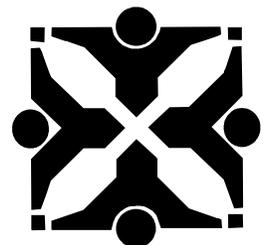


CITY OF COLUMBIA, MISSOURI

**Comprehensive
Annual Financial Report**

For the Fiscal Year
October 1, 2003 - September 30, 2004

Department of Finance
Lori B. Fleming, Director



CITY OF COLUMBIA, MISSOURI

**Comprehensive
Annual Financial Report**

For the Fiscal Year
October 1, 2003 - September 30, 2004

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Lori B. Fleming, Director

CITY OF COLUMBIA, MISSOURI

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CITY OF COLUMBIA, MISSOURI

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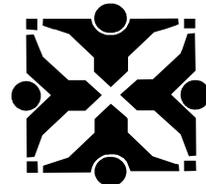
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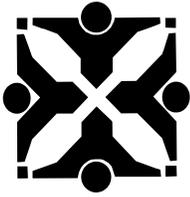
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CITY OF COLUMBIA, MISSOURI

INTRODUCTORY SECTION





CITY OF COLUMBIA, MISSOURI

FINANCE DEPARTMENT
ADMINISTRATION

January 14, 2005

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

Introduction

Management Responsibility

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

CAFR Explanation

The Comprehensive Annual Financial Report has three sections.

Section I - Introductory

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

Section II - Financial

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

Section III - Statistical

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

The Financial Reporting Entity

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

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

Government Structure

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

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

Economic Condition and Outlook

The City of Columbia is located in Boone County in the central portion of the State of Missouri. The City's central location serves as a crossroad for travelers going east and west on Interstate 70 and north and south on U.S. 63. Columbia has excellent transportation resources being serviced by 16 motor carriers, Columbia Regional Airport, Columbia Terminal Railroad, Columbia Area Transit System and four intrastate bus services. The City encompasses approximately 56 square miles and has a current estimated population of 90,066. Columbia continues to enjoy a steady growth rate, increasing 5,535 from the 2000 census figures.

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

All of these activities have given Columbia a very stable employment base. Public education (including the University) and government comprise over 26% of all non-farm employment and are four of the top ten employers in the Columbia area. Service industries provide approximately 32% of non-farm employment with the medical industry comprising three of the top ten employers. The retailing industry is also very strong providing approximately 28% of the employment in the area. The unemployment rate in Columbia, approximately 2.5% in 2004, has been well below the national average of approximately 5.4%.

Major Initiatives

During 2004, the City of Columbia's major initiatives continued to focus on the eight most important strategies identified by the City Manager in his state of the City address. These initiatives are:

- ◆ Identify and address major challenges and opportunities
- ◆ Assure our City's comprehensive planning remains current
- ◆ Maintain and strengthen our central city
- ◆ Plan for orderly growth of our city from the inside outward
- ◆ Continue to maintain and improve existing infrastructure; 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

The City conducted its first citizen survey in April of 2003. This survey provided useful information to the City on how good a job our citizens believe we are doing. During 2004, the City continued to respond to identified areas our citizens wanted the most emphasis placed on. Emphasis on traffic flow and street maintenance is important to our citizens. During 2004, the City selected a consulting team to assist in developing a comprehensive strategy for financing transportation needs. The process recommended by this consultant includes working with a citizens committee, which the Mayor appointed in October of 2004. This committee's work should be complete early in 2005.

As a growing community, it is important for the City's utilities to maintain the ability to provide service to all customers. The voters passed ballot issues for capital improvement plans for the Water and Electric and Sewer Utilities in November of 2003. Bonds were issued during 2004 to finance the first phases of these plans.

The electric utility finalized a purchase agreement for additional power to replace the existing contract that expired during 2004. Voters approved a ballot issue in November 2004 that calls for the City to ensure two percent of its energy purchases come from renewable sources by 2007 as long as this does not cause electric rates to increase more than three percent above the cost of fossil fuels. Much work has been accomplished by the electric utility to adapt to the changing environment of the industry. Staff continues to work with Midwest Independent System Operators to ensure continued reliable delivery of power purchased to meet the needs of our customers. While these events have increased the cost to the utility and required a rate increase, Columbia continues to have some of the lowest rates in the area.

Significant progress continued on the expansion of the City's e-government capabilities. New parks and recreation software was implemented that allows citizens to sign up and pay for parks programs online. The contract has been awarded and tests have been nearly completed for an online utility billing information and payment package that will allow utility customers to access utility information online and pay utility bills. This system will also allow for the same information to be accessed via the telephone to provide the same access to all customers whether or not they have online access.

Financial Trend Monitoring System

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

The purpose in developing the City of Columbia's Financial Trend Monitoring System (CFTMS) was to enable the City to better understand the factors which affect the City's financial condition, and to present a clear picture of the City's financial strengths and weaknesses for review by City management, credit rating agencies and others with a need to know. The ICMA Financial Trend Monitoring System was modified by the City's Finance Department to apply not only to governmental funds, but also to include the City's diverse enterprise operations. The system monitors the indicators organized around environmental and financial factors such as external economic conditions, intergovernmental constraints, revenues, expenditures, operating position, debt structure, and the condition of capital plant. In order to use the Financial Trend Monitoring System, the City of Columbia began constructing indicators based upon five-year data for fiscal years 1977-81 and has been continually updated through fiscal year 2004. 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 2004.

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, 2003. 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, 2004, the portfolio had a fair value of \$63,836,446 with maturities of overnight to 28 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 \$219,878,365 and a fair value of \$233,322,728 as of September 30, 2004. 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 \$157,035,322 and a fair value of \$161,149,160. Approximately 66% of the pooled cash portfolio is in U.S. government and agency securities. Twenty-seven percent of the pooled cash portfolio is in a money market fund. Due to the low interest rate environment, the City is holding these funds for the appropriate investment opportunity. A detailed listing of the securities held in the pooled cash portfolio can be found on pages 179 and 180.

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 \$8,328,727 and a fair value of \$8,337,122. A detailed listing of the securities held in this portfolio can be found on page 180.

Due to the compatible investment objectives of the funds, the City pools the Police and Firefighters' Retirement Funds portfolio. The portfolio had a cost of \$54,514,316 and a fair value of \$63,836,446 on September 30, 2004. As provided for in the current investment policies and guidelines, approximately 54% of the funds' assets are held in common stock and mutual funds. Remaining funds are allocated between corporate bonds, U.S. government and agency securities and a money market fund. A detailed listing of the securities held in this portfolio can be found on pages 180 and 181.

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 \$1,769,486 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-five years, and we believe our current report continues to conform to the Certificate of Achievement Program requirements.

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

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

Respectfully submitted,

**Lori B. Fleming
Director of Finance**

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Columbia,
Missouri

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2003

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



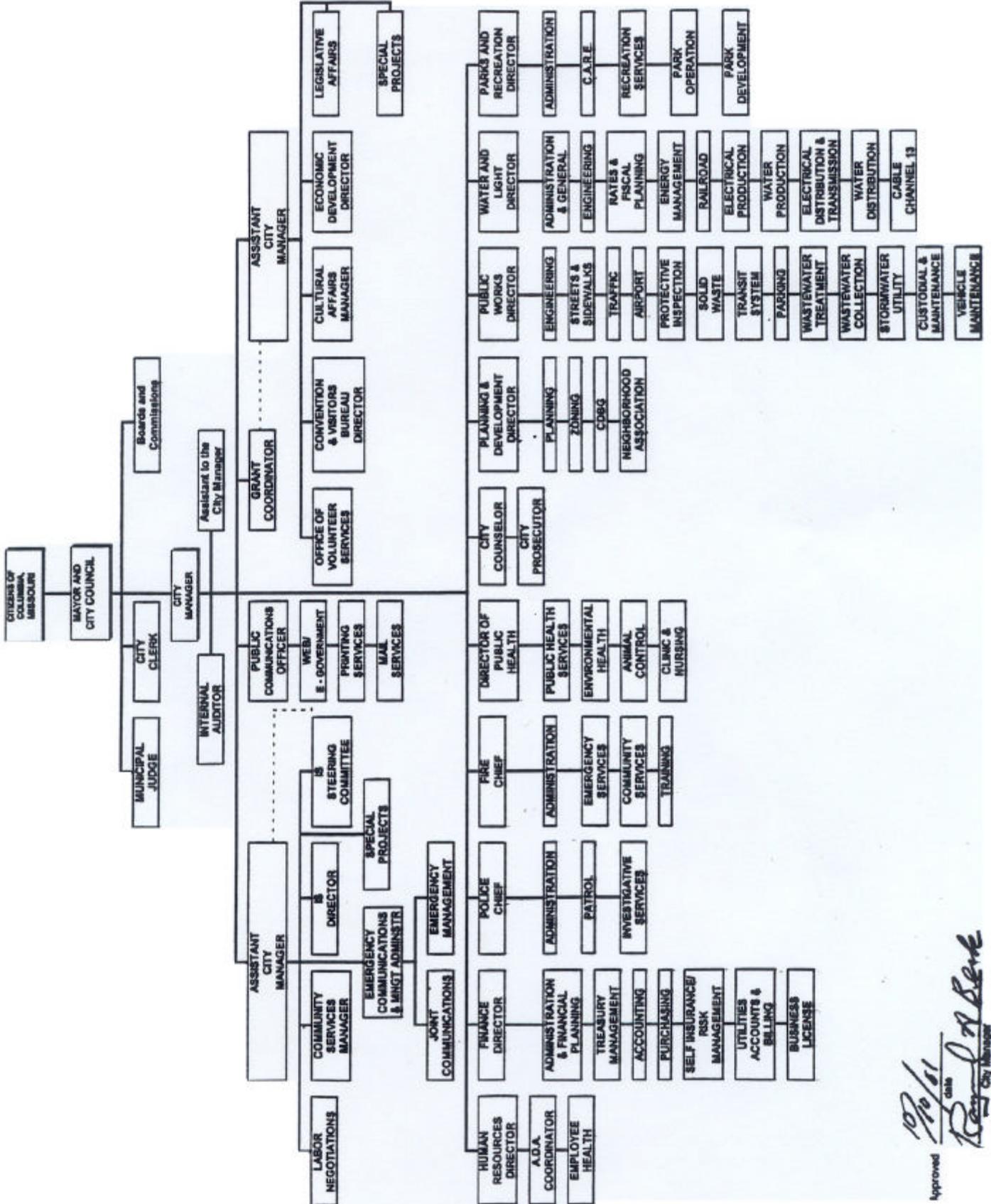
Nancy L. Zjella

President

Jeffrey R. Emery

Executive Director

FUNCTIONAL ORGANIZATIONAL CHART - CITY OF COLUMBIA, MISSOURI



Approved 10/10/01 date
Raymond A. Berk
 City Manager

CITY OF COLUMBIA, MISSOURI

CITY OF COLUMBIA OFFICIALS

MAYOR

Darwin Hindman

CITY COUNCIL

Almeta Crayton
Christopher Janku
Bob Hutton

Jim Loveless
John John
Brian Ash

CITY MANAGER

Raymond A. Beck

DIRECTOR OF FINANCE

Lori B. Fleming

INDEPENDENT AUDITORS

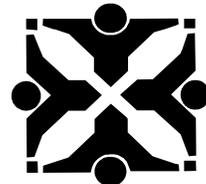
KPMG LLP



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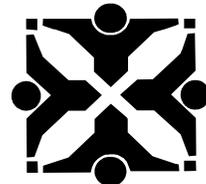
CITY OF COLUMBIA, MISSOURI

FINANCIAL SECTION



CITY OF COLUMBIA, MISSOURI

INDEPENDENT AUDITORS' REPORT



basic financial statements. These sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

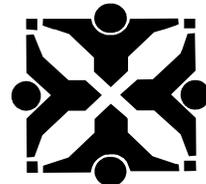
In accordance with *Government Auditing Standards*, we also have issued our report dated January 14, 2005 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

KPMG LLP

St. Louis, Missouri
January 14, 2005

CITY OF COLUMBIA, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS



City of Columbia, Missouri Management's Discussion and Analysis

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

Fiscal Year Highlights

Columbia continues to be a growing city. Revenue growth has recovered from the recent economic slow down of the past couple of years. The City provides a full range of governmental and proprietary services that include nine enterprise activities. This results in a greater volume of transactions and values than other cities of comparable size.

- The City's total net assets increased \$31,736,903 or 6.9%. Governmental activities net assets increased \$20,869,370 while business-type activities net assets increased \$10,867,533.
- The City's property tax levy remained at 41 cents approximately 3 cents below the maximum allowed under state law.
- The City experienced a 6.1% increase in sales tax revenue and property tax growth of 5.8%.
- One of the City's top employers and taxpayers, State Farm Insurance, made the decision to consolidate offices to Columbia which will bring approximately 300 new jobs to the City.
- City's Employee Health Insurance cost continued to increase requiring the use of reserves above the amount budgeted. The City addressed this in 2005 by increasing premiums 15% in addition to transferring an additional \$1 million to the internal service fund.
- Implementation of the capital plans approved by voters commenced with the issuance of \$17,095,000 in Water and Electric Revenue Bonds and \$650,000 in Sanitary Sewer Revenue Bonds.

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, 2004 and 2003:

City of Columbia's Net Assets

	Governmental Activities		Business-type Activities		Total	
	2004	2003	2004	2003	2004	2003
Current and other assets	\$ 109,301,893	100,721,927	\$ 115,826,139	106,511,016	\$ 225,128,032	207,232,943
Capital assets	107,692,753	97,105,151	320,210,797	308,207,485	427,903,550	405,312,636
Total assets	216,994,646	197,827,078	436,036,936	414,718,501	653,031,582	612,545,579
Long-term liabilities	15,055,687	14,719,185	125,790,007	115,370,312	140,845,694	130,089,497
Other liabilities	5,809,218	7,847,522	14,262,220	14,231,013	20,071,438	22,078,535
Total liabilities	20,864,905	22,566,707	140,052,227	129,601,325	160,917,132	152,168,032
Net assets						
Invested in capital assets, net of related debt	96,703,253	85,230,651	206,726,083	197,808,011	303,429,336	283,038,662
Restricted	58,403,923	47,930,717	8,157,585	7,983,948	66,561,508	55,914,665
Unrestricted	41,022,565	42,099,003	81,101,041	79,325,217	122,123,606	121,424,220
Total net assets	\$ 196,129,741	175,260,371	\$ 295,984,709	285,117,176	\$ 492,114,450	460,377,547

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

Total assets for the City as a whole are \$653,031,582 an increase of \$40,486,003. Governmental activities total assets increased \$19,167,568 which was primarily due to an increase in capital assets. Business-type activities total assets increased \$21,318,435. Total net capital assets increased \$22,590,914. Of this amount, \$10,587,602 was in governmental activities (primarily in street infrastructure) and \$12,003,312 for business-type activities (primarily in Water and Electric and Sanitary Sewer funds). Total liabilities have increased \$8,749,100, mostly due to the increase in long-term liabilities of \$10,756,197. A revenue bond issued in 2004 accounts for this increase, which is in business-type activities. Total governmental activities liabilities decreased \$1,701,802. Total other liabilities have decreased \$2,007,097 with slight decrease in the business-type activities. The \$2,038,304 decrease in the governmental funds relates to an approximately \$1.2 million claims payable for worker's compensation and general liability that was reclassified into long-term liabilities.

Total net assets for the City as a whole are \$492,114,450, an increase of \$31,736,903 or 6.9%. Governmental activities total net assets increased \$20,869,370 and business-type activities total assets increased \$10,867,533, increases of 11.9% and 3.8%, respectively. A large increase of \$20,390,674 (7.2%) was experienced in net assets invested in capital assets net of related debt. The City continues to invest in the expansion of the transportation system, water and electric distribution systems as well as the collection system in the sanitary sewer fund to accommodate our growing City. Restricted net assets increased by \$10,646,843 (19%). Most of this increase, \$10,473,206, occurred in governmental fund type restricted for capital projects and other purposes. Total unrestricted net assets increased slightly at \$699,386 or 0.6%. Business-type activities unrestricted net assets increased \$1,775,824, while unrestricted net assets for governmental activities decreased by \$1,076,438 due mostly to losses in the employee health insurance fund.

Schedule of Activities

The following table reflects the revenues and expenses for the City's activities for the year ended September 30, 2004 and 2003:

	City of Columbia's Schedule of Activities					
	Governmental Activities		Business-type Activities		Total	
	2004	2003	2004	2003	2004	2003
Revenues:						
Program revenues:						
Charges for services	\$ 8,413,343	8,528,017	\$ 106,876,186	101,883,995	\$ 115,289,529	110,412,012
Grants and contributions	4,758,552	4,325,098	1,261,263	1,304,361	6,019,815	5,629,459
Capital grants and contributions	12,215,202	2,455,945	6,600,749	4,703,521	18,815,951	7,159,466
General revenues:						
Property taxes	8,601,981	8,247,466	-	-	8,601,981	8,247,466
Sales tax	33,549,370	31,612,249	-	-	33,549,370	31,612,249
Other taxes	9,930,006	9,597,030	-	-	9,930,006	9,597,030
Investment revenue	2,151,560	1,478,964	2,497,648	1,895,527	4,649,208	3,374,491
Other	1,320,073	1,465,309	2,159,741	770,562	3,479,814	2,235,871
Total revenues	<u>80,940,087</u>	<u>67,710,078</u>	<u>119,395,587</u>	<u>110,557,966</u>	<u>200,335,674</u>	<u>178,268,044</u>
Expenses:						
Policy development and admin.	11,532,002	10,012,258	-	-	11,532,002	10,012,258
Public safety	27,615,723	26,447,188	-	-	27,615,723	26,447,188
Transportation	5,895,028	5,600,113	-	-	5,895,028	5,600,113
Health and environment	6,685,175	6,134,136	-	-	6,685,175	6,134,136
Personal development	8,268,102	8,604,106	-	-	8,268,102	8,604,106
Misc. nonprogrammed activities	468,146	297,170	-	-	468,146	297,170
Interest on long-term debt	608,792	834,347	-	-	608,792	834,347
Electric Utility	-	-	63,246,225	58,943,254	63,246,225	58,943,254
Water Utility	-	-	9,958,766	9,444,314	9,958,766	9,444,314
Sanitary Sewer Utility	-	-	9,216,293	8,979,382	9,216,293	8,979,382
Regional Airport	-	-	1,808,651	1,671,071	1,808,651	1,671,071
Public Transportation	-	-	3,252,432	3,044,024	3,252,432	3,044,024
Solid Waste Utility	-	-	10,692,045	10,432,357	10,692,045	10,432,357
Parking Facilities	-	-	1,745,467	1,755,804	1,745,467	1,755,804
Recreation Services	-	-	5,844,897	5,704,862	5,844,897	5,704,862
Railroad	-	-	712,513	661,508	712,513	661,508
Storm Water Utility	-	-	1,048,514	989,921	1,048,514	989,921
Total expenses	<u>61,072,968</u>	<u>57,929,318</u>	<u>107,525,803</u>	<u>101,626,497</u>	<u>168,598,771</u>	<u>159,555,815</u>
Increase in assets before transfers	19,867,119	9,780,760	11,869,784	8,931,469	31,736,903	18,712,229
Transfers	1,002,251	479,753	(1,002,251)	(479,753)	-	-
Increase in net assets	<u>20,869,370</u>	<u>10,260,513</u>	<u>10,867,533</u>	<u>8,451,716</u>	<u>31,736,903</u>	<u>18,712,229</u>
Net assets, beginning	175,260,371	164,999,858	285,117,176	276,665,460	460,377,547	441,665,318
Net assets, ending	<u>\$ 196,129,741</u>	<u>\$ 175,260,371</u>	<u>\$ 295,984,709</u>	<u>\$ 285,117,176</u>	<u>\$ 492,114,450</u>	<u>\$ 460,377,547</u>

The government-wide statement of activities indicates the major sources of program revenues are charges for services which increased by 4.4%. The City's largest utility, the Electric Utility, accounts for the majority of charges for service. This fund experienced a 4.5% growth between FY 2003 and FY 2004 which is slightly lower than the growth in all business-type activities of 4.9%. The largest increase in charges for service for business-type activities was for Sanitary Sewer utility at 8.8%. This increase was in part due to a 4.5% rate increase and growing customer base. The City's enterprise operations continue to experience growth in their customer bases. Charges for services for governmental activities decreased slightly at (1.4%) due mostly to a substantial decrease in special assessment revenue which can vary widely from year to year based upon the capital improvement plan. Fleet operations also had an increase in revenues from work for outside agencies and an increase in employee contributions to the health plan account offset some of the reduction in special assessment revenue.

The amount of operating grants for fiscal year 2004 is 6.9% above the FY 2003 amount. These increases continue to occur in the area of health, with smaller increases in public safety. Capital grants and contributions are up significantly by over \$11,656,485, most of which, \$9,759,257, occurred in governmental activities. Only \$1,897,228 occurred in business-type activities. Governmental activities capital grants and contributions increased in the area of transportation because of the dedication of two major roadways by the state and a transportation development district and a \$4.6 million state grant for improvements to another major roadway in the city. Business-type activities capital grant and contributions increased for water mains from new developments that were dedicated to the city. The City did not have a similar large dedication of infrastructure in FY 2003.

General revenues experienced growth in all areas with a total increase of 9.3%. The City's electric utility sold over \$1.2 million in SO2 credits which accounted for the 56% increase in other revenue. Investment revenue increased 37.7% due to the improving market and an increase in unrealized gains. Sales tax is the most significant general revenue. Columbia had a growth in sales taxes of 6.1% which was above budget projections for FY 2004. Staff continues to closely monitor the monthly sales tax files provided by the state.

Half of the City's business-type activities show program revenue in excess of expenditures. The City budgets for subsidies for all these activities, except parking operations which requires interest allocations to support operations. All of these funds, except railroad operations, have a positive result of operations when including general revenues and transfers. The City experienced no significant variance from projected revenues for FY 2004.

Total program expenses for FY 2004 are \$168,598,771, an increase of 5.7%. The majority of these expenses, \$107,525,803, are for business-type activities. Business-type activity expenses increased 5.8%. The largest increase in business-type expenses was in the electric utility due to the increase in purchased power costs. Governmental activity expenses of \$61,072,968 increased 5.4%. The largest increase occurred in policy development and administration and personal development which is where most of the City's internal service fund activities are shown. Large increases in health care costs account for a significant amount of this increase.

The total net assets increased \$31,736,903 or 6.9%. Governmental activities increased net assets by \$20,869,370 or 11.9%. Business-type activities increased net assets by \$10,867,533 or 3.8%. These amounts are higher than projections due to strong revenue growth and a larger than normal amount of capital contributions.

Net transfers were \$1,002,251 from business-type activities to governmental activities. However, the City transfers over \$3.7 million in general funds and transportation sales tax funds to support the operations of various business-type activities. Approximately \$2.2 million in parks sales taxes are transferred to the recreation services fund for operations and capital needs. For purposes of the government-wide financial statements, almost \$8 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.

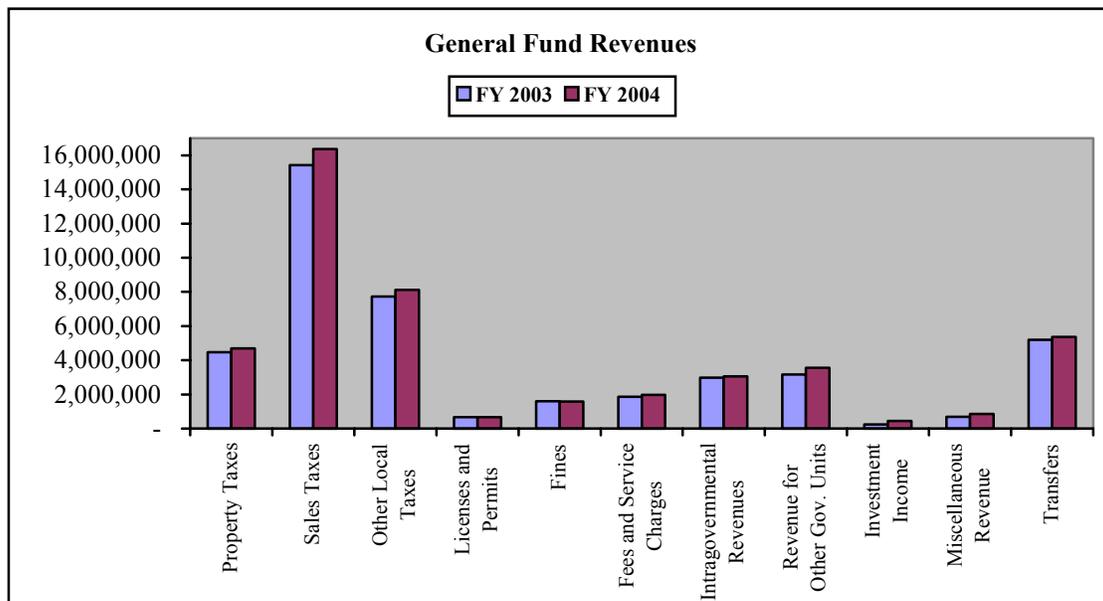
The City did not have any special or extraordinary items in FY 2004.

Fund Statements

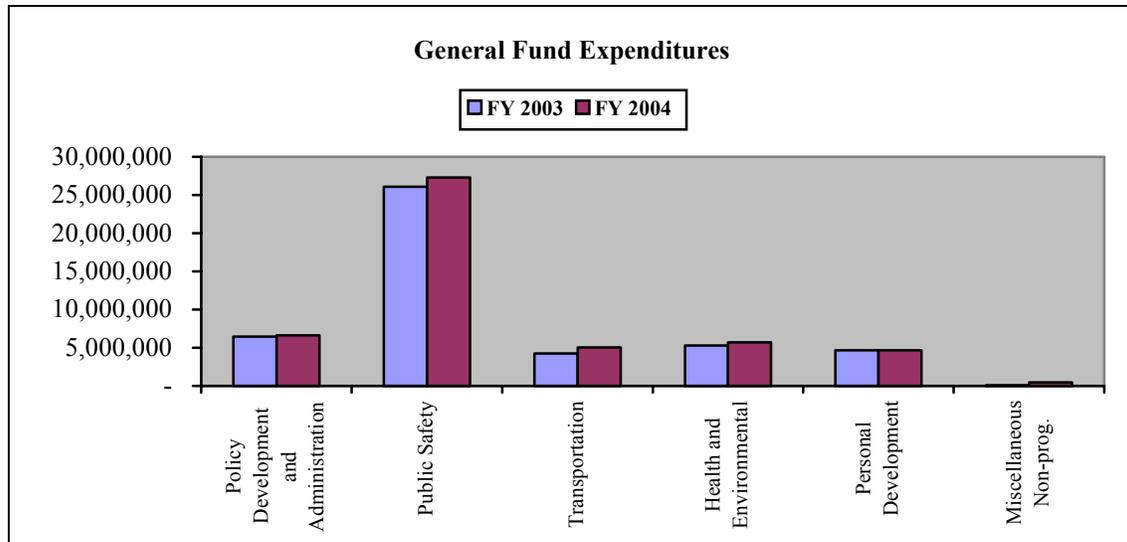
The City's fund statements can be found on pages 24 to 37 of the basic financial statements. Reconciliation to the government-wide financial statements has been provided with these fund statements. Both governmental funds and proprietary funds ended FY 2004 with an increase in fund balance and net assets.

Undesignated general fund balance is 22.9% 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 2005 budget. Even though the City had budgeted for the use of over \$3.5 million in appropriated fund balance for FY 2004 and designated \$4.1 million for use in FY 2005, favorable variances in both revenues and expenditures resulted in an increase in undesignated fund balance of over \$660,000. 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 \$2,009,813 or 3.8%. It should be noted for budget purposes the Payment in Lieu of Tax from the Water & Electric fund in treated as a revenue while GAAP requires the recognition as a transfer from other funds. General fund revenues excluding appropriated fund balance increased \$3,035,924 or 5.8%. The overall tax rate remained constant at 41 cents. This was still approximately 3 cents below the City's maximum authorized levy. The City experienced good growth in sales taxes at \$939,254 or 6.1% over FY 2003. Revenues from other governmental units increased \$386,146 or 12.2% primarily due to increased funding for Health programs and Youth at Risk program.



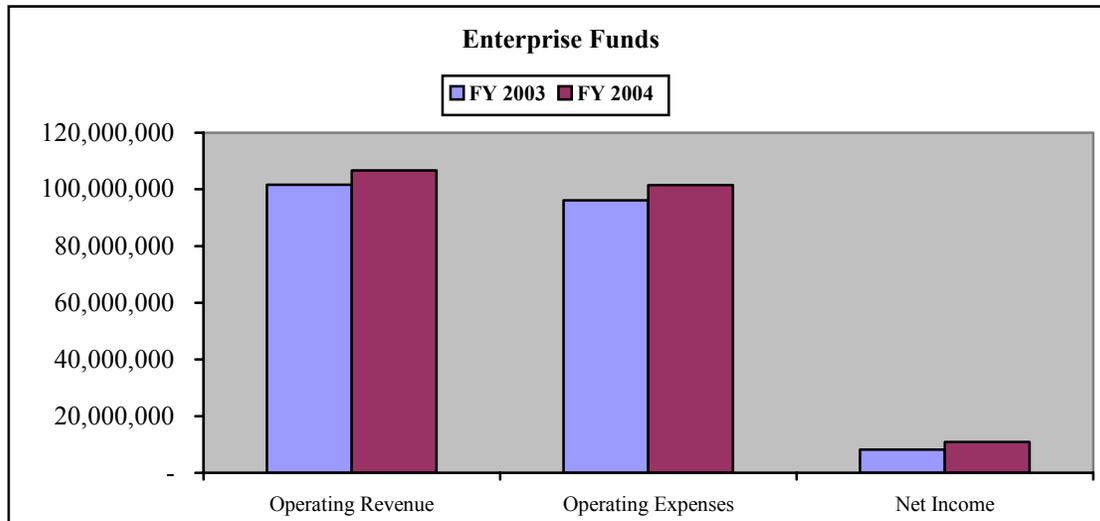
General fund expenditures were \$4.35 million under budget for FY 2004. Of this amount, \$1,756,304 has been encumbered to be spent in FY 2005. General fund expenditures, including transfers, increased \$3.2 million or 6.4%. The largest increase was in the area of public safety, approximately \$1.2 million or 4.5%. The next largest increase was in the area of transportation with over \$790,000 increase 18.5%. This increase reflects the City's response to the citizens' survey of 2003 that indicated a need for more resources in this area.



Overall special revenue funds increased fund balance in excess of \$2.7 million in FY 2004. Over \$645,000 came from the library debt fund. Almost \$900,000 was accumulated in transportation sales tax fund and over \$750,000 in the public improvement fund. Many of these funds have been budgeted for use for capital projects in 2005.

