosure reserve	2,189,733	—	2,189,733
Customer security and escrow deposits	3,031,403	—	3,031,403
Total	\$ 241,583,689	\$ 75,683,018	\$ 317,266,707

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. At fiscal year end the cash and cash equivalent balance was in excess of this range due to \$33,000,000 proceeds of the Electric bond issue being received on September 28. 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, 2006

V. RECEIVABLES AND PAYABLES

Balances at September 30, 2006 were as follows:

	Accounts	Accrued Interest	Grants Receivable/ Rehabilitation Loan	Taxes	Total Receivables	Allowance for Doubtful Accounts	Receivables, Net
Governmental activities:							
General	\$ 596,789	\$ 54,329	\$ 225,938	\$ 6,605,262	\$ 7,482,318	(13,146)	\$ 7,469,172
Transportation Sales Tax	-	-	-	875,326	875,326	-	875,326
Capital Projects	1,698,618	180,225	-	-	1,878,843	-	1,878,843
Non-major Governmental Funds	1,422,311	150,409	5,734,625	4,091,393	11,398,738	(8,609)	11,390,129
Internal Service Funds	484,270	15,923	-	-	500,193	-	500,193
Total - governmental activities	<u>\$ 4,201,988</u>	<u>\$ 400,886</u>	<u>\$ 5,960,563</u>	<u>\$ 11,571,981</u>	<u>\$ 22,135,418</u>	<u>\$ (21,755)</u>	<u>\$ 22,113,663</u>
Business-type activities:							
Water and Electric Utility	\$ 15,494,003	\$ 248,288	\$ -	\$ -	\$ 15,742,291	\$ (2,332,590)	\$ 13,409,701
Sanitary Sewer Utility	1,226,117	52,844	-	-	1,278,961	(324,459)	954,502
Solid Waste Utility	1,832,057	31,868	-	-	1,863,925	(431,913)	1,432,012
Parking Facilities	97,769	21,884	-	-	119,653	-	119,653
Recreation Services	-	7,345	-	-	7,345	-	7,345
Storm Water Utility	165,850	7,991	-	-	173,841	(41,061)	132,780
Non-major Enterprise Funds	245,818	12,717	26,258	-	284,793	-	284,793
Internal Service Funds	811,201	2,978	-	-	814,179	(642,234)	171,945
Total - business-type activities	<u>\$ 19,872,815</u>	<u>\$ 385,915</u>	<u>\$ 26,258</u>	<u>\$ -</u>	<u>\$ 20,284,988</u>	<u>\$ (3,772,257)</u>	<u>\$ 16,512,731</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, 2006

VI. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2006 was as follows:

	Balance October 1, 2005	Additions	Deductions	Balance September 30, 2006
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 23,209,300	\$ 4,783,088	\$ —	\$ 27,992,388
Construction in process	8,600,791	12,039,761	(14,781,868)	5,858,684
Total capital assets, not being depreciated	<u>31,810,091</u>	<u>16,822,849</u>	<u>(14,781,868)</u>	<u>33,851,072</u>
Capital assets, being depreciated:				
Buildings	21,743,139	2,329,026	—	24,072,165
Improvements other than buildings	11,117,513	1,089,004	—	12,206,517
Furniture, fixtures and equipment	27,532,814	2,494,286	(1,867,563)	28,159,537
Infrastructure	<u>79,104,197</u>	<u>39,777,953</u>	<u>—</u>	<u>118,882,150</u>
Total capital assets being depreciated	<u>139,497,663</u>	<u>45,690,269</u>	<u>(1,867,563)</u>	<u>183,320,369</u>
Less accumulated depreciation for:				
Buildings	(8,272,062)	(502,092)	—	(8,774,154)
Improvements other than buildings	(2,131,662)	(275,964)	—	(2,407,626)
Furniture, fixtures and equipment	(15,672,950)	(2,488,521)	1,442,440	(16,719,031)
Infrastructure	<u>(18,856,565)</u>	<u>(1,856,120)</u>	<u>—</u>	<u>(20,712,685)</u>
Total accumulated depreciation	<u>(44,933,239)</u>	<u>(5,122,697)</u>	<u>1,442,440</u>	<u>(48,613,496)</u>
Total capital assets, being depreciated, net	<u>94,564,424</u>	<u>40,567,572</u>	<u>(425,123)</u>	<u>134,706,873</u>
Governmental activities capital assets, net	<u>\$ 126,374,515</u>	<u>\$ 57,390,421</u>	<u>\$ (15,206,991)</u>	<u>\$ 168,557,945</u>

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2006

	Balance October 1, 2005	Additions	Deductions	Balance September 30, 2006
Business-type activities:				
Capital assets, not being depreciated:				
Land and land rights	\$ 9,295,029	\$ 35,553	\$ (93,660)	\$ 9,236,922
Construction in progress	16,439,760	32,230,256	(27,620,518)	21,049,498
Total capital assets not being depreciated	25,734,789	32,265,809	(27,714,178)	30,286,420
Capital assets, being depreciated:				
Structures and improvements	251,064,423	22,292,948	(20,534)	273,336,837
Furniture, fixtures and equipment	236,842,686	17,004,570	(1,820,251)	252,027,005
Total capital assets being depreciated	487,907,109	39,297,518	(1,840,785)	525,363,842
Less accumulated depreciation for:				
Structures and improvements	(70,396,277)	(5,776,074)	—	(76,172,351)
Furniture, fixtures and equipment	(105,410,856)	(9,376,063)	1,336,966	(113,449,953)
Total accumulated depreciation	(175,807,133)	(15,152,137)	1,336,966	(189,622,304)
Total capital assets being depreciated, net	312,099,976	24,145,381	(503,819)	335,741,538
Business-type activities capital assets, net	\$ 337,834,765	\$ 56,411,190	\$ (28,217,997)	\$ 366,027,958

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

Business-type activities:

Major funds:

Water and Electric	\$ 8,113,052
Sanitary Sewer	2,580,915
Solid Waste	1,738,054
Parking Facilities	513,044
Recreational Services	567,095
Storm Water Utility	348,398
Non-major enterprise funds	1,275,197
Internal service funds	9,007
Total depreciation expense - business-type activities	15,144,762
Accumulated Depreciated for assets transferred from governmental-type activities	7,375
Total Additions - Accumulated Depreciation	\$ 15,152,137

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2006

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

Governmental activities:

Policy Development		\$ 283,829
Public Safety	\$	283,829
Transportation		1,357,545
Health and Environment		2,236,157
Personal Development		46,837
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the asset		537,732
		343,876
 Total depreciation expense - governmental-type activities		 4,805,976
Accumulated Depreciated for assets transferred from business-type activities		316,721
		5,122,697
 Total Additions - Accumulated Depreciation	 \$	 5,122,697

VII. COMMITMENTS

A. Construction Commitments

At September 30, 2006, construction contract commitments of the City were:

		Amounts
Major Governmental Fund:		
Capital Projects Fund	\$	2,545,377
Enterprise Funds:		
Major Funds:		
Water and Electric Utility		8,299,401
Sanitary Sewer Utility		3,642,453
Solid Waste Utility		2,690
Recreation Services		53,494
Storm Water Utility		322,489
Nonmajor Funds		2,435,736
Total Enterprise Funds		14,756,263
Total	\$	17,301,640

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2006

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 charge changed to 110% of the energy costs. In fiscal year 2006, the cost of maintenance and repairs for capital assets at the Sikeston plant resulted in an additional assessment of \$2,926,176. This assessment will be paid as follows: \$211,806 in FY2007, \$585,235 in FY2008, \$585,285 in FY2009, \$585,235 in FY2010 and \$585,235 in FY2011 and \$373,429 in FY2012. This assessment is to be paid to the Board during fiscal years 2007 to 2012, and is reported as part of other long-term liabilities.

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 2006, the City paid a demand charge of \$8.736 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, 2006, and ending May 31, 2007, 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, 2006, was \$68.00 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, 2006

VIII. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund receivable and payable balances at September 30, 2006 are as follows:

	Interfund receivables	Interfund payables
Major Governmental Funds:		
General Fund	\$ 1,676,460	\$ 528,329
Transportation Sales Tax Fund	—	570,837
Capital Projects Fund	515,509	990,148
Nonmajor governmental funds - permanent fund	2,482,365	—
Enterprise Funds:		
Major Funds:		
Water and Electric Utility	842,022	975,075
Recreation Services	—	668,030
Sanitary Sewer Utility	—	802,500
Nonmajor enterprise	—	850,889
Internal Service Funds	—	130,548
Total	\$ 5,516,356	\$ 5,516,356

Interfund payables at September 30, 2006 include \$668,030 in the Recreation Services Fund, \$8,867 in the Regional Airport Fund, a non-major fund, and \$802,500 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 \$990,148 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 \$701,385 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 \$975,075 is reported as a receivable in the General Fund and a payable in the Water and Electric Utility Fund.

Loans with a balance of \$842,022, 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, 2006

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	\$ -	\$ 5,324,380	\$ -	\$ 1,428,296	\$ 9,284,728	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,297	\$ 16,053,701
Transportation Sales Tax	-	-	-	-	-	-	-	-	-	-	16,900	-	16,900
Capital Projects	1,346,266	4,125,500	-	30,122,244	-	27,481	-	-	26,210	216,823	26,210	39,315	35,930,049
Nonmajor Governmental	590,883	-	854,143	3,761,894	-	-	789,106	-	-	-	-	-	5,996,026
Major Enterprise Funds:													
Solid Waste	-	-	-	-	-	-	-	-	-	-	-	66,667	66,667
Parking Facilities	172,000	-	-	-	-	-	-	-	-	-	-	-	172,000
Recreation Services	1,652,682	-	-	3,096,620	-	-	-	-	-	-	-	-	4,749,302
Nonmajor Enterprise	-	2,574,800	-	80,568	50,000	-	-	-	-	-	-	-	2,705,368
Internal Service	259,419	-	-	7,105	206,846	24,071	15,194	2,397	33,064	4,464	23,583	34,066	610,209
Total	\$ 4,021,250	\$ 12,024,680	\$ 854,143	\$ 38,496,727	\$ 9,541,574	\$ 51,552	\$ 804,300	\$ 2,397	\$ 59,274	\$ 221,287	\$ 66,693	\$ 156,345	\$ 66,300,222

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 \$9,284,728. The transfer represents PILOT payments.

IX. LONG-TERM LIABILITIES

A. Changes in Long-term Liabilities

	Balance October 1, 2005	Additions	Deductions	Balance September 30, 2006	Current Portion
Governmental Activities:					
Certificates of Participation:					
2001 A Series					
Fire Station	955,000	—	(955,000)	—	—
Health Center	2,085,000	—	(2,085,000)	—	—
Total Certificates of Participation	3,040,000	—	(3,040,000)	—	—
Special Obligation Bonds:					
2006B S.O. Capital Improvement	—	25,615,000	—	25,615,000	2,110,000
Premiums (Discounts)	—	1,139,950	(29,738)	1,110,212	—
Gain (Loss) on Refunding	—	(95,799)	—	(95,799)	—
Total Special Obligation Bonds	—	26,659,151	(29,738)	26,629,413	2,110,000
Capital Lease Obligations	7,000,000	—	(7,000,000)	—	—
Accrued Compensated Absences	2,050,379	1,714,107	(1,623,806)	2,140,680	1,651,168
Claims Payable - Workers' Compensation and General Liability	2,513,498	2,033,400	(1,224,055)	3,322,843	3,322,843
Claims Payable - Health Insurance	959,479	7,576,123	(7,650,772)	884,830	884,830
Total Governmental Activities	\$ 15,563,356	\$ 37,982,781	\$ (20,568,371)	\$ 32,977,766	\$ 7,968,841

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2006

Accrued compensated absences are generally liquidated by the general fund.

	<u>Balance October 1, 2005</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2006</u>	<u>Current Portion</u>
Business-type Activities:					
Revenue Bonds:					
<i>Water & Electric Utility:</i>					
1998 Water and Electric	\$ 8,265,000	\$ —	\$ (70,000)	\$ 8,195,000	\$ 1,550,000
2002 Water and Electric	15,760,000	—	(455,000)	15,305,000	465,000
2003 Water and Electric	8,850,000	—	(50,000)	8,800,000	770,000
2004 Water and Electric	17,095,000	—	—	17,095,000	480,000
2005 Water and Electric	30,630,000	—	—	30,630,000	330,000
Premiums (Discounts)	1,804,007	—	(111,064)	1,692,943	—
Gain (Loss) on Refunding	(1,076,712)	—	84,461	(992,251)	—
Total Water & Electric Utility	<u>81,327,295</u>	<u>—</u>	<u>(601,603)</u>	<u>80,725,692</u>	<u>3,595,000</u>
<i>Sanitary Sewer Utility:</i>					
1992 Sanitary Sewer System Series B	475,000	—	(45,000)	430,000	50,000
1999 Sanitary Sewer System Series A	2,905,000	—	(170,000)	2,735,000	170,000
1999 Sanitary Sewer System Series B	1,110,000	—	(65,000)	1,045,000	65,000
2000 Sanitary Sewer System Series B	2,020,000	—	(110,000)	1,910,000	110,000
2002 Sanitary Sewer System Series A	2,030,000	—	(100,000)	1,930,000	100,000
2002 Sanitary Sewer System Refunding	7,555,000	—	(495,000)	7,060,000	500,000
2003 Sanitary Sewer System Series B	3,455,000	—	(160,000)	3,295,000	160,000
2004 Sanitary Sewer System Series B	650,000	—	(25,000)	625,000	25,000
Premiums (Discounts)	(110,951)	—	13,646	(97,305)	—
Total Sanitary Sewer Utility	<u>20,089,049</u>	<u>—</u>	<u>(1,156,354)</u>	<u>18,932,695</u>	<u>1,180,000</u>
<i>Parking Facilities:</i>					
1995 Parking Facilities	2,680,000	—	(2,680,000)	—	—
Discounts	(46,957)	—	46,957	—	—
Total Parking Facilities	<u>2,633,043</u>	<u>—</u>	<u>(2,633,043)</u>	<u>—</u>	<u>—</u>
Total Revenue Bonds	<u>104,049,387</u>	<u>—</u>	<u>(4,391,000)</u>	<u>99,658,387</u>	<u>4,775,000</u>

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2006

	Balance October 1, 2005	Additions	Deductions	Balance September 30, 2006	Current Portion
Business-type Activities (con't):					
Special Obligation Bonds:					
<i>Electric Utility:</i>					
2006 Water and Electric	—	38,535,000	—	38,535,000	—
Premiums	—	1,409,009	—	1,409,009	—
Total Electric Utility	—	39,944,009	—	39,944,009	—
<i>Sanitary Sewer Utility:</i>					
2001 Sanitary Sewer	2,375,000	—	(110,000)	2,265,000	115,000
2006 Sanitary Sewer	—	8,380,000	—	8,380,000	270,000
Premiums	6,378	51,033	(2,119)	55,292	—
Total Sanitary Sewer Utility	2,381,378	8,431,033	(112,119)	10,700,292	385,000
<i>Solid Waste Utility:</i>					
1996 Refuse System	3,310,000	—	(3,310,000)	—	—
2001 Refuse System	4,100,000	—	(190,000)	3,910,000	195,000
2006 Refuse System	—	4,915,000	—	4,915,000	320,000
Premiums/(Discounts)	(25,517)	149,167	(6,791)	116,859	—
Gain/(Loss) on Refunding	—	(73,873)	4,925	(68,948)	—
Total Solid Waste Utility	7,384,483	4,990,294	(3,501,866)	8,872,911	515,000
<i>Parking Facilities:</i>					
1996 Parking Facilities	4,685,000	—	(4,685,000)	—	—
2006 Parking Facilities	—	6,710,000	—	6,710,000	460,000
Premiums/(Discounts)	(51,795)	236,365	(9,896)	174,674	—
Gain/(Loss) on Refunding	—	(304,423)	18,744	(285,679)	—
Total Parking Facilities	4,633,205	6,641,942	(4,676,152)	6,598,995	460,000
<i>Recreation Services:</i>					
Certificates of Participation - 2001 A Series	2,450,000	—	(2,450,000)	—	—
Premiums	7,114	—	(7,114)	—	—
Total Recreation Services	2,457,114	—	(2,457,114)	—	—
Total Special Obligation Bonds	16,856,180	60,007,278	(10,747,251)	66,116,207	1,360,000
Accrued Compensated Absences	1,165,927	1,226,138	(1,139,322)	1,252,743	955,842
Other long-term liabilities:					
Loan Payable Water and Electric	—	2,926,176	—	2,926,176	211,806
Accrued Landfill Closure/Post Closure Care Costs	3,612,291	—	(1,422,558)	2,189,733	346,502
Total Other Long-Term Liabilities	3,612,291	2,926,176	(1,422,558)	5,115,909	558,308
Total Revenue Bonds (from above)	104,049,387	—	(4,391,000)	99,658,387	4,775,000
Total Business-type Activities	\$ 125,683,785	\$ 64,159,592	\$ (17,700,131)	\$ 172,143,246	\$ 7,649,150

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2006

B. Debt Service Requirements to Maturity

The annual requirements to amortize all bonded debt outstanding as of September 30, 2006, including interest payments of \$103,203,316, are as follows:

Year ending September 30	<u>Governmental Activities:</u>		<u>Business-type Activities:</u>	
	Special Obligation 2006B		Special Obligation 2001, 2006A and 2006C	
	Principal	Interest	Principal	Interest
2007	\$ 2,110,000	\$ 1,228,000	\$ 1,360,000	\$ 2,021,492
2008	2,195,000	1,120,375	1,410,000	2,868,829
2009	2,290,000	1,008,250	1,470,000	2,812,035
2010	2,375,000	891,625	1,520,000	2,751,513
2011	2,475,000	770,375	1,590,000	2,688,444
2012-2016	14,170,000	1,835,500	8,980,000	12,371,130
2017-2021	—	—	6,385,000	10,635,440
2022-2026	—	—	9,300,000	9,196,622
2027-2031	—	—	20,005,000	5,958,350
2032-2033	—	—	12,695,000	593,200
	<u>\$ 25,615,000</u>	<u>\$ 6,854,125</u>	<u>\$ 64,715,000</u>	<u>\$ 51,897,055</u>

Business-type Activities: (continued)

Revenue Bonds

Year ending September 30	Water and Electric		Sanitary Sewer Utility	
	Principal	Interest	Principal	Interest
	2007	\$ 3,595,000	\$ 3,399,606	\$ 1,180,000
2008	3,755,000	3,244,750	1,205,000	772,131
2009	3,875,000	3,073,952	1,235,000	728,030
2010	4,020,000	2,905,270	1,260,000	680,382
2011	4,175,000	2,752,139	1,300,000	629,615
2012-2016	20,410,000	11,293,207	6,735,000	2,284,948
2017-2021	17,225,000	7,312,416	5,040,000	801,465
2022-2026	15,810,000	3,197,088	1,075,000	76,720
2027-2031	7,160,000	488,082	—	—
2032-2033	—	—	—	—
	<u>\$ 80,025,000</u>	<u>\$ 37,666,510</u>	<u>\$ 19,030,000</u>	<u>\$ 6,785,626</u>

TOTAL DEBT SERVICE REQUIREMENTS TO MATURITY

Year ending September 30	Principal	Interest
2007	\$ 8,245,000	\$ 7,461,433
2008	8,565,000	8,006,085
2009	8,870,000	7,622,267
2010	9,175,000	7,228,790
2011	9,540,000	6,840,573
2012-2016	50,295,000	27,784,785
2017-2021	28,650,000	18,749,321
2022-2026	26,185,000	12,470,430
2027-2031	27,165,000	6,446,432
2032-2033	12,695,000	593,200
	<u>\$ 189,385,000</u>	<u>\$ 103,203,316</u>

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2006

C. Special Obligation Refunding and Capital Improvement Bonds—Series 2006, 2006B and 2006C

In September of 2006, the City issued \$38,535,000 of Special Obligation Electric Utility Improvement Bonds. The bonds are special obligations of the City payable solely from the annual appropriation of funds by the City for that purpose. The bonds are to be treated as utility revenue bonds of the Electric Utility, and are secured by pledged revenues of the Electric Utility. The bonds were issued for the purpose of providing funds to extend, expand, improve, repair, replace, and equip the Electric Utility. Interest is paid semiannually on April 1 and October 1. Principal maturities are to be paid October 1, 2023, and thereafter through October 1, 2032. At the option of the City, the Bonds may be subject to redemption and payment prior to maturity on or after October 1, 2016 on any interest payment date at the redemption price of 100% of the principal amount redeemed plus accrued interest to the redemption date. The interest rates on this issue range from 4.25% to 5.00%.

In June of 2006, the City issued \$25,615,000 of Special Obligation Revenue Refunding and Improvement Bonds for the purpose of i) advance refunding the Certificates of Participation (City of Columbia, Missouri, Lessee), Series 2001A, outstanding in the principal amount of \$2,085,000; ii) funding certain public safety and road capital improvements within the City; iii) making a deposit to the Debt Service Reserve Account; and iv) paying costs of issuance. Interest is paid semiannually on February 1 and August 1. Principal payments are due on February 1. The final payment is due February 1, 2016. The interest rate on this issue is 5%.

A portion of the proceeds of the Bonds was used to advance refund the Certificates of Participation (City of Columbia, Missouri, Lessee), Series 2001A obligations. A portion of the proceeds of the Bonds will be used to fund improvements to major city streets to relieve traffic congestion and sidewalk improvements to provide safe routes to schools and improve accessibility in the downtown area for persons with disabilities. A portion of the proceeds of the Bonds will be used to fund capital projects for the City's Fire Department, including replacing older fire trucks and other equipment and building and equipping new fire stations. A portion of the proceeds of the Bonds will be used to construct a new Police Department training facility and to replace emergency storm warning sirens. The aforementioned projects are capital improvement sales tax projects approved by the voters of the City in November 2005.

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

On February 1, 2006, the City issued \$20,005,000 of Special Obligation Revenue Refunding and Improvement Bonds 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) construction, improving and extending the City-owned sanitary sewer utility; iv) construction and improving the City-owned solid waste utility; v) funding a debt service reserve account; vi) paying cost of issuance. Interest is paid semiannually on February 1 and August 1. Principal payments are due on February 1. The final payment is due February 1, 2026. Interest rates on this issue range from 4.00% to 5.00%.

A portion of the proceeds of the Bonds was transferred to the Paying Agents for the Refunded Bonds, being those bonds outstanding from the city's Series 1995 Parking Utility Revenue Bonds and the outstanding bonds from the City's Series 1996 Special Obligation Bonds and was used to refund those bonds on February 23, 2006. A portion of the proceeds of the Bonds will be used to construct, improve and extend the City-owned sanitary sewer utility and to construct and improve the City-owned solid-waste utility.

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

D. 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

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2006

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.

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

E. 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%.

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Notes to the Basic Financial Statements September 30, 2006

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:

<u>Nature of accounts</u>	<u>Amount</u>	<u>Authorized expenditures</u>
(a) Current bond maturities and interest	Monthly accumulations equal to semiannual debt service.	Paying current principal and interest on bonds.
(b) Revenue bond reserve	Amount equal to 1/60th of the debt service requirements until said account shall equal the debt reserve requirements in the amount of \$7,043,914.	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.

