

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

CITY OF COLUMBIA, SOUTH CAROLINA

FISCAL YEAR ENDED JUNE 30, 2015

**City Manager
Teresa B. Wilson**

**Chief Financial Officer
Jeffery M. Palen**

**Finance Director
Jan Alonso CGFO**

**Prepared by the
Finance Department**

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**CITY OF COLUMBIA, SOUTH CAROLINA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2015**

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INTRODUCTORY SECTION



We Are Columbia

December 30, 2015

The Honorable Stephen K. Benjamin, Mayor
The Honorable Members of the Columbia City Council
The Citizens of the City of Columbia

Ladies and Gentlemen:

We are pleased to present the Comprehensive Annual Financial Report ("CAFR") of the City of Columbia, South Carolina (the "City") for the fiscal year ended June 30, 2015. South Carolina law requires that all local governments publish a complete set of audited financial statements, presented in conformity with generally accepted accounting principles in the United States of America ("GAAP"). The law further requires that these financial statements be audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This CAFR has been prepared by the City in accordance with these principles and standards. GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management Discussion & Analysis ("MD&A"). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management. We believe that the data, as presented, is accurate in all material respects, presents fairly the City's financial position and results of operations, as measured by the financial activity of its various funds. To provide a reasonable basis for making these representations, the City has designed an internal control framework that is designed both to protect the City's assets from theft, loss, or misuse, and to compile sufficient reliable information for the preparation of the City's financial statements that are in conformance with GAAP. The City's framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement. As management, we assert, to the best of our knowledge and belief, that the CAFR is complete and reliable in all material respects.

The City's financial statements have been audited by WebsterRogers LLP. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the year ended June 30, 2015, are free of material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditors rendered an unmodified opinion that the City's financial statements for the year ended June 30, 2015, are presented fairly and in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the needs of federal grantor agencies. The Single Audit was performed in compliance with the Single Audit Act of the U.S. Office of Management and Budget Circular A-133. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of financial statements, but also on the audited entity's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available on the City's website.



We Are Columbia

This report, other historical audited financial statements, other historical unaudited financial information, and operating budgets may also be accessed via the internet at www.columbiasc.net.

City of Columbia Overview

The City, incorporated in 1786, is located 13 miles northwest of South Carolina's geographic center. The City currently occupies a land area of 134.94 square miles with a population estimated at 133,358 in the City and 767,958 within the metropolitan statistical area according to the 2014 United States Census estimates. Columbia is also combined with the Newberry and Orangeburg micropolitan area to form the Columbia-Orangeburg-Newberry Combined Statistical area which has approximately 928,368 people according to the 2013 Census estimates and is the second-largest combined statistical area in South Carolina. Columbia is considered the primary city of the Midlands region of South Carolina. The vision of the City is to build a world-class city. The mission of the City is to provide bold leadership and exemplary services to advance the quality of life for everyone.

The City has a council-manager form of government. The mayor and city council are elected every four years with no term limits. Elections are held in November of odd numbered years. City council consists of six members. Four members are elected from council districts, and two members are elected at-large. City council is responsible for making policies and enacting laws, rules, and regulations in order to provide for future community and economic growth in addition to providing the necessary support for the orderly and efficient operations of city services. The Council and Mayor are elected on a non-partisan basis. City Council oversees the city manager who is the chief executive officer of the City and oversees the day-to-day operations of the City. The City Manager is responsible for carrying out policies and ordinances and directs the daily operations of the City through Manager-appointed department directors.

Primary City Functions

The City provides a full range of municipal services including police and fire protection, the maintenance of streets and other infrastructure, recreational activities and cultural events, land use and building regulations, water and wastewater treatment, storm-water operations, parking operations, and economic development. The City accounts for water and wastewater operations, parking operations and storm-water operations separately within the reporting entity, and attempts to recover the costs of these functions through user charges. The City is self-insured for workers' compensation, parts of the medical and dental plan, and general claims liabilities. The City pays for such claims as they become due. The City engages an external party to provide an estimate of its liabilities related to these self-insured expenses.

Budget Process

South Carolina law requires that the City adopt, by ordinance, a balanced budget. The preparation of the budget is the responsibility of the City Manager who has a duty to present a budget that reflects the priorities set by City Council. The City's budget process begins in November for the forthcoming year which runs from July 1st to June 30th. In November, the departments begin to prepare operational plans. In December, budget preparation materials are distributed to the departments. In February, budgets are submitted and reviewed by City staff. The budget review continues through March. In April, budgets are presented to council. In May, public hearings on the budget are held. In June, first and second reading of the budget is held. Appropriations for capital projects are adopted by the City Council primarily on an individual basis when the project is initially approved. Budget-to-actual comparisons are provided in this report for the general fund. This comparison is presented as required supplementary information.



We Are Columbia

Economic Development

Columbia is one of the fastest growing metro areas in the Southeast. The City is home to state government, six major universities including the University of South Carolina (with over 30,000 students in its city center campus), and the nation's largest Army training facility.

The City's economy, once dependent primarily on textile manufacturing, is now home to advanced manufacturing, healthcare, technology, shared services, logistics, and energy companies. Apartment and student housing are the main forces behind the resurgence of the Main Street area.

Business in Motion is the City's business retention and expansion program. This program is conducted in conjunction with the Greater Columbia Chamber of Commerce. The goal of the program is to conduct proactive outreach visits to local businesses to ensure they have the services and resources they need to continue to grow.

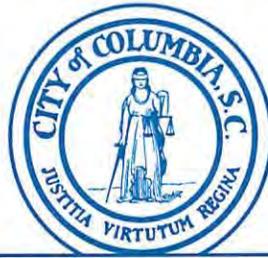
Human capital and an educated workforce are readily available in the Midlands, with nearly forty percent of the population twenty-five years of age or older having a bachelor's degree or higher. The City ranks 23rd in the nation for doctoral degrees and 32nd for college degrees.

The City is home to business support services that new or growing businesses find attractive. Some of these support services include:

- USC/Columbia Technology Incubator - helps to recruit, develop and launch local technology driven companies.
- Innovista - is a USC lead economic development effort that connects university-spawned innovations with entrepreneurs, businesses and stakeholders.
- Center for Entrepreneurial and Technological Innovation - is a partnership between the USC/Columbia Technology Incubator and Innovista to support entrepreneurial business development.
- SCLaunch - facilitates applied research, product development and commercialization programs.
- IT-oLogy - a non-profit collaboration between businesses, academic institutions and organizations to grow the IT talent pipeline and advance the IT profession.
- USC Darla Moore School of Business - is ranked number two in the nation for both its international MBA program and undergraduate studies.
- USC Honors College - was ranked number one in the nation in 2012 in a review of public honors colleges.

Columbia is nationally ranked among the top five cities for highway connectivity and is the only Southeastern city that has direct access by three interstates and indirect access by two additional interstates within one hundred miles. The City's highway network includes I-20, I-26, and I-77.

To promote economic development in underdeveloped areas and to aid its lower income citizens in obtaining safe and affordable housing, the City uses its Redevelopment Program fund and Economic Development fund. These funds provide financing for various home rehabilitations and mortgage lending programs from various sources. These programs play a vital role in ensuring continued building and investing in the City. Public transportation initiatives will also play a vital role in ensuring continued building and investing in the City.



We Are Columbia

Local Economy

The Columbia economy is the 69th largest metropolitan economy in the United States. Substantial concentrations of employers in government, manufacturing, education, finance, and health care provide high paying jobs and a relatively reliable tax revenue base. The vitality of these industries, combined with the increased interest in living in urban centers, will continue to support the City's revenue base.

The City is home to two airports. Columbia Metropolitan Airport enplaned approximately 455,800 passengers during fiscal year 2015. This was an increase of approximately 26,000 passengers from fiscal year 2014. Columbia Owens Downtown Airport primarily serves private, business, and military flights.

The City, through a joint collaboration with TN Development Corporation and Eau Claire Development Corporation, administers a job training program called Work It Up. The purpose of this program is to assist citizens in the City of Columbia who are unemployed or underemployed gain the experience needed to obtain jobs earning a livable wage and benefits, thereby improving the quality of life for families while strengthening communities. Each qualified applicant can receive up to \$4,000 in grant funds to cover the cost of tuition, books, some child care, and transportation. To date, eighty-six individuals have been accepted into the program, and twenty-seven have successfully completed the program.

The City created the Main Street Capital Program to encourage a diverse mix of retail businesses between the 1200 and 1700 blocks of Main Street. Applicants are eligible for loans up to \$50,000 and are to be paid off over a ten year period. If all of the requirements of the program have been met after five years, the balance of the loan outstanding will be forgiven. The Main Street Capital Program in fiscal year 2015 leveraged over \$214,000 in private investment or \$2.50 in private investment for every \$1.00 of public funds invested.

The City's Contractor and Supplier Diversity Program is designed to increase the capacity of businesses to compete for City and other government contracts through several programs, including the City's Mentor Protégé and Subcontractor Outreach programs. During the 2015 fiscal year, the City increased its contracting dollars to the Disadvantaged Business Enterprises in the City's Mentor Protégé Program from eight percent to fifteen percent. For fiscal year 2016, the City Council has endorsed a ten percent spending goal for Minority/Women-Owned businesses.

Retail job growth in Columbia improved 4.3 percent during fiscal year 2015 and this growth is expected to increase into fiscal year 2016. Professional services jobs such as engineering, computer software design, and legal services saw significant growth for the first time since the recession.

Columbia is also home to the main campus of the University of South Carolina as well as other colleges and universities.

Quality of Life

Columbia is a premier location for entertainment, arts, culture and recreation. The City offers a broad variety of attractions, making it an ideal location for any lifestyle.

The City has access to three major rivers and two large lakes. Riverbanks Zoo is home to more than 2,000 fascinating and exotic animals, as well as seventy acres of scenic river views, valley overlooks, and spectacular landscapes.



We Are Columbia

The City's Parks and Recreation department maintains forty-nine outdoor parks within the city limits alone, including Riverfront Park, a popular destination for walkers, runners and cyclists. Sesquicentennial State Park and Congaree National Park are both reachable in under thirty minutes from downtown and offer hiking and canoeing activities.

Live music, entertainment, and the arts are also readily available with USC, the Koger Center for the Arts and the Township Auditorium providing public entertainment. The Nickelodeon Theater offers a wide variety of alternative films and sponsors media art events and educational programs to promote and enhance the appreciation of media arts. The Columbia Museum of Art is the largest art museum in South Carolina. It offers a world-class collection of American and European art that spans seven centuries and unique exhibits each year. The Columbia City Ballet is the second largest performing arts organization in South Carolina with twenty-six professional dancers.

Main Street is currently experiencing a growth in residential and business development. Events such as First Thursdays and the annual Urban Tour have helped to generate traffic on Main Street outside of regular business hours.

The City installed new playground equipment at Sim's Park. New tennis courts and parking lots were completed at Woodland Park. The City installed surveillance cameras at the Bellfield Center, Lorick Park, Pinehurst Park, St. Anna's Park, Melrose Park, Maxey Gregg Park, and Granby Park.

The City was again recognized in 2015 as a Playful City USA community. The City was one of 241 communities receiving the award for making their communities more playful. The City also received the award in 2014.

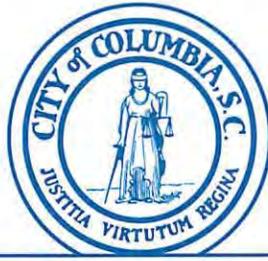
In April 2015 the City began construction on the new community pool at Greenview Park. This \$3.2 million dollar project will feature a six lane 25-yard pool, children's activity area and water slide.

Major Initiatives and Financial Planning

The 2015-2016 budget focuses on priorities expressed by City Council that includes public safety as a top priority, addresses water and sewer infrastructure needs and restores the competitiveness of the City's compensation plan. Steady growth is expected as new development projects come on line.

The City increased its franchise fee from three percent to five percent for fiscal year 2016. This fee is paid by various entities that use the City's right of way to provide other services (gas, electricity, cable, etc.) and is not limited to only taxable entities. Council has committed this additional revenue to be used to improve public safety.

The fiscal year 2016 budget includes a 9.5% increase in water and sewer rates. The City expects this rate increase to generate over eleven million dollars in new revenue. As a result of the consent decree with the Environmental Protection Agency and the City's Clean Water 2020 Initiative the City plans to spend approximately \$750 million on the wastewater system in both capital improvements and normal maintenance of the system. This additional revenue will be used to meet the fiscal year 2016 requirements of the consent decree. To further increase the amount of funds available to the water and sewer system City Council has directed that \$1.7 million dollars of costs historically charged to the Water and Sewer Facilities Fund be charged to other funds in fiscal year 2016. Council also directed the transfer from water and sewer to the general fund be reduced by \$1.3 million in 2016.



We Are Columbia

As a result of the recently conducted Compensation and Classification study, the 2016 budget includes \$1,750,000 in funds to begin a two year phased in program to attract and retain competent and capable employees.

The 2016 budget reflects a two mil reduction in property taxes.

General fund departments, other than the police and fire departments, will have little or no increase in their budget amounts.

Other City departments, other than water and sewer capital improvement expenditures, are expected to be comparable to fiscal year 2015 or slightly less.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Columbia, South Carolina for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2014. In order to be awarded a Certificate of Achievement, the City had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable program requirements.

A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. However, we believe that our current CAFR continues to meet the Certificate of Achievement for Excellence in Financial Reporting Program's requirements, and we are submitting it to GFOA to determine the eligibility for another certificate.

The preparation of this CAFR represents the culmination of numerous efforts by many City employees. We would like to express our sincere appreciation to the City's finance staff and the City's other operating and supporting departments for making this report possible.

This CAFR reflects our ongoing commitment to the citizens of Columbia, the Columbia City Council, and all interested readers of this report to provide information in conformance with the highest standards of financial reporting.

Respectfully submitted,

Teresa B. Wilson
City Manager

Jeffery M. Palen
Chief Financial Officer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Columbia
South Carolina**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

**CITY OF COLUMBIA, SOUTH CAROLINA
CITY LEADERS**

As of June 30, 2015

Mayor

Stephen K. Benjamin

Council Members

District 1	Sam Davis
District 2	Brian DeQuincey Newman
District 3	Moe Baddourah
District 4	Leona Plough
At Large	Tameika Isaac-Devine
At Large	Cameron Runyan

City Manager

Teresa Wilson

Assistant City Managers

Senior Assistant City Manager for Public Safety	S. Allison Baker
Assistant City Manager for Operations	Melissa Gentry-Smith, P.E
Assistant City Manager Finance & Economic Svc/CFO	Jeff Palen

Department Directors

Budget and Program Management Office	Melissa Caughman
City Attorney	Teresa Knox
Community Development	Deborah Livingston
Court Administrator	Judge Dana Turner
Planning and Development Services	Krista Hampton
Economic Development	Ryan Coleman
Emergency Communications	Kimberly Gathers
Finance	Jan Alonso, CGFO
Fire	Aubrey Jenkins
General Services	David Knoche
Human Resources	Pamela Benjamin, CPM
Information Technology	Sylvia White (interim)
Office of Business Opportunities	Tina Herbert
Parks and Recreation	Jeff Caton
Parking	John David Spade
Police	William "Skip" Holbrook
Public Relations	Leshia Utsey
Public Works	Robert Anderson
Utilities & Engineering	Joseph Jaco, P.E.

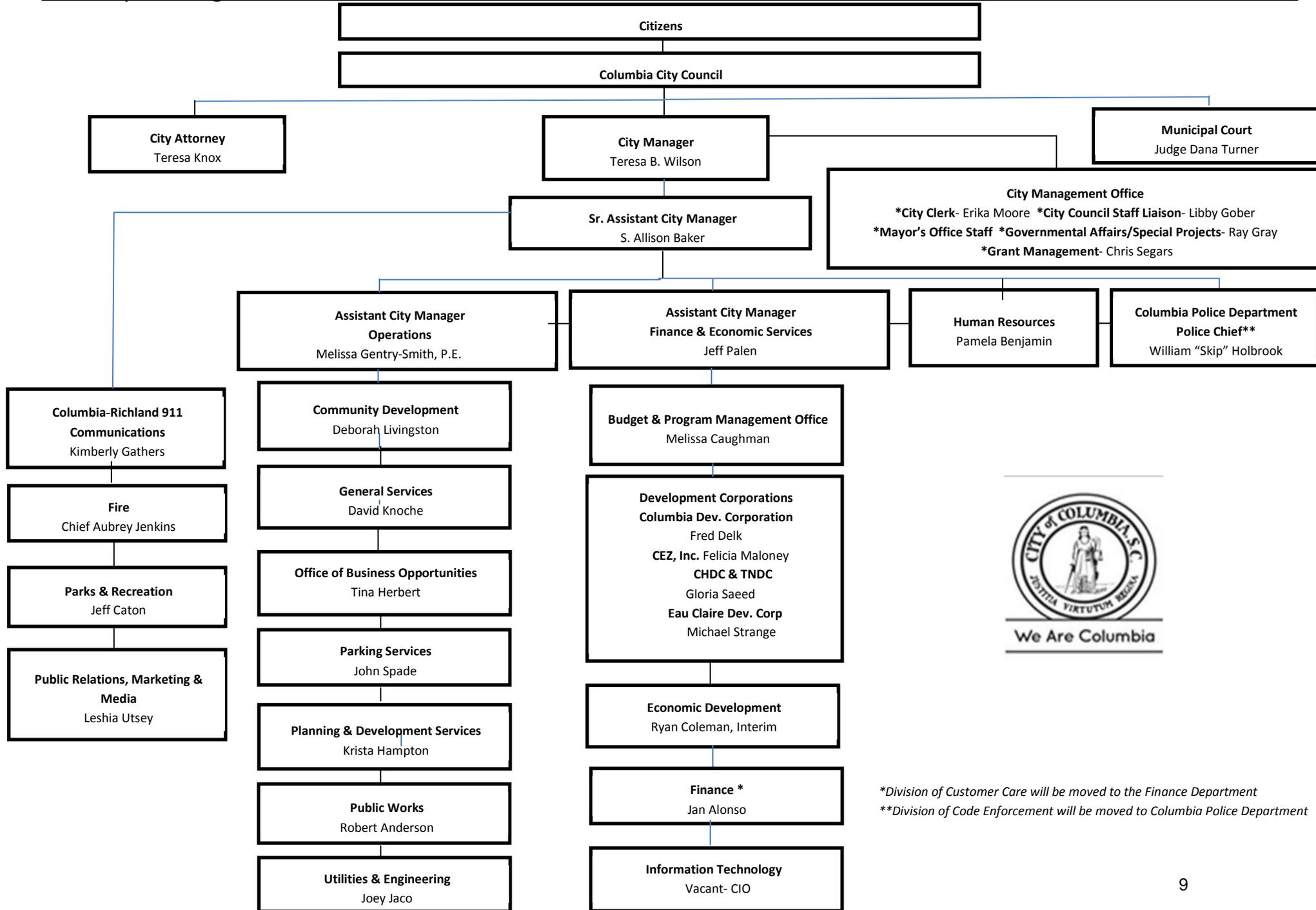
Development Corporation Directors

Columbia Development Corp.	Fred Delk
Columbia Housing/TN Development Corp.	Gloria Saeed
Eau Claire Development Corp.	Michael Strange

Other Directors

Columbia Empowerment Zone, Inc.	Felicia Maloney
Midlands Authority for Conventions, Sports, and Tourism	Bill Ellen

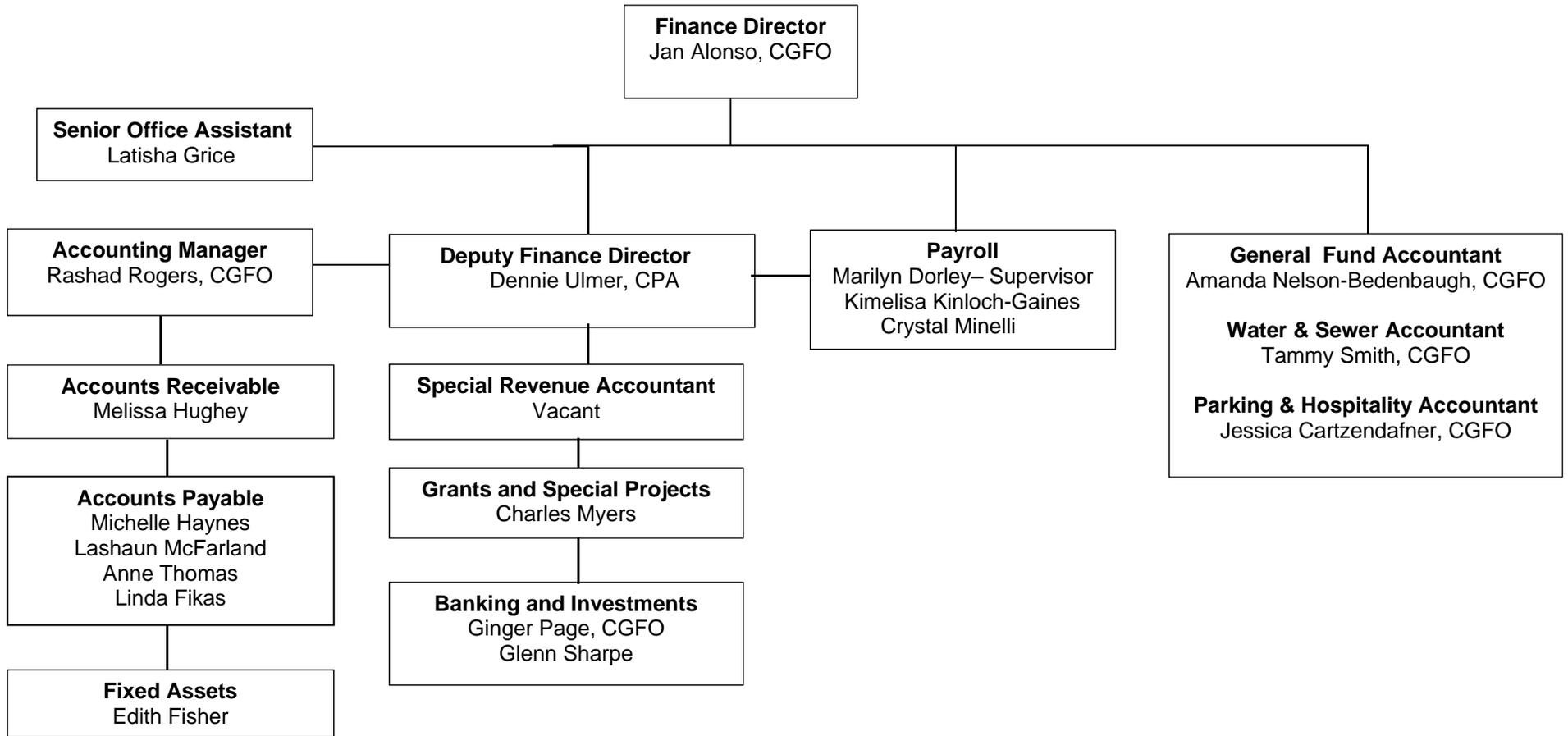
City of Columbia
FY 2014/2015 Organizational Chart



**Division of Customer Care will be moved to the Finance Department*
***Division of Code Enforcement will be moved to Columbia Police Department*

**CITY OF COLUMBIA, SOUTH CAROLINA
Finance Department
Organizational Chart**

As of June 30, 2015



FINANCIAL SECTION

Independent Auditors' Report

The Honorable Stephen K. Benjamin, Mayor
and Members of City Council
City of Columbia, South Carolina
Columbia, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information for the City of Columbia (the City), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Midlands Authority for Conventions, Sports, and Tourism, a discretely presented component unit of the City of Columbia, which represent 45.48%, 54.25%, and 75.17%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Midlands Authority for Convention, Sports and Tourism is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Columbia as of June 30, 2015, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note VII. C. to the financial statements, the City adopted the provisions of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*, effective July 1, 2014. Our audit opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis; Budgetary Comparison Schedule – General Fund; Schedules of Funding Progress and Employer Contributions – Other Postemployment Benefits; Schedule of the City's Contributions; and Schedule of the City's Proportionate Share of the Net Pension Liability, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund statements and schedules, supplementary information to the financial statements, and the statistical section, as listed in the accompanying table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The Schedule of Fines, Assessments and Surcharges listed in the Table of Contents under Supplementary Information is presented for purposes of additional analysis as required by the State of South Carolina and is not a required part of the financial statements.

The combining and individual nonmajor fund financial statements and schedules and supplementary information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund financial statements and schedules and supplementary information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2015, 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 of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Columbia, South Carolina
December 29, 2015

CITY OF COLUMBIA, SOUTH CAROLINA
Management's Discussion and Analysis (Unaudited)
June 30, 2015

As management of the City of Columbia (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the year ended June 30, 2015, as part of the overall Comprehensive Annual Financial Report (CAFR). This overview compares the year ended June 30, 2015, with the year ended June 30, 2014. The Management's Discussion and Analysis is intended to highlight significant transactions, events, and conditions, and readers are encouraged to consider the information presented here, in conjunction with the letter of transmittal, which can be found on the pages indicated in the table of contents of this report. This discussion and analysis is intended to provide a broad overview using a short-term and long-term analysis of the City's activities based on information presented in the financial report and fiscal policies that have been adopted by City Council (the "Council"). The intent of this discussion and analysis is to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activities, (c) identify changes in the City's financial position, (d) identify significant deviations from the approved general fund budget, and (e) highlight significant issues in the individual funds.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Financial Highlights

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of 2015 by \$709,483,129. This amount represents the City's net position. Of this amount, \$115,632,534 in unrestricted net position may be used to meet the City's ongoing obligations.
- The City's total net position increased by \$16,364,117 (\$10,980,199 from governmental activities and \$5,383,918 from business-type activities) as total revenues of \$309,850,157 exceeded total expenses of \$294,987,316. This increase in net position for the current year is approximately \$7,534,900 less than the prior year and is due primarily to the increased costs incurred by the Water and Sewer Facilities Fund related to compliance with the consent decree and additional depreciation expense on completed construction projects.
- As of June 30, 2015, the City's governmental funds reported combined ending fund balances of \$100,785,186. The unrestricted General Fund balance (i.e., committed, assigned, and unassigned) of \$30,816,689 is available for spending at the City's discretion and represents approximately 23.25% of the General Fund's actual expenditures and transfers out for the year ended June 30, 2015.
- The City's total capital assets were \$1,038,180,774 as of June 30, 2015, increasing \$46,503,555 (4.69%). This increase was the result of additions of \$22,672,088 in governmental activities and \$73,146,603 in business type activities offset by depreciation expense and net disposals of \$13,207,146 in governmental activities and \$36,107,990 in business-type activities.
- The City's long-term debt at June 30, 2015, totaled \$607,312,228, a net increase of \$15,902,500 or 2.69% from the balance at June 30, 2014, of \$591,409,728. This net increase was the result of \$31,141,791 in principal payments, \$2,088,548 in premium amortization, the issuance of a \$29,922,839 hospitality revenue bond (including premium) in the miscellaneous projects capital fund, the issuance of a \$7,000,000 capital lease obligation in the general fund, and the issuance of a \$12,210,000 revenue bond in the parking facilities fund.
- As of June 30, 2015, the City's General Obligation bonds were rated AA+ by Standard and Poor's and AA1 by Moody's. The City's Water and Sewer Facilities revenue bonds were rated AA by Standard and Poor's and AA1 by Moody's. The City's Parking Facilities revenue bonds were rated BBB+ by Standard and Poor's and A2 by Moody's.

CITY OF COLUMBIA, SOUTH CAROLINA
Management's Discussion and Analysis (Unaudited)
June 30, 2015

Using This Annual Report

This discussion and analysis is intended to serve as an introduction to the City of Columbia's financial statements. This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on the pages identified in the table of contents) provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements start on page 31. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside the government. In addition to the financial statements, this report contains other supplementary information that will enhance the reader's understanding of the financial condition of the City of Columbia.

Government-wide financial statements – The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business. The government-wide financial statements provide both short-term and long-term information regarding the overall financial position of the City.

The Statement of Net Position presents information on all of the City's assets, liabilities, deferred outflows, and deferred inflows with the difference between all of the items reported as Net Position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs regardless of the related timing of the cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused annual leave). Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are designed to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, judicial, finance, community development and planning, public safety, parks and recreation, public services, general services, and community promotions. Governmental activities are financed primarily through property taxes, business licenses and permits, intergovernmental revenues, and federal and state grants.

The business-type activities of the City include Water and Sewer, Parking, Stormwater, Hydro-Electric, Redevelopment Programs, Parks and Recreation Camps, and Economic Development. These activities are financed in whole or in part primarily through fees charged to external parties for goods and services.

The government-wide statements include not only the City itself (known as the primary government), but also the legally separate Public Facilities Corporation; Columbia Parking Facilities Corporation; Columbia Development Corporation; Columbia Housing Development Corporation; Eau Claire Development Corporation; Midlands Authority for Conventions, Sports and Tourism; TN Development Corporation; and the Columbia Empowerment Zone, Inc., for which the City is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself, except for the Public Facilities Corporation and the Columbia Parking Facilities Corporation, whose statements are blended with the primary government.

The government-wide financial statements can be found following this section of the report.

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Fund financial statements – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the City's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Our analysis of the City's major funds begins on page 24. The fund financial statements beginning on page 31 provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, the City Council established many other funds to help it control and manage for particular purposes or to show it is meeting legal responsibilities for using certain taxes, grants, and other money. The City's three kinds of funds – governmental, proprietary, and fiduciary – use different accounting approaches.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements. Most of the City's basic services are reported in governmental funds which focus on how money flows into and out of these funds and the balances that are left at year-end that are nonspendable, restricted, committed, assigned, or unassigned. These classifications of fund balance show the nature and extent of constraints placed on the City's fund balances by law, creditors, and City Council. Unassigned fund balance is available for spending for any purpose. These funds are reported using an accounting method called modified accrual accounting which measures cash and all other financial assets that can be readily converted to cash. The governmental funds present a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the governmental funds with similar information presented for governmental activities in the government-wide statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. We describe the relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds in reconciliations following the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances.

The City utilizes five generic governmental fund types (see Section I Note B in the notes to the financial statements). The City maintains 17 individual governmental funds within these generic fund types. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the general fund and county services fund which are considered to be major funds. Data from the 15 other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these 15 nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided as Required Supplementary Information for the general fund to demonstrate compliance with this budget. The governmental funds financial statements immediately follow the government-wide financial statements.

The City has a formal fund balance policy applicable to governmental funds. The policy defines fund balance categories consistent with Governmental Accounting Standards Board Statement 54, sets spending priority within the categories, and established the authority to commit or assign balances. For a full discussion of the City's fund balance policy, please refer to the Notes to the Financial Statements, Section I. F. Fund Balances.

Proprietary Funds – The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for the business-type activities of the Water and Sewer system, Parking system, Stormwater system, Hydro-electric plant, Redevelopment Programs, Parks and Recreation camps, and Economic Development activities.

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An internal service fund is an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for the maintenance and operation of its fleet of vehicles, its risk management function, and its support services. Because these services benefit both governmental activities and business-type functions, the net position and change in net position have been allocated between governmental activities and business-type activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the business type activities in the government-wide financial statements. The City maintains seven enterprise type funds. The proprietary fund financial statements provide separate information for the water and sewer system and the parking system which are considered to be major funds of the City. Data from the other five funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor business-type funds is provided in the form of combining statements elsewhere in this report. Conversely, all three internal service funds are combined into a single aggregated position in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report. Because the internal funds predominately benefit governmental rather than business-type activities, the internal service funds have been included within the governmental activities in the government-wide statements. The proprietary fund financial statements follow the governmental fund financial statements.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. Trust funds are used to account for resources received and held by the City as trustee. The accounting for fiduciary fund is much like that used for proprietary funds. The fiduciary fund financial statements follow the proprietary funds statements.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found following the basic financial statements.

Other Information - In addition to the basic financial statements, this report also contains certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees and a general fund budgetary comparison schedule to demonstrate compliance with the budget. Required supplementary information can be found following the notes in this report. The combining and individual fund statements, referred to earlier in connection with the nonmajor governmental and proprietary funds, are presented immediately following the required supplementary information.

Financial Analysis – Government-wide Statements

As noted earlier, Net Position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceed liabilities and deferred inflows by \$709,483,129 as of June 30, 2015. The City's overall financial position improved, and net position increased by \$16,364,117 during the year ended June 30, 2015. This increase of \$16,364,117 is a decrease from the prior year. This decrease is primarily the result, in the business activities, of increased expenses in the Water and Sewer Facilities Fund relating to the consent decree with the Environmental Protection Agency and additional depreciation expense on completed water and sewer projects related to the consent decree. The consent decree requires the City to make significant repairs and upgrades to the sewer system to prevent sanitary sewer overflows. Water and sewer fund revenues, as well as stormwater fund revenues, showed a modest increase during the current fiscal year. Water and sewer revenues increased primarily due to increased consumption from new customers added during the fiscal year. Stormwater revenues increased due to a one-time receipt of funds from the South Carolina Department of Transportation. Parking revenues increased primarily due to the completion of a new apartment complex in the downtown area. This complex rented parking space in the City's Sumter Street parking garage. The decrease in hydro-electric plant fees resulted from less electricity being generated due to low water levels in the canal and a reduction in the amount of incentive payments from the operator of the facility. In the governmental activities, the increase in collections from business licenses resulted primarily from a two percent fee increase and the continuing economic recovery. Improved economic conditions also resulted in an increase in the collection of sales taxes and hospitality taxes. Less revenue was reported in the County Services Fund due to the City refunding approximately \$2,146,800 in fees back to Richland County during the current year in an attempt to operate the fund on a break even basis. This reduction was offset in part by increased funding from the State of South Carolina to assist in the repaving of highways. Property tax revenue decreased slightly due to a reduction in assessed property values. Table 1 summarizes the major categories of assets, deferred outflows, liabilities, deferred inflows, and net position for governmental activities, business type activities, and the City as a whole.

CITY OF COLUMBIA, SOUTH CAROLINA
Management's Discussion and Analysis (Unaudited)
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Table 1
City of Columbia
Statement of Net Position
As of June 30, 2015 and June 30, 2014

	Governmental Activities		Business-type Activities		Total Primary Government	
	As of June 30, 2015	As of June 30, 2014	As of June 30, 2015	As of June 30, 2014	As of June 30, 2015	As of June 30, 2014
Current and other assets	\$211,241,380	\$169,701,591	\$ 345,605,104	\$ 385,437,503	\$ 556,846,484	\$ 555,139,094
Capital assets, net of depreciation	221,655,500	212,190,558	816,525,274	779,486,661	1,038,180,774	991,677,219
Total assets	432,896,880	381,892,149	1,162,130,378	1,164,924,164	1,595,027,258	1,546,816,313
Deferred outflows of resources	14,470,968	3,950,107	37,866,038	27,741,893	52,337,006	31,692,000
Total assets and deferred outflows of resources	447,367,848	385,842,256	1,199,996,416	1,192,666,057	1,647,364,264	1,578,508,313
Long-term liabilities outstanding	293,065,198	143,467,480	564,275,506	528,829,611	857,340,704	672,297,091
Other liabilities	33,078,115	25,822,238	28,765,714	25,910,878	61,843,829	51,733,116
Total liabilities	326,143,313	169,289,718	593,041,220	554,740,489	919,184,533	724,030,207
Deferred inflow of resources	14,809,030	2,521,972	3,887,572	-	18,696,602	2,521,972
Net position						
Net investment in capital assets	162,102,481	156,454,488	368,742,602	375,763,776	530,845,083	532,218,264
Restricted	53,653,231	30,669,437	9,352,281	9,330,640	63,005,512	40,000,077
Unrestricted	(109,340,207)	26,906,641	224,972,741	252,831,152	115,632,534	279,737,793
Total net position	\$106,415,505	\$214,030,566	\$ 603,067,624	\$ 637,925,568	\$ 709,483,129	\$ 851,956,134

As of June 30, 2015, the City is able to report positive balances for the government as a whole as well as for its governmental activities and business-type activities, respectively.

The largest portion of the City's net position, \$530,845,083 (74.82%), reflects its investment in capital assets (e.g., land, buildings, machinery, infrastructure, and equipment), less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, \$63,005,512 (8.88%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$115,632,534 (16.30%) in unrestricted net position may be used to meet the ongoing obligations of the City.

For governmental activities, the City reported a deficit balance in unrestricted net position of \$(109,340,207). This deficit resulted from the adoption of GASBS 68 during the current year. GASBS 68 required the City to record its proportionate share of the net pension liability of the cost-sharing retirement plans it participates in. For business-type activities, the City reported a positive balance in unrestricted net position of \$224,972,741. This is also a decrease as the result of the adoption of GASBS 68.

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Management's Discussion and Analysis (Unaudited)
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The City reported a positive balance of \$30,816,689 in unrestricted fund balance (committed plus assigned plus unassigned fund balance) for the general fund as of June 30, 2015. Unrestricted fund balance represents the spendable resources available for governmental activities without externally enforceable limitation. The major contributing factors to the difference between unrestricted fund balance and unrestricted net position are changes in accrued receivables or payables, operating losses in the internal service fund operations, charges related to post-employment benefits, capital assets, debt, and expenses related to compensated absences and pension benefits.

Revenue for the City for the year ended June 30, 2015, which totaled approximately \$311,351,400, increased from the year ended June 30, 2014. The increase for the City as a whole was approximately \$11,285,500 which was an increase of 3.76%. Revenues for the business-type activities increased approximately \$911,600 (0.63%). Water and sewer operating revenues increased approximately \$3,072,400 (2.63%). This was primarily due to additional customers added during the year and increased consumption. The Hydro Electric Facilities Fund showed a decrease of approximately \$1,806,000 (-37.28). The hydroelectric plant is a "run of the river" hydro plant. As such the amount of flow in the canal has a significant impact on the plant's ability to generate electricity. During fiscal year 2015 there was approximately a 36% dip in flow in the canal. This dip in flow limited the ability to generate electricity which resulted in a decrease in revenue. Stormwater revenues increased during the fiscal year approximately \$562,900 (8.09%) due to one-time funding received during the year from the South Carolina Department of Transportation. Parking revenues increased approximately \$650,500 (10.01%) during the fiscal year primarily due to an apartment complex opening in the downtown area. The complex leased parking spaces in the City's Sumter Street Garage. Revenue from governmental activities for the year ended June 30, 2015, which totaled approximately \$167,746,000, represented an increase from the year ended June 30, 2014, of approximately \$10,374,200 (6.59%). The majority of the increase resulted from a two percent increase in franchise fees enacted during the fiscal year. The City also received additional revenue as a result of the increase in the hydrant fees charged to water users living outside the city limits. Business license revenue and sales tax collections provided the majority of the remaining increase as the downtown revitalization continued to attract additional business and the overall general economy continued to show improvement.

Table 2
City of Columbia's
Changes in Net Position
Years Ended June 30, 2015 and June 30, 2014

	Governmental Activities		Business-type Activities		Total Primary Government	
	Year Ended June 30, 2015	Year Ended June 30, 2014	Year Ended June 30, 2015	Year Ended June 30, 2014	Year Ended June 30, 2015	Year Ended June 30, 2014
Revenues:						
Program revenues						
Charges for services						
General government	\$ 726,487	\$ 758,177	-	-	\$ 726,487	\$ 758,177
Finance	37,837,666	31,467,056	-	-	37,837,666	31,467,056
Community development	799,663	832,159	-	-	799,663	832,159
Public safety	22,811,461	22,040,936	-	-	22,811,461	22,040,936
Parks and recreation	822,319	818,304	-	-	822,319	818,304
Public services	258,211	344,718	-	-	258,211	344,718
Water/sewer facilities	-	-	119,716,789	116,644,423	119,716,789	116,644,423
Hydro-electric plant	-	-	3,037,971	4,843,922	3,037,971	4,843,922
Stormwater facilities	-	-	7,521,149	6,958,281	7,521,149	6,958,281
Parking facilities	-	-	7,145,520	6,495,064	7,145,520	6,495,064
Redevelopment programs	-	-	680,111	564,456	680,111	564,456
Parks and recreation camps	-	-	300,931	275,182	300,931	275,182
Operating grants and contributions						
General government	5,440,411	2,339,163	-	-	5,440,411	2,339,163
Community development	3,363,032	3,120,983	-	-	3,363,032	3,120,983
Public safety	20,029,516	23,203,634	-	-	20,029,516	23,203,634
Public services	294,858	298,722	-	-	294,858	298,722
Community promotion	5,852,478	5,485,700	-	-	5,852,478	5,485,700
Capital grants and contributions						
General government	2,134,035	393,750	-	-	2,134,035	393,750
Public services	935,401	373,087	-	-	935,401	373,087
Water/sewer facilities	-	-	3,872,664	5,431,910	3,872,664	5,431,910
General revenues						
General property taxes	34,178,067	34,353,070	-	-	34,178,067	34,353,070
Local Option Sales Tax	16,385,254	16,465,463	-	-	16,385,254	16,465,463
Sales taxes	12,626,419	12,072,024	-	-	12,626,419	12,072,024
Motor fuel taxes	3,348	1,381	-	-	3,348	1,381
State shared revenue	2,829,726	2,805,133	-	-	2,829,726	2,805,133
Unrestricted investment earnings	163,175	89,001	1,226,558	1,158,475	1,389,733	1,247,476
Gain on disposal of capital assets	254,447	109,361	103,766	322,133	358,213	431,494
Total revenues	167,745,974	157,371,822	143,605,459	142,693,846	311,351,433	300,065,668

CITY OF COLUMBIA, SOUTH CAROLINA
Management's Discussion and Analysis (Unaudited)
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Table 2
City of Columbia's
Changes in Net Position (Continued)
Years Ended June 30, 2015 and June 30, 2014

	Governmental Activities		Business-type Activities		Total Primary Government	
	Year Ended June 30, 2015	Year Ended June 30, 2014	Year Ended June 30, 2015	Year Ended June 30, 2014	Year Ended June 30, 2015	Year Ended June 30, 2014
Expenses:						
General government	\$ 8,050,355	\$ 8,049,816	\$ -	\$ -	\$ 8,050,355	\$ 8,049,816
Judicial	2,749,136	2,615,194	-	-	2,749,136	2,615,194
Finance	1,886,778	1,726,481	-	-	1,886,778	1,726,481
Community development	5,791,062	5,787,850	-	-	5,791,062	5,787,850
Public safety	87,251,472	84,053,096	-	-	87,251,472	84,053,096
Parks and recreation	13,081,872	12,290,401	-	-	13,081,872	12,290,401
Public services	24,282,518	21,960,858	-	-	24,282,518	21,960,858
General services	5,269,511	4,933,285	-	-	5,269,511	4,933,285
Community promotion	10,660,364	12,872,657	-	-	10,660,364	12,872,657
Interest on long-term debt	4,491,254	2,955,994	-	-	4,491,254	2,955,994
Non-departmental	2,141,310	2,515,184	-	-	2,141,310	2,515,184
Water/sewer facilities	-	-	113,273,814	100,389,819	113,273,814	100,389,819
Hydro electric plant	-	-	2,422,544	3,012,376	2,422,544	3,012,376
Stormwater facilities	-	-	4,814,419	5,668,819	4,814,419	5,668,819
Parking facilities	-	-	7,678,876	6,162,449	7,678,876	6,162,449
Redevelopment programs	-	-	835,812	848,141	835,812	848,141
Parks and recreation camps	-	-	306,219	324,209	306,219	324,209
Total expenses	165,655,632	159,760,816	129,331,684	116,405,813	294,987,316	276,166,629
Increase (decrease) in net position before transfers	2,090,342	(2,388,994)	14,273,775	26,288,033	16,364,117	23,899,039
Transfers	8,889,857	9,031,340	(8,889,857)	(9,031,340)	-	-
Increase in net position	10,980,199	6,642,346	5,383,918	17,256,693	16,364,117	23,899,039
Net position, beginning of period *	95,435,306	207,388,220	597,683,706	620,668,875	693,119,012	828,057,095
Net position, end of period	<u>\$106,415,505</u>	<u>\$214,030,566</u>	<u>\$603,067,624</u>	<u>\$637,925,568</u>	<u>\$709,483,129</u>	<u>\$851,956,134</u>

* As restated for implementation of GASB 68 (see Note VII. C).