Expenditures in the capital projects fund decreased approximately \$381,000 in FY 2004. It is typical for these expenditures to vary widely from year to year depending on the nature of projects in the capital plan. Even though there was an overall decrease in capital projects spending, spending for transportation projects increased by almost \$1.3 million. One cause for the major decrease in the capital projects expenditures was due to the fact that the new health facility that was completed in 2003. In the prior year, approximately \$1.5 million had been spent on this project. That expenditure was not present in FY 2004. Another cause for the decrease came because in FY 2003 the Grasslands neighborhood requested the City to use special assessments to purchase land for a park. This purchase accounted for almost a \$700,000 decrease in expenditures in the capital projects fund.

A review of the net assets of the proprietary funds indicates that all funds have positive accumulated retained earnings except for the railroad fund. All major enterprise funds ended FY 2004 with net income. Operating revenues and operating expenses increased for the City's enterprise funds in FY 2004 by 4.9% and 5.6%, respectively. Net income increased in FY 2004 by 33.2% as rate increases were implemented that had been delayed in 2003. The City's enterprise funds continue to experience strong growth in customer base. Several of the City's internal service funds experienced losses for FY 2004. All of the losses were budget as the accumulated balances were above those required to operate on a break even basis. The Employee Benefit Fund ended the year with a net loss above those budgeted due to increased cost of claims. The FY 2005 budget includes a transfer into this fund of \$1 million as well as a 15% increase in premiums paid into this fund. During 2004, a new contract was awarded for administration of claims to assist in reducing expenses.



The City implemented 4.5% rate increases in water rates and sewer rates as well as a 3.9% rate increase in refuse collection rates in 2004. A 9% fuel adjustment increase was also implemented during the summer in the electric fund to offset increasing costs of purchased power. Total production cost for the electric utility increased \$3.7 million or 8.8%. Actual cost of purchased power increased over 12%. The City anticipates continued rate increases as the energy market continues to change. Columbia still continues to have very competitive rates for our region. The City's public transit increased shuttle service to the University of Missouri which accounts for both the increase in revenue and expenses for the operations. A slight decrease of \$32,078 or 1.8% occurred in parking revenues. Meter usage has decreased in the University area, which may be due to new parking structures added by the University. In addition, the change in ownership and downsizing of a downtown business has also reduced the demand for reserved spaces.

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 2004 final budget for the general fund includes approximately \$1 million of funds carried forward from FY 2003. The remaining increases to the FY 2004 budget were for grants and contributions received during the year. These grants and contributions also increased the general fund revenue budget for FY 2004. These changes are not expected to affect future budgets.

Overall, the general fund ended FY 2004 with favorable budget variances for both revenues and expenditures. Year-end revenues were 3.8% over budget. Stronger than anticipated economic growth in the City resulted in favorable budget variances in sales taxes, other local taxes and fees and service charges. It should be noted, for budget purposes, the Payment in Lieu of Tax from the Water & Electric fund is treated as revenue, while GAAP requires the recognition to be a transfer from other funds. Adjusting for this classification difference, intragovernmental revenue would have exceeded budget by just 2.8%. Other local tax revenues and fees and services charges ended the year ahead of budget by 12.1% and 13.6% respectively. Increases in construction fees and service charges due to the continued growth in development account for most of the increase in this area. Investment revenue and grant revenues did not meet budget expectations. Cuts in State funding created the lower than anticipated grant funding and required staff reduced expenditures for the grants that were not received. The appropriate adjustments were implemented in the FY 2005 budget process.

General fund expenditures were 7.6% under budget for FY 2004. Of that amount over \$1.7 million is encumbered to be spent in FY 2005. Adjusted for this encumbrance carry forward, general fund expenditures were 4.5% under budget. Typically, the City anticipates expenditures to end the year between 3% and 6% below budget.

Overall actual investment revenue did not meet budget for FY 2004. However, this did not create any major budget concern for any of the funds. There were no other significant budget variances for the year.

Capital Assets

City of Columbia Capital Assets (net of depreciation)							
	Governmental Activities		Business-type Activities		Total		
	2004	2003	2004	2003	2004	2003	
Land	\$ 19,622,790	18,492,886	\$ 9,238,763	9,008,310	\$ 28,861,553	27,501,196	
Buildings	14,045,914	12,679,227	-	-	14,045,914	12,679,227	
Improvements other than buildings	6,366,038	6,269,202	-	-	6,366,038	6,269,202	
Structures and improvements	-	-	173,401,787	169,580,720	173,401,787	169,580,720	
Furniture, fixtures and equipment	11,329,266	10,027,218	124,211,319	113,738,293	135,540,585	123,765,511	
Infrastructure	51,587,217	44,847,981	-	-	51,587,217	44,847,981	
Construction in progress	4,741,528	4,788,637	13,358,928	15,880,162	18,100,456	20,668,799	
Total	\$ 107,692,753	97,105,151	\$ 320,210,797	308,207,485	\$ 427,903,550	405,312,636	

Major Capital Asset Events FY 2004

The Sanford-Kimpton City/County Health Department building was completed and opened for business June 1, 2004.

A replacement ladder truck and pumper truck were purchased, along with land for a future fire station at Blue Ridge and Providence Road.

Two major roadways were dedicated to the City in 2004, Nifong Boulevard from the State valued at \$2.5 million and Bull Run Drive from the Lake of the Woods Transportation Development District valued at over \$2.7 million.

Improvements to Rollins Road from Rothwell Heights to Colonial Gardens was completed at a cost of \$800,000.

Construction on Garth Avenue from Bear Creek to Blue Ridge, including a new bridge got underway.

The Roger L. Wilson Drive realignment project with a budget of \$900,000 neared completion.

Development of Stephen's Lake Park continued.

The Grindstone Creek/Lake of the Woods Sewer project was substantially completed at a cost of approximately \$3.6 million.

The \$2.5 million Upper Hinkson Outfall Relief Sewer project neared completion at fiscal year end.

A new ARFF rescue vehicle was purchased for the Columbia Regional Airport, partially funded by an FAA grant.

Improvements to the LA Nickell Golf Course, including construction of an irrigation system, turf and restroom improvements at a cost of approximately \$600,000 were completed.

The Rebel Hills electric substation was completed at a cost of \$1.3 million.

Additional information on the City's capital assets can be found in Note VI on pages 54-56 of this report.

Debt Administration

The City's debt issues are discussed in Note IX on pages 59-67 of this report. Please refer to it for additional information. During FY 2004, the City issued \$17,095,000 in Water and Electric Revenue Bonds and \$650,000 in Sanitary Sewer Revenue Bonds. The Water and Electric bonds were authorized by voters in November 2003 for the purpose of expanding capacity at the water plant, constructing a second 36 inch water main from the plant to the City and other improvements to the water system. An additional \$10,775,000, which was included in the ballot issue, will not be issued until some future date.

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

City of Columbia Net Outstanding Debt

	FY 2004	FY 2003
<u>Government Activities</u>		
General Obligation Debt	\$ -	\$ 700,000
Capital Lease Obligation	7,000,000	7,000,000
Certificates of Participation	3,989,500	4,874,500
	\$ 10,989,500	\$ 12,574,500
 <u>Business-type Activities</u>		
Revenue Bonds	\$ 101,270,467	\$ 87,880,018
Special Obligation Bonds	19,952,347	22,800,437
	\$ 121,222,814	\$ 110,680,455

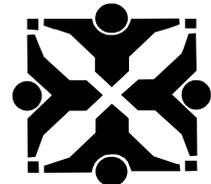
Financial Contact

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, 2004

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 76,390,709	\$ 46,209,472	\$ 122,600,181
Investments	8,392,122	-	8,392,122
Receivables (net of allowance for uncollectibles)	18,072,607	13,932,573	32,005,180
Internal balances	2,017,510	(2,017,510)	-
Inventories	553,366	5,314,258	5,867,624
Deferred charges	-	1,772,417	1,772,417
Other assets	84	237,915	237,999
Restricted assets:			
Bond covenant account cash	3,875,495	45,504,696	49,380,191
Closure and postclosure reserve	-	2,417,623	2,417,623
Customer security and escrow deposits	-	2,443,262	2,443,262
Grants receivable	-	11,433	11,433
Capital assets:			
Non depreciable	24,364,318	22,597,691	46,962,009
Depreciable, net	83,328,435	297,613,106	380,941,541
Total Assets	<u>216,994,646</u>	<u>436,036,936</u>	<u>653,031,582</u>
LIABILITIES			
Accounts payable	2,932,944	5,628,488	8,561,432
Accrued payroll and payroll taxes	2,141,245	1,358,758	3,500,003
Accrued interest payable	134,353	2,258,854	2,393,207
Due to other governments	-	231,739	231,739
Unearned revenue	111,558	50,355	161,913
Construction contracts payable	-	1,973,872	1,973,872
Customer security and escrow deposits	-	2,443,262	2,443,262
Other liabilities	489,118	316,892	806,010
Long-term liabilities:			
Due within one year:			
Accrued compensated absences	1,426,673	816,112	2,242,785
Revenue bonds payable	-	5,110,000	5,110,000
Special obligation bonds payable	-	3,030,500	3,030,500
Claims payable - health insurance	898,012	-	898,012
Claims Payable - worker's compensation and general liability	1,291,857	-	1,291,857
Certificates of participation	949,500	-	949,500
Other long-term liabilities	-	416,484	416,484
Due in more than one year:			
Accrued compensated absences	449,645	276,942	726,587
Capital lease obligations	7,000,000	-	7,000,000
Revenue bonds payable	-	96,160,467	96,160,467
Special obligation bonds payable	-	16,921,847	16,921,847
Certificates of participation	3,040,000	-	3,040,000
Other long-term liabilities	-	3,057,655	3,057,655
Total Liabilities	<u>20,864,905</u>	<u>140,052,227</u>	<u>160,917,132</u>
NET ASSETS			
Invested in capital assets, net of related debt	96,703,253	206,726,083	303,429,336
Restricted for:			
Debt service	6,328,241	7,068,586	13,396,827
Capital projects	24,523,209	-	24,523,209
Nonspendable	1,500,000	-	1,500,000
Other purposes	26,052,473	1,088,999	27,141,472
Unrestricted	41,022,565	81,101,041	122,123,606
Total Net Assets	<u>\$ 196,129,741</u>	<u>\$ 295,984,709</u>	<u>\$ 492,114,450</u>

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

**CITY OF COLUMBIA, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2004**

Functions/Programs	Expenses	Program Revenues		Program Revenues
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
Policy development and administration	\$ 11,532,002	\$ 4,778,358	\$ 30,719	\$ -
Public safety	27,615,723	1,900,346	1,242,580	-
Transportation	5,895,028	472,404	1,288,055	9,733,739
Health and environment	6,685,175	1,262,235	1,972,679	2,335,171
Personal development	8,268,102	-	224,519	146,292
Miscellaneous nonprogrammed activities	468,146	-	-	-
Interest on long-term debt	608,792	-	-	-
Total governmental activities	61,072,968	8,413,343	4,758,552	12,215,202
Business-type activities:				
Electric Utility	63,246,225	67,983,301	-	-
Water Utility	9,958,766	11,407,029	62,100	3,592,303
Sanitary Sewer Utility	9,216,293	7,970,035	198	1,674,440
Regional Airport	1,808,651	583,835	-	569,216
Public Transportation	3,252,432	713,121	1,134,518	176,686
Solid Waste Utility	10,692,045	10,906,469	64,447	135,000
Parking Facilities	1,745,467	1,675,667	-	-
Recreation Services	5,844,897	3,620,897	-	17,712
Railroad	712,513	621,322	-	-
Storm Water Utility	1,048,514	1,394,510	-	435,392
Total business-type activities	107,525,803	106,876,186	1,261,263	6,600,749
Total City	\$ 168,598,771	\$ 115,289,529	\$ 6,019,815	\$ 18,815,951

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
\$ (6,722,925)	\$ -	\$ (6,722,925)
(24,472,797)	-	(24,472,797)
5,599,170	-	5,599,170
(1,115,090)	-	(1,115,090)
(7,897,291)	-	(7,897,291)
(468,146)	-	(468,146)
(608,792)	-	(608,792)
<u>(35,685,871)</u>	<u>-</u>	<u>(35,685,871)</u>
-	4,737,076	4,737,076
-	5,102,666	5,102,666
-	428,380	428,380
-	(655,600)	(655,600)
-	(1,228,107)	(1,228,107)
-	413,871	413,871
-	(69,800)	(69,800)
-	(2,206,288)	(2,206,288)
-	(91,191)	(91,191)
-	781,388	781,388
-	<u>7,212,395</u>	<u>7,212,395</u>
<u>(35,685,871)</u>	<u>7,212,395</u>	<u>(28,473,476)</u>
8,601,981	-	8,601,981
33,549,370	-	33,549,370
2,459,718	-	2,459,718
663,467	-	663,467
1,062,561	-	1,062,561
4,336,283	-	4,336,283
1,407,977	-	1,407,977
2,151,560	2,497,648	4,649,208
1,320,073	2,159,741	3,479,814
1,002,251	(1,002,251)	-
<u>56,555,241</u>	<u>3,655,138</u>	<u>60,210,379</u>
20,869,370	10,867,533	31,736,903
175,260,371	285,117,176	460,377,547
<u>\$ 196,129,741</u>	<u>\$ 295,984,709</u>	<u>\$ 492,114,450</u>

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

**CITY OF COLUMBIA, MISSOURI
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2004**

	Major Funds			Non-Major Funds	Total Governmental Funds
	General	Transportation Sales Tax	Capital Projects		
ASSETS					
Cash and cash equivalents	\$ 17,606,594	\$ 2,258,130	\$ 31,362,497	\$ 19,833,946	\$ 71,061,167
Accounts receivable	649,307	-	496,580	95,819	1,241,706
Taxes receivable, net	5,267,096	755,287	-	3,850,745	9,873,128
Grants receivable	459,104	-	-	42,976	502,080
Rehabilitation loans receivable	-	-	-	5,658,238	5,658,238
Accrued interest	58,822	7,700	104,714	148,334	319,570
Due from other funds	1,044,287	-	-	19,203	1,063,490
Advances to other funds	-	-	-	1,766,849	1,766,849
Restricted assets:					
Cash and cash equivalents	-	-	-	3,875,495	3,875,495
Total assets	\$ 25,085,210	\$ 3,021,117	\$ 31,963,791	\$ 35,291,605	\$ 95,361,723
LIABILITIES					
Accounts payable	\$ 869,206	\$ -	\$ 1,290,618	\$ 241,997	\$ 2,401,821
Accrued payroll and payroll taxes	2,151,662	-	-	77,783	2,229,445
Due to other funds	-	-	-	19,203	19,203
Advances from other funds	-	-	692,500	-	692,500
Unearned revenue	3,481,538	-	-	2,654,338	6,135,876
Other liabilities - current	443,396	-	-	847	444,243
Total liabilities	6,945,802	-	1,983,118	2,994,168	11,923,088
FUND BALANCES					
Reserved:					
Reserved for encumbrances	1,756,304	-	1,563,085	328,967	3,648,356
Reserved for development charges	-	-	-	2,481,762	2,481,762
Reserved for hotel/motel tax	-	-	-	887,560	887,560
Reserved for loans receivable	-	-	-	5,585,912	5,585,912
Reserved for contributions	-	-	-	1,500,000	1,500,000
Reserved for advances to other funds	-	-	-	1,766,849	1,766,849
Unreserved:					
Designated - appropriated	4,128,270	539,567	18,670,143	-	23,337,980
Special revenue funds	-	-	-	2,853,913	2,853,913
Designated - unrealized gains	105,719	-	179,332	-	285,051
Special revenue funds	-	-	-	72,800	72,800
Debt service funds	-	-	-	92,101	92,101
Undesignated	12,149,115	2,481,550	9,568,113	-	24,198,778
Undesignated, reported in non-major:					
Special revenue funds	-	-	-	7,825,523	7,825,523
Debt service funds	-	-	-	5,534,089	5,534,089
Permanent fund	-	-	-	3,367,961	3,367,961
Total fund balances	18,139,408	3,021,117	29,980,673	32,297,437	83,438,635
Total liabilities and fund balances	\$ 25,085,210	\$ 3,021,117	\$ 31,963,791	\$ 35,291,605	\$ 95,361,723

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, 2004**

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

Total fund balance - total governmental funds		\$ 83,438,635
<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	\$ 149,917,371	
Less accumulated depreciation	<u>(42,224,618)</u>	107,692,753
<p>Internal service funds are used by management to charge the costs of custodial maintenance, information services, public communications, fleet operations, self insurance, and employee benefits; and, therefore, the assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets, net of capital assets.</p>		
		11,517,726
<p>Long-term liabilities, including certificates of participation, capital lease obligations, and accrued compensated absences, are not due and payable in the current period, and therefore, are not reported as liabilities in the governmental funds.</p>		
Accrued compensated absences	\$ (1,419,838)	
Capital lease obligations	(7,000,000)	
Certificates of participation	(3,989,500)	
Accrued interest payable	<u>(134,353)</u>	(12,543,691)
<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>		
		6,024,318
Net Assets of Governmental Activities		<u><u>\$ 196,129,741</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, 2004

	Major Funds			Non-Major Funds	Total Governmental Funds
	General	Transportation Sales Tax	Capital Projects		
REVENUES					
General property taxes	\$ 4,683,536	\$ -	\$ -	\$ 3,734,432	\$ 8,417,968
Sales tax	16,360,968	8,250,896	-	8,937,506	33,549,370
Other local taxes	8,126,309	-	-	1,407,977	9,534,286
Licenses and permits	677,338	-	-	18,933	696,271
Fines	1,586,050	-	-	-	1,586,050
Fees and service charges	1,976,346	-	-	527,045	2,503,391
Special assessment taxes	-	-	45,549	-	45,549
Intragovernmental revenue	3,052,749	-	-	-	3,052,749
Revenue from other governmental units	3,554,464	-	4,614,239	3,535,381	11,704,084
Investment revenue	440,215	49,259	746,088	671,478	1,907,040
Miscellaneous	864,558	-	190,838	264,677	1,320,073
Total Revenues	<u>41,322,533</u>	<u>8,300,155</u>	<u>5,596,714</u>	<u>19,097,429</u>	<u>74,316,831</u>
EXPENDITURES					
Current:					
Policy development and administration	6,613,460	-	-	1,765,303	8,378,763
Public safety	26,477,538	-	-	-	26,477,538
Transportation	4,314,145	-	-	-	4,314,145
Health and environment	5,651,153	-	-	1,011,161	6,662,314
Personal development	4,497,978	-	-	3,292,445	7,790,423
Misc. nonprogrammed activities	465,263	-	-	-	465,263
Capital outlay	1,743,249	-	6,691,214	-	8,434,463
Debt service:					
Redemption of serial bonds	-	-	-	885,000	885,000
Interest	-	-	-	614,692	614,692
Fiscal agent fees	-	-	-	2,883	2,883
Total Expenditures	<u>49,762,786</u>	<u>-</u>	<u>6,691,214</u>	<u>7,571,484</u>	<u>64,025,484</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(8,440,253)</u>	<u>8,300,155</u>	<u>(1,094,500)</u>	<u>11,525,945</u>	<u>10,291,347</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	13,328,364	311	6,316,540	3,180,806	22,826,021
Transfers out	<u>(3,142,570)</u>	<u>(7,401,513)</u>	<u>(3,257)</u>	<u>(11,186,430)</u>	<u>(21,733,770)</u>
Total Other Financing Sources (Uses)	<u>10,185,794</u>	<u>(7,401,202)</u>	<u>6,313,283</u>	<u>(8,005,624)</u>	<u>1,092,251</u>
Net Change in Fund Balances	1,745,541	898,953	5,218,783	3,520,321	11,383,598
FUND BALANCE - BEGINNING	<u>16,393,867</u>	<u>2,122,164</u>	<u>24,761,890</u>	<u>28,777,116</u>	<u>72,055,037</u>
FUND BALANCE - ENDING	<u>\$ 18,139,408</u>	<u>\$ 3,021,117</u>	<u>\$ 29,980,673</u>	<u>\$ 32,297,437</u>	<u>\$ 83,438,635</u>

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, 2004**

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

Net change in fund balances - total governmental funds	\$ 11,383,598
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.	10,587,602
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	184,013
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds.	885,000
In the Statement of Activities compensated absences is accrued whereas in the Governmental Funds an expenditure is reported when due.	(154,153)
In the Statement of Activities interest is accrued whereas in the Governmental Funds an expenditure is reported when due.	5,900
Internal service funds are used by the City to charge the costs of custodial maintenance, information services, public communications, fleet operations, self insurance, and employee benefits to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	<u>(2,022,590)</u>
Change in net assets of governmental activities	<u><u>\$ 20,869,370</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, 2004

	Major Enterprise Funds		
	Water and Electric Utility	Sanitary Sewer Utility	Solid Waste Utility
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 20,162,194	\$ 8,258,211	\$ 3,566,491
Investments	-	-	-
Receivables (net of allowance for uncollectibles)	10,654,106	907,349	1,316,475
Accrued interest	170,377	33,088	23,738
Loans receivable from other funds	61,272	-	-
Inventories	4,914,708	-	238,616
Other assets	237,177	-	-
Total current assets	<u>36,199,834</u>	<u>9,198,648</u>	<u>5,145,320</u>
Noncurrent Assets:			
Restricted assets:			
Bond covenant account cash	36,538,755	4,779,041	1,167,392
Closure and postclosure reserve	-	-	2,417,623
Customer security and escrow deposits	1,866,372	288,125	288,765
Grants receivable	-	-	-
Total restricted assets	<u>38,405,127</u>	<u>5,067,166</u>	<u>3,873,780</u>
Deferred charges	862,329	459,818	125,686
Loans receivable from other funds	501,190	-	-
Capital assets:			
Land	2,938,340	2,244,482	251,071
Structures and improvements	20,873,370	143,771,327	11,405,632
Furniture, fixtures and equipment	198,054,268	4,358,182	11,223,678
Construction in progress	9,339,040	3,143,523	128,472
Less accumulated depreciation	<u>(93,335,830)</u>	<u>(33,800,606)</u>	<u>(12,970,126)</u>
Total capital assets (net of accumulated depreciation)	<u>137,869,188</u>	<u>119,716,908</u>	<u>10,038,727</u>
Total noncurrent assets	<u>177,637,834</u>	<u>125,243,892</u>	<u>14,038,193</u>
Total Assets	<u>213,837,668</u>	<u>134,442,540</u>	<u>19,183,513</u>
LIABILITIES			
Current liabilities:			
Accounts payable	4,905,164	185,975	385,923
Accrued payroll and payroll taxes	586,409	154,037	218,240
Accrued compensated absences	379,534	82,017	109,179
Accrued sales taxes	231,739	-	-
Due to other funds	943,161	-	-
Loan payable to other funds - current maturities	-	-	-
Unearned revenue	-	-	-
Other liabilities	222,276	753	487,042
Total current liabilities	<u>7,268,283</u>	<u>422,782</u>	<u>1,200,384</u>
Payable from restricted assets:			
Construction contracts payable	1,098,096	595,689	21,015
Accrued interest	1,725,980	314,717	62,219
Revenue bonds payable - current maturities	3,870,000	1,140,000	-
Special obligation bonds payable - current maturities	-	105,000	405,000
Customer security and escrow deposits	1,866,372	288,125	288,765
Advances from other funds	-	80,000	-
Total liabilities payable from restricted assets	<u>8,560,448</u>	<u>2,523,531</u>	<u>776,999</u>
Noncurrent liabilities:			
Accrued compensated absences	150,449	33,474	37,014
Loans payable to other funds	-	-	-
Revenue bonds payable	73,455,151	20,075,403	-
Special obligation bonds payable	-	2,381,796	7,381,883
Other long-term liabilities	-	-	3,057,655
Total noncurrent liabilities	<u>73,605,600</u>	<u>22,490,673</u>	<u>10,476,552</u>
Total Liabilities	<u>89,434,331</u>	<u>25,436,986</u>	<u>12,453,935</u>
NET ASSETS			
Invested in capital assets, net of related debt	64,414,037	97,259,709	2,254,444
Restricted for:			
Debt service	3,861,667	1,253,179	323,830
Other purposes	-	698,241	-
Unrestricted	<u>56,127,633</u>	<u>9,794,425</u>	<u>4,151,304</u>
Total Net Assets	<u>\$ 124,403,337</u>	<u>\$ 109,005,554</u>	<u>\$ 6,729,578</u>

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

Parking Facilities	Major Enterprise Funds			Non-Major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
	Recreation Services	Storm Water Utility				
\$ 4,372,034	\$ 2,040,322	\$ 2,897,578	\$ 3,749,433	\$ 45,046,263	\$ 6,492,751	
-	-	-	-	-	8,392,122	
93,955	6,192	169,569	270,509	13,418,155	694,504	
19,980	6,711	9,625	12,348	275,867	21,932	
-	-	-	-	61,272	-	
-	30,083	-	130,851	5,314,258	553,366	
-	600	-	138	237,915	84	
<u>4,485,969</u>	<u>2,083,908</u>	<u>3,076,772</u>	<u>4,163,279</u>	<u>64,353,730</u>	<u>16,154,759</u>	
1,773,286	1,246,222	-	-	45,504,696	-	
-	-	-	-	2,417,623	-	
-	-	-	-	2,443,262	-	
-	-	-	11,433	11,433	-	
<u>1,773,286</u>	<u>1,246,222</u>	<u>-</u>	<u>11,433</u>	<u>50,377,014</u>	<u>-</u>	
205,534	119,050	-	-	1,772,417	-	
-	-	-	-	501,190	-	
1,603,273	398,674	170,557	1,632,366	9,238,763	-	
14,291,543	18,931,141	7,277,519	21,727,591	238,278,123	4,708,836	
125,958	753,615	258,513	7,280,086	222,054,300	-	
273	192,539	188,521	366,560	13,358,928	128,954	
(5,549,355)	(3,677,899)	(1,889,442)	(11,543,609)	(162,766,867)	(3,862,879)	
<u>10,471,692</u>	<u>16,598,070</u>	<u>6,005,668</u>	<u>19,462,994</u>	<u>320,163,247</u>	<u>974,911</u>	
<u>12,450,512</u>	<u>17,963,342</u>	<u>6,005,668</u>	<u>19,474,427</u>	<u>372,813,868</u>	<u>974,911</u>	
<u>16,936,481</u>	<u>20,047,250</u>	<u>9,082,440</u>	<u>23,637,706</u>	<u>437,167,598</u>	<u>17,129,670</u>	
29,068	44,139	12,480	47,806	5,610,555	549,056	
16,168	175,089	26,825	157,375	1,334,143	406,860	
14,852	109,765	22,518	88,180	806,045	-	
-	-	-	-	231,739	-	
-	-	-	-	943,161	101,126	
-	-	-	61,272	61,272	-	
50,355	-	-	-	50,355	-	
1,836	250	4,846	16,373	733,376	2,234,744	
<u>112,279</u>	<u>329,243</u>	<u>66,669</u>	<u>371,006</u>	<u>9,770,646</u>	<u>3,291,786</u>	
40,200	131,005	25,323	62,544	1,973,872	-	
125,278	30,660	-	-	2,258,854	-	
100,000	-	-	-	5,110,000	-	
305,000	2,215,500	-	-	3,030,500	-	
-	-	-	-	2,443,262	-	
-	861,866	-	132,483	1,074,349	-	
<u>570,478</u>	<u>3,239,031</u>	<u>25,323</u>	<u>195,027</u>	<u>15,890,837</u>	<u>-</u>	
3,865	21,650	4,640	21,952	273,044	-	
-	-	-	501,190	501,190	-	
2,629,913	-	-	-	96,160,467	-	
4,628,497	2,529,671	-	-	16,921,847	-	
-	-	-	-	3,057,655	-	
<u>7,262,275</u>	<u>2,551,321</u>	<u>4,640</u>	<u>523,142</u>	<u>116,914,203</u>	<u>-</u>	
<u>7,945,032</u>	<u>6,119,595</u>	<u>96,632</u>	<u>1,089,175</u>	<u>142,575,686</u>	<u>3,291,786</u>	
3,213,282	14,068,399	6,005,668	19,462,994	206,678,533	974,911	
414,348	1,215,562	-	-	7,068,586	-	
390,758	-	-	-	1,088,999	702,051	
<u>4,973,061</u>	<u>(1,356,306)</u>	<u>2,980,140</u>	<u>3,085,537</u>	<u>79,755,794</u>	<u>12,160,922</u>	
<u>\$ 8,991,449</u>	<u>\$ 13,927,655</u>	<u>\$ 8,985,808</u>	<u>\$ 22,548,531</u>	<u>294,591,912</u>	<u>\$ 13,837,884</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.

	1,392,797
Net assets of business-type activities	<u>\$ 295,984,709</u>

CITY OF COLUMBIA, MISSOURI
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2004

	Major Enterprise Funds		
	Water and Electric Utility	Sanitary Sewer Utility	Solid Waste Utility
OPERATING REVENUES			
Charges for services	\$ 79,237,016	\$ 7,933,458	\$ 10,869,103
OPERATING EXPENSES			
Personal services	10,730,455	2,864,110	4,026,598
Materials, supplies, and power	44,445,537	569,380	2,340,083
Travel and training	90,484	4,789	9,030
Intragovernmental	2,221,951	852,389	944,695
Utilities, services, and miscellaneous	5,071,204	1,431,088	1,232,900
Depreciation	7,069,962	2,399,346	1,596,173
Total Operating Expenses	<u>69,629,593</u>	<u>8,121,102</u>	<u>10,149,479</u>
Operating Income (Loss)	<u>9,607,423</u>	<u>(187,644)</u>	<u>719,624</u>
NONOPERATING REVENUES (EXPENSES)			
Investment revenue	1,144,726	775,540	197,056
Revenue from other governmental units	62,100	198	64,447
Sale of SO ₂ Allowances	1,220,271	-	-
Miscellaneous revenue	726,726	83,338	6,532
Interest expense	(3,261,533)	(835,927)	(381,522)
Loss on disposal of capital assets	(11,978)	(132,580)	(104,031)
Miscellaneous expense	(104,958)	(79,702)	(9,018)
Total Nonoperating Revenues (Expenses)	<u>(224,646)</u>	<u>(189,133)</u>	<u>(226,536)</u>
Income (Loss) Before Contributions and Transfers	9,382,777	(376,777)	493,088
Transfers in	90,000	2,500	-
Transfers out	(8,074,053)	-	-
Capital contribution	<u>3,592,303</u>	<u>1,674,440</u>	<u>135,000</u>
Change in Net Assets	4,991,027	1,300,163	628,088
TOTAL NET ASSETS - BEGINNING	<u>119,412,310</u>	<u>107,705,391</u>	<u>6,101,490</u>
TOTAL NET ASSETS - ENDING	<u>\$ 124,403,337</u>	<u>\$ 109,005,554</u>	<u>\$ 6,729,578</u>

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

Major Enterprise Funds			Non-Major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Parking Facilities	Recreation Services	Storm Water Utility			
\$ 1,675,667	\$ 3,620,897	\$ 1,389,683	\$ 1,918,278	\$ 106,644,102	\$ 20,186,921
348,951	3,031,097	446,831	2,673,173	24,121,215	4,117,207
69,071	742,211	92,831	759,109	49,018,222	3,429,294
-	7,297	1,193	10,456	123,249	78,614
111,209	404,677	119,461	508,974	5,163,356	816,979
152,776	807,082	119,848	635,268	9,450,166	13,925,353
602,508	569,060	262,149	1,151,433	13,650,631	207,345
<u>1,284,515</u>	<u>5,561,424</u>	<u>1,042,313</u>	<u>5,738,413</u>	<u>101,526,839</u>	<u>22,574,792</u>
<u>391,152</u>	<u>(1,940,527)</u>	<u>347,370</u>	<u>(3,820,135)</u>	<u>5,117,263</u>	<u>(2,387,871)</u>
156,925	49,120	63,085	78,786	2,465,238	276,930
-	-	-	1,134,518	1,261,263	3,878
-	-	-	-	1,220,271	-
5	10,036	54,650	58,183	939,470	289,110
(442,937)	(248,454)	-	(18,183)	(5,188,556)	-
-	-	-	(17,000)	(265,589)	(5,215)
(18,015)	(35,019)	-	-	(246,712)	-
<u>(304,022)</u>	<u>(224,317)</u>	<u>117,735</u>	<u>1,236,304</u>	<u>185,385</u>	<u>564,703</u>
87,130	(2,164,844)	465,105	(2,583,831)	5,302,648	(1,823,168)
173,200	4,539,907	-	2,283,465	7,089,072	-
-	-	-	(973)	(8,075,026)	(106,297)
-	17,712	435,392	745,902	6,600,749	-
260,330	2,392,775	900,497	444,563	10,917,443	(1,929,465)
<u>8,731,119</u>	<u>11,534,880</u>	<u>8,085,311</u>	<u>22,103,968</u>		<u>15,767,349</u>
<u>\$ 8,991,449</u>	<u>\$ 13,927,655</u>	<u>\$ 8,985,808</u>	<u>\$ 22,548,531</u>		<u>\$ 13,837,884</u>

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.