F. 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

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2006

year through January 1, 2023, and interest payments are due on January 1 and July 1. The bonds maturing on and after January 1, 2013, are redeemable on each June 1 and December 1, commencing on June 1, 2012, at par plus accrued interest. The interest rates range from 3.0% to 5.375% on this issue.

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

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

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

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.

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

G. 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 was \$7,000,000 with an interest rate of 5.975% and a stated maturity of January 1, 2007. The City exercised its option to pay this lease in full on January 1, 2006.

H. Conduit Debt – Industrial Revenue Bonds

As of September 30, 2006, \$2,795,000 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.

I. Legal Debt Margin

The City's legal debt margin is \$293,218,030. For more information on the legal debt margin, see Table 18 in the Statistical Section.

X. ADVANCE REFUNDING

The City has defeased certain revenue bonds and certificates of participation by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old debt. 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, 2006, \$21,770,000 of bonds and certificates of participation debt outstanding are considered defeased. The table below details these issues.

Issue	Outstanding at September 30, 2006
Business-type revenue bonds:	
Water and Electric 1998 series revenue bonds	\$ 19,685,000
Governmental activities certificates of participation:	
Certificates of participation, series 2001	2,085,000
Total	\$ 21,770,000

XI. DEFEASANCE

On February 1, 2006, the City of Columbia issued \$2,575,000, part of a total issue of \$20,005,000 Special Obligation Revenue Refunding and Improvement Bond Issue, Series 2006, to defease the Parking Utility Revenue Bonds, Series 1995. The refunding resulted in a book loss of \$69,795, which is being amortized over the remaining

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life of the refunded debt. The refunding resulted in an increase in cash flows of \$437,131 and resulted in an economic gain of \$320,098.

On February 1, 2006, the City of Columbia issued \$7,050,000, part of a total issue of \$20,005,000 Special Obligation Revenue Refunding and Improvement Bond Issue, Series 2006, to defease the Special Obligation Bonds, Series 1996. The refunding resulted in a book loss of \$308,502, which is being amortized over the remaining life of the refunded debt. The refunding resulted in an increase in cash flows of \$987,332 and resulted in an economic gain of \$557,168.

On June 29, 2006, the City of Columbia issued \$2,335,000, part of a total issue of \$25,615,000 Special Obligation Revenue Refunding and Improvement Bonds, Series 2006B, to defease the 2001A COPS. The refunding resulted in a book loss of \$95,799 which is being amortized over the life of the new debt. The refunding resulted in an increase in cash flows of \$21,545 and an economic gain of \$47,306.

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. 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 \$3,322,843 reported in the Self-insurance Reserve Fund at September 30, 2006 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. None of the claims liability has been discounted. The City has not purchased annuity contracts from commercial insurers to satisfy liabilities for any claim, therefore, no liability for claims has been removed from the balance sheet. Changes in the claims liability amount in fiscal years 2005 and 2006 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>
9/30/2005	\$ 1,291,857	\$ 3,236,722	\$ (2,015,081)	\$ 2,513,498
9/30/2006	\$ 2,513,498	\$ 2,033,400	\$ (1,224,055)	\$ 3,322,843

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 \$884,830 are reported in the Employee Benefit Fund as of September 30, 2006. These medical and dental reserves are estimated based on submitted claim lag reports using a 15-month run-off,

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Notes to the Basic Financial Statements September 30, 2006

which are adjusted for inflation/utilization trends, plan design and population changes. Changes in the claims liability amount in fiscal years 2005 and 2006 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>
9/30/2005	\$	898,012	\$	7,644,995	\$	(7,583,528)	\$	959,479
9/30/2006	\$	959,479	\$	7,576,123	\$	(7,650,772)	\$	884,830

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, 2006, the liability recorded for landfill closure and postclosure care costs was \$2,189,733, which is recorded as part of other liabilities and which is based on 42.64% usage of the landfill, less costs paid to date of \$2,546,864. The City will recognize the remaining costs of closure and postclosure care of \$2,523,635 as the remaining capacity is filled. The estimated total current costs of the landfill closure and postclosure care (\$7,260,232) 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, 2006. 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 18 years.

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

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, 2006.

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.

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Notes to the Basic Financial Statements September 30, 2006

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.

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.

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Notes to the Basic Financial Statements September 30, 2006

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

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

	Police Pension	Fire Pension	LAGERS
Number of participants:			
Current membership (receiving benefits)	103	112	369
Terminated entitled, not yet receiving benefits	6	—	192
Current active members	149	128	849

B. Funding Policy

The City's Police and Fire pension contributions for the fiscal year ended September 30, 2006, were made in accordance with actuarially determined contribution requirements determined through actuarial valuation. The LAGERS contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute.

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

	Police Plan	Fire Plan	LAGERS
Contribution rates:			
City – general, utility	30.54%	34.68%	13.9%, 15.2%
Plan members – contributory	8.35%	16.32%	—
Plan members – noncontributory	3.50%	—	—
Annual pension cost	\$2,213,653	\$2,232,864	\$4,879,296
Contributions made	\$2,213,653	\$2,232,864	\$4,879,296
Actuarial valuation date	9/30/2005	9/30/2005	2/28/2006
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	22 years	22 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 *	0% – 4.1%	0% – 4.1%	0% – 6.0%
* Includes inflation at	4%	4%	4%
Benefit increases	2% annually until attained age of 62; 2% thereafter	2% annually or biannually contingent upon years of service	6% maximum annually based on consumer price index

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

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2006

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>
6/30/2004	\$ 4,007,287	100%	\$ —
6/30/2005	\$ 4,499,040	100%	\$ —
6/30/2006	\$ 4,879,296	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	9/30/2004	\$ 1,675,017	100%	\$ —
	9/30/2005	\$ 2,113,978	100%	\$ —
	9/30/2006	\$ 2,213,653	100%	\$ —
Fire	9/30/2004	\$ 1,577,343	100%	\$ —
	9/30/2005	\$ 1,934,722	100%	\$ —
	9/30/2006	\$ 2,232,864	100%	\$ —

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

There were no long-term contracts for contributions outstanding on September 30, 2006.

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.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2006

D. Statements of Fiduciary Net Assets for the Firefighters' and Police Retirement Funds as of September 30, 2006 are as follows:

	<u>Firefighters' Retirement Fund</u>	<u>Police Retirement Fund</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 270,577	\$ 181,919	\$ 452,496
Accrued interest	89,461	60,148	149,609
Investments	44,806,194	30,124,938	74,931,132
Capital assets	6,989	4,699	11,688
Accumulated depreciation	<u>(6,989)</u>	<u>(4,699)</u>	<u>(11,688)</u>
Total Assets	<u>45,166,232</u>	<u>30,367,005</u>	<u>75,533,237</u>
LIABILITIES			
Accounts payable	42	28	70
Other liabilities	<u>7,686</u>	<u>5,168</u>	<u>12,854</u>
Total Liabilities	<u>7,728</u>	<u>5,196</u>	<u>12,924</u>
NET ASSETS			
Net assets held in trust	<u>45,158,504</u>	<u>30,361,809</u>	<u>75,520,313</u>
Total Net Assets	<u><u>\$ 45,158,504</u></u>	<u><u>\$ 30,361,809</u></u>	<u><u>\$ 75,520,313</u></u>

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2006

E. Statements of Changes in Fiduciary Net Assets for the year ended September 30, 2006 are as follows:

	<u>Firefighters'</u> <u>Retirement Fund</u>	<u>Police</u> <u>Retirement Fund</u>	<u>Total</u>
ADDITIONS			
Contributions:			
City	\$ 2,213,653	\$ 2,232,864	\$ 4,446,517
Employee	1,041,719	261,052	1,302,771
Net investment income:			
Net appreciation in fair value of investments	1,071,530	779,967	1,851,497
Interest and dividends	<u>1,645,033</u>	<u>1,100,266</u>	<u>2,745,299</u>
Total additions	<u>5,971,935</u>	<u>4,374,149</u>	<u>10,346,084</u>
DEDUCTIONS			
Current:			
Policy development and administration:			
Training and schools	541	362	903
Utilities, services, and miscellaneous	10,870	7,270	18,140
Pension benefits	3,286,782	2,277,976	5,564,758
Refund of employee's contributions	<u>70,188</u>	<u>33,750</u>	<u>103,938</u>
Total deductions	<u>3,368,381</u>	<u>2,319,358</u>	<u>5,687,739</u>
Change in net assets	2,603,554	2,054,791	4,658,345
NET ASSETS - BEGINNING	<u>42,554,950</u>	<u>28,307,018</u>	<u>70,861,968</u>
NET ASSETS - ENDING	<u>\$ 45,158,504</u>	<u>\$ 30,361,809</u>	<u>\$ 75,520,313</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, 2006, there were 1,001 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, 2006, the City contributed \$800,035 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, 2006, there were 1,311 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, 2006, the City contributed \$368,856 to the plan.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2006

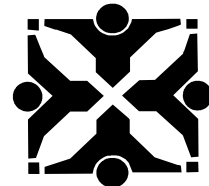
XVI. SUBSEQUENT EVENT

The City issued \$915,000 of Sewerage System Revenue Bonds on November 16, 2006. 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, 2026 and interest payments are due on July 1 and January 1.

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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, 2006**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
General property taxes	5,254,175	5,254,175	5,699,585	445,410
Sales tax	18,115,075	18,115,075	18,701,474	586,399
Other local taxes	8,305,115	8,305,115	8,894,636	589,521
Licenses and permits	693,900	693,900	778,543	84,643
Fines	1,542,500	1,542,500	1,286,742	(255,758)
Fees and service charges	1,741,307	1,741,307	2,380,056	638,749
Intragovernmental revenue	12,630,279	12,630,279	3,270,654	(9,359,625)
Revenue from other governmental units	3,130,166	3,785,315	3,844,979	59,664
Investment revenue	500,000	500,000	753,358	253,358
Miscellaneous revenue	941,603	1,130,991	1,080,372	(50,619)
TOTAL REVENUES	52,854,120	53,698,657	46,690,399	(7,008,258)
EXPENDITURES:				
Current:				
Policy development and administration:				
City Council	230,120	299,263	241,189	58,074
City Clerk	137,128	147,828	136,437	11,391
City Manager	841,051	900,591	899,886	705
Election	116,200	163,235	163,235	-
Financial Services	3,182,003	3,216,697	2,956,945	259,752
Human Resources	753,679	764,026	747,745	16,281
City Counselor	488,459	541,447	492,830	48,617
Public Works Administration	2,188,904	2,233,558	2,069,752	163,806
Total policy development and administration	7,937,544	8,266,645	7,708,019	558,626
Public safety:				
Police	16,339,193	16,621,508	16,208,864	412,644
City Prosecutor	387,889	392,936	353,486	39,450
Fire	11,582,135	12,051,715	11,570,721	480,994
Animal Control	437,934	437,934	406,779	31,155
Municipal Court	657,656	697,796	652,572	45,224
Emergency Management	184,945	194,348	163,801	30,547
Joint Communications	2,221,970	2,397,700	2,157,880	239,820
Total public safety	31,811,722	32,793,937	31,514,103	1,279,834
Transportation:				
Streets and Sidewalks	4,560,286	4,643,681	4,128,593	515,088
Street Lighting	1,171,800	1,209,260	1,209,260	-
Traffic	1,145,505	1,226,839	881,597	345,242
Total transportation	6,877,591	7,079,780	6,219,450	860,330
Health and environment:				
Health Services	4,451,124	4,917,403	4,440,047	477,356
Planning	733,729	800,068	703,482	96,586
Department of Economic Development	348,431	348,431	342,420	6,011
Protective Inspection	1,254,215	1,273,651	1,101,190	172,461
Total health and environment	6,787,499	7,339,553	6,587,139	752,414
Personal development:				
Parks and Recreation	4,223,114	4,262,636	3,861,456	401,180
Office of Community Services	304,078	405,143	375,648	29,495
Social Assistance	943,650	1,174,051	946,742	227,309
Total personal development	5,470,842	5,841,830	5,183,846	657,984
Miscellaneous nonprogrammed activities	793,826	885,814	296,909	588,905
TOTAL EXPENDITURES	59,679,024	62,207,559	57,509,466	4,698,093
DEFICIENCY OF REVENUES OVER EXPENDITURES	(6,824,904)	(8,508,902)	(10,819,067)	(2,310,165)
OTHER FINANCING SOURCES (USES):				
Transfers from other funds	6,223,107	6,779,964	16,053,701	9,273,737
Transfers to other funds	(3,370,398)	(4,035,741)	(4,021,250)	14,491
Appropriation of prior year fund balance	3,972,195	3,972,195	3,972,195	-
TOTAL OTHER FINANCING SOURCES (USES)	6,824,904	6,716,418	16,004,646	9,288,228
NET CHANGE IN FUND BALANCE	-	(1,792,484)	5,185,579	6,978,063
Effect of appropriation of prior year fund balance	(3,972,195)	(3,972,195)	(3,972,195)	-
FUND BALANCE, BEGINNING OF PERIOD	16,992,393	16,992,393	16,992,393	-
FUND BALANCE, END OF PERIOD	13,020,198	11,227,714	18,205,777	6,978,063

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, 2006**

	<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	\$ 8,881,600	\$ 8,881,600	\$ 9,396,971	\$ 515,371
Revenue from other governmental units	-	-	140,000	140,000
Investment revenue	<u>75,000</u>	<u>75,000</u>	<u>74,349</u>	<u>(651)</u>
TOTAL REVENUES	<u>8,956,600</u>	<u>8,956,600</u>	<u>9,611,320</u>	<u>654,720</u>
OTHER FINANCING (USES):				
Transfers to other funds	(9,567,500)	(12,024,680)	(12,024,680)	-
Transfers from other funds	-	16,900	16,900	-
TOTAL OTHER FINANCING (USES)	<u>(9,567,500)</u>	<u>(12,007,780)</u>	<u>(12,007,780)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(610,900)	(3,051,180)	(2,396,460)	654,720
FUND BALANCE, BEGINNING OF PERIOD	<u>2,495,050</u>	<u>2,699,560</u>	<u>2,699,560</u>	<u>-</u>
FUND BALANCE, END OF PERIOD	<u>\$ 1,884,150</u>	<u>\$ (351,620)</u>	<u>\$ 303,100</u>	<u>\$ 654,720</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, 2006

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 \$2,528,535, 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

Actuarial valuation date	(a) Actuarial value of assets	(b) Entry age actuarial accrued liability	(b-a) Unfunded accrued liability (UAL)	(a/b) Funded ratio	[c] Annual covered payroll	[(b-a)/c] UAL as a percentage of covered payroll
2/29/2004	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%
2/28/2006	78,088,148	93,439,412	15,351,264	84%	33,400,576	46%

Note: The assets and actuarial accrued liability do not include the assets and present value of benefits associated with the Benefit Reserve Fund and the Casualty Reserve Fund. The actuarial assumptions were changed in conjunction with the February 28, 2006 annual actuarial valuations. For a complete description of the actuarial assumptions used in the annual valuations, please contact the LAGERS office in Jefferson City.

Police Retirement Plan

Actuarial valuation date	Actuarial value of assets	Entry age actuarial accrued liability	Unfunded accrued liability (UAL)	Funded ratio	Annual covered payroll	UAL as a percentage of covered payroll
9/30/2000	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%
9/30/2005	28,309,356	44,232,822	15,923,466	64%	6,815,291	234%

Firefighters' Retirement Plan

Actuarial valuation date	Actuarial value of assets	Entry age actuarial accrued liability	Unfunded accrued liability (UAL)	Funded ratio	Annual covered payroll	UAL as a percentage of covered payroll
9/30/2000	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%
9/30/2005	42,552,612	66,776,699	24,224,087	64%	6,064,685	399%

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>
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%	-
2005	2,113,978	100%	-

Firefighters' Retirement Plan

<u>Year ended September 30</u>	<u>Annual required contributions</u>	<u>Percent contributed</u>	<u>Net pension obligation</u>
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%	-
2005	1,934,722	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 4.0% 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, 2005 was 22 years.

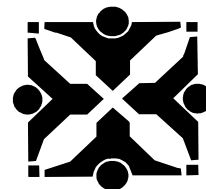
With respect to the actuarial information shown above, the following items are noted:

- 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.

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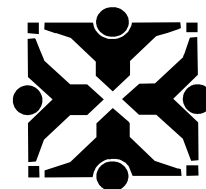
CITY OF COLUMBIA, MISSOURI

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.

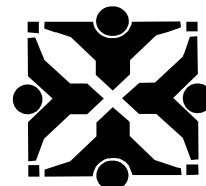
Cultural Affairs Fund - to account for monies reserved for cultural purposes. These monies are used to improve and sustain the cultural environment of the City by providing a system of support for area artists and cultural organizations.

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 November 2005, to be collected until December 31, 2015 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 2011) sales tax and expenditures for funding of local parks.

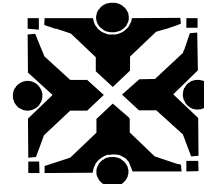
Contributions Fund - to account for all gifts, bequests, or other funds derived from property which may have been purchased or held in trust by or for the City of Columbia, Missouri.

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)

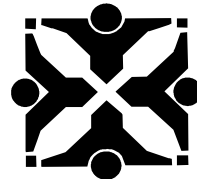
2001 Certificates of Participation - Public Buildings - to accumulate monies for payment of the public buildings portion of Series 2001A \$6,490,000 4%-5.125% Certificates of Participation, with annual installments plus interest until maturity in 2021. Financing is to be provided by the Capital Improvement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

2006B Special Obligation Revenue Refunding and Improvement Bonds - to accumulate monies for payment of Series 2006B \$25,615,000 5% Special Obligation Bonds with semi-annual installments of principal plus interest until maturity in 2016. Financing is to be provided by the Capital Improvement Sales Tax.

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, 2006**

ASSETS	Special Revenue Funds	Debt Service Funds	Permanent Fund	Total Nonmajor Governmental Funds
Cash and cash equivalents	\$ 11,225,004	\$ 2,868,113	\$ 3,942,176	\$ 18,035,293
Accounts receivable	1,422,311	-	-	1,422,311
Taxes receivable, net	3,584,284	-	498,500	4,082,784
Grants receivable	85,551	-	-	85,551
Rehabilitation loans receivable	5,649,074	-	-	5,649,074
Accrued interest	40,970	14,199	95,240	150,409
Due from other funds	-	-	12,820	12,820
Advances to other funds	-	-	2,469,545	2,469,545
Restricted assets:				
Cash and cash equivalents	1,753,611	-	-	1,753,611
TOTAL ASSETS	\$ 23,760,805	\$ 2,882,312	\$ 7,018,281	\$ 33,661,398
LIABILITIES AND FUND BALANCE				
LIABILITIES:				
Accounts payable	\$ 218,879	\$ -	\$ -	\$ 218,879
Interest payable	-	-	-	-
Accrued payroll and payroll taxes	37,384	-	-	37,384
Due to other funds	-	-	-	-
Unearned revenue	2,629,070	-	-	2,629,070
Other liabilities	847	-	-	847
General obligation bonds payable	-	-	-	-
TOTAL LIABILITIES	2,886,180	-	-	2,886,180
FUND BALANCE:				
Reserve for encumbrances	137,624	-	-	137,624
Reserve for development charges	1,254,619	-	-	1,254,619
Reserve for hotel/motel tax	498,992	-	-	498,992
Reserve for loans receivable	5,649,074	-	-	5,649,074
Reserve for contributions	-	-	1,500,000	1,500,000
Reserve for advances to other funds	-	-	2,469,545	2,469,545
Unreserved:				
Designated – appropriated	1,133,425	-	-	1,133,425
Designated – unrealized gains	28,800	-	-	28,800
Undesignated	12,172,091	2,882,312	3,048,736	18,103,139
TOTAL FUND BALANCE	20,874,625	2,882,312	7,018,281	30,775,218
TOTAL LIABILITIES AND FUND BALANCE	\$ 23,760,805	\$ 2,882,312	\$ 7,018,281	\$ 33,661,398

See Independent Auditors' Report.