Total expenses for the City were approximately \$294,987,300 for the year ended June 30, 2015. This represents an increase of approximately \$18,820,700 (6.81%) when compared to the year ended June 30, 2014. This overall increase resulted from an increase of approximately \$5,894,800 in governmental activities and an increase of approximately \$12,925,900 in business-type activities. Most of the increase in governmental activities is related to the City's commitment to public safety during the current year. Not only were there additional policemen added during the current year, there was investment in new technology and equipment. Additional costs were incurred with the City's revitalization of the Bull Street Commons area. As a result of the increase in the amount of hospitality taxes collected, the City was able to increase its support of community organizations during the current fiscal year by approximately \$1,000,000. The majority of the remaining increase is the result of the increase in debt related expenses resulting from the issuance of a capital lease and a hospitality revenue bond during the current year. Expenses for business-type activities increased by approximately \$12,925,900, or 9.99%, compared to the year ended June 30, 2014. The overall increase in expenses was primarily due to an increase in repairs and maintenance projects undertaken during the current year to comply with the consent decree the City executed with the Environmental Protection Agency, additional depreciation expense on completed water and sewer projects related to the consent decree, and the increase in retirement expenses related to the City's adoption of GASBS 68. This resulted in an increase of approximately \$12,884,000 in expenses in the Water and Sewer Facilities Fund. The Hydro Electric Facilities fund expenses decreased by approximately \$589,800. This decrease is primarily due to the way the contract with the company that operates the hydro-electric plant for the City is structured. The operating company's compensation is based on a percentage of revenue generated. Therefore, as operating revenues decrease, operating costs will likewise decrease. When compared to the prior year, the Stormwater

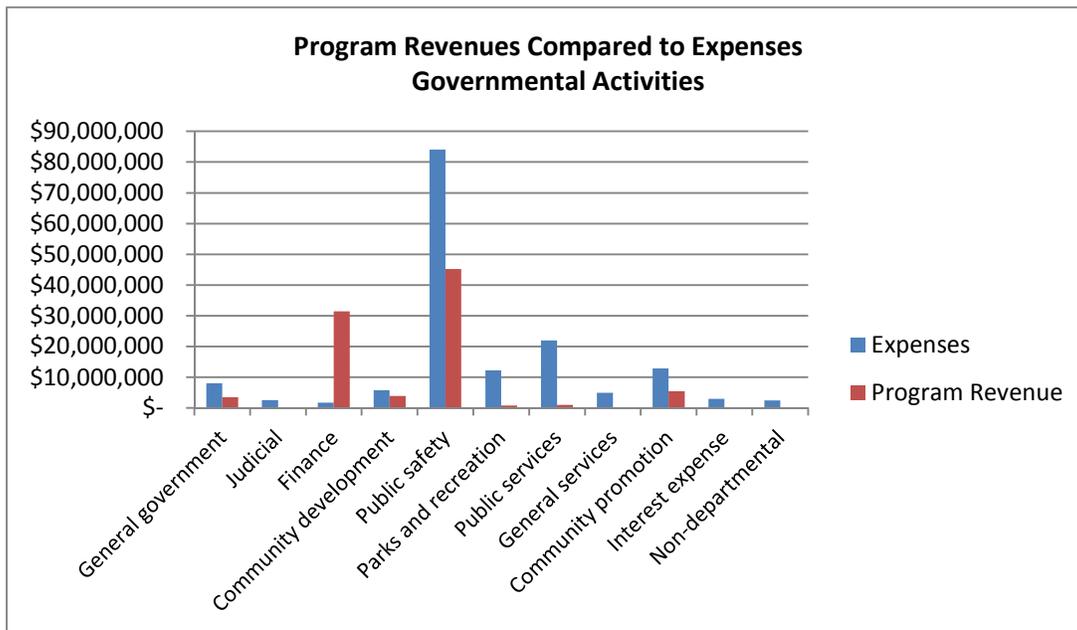
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Facilities Fund expenses decreased by approximately \$854,400. This decrease was a result of personnel related costs, primarily insurance related costs, decreasing during fiscal year 2015 due to a change in allocation methods. When compared to the prior year, the Parking Facilities Fund expenses increased by approximately \$1,516,400. This increase was the result of additional repair costs on the garages, installation of new technology, debt related costs due to the issuance of a refunding bond during the current year, and increase retirement expense due to the adoption of GASBS 68. The expenses for the remaining programs remained virtually unchanged compared to the year ended June 30, 2014.

The City's net position increased by \$16,364,117 during the year ended June 30, 2015. The net position for governmental funds increased by \$10,980,199, while the change in net position of business-type funds increased by \$5,383,918. The overall net position increase of the City was approximately \$7,534,900 less when compared to the prior fiscal year. This overall decrease was the combination of an approximately \$4,337,900 increase in the governmental activities and an approximately \$11,872,800 decrease in business-type activities. The main factor in the overall decrease was the increased repair and maintenance costs in the water and sewer fund and the parking fund, increased depreciation expense in the water and sewer fund and the increased retirement related costs in the business-type activity funds with personnel in fiscal year 2015.

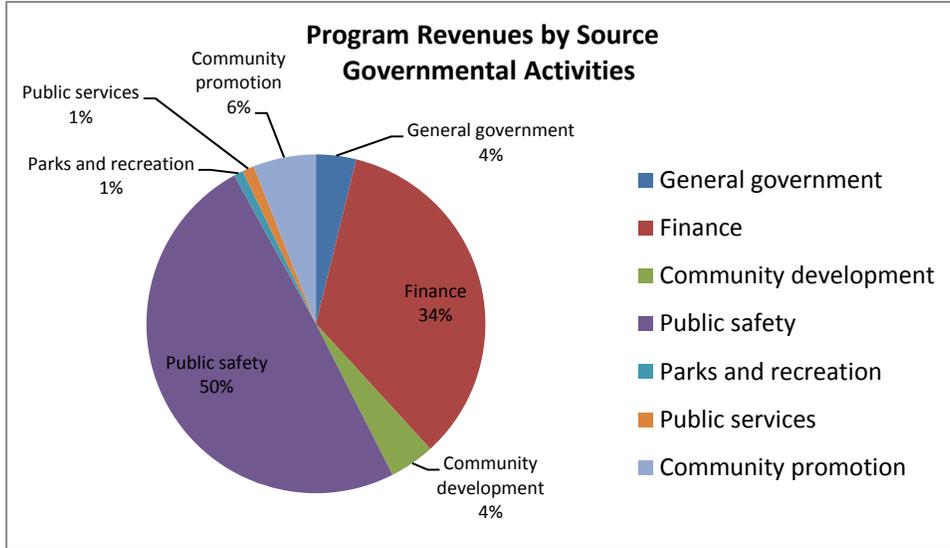
Governmental Activities – A comparative analysis of the governmental activities expenses and program revenues is presented below.

Figure 1
Program Revenues Compared to Expenses
Governmental Activities
Year Ended June 30, 2015



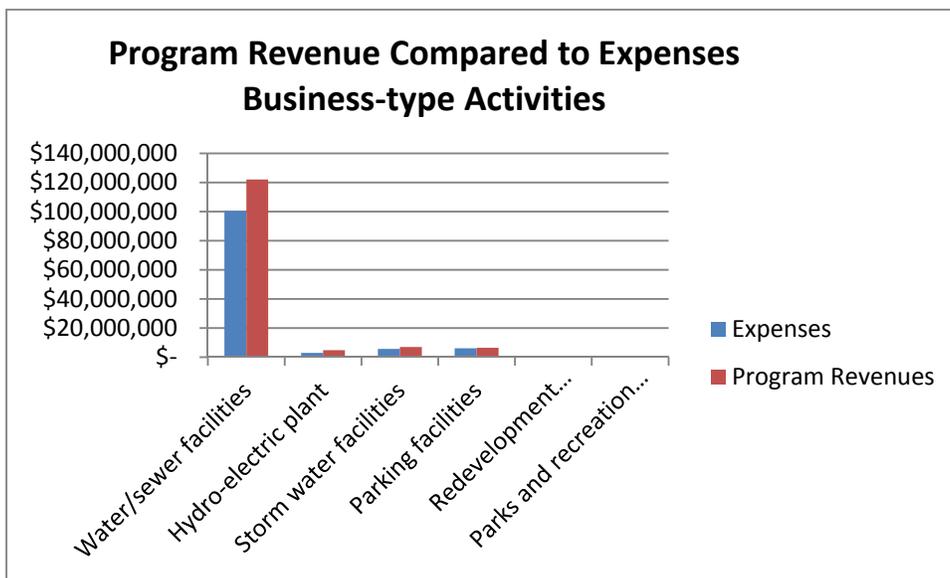
**CITY OF COLUMBIA, SOUTH CAROLINA
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June 30, 2015**

**Figure 2
Program Revenues by Source
Governmental Activities
Year Ended June 30, 2015**



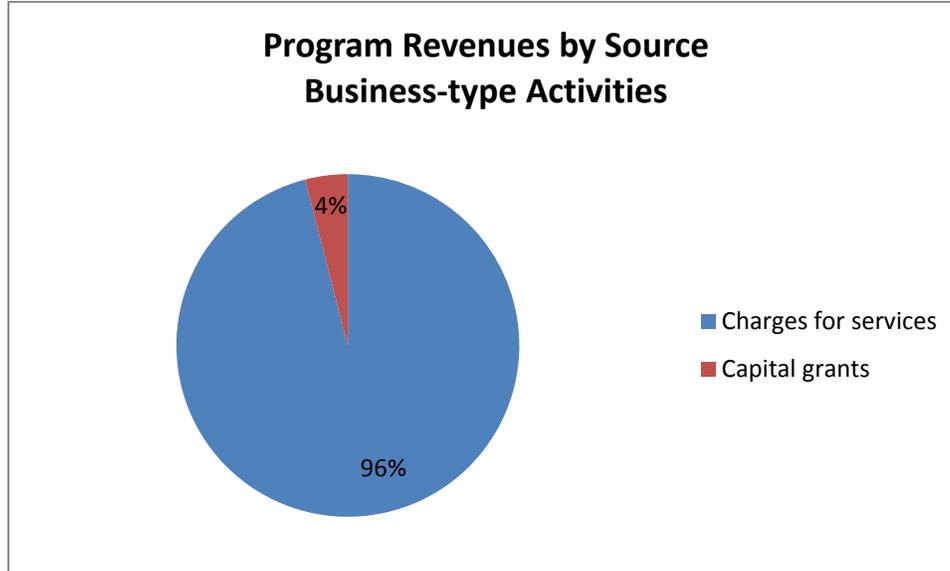
Business-type Activities – The net position of the City's business-type activities increased by approximately \$5,383,900 for the year ended June 30, 2015. This growth is primarily attributable to the operations of the water and sewer and stormwater departments. A comparative analysis and discussion of expenses and program revenues for these enterprise operations is presented below.

**Figure 3
Program Revenue Compared to
Expenses for Business-type Activities
Year Ended June 30, 2015**



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Figure 4
Program Revenues by Source
for Business-type Activities
Year Ended June 30, 2015



Water and Sewer Facilities Fund – The net position for the water and sewer facilities fund for the year ended June 30, 2015, increased by approximately \$4,491,500.

Table 3
Water and Sewer Facilities Fund Revenues and Expenses
Years Ended June 30, 2015 and June 30, 2014

	Year Ended June 30,	
	2015	2014
Revenues		
Total operating revenues	\$ 118,178,523	\$ 116,498,720
Non-operating revenues	(281,047)	1,425,545
Development contributions	3,872,664	5,431,910
Total revenues	121,770,140	123,356,175
Expenses		
Total operating expenses	98,033,982	89,855,344
Interest and amortization expense	10,414,620	9,496,543
Transfers, net	8,830,077	8,058,247
Total expenses	117,278,679	107,410,134
Change in net position	\$ 4,491,461	\$ 15,946,041

Total operating revenues, which primarily consist of water and sewer fees, increased by approximately \$1,679,800, or 1.44%, to \$118,178,523. The increase in operating revenues was due primarily to increased consumption. Sewer fees also increased for the same reason. The decrease in non-operating revenues was due to losses incurred in disposing of capital assets. Contributed infrastructure revenue decreased approximately \$1,559,200 from the year ended June 30, 2014, as new construction decreased from prior year. Total revenues for the year ended June 30, 2015, decreased approximately \$1,586,000, or 1.29%, to \$121,770,140.

Total operating expenses increased by approximately \$8,178,600, or 9.10%, to \$98,033,982 when compared to the year ended June 30, 2014. This increase was primarily the result of increase in maintenance and repair projects to the system in fiscal 2015 as part of the City's compliance with the consent decree and additional depreciation

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expense. The increase in operating expenses exceeded the increase in operating revenue resulting in an operating margin decrease of approximately \$4,491,500 compared to the year ended June 30, 2014.

Interest expense increased by approximately \$918,100 as less interest was capitalized in fiscal year 2015 due to completion of construction projects financed by bond proceeds. Net transfers in fiscal year 2015 increased by approximately \$771,800 from fiscal year 2014 due to the increased transfer to the internal service fund to cover the increased health care costs. Total expenses increased by approximately \$9,868,500, or 9.19%, to approximately \$117,278,700. The increase in water and sewer repair costs and retirement costs, along with the decrease in contributed infrastructure were the primary reasons change in net position increased by \$4,491,461 for the year ended June 30, 2015.

The restricted portion of the water and sewer facilities fund's net assets represents debt service reserve funds that are restricted under various bond ordinances.

Parking Facilities Fund – The net position of the Parking Facilities Fund for the year ended June 30, 2015, decreased by approximately \$593,600.

Table 4
Parking Facilities Fund Revenue and Expenses
Years Ended June 30, 2015 and June 30, 2014

	Year Ended June 30,	
	2015	2014
Revenues		
Total operating revenues	\$ 7,040,165	\$ 6,386,389
Non-operating revenues	183,805	206,066
Gain (loss) on sale of assets	3,690	-
Total revenues	7,227,660	6,592,455
Expenses		
Total operating expenses	5,082,334	4,556,545
Interest and amortization expense	2,416,329	1,508,716
Transfers, net	322,586	178,323
Total expenses	7,821,249	6,243,584
Change in net position	\$ (593,589)	\$ 348,871

Total operating revenues, which primarily consist of parking fees and fines, increased by approximately \$653,800, or 10.24%, to \$7,040,165. The increase in operating revenues was due primarily to the recovery of parking spaces lost in the downtown area during fiscal year 2014 due to construction activity and the increase in space rented due to the completion of a new apartment complex in the downtown area. Non-operating revenue decreased by approximately \$22,300 due primarily to a continued decline in interest rates and less unspent bond proceeds to invest. Total revenues for the year ended June 30, 2015, increased approximately \$635,200, or 9.94%, to \$7,227,660 primarily as a result of the increase in available parking spaces and additional spaces rented under long term rental agreements.

Total operating expenses increased by approximately \$525,800, or 11.54%, to \$5,082,334 when compared to the year ended June 30, 2014. This was primarily the result of technology upgrades to select parking garages and increase retirement related expenses due to the adoption of GASBS 68. The increase in operating revenues offset increase in operating expenses resulting in an operating margin increase of approximately \$128,700 compared to the year ended June 30, 2014.

Interest and amortization expense increased in fiscal year 2015 by approximately \$907,600, or 60.16%, when compared to fiscal year 2014 due to additional debt outstanding and the costs related to issuing the refunding debt. Net transfers increased in fiscal year 2015 by approximately \$144,300 when compared to fiscal year 2014. The increase was due to increased transfers to the internal service funds to cover increased health care costs. Total

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expenses increased by approximately \$1,577,700, or 25.27%, to \$7,821,249. Debt issuance costs, increased health care costs, and retirement related costs were the main reasons for the increase in total expenses.

Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds – The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2015, the City's governmental funds reported combined ending fund balances of approximately \$100,785,200, an increase of approximately \$28,405,600. Unassigned fund balance is available for spending at the City's discretion. As of June 30, 2015, the City has an unassigned fund balance of approximately \$21,336,100, a decrease of approximately \$3,723,800 compared to the year ended June 30, 2014.

The general fund is the chief operating fund of the City. During the year ended June 30, 2015, the fund balance of the general fund increased by approximately \$7,399,400 to approximately \$36,393,700. The increase in fund balance was made possible by revenue collections that exceeded the adopted budget along with closely monitored spending. The major portion of the 2015 surplus was due to increased collections from franchise fees due to the enactment of a two percent increase in the amount of fee to be collected. This rate increase resulted in approximately \$4,800,000 in additional fees being collected. Unspent funds of approximately \$4,880,600 from the issuance of a capital lease was also a major contributor to the surplus. The unassigned fund balance, which is available for use without restriction, decreased by approximately \$2,707,800 to approximately \$22,352,200. Unrestricted fund balance is the combination of unassigned fund balance (\$22,352,200), assigned fund balance (\$3,654,100), and committed fund balance (\$4,810,400), and totals approximately \$30,816,700. The remainder of the fund balance in the general fund is comprised of approximately \$4,880,700 in restricted fund balance and \$696,400 in nonspendable fund balance. As a measure of liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures.

The County Services fund is used to report funds received from Richland County, South Carolina to offset costs incurred by the City of Columbia in providing fire services and 911 emergency communications services to Richland County citizens living outside the incorporated area of the City of Columbia. Collections for the year ended June 30, 2015, decreased by approximately \$2,442,000, or 11.36%, due to the City refunding a portion of the fees received during the current year, back to Richland County. The fund is intended to operate on a break even basis and the current year fees were refunded in an attempt to achieve the break even objective. Expenditures for the year ended June 30, 2015, increased by approximately \$496,000 primarily due to increased personnel costs and normal price increases of goods and services.

Proprietary funds – The statements of the City's proprietary funds provide the same type of information as the business-type activities in the government-wide financial statements but in more detail. Factors concerning the finances of these funds were previously addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The general fund is the principal operating fund of the City and is used to account for all activities of the City not otherwise accounted for by a specified fund. It is also the largest of the City's funds and is mostly comprised of general tax revenues and license and permit fees. Over the course of the fiscal year, the City revises its budget to address unanticipated changes in revenues and expenditures. The City provides basic city services such as police, fire, parks and recreation, and other public services. Each department budget must be developed and justified annually during the legally required budget adoption process. Total general fund revenues for the year ended June 30, 2015, were approximately \$118,574,100, approximately \$7,544,100, or 6.79%, more than the final budget of approximately \$111,030,000. This overall revenue increase was the result of an increase in license and permit fees due to an improving economy and a franchise fee rate increase and increases in intergovernmental revenues resulting from a rate increase in fire hydrant fees. These increases were offset by a decrease in general property taxes and charges for services.

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Management's Discussion and Analysis (Unaudited)
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Total general fund expenditures were approximately \$115,148,700 for the year ended June 30, 2015, approximately \$4,998,100, or 4.16%, less than the final budgeted expenditures of approximately \$120,146,800. Closely monitoring of expenditures resulted in most city departments being under budget. The most significant exception was savings in personnel related expenses of approximately \$2,575,200 resulting from position vacancies and approximately \$2,000,000 less in capital spending than budgeted.

Capital Assets and Debt Administration

Capital assets – The City's investment in capital assets (before reductions for debt service) for its governmental and business-type activities as of June 30, 2015, totaled \$1,038,180,774 net of accumulated depreciation. This investment in capital assets includes land, buildings, infrastructure, construction in progress, machinery, and equipment. The net increase in the City's investment in capital assets for the year ended June 30, 2015, was approximately \$46,503,600, or 4.69%.

Major capital asset events during the year ended June 30, 2015, included the following:

- Construction in progress (CIP) decreased by a net \$61,009,198. This decrease was primarily the result of projects started in prior years and completed during the current fiscal year. Major completed projects included a \$14,666,838 upgrade to the main waste water treatment plant influent pump station, a \$8,545,195 upgrade to the main waste water treatment plant preliminary treatment facility, \$1,735,559 in mechanical screens were installed at the main waste water treatment plant, a \$1,872,984 upgrade to the flow equalization vault at the main waste water treatment plant, approximately \$4,000,000 in electrical system upgrades were completed at the main waste water treatment plant, as well as over \$10,000,000 in upgrades to the clarifiers at the main waste water treatment plant. There was approximately \$4,627,200 added to the governmental CIP balance related to various governmental projects. There was a decrease of approximately \$65,636,400 in the business-type activities CIP balance as prior year projects were completed during the current year.
- Buildings and improvements additions totaled approximately \$112,398,800 during the year ended June 30, 2015. Most of these were the result of completed construction projects started in prior years. Significant additions included clarifiers at the main waste water treatment plant, aeration tanks at the main waste water treatment plant, booster pumps at the Chapin pump station, improvements in the Read Street area, as well as various improvements in the Burnside area. The main decrease resulted from the disposal of old clarifiers at the main waste water treatment plant.
- Machinery and equipment additions totaled approximately \$34,765,100 during the year ended June 30, 2015. These additions consisted mainly of police vehicles, garbage trucks, fire trucks, other items of rolling stock, generators, pumps, actuators, and other water treatment equipment. Disposals consisted mainly of fully depreciated items, a raw water pump station, and a water tank.
- Depreciation expense totaled approximately \$46,615,700 for the City as a whole.

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Capital assets, net of depreciation, for the governmental and business-type activities are as follows:

Table 5
Capital Assets (Net of Depreciation)
As of June 30, 2015 and June 30, 2014

	Governmental		Business-type		Total	
	Activities		Activities		Primary Government	
	As of June 30, 2015	As of June 30, 2014	As of June 30, 2015	As of June 30, 2014	As of June 30, 2015	As of June 30, 2014
Land	\$ 33,257,979	\$ 32,647,161	\$ 30,164,566	\$ 30,111,133	\$ 63,422,545	\$ 62,758,294
Construction in progress	11,052,394	6,425,233	88,301,082	153,937,441	99,353,476	160,362,674
Buildings and improvements	138,368,256	144,615,099	657,967,963	573,875,162	796,336,219	718,490,261
Infrastructure	19,721,673	13,392,943	-	-	19,721,673	13,392,943
Machinery and equipment	19,255,198	15,110,122	40,091,663	21,562,925	59,346,861	36,673,047
Total	\$221,655,500	\$212,190,558	\$816,525,274	\$779,486,661	\$1,038,180,774	\$991,677,219

Additional information on the City's capital assets can be found in Note III. F. in the Notes to the Financial Statements.

Long-term debt – The City's long-term debt, including capital leases payable, reflected a net increase of approximately \$15,902,500, or 2.69%. This net increase was the result of \$31,141,791 in principal payments and \$2,088,547 in amortization of bond premiums. The City also received proceeds of \$29,922,839 (including a premium of \$3,747,839) from the issuance of a hospitality revenue bond. This bond is backed by a revenue fee pledge of the City's hospitality fees. The City also received proceeds of \$12,210,000 from the issuance of additional revenue bonds. These bonds are backed by revenues from the parking system. Principal payments of \$21,815,000 were made on business-type activity revenue bonds. Principal payments of \$396,791 were made on governmental activities capital lease obligations. Principal payments of \$8,930,000 were made on governmental activities bonds and notes payable. Total governmental activities debt had a net increase of approximately \$27,272,300, while business-type activities debt had a net decrease of approximately \$11,369,800. The capital lease obligation debt was issued to fund the purchase of police cars and other capital assets. The Parking Facilities Refunding Revenue Bond Series 2014 was issued to refund a portion of the Series 2005A Parking Bonds. The Special Obligation Bonds Series 2014 were issued to finance the cost of acquisition of a multi-use entertainment venue.

Table 6
Outstanding Indebtedness
As of June 30, 2015 and June 30, 2014

	Governmental		Business-type		Total	
	Activities		Activities		Primary Government	
	As of June 30, 2015	As of June 30, 2014	As of June 30, 2015	As of June 30, 2014	As of June 30, 2015	As of June 30, 2014
Notes payable	\$ 5,034,142	\$ 5,229,142	\$ -	\$ -	\$ 5,034,142	\$ 5,229,142
General obligation bonds	30,665,000	35,680,000	-	-	30,665,000	35,680,000
Bond premiums	1,577,297	1,814,897	-	-	1,577,297	1,814,897
Revenue bonds	66,035,000	43,580,000	-	-	66,035,000	43,580,000
Bond premiums	3,661,682	-	-	-	3,661,682	-
Parking Facilities revenue bonds	-	-	41,680,000	43,190,000	41,680,000	43,190,000
Bond premiums	-	-	42,101	44,046	42,101	44,046
Waterworks and Sewer System						
revenue bonds	-	-	424,115,000	432,210,000	424,115,000	432,210,000
Bond premiums	-	-	27,898,797	29,661,642	27,898,797	29,661,642
Capital leases payable	6,603,209	-	-	-	6,603,209	-
Total	\$ 113,576,330	\$ 86,304,039	\$493,735,898	\$ 505,105,688	\$607,312,228	\$591,409,727

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As noted earlier, the City's underlying bond rating for its general obligation debt issues and water and sewer revenue bonds as of June 30, 2015, was an "AA1" by Moody's Investors Service, Inc. and "AA" by Standard and Poor's Rating Services. The parking system revenue bonds as of June 30, 2015, were rated "BBB+" by Standard and Poor's Rating Service and "A2" by Moody's Investor Service, Inc.

Article X, Section 14 of the State Constitution limits the amount of general obligation debt a governmental entity may issue to 8% of its assessed property value. The City as of June 30, 2015, had \$30,665,000 in debt subject to this limitation which is less than the \$41,434,582 allowed without approval by the voters in the City.

Additional information regarding the City's long-term obligations can be found in Note III. H. in the Notes to the Financial Statements.

Economic Factors and Next Year's Budget

Based on the economic forecasts for South Carolina, the City expects to see a continuing recovery in fiscal year 2016, even with the early October flooding that occurred. The economic effect of these floods are expected to be similar to that of Hurricane Hugo, which struck Charleston, South Carolina, in that there were losses associated with property and infrastructure damage as well as a four to six-week period of major disruptions to business activity. This damage will likely generate additional spending in 2016 resulting from rebuilding efforts. Total personal income is expected to increase from 4.6% to 4.9%. Major drivers of these economic gains are expected to be wage growth and disposable income. Job creation is expected to grow by 2.9%. Housing demand in 2015 was fueled by new construction rather than remodeling, and this trend is expected to continue in 2016.

In early October 2015, almost twenty-four inches of rain fell in the Columbia area in less than forty-eight hours. This rainfall caused historic flooding and unprecedented damage to City infrastructure. The City has been approved to receive federal disaster aid and has begun the Federal Emergency Management Agency Public Assistance process. While some aid money has been received, the total amount of aid to be received has yet to be determined. Additional information can be found in Note VII A in the Notes to the Financial Statements.

While the City's unemployment rate is approximately one percent higher than the national rate of 5.3 percent, City Council is committed to maintaining a strong fund balance while still providing high level services to its residents.

General fund revenues are budgeted at \$117,086,953 for fiscal year 2016, an increase of approximately \$6,057,000 or 5.46% over fiscal year 2015. Franchise fees and fines and forfeitures will account for significantly all of this increase. General fund expenditures are budgeted at \$117,056,300 for fiscal year 2016, an increase of approximately \$4,888,500 or 4.36% over fiscal year 2015 final budget. Substantially all of this increase reflects the City's commitment to public safety in 2016.

Key items that factored into the preparation of the budget for the year ending June 30, 2016, are listed below:

- The budget includes \$3,000,000 towards a phase in implementation of the 2015 Comprehensive Compensation and Classification Study. It is felt the City's ability to attract and retain competent and capable employees is a critical part of providing quality city services.
- There will be a two mil property tax decrease for fiscal year 2016. Even with this reduction in mils, property tax revenues are expected to increase approximately \$420,200.
- The budget increase for water and sewer is allocated almost entirely toward the capital improvement program designed to meet the requirements of the Clean Water 2020 program.
- The budgeted transfer from the water and sewer fund to the general fund will decrease from \$4,000,000 to \$2,675,605.
- The City expects to invest \$120,000,000 in capital improvements for the water and sewer system during the year ending June 30, 2016.
- Public Safety is a top priority in the fiscal year 2016 budget. Funding is budgeted for the support of the recruitment and retention efforts in the police and fire departments. The budget has been increased to provide additional funds for training and protective equipment, as well as security cameras.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City's Chief Financial Officer, P.O. Box 147, 1737 Main Street, Columbia, South Carolina 29217.

Thank you for your interest in the City, in general, and its finances specifically.

BASIC FINANCIAL STATEMENTS

CITY OF COLUMBIA, SOUTH CAROLINA
STATEMENT OF NET POSITION
June 30, 2015

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS AND DEFERRED OUTFLOWS				
ASSETS				
Current Assets				
Cash and equivalents	\$ 125,780,762	\$ 194,593,483	\$ 320,374,245	\$ 7,855,046
Certificates of deposit	-	-	-	500,000
Investments	11,316,911	86,826,972	98,143,883	-
Receivables				
Property taxes, net of allowance	1,904,907	-	1,904,907	-
Federal government	932,502	-	932,502	-
State government	7,586,757	-	7,586,757	-
County government	500,130	-	500,130	-
Accounts, net of allowance	500,193	8,389,684	8,889,877	412,236
Accrued interest	20,703	160,732	181,435	42,370
Notes, net of allowance	-	528,258	528,258	1,339,234
Due from component units	-	870,168	870,168	-
Due from primary government	-	-	-	825,000
Internal balances	9,954,028	(9,954,028)	-	-
Prepaid expenses	947,195	94,470	1,041,665	228,141
Inventory	686,763	2,541,882	3,228,645	-
Capital lease receivable	580,000	-	580,000	-
Real estate held for sale and development	-	84,810	84,810	-
Restricted assets				
Real estate held for sale and development	-	-	-	512,101
Total current assets	160,710,851	284,136,431	444,847,282	11,714,128
Noncurrent Assets				
Cash on deposit with escrow agent	100,000	1,300,296	1,400,296	10,678,747
Investments	36,102,642	38,845,336	74,947,978	-
Mortgage notes receivable, net of current portion	-	20,926,464	20,926,464	2,558,257
Deposits	78,745	-	78,745	-
Other assets				
Prepaid bond insurance costs	-	396,577	396,577	-
Organizational costs	-	-	-	5,106
Real estate held for sale or development	-	-	-	3,148,146
Security deposits	-	-	-	5,500
Capital lease receivable, net of current portion	14,249,142	-	14,249,142	-
Capital assets not being depreciated				
Land	33,257,979	30,164,566	63,422,545	2,775,059
Construction in progress	11,052,394	88,301,082	99,353,476	-
Capital assets net of accumulated depreciation				
Buildings, improvements and utility plant	138,368,256	657,967,963	796,336,219	6,965,772
Infrastructure	19,721,673	-	19,721,673	-
Machinery and equipment	19,255,198	40,091,663	59,346,861	-
Total noncurrent assets	272,186,029	877,993,947	1,150,179,976	26,136,587
TOTAL ASSETS	432,896,880	1,162,130,378	1,595,027,258	37,850,715
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	1,881,399	7,107,890	8,989,289	-
Deferred outflows related to net pension liability	11,414,950	3,873,332	15,288,282	-
Accumulated decrease in fair value of hedging derivatives	1,174,619	26,884,816	28,059,435	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	14,470,968	37,866,038	52,337,006	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 447,367,848	\$ 1,199,996,416	\$ 1,647,364,264	\$ 37,850,715

(Continued)

CITY OF COLUMBIA, SOUTH CAROLINA
STATEMENT OF NET POSITION (CONTINUED)
June 30, 2015

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION				
LIABILITIES				
Current Liabilities				
Accounts payable and accrued expenses	\$ 11,560,127	\$ 14,272,331	\$ 25,832,458	\$ 1,113,953
Accrued salaries and benefits	2,938,692	1,311,925	4,250,617	-
Accrued liability for claims	16,225,389	23,600	16,248,989	-
Accrued interest	836,390	9,081,603	9,917,993	-
Retainage payable	538,668	4,046,755	4,585,423	-
Unearned revenue	-	-	-	960,273
Due to primary government	-	-	-	505,995
Refundable advances	121,319	-	121,319	-
Due to related party	-	-	-	406
Due to component unit	825,000	-	825,000	-
Compensated absences	1,378,419	355,678	1,734,097	212,412
Deposits payable	32,530	29,500	62,030	61,410
Current notes and mortgages payable	215,000	-	215,000	1,077,338
General obligation bonds, current portion	5,155,000	-	5,155,000	-
Revenue bonds, current portion	3,815,000	9,450,000	13,265,000	-
Obligation under capital lease - current portion	972,567	-	972,567	-
Liabilities payable from restricted assets	-	-	-	-
Due to primary government	-	-	-	364,173
Total current liabilities	44,614,101	38,571,392	83,185,493	4,295,960
Noncurrent liabilities				
Unearned revenue	-	1,302,696	1,302,696	-
Compensated absences	5,271,211	1,422,712	6,693,923	86,404
Net pension liability	119,566,514	40,573,706	160,140,220	-
OPEB liability	52,098,105	-	52,098,105	-
Mortgages payable, net of current portion	14,999,142	-	14,999,142	5,140,385
General obligation bonds, net of current portion	27,087,297	-	27,087,297	-
Revenue bonds, net of current portion	55,701,682	484,285,898	539,987,580	-
Obligation under capital lease - net of current portion	5,630,642	-	5,630,642	-
Derivative instrument liability, interest rate swap	1,174,619	26,884,816	28,059,435	-
Total noncurrent liabilities	281,529,212	554,469,828	835,999,040	5,226,789
TOTAL LIABILITIES	326,143,313	593,041,220	919,184,533	9,522,749
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to net pension liability	11,456,914	3,887,572	15,344,486	-
Deferred inflow - property sale	100,000	-	100,000	-
Deferred inflow - property tax credit	3,252,116	-	3,252,116	-
TOTAL DEFERRED INFLOWS OF RESOURCES	14,809,030	3,887,572	18,696,602	-
NET POSITION				
Net investment in capital assets	162,102,481	368,742,602	530,845,083	4,877,075
Restricted for				
Capital projects	42,264,148	-	42,264,148	-
Debt service	3,978,932	9,352,281	13,331,213	-
Tourism	6,127,487	-	6,127,487	10,245,283
Public safety	231,622	-	231,622	-
Community development				
Expendable	1,046,042	-	1,046,042	604,431
Nonexpendable	5,000	-	5,000	-
Unrestricted	(109,340,207)	224,972,741	115,632,534	12,601,177
TOTAL NET POSITION	106,415,505	603,067,624	709,483,129	28,327,966
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 447,367,848	\$ 1,199,996,416	\$ 1,647,364,264	\$ 37,850,715

See accompanying Notes to the Financial Statements

CITY OF COLUMBIA, SOUTH CAROLINA
STATEMENT OF ACTIVITIES
Year Ended June 30, 2015

FUNCTIONS/PROGRAMS	Program Revenue				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
					Governmental Activities	Business-type Activities	Total	
Primary Government								
Governmental activities								
General government	\$ 8,050,355	\$ 726,487	\$ 5,440,411	\$ 2,134,035	\$ 250,578	\$ -	\$ 250,578	\$ -
Judicial	2,749,136	-	-	-	(2,749,136)	-	(2,749,136)	-
Finance department	1,886,778	37,837,666	-	-	35,950,888	-	35,950,888	-
Community development	5,791,062	799,663	3,363,032	-	(1,628,367)	-	(1,628,367)	-
Public safety	87,251,472	22,811,461	20,029,516	-	(44,410,495)	-	(44,410,495)	-
Parks and recreation	13,081,872	822,319	-	-	(12,259,553)	-	(12,259,553)	-
Public services	24,282,518	258,211	294,858	935,401	(22,794,048)	-	(22,794,048)	-
General services	5,269,511	-	-	-	(5,269,511)	-	(5,269,511)	-
Community promotion	10,660,364	-	5,852,478	-	(4,807,886)	-	(4,807,886)	-
Interest and other charges	4,491,254	-	-	-	(4,491,254)	-	(4,491,254)	-
Nondepartmental	2,141,310	-	-	-	(2,141,310)	-	(2,141,310)	-
Total governmental activities	165,655,632	63,255,807	34,980,295	3,069,436	(64,350,094)	-	(64,350,094)	-
Business-type activities								
Water/sewer facilities	113,273,814	119,716,789	-	3,872,664	-	10,315,639	10,315,639	-
Hydro-electric plant	2,422,544	3,037,971	-	-	-	615,427	615,427	-
Stormwater facilities	4,814,419	7,521,149	-	-	-	2,706,730	2,706,730	-
Parking facilities	7,678,876	7,145,520	-	-	-	(533,356)	(533,356)	-
Redevelopment programs	835,812	680,111	-	-	-	(155,701)	(155,701)	-
Parks and recreation camps	306,219	300,931	-	-	-	(5,288)	(5,288)	-
Total business-type activities	129,331,684	138,402,471	-	3,872,664	-	12,943,451	12,943,451	-
Total Primary Government	\$ 294,987,316	\$ 201,658,278	\$ 34,980,295	\$ 6,942,100	(64,350,094)	12,943,451	(51,406,643)	-
COMPONENT UNITS	\$ 11,477,709	\$ 4,620,188	\$ 8,895,253	\$ 10,075	-	-	-	2,047,807
General revenues:								
General property taxes					34,178,067	-	34,178,067	-
Local Option Sales Tax					16,385,254	-	16,385,254	-
Sales taxes					12,626,419	-	12,626,419	-
Motor fuel taxes					3,348	-	3,348	-
State shared revenue					2,829,726	-	2,829,726	-
Appropriations - City of Columbia					-	-	-	1,386,338
Unrestricted investment earnings					163,175	1,226,558	1,389,733	100,421
Gain on disposal of capital assets					254,447	103,766	358,213	3,800
Transfers					8,889,857	(8,889,857)	-	-
Total general revenues and transfers					75,330,293	(7,559,533)	67,770,760	1,490,559
Change in net position					10,980,199	5,383,918	16,364,117	3,538,366
Net position - beginning of period as previously reported					214,030,566	637,925,568	851,956,134	24,789,600
Restatement (Note VII. C.)					(118,595,260)	(40,241,862)	(158,837,122)	-
Net position - beginning of period as restated					95,435,306	597,683,706	693,119,012	24,789,600
Net position - end of period					\$ 106,415,505	\$ 603,067,624	\$ 709,483,129	\$ 28,327,966

See accompanying Notes to Financial Statements.

**CITY OF COLUMBIA, SOUTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS**

June 30, 2015

	General Fund	County Services	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 27,252,162	\$ -	\$ 33,355,912	\$ 60,608,074
Investments	14,986,942	-	32,432,611	47,419,553
Receivables				
Property taxes, net	1,892,101	-	-	1,892,101
Federal government	-	-	932,502	932,502
State government	4,571,504	-	3,015,253	7,586,757
County	-	-	500,130	500,130
Accounts, net	159,891	-	-	159,891
Accrued interest receivable	20,688	-	15	20,703
Capital lease receivable	14,829,142	-	-	14,829,142
Due from other funds	-	-	2,986,200	2,986,200
Cash on deposit with escrow agent	100,000	-	-	100,000
Prepaid charges	696,389	64,376	-	760,765
TOTAL ASSETS	\$ 64,508,819	\$ 64,376	\$ 73,222,623	\$ 137,795,818
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 3,856,140	\$ 356,790	\$ 4,463,183	\$ 8,676,113
Accrued salaries and benefits	2,283,127	497,001	28,876	2,809,004
Retainage payable	-	-	538,668	538,668
Due to component unit	-	-	825,000	825,000
Refundable advances	41,250	-	80,069	121,319
Due to other funds	1,589,930	162,314	1,943,652	3,695,896
Customer deposits	32,530	-	-	32,530
Advances from other funds	1,150,042	-	-	1,150,042
Total liabilities	8,953,019	1,016,105	7,879,448	17,848,572
Deferred inflows of resources				
Unearned revenue - deferred property tax credit	3,252,116	-	-	3,252,116
Unearned revenue - property sale	100,000	-	-	100,000
Unavailable revenue - property taxes	980,802	-	-	980,802
Unavailable revenue - capital lease receivable	14,829,142	-	-	14,829,142
Total deferred inflows of resources	19,162,060	-	-	19,162,060
Fund balances				
Nonspendable	696,389	64,376	5,000	765,765
Restricted	4,880,662	-	48,767,569	53,648,231
Committed	4,810,356	-	-	4,810,356
Assigned	3,654,109	-	16,570,606	20,224,715
Unassigned	22,352,224	(1,016,105)	-	21,336,119
Total fund balances	36,393,740	(951,729)	65,343,175	100,785,186
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 64,508,819	\$ 64,376	\$ 73,222,623	\$ 137,795,818

See accompanying Notes to Financial Statements.