(49,910)

Change in net assets of business-type activities:

\$ 10,867,533

CITY OF COLUMBIA, MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2004

	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)	\$ 78,888,214	\$ 7,863,668	\$ 10,865,329
Cash received from other sources	1,946,997	83,338	6,532
Cash payments to suppliers	(49,969,205)	(2,108,401)	(3,654,641)
Cash payments to employees	(10,565,490)	(2,820,915)	(3,968,843)
Cash payments to other funds	(2,221,951)	(852,389)	(944,695)
Cash payments for other expenses	(425,072)	(100,361)	(71,692)
Net cash provided (used) for operating activities	<u>17,653,493</u>	<u>2,064,940</u>	<u>2,231,990</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	90,000	2,500	-
Transfers out	(8,074,053)	-	-
Operating grants	62,100	104,785	64,447
Net cash provided (used) for noncapital financing activities	<u>(7,921,953)</u>	<u>107,285</u>	<u>64,447</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from bonds, loans, and capital leases	17,016,143	670,156	-
Debt service - interest payments	(2,992,680)	(871,158)	(384,326)
Debt service - principal	(3,685,000)	(1,026,123)	(382,400)
Acquisition and construction of capital assets	(15,512,177)	(4,849,148)	(1,357,289)
Payment of construction contracts	(757,115)	(1,624,349)	(65,811)
Fiscal agent fees payments	(3,232)	(64,909)	(557)
Capital contributions	3,592,303	1,674,440	210,000
Proceeds from advances from other funds	-	42,000	-
Other	(45,464)	-	-
Net cash provided (used) for capital and related financing activities	<u>(2,387,222)</u>	<u>(6,049,091)</u>	<u>(1,980,383)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	1,535,475	868,747	261,896
Purchase of investments	-	-	-
Sale of investments	-	-	-
Net cash provided (used) for investing activities	<u>1,535,475</u>	<u>868,747</u>	<u>261,896</u>
Net increase (decrease) in cash and cash equivalents	8,879,793	(3,008,119)	577,950
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>47,821,156</u>	<u>16,045,371</u>	<u>6,573,556</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 56,700,949</u>	<u>\$ 13,037,252</u>	<u>\$ 7,151,506</u>
Displayed as:			
Cash and cash equivalents	\$ 20,162,194	\$ 8,258,211	\$ 3,566,491
Restricted assets	36,538,755	4,779,041	3,585,015
	<u>\$ 56,700,949</u>	<u>\$ 13,037,252</u>	<u>\$ 7,151,506</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) FOR OPERATING ACTIVITIES			
Operating income (loss)	\$ 9,607,423	\$ (187,644)	\$ 719,624
Adjustments to reconcile operating income (loss) to net cash provided (used) for operating activities			
Depreciation	7,069,962	2,399,346	1,596,173
Changes in assets and liabilities:			
(Increase)/decrease in receivable	(446,823)	(69,790)	(3,774)
(Increase)/decrease in loans receivable from other funds	(204,611)	-	-
(Increase)/decrease in inventory	(267,910)	-	(38,019)
(Increase)/decrease in other assets	12,984	-	-
Increase/(decrease) in accounts payable	79,099	(103,101)	190,173
Increase/(decrease) in accrued payroll	164,965	43,195	57,755
Increase/(decrease) in accrued sales tax	(5,860)	-	-
Increase/(decrease) in due to other funds	98,021	-	-
Increase/(decrease) in loans payable to other funds	-	-	-
Increase/(decrease) in other liabilities	31,442	(43)	(224,782)
Increase (decrease) in claims payable - worker's compensation and general liability	-	-	-
Other non-operating revenue (expense)	1,514,801	(17,023)	(65,160)
Net cash provided (used) for operating activities	<u>\$ 17,653,493</u>	<u>\$ 2,064,940</u>	<u>\$ 2,231,990</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES			
Contributed sewer lines	\$ 3,592,303	\$ 1,674,440	\$ -
Change in fair value of investments	-	-	-
Construction contracts payable	1,098,096	595,689	21,015
Total noncash capital and related financing activities	<u>\$ 4,690,399</u>	<u>\$ 2,270,129</u>	<u>\$ 21,015</u>

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

Major Enterprise Funds			Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Parking Facilities Fund	Recreation Services Fund	Storm Water Utility Fund			
\$ 1,674,909	\$ 3,614,705	\$ 1,349,510	\$ 1,781,193	\$ 106,037,528	\$ 20,000,141
5	10,036	54,650	58,183	2,159,741	289,110
(196,021)	(1,582,994)	(214,818)	(1,418,080)	(59,144,160)	(17,702,726)
(346,915)	(2,984,878)	(438,690)	(2,622,746)	(23,748,477)	(4,076,340)
(111,209)	(404,677)	(119,461)	(484,702)	(5,139,084)	(816,979)
(60,584)	(20,321)	(28,480)	(36,323)	(742,833)	(52,549)
<u>960,185</u>	<u>(1,368,129)</u>	<u>602,711</u>	<u>(2,722,475)</u>	<u>19,422,715</u>	<u>(2,359,343)</u>
173,200	4,539,907	-	2,283,465	7,089,072	-
-	-	-	(973)	(8,075,026)	(106,297)
-	-	-	1,160,776	1,392,108	3,878
<u>173,200</u>	<u>4,539,907</u>	<u>-</u>	<u>3,443,268</u>	<u>406,154</u>	<u>(102,419)</u>
-	-	-	253,100	17,939,399	-
(447,721)	(262,221)	-	(18,183)	(4,976,289)	-
(382,160)	(2,069,980)	-	(130,528)	(7,676,191)	(147,000)
-	(849,825)	(320,151)	(1,041,529)	(23,930,119)	(371,136)
-	(19,381)	(126,256)	(88,741)	(2,681,653)	-
(1,221)	(27,580)	-	-	(97,499)	-
-	17,712	435,392	734,469	6,664,316	-
-	591,829	-	-	633,829	-
-	-	-	-	(45,464)	-
<u>(831,102)</u>	<u>(2,619,446)</u>	<u>(11,015)</u>	<u>(291,412)</u>	<u>(14,169,671)</u>	<u>(518,136)</u>
211,676	66,344	87,702	111,009	3,142,849	329,344
-	-	-	-	-	(782,791)
-	-	-	-	-	1,505,273
<u>211,676</u>	<u>66,344</u>	<u>87,702</u>	<u>111,009</u>	<u>3,142,849</u>	<u>1,051,826</u>
513,959	618,676	679,398	540,390	8,802,047	(1,928,072)
5,631,361	2,667,868	2,218,180	3,209,043	84,166,535	8,420,823
<u>\$ 6,145,320</u>	<u>\$ 3,286,544</u>	<u>\$ 2,897,578</u>	<u>\$ 3,749,433</u>	<u>\$ 92,968,582</u>	<u>\$ 6,492,751</u>
\$ 4,372,034	\$ 2,040,322	\$ 2,897,578	\$ 3,749,433	\$ 45,046,263	\$ 6,492,751
1,773,286	1,246,222	-	-	47,922,319	-
<u>\$ 6,145,320</u>	<u>\$ 3,286,544</u>	<u>\$ 2,897,578</u>	<u>\$ 3,749,433</u>	<u>\$ 92,968,582</u>	<u>\$ 6,492,751</u>
\$ 391,152	\$ (1,940,527)	\$ 347,370	\$ (3,820,135)	\$ 5,117,263	\$ (2,387,871)
602,508	569,060	262,149	1,151,433	13,650,631	207,345
(758)	(6,192)	(40,173)	(137,085)	(704,595)	(74,000)
-	-	-	-	(204,611)	-
-	2,857	-	8,054	(295,018)	(78,446)
-	-	-	-	12,984	-
21,587	(26,254)	(946)	(22,306)	138,252	(195,660)
2,036	46,219	8,141	50,427	372,738	40,867
-	-	-	-	(5,860)	-
-	-	-	-	98,021	101,126
-	-	-	24,272	24,272	-
4,239	(3,007)	-	1,005	(191,146)	4,641
-	-	-	-	-	(213,906)
(60,579)	(10,285)	26,170	21,860	1,409,784	236,561
<u>\$ 960,185</u>	<u>\$ (1,368,129)</u>	<u>\$ 602,711</u>	<u>\$ (2,722,475)</u>	<u>\$ 19,422,715</u>	<u>\$ (2,359,343)</u>
\$ -	\$ -	\$ -	\$ -	\$ 5,266,743	\$ -
-	-	-	-	-	6,395
40,200	131,005	25,323	62,544	1,973,872	-
<u>\$ 40,200</u>	<u>\$ 131,005</u>	<u>\$ 25,323</u>	<u>\$ 62,544</u>	<u>\$ 7,240,615</u>	<u>\$ 6,395</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, 2004**

	Pension Trust Funds	Private Purpose Trust Funds
	<u> </u>	<u> </u>
ASSETS		
Cash and cash equivalents	\$ 160,513	\$ 272,071
Accrued interest	127,018	913
Other assets	-	2,958
Investments, at fair value:		
Corporate bonds	7,949,753	-
Common stock and mutual funds	34,941,298	-
U.S. Government and agency securities	2,433,180	-
Money market	13,692,382	-
Asset-backed securities	4,819,833	-
Capital assets	11,688	-
Accumulated depreciation	(11,688)	-
	<u>64,123,977</u>	<u>275,942</u>
Total Assets		
LIABILITIES		
Accounts payable	-	2,300
Other liabilities	51,185	10,098
	<u>51,185</u>	<u>12,398</u>
Total Liabilities		
NET ASSETS		
Net assets held in trust	<u>64,072,792</u>	<u>263,544</u>
Total Net Assets	<u><u>\$ 64,072,792</u></u>	<u><u>\$ 263,544</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, 2004

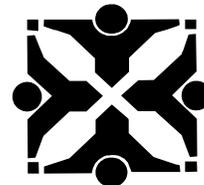
	Pension Trust Funds	Private Purpose Trust Funds
	<hr/>	<hr/>
ADDITIONS		
Contributions:		
Private	\$ -	\$ 2,000
Chamber	-	114,400
City	3,252,360	20,000
County	-	35,000
University	-	15,000
Employee	1,198,969	-
Net investment revenue:		
Net appreciation in fair value of investments	4,652,386	-
Interest and dividends	1,041,058	9,067
Miscellaneous	-	2,664
	<hr/>	<hr/>
Total Additions	10,144,773	198,131
	<hr/>	<hr/>
DEDUCTIONS		
Health and environment:		
Services and miscellaneous	-	7,942
Policy development and administration:		
Materials and supplies	422	27,656
Travel and training	-	22,384
Intragovernmental	47,330	182
Utilities, services, and miscellaneous	23,705	159,731
Pension benefits	4,778,135	-
Refund of employees' contributions	130,863	-
	<hr/>	<hr/>
Total Deductions	4,980,455	217,895
	<hr/>	<hr/>
Change in net assets	5,164,318	(19,764)
NET ASSETS - BEGINNING	58,908,474	283,308
	<hr/>	<hr/>
NET ASSETS - ENDING	<u>\$ 64,072,792</u>	<u>\$ 263,544</u>

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

Notes to the Basic Financial Statements September 30, 2004

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CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

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CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

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, 2004

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, 2004

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

The government reports the following major proprietary funds:

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

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

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

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

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

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

Additionally, the government reports the following fund types:

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

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

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

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

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

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

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

D. Assets, Liabilities, and Net Assets or Equity

1. Pooled Cash and Marketable Securities

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

When a fund overdraws its share of pooled cash, the overdraft is reported as an interfund payable in that fund, and an interfund receivable in the General Fund. At September 30, 2004, \$101,126 had been reclassified due to a fund overdraft in the Self Insurance Reserve Fund, an internal service fund.

Investments are reported at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, which establishes fair values for certain investments and in accordance with City policy. No investments are reported at amortized cost. The fair values are based on quoted market prices.

Collateral is required for demand deposits and certificates of deposit. The fair value of the collateral must equal 100% of the value of the investment in excess of deposit insurance. Obligations that may be pledged as collateral are of the same type as authorized for investment by the City. All legal requirements were met during the year ended September 30, 2004.

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, 2004

3. Tax Bills Receivable

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

4. Inventories

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

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

5. Pension Trust Funds' Investments

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

6. Capital Assets

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

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

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

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

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

Landfill cells are depreciated using the units of consumption method.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

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 2004 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.

10. Net Assets

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

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

Restricted – This consists of net assets that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation. Net Assets Restricted for Other Purposes includes \$20,917,663 for restricted tax revenues and \$5,134,810 for other purposes.

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

11. New Accounting Pronouncements

This report does not incorporate GASB Statement No. 40, *Deposit and Investment Risk Disclosures*; GASB Statement No. 42 *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*; GASB Statement No. 43 *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*; GASB Statement No. 44 *Economic Condition Reporting: The Statistical Section*; or GASB Statement No. 45 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension Plans*. The City will adopt and implement these statements at the required times.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

12. Capitalization of Interest

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

13. Capital Contributions

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

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

Cash and investments	\$5,329,542
Accounts receivable	459,904
Accrued interest	17,981
Inventory	553,366
Other assets – current	84
Investments	8,392,122
Accounts payable	(531,123)
Accrued payroll and payroll taxes	(368,280)
Due to other funds	(101,126)
Other liabilities – current	(44,875)
Claims payable – worker’s compensation and general liability	(1,291,857)
Claims payable – health insurance	<u>(898,012)</u>
Net adjustment to increase fund balance- total governmental funds to arrive at net assets-governmental activities	<u>\$11,517,726</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.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

Change in Net Assets – all Internal Service Funds	\$(1,929,465)
Change in Net Assets of Internal Service Funds Reported with Business-Type Activities	49,910
Change in Fixed Assets – all Internal Service Funds	(158,576)
Change in Fixed Assets – Internal Service Funds Reported with Business-Type Activities	<u>15,541</u>
Net adjustment to increase net changes in fund balances-total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$(2,022,590)</u></u>

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Statement of Cash Flows

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

The City incurs certain contractual liabilities with respect to enterprise fund construction projects, which do not result in cash inflows to the City. At September 30, 2004, \$1,973,872 in construction contracts payable was reported in the Enterprise Funds.

B. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

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

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

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, 2004, the bank balances in the City's checking accounts were \$269,712.

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

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

agreements. U.S. government agency securities consist of investments in FNMA, FHLMC, and Government National Mortgage Association mortgage-backed securities. Mortgage-backed securities do not have a contractual maturity date and the City is subject to the risk of prepayment on these securities when changes in market interest rates occur. The City is also authorized to enter into reverse repurchase agreements. The assets of the Police and Firefighters' Retirement Funds may be invested, reinvested and managed by an investment fiduciary who shall "act with the same care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a similar capacity and familiar with those matters would use in the conduct of a similar enterprise with similar aims." 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.

Investments are categorized to give an indication of the level of custodial risk. Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by a financial institution's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker, dealer, or financial institution, or financial institution's trust department or safekeeping department or agent but not in the City's name. All City investments including investments held by fiscal agents subject to the categorization outlined above are in Category 1. The cost and fair value of the City's investments at September 30, 2004 follows:

	Cost	Fair Value
U.S. Government Securities	\$ 113,184,659	\$ 114,259,454
Taxable Municipal Bonds	3,743,310	7,904,045
Corporate Bonds	6,851,268	7,949,753
Tax-Exempt Securities	326,484	691,467
Repurchase Agreements	1,472,000	1,472,000
	125,577,721	132,276,719
Investments not subject to categorization:		
Money Market Accounts	66,104,711	66,104,711
Mutual Funds	28,195,933	34,941,298
Total Investments	\$ 219,878,365	\$ 233,322,728

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

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

	Balance September 30, 2004
Fair value of investments	\$ 233,322,728
Cash on hand	23,252
Investments with fiscal agents	17,326,301
Imprest accounts	(1,169,872)
Total	\$ 249,502,409

	Government- Wide Statement of Net Assets	Fiduciary Funds Statement of Net Assets	Total
Cash and cash equivalents	\$ 122,600,181	\$ 432,584	\$ 123,032,765
Investments	8,392,122	63,836,446	72,228,568
Restricted assets:			
Bond covenant account cash	49,380,191	—	49,380,191
Closure and postclosure reserve	2,417,623	—	2,417,623
Customer security and escrow deposits	2,443,262	—	2,443,262
Total	\$ 185,233,379	\$ 64,269,030	\$ 249,502,409

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

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

C. Reverse Repurchase Agreements

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

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

V. RECEIVABLES AND PAYABLES

Balances at September 30, 2004 were as follows:

	Accounts	Accrued Interest	Grants Receivable/ Rehabilitation Loan	Taxes	Total Receivables	Allowance for Doubtful Accounts	Receivables, Net
Governmental activities:							
General	\$ 649,307	\$ 58,822	\$ 459,104	\$ 5,293,289	\$ 6,460,522	\$ (26,193)	\$ 6,434,329
Transportation Sales Tax	-	7,700	-	755,287	762,987	-	762,987
Capital Projects	496,580	104,714	-	-	601,294	-	601,294
Non-major Governmental Funds	95,819	148,334	5,701,214	3,899,926	9,845,293	(49,181)	9,796,112
Internal Service Funds	459,904	17,981	-	-	477,885	-	477,885
Total - governmental activities	<u>\$ 1,701,610</u>	<u>\$ 337,551</u>	<u>\$ 6,160,318</u>	<u>\$ 9,948,502</u>	<u>\$ 18,147,981</u>	<u>\$ (75,374)</u>	<u>\$ 18,072,607</u>
Business-type activities:							
Water and Electric Utility	\$ 12,670,313	\$ 170,377	\$ -	\$ -	\$ 12,840,690	\$ (2,016,207)	\$ 10,824,483
Sanitary Sewer Utility	1,151,326	33,088	-	-	1,184,414	(243,977)	940,437
Solid Waste Utility	1,650,302	23,738	-	-	1,674,040	(333,827)	1,340,213
Parking Facilities	93,955	19,980	-	-	113,935	-	113,935
Recreation Services	6,192	6,711	-	-	12,903	-	12,903
Storm Water Utility	201,310	9,625	-	-	210,935	(31,741)	179,194
Non-major Enterprise Funds	270,509	12,348	-	-	282,857	-	282,857
Internal Service Funds	490,468	3,951	-	-	494,419	(255,868)	238,551
Total - business-type activities	<u>\$ 16,534,375</u>	<u>\$ 279,818</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,814,193</u>	<u>\$ (2,881,620)</u>	<u>\$ 13,932,573</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, 2004

VI. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2004 was as follows:

	Balance October 1, 2003	Additions	Retirements	Balance September 30, 2004
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 18,492,886	\$ 1,129,904	\$ —	\$ 19,622,790
Construction in process	4,788,637	6,734,180	(6,781,289)	4,741,528
Total capital assets, not being depreciated	<u>23,281,523</u>	<u>7,864,084</u>	<u>(6,781,289)</u>	<u>24,364,318</u>
Capital assets, being depreciated:				
Buildings	19,997,854	1,820,925	—	21,818,779
Improvements other than buildings	7,996,814	292,552	—	8,289,366
Furniture, fixtures and equipment	24,349,572	3,549,398	(1,435,474)	26,463,496
Infrastructure	<u>60,980,905</u>	<u>8,000,507</u>	<u>—</u>	<u>68,981,412</u>
Total capital assets being depreciated	<u>113,325,145</u>	<u>13,663,382</u>	<u>(1,435,474)</u>	<u>125,553,053</u>
Less accumulated depreciation for:				
Buildings	(7,318,627)	(454,238)	—	(7,772,865)
Improvements other than buildings	(1,727,612)	(195,716)	—	(1,923,328)
Furniture, fixtures and equipment	(14,322,354)	(1,754,043)	942,167	(15,134,230)
Infrastructure	<u>(16,132,924)</u>	<u>(1,261,271)</u>	<u>—</u>	<u>(17,394,195)</u>
Total accumulated depreciation	<u>(39,501,517)</u>	<u>(3,665,268)</u>	<u>942,167</u>	<u>(42,224,618)</u>
Total capital assets, being depreciated, net	<u>73,823,628</u>	<u>9,998,114</u>	<u>(493,307)</u>	<u>83,328,435</u>
Governmental activities capital assets, net	<u>\$ 97,105,151</u>	<u>\$ 17,862,198</u>	<u>\$ (7,274,596)</u>	<u>\$ 107,692,753</u>

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

	<u>Balance October 1, 2003</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2004</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land and land rights	\$ 9,008,310	\$ 360,453	\$ (130,000)	\$ 9,238,763
Construction in progress	<u>15,880,162</u>	<u>17,919,169</u>	<u>(20,440,403)</u>	<u>13,358,928</u>
Total capital assets not being depreciated	<u>24,888,472</u>	<u>18,279,622</u>	<u>(20,570,403)</u>	<u>22,597,691</u>
Capital assets, being depreciated:				
Structures and improvements	229,191,053	9,118,111	(4,094)	238,305,070
Furniture, fixtures and equipment	<u>203,925,339</u>	<u>19,033,841</u>	<u>(860,477)</u>	<u>222,098,703</u>
Total capital assets being depreciated	<u>433,116,392</u>	<u>28,151,952</u>	<u>(864,571)</u>	<u>460,403,773</u>
Less accumulated depreciation for:				
Structures and improvements	(59,610,333)	(5,292,950)	—	(64,903,283)
Furniture, fixtures and equipment	<u>(90,187,049)</u>	<u>(8,362,938)</u>	<u>662,603</u>	<u>(97,887,384)</u>
Total accumulated depreciation	<u>(149,797,382)</u>	<u>(13,655,888)</u>	<u>662,603</u>	<u>(162,790,667)</u>
 Total capital assets being depreciated, net	 <u>283,319,010</u>	 <u>14,496,064</u>	 <u>(201,968)</u>	 <u>297,613,106</u>
 Business-type activities capital assets, net	 <u>\$ 308,207,482</u>	 <u>\$ 32,775,686</u>	 <u>\$ (20,772,371)</u>	 <u>\$ 320,210,797</u>

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

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

Governmental activities:

Policy Development	\$	243,572
Public Safety		1,138,185
Transportation		1,580,883
Health and Environment		22,861
Personal Development		477,679
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets		<u>202,088</u>
Total depreciation expense - governmental-type activities:	\$	<u><u>3,665,268</u></u>

Business-type activities:

Major funds:

Water and Electric	\$	7,069,962
Sanitary Sewer		2,399,346
Solid Waste		1,596,173
Parking Facilities		602,508
Recreational Services		569,060
Storm Water Utility		262,149
Non-major enterprise funds		1,151,433
Internal service funds		<u>5,257</u>
Total depreciation expense - business-type activities:	\$	<u><u>13,655,888</u></u>

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

VII. COMMITMENTS

A. Construction Commitments

At September 30, 2004, construction contract commitments of the City were:

	Amounts
Major Governmental Fund:	
Capital Projects Fund	\$ 653,438
Enterprise Funds:	
Major Funds:	
Water and Electric Utility	1,871,707
Sanitary Sewer Utility	765,701
Solid Waste Utility	2,690
Recreation Services	48,939
Nonmajor Funds:	
Airport	1,026
Public Transportation	6,425
Railroad	7,700
Total Enterprise Funds	2,704,188
Total	\$ 3,357,626

B. Obligations to Purchase Electric Power

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

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

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

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

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

C. Obligation to Purchase Coal

The City has a purchase contract with Massey Coal Sales to buy coal for the municipal electric generating plant. The City will require approximately 40,000 tons per year for the contract term beginning June 1, 2002, and ending May 31, 2005, at a price subject to annual adjustment based on the final Producers Price Indexes as published by the U.S. Department of Labor. The price per ton for the fiscal year ending September 30, 2004, was \$35.28 per ton. This price is adjusted monthly based on the average BTU/LB content for coal delivered during the month.

VIII. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund receivable and payable balances at September 30, 2004 are as follows:

	Interfund receivables	Interfund payables
Major Governmental Funds:		
General Fund	\$ 1,044,287	\$ —
Capital Projects Fund	—	692,500
Nonmajor governmental funds - permanent fund	1,766,849	—
Nonmajor governmental funds - special revenue funds	19,203	19,203
Enterprise Funds:		
Major Funds:		
Water and Electric Utility	562,462	943,161
Recreation Services	—	861,866
Sanitary Sewer Utility	—	80,000
Nonmajor enterprise	—	694,945
Internal Service Funds	—	101,126
Total	\$ 3,392,801	\$ 3,392,801

Interfund payables at September 30, 2004 include \$861,866 in the Recreation Services Fund, \$132,483 in the Regional Airport Fund, a non-major fund, and \$80,000 in the Sanitary Sewer Utility Fund that are classified as Current Liabilities Payable from Restricted Assets because the funds advanced from the Designated Loan Fund were restricted for use on capital projects. These advances generally are not scheduled to be repaid in the next fiscal year.

Advances of \$692,500 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 \$101,126 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 \$943,161 is reported as a receivable in the General Fund and a payable in the Water and Electric Utility Fund.

Loans with a balance of \$562,462, 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, 2004

Interfund transfers consisted of the following amounts:

	Transfer From							Total
	General Fund	Transportation Sales Tax	Capital Projects	Nonmajor Governmental	Water and Electric	Non-Major Enterprise	Internal Service	
Major Governmental Funds:								
General Fund	\$ -	\$ 4,668,048	\$ -	\$ 673,650	\$ 7,970,369	\$ -	\$ 16,297	\$ 13,328,364
Transportation Sales Tax	-	-	311	-	-	-	-	311
Capital Projects	920,000	500,000	-	4,841,883	53,684	973	-	6,316,540
Nonmajor Governmental	530,570	-	446	2,649,790	-	-	-	3,180,806
Major Enterprise Funds:								
Water and Electric	-	-	-	-	-	-	90,000	90,000
Sanitary Sewer	-	-	2,500	-	-	-	-	2,500
Parking Facilities	172,000	-	-	1,200	-	-	-	173,200
Recreation Services	1,520,000	-	-	3,019,907	-	-	-	4,539,907
Nonmajor Enterprise	-	2,233,465	-	-	50,000	-	-	2,283,465
Total	\$ 3,142,570	\$ 7,401,513	\$ 3,257	\$ 11,186,430	\$ 8,074,053	\$ 973	\$ 106,297	\$ 29,915,093

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 \$7,970,369. The transfer represents PILOT payments.