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**CITY OF COLUMBIA, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2006**

ASSETS	Library Debt Fund	Library Operating Fund	Library Building Fund	Special Road District Tax Fund	Cultural Affairs Fund
Cash and cash equivalents	\$ 1,376,331	\$ 1,422,561	\$86,337	\$ 1,750,249	\$ 161,686
Accounts receivable	-	-	-	1,396,555	493
Taxes receivable, net	1,107,839	1,424,013	-	-	-
Grants receivable	-	-	-	-	-
Rehabilitation loans receivable	-	-	-	-	-
Accrued interest	4,390	4,415	301	5,441	508
Other assets	-	-	-	-	-
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
TOTAL ASSETS	<u>\$ 2,488,560</u>	<u>\$ 2,850,989</u>	<u>\$86,638</u>	<u>\$ 3,152,245</u>	<u>\$ 162,687</u>
LIABILITIES AND FUND BALANCE					
LIABILITIES:					
Accounts payable	\$ -	\$ 135,545	\$ -	\$ -	\$ 11,104
Interest payable	-	-	-	-	-
Accrued payroll and payroll taxes	-	-	-	-	6,127
Due to other funds	-	-	-	-	-
Unearned revenue	1,105,206	1,421,224	-	-	-
Other liabilities	-	-	-	-	-
TOTAL LIABILITIES	<u>1,105,206</u>	<u>1,556,769</u>	<u>-</u>	<u>-</u>	<u>17,231</u>
FUND BALANCE:					
Reserve for encumbrances	-	-	-	-	5,127
Reserve for development charges	-	-	-	-	-
Reserve for hotel/motel tax	-	-	-	-	-
Reserve for loans receivable	-	-	-	-	-
Unreserved:					
Designated – appropriated	-	-	-	1,133,425	-
Designated – unrealized gains	-	10,391	-	2,361	-
Undesignated	1,383,354	1,283,829	86,638	2,016,459	140,329
TOTAL FUND BALANCE	<u>1,383,354</u>	<u>1,294,220</u>	<u>86,638</u>	<u>3,152,245</u>	<u>145,456</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 2,488,560</u>	<u>\$ 2,850,989</u>	<u>\$86,638</u>	<u>\$ 3,152,245</u>	<u>\$ 162,687</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2006**

ASSETS	Columbia Special Business District Fund	Convention and Tourism Fund	Community Development Grant Fund	Public Improvement Fund
Cash and cash equivalents	\$ 36,398	\$ 613,388	\$ 58,675	\$ 1,368,729
Accounts receivable	625	-	-	23,842
Taxes receivable, net	102,663	-	-	74,529
Grants receivable	-	-	85,551	-
Rehabilitation loans receivable	-	-	5,649,074	-
Accrued interest	113	3,467	-	8,291
Other assets	-	-	-	-
Restricted assets:				
Cash and cash equivalents	-	498,992	-	1,254,619
TOTAL ASSETS	<u>\$ 139,799</u>	<u>\$ 1,115,847</u>	<u>\$ 5,793,300</u>	<u>\$ 2,730,010</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES:				
Accounts payable	\$ -	\$ 58,040	\$ 13,133	\$ -
Interest payable	-	-	-	-
Accrued payroll and payroll taxes	-	16,823	10,038	-
Due to other funds	-	-	-	-
Unearned revenue	102,640	-	-	-
Other liabilities	-	-	847	-
TOTAL LIABILITIES	<u>102,640</u>	<u>74,863</u>	<u>24,018</u>	<u>-</u>
FUND BALANCE:				
Reserve for encumbrances	-	12,289	120,208	-
Reserve for development charges	-	-	-	1,254,619
Reserve for hotel/motel tax	-	498,992	-	-
Reserve for loans receivable	-	-	5,649,074	-
Unreserved:				
Designated – appropriated	-	-	-	-
Designated – unrealized gains	51	-	-	-
Undesignated	37,108	529,703	-	1,475,391
TOTAL FUND BALANCE	<u>37,159</u>	<u>1,040,984</u>	<u>5,769,282</u>	<u>2,730,010</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 139,799</u>	<u>\$ 1,115,847</u>	<u>\$ 5,793,300</u>	<u>\$ 2,730,010</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2006**

<u>Capital Improvement Sales Tax Fund</u>	<u>Park Sales Tax Fund</u>	<u>Contributions Fund</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 400,539	\$ 3,138,468	\$ 811,643	\$ 11,225,004
-	-	796	1,422,311
437,664	437,576	-	3,584,284
-	-	-	85,551
-	-	-	5,649,074
1,199	10,288	2,557	40,970
-	-	-	-
-	-	-	1,753,611
<u>\$ 839,402</u>	<u>\$ 3,586,332</u>	<u>\$ 814,996</u>	<u>\$ 23,760,805</u>
\$ -	\$ -	\$ 1,057	\$ 218,879
-	-	-	-
-	-	4,396	37,384
-	-	-	-
-	-	-	2,629,070
-	-	-	847
-	-	5,453	2,886,180
-	-	-	137,624
-	-	-	1,254,619
-	-	-	498,992
-	-	-	5,649,074
-	-	-	1,133,425
15,997	-	-	28,800
<u>823,405</u>	<u>3,586,332</u>	<u>809,543</u>	<u>12,172,091</u>
<u>839,402</u>	<u>3,586,332</u>	<u>809,543</u>	<u>20,874,625</u>
<u>\$ 839,402</u>	<u>\$ 3,586,332</u>	<u>\$ 814,996</u>	<u>\$ 23,760,805</u>

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**CITY OF COLUMBIA, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
SEPTEMBER 30, 2006**

ASSETS	1992 General Obligation Refunding Bonds Debt Service Fund	2001 Certificates of Participation - Stephens' Lake	2001 Certificates of Participation - Public Buildings	2006 Special Obligation Bonds Debt Service Fund	Total Nonmajor Debt Service Funds
Cash and cash equivalents	\$ -	\$ -	\$ -	2,868,113	\$ 2,868,113
Taxes receivable, net	-	-	-	-	-
Accrued interest	-	-	-	14,199	14,199
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
TOTAL ASSETS	\$ -	\$ -	\$ -	\$ 2,882,312	\$ 2,882,312
LIABILITIES AND FUND BALANCE					
LIABILITIES:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Interest payable	-	-	-	-	-
Unearned revenue	-	-	-	-	-
General obligation bonds payable	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-
FUND BALANCE:					
Unreserved:					
Designated - unrealized gains	-	-	-	-	-
Undesignated	-	-	-	2,882,312	2,882,312
TOTAL FUND BALANCE	-	-	-	2,882,312	2,882,312
TOTAL LIABILITIES AND FUND BALANCE	\$ -	\$ -	\$ -	\$ 2,882,312	\$ 2,882,312

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CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Permanent Fund</u>	<u>Total Nonmajor Governmental Funds</u>
REVENUES:				
General property taxes	\$ 3,946,477	\$ 24	\$ -	\$ 3,946,501
Sales tax	10,191,943	-	-	10,191,943
Other local taxes	1,676,228	-	-	1,676,228
Licenses and permits	19,782	-	-	19,782
Fees and service charges	676,880	-	-	676,880
Revenue from other governmental units	2,627,317	-	-	2,627,317
Investment revenue	563,018	388,800	225,229	1,177,047
Miscellaneous	244,004	-	-	244,004
TOTAL REVENUES	<u>19,945,649</u>	<u>388,824</u>	<u>225,229</u>	<u>20,559,702</u>
EXPENDITURES:				
Current:				
Policy development and administration	2,089,148	-	2,441	2,091,589
Health and environment	1,031,977	-	-	1,031,977
Personal development	3,433,753	-	-	3,433,753
Capital outlay	-	-	-	-
Debt Service:				
Redemption of serial bonds	-	7,955,000	-	7,955,000
Interest	-	393,351	-	393,351
Fiscal agent fees	-	237,448	-	237,448
TOTAL EXPENDITURES	<u>6,554,878</u>	<u>8,585,799</u>	<u>2,441</u>	<u>15,143,118</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>13,390,771</u>	<u>(8,196,975)</u>	<u>222,788</u>	<u>5,416,584</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	1,556,342	4,439,684	-	5,996,026
Transfers out	(13,509,625)	(24,987,102)	-	(38,496,727)
Proceeds of 2006B S.O. Bonds	-	25,615,000	-	25,615,000
Premium on 2006B S.O. Bonds	-	1,139,950	-	1,139,950
Payment to refunded bond escrow agent	-	(2,180,799)	-	(2,180,799)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(11,953,283)</u>	<u>4,026,733</u>	<u>-</u>	<u>(7,926,550)</u>
NET CHANGE IN FUND BALANCE	1,437,488	(4,170,242)	222,788	(2,509,966)
FUND BALANCE, BEGINNING OF PERIOD	<u>19,437,137</u>	<u>7,052,554</u>	<u>6,795,493</u>	<u>33,285,184</u>
FUND BALANCE, END OF PERIOD	<u>\$ 20,874,625</u>	<u>\$ 2,882,312</u>	<u>\$ 7,018,281</u>	<u>\$ 30,775,218</u>

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CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<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	\$1,791,463	\$2,009,220	\$ -	\$ -	\$ -
Sales tax	-	-	-	-	-
Other local taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Fees and service charges	-	-	-	-	-
Revenue from other governmental units	-	-	-	1,396,555	27,866
Investment revenue	73,489	57,995	3,986	47,790	6,402
Miscellaneous	-	-	-	-	44,479
TOTAL REVENUES	<u>1,864,952</u>	<u>2,067,215</u>	<u>3,986</u>	<u>1,444,345</u>	<u>78,747</u>
EXPENDITURES:					
Current:					
Policy development and administration	-	-	-	-	359,838
Health and environment	-	-	-	-	-
Personal development	1,582,220	1,683,478	-	-	-
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>1,582,220</u>	<u>1,683,478</u>	<u>-</u>	<u>-</u>	<u>359,838</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>282,732</u>	<u>383,737</u>	<u>3,986</u>	<u>1,444,345</u>	<u>(281,091)</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	-	208,633	-	853,234	300,000
Transfers out	<u>(208,633)</u>	<u>-</u>	<u>-</u>	<u>(1,003,425)</u>	<u>(36,284)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(208,633)</u>	<u>208,633</u>	<u>-</u>	<u>(150,191)</u>	<u>263,716</u>
NET CHANGE IN FUND BALANCE	74,099	592,370	3,986	1,294,154	(17,375)
FUND BALANCE, BEGINNING OF PERIOD	<u>1,309,255</u>	<u>701,850</u>	<u>82,652</u>	<u>1,858,091</u>	<u>162,831</u>
FUND BALANCE, END OF PERIOD	<u>\$1,383,354</u>	<u>\$1,294,220</u>	<u>\$ 86,638</u>	<u>\$ 3,152,245</u>	<u>\$ 145,456</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, 2006

	<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	\$ 145,794	\$ -	\$ -	\$ -
Sales tax	-	-	-	799,542
Other local taxes	-	1,676,228	-	-
Licenses and permits	19,782	-	-	-
Fees and service charges	-	-	-	676,880
Revenue from other governmental units	-	-	1,200,041	-
Investment revenue	1,933	43,851	12,129	112,667
Miscellaneous	-	15,428	85	-
	<u>167,509</u>	<u>1,735,507</u>	<u>1,212,255</u>	<u>1,589,089</u>
TOTAL REVENUES				
EXPENDITURES:				
Current:				
Policy development and administration	158,210	1,524,931	-	46,169
Health and environment	-	-	1,031,977	-
Personal development	-	-	-	-
Capital outlay	-	-	-	-
	<u>158,210</u>	<u>1,524,931</u>	<u>1,031,977</u>	<u>46,169</u>
TOTAL EXPENDITURES				
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>9,299</u>	<u>210,576</u>	<u>180,278</u>	<u>1,542,920</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	17,500	-	-	909
Transfers out	<u>(7,500)</u>	<u>(238,946)</u>	<u>(374,614)</u>	<u>(1,300,000)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>10,000</u>	<u>(238,946)</u>	<u>(374,614)</u>	<u>(1,299,091)</u>
NET CHANGE IN FUND BALANCE	19,299	(28,370)	(194,336)	243,829
FUND BALANCE, BEGINNING OF PERIOD	<u>17,860</u>	<u>1,069,354</u>	<u>5,963,618</u>	<u>2,486,181</u>
FUND BALANCE, END OF PERIOD	<u>\$ 37,159</u>	<u>\$ 1,040,984</u>	<u>\$ 5,769,282</u>	<u>\$ 2,730,010</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, 2006

<u>Capital Improvement Sales Tax Fund</u>	<u>Park Sales Tax Fund</u>	<u>Contributions Fund</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ -	\$ -	\$ -	\$ 3,946,477
4,698,274	4,694,127	-	10,191,943
-	-	-	1,676,228
-	-	-	19,782
-	-	-	676,880
-	-	2,855	2,627,317
51,103	119,906	31,767	563,018
-	-	184,012	244,004
<u>4,749,377</u>	<u>4,814,033</u>	<u>218,634</u>	<u>19,945,649</u>
-	-	-	2,089,148
-	-	-	1,031,977
-	1,393	166,662	3,433,753
-	-	-	-
<u>-</u>	<u>1,393</u>	<u>166,662</u>	<u>6,554,878</u>
<u>4,749,377</u>	<u>4,812,640</u>	<u>51,972</u>	<u>13,390,771</u>
-	2,586	173,480	1,556,342
<u>(6,248,100)</u>	<u>(4,032,780)</u>	<u>(59,343)</u>	<u>(13,509,625)</u>
<u>(6,248,100)</u>	<u>(4,030,194)</u>	<u>114,137</u>	<u>(11,953,283)</u>
(1,498,723)	782,446	166,109	1,437,488
<u>2,338,125</u>	<u>2,803,886</u>	<u>643,434</u>	<u>19,437,137</u>
<u>\$ 839,402</u>	<u>\$ 3,586,332</u>	<u>\$ 809,543</u>	<u>\$ 20,874,625</u>

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CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	1992 General Obligation Refunding Bonds Debt Service Fund	2001 Certificates of Participation - Stephens' Lake	2001 Certificates of Participation - Public Buildings	2006 Special Obligation Bonds Debt Service Fund	Total Nonmajor Debt Service Funds
REVENUES:					
General Property Taxes:					
Personal property	\$ -	\$ -	\$ -	\$ -	\$ -
Interest and penalties	24	-	-	-	24
Total General Property Taxes	24	-	-	-	24
Investment revenue	11,939	51,328	39,919	285,614	388,800
TOTAL REVENUES	11,963	51,328	39,919	285,614	388,824
EXPENDITURES:					
Debt Service:					
Redemption of serial bonds	-	7,000,000	955,000	-	7,955,000
Interest	-	209,125	70,381	113,845	393,351
Fiscal agent fees	65	-	330	237,053	237,448
TOTAL EXPENDITURES	65	7,209,125	1,025,711	350,898	8,585,799
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	11,898	(7,157,797)	(985,792)	(65,284)	(8,196,975)
OTHER FINANCING SOURCES (USES):					
Transfers in	-	1,155,312	1,861,853	1,422,519	4,439,684
Transfers out	(515,509)	-	(1,422,519)	(23,049,074)	(24,987,102)
Proceeds of 2006B S.O. Bonds	-	-	-	25,615,000	25,615,000
Premium on 2006B S.O. Bonds	-	-	-	1,139,950	1,139,950
Payment to refunded bond escrow agent	-	-	-	(2,180,799)	(2,180,799)
TOTAL OTHER FINANCING SOURCES (USES)	(515,509)	1,155,312	439,334	2,947,596	4,026,733
NET CHANGE IN FUND BALANCE	(503,611)	(6,002,485)	(546,458)	2,882,312	(4,170,242)
FUND BALANCE, BEGINNING OF PERIOD	503,611	6,002,485	546,458	-	7,052,554
FUND BALANCE, END OF PERIOD	\$ -	\$ -	\$ -	\$ 2,882,312	\$ 2,882,312

**CITY OF COLUMBIA, MISSOURI
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2006**

	<u>Special Road District Tax Fund</u>		
	<u>Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
General property taxes	\$ -	\$ -	\$ -
Sales tax	-	-	-
Other local taxes	-	-	-
Fees and service charges	-	-	-
Revenue from other governmental units	1,200,000	1,396,555	196,555
Investment revenue	25,000	47,790	22,790
Miscellaneous revenue	-	-	-
TOTAL REVENUES	<u>1,225,000</u>	<u>1,444,345</u>	<u>219,345</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>1,225,000</u>	<u>1,444,345</u>	<u>219,345</u>
OTHER FINANCING SOURCES (USES):			
Transfers from other funds	853,234	853,234	-
Transfers to other funds	(1,003,425)	(1,003,425)	-
Proceeds of 2006B S.O. Bonds	-	-	-
Premium on 2006B S.O. Bonds	-	-	-
Payment to refunded bond escrow agent	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(150,191)</u>	<u>(150,191)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	1,074,809	1,294,154	219,345
FUND BALANCE, BEGINNING OF PERIOD	<u>1,824,756</u>	<u>1,858,091</u>	<u>33,335</u>
FUND BALANCE, END OF PERIOD	<u>\$ 2,899,565</u>	<u>\$ 3,152,245</u>	<u>\$ 252,680</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2006**

<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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	1,566,713	1,676,228	109,515
-	-	-	-	-	-
26,220	27,866	1,646	-	-	-
3,000	6,402	3,402	40,000	43,851	3,851
49,513	44,479	(5,034)	17,900	15,428	(2,472)
<u>78,733</u>	<u>78,747</u>	<u>14</u>	<u>1,624,613</u>	<u>1,735,507</u>	<u>110,894</u>
382,277	359,838	22,439	1,527,927	1,524,931	2,996
-	-	-	-	-	-
-	-	-	-	-	-
<u>382,277</u>	<u>359,838</u>	<u>22,439</u>	<u>1,527,927</u>	<u>1,524,931</u>	<u>2,996</u>
<u>(303,544)</u>	<u>(281,091)</u>	<u>22,453</u>	<u>96,686</u>	<u>210,576</u>	<u>113,890</u>
300,000	300,000	-	-	-	-
(36,284)	(36,284)	-	(238,946)	(238,946)	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>263,716</u>	<u>263,716</u>	<u>-</u>	<u>(238,946)</u>	<u>(238,946)</u>	<u>-</u>
(39,828)	(17,375)	22,453	(142,260)	(28,370)	113,890
<u>136,058</u>	<u>162,831</u>	<u>26,773</u>	<u>1,286,272</u>	<u>1,069,354</u>	<u>(216,918)</u>
<u>\$ 96,230</u>	<u>\$ 145,456</u>	<u>\$ 49,226</u>	<u>\$ 1,144,012</u>	<u>\$ 1,040,984</u>	<u>\$ (103,028)</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2006**

	Public Improvement Fund		
	Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
REVENUES:			
General property taxes	\$ -	\$ -	\$ -
Sales tax	750,000	799,542	49,542
Other local taxes	-	-	-
Fees and service charges	485,000	676,880	191,880
Revenue from other governmental units	-	-	-
Investment revenue	130,000	112,667	(17,333)
Miscellaneous revenue	-	-	-
TOTAL REVENUES	<u>1,365,000</u>	<u>1,589,089</u>	<u>224,089</u>
EXPENDITURES:			
Current:			
Policy development and administration	46,169	46,169	-
Personal development	-	-	-
Miscellaneous nonprogrammed activities:			
Other	-	-	-
TOTAL EXPENDITURES	<u>46,169</u>	<u>46,169</u>	<u>-</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>1,318,831</u>	<u>1,542,920</u>	<u>224,089</u>
OTHER FINANCING SOURCES (USES):			
Transfers from other funds	-	909	909
Transfers to other funds	(1,300,000)	(1,300,000)	-
Proceeds of 2006B S.O. Bonds	-	-	-
Premium on 2006B S.O. Bonds	-	-	-
Payment to refunded bond escrow agent	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,300,000)</u>	<u>(1,299,091)</u>	<u>909</u>
NET CHANGE IN FUND BALANCE	18,831	243,829	224,998
FUND BALANCE, BEGINNING OF PERIOD	<u>3,142,247</u>	<u>2,486,181</u>	<u>(656,066)</u>
FUND BALANCE, END OF PERIOD	<u>\$ 3,161,078</u>	<u>\$ 2,730,010</u>	<u>\$ (431,068)</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2006**

Capital Improvement Sales Tax Fund			Park Sales Tax Fund		
Budgeted Amounts	Actual Amounts	Variance Positive (Negative)	Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,850,000	4,698,274	2,848,274	3,481,251	4,694,127	1,212,876
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
50,000	51,103	1,103	45,000	119,906	74,906
-	-	-	-	-	-
<u>1,900,000</u>	<u>4,749,377</u>	<u>2,849,377</u>	<u>3,526,251</u>	<u>4,814,033</u>	<u>1,287,782</u>
-	-	-	-	-	-
-	-	-	1,393	1,393	-
-	-	-	-	-	-
-	-	-	<u>1,393</u>	<u>1,393</u>	<u>-</u>
<u>1,900,000</u>	<u>4,749,377</u>	<u>2,849,377</u>	<u>3,524,858</u>	<u>4,812,640</u>	<u>1,287,782</u>
-	-	-	-	2,586	2,586
(6,248,100)	(6,248,100)	-	(4,545,718)	(4,032,780)	512,938
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(6,248,100)</u>	<u>(6,248,100)</u>	<u>-</u>	<u>(4,545,718)</u>	<u>(4,030,194)</u>	<u>515,524</u>
(4,348,100)	(1,498,723)	2,849,377	(1,020,860)	782,446	1,803,306
<u>2,252,598</u>	<u>2,338,125</u>	<u>85,527</u>	<u>2,708,083</u>	<u>2,803,886</u>	<u>95,803</u>
<u>\$ (2,095,502)</u>	<u>\$ 839,402</u>	<u>\$ 2,934,904</u>	<u>\$ 1,687,223</u>	<u>\$ 3,586,332</u>	<u>\$ 1,899,109</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2006**

	Contributions Fund		
	Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
REVENUES:			
General property taxes	\$ -	\$ -	\$ -
Sales tax	-	-	-
Other local taxes	-	-	-
Fees and service charges	-	-	-
Revenue from other governmental units	-	2,855	2,855
Investment revenue	15,000	31,767	16,767
Miscellaneous revenue	61,487	184,012	122,525
TOTAL REVENUES	<u>76,487</u>	<u>218,634</u>	<u>142,147</u>
EXPENDITURES:			
Current:			
Policy development and administration	-	-	-
Personal development	180,887	166,662	14,225
Miscellaneous nonprogrammed activities:			
Other	-	-	-
TOTAL EXPENDITURES	<u>180,887</u>	<u>166,662</u>	<u>14,225</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(104,400)</u>	<u>51,972</u>	<u>156,372</u>
OTHER FINANCING SOURCES (USES):			
Transfers from other funds	171,325	173,480	2,155
Transfers to other funds	(59,343)	(59,343)	-
Proceeds of 2006B S.O. Bonds	-	-	-
Premium on 2006B S.O. Bonds	-	-	-
Payment to refunded bond escrow agent	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>111,982</u>	<u>114,137</u>	<u>2,155</u>
NET CHANGE IN FUND BALANCE	7,582	166,109	158,527
FUND BALANCE, BEGINNING OF PERIOD	<u>532,638</u>	<u>643,434</u>	<u>110,796</u>
FUND BALANCE, END OF PERIOD	<u>\$ 540,220</u>	<u>\$ 809,543</u>	<u>\$ 269,323</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2006**

Debt Service Funds (Combined)		
Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
\$ -	\$ 24	\$ 24
-	-	-
-	-	-
-	-	-
180,000	388,800	208,800
-	-	-
180,000	388,824	208,824
-	-	-
-	-	-
5,276,938	8,585,799	(3,308,861)
5,276,938	8,585,799	(3,308,861)
(5,096,938)	(8,196,975)	(3,100,037)
4,958,579	4,439,684	(518,895)
(24,993,059)	(24,987,102)	5,957
-	25,615,000	25,615,000
-	1,139,950	1,139,950
-	(2,180,799)	(2,180,799)
(20,034,480)	4,026,733	24,061,213
(25,131,418)	(4,170,242)	20,961,176
5,805,855	7,052,554	1,246,699
\$ (19,325,563)	\$ 2,882,312	\$ 22,207,875

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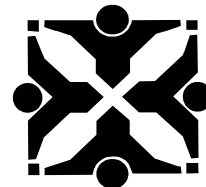
NON-MAJOR ENTERPRISE FUNDS

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

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

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

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



CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2006

	Regional Airport Fund	Public Transportation Fund	Railroad Fund	Total Nonmajor Enterprise Funds
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 505,551	\$ 3,254,052	\$ 320,365	\$ 4,079,968
Receivable, net	60,465	98,928	86,425	245,818
Grants receivable	-	26,258	-	26,258
Accrued interest	1,455	10,251	1,011	12,717
Inventory	-	59,436	47,660	107,096
Other assets	-	138	-	138
Total current assets	<u>567,471</u>	<u>3,449,063</u>	<u>455,461</u>	<u>4,471,995</u>
Noncurrent assets:				
Restricted assets:				
Grants receivable	23,984	16,676	-	40,660
Total restricted assets	<u>23,984</u>	<u>16,676</u>	<u>-</u>	<u>40,660</u>
Capital assets:				
Land	1,538,835	-	1,070,463	2,609,298
Structures and improvements	18,460,348	437,012	4,861,387	23,758,747
Furniture, fixtures and equipment	1,974,599	5,199,969	1,322,429	8,496,997
Construction in progress	84,362	725,556	161,139	971,057
Less accumulated depreciation	(9,004,354)	(2,682,961)	(2,346,941)	(14,034,256)
Total capital assets	<u>13,053,790</u>	<u>3,679,576</u>	<u>5,068,477</u>	<u>21,801,843</u>
Total noncurrent assets	<u>13,077,774</u>	<u>3,696,252</u>	<u>5,068,477</u>	<u>21,842,503</u>
Total Assets	<u>13,645,245</u>	<u>7,145,315</u>	<u>5,523,938</u>	<u>26,314,498</u>
LIABILITIES				
Current liabilities:				
Accounts payable	20,688	14,385	14,285	49,358
Accrued payroll and payroll taxes	32,403	85,841	8,641	126,885
Accrued compensated absences	49,144	42,718	5,876	97,738
Loans payable to other funds – current maturities	-	-	107,511	107,511
Other liabilities	7,550	-	2,400	9,950
Construction contracts payable	21,535	22,849	2,700	47,084
Advances from other funds	8,867	-	-	8,867
Total current liabilities	<u>140,187</u>	<u>165,793</u>	<u>141,413</u>	<u>447,393</u>
Noncurrent liabilities:				
Accrued compensated absences	11,260	11,162	2,393	24,815
Loans payable to other funds	-	-	734,511	734,511
Total noncurrent liabilities	<u>11,260</u>	<u>11,162</u>	<u>736,904</u>	<u>759,326</u>
Total Liabilities	<u>151,447</u>	<u>176,955</u>	<u>878,317</u>	<u>1,206,719</u>
NET ASSETS				
Invested in capital assets, net of related debt	13,053,790	3,679,576	4,250,691	20,984,057
Restricted for:				
Capital Projects	23,984	16,676	-	40,660
Unrestricted	416,024	3,272,108	394,930	4,083,062
Total Net Assets	<u>\$ 13,493,798</u>	<u>\$ 6,968,360</u>	<u>\$ 4,645,621</u>	<u>\$ 25,107,779</u>

See Independent Auditors' Report.