**CITY OF COLUMBIA, SOUTH CAROLINA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION**

June 30, 2015

Total fund balance, governmental funds: \$ 100,785,186

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

Capital assets, net of accumulated depreciation, used in governmental activities are not current financial resources and therefore are not reported in the fund financial statements, but are reported in the governmental activities of the statement of net position.

Land	\$ 33,257,979	
Construction in progress	11,052,394	
Buildings and improvements, net	137,464,670	
Infrastructure, net	19,721,673	
Machinery and equipment, net	18,946,280	
	220,442,996	220,442,996

Certain other long-term deferred outflows are not available to pay current period expenditures and therefore are not reported in the fund financial statements, but are reported in the governmental activities of the statement of net position

Unamortized deferred loss on refunding	\$ 1,881,399	
Pension contributions made subsequent to the measurement date	7,816,111	
Differences between expected and actual experience	3,199,815	
	12,897,325	12,897,325

Certain property tax revenues will be collected after year end but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds

993,607

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position

(9,285,700)

Eliminations relating to the consolidation of internal service funds resulted in an amount due to governmental activities from business-type activities in the statement of net position

13,016,117

Some liabilities (such as notes payable, capital leases contracts payable, compensated absences, and bonds payable) are not due and payable in the current period and are not included in the fund financial statements, but are included in the governmental activities of the statement of net position

Accrued compensated absences	\$ (6,407,171)	
Accrued interest payable	(836,390)	
Net pension liability	(115,386,854)	
Bonds and notes payable	(101,734,142)	
Capital lease payable	(6,603,209)	
Unamortized premium	(5,238,979)	
	(236,206,745)	(236,206,745)

Other long term deferred inflows related to pension expense do not consume current financial resources and are, therefore, not reported in the fund financial statements

Investment earnings on retirement plan fiduciary held asset	(11,056,423)
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Capital leases receivable does not provide current financial resources and, therefore, is deferred in the fund financial statements.

14,829,142

Net position of governmental activities in the statement of net position

\$ 106,415,505

See accompanying Notes to Financial Statements.

CITY OF COLUMBIA, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

Year Ended June 30, 2015

	General Fund	County Services	Other Governmental Funds	Total Governmental Funds
REVENUES				
General property taxes	\$ 50,563,321	\$ -	\$ -	\$ 50,563,321
Sales, hospitality and admission taxes	90,899	-	12,535,520	12,626,419
Licenses and permits	37,837,446	-	-	37,837,446
Intergovernmental revenue	15,682,389	-	-	15,682,389
Charges for services	12,553,980	-	68,974	12,622,954
Fines and forfeitures	1,033,384	-	203,769	1,237,153
Federal government	-	-	3,434,392	3,434,392
State government	-	-	3,381,680	3,381,680
County government	-	19,045,714	6,606,436	25,652,150
Promotions	78,322	-	43,606	121,928
Confiscated funds	-	-	279,147	279,147
Interest	147,133	-	16,133	163,266
Other revenues	200,567	-	1,537,641	1,738,208
Total revenues	118,187,441	19,045,714	28,107,298	165,340,453
EXPENDITURES				
Current				
General government	6,865,829	-	318,772	7,184,601
Judicial	2,539,958	-	-	2,539,958
Finance department	1,779,283	-	-	1,779,283
Planning and development	3,228,917	-	-	3,228,917
Public safety	56,018,445	21,430,128	892,387	78,340,960
Parks and recreation	10,525,782	-	-	10,525,782
Public services	16,257,427	-	700,962	16,958,389
General services	4,680,453	-	-	4,680,453
Community promotion	613,031	-	12,796,831	13,409,862
Non departmental	2,279,518	-	-	2,279,518
Debt service				
Principal payment on bonds	936,791	-	8,390,000	9,326,791
Interest on bonds	910,452	-	2,262,394	3,172,846
Fiscal agent charges	-	-	5,461	5,461
Debt issuance costs	-	-	904,310	904,310
Capital outlay				
Capital outlay	8,512,817	24,289	11,970,019	20,507,125
Total expenditures	115,148,703	21,454,417	38,241,136	174,844,256
Excess (deficiency) of revenues over (under) expenditures	3,038,738	(2,408,703)	(10,133,838)	(9,503,803)
OTHER FINANCING SOURCES (USES)				
Transfers in	14,341,918	-	16,184,915	30,526,833
Transfers (out)	(17,367,879)	(689,832)	(11,869,240)	(29,926,951)
Sale of general capital assets	386,636	-	-	386,636
Issuance of capital leases	7,000,000	-	-	7,000,000
Issuance of debt	-	-	26,175,000	26,175,000
Premium on debt issuance	-	-	3,747,839	3,747,839
Total other financing sources (uses)	4,360,675	(689,832)	34,238,514	37,909,357
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	7,399,413	(3,098,535)	24,104,676	28,405,554
Beginning fund balances	28,994,327	2,146,806	41,238,499	72,379,632
Ending fund balances	\$ 36,393,740	\$ (951,729)	\$ 65,343,175	\$ 100,785,186

See accompanying Notes to Financial Statements.

**CITY OF COLUMBIA, SOUTH CAROLINA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**

Year Ended June 30, 2015

Net change in fund balances - total governmental funds		\$ 28,405,554
Amounts reported for governmental activities in the statement of activities are different because:		
<p>Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the statement of activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.</p>		
Capital asset purchases capitalized	\$ 20,507,125	
Depreciation expense	<u>(12,813,591)</u>	7,693,534
<p>The net effect of various miscellaneous transactions involving capital assets (i.e., sales and disposals) is to decrease net position.</p>		
Disposition of capital assets	\$ -	
Proceeds from the sale of capital assets	<u>(386,636)</u>	(386,636)
<p>Internal service funds are used by management to charge costs of certain activities to individual funds. The net loss of the internal service funds is included in governmental activities in the statement of activities.</p>		
		(35,481)
<p>Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental fund statements because they are not financial resources.</p>		
		2,134,035
<p>Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the statement of activities when earned.</p>		
Collections on capital lease receivable	\$ (540,000)	
Property taxes	<u>(12,802)</u>	(552,802)
<p>Governmental funds report bond proceeds as current financial resources. In contrast, the statement of activities treats such issuance of debt as a liability. Governmental funds report repayment of bond principal as an expenditure. In contrast, the statement of activities treats such repayment as a reduction in long-term liabilities. This is the amount by which proceeds exceeded repayments.</p>		
Proceeds from bonds payable issued	\$ (26,175,000)	
Proceeds from bond premium	(3,747,839)	
Proceeds from capital lease issued	(7,000,000)	
Principal retirement of long-term debt	9,326,791	
Amortization of premium	(192,256)	
Amortization of bond refunding deferred charge	<u>(239,342)</u>	(28,027,646)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources, and these are not reported as expenditures in governmental funds:</p>		
Accrued compensated absences	\$ (120,945)	
Pension expense	(942,243)	
Accrued interest payable	<u>499,603</u>	(563,585)
<p>Eliminations in the consolidation of internal service funds resulted in a net increase in expenses for the business-type activities in the statement of activities.</p>		
		<u>2,313,226</u>
Change in net position of governmental activities		<u><u>\$ 10,980,199</u></u>

See accompanying Notes to Financial Statements.

CITY OF COLUMBIA, SOUTH CAROLINA
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
June 30, 2015

	Business-type Activities				Governmental
	Water/Sewer	Parking	Nonmajor	Total	Activities
	Facilities Fund	Facilities Fund	Proprietary Funds		Internal Service Funds
ASSETS					
Current Assets					
Cash and cash equivalents	\$ 164,955,106	\$ 8,754,044	\$ 20,884,333	\$ 194,593,483	\$ 65,172,688
Investments	76,914,168	4,233,564	5,679,240	86,826,972	-
Accounts receivable, net	8,121,162	144,779	123,743	8,389,684	340,302
Mortgage notes receivable, net	107,787	-	420,471	528,258	-
Accrued interest receivable	133,902	15,204	11,626	160,732	-
Due from other funds	1,912,047	-	-	1,912,047	-
Due from component units	500,000	-	370,168	870,168	-
Inventory	2,416,171	125,711	-	2,541,882	686,763
Prepaid expenses	83,505	1,679	9,286	94,470	186,431
Real estate held for resale	-	-	84,810	84,810	-
Total current assets	255,143,848	13,274,981	27,583,677	296,002,506	66,386,184
Noncurrent Assets					
Mortgage notes receivable, net	323,363	-	20,603,101	20,926,464	-
Investments	38,206,800	638,536	-	38,845,336	-
Cash on deposit with escrow agent	1,300,296	-	-	1,300,296	-
Deposits	-	-	-	-	78,745
Prepaid bond insurance costs	-	396,577	-	396,577	-
Advances to other funds	1,150,042	-	-	1,150,042	-
Capital assets					
Land	13,973,101	15,845,287	346,178	30,164,566	-
Buildings, improvements and utility plant	943,205,072	56,779,279	29,640,545	1,029,624,896	903,586
Machinery and equipment	68,531,307	1,436,404	3,570,322	73,538,033	1,823,019
Less accumulated depreciation	(379,928,393)	(16,720,083)	(8,454,827)	(405,103,303)	(1,514,101)
Construction in progress	84,926,451	464,563	2,910,068	88,301,082	-
Net capital assets	730,707,538	57,805,450	28,012,286	816,525,274	1,212,504
Total noncurrent assets	771,688,039	58,840,563	48,615,387	879,143,989	1,291,249
TOTAL ASSETS	1,026,831,887	72,115,544	76,199,064	1,175,146,495	67,677,433
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on refunding	7,107,890	-	-	7,107,890	-
Deferred outflows related to net pension liability	3,332,846	250,728	289,758	3,873,332	399,024
Accumulated decrease in fair value of hedging derivatives	26,884,816	-	-	26,884,816	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	37,325,552	250,728	289,758	37,866,038	399,024
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 1,064,157,439	\$ 72,366,272	\$ 76,488,822	\$ 1,213,012,533	\$ 68,076,457

(Continued)

CITY OF COLUMBIA, SOUTH CAROLINA
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS (CONTINUED)
June 30, 2015

	Business-type Activities				Governmental
	Water/Sewer	Parking	Nonmajor	Total	Internal
	Facilities Fund	Facilities Fund	Proprietary Funds		Service Funds
LIABILITIES, DEFERRED INFLOWS AND FUND NET POSITION					
Current Liabilities					
Accounts payable	\$ 13,640,079	\$ 111,230	\$ 521,022	\$ 14,272,331	\$ 2,884,014
Accrued salaries and benefits	1,120,233	79,402	112,290	1,311,925	129,688
Compensated absences	314,793	22,556	18,329	355,678	48,493
Retainage payable	3,882,653	-	164,102	4,046,755	-
Accrued interest payable	8,353,931	727,672	-	9,081,603	-
Revenue bonds payable	8,385,000	1,065,000	-	9,450,000	-
Due to other funds	-	-	-	-	1,202,351
Deposits payable	29,500	-	-	29,500	-
Accrued liability for claims	23,600	-	-	23,600	16,225,389
Total current liabilities	35,749,789	2,005,860	815,743	38,571,392	20,489,935
Noncurrent Liabilities					
Compensated absences	1,259,171	90,226	73,315	1,422,712	193,966
Net pension liability	34,910,568	2,626,300	3,036,838	40,573,706	4,179,660
OPEB liability	-	-	-	-	52,098,105
Revenue bonds payable - net	443,628,795	40,657,103	-	484,285,898	-
Derivative instrument liability - interest rate swap	26,884,816	-	-	26,884,816	-
Unearned revenue	1,302,696	-	-	1,302,696	-
Total noncurrent liabilities	507,986,046	43,373,629	3,110,153	554,469,828	56,471,731
Total liabilities	543,735,835	45,379,489	3,925,896	593,041,220	76,961,666
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to net pension liability	3,345,098	251,650	290,824	3,887,572	400,491
Fund Net Position					
Net investment in capital assets	324,008,433	16,721,883	28,012,286	368,742,602	1,212,504
Restricted for debt service	9,352,281	-	-	9,352,281	-
Unrestricted	183,715,792	10,013,250	44,259,816	237,988,858	(10,498,204)
Total fund net position	517,076,506	26,735,133	72,272,102	616,083,741	(9,285,700)
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND NET POSITION	\$ 1,064,157,439	\$ 72,366,272	\$ 76,488,822		\$ 68,076,457
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time				(13,016,117)	
Net position of business-type activities				\$ 603,067,624	

See accompanying Notes to Financial Statements

CITY OF COLUMBIA, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS

Year Ended June 30, 2015

	Business-type Activities			Total	Governmental Activities
	Water/Sewer Facilities Fund	Parking Facilities Fund	Nonmajor Proprietary Funds		Internal Service Funds
Operating revenues					
Charges for service	\$ 117,776,372	\$ 5,167,253	\$ 10,603,345	\$ 133,546,970	\$ 45,885,139
Other operating revenue	402,151	1,872,912	750,020	3,025,083	-
Total operating revenues	118,178,523	7,040,165	11,353,365	136,572,053	45,885,139
Operating expenses					
Personnel services	31,562,122	2,357,244	2,980,977	36,900,343	3,809,195
Materials and supplies	9,864,982	234,365	273,651	10,372,998	8,709,817
Other services and charges	18,761,782	658,682	3,670,403	23,090,867	5,316,098
Heat, light and power	6,916,836	326,287	-	7,243,123	51,462
Depreciation	30,928,260	1,505,756	1,113,515	33,547,531	254,601
Claims and premiums	-	-	-	-	36,076,912
Bad debt expense	-	-	468,660	468,660	-
Total operating expenses	98,033,982	5,082,334	8,507,206	111,623,522	54,218,085
Operating income (loss)	20,144,541	1,957,831	2,846,159	24,948,531	(8,332,946)
Nonoperating revenues (expenses)					
Investment income (loss)	1,059,323	77,005	90,231	1,226,559	-
Other nonoperating revenue	160,906	106,800	500,000	767,706	-
Gain (loss) from sale of assets	(1,501,276)	3,690	100,076	(1,397,510)	7,490
Interest expense	(9,828,911)	(1,988,663)	-	(11,817,574)	-
Bond related costs	(22,175)	(401,734)	-	(423,909)	-
Amortization of deferred charges	(563,534)	(25,932)	-	(589,466)	-
Total nonoperating revenues (expenses)	(10,695,667)	(2,228,834)	690,307	(12,234,194)	7,490
Income (loss) before contributions and transfers	9,448,874	(271,003)	3,536,466	12,714,337	(8,325,456)
Capital contributions and transfers					
Transfers in	1,295	-	1,098,236	1,099,531	9,114,754
Transfers out	(8,831,372)	(322,586)	(835,430)	(9,989,388)	(824,779)
Development contributions	3,872,664	-	-	3,872,664	-
Total capital contributions and transfers	(4,957,413)	(322,586)	262,806	(5,017,193)	8,289,975
Change in net position	4,491,461	(593,589)	3,799,272	7,697,144	(35,481)
Net position - beginning as previously reported	547,211,538	29,933,650	71,483,271		(5,104,570)
Restatement (Note VII. C.)	(34,626,493)	(2,604,928)	(3,010,441)		(4,145,649)
Net position - beginning as restated	512,585,045	27,328,722	68,472,830		(9,250,219)
Net position - ending	\$ 517,076,506	\$ 26,735,133	\$ 72,272,102		\$ (9,285,700)
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds				(2,313,226)	
Change in net position of business-type activities				\$ 5,383,918	

See accompanying Notes to Financial Statements.

**CITY OF COLUMBIA, SOUTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

Year Ended June 30, 2015

	Business-type Activities				Governmental Activities
	Water/Sewer Facilities Fund	Parking Facilities Fund	Nonmajor Proprietary Funds	Total	Internal Service Funds
Cash Flows From Operating Activities					
Receipts from customers and users	\$ 117,390,686	\$ 6,936,723	\$ 11,608,616	\$ 135,936,025	\$ 1,855,629
Internal activity - receipts from other funds	-	-	-	-	43,999,121
Internal activity - payments to other funds	(9,439,713)	(600,430)	(804,489)	(10,844,632)	(611,417)
Payments to suppliers	(28,735,622)	(1,311,608)	(3,793,056)	(33,840,286)	(10,468,807)
Claims paid	-	-	-	-	(35,258,588)
Payments to employees	(25,040,406)	(1,849,765)	(2,472,098)	(29,362,269)	(2,399,173)
Net cash provided by (used in) operating activities	<u>54,174,945</u>	<u>3,174,920</u>	<u>4,538,973</u>	<u>61,888,838</u>	<u>(2,883,235)</u>
Cash Flows From Noncapital Financing Activities					
Advances to other funds	-	-	(7,000,000)	(7,000,000)	(177,087)
Advances from other funds	2,586,575	-	1,665	2,588,240	7,000,000
Transfers in	1,295	-	1,098,236	1,099,531	9,114,754
Transfers out	(8,831,372)	(322,586)	(835,430)	(9,989,388)	(824,779)
Net cash provided by (used in) noncapital financing activities	<u>(6,243,502)</u>	<u>(322,586)</u>	<u>(6,735,529)</u>	<u>(13,301,617)</u>	<u>15,112,888</u>
Cash Flows From Capital And Related Financing Activities					
Principal paid on bonds and notes	(8,095,000)	(13,720,000)	-	(21,815,000)	-
Interest paid on debt	(20,341,385)	(2,147,933)	-	(22,489,318)	-
Proceeds from capital debt	-	12,210,000	-	12,210,000	-
Purchase of capital assets	(55,065,380)	(460,163)	(4,204,077)	(59,729,620)	(14,614)
Bond related costs	(22,175)	(401,734)	-	(423,909)	-
Proceeds from sale of capital assets	206,853	3,690	100,076	310,619	7,490
Net cash provided by (used in) capital and related financing activities	<u>(83,317,087)</u>	<u>(4,516,140)</u>	<u>(4,104,001)</u>	<u>(91,937,228)</u>	<u>(7,124)</u>
Cash Flows From Investing Activities					
Sale of investments	56,691,689	1,490,701	333,795	58,516,185	-
Receipts from property rentals	160,906	106,800	-	267,706	-
Advances of mortgage notes receivable	(156,750)	-	(3,153,894)	(3,310,644)	-
Collections of mortgage notes receivable	271,572	-	8,476,790	8,748,362	-
Interest received	1,065,024	77,530	89,812	1,232,366	-
Net cash provided by (used in) investing activities	<u>58,032,441</u>	<u>1,675,031</u>	<u>5,746,503</u>	<u>65,453,975</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	22,646,797	11,225	(554,054)	22,103,968	12,222,529
Cash and cash equivalents, July 1, 2014	143,608,605	8,742,819	21,438,387	173,789,811	52,950,159
Cash and cash equivalents, June 30, 2015	<u>\$ 166,255,402</u>	<u>\$ 8,754,044</u>	<u>\$ 20,884,333</u>	<u>\$ 195,893,779</u>	<u>\$ 65,172,688</u>

(Continued)

**CITY OF COLUMBIA, SOUTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)**

Year Ended June 30, 2015

	Business-type Activities			Total	Governmental Activities
	Water/Sewer Facilities Fund	Parking Facilities Fund	Nonmajor Proprietary Funds		Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities					
Operating income (loss)	<u>\$ 20,144,541</u>	<u>\$ 1,957,831</u>	<u>\$ 2,846,159</u>	<u>\$ 24,948,531</u>	<u>\$ (8,332,946)</u>
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:					
Depreciation	30,928,260	1,505,756	1,113,515	33,547,531	254,601
Accrued benefits related to net pension liability	304,772	30,929	39,556	375,257	35,478
Bad debt expense	-	-	468,660	468,660	-
Change in operating assets and liabilities					
Accounts receivable	(787,837)	(103,442)	255,251	(636,028)	(30,389)
Inventory	114,947	14,203	-	129,150	(13,736)
Prepaid expenses	(1,791)	3,406	510	2,125	(79,130)
Accounts payable	2,129,782	(249,375)	(179,400)	1,701,007	927,448
Accrued salaries	80,449	6,983	(3,665)	83,767	2,510
Accrued compensated absences	(78,314)	8,629	(1,613)	(71,298)	49,204
OPEB liability	-	-	-	-	3,485,401
Accrued expenses	1,340,136	-	-	1,340,136	-
Accrued liability for claims	-	-	-	-	818,324
Total adjustments	<u>34,030,404</u>	<u>1,217,089</u>	<u>1,692,814</u>	<u>36,940,307</u>	<u>5,449,711</u>
Net cash provided by (used in) operating activities	<u><u>\$ 54,174,945</u></u>	<u><u>\$ 3,174,920</u></u>	<u><u>\$ 4,538,973</u></u>	<u><u>\$ 61,888,838</u></u>	<u><u>\$ (2,883,235)</u></u>
Noncash Investing, Capital and Financing Activities					
Water and sewer contributed assets	<u><u>\$ 3,872,664</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,872,664</u></u>	<u><u>\$ -</u></u>

See accompanying Notes to Financial Statements.

**CITY OF COLUMBIA, SOUTH CAROLINA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

June 30, 2015

	<u>Private- Purpose Trust Funds</u>	<u>Agency Funds</u>
ASSETS		
Cash and cash equivalents	<u>\$ 16,099</u>	<u>\$ 33,728</u>
Total assets	<u>16,099</u>	<u>\$ 33,728</u>
LIABILITIES		
Accounts payable	<u>-</u>	<u>\$ 33,728</u>
Total liabilities	<u>-</u>	<u>\$ 33,728</u>
NET POSITION		
Held in trust - other purposes	<u>\$ 16,099</u>	

See accompanying Notes to Financial Statements.

**CITY OF COLUMBIA, SOUTH CAROLINA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

Year Ended June 30, 2015

	<u>Private- Purpose Trust Funds</u>
ADDITIONS	
Contributions:	
Private donations	\$ 30,899
Total contributions	<u>30,899</u>
 DEDUCTIONS	
Administrative expenses	<u>27,233</u>
Total deductions	<u>27,233</u>
Change in net position	3,666
Net position - beginning	<u>12,433</u>
Net position - ending	<u><u>\$ 16,099</u></u>

See accompanying Notes to Financial Statements.

**CITY OF COLUMBIA, SOUTH CAROLINA
COMBINING STATEMENT OF NET POSITION -
BUSINESS-TYPE ACTIVITY DISCRETELY PRESENTED COMPONENT UNITS**

June 30, 2015

	Columbia Development Corporation	Columbia Housing Development Corporation	Eau Claire Development Corporation	Midlands Authority for Conventions, Sports, and Tourism	TN Development Corporation	Columbia Empowerment Zone, Inc.	Total
ASSETS							
Current Assets							
Cash and cash equivalents	\$ 466,330	\$ 204,489	\$ 352,535	\$ 4,416,096	\$ 1,054,013	\$ 1,361,583	\$ 7,855,046
Certificates of deposit	200,000	100,000	100,000	-	100,000	-	500,000
Due from primary government	-	-	-	825,000	-	-	825,000
Accounts receivable, net	590	2,398	1,581	356,870	42,123	8,674	412,236
Accrued interest receivable	-	-	-	-	-	42,370	42,370
Mortgage notes receivable, current portion	1,203,450	46,000	-	-	-	89,784	1,339,234
Prepaid expenses	5,837	2,937	4,672	188,980	21,195	4,520	228,141
Restricted Assets							
Real estate held for sale and development	-	473,856	38,245	-	-	-	512,101
Total current assets	1,876,207	829,680	497,033	5,786,946	1,217,331	1,506,931	11,714,128
Capital Assets							
Capital assets, not being depreciated	-	92,835	58,000	-	729,147	1,895,077	2,775,059
Capital assets, net of accumulated depreciation	6,186	696,097	290,931	810,906	3,045,677	2,115,975	6,965,772
Net capital assets	6,186	788,932	348,931	810,906	3,774,824	4,011,052	9,740,831
Other Assets							
Mortgage note receivable, net of allowance	6,833	615,656	-	-	-	1,935,768	2,558,257
Real estate held for sale and development	975,991	924,692	504,186	-	743,277	-	3,148,146
Organizational costs	-	-	-	-	-	5,106	5,106
Security deposits	-	3,000	-	2,500	-	-	5,500
Cash on deposit with escrow agent	50,000	-	-	10,615,783	-	12,964	10,678,747
Total other assets	1,032,824	1,543,348	504,186	10,618,283	743,277	1,953,838	16,395,756
TOTAL ASSETS	\$ 2,915,217	\$ 3,161,960	\$ 1,350,150	\$ 17,216,135	\$ 5,735,432	\$ 7,471,821	\$ 37,850,715

(Continued)

**CITY OF COLUMBIA, SOUTH CAROLINA
COMBINING STATEMENT OF NET POSITION -
BUSINESS-TYPE ACTIVITY DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)**

June 30, 2015

	Columbia Development Corporation	Columbia Housing Development Corporation	Eau Claire Development Corporation	Midlands Authority for Conventions, Sports, and Tourism	TN Development Corporation	Columbia Empowerment Zone, Inc.	Total
LIABILITIES							
Current Liabilities							
Accounts payable	\$ 4,998	\$ 4,071	\$ 8,346	\$ 551,104	\$ 27,346	\$ 27,168	\$ 623,033
Accrued expenses	22,037	35,604	8,888	363,772	54,639	5,980	490,920
Customer deposits	-	4,363	1,375	-	42,158	13,514	61,410
Due to primary government	200,000	100,000	105,995	-	100,000	-	505,995
Due to related party	-	406	-	-	-	-	406
Compensated absences	6,757	4,026	1,806	190,811	6,089	2,923	212,412
Mortgage/bonds/notes payable/ lines of credit - current portion	-	-	948,984	-	128,354	-	1,077,338
Unearned revenue	-	152,856	500	741,688	62,054	3,175	960,273
Liabilities payable from restricted assets							
Due to primary government	-	364,173	-	-	-	-	364,173
Total current liabilities	233,792	665,499	1,075,894	1,847,375	420,640	52,760	4,295,960
Noncurrent Liabilities							
Compensated absences	27,026	16,104	7,225	-	24,356	11,693	86,404
Mortgage/bonds/lines of credit payable	201,644	1,029,170	-	-	3,909,571	-	5,140,385
Total noncurrent liabilities	228,670	1,045,274	7,225	-	3,933,927	11,693	5,226,789
TOTAL LIABILITIES	462,462	1,710,773	1,083,119	1,847,375	4,354,567	64,453	9,522,749
Net Position							
Net investment in capital assets	6,186	-	48,931	810,906	-	4,011,052	4,877,075
Restricted							
Community development	-	604,431	-	-	-	-	604,431
Tourism	-	-	-	10,245,283	-	-	10,245,283
Unrestricted	2,446,569	846,756	218,100	4,312,571	1,380,865	3,396,316	12,601,177
Total net position	2,452,755	1,451,187	267,031	15,368,760	1,380,865	7,407,368	28,327,966
TOTAL LIABILITIES AND NET POSITION	\$ 2,915,217	\$ 3,161,960	\$ 1,350,150	\$ 17,216,135	\$ 5,735,432	\$ 7,471,821	\$ 37,850,715

See accompanying Notes to Financial Statements.

**CITY OF COLUMBIA, SOUTH CAROLINA
COMBINING STATEMENT OF ACTIVITIES -
BUSINESS-TYPE ACTIVITY DISCRETELY PRESENTED COMPONENT UNITS**

Year Ended June 30, 2015

	Program Revenue				Net (Expense) Revenues and Changes in Net Position						
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Columbia Development Corporation	Columbia Housing Development Corporation	Eau Claire Development Corporation	Midlands Authority for Conventions, Sports, and Tourism	TN Development Corporation	Columbia Empowerment Zone, Inc.	Totals
Columbia Development Corporation											
Community Development	\$ 491,616	\$ 7,353	\$ 730,345	\$ -	\$ 246,082	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 246,082
Columbia Housing Development Corporation											
Community Development	444,409	72,319	60,000	-	-	(312,090)	-	-	-	-	(312,090)
Eau Claire Development Corporation											
Community Development	360,636	37,554	-	10,075	-	-	(313,007)	-	-	-	(313,007)
Midlands Authority for Convention, Sports, and Tourism											
Community Promotions	8,354,319	3,245,990	8,006,761	-	-	-	-	2,898,432	-	-	2,898,432
TN Development Corporation											
Community Development	1,333,291	985,074	98,147	-	-	-	-	-	(250,070)	-	(250,070)
Columbia Empowerment Zone, Inc.											
Community Development	493,438	271,898	-	-	-	-	-	-	-	(221,540)	(221,540)
Total component units	<u>\$ 11,477,709</u>	<u>\$ 4,620,188</u>	<u>\$ 8,895,253</u>	<u>\$ 10,075</u>	<u>246,082</u>	<u>(312,090)</u>	<u>(313,007)</u>	<u>2,898,432</u>	<u>(250,070)</u>	<u>(221,540)</u>	<u>2,047,807</u>
General revenues:											
Appropriations - City of Columbia					321,202	222,700	279,726	-	410,550	152,160	1,386,338
Investment earnings					77,286	4,959	210	17,966	-	-	100,421
Gain (loss) from disposal of capital assets					-	-	-	-	-	3,800	3,800
Total general revenues					<u>398,488</u>	<u>227,659</u>	<u>279,936</u>	<u>17,966</u>	<u>410,550</u>	<u>155,960</u>	<u>1,490,559</u>
Change in net position					644,570	(84,431)	(33,071)	2,916,398	160,480	(65,580)	3,538,366
Net position - beginning					<u>1,808,185</u>	<u>1,535,618</u>	<u>300,102</u>	<u>12,452,362</u>	<u>1,220,385</u>	<u>7,472,948</u>	<u>24,789,600</u>
Net position - ending					<u><u>\$ 2,452,755</u></u>	<u><u>\$ 1,451,187</u></u>	<u><u>\$ 267,031</u></u>	<u><u>\$ 15,368,760</u></u>	<u><u>\$ 1,380,865</u></u>	<u><u>\$ 7,407,368</u></u>	<u><u>\$ 28,327,966</u></u>

See accompanying Notes to Financial Statements.

INDEX TO NOTES TO FINANCIAL STATEMENTS

CITY OF COLUMBIA, SOUTH CAROLINA
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Year Ended June 30, 2015

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Year Ended June 30, 2015

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CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Columbia (the City), a political subdivision of the State of South Carolina, incorporated in 1854, is located in the central part of South Carolina. Columbia is the state capital as well as the county seat of Richland County. The City has an estimated population of approximately 132,000 living within an area of 134.94 square miles. The Greater Columbia Metropolitan Area consists of Lexington and Richland Counties and has an estimated population of 785,000. The City's economy is driven by education, government, military, finance, and industry. In 1950, the City approved a charter adopting a Council-Manager form of government and is governed by a six member council and Mayor.

The financial statements of the City have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The more significant of these accounting policies are described below.

A. REPORTING ENTITY

The basic financial statements of the City present the reporting entity that consists of the primary government and those organizations for which the primary government is financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion could cause the City's financial statements to be misleading or incomplete. As required by GAAP, the financial statements of the City must present the City's financial information along with its component units. The primary criterion for determining inclusion or exclusion of a legally separate entity (component unit) is financial accountability, which is presumed to exist if the City both appoints a voting majority of the entity's governing body, and either 1) the City is able to impose its will on the entity or, 2) there is a potential for the entity to provide specific financial benefits to or impose specific financial burdens on the City.

In order to be considered fiscally independent, an entity must have the authority to do all of the following: (a) determine its budget without the City having the authority to approve or modify that budget; (b) levy taxes or set rates or charges without approval by the City; and (c) the City is obligated in some manner for the debt of the entity. Finally, an entity could be a component unit even if it met all the conditions described above if excluding it would cause the City's financial statements to be misleading.

Blended component units, although legally separate entities, are in substance part of the government's operations, and data from these units are combined with the data of the primary government in the fund financial statements. Discretely presented component units, on the other hand, are reported in a separate column in the entity-wide financial statements to emphasize they are legally separate from the City. Based on the criteria above, the City has two blended component units and six discretely presented component units.

Blended Component Units

Public Facilities Corporation

This is a single-purpose corporate entity that was formed in 2002 as a non-profit corporation to undertake certain obligations with respect to the acquisition of real and personal property and the design, construction, operation, and financing of a multipurpose conference/convention center and other improvements. Its board is comprised of the City Manager of Columbia, the Assistant City Manager for Development, and the Finance Director or the equivalent thereof. For details of the outstanding debt see Note III. H. The balances of this entity are reported in the Tourism Development Convention Center fund, a nonmajor special revenue fund. The Corporation does not issue separate financial statements.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. REPORTING ENTITY (Continued)

Blended Component Units (Continued)

Columbia Parking Facilities Corporation

This is a single-purpose entity whose balances are reported in the general fund. The entity was formed during fiscal year 2007 to undertake certain obligations with the University of South Carolina (the University) to build two parking garages. These garages are part of the University's Innovista project. The Board of Directors is comprised of five members of City Council. For further discussion of this component unit, see Note III. F. The Corporation does not issue separate financial statements.

Discretely Presented Component Units

Columbia Empowerment Zone, Inc. (CEZ)

Incorporated in 2009, the CEZ was formed to carry out the mission of the Columbia Empowerment Zone, Inc., a federally designated area (1999-2009). The purpose of CEZ is to initiate, develop, and maintain projects and programs in economically depressed or blighted areas that encourage the attraction and utilization of both public and private investment capital. The Board of Directors is composed of nine members. New board members are appointed by the existing board. The entity promotes: the fostering of sustainable business; government and community alliances to help lessen the burdens of government; reduction of physical and economic blight; combating community deterioration by fostering business attraction, retention, and expansion in areas in need of permanent job opportunities; workforce advancement and general growth opportunities. Funding for the CEZ is derived from appropriations from the City of Columbia, loan repayments, rental income, and grant funds. The City provides appropriations to support CEZ when it experiences operating deficits that are not financed by other means. Upon dissolution, any remaining assets of CEZ would revert to the City of Columbia.

Columbia Development Corporation (CDC)

Incorporated in 1980, the CDC was formed to assist the City in promoting and monitoring the growth and development of business concerns through the strengthening of the economic and residential base of the community. The nine-member Board of Directors is composed of three members of City Council, the Mayor, the City Manager, and four members that are appointed by City Council. The Executive Director of the CDC serves as an ex-officio Administrative Secretary. Funding for the CDC is derived from property sales, contributions, and appropriations from the City.

Columbia Housing Development Corporation (CHDC)

The CHDC, an eleemosynary organization, was formed in 1980 to assist the City in the development of housing and to promote growth in the residential base of the community. The twelve-member Board of Directors is composed of three members of City Council, the Mayor, the City Manager, and seven members that are appointed by City Council. In an ex-officio capacity, city staff serves as the Secretary/Treasurer and the Executive Director. Funding for CHDC is derived from sale of properties, interest income, mortgage receivables, and appropriations from the City.

Eau Claire Development Corporation (ECDC)

Incorporated in 1993, the ECDC provides assistance in the conservation and redevelopment of neighborhoods located in the Eau Claire area of North Columbia. The nine-member Board of Directors is composed of three City Council members and six members appointed by City Council. Current funding is derived from appropriations from the City of Columbia, grants, sale of properties, and rents.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. REPORTING ENTITY (Continued)

Discretely Presented Component Units (Continued)

Midlands Authority for Conventions, Sports, and Tourism (MACST)

The MACST, originally incorporated as the Midlands Regional Convention Center in July 2001, was formed to oversee the development of a regional convention center and operate the convention center under a long-term management arrangement for the mutual benefit of the City and Richland and Lexington Counties of South Carolina (the Governmental Entities). The MACST has a nine member board of directors. The City appoints five of the directors. Lexington County and Richland County each appoint two members. The Governmental Entities have pledged their tourism development fees to support this project. However, outside of this pledge of revenues, the City issued the debt to fund this project and is responsible for the ongoing debt payments. The City is also required to fund any operating deficits incurred. The City owns the building where the MACST is located.

TN Development Corporation (TNDC)

Incorporated in 1993 as an eleemosynary organization, the TNDC was organized to promote growth and develop opportunities for affordable rental housing. The ten-member Board of Directors is composed of three members from City Council and seven members appointed by City Council. Funding for the TNDC is derived from rental income, the State of South Carolina Housing Trust Fund, the Federal Home Loan Bank, HOME Program funds received as a subrecipient through the City, other grants, and appropriations from the City.

Complete financial statements of the discretely presented individual Component Units can be requested from the City's Chief Financial Officer.

B. BASIS OF PRESENTATION

GOVERNMENT WIDE FINANCIAL STATEMENTS

The Statement of Net Position and Statement of Activities display information about the non-fiduciary activities of the reporting government as a whole. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, inter-governmental revenue, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The City's internal service funds are a cost allocation of shared services and are combined with the governmental funds to produce the government wide financial statements. These statements include all funds of the reporting entity except for fiduciary funds.

FUND FINANCIAL STATEMENTS

The City uses funds to report financial position and the results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Funds are classified into three categories: Governmental, Proprietary, and Fiduciary as follows:

Governmental Fund Types:

General Fund

The General Fund is the principal operating fund of the City that accounts for all financial resources not accounted for in other funds.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF PRESENTATION (Continued)

FUND FINANCIAL STATEMENTS (Continued)

Special Revenue Funds

These funds are used to account for revenue derived from specific taxes, governmental grants, and other revenue sources that are designated to finance particular functions or activities of the City. Special Revenue Funds include:

- County Services (a major fund) – accounts for fire services and 911 emergency communications provided to citizens outside the City limits and the reimbursement for expenditures from Richland County.
- Liquor Permit Fee – accounts for receipts from the sale of temporary permits to allow the possession, sale, and consumption of alcoholic liquors for a period not to exceed 24 hours.
- Business Improvement District – accounts for the Business Improvement District taxes assessed on the businesses in the downtown area of the City to promote downtown beautification.
- Accommodations Tax – accounts for State Hotel Accommodations Tax receipts to promote tourism-related activities of City organizations.
- Confiscated Drug Program – accounts for the disposition of forfeited property and money seized in Columbia by law enforcement agencies.
- Hospitality Tax – accounts for a local 2% gross sales tax on prepared food and beverages sold in establishments to promote tourism-related activities of the City.
- Community Development – accounts for the Community Development Block Grants and other community development type grants.
- Federal Grants – accounts for federal grant funds received except for Community Development Block Grants.
- Other Programs – provides for miscellaneous programs for park improvements and special events.
- Tourism Development Convention Center – accounts for the Tourism Development Fee imposed upon the rental of hotels, motels, and other lodging establishments in the City. This fee is dedicated to the attraction of and improving the services provided to tourists. This fund also accounts for the activities of the Public Facilities Corporation, a blended component unit.

Debt Service Fund

This fund accounts for the accumulation of financial resources for the payment of interest and principal on the general long-term debt of the City, other than debt service payments financed by proprietary fund types. Transfers, interest earned on the investments of the Debt Service Fund and, if applicable, interest earned on investments of certain Capital Projects Funds are used for the payment of principal, interest, and fiscal agent expenditures on the City's general obligation and revenue bonds and bond anticipation notes.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF PRESENTATION (Continued)

FUND FINANCIAL STATEMENTS (Continued)

Capital Projects Funds

The Capital Projects Funds account for all capital improvements, except those accounted for in Proprietary Funds, financed by the City's general obligation bond issues, certain Federal grants, and other specific receipts. These funds include:

- Congaree Vista District – accounts for the construction and development of parks and infrastructure within the Congaree Vista Redevelopment District.
- Streetscaping – accounts for capital improvements to street landscaping.
- General Capital Projects – accounts for various capital projects funded by various funds.
- Miscellaneous Projects – accounts for various capital projects funded by the General Fund.

Permanent Funds

Permanent funds are used to report resources that are legally restricted to the extent that only earnings and not principal may be used for purposes that support the City's programs. This fund includes:

- Dickson Trust – accounts for trust funds specifically intended for the income to be used for beautification of the parks. The funds are invested in an interest bearing account. The amount invested equals the fair value.

Proprietary Fund Types:

Business-type Funds

The business-type funds are used to account for operations of the City (a) that are financed and operated in a manner similar to private business where the intent is for the cost of providing goods or services to be recovered, in whole or in part, through user charges; or (b) where City Council has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. These funds include:

- Water/Sewer Facilities Fund (a major fund) -- accounts for water and sewer utility activities.
- Parking Facilities Fund (a major fund) -- accounts for parking garage and parking ticket activities.
- Hydro-Electric Facilities Fund -- accounts for hydro-electric plant activities.
- Stormwater Facilities Fund -- accounts for stormwater utility activities.
- Redevelopment Programs Fund -- accounts for various home rehabilitation and mortgage lending programs funded from various sources.
- Parks and Recreation Camp Fund -- accounts for parks and recreation camp activities.
- Economic Development Fund – accounts for economic develop activities.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF PRESENTATION (Continued)

FUND FINANCIAL STATEMENTS (Continued)

Internal Service Funds

Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the City, or to other governments, on a user charge basis. These nonmajor funds include:

- Fleet Management -- accounts for the maintenance and repair of movable vehicles.
- Support Services -- accounts for a decentralized business-type inventory system, a central supply facility, procurement functions, and the City's general maintenance functions.
- Risk Management -- accounts for the costs associated with self-funded liability plans for employee health, worker's compensation, and tort liability for all City departments.

Fiduciary Funds Types (Not included in government-wide statements):

Transactions related to assets held by the City as an agent of a private organization are accounted for in Fiduciary Fund types. These are presented separately in the statements. The City's fiduciary fund types are comprised of:

Agency Fund

This fund is used to account for assets held by the City as an agent and does not involve measurement of results of operations.