IX. LONG-TERM LIABILITIES

A. Changes in Long-term Liabilities

	Balance October 1, 2003	Additions	Deductions	Balance September 30, 2004	Current Portion
Governmental Activities:					
General Obligation Bonds:					
1992 Refunding	\$ 700,000	\$ —	\$ (700,000)	\$ —	\$ —
Certificates of Participation:					
2001 A Series					
Fire Station	2,789,500	—	(885,000)	1,904,500	949,500
Health Center	2,085,000	—	—	2,085,000	—
Total Certificates of Participation	4,874,500	—	(885,000)	3,989,500	949,500
Capital Lease Obligations	7,000,000	—	—	7,000,000	—
Accrued Compensated Absences	1,726,879	1,586,379	(1,436,940)	1,876,318	1,426,673
Claims Payable - Worker's Compensation and General Liability	1,505,763	1,804,722	(2,018,628)	1,291,857	1,291,857
Claims Payable - Health Insurance	879,000	6,891,870	(6,872,858)	898,012	898,012
Total Governmental Activities	\$ 16,686,142	\$ 10,282,971	\$ (11,913,426)	\$ 15,055,687	\$ 4,566,042

Accrued compensated absences are generally liquidated by the general fund.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

	Balance October 1, 2003	Additions	Deductions	Balance September 30, 2004	Current Portion
Business-type Activities:					
Revenue Bonds:					
<i>Water & Electric Utility:</i>					
1992 Water and Electric	\$ 10,500,000	\$ —	\$ (3,315,000)	\$ 7,185,000	\$ 3,495,000
1998 Water and Electric	28,070,000	—	(60,000)	28,010,000	60,000
2002 Water and Electric	16,285,000	—	(260,000)	16,025,000	265,000
2003 Water and Electric	8,950,000	—	(50,000)	8,900,000	50,000
2004 Water and Electric	—	17,095,000	—	17,095,000	—
Premiums (Discounts)	(212,715)	286,907	35,959	110,151	—
Total Water & Electric Utility	<u>63,592,285</u>	<u>17,381,907</u>	<u>(3,649,041)</u>	<u>77,325,151</u>	<u>3,870,000</u>
<i>Sanitary Sewer Utility:</i>					
1979 Sanitary Sewer System	560,000	—	(275,000)	285,000	285,000
1992 Sanitary Sewer System Series B	560,000	—	(40,000)	520,000	45,000
1999 Sanitary Sewer System Series A	3,240,000	—	(165,000)	3,075,000	170,000
1999 Sanitary Sewer System Series B	1,240,000	—	(65,000)	1,175,000	65,000
2000 Sanitary Sewer System Series B	2,235,000	—	(105,000)	2,130,000	110,000
2002 Sanitary Sewer System Series A	2,230,000	—	(100,000)	2,130,000	100,000
2002 Sanitary Sewer System Refunding	7,940,000	—	(185,000)	7,755,000	200,000
2003 Sanitary Sewer System Series B	3,620,000	—	—	3,620,000	165,000
2004 Sanitary Sewer System Series B	—	650,000	—	650,000	—
Premiums (Discounts)	(159,049)	20,156	14,296	(124,597)	—
Total Sanitary Sewer Utility	<u>21,465,951</u>	<u>670,156</u>	<u>(920,704)</u>	<u>21,215,403</u>	<u>1,140,000</u>
<i>Parking Facilities:</i>					
1995 Parking Facilities	2,875,000	—	(95,000)	2,780,000	100,000
Discounts	(53,218)	—	3,131	(50,087)	—
Total Parking Facilities	<u>2,821,782</u>	<u>—</u>	<u>(91,869)</u>	<u>2,729,913</u>	<u>100,000</u>
Total Revenue Bonds	<u>87,880,018</u>	<u>18,052,063</u>	<u>(4,661,614)</u>	<u>101,270,467</u>	<u>5,110,000</u>
Special Obligation Bonds:					
<i>Sanitary Sewer Utility:</i>					
2001 Sanitary Sewer	2,585,000	—	(105,000)	2,480,000	105,000
Premiums	7,215	—	(419)	6,796	—
Total Sanitary Sewer Utility	<u>2,592,215</u>	<u>—</u>	<u>(105,419)</u>	<u>2,486,796</u>	<u>105,000</u>
<i>Solid Waste Utility:</i>					
1996 Refuse System	3,735,000	—	(205,000)	3,530,000	220,000
2001 Refuse System	4,465,000	—	(180,000)	4,285,000	185,000
Discounts	(30,717)	—	2,600	(28,117)	—
Total Solid Waste Utility	<u>8,169,283</u>	<u>—</u>	<u>(382,400)</u>	<u>7,786,883</u>	<u>405,000</u>
<i>Parking Facilities:</i>					
1996 Parking Facilities	5,285,000	—	(295,000)	4,990,000	305,000
Discounts	(61,212)	—	4,709	(56,503)	—
Total Parking Facilities	<u>5,223,788</u>	<u>—</u>	<u>(290,291)</u>	<u>4,933,497</u>	<u>305,000</u>
<i>Recreation Services:</i>					
Certificates of Participation - 2001 A Series	6,730,500	—	(2,065,000)	4,665,500	2,215,500
Premiums	84,651	—	(4,980)	79,671	—
Total Recreation Services	<u>6,815,151</u>	<u>—</u>	<u>(2,069,980)</u>	<u>4,745,171</u>	<u>2,215,500</u>
Total Special Obligation Bonds	<u>22,800,437</u>	<u>—</u>	<u>(2,848,090)</u>	<u>19,952,347</u>	<u>3,030,500</u>
Accrued Compensated Absences	992,369	1,130,447	(1,029,762)	1,093,054	816,112
Accrued Landfill Closure/Post Closure Care Costs	3,697,488	—	(223,349)	3,474,139	416,484
Total Business-type Activities	<u>\$ 115,370,312</u>	<u>\$ 19,182,510</u>	<u>\$ (8,762,815)</u>	<u>\$ 125,790,007</u>	<u>\$ 9,373,096</u>

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

B. Debt Service Requirements to Maturity

The annual requirements to amortize all bonded debt and the 2001A certificates of participation outstanding as of September 30, 2004, including interest payments of \$56,086,161, are as follows:

Year ending September 30	Governmental Activities:		Business-type Activities:			
	Certificates of Participation 2001A		Special Obligation 1996 and 2001		Certificates of Participation 2001A	
	Principal	Interest	Principal	Interest	Principal	Interest
2005	\$ 949,500	\$ 159,752	\$ 815,000	\$ 729,866	\$ 2,215,500	\$ 139,650
2006	955,000	120,332	850,000	691,335	2,450,000	47,670
2007	100,000	97,902	890,000	650,448	—	—
2008	105,000	93,737	925,000	607,185	—	—
2009	110,000	89,234	975,000	561,199	—	—
2010–2014	625,000	366,161	5,625,000	2,021,652	—	—
2015–2019	775,000	196,844	4,120,000	636,818	—	—
2020–2024	370,000	19,219	1,085,000	52,547	—	—
2025–2029	—	—	—	—	—	—
	<u>\$ 3,989,500</u>	<u>\$ 1,143,181</u>	<u>\$ 15,285,000</u>	<u>\$ 5,951,050</u>	<u>\$ 4,665,500</u>	<u>\$ 187,320</u>

Business-type Activities: (continued)

Year ending September 30	Revenue Bonds					
	Water and Electric		Sanitary Sewer Utility		Parking Facilities	
	Principal	Interest	Principal	Interest	Principal	Interest
2005	\$ 3,870,000	\$ 3,449,264	\$ 1,140,000	\$ 890,792	\$ 100,000	\$ 158,224
2006	4,265,000	3,228,335	1,170,000	849,359	105,000	153,047
2007	3,265,000	3,049,305	1,180,000	812,335	110,000	147,509
2008	3,415,000	2,904,499	1,205,000	772,131	120,000	141,469
2009	3,525,000	2,744,051	1,235,000	728,030	125,000	134,883
2010–2014	18,975,000	11,269,103	6,555,000	2,860,971	740,000	556,471
2015–2019	15,885,000	7,367,768	6,445,000	1,358,098	175,000	396,707
2020–2024	15,600,000	3,642,155	2,370,000	253,061	1,305,000	117,450
2025–2029	8,415,000	818,593	40,000	1,000	—	—
	<u>\$ 77,215,000</u>	<u>\$ 38,473,073</u>	<u>\$ 21,340,000</u>	<u>\$ 8,525,777</u>	<u>\$ 2,780,000</u>	<u>\$ 1,805,760</u>

TOTAL DEBT SERVICE REQUIREMENTS TO MATURITY

Year ending September 30	Principal	Interest
2005	\$ 9,090,000	\$ 5,527,548
2006	9,795,000	5,090,078
2007	5,545,000	4,757,499
2008	5,770,000	4,519,021
2009	5,970,000	4,257,397
2010–2014	32,520,000	17,074,358
2015–2019	27,400,000	9,956,235
2020–2024	20,730,000	4,084,432
2025–2029	8,455,000	819,593
	<u>\$ 125,275,000</u>	<u>\$ 56,086,161</u>

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

C. General Obligation Bonds—1992 Refunding Series

General obligation bonds are supported by a pledge of the City's full faith and credit. These bonds, which are reported in the government-wide statement of net assets, were issued to finance various capital projects. \$493,497 is available in the City's Debt Service Funds to repay general obligation bonds. The remainder of the general obligation bonds is to be repaid from future property tax levies.

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

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

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

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

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

E. Certificates of Participation Series 2001A

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

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

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

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

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

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

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

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

G. Water and Electric Revenue Bonds—2004 Series, 2003 Series, 2002 Series, 1998 Series, and 1992 Series

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%.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

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

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:

Nature of accounts	Amount	Authorized expenditures
(a) Current bond maturities and interest	Monthly accumulations equal to semiannual debt service.	Paying current principal and interest on bonds.
(b) Revenue bond reserve	Amount equal to 1/60th of the debt service requirements until said account shall equal the debt reserve requirements in the amount of \$8,739,211.	Paying principal and interest in the event of a deficiency in the current bond maturities and interest account.
(c) Renewal and replacement account	Amount of \$25,000 per month. Such payments shall be continued until the amount deposited and held in said fund shall equal \$1,500,000.	Paying unforeseen contingencies and meeting emergencies arising in the operation of the system.
(d) Revenue bond construction	To account for revenue bond issue proceeds prior to their expenditure for construction of utility plant.	To provide funds to pay construction cost to the extent such monies are available.

H. 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, 1992 Series B, and Series 1979

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

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

maturing on and after October 1, 2013, are redeemable on each October 1 and April 1, commencing on October 1, 2012, at par plus accrued interest. The interest rates range from 2.0% to 4.0% on this issue.

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

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

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

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

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.

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

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

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

Nature of accounts	Amount	Authorized expenditures
(a) Operation and maintenance	Equal to one month's operating expenses of the utility.	Operating expenses when non-restricted current assets are not available for payment.
(b) Sinking fund (cash with fiscal agent)	Current fiscal year bond maturity and interest accumulated monthly.	Payment of current principal and interest on bonds.
(c) Revenue bond reserve	Amount equal to \$214,840 for the 2001 Special Obligation Series A Bonds. The 2002 Refunding Series included a premium paid of \$26,039 for a debt service reserve fund policy of \$743,963.	Payment of principal and interest due on bonds when other funds are unavailable.
(d) Contingency	Amount of \$2,000 per month. Such payments shall continue until the amount deposited and held in said fund shall equal \$200,000.	Unforeseen contingencies; emergencies affecting operation and maintenance replacement for effective and efficient operation.
(e) Revenue bond construction	To account for revenue bond issue proceeds prior to expenditure for construction of utility plant additions.	Cost of construction projects.

I. Parking Facilities Revenue Bonds—Series 1995—Ordinance No. 014615

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

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

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

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

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

J. Capital Lease Agreements

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

The following is a schedule of the present value of net minimum lease payments for all of the City's capitalized leases as of September 30, 2004:

	<u>Governmental Activities</u>
Year ending September 30:	
2005	418,250
2006	418,250
2007	<u>7,209,125</u>
Total minimum lease payments	8,045,625
Less amount representing interest	<u>(1,045,625)</u>
Present value of net minimum lease payments	<u><u>\$ 7,000,000</u></u>

The following schedule shows the amount and asset classifications for capital lease items as of September 30, 2004:

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

K. Conduit Debt – Industrial Revenue Bonds

As of September 30, 2004, \$3,206,496 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.

L. Legal Debt Margin

The City's legal debt margin is \$231,727,857. For more information on the legal debt margin, see Table 9 in the Statistical Section.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

X. ADVANCE REFUNDING

In the prior years, the City defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased debts are not included in the City's government-wide financial statements. On September 30, 2004, \$10,015,000 of bonds and lease debt outstanding are considered defeased. The table below details these issues.

Issue	Outstanding at September 30, 2004
Enterprise funds revenue bonds/leases:	
1986 parking plaza lease/purchase agreement	\$ 1,480,000
Refuse 1986 series revenue bonds	185,000
Sanitary Sewer 1992 series revenue bonds	8,350,000
Total	\$ 10,015,000

XI. RISK MANAGEMENT

A. Self-insurance

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 1988, the City established a risk management program for workers' compensation, liability, and property losses with two issues of special obligation bonds to establish reserves for self-insurance. At September 30, 2004, reserves, at fair value, included: the Replacement Catastrophic Reserve, \$702,051, and the Liquidity Reserve, \$7,635,071. An excess coverage insurance policy covers individual claims in excess of \$1,000,000 for liability, and property losses, and workers' compensation claims in excess of \$750,000. The City carries insurance policies with outside insurers for airport, railroad, health clinic, and boiler and explosion claims. There has been no significant change in insurance coverage from the previous fiscal year. Settled claims have not exceeded insurance coverage in any of the past three years.

All operations of the City participate in the program and make payments to the Self-insurance Reserve Internal Service Fund's Liquidity Reserve based on an estimate of the amounts needed to pay claims, and to meet the debt service requirements of the self-insurance bond issues. The claims liability of \$1,213,525 reported in the Self-insurance Reserve Fund at September 30, 2004 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 2003 and 2004 were:

	Beginning of fiscal year liability	Current year claims and changes in estimates	Claim payments	Balance fiscal year-end
9/30/2003	\$ 942,537	\$ 2,164,674	\$ (1,601,448)	\$ 1,505,763
9/30/2004	\$ 1,505,763	\$ 1,804,722	\$ (2,018,628)	\$ 1,291,857

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

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 \$898,012 are reported in the Employee Benefit Fund as of September 30, 2004. These medical and dental reserves are estimated based on submitted claim lag reports using a 15-month run-off, which are adjusted for inflation/utilization trends, plan design and population changes. Changes in the claims liability amount in fiscal years 2003 and 2004 were:

		Beginning of fiscal year liability	Current year claims and changes in estimates	Claim payments	Balance fiscal year-end
9/30/2003	\$	716,460	\$ 6,243,195	\$ (6,080,655)	\$ 879,000
9/30/2004	\$	879,000	\$ 6,891,870	\$ (6,872,858)	\$ 898,012

XII. LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

State and federal laws and regulations require that the City of Columbia place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. During fiscal year 1994, the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 18, *Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs*. GASB No. 18 requires that, in addition to recognizing operating expenses related to current activities of the landfill, an expense provision and related liability be recognized for future closure and postclosure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and postclosure care costs is accrued ratably over the useful life of the landfill based on the portion of the landfill used during the year and is being recorded in the Solid Waste Utility Enterprise Fund. As of September 30, 2004, the liability recorded for landfill closure and postclosure care costs was \$3,474,139, which is based on 39.15% usage of the landfill, less costs paid to date of \$2,101,353. The City will recognize the remaining costs of closure and postclosure care of \$8,665,867 as the remaining capacity is filled. The estimated total current costs of the landfill closure and postclosure care (\$14,241,359) 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, 2004. However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. The estimated remaining life of the landfill is approximately 22 years.

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

XIII. CONTINGENCIES

A. Grants

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

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

financial statements of the individual fund types included herein or on the overall financial position of the City at September 30, 2004.

B. Litigation

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

XIV. EMPLOYEE RETIREMENT SYSTEMS AND PLANS

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

A. Plan Descriptions

Police and Firefighter Pension

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

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

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

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.

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

LAGERS

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

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

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

	Police Pension	Fire Pension	LAGERS
Number of participants:			
Current membership (receiving benefits)	97	107	326
Terminated entitled, not yet receiving benefits	4	—	170
Current active members	137	125	815

B. Funding Policy

The City's Police and Fire pension contributions for the fiscal year ended September 30, 2004, were made in accordance with actuarially determined contribution requirements determined through actuarial valuation. The LAGERS contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute.

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

	Police Plan	Fire Plan	LAGERS
Contribution rates:			
City – general, utility	26.24%	26.62%	13.0%, 13.2%
Plan members – contributory	8.35%	16.32%	—
Plan members – noncontributory	3.50%	—	—
Annual pension cost	\$1,675,017	\$1,577,343	\$4,007,284
Contributions made	\$1,675,017	\$1,577,343	\$4,007,284
Actuarial valuation date	9/30/2002	9/30/2002	2/29/2004
Actuarial cost method	same	same	entry age normal
Amortization method	level % of pay–closed	level % of pay–closed	level % of pay–open
Remaining amortization period	30 years	30 years	15 years
Asset valuation method	smooth 4 year market	smooth 4 year market	smooth 5 year market
Actuarial assumptions:			
Investment rate of return	8%	8%	7.5%
Projected salary increases *	5% – 8%	5% – 8%	0% – 4.2%
* Includes inflation at	5%	5%	4%
Benefit increases	2% annually until attained age of 62; 2% thereafter	2% annually or biannually contingent upon years of service	4% maximum annually based on consumer price index

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

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

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>
6/30/2002	\$ 3,527,296	100%	\$ —
6/30/2003	\$ 3,745,000	100%	\$ —
6/30/2004	\$ 4,007,287	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	9/30/2002	\$ 1,435,954	100%	\$ —
	9/30/2003	\$ 1,541,029	100%	\$ —
	9/30/2004	\$ 1,675,017	100%	\$ —
Fire	9/30/2002	\$ 1,149,108	100%	\$ —
	9/30/2003	\$ 1,399,850	100%	\$ —
	9/30/2004	\$ 1,577,343	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, 2004.

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, 2004

D. Statements of Fiduciary Net Assets for the Firefighters' and Police Retirement Funds as of September 30, 2004 are as follows:

	<u>Firefighters' Retirement Fund</u>	<u>Police Retirement Fund</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 97,105	\$ 63,408	\$ 160,513
Accrued interest	76,841	50,177	127,018
Investments	38,618,816	25,217,630	63,836,446
Capital assets	7,078	4,610	11,688
Accumulated depreciation	<u>(7,078)</u>	<u>(4,610)</u>	<u>(11,688)</u>
Total Assets	<u>38,792,762</u>	<u>25,331,215</u>	<u>64,123,977</u>
LIABILITIES			
Other liabilities	<u>30,965</u>	<u>20,220</u>	<u>51,185</u>
Total Liabilities	<u>30,965</u>	<u>20,220</u>	<u>51,185</u>
NET ASSETS			
Net assets held in trust	<u>38,761,797</u>	<u>25,310,995</u>	<u>64,072,792</u>
Total Net Assets	<u>\$ 38,761,797</u>	<u>\$ 25,310,995</u>	<u>\$ 64,072,792</u>

CITY OF COLUMBIA, MISSOURI

Notes to the Basic Financial Statements September 30, 2004

E. Statements of Changes in Fiduciary Net Assets for the year ended September 30, 2004 are as follows:

	Firefighters' Retirement Fund	Police Retirement Fund	Total
ADDITIONS			
Contributions:			
City	\$ 1,577,343	\$ 1,675,017	\$ 3,252,360
Employee	970,994	227,975	1,198,969
Net investment income:			
Net appreciation in fair value of investments	2,811,550	1,840,836	4,652,386
Interest and dividends	630,131	410,927	1,041,058
Total additions	5,990,018	4,154,755	10,144,773
DEDUCTIONS			
Current:			
Policy development and administration:			
Materials and supplies	256	166	422
Intragovernmental	28,648	18,682	47,330
Utilities, services, and miscellaneous	14,348	9,357	23,705
Pension benefits	2,755,112	2,023,023	4,778,135
Refund of employee's contributions	104,593	26,270	130,863
Total deductions	2,902,957	2,077,498	4,980,455
Change in net assets	3,087,061	2,077,257	5,164,318
NET ASSETS - BEGINNING	35,674,736	23,233,738	58,908,474
NET ASSETS - ENDING	\$ 38,761,797	\$ 25,310,995	\$ 64,072,792

F. 401(a) Retirement Plan

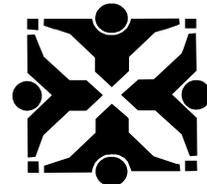
The City sponsors a 401(a) plan which is a defined contribution plan established to provide benefits at retirement to permanent employees of the City. At September 30, 2004, there were 993 plan members. The City will contribute to the plan on behalf of each participant an amount equal to 2.0% of the participant's salary contingent upon the participant making a matching contribution to a Section 457 deferred compensation plan. For the year ended September 30, 2004, the City contributed \$727,799 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, 2004, there were 1,265 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, 2004, the City contributed \$372,811 to the plan.

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, 2004**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
General property taxes	4,648,847	4,648,847	4,683,536	34,689
Sales tax	15,670,000	15,670,000	16,360,968	690,968
Other local taxes	7,249,265	7,249,265	8,126,309	877,044
Licenses and permits	651,000	651,000	677,338	26,338
Fines	1,559,200	1,559,200	1,586,050	26,850
Fees and service charges	1,739,093	1,739,093	1,976,346	237,253
Intragovernmental revenue	10,714,539	10,714,539	3,052,749	(7,661,790)
Revenue from other governmental units	2,965,329	3,766,933	3,554,464	(212,469)
Investment revenue	600,000	600,000	440,215	(159,785)
Miscellaneous revenue	642,306	684,205	864,558	180,353
TOTAL REVENUES	46,439,579	47,283,082	41,322,533	(5,960,549)
EXPENDITURES:				
Current:				
Policy development and administration:				
City Council	203,266	253,266	163,000	90,266
City Clerk	134,430	134,430	122,611	11,819
City Manager	749,384	751,777	708,180	43,597
Election	65,340	65,340	40,895	24,445
Financial Services	2,731,178	2,774,960	2,628,240	146,720
Human Resources	678,645	698,533	615,807	82,726
City Counselor	454,587	577,188	427,796	149,392
Public Works Administration	1,929,860	1,937,041	1,906,931	30,110
Total policy development and administration	6,946,690	7,192,535	6,613,460	579,075
Public safety:				
Police	14,290,195	14,482,719	13,893,140	589,579
City Prosecutor	309,827	310,082	284,587	25,495
Fire	10,143,487	10,542,568	10,097,846	444,722
Animal Control	382,075	382,075	358,773	23,302
Municipal Court	597,656	599,839	514,957	84,882
Emergency Management	160,147	233,943	196,012	37,931
Joint Communications	2,027,682	2,050,974	1,936,965	114,009
Total public safety	27,911,069	28,602,200	27,282,280	1,319,920
Transportation:				
Streets and Sidewalks	4,337,423	4,641,301	3,508,103	1,133,198
Street Lighting	738,425	738,425	698,050	40,375
Traffic	832,914	917,997	848,380	69,617
Total transportation	5,908,762	6,297,723	5,054,533	1,243,190
Health and environment:				
Health Services	3,973,991	4,385,690	3,793,586	592,104
Planning	629,138	671,491	580,542	90,949
Department of Economic Development	315,799	315,799	312,088	3,711
Protective Inspection	1,054,885	1,101,312	1,006,190	95,122
Total health and environment	5,973,813	6,474,292	5,692,406	781,886
Personal development:				
Parks and Recreation	3,688,922	3,727,445	3,476,623	250,822
Office of Community Services	270,249	389,460	355,964	33,496
Social Assistance	896,800	1,006,663	822,257	184,406
Total personal development	4,855,971	5,123,568	4,654,844	468,724
Miscellaneous nonprogrammed activities	585,500	427,419	465,263	(37,844)
TOTAL EXPENDITURES	52,181,805	54,117,737	49,762,786	4,354,951
DEFICIENCY OF REVENUES OVER EXPENDITURES	(5,742,226)	(6,834,655)	(8,440,253)	(1,605,598)
OTHER FINANCING SOURCES (USES):				
Transfers from other funds	5,297,110	5,358,002	13,328,364	7,970,362
Transfers to other funds	(3,142,578)	(3,142,578)	(3,142,570)	8
Appropriation of prior year fund balance	3,587,694	3,587,694	3,587,694	-
TOTAL OTHER FINANCING SOURCES (USES)	5,742,226	5,803,118	13,773,488	7,970,370
NET CHANGE IN FUND BALANCE	-	(1,031,537)	5,333,235	6,364,772
Effect of appropriation of prior year fund balance	(3,587,694)	(3,587,694)	(3,587,694)	-
FUND BALANCE, BEGINNING OF PERIOD	16,393,867	16,393,867	16,393,867	-
FUND BALANCE, END OF PERIOD	12,806,173	11,774,636	18,139,408	6,364,772

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, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Sales tax	\$ 7,865,000	\$ 7,865,000	\$ 8,250,896	\$ 385,896
Investment revenue	50,000	50,000	49,259	(741)
TOTAL REVENUES	<u>7,915,000</u>	<u>7,915,000</u>	<u>8,300,155</u>	<u>385,155</u>
OTHER FINANCING (USES):				
Transfers to other funds	(7,401,520)	(7,401,520)	(7,401,513)	7
Transfers from other funds	-	-	311	311
TOTAL OTHER FINANCING (USES)	<u>(7,401,520)</u>	<u>(7,401,520)</u>	<u>(7,401,202)</u>	<u>318</u>
NET CHANGE IN FUND BALANCE	513,480	513,480	898,953	385,473
FUND BALANCE, BEGINNING OF PERIOD	<u>2,122,164</u>	<u>2,122,164</u>	<u>2,122,164</u>	<u>-</u>
FUND BALANCE, END OF PERIOD	<u>\$ 2,635,644</u>	<u>\$ 2,635,644</u>	<u>\$ 3,021,117</u>	<u>\$ 385,473</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, 2004

Budgetary Information

An annual budget prepared under the modified accrual basis of accounting is adopted in September prior to the beginning of each fiscal year for all revenues and expenditures of the General Fund of the City. The primary basis of budgetary control is at the department level. Departments may not legally exceed their total appropriation without City Council approval. A review of the current year's budget is made by the departments in September of each year and interdepartmental transfers are made with City Council approval. Any remaining unencumbered appropriations lapse at fiscal year end. Any increase in appropriations during the fiscal year must be approved by the City Council. During the current budget year, supplemental budget appropriations were necessary to approve funding for new grant programs, as well as other approved City programs. These appropriations increased the General Fund budget by \$1,935,932, 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.

Excess of Expenditures Over Appropriations

For the year ended September 30, 2004, expenditures exceeded appropriations in the Public Improvement Governmental Fund by \$685. The overexpenditure was funded by greater than anticipated revenues.

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

LAGERS

Actuarial valuation date	(a) Actuarial value of assets	(b) Entry age actuarial accrued liability	(b-a) Unfunded accrued liability (UAL)	(a/b) Funded ratio	[c] Annual covered payroll	[(b-a)/c] UAL as a percentage of covered payroll
2/28/2002	68,873,136	68,248,461	(624,675)	100%	28,472,930	100%
2/28/2003	70,528,966	83,131,089	12,602,123	85%	29,456,504	43%
2/29/2004	72,143,130	85,045,531	12,902,401	85%	30,179,637	43%

Note: The assets and actuarial accrued liability do not include the assets and present value of benefits associated with the Benefit Reserve Fund and the Casualty Reserve Fund. The actuarial assumptions were changed in conjunction with the February 29, 2004 annual actuarial valuations. For a complete description of the actuarial assumptions used in the annual valuations, please contact the LAGERS office in Jefferson City.

Police Retirement Plan

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
9/30/1998	17,308,242	25,630,672	8,322,430	68%	4,478,709	186%
9/30/1999	19,723,586	28,130,283	8,406,697	70%	4,885,545	172%
9/30/2000	22,296,556	30,701,128	8,404,572	73%	5,146,710	163%
9/30/2001	23,329,556	32,593,716	9,264,160	72%	5,624,856	165%
9/30/2002	24,129,696	35,629,888	11,500,192	68%	6,102,665	188%
9/30/2003	24,801,737	38,602,193	13,800,456	64%	6,259,230	220%

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
9/30/1998	25,725,677	32,970,461	7,244,784	78%	4,692,014	154%
9/30/1999	28,832,755	35,805,006	6,972,251	81%	4,738,337	147%
9/30/2000	33,126,153	40,218,742	7,092,589	82%	5,112,352	139%
9/30/2001	35,479,510	46,532,177	11,052,667	76%	5,140,736	215%
9/30/2002	36,819,272	51,148,331	14,329,059	72%	5,604,494	256%
9/30/2003	38,082,991	55,329,557	17,246,566	69%	5,833,970	296%

See Independent Auditors' Report

CITY OF COLUMBIA, MISSOURI

Required Supplementary Information - Unaudited

Schedule of Employer Contributions

Police Retirement Plan

<u>Year ended September 30</u>	<u>Annual required contributions</u>	<u>Percent contributed</u>	<u>Net pension obligation</u>
1998	1,072,564	100%	-
1999	1,169,892	100%	-
2000	1,264,593	100%	-
2001	1,343,575	100%	-
2002	1,435,954	100%	-
2003	1,541,029	100%	-

Firefighters' Retirement Plan

<u>Year ended September 30</u>	<u>Annual required contributions</u>	<u>Percent contributed</u>	<u>Net pension obligation</u>
1998	1,022,618	100%	-
1999	1,055,836	100%	-
2000	1,085,657	100%	-
2001	1,136,419	100%	-
2002	1,149,108	100%	-
2003	1,399,850	100%	-

Notes to the Required Schedules

The required contribution was determined using the entry age actuarial cost method. The actuarial assumptions included (a) a rate of return on the investment of present and future assets of 8.0% per year, compounded annually; (b) projected salary increases of 4.5% per year, compounded annually, attributable to inflation; (c) additional projected salary increases ranging from 0% to 4.1% per year, depending on age, attributable to seniority/merit; and (d) the assumption that benefits will increase after retirement as specified in the City Ordinance. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The amortization period on September 30, 2003 was 24 years.

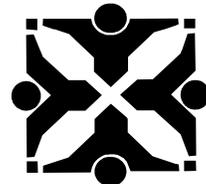
With respect to the actuarial information shown above, the following items are noted:

- 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.

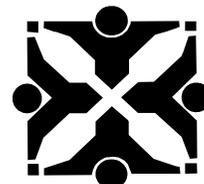
Cultural Affairs Fund - to account for monies reserved for cultural purposes. These monies are used to improve and sustain the cultural environment of the City by providing a system of support for area artists and cultural organizations.

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 1999 to be collected between January 2001 and December 2005 for funding of capital improvement projects.

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

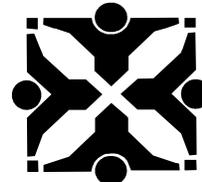
Contributions Fund - to account for all gifts, bequests, or other funds derived from property which may have been purchased or held in trust by or for the City of Columbia, Missouri. Resources in this fund shall only be used for parks and other recreational property or facilities.

Debt Service Funds

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

1992 General Obligation Refunding Bonds Debt Service Fund - to accumulate monies for payment of the 1992 \$16,670,000 2.75%-5.5% General Obligation Refunding bonds which are serial bonds with annual installments of \$905,000-\$1,475,000 plus interest until maturity in 2003 and term bonds of \$2,925,000 at 9%. Financing was provided by an annual property tax levy. The City, over a period of several years, advance refunded these bonds. As of Fiscal Year 2004, the City has no outstanding liability.

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



NON-MAJOR GOVERNMENTAL FUNDS

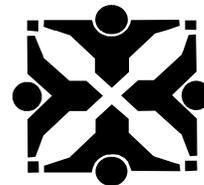
Debt Service Funds (continued)

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

Permanent Fund

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

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



**CITY OF COLUMBIA, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2004**

ASSETS	Special Revenue Funds	Debt Service Funds	Permanent Fund	Total Nonmajor Governmental Funds
Cash and cash equivalents	\$ 10,335,943	\$ 5,103,259	\$ 4,394,744	\$ 19,833,946
Accounts receivable	95,819	-	-	95,819
Taxes receivable, net	3,477,815	4,420	368,510	3,850,745
Grants receivable	42,976	-	-	42,976
Rehabilitation loans receivable	5,658,238	-	-	5,658,238
Accrued interest	45,698	17,132	85,504	148,334
Due from other funds	-	-	19,203	19,203
Advances to other funds	-	-	1,766,849	1,766,849
Restricted assets:				
Cash and cash equivalents	<u>3,369,322</u>	<u>506,173</u>	<u>-</u>	<u>3,875,495</u>
TOTAL ASSETS	<u>\$ 23,025,811</u>	<u>\$ 5,630,984</u>	<u>\$ 6,634,810</u>	<u>\$ 35,291,605</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES:				
Accounts payable	\$ 241,603	\$ 394	\$ -	\$ 241,997
Interest payable	-	-	-	-
Accrued payroll and payroll taxes	77,783	-	-	77,783
Due to other funds	19,203	-	-	19,203
Unearned revenue	2,649,938	4,400	-	2,654,338
Other liabilities	847	-	-	847
General obligation bonds payable	-	-	-	-
TOTAL LIABILITIES	<u>2,989,374</u>	<u>4,794</u>	<u>-</u>	<u>2,994,168</u>
FUND BALANCE:				
Reserve for encumbrances	328,967	-	-	328,967
Reserve for development charges	2,481,762	-	-	2,481,762
Reserve for hotel/motel tax	887,560	-	-	887,560
Reserve for loans receivable	5,585,912	-	-	5,585,912
Reserve for contributions	-	-	1,500,000	1,500,000
Reserve for advances to other funds	-	-	1,766,849	1,766,849
Unreserved:				
Designated – appropriated	2,853,913	-	-	2,853,913
Designated – unrealized gains	72,800	92,101	-	164,901
Undesignated	<u>7,825,523</u>	<u>5,534,089</u>	<u>3,367,961</u>	<u>16,727,573</u>
TOTAL FUND BALANCE	<u>20,036,437</u>	<u>5,626,190</u>	<u>6,634,810</u>	<u>32,297,437</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 23,025,811</u>	<u>\$ 5,630,984</u>	<u>\$ 6,634,810</u>	<u>\$ 35,291,605</u>

See Independent Auditors' Report.