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CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<u>Regional Airport Fund</u>	<u>Public Transportation Fund</u>	<u>Railroad Fund</u>	<u>Total Nonmajor Enterprise Funds</u>
OPERATING REVENUES:				
Charges for services	\$ 571,802	\$ 1,054,996	\$ 851,388	\$ 2,478,186
OPERATING EXPENSES:				
Personal services	892,534	2,027,007	234,821	3,154,362
Materials, supplies, and power	107,684	929,436	115,492	1,152,612
Travel and training	14,197	1,448	3,066	18,711
Intragovernmental	144,112	349,425	53,972	547,509
Utilities, services, and miscellaneous	173,089	397,196	174,691	744,976
Depreciation	582,429	417,617	275,151	1,275,197
Total Operating Expenses	<u>1,914,045</u>	<u>4,122,129</u>	<u>857,193</u>	<u>6,893,367</u>
Operating Income (Loss)	<u>(1,342,243)</u>	<u>(3,067,133)</u>	<u>(5,805)</u>	<u>(4,415,181)</u>
NONOPERATING REVENUES (EXPENSES):				
Investment revenue	14,851	127,074	13,627	155,552
Revenue from other governmental units	-	1,536,792	-	1,536,792
Miscellaneous revenue	8,321	1,341	11,905	21,567
Interest expense	(1,950)	(3,475)	(28,652)	(34,077)
Loss on disposal of capital assets	-	-	-	-
Miscellaneous expense	-	-	-	-
Total Nonoperating Revenues (Expenses)	<u>21,222</u>	<u>1,661,732</u>	<u>(3,120)</u>	<u>1,679,834</u>
Income (Loss) Before Contributions and Transfers	<u>(1,321,021)</u>	<u>(1,405,401)</u>	<u>(8,925)</u>	<u>(2,735,347)</u>
Transfers in	974,800	1,600,000	130,568	2,705,368
Transfers out	(6,848)	(58,133)	(1,712)	(66,693)
Capital contribution	205,665	824,357	-	1,030,022
Total Transfers & Contributions	<u>1,173,617</u>	<u>2,366,224</u>	<u>128,856</u>	<u>3,668,697</u>
Changes in Net Assets	(147,404)	960,823	119,931	933,350
TOTAL NET ASSETS- BEGINNING OF PERIOD	<u>13,641,202</u>	<u>6,007,537</u>	<u>4,525,690</u>	<u>24,174,429</u>
TOTAL NET ASSETS- END OF PERIOD	<u>\$ 13,493,798</u>	<u>\$ 6,968,360</u>	<u>\$ 4,645,621</u>	<u>\$ 25,107,779</u>

See Independent Auditors' Report.

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**CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2006**

	Regional Airport Fund	Public Transportation Fund	Railroad Fund	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers (including other funds)	\$ 572,206	\$ 1,086,556	\$ 839,980	\$ 2,498,742
Cash payments to suppliers	(294,507)	(1,321,246)	(251,850)	(1,867,603)
Cash payments to employees	(876,017)	(1,985,717)	(232,624)	(3,094,358)
Cash payments to other funds	(144,112)	(349,425)	(50,669)	(544,206)
Net cash provided for (used for) operating activities	(742,430)	(2,569,832)	304,837	(3,007,425)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers from other funds	974,800	1,600,000	130,568	2,705,368
Transfers to other funds	(6,848)	(58,133)	(1,712)	(66,693)
Miscellaneous cash receipts	8,321	1,341	11,905	21,567
Operating grants	-	1,536,792	-	1,536,792
Net cash provided for (used for) noncapital financing activities	976,273	3,080,000	140,761	4,197,034
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Proceeds from bonds, loans, and capital leases	-	-	-	-
Debt service – interest payments	(1,950)	(3,475)	(28,652)	(34,077)
Debt service – principal	(63,196)	-	(107,512)	(170,708)
Acquisition and construction of capital assets	(69,391)	(1,062,147)	(467,413)	(1,598,951)
Decrease in construction contracts	(26,649)	-	(34,427)	(61,076)
Capital contributions	181,681	807,681	123,672	1,113,034
Net cash provided for (used for) capital and related financing activities	20,495	(257,941)	(514,332)	(751,778)
CASH FLOWS FROM INVESTING ACTIVITIES –				
Interest received	14,129	127,610	14,020	155,759
Net cash provided for (used for) investing activities	14,129	127,610	14,020	155,759
Net increase (decrease) in cash and cash equivalents	268,467	379,837	(54,714)	593,590
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD				
	237,084	2,874,215	375,079	3,486,378
CASH AND CASH EQUIVALENTS AT END OF PERIOD				
	\$ 505,551	\$ 3,254,052	\$ 320,365	\$ 4,079,968
Displayed as:				
Cash and cash equivalents	\$ 505,551	\$ 3,254,052	\$ 320,365	\$ 4,079,968
	\$ 505,551	\$ 3,254,052	\$ 320,365	\$ 4,079,968
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) FOR OPERATING ACTIVITIES:				
Operating income (loss)	\$ (1,342,243)	\$ (3,067,133)	\$ (5,805)	\$ (4,415,181)
Adjustments to reconcile operating income to net cash provided (used) for operating activities:				
Depreciation	582,429	417,617	275,151	1,275,197
Changes in assets and liabilities:				
Decrease (increase) in receivable	404	31,560	(11,408)	20,556
Decrease (increase) in inventory	-	-	51,376	51,376
Increase (decrease) in accounts payable	9,045	6,834	(12,377)	3,502
Increase (decrease) in accrued payroll	16,517	41,290	2,197	60,004
Increase (decrease) in loans payable to other funds	-	-	3,303	3,303
Increase (decrease) in other liabilities	(8,582)	-	2,400	(6,182)
Net cash provided for (used for) operating activities	\$ (742,430)	\$ (2,569,832)	\$ 304,837	\$ (3,007,425)
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:				
Change in fair value of investments	\$ (735)	\$ (4,679)	\$ (433)	\$ (5,847)
Construction contracts payable	21,535	22,849	2,700	47,084
Total noncash capital and related financing activities	\$ 20,800	\$ 18,170	\$ 2,267	\$ 41,237

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INTERNAL SERVICE FUNDS

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

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

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

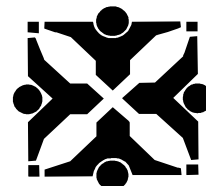
Information Technologies Fund - to account for the provision of hardware infrastructure to support the computing requirements of the City, as well as developing or implementing software to improve the operating efficiencies of the departments within the City.

Public Communications Fund - to account for the provision of printing press, xerox, interdepartmental mail, and postage services to other City departments, and cable television operations.

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

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

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



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**CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2006**

ASSETS	<u>Custodial and Maintenance Services Fund</u>	<u>Utility Customer Services Fund</u>	<u>Information Technologies Fund</u>
CURRENT ASSETS:			
Cash and cash equivalents	\$ 695,544	\$ 934,891	\$ 1,222,092
Investments	-	-	-
Receivable, net	-	168,967	5,592
Grants receivable	-	-	-
Accrued interest	2,178	2,978	3,845
Due from other funds	-	-	-
Inventory	7,264	-	7,969
Other assets	-	-	-
	<u>704,986</u>	<u>1,106,836</u>	<u>1,239,498</u>
Total Current Assets			
CAPITAL ASSETS:			
Property, plant, and equipment	155,138	71,350	3,567,925
Construction in progress	-	-	-
Less accumulated depreciation	<u>(66,036)</u>	<u>(43,272)</u>	<u>(2,888,379)</u>
	<u>89,102</u>	<u>28,078</u>	<u>679,546</u>
Total Capital Assets			
TOTAL ASSETS	<u><u>794,088</u></u>	<u><u>1,134,914</u></u>	<u><u>1,919,044</u></u>
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES:			
Accounts payable	28,890	15,689	168,792
Accrued payroll and payroll taxes	34,092	33,840	181,583
Due to other funds	-	-	-
Claims payable - health insurance	-	-	-
Claims payable - worker's compensation and general liability	-	-	-
Other liabilities	-	-	-
	<u>62,982</u>	<u>49,529</u>	<u>350,375</u>
Total Current Liabilities			
NET ASSETS			
Invested in capital assets, net of related debt	89,102	28,078	679,546
Restricted for:			
Other purposes	-	-	-
Unrestricted	<u>642,004</u>	<u>1,057,307</u>	<u>889,123</u>
Total Net Assets	<u><u>\$ 731,106</u></u>	<u><u>\$ 1,085,385</u></u>	<u><u>\$ 1,568,669</u></u>

**CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2006**

<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>
\$ 1,321,813	\$ 490,259	\$ -	\$1,454,615	\$ 6,119,214
-	-	7,457,926	-	7,457,926
131,994	20,756	-	325,928	653,237
-	-	-	-	-
4,150	1,618	(209)	4,341	18,901
-	-	-	-	-
28,419	460,339	-	-	503,991
-	84	-	-	84
<u>1,486,376</u>	<u>973,056</u>	<u>7,457,717</u>	<u>1,784,884</u>	<u>14,753,353</u>
642,986	587,146	33,350	-	5,057,895
-	-	-	-	-
<u>(483,642)</u>	<u>(241,952)</u>	<u>(26,850)</u>	<u>-</u>	<u>(3,750,131)</u>
<u>159,344</u>	<u>345,194</u>	<u>6,500</u>	<u>-</u>	<u>1,307,764</u>
<u>1,645,720</u>	<u>1,318,250</u>	<u>7,464,217</u>	<u>1,784,884</u>	<u>16,061,117</u>
15,060	252,058	32,865	131,431	644,785
41,718	105,580	10,150	12,994	419,957
-	-	130,548	-	130,548
-	-	-	884,830	884,830
-	-	3,322,843	-	3,322,843
-	-	-	52,310	52,310
<u>56,778</u>	<u>357,638</u>	<u>3,496,406</u>	<u>1,081,565</u>	<u>5,455,273</u>
159,344	345,194	6,500	-	1,307,764
-	-	-	-	-
<u>1,429,598</u>	<u>615,418</u>	<u>3,961,311</u>	<u>703,319</u>	<u>9,298,080</u>
<u>\$ 1,588,942</u>	<u>\$ 960,612</u>	<u>\$ 3,967,811</u>	<u>\$ 703,319</u>	<u>\$ 10,605,844</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, 2006

	<u>Custodial and Maintenance Services Fund</u>	<u>Utility Customer Services Fund</u>	<u>Information Technologies Fund</u>
OPERATING REVENUES:			
Charges for services and other benefits	\$ 786,990	\$ 1,110,856	\$3,204,108
OPERATING EXPENSES:			
Personal services	487,239	499,209	1,729,822
Materials and supplies	123,231	273,063	373,172
Travel and training	457	8,579	58,565
Intragovernmental	71,203	260,182	127,653
Utilities, services, and miscellaneous	260,759	542,566	804,315
Depreciation	4,826	9,007	285,048
TOTAL OPERATING EXPENSES	<u>947,715</u>	<u>1,592,606</u>	<u>3,378,575</u>
OPERATING INCOME (LOSS)	<u>(160,725)</u>	<u>(481,750)</u>	<u>(174,467)</u>
NONOPERATING REVENUES (EXPENSES):			
Investment revenue	32,869	43,394	43,372
Revenue from other governmental units	-	-	-
Miscellaneous revenue	4,079	268,924	3,663
Interest expense	-	-	-
Loss on disposal of capital assets	-	-	-
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>36,948</u>	<u>312,318</u>	<u>47,035</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(123,777)	(169,432)	(127,432)
Transfers in	-	-	-
Transfers out	<u>(4,493)</u>	<u>(21,433)</u>	<u>(9,498)</u>
CHANGES IN NET ASSETS	(128,270)	(190,865)	(136,930)
TOTAL NET ASSETS- BEGINNING OF PERIOD	<u>859,376</u>	<u>1,276,250</u>	<u>1,705,599</u>
TOTAL NET ASSETS- END OF PERIOD	<u>\$ 731,106</u>	<u>\$ 1,085,385</u>	<u>\$1,568,669</u>

CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2006

<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>
\$ 833,749	\$ 6,176,094	\$2,455,498	\$ 11,403,198	\$ 25,970,493
401,829	1,340,995	119,931	244,345	4,823,370
185,006	4,411,974	2,674	33,812	5,402,932
2,390	1,655	4,800	637	77,083
71,529	286,711	26,217	44,770	888,265
60,123	52,982	3,413,637	11,353,058	16,487,440
27,447	20,555	6,000	-	352,883
<u>748,324</u>	<u>6,114,872</u>	<u>3,573,259</u>	<u>11,676,622</u>	<u>28,031,973</u>
<u>85,425</u>	<u>61,222</u>	<u>(1,117,761)</u>	<u>(273,424)</u>	<u>(2,061,480)</u>
54,633	18,630	289,590	53,206	535,694
-	11,309	36,322	-	47,631
3,590	35,336	-	1,804	317,396
-	(5,213)	-	-	(5,213)
-	(1,911)	-	-	(1,911)
<u>58,223</u>	<u>58,151</u>	<u>325,912</u>	<u>55,010</u>	<u>893,597</u>
143,648	119,373	(791,849)	(218,414)	(1,167,883)
110,075	-	-	500,134	610,209
<u>(69,235)</u>	<u>(49,544)</u>	<u>(856)</u>	<u>(1,286)</u>	<u>(156,345)</u>
184,488	69,829	(792,705)	280,434	(714,019)
<u>1,404,454</u>	<u>890,783</u>	<u>4,760,516</u>	<u>422,885</u>	<u>11,319,863</u>
<u>\$ 1,588,942</u>	<u>\$ 960,612</u>	<u>\$ 3,967,811</u>	<u>\$ 703,319</u>	<u>\$ 10,605,844</u>

**CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2006**

	Custodial and Maintenance Services Fund	Utility Customer Services Fund	Information Technologies Fund
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers (including other funds)	\$ 786,990	\$ 1,170,801	\$ 3,204,174
Cash payments to suppliers	(365,550)	(844,864)	(1,304,318)
Cash payments to employees	(483,857)	(490,674)	(1,703,037)
Cash payments to other funds	(71,203)	(260,182)	(127,653)
Other non-operating revenue (expense)	-	-	-
Net cash provided for (used for) operating activities	<u>(133,620)</u>	<u>(424,919)</u>	<u>69,166</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers in	-	-	-
Transfers out	(4,493)	(21,433)	(9,498)
Miscellaneous cash receipts	4,079	268,924	3,663
Operating grants	-	-	160,224
Net cash provided for (used for) noncapital financing activities	<u>(414)</u>	<u>247,491</u>	<u>154,389</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Debt service – interest	-	-	-
Debt service – principal	-	-	-
Acquisition and construction of capital assets	(25,600)	-	(195,520)
Net cash provided for (used for) capital and related financing activities	<u>(25,600)</u>	<u>-</u>	<u>(195,520)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received	33,741	44,442	43,833
Purchase of investments	-	-	-
Sale of investments	-	-	-
Net cash provided for (used for) investing activities	<u>33,741</u>	<u>44,442</u>	<u>43,833</u>
Net increase (decrease) in cash and cash equivalents	(125,893)	(132,986)	71,868
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>821,437</u>	<u>1,067,877</u>	<u>1,150,224</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 695,544</u>	<u>\$ 934,891</u>	<u>\$ 1,222,092</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) FOR OPERATING ACTIVITIES:			
Operating income (loss)	\$ (160,725)	\$ (481,750)	\$ (174,467)
Adjustments to reconcile operating income (loss) to net cash provided (used) for operating activities:			
Depreciation	4,826	9,007	285,048
Changes in assets and liabilities:			
Decrease (increase) in receivables	-	59,945	66
Decrease (increase) in inventory	(63)	-	(1,297)
Decrease (increase) in other assets	-	-	-
Increase (decrease) in accounts payable	18,960	(20,656)	(66,969)
Increase (decrease) in accrued payroll	3,382	8,535	26,785
Increase (decrease) in due other funds	-	-	-
Increase (decrease) in other liabilities	-	-	-
Increase (decrease) in claims payable - workers' compensation and general liability and health insurance	-	-	-
Net cash provided for (used for) operating activities	<u>\$ (133,620)</u>	<u>\$ (424,919)</u>	<u>\$ 69,166</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:			
Change in fair value of investments	\$ (877)	\$ (1,223)	\$ (1,857)
Total noncash capital and related financing activities	<u>\$ (877)</u>	<u>\$ (1,223)</u>	<u>\$ (1,857)</u>

**CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2006**

Public Communications Fund	Fleet Operations Fund	Self Insurance Reserve Fund	Employee Benefit Fund	Total Internal Service Funds
\$ 819,593 (288,432) (384,638) (71,529) -	\$ 6,178,623 (4,441,978) (1,317,969) (286,711) -	\$ 3,296,034 (3,397,158) (118,497) (26,217) 2,320	\$ 11,380,839 (11,494,009) (247,131) (44,770) -	\$ 26,837,054 (22,136,309) (4,745,803) (888,265) 2,320
<u>74,994</u>	<u>131,965</u>	<u>(243,518)</u>	<u>(405,071)</u>	<u>(931,003)</u>
110,075 (69,235) 3,590 -	- (49,544) 35,336 11,309	- (856) - 36,322	500,134 (1,286) 1,804 -	610,209 (156,345) 317,396 207,855
<u>44,430</u>	<u>(2,899)</u>	<u>35,466</u>	<u>500,652</u>	<u>979,115</u>
- -	(5,213) -	- -	- -	(5,213) -
<u>(110,075)</u>	<u>(44,353)</u>	<u>-</u>	<u>-</u>	<u>(375,548)</u>
<u>(110,075)</u>	<u>(49,566)</u>	<u>-</u>	<u>-</u>	<u>(380,761)</u>
55,178 - -	18,551 - -	289,611 (2,281,444) 2,199,885	53,489 - -	538,845 (2,281,444) 2,199,885
<u>55,178</u>	<u>18,551</u>	<u>208,052</u>	<u>53,489</u>	<u>457,286</u>
64,527	98,051	-	149,070	124,637
<u>1,257,286</u>	<u>392,208</u>	<u>-</u>	<u>1,305,545</u>	<u>5,994,577</u>
<u>\$ 1,321,813</u>	<u>\$ 490,259</u>	<u>\$ -</u>	<u>\$ 1,454,615</u>	<u>\$ 6,119,214</u>
\$ 85,425	\$ 61,222	\$ (1,117,761)	\$ (273,424)	\$ (2,061,480)
27,447 (14,156) (12,336) - (28,577) 17,191 - -	20,555 2,529 49,064 - (24,431) 23,026 - -	6,000 - - 2,320 23,953 1,434 31,191 -	- (22,359) - - (39,151) (2,786) - 7,298	352,883 26,025 35,368 2,320 (136,871) 77,567 31,191 7,298
<u>-</u>	<u>-</u>	<u>809,345</u>	<u>(74,649)</u>	<u>734,696</u>
<u>\$ 74,994</u>	<u>\$ 131,965</u>	<u>\$ (243,518)</u>	<u>\$ (405,071)</u>	<u>\$ (931,003)</u>
<u>\$ (1,815)</u>	<u>\$ (705)</u>	<u>\$ (317)</u>	<u>\$ (2,083)</u>	<u>\$ (8,877)</u>
<u>\$ (1,815)</u>	<u>\$ (705)</u>	<u>\$ (317)</u>	<u>\$ (2,083)</u>	<u>\$ (8,877)</u>

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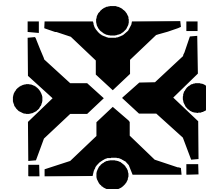
FIDUCIARY FUNDS

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

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

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

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



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CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
SEPTEMBER 30, 2006

	Pension Trust Funds		
	Firefighters' Retirement Fund	Police Retirement Fund	Total
ASSETS			
Cash and cash equivalents	\$ 270,577	\$ 181,919	\$ 452,496
Accrued interest	89,461	60,148	149,609
Other assets	-	-	-
Investments	44,806,194	30,124,938	74,931,132
Capital assets	6,989	4,699	11,688
Accumulated depreciation	(6,989)	(4,699)	(11,688)
Total Assets	45,166,232	30,367,005	75,533,237
LIABILITIES			
Accounts payable	42	28	70
Other liabilities	7,686	5,168	12,854
Total Liabilities	7,728	5,196	12,924
NET ASSETS			
Net assets held in trust	45,158,504	30,361,809	75,520,313
Total Net Assets	\$ 45,158,504	\$ 30,361,809	\$ 75,520,313

See Independent Auditors' Report.

CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
SEPTEMBER 30, 2006

	Private Purpose Trust Funds		
	Conley Poor Fund	REDI Trust Fund	Total
ASSETS			
Cash and cash equivalents	\$ 53,730	\$ 245,660	\$ 299,390
Accrued interest	168	766	934
Other assets	-	2,958	2,958
Investments	-	-	-
Capital assets	-	-	-
Accumulated depreciation	-	-	-
	Total Assets	249,384	303,282
LIABILITIES			
Accounts payable	-	9,030	9,030
Other liabilities	-	13,790	13,790
	Total Liabilities	22,820	22,820
NET ASSETS			
Net assets held in trust	53,898	226,564	280,462
	Total Net Assets	\$ 226,564	\$ 280,462

See Independent Auditors' Report.

CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	Pension Trust Funds		
	<u>Firefighters'</u> <u>Retirement Fund</u>	<u>Police</u> <u>Retirement Fund</u>	<u>Total</u>
ADDITIONS			
Contributions:			
Private	\$ -	\$ -	\$ -
Chamber	-	-	-
City	2,213,653	2,232,864	4,446,517
County	-	-	-
University	-	-	-
Employee	1,041,719	261,052	1,302,771
Net investment income:			
Net appreciation in fair value of investments	1,071,530	779,967	1,851,497
Interest and dividends	1,645,033	1,100,266	2,745,299
Miscellaneous	-	-	-
	<u>5,971,935</u>	<u>4,374,149</u>	<u>10,346,084</u>
DEDUCTIONS			
Current:			
Health and environment:			
Services and miscellaneous	-	-	-
Policy development and administration:			
Materials and supplies	-	-	-
Travel and training	541	362	903
Intragovernmental	-	-	-
Utilities, services, and miscellaneous	10,870	7,270	18,140
Pension benefits	3,286,782	2,277,976	5,564,758
Refund of employee's contributions	70,188	33,750	103,938
	<u>3,368,381</u>	<u>2,319,358</u>	<u>5,687,739</u>
Change in net assets	2,603,554	2,054,791	4,658,345
NET ASSETS - BEGINNING	<u>42,554,950</u>	<u>28,307,018</u>	<u>70,861,968</u>
NET ASSETS - ENDING	<u><u>\$ 45,158,504</u></u>	<u><u>\$ 30,361,809</u></u>	<u><u>\$ 75,520,313</u></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, 2006

	<u>Private Purpose Trust Funds</u>		
	<u>Conley Poor Fund</u>	<u>REDI Trust Fund</u>	<u>Total</u>
ADDITIONS			
Contributions:			
Private	\$ -	\$ 2,000	\$ 2,000
Chamber	-	115,900	115,900
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	3,461	12,281	15,742
Miscellaneous	-	6,578	6,578
	<u>3,461</u>	<u>206,759</u>	<u>210,220</u>
DEDUCTIONS			
Current:			
Health and environment:			
Services and miscellaneous	6,324	-	6,324
Policy development and administration:			
Materials and supplies	-	20,207	20,207
Travel and training	-	28,832	28,832
Intragovernmental	-	-	-
Utilities, services, and miscellaneous	-	142,401	142,401
Pension benefits	-	-	-
Refund of employee's contributions	-	-	-
	<u>6,324</u>	<u>191,440</u>	<u>197,764</u>
Change in net assets	(2,863)	15,319	12,456
NET ASSETS - BEGINNING	<u>56,761</u>	<u>211,245</u>	<u>268,006</u>
NET ASSETS - ENDING	<u>\$ 53,898</u>	<u>\$ 226,564</u>	<u>\$ 280,462</u>

See Independent Auditors' Report.

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STATISTICAL SECTION

The Statistical Section "relates to the physical, economic, social and political characteristics of the City." Its design is to provide financial statement users with additional historical perspective, context, and detail to assist in using the information in the financial statements, notes to the financial statements, and required supplementary information to understand and assess the City's economic condition.

Financial Trends Information - is intended to assist users in understanding and assessing how the City's financial position has changed over time.

Revenue Capacity Information - is intended to assist users in understanding and assessing the factors affecting the City's ability to generate its own-source revenues, sales tax and property tax.

Debt Capacity Information - is intended to assist users in understanding and assessing the City's debt burden and its ability to issue additional debt.

Demographic and Economic Information - is intended (1) to assist users in understanding the socioeconomic environment within which the City operates and (2) to provide information that facilitates comparisons of financial statement information over time.

Operating Information - is intended to provide contextual information about the City's operations and resources to assist readers in using financial statement information to understand and assess the City's economic condition.

Sources: Unless otherwise noted, the information provided in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in fiscal year end September 30, 2002; schedules presenting government-wide information include information beginning in that year.

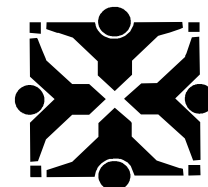


Table 1

City of Columbia, Missouri

NET ASSETS BY COMPONENT
LAST FIVE FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year				
	2006	2005	2004	2003	2002
Governmental Activities					
Invested in capital assets, net of related debt	\$ 167,789,506	\$ 116,334,515	\$ 96,703,253	\$ 85,230,651	\$ 76,070,225
Restricted for:					
Debt service	2,882,312	7,736,146	6,328,241	4,966,497	5,107,568
Capital projects	28,414,708	24,911,911	24,523,209	18,201,101	21,109,068
Nonspendable	-	1,500,000	1,500,000	1,500,000	1,500,000
Other purposes	18,609,711	26,054,567	26,052,473	23,263,119	21,560,141
Unrestricted	45,762,290	38,228,502	41,022,565	42,099,003	39,652,856
Total governmental activities net assets	<u>\$ 263,458,527</u>	<u>\$ 214,765,641</u>	<u>\$ 196,129,741</u>	<u>\$ 175,260,371</u>	<u>\$ 164,999,858</u>
Business-type activities					
Invested in capital assets, net of related debt	\$ 261,159,491	\$ 222,079,198	\$ 206,726,083	\$ 197,808,011	\$ 182,254,913
Restricted for:					
Debt service	8,436,741	3,860,962	7,068,586	6,819,949	5,780,215
Capital projects	40,660	138,672	-	75,000	1,361,638
Nonspendable	-	-	-	-	-
Other purposes	2,455,793	1,101,908	1,088,999	1,088,999	1,044,212
Unrestricted	59,075,672	87,576,592	81,101,041	79,325,217	86,224,482
Total business-type activities net assets	<u>\$ 331,168,357</u>	<u>\$ 314,757,332</u>	<u>\$ 295,984,709</u>	<u>\$ 285,117,176</u>	<u>\$ 276,665,460</u>
Primary government					
Invested in capital assets, net of related debt	\$ 428,948,997	\$ 338,413,713	\$ 303,429,336	\$ 283,038,662	\$ 258,325,138
Restricted for:					
Debt service	11,319,053	11,597,108	13,396,827	11,786,446	10,887,783
Capital projects	28,455,368	25,050,583	24,523,209	18,276,101	22,470,706
Nonspendable	-	1,500,000	1,500,000	1,500,000	1,500,000
Other purposes	21,065,504	27,156,475	27,141,472	24,352,118	22,604,353
Unrestricted	104,837,962	125,805,094	122,123,606	121,424,220	125,877,338
Total primary government net assets	<u>\$ 594,626,884</u>	<u>\$ 529,522,973</u>	<u>\$ 492,114,450</u>	<u>\$ 460,377,547</u>	<u>\$ 441,665,318</u>

Table 2

City of Columbia, Missouri

**CHANGES IN NET ASSETS
LAST FIVE FISCAL YEARS**
(accrual basis of accounting)

	Fiscal Year				
	2006	2005	2004	2003	2002
Expenses					
Governmental activities:					
Policy development and administration	\$ 14,047,440	\$ 14,712,020	\$ 11,532,002	\$ 10,012,258	\$ 9,486,747
Public safety	32,167,354	29,704,634	27,615,723	26,447,188	25,307,596
Transportation	8,168,999	7,700,932	5,895,028	5,600,113	5,674,399
Health and environment	7,639,076	7,058,136	6,685,175	6,134,136	5,854,326
Personal development	9,038,976	8,606,844	8,268,102	8,604,106	8,209,699
Miscellaneous nonprogrammed activities	297,304	372,913	468,146	297,170	400,061
Interest on long-term debt	458,311	571,672	608,792	834,347	1,206,283
Total governmental activities expenses	71,817,460	68,727,151	61,072,968	57,929,318	56,139,111
Business-type activities:					
Electric utility	85,180,682	72,115,157	63,246,225	58,943,254	54,872,564
Water Utility	12,708,293	11,440,612	9,958,766	9,444,314	9,297,790
Sanitary Sewer Utility	10,200,386	9,297,703	9,216,293	8,979,382	8,649,912
Regional Airport	1,915,995	1,812,969	1,808,651	1,671,071	1,601,094
Public Transportation	4,125,604	3,562,176	3,252,432	3,044,024	2,936,602
Solid Waste Utility	11,480,727	11,805,562	10,692,045	10,432,357	10,293,259
Parking Facilities	1,664,290	1,756,122	1,745,467	1,755,804	1,841,303
Recreation Services	6,359,714	6,230,875	5,844,897	5,704,862	4,443,406
Railroad	885,845	866,061	712,513	661,508	529,662
Storm Water Utility	1,325,696	1,287,269	1,048,514	989,921	983,738
Total business-type activities expenses	135,847,232	120,174,506	107,525,803	101,626,497	95,449,330
Total primary government expenses	\$ 207,664,692	\$ 188,901,657	\$ 168,598,771	\$ 159,555,815	\$ 151,588,441
Program Revenues					
Governmental Activities:					
Charges for services	\$ 9,999,694	\$ 8,968,146	\$ 8,413,343	\$ 8,528,017	\$ 7,012,099
Operating grants and contributions	5,423,564	4,587,226	4,758,552	4,325,098	3,890,031
Capital grants and contributions	37,383,705	12,785,920	12,215,202	2,455,945	2,740,029
Total governmental activities program revenues	52,806,963	26,341,292	25,387,097	15,309,060	13,642,159
Business-type activities:					
Charges for services	136,791,449	121,604,538	106,876,186	101,883,995	96,402,644
Operating grants and contributions	1,706,958	919,617	1,261,263	1,304,361	1,166,886
Capital grants and contributions	10,546,398	9,203,715	6,600,749	4,703,521	6,369,450
Total business-type activities program revenues	149,044,805	131,727,870	114,738,198	107,891,877	103,938,980
Total primary government program revenues	\$ 201,851,768	\$ 158,069,162	\$ 140,125,295	\$ 123,200,937	\$ 117,581,139
Net (Expense)/Revenue					
Governmental activities	\$ (19,010,497)	\$ (42,385,859)	\$ (35,685,871)	\$ (42,620,258)	\$ (42,496,952)
Business-type activities	13,197,573	11,553,364	7,212,395	6,265,380	8,489,650
Total primary government net expense	\$ (5,812,924)	\$ (30,832,495)	\$ (28,473,476)	\$ (36,354,878)	\$ (34,007,302)
General Revenues and Other Changes in Net Assets					
Governmental activities:					
Taxes					
Property taxes	\$ 9,818,770	\$ 9,295,077	\$ 8,601,981	\$ 8,247,466	\$ 8,228,712
Sales tax	38,290,388	35,593,421	33,549,370	31,612,249	30,725,843
Other taxes	10,995,778	10,389,422	9,930,006	9,597,030	8,819,608
Investment revenue	3,944,122	2,554,155	2,151,560	1,478,964	6,542,331
Miscellaneous	1,579,152	1,557,884	1,320,073	1,465,309	1,158,765
Transfers	3,075,173	1,631,800	1,002,251	479,753	340,740
Total governmental activities	67,703,383	61,021,759	56,555,241	52,880,771	55,815,999
Business-type activities					
Investment revenues	4,283,787	2,980,338	2,497,648	1,895,527	6,559,492
Miscellaneous	2,004,838	5,870,721	2,159,741	770,562	1,716,625
Transfers	(3,075,173)	(1,631,800)	(1,002,251)	(479,753)	(340,740)
Total business-type activities	3,213,452	7,219,259	3,655,138	2,186,336	7,935,377
Total primary government	\$ 70,916,835	\$ 68,241,018	\$ 60,210,379	\$ 55,067,107	\$ 63,751,376
Change in Net Assets					
Governmental activities	\$ 48,692,886	\$ 18,635,900	\$ 20,869,370	\$ 10,260,513	\$ 13,319,047
Business-type activities	16,411,025	18,772,623	10,867,533	8,451,716	16,425,027
Total primary government	\$ 65,103,911	\$ 37,408,523	\$ 31,736,903	\$ 18,712,229	\$ 29,744,074

Table 3

City of Columbia, Missouri

FUND BALANCE, GOVERNMENTAL FUNDS

LAST FIVE FISCAL YEARS

(modified accrual basis of accounting)

	Fiscal Year				
	2006	2005	2004	2003	2002
General Fund					
Reserved	\$ 1,445,303	\$ 1,498,105	\$ 1,756,304	\$ 1,036,088	\$ 885,596
Unreserved	16,760,474	15,494,288	16,383,104	15,357,779	13,617,008
Total general fund	<u>\$ 18,205,777</u>	<u>\$ 16,992,393</u>	<u>\$ 18,139,408</u>	<u>\$ 16,393,867</u>	<u>\$ 14,502,604</u>
All Other Governmental Funds					
Reserved	\$ 16,113,195	\$ 15,073,596	\$ 14,114,135	\$ 15,337,803	\$ 11,351,539
Unreserved, reported in:					
Transportation sales tax fund	303,100	2,699,560	3,021,117	2,122,164	1,902,429
Capital projects fund	54,401,219	28,626,104	28,417,588	20,268,808	25,387,829
Special revenue funds	13,334,316	11,497,187	10,752,236	9,991,991	7,068,022
Debt service funds	2,882,312	7,052,554	5,626,190	4,259,497	3,682,568
Permanent fund	3,048,736	2,682,062	3,367,961	3,680,907	3,373,688
Total all other governmental funds	<u>\$ 90,082,878</u>	<u>\$ 67,631,063</u>	<u>\$ 65,299,227</u>	<u>\$ 55,661,170</u>	<u>\$ 52,766,075</u>

Table 4

City of Columbia, Missouri

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST FIVE FISCAL YEARS

(modified accrual basis of accounting)

	Fiscal Year				
	2006	2005	2004	2003	2002
REVENUES					
General property taxes	\$ 9,646,086	\$ 8,585,445	\$ 8,417,968	\$ 8,340,896	\$ 7,979,408
Sales tax	38,290,388	35,593,421	33,549,370	31,612,249	30,725,843
Other local taxes	10,570,864	9,993,087	9,534,286	9,063,234	8,425,476
Licenses and permits	798,325	766,084	696,271	692,256	651,697
Fines	1,286,742	1,423,992	1,586,050	1,597,787	1,489,192
Fees and service charges	3,056,936	2,659,583	2,503,391	2,359,639	1,840,341
Special assessment taxes	251,548	55,052	45,549	588,520	84,662
Intragovernmental revenue	3,270,654	3,093,319	3,052,749	2,985,738	2,862,384
Revenue from other governmental units	8,973,614	7,938,879	11,704,084	6,781,043	6,630,060
Investment revenue	3,451,822	2,255,822	1,907,040	1,249,936	3,672,200
Miscellaneous	1,579,152	1,557,884	1,320,073	1,465,309	1,153,687
Total Revenues	<u>81,176,131</u>	<u>73,922,568</u>	<u>74,316,831</u>	<u>66,736,607</u>	<u>65,514,950</u>
EXPENDITURES					
Current:					
Policy development and administration	9,768,892	9,223,803	8,378,763	8,079,480	7,775,482
Public safety	30,809,809	28,401,357	26,477,538	25,521,715	24,521,668
Transportation	5,932,842	5,893,676	4,314,145	4,116,302	4,203,240
Health and environment	7,592,239	7,022,635	6,662,314	6,116,585	5,839,638
Personal development	8,501,244	8,110,722	7,790,423	8,135,545	7,789,741
Misc. nonprogrammed activities	296,909	373,787	465,263	74,660	179,081
Capital outlay	13,197,225	12,978,663	8,434,463	8,181,392	6,677,557
Debt service:					
Redemption of serial bonds	7,955,000	949,500	885,000	1,522,000	2,218,500
Interest	393,351	578,002	614,692	687,333	843,827
Fiscal agent fees	237,448	2,750	2,883	4,295	3,555
Total Expenditures	<u>84,684,959</u>	<u>73,534,895</u>	<u>64,025,484</u>	<u>62,439,307</u>	<u>60,052,289</u>
Excess (Deficiency) of Revenues over Expenditures	(3,508,828)	387,673	10,291,347	4,297,300	5,462,661
OTHER FINANCING SOURCES (USES)					
Transfers in	57,996,676	27,133,709	22,826,021	19,617,349	20,271,856
Transfers out	(55,396,800)	(26,336,561)	(21,733,770)	(19,128,291)	(20,214,080)
Proceeds of 2006B S.O. Bonds	25,615,000	-	-	-	-
Premium on 2006B S.O. Bonds	1,139,950	-	-	-	-
Payment to refunded bond escrow agent	(2,180,799)	-	-	-	-
Total Other Financing Sources (Uses)	<u>27,174,027</u>	<u>797,148</u>	<u>1,092,251</u>	<u>489,058</u>	<u>57,776</u>
Net Change in Fund Balances	<u>\$ 23,665,199</u>	<u>\$ 1,184,821</u>	<u>\$ 11,383,598</u>	<u>\$ 4,786,358</u>	<u>\$ 5,520,437</u>
Debt service as a percentage of noncapital expenditures	12.01%	2.53%	2.70%	4.08%	5.74%

Table 5

City of Columbia, Missouri

**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

Fiscal Year Ended	Real Property	Personal Property	State Assessed Value	Total Assessed Value	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value	Total Direct Tax Rate
1997	538,800,795	153,771,094	4,519,144	697,091,033	2,904,545,971	24.0%	0.78
1998	657,617,565	164,951,921	5,101,533	827,671,019	3,448,629,246	24.0%	0.69
1999	688,923,971	176,474,738	4,755,062	870,153,771	3,625,640,713	24.0%	0.70
2000	714,842,106	190,394,191	5,518,830	910,755,127	3,794,813,029	24.0%	1.06
2001	739,345,179	204,214,788	5,072,034	948,632,001	3,952,633,338	24.0%	1.06
2002	802,530,799	211,324,296	6,486,794	1,020,341,889	4,251,424,537	24.0%	1.05
2003	854,784,262	206,788,704	6,486,398	1,068,059,364	4,450,247,350	24.0%	1.05
2004	891,032,480	217,649,475	6,967,420	1,115,059,364	4,648,539,062	24.0%	1.04
2005	938,654,305	219,486,364	6,625,558	1,164,766,227	4,853,192,612	24.0%	1.04
2006	1,122,375,072	242,354,182	6,488,268	1,371,217,522	5,713,406,342	24.0%	0.98

Table 6

City of Columbia, Missouri

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

	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
CITY TAX RATES:					
General Fund	\$0.22	\$0.20	\$0.20	\$0.23	\$0.31
Debt Service Fund	0.26	0.21	0.21	0.18	0.10
Library Funds	<u>0.30</u>	<u>0.28</u>	<u>0.29</u>	<u>0.65</u>	<u>0.65</u>
Total City Tax Rate	<u>0.78</u>	<u>0.69</u>	<u>0.70</u>	<u>1.06</u>	<u>1.06</u>
SCHOOL DISTRICT	<u>4.56</u>	<u>4.12</u>	<u>4.12</u>	<u>4.70</u>	<u>4.79</u>
COUNTY TAX RATES:					
County	0.12	0.12	0.12	0.13	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	0.11	0.12	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>0.28</u>	<u>0.29</u>	<u>0.30</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>\$5.66</u>	<u>\$5.12</u>	<u>\$5.14</u>	<u>\$6.09</u>	<u>\$6.18</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.

Table 6, cont.

City of Columbia, Missouri

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

<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
\$0.41	\$0.41	\$0.41	\$0.41	\$0.41
0.00	0.00	0.00	0.00	0.00
<u>0.64</u>	<u>0.63</u>	<u>0.63</u>	<u>0.63</u>	<u>0.57</u>
<u>1.05</u>	<u>1.04</u>	<u>1.04</u>	<u>1.04</u>	<u>0.98</u>
<u>4.75</u>	<u>4.94</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>\$6.14</u>	<u>\$6.31</u>	<u>\$6.31</u>	<u>\$6.31</u>	<u>\$5.98</u>

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Table 7

City of Columbia, Missouri

PRINCIPAL TAXPAYERS
CURRENT AND NINE YEARS AGO

Taxpayer	Type of Business	2006			1997		
		Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
The Kroenke Group	Property/Developer	\$ 8,828,656	1	0.64%	--		
Columbia Mall Limited Partnership	Property/Developer	8,520,254	2	0.62%	6,946,874	6	1.09%
Boone Electric Cooperative	Utility	8,395,296	3	0.61%	5,983,785	7	0.94%
Boone Crossings II	Property/Developer	7,864,177	4	0.57%	--		
State Farm Mutual Automobile Ins Company	Insurance	7,958,637	5	0.58%	13,409,539	3	2.10%
Shelter Mutual Insurance Co	Insurance	5,461,706	6	0.40%	5,515,992	8	0.86%
Dan Hagan	Property/Developer	4,714,208	7	0.34%	4,540,679	9	0.71%
AB Chance Co	Manufacturer	4,431,741	8	0.32%	--		
Rayman Columbia Center Trust	Property/Developer	4,343,968	9	0.32%	--		
Boone County National Bank	Banking/Finance	3,828,108	10	0.28%	--		
Minnesota Mining and Manufacturing (3M)	Office Products	--		--	\$ 23,076,975	1	3.61%
AmerenUE	Utility	--		--	22,903,449	2	3.58%
GTE Midwest	Utility	--		--	12,914,123	4	2.02%
Regional Alternative Health Services, Inc.	Health Services	--		--	7,015,653	5	1.10%
Ford Motor Company	Manufacturer	--		--	4,495,169	10	0.70%
		<u>\$ 64,346,751</u>		<u>4.68%</u>	<u>\$ 106,802,238</u>		<u>16.71%</u>

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

Table 8

City of Columbia, Missouri

GENERAL FUND

PROPERTY TAX LEVIES AND TAX COLLECTIONS
LAST TEN FISCAL YEARS

<u>Fiscal Year Ended</u>	<u>Net Current Tax Levy (a)</u>	<u>Current Tax Collections</u>	<u>Percent Of Levy Collected</u>	<u>Delinquent Tax Collections</u>
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
2006	5,522,905 (b)	5,441,065	98.52%	33,572

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

(b) Includes deferred property tax revenue.

Table 8, cont.

City of Columbia, Missouri

GENERAL FUND

PROPERTY TAX LEVIES AND TAX COLLECTIONS
LAST TEN FISCAL YEARS

<u>Total Tax Collections</u>	<u>Total Collections As A Percent Of Net Current Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Outstanding Delinquent As A Percent Net Current Tax Levy</u>
1,540,477	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%
5,474,637	99.13%	24,809	0.45%

Table 9

City of Columbia, Missouri

**SCHEDULE OF ELECTRIC SERVICE RATES *
LAST TEN FISCAL YEARS**

<u>RESIDENTIAL SERVICE RATE (per kilowatt hour)</u>	FY	2005-2006	2004-2005
Customer charge	per month	\$5.50	\$5.00
All kWh	¢ per KWH	n/a	n/a
All kWh winter, first 750 kWh summer	¢ per KWH	7.156	6.70
Over 750 kWh summer	¢ per KWH	8.587	7.37
Electric Heating (October through May) All kWh	¢ per KWH	7.156	n/a
Electric Heating (October through May) Over 750 kWh	¢ per KWH	5.725	5.36
Heat Pump (October through May) All kWh	¢ per KWH	7.156	n/a
Heat Pump (October through May) Over 750 kWh	¢ per KWH	5.009	4.69
<u>SMALL GENERAL SERVICE RATE (per kilowatt hour)</u>			
Customer charge (single-phase)	per month	\$5.50	\$5.00
Customer charge (three-phase)	per month	\$7.50	\$7.00
All kWh	¢ per KWH	n/a	n/a
All kWh winter, first 1,500 kWh summer	¢ per KWH	7.215	6.74
Over 1,500 kWh summer	¢ per KWH	8.658	7.414
Electric Heating (October through May) kWh in excess of 75% of customer's summer maximum kWh	¢ per KWH	n/a	n/a
Electric Heating (October through May) Over 1,500 kWh	¢ per KWH	6.854	6.403
Heat pump customer charge	¢ per KWH	n/a	n/a
Heat pump 50% of the customer's summer maximum kWh	¢ per KWH	n/a	n/a
Heat pump first 1,000 kWh	¢ per KWH	n/a	n/a
Heat pump Over 1,000 kWh	¢ per KWH	n/a	n/a
Heat pump (October through May) over 1,500 kWh	¢ per KWH	6.133	5.729
Heat pump (October through May) kWh in excess of 50% of customer's summer maximum kWh	¢ per KWH	n/a	n/a
<u>PRIVATE STREET AND OUTDOOR AREA LIGHTING RATE</u>			
100 Watt Mercury Vapor (M.V.)	per month	\$4.22	\$4.22
100 Watt High Pressure Sodium (H.P.S.)	per month	\$4.53	\$4.53
175 Watt M.V.	per month	\$5.23	\$5.23
250 Watt M.V.	per month	\$7.39	\$7.39
250 Watt H.P.S.	per month	\$13.44	\$13.44
310 Watt H.P.S.	per month	\$14.68	\$14.68
400 Watt H.P.S.	per month	\$16.14	\$16.14
400 Watt M.V.	per month	\$10.48	\$10.48
700 Watt M.V.	per month	\$19.84	\$19.84
1,000 Watt M.V.	per month	\$26.55	\$26.55
100 Watt H.P.S. PTL	per month	\$10.14	\$10.14
175 Watt H.P.S. PTL	per month	\$10.08	\$10.08
<u>SPECIAL OUTDOOR LIGHTING</u>			
Customer Charge	per month	\$40.00	\$40.00
Cost per KWH	¢ per KWH	9.71	8.95
<u>69 KV SERVICE RATE</u>			
Demand charge (All KW of billing demand)	per KW	\$8.39	\$8.39
Energy charge (All KWH)	¢ per KWH	3.00	3.00

* The rates shown in this table are those in effect at October 1, 2005. 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.