Private-Purpose Trust Funds

These funds are used to account for assets held by the City as a trustee capacity under which principal and income benefit individuals, private organizations, or other governments.

Major Funds

The City reports the following major governmental funds:

- The General Fund is the City'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 County Services Fund accounts for fire services and 911 emergency communication services provided to citizens outside the City limits and the reimbursement for expenditures from Richland County.

The City reports the following major proprietary funds:

- The Water and Sewer Facilities Fund accounts for the activities of the water and sewer facilities.
- The Parking Facilities Fund accounts for the activities of the parking facilities.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the City.

Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from *business-type activities* which rely to a significant extent on fees and charges for support.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting* as are the proprietary funds and fiduciary 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 government-wide statements are prepared using a different measurement focus from the manner in which governmental fund financial statements are prepared (see below for further detail). Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government wide statements and the statements for governmental funds.

The City implemented Governmental Accounting Standards Board Statement No. 68, "*Accounting and Financial Reporting for Pensions*" ("GASBS 68") during the year ended June 30, 2015. GASBS 68 establishes accounting and financial reporting standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit plans, this statement also identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. The requirements of this statement will improve financial reporting by improving information provided by state and local government employers about financial support for pensions that is provided by other entities.

The governmental fund financial statements are accounted for using a *current financial resources measurement focus*. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets, and the unassigned fund balance is a measure of available spendable resources.

Governmental fund financial statements are reported using the *current financial resources measurement focus*. All governmental fund types use the *modified accrual basis of accounting*. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. "Measurable" means the transaction can be identified, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Property taxes are considered available if they are collected within 60 days after year end. The City considers revenues available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred. However, principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the Debt Service Fund for payments to be made early in the following year. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (Continued)

Sales taxes, hospitality taxes, admission taxes, grant funds, charges for services, intergovernmental revenue, and interest associated with the current fiscal period are all considered susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

Refundable advances arise when resources are received by the City before it has a legal claim to them as when grant monies are received prior to the occurrence of the qualifying expenditures. When the revenue recognition criteria are met and the City has a legal claim to the resources, the liability for the advance is removed from the balance sheet and revenue is recognized.

Proprietary fund types are accounted for using a flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred. The City has implemented GASB Statement No.62 "*Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*," and thus the City applies all applicable GASB pronouncements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions restricted to meeting the operational requirements of a particular function or segment; and 3) capital grants and contributions restricted to meeting the capital requirements of a particular function or segment. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

The preparation of financial statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date and reported amounts of revenues and expenses during the reporting period. Estimates are used to determine depreciation expense, the allowance for doubtful accounts, realizable value of real estate held for sale, impairment of assets, and certain claims and judgment liabilities among other accounts. Actual results could differ from those estimates.

D. ASSETS, LIABILITIES, AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

Deposits

City procedures require that all unrestricted cash belonging to the City be placed in a "Pooled Cash" account to maintain the cash and investment accounts in the accounting records. Under this method, all cash is pooled for investment purposes, and each fund has equity in the pooled accounts.

The City considers cash and cash equivalents (including restricted cash and cash equivalents) to be: currency on hand, demand deposits with banks, amounts included in pooled cash and investment accounts, and liquid investments with an original maturity of three months or less when purchased.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, LIABILITIES, AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES (Continued)

Investments

In accordance with GASB 31, investments in all funds are stated at fair value. State statutes authorize the City to invest in certificates of deposit, United States Treasury and United States Agency obligations, South Carolina and related political subdivision general obligation bonds, and repurchase agreements collateralized by these obligations.

Inventory and Prepaid Assets

In the fund financial statements, all governmental City inventories are recorded in the Internal Service Fund at cost or estimated historical cost on a first-in, first-out (FIFO) basis. All proprietary inventories are recorded in the respective fund at cost or estimated historical cost on a first-in, first-out (FIFO) basis. The related expenditures or expenses are recognized when inventories are consumed. Changes in the year-end inventory are reflected in expenses.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Real Estate

Real estate held for sale and development is recorded at the lower of cost or net realizable value.

Mortgage Notes and Notes Receivable and Allowance for Loan Losses

Mortgage notes receivable, secured by the financed property, and other notes receivable are recorded in various business-type funds and component units and are stated at unpaid principal balances net of an allowance for loan losses. An allowance for loan losses is increased by estimated uncollectible loans, net of recoveries. Management's periodic evaluation of the adequacy of the allowance is based on past loan loss experiences, known and inherent risks in the portfolio, adverse situations that may affect the borrower's ability to repay the loan, estimated value of any underlying collateral, and current economic conditions. Interest is accrued monthly on notes receivable and stops when the notes go into default.

Accounts Receivable and Allowance for Bad Debt

Accounts receivable are recorded in various funds and are stated net of their allowance for uncollectible accounts.

Interfund Balances

Balances between funds that are outstanding at the end of the fiscal year and expected to be repaid within the current period are referred to as "due to/from other funds." Balances between funds not expected to be repaid within the current period are referred to as "advances to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Capital Assets

In the government-wide financial statements, capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Interest incurred during the construction phase is reflected in the capitalized value of the asset constructed net of interest earned on the invested proceeds during the same period.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, LIABILITIES, AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES (Continued)

Capital Assets (Continued)

Under the provisions of GASB 34, the City switched from the modified method to the straight-line depreciation method of reporting infrastructure during the year ended June 30, 2006. To determine the historical value of the infrastructure, the City used the information provided by the Department of Utilities and Engineering on streets acquired during fiscal years 2003 through 2006. This information provided the street name and the cost or estimated cost of the street at acquisition. These amounts also included sidewalks, curbs, and gutters adjacent to the street acquired. The City determined the life of the streets to be 20 years using the "Capital Assets of Local Governments Suggested Useful Lives."

Infrastructure assets acquired prior to 1986 would have been fully depreciated and were not considered in this calculation. For those assets acquired between fiscal years 1986 and 2008, the acquisition date is assumed to have been on the last day of the fiscal year. For assets acquired after 2008, the acquisition date is the actual date of purchase. Infrastructure assets acquired during fiscal year 2008 to the present are depreciated from the date of acquisition.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide financial statements.

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the estimated useful lives as follows:

Improvements	10-50 years
Buildings and Utility Plant	15-50 years
Infrastructure	20 years
Office Furniture and Equipment	5-15 years
Machinery	5-12 years

Capital Lease Receivable

The City leases two parking garages to the University of South Carolina under a capital lease agreement. The City receives lease payments on the garages in installments equal to the corresponding debt service requirements on the debt used to fund the construction of the garages. Revenue related to the lease receivable is classified as a deferred inflow in the funds until available.

Restricted Assets

Restricted assets consist of real estate that is held for sale and development.

Compensated Absences

It is the City's policy to allow employees to accumulate unused vacation and sick leave benefits up to certain maximum hours. Once an employee has completed the probationary period, any accumulated unused vacation and 20% of unused sick leave, as restricted below, are payable upon termination of employment with the City. An employee with service of less than 10 years may receive up to a maximum of two weeks of accrued compensated absences. An employee with service of 10 to 20 years may receive up to a maximum of four weeks, and service of over 20 years may receive a maximum of five weeks. Maximum carryover allowed per employee is 10 weeks of accrued compensated absences.

The liability for compensated absences in the government-wide, proprietary, and fiduciary fund financial statements is calculated based upon recorded balances of unused leave for which the City would compensate employees if employment ended June 30, 2015. The change in this calculated amount from the previous year is expensed in current operations. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, LIABILITIES, AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES (Continued)

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Debt is reported net of applicable premiums and discounts on the statement of net position. Bond premiums and discounts are deferred and amortized over the term of the bonds using the straight-line method which does not significantly differ from the effective interest method. Deferred refunding costs are reported as deferred inflows or outflows and recognized as a component of interest expense in a systematic and rational manner over the remaining term of the old debt or the term of the new debt, whichever is shorter.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as refunding costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received in debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Payments to refunded bonds escrow agents are reported as other financing uses to the extent the proceeds from the bond are used to make the payment. Any payment made from funds on hand is reported as an expenditure.

Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has three items that qualify for reporting in this category. They are the deferred charge on refunding, the deferred outflows related to the net pension liability, and the accumulated decrease in the fair value of hedging derivatives reported in the entity-wide statement of net position and in the statement of net position of the Water and Sewer Facilities fund financial statements. A deferred charge on refunding results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the term of the refunded or refunding debt. The change in fair value of hedging derivatives results from changes in cash flows and interest rates over the term of the interest rate swap. The deferred outflows related to the net pension liability result from retirement contributions made to the South Carolina Retirement System subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the subsequent year, and differences between expected and actual experience, which will be amortized into pension expense beginning in the year the deferral occurs over a closed period equal to the average remaining service lives of all plan participants.

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three types of items that qualify for reporting in this category. One type, unavailable revenue, arises only under a modified accrual basis of accounting. Accordingly, this type is only reported in the governmental funds balance sheet. The governmental funds report unavailable revenue from two sources - property taxes and capital leases. These amounts are deferred and recognized as an inflow of resources in the periods the amounts become available. The second type is revenue received before time requirements are met, but after all other requirements have been met. In 2006, City residents approved a Local Option Sales Tax referendum. This tax is detailed further in Note I. E. Under state law, the City is required to give the taxpayers a credit on their property tax bill once the referendum is passed. The City recognizes revenue, on both the entity-wide statements and the fund financial statements, in the period in which the credit is given on the property tax bills and for the dollar amount of credit taxpayers are given on their property tax bills. Deferred inflows result when funds are received from the State of South Carolina prior to time requirements being met, but after all other eligibility

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, LIABILITIES, AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES (Continued)

requirements are met. During the current year the City also received funds relating to a property sale prior to all time requirements being met. The third type is deferred inflows relating to pension obligations and is the net difference between the projected and actual earnings on pension plan investments and is amortized over a closed five year period.

E. REVENUES, EXPENDITURES AND EXPENSES

Property Tax Revenues

Real property and business personal property taxes, excluding automobile property taxes, become enforceable liens as of January 1. Real property taxes are levied in November and are payable immediately, but can be paid without penalty before January 16. Automobile property taxes are levied throughout the year depending on vehicle tag expiration dates. Business personal property taxes are levied in September and are payable by January 15. Property taxes are assessed and collected by Richland and Lexington Counties under a joint billing and collection agreement. The City collects property taxes assessed in Richland and Lexington Counties on property annexed into Columbia. Penalties and charges are assessed if taxes are not paid by the following dates:

January 16 through February 1	- 3% penalty for tax due
February 2 through March 16	- 10% penalty for tax due
March 17 through April 30	- 15% penalty for tax due plus costs
May 1 through July 31	- \$30 additional execution cost plus previous penalties and costs
After July 31	- \$50 additional execution cost plus previous penalties and costs
Unpaid taxes after one year	- Property is sold at the annual tax sale in December

The City does not receive any penalty amount or costs on delinquent taxes collected by Richland County. Assessed values are established by the Richland County Tax Assessor, the Lexington County Tax Assessor, and the South Carolina Department of Revenue. The City's operating tax rate is currently 98.1 mills. Amounts received by Richland County and Lexington County, but not remitted to the City at year end, are included in Property Taxes Receivable on the Statement of Net Position and the Balance Sheet.

That portion, if any, of General Fund property taxes allocated for payment of debt service is transferred to the Debt Service Fund.

Local Option Sales Tax Revenue

The City incorporated a Local Option Sales Tax during the year ended June 30, 2006, of 1% to offset a reduction in property taxes. In the governmental fund financial statements, this revenue is included in the general fund property tax revenue. On the government wide financial statements, this revenue is reported as general revenue separate from general property taxes. The tax generated approximately \$17.1 million during the year ended June 30, 2015. There was a cap placed on the tax in order to prevent a windfall effect of taxes collected. This "cap" created deferred inflows of resources of approximately \$3.2 million in the General Fund and Statement of Net Position as of June 30, 2015.

Investment Income

The City has a policy of allocating interest income on pooled cash and investments to appropriate funds on an annual basis. The allocation is based on a percentage of the fund's month-end balance in pooled cash and investments to the total month-end balance in cash and investments.

Grant Revenue

Revenues from grants are recognized when qualifying expenditures are made and all grant requirements have been met. Cash received by the City prior to the City incurring qualifying expenditures is recorded as a refundable advance on the balance sheet or statement of net position as applicable.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. FUND BALANCE (Continued)

Nonspendable fund balance

The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. It also includes the long-term amount of loans and notes receivable as well as property acquired for resale.

Restricted fund balance

The restricted fund balance classification includes amounts that are either restricted externally by creditors, grantors, contributors, or laws or regulations of other governments or restricted by law through constitutional provisions or enabling legislation.

Committed fund balance

The committed fund balance classification includes amounts that can only be used for specific purposes imposed by ordinance approved by the City Council, the highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. Committed fund balances also incorporate contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. The City recognizes committed fund balances that have been approved for specific purposes by City Council before the fiscal year end.

Assigned fund balance

The assigned fund balance classification includes amounts that are constrained by the City’s intent to be used for specific purposes, but are not restricted or committed. The authority for making an assignment is not required to be the City’s highest level of decision-making authority, and as such, the nature of the actions necessary to remove or modify an assignment does not require the City’s highest level of authority. However, City Council has not granted the authority to anyone to make assignments of fund balance. Assigned fund balance amounts in the City’s financial statements represent amounts approved by City Council to be transferred and spent after year end and for specific purposes. In the special revenue fund, assigned fund balances represent amounts to be spent for specific purposes.

Unassigned fund balance

The unassigned fund balance classification includes amounts that have not been assigned to other funds and has not been restricted, committed, or assigned for specific purposes within the general fund.

Based on the City’s policies regarding fund balance classifications as noted above, the City considers amounts that are restricted, committed, or assigned to be spent when the corresponding expenditure that has been designated by City Council or donors has been made. It is the City’s policy to consider restricted fund balances to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. After these fund balances have been depleted, unassigned fund balance will be considered to have been spent.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. FUND BALANCE (Continued)

<u>Classification / Fund</u>	<u>Purpose</u>	<u>Amount</u>
Nonspendable		
General Fund	Prepaid charges	\$ 696,389
County Services	Prepaid charges	64,376
Dickson Trust	Nonspendable principal	5,000
Total nonspendable		<u>765,765</u>
Restricted		
General Fund	Capital projects	4,880,662
Liquor Permit Fee	Tourism	560,183
Accommodations Tax	City promotions	51,490
Tourism Development Convention Center	Tourism	5,515,814
Hospitality Tax	Community development	839,162
Confiscated Drug Program	Law enforcement	231,622
Other Programs	Community development	206,294
Debt Service Fund	Debt Service	3,978,932
Congaree Vista District	Construction of parks in Congaree Vista District	5,648,755
Miscellaneous Projects	General capital projects	31,734,731
Dickson Trust	Community development	586
Total restricted		<u>53,648,231</u>
Committed		
General Fund	Community development	24,438
General Fund	Public safety	4,785,918
Total committed		<u>4,810,356</u>
Assigned		
General Fund	Subsequent year expenditures	3,654,109
Streetscaping	Streetscaping capital projects	7,451,655
General Capital Projects	General capital improvements	9,118,951
Total assigned		<u>20,224,715</u>
Unassigned		
General Fund		22,352,224
County Services		(1,016,105)
Total unassigned		<u>21,336,119</u>
Total fund balances		<u><u>\$100,785,186</u></u>

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. NET POSITION

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows in the statement of net position. Net position is classified as net investment in capital assets, restricted, and unrestricted. Net position classified as net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Outstanding debt which has not been spent is included in the same net position component as the unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments. Periodically, the City will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

The City utilizes the following procedures in establishing the budgetary data reflected in the financial statements:

Budgets are adopted on the modified accrual basis of accounting. The budget process begins with the development of the Annual Activity Work Plan by each department and division. These plans are due by the end of November. The City Manager reviews these plans in December and gives departments and divisions input on the City Manager's desired emphasis in the upcoming budget. Budgets are then developed in the departments and divisions and submitted to the City Manager by the beginning of February. The City Manager reviews these budgets in March, and the City Manager's recommended budget is submitted in April to City Council for final approval prior to the beginning of each fiscal year on July 1st. The operating budget includes proposed expenditures and means of financing them.

Public meetings are conducted to obtain taxpayer comments. A target date in June is set for legal enactment of the budget through passage of an ordinance. The ordinance sets the limit at the fund level at which expenditures may not exceed appropriations. After two readings of the budget, the City Council legally adopts the budget through the passage of the ordinance. The City Manager is authorized to administer the budget and may authorize the transfer of appropriated funds within and between departments and funds as necessary to achieve the goals of the budget. Such transfers are recorded on the City's records. All unused appropriations lapse at year end. Encumbrances are re-appropriated on a yearly basis and are reflected as an increase in budgeted expenditures in the next year.

Budget accountability rests primarily with the operating departments and divisions of the City. In accomplishing the programs and objectives for which the budget was authorized, department and divisions directors are responsible for ensuring that their respective expenditures do not exceed the prescribed funding levels.

B. DEFICIT FUND EQUITY

The County Services Fund had a deficit fund balance of \$951,729 at June 30, 2015. The Parks and Recreation Camp Fund had a deficit net position of \$39,499 at June 30, 2015. The Risk Management Internal Service Fund had a deficit net position of \$5,328,846 at June 30, 2015. The Fleet Management Internal Service Fund had a deficit net position of \$2,675,280 at June 30, 2015. The Support Services Internal Service Fund had a deficit net position of \$1,281,574 at June 30, 2015. Revenues and transfers from other funds in subsequent years are expected to fund these deficits.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. RISK MANAGEMENT

The City is self-insured for medical and dental coverage. Health claims for individuals are limited to an annual amount of \$2,000,000 with a stop-loss provision of \$400,000 per year. The accrued liability for prior year claims represents estimates for medical and dental claims incurred as of June 30, 2015. Some of these claims were reported at June 30, 2015, while others may not be reported until a later date. The incurred but not reported (IBNR) is estimated by the City's independent insurance administrator based on historical results.

The City self-insures worker's compensation and general liability programs. The City accounts for the Worker's Compensation program in the Risk Management Fund (an internal service fund) by charging premiums to user departments. The stop-loss provision for Worker's Compensation is \$800,000. The limits of liability for tort actions not specifically exempt by the South Carolina Government Tort Claims Act are \$300,000 per person and \$600,000 per occurrence.

The Risk Management Fund establishes claim liabilities (health, dental, worker's compensation, and legal) based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved.

Estimated amounts of salvage, subrogation, and reinsurance recoverable on unpaid claims are deducted from the liability for unpaid claims. Because actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability, and damage awards, the process used in computing claim liabilities does not necessarily result in an exact amount, particularly for coverage such as general liability. Adjustments to claim liabilities are charged or credited to expense in the period in which they are made.

Changes in the aggregate liability for health, dental, worker's compensation, and legal claims were as follows:

Fiscal Year	Beginning Liability	Current Year Claims and Changes in Estimates	Claims Payments	Ending Liability
2014	\$16,491,117	\$29,310,208	(\$30,370,660)	\$15,430,665
2015	\$15,430,665	\$35,855,659	(\$35,037,335)	\$16,248,989

This liability is reported in both the Risk Management Fund of the internal services funds (\$16,225,389) and the Water and Sewer Facilities Fund (\$23,600).

Fiscal year 2015 aggregate liability above includes the following amounts for legal claims: \$7,043,373 beginning liability, \$3,452,562 current year claims and changes in estimates, and \$4,065,612 claims payments. The ending liability for legal claims is \$6,430,324. See also Note VI. B.

Property and Boiler Coverage policies are accounted for in the Risk Management Fund as well as other small insurance policies such as surety bond coverage and miscellaneous floaters. Funds are charged expenditures based on premium amounts and administrative charges. The City has had no significant reductions in insurance coverage during the year, and settlements have not exceeded insurance coverage for each of the past three fiscal years.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

III. DETAIL NOTES ON ALL ACTIVITIES AND FUNDS

A. DEPOSITS AND INVESTMENTS

As of June 30, 2015, the City, excluding component units, had the following investments:

Investment Type	Investment Maturities (in Years)		
	Fair Value	Less Than 1	Greater Than 1
Certificates of Deposit / Money Market	\$ 97,302,658	\$ 97,302,658	\$ -
Treasuries	50,620,768	4,647,429	45,973,339
Agencies	25,054,777	8,447,887	16,606,890
Municipals	113,658	-	113,658
Total	\$173,091,861	\$110,397,974	\$ 62,693,887

Investment Classification

Investments are classified as current or noncurrent on the Statements of Net Position based on the intended use of the investment. Investments purchased with bond proceeds that will be used to purchase capital assets are classified as noncurrent. All other investments are classified as current regardless of the maturity date.

Interest Rate Risk

In accordance with its investment policy, the City manages its exposure to declines in fair values typically by limiting the maturity of its portfolio to no more than seven years. Investments in securities in agencies related to the U.S. Government earn interest at a stated fixed rate and are normally held to maturity when the full principal and interest amount is paid to the City.

Credit Risk for Investments

The City's investment policy requires that the portfolio consist largely of securities with active secondary or resale markets. In addition, a portion of the portfolio may be placed in the South Carolina Pooled Investment Fund. This fund is unrated. Investments in U.S. Treasuries are considered to have no credit risk. The investments in agencies related to the U. S. Government include the following: (1) Federal Home Loan Mortgage Corp Discount Notes and (2) Federal National Mortgage Association Discount Notes; these securities are rated A-1+ by Standard and Poor's and P-1 by Moody's Investors Service.

State law and the City's investment policy limit investments to the following securities:

- Obligations of the United States and agencies thereof.
- General obligations of the State of South Carolina or any of its political subdivisions.
- Certificates of deposit where the certificates are collaterally insured by securities described above held by a third party as escrow agent or custodian, of a market value not less than the amount of the certificates of deposit so secured, including interest.
- Repurchase agreements when collateralized by securities set forth above.

Concentration of Credit Risk

The City's investment policy prohibits investing more than 10% of the total portfolio in a single holding or more than 25% in any one issuer except for United States Treasury securities and money market mutual funds.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

III. DETAIL NOTES ON ALL ACTIVITIES AND FUNDS (Continued)

A. DEPOSITS AND INVESTMENTS (Continued)

Custodial Credit Risk - Deposits

The City's cash deposit policy requires that United States Treasury or Agency securities of a fair value equal to the bank deposits be held by a third-party custodian in the City's name. At June 30, 2015, the City was in full compliance with its collateral policy.

Custodial Credit Risk - Investments

Custodial credit risk for investments is the risk that, in the event of a bank failure, the government will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The City's investment policy requires that securities be held by a third-party custodian in the name of the City. As of June 30, 2015, none of the City's security investments were exposed to custodial credit risk.

Reconciliation to the Financial Statements

A reconciliation of cash and investments, excluding component units, as shown on the combined balance sheet for all fund types follows:

Description	Amount
Carrying Amount of Deposits	\$ 321,824,368
Fair Value of Investments	173,091,861
Total Deposits and Investments	\$ 494,916,229
Statement of Net Position	
Cash and Equivalents	\$ 320,374,245
Investments - Current	98,143,883
Cash on Deposit with Escrow Agent	1,400,296
Investments - Noncurrent	74,947,978
Statement of Net Position - Fiduciary Funds	
Cash and Equivalents - Trust Funds	16,099
Cash and Equivalents - Agency Funds	33,728
Total Cash and Investments	\$ 494,916,229

B. RECEIVABLES

Receivables for the primary government as of year-end are shown net of allowances for uncollectible accounts. Management's estimates of uncollectible accounts at June 30, 2015, are as follows:

General Fund	\$ 61,942
Water/Sewer Facilities	\$ 2,903,148
Parking Facilities	\$ 1,582,171
Nonmajor Business-type activities	\$ 687

Receivables for the component units consist of items totaling approximately \$456,800 at June 30, 2015, which are net of allowances for doubtful accounts. As of June 30, 2015, the allowance for doubtful accounts was approximately \$44,600 for the component units.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

III. DETAIL NOTES ON ALL ACTIVITIES AND FUNDS (Continued)

B. RECEIVABLES (Continued)

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned.

C. MORTGAGE NOTES RECEIVABLE AND REVOLVING LOAN POOLS

The various mortgage programs involve the Community Development fund's loan programs and economic development programs which are reported in the nonmajor proprietary funds and certain component units. The various types of loan programs are complex in nature and require specialized accounting methods, including the valuation of notes and mortgages receivable at the lower of cost or market.

Primary government

Mortgage notes receivable in the various Community Development revolving loan programs are evaluated annually, and loan loss allowances are applied where appropriate. All mortgages are secured by the property. Delinquent mortgages receivable are estimated to be approximately \$1,686,900 of the total net mortgage notes receivable of approximately \$21,023,600 as of June 30, 2015.

Component units

The Columbia Housing Development Corporation (CHDC) has mortgage notes receivable consisting of \$661,656, which is net of an allowance for uncollectible loans of \$71,876. Mortgage notes receivable consist of loans to individuals under various federal housing lending programs and have various interest rates and maturity dates. The CHDC is considered a real estate development corporation, and revenue recognition is applied under the cost recovery method.

The Columbia Development Corporation (CDC) has mortgage notes receivable consisting of \$1,210,283. No allowance for uncollectible loans is deemed necessary by management. Mortgage notes receivable consist of four loans to corporations for the purpose of community development and have various interest rates and maturity dates. The CDC is considered a community development corporation, and revenue recognition is applied under the cost recovery method.

CEZ, Inc. has loans receivable amounting to \$2,025,552, which is the net of allowance for uncollectible loans of \$370,674. Mortgage notes receivable consist of loans to businesses within the Columbia Empowerment Zone and have various interest rates and maturity dates. CEZ, Inc. is a non-profit corporation, and revenue recognition is applied under the accrual method.

D. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The interfund receivables and payables (including advances) at June 30, 2015, are as follows:

	Interfund Receivables	Interfund Payables
Funds:		
Water/Sewer Facilities Fund	\$ 3,062,089	\$ -
County Services Fund	-	162,314
General Fund	-	2,739,972
Other Governmental	2,986,200	1,943,652
Nonmajor Proprietary Fund	-	-
Internal Service	-	1,202,351
Total	\$ 6,048,289	\$ 6,048,289

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

III. DETAIL NOTES ON ALL ACTIVITIES AND FUNDS (Continued)

D. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (Continued)

The outstanding balance between funds results primarily from one of the following time lags: (1) the dates that interfund goods and services are provided or reimbursable expenditures or repayments occur; (2) transactions are recorded in the accounting system; and (3) payments between funds are made.

The interfund transfers for the year ended June 30, 2015, are as follows:

	Transfers In	Transfers Out
General	\$ 14,341,918	\$ 17,367,879
County Services	-	689,832
Nonmajor governmental funds	16,184,915	11,869,240
Water/Sewer	1,295	8,831,372
Parking	-	322,586
Nonmajor proprietary funds	1,098,236	835,430
Internal service funds	9,114,754	824,779
	\$ 40,741,118	\$ 40,741,118

Transfers are used to 1) move revenues from the fund with collection authorization to the Debt Service Fund as debt service principal and interest payments become due, 2) move restricted amounts from borrowing to the Debt Service Fund to establish mandatory reserve accounts, and 3) move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grants programs.

E. OPERATING LEASES

The City is committed under various operating leases for real estate, office, and copier equipment. Operating lease expenditures for the year ended June 30, 2015, were approximately \$799,100. Future minimum lease payments for these leases are as follows:

Year Ending June 30,	Amount
2016	\$ 1,053,040
2017	1,054,051
2018	652,025
2019	560,644
2020	560,644
2021 - 2025	252,000
2026 - 2030	252,000
2031 - 2035	252,000
2036 - 2039	201,600
Total	\$ 4,838,004

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

III. DETAIL NOTES ON ALL ACTIVITIES AND FUNDS (Continued)

F. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015, is as follows:

	Balance June 30, 2014	Increases	Transfers	Decreases	Balance June 30, 2015
Governmental Activities					
Capital assets, not being depreciated:					
Land	\$ 32,647,161	\$ 696,100	\$ -	\$ (85,282)	\$ 33,257,979
Construction in progress	6,425,233	11,962,266	(7,318,791)	(16,314)	11,052,394
Total capital assets not being depreciated	39,072,394	12,658,366	(7,318,791)	(101,596)	44,310,373
Capital assets, being depreciated:					
Buildings and improvements	203,248,910	28,961	521,585	-	203,799,456
Machinery and equipment	50,084,854	8,546,827	731,265	(1,775,409)	57,587,537
Infrastructure	24,829,533	1,437,934	6,065,941	-	32,333,408
Total capital assets, being depreciated	278,163,297	10,013,722	7,318,791	(1,775,409)	293,720,401
Less accumulated depreciation:					
Buildings and improvements	(58,633,811)	(6,797,389)	-	-	(65,431,200)
Machinery and equipment	(34,974,732)	(5,095,658)	-	1,738,051	(38,332,339)
Infrastructure	(11,436,590)	(1,175,145)	-	-	(12,611,735)
Total accumulated depreciation	(105,045,133)	(13,068,192)	-	1,738,051	(116,375,274)
Total capital assets, being depreciated, net	173,118,164	(3,054,470)	7,318,791	(37,358)	177,345,127
Governmental activities capital assets, net	<u>\$ 212,190,558</u>	<u>\$ 9,603,896</u>	<u>\$ -</u>	<u>\$ (138,954)</u>	<u>\$ 221,655,500</u>

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

III. DETAIL NOTES ON ALL ACTIVITIES AND FUNDS (Continued)

F. CAPITAL ASSETS (Continued)

	Balance June 30, 2014	Increases	Transfers	Decreases	Balance June 30, 2015
Business-Type Activities					
Capital assets, not being depreciated:					
Land	\$ 30,111,133	\$ 53,889	\$ -	\$ (456)	\$ 30,164,566
Construction in progress	153,937,441	65,530,041	(130,323,064)	(843,336)	88,301,082
Total capital assets not being depreciated	<u>184,048,574</u>	<u>65,583,930</u>	<u>(130,323,064)</u>	<u>(843,792)</u>	<u>118,465,648</u>
Capital assets, being depreciated:					
Buildings and improvements	920,226,042	3,818,775	108,580,000	(2,999,921)	1,029,624,896
Machinery and equipment	49,545,818	3,743,898	21,743,064	(1,494,747)	73,538,033
Total capital assets, being depreciated	<u>969,771,860</u>	<u>7,562,673</u>	<u>130,323,064</u>	<u>(4,494,668)</u>	<u>1,103,162,929</u>
Less accumulated depreciation:					
Buildings and improvements	(346,350,880)	(26,604,205)	-	1,298,152	(371,656,933)
Machinery and equipment	(27,982,893)	(6,943,326)	-	1,479,849	(33,446,370)
Total accumulated depreciation	<u>(374,333,773)</u>	<u>(33,547,531)</u>	<u>-</u>	<u>2,778,001</u>	<u>(405,103,303)</u>
Total capital assets, being depreciated, net	<u>595,438,087</u>	<u>(25,984,858)</u>	<u>130,323,064</u>	<u>(1,716,667)</u>	<u>698,059,626</u>
Business-type activities capital assets, net	<u>\$ 779,486,661</u>	<u>\$ 39,599,072</u>	<u>\$ -</u>	<u>\$ (2,560,459)</u>	<u>\$ 816,525,274</u>

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

Governmental Activities:	
General government	\$ 7,207,150
Public safety	3,241,808
Parks and recreation	1,622,116
Public services	650,705
Judicial	50,017
Community development	11,851
General services	27,756
Finance department	2,188
Internal service funds	254,601
Total depreciation expense - governmental activities	<u>\$ 13,068,192</u>
Business-type Activities:	
Water/Sewer facilities	\$ 30,928,260
Stormwater facilities	790,049
Parking facilities	1,505,756
Hydro electric plant	323,466
Total depreciation expense - business-type activities	<u>\$ 33,547,531</u>

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

III. DETAIL NOTES ON ALL ACTIVITIES AND FUNDS (Continued)

F. CAPITAL ASSETS (Continued)

During the year ended June 30, 2015, \$8,637,663 of interest expense in the Business-type activities was capitalized. The City has several ongoing construction projects as of June 30, 2015, for renovations and other construction projects. Total remaining commitments on these construction contracts as of June 30, 2015, totaled approximately \$91,555,300.

During the year ended June 30, 2015, the City recorded in the governmental activities \$2,134,035 in infrastructure contributed by private parties and in the business-type activities \$3,872,664 in infrastructure contributions by developers.

Columbia Parking Facilities Corporation – Capital Lease Receivable

In 2008, construction was completed on the Innovista parking garages. The parking garages and corresponding long-term debt were recorded by the Columbia Parking Facilities Corporation (the Corporation), a blended component unit as noted in Note I. A. The Corporation entered into an agreement with the University of South Carolina (the University) that provided the University use of the garages and, in return, the University would pay the debt service on the associated long term debt. A review of the terms of the agreement during 2010 determined that the agreement represented a capital lease with the University, and therefore, the parking garages were removed from the Corporation and recorded by the University. Additionally, a lease receivable from the University was also recorded in the amount of the outstanding associated debt. See Note III. H. for details of the related debt (Note payable \$4,209,142 and revenue bond payable of \$10,620,000). Total future minimum rentals to be received from the University under the capital lease agreement will be \$14,829,142.

Future capital lease payments to be received from the University are as follows:

Year Ending June 30,	Amount
2016	\$ 695,869
2017	4,660,451
2018	598,990
2019	633,860
2020	628,730
2021-2025	3,556,630
2026-2030	4,375,180
2031	725,860
Total	15,875,570
Less amount representing interest	1,046,428
Total minimum future rentals	14,829,142
Less amount due within one year	580,000
Noncurrent capital lease receivable	\$ 14,249,142

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

III. DETAIL NOTES ON ALL ACTIVITIES AND FUNDS (Continued)

G. OTHER POSTEMPLOYMENT BENEFITS

Plan Description and Funding Policy

The City provides postemployment health care benefits, in accordance with City policy, to all employees who retire from the City under early or regular retirement and have been employed by the City for 20 years or more. Currently, 778 retirees meet those requirements. The City pays all Medicare supplemental insurance premiums for all qualifying retirees. For the year ended June 30, 2015, premiums totaled approximately \$1,219,867. Retirees paid dependent coverage of approximately \$779,100. Currently, the City is financing the postemployment retirement benefits on a pay-as-you-go basis, and expenditures for these insurance premiums are recorded in all of the City's funds.

Prior to January 1, 2015, retirees under the age of 65 paid between \$37 and \$383 a month depending on the various coverage elections. The City's contributions during the same time period were \$800 a month for the retiree and \$600 per month for the retiree's domestic partner. After January 1, 2015, the retiree paid between \$37 and \$383 a month depending on the various coverage elections, and the City paid \$ 800 a month for the retiree and \$600 a month for the retiree's domestic partner. Prior to January 1, 2015, for retirees over the age of 65, the retiree paid \$120 per month for health care benefits. The City paid \$300 a month for retirees over 65. If the retiree elected to cover their domestic partner, the cost to the retiree was \$195 a month, and the cost to the City was \$225 a month. After January 1, 2015, the retiree paid \$143 a month for single coverage, and the cost to the City was \$300 a month. If the retiree elected to cover their domestic partner, the retiree paid an additional \$218 a month, and the City paid an additional \$225 a month. Surviving spouses of retirees may elect to continue health care benefits.

The contribution requirements of the retirees are established and may be amended by the members of City Council.

The following schedule reflects the costs and number of participants in the City's health care program.

	2015	2014	2013	2012	2011
Participants:					
Active	2,019	2,083	2,032	2,030	2,039
Retired	812	778	757	698	702
Total Employee Claims					
Active	\$ 17,169,674	\$ 15,727,732	\$ 15,880,782	\$ 13,999,800	\$ 11,903,954
Retired	\$ 5,801,345	\$ 5,548,464	\$ 5,754,566	\$ 5,868,443	\$ 3,557,000
% of Active Payroll					
Active	18.37%	17.11%	17.63%	15.79%	13.47%
Retired	6.21%	6.04%	6.39%	6.62%	4.03%
Total	<u>24.58%</u>	<u>23.15%</u>	<u>24.02%</u>	<u>22.41%</u>	<u>17.50%</u>

For the fiscal year ended June 30, 2008, the City implemented Governmental Accounting Standards Board Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions," for certain postemployment health care benefits provided by the City, which are offered under a single employer defined benefit plan.

From an accrual perspective, the cost of other postemployment healthcare benefits (OPEB), like the cost of pension benefits, generally should be associated with the periods in which that cost occurs. In adopting GASB Statement 45 during the year ended June 30, 2008, prospectively, the City recognized the Annual Required Contribution (ARC) associated with OPEB as an expense and the liability associated with the net OPEB obligations. The ARC consists of the cost of benefits accruing in a year plus an amount calculated to amortize any unfunded actuarial accrued liability over a period of 30 years.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

III. DETAIL NOTES ON ALL ACTIVITIES AND FUNDS (Continued)

G. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Annual OPEB cost and Net OPEB Obligation

The City had an actuarial valuation performed for the plan as of July 1, 2013, to determine the funded status of the plan as of that date as well as the employer's ARC for the fiscal year ended June 30, 2014. The City's annual OPEB cost and the net OPEB obligation for the year ended June 30, 2015, on the Statement of Net Position was as follows:

Employer Normal Cost	\$ 3,817,795
Amortization of UAAL*	<u>6,527,674</u>
Annual Required Contribution (ARC)	10,345,469
Interest on Net Obligation	2,585,047
Adjustment to the ARC	<u>(2,196,210)</u>
Annual OPEB Cost	10,734,306
Contributions made	<u>(7,248,904)</u>
Increase in Net OPEB Obligation	3,485,402
Net OPEB Obligation, July 1, 2013	<u>48,612,703</u>
Net OPEB Obligation June 30, 2014	<u><u>\$ 52,098,105</u></u>

* Unfunded Actuarial Accrued Liabilities (UAAL) are being amortized over 30 years.

A summary of the annual OPEB cost, percentage of the annual OPEB cost contributed, and the year end net OPEB obligation for the year ended June 30, 2015, and the two preceding years is as follows:

Trend Information			
Year ended June 30,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2013	\$ 8,146,966	61.29%	\$ 45,803,720
2014	9,546,348	70.58%	48,612,704
2015	10,734,306	67.53%	52,098,105

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

III. DETAIL NOTES ON ALL ACTIVITIES AND FUNDS (Continued)

H. LONG-TERM OBLIGATIONS

	Balance June 30, 2014	Additions	Reductions	Balance June 30, 2015	Amount Due in 2016
Governmental Activities					
Notes payable	\$ 5,229,142	\$ -	\$ (195,000)	\$ 5,034,142	\$ 215,000
GO bonds	35,680,000	-	(5,015,000)	30,665,000	5,155,000
Revenue bonds	43,580,000	26,175,000	(3,720,000)	66,035,000	3,815,000
Unamortized bond premiums	1,814,898	3,747,839	(323,758)	5,238,979	-
Capital lease payable	-	7,000,000	(396,791)	6,603,209	972,567
Compensated absences	6,721,371	6,945,280	(7,017,021)	6,649,630	1,378,419
OPEB costs	48,612,704	10,734,306	(7,248,905)	52,098,105	-
Derivative instrument liability	1,829,366	-	(654,747)	1,174,619	-
Total governmental activities	143,467,481	54,602,425	(24,571,222)	173,498,684	11,535,986
Business-Type Activities					
Revenue bonds	475,400,000	12,210,000	(21,815,000)	465,795,000	9,450,000
Unamortized bond premiums	29,705,688	-	(1,764,790)	27,940,898	-
Compensated absences	1,849,688	2,145,836	(2,217,134)	1,778,390	355,678
Derivative instrument liability	20,070,469	6,814,347	-	26,884,816	-
Total business-type activities	527,025,845	21,170,183	(25,796,924)	522,399,104	9,805,678
Total all long-term obligations	\$ 670,493,326	\$ 75,772,608	\$ (50,368,146)	\$ 695,897,788	\$ 21,341,664

Internal Service Funds predominantly serve the Governmental Funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end, \$242,459 of Internal Service Funds compensated absences is included in the above amounts. Also, for the governmental activities, claims and judgments and compensated absences are generally liquidated by the General Fund. The Series 2012 Certificates of Participation are liquidated by the Tourism Development Convention Center Fund. The notes payable and capital lease obligations are liquidated by the General Fund. The remaining governmental debt is liquidated by the Debt Service Fund. The entire other post-employment benefit liability is reported in the Risk Management Internal Service Fund and will be liquidated by that fund.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

III. DETAIL NOTES ON ALL ACTIVITIES AND FUNDS (Continued)

H. LONG-TERM OBLIGATIONS (Continued)

The annual requirements to amortize all outstanding debt of the City as of June 30, 2015, including interest payments, but excluding accrued vacation payable and amortization of bond premiums, are as follows:

Governmental Activities:

Year Ending June 30,	General Obligation Bonds	Interest	Revenue Bonds	Interest	Note Payable	Interest	Capital Lease Payable	Interest	Total Principal	Total Interest
2016	\$ 5,155,000	\$ 1,034,076	\$ 3,815,000	\$ 2,049,695	\$ 215,000	\$ 7,569	\$ 972,567	\$ 96,693	\$ 10,157,567	\$ 3,188,033
2017	5,300,000	889,374	3,945,000	1,965,632	4,144,142	7,569	987,946	81,314	14,377,088	2,943,889
2018	5,350,000	715,200	4,040,000	1,879,242	75,000	-	1,003,570	65,690	10,468,570	2,660,132
2019	3,810,000	517,275	4,165,000	1,790,714	75,000	-	1,019,440	49,820	9,069,440	2,357,809
2020	2,650,000	391,049	4,255,000	1,700,175	75,000	-	1,035,561	33,699	8,015,561	2,124,923
2021-2025	6,890,000	890,082	14,720,000	7,249,697	375,000	-	1,584,125	19,765	23,569,125	8,159,544
2026-2030	1,510,000	92,340	9,115,000	5,996,030	75,000	-	-	-	10,700,000	6,088,370
2031-2035	-	-	6,725,000	4,737,660	-	-	-	-	6,725,000	4,737,660
2036-2040	-	-	7,645,000	3,086,000	-	-	-	-	7,645,000	3,086,000
2041-2044	-	-	7,610,000	974,500	-	-	-	-	7,610,000	974,500
	<u>\$ 30,665,000</u>	<u>\$ 4,529,396</u>	<u>\$ 66,035,000</u>	<u>\$ 31,429,345</u>	<u>\$ 5,034,142</u>	<u>\$ 15,138</u>	<u>\$ 6,603,209</u>	<u>\$ 346,981</u>	<u>\$ 108,337,351</u>	<u>\$ 36,320,860</u>

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

III. DETAIL NOTES ON ALL ACTIVITIES AND FUNDS (Continued)

H. LONG-TERM OBLIGATIONS (Continued)

Business-Type Activities:

Year Ending June 30,	Revenue Bonds	Interest
2016	\$ 9,450,000	\$ 21,795,848
2017	9,865,000	21,383,283
2018	10,305,000	20,940,643
2019	10,730,000	20,512,989
2020	11,180,000	20,066,553
2021-2025	64,540,000	92,935,556
2026-2030	81,635,000	76,608,393
2031-2035	105,785,000	54,956,440
2036-2040	125,635,000	27,759,131
2041-2043	36,670,000	2,512,500
	<u>\$ 465,795,000</u>	<u>\$ 359,471,336</u>

General Obligation Bonds

The City has issued General Obligation Bonds to fund building programs of the City, acquire capital assets, and also to refinance debt issued to fund infrastructure improvements and acquire land. The City has complete liability for the retirement of these obligations. Principal payments on all bonds are due annually and interest is due semi-annually.