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**CITY OF COLUMBIA, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2004**

ASSETS	Library Debt Fund	Library Operating Fund	Library Building Fund	Special Road District Tax Fund	Cultural Affairs Fund
Cash and cash equivalents	\$ 1,092,095	\$ 629,147	\$79,709	\$ 3,297,681	\$ 146,182
Accounts receivable	-	-	-	-	788
Taxes receivable, net	1,274,800	1,297,430	-	-	-
Grants receivable	-	-	-	-	-
Rehabilitation loans receivable	-	-	-	-	-
Accrued interest	3,775	2,142	300	10,500	487
Other assets	-	-	-	-	-
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
TOTAL ASSETS	<u>\$ 2,370,670</u>	<u>\$ 1,928,719</u>	<u>\$80,009</u>	<u>\$ 3,308,181</u>	<u>\$ 147,457</u>
LIABILITIES AND FUND BALANCE					
LIABILITIES:					
Accounts payable	\$ -	\$ 145,000	\$ -	\$ -	\$ 17,675
Interest payable	-	-	-	-	-
Accrued payroll and payroll taxes	-	-	-	-	16,434
Due to other funds	-	-	-	-	-
Unearned revenue	1,271,080	1,291,656	-	-	-
Other liabilities	-	-	-	-	-
TOTAL LIABILITIES	<u>1,271,080</u>	<u>1,436,656</u>	<u>-</u>	<u>-</u>	<u>34,109</u>
FUND BALANCE:					
Reserve for encumbrances	-	-	-	-	4,289
Reserve for development charges	-	-	-	-	-
Reserve for hotel/motel tax	-	-	-	-	-
Reserve for loans receivable	-	-	-	-	-
Unreserved:					
Designated – appropriated	-	-	-	1,433,425	-
Designated – unrealized gains	-	19,223	-	10,472	1,217
Undesignated	1,099,590	472,840	80,009	1,864,284	107,842
TOTAL FUND BALANCE	<u>1,099,590</u>	<u>492,063</u>	<u>80,009</u>	<u>3,308,181</u>	<u>113,348</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 2,370,670</u>	<u>\$ 1,928,719</u>	<u>\$80,009</u>	<u>\$ 3,308,181</u>	<u>\$ 147,457</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2004**

ASSETS	Columbia Special Business District Fund	Convention and Tourism Fund	Community Development Grant Fund	Public Improvement Fund
Cash and cash equivalents	\$ 23,554	\$ 385,568	\$ 14,606	\$ 1,885,630
Accounts receivable	-	-	-	63,104
Taxes receivable, net	87,206	-	-	63,661
Grants receivable	-	-	42,976	-
Rehabilitation loans receivable	-	-	5,658,238	-
Accrued interest	77	4,230	-	14,727
Other assets	-	-	-	-
Restricted assets:				
Cash and cash equivalents	-	887,560	-	2,481,762
TOTAL ASSETS	<u>\$ 110,837</u>	<u>\$ 1,277,358</u>	<u>\$ 5,715,820</u>	<u>\$ 4,508,884</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES:				
Accounts payable	\$ -	\$ 40,409	\$ 36,266	\$ 579
Interest payable	-	-	-	-
Accrued payroll and payroll taxes	-	33,041	20,469	-
Due to other funds	-	19,203	-	-
Unearned revenue	87,202	-	-	-
Other liabilities	-	-	847	-
TOTAL LIABILITIES	<u>87,202</u>	<u>92,653</u>	<u>57,582</u>	<u>579</u>
FUND BALANCE:				
Reserve for encumbrances	-	252,352	72,326	-
Reserve for development charges	-	-	-	2,481,762
Reserve for hotel/motel tax	-	887,560	-	-
Reserve for loans receivable	-	-	5,585,912	-
Unreserved:				
Designated – appropriated	-	-	-	1,420,488
Designated – unrealized gains	274	8,411	-	-
Undesignated	23,361	36,382	-	606,055
TOTAL FUND BALANCE	<u>23,635</u>	<u>1,184,705</u>	<u>5,658,238</u>	<u>4,508,305</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 110,837</u>	<u>\$ 1,277,358</u>	<u>\$ 5,715,820</u>	<u>\$ 4,508,884</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2004**

Capital Improvement Sales Tax Fund	Park Sales Tax Fund	Contributions Fund	Total Nonmajor Special Revenue Funds
\$ 1,294,508	\$ 940,579	\$ 546,684	\$ 10,335,943
-	-	31,927	95,819
377,495	377,223	-	3,477,815
-	-	-	42,976
-	-	-	5,658,238
4,182	3,428	1,850	45,698
-	-	-	-
-	-	-	3,369,322
<u>\$ 1,676,185</u>	<u>\$ 1,321,230</u>	<u>\$ 580,461</u>	<u>\$ 23,025,811</u>
\$ -	\$ -	\$ 1,674	\$ 241,603
-	-	-	-
-	-	7,839	77,783
-	-	-	19,203
-	-	-	2,649,938
-	-	-	847
-	-	9,513	2,989,374
-	-	-	328,967
-	-	-	2,481,762
-	-	-	887,560
-	-	-	5,585,912
-	-	-	2,853,913
33,203	-	-	72,800
<u>1,642,982</u>	<u>1,321,230</u>	<u>570,948</u>	<u>7,825,523</u>
<u>1,676,185</u>	<u>1,321,230</u>	<u>570,948</u>	<u>20,036,437</u>
<u>\$ 1,676,185</u>	<u>\$ 1,321,230</u>	<u>\$ 580,461</u>	<u>\$ 23,025,811</u>

See Independent Auditors' Report.

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**CITY OF COLUMBIA, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
SEPTEMBER 30, 2004**

ASSETS	1992 General Obligation Refunding Bonds Debt Service Fund	2001 Certificates of Participation - Stephens' Lake	2001 Certificates of Participation - Public Buildings	Total Nonmajor Debt Service Funds
Cash and cash equivalents	\$ 492,522	\$ 4,583,526	\$ 27,211	\$ 5,103,259
Taxes receivable, net	4,420	-	-	4,420
Accrued interest	1,349	15,683	100	17,132
Restricted assets:				
Cash and cash equivalents	-	32	506,141	506,173
TOTAL ASSETS	<u>\$ 498,291</u>	<u>\$ 4,599,241</u>	<u>\$ 533,452</u>	<u>\$ 5,630,984</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES:				
Accounts payable	\$ 394	\$ -	\$ -	\$ 394
Interest payable	-	-	-	-
Unearned revenue	4,400	-	-	4,400
General obligation bonds payable	-	-	-	-
TOTAL LIABILITIES	<u>4,794</u>	<u>-</u>	<u>-</u>	<u>4,794</u>
FUND BALANCE:				
Unreserved:				
Designated - unrealized gains	92,101	-	-	92,101
Undesignated	401,396	4,599,241	533,452	5,534,089
TOTAL FUND BALANCE	<u>493,497</u>	<u>4,599,241</u>	<u>533,452</u>	<u>5,626,190</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 498,291</u>	<u>\$ 4,599,241</u>	<u>\$ 533,452</u>	<u>\$ 5,630,984</u>

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CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2004

	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Permanent Fund</u>	<u>Total Nonmajor Governmental Funds</u>
REVENUES:				
General property taxes	\$ 3,733,800	\$ 632	\$ -	\$ 3,734,432
Sales tax	8,937,506	-	-	8,937,506
Other local taxes	1,407,977	-	-	1,407,977
Licenses and permits	18,933	-	-	18,933
Fees and service charges	527,045	-	-	527,045
Revenue from other governmental units	3,535,381	-	-	3,535,381
Investment revenue	358,054	118,943	194,481	671,478
Miscellaneous	264,677	-	-	264,677
TOTAL REVENUES	<u>18,783,373</u>	<u>119,575</u>	<u>194,481</u>	<u>19,097,429</u>
EXPENDITURES:				
Current:				
Policy development and administration	1,755,898	-	9,405	1,765,303
Health and environment	1,011,161	-	-	1,011,161
Personal development	3,292,445	-	-	3,292,445
Capital outlay	-	-	-	-
Debt Service:				
Redemption of serial bonds	-	885,000	-	885,000
Interest	-	614,692	-	614,692
Fiscal agent fees	-	2,883	-	2,883
TOTAL EXPENDITURES	<u>6,059,504</u>	<u>1,502,575</u>	<u>9,405</u>	<u>7,571,484</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>12,723,869</u>	<u>(1,383,000)</u>	<u>185,076</u>	<u>11,525,945</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	431,113	2,749,693	-	3,180,806
Transfers out	(11,186,430)	-	-	(11,186,430)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(10,755,317)</u>	<u>2,749,693</u>	<u>-</u>	<u>(8,005,624)</u>
NET CHANGE IN FUND BALANCE	1,968,552	1,366,693	185,076	3,520,321
FUND BALANCE, BEGINNING OF PERIOD	<u>18,067,885</u>	<u>4,259,497</u>	<u>6,449,734</u>	<u>28,777,116</u>
FUND BALANCE, END OF PERIOD	<u>\$ 20,036,437</u>	<u>\$ 5,626,190</u>	<u>\$ 6,634,810</u>	<u>\$ 32,297,437</u>

See Independent Auditors' Report.

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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, 2004

	<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	\$1,823,631	\$1,791,891	\$ 19	\$ -	\$ -
Sales tax	-	-	-	-	-
Other local taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Fees and service charges	-	-	-	-	-
Revenue from other governmental units	-	-	-	1,173,369	26,841
Investment revenue	33,636	30,205	2,372	52,985	2,707
Miscellaneous	-	-	-	-	53,913
TOTAL REVENUES	<u>1,857,267</u>	<u>1,822,096</u>	<u>2,391</u>	<u>1,226,354</u>	<u>83,461</u>
EXPENDITURES:					
Current:					
Policy development and administration	-	-	-	-	336,174
Health and environment	-	-	-	-	-
Personal development	1,212,023	1,928,814	-	-	-
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>1,212,023</u>	<u>1,928,814</u>	<u>-</u>	<u>-</u>	<u>336,174</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>645,244</u>	<u>(106,718)</u>	<u>2,391</u>	<u>1,226,354</u>	<u>(252,713)</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	265,975
Transfers out	-	-	-	(1,045,808)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,045,808)</u>	<u>265,975</u>
NET CHANGE IN FUND BALANCE	645,244	(106,718)	2,391	180,546	13,262
FUND BALANCE, BEGINNING OF PERIOD	<u>454,346</u>	<u>598,781</u>	<u>77,618</u>	<u>3,127,635</u>	<u>100,086</u>
FUND BALANCE, END OF PERIOD	<u><u>\$1,099,590</u></u>	<u><u>\$ 492,063</u></u>	<u><u>\$ 80,009</u></u>	<u><u>\$ 3,308,181</u></u>	<u><u>\$ 113,348</u></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, 2004

	<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	\$ 118,259	\$ -	\$ -	\$ -
Sales tax	-	-	-	699,478
Other local taxes	-	1,407,977	-	-
Licenses and permits	18,933	-	-	-
Fees and service charges	-	-	-	527,045
Revenue from other governmental units	-	-	2,335,171	-
Investment revenue	658	28,756	12,083	106,452
Miscellaneous	-	17,650	210	-
	<u>137,850</u>	<u>1,454,383</u>	<u>2,347,464</u>	<u>1,332,975</u>
TOTAL REVENUES				
EXPENDITURES:				
Current:				
Policy development and administration	149,097	1,234,367	-	36,260
Health and environment	-	-	1,011,161	-
Personal development	-	-	-	-
Capital outlay	-	-	-	-
	<u>149,097</u>	<u>1,234,367</u>	<u>1,011,161</u>	<u>36,260</u>
TOTAL EXPENDITURES				
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(11,247)</u>	<u>220,016</u>	<u>1,336,303</u>	<u>1,296,715</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	17,500	-	-	391
Transfers out	<u>(7,500)</u>	<u>(8,547)</u>	<u>(1,004,281)</u>	<u>(539,000)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>10,000</u>	<u>(8,547)</u>	<u>(1,004,281)</u>	<u>(538,609)</u>
NET CHANGE IN FUND BALANCE	(1,247)	211,469	332,022	758,106
FUND BALANCE, BEGINNING OF PERIOD	<u>24,882</u>	<u>973,236</u>	<u>5,326,216</u>	<u>3,750,199</u>
FUND BALANCE, END OF PERIOD	<u>\$ 23,635</u>	<u>\$ 1,184,705</u>	<u>\$ 5,658,238</u>	<u>\$ 4,508,305</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, 2004

<u>Capital Improvement Sales Tax Fund</u>	<u>Park Sales Tax Fund</u>	<u>Contributions Fund</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ -	\$ -	\$ -	\$ 3,733,800
4,125,150	4,112,878	-	8,937,506
-	-	-	1,407,977
-	-	-	18,933
-	-	-	527,045
-	-	-	3,535,381
43,031	31,410	13,759	358,054
<u>-</u>	<u>-</u>	<u>192,904</u>	<u>264,677</u>
<u>4,168,181</u>	<u>4,144,288</u>	<u>206,663</u>	<u>18,783,373</u>
-	-	-	1,755,898
-	-	-	1,011,161
-	816	150,792	3,292,445
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>816</u>	<u>150,792</u>	<u>6,059,504</u>
<u>4,168,181</u>	<u>4,143,472</u>	<u>55,871</u>	<u>12,723,869</u>
55	-	147,192	431,113
<u>(4,661,627)</u>	<u>(3,834,950)</u>	<u>(84,717)</u>	<u>(11,186,430)</u>
<u>(4,661,572)</u>	<u>(3,834,950)</u>	<u>62,475</u>	<u>(10,755,317)</u>
(493,391)	308,522	118,346	1,968,552
<u>2,169,576</u>	<u>1,012,708</u>	<u>452,602</u>	<u>18,067,885</u>
<u>\$ 1,676,185</u>	<u>\$ 1,321,230</u>	<u>\$ 570,948</u>	<u>\$ 20,036,437</u>

See Independent Auditors' Report.

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CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2004

	1992 General Obligation Refunding Bonds Debt Service Fund	2001 Certificates of Participation - Stephens' Lake	2001 Certificates of Participation - Public Buildings	Total Nonmajor Debt Service Funds
REVENUES:				
General Property Taxes:				
Personal property	\$ 427	\$ -	\$ -	\$ 427
Interest and penalties	205	-	-	205
Total General Property Taxes	632	-	-	632
Investment revenue	10,695	105,172	3,076	118,943
TOTAL REVENUES	11,327	105,172	3,076	119,575
EXPENDITURES:				
Debt Service:				
Redemption of serial bonds	-	-	885,000	885,000
Interest	-	418,250	196,442	614,692
Fiscal agent fees	2,223	-	660	2,883
TOTAL EXPENDITURES	2,223	418,250	1,082,102	1,502,575
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	9,104	(313,078)	(1,079,026)	(1,383,000)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	1,668,250	1,081,443	2,749,693
TOTAL OTHER FINANCING SOURCES (USES)	-	1,668,250	1,081,443	2,749,693
NET CHANGE IN FUND BALANCE	9,104	1,355,172	2,417	1,366,693
FUND BALANCE, BEGINNING OF PERIOD	484,393	3,244,069	531,035	4,259,497
FUND BALANCE, END OF PERIOD	\$ 493,497	\$ 4,599,241	\$ 533,452	\$ 5,626,190

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2004**

	<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	1,173,369	(26,631)
Investment revenue	40,000	52,985	12,985
Miscellaneous revenue	-	-	-
TOTAL REVENUES	<u>1,240,000</u>	<u>1,226,354</u>	<u>(13,646)</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>1,240,000</u>	<u>1,226,354</u>	<u>(13,646)</u>
OTHER FINANCING SOURCES (USES):			
Transfers from other funds	-	-	-
Transfers to other funds	(1,045,808)	(1,045,808)	-
Restructure of financing	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,045,808)</u>	<u>(1,045,808)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	194,192	180,546	(13,646)
FUND BALANCE, BEGINNING OF PERIOD	<u>2,674,287</u>	<u>3,127,635</u>	<u>453,348</u>
FUND BALANCE, END OF PERIOD	<u>\$ 2,868,479</u>	<u>\$ 3,308,181</u>	<u>\$ 439,702</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2004**

<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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	1,316,000	1,407,977	91,977
-	-	-	-	-	-
30,500	26,841	(3,659)	-	-	-
3,500	2,707	(793)	40,000	28,756	(11,244)
44,400	53,913	9,513	17,895	17,650	(245)
<u>78,400</u>	<u>83,461</u>	<u>5,061</u>	<u>1,373,895</u>	<u>1,454,383</u>	<u>80,488</u>
368,653	336,174	32,479	1,696,975	1,234,367	462,608
-	-	-	-	-	-
-	-	-	-	-	-
<u>368,653</u>	<u>336,174</u>	<u>32,479</u>	<u>1,696,975</u>	<u>1,234,367</u>	<u>462,608</u>
<u>(290,253)</u>	<u>(252,713)</u>	<u>37,540</u>	<u>(323,080)</u>	<u>220,016</u>	<u>543,096</u>
265,975	265,975	-	-	-	-
-	-	-	(8,547)	(8,547)	-
-	-	-	-	-	-
<u>265,975</u>	<u>265,975</u>	<u>-</u>	<u>(8,547)</u>	<u>(8,547)</u>	<u>-</u>
(24,278)	13,262	37,540	(331,627)	211,469	543,096
77,231	100,086	22,855	923,021	973,236	50,215
<u>\$ 52,953</u>	<u>\$ 113,348</u>	<u>\$ 60,395</u>	<u>\$ 591,394</u>	<u>\$ 1,184,705</u>	<u>\$ 593,311</u>

See Independent Auditors' Report.

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**CITY OF COLUMBIA, MISSOURI
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2004**

	Public Improvement Fund		
	Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
REVENUES:			
General property taxes	\$ -	\$ -	\$ -
Sales tax	664,610	699,478	34,868
Other local taxes	-	-	-
Fees and service charges	350,000	527,045	177,045
Revenue from other governmental units	-	-	-
Investment revenue	140,000	106,452	(33,548)
Miscellaneous revenue	-	-	-
TOTAL REVENUES	<u>1,154,610</u>	<u>1,332,975</u>	<u>178,365</u>
EXPENDITURES:			
Current:			
Policy development and administration	35,575	36,260	(685)
Personal development	-	-	-
Miscellaneous nonprogrammed activities:			
Other	-	-	-
TOTAL EXPENDITURES	<u>35,575</u>	<u>36,260</u>	<u>(685)</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>1,119,035</u>	<u>1,296,715</u>	<u>177,680</u>
OTHER FINANCING SOURCES (USES):			
Transfers from other funds	-	391	391
Transfers to other funds	(574,575)	(539,000)	35,575
Restructure of financing	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(574,575)</u>	<u>(538,609)</u>	<u>35,966</u>
NET CHANGE IN FUND BALANCE	544,460	758,106	213,646
FUND BALANCE, BEGINNING OF PERIOD	<u>3,698,418</u>	<u>3,750,199</u>	<u>51,781</u>
FUND BALANCE, END OF PERIOD	<u>\$ 4,242,878</u>	<u>\$ 4,508,305</u>	<u>\$ 265,427</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2004**

Capital Improvement Sales Tax Fund			Park Sales Tax Fund		
Budgeted Amounts	Actual Amounts	Variance Positive (Negative)	Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,911,000	4,125,150	214,150	3,911,000	4,112,878	201,878
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
40,000	43,031	3,031	25,000	31,410	6,410
-	-	-	-	-	-
<u>3,951,000</u>	<u>4,168,181</u>	<u>217,181</u>	<u>3,936,000</u>	<u>4,144,288</u>	<u>208,288</u>
-	-	-	-	-	-
-	-	-	816	816	-
-	-	-	-	-	-
-	-	-	<u>816</u>	<u>816</u>	<u>-</u>
<u>3,951,000</u>	<u>4,168,181</u>	<u>217,181</u>	<u>3,935,184</u>	<u>4,143,472</u>	<u>208,288</u>
-	55	55	-	-	-
(4,661,628)	(4,661,627)	1	(3,834,950)	(3,834,950)	-
-	-	-	-	-	-
<u>(4,661,628)</u>	<u>(4,661,572)</u>	<u>56</u>	<u>(3,834,950)</u>	<u>(3,834,950)</u>	<u>-</u>
(710,628)	(493,391)	217,237	100,234	308,522	208,288
<u>2,122,369</u>	<u>2,169,576</u>	<u>47,207</u>	<u>970,174</u>	<u>1,012,708</u>	<u>42,534</u>
<u>\$ 1,411,741</u>	<u>\$ 1,676,185</u>	<u>\$ 264,444</u>	<u>\$ 1,070,408</u>	<u>\$ 1,321,230</u>	<u>\$ 250,822</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2004**

	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	-	-	-
Investment revenue	18,000	13,759	(4,241)
Miscellaneous revenue	-	192,904	192,904
TOTAL REVENUES	18,000	206,663	188,663
EXPENDITURES:			
Current:			
Policy development and administration	-	-	-
Personal development	167,331	150,792	16,539
Miscellaneous nonprogrammed activities:			
Other	-	-	-
TOTAL EXPENDITURES	167,331	150,792	16,539
DEFICIENCY OF REVENUES OVER EXPENDITURES	(149,331)	55,871	205,202
OTHER FINANCING SOURCES (USES):			
Transfers from other funds	147,200	147,192	(8)
Transfers to other funds	-	(84,717)	(84,717)
Restructure of financing	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	147,200	62,475	(84,725)
NET CHANGE IN FUND BALANCE	(2,131)	118,346	120,477
FUND BALANCE, BEGINNING OF PERIOD	374,559	452,602	78,043
FUND BALANCE, END OF PERIOD	<u>\$ 372,428</u>	<u>\$ 570,948</u>	<u>\$ 198,520</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
 BUDGETARY COMPARISON SCHEDULE
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2004**

Debt Service Funds (Combined)		
Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
\$ -	\$ 632	\$ 632
-	-	-
-	-	-
-	-	-
81,000	118,943	37,943
-	-	-
81,000	119,575	38,575
-	-	-
-	-	-
2,749,693	1,502,575	1,247,118
2,749,693	1,502,575	1,247,118
(2,668,693)	(1,383,000)	1,285,693
2,749,693	2,749,693	-
-	-	-
-	-	-
2,749,693	2,749,693	-
81,000	1,366,693	1,285,693
3,049,568	4,259,497	1,209,929
\$ 3,130,568	\$ 5,626,190	\$ 2,495,622

See Independent Auditors' Report.

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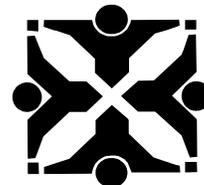
NON-MAJOR ENTERPRISE FUNDS

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

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

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

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



**CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2004**

	Regional Airport Fund	Public Transportation Fund	Railroad Fund	Total Nonmajor Enterprise Funds
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 395,268	\$ 2,924,119	\$ 430,046	\$ 3,749,433
Receivable, net	68,974	102,287	99,248	270,509
Accrued interest	1,143	9,779	1,426	12,348
Inventory	-	59,436	71,415	130,851
Other assets	-	138	-	138
Total Current Assets	<u>465,385</u>	<u>3,095,759</u>	<u>602,135</u>	<u>4,163,279</u>
Noncurrent Assets:				
Restricted Assets:				
Grants receivable	11,433	-	-	11,433
Total Restricted Assets	<u>11,433</u>	<u>-</u>	<u>-</u>	<u>11,433</u>
Capital Assets:				
Land	1,538,836	-	93,530	1,632,366
Structures and improvements	17,347,371	250,731	4,129,489	21,727,591
Furniture, fixtures and equipment	1,745,539	4,790,817	743,730	7,280,086
Construction in progress	64,498	120,937	181,125	366,560
Less accumulated depreciation	(7,853,937)	(1,910,463)	(1,779,209)	(11,543,609)
Total Capital Assets	<u>12,842,307</u>	<u>3,252,022</u>	<u>3,368,665</u>	<u>19,462,994</u>
Total Noncurrent Assets	<u>12,853,740</u>	<u>3,252,022</u>	<u>3,368,665</u>	<u>19,474,427</u>
Total Assets	<u>13,319,125</u>	<u>6,347,781</u>	<u>3,970,800</u>	<u>23,637,706</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	11,749	10,255	25,802	47,806
Accrued payroll and payroll taxes	44,625	100,177	12,573	157,375
Accrued compensated absences	51,690	33,290	3,200	88,180
Loans payable to other funds – current maturities	-	-	61,272	61,272
Other liabilities	16,373	-	-	16,373
Total Current Liabilities	<u>124,437</u>	<u>143,722</u>	<u>102,847</u>	<u>371,006</u>
Payable from restricted assets:				
Construction contracts payable	17,433	-	45,111	62,544
Advances from other funds	132,483	-	-	132,483
Total payable from restricted assets	<u>149,916</u>	<u>-</u>	<u>45,111</u>	<u>195,027</u>
Noncurrent Liabilities:				
Accrued compensated absences	9,152	10,739	2,061	21,952
Loans payable to other funds	-	-	501,190	501,190
Total Noncurrent Liabilities	<u>9,152</u>	<u>10,739</u>	<u>503,251</u>	<u>523,142</u>
Total Liabilities	<u>283,505</u>	<u>154,461</u>	<u>651,209</u>	<u>1,089,175</u>
NET ASSETS				
Invested in capital assets, net of related debt	12,842,307	3,252,022	3,368,665	19,462,994
Unrestricted	193,313	2,941,298	(49,074)	3,085,537
Total Net Assets	<u>\$ 13,035,620</u>	<u>\$ 6,193,320</u>	<u>\$ 3,319,591</u>	<u>\$ 22,548,531</u>

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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, 2004

	<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	\$ 583,835	\$ 713,121	\$ 621,322	\$ 1,918,278
OPERATING EXPENSES:				
Personal services	825,971	1,626,955	220,247	2,673,173
Materials, supplies, and power	105,964	582,396	70,749	759,109
Travel and training	4,255	3,723	2,478	10,456
Intragovernmental	139,193	333,314	36,467	508,974
Utilities, services, and miscellaneous	215,285	279,024	140,959	635,268
Depreciation	493,603	427,020	230,810	1,151,433
Total Operating Expenses	<u>1,784,271</u>	<u>3,252,432</u>	<u>701,710</u>	<u>5,738,413</u>
Operating Income (Loss)	<u>(1,200,436)</u>	<u>(2,539,311)</u>	<u>(80,388)</u>	<u>(3,820,135)</u>
NONOPERATING REVENUES (EXPENSES):				
Investment revenue	10,309	61,871	6,606	78,786
Revenue from other governmental units	-	1,134,518	-	1,134,518
Miscellaneous revenue	32,855	4,295	21,033	58,183
Interest expense	(7,380)	-	(10,803)	(18,183)
Loss on disposal of capital assets	(17,000)	-	-	(17,000)
Miscellaneous expense	-	-	-	-
Total Nonoperating Revenues (Expenses)	<u>18,784</u>	<u>1,200,684</u>	<u>16,836</u>	<u>1,236,304</u>
Income (Loss) Before Contributions and Transfers	<u>(1,181,652)</u>	<u>(1,338,627)</u>	<u>(63,552)</u>	<u>(2,583,831)</u>
Transfers in	633,465	1,600,000	50,000	2,283,465
Transfers out	(973)	-	-	(973)
Capital contribution	<u>569,216</u>	<u>176,686</u>	<u>-</u>	<u>745,902</u>
Changes in Net Assets	20,056	438,059	(13,552)	444,563
TOTAL NET ASSETS- BEGINNING OF PERIOD	<u>13,015,564</u>	<u>5,755,261</u>	<u>3,333,143</u>	<u>22,103,968</u>
TOTAL NET ASSETS- END OF PERIOD	<u>\$ 13,035,620</u>	<u>\$ 6,193,320</u>	<u>\$ 3,319,591</u>	<u>\$ 22,548,531</u>

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**CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2004**

	Regional Airport Fund	Public Transportation Fund	Railroad Fund	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers (including other funds)	\$ 578,168	\$ 613,062	\$ 589,963	\$ 1,781,193
Cash received from other sources	32,855	4,295	21,033	58,183
Cash payments to suppliers	(330,288)	(873,247)	(214,545)	(1,418,080)
Cash payments to employees	(808,454)	(1,599,119)	(215,173)	(2,622,746)
Cash payments to other funds	(139,193)	(333,314)	(12,195)	(484,702)
Cash payments for other expenses	(2,539)	(29,571)	(4,213)	(36,323)
Net cash provided for (used for) operating activities	<u>(669,451)</u>	<u>(2,217,894)</u>	<u>164,870</u>	<u>(2,722,475)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers from other funds	633,465	1,600,000	50,000	2,283,465
Transfers to other funds	(973)	-	-	(973)
Operating grants	-	1,160,776	-	1,160,776
Net cash provided for (used for) noncapital financing activities	<u>632,492</u>	<u>2,760,776</u>	<u>50,000</u>	<u>3,443,268</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Proceeds from bonds, loans, and capital leases	-	-	253,100	253,100
Debt service – interest payments	(7,380)	-	(10,803)	(18,183)
Debt service – principal	(57,767)	-	(72,761)	(130,528)
Acquisition and construction of capital assets	(664,779)	(174,614)	(202,136)	(1,041,529)
Decrease in construction contracts	-	(960)	(87,781)	(88,741)
Capital contributions	557,783	176,686	-	734,469
Net cash provided for (used for) capital and related financing activities	<u>(172,143)</u>	<u>1,112</u>	<u>(120,381)</u>	<u>(291,412)</u>
CASH FLOWS FROM INVESTING ACTIVITIES –				
Interest received	13,148	87,624	10,237	111,009
Net cash provided for (used for) investing activities	<u>13,148</u>	<u>87,624</u>	<u>10,237</u>	<u>111,009</u>
Net increase (decrease) in cash and cash equivalents	(195,954)	631,618	104,726	540,390
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD				
	<u>591,222</u>	<u>2,292,501</u>	<u>325,320</u>	<u>3,209,043</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD				
	<u>\$ 395,268</u>	<u>\$ 2,924,119</u>	<u>\$ 430,046</u>	<u>\$ 3,749,433</u>
Displayed as:				
Cash and cash equivalents	<u>\$ 395,268</u>	<u>\$ 2,924,119</u>	<u>\$ 430,046</u>	<u>\$ 3,749,433</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) FOR OPERATING ACTIVITIES:				
Operating income (loss)	\$ (1,200,436)	\$ (2,539,311)	\$ (80,388)	\$ (3,820,135)
Adjustments to reconcile operating income to net cash provided (used) for operating activities:				
Depreciation	493,603	427,020	230,810	1,151,433
Changes in assets and liabilities:				
Decrease (increase) in receivable	(5,667)	(100,059)	(31,359)	(137,085)
Decrease (increase) in inventory	-	-	8,054	8,054
Increase (decrease) in accounts payable	(5,789)	(8,104)	(8,413)	(22,306)
Increase (decrease) in accrued payroll	17,517	27,836	5,074	50,427
Increase (decrease) in loans payable to other funds	-	-	24,272	24,272
Increase (decrease) in other liabilities	1,005	-	-	1,005
Other nonoperating revenue (expense)	30,316	(25,276)	16,820	21,860
Net cash provided for (used for) operating activities	<u>\$ (669,451)</u>	<u>\$ (2,217,894)</u>	<u>\$ 164,870</u>	<u>\$ (2,722,475)</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:				
Construction contracts payable	\$ 17,433	\$ -	\$ 45,111	\$ 62,544
Total noncash capital and related financing activities	<u>\$ 17,433</u>	<u>\$ -</u>	<u>\$ 45,111</u>	<u>\$ 62,544</u>

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INTERNAL SERVICE FUNDS

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

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

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

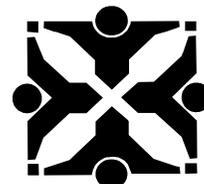
Information Services Fund - to account for the provision of hardware infrastructure to support the computing requirements of the City, as well as developing or implementing software to improve the operating efficiencies of the departments within the City.