Table 9, cont.

City of Columbia, Missouri

SCHEDULE OF ELECTRIC SERVICE RATES *
LAST TEN FISCAL YEARS

2003-2004	2002-2003	2001-2002	2000-2001	1999-2000	1998-1999	1997-1998	1996-1997
\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50
6.17	6.17	6.17	6.17	6.17	6.30	6.30	6.30
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
5.50	5.50	5.50	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4.89	4.89	4.89	4.89	4.89	4.94	4.94	4.94
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50
\$6.34	\$6.34	\$6.34	\$6.34	\$6.34	\$6.34	\$6.34	\$6.34
6.19	6.19	6.19	6.19	6.19	6.38	6.38	6.38
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
5.64	5.64	5.64	n/a	5.64	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	4.22	4.22	4.22
n/a	n/a	n/a	n/a	n/a	6.38	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	6.839	6.839
n/a	n/a	n/a	n/a	n/a	n/a	4.068	4.068
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4.50	4.50	4.50	4.50	4.50	4.60	n/a	n/a
\$4.22	\$4.22	\$4.22	\$4.22	\$4.22	\$4.22	\$4.22	\$4.22
\$4.53	\$4.53	\$4.53	\$4.53	\$4.53	\$4.53	\$4.53	\$4.53
\$5.23	\$5.23	\$5.23	\$5.23	\$5.23	\$5.23	\$5.23	\$5.23
\$7.39	\$7.39	\$7.39	\$7.39	\$7.39	\$7.39	\$7.39	\$7.39
\$13.44	\$13.44	\$13.44	\$13.44	\$13.44	\$13.44	\$13.44	\$13.44
\$14.68	\$14.68	\$14.68	\$14.68	\$14.68	\$14.68	\$14.68	\$14.68
\$16.14	\$16.14	\$16.14	\$16.14	\$16.14	\$16.14	\$16.14	\$16.14
\$10.48	\$10.48	\$10.48	\$10.48	\$10.48	\$10.48	\$10.48	\$10.48
\$19.84	\$19.84	\$19.84	\$19.84	\$19.84	\$19.84	\$19.84	\$19.84
\$26.55	\$26.55	\$26.55	\$26.55	\$26.55	\$26.55	\$26.55	\$26.55
\$10.14	\$10.14	\$10.14	\$10.14	\$10.14	\$10.14	n/a	n/a
\$10.08	\$10.08	\$10.08	\$10.08	\$10.08	\$10.08	n/a	n/a
\$29.53	\$29.53	\$29.53	\$29.53	\$29.53	\$29.53	\$29.53	\$29.53
8.95	8.95	8.95	8.95	8.95	8.95	8.95	8.95
\$8.39	\$8.39	\$8.39	\$8.39	\$8.39	\$8.39	\$8.39	\$8.39
3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00

Table 10

City of Columbia, Missouri

SCHEDULE OF ELECTRIC SERVICE RATES *
LAST TEN FISCAL YEARS

	FY 2005 - 2006		FY 2004 - 2005	
	Summer	Nonsummer	Summer	Nonsummer
<u>LARGE GENERAL SERVICE RATE</u>				
Demand charge:				
First 25 KW or less billing demand	\$292.75	\$234.25	\$270.00	\$216.00
Additional KW per KW	\$11.71	\$9.37	\$10.80	\$8.64
Energy charge:				
All KW ¢ per KWH	\$4.04	\$3.85	\$3.60	\$3.60
First 360 KWH per KW of billing demand ¢ per KWH	n/a	n/a	n/a	n/a
All additional KWH ¢ per KWH	n/a	n/a	n/a	n/a
<u>INDUSTRIAL SERVICE RATE</u>				
Demand charge:				
First 750 KW or less billing demand	\$11,287.50	\$9,030.00	\$10,500.00	\$8,400.00
All additional KW per KW	\$15.05	\$12.04	\$14.00	\$11.20
Energy charge (All KWH) ¢ per KWH	3.077	2.93	2.66	2.66
	FY 2000 - 2001		FY 1999 - 2000	
	Summer	Nonsummer	Summer	Nonsummer
<u>LARGE GENERAL SERVICE RATE</u>				
Demand charge:				
First 25 KW or less billing demand per KW	\$175.00	\$140.00	\$175.00	\$140.00
Next 175 KW of billing demand per KW	n/a	n/a	n/a	n/a
Next 300 KW of billing demand per KW	n/a	n/a	n/a	n/a
Additional KW per KW	\$7.00	\$5.60	\$7.00	\$5.60
Energy charge:				
First 360 KWH per KW of billing demand ¢ per KWH	4.00	4.00	4.00	4.00
All additional KWH ¢ per KWH	3.20	3.20	3.20	3.20
<u>INDUSTRIAL SERVICE RATE</u>				
Demand charge:				
First 750 KW or less billing demand	\$10,500.00	\$8,400.00	\$10,500.00	\$8,400.00
All additional KW per KW	\$14.00	\$11.20	\$14.00	\$11.20
Energy charge (All KWH) ¢ per KWH	2.66	2.66	2.66	2.66

* The rates shown in this table are those in effect at October 1, 2005. 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 ELECTRIC SERVICE RATES *
LAST TEN FISCAL YEARS

FY 2003 - 2004		FY 2002 - 2003		FY 2001 - 2002	
Summer	Nonsummer	Summer	Nonsummer	Summer	Nonsummer
\$175.00	\$140.00	\$175.00	\$140.00	\$175.00	\$140.00
\$7.00	\$5.60	\$7.00	\$5.60	\$7.00	\$5.60
n/a	n/a	n/a	n/a	n/a	n/a
4.00	4.00	4.00	4.00	4.00	4.00
3.20	3.20	3.20	3.20	3.20	3.20
Summer	Nonsummer	Summer	Nonsummer	Summer	Nonsummer
\$10,500.00	\$8,400.00	\$10,500.00	\$8,400.00	\$10,500.00	\$8,400.00
\$14.00	\$11.20	\$14.00	\$11.20	\$14.00	\$11.20
2.66	2.66	2.66	2.66	2.66	2.66
FY 1998 - 1999		FY 1997 - 1998		FY 1996 - 1997	
Summer	Nonsummer	Summer	Nonsummer	Summer	Nonsummer
\$172.00	\$137.50	\$172.00	\$137.50	\$172.00	\$137.50
\$6.88	\$5.50	\$6.88	\$5.50	\$6.88	\$5.50
\$6.54	\$5.23	\$6.54	\$5.23	\$6.54	\$5.23
\$6.21	\$4.97	\$6.21	\$4.97	\$6.21	\$4.97
4.39	4.39	4.39	4.39	4.39	4.39
3.29	3.29	3.29	3.29	3.29	3.29
Summer	Nonsummer	Summer	Nonsummer	Summer	Nonsummer
\$10,500.00	\$8,400.00	\$10,500.00	\$8,400.00	\$10,500.00	\$8,400.00
\$14.00	\$11.20	\$14.00	\$11.20	\$14.00	\$11.20
2.94	2.94	2.94	2.94	2.94	2.94

Table 11

City of Columbia, Missouri

SCHEDULE OF WATER SERVICE RATES
LAST TEN FISCAL YEARS

		2005-2006		2004-2005	
		Inside City	Outside City	Inside City	Outside City
		Limits	Limits	Limits	Limits
Residential*: All CCF	per 100 CCF	\$1.628	\$2.165	\$1.533	\$2.040
Commercial*: All CCF	per 100 CCF	\$1.487	\$1.978	\$1.410	\$1.880
Large Commercial*: All CCF	per 100 CCF	\$1.368	\$1.819	\$1.295	\$1.720
*Summer Surcharged Rate: (June, July, August, and September water use in excess of 120% average for nonsummer use)	per 100 CCF	\$2.279	\$3.031	\$2.146	\$2.854
		Minimum Charge Per Month		Minimum Charge Per Month	
		Inside City	Outside City	Inside City	Outside City
		Limits	Limits	Limits	Limits
Meter Size					
5/8 inch and 3/4 inch		\$5.40	\$7.18	\$5.00	\$6.65
1 inch		\$5.80	\$7.71	\$5.40	\$7.20
1 1/2 inch		\$8.35	\$11.11	\$7.75	\$10.30
2 inch		\$8.97	\$11.92	\$8.97	\$11.92
3 inch		\$21.96	\$29.20	\$21.96	\$29.20
4 inch		\$33.93	\$45.13	\$33.93	\$45.13
6 inch		\$67.86	\$90.26	\$67.86	\$90.26

		2000-2001		1999-2000	
		Inside City	Outside City	Inside City	Outside City
		Limits	Limits	Limits	Limits
Residential*: All CCF	per 100 CCF	\$1.458	\$1.939	\$1.458	\$1.939
Commercial*: All CCF	per 100 CCF	\$1.356	\$1.804	\$1.356	\$1.804
Large Commercial*: All CCF	per 100 CCF	\$1.177	\$1.565	\$1.177	\$1.565
*Summer Surcharged Rate: (June, July, August, and September water use in excess of 120% average for nonsummer use)	per 100 CCF	\$2.041	\$2.714	\$2.041	\$2.714
		Residential		Residential	
		Inside City	Outside City	Inside City	Outside City
		Limits	Limits	Limits	Limits
Minimum Charge Per Month					
Meter Size					
5/8 inch		\$3.92	\$5.21	\$3.92	\$5.21
1 inch		\$4.18	\$5.56	\$4.18	\$5.56
1 1/2 inch		\$6.18	\$8.22	\$6.18	\$8.22
2 inch		\$8.05	\$10.70	\$8.05	\$10.70
3 inch		\$20.60	\$27.40	\$20.60	\$27.40
4 inch		\$31.83	\$42.34	\$31.83	\$42.34
6 inch		\$63.67	\$84.68	\$63.67	\$84.68
		Commercial & Large Commercial		Commercial & Large Commercial	
		Inside City	Outside City	Inside City	Outside City
		Limits	Limits	Limits	Limits
Minimum Charge Per Month					
Meter Size					
5/8 inch		\$3.92	\$5.21	\$3.92	\$5.21
1 inch		\$4.18	\$5.56	\$4.18	\$5.56
1 1/2 inch		\$6.18	\$8.22	\$6.18	\$8.22
2 inch		\$8.05	\$10.70	\$8.05	\$10.70
3 inch		\$20.60	\$27.40	\$20.60	\$27.40
4 inch		\$31.83	\$42.34	\$31.83	\$42.34
6 inch		\$63.67	\$84.68	\$63.67	\$84.68

Table 11, cont.

City of Columbia, Missouri

SCHEDULE OF WATER SERVICE RATES
LAST TEN FISCAL YEARS

2003-2004		2002-2003		2001-2002	
Inside City Limits	Outside City Limits	Inside City Limits	Outside City Limits	Inside City Limits	Outside City Limits
\$1.458	\$1.939	\$1.395	\$1.855	\$1.347	\$1.827
\$1.356	\$1.804	\$1.298	\$1.726	\$1.266	\$1.684
\$1.177	\$1.565	\$1.126	\$1.498	\$1.104	\$1.468
\$2.041	\$2.714	\$1.953	\$2.597	\$1.924	\$2.559
Minimum Charge Per Month		Minimum Charge Per Month		Minimum Charge Per Month	
Inside City Limits	Outside City Limits	Inside City Limits	Outside City Limits	Inside City Limits	Outside City Limits
\$4.57	\$6.07	\$4.37	\$5.81	\$4.00	\$5.32
\$4.84	\$6.44	\$4.63	\$6.16	\$4.26	\$5.67
\$6.97	\$9.27	\$6.67	\$8.87	\$6.30	\$8.38
\$8.97	\$11.92	\$8.58	\$11.41	\$8.21	\$10.92
\$21.96	\$29.20	\$21.01	\$27.94	\$21.01	\$27.94
\$33.93	\$45.13	\$32.47	\$43.19	\$32.47	\$43.19
\$67.86	\$90.26	\$64.94	\$86.37	\$64.94	\$86.37

1998-1999		1997-1998		1996-1997	
Inside City Limits	Outside City Limits	Inside City Limits	Outside City Limits	Inside City Limits	Outside City Limits
\$1.458	\$1.939	\$1.458	\$1.939	\$1.458	\$1.939
\$1.356	\$1.804	\$1.356	\$1.804	\$1.356	\$1.804
\$1.177	\$1.565	\$1.177	\$1.565	\$1.177	\$1.565
\$2.041	\$2.714	\$2.041	\$2.714	\$2.041	\$2.714
Residential		Residential		Residential	
Inside City Limits	Outside City Limits	Inside City Limits	Outside City Limits	Inside City Limits	Outside City Limits
\$3.84	\$5.11	\$3.84	\$5.11	\$3.76	\$5.00
\$4.10	\$5.45	\$4.10	\$5.45	\$4.02	\$5.35
\$6.06	\$8.06	\$6.06	\$8.06	\$5.94	\$7.90
\$7.89	\$10.49	\$7.89	\$10.49	\$7.74	\$10.29
\$20.20	\$26.87	\$20.20	\$26.87	\$19.80	\$26.34
\$31.21	\$41.51	\$31.21	\$41.51	\$30.60	\$40.69
\$62.42	\$83.01	\$62.42	\$83.01	\$61.20	\$81.39
Commercial & Large Commercial		Commercial & Large Commercial		Commercial & Large Commercial	
Inside City Limits	Outside City Limits	Inside City Limits	Outside City Limits	Inside City Limits	Outside City Limits
\$3.84	\$5.11	\$3.84	\$5.11	\$3.69	\$4.90
\$4.10	\$5.45	\$4.10	\$5.45	\$3.95	\$5.25
\$6.06	\$8.06	\$6.06	\$8.06	\$5.83	\$7.73
\$7.89	\$10.49	\$7.89	\$10.49	\$7.59	\$10.09
\$20.20	\$26.87	\$20.20	\$26.87	\$19.42	\$25.83
\$31.21	\$41.51	\$31.21	\$41.51	\$30.00	\$39.90
\$62.42	\$83.01	\$62.42	\$83.01	\$60.00	\$79.80

Table 12

City of Columbia, Missouri

SCHEDULE OF SANITARY SEWER SERVICE RATES
LAST TEN FISCAL YEARS

		<u>2005-2006</u>	<u>2004-2005</u>	<u>2003-2004</u>	<u>2002-2003</u>	<u>2001-2002</u>
Residential and Commercial:						
Service Charge	per month	\$4.22	\$4.06	\$3.90	\$3.73	\$3.73
All Volume	per 100 cu. ft.	\$1.000	\$0.962	\$0.925	\$0.886	\$0.886
		<u>2000-2001</u>	<u>1999-2000</u>	<u>1998-1999</u>	<u>1997-1998</u>	<u>1996-1997</u>
Residential and Commercial:						
Service Charge	per month	\$3.73	\$3.62	\$3.51	\$3.51	\$3.41
All Volume	per 100 cu. ft.	\$0.886	\$0.860	\$0.840	\$0.840	\$0.810

Table 13

City of Columbia, Missouri

SCHEDULE OF MARKETABLE SECURITIES AND INVESTMENTS
SEPTEMBER 30, 2006

Identification Number and Issuing Institution	Purchase Date	Face Amount, or Shares	Maturity Date	Coupon Interest Rate	Cost	Fair Value 09/30/06
POOLED CASH:						
U. S. Government and Agency Securities						
FNMA 1991 - 138 L CMO 31358JXP1	04/27/98	2,560,000	10/25/06	8.000%	79,227	194
FNMA PL 155503 - 31366QU45	09/17/96	4,875,005	04/01/07	7.500%	12,615	7,896
FNMA 15 SF 159058 - 31366UTP	06/19/92	478,000	04/01/07	7.000%	0	963
FHLMC E00159CP - 31294JE87	09/30/92	400,000	09/01/07	6.500%	1,766	2,384
FHLMC GOLD M90785	11/24/03	2,550,000	12/01/07	4.000%	857,106	810,959
FHLMC GOLD M90803	various	6,940,000	03/01/08	4.500%	1,567,221	1,422,982
FNMA 050743 - 31361SLY0	04/20/93	500,000	04/01/08	6.000%	5,517	7,025
FHLMC GOLD M90818 - 31282U4B0	07/23/03	2,000,000	06/01/08	4.000%	765,094	686,811
FNMA BALLOON 380457	05/17/04	1,300,000	07/01/08	6.090%	1,244,279	1,174,230
FHLMC CALL 3128X1SD0	11/24/03	1,000,000	07/08/08	3.000%	973,000	966,670
FHLB CALL 31339Y4U3	01/09/04	2,000,000	07/09/08	3.000%	1,948,000	1,931,880
FHLMC E000245CP - 31294JHW1	various	3,500,000	08/01/08	5.500%	75,854	80,192
FHLB Step Up 3133X8E32	09/15/04	1,270,000	09/15/08	3.000%	1,270,000	1,256,906
FHLMC E00247CP - 31294JHY7	various	4,940,000	10/01/08	5.500%	119,218	132,034
FHLMC ES2721CP - 31357UAW7	11/18/93	1,000,000	11/01/08	6.000%	17,486	17,738
FHLMC ES2736CP - 31357UBD8	11/18/93	1,023,338	11/01/08	6.000%	19,377	19,966
FNMA 254137 - 31371KHN4	01/14/02	916,740	12/01/08	6.000%	35,891	17,151
FHLMC M80718 GOLD - 31282RYP3	01/30/02	1,590,682	01/01/09	5.000%	186,410	196,953
FHR 2412 EC - 31339DUH9	03/18/02	1,500,000	02/15/09	5.500%	332,530	342,370
FNMA 254273 - 31371KMW8	02/25/02	1,000,000	03/01/09	5.000%	111,106	114,708
FHLMC 31331Q2E6	02/10/04	1,750,000	04/08/09	3.000%	1,690,500	1,669,063
FHLM PL M80765 - 31282RZ64	09/25/02	1,000,000	08/01/09	5.000%	175,707	151,623
FHLMC M80773 - 31282R2E3	10/24/02	1,000,000	10/01/09	5.000%	211,445	186,537
FHLMC M80779 - 31282R2L7	various	2,000,000	11/01/09	5.000%	442,937	383,116
FNMA 254582 - 31371KXK2	12/23/02	1,000,000	12/01/09	4.500%	301,025	263,722
FHLB STEPUP CALL 3133XAL62	02/25/05	1,000,000	02/25/10	4.000%	1,000,000	991,880
FMAN 2005 SER 2 CL1 - 3136F6Z3	02/11/05	1,000,000	02/25/10	4.000%	710,164	686,397
FHLB STEPUP CALL 3133X4GP0	03/17/04	2,000,000	03/17/10	3.050%	1,997,500	1,979,380
FHLB STEPUP CALL 3133X6GR1	04/29/04	2,000,000	04/29/10	3.375%	1,990,000	1,977,500
FNMA STEPUP 3136F5VW8	05/19/04	4,000,000	05/19/10	3.250%	3,960,625	3,981,240
FHLMC MED TERM NOTE - 3128X1BE6	06/30/03	2,000,000	05/20/10	4.000%	2,022,200	1,935,680
FHMA P254809 - 31371LAJ8	02/22/05	1,000,000	06/01/10	4.500%	413,094	379,458
FHLMC GOLD M80842 - 31282R5B6	02/23/04	990,000	08/01/10	3.500%	644,739	622,974
FHLMC M80845 - 31282R5E0	12/23/03	2,000,000	09/01/10	4.500%	1,080,682	1,019,103
FNMA 254967 - 31371LFG9	10/23/03	2,000,000	10/01/10	3.500%	1,250,689	1,218,215
FMAN 2004-2 - 3136F6TA7	01/26/05	2,000,000	11/25/10	4.100%	1,320,247	1,266,374
FHLB STEPUP 3133X5AU2	03/30/04	2,000,000	09/30/11	3.000%	1,983,750	1,985,620
FHLMC - 3134A1MJ6	03/17/97	3,000,000	02/06/12	7.270%	2,990,232	3,019,680
FHLMC ANN STEP - 3128X34C4	02/22/05	1,000,000	02/10/12	4.000%	997,500	985,290
FNMA CALL - 31359MMF7	02/21/02	1,000,000	02/28/12	5.625%	975,313	999,060
FHLMC PL M30146-31282CET0	03/19/98	4,999,357	06/01/12	7.000%	95,277	21,473
FHR 71-2012A - 3133X3Y7	12/07/05	1,295,000	06/15/12	5.000%	954,361	961,480
HUD CALLABLE - 911759BN7	09/12/96	1,150,000	08/01/12	7.510%	1,126,715	1,151,794
FHLMC CMO 2422 VA - 31339DH76	10/30/02	1,500,000	11/15/12	6.500%	614,466	516,474
FNR 2005-3 CL1 - 3136F6YK9	07/29/05	1,500,000	12/25/12	4.400%	1,000,168	974,732
FMAN 2005 SER 4 - 3136F6YL7	08/08/05	2,000,000	12/26/12	4.650%	1,391,856	1,366,042
FHLMC CORP STEP - 3128X33H4	02/01/05	1,000,000	02/01/13	4.500%	1,005,000	989,880
FNMA CALL - 3136F7UR6	05/31/06	1,500,000	02/15/13	6.000%	1,498,125	1,500,465
FHLMC MED NOTE B/E - 3128X1BL0	02/24/05	2,000,000	05/06/13	4.750%	1,975,800	1,935,000
FHR 2055 OE - 3133TDX50	02/20/02	1,000,000	05/15/13	6.500%	447,353	420,486
FNMA MED TERM NOTE - 3136F7A98	05/30/06	1,000,000	05/30/13	6.000%	1,000,000	1,008,750
FNMA PL 431577 - 31379WM20	07/20/98	2,000,000	07/01/13	5.000%	13,607	101,198
FHLB STEP-UP CALL - 3133XCD75	07/18/05	2,000,000	07/18/13	4.250%	1,998,750	1,971,880
FNMA POOL 254863 - 31371LB81	08/18/03	1,000,000	08/01/13	4.000%	532,698	506,754
FHLB STEP-UP CALL - 31339YYU0	11/28/05	1,000,000	08/13/13	4.000%	980,625	988,750
FHLB CALLABLE - 3133M5T83	11/04/98	2,000,000	09/30/13	5.830%	2,014,260	2,014,380
FNMA 449353 - 31380TE23	11/17/98	3,000,000	10/01/13	5.500%	90,780	117,805
FHLMC SER R004-AL - 31396GG70	various	4,000,000	12/15/13	5.125%	3,273,924	3,274,360
FHLB STEPUP CALL - 3133X3D91	01/30/04	2,600,000	01/30/14	4.000%	2,600,000	2,557,750
FHLB STEPUP 3133X45X0	03/24/04	2,000,000	03/24/14	4.000%	1,998,000	1,966,880
FHLB STEPUP 3133X6SN9	04/21/04	2,300,000	04/21/14	3.625%	2,289,937	2,245,375
FHLMC E00669 - 31294JW61	02/19/02	2,000,000	05/01/14	6.000%	227,789	192,020
FHLMC P60031 - 31288MA82	02/15/05	20,000,000	07/01/14	6.500%	1,273,330	1,183,568
FHR 2863 DA - 31395G4H2	12/30/04	1,125,000	09/15/14	4.250%	467,559	444,176
FNMA STEP UP - 3136F6DG1	09/20/05	1,000,000	09/16/14	4.125%	991,250	985,000
FHR 2877 LA - 31395HLH1	07/14/05	2,500,000	10/15/14	4.250%	1,502,425	1,463,910
FHLB STEP UP - 3133X9C73	09/20/05	1,000,000	11/18/14	4.000%	986,500	978,750
FHLB STEP UP - 3133X9EY2	11/26/04	2,000,000	11/26/14	4.250%	1,988,750	1,956,880
FHR 2752 CR - 31394RL72	01/28/05	2,000,000	12/15/14	4.250%	1,045,250	1,002,563
FHLB CALL STEP UP - 3133X9R36	12/17/04	2,000,000	12/17/14	4.250%	2,000,000	1,963,760
FNMA CALL - 3136F6UL1	02/15/06	1,000,000	01/12/15	5.500%	983,125	989,060
FHLB - 3133XAU62	05/23/05	1,700,000	03/09/15	4.000%	1,695,750	1,682,473
FHLB STEP UP CALL BOND - 3133XAVN4	03/30/05	1,000,000	03/16/15	4.500%	990,000	986,880
FHLB MULTISTEP CALL - 3133XAW29	various	2,000,000	03/16/15	4.000%	1,990,000	1,978,760
FHLB REMIC CL2015A - 3133XAWF0	04/01/05	2,000,000	03/25/15	4.950%	1,455,368	1,432,591
FHLB STEP UP CALL - 3133XBSE1	03/30/05	1,000,000	03/30/15	4.250%	999,000	991,880
FHLB SD 2015 1 - 3133XQCE6	08/09/05	1,000,000	07/28/15	5.250%	886,942	865,702
FHLB SK 2015 CLASS 1 - 3133XCT60	11/08/05	1,500,000	08/18/15	5.140%	1,233,720	1,230,307
FHLB STEP UP CALL BOND - 3133XDPA3	various	2,000,000	11/10/15	5.000%	1,992,188	1,985,620
U.S. Treasury Strip 912833KF6	07/16/93	371,000	11/15/15	0.000%	78,452	242,441
FNR 2003-24 PN - 31393AK30	07/02/03	2,000,000	11/25/15	4.500%	2,054,375	1,957,900
FHLB - 3133XEWM7	04/12/06	1,000,000	03/29/16	5.500%	995,000	995,630