The South Carolina Constitution limits local unit borrowing power to 8% of its assessed property value. The limitation excludes bonded indebtedness existing prior to December 1, 1977, (date of the Constitutional Amendment), certain special levies assessed on properties located in an area receiving special benefits, and other prescribed indebtedness approved by the voters.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

III. DETAIL NOTES ON ALL ACTIVITIES AND FUNDS (Continued)

H. LONG-TERM OBLIGATIONS (Continued)

General Obligation Bonds outstanding as of June 30, 2015, are as follows:

Governmental Activities:

<p>\$9,085,000 City of Columbia General Obligation Bonds, Series 2007A Proceeds for: Defeasance of the 2006 Bond Anticipation Notes, construction and infrastructure improvements Annual principal installments of \$410,000 to \$770,000 through June 1, 2027 Interest rate: 3.75 to 4.05%</p>	<p>\$ 7,345,000</p>
<p>\$9,375,000 City of Columbia General Obligation Bonds, Series 2011A Proceeds for: Acquisition of capital assets Annual principal installments of \$225,000 to \$1,505,000 through Feb. 1, 2021 Interest rate: 2.00 to 3.00%</p>	<p>3,575,000</p>
<p>\$9,945,000 City of Columbia General Obligation Bonds, Series 2011B Proceeds for: Refund Series 2002 General Obligation Bonds Annual principal installments of \$10,000 to \$1,160,000 through Feb. 1, 2022 Interest rate: 2.00 to 3.00%</p>	<p>7,310,000</p>
<p>\$5,575,000 City of Columbia General Obligation Bonds, Series 2011C Proceeds for: Acquisition of capital assets Annual principal installments of \$115,000 to \$975,000 through June 1, 2021 Interest rate: 2.00 to 4.00%</p>	<p>2,155,000</p>
<p>\$6,375,000 City of Columbia General Obligation Bonds, Series 2012 Proceeds for: Acquisition of capital assets Annual principal installments of \$195,000 to \$1,235,000 through June 1, 2022 Interest rate: 2.00 to 3.00%</p>	<p>4,215,000</p>
<p>\$7,315,000 City of Columbia General Obligation Bonds, Series 2013 Proceeds for: Acquisition of capital assets Annual principal installments of \$215,000 to \$1,505,000 through February 1, 2021 Interest rate: 2.00 to 3.50%</p>	<p>6,065,000</p>
<p><i>Total Governmental Activities General Obligation Bonds</i></p>	<p><u>\$ 30,665,000</u></p>

Revenue Bonds, Notes and Certificates of Participation

Revenue bonds, notes, and certificates of participation are special obligations of the City payable from revenues derived from certain operations. The City's revenue bond ordinances stipulate that the City maintain certain debt service, operations, and renewal and replacement funds. The City has complied in all material respects with the bond covenants as outlined in each issue's indenture.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

III. DETAIL NOTES ON ALL ACTIVITIES AND FUNDS (Continued)

H. LONG-TERM OBLIGATIONS (Continued)

The construction of the second of two Innovista garages was funded by the issuance of a \$13,070,000 tax-exempt South Carolina Jobs-Economic Development Authority Revenue Bonds, Series 2007. The Columbia Parking Facilities Parking Corporation, a component unit of the City, is responsible for the payment of the bonds. BB&T, the bond holder, also holds a first mortgage on both garages. Richland County was responsible for 50% of the construction costs. The garages are operated by the University, and the revenues from them are remitted by USC to the Corporation to retire this debt. This arrangement constitutes a capital lease agreement with the University, and as such, a receivable has been recorded for the amount of future debt service. The garages have been recorded by the University (see Note III. F. for more details). Interest payments began on April 1, 2007. The principal balance is payable in monthly installments beginning September 1, 2008, together with interest on the unpaid balance, with a final payment of all principal and interest, due and payable in full on March 1, 2031. Interest is at a rate per annum equal to 95% of the LIBOR Rate, which was 0.186% at June 30, 2015. The Corporation entered into an interest rate swap agreement in relation to the bond issue as detailed in Note V.

In the event of default of these Series 2007 revenue bonds, no judgment for any deficiency upon the indebtedness will be sought or obtained by the bank against the City. The University of South Carolina is the guarantor for payment of the debt.

An additional \$5,185,000 taxable (based on percent of garage used for private purposes) construction and term loan was made to the Corporation by a bank for the second garage that enables the Corporation to draw down proceeds from the loan as needed during the construction of the second garage. The principal balance and any accrued interest are due in full on March 1, 2017. Interest is payable at an adjusted LIBOR rate which is a rate of interest per annum equal to the One Month Libor plus 1.5% per year. This rate is adjusted monthly on the first day of each month for each LIBOR interest period (0.186%, at June 30, 2015). At June 30, 2015, \$4,215,000 was outstanding on the term loan.

In the event of foreclosure of this note, no judgment for any deficiency upon the indebtedness will be sought or obtained by the bank against the City.

Notes Payable

Governmental Activities:

\$1,500,000 Note secured for development costs for Drew Wellness Center. Annual principal installments of \$75,000 through August 14, 2026. Interest rate 0.0%.	\$ 825,000
\$5,185,000 Construction note secured for the construction of a 1,450 parking space parking deck for Innovista. (Note III.F.) Annual principal installments of \$120,000 to \$140,000 through March 1, 2017, with balloon payment at maturity. Interest rate: Adjusted LIBOR rate (0.20%). (See Note V. for details regarding the interest rate swap related to this note issue.) Maximum draw amount: \$5,185,000.	<u>4,209,142</u>
<i>Total Governmental Activities Note Payable</i>	<u><u>\$ 5,034,142</u></u>

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

III. DETAIL NOTES ON ALL ACTIVITIES AND FUNDS (Continued)

H. LONG-TERM OBLIGATIONS (Continued)

Revenue bonds outstanding as of June 30, 2015, are as follows:

Governmental Activities:

<p>\$14,825,000 Revenue Bond - Hospitality Fee Pledge, Series 2012 Payable from revenues derived by the City from hospitality taxes Annual principal installments of \$1,000,000 to \$1,315,000 through Feb. 1, 2025 Interest rate: 2.50%</p>	\$ 11,795,000
<p>\$24,260,000 Certificates of Participation Series 2012 Payable from revenues derived by the City from tourism development fees Annual principal installments of \$2,225,000 to \$2,660,000 through June 1, 2022 Interest rate: 2.29%</p>	17,445,000
<p>\$26,175,000 Special Obligation Revenue Bond - Hospitality Fee Pledge, Series 2014 Payable from revenues derived by the City from hospitality taxes Annual principal installments of \$900,000 to \$2,045,000 through Feb. 1, 2044 Interest rate: 2.42 to 3.15%</p>	26,175,000
<p>\$13,070,000 South Carolina Jobs-Economic Development Authority Bond 2007 Payable from revenues derived by the City from operation of a garage (Note III.F.) Annual principal installments of \$250,000 to \$920,000 through March 1, 2031 Interest rate: Rate per annum equal to 95% of LIBOR (0.20%). See Note V. for details regarding the interest rate swap related to this bond issue.</p>	10,620,000
<p style="text-align: center;"><i>Total Governmental Activities Revenue Bonds</i></p>	<p style="text-align: right;"><u>\$ 66,035,000</u></p>

Business-Type Activities:

Parking Facilities Fund:

<p>\$39,895,000 Parking Facilities Revenue Bonds, Series 2005A Payable from revenues derived by the City from operation of off-street and on-street parking facilities Annual principal installments of \$1,240,000 to \$3,015,000 through Feb. 1, 2037 Interest rate: 4.375 to 5.0%</p>	\$ 28,170,000
<p>\$5,380,000 Parking Facilities Revenue Bonds, Series 2005B Payable from revenues derived by the City from operation of off-street and on-street parking facilities Proceeds for: Expand City parking facilities Annual principal installments of \$225,000 to \$1,120,000 through Feb. 1, 2017 Interest rate: 4.88 to 5.2%</p>	1,580,000
<p>\$12,210,000 Parking Facilities Refunding Revenue Bonds, Series 2014 Payable from revenues derived by the City from operation of off-street and on-street parking facilities Proceeds for: Refunding a portion of the Series 2000A and 2000B bonds Annual principal installments of \$300,000 to \$1,750,000 through Feb. 1, 2025 Interest rate: 2.38%</p>	11,930,000
<p style="text-align: center;"><i>Total Parking Facilities Revenue Bonds</i></p>	<p style="text-align: right;"><u>41,680,000</u></p>

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

III. DETAIL NOTES ON ALL ACTIVITIES AND FUNDS (Continued)

H. LONG-TERM OBLIGATIONS (Continued)

Business-Type Activities: (Continued)

Water and Sewer Fund:

<p>\$81,860,000 Waterworks and Sewer System Revenue Bonds, Series 2009 Payable from revenues derived from the City's water and sewer system Proceeds for: Cost of improvements to the System Annual principal installments of \$525,000 to \$10,840,000 through Feb. 1, 2038 Interest rate: 3.6 to 5.0% See Note V for details regarding the interest rate swap related to this bond issue</p>	<p>\$ 81,860,000</p>
<p>\$105,000,000 Waterworks and Sewer System Revenue Bonds, Series 2010 Payable from revenues derived from the City's water and sewer system Proceeds for: Cost of improvements to the System Annual principal installments of \$1,090,000 to \$17,855,000 through Feb. 1, 2040 Interest rate: 3.0 to 5.0%</p>	<p>101,650,000</p>
<p>\$100,000,000 Waterworks and Sewer System Revenue Bonds, Series 2011A Payable from revenues from the City's water and sewer system Proceeds for: Cost of improvements to the System Annual principal installments of \$1,815,000 to \$23,520,000 through Feb. 1, 2041 Interest rate: 2.0 to 5.0%</p>	<p>94,005,000</p>
<p>\$27,265,000 Waterworks and Sewer System Revenue Bonds, Series 2011B Payable from revenues from the City's water and sewer system Proceeds for: Refunding portion of Series 2001 (\$30,345,000) Annual principal installments of \$3,420,000 to \$4,455,000 through Feb. 1, 2019 Interest rate: 4.0 to 5.0%</p>	<p>16,585,000</p>
<p>\$58,055,000 Waterworks and Sewer System Revenue Bonds, Series 2012 Payable from revenues from the City's water and sewer system Proceeds for: Refunding portion of Series 2005 (\$60,000,000) Annual principal installments of \$4,560,000 to \$6,115,000 through Feb. 1, 2030 Interest rate: 3.5 to 5.0%</p>	<p>58,055,000</p>
<p>\$75,305,000 Waterworks and Sewer System Revenue Bonds, Series 2013 Payable from revenues from the City's water and sewer system Proceeds for: Cost of improvements to the System Annual principal installments of \$1,205,000 to \$4,600,000 through Feb. 1, 2043 Interest rate: 1.0 to 5.0%</p>	<p>71,960,000</p>
<p><i>Total Water and Sewer Revenue Bonds</i></p>	<p><u>424,115,000</u></p>
<p><i>Total Business-Type Activities Revenue Bonds</i></p>	<p><u>\$ 465,795,000</u></p>

Obligations Under Capital Leases

During the current year the City entered into a lease agreement as lessee for financing the acquisition of various vehicles valued at approximately \$7,000,000. The estimated useful lives of the vehicles range from five to twelve years. During the current year approximately \$275,000 was included in depreciation expense.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

III. DETAIL NOTES ON ALL ACTIVITIES AND FUNDS (Continued)

H. LONG-TERM OBLIGATIONS (Continued)

Obligations Under Capital Leases (Continued)

This lease agreement qualifies for as a capital lease for accounting purposes and, therefore has been recorded at the present value of future minimum lease payments as of the inception date.

\$7,315,000 City of Columbia General Obligation Bonds, Series 2013

Proceeds for: Acquisition of capital assets

Monthly principal and interest installments of \$89,105 through December 1, 2021

Interest rate: 1.57%

\$ 6,603,209

Refundings

In February 2015, the City issued \$12,210,000 in a fixed rate Parking Facilities Refunding Revenue Bond Series 2014 at an interest rate of 2.58%. The net proceeds of \$12,210,000 (after payment of approximately \$401,700 in issue costs) along with funds on hand were used to refund \$11,725,000 of outstanding fixed rate Parking Facilities Revenue Bonds Series 2005A. There was no difference between the reacquisition price and the net carrying amount of the old debt as a result of the refunding. The City completed the refunding to reduce its total debt service payments over a period of 11 years by \$2,746,601 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$1,300,021.

Conduit Debt

Resolution 2006-027, passed June 28, 2006, was issued in support of the issuance of not exceeding \$4,500,000 in revenue bonds by JEDA for the Palmetto Health Foundation Project. While the City is not obligated for the repayment of conduit type debt, disclosure is required in the notes to the financial statements. As of June 30, 2015, the balance of this conduit debt was approximately \$2,675,350.

Arbitrage

In accordance with Section 148 of the Internal Revenue Code of 1986, as amended, and Sections 1.103-13 to 1.103-15 of the related Treasury Regulations, the City must rebate to the federal government "arbitrage profits" earned on governmental bonds issued after August 31, 1986. Arbitrage profits are the excess of the amount earned on investments over the interest paid on the borrowings, if any. For the year ended June 30, 2015, the City did not have any arbitrage profits due to the federal government.

IV. PENSION PLANS

The South Carolina Public Employee Benefit Authority ("PEBA"), which was created July 1, 2012, administers the various retirement systems and retirement programs managed by its Retirement Division. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as co-trustee and co-fiduciary of the systems and the trust funds. By law, the Budget and Control Board (restructured into the Department of Administration on July 1, 2015), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the funding of the South Carolina Retirement Systems ("Systems") and serves as a co-trustee of the Systems in conducting that review.

PEBA issues a Comprehensive Annual Financial Report ("CAFR") containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The CAFR is publicly available through the Retirement Benefits' link on PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, PO Box 11960, Columbia, SC 29211-1960. PEBA is considered a division of the primary government of the state of South Carolina, and therefore, retirement trust fund financial information is also included in the comprehensive annual financial report of the state.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

IV. PENSION PLANS (Continued)

Plan description

The South Carolina Retirement System ("SCRS"), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for employees of the state, its public school districts, and political subdivisions.

The South Carolina Police Officers Retirement System ("PORS"), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for police officers and firemen of the state and its political subdivisions.

Membership

Membership requirements are prescribed in Title 9 of the South Carolina Code of Laws. A brief summary of the requirements under each system is presented below.

- SCRS - Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees and teachers and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.
- PORS - To be eligible for PORS membership, an employee must be required by the terms of his employment, by election or appointment, to preserve public order, protect life and property, and detect crimes in the state; to prevent and control property destruction by fire; or to serve as a peace officer employed by the Department of Corrections, the Department of Juvenile Justice, or the Department of Mental Health. Probate judges and coroners may elect membership in PORS. Magistrates are required to participate in PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

Benefits

Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws. PEBA does not have the authority to establish or amend benefit terms without a legislative change in the code of laws. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation. A brief summary of the benefit terms for each system is presented below.

- SCRS - A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirement that the total of the member's age and the member's creditable service equals at least 90 years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five or eight year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

IV. PENSION PLANS (Continued)

The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of 1% or \$500 every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

- **PORS** - A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 55 or with 25 years of service regardless of age. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension at age 55 or with 27 years of service regardless of age. Both Class Two and Class Three members are eligible to receive a deferred annuity at age 55 with five or eight years of earned service, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Accidental death benefits are also provided upon the death of an active member working for a covered employer whose death was a natural and proximate result of an injury incurred while in the performance of duty.

The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of 1% or \$500 every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

Contributions

Contributions are prescribed in Title 9 of the South Carolina Code of Laws. The PEBA Board may increase the SCRS and PORS employer and employee contribution rates on the basis of the actuarial valuations, but any such increase may not result in a differential between the employee and employer contribution rate that exceeds 2.9% of earnable compensation for SCRS and 5% for PORS. An increase in the contribution rates adopted by the Board may not provide for an increase of more than one-half of one percent in any one year. If the scheduled employee and employer contributions provided in statute or the rates last adopted by the board are insufficient to maintain a 30-year amortization schedule of the unfunded liabilities of the plans, the board shall increase the contribution rates in equal percentage amounts for the employer and employee as necessary to maintain the 30-year amortization period; this increase is not limited to one-half of one percent per year.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

IV. PENSION PLANS (Continued)

Required <u>employee</u> contribution rates for fiscal year 2014-2015 are as follows:		
SCRS		
Employee Class Two		8.00% of earnable compensation
Employee Class Three		8.00% of earnable compensation
PORS		
Employee Class Two		8.41% of earnable compensation
Employee Class Three		8.41% of earnable compensation
Required <u>employer</u> contribution rates for fiscal year 2014-2015 are as follows:		
SCRS		
Employer Class Two		10.75% of earnable compensation
Employer Class Three		10.75% of earnable compensation
Employer Incidental Death Benefit		0.15% of earnable compensation
PORS		
Employer Class Two		13.01% of earnable compensation
Employer Class Three		13.01% of earnable compensation
Employer Incidental Death Benefit		0.20% of earnable compensation
Employer Accidental Death Program		0.20% of earnable compensation

The City's required and actual employer contributions are as follows:

Year Ended June 30, 2015	SCRS	PORS
Required contributions	\$5,815,863	\$5,031,606
Actual contributions	\$5,815,863	\$5,031,606

Actuarial Assumptions and Methods

Actuarial valuations involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined during the valuation process are subject to continual revision as actual results are compared with past expectations, and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. The last experience study was performed on data through June 30, 2010, and the next experience study is scheduled to be conducted after the June 30, 2015, annual valuation is complete.

The most recent annual actuarial valuation reports adopted by the PEBA Board are as of July 1, 2013. The net pension liability of each defined benefit pension plan was therefore determined by the consulting actuary, Gabriel, Roeder, Smith and Company ("GRS"), based on the July 1, 2013, actuarial valuations using membership data as of July 1, 2013, projected forward to the end of the fiscal year, and financial information of the pension trust funds as of June 30, 2014, using generally accepted actuarial procedures. Information included in the following schedules is based on the certification provided by GRS.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

IV. PENSION PLANS (Continued)

The following provides a summary of the actuarial assumptions and methods used in the July 1, 2013, valuations for SCRS and PORS.

	<u>SCRS</u>	<u>PORS</u>
Actuarial cost method	Entry age	Entry age
Actuarial assumptions:		
Investment rate of return	7.5%	7.5%
Projected salary increases	Levels off at 3.5%	Levels off at 4.0%
Includes inflation at	2.75%	2.75%
Benefit adjustments	Lesser of 1% or \$500	Lesser of 1% or \$500

The post-retiree mortality assumption is dependent upon the member's job category and gender. This assumption includes base rates which are automatically adjusted for future improvement in mortality using published Scale AA projected from the year 2000.

<u>Former Job Class</u>	<u>Males</u>	<u>Females</u>
Educators and Judges	RP-2000 Males (with White Collar adjustment) multiplied by 110%	RP-2000 Females (with White Collar adjustment) multiplied by 95%
General Employees and Members of the General Assembly	RP-2000 Males multiplied by 100%	RP-2000 Females multiplied by 90%
Public Safety, Firefighters and members of the South Carolina National Guard	RP-2000 Males (With Blue Collar adjustment) multiplied by 115%	RP-2000 Females (with Blue Collar adjustment) multiplied by 115%

Net Pension Liability

The net pension liability (NPL) is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB Statement No. 67 less that System's fiduciary net position. The City's proportional share of the NPL amounts for SCRS and PORS are presented below:

<u>Measurement Period</u> <u>Ended June 30,</u>	<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>SCRS</u>	<u>PORS</u>
2013	2014	\$105,670,520	\$63,572,138
2014	2015	\$101,430,205	\$58,710,015

The total pension liability is calculated by the Systems' actuary, and each plan's fiduciary net position is reported in the Systems' financial statements. The City's proportionate share of the net pension liability was calculated on the basis of historical employer contributions. Although GASB 68 encourages the use of the employer's projected long-term contribution effort to the retirement plan, allocating on the basis of historical employer contributions is considered acceptable. For the measurement period ended June 30, 2014, the City's percentage of the SCRS and PORS net pension liability was 0.589139% and 3.06671%, respectively.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

IV. PENSION PLANS (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina State Code of Laws. Based on those assumptions, each System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments for actuarial purposes is based upon the 30 year capital market outlook at the end of the third quarter 2012. The actuarial long-term expected rates of return represent best estimates of arithmetic real rates of return for each major asset class and were developed in coordination with the investment consultant for the Retirement System Investment Commission ("RSIC") using a building block approach, reflecting observable inflation and interest rate information available in the fixed income markets as well as Consensus Economic forecasts. The actuarial long-term assumptions for other asset classes are based on historical results, current market characteristics, and professional judgment.

The RSIC has exclusive authority to invest and manage the retirement trust funds' assets. As co-fiduciary of the Systems, statutory provisions and governance policies allow the RSIC to operate in a manner consistent with a long-term investment time horizon. The expected real rates of investment return, along with the expected inflation rate, form the basis for the target asset allocation adopted annually by the RSIC. For actuarial purposes, the long-term expected rate of return is calculated by weighting the expected future real rates of return by the target allocation percentage and then adding the actuarial expected inflation which is summarized in the table below. For actuarial purposes, the 7.50% assumed annual investment rate of return used in the calculation of the total pension liability includes a 4.75% real rate of return and a 2.75% inflation component.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

IV. PENSION PLANS (Continued)

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Expected Arithmetic Real Rate of Return</u>	<u>Long Term Expected Portfolio Real Rate of Return</u>
Short Term	5.0%		
Cash	2.0%	0.3	0.01
Short Duration	3.0%	0.6	0.02
Domestic Fixed Income	13.0%		
Core Fixed Income	7.0%	1.1	0.08
High Yield	2.0%	3.5	0.07
Bank Loans	4.0%	2.8	0.11
Global Fixed Income	9.0%		
Global Fixed Income	3.0%	0.8	0.02
Emerging Markets Debt	6.0%	4.1	0.25
Global Public Equity	31.0%	7.8	2.42
Global Tactical Asset Allocation	10.0%	5.1	0.51
Alternatives	32.0%		
Hedge Funds (Low Beta)	8.0%	4.0	0.32
Private Debt	7.0%	10.2	0.71
Private Equity	9.0%	10.2	0.92
Real Estate (Broad Market)	5.0%	5.9	0.29
Commodities	3.0%	5.1	0.15
Total Expected Real Return	<u>100.0%</u>		<u>5.88</u>
Inflation for Actuarial Purposes			<u>2.75</u>
Total Expected Nominal Return			<u>8.63</u>

Sensitivity Analysis

The following table presents the collective net pension liability of the City's calculated using the discount rate of 7.50%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1.00% lower (6.50%) or 1.00% higher (8.50%) than the current rate.

<u>Sensitivity of the City's Proportional Share of Net Pension Liability To Changes in the Discount Rate</u>			
<u>System</u>	<u>1.00% Decrease</u>	<u>Current Discount Rate</u>	<u>1.00% Increase</u>
SCRS	\$131,256,960	\$101,430,204	\$76,546,134
PORS	\$82,045,613	\$58,710,014	\$39,401,605

Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in PEBA's separately issued financial report.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

IV. PENSION PLANS (Continued)

Pension Expense and Deferred Outflows (Inflows) of Resources

For the year ended June 30, 2015, the City recognized pension expense of \$12,245,505.

At June 30, 2015, the City reported deferred outflows (inflows) of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to the measurement date	\$ 10,847,469	\$ -
Differences in actual and expected experience	4,440,813	-
Net differences between projected and actual earnings on plan investments	-	15,344,486
	<u>\$ 15,288,282</u>	<u>\$ 15,344,486</u>

The City reported \$10,847,469 as deferred outflows of resources related to contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. Other amounts reported as deferred outflows (inflows) of resources will be recognized in pension expense in future years. The following schedule reflects the amortization of the City's proportional share of the net balance of remaining deferred outflows (inflows) of resources at June 30, 2015. Average remaining service lives of all employees provided with pensions through the pension plans at June 30, 2014, measurement date was 4.233 years for SCRS and 4.856 years for PORS.

Measurement Period Ending June 30,	Fiscal Year Ending June 30,	SCRS & PORS
2015	2016	\$ (2,540,825)
2016	2017	\$ (2,540,825)
2017	2018	\$ (2,540,825)
2018	2019	\$ (3,281,198)
Net Balance of Deferred Outflows/ (Inflows) of Resources		<u>\$ (10,903,673)</u>

Payables to the Pension Plans

At June 30, 2015, the City reported a payable of \$788,630 and \$621,665 for the outstanding amount of contributions due to SCRS and PORS, respectively. This liability will be paid in the normal course of paying year-end obligations.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

IV. PENSION PLANS (Continued)

Component Units

Significantly all of the employees of the City's component units, with the exception of MACST, are members of the SCRS due to the City being a member. Due to the City being the employer of record it reports the amount of the proportional net pension liability and the related deferred inflows and outflows related to the service of these employees in its financial statements.

V. INTEREST RATE SWAP AGREEMENTS

Swap One – The City maintains this variable-to-fixed interest rate swap to hedge exposure to rising interest rates. The City entered into an interest rate swap agreement related to the 2009 Waterworks and Sewer Bonds on September 20, 2007, with an effective date of September 15, 2009. The counterparty is J.P. Morgan. The City agreed to pay a fixed rate to J.P. Morgan and receive a variable rate while paying a variable rate to bond holders. Semi-annually the City pays a fixed rate of 4.354% to J.P. Morgan, and monthly receives a variable rate based on the average Securities Industry and Financial Markets Association ("SIFMA") index rate. Interest payments to the bond holders are offset by the amount received by the City from J. P. Morgan under the swap. The purpose of the swap was to effectively change the variable rate bonds to fixed rate bonds. The bonds and related swap agreement mature February 2038. The notional amount of the swap equals the principal amount of the associated bonds and decreases simultaneously with the reduction in the principal amount of the associated bonds. As of June 30, 2015, the notional amount was \$81,860,000.

The obligation of the City to make regularly scheduled payments under the interest rate swap agreement is junior and subordinate to the City's obligation to make debt service payments on its outstanding revenue bonds. The obligation of the City to make any termination payments under the swaps is junior and subordinate to the obligation to make debt service payments on bonds. Under the swap agreement, if the City modifies the bond ordinance, the counterparty has certain limited rights to consent to modifications to the swap agreement which would affect the rights of the counterparty. Under the swap, J.P. Morgan does not require collateral to be posted to reduce credit risk exposure.

During the year ended June 30, 2015, the City made variable bond interest payments in the amount of \$34,309 and fixed rate payments on the swap in the amount of \$3,564,184. The City also received variable payments on the swap in the amount of \$41,715. The net of variable payments on the bonds and receipts on the swap was \$7,406.

Swap Two and Three – One of the City's blended component units, the Columbia Parking Facilities Corporation (the "Corporation"), maintains two interest rate swaps to hedge exposure to rising interest rates. The Corporation entered into two variable-to-fixed interest rate swap agreements related to a \$13,070,000 tax exempt revenue bond payable and \$5,185,000 taxable bond payable. The agreements were entered into February 23, 2007, and were effective on February 23, 2007, and March 1, 2008, respectively. The counterparty is Branch Bank and Trust Corporation. The purpose of the swaps was to effectively change the variable rate debt to fixed rate debt. The swap agreements mature on March, 1, 2017, and the related debt matures in 2031 and 2017, respectively. The notional amounts of the swaps equal the principal amounts of the associated debt and decrease simultaneously with the reduction in the principal amounts of the associated bonds. As of June 30, 2015, the notional amounts were \$10,620,000 and \$4,209,142.

The swaps provide for monthly payment by the Corporation of a 5.085% and 6.815% fixed rate on a notional amount having an amortization schedule equal to that of the bonds. In return, the counterparty will pay the Corporation a variable rate equal to 95% of the one-month London Interbank Offered Rate (LIBOR) and LIBOR plus 1.50% on each swaps' respective notional amount. At June 30, 2015, 95% of LIBOR was 0.177%, and LIBOR plus 1.50% was 1.677%. The Corporation also makes interest payments to the bondholders at 95% of LIBOR and LIBOR, respectively, (0.177% and 0.186% at June 30, 2015), on the outstanding principal amount.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

V. INTEREST RATE SWAP AGREEMENTS (Continued)

The obligation of the Corporation to make regularly scheduled payments under the swaps ranks on a parity basis with the Corporation's obligation to make debt service payments on its outstanding bonds. Under certain circumstances, the swaps are subject to termination prior to their respective scheduled expiration dates and prior to the maturity of the bonds to which each such swaps relates, in which event the Corporation may be obligated to make a substantial payment to the respective counterparty ("Termination Payments"). The obligation of the Corporation to make any termination payments under the swaps is junior and subordinate to the obligation to make debt service payments on notes. Under the swaps, the counterparties have certain limited rights to consent to modifications to the master resolution, which modifications would affect the rights of the counterparties under the swaps. To minimize credit or repayment risk, the swap agreements contain varying collateral agreements with the counterparties. The swaps require collateralization of the fair value of the swaps should the counterparty's credit rating fall below the applicable thresholds. During the fiscal year, the Corporation made variable interest payments of \$88,648 and recovered offsetting variable payments on this swap in a like amount. The Corporation made fixed payments of \$773,070 under the swaps. The market value of the swaps was (\$818,267) and (\$356,352) at June 30, 2015, respectively.

In the event that either party to the swap, BB&T or Columbia Parking Facilities Corporation, cannot perform on the agreement, no judgment for any deficiency will be sought or obtained against the City of Columbia. The University of South Carolina is solely responsible for payment if the Corporation cannot perform on the agreements. As such, the City has decided not to implement the provisions of GASB Statement No. 53 for this interest rate swap.

The fair value balances and notional amounts of derivative instruments outstanding at June 30, 2015, classified by type, and the changes in fair value of such derivatives for the year then ended are as follows:

	Changes in Fair Value		Fair Value at June 30		
	Classification	Amount	Classification	Amount	Notional
Governmental activities					
Cash flow hedges:					
Pay-fixed interest rate swap	Deferred outflow	\$ (458,532)	Debt	\$ 818,267	\$ 10,620,000
Pay-fixed interest rate swap	Deferred outflow	\$ (196,215)	Debt	356,352	\$ 4,209,142
				<u>\$ 1,174,619</u>	
Business-type activity					
Cash flow hedges:					
Pay-fixed interest rate swap	Deferred outflow	\$ 6,814,347	Debt	<u>\$26,884,816</u>	\$ 81,860,000

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

V. INTEREST RATE SWAP AGREEMENTS (Continued)

The following table displays the objectives and terms of the City's hedging derivative instruments outstanding at June 30, 2015, along with the credit rating of the associated counterparty:

Type	Objective	Notional Amount	Effective Date	Maturity Date	Terms	Counterparty Credit Rating*
Pay-fixed interest rate swap	Hedge of changes in cash flows on the Series 2009 Water and Sewer Revenue Bonds	\$81,860,000	9/15/2009	2/1/2038	Receive monthly average SIFMA rate and pay fixed rate of 4.354%	Aa3 / A+ / A+
Pay-fixed interest rate swap	Hedge of changes in cash flows on the Series 2007 JEDA Revenue Bonds	\$10,620,000	2/23/2007	3/1/2017	Receive 95% of one month LIBOR and pay fixed rate of 5.085%	A2 / A- / A+
Pay-fixed interest rate swap	Hedge of changes in cash flows on the Inovista construction note payable	\$ 4,209,142	3/1/2007	3/1/2017	Receive 95% of one month LIBOR plus 1.5% and pay fixed rate of 6.815%	A2 / A- / A+
* Moody's, S&P, and Fitch, respectively.						

Future Debt Service Requirements

The following schedules detail the debt service requirements to maturity for the underlying debt instruments related to the interest rate swaps. The interest rates in effect at June 30, 2015, have been used for all future periods. These amounts assume the current interest rates on variable-rate bonds will remain the same for their terms. As these rates vary, interest payments on variable-rate bonds and net receipts/payments on the hedging derivative instruments will vary.

Year Ended June 30,	Waterworks and Sewer Bonds			
	Variable Rate Bonds		Hedging	
	Principal	Interest	Derivatives, Net	
			Total	
2016	\$ -	\$ -	\$ 3,565,995	\$ 3,565,995
2017	-	-	3,565,995	3,565,995
2018	-	-	3,565,995	3,565,995
2019	-	-	3,565,995	3,565,995
2020	-	-	3,565,995	3,565,995
2021-2025	2,245,000	-	17,760,278	20,005,278
2026-2030	4,755,000	-	17,184,604	21,939,604
2031-2035	43,705,000	-	14,205,608	57,910,608
2036-2038	31,155,000	-	4,525,451	35,680,451
	<u>\$81,860,000</u>	<u>\$ -</u>	<u>\$ 71,505,916</u>	<u>\$153,365,916</u>

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

V. INTEREST RATE SWAP AGREEMENTS (Continued)

Parking Facilities Corporation				
South Carolina JEDA Bond 2007 (Swap Two)				
Year Ended June 30,	Variable Rate Bonds		Hedging	Total
	Principal	Interest	Derivatives, Net	
2016	\$ 440,000	\$ 15,417	\$ 89,365	\$ 544,782
2017	480,000	14,831	85,698	580,529
2018	500,000	14,216	81,878	596,094
2019	540,000	13,546	77,752	631,298
2020	540,000	12,848	73,627	626,475
2021-2025	3,200,000	52,564	298,151	3,550,715
2026-2030	4,200,000	28,712	152,228	4,380,940
2031	720,000	3,296	4,521	727,817
	\$10,620,000	\$ 155,430	\$ 863,220	\$ 11,638,650

Parking Facilities Corporation				
Innovista Note Payable (Swap Three)				
Year Ended June 30,	Variable Rate Bonds		Hedging	Total
	Principal	Interest	Derivatives, Net	
2016	\$ 140,000	\$ 6,364	\$ 6,786	\$ 153,150
2017	4,069,142	5,982	6,790	4,081,914
	\$ 4,209,142	\$ 12,346	\$ 13,576	\$ 4,235,064

Risks

Credit Risk – Credit risk is the risk that the counterparty will not fulfill its obligations. As of June 30, 2015, the three swaps were in liability positions; therefore, the City is not exposed to credit risks. However, should interest rates change and the fair market value of the swaps becomes an asset position, the City would be exposed to credit risks. Credit ratings of the counterparties are summarized in the table above.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair values of the City's financial instruments or its cash flows. The City is exposed to interest rate risk on its pay-fixed, receive-variable interest rate swaps. As LIBOR or the SIMFA swap index decreases, the City's liability upon early termination of the swaps increases.

Basis Risk – Basis risk is the risk that arises when variable rates or prices of a hedging derivative instrument and a hedge item are based on different reference rates. The City is exposed to basis risk on the interest rate swap hedging instrument related to the Waterworks and Sewer bonds because the variable-rate payments received by the City on these hedging derivative instruments are based on a rate or index other than interest rates the City pays on its hedge variable-rate debt. As of June 30, 2015, the interest rate on the City's hedged variable rate debt was 0.04%, while the SIFMA swap index rate was 0.05%.

Termination Risk – Termination risk is the risk that a hedging derivative instrument's unscheduled end will affect the City's asset and liability strategy or will present the City with potentially significant unscheduled termination payments to the counterparty. Termination events exist for the interest rate swaps. Under the City's interest rate swap (Swap One), a decline in either party's credit rating below BBB or Baa2 in the case of S&P and Moody's, respectively, can trigger termination in addition to events that are customary for these types of transactions. The Corporation's interest rate swaps (Swaps Two and Three) may be terminated if the counterparty ceases to be a party to the credit support documents and the Corporation fails to replace the counterparty with a credit support provider acceptable to the counterparty.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

V. INTEREST RATE SWAP AGREEMENTS (Continued)

Rollover Risk – Rollover risk is the risk that a hedging instrument associated with hedgeable item does not extend to the maturity of that hedgeable item. The Corporation is exposed to rollover risk because the hedging derivative instrument (Swap Two) associated with the hedgeable debt items do not extend to the maturity of the hedgeable debt items.

The City is not required to post collateral under any of the interest rate swap agreements.

VI. COMMITMENTS AND CONTINGENCIES

A. FEDERAL GRANTS

In the normal course of operations, the City receives grant funds from various federal agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to insure compliance with conditions precedent to the granting of funds. Any liability for reimbursement that may arise as the result of audits of grant funds is not believed by City officials to be material.

B. CONSENT DECREE

During the year ended June 30, 2014, the Environmental Protection Agency filed with the federal court system a consent decree against the City. The terms of this Consent Decree require the City to (i) evaluate the Sanitary Sewer System and, based on that evaluation, implement capital improvements to the Sanitary Sewer System's infrastructure; and (ii) implement a \$1,000,000 Supplemental Environmental Project ("SEP") aimed at restoring and reducing flooding along segments of Rocky Branch and Gills Creek. The City anticipates total expenditures of approximately \$750,000,000 will be required over a period of approximately 11 years in order to meet the requirements of the Consent Decree. The City's five-year Capital Improvements Program, which the City believes is presently responsive to a portion of the capital improvements that are or will be required by the Consent Decree, is being further revised to enable the City to meet all of its obligations under the Consent Decree within the prescribed timeframes. In addition, the City paid a civil penalty in the amount of \$476,400 to resolve the alleged Clean Water Act violations. The City expects to pay for the cost of these improvements through revenues generated by the system and future and current bond proceeds. City management feels the City is meeting the requirements and deadlines imposed by the Consent Decree.

C. LITIGATION

The City is a party to legal proceedings that normally occur in government operations. The City is involved in unresolved legal actions concerning construction contracts and other matters. The City believes its positions are meritorious and is vigorously defending its positions. The City's estimate of ultimate loss has been recorded as a liability in the Risk Management Fund and other funds in the financial statements (Note II. C).

D. DEVELOPMENT AGREEMENT

On July 9, 2013, the City executed a development agreement with a private developer to develop approximately 165 acres of land within the City of Columbia. Any City commitment is expected to occur during the first five years of the 20-year agreement. The agreement requires a minimum level of investment by the developer. Prior to the City being required to incur any of the preceding costs, the developer is required to have obtained funding and commitments to construct taxable improvements of various amounts ranging from \$25,000,000 to \$81,250,000. If these minimum amounts of taxable improvements are not obtained, the City is under no obligation to incur any costs.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

VI. COMMITMENTS AND CONTINGENCIES (Continued)

D. DEVELOPMENT AGREEMENT (Continued)

If the developer attains the minimum amount of investment, the City is obligated to provide infrastructure and other items at no cost to the developer. The costs are to be incurred in four phases. The City estimates the public infrastructure costs during phase one will approximate \$5,250,000. The City's parking facility commitment is estimated to cost approximately \$16,000,000. Public infrastructure costs during phase two are estimated to cost approximately \$7,965,800. During phase three, public infrastructure costs are estimated to cost approximately \$2,179,400. During phase four, public infrastructure costs are estimated to be approximately \$15,840,800. The City has not identified a definite funding source for these potential commitments. While the costs indicated in the agreement represent the City's best estimate at the time of signing the agreement, actual costs will probably be different.

VII. OTHER INFORMATION

A. SUBSEQUENT EVENTS

In early October 2015, almost twenty-four inches of rain fell in the Columbia area in less than forty-eight hours. This rainfall caused historic flooding and unprecedented damages to the City. The flooding caused multiple dam failures, a massive breach in the Columbia Canal (a main water source for the City), multiple sewer and water line ruptures or breaks, and over 100 City streets had to be closed. City management estimates the initial cost to repair the damages to City property will exceed \$75,528,900 and long-term mitigation costs will exceed \$50,000,000. The City estimates between 75% and 90% of the estimated repair costs will be reimbursed, either by the federal government or the State of South Carolina. While City management believes these estimates to be accurate, actual results could differ from these estimates and the difference could be significant.

B. PENDING IMPLEMENTATION OF GASB STATEMENTS

GASB Statement No. 72, "*Fair Value Measurement and Application*," provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The requirements of this Statement are effective for financial statements for reporting periods beginning after June 15, 2015. The City will implement the new guidance with the 2016 financial statements.

GASB Statement No. 73, "*Accounting and Financial Reporting for Pensions and Related Assets That are Not within the Scope of GASB Statement 68 and Amendments to Certain Provision of GASB Statement 67 and 68*." The requirements of this Statement will improve financial reporting by establishing a single framework for the presentation of information about pensions which will enhance the comparability of pension-related information reported by employers and nonemployer contributing entities. The provisions in Statement 73 are effective for fiscal years beginning after June 15, 2015—except those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68, which are effective for fiscal years beginning after June 15, 2016. The City will implement the new guidance with the 2016 financial statements.