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

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

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

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



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**CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2004**

ASSETS	Custodial and Maintenance Services Fund	Utility Customer Services Fund	Information Services Fund
CURRENT ASSETS:			
Cash and cash equivalents	\$ 971,070	\$ 1,163,209	\$ 1,706,642
Investments	-	-	-
Receivable, net	-	234,600	6,074
Accrued interest	3,244	3,951	5,724
Inventory	6,230	-	6,777
Other assets	-	-	-
Total Current Assets	<u>980,544</u>	<u>1,401,760</u>	<u>1,725,217</u>
CAPITAL ASSETS:			
Property, plant, and equipment	116,465	71,350	3,948,039
Construction in progress	-	-	-
Less accumulated depreciation	<u>(45,321)</u>	<u>(23,800)</u>	<u>(3,434,873)</u>
Total Capital Assets	<u>71,144</u>	<u>47,550</u>	<u>513,166</u>
TOTAL ASSETS	<u>1,051,688</u>	<u>1,449,310</u>	<u>2,238,383</u>
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES:			
Accounts payable	32,116	17,933	129,956
Accrued payroll and payroll taxes	40,862	38,580	172,730
Due to other funds	-	-	-
Claims payable - health insurance	-	-	-
Claims payable - worker's compensation and general liability	-	-	-
Other liabilities	-	-	-
Total Current Liabilities	<u>72,978</u>	<u>56,513</u>	<u>302,686</u>
NET ASSETS			
Invested in capital assets, net of related debt	71,144	47,550	513,166
Restricted for:			
Other purposes	-	-	-
Unrestricted	<u>907,566</u>	<u>1,345,247</u>	<u>1,422,531</u>
Total Net Assets	<u>\$ 978,710</u>	<u>\$ 1,392,797</u>	<u>\$ 1,935,697</u>

**CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2004**

<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>
\$ 1,230,662	\$ 127,828	\$ -	\$ 1,293,340	\$ 6,492,751
-	-	8,392,122	-	8,392,122
116,288	20,910	-	316,632	694,504
4,093	485	194	4,241	21,932
23,208	517,151	-	-	553,366
-	84	-	-	84
<u>1,374,251</u>	<u>666,458</u>	<u>8,392,316</u>	<u>1,614,213</u>	<u>16,154,759</u>
187,130	370,502	15,350	-	4,708,836
-	128,954	-	-	128,954
<u>(131,279)</u>	<u>(212,256)</u>	<u>(15,350)</u>	<u>-</u>	<u>(3,862,879)</u>
<u>55,851</u>	<u>287,200</u>	<u>-</u>	<u>-</u>	<u>974,911</u>
<u>1,430,102</u>	<u>953,658</u>	<u>8,392,316</u>	<u>1,614,213</u>	<u>17,129,670</u>
12,934	173,648	26,398	156,071	549,056
28,426	103,206	8,464	14,592	406,860
-	-	101,126	-	101,126
-	-	-	898,012	898,012
-	-	1,291,857	-	1,291,857
-	-	-	44,875	44,875
<u>41,360</u>	<u>276,854</u>	<u>1,427,845</u>	<u>1,113,550</u>	<u>3,291,786</u>
55,851	287,200	-	-	974,911
-	-	702,051	-	702,051
<u>1,332,891</u>	<u>389,604</u>	<u>6,262,420</u>	<u>500,663</u>	<u>12,160,922</u>
<u>\$ 1,388,742</u>	<u>\$ 676,804</u>	<u>\$ 6,964,471</u>	<u>\$ 500,663</u>	<u>\$ 13,837,884</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, 2004

	<u>Custodial and Maintenance Services Fund</u>	<u>Utility Customer Services Fund</u>	<u>Information Services Fund</u>
OPERATING REVENUES:			
Charges for services and other benefits	\$ 698,278	\$ 1,001,192	\$2,973,103
OPERATING EXPENSES:			
Personal services	401,977	449,334	1,511,765
Materials and supplies	85,745	213,625	278,465
Travel and training	-	14,350	48,026
Intragovernmental	64,159	234,861	115,728
Utilities, services, and miscellaneous	218,058	375,275	781,144
Depreciation	5,148	5,257	166,620
TOTAL OPERATING EXPENSES	<u>775,087</u>	<u>1,292,702</u>	<u>2,901,748</u>
OPERATING INCOME (LOSS)	<u>(76,809)</u>	<u>(291,510)</u>	<u>71,355</u>
NONOPERATING REVENUES (EXPENSES):			
Investment revenue	25,897	32,410	41,815
Revenue from other governmental units	-	-	-
Miscellaneous revenue	185	229,690	1,004
Interest expense	-	-	-
Loss on disposal of capital assets	-	(4,203)	-
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>26,082</u>	<u>257,897</u>	<u>42,819</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(50,727)	(33,613)	114,174
Transfers in	-	-	-
Transfers out	-	(16,297)	(20,000)
CHANGES IN NET ASSETS	(50,727)	(49,910)	94,174
TOTAL NET ASSETS- BEGINNING OF PERIOD	<u>1,029,437</u>	<u>1,442,707</u>	<u>1,841,523</u>
TOTAL NET ASSETS- END OF PERIOD	<u>\$ 978,710</u>	<u>\$ 1,392,797</u>	<u>\$1,935,697</u>

CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2004

<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>
\$ 742,287	\$ 4,257,163	\$ 1,769,486	\$ 8,745,412	\$ 20,186,921
278,012	1,129,645	111,515	234,959	4,117,207
183,977	2,606,677	3,042	57,763	3,429,294
2,070	1,284	3,777	9,107	78,614
54,224	276,004	28,434	43,569	816,979
94,592	45,047	2,377,706	10,033,531	13,925,353
9,893	20,427	-	-	207,345
<u>622,768</u>	<u>4,079,084</u>	<u>2,524,474</u>	<u>10,378,929</u>	<u>22,574,792</u>
<u>119,519</u>	<u>178,079</u>	<u>(754,988)</u>	<u>(1,633,517)</u>	<u>(2,387,871)</u>
32,210	1,721	80,119	62,758	276,930
-	3,878	-	-	3,878
5	58,226	-	-	289,110
-	-	-	-	-
<u>-</u>	<u>(1,012)</u>	<u>-</u>	<u>-</u>	<u>(5,215)</u>
<u>32,215</u>	<u>62,813</u>	<u>80,119</u>	<u>62,758</u>	<u>564,703</u>
151,734	240,892	(674,869)	(1,570,759)	(1,823,168)
-	-	-	-	-
<u>(70,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(106,297)</u>
81,734	240,892	(674,869)	(1,570,759)	(1,929,465)
<u>1,307,008</u>	<u>435,912</u>	<u>7,639,340</u>	<u>2,071,422</u>	<u>15,767,349</u>
<u>\$ 1,388,742</u>	<u>\$ 676,804</u>	<u>\$ 6,964,471</u>	<u>\$ 500,663</u>	<u>\$ 13,837,884</u>

See Independent Auditors' Report.

**CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2004**

	Custodial and Maintenance Services Fund	Utility Customer Services Fund	Information Services Fund
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers (including other funds)	\$ 698,278	\$ 1,000,379	\$ 2,972,823
Cash received from other sources	185	229,690	1,004
Cash payments to suppliers	(286,352)	(608,922)	(1,075,116)
Cash payments to employees	(402,354)	(440,722)	(1,486,316)
Cash payments to other funds	(64,159)	(234,861)	(115,728)
Other non-operating revenue (expense)	(9,834)	(11,990)	(17,254)
	<u>(64,236)</u>	<u>(66,426)</u>	<u>279,413</u>
Net cash provided for (used for) operating activities			
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers in	-	-	-
Transfers out	-	(16,297)	(20,000)
Operating grants	-	-	-
	<u>-</u>	<u>(16,297)</u>	<u>(20,000)</u>
Net cash provided for (used for) noncapital financing activities			
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Debt service – interest	-	-	-
Debt service – principal	-	-	(147,000)
Acquisition and construction of capital assets	-	(25,001)	(231,706)
	<u>-</u>	<u>(25,001)</u>	<u>(378,706)</u>
Net cash provided for (used for) capital and related financing activities			
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received	35,085	43,677	57,972
Purchase of investments	-	-	-
Sale of investments	-	-	-
	<u>35,085</u>	<u>43,677</u>	<u>57,972</u>
Net cash provided for (used for) investing activities			
Net increase (decrease) in cash and cash equivalents	(29,151)	(64,047)	(61,321)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>1,000,221</u>	<u>1,227,256</u>	<u>1,767,963</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 971,070</u>	<u>\$ 1,163,209</u>	<u>\$ 1,706,642</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) FOR OPERATING ACTIVITIES:			
Operating income (loss)	\$ (76,809)	\$ (291,510)	\$ 71,355
Adjustments to reconcile operating income (loss) to net cash provided (used) for operating activities:			
Depreciation	5,148	5,257	166,620
Changes in assets and liabilities:			
Decrease (increase) in receivables	-	(813)	(280)
Decrease (increase) in inventory	(103)	-	6,949
Decrease (increase) in other assets	-	-	-
Increase (decrease) in accounts payable	17,554	(5,672)	25,570
Increase (decrease) in accrued payroll	(377)	8,612	25,449
Increase (decrease) in due other funds	-	-	-
Increase (decrease) in other liabilities	-	-	-
Increase (decrease) in claims payable - worker's compensation and general liability	-	-	-
Other nonoperating revenue	(9,649)	217,700	(16,250)
	<u>(9,649)</u>	<u>217,700</u>	<u>(16,250)</u>
Net cash provided for (used for) operating activities	<u>\$ (64,236)</u>	<u>\$ (66,426)</u>	<u>\$ 279,413</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:			
Change in fair value of investments	\$ -	\$ -	\$ -
Total noncash capital and related financing activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2004**

Public Communications Fund	Fleet Operations Fund	Self Insurance Reserve Fund	Employee Benefit Fund	Total Internal Service Funds
\$ 741,837	\$ 4,251,561	\$ 1,656,706	\$ 8,678,557	\$ 20,000,141
5	58,226	-	-	289,110
(294,154)	(2,741,206)	(2,373,726)	(10,323,250)	(17,702,726)
(273,817)	(1,128,422)	(109,748)	(234,961)	(4,076,340)
(54,224)	(276,004)	(28,434)	(43,569)	(816,979)
(12,295)	(1,176)	-	-	(52,549)
<u>107,352</u>	<u>162,979</u>	<u>(855,202)</u>	<u>(1,923,223)</u>	<u>(2,359,343)</u>
-	-	-	-	-
(70,000)	-	-	-	(106,297)
-	3,878	-	-	3,878
<u>(70,000)</u>	<u>3,878</u>	<u>-</u>	<u>-</u>	<u>(102,419)</u>
-	-	-	-	-
-	-	-	-	(147,000)
(21,852)	(92,577)	-	-	(371,136)
<u>(21,852)</u>	<u>(92,577)</u>	<u>-</u>	<u>-</u>	<u>(518,136)</u>
43,468	2,551	79,942	66,649	329,344
-	-	(782,791)	-	(782,791)
-	-	1,505,273	-	1,505,273
<u>43,468</u>	<u>2,551</u>	<u>802,424</u>	<u>66,649</u>	<u>1,051,826</u>
58,968	76,831	(52,778)	(1,856,574)	(1,928,072)
<u>1,171,694</u>	<u>50,997</u>	<u>52,778</u>	<u>3,149,914</u>	<u>8,420,823</u>
<u>\$ 1,230,662</u>	<u>\$ 127,828</u>	<u>\$ -</u>	<u>\$ 1,293,340</u>	<u>\$ 6,492,751</u>
\$ 119,519	\$ 178,079	\$ (754,988)	\$ (1,633,517)	\$ (2,387,871)
9,893	20,427	-	-	207,345
(450)	(5,602)	-	(66,855)	(74,000)
(4,002)	(81,290)	-	-	(78,446)
-	-	-	-	-
(9,513)	(6,908)	10,799	(227,490)	(195,660)
4,195	1,223	1,767	(2)	40,867
-	-	101,126	-	101,126
-	-	-	4,641	4,641
-	-	(213,906)	-	(213,906)
(12,290)	57,050	-	-	236,561
<u>107,352</u>	<u>162,979</u>	<u>(855,202)</u>	<u>(1,923,223)</u>	<u>(2,359,343)</u>
\$ -	\$ -	\$ 6,395	\$ -	\$ 6,395
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,395</u>	<u>\$ -</u>	<u>\$ 6,395</u>

See Independent Auditors' Report.

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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, 2004

	Pension Trust Funds		
	Firefighters' Retirement Fund	Police Retirement Fund	Total
ASSETS			
Cash and cash equivalents	\$ 97,105	\$ 63,408	\$ 160,513
Accrued interest	76,841	50,177	127,018
Other assets	-	-	-
Investments	38,618,816	25,217,630	63,836,446
Capital assets	7,078	4,610	11,688
Accumulated depreciation	(7,078)	(4,610)	(11,688)
Total Assets	38,792,762	25,331,215	64,123,977
LIABILITIES			
Accounts payable	-	-	-
Other liabilities	30,965	20,220	51,185
Total Liabilities	30,965	20,220	51,185
NET ASSETS			
Net assets held in trust	38,761,797	25,310,995	64,072,792
Total Net Assets	\$ 38,761,797	\$ 25,310,995	\$ 64,072,792

See Independent Auditors' Report.

CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
SEPTEMBER 30, 2004

	Private Purpose Trust Funds		
	Conley Poor Fund	REDI Trust Fund	Total
ASSETS			
Cash and cash equivalents	\$ 69,045	\$ 203,026	\$ 272,071
Accrued interest	231	682	913
Other assets	-	2,958	2,958
Investments	-	-	-
Capital assets	-	-	-
Accumulated depreciation	-	-	-
	69,276	206,666	275,942
LIABILITIES			
Accounts payable	1,637	663	2,300
Other liabilities	-	10,098	10,098
	1,637	10,761	12,398
NET ASSETS			
Net assets held in trust	67,639	195,905	263,544
	\$ 67,639	\$ 195,905	\$ 263,544

See Independent Auditors' Report.

CITY OF COLUMBIA, MISSOURI
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2004

	<u>Pension Trust Funds</u>		
	<u>Firefighters'</u> <u>Retirement Fund</u>	<u>Police</u> <u>Retirement Fund</u>	<u>Total</u>
ADDITIONS			
Contributions:			
Private	\$ -	\$ -	\$ -
Chamber	-	-	-
City	1,577,343	1,675,017	3,252,360
County	-	-	-
University	-	-	-
Employee	970,994	227,975	1,198,969
Net investment income:			
Net appreciation in fair value of investments	2,811,550	1,840,836	4,652,386
Interest and dividends	630,131	410,927	1,041,058
Miscellaneous	-	-	-
	<u>5,990,018</u>	<u>4,154,755</u>	<u>10,144,773</u>
DEDUCTIONS			
Current:			
Health and environment:			
Services and miscellaneous	-	-	-
Policy development and administration:			
Materials and supplies	256	166	422
Travel and training	-	-	-
Intragovernmental	28,648	18,682	47,330
Utilities, services, and miscellaneous	14,348	9,357	23,705
Pension benefits	2,755,112	2,023,023	4,778,135
Refund of employee's contributions	104,593	26,270	130,863
	<u>2,902,957</u>	<u>2,077,498</u>	<u>4,980,455</u>
Change in net assets	3,087,061	2,077,257	5,164,318
NET ASSETS - BEGINNING	<u>35,674,736</u>	<u>23,233,738</u>	<u>58,908,474</u>
NET ASSETS - ENDING	<u>\$ 38,761,797</u>	<u>\$ 25,310,995</u>	<u>\$ 64,072,792</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, 2004

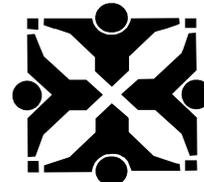
	<u>Private Purpose Trust Funds</u>		
	<u>Conley Poor Fund</u>	<u>REDI Trust Fund</u>	<u>Total</u>
ADDITIONS			
Contributions:			
Private	\$ -	\$ 2,000	\$ 2,000
Chamber	-	114,400	114,400
City	-	20,000	20,000
County	-	35,000	35,000
University	-	15,000	15,000
Employee	-	-	-
Net investment income:			
Net appreciation in fair value of investments	-	-	-
Interest and dividends	1,986	7,081	9,067
Miscellaneous	-	2,664	2,664
	<u>1,986</u>	<u>196,145</u>	<u>198,131</u>
Total additions			
DEDUCTIONS			
Current:			
Health and environment:			
Services and miscellaneous	7,942	-	7,942
Policy development and administration:			
Materials and supplies	-	27,656	27,656
Travel and training	-	22,384	22,384
Intragovernmental	-	182	182
Utilities, services, and miscellaneous	-	159,731	159,731
Pension benefits	-	-	-
Refund of employee's contributions	-	-	-
	<u>7,942</u>	<u>209,953</u>	<u>217,895</u>
Total Deductions			
Change in net assets	(5,956)	(13,808)	(19,764)
NET ASSETS - BEGINNING	<u>73,595</u>	<u>209,713</u>	<u>283,308</u>
NET ASSETS - ENDING	<u>\$ 67,639</u>	<u>\$ 195,905</u>	<u>\$ 263,544</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 "a broader and more complete understanding of the City and its financial affairs than is possible from the financial statements, notes and supporting schedule presentation in the Financial Section."



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TABLE 1

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

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

<u>Fiscal Year Ended</u>	<u>Total</u>	<u>Policy Development and Administration</u>	<u>Public Safety</u>	<u>Transportation</u>
1995	50,680,617	11.45% 5,802,956	31.79% 16,109,255	6.97% 3,529,615
1996	53,789,060	11.47% 6,167,095	31.69% 17,042,840	6.54% 3,519,198
1997	55,871,278	11.37% 6,351,294	32.81% 18,333,619	6.05% 3,380,411
1998	56,561,908	11.86% 6,708,191	33.58% 18,995,112	7.01% 3,966,967
1999	62,939,078	11.15% 7,016,308	31.88% 20,067,864	6.48% 4,076,785
2000	60,653,382	11.85% 7,188,527	36.47% 22,121,679	6.36% 3,859,721
2001	74,631,405	10.13% 7,562,805	31.22% 23,301,920	5.50% 4,105,897
2002	74,503,019	10.52% 7,837,951	33.92% 25,268,570	6.22% 4,631,933
2003	72,635,379	11.11% 8,069,752	35.14% 25,521,715	5.67% 4,116,302
2004	77,312,129	10.83% 8,369,358	34.25% 26,477,538	5.58% 4,314,145

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

(b) Fiscal years prior to 1996 include encumbrances.

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

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

<u>Health and Environment</u>	<u>Personal Development</u>	<u>Operating Transfers to Other Funds</u>	<u>Debt Service</u>	<u>Miscellaneous</u>
7.50% 3,802,917	8.85% 4,485,948	22.98% 11,645,896	9.54% 4,835,242	0.92% 468,788
7.53% 4,051,992	8.22% 4,413,539	21.63% 11,632,865	12.39% 6,662,472	0.56% 299,059
7.77% 4,338,712	8.31% 4,644,060	22.16% 12,382,443	11.38% 6,355,441	0.15% 85,298
8.25% 4,663,835	8.83% 4,995,514	21.35% 12,077,252	9.02% 5,104,679	0.09% 50,358
7.35% 4,626,032	8.56% 5,388,990	27.37% 17,228,039	7.06% 4,442,594	0.15% 92,466
7.89% 4,782,554	11.81% 7,163,125	20.55% 12,462,765	4.88% 2,957,544	0.19% 117,467
6.98% 5,207,107	20.55% 15,335,759	20.99% 15,666,126	4.53% 3,384,123	0.09% 67,668
7.91% 5,895,469	10.86% 8,090,851	26.22% 19,533,282	4.12% 3,065,882	0.24% 179,081
8.42% 6,116,585	11.20% 8,135,545	25.31% 18,387,192	3.05% 2,213,628	0.10% 74,660
8.62% 6,662,314	10.08% 7,790,423	28.11% 21,730,513	1.94% 1,502,575	0.60% 465,263

CITY OF COLUMBIA, MISSOURI

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

<u>Fiscal Year Ended</u>	<u>Total General Revenue</u>	<u>Taxes (b)</u>	<u>Licenses and Permits</u>	<u>Court Fines</u>
1995	52,236,144	66.57% 34,774,664	0.95% 494,149	1.33% 692,382
1996	54,598,093	67.58% 36,896,579	0.93% 508,783	1.43% 783,833
1997	58,146,901	67.12% 39,027,880	0.90% 526,049	1.62% 941,341
1998	60,608,350	67.45% 40,878,843	0.97% 585,911	1.74% 1,052,303
1999	58,378,868	58.98% 34,429,568	1.00% 584,779	1.67% 976,225
2000	61,718,222	68.75% 42,432,675	0.98% 607,876	1.86% 1,147,091
2001	79,351,601	62.28% 49,419,091	0.80% 638,640	1.51% 1,201,343
2002	77,336,815	70.23% 54,310,740	0.84% 651,697	1.93% 1,489,192
2003	80,305,197	70.44% 56,570,429	0.86% 692,256	1.99% 1,597,787
2004	85,035,117	69.94% 59,471,993	0.82% 696,271	1.87% 1,586,050

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

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

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

CITY OF COLUMBIA, MISSOURI

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

<u>Fees and Service Charges</u>	<u>General and Administrative Charges</u>	<u>Other Revenue and Fund Transfers (c)</u>
2.64% 1,382,099	4.31% 2,251,280	24.20% 12,641,570
2.76% 1,504,930	4.38% 2,390,833	22.92% 12,513,135
2.68% 1,557,454	4.28% 2,486,467	23.40% 13,607,710
2.51% 1,520,997	4.23% 2,561,574	23.11% 14,008,722
2.86% 1,668,461	4.31% 2,517,763	31.18% 18,202,072
2.72% 1,679,438	4.23% 2,612,334	21.45% 13,238,808
2.26% 1,790,282	3.65% 2,896,359	29.50% 23,405,886
2.38% 1,840,341	3.70% 2,862,384	20.92% 16,182,461
2.94% 2,359,639	3.72% 2,985,738	20.05% 16,099,348
2.94% 2,503,391	3.59% 3,052,749	20.84% 17,724,663

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**CITY OF COLUMBIA, MISSOURI
GENERAL FUND**

TAX REVENUE BY SOURCE
LAST TEN FISCAL YEARS

<u>Fiscal Year Ended</u>	<u>Total Taxes</u>	<u>General Property Taxes</u>	<u>Sales Taxes</u>	<u>Other Local Taxes</u>	<u>Water and Electric P.I.L.O.T. (a)</u>
1995	22,145,219	6.30% 1,384,418	47.10% 10,424,318	22.90% 5,073,050	23.80% 5,263,433
1996	23,571,166	6.10% 1,441,622	47.00% 11,085,970	22.50% 5,312,947	24.30% 5,730,627
1997	24,969,252	6.30% 1,570,154	46.70% 11,651,707	23.00% 5,739,701	24.10% 6,007,690
1998	26,181,887	6.50% 1,695,791	47.00% 12,295,422	22.30% 5,844,435	24.20% 6,346,239
1999	26,894,947	6.60% 1,777,634	47.90% 12,869,673	21.50% 5,791,616	24.00% 6,456,024
2000	28,113,729	7.50% 2,103,145	47.60% 13,373,604	20.90% 5,879,396	24.00% 6,757,584
2001	31,422,949	9.60% 3,007,517	46.00% 14,443,129	22.10% 6,927,385	22.40% 7,044,918
2002	33,500,345	12.73% 4,263,326	44.62% 14,946,467	21.23% 7,110,539	21.43% 7,180,013
2003	35,183,472	12.71% 4,473,073	43.83% 15,421,714	21.98% 7,734,635	21.47% 7,554,050
2004	37,141,182	12.61% 4,683,536	44.05% 16,360,968	21.88% 8,126,309	21.46% 7,970,369

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

**CITY OF COLUMBIA, MISSOURI
GENERAL FUND**

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

<u>Fiscal Year Ended</u>	<u>Net Current Tax Levy (a)</u>	<u>Current Tax Collections</u>	<u>Percent Of Levy Collected</u>	<u>Delinquent Tax Collections</u>
1995	1,296,990 (b)	1,277,349	98.49%	11,909
1996	1,396,311 (b)	1,380,996	98.90%	18,910
1997	1,538,931 (b)	1,524,115	99.04%	16,362
1998	1,648,833 (b)	1,631,401	98.94%	12,276
1999	1,717,700 (b)	1,702,288	99.10%	21,223
2000	2,034,745 (b)	2,009,673	98.77%	14,418
2001	2,905,504 (b)	2,859,111	98.40%	18,770
2002	4,127,151 (b)	4,074,122	98.72%	49,570
2003	4,331,540 (b)	4,287,673	98.99%	46,432
2004	4,528,933 (b)	4,486,029	99.05%	44,526

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

(b) Includes deferred property tax revenue.

**CITY OF COLUMBIA, MISSOURI
GENERAL FUND**

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

<u>Total Tax Collections</u>	<u>Total Collections As A Percent Of Net Current Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Outstanding Delinquent As A Percent Net Current Tax Levy</u>
1,289,258	99.40%	16,855	1.30%
1,399,906	100.26%	17,586	1.26%
1,540,477	100.10%	16,538	1.07%
1,643,677	99.69%	19,078	1.16%
1,723,511	100.34%	15,287	0.89%
2,024,091	99.48%	16,282	0.80%
2,877,881	99.05%	22,584	0.78%
4,123,692	99.92%	16,407	0.40%
4,334,105	100.06%	23,004	0.53%
4,530,555	100.04%	22,345	0.49%

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CITY OF COLUMBIA, MISSOURI

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

Fiscal Year Ended	Real Property	Personal Property	State Assessed Value	Total Assessed Value	Total Fair Market Value	Percentage Of Fair Market Value
1995	488,789,899	118,940,751	2,310,679	610,041,329	2,541,838,871	24.0%
1996	511,620,136	128,312,503	3,282,682	643,215,321	2,680,063,838	24.0%
1997	538,800,795	153,771,094	4,519,144	697,091,033	2,904,545,971	24.0%
1998	657,617,565	164,951,921	5,101,533	827,671,019	3,448,629,246	24.0%
1999	688,923,971	176,474,738	4,755,062	870,153,771	3,625,640,713	24.0%
2000	714,842,106	190,394,191	5,518,830	910,755,127	3,794,813,029	24.0%
2001	739,345,179	204,214,788	5,072,034	948,632,001	3,952,633,338	24.0%
2002	802,530,799	211,324,296	6,486,794	1,020,341,889	4,251,424,537	24.0%
2003	854,784,262	206,788,704	6,486,398	1,068,059,364	4,450,247,350	24.0%
2004	891,032,480	217,649,475	6,967,420	1,115,649,375	4,648,539,062	24.0%

CITY OF COLUMBIA, MISSOURI

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

	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
CITY TAX RATES:					
General Fund	\$0.22	\$0.22	\$0.22	\$0.20	\$0.20
Debt Service Fund	0.26	0.26	0.26	0.21	0.21
Library Funds	<u>0.30</u>	<u>0.30</u>	<u>0.30</u>	<u>0.28</u>	<u>0.29</u>
Total City Tax Rate	<u>0.78</u>	<u>0.78</u>	<u>0.78</u>	<u>0.69</u>	<u>0.70</u>
SCHOOL DISTRICT	<u>4.45</u>	<u>4.55</u>	<u>4.56</u>	<u>4.12</u>	<u>4.12</u>
COUNTY TAX RATES:					
County	0.12	0.12	0.12	0.12	0.12
Hospital Maintenance	0.00	0.00	0.00	0.00	0.00
Bridge Bond	0.00	0.00	0.00	0.00	0.00
Hospital Debt Service	0.00	0.00	0.00	0.00	0.00
Group Homes (b)	0.12	0.12	0.12	0.11	0.12
Boone Retirement Center	0.00	0.00	0.00	0.00	0.00
Highway	<u>0.05</u>	<u>0.05</u>	<u>0.05</u>	<u>0.05</u>	<u>0.05</u>
Total County Tax Rates (c)	<u>0.29</u>	<u>0.29</u>	<u>0.29</u>	<u>0.28</u>	<u>0.29</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>\$5.55</u>	<u>\$5.65</u>	<u>\$5.66</u>	<u>\$5.12</u>	<u>\$5.14</u>

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

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

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

Source: Certified Copy of Order, Boone County Court.