Table 13

City of Columbia, Missouri

SCHEDULE OF MARKETABLE SECURITIES AND INVESTMENTS
SEPTEMBER 30, 2006

Identification Number and Issuing Institution	Purchase Date	Face Amount, or Shares	Maturity Date	Coupon Interest Rate	Cost	Fair Value 09/30/06
FHLMC 2534 HA - 31393FSW7	05/19/04	3,800,000	04/15/16	5.000%	1,204,474	1,148,722
FHLMC E00975 GOLD - 31294KCL7	08/26/03	7,000,000	05/01/16	6.000%	624,269	553,277
FNBR 06-B1 AB - 31395NPD3	06/29/06	1,500,000	06/25/16	6.000%	1,406,937	1,422,084
FHLMC PL 0100X - 31294KDD4	03/30/05	8,000,000	07/01/16	5.500%	1,413,454	1,373,260
FNR 2003-83 PB - 31393ERP6	07/06/06	2,600,000	09/25/16	3.500%	2,088,943	2,111,823
FHLMC PL291302 - 31344XNTO	various	58,282,764	04/01/17	7.000%	509,412	468,385
FNMA REM 3-11 CL DB - 31392HQG1	01/30/03	1,000,000	04/25/17	5.000%	360,725	331,974
FHLMC 2474 NE - 31392PZL2	09/16/03	4,180,622	07/15/17	5.000%	615,175	559,423
GNR 2004-67 A - 38374HUC2	07/15/05	750,000	09/16/17	3.648%	391,421	392,948
FNMA 2002-89 CI CA - 31392GPK5	12/30/02	1,000,000	12/26/17	5.000%	314,062	285,191
FHLMC C90211 - 31335HGU1	12/12/02	3,500,000	04/01/18	6.500%	180,607	126,258
FHR 2844 BA - 31395EUQ8	09/16/04	2,000,000	06/15/18	5.000%	1,311,231	1,234,515
GNR 2003-88 AC - 38373MJA9	07/15/05	725,000	06/15/18	2.194%	515,370	517,460
FNMA STEP-UP CALL - 3136F32N5	08/01/03	2,000,000	08/01/18	4.250%	2,000,000	1,966,880
FHLMC STEPUP - 3128X1X77	10/29/03	1,000,000	10/29/18	4.875%	997,500	986,750
FHLMC C90263 - 31335HJG9	05/17/99	1,000,000	04/01/19	7.000%	95,596	74,339
FHR 3046 JE - 31396CPU8	11/04/05	1,000,000	06/15/19	5.000%	764,728	760,120
FNMA LP 577376 - 31386YMZ4	11/26/01	953,329	08/01/19	7.500%	166,083	133,784
FHR 1013 Z - 312904RL1	11/21/02	780,000	10/15/20	9.000%	97,118	74,882
GNR 2005-12A - 38373MNI5	07/15/05	575,000	05/16/21	4.044%	484,804	479,533
FNR 2006-62 VA - 31395N5T0	06/30/06	1,000,000	06/01/21	6.000%	919,830	927,477
FNMA 253945 - 31371KBN0	04/29/02	1,200,000	08/01/21	6.500%	116,937	94,461
FHR 1116 I - 312906C40	11/30/98	505,000	08/15/21	5.500%	24,428	30,206
FHR 1125 X - 312906XG0	various	950,000	08/15/21	8.250%	114,732	83,448
FHR 1163 JA - 3129072D9	11/29/99	500,000	11/15/21	7.000%	31,478	34,060
FHR 2522 - 31393F5T9	11/29/02	2,000,000	11/15/21	5.500%	515,865	474,605
FHR 3119 BV - 31396HRU5	various	4,100,000	12/15/21	5.500%	3,771,270	3,764,211
FNR 91-162 GA - 31358KF37	02/20/01	493,000	12/25/21	8.250%	42,347	30,078
FHLMC REMIC 1280 CL B - 312909J88	various	78,574,999	04/15/22	6.000%	719,913	619,735
FHR 2534 ER - 31393FUH7	01/27/05	2,000,000	04/15/22	4.500%	674,275	648,690
GNR 2004-97 AB - 38374JE93	07/15/05	925,000	04/16/22	3.084%	813,089	811,894
FNMA REM 03-34 BA - 31393CET6	09/28/03	4,000,000	05/25/22	4.000%	1,636,350	1,579,530
FHLMC C90787 - 31335H2U6	02/12/04	1,758,744	11/01/23	4.000%	1,298,630	1,289,076
FNMA 255114 - 31371LK32	04/15/04	2,000,000	03/01/24	5.000%	1,391,934	1,314,789
FNMA 255271 - 31371LK32	04/15/04	2,000,000	05/01/24	5.000%	1,452,080	1,441,187
FHR 2759 VG - 31394TGN9	08/31/04	1,105,000	10/15/24	4.250%	1,115,359	1,082,082
FHR 1883 L - 3133T7WD7	05/10/02	2,000,000	09/15/26	7.000%	602,865	546,486
FHR 2659 NP - 31394GP64	11/30/04	1,000,000	11/15/27	4.500%	1,006,563	980,600
FHLMC GOLD REMIC 2663AK - 31394HLT6	08/29/03	1,000,000	06/15/28	4.000%	360,339	360,792
FHR 2949WB - 31395R3K2	03/31/05	1,000,000	08/15/28	5.000%	796,151	782,893
GNMA POOL 002633M - 36202C4S9	08/24/98	1,000,000	08/20/28	8.000%	47,950	16,359
FHLMC REMIC 2109 CL PE - 3133TH2C0	05/12/05	2,500,000	12/15/28	6.000%	1,897,070	1,850,026
FHLMC 2691 EK - 31394LBR2	04/28/04	2,000,000	01/15/29	4.500%	1,018,767	986,001
FNR 2005-53 MU - 31394DH94	05/27/05	2,000,000	07/25/29	5.500%	1,815,258	1,761,156
FHLMC REMIC 2698 CL BA - 31394LPM8	02/24/05	3,000,000	11/15/32	5.000%	1,259,549	1,222,201
FHLMC ARM 1B0984 - 31336SUH9	02/23/04	2,000,000	07/01/33	3.295%	1,121,277	1,073,618
FNMA ARM 742243 - 31402YS88	12/23/03	1,000,000	09/01/33	3.816%	487,267	471,023
FNMA PL 777716 - 31404TAR4	04/26/04	2,000,000	04/01/34	3.750%	1,141,091	1,112,076
FNMA ARM 775566 - 31404QTX7	02/22/05	1,000,000	05/01/34	4.146%	547,180	534,169
FNMA PL 779076 - 31404UQ52	06/24/04	2,000,000	05/01/34	3.790%	1,512,973	1,505,653
FHR 2991 EG - 31395UWS6	08/04/05	2,000,000	11/15/34	5.500%	1,578,987	1,564,854
FHR 3071 LT - 31396EFQ4	05/24/06	2,400,000	11/15/34	5.750%	2,252,549	2,262,370
FHR 2915 UC - 31395LEW7	01/31/05	1,000,000	01/15/35	5.000%	525,441	509,623
FHLMC ARM 1B2795 - 3128JM7H4	03/23/05	2,000,000	03/01/35	4.446%	1,551,051	1,512,723
FHR 3000 JH - 31395WPD3	08/01/05	2,000,000	06/15/35	5.000%	1,800,847	1,767,975
FHR 3010 YC - 31395WDU8	07/29/05	2,000,000	07/01/35	5.000%	1,713,193	1,683,697
FHR 3020 DP - 31395XWY7	08/30/05	2,000,000	08/15/35	5.000%	1,686,649	1,662,034
FHR 3070 GA - 31396EZV1	11/15/35	2,000,000	11/15/35	5.500%	1,770,647	1,768,094
SARM 05-22 1A2 - 863579F52	12/07/05	980,772	12/25/35	5.250%	802,667	765,571
FHR 3157 LA - 31396NY67	08/31/06	2,000,000	08/31/06	5.500%	1,919,225	1,917,974
Total U. S. Government and Agency Securities					<u>147,914,503</u>	<u>144,838,608</u>
Bonds						
FICO Strip - 31771CQR9	11/26/96	1,129,000	02/03/15	0.000%	326,484	749,295
Miscellaneous Securities						
San Bernardino City CA - 796825AW7	11/07/96	500,000	08/01/15	0.000%	126,255	313,220
Orange County CA Pension - 68428LBA1	12/02/96	13,500,000	09/01/15	0.000%	3,617,055	8,419,005
UBS Select Money Market Fund	various	60,206,303	-	-	<u>70,783,443</u>	<u>70,783,443</u>
Total Miscellaneous Securities:					<u>74,526,753</u>	<u>79,515,668</u>
Repurchase Agreements:						
Boone County National Bank		1,689,000	10/01/03	0.000%	<u>2,924,000</u>	<u>2,924,000</u>
Total Pooled Cash Marketable Securities					<u>\$ 225,691,740</u>	<u>\$ 228,027,511</u>

Table 13

City of Columbia, Missouri

SCHEDULE OF MARKETABLE SECURITIES AND INVESTMENTS
SEPTEMBER 30, 2006

Identification Number and Issuing Institution	Purchase Date	Face Amount, or Shares	Maturity Date	Coupon Interest Rate	Cost	Fair Value 09/30/06
SELF-INSURANCE RESERVE:						
Bonds:						
U.S. Treasury Strip 912828ANO	07/30/04	\$ 700,000	11/15/07	3.000%	\$ 693,656	685,783
U.S. Treasury Strip 912828DJ6	01/27/06	\$ 1,000,000	01/31/07	3.125%	\$ 986,133	993,830
FNMA Medium Term Note	02/15/06	\$ 1,000,000	02/08/08	4.960%	\$ 997,600	997,810
Total Bonds					<u>2,677,389</u>	<u>2,677,423</u>
Mutual Funds:						
UBS Select Money Market Fund	various	4,567,503	—	—	4,567,503	4,567,503
Total Mutual Funds					<u>4,567,503</u>	<u>4,567,503</u>
Total Self-Insurance Reserve					\$ <u>7,244,892</u>	<u>7,244,926</u>
POLICE AND FIREFIGHTERS' RETIREMENT FUND:						
Corporate Bonds:						
Countrywide Fdg Corp 22237LEG3	12/14/01	235,000	10/30/06	7.200%	247,589	235,287
Union Electric 906548BN1	08/17/93	250,000	05/01/08	6.750%	256,240	254,945
BNP Pribas US Mtn NT Program - 05567LCH8	05/18/06	1,690,000	03/02/09	5.360%	1,683,240	1,686,181
Pennzoil Company 709903BB3	11/21/89	400,000	11/15/09	10.125%	398,350	450,896
Caterpillar Powernote 14911QBU4	various	1,000,000	02/15/11	6.750%	1,103,890	1,056,000
McDonnell Doug Corp 580169AM2	02/07/01	150,000	04/01/12	9.750%	188,250	180,970
New Brunswick Province - 642866DV6	12/07/93	250,000	08/15/13	6.750%	244,537	276,343
General Electric Cap Corp 36962GN55	02/25/05	1,000,000	08/25/15	4.125%	1,000,000	958,310
Toyota Motor Credit 89233PUT1	08/19/05	1,000,000	08/10/17	5.250%	995,500	976,910
Petro Canada LTD - 716442AC2	02/14/01	250,000	06/30/18	9.700%	315,000	337,725
Coca-Cola Enterprises - 191219AV6	08/01/01	2,000,000	06/20/20	0.000%	535,520	905,940
Chase Manhattan Corp. - 16161NAA8	07/05/01	8,000,000	03/24/27	0.000%	1,030,320	1,547,360
MBIA Inc. - 55262CAF7	02/08/00	500,000	10/01/28	6.625%	440,220	534,065
JP Morgan 2004-S2 CO 2A8 466247JE4	02/02/05	2,000,000	11/25/34	5.250%	2,010,000	1,965,400
CS First Boston REMIC - 225470EX7	01/11/06	500,000	11/25/35	5.500%	474,591	507,675
Total Corporate Bonds					<u>10,923,247</u>	<u>11,874,007</u>
Common Stock and Mutual Funds						
Evergreen Aggressive Growth	various	4,344	N/A	—	128,124	114,054
Fidelity Contra Fund	various	114,096	N/A	—	5,214,371	7,593,154
Fidelity Blue Chip Growth Fund	various	66,715	N/A	—	2,352,497	2,955,004
Fidelity Value Fund	various	14,793	N/A	—	856,345	1,366,065
American Century Ultra Fund	various	110,813	N/A	—	3,027,761	3,103,029
American Century Value Fund	various	518,228	N/A	—	4,732,236	5,602,864
American Century Int'l Growth	various	174,380	N/A	—	1,221,761	1,523,815
AIM Constellation Fund	various	60,819	N/A	—	1,495,069	1,522,321
AIM Global Aggressive Growth	various	94,795	N/A	—	1,716,191	2,383,620
Duff & Phelps Utilits Stk - 2643241C	various	31,208	N/A	—	342,660	333,926
Standard & Poors Dep Recpts-78462F1	various	37,300	N/A	—	1,739,968	4,982,534
Legg Mason Value Trust	various	82,934	N/A	—	3,343,011	5,494,407
Vanguard Strategic Equity	various	258,219	N/A	—	4,641,036	6,734,633
Total Common Stock and Mutual Fund:					<u>30,811,030</u>	<u>43,709,426</u>
U. S. Government and Agency Securities						
Treasury Bond 253C-254D	06/09/83	2,000,000	11/15/06	—	895,669	1,987,600
AID-Republic of Panama - 698990AC2	08/29/83	144,583	08/01/11	—	105,444	105,917
Student Loan Mkt Assoc 863871AL3	08/29/91	1,000,000	05/15/14	—	221,898	493,950
Total U. S. Government and Agency Securities					<u>1,223,011</u>	<u>2,587,467</u>
Miscellaneous Securities						
Cook Cty IL S/D #155 FSA - 215219HB5	06/29/06	560,000	12/01/16	0.000%	302,411	320,057
Cook Cty IL S/D #155 FSA - 215219HE9	06/29/06	560,000	12/01/19	0.000%	249,334	267,170
UBS Select Money Market Fund	various	13,692,382	—	—	5,669,345	5,669,345
Total Miscellaneous Securities:					<u>6,221,090</u>	<u>6,256,572</u>
Asset-Backed Securities						
FHLMC REMIC 1364N CMO - 3129115B2	various	3,775,000	09/15/07	6.500%	20,832	98,007
GNMA 15 SF 337867X - 36224TJL5	02/18/93	860,000	10/15/07	6.500%	3,925	3,412
FHLMC E42095CP - 31357FKG4	04/20/93	598,514	11/01/07	6.000%	5,437	8,303
SBA Series 87-20H Cert - 83162CATO	11/25/87	11,460	11/01/07	10.050%	22,812	22,812
FHLMC REM F1423F - 312913UY0	06/25/93	500,000	12/15/07	7.000%	165,164	159,292
FNMA 15 SF 050743 CP - 313615LY0	various	855,000	04/01/08	6.000%	9,746	12,013
FHLB Callable - 31339Y4U3	01/09/04	1,000,000	07/09/08	3.000%	974,000	965,940
FNMA 271060-31372FB59	04/21/94	1,018,072	01/01/09	5.000%	26,148	56,731
FNMA 271083 - 31372FCU3	03/30/98	512,411	04/01/09	5.000%	0	10,082
FNMA 73562 - 31362WWX0	08/14/02	1,085,000	07/01/11	7.800%	1,049,296	975,488
FNMA 93140J - 31359BH34	12/03/93	500,000	06/25/13	6.650%	498,050	504,220
FHLB CALL BOND - 3133XFW69	06/26/06	1,000,000	06/23/16	6.200%	996,563	1,004,060
FHLMC 260794-3134113B4	08/24/87	500,000	10/01/16	8.000%	3,555	4,442
FHLMC MED NOTE B/E - 3128X2X67	01/13/05	1,000,000	04/08/19	5.500%	988,600	977,410
FHLMC REMIC 2509 ZG - 31392WJR2	04/19/04	1,100,000	10/15/32	5.500%	1,097,331	1,334,111
GNMA REMIC 03-34 PC - 38373QHJX2	04/11/06	1,500,000	02/16/32	5.500%	1,480,078	1,496,505
FNR 2005-5 CL AZ - 31394BA9	01/31/05	2,000,000	02/25/35	5.000%	1,765,625	1,927,399
FNMA REMIC 2005-30 CL Z - 31394C6F4	05/12/05	1,000,000	04/25/35	5.000%	928,471	943,433
Total Asset-Backed Securities					<u>10,035,633</u>	<u>10,503,660</u>
Total Police and Firefighters' Investment					\$ <u>59,214,011</u>	\$ <u>74,931,132</u>
Total Restricted/Unrestricted Marketable Securities and Investment					\$ <u>292,150,643</u>	\$ <u>310,203,629</u>

Table 14

City of Columbia, Missouri

FEDERAL AND STATE GRANTS
SEPTEMBER 30, 2006

<u>Policy Development and Administration:</u>		
Cultural Affairs	\$ 27,866	
Total Policy Development and Administration		\$ 27,866
<u>Public Safety:</u>		
Police	190,345	
Fire	165,810	
Joint communications	54,343	
Emergency Management	73,102	
Total Public Safety		483,600
<u>Transportation:</u>		
Transportation Planning Grant	28,429	
Planning	110,633	
East Broadway	303,173	
Blue Ridge 763 to Garth	245,136	
Non Motorized Transportation Grant	9,933	
Airport	205,665	
Public Transportation	2,361,149	
Total Transportation		3,264,118
<u>Health and Environment:</u>		
Health Department	1,076,503	
CDBG/HOME	1,200,041	
Fleet Operations	11,309	
Solid Waste	136,365	
Self Insurance FEMA Hail Damage	36,322	
Total Health and Environment		2,460,540
<u>Personal Development:</u>		
Flat Branch Park Phase II	184,853	
MLK Memorial Restoration	32,547	
Skate Park	14,727	
Historic Preservation	9,300	
Blind Boone Home	10,000	
Volunteer Services	2,855	
TRIM -Parks & Recreation	9,401	
TRIM- Public Works	9,250	
Community Services - OCS Support	95,931	
Emergency Shelter Grant	94,313	
Total Personal Development		463,177
Total Federal and State Grants		\$ 6,699,301

Table 15

City of Columbia, Missouri

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST SIX FISCAL YEARS*

Governmental Activities				
Fiscal Year Ended	Certificates of Participation	Capital Lease Obligations	General Obligation Bonds	Special Obligation Bonds
2006	-	-	-	25,615,000
2005	3,040,000	7,000,000	-	-
2004	3,989,500	7,000,000	-	-
2003	4,874,500	7,000,000	-	-
2002	5,696,500	7,000,000	2,125,000	-
2001	6,490,000	7,485,678	2,125,000	25,000,000

Business-Type Activities							
Fiscal Year Ended	Certificates of Participation	Special Obligation Bonds	Water & Electric Bonds	Sewer Bonds	Parking Bonds	Total Government	Ratio of Bonded Debt to Assessed Value ^a
2006	-	58,540,000	81,327,295	20,089,049	2,633,043	188,204,387	13.73 %
2005	2,457,114	14,399,066	81,327,295	20,089,049	2,633,043	130,945,567	11.24 %
2004	6,815,151	15,207,176	77,325,151	21,215,403	2,729,913	134,282,294	12.04 %
2003	8,738,130	15,985,286	63,592,285	21,465,951	2,821,782	124,477,934	11.65 %
2002	10,500,000	16,820,000	73,765,000	18,730,000	3,050,000	137,686,500	13.49 %
2001	-	9,955,000	60,310,000	17,735,000	2,965,000	132,065,678	13.92 %

*Prior to fiscal year 2001, debt reporting information was combined and is not readily available.