GASB Statement No. 74, "*Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*." The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. The provisions in Statement 74 are effective for fiscal years beginning after June 15, 2016. The City will implement the new guidance with the 2017 financial statements.

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

VII. OTHER INFORMATION (Continued)

B. PENDING IMPLEMENTATION OF GASB STATEMENTS (Continued)

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*,” establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB as well as for certain nonemployer governments that have a legal obligation to provide financial support for OPEB provided to the employees of other entities. The provisions in Statement 75 are effective for fiscal years beginning after June 15, 2017. The City will implement the new guidance with the 2018 financial statements.

GASB Statement No. 76, “*The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*.” The requirements in this Statement improve financial reporting by 1) raising the category of GASB Implementation Guides in the GAAP hierarchy, thus providing the opportunity for broader public input on implementation guidance; 2) emphasizing the importance of analogies to authoritative literature when the accounting treatment for an event is not specified in authoritative GAAP; and 3) requiring the consideration of consistency with the GASB Concepts Statements when evaluating accounting treatments specified in nonauthoritative literature. The provisions in Statement 76 are effective for reporting periods beginning after June 15, 2015. The City will implement the new guidance with the 2016 financial statements.

GASB Statement No. 77, “*Tax Abatement Disclosures*,” requires disclosure of tax abatement information about 1) a reporting government’s own tax abatement agreements and 2) those that are entered into by other governments and that reduce the reporting government’s tax revenues. The requirements of this Statement are effective for reporting periods beginning after December 15, 2015. The City will implement the new guidance with the 2017 financial statements.

Management has not yet determined the impact implementation of these standards will have on the City’s financial statements, if any.

C. CHANGE IN ACCOUNTING PRINCIPLE

The City implemented Governmental Accounting Standards Board (GASB) Statement 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, in the fiscal year ended June 30, 2015. These statements establish standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources and expenses/expenditures. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. The implementation of this new accounting principal was retroactive and required a net pension liability of \$169,242,658, deferred outflows of \$4,440,814 and deferred inflows of \$15,344,485 to be recorded on the Statement of Net Position as of June 30, 2014, and a net adjustment of Net Position of \$162,982,771. The net position of the government-wide activities, the Water and Sewer Facilities, the Parking Facilities, Stormwater Facilities, the Redevelopment Programs, and the Parks and Recreation Camp enterprise funds, and the Fleet Management, Support Services, and Risk Management internal service funds have been restated in the following amounts:

CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

VII. OTHER INFORMATION (Continued)

C. CHANGE IN ACCOUNTING PRINCIPLE

GASB Statement 68 Restatement

Governmental activities -	<u>\$ 118,595,260</u>
Enterprise funds -	
Water and Sewer Facilities	\$ 34,626,493
Parking Facilities	2,604,928
Stormwater Facilities	2,652,579
Redevelopment Programs	199,025
Parks and Recreation Camp	<u>158,837</u>
Total Enterprise funds	<u>\$ 40,241,862</u>
Internal Service funds -	
Fleet Management	\$ 2,652,580
Support Services	1,270,697
Risk Management	<u>222,372</u>
Total Internal Service funds	<u>\$ 4,145,649</u>

REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION

The Schedules of Funding Progress and Employer Contributions – Other Postemployment Benefits provide information relating to the City's adoption of GASB Statement No. 45.

Budgetary Comparison Schedule – General Fund provides information regarding the original budget, final budget, and actual results as compared to the final budget for the General Fund. The General Fund is the principal operating fund of the City that accounts for all financial resources not accounted for in other funds.

Notes to Budgetary Comparison Schedule provides information related to the budgetary basis of accounting used by the City as well as budget amendments made to the appropriated budget.

The Schedules of the City's Contributions provide information relating to the City's adoption of GASB Statement No. 68.

The Schedules of the City's Proportionate Share of the Net Pension Liability provide information relating to the City's adoption of GASB Statement No. 68.

CITY OF COLUMBIA, SOUTH CAROLINA
SCHEDULES OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS -
OTHER POSTEMPLOYMENT BENEFITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
Primary Government						
7/1/2014	\$ -	\$ 138,748,707	\$ 138,748,707	0%	\$ 93,451,271	148.47%
7/1/2013	-	131,827,750	131,827,750	0%	91,937,081	143.39%
7/1/2012	-	108,363,404	108,363,404	0%	90,099,630	120.27%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year Ended June 30	Annual OPEB Cost	Annual OPEB Cost Contributed	Net OPEB Liability	Percent of OPEB Cost Contributed
Primary Government				
2015	\$ 10,734,306	\$ 7,248,904	\$ 52,098,105	67.53%
2014	9,546,348	6,737,364	48,612,704	70.58%
2013	8,146,966	4,993,487	45,803,720	61.29%

**CITY OF COLUMBIA, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND (UNAUDITED)**

For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
General property taxes	\$ 51,406,365	\$ 51,406,365	\$ 50,563,321	\$ (843,044)
Admission taxes	-	-	90,899	90,899
License and permits	30,732,426	30,732,426	37,837,446	7,105,020
Intergovernmental revenue	12,690,828	12,690,828	15,682,389	2,991,561
Charges for services	14,498,924	14,498,924	12,680,046	(1,818,878)
Fines and forfeitures	1,310,000	1,310,000	1,033,384	(276,616)
Revenues from use of money and property	50,000	50,000	147,133	97,133
Other revenues	121,404	121,404	152,823	31,419
Total revenues	110,809,947	110,809,947	118,187,441	7,377,494
EXPENDITURES:				
General government	7,486,258	7,549,128	6,889,085	660,043
Judicial	2,648,014	2,722,131	2,590,810	131,321
Finance department	1,912,136	1,912,136	1,779,283	132,853
Development services and planning	3,428,316	3,788,788	3,485,413	303,375
Public safety	57,859,235	62,776,396	57,706,979	5,069,417
Parks and recreation	10,978,400	11,253,361	10,934,710	318,651
Public works	18,131,836	20,494,569	17,880,627	2,613,942
General services	6,236,732	6,423,825	5,230,670	1,193,155
Community promotion	270,670	270,670	175,670	95,000
Community development	346,938	370,489	369,601	888
Nondepartmental	2,869,290	2,585,290	8,105,855	(5,220,565)
Total expenditures	112,167,825	120,146,783	115,148,703	4,998,080
Excess (deficiency) of revenues over (under) expenditures	(1,357,878)	(9,336,836)	3,038,738	12,375,574
OTHER FINANCING SOURCES (USES)				
Transfers in	16,434,143	17,895,987	14,341,918	(3,554,069)
Transfers (out)	(15,296,265)	(8,779,151)	(17,367,879)	(8,588,728)
Sale of capital assets	220,000	220,000	386,636	166,636
Issuance of capital lease	-	-	7,000,000	7,000,000
Total other financing sources (uses)	1,357,878	9,336,836	4,360,675	(4,976,161)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	-	-	7,399,413	7,399,413
Fund balance - beginning	28,994,327	28,994,327	28,994,327	-
Fund balance - ending	\$ 28,994,327	\$ 28,994,327	\$ 36,393,740	\$ 7,399,413

See accompanying Notes to Budgetary Comparison Schedule.

**CITY OF COLUMBIA, SOUTH CAROLINA
NOTES TO BUDGETARY COMPARISON SCHEDULE (UNAUDITED)
YEAR ENDED JUNE 30, 2015**

Budget and Budgetary Accounting

A legal operating budget is prepared annually for the General Fund on the GAAP basis (modified accrual basis of accounting). Informal budgetary controls are maintained for other fund types, and therefore, budgetary comparisons to actual amounts are not presented.

The approved budget and amendments are legally enacted through passage of an ordinance authorizing the City Manager to administer the budget and to transfer necessary appropriations among funds. Additional budget appropriations must be approved by Council, and at the fund level, expenditures may not legally exceed budgeted appropriations.

All budget amounts presented in the accompanying financial statements and supplementary information have been adjusted for legally authorized revisions of the annual budget during and after the year. Appropriations, except remaining project appropriations, encumbrances, and unexpended grant appropriations lapse at year end.

The final budget amendments presented are necessary based on the operating activities of the City. The budget was amended to reflect the increase of budgeted amount of transfers in, the decrease in the amount of transfers out and the increase in the amount of capital expenditures. These amendments have been approved by City Council authorizations.

**Schedule of Changes in Appropriated Budget
For Year Ended June 30, 2015**

	Original Adopted Budget	Final Budget Amendments	Revised Budget
General Fund	\$ 127,464,090	\$ 1,461,844	\$ 128,925,934

**CITY OF COLUMBIA, SOUTH CAROLINA
SCHEDULES OF THE CITY'S CONTRIBUTIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)**

	SCRS	
	June 30, 2015	June 30, 2014
Contractually required contribution	\$ 5,815,863	\$ 5,669,535
Contributions made to pension plan	5,815,863	5,669,535
Contribution deficiency (excess)	\$ -	\$ -
City's covered payroll during the measurement period	\$ 53,480,622	\$ 52,411,010
Contributions as a percentage of covered employee payroll	10.87%	10.82%

	PORS	
	June 30, 2015	June 30, 2014
Contractually required contribution	\$ 5,031,606	\$ 4,736,002
Contributions made to pension plan	5,031,606	4,736,002
Contribution deficiency (excess)	\$ -	\$ -
City's covered payroll during the measurement period	\$ 37,437,424	\$ 36,688,676
Contributions as a percentage of covered employee payroll	13.44%	12.91%

The City implemented GASB 68 during fiscal year 2015, as such only the last two years of data are available.

CITY OF COLUMBIA, SOUTH CAROLINA
SCHEDULES OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)

	SCRS	
	June 30, 2015	June 30, 2014
The City's percentage of the net pension liability	0.589139%	0.589139%
The City's proportionate share of the net pension liability	\$ 101,430,204	\$ 105,670,520
The City's covered employee payroll	\$ 53,356,551	\$ 53,480,622
The City's proportionate share of the net pension liability as a percentage of its covered payroll	190.10%	197.59%
The Plan's fiduciary net position as a percentage of the total pension liability	59.90%	59.90%

	PORS	
	June 30, 2015	June 30, 2014
The City's percentage of the net pension liability	3.06671%	3.06671%
The City's proportionate share of the net pension liability	\$ 58,710,014	\$ 63,572,138
The City's covered employee payroll	\$ 38,089,381	\$ 37,437,424
The City's proportionate share of the net pension liability as a percentage of its covered payroll	154.14%	169.81%
The Plan's fiduciary net position as a percentage of the total pension liability	67.50%	67.50%

The City implemented GASB 68 during fiscal year 2015, as such only the last two years of data are available.

SUPPLEMENTARY INFORMATION

**COMBINING AND INDIVIDUAL
FUND STATEMENTS AND SCHEDULES**

**CITY OF COLUMBIA, SOUTH CAROLINA
SCHEDULE OF REVENUES & OTHER FINANCING SOURCES
BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended June 30, 2015

REVENUES	Original Budget	Final Budget	Actual	Variance
General property taxes				
General property taxes - current	\$ 49,601,215	\$ 49,601,215	\$ 45,828,640	\$ (3,772,575)
Real estate tax - Lexington County - current	-	-	2,071,184	2,071,184
Real estate tax - Lexington County - prior	-	-	10,226	10,226
Personal tax - Lexington County - current	-	-	185,568	185,568
Homestead exemption	1,050,000	1,050,000	1,070,667	20,667
Payment in lieu of taxes	-	-	635,365	635,365
Merchants inventory tax	755,150	755,150	761,671	6,521
Total general property taxes	51,406,365	51,406,365	50,563,321	(843,044)
Admission taxes	-	-	90,899	90,899
License and permits				
Business license	9,700,000	9,700,000	10,738,215	1,038,215
Business license - Telecommunications	850,000	850,000	794,364	(55,636)
Business license - Insurance	10,700,000	10,700,000	11,153,218	453,218
Delinquent business license	189,416	189,416	93,063	(96,353)
Business license franchise fees	8,065,000	8,065,000	13,225,397	5,160,397
Franchise fees - vendors	1,200	1,200	-	(1,200)
Arts and craft permits	2,300	2,300	2,090	(210)
New business list sales	-	-	309	309
Business license ordinance sales	-	-	1,050	1,050
Business license contractor's decals	22,500	22,500	25,953	3,453
Group event license/permit	5,700	5,700	7,038	1,338
Building permits	610,350	610,350	1,555,614	945,264
Electrical permits	139,040	139,040	49,757	(89,283)
Plumbing permits	51,700	51,700	11,432	(40,268)
Gas permits	9,900	9,900	5,704	(4,196)
Sign permits	20,900	20,900	17,814	(3,086)
Heat permits	143,220	143,220	45,406	(97,814)
Zoning permits	52,800	52,800	54,116	1,316
Dog license	36,000	36,000	43,239	7,239
Chauffeur license	-	-	3,645	3,645
Other miscellaneous - business	130,000	130,000	8,593	(121,407)
Other miscellaneous - non-business	2,400	2,400	1,429	(971)
Total license and permits	30,732,426	30,732,426	37,837,446	7,105,020
Intergovernmental revenues				
State shared	2,809,494	2,809,494	3,120,862	311,368
School resource officer services	190,000	190,000	190,565	565
SC Motor fuel tax reimbursement	-	-	3,348	3,348
USC parking garage revenues	-	-	1,874,592	1,874,592
Highway signal maintenance	291,334	291,334	294,858	3,524
Fire rebate - Richland County	9,400,000	9,400,000	10,198,164	798,164
Total intergovernmental revenues	12,690,828	12,690,828	15,682,389	2,991,561

(Continued)

CITY OF COLUMBIA, SOUTH CAROLINA
SCHEDULE OF REVENUES & OTHER FINANCING SOURCES
BUDGET AND ACTUAL
GENERAL FUND
(Continued)

For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance
Charges for services				
Trade publication renewals	\$ 7,700	\$ 7,700	\$ 8,560	\$ 860
Support services	2,270,000	2,270,000	-	(2,270,000)
Return check service charges	-	-	1,211	1,211
Regulation code books	-	-	125	125
Duplicated business licenses	-	-	220	220
Compost sales	5,000	5,000	7,292	2,292
Recycling sales	105,000	105,000	114,422	9,422
Solid waste disposal fees	15,000	15,000	13,305	(1,695)
Storm water inspection fees	-	-	2,964	2,964
Commercial bulk container disposal	-	-	1,679	1,679
Commercial roll cart disposal	44,000	44,000	44,001	1
Eleemosynary roll cart collection	29,000	29,000	65,476	36,476
Eleemosynary roll cart disposal	7,000	7,000	7,446	446
Eleemosynary homeowner collection	7,000	7,000	6,485	(515)
Eleemosynary homeowner disposal	1,700	1,700	1,607	(93)
Six night service disposal	19,000	19,000	21,239	2,239
Tree and forestry lot clearance fees	50,000	50,000	14,380	(35,620)
Animal shelter fees - Richland County	280,000	280,000	284,697	4,697
Animal shelter fees	132,000	132,000	142,897	10,897
Employee animal clinic fees	1,000	1,000	38	(962)
Hydrant fees	10,700,000	10,700,000	10,999,479	299,479
Police accident report copies	33,000	33,000	32,417	(583)
Reimbursement police services	100,000	100,000	107,081	7,081
False fire alarm charges	20,000	20,000	28,413	8,413
Maxcy Gregg admission fees	25,000	25,000	39,290	14,290
Drew Park admission fees	310,000	310,000	346,474	36,474
Recreation athletics	50,000	50,000	65,788	15,788
Tennis court fees	57,500	57,500	66,816	9,316
Other parks/recreation fees	77,724	77,724	161,285	83,561
Finlay Park ground reservation	15,000	15,000	16,637	1,637
Columbia Action Council event fees	137,300	137,300	78,322	(58,978)
Total charges for services	14,498,924	14,498,924	12,680,046	(1,818,878)
Fines and forfeitures				
Criminal court fines	1,300,000	1,300,000	1,020,052	(279,948)
Bond forfeiture from county courts	-	-	12,033	12,033
Late fees	10,000	10,000	1,299	(8,701)
Total fines and forfeitures	1,310,000	1,310,000	1,033,384	(276,616)

(Continued)

**CITY OF COLUMBIA, SOUTH CAROLINA
SCHEDULE OF REVENUES & OTHER FINANCING SOURCES
BUDGET AND ACTUAL
GENERAL FUND
(Continued)**

For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance
Revenues from use of money and property				
Interest on investments general	\$ 50,000	\$ 50,000	\$ 110,012	\$ 60,012
Interest gain (loss) cost/market	-	-	37,121	37,121
Total revenues from use of money and property	<u>50,000</u>	<u>50,000</u>	<u>147,133</u>	<u>97,133</u>
Other revenues				
Miscellaneous revenue	57,000	57,000	58,757	1,757
Rents and royalties	64,404	64,404	94,066	29,662
Total other revenues	<u>121,404</u>	<u>121,404</u>	<u>152,823</u>	<u>31,419</u>
TOTAL REVENUES	<u>110,809,947</u>	<u>110,809,947</u>	<u>118,187,441</u>	<u>7,377,494</u>
OTHER FINANCING SOURCES				
Sale of capital assets	<u>220,000</u>	<u>220,000</u>	<u>386,636</u>	<u>166,636</u>
Issuance of capital lease	<u>-</u>	<u>-</u>	<u>7,000,000</u>	<u>7,000,000</u>
Transfers from				
Water and sewer operating fund	4,000,000	4,000,000	6,270,000	2,270,000
Hospitality fund	2,569,143	2,569,143	2,569,143	-
Accommodations fund	25,000	25,000	25,000	-
Other funds	7,500,000	7,500,000	5,477,775	(2,022,225)
Unappropriated surplus transfer	2,340,000	3,801,844	-	(3,801,844)
Total transfers	<u>16,434,143</u>	<u>17,895,987</u>	<u>14,341,918</u>	<u>(3,554,069)</u>
Total other financing sources	<u>16,654,143</u>	<u>18,115,987</u>	<u>21,728,554</u>	<u>3,612,567</u>
Total revenues and other financing sources	<u>\$ 127,464,090</u>	<u>\$ 128,925,934</u>	<u>\$ 139,915,995</u>	<u>\$ 10,990,061</u>

**CITY OF COLUMBIA, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended June 30, 2015

EXPENDITURES	Original Budget	Final Budget	Actual	Variance
General Government				
Legislative				
Personnel services	\$ 472,127	\$ 472,127	\$ 486,146	\$ (14,019)
Supplies	29,500	29,500	25,774	3,726
Other services and charges	216,800	242,972	184,582	58,390
Total legislative	<u>718,427</u>	<u>744,599</u>	<u>696,502</u>	<u>48,097</u>
Executive/Administration				
Personnel services	412,291	412,291	389,754	22,537
Supplies	27,230	32,225	28,098	4,127
Other services and charges	62,562	77,567	17,443	60,124
Total executive/administration	<u>502,083</u>	<u>522,083</u>	<u>435,295</u>	<u>86,788</u>
Governmental Affairs				
Personnel services	272,437	272,437	274,714	(2,277)
Supplies	16,215	16,215	11,629	4,586
Other services and charges	164,114	164,114	159,727	4,387
Total governmental affairs	<u>452,766</u>	<u>452,766</u>	<u>446,070</u>	<u>6,696</u>
Chief Financial Officer				
Personnel services	156,233	156,233	157,290	(1,057)
Supplies	3,135	10,135	7,237	2,898
Other services and charges	22,776	15,776	15,300	476
Capital outlay	-	23,256	23,256	-
Total administrative operations	<u>182,144</u>	<u>205,400</u>	<u>203,083</u>	<u>2,317</u>
Senior Assistant City Manager				
Personnel services	255,053	255,053	257,010	(1,957)
Supplies	6,655	6,655	1,393	5,262
Other services and charges	55,409	50,799	35,616	15,183
Total senior assistant city manager	<u>317,117</u>	<u>312,507</u>	<u>294,019</u>	<u>18,488</u>
Assistant City Manager for Operations				
Personnel services	272,050	272,050	295,920	(23,870)
Supplies	18,700	14,900	12,296	2,604
Other services and charges	77,694	87,495	78,594	8,901
Total assistant city manager for operations	<u>368,444</u>	<u>374,445</u>	<u>386,810</u>	<u>(12,365)</u>
Citizen's Support Services				
Personnel services	380,672	380,672	380,461	211
Supplies	17,500	17,500	17,884	(384)
Other services and charges	23,075	23,075	21,721	1,354
Total citizen's support services	<u>421,247</u>	<u>421,247</u>	<u>420,066</u>	<u>1,181</u>

(Continued)

CITY OF COLUMBIA, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL
GENERAL FUND
(Continued)

For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance
Office of Business Opportunities				
Personnel services	\$ 367,013	\$ 367,013	\$ 350,749	\$ 16,264
Supplies	27,025	31,211	30,163	1,048
Other services and charges	164,515	160,329	167,703	(7,374)
Total office of business opportunities	<u>558,553</u>	<u>558,553</u>	<u>548,615</u>	<u>9,938</u>
Human Resources and Training				
Personnel services	876,454	876,454	812,202	64,252
Supplies	55,787	51,787	46,825	4,962
Other services and charges	48,205	52,205	43,466	8,739
Total human resources and training	<u>980,446</u>	<u>980,446</u>	<u>902,493</u>	<u>77,953</u>
Budget and Program				
Personnel services	268,536	268,536	254,671	13,865
Supplies	3,750	6,450	4,115	2,335
Other services and charges	79,650	68,950	49,089	19,861
Total budget and program	<u>351,936</u>	<u>343,936</u>	<u>307,875</u>	<u>36,061</u>
Legal				
Personnel services	1,040,146	1,216,146	889,308	326,838
Supplies	60,507	83,707	55,942	27,765
Other services and charges	959,307	760,122	742,011	18,111
Total legal	<u>2,059,960</u>	<u>2,059,975</u>	<u>1,687,261</u>	<u>372,714</u>
Public Information				
Personnel services	410,043	410,043	404,689	5,354
Supplies	54,203	54,530	45,461	9,069
Other services and charges	108,889	108,598	110,846	(2,248)
Total public information	<u>573,135</u>	<u>573,171</u>	<u>560,996</u>	<u>12,175</u>
Total General Government	<u>7,486,258</u>	<u>7,549,128</u>	<u>6,889,085</u>	<u>660,043</u>
Judicial				
Municipal Court				
Personnel services	2,309,819	2,310,769	2,231,330	79,439
Supplies	88,695	95,395	97,240	(1,845)
Other services and charges	249,500	241,865	211,388	30,477
Capital outlay	-	74,102	50,852	23,250
Total municipal court	<u>2,648,014</u>	<u>2,722,131</u>	<u>2,590,810</u>	<u>131,321</u>
Total Judicial	<u>2,648,014</u>	<u>2,722,131</u>	<u>2,590,810</u>	<u>131,321</u>

(Continued)

CITY OF COLUMBIA, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL
GENERAL FUND
(Continued)

For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance
Finance Department				
Administration				
Personnel services	\$ 135,090	\$ 135,090	\$ 136,154	\$ (1,064)
Supplies	5,000	5,000	1,141	3,859
Other services and charges	59,980	59,980	58,116	1,864
	<u>200,070</u>	<u>200,070</u>	<u>195,411</u>	<u>4,659</u>
Total administration				
Accounting				
Personnel services	793,697	793,697	713,893	79,804
Supplies	22,350	22,350	16,511	5,839
Other services and charges	105,280	105,280	89,242	16,038
	<u>921,327</u>	<u>921,327</u>	<u>819,646</u>	<u>101,681</u>
Total accounting				
Business License				
Personnel services	666,494	666,494	646,201	20,293
Supplies	26,638	26,638	27,704	(1,066)
Other services and charges	97,607	97,607	90,321	7,286
	<u>790,739</u>	<u>790,739</u>	<u>764,226</u>	<u>26,513</u>
Total business license				
Total Finance Department				
	<u>1,912,136</u>	<u>1,912,136</u>	<u>1,779,283</u>	<u>132,853</u>
Development Services and Planning				
Development Services				
Personnel services	2,719,311	2,719,311	2,766,588	(47,277)
Supplies	114,245	114,245	85,477	28,768
Other services and charges	544,020	880,842	376,852	503,990
Capital outlay	50,740	74,390	256,496	(182,106)
	<u>3,428,316</u>	<u>3,788,788</u>	<u>3,485,413</u>	<u>303,375</u>
Total development services				
Total Development Services and Planning				
	<u>3,428,316</u>	<u>3,788,788</u>	<u>3,485,413</u>	<u>303,375</u>
Public Safety				
Police Department				
Administrative Services				
Personnel services	3,312,346	3,312,346	2,467,566	844,780
Supplies	987,581	987,581	730,857	256,724
Other services and charges	1,604,286	1,604,320	1,834,482	(230,162)
Capital outlay	-	-	7,557	(7,557)
	<u>5,904,213</u>	<u>5,904,247</u>	<u>5,040,462</u>	<u>863,785</u>
Total administrative services				

(Continued)

CITY OF COLUMBIA, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL
GENERAL FUND
(Continued)

For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance
Operations				
Personnel services	\$ 18,935,647	\$ 18,935,647	\$ 16,361,612	\$ 2,574,035
Supplies	1,187,287	2,003,114	1,166,261	836,853
Other services and charges	789,721	790,935	809,455	(18,520)
Capital outlay	-	1,753,912	528,750	1,225,162
Total operations	<u>20,912,655</u>	<u>23,483,608</u>	<u>18,866,078</u>	<u>4,617,530</u>
Special Services				
Personnel services	7,398,987	7,398,987	9,670,208	(2,271,221)
Supplies	360,929	360,929	212,027	148,902
Other services and charges	254,173	254,173	290,564	(36,391)
Capital outlay	-	179,886	8,500	171,386
Total special services	<u>8,014,089</u>	<u>8,193,975</u>	<u>10,181,299</u>	<u>(1,987,324)</u>
Total Police Department	<u>34,830,957</u>	<u>37,581,830</u>	<u>34,087,839</u>	<u>3,493,991</u>
Fire Department - City				
Administration				
Personnel services	933,513	933,513	891,789	41,724
Supplies	31,425	43,425	35,208	8,217
Other services and charges	30,260	20,960	24,587	(3,627)
Capital outlay	70,000	70,000	-	70,000
Total administration	<u>1,065,198</u>	<u>1,067,898</u>	<u>951,584</u>	<u>116,314</u>
Fire Prevention				
Personnel services	1,093,885	1,093,885	1,032,705	61,180
Supplies	82,304	44,304	38,844	5,460
Other services and charges	81,950	66,150	60,698	5,452
Capital outlay	20,000	20,000	-	20,000
Total fire prevention	<u>1,278,139</u>	<u>1,224,339</u>	<u>1,132,247</u>	<u>92,092</u>
Fire Suppression				
Personnel services	14,569,577	14,569,577	15,024,907	(455,330)
Supplies	1,334,500	1,237,980	1,045,102	192,878
Other services and charges	1,439,400	1,604,490	1,425,558	178,932
Capital outlay	20,000	2,190,351	1,131,496	1,058,855
Total fire suppression	<u>17,363,477</u>	<u>19,602,398</u>	<u>18,627,063</u>	<u>975,335</u>
Fire Logistics				
Personnel services	132,323	132,323	127,904	4,419
Supplies	98,605	77,605	49,000	28,605
Other services and charges	73,000	58,100	50,606	7,494
Capital outlay	72,500	72,500	12,231	60,269
Total fire logistics	<u>376,428</u>	<u>340,528</u>	<u>239,741</u>	<u>100,787</u>
Total Fire Department - City	<u>20,083,242</u>	<u>22,235,163</u>	<u>20,950,635</u>	<u>1,284,528</u>

(Continued)

CITY OF COLUMBIA, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL
GENERAL FUND
(Continued)

For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance
911 Emergency and 311 Center				
Personnel services	\$ 2,642,086	\$ 2,642,086	\$ 2,428,035	\$ 214,051
Supplies	54,400	68,767	44,489	24,278
Other services and charges	248,550	248,550	195,981	52,569
Total 911 Emergency and 311 Center	<u>2,945,036</u>	<u>2,959,403</u>	<u>2,668,505</u>	<u>290,898</u>
Total Public Safety	<u>57,859,235</u>	<u>62,776,396</u>	<u>57,706,979</u>	<u>5,069,417</u>
Parks and Recreation				
Recreation				
Personnel services	3,940,579	3,856,079	3,656,044	200,035
Supplies	161,320	159,903	170,034	(10,131)
Other services and charges	1,081,374	1,077,241	1,251,255	(174,014)
Capital outlay	-	92,752	92,742	10
Total recreation	<u>5,183,273</u>	<u>5,185,975</u>	<u>5,170,075</u>	<u>15,900</u>
Parks				
Personnel services	4,416,100	4,355,950	4,310,735	45,215
Supplies	477,458	581,733	537,395	44,338
Other services and charges	676,569	711,622	677,901	33,721
Capital outlay	225,000	418,081	238,604	179,477
Total parks	<u>5,795,127</u>	<u>6,067,386</u>	<u>5,764,635</u>	<u>302,751</u>
Total Parks and Recreation	<u>10,978,400</u>	<u>11,253,361</u>	<u>10,934,710</u>	<u>318,651</u>
Public Works				
Administration				
Personnel services	350,125	350,125	310,851	39,274
Supplies	27,650	32,550	19,288	13,262
Other services and charges	108,650	114,650	120,355	(5,705)
Total administration	<u>486,425</u>	<u>497,325</u>	<u>450,494</u>	<u>46,831</u>
Solid Waste				
Personnel services	4,400,379	4,400,379	4,249,160	151,219
Supplies	1,327,896	1,373,060	910,498	462,562
Other services and charges	2,344,535	2,219,970	1,902,763	317,207
Capital outlay	15,000	1,517,668	810,244	707,424
Total solid waste	<u>8,087,810</u>	<u>9,511,077</u>	<u>7,872,665</u>	<u>1,638,412</u>

(Continued)

CITY OF COLUMBIA, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL
GENERAL FUND
(Continued)

For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance
Streets and Storm Drains				
Personnel services	\$ 1,815,856	\$ 1,815,856	\$ 1,466,476	\$ 349,380
Supplies	229,935	234,710	186,471	48,239
Other services and charges	108,075	110,092	91,934	18,158
Capital outlay	29,700	314,853	278,888	35,965
Total streets and storm drains	<u>2,183,566</u>	<u>2,475,511</u>	<u>2,023,769</u>	<u>451,742</u>
Animal Control				
Personnel services	1,150,523	1,150,523	1,132,152	18,371
Supplies	174,266	189,801	177,196	12,605
Other services and charges	138,673	123,155	126,369	(3,214)
Capital outlay	-	19,342	-	19,342
Total animal control	<u>1,463,462</u>	<u>1,482,821</u>	<u>1,435,717</u>	<u>47,104</u>
Forestry and Beautification				
Personnel services	1,729,981	1,729,981	1,528,184	201,797
Supplies	216,777	216,527	165,842	50,685
Other services and charges	266,802	266,904	252,693	14,211
Capital outlay	8,500	487,447	410,306	77,141
Total forestry and beautification	<u>2,222,060</u>	<u>2,700,859</u>	<u>2,357,025</u>	<u>343,834</u>
Traffic Engineering				
Personnel services	1,350,224	1,350,224	1,299,345	50,879
Supplies	196,045	227,545	164,740	62,805
Other services and charges	2,103,394	2,112,394	2,153,110	(40,716)
Capital outlay	38,850	136,813	123,762	13,051
Total traffic engineering	<u>3,688,513</u>	<u>3,826,976</u>	<u>3,740,957</u>	<u>86,019</u>
Total Public Works	<u>18,131,836</u>	<u>20,494,569</u>	<u>17,880,627</u>	<u>2,613,942</u>
General Services				
Information Technology				
Personnel services	2,094,766	2,094,766	1,735,331	359,435
Supplies	162,780	162,780	122,406	40,374
Other services and charges	1,397,428	1,423,176	1,091,123	332,053
Capital outlay	-	21,331	274,042	(252,711)
Total information technology	<u>3,654,974</u>	<u>3,702,053</u>	<u>3,222,902</u>	<u>479,151</u>
Support Services				
Personnel services	558,303	558,303	534,016	24,287
Supplies	59,550	59,550	62,968	(3,418)
Other services and charges	1,298,905	1,328,007	1,134,609	193,398
Capital outlay	665,000	775,912	276,175	499,737
Total public buildings	<u>2,581,758</u>	<u>2,721,772</u>	<u>2,007,768</u>	<u>714,004</u>
Total General Services	<u>6,236,732</u>	<u>6,423,825</u>	<u>5,230,670</u>	<u>1,193,155</u>

(Continued)

CITY OF COLUMBIA, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL
GENERAL FUND
(Continued)

For the Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Community Promotion				
Community promotion	\$ 270,670	\$ 270,670	\$ 175,670	\$ 95,000
Total Community Promotion	<u>270,670</u>	<u>270,670</u>	<u>175,670</u>	<u>95,000</u>
Community Development				
Personnel services	290,688	290,688	281,596	9,092
Supplies	24,100	24,100	36,512	(12,412)
Other services and charges	32,150	32,167	51,493	(19,326)
Capital outlay	-	23,534	-	23,534
Total community development	<u>346,938</u>	<u>370,489</u>	<u>369,601</u>	<u>888</u>
Nondepartmental				
Contingencies				
Supplies	475,000	-	-	-
Other services and charges	889,290	1,080,290	910,345	169,945
Capital Outlay	-	-	3,988,916	(3,988,916)
Total contingencies	<u>1,364,290</u>	<u>1,080,290</u>	<u>4,899,261</u>	<u>(3,818,971)</u>
Administration				
Other services and charges	505,000	505,000	515,801	(10,801)
Total administration	<u>505,000</u>	<u>505,000</u>	<u>515,801</u>	<u>(10,801)</u>
Homeless Services				
Other services and charges	1,000,000	1,000,000	843,550	156,450
Total homeless services	<u>1,000,000</u>	<u>1,000,000</u>	<u>843,550</u>	<u>156,450</u>
Debt Service				
Principal payments on debt	-	-	936,791	(936,791)
Interest payments on debt	-	-	910,452	(910,452)
Total debt service	<u>-</u>	<u>-</u>	<u>1,847,243</u>	<u>(1,847,243)</u>
Total Nondepartmental	<u>2,869,290</u>	<u>2,585,290</u>	<u>8,105,855</u>	<u>(5,520,565)</u>
TOTAL EXPENDITURES	<u>112,167,825</u>	<u>120,146,783</u>	<u>115,148,703</u>	<u>4,998,080</u>
OTHER FINANCING USES				
Transfers to Other Funds				
Debt service	5,927,980	5,927,980	5,927,980	-
Transfers interfund	9,368,285	2,851,171	11,439,899	(8,588,728)
Total Transfers to Other Funds	<u>15,296,265</u>	<u>8,779,151</u>	<u>17,367,879</u>	<u>(8,588,728)</u>
Total Other Financing Uses	<u>15,296,265</u>	<u>8,779,151</u>	<u>17,367,879</u>	<u>(8,588,728)</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 127,464,090</u>	<u>\$ 128,925,934</u>	<u>\$ 132,516,582</u>	<u>\$ (3,590,648)</u>

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Liquor Permit Fee – accounts for receipts from the sale of temporary permits to allow the possession, sale, and consumption of alcoholic liquors for a period not to exceed 24 hours.

Business Improvement District accounts for the Business Improvement District taxes assessed on the business in the downtown area of the City to promote downtown beatification.

Accommodations Tax accounts for the 2% State Hotel Accommodations Tax receipts to promote tourism-related activities of City organizations.

Confiscated Drug Program accounts for the disposition of forfeited property and money seized in Columbia by law enforcement agencies.

Hospitality Tax accounts for a 2% gross sales tax on prepared food and beverages sold in establishments to promote tourism-related activities of City organizations.

Community Development grants and awards accounts for the Community Development Block Grants and other community development type grants.

Federal Grants accounts for the receipt of Federal grants except for Community Development Block Grants.

Other Programs – accounts for miscellaneous programs for park improvements and special events.

Tourism Development Convention Center accounts for a 3% Tourism Development Fee imposed upon the rental of hotels, motels, and other lodging establishments in the City. This fee is dedicated to the attraction of and improvement of the services provided to tourists and to the retirement of the Series 2012 Certificates of Participation revenue bonds.

Debt Service Funds

Debt Service accounts for the accumulation of financial resources for the payment of interest and principal on the general long-term debt of the City, other than debt service payments financed by the Tourism Development Convention Center fund and the proprietary fund types. Ad valorem taxes, interest earnings on the investments of the Debt Service Fund, and interest earned on investments of certain Capital Projects Funds are used for the payment of principal, interest, and fiscal agent expenditures on the City's general obligation and revenue bonds.

Capital Project Funds

Congaree Vista District accounts for the construction and development of parks and infrastructure within the Congaree Vista District funded by tax increment district property tax revenues.

Streetscaping accounts for capital improvements to street landscaping.

General Capital Projects accounts for various capital improvements in the City.

Miscellaneous Projects accounts for various capital projects funded by the General Fund.

Permanent Trust

Anna Dickson Park Fund accounts for an endowment for which the investment income must be used to purchase flowers for the parks.