CITY OF COLUMBIA, MISSOURI

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

<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
\$0.23	\$0.31	\$0.41	\$0.41	\$0.41
0.18	0.10	0.00	0.00	0.00
<u>0.65</u>	<u>0.65</u>	<u>0.64</u>	<u>0.64</u>	<u>0.63</u>
<u>1.06</u>	<u>1.06</u>	<u>1.05</u>	<u>1.05</u>	<u>1.04</u>
<u>4.70</u>	<u>4.79</u>	<u>4.75</u>	<u>4.75</u>	<u>4.94</u>
0.13	0.13	0.13	0.13	0.13
0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00
0.12	0.12	0.12	0.12	0.12
0.00	0.00	0.00	0.00	0.00
<u>0.05</u>	<u>0.05</u>	<u>0.05</u>	<u>0.05</u>	<u>0.05</u>
<u>0.30</u>	<u>0.30</u>	<u>0.30</u>	<u>0.30</u>	<u>0.30</u>
<u>0.03</u>	<u>0.03</u>	<u>0.03</u>	<u>0.03</u>	<u>0.03</u>
<u><u>\$6.09</u></u>	<u><u>\$6.18</u></u>	<u><u>\$6.14</u></u>	<u><u>\$6.13</u></u>	<u><u>\$6.31</u></u>

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CITY OF COLUMBIA, MISSOURI

SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS
LAST TEN FISCAL YEARS

		<u>Tax Billed</u>	<u>Collections (a)</u>
Street Improvements	1995	147,229	147,229
	1996	73,709	73,709
	1997	100,600	100,600
	1998	173,758	173,758
	1999	15,153	15,153
	2000	79,976	79,976
	2001	0	0
	2002	84,662	84,662
	2003	588,520	588,520
	2004	45,549	45,549
Street Maintenance	1995	9,511	9,511
	1996	36,069	36,069
	1997	0	0
	1998	1,808	1,808
	1999	9,557	9,557
	2000	21,950	21,950
	2001	0	0
	2002	31,240	31,240
	2003	0	0
	2004	0	0
Sewer Districts	1995	104,563	104,563
	1996	0	0
	1997	46,159	46,159
	1998	0	0
	1999	0	0
	2000	0	0
	2001	0	0
	2002	44,691	44,691
	2003	0	0
	2004	80,374	80,374

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

CITY OF COLUMBIA, MISSOURI

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

<u>Fiscal Year Ended</u>	<u>Estimated Population</u>	<u>Assessed Value (a)</u>	<u>Gross Bonded Debt</u>	<u>Less Debt Service Funds</u>
1995	73,078	607,730,650	20,105,000	8,307,568
1996	75,561	639,932,639	27,540,000	7,986,841
1997	76,316	697,091,033 (b)	22,580,000	7,843,602
1998	77,079	827,671,019 (b)	16,865,000	8,518,540
1999	79,082	870,153,771 (b)	7,620,000	6,739,832
2000	79,873	910,755,127 (b)	5,035,000	6,490,267
2001	86,391	948,632,001 (b)	2,125,000	2,574,573
2002	88,291	1,020,341,889 (b)	700,000	1,190,238
2003	89,174	1,068,059,364 (b)	0	484,393
2004	90,066	1,115,649,375 (b)	0	493,497

(a) Real and personal property.

(b) Includes State Assessed.

CITY OF COLUMBIA, MISSOURI

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

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

CITY OF COLUMBIA, MISSOURI
COMPUTATION OF LEGAL DEBT MARGIN
SEPTEMBER 30, 2004

Assessed value (2004 FY)		<u><u>\$1,158,639,285</u></u> *
Constitutional debt limit **		\$231,727,857
(20% assessed value)		
Total bonded debt	\$101,335,000	
Less:		
Water and Electric Utility Bonds	\$77,215,000	
Sanitary Sewer Utility Bonds	21,340,000	
Parking Revenue Bonds	2,780,000	
	<u>101,335,000</u>	
Total amount of debt applicable to debt limit		<u>0</u>
Legal debt margin		<u><u>\$231,727,857</u></u>

* All tangible property.

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

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

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

CITY OF COLUMBIA, MISSOURI

COMPUTATION OF DIRECT AND OVERLAPPING DEBT
SEPTEMBER 30, 2004

<u>Jurisdiction</u>	<u>Bond Issues Outstanding</u>	<u>Amount Available Debt Service Funds</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to City of Columbia</u>	<u>Amount Applicable to City of Columbia</u>
City of Columbia	\$0	\$0	\$0	0.0%	\$0
Columbia School District	152,720,000	31,063,269	121,656,731	79.5%	96,717,101
Boone County	785,000	240,986	544,014	69.4%	377,546
Totals	<u>\$153,505,000</u>	<u>\$31,304,255</u>	<u>\$122,200,745</u>		<u>\$97,094,647</u>

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

CITY OF COLUMBIA, MISSOURI

SCHEDULE OF BONDED INDEBTEDNESS
SEPTEMBER 30, 2004

	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Term In Years</u>	<u>Maturity Date</u>	<u>Original Issue</u>	<u>Amount Outstanding</u>
REVENUE BONDS:						
1992 Water & Electric System Revenue Bonds	2.75 – 5.70%	07/01/92	20	10/01/12	34,140,000	7,185,000
1998 Water & Electric System Revenue Bonds	3.75 – 6.00%	03/01/98	25	10/01/22	28,295,000	28,010,000
2002 Water & Electric System Revenue Bonds	3.00 – 6.00%	02/01/02	25	10/01/26	16,490,000	16,025,000
2003 Water & Electric System Refunding Bonds	2.00 – 4.00%	02/15/03	13	12/01/15	8,950,000	8,900,000
2004 Water & Electric System Revenue Bonds	2.00 – 4.25%	03/15/04	25	10/01/28	17,095,000	17,095,000
1979 Sanitary Sewerage System Revenue Bonds	5.00 – 7.00%	08/01/79	20	10/01/04	3,500,000	285,000
1992 Sanitary Sewerage System Bonds Series B	4.25 – 6.55%	06/01/92	20	01/01/13	870,000	520,000
1999 Sanitary Sewerage System Revenue Bonds Series A	3.625 – 5.250%	06/01/99	20	01/01/20	3,730,000	3,075,000
1999 Sanitary Sewerage System Revenue Bonds Series B	4.125 – 6.000%	12/01/99	20	07/01/20	1,420,000	1,175,000
2000 Sanitary Sewerage System Revenue Bonds Series B	4.350 – 5.625%	11/01/00	20	07/01/21	2,445,000	2,130,000
2002 Sanitary Sewerage System Revenue Bonds	3.000 – 5.375%	05/08/02	24	01/01/26	2,230,000	2,130,000
2002 Sanitary Sewerage System Refunding Bonds	2.000 – 3.750%	09/01/02	15	10/01/17	7,940,000	7,755,000
2003 Sanitary Sewerage System Revenue Bonds	2.00 – 5.25%	04/09/03	20	01/01/24	3,620,000	3,620,000
2004 Sanitary Sewerage System Revenue Bonds	2.00 – 5.25%	05/28/04	20	01/01/25	650,000	650,000
1995 Parking System Revenue Bonds	3.80 – 6.00%	09/15/95	25	10/01/20	3,400,000	<u>2,780,000</u>
Total Revenue Bonds						<u>\$101,335,000</u>

CITY OF COLUMBIA, MISSOURI

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

<u>Fiscal Year Ended</u>	<u>General Obligation Refunding 1992 Issue Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Expenditures and Other Financing Uses (a)</u>	<u>Ratio of Debt Service Total to General Fund Expenditures</u>
1995	1,015,000	867,635	1,882,635	50,680,617	3.71%
1996	2,600,000	1,206,384	3,806,384	53,789,060	7.08%
1997	1,920,000	601,710	2,521,710	55,871,278	4.51%
1998	1,195,000	477,930	1,672,930	56,561,908	2.96%
1999	2,660,000	506,664	3,166,664	61,681,184	5.13%
2000	1,305,000	255,655	1,560,655	60,653,382	2.57%
2001	1,365,000	187,795	1,552,795	74,631,405	2.08%
2002	1,425,000	115,450	1,540,450	73,915,786	2.08%
2003	700,000	38,500	738,500	73,509,769	1.00%
2004	0	0	0	78,819,869	0.00%

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

CITY OF COLUMBIA, MISSOURI

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

Fiscal Year Ended	WATER AND ELECTRIC UTILITY			REVENUE / REFUNDING BONDS			Revenue Bond Coverage
	Operating Revenue	Operating Expenses (c)	Net Revenue	Principal	Interest (b)	Total	
1995	\$ 58,060,232	\$ 43,906,356	\$ 14,153,876	\$ 1,975,000	\$2,760,786	\$4,735,786	2.99
1996	61,469,098	46,683,099	14,785,999	2,100,000	2,603,721	4,703,721	3.14
1997	64,378,013	47,793,898	16,584,115	2,240,000	2,503,608	4,743,608	3.50
1998	68,573,930	51,395,707	17,178,223	2,395,000	2,139,657	4,534,657	3.79
1999	70,166,637	49,990,146	20,176,491	2,570,000	3,317,423	5,887,423	3.43
2000	69,271,332	51,540,778	17,730,554	2,755,000	3,189,547	5,944,547	2.98
2001	72,367,292	53,888,913	18,478,379	2,895,000	2,931,287	5,826,287	3.17
2002	73,119,302	54,840,910	18,278,392	3,035,000	2,494,394	5,529,394	3.31
2003	76,094,540	58,444,470	17,650,070	3,410,000	3,160,451	6,570,451	2.69
2004	79,237,016	62,559,631	16,677,385	3,685,000	2,992,679	6,677,679	2.50

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

(b) Interest payments made in the fiscal year.

(c) Amount excludes depreciation expense.

CITY OF COLUMBIA, MISSOURI

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

Fiscal Year Ended	SANITARY SEWER SYSTEM			REVENUE BONDS (d)			Revenue Bond Coverage
	Operating Revenue (c)	Operating Expenses (e)	Net Revenue	Principal	Interest (b)	Total	
1995	\$ 5,127,096	\$ 3,649,102	\$ 1,477,994	\$ 250,000	\$ 753,916	\$ 1,003,916	1.47
1996	5,199,547	3,738,545	1,461,002	265,000	739,481	1,004,481	1.45
1997	5,362,156	4,120,262	1,241,894	285,000	723,898	1,008,898	1.23
1998	5,847,430	4,284,596	1,562,834	300,000	707,208	1,007,208	1.55
1999	6,330,643	4,279,077	2,051,566	320,000	746,511	1,066,511	1.92
2000	6,615,999	4,753,332	1,862,667	340,000	903,791	1,243,791	1.50
2001	6,625,021	4,626,936	1,998,085	570,000	1,003,502	1,573,502	1.27
2002	7,957,444	5,098,788	2,858,656	705,000	1,069,619	1,774,619	1.61
2003	7,923,672	5,501,961	2,421,711	825,000	795,719	1,620,719	1.49
2004	8,708,998	5,721,756	2,987,242	1,040,000	1,038,747	2,078,747	1.44

- (a) Revenue bonds and their related interest are payable solely from the revenues derived from the operation of the enterprise owned by the City. The taxing power of the City is not pledged to secure payment of the bonds and interest.
- (b) Interest payments made during the fiscal year.
- (c) Includes investment revenue in fiscal years 2002 through 2004.
- (d) This includes Special Obligation Bonds, Series 2001A, which are to be treated as a sewer system revenue bond issue.
- (e) Amount excludes depreciation expense.

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CITY OF COLUMBIA, MISSOURI

PARKING REVENUE BOND COVERAGE (a)
LAST NINE FISCAL YEARS

Fiscal Year Ended	Operating Revenue	Operating Expenses (c)	Net Revenue	Principal	Interest (b)	Total	Revenue Bond Coverage
1996	\$ 885,931	\$ 309,216	\$ 576,715	\$ -	\$ 102,429	\$ 102,429	5.63
1997	963,701	328,248	635,453	60,000	186,994	246,994	2.57
1998	988,387	419,692	568,695	65,000	184,554	249,554	2.28
1999	1,129,415	480,188	649,227	70,000	181,802	251,802	2.58
2000	1,138,465	591,317	547,148	75,000	178,737	253,737	2.16
2001	1,208,867	611,500	597,367	80,000	175,344	255,344	2.34
2002	1,694,281	738,795	955,486	85,000	171,609	256,609	3.72
2003	1,707,745	650,768	1,056,977	90,000	167,517	257,517	4.10
2004	1,675,667	682,007	993,660	95,000	163,052	258,052	3.85

(a) Revenue bonds and their related interest are payable solely from the revenues derived from the operation of the enterprise owned by the City. The taxing power of the City is not pledged to secure payment of the bonds and interest. The Parking Revenue Bonds are dated September 15, 1995 and the first principal payment is due October 1, 1996; accordingly, 1996 through 2004 are the only years presented herein.

(b) Interest payments made during the fiscal year.

(c) Amount excludes depreciation expense.

CITY OF COLUMBIA, MISSOURI

DEBT SERVICE REQUIREMENTS TO MATURITY
SPECIAL OBLIGATION BONDS
AND CERTIFICATES OF PARTICIPATION
SEPTEMBER 30, 2004

Fiscal Year Ended	SPECIAL OBLIGATION BONDS 1996			SPECIAL OBLIGATION BONDS 2001		
	Maturities	Interest Due	Maturities and Interest	Maturities	Interest Due	Maturities and Interest
2005	\$ 525,000	\$ 446,663	\$ 971,663	\$ 290,000	\$ 283,203	\$ 573,203
2006	550,000	418,975	968,975	300,000	272,360	572,360
2007	580,000	389,450	969,450	310,000	260,998	570,998
2008	610,000	357,907	967,907	315,000	249,278	564,278
2009	645,000	324,014	969,014	330,000	237,185	567,185
2010	680,000	288,248	968,248	340,000	224,537	564,537
2011	715,000	250,753	965,753	355,000	211,244	566,244
2012	755,000	210,874	965,874	370,000	197,010	567,010
2013	795,000	168,438	963,438	380,000	181,725	561,725
2014	840,000	123,475	963,475	395,000	165,348	560,348
2015	885,000	76,037	961,037	420,000	147,615	567,615
2016	940,000	25,850	965,850	435,000	128,588	563,588
2017	-	-	-	455,000	108,335	563,335
2018	-	-	-	480,000	86,710	566,710
2019	-	-	-	505,000	63,683	568,683
2020	-	-	-	530,000	39,227	569,227
2021	-	-	-	555,000	13,320	568,320
Total	<u>\$ 8,520,000</u>	<u>\$ 3,080,684</u>	<u>\$ 11,600,684</u>	<u>\$ 6,765,000</u>	<u>\$ 2,870,366</u>	<u>\$ 9,635,366</u>

CITY OF COLUMBIA, MISSOURI

DEBT SERVICE REQUIREMENTS TO MATURITY
SPECIAL OBLIGATION BONDS
AND CERTIFICATES OF PARTICIPATION
SEPTEMBER 30, 2004

CERTIFICATES OF PARTICIPATION 2001			CERTIFICATES OF PARTICIPATION 2001A			Total Maturities and Interest
Maturities	Interest Due	Maturities and Interest	Maturities	Interest Due	Maturities and Interest	
\$ -	\$ 418,250	\$ 418,250	\$ 3,165,000	\$ 299,402	\$ 3,464,402	\$ 5,427,518
-	418,250	418,250	3,405,000	168,002	3,573,002	5,532,587
7,000,000	209,125	7,209,125	100,000	97,902	197,902	8,947,475
-	-	-	105,000	93,737	198,737	1,730,922
-	-	-	110,000	89,234	199,234	1,735,433
-	-	-	115,000	84,381	199,381	1,732,166
-	-	-	120,000	79,165	199,165	1,731,162
-	-	-	125,000	73,590	198,590	1,731,474
-	-	-	130,000	67,660	197,660	1,722,823
-	-	-	135,000	61,365	196,365	1,720,188
-	-	-	140,000	54,625	194,625	1,723,277
-	-	-	150,000	47,375	197,375	1,726,813
-	-	-	155,000	39,750	194,750	758,085
-	-	-	160,000	31,775	191,775	758,485
-	-	-	170,000	23,319	193,319	762,002
-	-	-	180,000	14,350	194,350	763,577
-	-	-	190,000	4,869	194,869	763,189
<u>\$ 7,000,000</u>	<u>\$ 1,045,625</u>	<u>\$ 8,045,625</u>	<u>\$ 8,655,000</u>	<u>\$ 1,330,501</u>	<u>\$ 9,985,501</u>	<u>\$ 39,267,176</u>

CITY OF COLUMBIA, MISSOURI

DEBT SERVICE REQUIREMENTS TO MATURITY
WATER AND ELECTRIC UTILITY BONDS
SEPTEMBER 30, 2004

Fiscal Year Ended	2003 SERIES REVENUE BONDS			1992 SERIES REVENUE BONDS		
	Maturities	Interest Due	Maturities and Interest	Maturities	Interest Due	Maturities and Interest
2005	\$ 50,000	\$ 308,744	\$ 358,744	\$ 3,495,000	\$ 308,190	\$ 3,803,190
2006	50,000	307,744	357,744	3,690,000	105,165	3,795,165
2007	770,000	298,581	1,068,581	0	0	0
2008	790,000	280,044	1,070,044	0	0	0
2009	805,000	250,044	1,055,044	0	0	0
2010	825,000	216,512	1,041,512	0	0	0
2011	855,000	189,747	1,044,747	0	0	0
2012	880,000	160,987	1,040,987	0	0	0
2013	915,000	129,575	1,044,575	0	0	0
2014	950,000	95,750	1,045,750	0	0	0
2015	985,000	59,469	1,044,469	0	0	0
2016	1,025,000	20,500	1,045,500	0	0	0
2017	0	0	0	0	0	0
2018	0	0	0	0	0	0
2019	0	0	0	0	0	0
2020	0	0	0	0	0	0
2021	0	0	0	0	0	0
2022	0	0	0	0	0	0
2023	0	0	0	0	0	0
2024	0	0	0	0	0	0
2025	0	0	0	0	0	0
2026	0	0	0	0	0	0
2027	0	0	0	0	0	0
2028	0	0	0	0	0	0
2029	0	0	0	0	0	0
Total	<u>\$ 8,900,000</u>	<u>\$ 2,317,697</u>	<u>\$ 11,217,697</u>	<u>\$ 7,185,000</u>	<u>\$ 413,355</u>	<u>\$ 7,598,355</u>

CITY OF COLUMBIA, MISSOURI

DEBT SERVICE REQUIREMENTS TO MATURITY
WATER AND ELECTRIC UTILITY BONDS
SEPTEMBER 30, 2004

1998 SERIES REVENUE BONDS			2002 SERIES REVENUE BONDS		
Maturities	Interest Due	Maturities and Interest	Maturities	Interest Due	Maturities and Interest
\$ 60,000	\$ 1,426,755	\$ 1,486,755	\$ 265,000	\$ 747,961	\$ 1,012,961
70,000	1,423,943	1,493,943	455,000	735,690	1,190,690
1,550,000	1,375,920	2,925,920	465,000	719,011	1,184,011
1,645,000	1,280,070	2,925,070	480,000	700,692	1,180,692
1,710,000	1,179,420	2,889,420	495,000	680,945	1,175,945
1,790,000	1,086,950	2,876,950	515,000	659,854	1,174,854
1,875,000	1,001,718	2,876,718	535,000	636,873	1,171,873
1,970,000	910,375	2,880,375	555,000	608,185	1,163,185
2,065,000	812,503	2,877,503	580,000	579,210	1,159,210
1,205,000	732,388	1,937,388	605,000	553,651	1,158,651
1,270,000	671,433	1,941,433	630,000	526,556	1,156,556
1,330,000	606,750	1,936,750	660,000	497,516	1,157,516
1,400,000	538,500	1,938,500	690,000	466,380	1,156,380
1,475,000	466,625	1,941,625	725,000	433,205	1,158,205
1,550,000	391,000	1,941,000	760,000	397,746	1,157,746
1,630,000	311,500	1,941,500	795,000	360,128	1,155,128
1,715,000	227,875	1,942,875	835,000	319,875	1,154,875
1,800,000	140,000	1,940,000	880,000	277,000	1,157,000
1,900,000	47,500	1,947,500	920,000	232,000	1,152,000
0	0	0	970,000	184,750	1,154,750
0	0	0	1,015,000	135,125	1,150,125
0	0	0	1,070,000	83,000	1,153,000
0	0	0	1,125,000	28,125	1,153,125
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$ 28,010,000</u>	<u>\$ 14,631,225</u>	<u>\$ 42,641,225</u>	<u>\$ 16,025,000</u>	<u>\$ 10,563,478</u>	<u>\$ 26,588,478</u>

TABLE 17, Cont.

CITY OF COLUMBIA, MISSOURI

DEBT SERVICE REQUIREMENTS TO MATURITY
WATER AND ELECTRIC UTILITY BONDS
SEPTEMBER 30, 2004

Fiscal Year Ended	2004 SERIES REVENUE BONDS			Total Maturities and Interest
	Maturities	Interest Due	Maturities and Interest	
2005	\$ 0	\$ 657,614	\$ 657,614	\$ 7,319,264
2006	0	655,793	655,793	7,493,335
2007	480,000	655,793	1,135,793	6,314,305
2008	500,000	643,693	1,143,693	6,319,499
2009	515,000	633,642	1,148,642	6,269,051
2010	535,000	617,905	1,152,905	6,246,221
2011	555,000	600,118	1,155,118	6,248,456
2012	570,000	580,467	1,150,467	6,235,014
2013	590,000	560,118	1,150,118	6,231,406
2014	605,000	536,217	1,141,217	5,283,006
2015	630,000	511,518	1,141,518	5,283,976
2016	650,000	485,917	1,135,917	5,275,683
2017	675,000	459,418	1,134,418	4,229,298
2018	700,000	431,917	1,131,917	4,231,747
2019	730,000	403,318	1,133,318	4,232,064
2020	760,000	373,517	1,133,517	4,230,145
2021	790,000	342,518	1,132,518	4,230,268
2022	825,000	310,217	1,135,217	4,232,217
2023	870,000	275,883	1,145,883	4,245,383
2024	910,000	239,392	1,149,392	2,304,142
2025	950,000	200,788	1,150,788	2,300,913
2026	995,000	159,693	1,154,693	2,307,693
2027	1,040,000	116,450	1,156,450	2,309,575
2028	1,085,000	71,294	1,156,294	1,156,294
2029	1,135,000	24,118	1,159,118	1,159,118
Total	<u>\$ 17,095,000</u>	<u>\$ 10,547,318</u>	<u>\$ 27,642,318</u>	<u>\$ 115,688,073</u>

CITY OF COLUMBIA, MISSOURI

DEBT SERVICE REQUIREMENTS TO MATURITY
 SANITARY SEWER UTILITY AND PARKING REVENUE BONDS*
 SEPTEMBER 30, 2004

Fiscal Year Ended	SEWER REVENUE BONDS			PARKING REVENUE BONDS		
	Bond Principal Due	Bond Interest Due	Total Requirements	Bond Principal Due	Bond Interest Due	Total Requirements
2005	\$ 1,140,000	\$ 890,792	\$ 2,030,792	\$ 100,000	\$ 158,224	\$ 258,224
2006	1,170,000	849,359	2,019,359	105,000	153,047	258,047
2007	1,180,000	812,335	1,992,335	110,000	147,509	257,509
2008	1,205,000	772,131	1,977,131	120,000	141,469	261,469
2009	1,235,000	728,030	1,963,030	125,000	134,883	259,883
2010	1,260,000	680,382	1,940,382	130,000	127,836	257,836
2011	1,300,000	629,615	1,929,615	140,000	120,206	260,206
2012	1,320,000	574,493	1,894,493	150,000	111,866	261,866
2013	1,360,000	517,542	1,877,542	155,000	102,982	257,982
2014	1,315,000	458,939	1,773,939	165,000	93,581	258,581
2015	1,350,000	398,220	1,748,220	175,000	83,507	258,507
2016	1,390,000	335,754	1,725,754	0	78,300	78,300
2017	1,430,000	271,021	1,701,021	0	78,300	78,300
2018	1,475,000	203,923	1,678,923	0	78,300	78,300
2019	800,000	149,180	949,180	0	78,300	78,300
2020	815,000	107,283	922,283	0	78,300	78,300
2021	520,000	70,058	590,058	1,305,000	39,150	1,344,150
2022	375,000	43,055	418,055	0	0	0
2023	390,000	24,252	414,252	0	0	0
2024	270,000	8,413	278,413	0	0	0
2025	40,000	1,000	41,000	0	0	0
	<u>\$ 21,340,000</u>	<u>\$ 8,525,777</u>	<u>\$ 29,865,777</u>	<u>\$ 2,780,000</u>	<u>\$ 1,805,760</u>	<u>\$ 4,585,760</u>

* Sewer Revenue Bonds include the 10/1/04 principal and interest payment on the 1979 Sewer Bonds for 2005. This is the final principal and interest payment on the 1979 bond issue.

CITY OF COLUMBIA, MISSOURI

SCHEDULE OF ELECTRIC SERVICE RATES *
2003 – 2004

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

* The rates shown in this table are those in effect at October 1, 2003. The electric service rates for residential service, small general service, and the energy charge portion for large general service and industrial services are increased or decreased by a fuel adjustment allowance. The fuel adjustment allowance is computed annually based on the energy costs estimate (purchased power and fuel) per kilowatt hour.

CITY OF COLUMBIA, MISSOURI

**SCHEDULE OF WATER AND SANITARY SEWER SERVICE RATES
2003 – 2004**

WATER RATES

	<u>Inside City Limits</u>	<u>Outside City Limits</u>
Residential*: All CCF	\$ 1.458 per 100 CCF	\$ 1.939 per 100 CCF
Commercial*: All CCF	\$ 1.356 per 100 CCF	\$ 1.804 per 100 CCF
Large Commercial*: All CCF	\$ 1.177 per 100 CCF	\$ 1.565 per 100 CCF
*Summer Surcharged Rate: (June, July, August, and September water use in excess of 120% average for nonsummer use)	\$ 2.041 per 100 CCF	\$ 2.714 per 100 CCF

Minimum Charge Per Month

<u>Meter Size</u>	<u>Minimum Charge Per Month</u>	
	<u>Inside City Limits</u>	<u>Outside City Limits</u>
5/8 inch	\$4.57	\$6.07
1 inch	\$4.84	\$6.44
1 1/2 inch	\$6.97	\$9.27
2 inch	\$8.97	\$11.92
3 inch	\$21.96	\$29.20
4 inch	\$33.93	\$45.13
6 inch	\$67.86	\$90.26

SANITARY SEWER RATES

Residential and Commercial: Service Charge	\$ 3.90 per month
All Volume	\$ 0.925 per 100 cu. ft.

CITY OF COLUMBIA, MISSOURI

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

Fiscal Year	Commercial Construction (a)		Residential Construction (a)		Bank Deposits (in thousands)	Estimated Property Value
	Number of Permits	Value	Number of Permits	Value		
1995	66	\$35,516,604	642	\$ 72,265,643	\$ 1,386,790 (b)	\$ 2,541,838,871
1996	66	50,101,346	692	83,003,696	1,092,645 (b)	2,680,063,838
1997	87	35,749,827	643	74,793,276	1,074,011 (b)	2,904,545,971
1998	95	47,518,286	644	49,311,058	1,132,055 (b)	3,448,629,246
1999	93	28,822,469	714	92,116,794	1,145,164 (b)	3,625,640,713
2000	88	32,610,878	657	108,251,195	1,078,276 (b)	3,794,813,029
2001	66	47,443,935	620	88,884,682	1,185,841 (b)	3,952,633,338
2002	49	21,159,267	857	130,973,183	1,282,811 (b)	4,251,424,537
2003	75	68,302,290	1,069	173,903,598	1,735,000 (c)	4,450,247,350
2004	81	61,239,547	1,429	206,711,394	2,021,000 (c)	4,648,539,062

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

(b) Source: Bank Call Reports.