Table 16

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>Gross Bonded Debt</u>	<u>Less Debt Service Funds</u>	<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Value ^a</u>	<u>Net Bonded Debt Per Capita ^b</u>
1997	22,580,000	7,843,602	14,736,398	2.11 %	193.10
1998	16,865,000	8,518,540	8,346,460	1.01 %	108.28
1999	7,620,000	6,739,832	880,168	0.10 %	11.13
2000	5,035,000	6,490,267	(1,455,267)	(0.16) %	(18.22)
2001	2,125,000	2,574,573	(449,573)	(0.05) %	(5.20)
2002	700,000	1,190,238	(490,238)	(0.05) %	(5.55)
2003	0	484,393	0	0.00 %	0.00
2004	0	493,497	0	0.00 %	0.00
2005	0	503,611	0	0.00 %	0.00
2006	0	0	0	0.00 %	0.00

^a See Table 5 for property value data

^b Population data can be found in Table 25

City of Columbia, Missouri

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
SEPTEMBER 30, 2006

<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 (a)</u>	<u>Amount Applicable to City of Columbia</u>
City of Columbia	\$0	\$0	\$0	0.0%	\$0
Columbia School District	163,380,000	42,394,669	120,985,331	71.0%	85,894,319
Boone County	775,725	178,917	596,808	81.1%	484,000
Totals	<u>\$164,155,725</u>	<u>\$42,573,586</u>	<u>\$121,582,139</u>		<u>\$86,378,319</u>

Source: Assessed value data used to estimate applicable percentages provided by the Boone County Collectors Office. Debt outstanding data provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognized that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(a) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

Table 18

City of Columbia, Missouri

**LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

Assessed value (2006 FY)		<u><u>\$1,466,090,151</u></u> *
Constitutional debt limit ** (20% assessed value)		\$293,218,030
Total bonded debt	\$104,325,000	
Less:		
Water and Electric Utility Bonds	\$81,225,000	
Sanitary Sewer Utility Bonds	23,100,000	<u>104,325,000</u>
Total amount of debt applicable to debt limit		<u>0</u>
Legal debt margin		<u><u>\$293,218,030</u></u>

	Fiscal Year			
	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
Debt limit	\$137,364,014	\$174,030,754	\$182,151,025	\$187,693,126
Total net debt applicable to limit	\$10,570,000	\$7,455,000	\$4,795,000	\$3,490,000
Legal debt margin	\$126,794,014	\$166,575,754	\$177,356,025	\$184,203,126
Total net debt applicable to the limit as a percentage of debt limit	7.69%	4.28%	2.63%	1.86%

* 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.

Table 18, cont.

City of Columbia, Missouri

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Fiscal Year					
2001	2002	2003	2004	2005	2006
\$201,675,609	\$210,953,913	\$223,338,535	\$231,727,857	\$271,166,022	\$293,218,030
\$2,125,000	\$2,125,000	\$0	\$0	\$0	\$0
\$199,550,609	\$208,828,913	\$223,338,535	\$231,727,857	\$271,366,022	\$293,218,030
1.05%	1.01%	0.00%	0.00%	0.00%	0.00%

Table 19

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 (c)						Revenue Bond Coverage
	Operating Revenue	Operating Expenses	Net Revenue	Principal	Interest (b)	Total	
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
2006	105,384,237	85,904,487	19,479,750	3,595,000	4,332,137	7,927,137	2.46

- (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) This includes Special Obligation Bonds, Series 2006C, which are to be treated as a water and electric utility revenue bond issue.

Table 20

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	Net Revenue	Principal	Interest (b)	Total	
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
2006	9,915,355	6,221,458	3,693,897	1,280,000	1,126,455	2,406,455	1.53

- (a) Revenue bonds and their related interest are payable solely from the revenues derived from the operation of the enterprise owned by the City. The taxing power of the City is not pledged to secure payment of the bonds and interest.
- (b) Interest payments made during the fiscal year.
- (c) Includes investment revenue in fiscal year 2002 and thereafter.
- (d) This includes Special Obligation Bonds, Series 2001A and Special Obligation Bonds, Series 2006A, which are to be treated as sewer system revenue bond issues.

Table 21

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</u>	<u>Net Revenue</u>	<u>Principal</u>	<u>Interest (b)</u>	<u>Total</u>	<u>Revenue Bond Coverage</u>
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
2006	1,657,637	710,577	947,060	0	0	0	n/a (c)

(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) The 95 Parking Revenue Bonds were refunded with the Special Obligation Bonds, Series 2006A issue.

Table 22

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		
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
2006	96	58,918,770	1,897	221,396,606	2,345,000 (c)	5,713,406,342

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

(b) Source: Bank Call Reports.

(c) Source: FDIC Summary of Deposits

Table 23**City of Columbia, Missouri****LARGEST ELECTRIC UTILITY CUSTOMERS
SEPTEMBER 30, 2006**

<u>Customer</u>	<u>Billed kWh</u>	<u>Billed Revenue</u>
Minnesota Mining and Manufacturing (3M)	41,787,295	\$ 2,206,400
Columbia Foods	32,700,078	1,680,625
Boone Hospital Center	23,776,483	1,369,868
Extrusion Technologies, Inc.	17,294,362	908,600
Gates Rubber	17,038,425	1,083,518
VA Hospital	16,092,015	1,006,039
Davidson Textron	14,176,297	905,896
Quaker Oats	13,550,101	779,764
Columbia Mall	11,670,781	795,056
University of Missouri - Columbia Regional Hospital	9,630,865	578,677
	<u>197,716,702</u>	<u>\$ 11,314,443</u>

Table 24

City of Columbia, Missouri

LARGEST WATER UTILITY CUSTOMERS
SEPTEMBER 30, 2006

Customer	Billed CCF	Billed Revenue
Columbia Foods	429,837	\$ 588,989
Minnesota Mining and Manufacturing (3M)	201,765	279,951
Boone Hospital Center	58,188	104,944
VA Hospital	57,227	80,659
Rockbridge High School	38,764	76,764
Extrusion Technologies, Inc.	36,774	51,879
University of Missouri - Columbia Regional Hospital	28,804	44,286
State Farm Insurance	24,011	45,136
Executive Center	22,637	37,523
Columbia Ready Mix	18,349	28,724
	916,356	\$ 1,338,855

City of Columbia, Missouri

DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Estimated Population</u>	<u>Personal Income</u> ^a	<u>Per Capita Personal Income</u> ^a	<u>Median Age</u>	<u>Unemployment Rate</u>
2005	91,814	4,865,759 ^b	31,959 ^b	35.2	3.9%
2004	89,803	4,537,251	30,019	35.2 *	2.5%
2003	88,423	4,230,922	28,197	30.8	2.0%
2002	87,003	4,056,814	27,293	29.9	1.8%
2001	86,081	3,959,699	26,914	26.8 **	1.7%
2000 ***	85,292	3,845,753	26,352	30.0	1.1%
1999	80,500	3,591,425	24,887	29.4	0.7%
1998	79,860	3,451,711	24,170	29.9	1.4%
1997	78,675	3,259,764	23,094	29.6	1.3%
1996	76,756	3,057,841	22,083	29.3	1.4%

*2004 - Sales and Marketing Management Survey included the Jefferson City data with Columbia data.

**Census data listed Columbia's average population at 26.8 - For FY 2002, we utilized the results from the "Sales and Marketing Management" magazine.

***Beginning in 2000, population numbers are revised based on estimates from the Missouri Census Data Center

^a Columbia is reported as a Metropolitan Statistical Area (MSA) which includes Boone and Howard Counties
Source: US Department of Commerce, Bureau of Economic Analysis

^b Estimates based on prior two years

Table 26

City of Columbia, Missouri

PRINCIPAL EMPLOYERS
CURRENT YEAR

Employer	2006		
	Number of Full time, benefited Employees	Rank	Percentage of Total City Employment**
University of Missouri - Columbia	8,002	1	10.01%
University Hospital and Clinics	4,520	2	5.65%
Columbia Public Schools	2,150	3	2.69%
Boone Hospital Center	1,769	4	2.21%
City of Columbia, Missouri	1,220	5	1.53%
State Farm Insurance	1,151	6	1.44%
Shelter Insurance Company	1,040	7	1.30%
MBS Textbook Exchange	947	8	1.18%
Hubbell Power Systems, Inc.	910	9	1.14%
US Department of Veteran Affairs	910	9	1.14%

**used latest info available from MERIC website (3rd qtr 2005)

Table 27

City of Columbia, Missouri

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Full-time Equivalent Employees as of September 30									
	2006*	2005	2004	2003	2002	2001	2000	1999	1998	1997
Governmental Activities										
General Administrative										
City Clerk and Elections	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
City Manager	6.60	6.60	6.60	6.60	7.60	6.60	6.60	6.40	6.40	6.40
Finance (incl. Risk Management)	38.25	37.25	36.25	36.25	35.25	35.25	35.25	35.25	34.75	34.00
Human Resources	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.40	8.40	7.40
Law	9.00	9.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Cultural Affairs	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	2.25
Convention & Tourism	7.00	7.00	7.00	7.00	6.00	6.00	5.00	5.00	5.00	5.00
Public Safety										
Police	181.00	178.00	175.00	173.00	169.00	162.00	160.00	154.00	150.00	147.00
Fire	132.00	129.00	128.00	128.00	128.00	120.00	115.00	115.00	114.00	112.00
Municipal Court	8.90	8.90	7.90	7.90	6.90	6.75	6.75	6.75	6.75	6.50
Emergency Mgmt & Comm	32.75	30.75	29.75	29.75	29.75	29.75	29.75	30.35	28.35	26.35
Health & Environment										
Health	58.40	58.30	58.55	55.35	53.85	49.10	47.10	49.05	51.75	49.50
Planning (incl. CDBG)	12.00	12.00	12.00	12.00	12.00	11.00	9.00	8.00	8.00	8.00
Economic Development	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Community Services	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20	1.95
Parks & Recreation	41.50	40.50	40.50	38.50	37.75	37.75	34.75	31.75	30.75	29.25
Public Works										
Admin & Engineering	26.68	26.18	25.68	25.18	25.18	25.18	24.18	24.18	23.75	23.75
Streets & Sidewalks	39.80	38.80	37.80	34.80	34.80	34.80	34.80	34.80	34.80	34.80
Parking Enforcement	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	3.00
Protective Inspection	16.25	16.25	14.75	14.75	13.75	14.75	14.75	14.75	14.75	14.75
Custodial & Maintenance	10.50	10.50	9.00	9.00	9.00	8.00	8.00	8.00	8.00	8.00
Fleet Operations	24.90	23.90	22.90	22.90	22.90	22.90	22.90	22.90	21.85	20.85
Employee Benefit	3.00	3.00	3.00	3.00	3.00	3.00	3.00	0.00	0.00	0.00
Information Technologies	23.20	22.20	21.70	21.70	21.70	21.70	21.70	21.50	20.00	21.00
Public Communications	6.00	6.00	5.50	6.00	5.50	4.50	6.09	5.50	5.50	5.50
Contributions	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1.00
Business-Type Activities										
Railroad	4.00	4.00	4.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Water & Electric	229.10	226.10	220.10	220.10	218.10	214.10	212.21	209.30	207.30	204.70
Recreation Services	36.25	35.50	35.50	35.25	35.75	28.50	27.50	26.50	25.50	26.00
Public Works										
Public Transportation	36.10	35.10	32.10	30.60	30.60	30.60	30.60	29.60	24.20	24.20
Airport	16.00	16.00	16.00	16.00	16.00	16.00	16.00	14.00	14.00	14.00
Sanitary Sewer	57.24	56.24	56.24	56.24	56.24	54.24	52.24	51.74	51.15	51.15
Parking Facilities	5.60	5.60	5.60	5.60	5.60	5.60	5.60	5.60	5.50	4.50
Solid Waste	77.25	77.25	77.25	77.25	73.25	73.25	73.25	73.25	61.25	60.25
Stormwater Utility	10.43	10.43	8.93	8.93	8.93	8.93	8.93	8.43	8.00	8.00
Utility Customer Services	12.00	12.00	12.00	11.75	10.75	10.75	10.00	10.00	9.00	9.00
Total	1,186.90	1,167.55	1,142.80	1,129.60	1,113.35	1,077.20	1,057.15	1,038.20	1,005.90	987.05

* current year is budgeted, all other years are actual

Table 28

City of Columbia, Missouri

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Fiscal year									
	2006*	2005	2004	2003	2002	2001	2000	1999	1998	1997
Police										
Traffic Accidents Investigated	3,300	2,972	3,149	2,855	2,584	2,560	2,676	2,643	2,729	2,513
Moving Violations Issued	13,000	10,089	12,205	10,208	10,151	9,936	10,082	9,560	9,211	7,245
Warning Tickets Issued	9,000	6,448	8,757	6,540	6,379	5,666	6,733	4,795	4,546	6,670
Driving While Intoxicated Arrests	700	559	581	426	445	388	414	309	309	447
Fire										
Fire Calls (All Types)	430	490	414	446	512	535	503	609	534	525
Rescue Calls	4,580	4,997	4,540	4,204	3,978	3,822	3,754	3,434	3,153	2,935
Sanitary Sewer Utility										
Average daily flow (millions of gallons)	16.0	15.8	16.0	14.9	15.9	15.9	13.8	14.5	16.6	15.1
Solid Waste Utility										
Tons of waste collected	167,650	165,228	162,434	154,186	156,193	156,803	146,272	133,843	127,833	127,902
Tons of recyclables collected	8,380	8,410	7,762	6,662	6,017	4,786	4,682	4,077	2,179	2,476
Public Transportation										
Total Vehicle Miles-Fixed Route	495,714	517,732	495,714	489,654	484,000	437,700	506,616	407,082	458,634	458,634
Total Vehicle Miles-Paratransit	162,271	101,991	151,769	104,328	152,166	149,662	153,028	177,000	170,227	124,776
Airport										
Number of Enplaned Passengers	20,000	19,957	17,925	21,079	23,271	23,010	33,986	24,537	28,707	30,367
Parking Facilities										
Parking permits issued (surface & structures)	1,580	1,426	1,466	1,441	1,477	1,401	1,489	1,392	1,759	1,204
Metered & hourly spaces	2,451	2,522	2,522	2,523	2,520	2,254	2,246	2,159	2,053	1,916
Other Public Works										
Street Segments Resurfaced/Repaired	739	436	555	232	579	358	547	273	377	314
Number of Permits Issued	5,100	11,768	4,709	5,584	4,879	5,504	5,612	6,427	6,000	5,850
Parks and Recreation										
Number of Athletic Fields Maintained	47	47	45	45	45	45	45	45	45	45
Total Sq feet of Landscape Beds Maintained	399,473	375,000	369,503	354,601	349,455	311,550	305,140	284,766	248,766	unknown
Railroad										
Carloads	3,426	2,606	2,150	1,627	1,536	1,536	1,474	1,495	1,432	1,325
Water										
Fire hydrants installed	190	307	185	206	100	79	232	166	133	200
Services/meters installed	1,116	1,200	1,084	1,442	1,056	960	1,104	1,622	1,490	1,911
Electric										
New Distribution Transformers Installed	458	528	446	434	442	365	400	472	336	459
Electric Meters Installed	1,767	1,504	1,427	1,152	813	935	1,456	742	696	1,059
Miles of Underground Lines Installed	13.00	29.61	12.77	24.22	11.77	23.29	12.80	18.17	11.19	19.00
Health & Environment										
Certificates of Live Birth	3,400	3,619	3,442	3,336	3,264	3,293	3,150	3,278	2,780	3,026
Immunizations	21,000	14,873	23,128	19,818	12,014	16,000	15,335	12,000	11,565	12,343
WIC Visits	21,184	21,184	24,786	21,500	21,500	21,500	21,500	21,048	21,600	21,048
Inspections	14,919	15,641	15,641	12,612	15,406	11,991	11,531	14,446	12,621	14,198

* current year is budgeted, all other years are actual

Table 29

City of Columbia, Missouri

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
CURRENT YEAR*

Function/Program	2006
Police	
Stations	1
Substations	5
Vehicles	107
Fire	
Stations	8
Vehicles	34
Sanitary Sewer Utility	
Collection system (total miles)	524
Solid Waste Utility	
Collection vehicles	32
Public Transportation	
Buses-General Fixed Route	17
Buses-Campus Fixed Route	9
Buses-Paratransit	8
Airport	
Pavement Surface (Square yards)	464,950
Parking Facilities	
Parking Structures	4
Surface Lots-Permit	7
Surface Lots-Meter	5
Other Public Works	
Streets (miles)	425
Signalized Intersections	37
Parks and Recreation	
Pools	5
Golf Courses (18 hole)	2
Athletic fields with lights and/or irrigation systems	25
Rec/Nature Centers	1
Railroad	
Locomotives	2
Miles of main track	21.34
Water	
Water mains (miles)	618.65
Electric	
Circuit Miles of Distribution Lines	713.81

*Information for the prior years is not readily available

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City of Columbia, Missouri

INSURANCE IN FORCE
SEPTEMBER 30, 2006

City of Columbia - Property/Casualty Insurance Program
Policy Period - October 1, 2005 to October 1, 2006

I. Liability Package Policy

- A. Insurance Company – Clarendon America Insurance Company
- B. Best's Rating is A- X and Non-Admitted in Missouri
- C. Policy # – XLA00311262
- D. Annual Premium is \$210,684
- E. Includes the following coverages:
 - 1 Liability coverages - \$500,000 Self-Insured Retention
 - a. General Liability - \$1,805,000 Each Occurrence/\$2,850,000 Total Limit
 - b. Police Professional Liability - \$1,805,000 Each Occurrence
 - c. Products Liability - \$2,850,000 Total Limit
 - d. Public Officials Liability - \$1,805,000 Each Claim/\$1,805,000 Total Limit
 - e. Employment Practices Liability - \$1,805,000 Each Claim/\$1,805,000 Total Limit
 - f. Includes Sexual Abuse and Molestation
 - g. Employee Benefits Liability - \$1,805,000 Each Claim/\$1,805,000 Total Limit
 - 2 Automobile Coverages - \$500,000 Self-Insured Retention
 - a. Auto Liability - \$1,805,000 Each Occurrence
 - b. Automobile Physical Damage – included in the Excess Property

II. Property/Boiler and Machinery Coverages

- A. Insurance Company – Factory Mutual Insurance Company (FM Global)
- B. Best's Rating is A+ XIV – Admitted in Missouri
- C. Policy # – FM229
- D. Annual Premium is \$372,331, plus \$20,216 TRIA Premium (Total Premium is \$392,547)
- E. \$250,000,000 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 Flood with a \$100,000 Retention (excludes Zones A, B and V)
- 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
- M. Includes Boiler and Machinery Coverages

III. Crime Coverages

- A. Insurance Company – Federal Insurance Company (Chubb)
- B. Best's Rating is A++ XV - Admitted in Missouri
- C. Policy # – 8170-2669
- 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 – Safety National Casualty Corporation
- B. Best's Rating is A X - Admitted in Missouri
- C. Policy # – SP-1A30-MO
- D. Annual Premium is \$83,959
- E. Statutory Limits
- F. \$750,000 Self-Insured Retention – Plus \$250,000 Annual Deductible (No Annual Aggregate)
- G. Employers Liability Limit - \$1,000,000

City of Columbia, Missouri

INSURANCE IN FORCE
SEPTEMBER 30, 2006

V. Chamber of Commerce Property

- A. Insurance Company – Pacific Indemnity Insurance Company (Chubb)
- B. Best's Rating is A++ XV - Admitted in Missouri
- C. Policy # – 3533-30-61 ITG
- D. Annual Premium is \$3,116, plus \$125 TRIA Premium (Total Premium is \$3,241)
- E. Building Limit is \$953,677
- F. All Risk Coverage
- G. \$2,500 Deductible

VI. Airport Liability

- A. Insurance Company – Illinois National Insurance Co.
- B. Best's Rating is A+ XV and Admitted in Missouri
- C. Policy # – AE3395036-06
- D. Annual Premium is \$14,193, plus \$4,258 TRIA Premium (Total Premium is \$18,451)
- 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 - \$1,000,000 Each Individual/Aggregate
 - 5 Incidental Medical Malpractice - \$10,000,000 Limit Each Occurrence/Aggregate
 - 6 Non-Owned Aircraft Liability - \$10,000,000 Limit Each Occurrence
 - 7 Hangarkeepers Liability - \$10,000,000 Each Aircraft
 - 8 Hangarkeepers Liability - \$10,000,000 Each Loss
 - 9 Deductible - \$1,000 Each Aircraft

VII. Health Department Professional Liability

- A. Insurance Company – Columbia Casualty Company (CNA)
- B. Best's Rating is A XV – Non-Admitted in Missouri
- C. Policy # – HMA1040025803-3
- D. Annual Premium is \$32,000
- E. Limits - \$1,000,000/\$2,000,000
- F. Deductible - \$15,000

VIII. Railroad Liability

- A. Insurance Company – Steadfast Insurance Company
- B. Best's Rating is A XV – Non-Admitted in Missouri
- C. Policy # – SCC543651601
- D. Annual Premium is \$36,225
- E. Coverages:
 - 1 \$5,000,000 Each Occurrence/\$10,000,000 Aggregate
 - 2 \$25,000 SIR All Coverages, except \$50,000 SIR for FELA
 - 3 Claims-Made Policy

IX. Railroad Rolling Stock

- A. Insurance Company – Fireman's Fund Insurance Company
- B. Best's Rating is A XV - Admitted in Missouri
- C. Policy # – MX197908400
- D. Annual Premium is \$2,502
- E. Coverages:
 - 1 \$236,000 All Covered Property – Any One Occurrence
 - 2 \$500 Deductible
 - a. SW120 Electromotive Div. GM Corp. 1200 HP Diesel – Electric RR Eng, S#4278-1-COLT
 - b. EMD Model GP-10, 1952 – HP: 1,750; Axles 4

X. Arthur J. Gallagher & Co. Broker Fee - \$35,000

XI. Loss Prevention Fee - \$20,000

Table 31**City of Columbia, Missouri****SALARIES OF PRINCIPAL OFFICIALS
SEPTEMBER 30, 2006**

Official Title	Salary Range
City Manager	no minimum - no maximum
Public Works Director	86,091 – 117,520
Water and Light Director	86,091 – 117,520
City Counselor	81,992 – 111,921
Finance Director	81,992 – 111,921
Assistant City Manager	74,368 – 101,508
Police Chief	74,368 – 101,508
Planning Director	74,368 – 101,508
Director of Health Services	70,822 – 96,683
Fire Chief	70,822 – 96,683
Parks and Recreation Director	70,822 – 96,683
Information Technologies Director	67,450 – 92,073
Economic Development Director	67,450 – 92,073
Human Resources Director	67,450 – 92,073
Convention/Visitor's Bureau Director	67,450 – 92,073
Manager of Community Services	50,342 – 68,704
Manager of Cultural Affairs	45,654 – 62,317
City Clerk	41,411 – 56,526