**CITY OF COLUMBIA, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**

June 30, 2015

	Special Revenue									
	Liquor Permit Fee	Business Improvement District	Accommodations Tax	Confiscated Drug Program	Hospitality Tax	Community Development	Federal Grants	Other Programs	Tourism Development Convention Center	Total
ASSETS										
Cash and cash equivalents	\$ 533,603	\$ -	\$ 136,213	\$ 261,323	\$ 840,122	\$ -	\$ -	\$ 214,158	\$ 5,023,475	\$ 7,008,894
Investments	-	-	-	47,679	-	-	-	-	-	47,679
Due from the Federal government	-	-	-	-	-	671,334	261,168	-	-	932,502
Due from State government	26,580	-	741,860	-	-	-	-	-	-	768,440
Due from County government	-	-	-	-	-	-	-	500,130	-	500,130
Accrued interest receivable	-	-	-	-	-	-	-	9	-	9
Due from other funds	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	\$ 560,183	\$ -	\$ 878,073	\$ 309,002	\$ 840,122	\$ 671,334	\$ 261,168	\$ 214,158	\$ 5,523,614	\$ 9,257,654
LIABILITIES AND FUND BALANCES										
Liabilities										
Accounts payable	\$ -	\$ -	\$ 1,583	\$ 21,841	\$ 960	\$ 256,828	\$ 79,656	\$ 3,094	\$ 7,800	\$ 371,762
Accrued salaries and benefits	-	-	-	-	-	21,587	2,519	4,770	-	28,876
Retainage payable	-	-	-	-	-	-	-	-	-	-
Due to component unit	-	-	825,000	-	-	-	-	-	-	825,000
Refundable advances	-	-	-	55,539	-	727	23,803	-	-	80,069
Due to other funds	-	-	-	-	-	392,192	155,190	-	-	547,382
Total liabilities	-	-	826,583	77,380	960	671,334	261,168	7,864	7,800	1,853,089
Fund balances										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	560,183	-	51,490	231,622	839,162	-	-	206,294	5,515,814	7,404,565
Assigned	-	-	-	-	-	-	-	-	-	-
Total fund balances	560,183	-	51,490	231,622	839,162	-	-	206,294	5,515,814	7,404,565
TOTAL LIABILITIES AND FUND BALANCES	\$ 560,183	\$ -	\$ 878,073	\$ 309,002	\$ 840,122	\$ 671,334	\$ 261,168	\$ 214,158	\$ 5,523,614	\$ 9,257,654

(Continued)

**CITY OF COLUMBIA, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**

June 30, 2015

	<u>Capital Projects</u>					<u>Permanent Trust</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>Debt Service Fund</u>	<u>Congaree Vista District</u>	<u>Streetscaping</u>	<u>General Capital Projects</u>	<u>Miscellaneous Projects</u>	<u>Total</u>	<u>Dickson Trust</u>	
ASSETS								
Cash and cash equivalents	\$ 3,232,499	\$ 5,548,755	\$ 7,595,360	\$ 9,063,393	\$ 901,425	\$ 23,108,933	\$ 5,586	\$ 33,355,912
Investments	746,433	-	-	-	31,638,499	31,638,499	-	32,432,611
Due from the Federal government	-	-	-	-	-	-	-	932,502
Due from State government	-	-	-	-	2,246,813	2,246,813	-	3,015,253
Due from County government	-	-	-	-	-	-	-	500,130
Accrued interest receivable	-	-	-	-	6	6	-	15
Due from other funds	-	100,000	-	600,956	2,285,244	2,986,200	-	2,986,200
TOTAL ASSETS	<u>\$ 3,978,932</u>	<u>\$ 5,648,755</u>	<u>\$ 7,595,360</u>	<u>\$ 9,664,349</u>	<u>\$ 37,071,987</u>	<u>\$ 59,980,451</u>	<u>\$ 5,586</u>	<u>\$ 73,222,623</u>
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ -	\$ -	\$ 38,546	\$ 465,111	\$ 3,587,764	\$ 4,091,421	\$ -	\$ 4,463,183
Accrued salaries and benefits	-	-	-	-	-	-	-	28,876
Retainage payable	-	-	105,159	80,287	353,222	538,668	-	538,668
Due to component unit	-	-	-	-	-	-	-	825,000
Refundable advances	-	-	-	-	-	-	-	80,069
Due to other funds	-	-	-	-	1,396,270	1,396,270	-	1,943,652
Total liabilities	-	-	143,705	545,398	5,337,256	6,026,359	-	7,879,448
Fund balances								
Nonspendable	-	-	-	-	-	-	5,000	5,000
Restricted	3,978,932	5,648,755	-	-	31,734,731	37,383,486	586	48,767,569
Assigned	-	-	7,451,655	9,118,951	-	16,570,606	-	16,570,606
Total fund balances	3,978,932	5,648,755	7,451,655	9,118,951	31,734,731	53,954,092	5,586	65,343,175
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,978,932</u>	<u>\$ 5,648,755</u>	<u>\$ 7,595,360</u>	<u>\$ 9,664,349</u>	<u>\$ 37,071,987</u>	<u>\$ 59,980,451</u>	<u>\$ 5,586</u>	<u>\$ 73,222,623</u>

CITY OF COLUMBIA, SOUTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2015

	Special Revenue									
	Liquor Permit Fee	Business Improvement District	Accommodations Tax	Confiscated Drug Program	Hospitality Tax	Community Development	Federal Grants	Other Programs	Tourism Development Convention Center	Total
REVENUES										
Federal government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,890,899	\$ 543,493	\$ -	\$ -	\$ 3,434,392
State government	411,210	-	-	-	-	-	-	-	-	411,210
County government	-	778,396	-	-	-	-	-	-	5,828,040	6,606,436
Promotions	-	-	-	-	-	-	-	43,606	-	43,606
Charges for services	-	-	-	-	-	-	-	68,974	-	68,974
Fines and forfeitures	-	-	-	-	-	-	-	203,769	-	203,769
Confiscated funds	-	-	-	279,147	-	-	-	-	-	279,147
Sales and hospitality taxes	-	-	2,084,883	-	10,450,637	-	-	-	-	12,535,520
Interest income	-	-	-	91	4,907	-	-	-	110	5,108
Other revenue	-	-	-	-	-	168	285,714	-	-	285,882
Total revenues	<u>411,210</u>	<u>778,396</u>	<u>2,084,883</u>	<u>279,238</u>	<u>10,455,544</u>	<u>2,891,067</u>	<u>829,207</u>	<u>316,349</u>	<u>5,828,150</u>	<u>23,874,044</u>
EXPENDITURES										
Current										
General government	-	-	8,848	-	-	-	93,719	-	-	102,567
Public safety	-	-	-	181,671	-	-	531,229	179,487	-	892,387
Public services	-	-	-	-	-	-	-	-	-	-
Community promotion	-	778,396	2,566,972	-	6,308,175	2,263,578	-	82,361	13,407	12,012,889
Debt Service										
Principal	-	-	-	-	-	-	-	-	2,275,000	2,275,000
Interest and other charges	-	-	-	-	-	-	-	-	451,588	451,588
Fiscal agent charges	-	-	-	-	-	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-	-	-	-
Capital Outlay										
Capital outlay	-	-	-	65,967	-	-	205,561	-	11,000	282,528
Total expenditures	<u>-</u>	<u>778,396</u>	<u>2,575,820</u>	<u>247,638</u>	<u>6,308,175</u>	<u>2,263,578</u>	<u>830,509</u>	<u>261,848</u>	<u>2,750,995</u>	<u>16,016,959</u>
Excess (deficiency) of revenues over expenditures	<u>411,210</u>	<u>-</u>	<u>(490,937)</u>	<u>31,600</u>	<u>4,147,369</u>	<u>627,489</u>	<u>(1,302)</u>	<u>54,501</u>	<u>3,077,155</u>	<u>7,857,085</u>
OTHER FINANCING SOURCES (USES)										
Issuance of debt	-	-	-	-	-	-	-	-	-	-
Premium on bond issuance	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	238,257	1,302	1,182	-	240,741
Transfers out	-	-	(25,000)	-	(5,211,710)	(865,746)	-	-	-	(6,102,456)
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>(25,000)</u>	<u>-</u>	<u>(5,211,710)</u>	<u>(627,489)</u>	<u>1,302</u>	<u>1,182</u>	<u>-</u>	<u>(5,861,715)</u>
Net change in fund balances	411,210	-	(515,937)	31,600	(1,064,341)	-	-	55,683	3,077,155	1,995,370
Fund balances - beginning	148,973	-	567,427	200,022	1,903,503	-	-	150,611	2,438,659	5,409,195
Fund balances - ending	<u>\$ 560,183</u>	<u>\$ -</u>	<u>\$ 51,490</u>	<u>\$ 231,622</u>	<u>\$ 839,162</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 206,294</u>	<u>\$ 5,515,814</u>	<u>\$ 7,404,565</u>

(Continued)

CITY OF COLUMBIA, SOUTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

Year Ended June 30, 2015

	Capital Projects					Permanent Trust	Total Nonmajor Governmental Funds
	Debt Service Fund	Congaree Vista District	Streetscaping	General Capital Projects	Miscellaneous Projects	Total	
REVENUES							
Federal government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,434,392
State government	-	-	-	25,990	2,944,480	2,970,470	3,381,680
County government	-	-	-	-	-	-	6,606,436
Promotions	-	-	-	-	-	-	43,606
Charges for services	-	-	-	-	-	-	68,974
Fines and forfeitures	-	-	-	-	-	-	203,769
Confiscated funds	-	-	-	-	-	-	279,147
Sales and hospitality taxes	-	-	-	-	-	-	12,535,520
Interest income	104	-	-	-	10,916	10,916	16,133
Other revenue	-	267,000	935,401	22,524	26,834	1,251,759	1,537,641
Total revenues	104	267,000	935,401	48,514	2,982,230	4,233,145	5 28,107,298
EXPENDITURES							
Current							
General government	-	216,205	-	-	-	216,205	318,772
Public safety	-	-	-	-	-	-	892,387
Public services	-	-	-	-	700,962	700,962	700,962
Community promotion	-	-	-	783,942	-	783,942	12,796,831
Debt Service							
Principal	6,115,000	-	-	-	-	-	8,390,000
Interest and other charges	1,810,806	-	-	-	-	-	2,262,394
Fiscal agent charges	5,461	-	-	-	-	-	5,461
Debt issuance costs	-	-	-	-	904,310	904,310	904,310
Capital Outlay							
Capital outlay	-	20,390	979,795	2,565,808	8,121,498	11,687,491	11,970,019
Total expenditures	7,931,267	236,595	979,795	3,349,750	9,726,770	14,292,910	- 38,241,136
Excess (deficiency) of revenues over expenditures	(7,931,163)	30,405	(44,394)	(3,301,236)	(6,744,540)	(10,059,765)	5 (10,133,838)
OTHER FINANCING SOURCES (USES)							
Issuance of debt	-	-	-	-	26,175,000	26,175,000	26,175,000
Premium on debt issuance	-	-	-	-	3,747,839	3,747,839	3,747,839
Transfers in	8,570,547	-	-	7,247,754	125,873	7,373,627	16,184,915
Transfers out	-	-	-	-	(5,766,784)	(5,766,784)	(11,869,240)
Total other financing sources and uses	8,570,547	-	-	7,247,754	24,281,928	31,529,682	- 34,238,514
Net change in fund balances	639,384	30,405	(44,394)	3,946,518	17,537,388	21,469,917	5 24,104,676
Fund balances - beginning	3,339,548	5,618,350	7,496,049	5,172,433	14,197,343	32,484,175	5,581 41,238,499
Fund balances - ending	\$ 3,978,932	\$ 5,648,755	\$ 7,451,655	\$ 9,118,951	\$ 31,734,731	\$ 53,954,092	\$ 5,586 \$ 65,343,175

NONMAJOR PROPRIETARY FUNDS

Nonmajor Proprietary Funds are used to account for operations of the City (a) that are financed and operated in a manner similar to private business where the intent is for the cost of providing goods or services to be recovered, in whole or in part, through user charges; or (b) where the City Council has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. These funds include:

Hydro-Electric Facilities Fund accounts for hydro-electric plant activities.

Stormwater Facilities Fund accounts for stormwater utility activities.

Redevelopment Programs Fund accounts for various home rehabilitation and mortgage lending programs funded from various sources.

Parks and Recreation Camp Fund accounts for the parks and recreations camp activities.

Economic Development Fund accounts for economic development activities.

**CITY OF COLUMBIA, SOUTH CAROLINA
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS**

June 30, 2015

	Hydro Electric Facilities Fund	Stormwater Facilities Fund	Redevelopment Programs Fund	Parks and Recreation Camp Fund	Economic Development Fund	Total Nonmajor Proprietary Funds
ASSETS						
Current Assets						
Cash and cash equivalents	\$ 305,409	\$ 14,071,548	\$ 6,358,765	\$ 148,611	\$ -	\$ 20,884,333
Investments	-	5,679,240	-	-	-	5,679,240
Accounts receivable, net	119,530	4,213	-	-	-	123,743
Mortgage notes receivable, net	-	-	420,471	-	-	420,471
Accrued interest receivable	-	11,626	-	-	-	11,626
Due from component units	-	-	370,168	-	-	370,168
Prepaid expenses	-	9,286	-	-	-	9,286
Real estate held for resale	-	-	84,810	-	-	84,810
Total current assets	424,939	19,775,913	7,234,214	148,611	-	27,583,677
Noncurrent Assets						
Mortgage notes receivable, net	-	-	20,603,101	-	-	20,603,101
Capital assets						
Land	327,169	19,009	-	-	-	346,178
Buildings, improvements, and utility plant	16,173,300	13,467,245	-	-	-	29,640,545
Machinery and equipment	-	3,570,322	-	-	-	3,570,322
Less accumulated depreciation	(4,124,192)	(4,330,635)	-	-	-	(8,454,827)
Construction in progress	-	2,910,068	-	-	-	2,910,068
Net capital assets	12,376,277	15,636,009	-	-	-	28,012,286
Total noncurrent assets	12,376,277	15,636,009	20,603,101	-	-	48,615,387
TOTAL ASSETS	12,801,216	35,411,922	27,837,315	148,611	-	76,199,064
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to net pension liability	-	255,314	19,156	15,288	-	289,758
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 12,801,216	\$ 35,667,236	\$ 27,856,471	\$ 163,899	\$ -	\$ 76,488,822
LIABILITIES, DEFERRED INFLOWS AND FUND NET POSITION						
Current Liabilities						
Accounts payable	\$ 58	\$ 456,752	\$ 56,089	\$ 8,123	\$ -	\$ 521,022
Accrued salaries and benefits	-	85,761	6,738	19,791	-	112,290
Compensated absences	-	14,250	4,079	-	-	18,329
Retainage payable	-	164,102	-	-	-	164,102
Total current liabilities	58	720,865	66,906	27,914	-	815,743
Noncurrent Liabilities						
Net pension liability	-	2,674,342	202,356	160,140	-	3,036,838
Compensated absences	-	57,001	16,314	-	-	73,315
Total noncurrent liabilities	-	2,731,343	218,670	160,140	-	3,110,153
Total liabilities	58	3,452,208	285,576	188,054	-	3,925,896
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to net pension liability	-	256,253	19,227	15,344	-	290,824
Fund Net Position						
Net investment in capital assets	12,376,277	15,636,009	-	-	-	28,012,286
Unrestricted	424,881	16,322,766	27,551,668	(39,499)	-	44,259,816
Total fund net position	12,801,158	31,958,775	27,551,668	(39,499)	-	72,272,102
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND NET POSITION	\$ 12,801,216	\$ 35,667,236	\$ 27,856,471	\$ 163,899	\$ -	\$ 76,488,822

CITY OF COLUMBIA, SOUTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR PROPRIETARY FUNDS

Year Ended June 30, 2015

	Hydro Electric Facilities Fund	Stormwater Facilities Fund	Redevelopment Programs Fund	Parks and Recreation Camp Fund	Economic Development Fund	Total Nonmajor Proprietary Funds
Operating revenues						
Charges for service	\$ 2,537,971	\$ 7,222,413	\$ 542,030	\$ 300,931	\$ -	\$ 10,603,345
Other operating revenue	-	300,000	450,020	-	-	750,020
Total operating revenues	2,537,971	7,522,413	992,050	300,931	-	11,353,365
Operating expenses						
Personnel services	-	2,573,024	183,186	224,767	-	2,980,977
Materials and supplies	-	223,099	1,636	48,916	-	273,651
Other services and charges	2,099,077	1,044,520	494,270	32,536	-	3,670,403
Depreciation	323,466	790,049	-	-	-	1,113,515
Bad debt expense	-	-	468,660	-	-	468,660
Total operating expenses	2,422,543	4,630,692	1,147,752	306,219	-	8,507,206
Operating income (loss)	115,428	2,891,721	(155,702)	(5,288)	-	2,846,159
Nonoperating revenues (expenses)						
Investment income (loss)	-	90,231	-	-	-	90,231
Other nonoperating revenue	500,000	-	-	-	-	500,000
Gain from sale of assets	-	11,205	88,871	-	-	100,076
Total nonoperating revenues (expenses)	500,000	101,436	88,871	-	-	690,307
Income (loss) before transfers	615,428	2,993,157	(66,831)	(5,288)	-	3,536,466
Transfers						
Transfers in	-	500,000	598,236	-	-	1,098,236
Transfers out	(500,000)	(84,076)	(240,604)	(10,750)	-	(835,430)
Total transfers	(500,000)	415,924	357,632	(10,750)	-	262,806
Change in net position	115,428	3,409,081	290,801	(16,038)	-	3,799,272
Net position - beginning as previously reported	12,685,730	31,202,273	27,459,892	135,376	-	71,483,271
Restatement (Note VII. C.)	-	(2,652,579)	(199,025)	(158,837)	-	(3,010,441)
Net position - beginning as restated	12,685,730	28,549,694	27,260,867	(23,461)	-	68,472,830
Net position - ending	\$ 12,801,158	\$ 31,958,775	\$ 27,551,668	\$ (39,499)	\$ -	\$ 72,272,102

**CITY OF COLUMBIA, SOUTH CAROLINA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS**

Year Ended June 30, 2015

	Hydro Electric Facilities Fund	Stormwater Facilities Fund	Redevelopment Programs Fund	Parks and Recreation Camp Fund	Economic Development Fund	Total Nonmajor Proprietary Funds
Cash Flows From Operating Activities						
Receipts from customers and users	\$ 2,795,015	\$ 7,520,620	\$ 992,050	\$ 300,931	\$ -	\$ 11,608,616
Internal activity - payments to other funds	-	(790,826)	-	(13,663)	-	(804,489)
Payments to suppliers	(2,099,433)	(1,013,654)	(602,427)	(77,542)	-	(3,793,056)
Payments to employees	-	(2,084,675)	(177,373)	(210,050)	-	(2,472,098)
Net cash provided by (used in) operating activities	<u>695,582</u>	<u>3,631,465</u>	<u>212,250</u>	<u>(324)</u>	<u>-</u>	<u>4,538,973</u>
Cash Flows From Noncapital Financing Activities						
Advances from other funds	-	-	1,665	-	-	1,665
Advances to other funds	-	-	-	-	(7,000,000)	(7,000,000)
Transfers in	-	500,000	598,236	-	-	1,098,236
Transfers out	(500,000)	(84,076)	(240,604)	(10,750)	-	(835,430)
Net cash provided by (used in) noncapital financing activities	<u>(500,000)</u>	<u>415,924</u>	<u>359,297</u>	<u>(10,750)</u>	<u>(7,000,000)</u>	<u>(6,735,529)</u>
Cash Flows From Capital And Related Financing Activities						
Purchase of capital assets	-	(4,204,077)	-	-	-	(4,204,077)
Proceeds from sale of capital assets	-	11,205	88,871	-	-	100,076
Net cash provided by (used in) capital and related financing activities	<u>-</u>	<u>(4,192,872)</u>	<u>88,871</u>	<u>-</u>	<u>-</u>	<u>(4,104,001)</u>
Cash Flows From Investing Activities						
Sale of investments	-	333,795	-	-	-	333,795
Advances of mortgage notes receivable	-	-	(3,056,979)	-	(96,915)	(3,153,894)
Collections of mortgage notes receivable	-	-	2,567,568	-	5,909,222	8,476,790
Interest received	-	89,812	-	-	-	89,812
Net cash provided by (used in) investing activities	<u>-</u>	<u>423,607</u>	<u>(489,411)</u>	<u>-</u>	<u>5,812,307</u>	<u>5,746,503</u>
Net increase (decrease) in cash and cash equivalents	195,582	278,124	171,007	(11,074)	(1,187,693)	(554,054)
Cash and cash equivalents, July 1, 2014	109,827	13,793,424	6,187,758	159,685	1,187,693	21,438,387
Cash and cash equivalents, June 30, 2015	<u>\$ 305,409</u>	<u>\$ 14,071,548</u>	<u>\$ 6,358,765</u>	<u>\$ 148,611</u>	<u>\$ -</u>	<u>\$ 20,884,333</u>

(Continued)

**CITY OF COLUMBIA, SOUTH CAROLINA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS (CONTINUED)**

Year Ended June 30, 2015

	Hydro Electric Facilities Fund	Stormwater Facilities Fund	Redevelopment Programs Fund	Parks and Recreation Camp Fund	Economic Development Fund	Total Nonmajor Proprietary Funds
Reconciliation Of Operating Income (Loss) To Net Cash Provided By (Used In) Operating Activities						
Operating income (loss)	<u>\$ 115,428</u>	<u>\$ 2,891,721</u>	<u>\$ (155,702)</u>	<u>\$ (5,288)</u>	<u>\$ -</u>	<u>\$ 2,846,159</u>
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:						
Depreciation	323,466	790,049	-	-	-	1,113,515
Accrued benefits related to net pension liability	-	34,745	3,452	1,359	-	39,556
Bad debt expense	-	-	468,660	-	-	468,660
Change in operating assets and liabilities						
Accounts receivable	257,044	(1,793)	-	-	-	255,251
Prepaid expenses	-	510	-	-	-	510
Accounts payable	(356)	(76,433)	(106,521)	3,910	-	(179,400)
Accrued salaries	-	(3,914)	554	(305)	-	(3,665)
Accrued compensated absences	-	(3,420)	1,807	-	-	(1,613)
Total adjustments	<u>580,154</u>	<u>739,744</u>	<u>367,952</u>	<u>4,964</u>	<u>-</u>	<u>1,692,814</u>
Net cash provided by (used in) operating activities	<u><u>\$ 695,582</u></u>	<u><u>\$ 3,631,465</u></u>	<u><u>\$ 212,250</u></u>	<u><u>\$ (324)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,538,973</u></u>

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies in the City, or to other governments, on a user charge basis. These funds include:

Fleet Management accounts for the maintenance and repair of vehicles.

Support Services accounts for a decentralized governmental and enterprise inventory system, a central supply facility, procurement functions, and the City's general maintenance functions.

Risk Management accounts for the costs associated with self-funded liability plans for employee health, worker's compensation, and tort liability for all City departments.

**CITY OF COLUMBIA, SOUTH CAROLINA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS**

June 30, 2015

	Fleet Management	Support Services	Risk Management	Totals Internal Service Funds
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 1,866,344	\$ 69,555	\$ 63,236,789	\$ 65,172,688
Accounts receivable	60,700	-	279,602	340,302
Prepaid expenses	5,944	180,487	-	186,431
Inventory	-	686,763	-	686,763
Total current assets	<u>1,932,988</u>	<u>936,805</u>	<u>63,516,391</u>	<u>66,386,184</u>
Noncurrent Assets				
Deposits	-	-	78,745	78,745
Capital assets				
Buildings	903,586	-	-	903,586
Machinery and equipment	507,658	1,315,361	-	1,823,019
Less accumulated depreciation	(984,842)	(529,259)	-	(1,514,101)
Total capital assets (net of accumulated depreciation)	<u>426,402</u>	<u>786,102</u>	<u>-</u>	<u>1,212,504</u>
Total noncurrent assets	<u>426,402</u>	<u>786,102</u>	<u>78,745</u>	<u>1,291,249</u>
TOTAL ASSETS	<u>2,359,390</u>	<u>1,722,907</u>	<u>63,595,136</u>	<u>67,677,433</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to net pension liability	<u>255,314</u>	<u>122,306</u>	<u>21,404</u>	<u>399,024</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>255,314</u>	<u>122,306</u>	<u>21,404</u>	<u>399,024</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 2,614,704</u>	<u>\$ 1,845,213</u>	<u>\$ 63,616,540</u>	<u>\$ 68,076,457</u>
LIABILITIES, DEFERRED INFLOWS AND FUND NET POSITION				
Current Liabilities				
Accounts payable	\$ 2,129,932	\$ 433,790	\$ 320,292	\$ 2,884,014
Accrued salaries and benefits	84,750	30,214	14,724	129,688
Accrued compensation absences	28,942	11,311	8,240	48,493
Due to other funds	-	1,202,351	-	1,202,351
Accrued liability for claims	-	-	16,225,389	16,225,389
Total current liabilities	<u>2,243,624</u>	<u>1,677,666</u>	<u>16,568,645</u>	<u>20,489,935</u>
Noncurrent Liabilities				
OPEB liability	-	-	52,098,105	52,098,105
Net pension liability	2,674,342	1,281,122	224,196	4,179,660
Accrued compensated absences	115,765	45,243	32,958	193,966
Total noncurrent liabilities	<u>2,790,107</u>	<u>1,326,365</u>	<u>52,355,259</u>	<u>56,471,731</u>
Total liabilities	<u>5,033,731</u>	<u>3,004,031</u>	<u>68,923,904</u>	<u>76,961,666</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to net pension liability	<u>256,253</u>	<u>122,756</u>	<u>21,482</u>	<u>400,491</u>
FUND NET POSITION				
Net investment in capital assets	426,402	786,102	-	1,212,504
Unrestricted	(3,101,682)	(2,067,676)	(5,328,846)	(10,498,204)
Total net position (deficit)	<u>(2,675,280)</u>	<u>(1,281,574)</u>	<u>(5,328,846)</u>	<u>(9,285,700)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND NET POSITION	<u>\$ 2,614,704</u>	<u>\$ 1,845,213</u>	<u>\$ 63,616,540</u>	<u>\$ 68,076,457</u>

**CITY OF COLUMBIA, SOUTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS**

Year Ended June 30, 2015

	Fleet Management	Support Services	Risk Management	Total Internal Service Funds
Operating revenues				
Charges for service	\$ 10,100,293	\$ 1,783,996	\$ 34,000,850	\$ 45,885,139
Total operating revenue	<u>10,100,293</u>	<u>1,783,996</u>	<u>34,000,850</u>	<u>45,885,139</u>
Operating expenses				
Personnel services	2,477,740	936,180	395,275	3,809,195
Materials and supplies	7,812,655	774,378	122,784	8,709,817
Heat, light and power	51,462	-	-	51,462
Other services and charges	173,657	1,520,369	3,622,072	5,316,098
Claims and premiums	-	-	36,076,912	36,076,912
Depreciation	94,500	160,101	-	254,601
Total operating expenses	<u>10,610,014</u>	<u>3,391,028</u>	<u>40,217,043</u>	<u>54,218,085</u>
Operating income (loss)	<u>(509,721)</u>	<u>(1,607,032)</u>	<u>(6,216,193)</u>	<u>(8,332,946)</u>
Nonoperating revenues				
Gain from sale of assets	7,490	-	-	7,490
Total nonoperating revenues	<u>7,490</u>	<u>-</u>	<u>-</u>	<u>7,490</u>
Loss before transfers	<u>(502,231)</u>	<u>(1,607,032)</u>	<u>(6,216,193)</u>	<u>(8,325,456)</u>
Transfers				
Transfers in	479,531	1,645,695	6,989,528	9,114,754
Transfers out	-	(49,540)	(775,239)	(824,779)
Total transfers	<u>479,531</u>	<u>1,596,155</u>	<u>6,214,289</u>	<u>8,289,975</u>
Change in net position	<u>(22,700)</u>	<u>(10,877)</u>	<u>(1,904)</u>	<u>(35,481)</u>
Net position - beginning as previously reported	-	-	(5,104,570)	(5,104,570)
Restatement (Note VII. C.)	(2,652,580)	(1,270,697)	(222,372)	(4,145,649)
Net position - beginning as restated	<u>(2,652,580)</u>	<u>(1,270,697)</u>	<u>(5,326,942)</u>	<u>(9,250,219)</u>
Net position (deficit) - ending	<u><u>\$ (2,675,280)</u></u>	<u><u>\$ (1,281,574)</u></u>	<u><u>\$ (5,328,846)</u></u>	<u><u>\$ (9,285,700)</u></u>

**CITY OF COLUMBIA, SOUTH CAROLINA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS**

Year Ended June 30, 2015

	Fleet Management	Support Services	Risk Management	Total Internal Service Funds
Cash Flows From Operating Activities				
Internal activity - receipts from other funds	\$ 8,235,208	\$ 1,783,996	\$ 33,979,917	\$ 43,999,121
Receipts from customers and users	1,855,629	-	-	1,855,629
Internal activity - payments to other funds	(517,109)	(69,403)	(24,905)	(611,417)
Payments to suppliers	(6,963,817)	(2,924,523)	(580,467)	(10,468,807)
Claims paid	-	-	(35,258,588)	(35,258,588)
Payments to employees	(1,890,541)	(148,751)	(359,881)	(2,399,173)
Net cash provided by (used in) operating activities	719,370	(1,358,681)	(2,243,924)	(2,883,235)
Cash Flows From Noncapital Financing Activities				
Advances from other funds	-	-	7,000,000	7,000,000
Advances to other funds	-	(177,087)	-	(177,087)
Transfers in	479,531	1,645,695	6,989,528	9,114,754
Transfers out	-	(49,540)	(775,239)	(824,779)
Net cash provided by (used in) noncapital financing activities	479,531	1,419,068	13,214,289	15,112,888
Cash Flows From Capital and Related Financing Activities				
Proceeds from sale of capital assets	7,490	-	-	7,490
Purchase of capital assets	-	(14,614)	-	(14,614)
Net cash provided by (used in) capital and related financing activities	7,490	(14,614)	-	(7,124)
Net increase (decrease) in cash and cash equivalents	1,206,391	45,773	10,970,365	12,222,529
Cash and cash equivalents, July 1, 2014	659,953	23,782	52,266,424	52,950,159
Cash and cash equivalents, June 30, 2015	\$ 1,866,344	\$ 69,555	\$ 63,236,789	\$ 65,172,688
Reconciliation Of Operating Loss To Net Cash Provided By (Used In) Operating Activities				
Operating income (loss)	\$ (509,721)	\$ (1,607,032)	\$ (6,216,193)	\$ (8,332,946)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:				
Depreciation	94,500	160,101	-	254,601
Accrued benefits related to net pension liability	22,701	10,875	1,902	35,478
Change in operating assets and liabilities				
Accounts receivable	(9,456)	-	(20,933)	(30,389)
Inventory	-	(13,736)	-	(13,736)
Prepaid expenses	(4,347)	(74,783)	-	(79,130)
Accounts payable	1,078,304	170,156	(321,012)	927,448
Accrued salaries	3,543	(2,285)	1,252	2,510
Accrued compensated absences	43,846	(1,977)	7,335	49,204
OPEB liability	-	-	3,485,401	3,485,401
Accrued liability for claims	-	-	818,324	818,324
Total adjustments	1,229,091	248,351	3,972,269	5,449,711
Net cash provided by (used in) operating activities	\$ 719,370	\$ (1,358,681)	\$ (2,243,924)	\$ (2,883,235)

FIDUCIARY FUNDS

Private-Purpose Trust Funds are used to report trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

Breast Cancer Awareness fund – accounts for contributions made and revenue raised on behalf of breast cancer awareness in the Midlands region.

Police Canteen fund – to account for revenue raised to support police activities.

Inspections Education Program fund – accounts for contributions made and revenue raised to promote the United Way of the Midlands.

Employee Special Activity fund –accounts for contributions made and revenue raised to support educational activities and benevolent events.

Mayor's Commission Employ People with Disabilities fund – accounts for contributions made to help individuals with disabilities find jobs.

Agency Funds are used to account for short-term custodial collections on resources on behalf of another individual, entity, or government.

Agency fund - to account for contributions collected by the City on behalf of other entities.

**CITY OF COLUMBIA, SOUTH CAROLINA
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 PRIVATE PURPOSE TRUST FUNDS**

June 30, 2015

	Private-Purpose Trust Funds					
	Breast Cancer Awareness	Police Canteen	Inspections Education Program	Employee Special Activity	Mayor's Commission Employ People with Disabilities	Total Private- Purpose Trust Funds
ASSETS						
Cash and cash equivalents	\$ 1,580	\$ 1,005	\$ -	\$ 10,800	\$ 2,714	\$ 16,099
Total assets	1,580	1,005	-	10,800	2,714	16,099
NET POSITION						
Held in trust - other purposes	\$ 1,580	\$ 1,005	\$ -	\$ 10,800	\$ 2,714	\$ 16,099

**CITY OF COLUMBIA, SOUTH CAROLINA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS**

Year Ended June 30, 2015

	Private-Purpose Trust Funds					
	Breast Cancer Awareness	Police Canteen	Inspections Education Program	Employee Special Activity	Mayor's Commission Employ People with Disabilities	Total Private- Purpose Trust Funds
ADDITIONS						
Contributions:						
Private donations	\$ 17,114	\$ -	\$ -	\$ 13,785	\$ -	\$ 30,899
Total contributions	<u>17,114</u>	<u>-</u>	<u>-</u>	<u>13,785</u>	<u>-</u>	<u>30,899</u>
DEDUCTIONS						
Administrative expenses	17,056	40	100	9,777	260	27,233
Total deductions	<u>17,056</u>	<u>40</u>	<u>100</u>	<u>9,777</u>	<u>260</u>	<u>27,233</u>
Change in net position	58	(40)	(100)	4,008	(260)	3,666
Net position - beginning	<u>1,522</u>	<u>1,045</u>	<u>100</u>	<u>6,792</u>	<u>2,974</u>	<u>12,433</u>
Net position - ending	<u>\$ 1,580</u>	<u>\$ 1,005</u>	<u>\$ -</u>	<u>\$ 10,800</u>	<u>\$ 2,714</u>	<u>\$ 16,099</u>

**CITY OF COLUMBIA, SOUTH CAROLINA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND**

Year Ended June 30, 2015

	<u>Balance July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2015</u>
ASSETS				
Cash and cash equivalents	\$ 33,484	\$ 136,733	\$ 136,489	\$ 33,728
Total assets	<u>33,484</u>	<u>136,733</u>	<u>136,489</u>	<u>33,728</u>
 LIABILITIES				
Accounts payable	33,484	136,733	136,489	33,728
Total liabilities	<u>\$ 33,484</u>	<u>\$ 136,733</u>	<u>\$ 136,489</u>	<u>\$ 33,728</u>

OTHER SCHEDULE

**CITY OF COLUMBIA, SOUTH CAROLINA
SCHEDULE OF FINES, ASSESSMENTS, AND SURCHARGES
YEAR ENDED JUNE 30, 2015**

Court Fines and Assessments	
Fines Collected	\$ 1,020,052
Assessments	1,125,034
Surcharges	<u>459,494</u>
Total Court Fines and Assessments Collected	<u><u>\$ 2,604,580</u></u>
Surcharges and Assessments Remitted to State Treasurer	
Fines, Fees and Filing Fee / Assessment	
Municipal Conditional Discharge Fee	\$ 18,300
DUI/DUS/BUI	
Municipal DUS DPS Pullout	30,976
Municipal DUI Assessment	1,207
Municipal DUI Surcharge	10,156
DUS DPS Pullout - DUIHP	10,056
DUI/DUAC Breathalyzer Test Conviction Fee - SLED	2,539
Surcharges	
Municipal Drug Surcharge	22,756
Municipal Law Enforcement Surcharge	322,495
Criminal Justice Academy Surcharge	64,494
Other Assessments - State Shared	<u>953,415</u>
Total Revenue Remitted to State Treasurer	<u><u>\$ 1,436,394</u></u>
Fines, Surcharges, and Assessments Retained by City	
Fines	\$ 1,020,052
Assessments	119,804
Surcharges	<u>28,330</u>
Total Revenue Retained by City	<u><u>\$ 1,168,186</u></u>
Funds Allocated to Victims Assistance	
Carryover Funds from Prior Year	\$ 30,187
Assessments Retained	119,804
Surcharges Retained	28,330
Expenditures	(178,660)
Transfers from General Fund	<u>82</u>
Total Due From General Fund	<u><u>\$ (257)</u></u>

STATISTICAL SECTION
(UNAUDITED)

**City of Columbia, South Carolina
Statistical Section**

This part of the City of Columbia's comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents

Financial Trends (Schedule 1 through 4)

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity (Schedule 5 through 8)

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Debt Capacity (Schedule 9 through 15)

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information (Schedule 16 through 18)

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information (Schedule 19 through 20)

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Sources

Unless otherwise noted the information in these schedules is derived from the comprehensive annual reports for the relevant year.

Schedule 1
CITY OF COLUMBIA, SOUTH CAROLINA
Net Position by Component (unaudited)

Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities										
Net investment in capital assets ¹	\$ 97,571,357	\$ 170,666,468	\$ 133,392,515	\$ 150,922,216	\$ 141,865,590	\$ 142,944,260	\$ 155,989,971	\$ 155,118,428	\$ 156,454,488	\$ 162,102,481
Restricted for:										
Public safety	6,982	7,270	5,435	5,528	5,575	701,466	386,158	2,294,259	4,233,960	231,622
Community development	-	-	-	-	-	-	-	209,030	107,259	1,051,042
Tourism	-	-	-	-	-	5,323,341	5,187,200	5,149,465	3,155,058	6,127,487
Debt service	-	-	-	-	-	4,940,501	3,480,333	3,512,035	3,339,548	3,978,932
Capital projects	-	-	-	-	-	16,940,012	17,701,662	15,264,573	19,833,612	42,264,148
Unrestricted ²	74,054,519	23,619,914	45,278,383	36,636,210	44,723,202	20,963,118	18,967,653	25,840,430	26,906,641	(109,340,207)
Total governmental activities net position	\$ 171,632,858	\$ 194,293,652	\$ 178,676,333	\$ 187,563,954	\$ 186,594,367	\$ 191,812,698	\$ 201,712,977	\$ 207,388,220	\$ 214,030,566	\$ 106,415,505
Business-type activities										
Net investment in capital assets ¹	\$ 412,723,624	\$ 441,526,920	\$ 402,973,904	\$ 445,685,893	\$ 438,133,821	\$ 414,942,578	\$ 389,423,595	\$ 373,649,773	\$ 375,763,776	\$ 368,742,602
Restricted for debt service	-	-	-	-	9,231,571	9,231,571	9,292,810	9,315,421	9,330,640	9,352,281
Unrestricted	92,520,653	84,719,370	156,426,859	144,213,396	145,389,137	168,441,129	195,789,983	237,703,681	252,831,152	224,972,741
Total business-type activities net position	\$ 505,244,277	\$ 526,246,290	\$ 559,400,763	\$ 589,899,289	\$ 592,754,529	\$ 592,615,278	\$ 594,506,388	\$ 620,668,875	\$ 637,925,568	\$ 603,067,624
Primary government										
Net investment in capital assets ¹	\$ 510,294,981	\$ 612,193,388	\$ 536,366,419	\$ 596,608,109	\$ 579,999,411	\$ 557,886,838	\$ 545,413,566	\$ 528,768,201	\$ 532,218,264	\$ 530,845,083
Restricted for:										
Public safety	6,982	7,270	5,435	5,528	5,575	701,466	386,158	2,294,259	4,233,960	231,622
Community development	-	-	-	-	-	-	-	209,030	107,259	1,051,042
Tourism related expenditures	-	-	-	-	-	5,323,341	5,187,200	5,149,465	3,155,058	6,127,487
Debt service	-	-	-	-	9,231,571	14,172,072	12,773,143	12,827,456	12,670,188	13,331,213
Capital projects	-	-	-	-	-	16,940,012	17,701,662	15,264,573	19,833,612	42,264,148
Unrestricted ²	166,575,172	108,339,284	201,705,242	180,849,606	190,112,339	189,404,247	214,757,636	263,544,111	279,737,793	115,632,534
Total primary government net position	\$ 676,877,135	\$ 720,539,942	\$ 738,077,096	\$ 777,463,243	\$ 779,348,896	\$ 784,427,976	\$ 796,219,365	\$ 828,057,095	\$ 851,956,134	\$ 709,483,129

¹ Net of related debt

² Years 2006 through 2013 have been restated to reflect the adoption of GASB Statement 65

Schedule 2
CITY OF COLUMBIA, SOUTH CAROLINA
Changes in Net Position (unaudited)

Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental Activities:										
General government	\$ 51,296,220	\$ 35,358,581	\$ 37,178,955	\$ 41,427,388	\$ 53,883,052	\$ 35,131,885	\$ 10,877,738	\$ 17,577,215	\$ 8,049,816	\$ 8,050,355
Judicial	2,044,037	2,167,922	2,131,608	2,364,353	2,360,125	2,697,932	2,447,105	2,601,919	2,615,194	2,749,136
Finance	1,360,869	1,982,964	2,474,302	2,647,689	1,986,467	2,235,981	2,348,922	2,051,555	1,726,481	1,886,778
Community development	3,396,497	3,904,174	4,012,966	4,192,966	4,017,482	4,365,542	4,760,642	5,855,023	5,787,850	5,791,062
Public safety	41,619,178	50,306,710	55,514,924	57,138,835	50,615,722	58,762,428	75,783,788	73,682,870	84,053,096	87,251,472
Parks and recreation	7,853,425	11,053,830	11,544,030	11,142,423	8,681,126	11,445,882	9,912,910	11,329,817	12,290,401	13,081,872
Public services	22,868,279	24,014,241	20,835,435	20,798,283	17,884,065	21,229,705	24,168,009	23,483,659	21,960,858	24,282,518
General services	5,791,988	3,382,092	4,018,322	3,919,228	3,598,839	3,924,144	4,193,394	4,540,814	4,933,285	5,269,511
Community promotions	7,946,764	9,926,673	9,744,750	8,321,723	8,990,842	7,843,093	11,899,487	11,915,733	12,872,657	10,660,364
Interest and other charges	2,275,464	4,081,910	4,459,396	3,824,725	3,413,317	3,763,963	2,366,916	3,027,411	2,955,994	4,491,254
Non departmental	1,147,254	3,433,419	11,904,001	1,694,525	1,936,148	2,644,113	2,401,408	2,455,260	2,515,184	2,141,310
Total governmental activities expense	147,599,975	149,612,516	163,818,689	157,472,138	157,367,185	154,044,668	151,160,319	158,521,276	159,760,816	165,655,632
Business-type Activities:										
Water and sewer facilities	80,189,801	83,849,936	85,963,177	85,747,245	103,530,941	107,934,251	106,594,059	107,410,948	100,389,819	113,273,814
Hydro-electric plant	1,010,483	1,020,132	3,037,803	5,989,066	3,310,407	1,615,222	1,547,093	1,544,804	3,012,376	2,422,544
Stormwater	1,683,476	3,388,264	3,383,853	3,148,296	4,117,396	5,169,916	4,595,847	4,692,223	5,668,819	4,814,419
Parking facilities	6,149,446	5,139,583	5,213,105	5,740,304	6,959,024	7,234,418	6,336,721	6,330,524	6,162,449	7,678,876
Transportation	31,363	30,320	433,773	-	-	-	-	-	-	-
Redevelopment programs	901,209	774,935	3,611,769	960,872	4,704,419	606,265	1,966,452	734,283	848,141	835,812
Parks and recreation camps	-	-	-	-	248,705	268,639	305,939	271,271	324,209	306,219
Total business-type expenses	89,965,778	94,197,170	101,643,480	101,585,783	122,870,892	122,828,711	121,346,111	120,984,053	116,405,813	129,331,684
Total primary government expenses	\$ 237,565,753	\$ 243,809,686	\$ 265,462,169	\$ 259,057,921	\$ 280,238,077	\$ 276,873,379	\$ 272,506,430	\$ 279,505,329	\$ 276,166,629	\$ 294,987,316
Program revenues										
Governmental Activities										
Charges for services										
General government	\$ 10,872,952	\$ 8,853,475	\$ 10,150,599	\$ 7,900,830	\$ 6,461,975	\$ 9,042,002	\$ 771,459	\$ 940,028	\$ 758,177	\$ 726,487
Finance	24,697,055	29,319,287	28,351,828	28,850,804	26,306,361	27,706,315	28,328,937	30,505,679	31,467,056	37,837,666
Community development	2,079,932	2,138,058	1,623,669	1,478,580	1,112,332	1,052,569	721,425	793,431	832,159	799,663
Public safety	10,345,365	12,874,328	12,384,856	12,926,072	13,953,062	14,123,994	16,154,103	21,387,115	22,040,936	22,811,461
Parks and recreation	457,103	608,728	718,288	656,535	629,982	644,895	583,471	728,247	818,304	822,319
Public services	1,123,926	297,809	1,038,433	1,060,884	860,914	762,632	350,100	247,570	344,718	258,211
Non departmental	2,367,405	2,492,238	3,091,810	440,682	154,783	170,256	-	-	-	-
Operating grants and contributions	30,208,259	30,413,604	27,663,920	29,022,624	34,616,143	35,000,087	33,702,068	33,701,772	34,448,202	34,980,295
Capital grants and contributions	2,165,766	8,291,673	5,649,457	11,318,774	5,851,833	3,618,198	4,112,450	1,295,665	766,837	3,069,436
Total Governmental Activities Program Revenue	84,317,763	95,289,200	90,672,860	93,655,785	89,947,385	92,120,948	84,724,013	89,599,507	91,476,389	101,305,538
Business-type Activities										
Charges for services										
Water and sewer facilities	88,919,453	98,386,267	112,790,238	106,434,644	109,044,457	107,976,683	112,750,717	121,723,711	116,644,423	119,716,789
Hydro-electric plant	662,924	493,290	784,235	4,094,441	1,346,041	851,431	2,622,234	2,731,475	4,843,922	3,037,971
Stormwater	3,921,119	3,983,590	3,980,323	4,725,468	4,800,452	4,778,442	4,861,153	6,685,838	6,958,281	7,521,149
Parking facilities	6,165,672	6,135,182	6,916,956	6,265,683	5,765,996	6,441,140	6,520,866	6,864,323	6,495,064	7,145,520
Transportation	-	-	-	-	-	-	-	-	-	-
Redevelopment programs	3,603,824	495,150	934,614	918,809	881,876	646,954	599,950	921,759	564,456	680,111
Parks and recreation camps	-	-	-	-	207,707	226,238	262,582	275,182	253,150	300,931
Capital grants and contributions	13,738,679	12,161,089	12,847,905	8,358,175	5,154,530	4,038,585	4,066,060	5,831,240	5,431,910	3,872,664
Total Business-type Activities Revenues	117,011,671	121,654,568	138,254,271	130,797,220	127,201,059	124,959,471	131,683,562	145,011,496	141,213,238	142,275,135
Total Primary Government Revenues	\$ 201,329,434	\$ 216,943,768	\$ 228,927,131	\$ 224,453,005	\$ 217,148,444	\$ 217,080,421	\$ 216,407,575	\$ 234,611,003	\$ 232,689,627	\$ 243,580,673
Net (expense) revenue										
Governmental activities	\$ (63,282,212)	\$ (54,323,316)	\$ (73,145,829)	\$ (63,816,353)	\$ (67,419,800)	\$ (61,923,720)	\$ (66,436,306)	\$ (68,921,769)	\$ (68,284,427)	\$ (64,350,094)
Business-type activities	27,045,893	27,457,398	36,610,791	29,211,437	4,330,167	2,130,762	10,337,451	24,027,443	24,807,425	12,943,451
Total Primary Government Net Expense	\$ (36,236,319)	\$ (26,865,918)	\$ (36,535,038)	\$ (34,604,916)	\$ (63,089,633)	\$ (59,792,958)	\$ (56,098,855)	\$ (44,894,326)	\$ (43,477,002)	\$ (51,406,643)