(c) Source: FDIC Summary of Deposits

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

CITY OF COLUMBIA, MISSOURI

PRINCIPAL TAXPAYERS
SEPTEMBER 30, 2004

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Minnesota Mining and Manufacturing (3M)	Office Products	\$ 22,982,530	2.06%
State Farm Mutual Automobile Ins Company	Insurance	9,453,054	0.85%
Columbia Mall Limited Partnership	Property/Developer	8,268,325	0.74%
The Kronke Group	Property/Developer	6,840,573	0.61%
Shelter Mutual Insurance Co	Insurance	6,452,634	0.58%
Broadway Crossings II	Property/Developer	6,137,010	0.55%
Columbia Foods	Manufacturer	6,286,511	0.56%
Spicer Axle, Inc.	Manufacturer	5,921,217	0.53%
The Gates Corporation	Manufacturer	5,172,480	0.46%
Collins and Aikman	Manufacturer	4,928,154	0.44%
		<u>\$ 82,442,488</u>	<u>7.38%</u>

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

CITY OF COLUMBIA, MISSOURI

DEMOGRAPHIC STATISTICS
SEPTEMBER 30, 2004

	Date of Organization:	1892			
	Date of Incorporation:	1949			
	Form of Government:	Council/Manager			
	Area:	56.51			
Population:	1995–75,415	1997–78,675	1999–82,658	2001–86,391	2003–89,174
	1996–76,756	1998–80,642	2000–84,531	2002–88,291	2004–90,066
	Registered Voters:	57,178			
	Number of Households:	60,300			
	Median Household Buying				
	Income (family of four)	\$	33,738		
	Median Age of Population	29.5			
	Cost of Living				
	(National Average is 100)	94.8			
Retail Sales (x \$1,000)	1999 *	2000 *	2001 *	2002 *	2003 *
Calendar –Year Basis:					
Food	\$ 175,662	\$ 196,667	\$ 235,391	\$ 208,992	\$ 230,235
Restaurants	142,719	168,088	194,154	215,523	234,086
General Merchandise	394,318	429,127	418,245	508,000	558,584
Furniture and Appliances	55,066	42,588	53,161	51,018	56,863
Automobiles	478,477	534,463	546,737	530,272	551,789
Miscellaneous Other	411,408	446,471	569,238	587,948	656,458
Total	\$ <u>1,657,650</u>	\$ <u>1,817,404</u>	\$ <u>2,016,926</u>	\$ <u>2,101,753</u>	\$ <u>2,288,015</u>
Fire Protection		Communications		Public Parking	
Number of stations	8	Newspapers (daily)	2	Parking meters on street	1,703
Number of employees	128	Newspapers (weekly & biweekly)	4	Parking lot meters	497
Number of vehicles	34	Radio stations	15	Garage attendant parking	878
Number of hydrants	4,440	TV stations	6	Unmetered off-street public parking	1,477
		Cable TV/Satellite	2	Total Public Parking	<u>4,555</u>
Police Protection		Recreation		City Streets	
Number of stations	1	Athletic clubs	16	Paved (miles)	371.44
Number of substations	5	Number of pools	13	Unimproved (miles)	26.41
Number of employees	175	Golf courses:		Sewer (miles)	526
Number of vehicles	90	(municipal)	2	Airports	1
		(college/university)	1	Airlines	1
Education		(private)	5	American Connections	
Elementary and high school enrollment	16,436	Parks (total acres 2,128)	40		
Elementary schools	20	Community Facilities			
Middle schools	3	Hospitals	6		
Junior high schools	3	Beds	965		
Senior high schools	4	Hotels/Motels	29		
Vocational School	1	Theaters (screens)	24		
Non-public schools	10	Churches	116		
Catholic parochial	1	City Employees			
Columbia College, enrollment	8,000	Full-time Equivalent (FTE)	1,142.30		
Stephens College, enrollment	700				
University of Missouri-Columbia, enrollment	26,783				

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

CITY OF COLUMBIA, MISSOURI

INSURANCE IN FORCE
SEPTEMBER 30, 2004City of Columbia – Property/Casualty Insurance Program
Policy Period – October 1, 2003 to October 1, 2004

- I. Package Policy
- A. Insurance Company - Clarendon America Insurance Company
 - B. Best's Rating is A XII - Non-Admitted in Missouri
 - C. Annual Premium is \$203,389
 - D. Includes the following coverages:
 1. No Property - the City of Columbia has a \$250,000 SIR and a combination of Lexington and AIG/StarrTech will provide the Excess Property excess the \$250,000 SIR.
 2. Liability coverages - \$500,000 Self-Insured Retention
 - a. General Liability - \$1,750,000 Each Occurrence/ \$2,750,000 General Aggregate Per Location
 - b. Police Professional Liability - \$1,750,000 Each Occurrence
 - c. Products Liability - \$1,750,000 Aggregate
 - d. Public Officials Liability - \$1,750,000 Each Claim/Aggregate - 10/1/98 Retro-Date
 - e. Employment Practices Liability - \$1,750,000 Each Claim/Aggregate - 10/1/98 Retro-Date
 - f. Includes Sexual Abuse and Molestation
 - g. Employee Benefits Liability - \$1,750,000 Each Claim/Aggregate 10/1/98 Retro-Date
 3. Automobile Coverages - \$500,000 Self-Insured Retention
 - a. Auto Liability - \$1,750,000 Each Occurrence
 - b. Automobile Physical Damage - included in the Excess Property
- II. Excess Property - Combination of Two Insurance Companies
- A. Insurance Company - Lexington Insurance Company
 - B. Best's Rating is A++ XV - Admitted in Missouri
 - C. Annual Premium is \$503,883
 - D. \$5,000,000 Limit excess \$250,000 SIR
 - E. Insurance Company - AIG/Starr Tech
 - F. Best's Rating is A++ XV - Admitted in Missouri
 - G. \$95,000,000 Limit excess \$5,000,000 Lexington Limit
 - H. Annual Premium is \$127,481
 - I. Total Limit is \$100,000,000
 - J. \$50,000,000 Annual Aggregate for Earthquake
 - K. \$50,000,000 Annual Aggregate for Flood - Zones A, B and V excluded
 - L. \$5,000,000 Per Occurrence, or 25% of the Direct Property Loss, whichever is greater for Debris Removal
 - M. \$5,000,000 Per Occurrence for Motor Vehicles while on insured premises
 - N. \$1,500,000 Per Occurrence for EDP Equipment and Media
 - O. \$1,500,000 Per Occurrence for Extra Expense
 - P. \$2,000,000 Per Occurrence for Newly Acquired Real and Personal Property
- III. Crime Coverages
- A. Insurance Company - Federal Insurance Company (Chubb)
 - B. Best's Rating is A++ XV - Admitted in Missouri
 - C. Annual Premium is \$9,425
 - D. 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. Boiler and Machinery Coverages
- A. Insurance Company - AIG Starr Tech
 - B. Best's Rating is A++ IX - Admitted in Missouri
 - C. Annual Premium is \$200,401 with a \$15,500 Annual Engineering Fee
 - D. Limit is \$25,000,000 - see quote for additional sub-limits
 - E. See review for deductibles
- V. Excess Workers' Compensation
- A. Insurance Company - Midwest Employers Casualty Company
 - B. Best's Rating is A X- Admitted in Missouri
 - C. Annual Premium is \$57,082
 - D. Statutory Limits
 - E. \$750,000 Self-Insured Retention - No Aggregate
 - F. Employers Liability Limit - \$1,000,000

CITY OF COLUMBIA, MISSOURI

INSURANCE IN FORCE
SEPTEMBER 30, 2004

-
- VI. Chamber of Commerce Property
 - A. Insurance Company - Federal Insurance Company (Chubb)
 - B. Best's Rating is A++ XV - Admitted in Missouri
 - C. Annual Premium is 43,095
 - D. Building Limit is \$934,977
 - E. All Risk Coverage
 - F. \$2,500 Deductible

 - VII. Airport Liability
 - A. Insurance Company - National Union Fire
 - B. Best's Rating is A++ XV - Admitted in Missouri
 - C. Annual Premium is \$16,466
 - D. Coverages
 - 1. General Liability: \$10,000,000 Limit Each Occurrence
 - 2. Products/Completed Operations: \$10,000,000 Aggregate Limit
 - 3. Personal and Advertising Injury: \$10,000,000 Aggregate Limit
 - 4. Personal Injury for Discrimination or Humiliation - \$10,000,000 Each Individual/Aggregate
 - 5. Incidental Medical Malpractice Liability: \$10,000,000 Each Occurrence/Aggregate
 - 6. Non-Owned Aircraft Liability - \$10,000,000 Each Occurrence
 - 7. Hangar Keepers Liability - \$10,000,000 Each Aircraft
 - 8. Hangar Keepers Liability - \$10,000,000 Each Loss
 - 9. Deductible - \$1,000 Each Aircraft

 - VIII. Health Department Professional Liability
 - A. Insurance Company - Columbia Casualty Company (CNA)
 - B. Best's Rating is A XV - Non-Admitted in Missouri
 - C. Annual Premium \$25,000
 - D. Limits: \$1,000,000/\$2,000,000
 - E. Deductible - \$15,000

 - IX. Railroad Liability
 - A. Insurance Company - Lexington Insurance Company
 - B. Best's Rating is A++ XV - Non-Admitted in Missouri
 - C. Annual Premium \$34,571
 - D. Coverages:
 - 1. \$5,000,000 Each Occurrence/\$10,000,000 Aggregate
 - 2. \$25,000 SIR All Coverages, except \$100,000 SIR for FELA
 - 3. Claims-Made Policy

 - X. Railroad Rolling Stock
 - A. Insurance Company - Fireman's Fund Insurance Company
 - B. Best's Rating is A XV - Admitted in Missouri
 - C. Premium \$2,552
 - D. Coverages:
 - 1. \$238,000 All Covered Property - Any One Occurrence
 - 2. \$500 Deductible
 - a. SW 120 Electromotive Div. GM Corp. 1200 HP Diesel - Electric RR Eng, S#4278-1-COLT - \$100,000
 - b. EMD Model GP-10, 1952 - HP:1,750; Axles 4 - \$138,000

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

 - XII. Loss Prevention Fee - \$20,000

CITY OF COLUMBIA, MISSOURI

SCHEDULE OF MARKETABLE SECURITIES AND INVESTMENTS
SEPTEMBER 30, 2004

Identification Number and Issuing Institution	Purchase Date	Face Amount, or Shares	Maturity Date	Coupon Interest Rate	Cost	Fair Value 09/30/04
POOLED CASH:						
U. S. Government and Agency Securities:						
FNMA 1991 - 138 L CMO 31358JXPI	04/27/98	2,560,000	10/25/06	8.000%	182,812	107,352
FNMA PL 155503 - 31366QU45	09/17/96	4,875,005	04/01/07	7.500%	58,857	57,318
FNMA 15 SF 159058 - 31366UTP	06/19/92	478,000	04/01/07	7.000%	6,113	7,885
FHLMC E00159CP - 31294JE87	09/30/92	400,000	09/01/07	6.500%	12,230	13,452
FHLMC GOLD M90785	11/24/03	2,550,000	12/01/07	4.000%	1,552,041	1,529,928
FHLMC GOLD M90803	various	6,940,000	03/01/08	4.500%	3,218,017	3,140,312
FNMA 050743 - 313615LY0	04/20/93	500,000	04/01/08	6.000%	31,070	34,061
FHLMC GOLD M90808 - 31282U4B0	07/23/03	2,000,000	06/01/08	4.000%	1,379,845	1,324,155
FNMA PL 380498 - 30377LUX9	11/14/01	500,000	07/01/08	6.260%	527,500	500,000
FNMA BALLOON 380457	05/17/04	1,300,000	07/01/08	6.090%	1,283,786	1,294,744
FHLMC CALL 3128X1SD0	11/24/03	1,000,000	07/08/08	3.000%	973,000	985,060
FHLB CALL 31339Y4U3	01/09/04	2,000,000	07/09/08	3.000%	1,948,000	1,966,260
FHLMC E000245CP - 31294JHW1	various	3,500,000	08/01/08	5.500%	278,917	282,922
FHLB Step Up 3133X8E32	09/15/04	1,270,000	09/15/08	3.000%	1,270,000	1,273,175
FHLMC E00247CP - 31294JHY7	various	4,940,000	10/01/08	5.500%	397,223	409,712
FHLMC E52721CP - 31357UAW7	11/18/93	1,000,000	11/01/08	6.000%	52,651	54,596
FHLMC E52736CP - 31357UBD8	11/18/93	1,023,338	11/01/08	6.000%	56,534	58,950
FNMA 254137 - 31371KHN4	01/14/02	916,740	12/01/08	6.000%	106,636	90,780
FHLMC M80718 GOLD - 31282RYP3	01/30/02	1,590,682	01/01/09	5.000%	401,130	422,230
FHR 2412 EC - 31339DUH9	03/18/02	1,500,000	02/15/09	5.500%	761,402	790,077
FHLB Step Up 3133X3V59	02/27/04	2,115,000	02/27/04	3.000%	2,115,000	2,120,943
FNMA 254273 - 31371KMW8	02/25/02	1,000,000	03/01/09	5.000%	234,455	237,854
FFCB 31331Q2E6	02/10/04	1,750,000	04/08/09	3.000%	1,690,500	1,699,688
FNMA 381724 - 31377NAZ2	02/20/02	825,000	06/01/09	6.250%	803,308	767,950
FHLM PL M80765 - 31282RZ64	09/25/02	1,000,000	08/01/09	5.000%	318,010	301,542
FHLMC M80773 - 31282R2E3	10/24/02	1,000,000	10/01/09	5.000%	378,861	363,473
FHLMC M80779 - 31282R2L7	various	2,000,000	11/01/09	5.000%	815,023	774,724
FNMA 254582 - 31371KXX2	12/23/02	1,000,000	12/01/09	4.500%	541,749	504,288
FHLB STEPUP CALL 3133X4GP0	03/17/04	2,000,000	03/17/10	3.050%	1,997,500	1,987,500
FHLB STEPUP CALL 3133X6GR1	04/29/04	2,000,000	04/29/10	3.375%	1,990,000	1,998,120
FHLB BOND B/E 3133X6D94	05/05/04	1,000,000	05/05/10	4.450%	1,000,000	1,001,880
FNMA STEPUP 3136F5VW8	05/19/04	4,000,000	05/19/10	3.250%	3,960,625	3,996,240
FHLMC MED TERM NOTE - 3128X1BE6	06/30/03	2,000,000	05/20/10	4.000%	2,022,200	1,987,260
FHLB CALLABLE - 3133MBKCO	07/14/00	800,000	05/25/10	8.025%	820,960	829,000
FHLMC GOLD M80842 - 31282R5B6	02/23/04	990,000	08/01/10	3.500%	889,588	880,590
FHLMC M80845 - 31282R5E0	12/23/03	2,000,000	09/01/10	4.500%	1,703,414	1,686,505
FNMA 254967 - 31371LFG9	10/23/03	2,000,000	10/01/10	3.500%	1,790,332	1,777,695
FHLB STEPUP 3133X2EM3	12/01/03	2,000,000	12/01/10	4.000%	2,000,000	2,004,380
FHLMC CALL 3128X2UV5	02/18/04	2,000,000	02/17/11	4.550%	2,000,000	2,011,780
FHLB STEPUP 3133X5AU2	03/30/04	2,000,000	09/30/11	3.000%	1,983,750	1,963,760
FNMA 73652 - 31362WZRO	03/07/01	1,150,000	10/01/11	7.440%	1,115,865	1,056,272
FHLMC - 3134AI MJ6	03/17/97	3,000,000	02/06/12	7.270%	2,990,232	3,270,000
FNMA CALL - 31359MMF7	02/21/02	1,000,000	02/28/12	5.625%	975,313	1,040,630
FHLMC PL M30146-31282CET0	03/19/98	4,999,357	06/01/12	7.000%	297,848	223,517
HUD CALLABLE - 911759BN7	09/12/96	1,400,000	08/01/12	7.510%	1,376,715	1,453,816
FHLMC CMO 2422 VA - 31339DH76	10/30/02	1,500,000	11/15/12	6.500%	1,326,912	1,276,609
FNMA MULTISTEPUP 3136F5C82	06/17/04	2,000,000	12/17/12	4.500%	1,988,750	2,006,880
FHR 2055 OE - 3133TDX50	02/20/02	1,000,000	05/15/13	6.500%	861,293	867,316
FNMA PL 431577 - 31379WM20	07/20/98	2,000,000	07/01/13	5.000%	37,619	129,186
FNMA POOL 254863 - 31371LB81	08/18/03	1,000,000	08/01/13	4.000%	829,173	813,351
FHLB CALLABLE - 3133M5T83	11/04/98	2,000,000	09/30/13	5.830%	2,014,260	2,107,500
FNMA 449353 - 31380TE23	11/17/98	3,000,000	10/01/13	5.500%	341,249	381,130
FHLB STEPUP 3133X3D91	01/30/04	2,600,000	01/30/14	4.000%	2,600,000	2,605,694
FHLB STEPUP 3133X45X0	03/24/04	2,000,000	03/24/14	4.000%	1,998,000	1,997,500
FHLB STEPUP 3133X6SN9	04/21/04	2,300,000	04/21/14	3.625%	2,289,938	2,280,588
FHLMC E00669 - 31294JW61	02/19/02	2,000,000	05/01/14	6.000%	394,651	370,166
FHLB STEPUP 3133X75P5	06/03/04	2,000,000	06/03/14	4.000%	2,000,000	2,005,000
FHLMC REMIC 2366MG - 31339GD32	10/30/01	1,000,000	12/15/14	6.000%	116,289	81,812
U.S. Treasury Strip 912833KF6	07/16/93	371,000	11/15/15	0.000%	78,452	223,958
FNR 2003-24 PN - 31393AK30	07/02/03	2,000,000	11/25/15	4.500%	2,054,375	1,998,960
FHLMC 2534 HA - 31393FSW7	05/19/04	3,800,000	04/15/16	5.000%	2,158,185	2,154,993
FHLMC E00975 GOLD - 31294KCL7	08/26/03	7,000,000	05/01/16	6.000%	1,152,245	1,115,322
FHLMC PL291302 - 31344XNTO	various	58,282,764	04/01/17	7.000%	839,254	809,755
FNMA REM 3-11 CL DB - 31392HQG1	01/30/03	1,000,000	04/25/17	5.000%	577,305	563,766
FHLMC 2474 NE - 31392PZL2	09/16/03	4,180,622	07/15/17	5.000%	1,143,282	1,120,807
FNMA 2002-89 CI CA - 31392GPK5	12/30/02	1,000,000	12/26/17	5.000%	561,817	545,935
FHLMC C90211 - 31335HGU1	12/12/02	3,500,000	04/01/18	6.500%	304,134	260,007
FHR 2844 BA - 31395EUQ8	09/16/04	2,000,000	06/15/18	5.000%	2,029,379	2,003,712
FNMA STEP-UP CALL - 3136F32N5	08/01/03	2,000,000	08/01/18	4.250%	2,000,000	2,029,380
FHLMC STEPUP 3128X1X77	10/29/03	1,000,000	10/29/18	4.875%	997,500	1,001,700
FHLMC C90263 - 31335HJG9	05/17/99	1,000,000	04/01/19	7.000%	153,680	139,182
FNMA LP 577376 - 31386YMZ4	11/26/01	953,329	08/01/19	7.500%	209,357	183,045
FHR 1013 Z - 312904RL1	11/21/02	780,000	10/15/20	9.000%	172,812	150,597
FNMA 253945 - 31371KBN0	04/29/02	1,200,000	08/01/21	6.500%	209,221	194,259
FHR 1116 I - 312906C40	11/30/98	505,000	08/15/21	5.500%	48,590	54,383
FHR 1125 X - 312906XG0	various	950,000	08/15/21	8.250%	182,890	152,032
FHR 1163 JA - 3129072D9	11/29/99	500,000	11/15/21	7.000%	63,960	66,555
FHR 2522 - 31393FT9	11/29/02	2,000,000	11/15/21	5.500%	874,408	855,259
FNR 91-162 GA - 31358KF37	02/20/01	493,000	12/25/21	8.250%	65,524	55,989
FHLMC REMIC 1280 CL B - 312909J88	various	78,574,999	04/15/22	6.000%	1,207,510	1,110,871

TABLE 25, Cont.

CITY OF COLUMBIA, MISSOURI

SCHEDULE OF MARKETABLE SECURITIES AND INVESTMENTS
SEPTEMBER 30, 2004

Identification Number and Issuing Institution	Purchase Date	Face Amount, or Shares	Maturity Date	Coupon Interest Rate	Cost	Fair Value 09/30/04
FNMA REM 03-34 BA - 31393CET6	09/28/03	4,000,000	05/25/22	4.000%	2,699,685	2,683,385
FHLMC C90787 - 31335H2U6	02/12/04	1,758,744	11/01/23	4.000%	1,620,264	1,638,242
FNMA 255114 - 31371LK32	04/15/04	2,000,000	03/01/24	5.000%	1,928,839	1,887,306
FNMA 255271 - 31371LK32	04/15/04	2,000,000	05/01/24	5.000%	1,919,847	1,949,110
FHR 2759 VG - 31394TGN9	08/31/04	1,105,000	10/15/24	4.250%	1,115,359	1,107,354
FHR 1883 L - 3133T7WD7	05/10/02	2,000,000	09/15/26	7.000%	1,058,445	1,031,084
FNMA 1998 SER 61 CL PK - 31359US97	07/26/01	1,000,000	12/25/26	6.000%	333,228	344,447
FHLMC GOLD REMIC 2663AK - 31394HLT6	08/29/03	1,000,000	06/15/28	4.000%	742,768	747,294
GNMA POOL 002633M - 36202C4S9	08/24/98	1,000,000	08/20/28	8.000%	59,955	29,964
FHLMC 2691 EK - 31394LBR2	04/28/04	2,000,000	01/15/29	4.500%	1,762,539	1,748,052
GNMA 367026X - 36204DVT3	01/16/04	1,663,200	09/15/29	8.750%	1,632,019	1,689,750
GNMA REMIC 2002-63 AC - 38373VNH9	10/21/02	1,000,000	10/20/29	6.000%	220,710	187,025
FHR 2383 PK - 31339GWP2	09/25/02	1,728,608	01/15/30	5.500%	936,367	870,137
FHLMC ARM 1B0984 - 31336SUH9	02/23/04	2,000,000	07/01/33	3.295%	1,788,609	1,716,611
FNMA ARM 42243X - 31402YS88	12/23/03	1,000,000	09/01/33	3.816%	840,101	827,725
FNMA PL 777716 - 31404TAR4	04/26/04	2,000,000	04/01/34	3.750%	1,915,946	1,888,885
FNMA PL 779076 - 31404UQ52	06/24/04	2,000,000	05/01/34	3.790%	1,950,563	1,962,444
Total U. S. Government and Agency Securities					106,716,270	106,304,390
Bonds						
FICO Strip - 31771CQR9	11/26/96	1,129,000	02/03/15	0.000%	326,484	691,467
Miscellaneous Securities						
San Bernardino City CA - 796825AW7	11/07/96	500,000	08/01/15	0.000%	126,255	286,670
Orange County CA Pension - 68428LBA1	12/02/96	13,500,000	09/01/15	0.000%	3,617,055	7,617,375
UBS Select Money Market Fund	various	60,206,303	-	-	44,777,258	44,777,258
Total Miscellaneous Securities					48,520,568	52,681,303
Repurchase Agreements:						
Boone County National Bank		1,689,000	10/01/03	0.000%	1,472,000	1,472,000
Total Pooled Cash Marketable Securities					\$ 157,035,322	\$ 161,149,160
SELF-INSURANCE RESERVE:						
Bonds:						
U.S. Treasury Strip 912828ANO	07/30/04	\$ 700,000	11/15/07	3.000%	\$ 693,656	702,051
Total Bonds					693,656	702,051
Mutual Funds:						
UMB Scout Tax Free Fund	various	7,635,071	—	—	7,635,071	7,635,071
Total Mutual Funds					7,635,071	7,635,071
Total Self-Insurance Reserve					\$ 8,328,727	8,337,122
POLICE AND FIREFIGHTERS' RETIREMENT FUND:						
Corporate Bonds:						
Ford Motor Credit Co 345397GV9	05/26/93	250,000	05/15/05	6.750%	247,273	256,178
Assoc CRP N America 045906NZ3	11/15/02	1,000,000	05/17/06	7.230%	1,101,920	1,067,400
GTE Hawaii Tel Deb MBIA 362335AE1	12/18/02	100,000	09/01/06	7.375%	112,159	106,937
Countrywide Fdg Corp 22237LEG3	12/14/01	235,000	10/30/06	7.200%	247,589	253,290
Union Electric 906548BN1	08/17/93	250,000	05/01/08	6.750%	256,240	275,683
Pennzoil Company 709903BB3	11/21/89	400,000	11/15/09	10.125%	398,350	490,480
Caterpillar Powernote 14911QBU4	various	1,000,000	02/15/11	6.750%	1,103,890	1,137,900
McDonnell Doug Corp 580169AM2	02/07/01	150,000	04/01/12	9.750%	188,250	198,018
New Brunswick Province - 642866DV6	12/07/93	250,000	08/15/13	6.750%	244,537	297,175
Petro Canada LTD - 716442AC2	02/14/01	250,000	06/30/18	9.700%	315,000	363,528
Coca-Cola Enterprises - 191219AV6	08/01/01	2,000,000	06/20/20	0.000%	535,520	845,740
May Dept. Stores - 577778BA0	03/27/01	600,000	07/15/26	8.300%	630,000	654,444
Chase Manhattan Corp. - 16161NAA8	07/05/01	8,000,000	03/24/27	0.000%	1,030,320	1,477,280
MBIA Inc. - 55262CAF7	02/08/00	500,000	10/01/28	6.625%	440,220	525,700
Total Corporate Bonds					6,851,268	7,949,753

TABLE 25, Cont.

CITY OF COLUMBIA, MISSOURI

SCHEDULE OF MARKETABLE SECURITIES AND INVESTMENTS
SEPTEMBER 30, 2004

Identification Number and Issuing Institution	Purchase Date	Face Amount, or Shares	Maturity Date	Coupon Interest Rate	Cost	Fair Value 09/30/04
Common Stock and Mutual Funds:						
Evergreen Aggressive Growth	various	6,131	N/A	—	128,124	100,376
Fidelity Contra Fund	various	109,829	N/A	—	4,935,374	5,718,834
Fidelity Blue Chip Growth Fund	various	66,715	N/A	—	2,246,742	2,587,882
Fidelity Value Fund	various	14,793	N/A	—	712,141	999,123
American Century Ultra Fund	various	110,813	N/A	—	3,023,816	2,972,026
American Century Value Fund	various	518,228	N/A	—	3,139,730	4,047,365
American Century Int'l Growth	various	174,380	N/A	—	1,561,253	1,398,531
AIM Constellation Fund	various	60,819	N/A	—	1,495,069	1,262,620
AIM Global Aggressive Growth	various	94,795	N/A	—	1,619,271	1,546,120
Duff & Phelps Utilits Stk – 26432410	various	31,208	N/A	—	342,660	350,466
Standard & Poors Dep Recpts-78462F1	various	37,300	N/A	—	1,739,968	4,168,648
Legg Mason Value Trust	various	82,934	N/A	—	3,343,011	4,702,383
Vanguard Strategic Equity	various	258,219	N/A	—	3,908,774	5,086,924
Total Common Stock and Mutual Funds					28,195,933	34,941,298
U. S. Government and Agency Securities:						
Treasury Bond 253C-254D	06/09/83	2,000,000	11/15/06	—	895,669	1,826,400
AID-Republic of Panama – 698990AC2	08/29/83	144,583	08/01/11	—	144,583	135,000
Student Loan Mkt Assoc 863871AL3	08/29/91	1,000,000	05/15/14	—	221,898	471,780
Total U. S. Government and Agency Securities					1,262,150	2,433,180
Miscellaneous Securities:						
UBS Select Money Market Fund	various	13,692,382	—	—	13,692,382	13,692,382
Total Miscellaneous Securities					13,692,382	13,692,382
Asset-Backed Securities						
FHLMC REMIC 1364N CMO - 3129115B2	various	3,775,000	09/15/07	6.500%	49,712	131,083
GNMA 15 SF 337867X - 36224TJL5	02/18/93	860,000	10/15/07	6.500%	26,329	27,168
FHLMC E42095CP - 31357FKG4	04/20/93	598,514	11/01/07	6.000%	55,452	60,218
SBA Series 87-20H Cert – 83162CATO	11/25/87	11,460	11/01/07	10.050%	24,911	24,911
FHLMC REM F1423F – 312913UY0	06/25/93	500,000	12/15/07	7.000%	505,565	519,075
FNMA 15 SF 050743 CP - 313615LY0	various	855,000	04/01/08	6.000%	53,442	58,245
FHLB Callable - 31339Y4U3	01/09/04	1,000,000	07/09/08	3.000%	974,000	983,130
FNMA 271060-31372FB59	04/21/94	1,018,072	01/01/09	5.000%	116,432	150,570
FNMA 271083 – 31372FCU3	03/30/98	512,411	04/01/09	5.000%	6,121	24,357
FNMA 73562 - 31362WWX0	08/14/02	1,085,000	07/01/11	7.800%	1,101,212	1,100,250
FNMA 93140J – 31359BH34	12/03/93	500,000	06/25/13	6.650%	498,050	526,455
FHLMC 26-0794-3134113B4	08/24/87	500,000	10/01/16	8.000%	4,026	5,144
FHLMC REMIC 2509 ZG - 31392WJR2	04/19/04	1,100,000	10/15/32	5.500%	1,097,331	1,209,227
Total Asset-Backed Securities					4,512,583	4,819,833
Total Police and Firefighters' Investments					\$ 54,514,316	\$ 63,836,446
Total Restricted/Unrestricted Marketable Securities and Investments					\$ 219,878,365	\$ 233,322,728

CITY OF COLUMBIA, MISSOURI
SALARIES OF PRINCIPAL OFFICIALS
SEPTEMBER 30, 2004

Official Title	Salary Range
City Manager	\$93,034 – 126,999
Public Works Director	80,369 – 109,710
Water and Light Director	80,369 – 109,710
City Counselor	76,542 – 104,480
Finance Director	76,542 – 104,480
Assistant City Manager	69,426 – 94,761
Police Chief	69,426 – 94,761
Planning Director	69,426 – 94,761
Director of Health Services	66,113 – 90,255
Fire Chief	66,113 – 90,255
Parks and Recreation Director	66,113 – 90,255
Information Services Director	62,968 – 85,952
Economic Development Director	62,968 – 85,952
Human Resources Director	62,968 – 85,952
Convention/Visitor's Bureau Director	62,968 – 85,952
Manager of Cultural Affairs	42,619 – 58,176
Manager of Community Services	42,619 – 58,176
City Clerk	38,657 – 52,770
Municipal Judge (90% FTE)	59,502 – 81,230

CITY OF COLUMBIA, MISSOURI

LARGEST ELECTRIC UTILITY CUSTOMERS
SEPTEMBER 30, 2004

Customer	Billed kWh	Billed Revenue
Minnesota Mining and Manufacturing (3M)	47,298,519	\$ 2,322,557
Columbia Foods	32,089,656	1,668,555
Boone Hospital Center	22,101,550	1,206,405
Extrusion Technologies, Inc.	17,824,084	923,598
VA Hospital	16,212,741	939,268
Davidson Textron	15,800,749	973,474
Columbia Mall	11,656,781	772,651
Quaker Oats	11,010,176	689,237
Square D	9,515,929	541,158
University of Missouri - Columbia Regional Hospital	9,160,387	506,057
	192,670,572	\$ 10,542,960

CITY OF COLUMBIA, MISSOURI

LARGEST WATER UTILITY CUSTOMERS
SEPTEMBER 30, 2004

Customer	Billed CCF	Billed Revenue
Columbia Foods	424,148	\$ 537,884
Minnesota Mining and Manufacturing (3M)	234,524	305,156
VA Hospital	69,112	91,623
Boone Hospital Center	58,624	79,678
Extrusion Technologies, Inc.	34,477	44,071
University of Missouri - Columbia Regional Hospital	30,621	39,625
Executive Center	24,726	32,847
Harold Johnson Company	20,587	28,512
Lenoir Memorial Home	17,666	23,436
Columbia Ready Mix	16,704	23,459
	931,189	\$ 1,206,291

CITY OF COLUMBIA, MISSOURI

FEDERAL AND STATE GRANTS
SEPTEMBER 30, 2004

<u>Policy Development and Administration:</u>		
Cultural Affairs	\$ 26,841	
SEMA Grant	3,878	
Total Policy Development and Administration		\$ 30,719
<u>Public Safety:</u>		
Police	122,106	
Fire	221,320	
Emergency Management	70,208	
Total Public Safety		413,634
<u>Transportation:</u>		
Transportation Planning Grant	27,149	
Planning	87,537	
Garth Avenue Bridge	10,494	
Pedestrian Bridge over Business Loop 70	14,713	
Vandiver/US 63 Interchange	115,484	
Broadway: Highway 63 to Old 63	4,327,256	
Airport	569,216	
Public Transportation	1,138,204	
Total Transportation		6,290,053
<u>Health and Environment:</u>		
Health Department	1,249,809	
CDBG/HOME	2,335,171	
Water	62,100	
Sanitary Sewer	1,622	
Solid Waste	199,447	
Storm Water	435,392	
Total Health and Environment		4,283,541
<u>Personal Development:</u>		
Flat Branch Park Phase I	19,407	
MKT Bridge Improvements and Shelter	111,418	
Volunteer Services	2,500	
CCRA Football/Lacrosse	15,467	
Community Services - OCS Support	95,334	
Emergency Shelter Grant	111,285	
Total Personal Development		355,411
Total Federal and State Grants		\$ 11,373,358

CITY OF COLUMBIA, MISSOURI

TOP TEN LARGEST EMPLOYERS
SEPTEMBER 30, 2004

<u>Employer</u>	<u>Number of Employees</u>
University of Missouri - Columbia	13,950
University Hospital and Clinics	5,501
Columbia School District	3,000
Boone Hospital Center	2,039
City of Columbia, Missouri	1,168
Shelter Insurance Company	1,016
MBS Textbook Exchange	1,006
Harry S. Truman Veteran's Hospital	1,000
State Farm Insurance	952
Columbia Foods - Oscar Mayer	640