(Continued)

Schedule 2 (Continued)
CITY OF COLUMBIA, SOUTH CAROLINA
Changes in Net Position (unaudited)

Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property taxes levied for general purposes	\$ 27,134,829	\$ 32,028,856	\$ 30,888,940	\$ 35,042,668	\$ 34,096,781	\$ 35,775,181	\$ 35,831,679	\$ 34,462,835	\$ 34,353,070	\$ 34,178,067
Local Option Sales Tax	14,241,132	14,988,418	14,988,418	13,616,717	15,722,327	13,947,099	14,874,049	15,781,749	16,465,463	16,385,254
Sales tax	-	-	8,061,364	8,070,790	7,941,705	8,359,028	14,216,318	11,498,370	12,072,024	12,626,419
Alcoholic beverages	3,204,139	3,435,403	254,562	323,644	261,200	-	-	-	-	-
Motor fuel	9,241	7,715	1,275	1,059	11,024	4,976	3,436	3,566	1,381	3,348
Miscellaneous	10,383	-	-	-	-	-	-	-	-	-
State shared revenue	-	-	3,796,780	3,622,407	3,037,888	2,604,423	2,363,791	2,788,097	2,805,133	2,829,726
Investment income	2,478,194	4,670,483	3,481,543	1,282,669	417,459	1,068,106	537,702	26,022	89,001	163,175
Other	(2,950,480)	(7,426,558)	(1,159,745)	1,891,037	-	-	156,323	188,511	109,361	254,447
Transfers	5,832,436	8,736,903	2,788,348	8,580,988	4,838,083	6,126,263	7,826,063	9,739,875	9,031,340	8,889,857
Total Governmental Activities	<u>49,959,874</u>	<u>56,441,220</u>	<u>63,101,485</u>	<u>72,431,979</u>	<u>66,326,467</u>	<u>67,885,076</u>	<u>75,809,361</u>	<u>74,489,025</u>	<u>74,926,773</u>	<u>75,330,293</u>
Business-type Activities										
Investment income	5,536,084	6,715,293	8,194,017	5,589,423	5,146,089	3,389,883	2,899,062	231,513	1,158,475	1,226,558
Gain (loss) on sale of capital assets	22,080	(116,006)	(228,140)	3,843,432	17,476	143,088	(2,609,759)	10,922,099	322,133	103,766
Transfers	(5,832,436)	(8,736,903)	(2,788,348)	(8,580,988)	(4,838,083)	(6,126,263)	(7,826,063)	(9,739,875)	(9,031,340)	(8,889,857)
Total Business-type Activities	<u>(274,272)</u>	<u>(2,137,616)</u>	<u>5,177,529</u>	<u>851,867</u>	<u>325,482</u>	<u>(2,593,292)</u>	<u>(7,536,760)</u>	<u>1,413,737</u>	<u>(7,550,732)</u>	<u>(7,559,533)</u>
Total Primary Government	<u>\$ 49,685,602</u>	<u>\$ 54,303,604</u>	<u>\$ 68,279,014</u>	<u>\$ 73,283,846</u>	<u>\$ 66,651,949</u>	<u>\$ 65,291,784</u>	<u>\$ 68,272,601</u>	<u>\$ 75,902,762</u>	<u>\$ 67,376,041</u>	<u>\$ 67,770,760</u>
Change in Net Position										
Governmental activities	\$ (13,322,338)	\$ 2,117,904	\$ (10,044,344)	\$ 8,615,626	\$ (1,093,333)	\$ 5,961,356	\$ 9,373,055	\$ 5,567,256	\$ 6,642,346	\$ 10,980,199
Business-type activities	26,771,621	25,319,782	41,788,320	30,063,304	4,655,649	(462,530)	2,800,691	25,441,180	17,256,693	5,383,918
Total Primary Government	<u>\$ 13,449,283</u>	<u>\$ 27,437,686</u>	<u>\$ 31,743,976</u>	<u>\$ 38,678,930</u>	<u>\$ 3,562,316</u>	<u>\$ 5,498,826</u>	<u>\$ 12,173,746</u>	<u>\$ 31,008,436</u>	<u>\$ 23,899,039</u>	<u>\$ 16,364,117</u>

Schedule 3
CITY OF COLUMBIA, SOUTH CAROLINA
Fund Balances - Governmental Funds (unaudited)

Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010 ***	2011	2012	2013	2014	2015
General Fund										
Reserved	\$ 1,126,443	\$ 2,037,950	\$ 2,083,436	\$ 1,523,270	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	22,394,019	21,687,149	10,463,453	5,300,625	-	-	-	-	-	-
Nonspendable	-	-	-	-	246,160	493,807	280,272	298,252	233,945	696,389
Restricted	-	-	-	-	-	-	-	-	-	4,880,662
Committed	-	-	-	-	-	2,126,479	-	-	72,975	4,810,356
Assigned	-	-	-	-	1,538,430	-	190,599	2,159,860	3,627,442	3,654,109
Unassigned	-	-	-	-	13,668,226	11,424,065	14,972,196	22,380,727	25,059,965	22,352,224
Total general fund	<u>\$ 23,520,462</u>	<u>\$ 23,725,099</u>	<u>\$ 12,546,889</u>	<u>\$ 6,823,895</u>	<u>\$ 15,452,816</u>	<u>\$ 14,044,351</u>	<u>\$ 15,443,067</u>	<u>\$ 24,838,839</u>	<u>\$ 28,994,327</u>	<u>\$ 36,393,740</u>
County Services Fund *										
Reserved	\$ -	\$ 445,261	\$ -	\$ 445,261	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	1,046,348	(1,039,064)	(862,306)	(445,261)	-	-	-	-	-	-
Nonspendable	-	-	-	-	35,374	4,378	14,536	71,775	56,905	64,376
Assigned	-	-	-	-	303,617	481,073	735,023	1,704,488	2,089,901	-
Unassigned	-	-	-	-	-	-	-	-	-	(1,016,105)
Total county services fund	<u>\$ 1,046,348</u>	<u>\$ (593,803)</u>	<u>\$ (862,306)</u>	<u>\$ -</u>	<u>\$ 338,991</u>	<u>\$ 485,451</u>	<u>\$ 749,559</u>	<u>\$ 1,776,263</u>	<u>\$ 2,146,806</u>	<u>\$ (951,729)</u>
Columbia Parking Facilities Corporation Fund **										
Unreserved	\$ -	\$ 4,784,113	\$ 176,310	\$ 1,068,371	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
All Other Governmental Funds										
Reserved	\$ 22,490,311	\$ 17,534,858	\$ 7,670,827	\$ 16,065,853	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	26,824,717	24,688,537	40,903,607	27,174,124	-	-	-	-	-	-
Nonspendable	-	-	-	-	6,943	19,080	16,433	5,000	5,000	5,000
Restricted	-	-	-	-	5,575	27,900,320	26,750,353	24,724,874	28,565,017	48,767,569
Committed	-	-	-	-	-	3,864,378	-	-	-	-
Assigned	-	-	-	-	39,198,661	16,417,601	17,744,836	12,603,593	12,668,482	16,570,606
Unassigned	-	-	-	-	(31,068)	(14,080)	(225,792)	(152,559)	-	-
Total all other governmental funds	<u>\$ 49,315,028</u>	<u>\$ 42,223,395</u>	<u>\$ 48,574,434</u>	<u>\$ 43,239,977</u>	<u>\$ 39,180,111</u>	<u>\$ 48,187,299</u>	<u>\$ 44,285,830</u>	<u>\$ 37,180,908</u>	<u>\$ 41,238,499</u>	<u>\$ 65,343,175</u>

* The County Services Fund is considered a major fund, however, prior to fiscal year 2006 it had no fund balance.

** The Columbia Parking Facilities Fund became a major fund in fiscal year 2007 and was considered not to be a major fund in fiscal year 2010 and thereafter and was therefore included with the General Fund.

*** Beginning in fiscal year 2010, GASB 54 was implemented and the Governmental Fund balances are presented accordingly.

Schedule 4
CITY OF COLUMBIA, SOUTH CAROLINA
Changes in Fund Balances - Governmental Funds (unaudited)

Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:										
General property taxes	\$ 41,546,505	\$ 46,684,713	\$ 45,540,299	\$ 48,292,387	\$ 48,930,564	\$ 49,728,075	\$ 50,496,237	\$ 50,644,107	\$ 50,884,644	\$ 50,563,321
Sales, hospitality and admission taxes	-	-	8,061,364	8,070,790	7,941,705	8,359,028	14,216,318	11,498,370	12,072,024	12,626,419
License and permits	27,911,017	31,162,106	29,961,967	29,591,085	27,418,693	28,758,883	28,329,064	30,505,429	31,466,856	37,837,446
Intergovernmental revenue	8,884,739	9,879,961	11,401,560	11,689,903	11,961,868	11,734,994	12,974,392	13,540,185	14,380,520	15,682,389
Charges for services	7,708,719	8,412,727	7,200,753	7,166,064	7,004,163	6,945,737	6,915,049	11,983,172	12,692,387	12,622,954
Fines and forfeitures	788,374	786,187	910,061	922,675	864,112	889,048	1,139,209	1,230,219	1,334,420	1,237,153
Federal revenues	7,364,346	6,296,982	8,143,042	15,391,313	16,205,021	12,019,998	7,905,552	5,452,069	3,942,851	3,434,392
State revenues	2,501,419	1,630,152	2,988,092	2,002,864	1,634,625	1,971,391	417,851	380,553	1,010,674	3,381,680
County revenues	20,548,995	27,546,699	18,674,699	20,093,357	21,084,511	21,626,422	25,013,335	26,530,590	27,742,117	25,652,150
Promotions	60,177	188,563	148,073	192,721	144,639	220,148	392,947	89,314	78,047	121,928
Confiscated funds	143,818	44,057	192,623	291,003	74,057	671,961	403,311	533,541	267,863	279,147
Cost recovery fees	3,200,000	3,200,000	2,735,000	2,270,000	2,270,000	-	-	-	-	-
Interest	1,869,260	3,512,130	3,451,240	1,282,669	417,458	1,068,106	539,145	26,386	89,104	163,266
Other revenues	6,999,423	4,991,201	5,158,653	4,789,277	3,355,276	8,279,105	2,970,687	1,688,232	1,415,305	1,738,208
Total revenues	129,526,792	144,335,478	144,567,426	152,046,108	149,306,692	152,272,896	151,713,097	154,102,167	157,376,812	165,340,453
Expenditures:										
Current:										
General government	46,732,884	30,136,559	30,673,629	32,129,878	32,931,032	33,091,576	6,222,202	6,644,937	7,109,837	7,184,601
Judicial	1,833,635	1,874,399	2,276,204	2,279,449	2,264,446	2,267,244	2,387,018	2,494,267	2,481,917	2,539,958
Finance	1,252,432	1,747,050	2,583,820	2,601,962	1,953,988	1,974,835	1,978,427	1,978,474	1,668,970	1,779,283
Planning and development	3,093,611	3,249,126	4,311,401	4,027,245	3,898,247	3,635,412	3,939,862	4,041,701	4,013,337	3,228,917
Public safety	37,555,878	42,204,031	56,694,907	54,665,050	48,782,688	52,391,812	73,865,581	73,409,740	76,120,091	78,340,960
Parks and recreation	6,857,319	8,959,135	11,172,199	9,889,048	9,133,653	9,135,419	9,349,169	9,486,586	10,075,127	10,525,782
Public services	21,433,541	20,907,423	21,341,887	19,926,127	17,257,530	19,094,868	20,637,713	20,561,911	17,476,210	16,958,389
General services	5,181,242	3,221,626	3,873,214	3,847,700	3,537,722	3,644,002	4,109,575	4,476,134	4,757,553	4,680,453
Community promotion	7,946,764	8,028,392	9,744,750	8,321,723	8,990,842	7,843,093	12,745,631	14,114,668	15,149,073	13,409,862
Nondepartmental	656,597	1,994,232	5,348,207	1,395,676	1,066,644	1,666,009	2,388,824	2,475,304	2,835,449	2,279,518
Other charges	483,367	1,567,941	6,464,433	8,357	729,482	825,212	-	11,079	-	-
Debt service:										
Principal payment on bonds	8,168,439	7,559,169	16,741,585	9,144,966	5,205,034	5,655,000	7,205,000	8,260,000	8,989,992	9,326,791
Interest payments on bonds	1,626,467	3,804,084	4,838,956	3,899,408	3,444,234	3,776,747	4,069,181	2,778,884	2,909,808	3,172,846
Fiscal agent charges	5,208	87,360	4,072	27,424	8,040	9,040	8,913	4,975	4,587	5,461
Debt issuance costs	-	-	-	-	-	276,774	2,122,842	550,421	243,479	904,310
Capital outlay:										
Capital outlay:	6,027,774	25,409,592	11,293,382	16,773,619	9,410,916	6,081,858	13,338,436	11,293,853	8,425,531	20,507,125
Total expenditures	148,855,158	160,750,119	187,362,646	168,937,632	148,614,498	151,368,901	164,368,374	162,582,934	162,260,961	174,844,256
Excess of revenues over (under) expenditures	(19,328,366)	(16,414,641)	(42,795,220)	(16,891,524)	692,194	903,995	(12,655,277)	(8,480,767)	(4,884,149)	(9,503,803)
Other financing sources (uses):										
Transfers in	25,167,313	23,252,127	57,336,108	25,317,909	22,801,863	28,197,309	31,021,933	28,738,040	26,160,749	30,526,833
Transfers out	(19,334,877)	(31,432,694)	(46,409,322)	(22,775,520)	(19,811,164)	(31,220,308)	(27,084,972)	(24,286,578)	(21,206,734)	(29,926,951)
Issuance of debt	1,500,000	22,014,258	13,143,195	2,429,249	-	9,375,000	5,575,000	6,375,000	7,315,000	26,175,000
Issuance of capital lease	-	-	-	-	-	-	-	-	-	7,000,000
Premium on debt issued	-	-	-	-	-	662,383	343,785	401,659	816,175	3,747,839
Refunding bonds issued	-	-	-	3,625,000	-	9,945,000	14,825,000	24,260,000	-	-
Payment to refunded bond escrow agent	-	-	-	(3,540,000)	-	(10,262,899)	(14,436,356)	(23,915,684)	-	-
Sales of assets	6,485,100	2,526,053	9,021,764	2,531,802	156,782	144,703	170,409	225,883	382,589	386,636
Total other financing sources (uses)	13,817,536	16,359,744	33,091,745	7,588,440	3,147,481	6,841,188	10,414,799	11,798,320	13,467,779	37,909,357
Net change in fund balance	\$ (5,510,830)	\$ (54,897)	\$ (9,703,475)	\$ (9,303,084)	\$ 3,839,675	\$ 7,745,183	\$ (2,240,478)	\$ 3,317,553	\$ 8,583,630	\$ 28,405,554
Debt service as a percentage of noncapital expenditures	7%	8%	12%	9%	6%	6%	7%	7%	8%	8%

Schedule 5
CITY OF COLUMBIA, SOUTH CAROLINA
Assessed Value and Estimated Actual Value of Taxable Property (unaudited)

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Tax Year	Real Property		Personal Property		Total		Assessed Value as a Percentage of Actual Value	Total Direct Rate
		Assessed Value	Estimated Actual Value	Assessed Value ¹	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2006	2005	\$ 286,201,640	\$ 5,920,364,697	\$ 102,642,841	\$ 1,128,091,643	\$ 388,844,481	\$ 7,048,456,340	5.52%	83.6
2007	2006	292,337,560	6,045,640,063	108,588,202	1,178,467,212	400,925,762	7,224,107,275	5.55%	99.0
2008	2007	308,221,850	6,240,046,571	112,847,593	1,353,108,906	421,069,443	7,593,155,477	5.55%	102.5
2009	2008	344,361,680	7,060,929,803	113,237,212	1,354,280,788	457,598,892	8,415,210,591	5.44%	106.3
2010	2009	386,566,370	7,933,397,705	111,006,869	1,308,826,126	497,573,239	9,242,223,831	5.38%	98.1
2011	2010	395,897,190	8,042,557,033	101,465,789	1,231,433,192	497,362,979	9,273,990,225	5.36%	98.1
2012	2011	399,357,360	8,240,197,133	105,214,744	1,241,437,184	504,572,104	9,481,634,317	5.32%	98.1
2013	2012	400,610,960	8,131,722,177	110,571,977	1,297,785,551	511,182,937	9,429,507,728	5.42%	98.1
2014	2013	404,719,630	8,212,659,856	110,356,777	1,315,979,478	515,076,407	9,528,639,334	5.41%	98.1
2015	2014	394,221,790	7,949,097,129	117,043,195	1,709,777,055	511,264,985	9,658,874,184	5.29%	98.1

Source: Richland County and Lexington County Auditor's office

Note: Neither Richland County nor Lexington County assess tax exempt property.
Total assessed value based upon assessment ratios set by state statutes.
Reassessment took place in 2009 for Richland County and 2010 for Lexington County.

¹ The total taxable assessed value does not include Merchant's Inventory Value of \$6,667,290; however, it is included in the value used to calculate the legal debt limit.

Schedule 6
CITY OF COLUMBIA, SOUTH CAROLINA
Direct and Overlapping Property Tax Rates (unaudited)

Last Ten Fiscal Years
(Rate per \$1,000 of assessed value)

Year Ended June 30,	City Direct Millage	Overlapping Rates ¹				
		Counties		School Districts		
		Richland County	Lexington County	Richland County School District Number 1	Richland County School District Number 2	Richland/Lexington School District Number 5
2006	83.6	98.0	100.7	246.0	259.0	214.6
2007	99.0	98.3	104.1	260.8	273.5	231.1
2008	102.5	100.1	109.7	276.9	288.9	252.5
2009	106.3	104.0	114.2	283.2	301.3	261.5
2010	98.1	101.8	115.2	284.4	342.3	265.0
2011	98.1	102.8	109.7	288.4	343.3	266.3
2012	98.1	105.3	112.7	289.7	349.4	274.4
2013	98.1	84.2	118.5	296.1	367.5	274.4
2014	98.1	111.5	122.1	301.7	385.5	281.8
2015	98.1	121.2	125.0	300.9	406.0	288.3

Source: Richland County Auditor's office and Lexington County Auditor's office.

¹ Overlapping rates are those of county governments that apply to property owners with the City of Columbia. Not all overlapping rates apply to all City property owners (e.g. the rates for the counties and school districts apply only to the property owners whose property is located within the geographical boundaries of that county or school district). The majority of the property owners in the City of Columbia are within the geographical boundaries of Richland County and Richland County School District Number 1.

Schedule 7
CITY OF COLUMBIA, SOUTH CAROLINA
Principal Property Taxpayers (unaudited)

Current Year and Nine Years Ago

Taxpayer	2015			2006		
	Taxable Assessed Value ¹	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value ²	Rank	Percentage of Total Taxable Assessed Value
South Carolina Electric and Gas	\$ 15,191,700	1	2.97%	\$ 12,211,150	1	3.14%
Bellsouth Telecommunications LLC	5,395,810	2	1.06%	9,022,470	2	2.32%
GGP Columbiana Trust	3,001,520	3	0.59%	3,025,400	3	0.78%
CW Meridian Inc.	2,700,000	4	0.53%	-		
Bottling Group LLC	2,473,640	5	0.48%	-		
Assembly Station Columbia LLC	2,234,910	6	0.44%	-		
UNUM Group	2,211,040	7	0.43%	-		
US REIF/MJW Capital Center Fee	2,181,610	8	0.43%	-		
Main & Gervais LLC	1,810,360	9	0.35%	-		
AG First Farm Credit Bank	1,769,580	10	0.35%	-		
Cingular Wireless	-			2,752,400	4	0.71%
Main Street Associates	-			2,334,900	5	0.60%
Colonial Life and Accident	-			2,067,976	6	0.53%
Baker and Baker	-			2,001,830	7	0.51%
Time Warner Entertainment-Advanced	-			1,741,620	8	0.45%
Parkway Properties LP	-			1,726,610	9	0.44%
DDR MDT Harbison Court LLC	-			1,070,880	10	0.28%
	<u>\$ 38,970,170</u>		<u>7.62%</u>	<u>\$ 37,955,236</u>		<u>9.76%</u>

Source: The assessed valuations for the taxpayers listed above were provided by either Richland or Lexington County Assessor's Office.

¹ Total assessed valuation was \$511,264,985

² Total assessed valuation was \$388,844,481

Schedule 8
CITY OF COLUMBIA, SOUTH CAROLINA
Property Tax Levies and Collections (unaudited)

Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	\$ 36,175,090	\$ 34,021,898	94.05%	\$ 1,216,010	\$ 35,237,908	97.41%
2007	39,338,096	38,398,690	97.61%	1,011,744	39,410,434	100.18%
2008	43,166,262	42,270,086	97.92%	1,348,627	43,618,713	101.05%
2009	48,642,762	46,502,075	95.60%	1,322,443	47,824,518	98.32%
2010	49,514,889	46,637,386	94.19%	2,293,178	48,930,564	98.82%
2011	49,454,262	47,105,225	95.25%	2,622,850	49,728,075	100.55%
2012	50,201,476	48,564,952	96.74%	1,931,285	50,496,237	100.59%
2013	50,179,312	48,712,822	97.08%	1,058,584	49,771,406	99.19%
2014	50,554,312	49,826,060	98.56%	1,070,102	50,896,162	100.68%
2015	50,167,100	49,493,219	98.66%	-	49,493,219	98.66%

Sources: Richland County Finance Department and Lexington County Finance Department
Neither Richland County nor Lexington County report delinquent collections by tax year.

Schedule 9
CITY OF COLUMBIA, SOUTH CAROLINA
Ratios of Outstanding Debt by Type (unaudited)

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds ¹	Tax Increment Bonds ¹	Notes Payable	Capital Lease	Revenue Bonds ¹	Total Governmental Activities Debt
2006	\$ 19,663,197	\$ 14,245,754	\$ 1,500,000	\$ 2,956,233	\$ 53,337,508	\$ 91,702,692
2007	18,225,370	10,241,585	3,738,526	2,246,993	64,230,236	98,682,710
2008	28,885,543	3,760,000	4,658,191	1,518,235	61,888,539	100,710,508
2009	26,302,152	-	6,747,474	-	59,071,248	92,120,874
2010	23,688,812	-	6,009,142	-	56,324,804	86,022,758
2011	30,756,608	-	5,814,142	-	53,949,135	90,519,885
2012	32,020,777	-	5,619,142	-	50,811,284	88,451,203
2013	33,848,474	-	5,424,142	-	48,082,505	87,355,121
2014	37,494,897	-	5,229,142	-	43,580,000	86,304,039
2015	32,242,297	-	5,034,142	6,603,209	69,696,682	113,576,330

¹ 2005 through 2013 have been restated for the implementation of GASB 65

(Continued)

Schedule 9 (Continued)
CITY OF COLUMBIA, SOUTH CAROLINA
Ratios of Outstanding Debt by Type (unaudited)

Last Ten Fiscal Years

Fiscal Year	Other Business-Type Activities Debt			Total Business-type Activities	Total Primary Government	Percentage of Personal Income ²	Debt Per Capita ³
	Revenue Bonds ¹	Notes Payable	Notes Payable				
2006	\$ 209,271,100	\$ 1,140,000	\$ 3,566,640	\$ 213,977,740	\$ 305,680,432	8.06%	\$ 2,604
2007	197,038,605	520,000	2,736,055	200,294,660	298,977,370	7.98%	2,571
2008	186,593,978	-	1,866,018	188,459,996	289,170,504	6.71%	2,276
2009	175,862,492	-	933,009	176,795,501	268,916,375	6.12%	2,117
2010	357,487,401	-	-	357,487,401	443,510,159	9.84%	3,429
2011	345,878,897	-	-	345,878,897	436,398,782	9.62%	3,376
2012	444,643,320	-	-	444,643,320	533,094,523	11.51%	4,082
2013	435,639,889	-	-	435,639,889	522,995,010	11.23%	3,972
2014	505,105,688	-	-	505,105,688	591,409,727	12.50%	4,435
2015	493,735,898	-	-	493,735,898	607,312,228	12.19%	4,599

¹ 2005 through 2013 have been restated for the implementation of GASB 65

² Personal income is disclosed on Schedule 16

³ Population is disclosed on Schedule 16

Source for Personal Income: U.S Department of Commerce, Bureau of Economic Analysis
 Population Data: U.S. Census

Schedule 10
CITY OF COLUMBIA, SOUTH CAROLINA
Ratios of General Bonded Debt Outstanding (unaudited)

Last Ten Fiscal Years

Fiscal Year	General Bonded Debt			Percentage of Estimated Actual Taxable Value of Property ²	Per Capita ³
	Governmental Activities General Obligation Bonds ¹	Less: Amount Available in Debt Service Funds	Total		
2006	\$ 19,663,197	\$ 4,073,137	\$ 15,590,060	0.22%	\$ 132.80
2007	18,225,370	1,196,198	17,029,172	0.24%	146.45
2008	28,885,543	4,687,280	24,198,263	0.32%	190.49
2009	26,302,152	1,288,755	25,013,397	0.30%	196.91
2010	23,688,812	3,013,132	20,675,680	0.22%	159.86
2011	30,756,608	4,940,502	25,816,106	0.28%	199.70
2012	32,020,777	3,481,333	28,539,444	0.30%	218.54
2013	33,848,474	3,512,035	30,336,439	0.32%	230.37
2014	37,494,897	3,339,548	34,155,349	0.36%	256.12
2015	32,242,297	3,978,932	28,263,365	0.29%	214.01

¹ 2006 through 2013 have been restated for the implementation of GASB 65

² Estimated value of property is disclosed on Schedule 5

³ Population is disclosed on Schedule 16

Schedule 11
CITY OF COLUMBIA, SOUTH CAROLINA
Direct and Overlapping Governmental Activities Debt (unaudited)

June 30, 2015

Jurisdiction	Total Assessed Value	Assessed Value Within the City	Net Governmental Activities Debt Outstanding ¹	Percentage Applicable to the City	Estimated Amount Applicable to the City
Direct:					
City of Columbia	\$ 511,264,985	\$ 511,264,985	\$ 113,576,330	100.00%	<u>\$ 113,576,330</u>
Overlapping					
Counties:					
Richland County	1,498,404,260	489,445,315	93,695,000	32.66%	30,604,943
Lexington County	1,183,327,270	21,819,670	45,590,386	1.84%	840,653
School Districts:					
Lexington Richland SD 5	182,010,350	18,606,860	226,774,000	10.22%	23,183,034
Richland School District One	798,482,136	431,033,327	482,955,000	53.98%	260,706,772
Richland School District Two	517,911,774	39,805,128	462,350,000	7.69%	35,534,819
Special Districts:					
Airport District	1,498,404,260	489,445,315	8,070,000	32.66%	2,636,020
Riverbanks Park District	2,681,731,530	511,264,985	34,760,000	19.06%	<u>6,626,902</u>
Total Overlapping Debt					<u>360,133,143</u>
Total Direct and Overlapping Debt					<u><u>\$ 473,709,473</u></u>

Source: Richland County Treasurer, Lexington County Treasurer, Richland County Auditor and Lexington County Auditor

¹ The estimated amount of overlapping debt applicable to the City is determined by computing the percentage of property for each government that lies within the City. The resulting percentage is then multiplied by the amount of governmental activities debt of each government.

Schedule 12
CITY OF COLUMBIA, SOUTH CAROLINA
Legal Debt Margin (unaudited)

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Debt Limit</u>	<u>Net Debt Outstanding ¹</u>	<u>Legal Debt Margin</u>	<u>Ratio of Net Debt Outstanding to the Debt Limit</u>
2006	\$ 31,640,942	\$ 18,830,000	\$ 12,810,942	59.51%
2007	32,607,444	17,430,000	15,177,444	53.45%
2008	34,218,939	28,155,000	6,063,939	82.28%
2009	37,162,628	25,695,000	11,467,628	69.14%
2010	40,339,242	23,125,000	17,214,242	57.33%
2011	40,322,422	30,055,000	10,267,422	74.54%
2012	40,899,152	31,505,000	9,394,152	77.03%
2013	41,428,018	33,515,000	7,913,018	80.90%
2014	41,564,012	35,680,000	5,884,012	85.84%
2015	41,434,582	30,665,000	10,769,582	74.01%

Source: Richland County Auditor's Office and Lexington County Auditor's Office

¹ Excludes debt not applicable to the limit.

Legal Debt Margin Calculation for the Year Ended June 30, 2015:

Assessed value in Richland County	\$ 489,445,315
Assessed value in Lexington County	21,819,670
Subtotal	<u>511,264,985</u>
Business inventory 1987 assessed value	6,667,290
Total assessed value	<u>517,932,275</u>
	8.00%
Debt Limit	<u>41,434,582</u>
Net debt outstanding subject to the debt limit	30,665,000
Legal debt margin as of June 30, 2015	<u><u>\$ 10,769,582</u></u>

Schedule 13
CITY OF COLUMBIA, SOUTH CAROLINA
Certificates of Participation Debt Coverage (unaudited)

Last Ten Fiscal Years

Fiscal Year	Allowable Revenues ¹	Debt Service Requirement			COPS Debt Coverage
		Principal	Interest	Total	
2006	\$ 11,478,171	\$ 2,411,813	\$ 2,585,435	\$ 4,997,248	2.3
2007	11,945,776	2,080,000	2,455,630	4,535,630	2.6
2008	13,375,022	2,175,000	2,365,080	4,540,080	2.9
2009	13,026,184	2,250,000	2,274,105	4,524,105	2.9
2010	12,519,790	2,335,000	2,191,986	4,526,986	2.8
2011	12,875,743	2,480,000	2,012,205	4,492,205	2.9
2012	13,760,410	2,635,000	1,976,483	4,611,483	3.0
2013	14,655,101	3,700,000	1,720,250	5,420,250	2.7
2014	15,260,239	3,225,000	848,193	4,073,193	3.7
2015	16,283,694	3,300,000	772,230	4,072,230	4.0

¹ As defined in the bond documents.

Schedule 14
CITY OF COLUMBIA, SOUTH CAROLINA
Water and Sewer Department
Schedule of Revenue Bond Coverage (unaudited)

Last Ten Fiscal Years

Fiscal Year	Allowable Revenues ¹	Current Operating Expenses ²	Net Revenue Available for Debt Service	Debt Service Requirement				Revenue Bond Coverage
				Principal	Interest ³	Net Swap Payments ⁴	Total	
2006	\$ 92,726,369	\$ 51,852,947	\$ 40,873,422	\$ 14,915,000	\$ 7,052,737	\$ -	\$ 21,967,737	1.9
2007	101,657,409	53,436,775	48,220,634	9,275,000	7,889,584	-	17,164,584	2.8
2008	118,014,221	61,347,698	56,666,523	9,865,000	7,419,673	-	17,284,673	3.3
2009	110,181,495	58,541,111	51,640,384	10,410,000	6,880,982	-	17,290,982	3.0
2010	113,389,385	76,393,887	36,995,498	11,295,000	7,673,174	(49,865)	18,918,309	2.0
2011	110,749,377	79,584,775	31,164,602	11,905,000	12,724,467	(56,216)	24,573,251	1.3
2012	115,271,396	80,373,777	34,897,619	12,150,000	13,873,881	(29,306)	25,994,575	1.3
2013	121,878,086	74,400,785	47,477,301	6,465,000	17,047,580	(828)	23,511,752	2.0
2014	117,924,265	66,189,697	51,734,568	8,810,000	18,790,180	(1,811)	27,598,369	1.9
2015	118,178,523	67,105,722	51,072,801	8,095,000	20,219,738	(7,406)	28,307,332	1.8

¹ Represents total operating revenues as well as all nonoperating revenues and investment income.

² Represents total operating expenses less depreciation expense.

³ Includes capitalized interest.

⁴ The City has a pay fixed interest rate swap associated with the Series 2009 revenue bond.

Schedule 15
CITY OF COLUMBIA, SOUTH CAROLINA
Parking Department
Schedule of Revenue Bond Coverage (unaudited)

Last Ten Fiscal Years

Fiscal Year	Allowable Revenues ¹	Current Operating Expenses ²	Net Revenue Available for Debt Service	Debt Service Requirement			Revenue Bond Coverage
				Principal	Interest ³	Total	
2006	\$ 5,091,104	\$ 404,645	\$ 4,686,459	\$ 440,000	\$ 2,455,384	\$ 2,895,384	1.6
2007	4,859,393	524,835	4,334,558	460,000	2,455,384	2,915,384	1.5
2008	5,765,193	1,046,949	4,718,244	740,000	2,429,153	3,169,153	1.5
2009	6,190,809	1,571,323	4,619,486	780,000	2,388,322	3,168,322	1.5
2010	4,549,663	1,616,796	2,932,867	825,000	2,344,732	3,169,732	0.9
2011	4,365,608	760,577	3,605,031	870,000	2,298,059	3,168,059	1.1
2012	4,487,992	863,010	3,624,982	310,000	2,152,618	2,462,618	1.5
2013	6,911,985	3,299,708	3,612,277	970,000	2,184,910	3,154,910	1.1
2014	6,592,455	3,073,503	3,518,952	1,030,000	2,128,167	3,158,167	1.1
2015	7,040,165	3,576,578	3,463,587	1,065,000	2,000,288	3,065,288	1.1

¹ Represents total operating revenues as well as all nonoperating revenues and investment income less revenues from parking fines and late fees. Definition of allowable revenues was revised during fiscal years 2006 and 2013.

² For the years 2006 and 2007 represents total operating expenses less depreciation expense less operating expenses paid with revenues from parking fines and late fees. Definition of current operating expenses was revised during fiscal years 2006 and 2013.

³ Includes capitalized interest

Schedule 16
CITY OF COLUMBIA, SOUTH CAROLINA
Demographic and Economic Statistics (unaudited)

Last Ten Fiscal Years

<u>Year</u>	<u>Population¹</u>	<u>Personal Income²</u>	<u>Per Capita Personal Income</u>	<u>Public School Enrollment³</u>	<u>Unemployment Rate⁴</u>
2006	117,394	\$ 3,792,765,352	\$ 32,308	24,060	6.20%
2007	116,278	3,748,570,164	32,238	23,658	5.10%
2008	127,029	4,311,745,347	33,943	24,179	5.80%
2009	127,029	4,395,203,400	34,600	24,590	9.80%
2010	129,333	4,506,867,051	34,847	23,119	9.20%
2011	129,272	4,536,930,112	35,096	22,898	10.50%
2012	130,591	4,632,454,543	35,473	22,475	8.50%
2013	131,686	4,655,100,100	35,350	24,166	8.00%
2014	133,358	4,730,608,334	35,473	24,171	5.50%
2015	132,067	4,980,378,637	37,711	24,320	6.30%

Source of data:

- ¹ U.S. Census Bureau
- ² U.S. Census Bureau
- ³ S.C. State Department of Education
- ⁴ S.C. Department of Employment and Workforce

**Schedule 17
CITY OF COLUMBIA, SOUTH CAROLINA
Principal Employers**

Current Year and Nine Years Ago

Employer	2015 ¹			2006 ²		
	Employees	Rank	Percentage to Total City Employment ³	Employees	Rank	Percentage to Total City Employment
Palmetto Health	9,400	1	7.67%	9,300	2	N/A
University of South Carolina	8,400	2	6.86%	N/A	3	
Blue Cross Blue Shield of South Carolina	6,459	3	5.27%	7,200	4	N/A
Wal-Mart	5,800	4	4.73%	4,500	5	N/A
SC Department of Transportation	4,318	5	3.52%	N/A	6	N/A
Richland County School District One	4,229	6	3.45%	N/A	7	N/A
SC Department of Mental Health	3,917	7	3.20%	N/A	8	
SC Department of Health and Environmental Control	3,500	8	2.86%	N/A	9	N/A
City of Columbia, South Carolina	2,438	9	1.99%	N/A		N/A
AT&T	2,400	10	1.96%	2,300	10	
State of South Carolina				N/A	1	N/A

Source of data:

¹ South Carolina Department of Employment and Workforce

² 2005 Central Midlands Council of Government Survey

³ 122,507 total workers were reported working in Columbia, South Carolina, per the 2010 PHC-T-40 Estimated Daytime

Population and Employment - Residence Ratios: 2000, published by the US Census Bureau

N/A Data not available

Schedule 18
CITY OF COLUMBIA, SOUTH CAROLINA
Full-Time Equivalent Employees By Function/Program

Last Ten Fiscal Years

Function/Program	Full-time Equivalent Employees as of June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General government	81.25	84.30	93.25	100.00	99.00	93.97	99.00	101.00	105.00	104.25
Judicial	40.00	42.00	41.00	36.00	35.00	36.00	37.00	36.00	37.00	37.00
Finance	50.00	54.00	58.00	57.00	56.00	51.50	53.50	51.50	71.50	79.50
Development services and planning	59.00	62.00	64.30	56.00	63.00	63.00	63.00	63.00	63.00	43.00
Public safety	689.00	735.00	743.50	757.50	757.50	747.50	757.50	770.00	770.50	792.50
Parks and recreation	131.75	155.80	155.75	156.00	149.00	149.00	149.00	149.00	149.00	149.00
Public works	296.00	295.00	301.00	303.00	275.00	269.00	270.00	269.00	268.00	269.00
General services	10.00	10.00	11.00	11.00	11.00	11.00	15.00	14.00	14.00	17.00
Fleet services	47.00	47.00	47.00	47.00	41.00	44.00	46.00	46.00	48.00	48.00
Risk Management	3.00	3.00	3.00	3.00	3.00	2.00	2.00	2.00	2.00	2.00
County fire	154.00	184.00	198.00	233.00	236.00	236.00	235.00	235.50	235.50	235.50
County emergency communications	36.00	36.00	35.50	35.50	38.50	38.50	38.50	45.50	45.00	45.00
Economic & Community development	48.00	46.00	53.04	51.20	43.50	44.63	39.60	36.50	41.50	44.50
Parking	37.00	41.90	41.66	46.00	42.00	41.00	41.00	42.00	43.00	44.25
Utilities & Engineering	507.00	489.00	489.00	499.80	482.50	501.90	498.90	519.00	504.00	504.50
Summer Programs	21.50	25.00	21.00	21.00	18.50	20.00	24.50	24.50	23.50	23.50
Total	2,210.50	2,310.00	2,356.00	2,413.00	2,350.50	2,349.00	2,369.50	2,404.50	2,420.50	2,438.50

Source: City's Human Resource department

Years 2006-2014 have been re-stated to reflect budgeted positions

Schedule 19
CITY OF COLUMBIA, SOUTH CAROLINA
Operating Indicators By Function/Program

Last Ten Fiscal Years

Function/Program	Year Ended June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public Safety										
Police physical arrests	N/A	N/A	N/A	6,418	6,734	7,259	8,024	10,652	5,301	5,658
Citations written	25,741	N/A	N/A	34,357	29,522	25,985	30,996	33,111	37,307	32,497
911 call volume	997,111	998,628	1,021,541	1,032,664	1,171,433	1,197,141	1,102,640	1,317,008	1,222,436	1,096,117
Fire calls answered	22,860	27,025	28,982	28,746	30,208	30,629	31,265	31,240	35,785	34,500
Number of inspections	1,740	2,049	3,630	4,410	6,943	7,911	7,726	6,261	5,292	6,482
Sanitation										
Refuse collected (in tons)	99,875	97,616	96,140	90,222	63,507	57,903	N/A	43,157	51,106	43,924
Recyclables collected (in tons)	3,262	3,739	3,779	3,538	3,932	4,223	N/A	3,867	4,591	4,021
Fleet Management										
Fleet maintained	2,664	2,934	3,164	3,329	3,668	3,925	4,055	2,802	2,893	3,005
Fleet workdays	13,074	13,909	13,385	13,747	13,336	13,309	12,901	12,608	12,052	12,048
Streets and highways										
Potholes repaired	1,168	1,505	1,120	2,757	1,524	1,416	920	1,231	1,453	1,598
Water										
Number of service connections	116,857	127,196	124,414	125,846	134,910	140,721	136,220	137,701	140,009	139,990
Average daily consumption (in millions of gallons)	0.454	0.360	0.349	0.436	0.352	0.315	0.320	0.440	0.458	0.449
Sewer										
Number of service connections	61,248	65,848	67,786	68,550	74,865	69,199	69,508	67,698 ¹	60,239	59,677
Average daily treatment (in millions of gallons)	0.142	0.139	0.127	0.136	0.139	0.134	0.152	0.169	0.189	0.182
Economic development										
Permits issued	6,023	5,697	4,667	4,404	4,204	4,129	4,181	4,950	4,262	5,438
Building inspections	12,355	11,932	11,612	9,472	10,544	40,018	10,277	15,735	14,514	10,025

¹ During the year ended June 30, 2013, the City of Columbia sold a portion of its sewer system to a private contractor.

Source: Various City departments

Schedule 20
CITY OF COLUMBIA, SOUTH CAROLINA
Capital Asset Statistics By Function

Last Ten Fiscal Years

Function/Program	Year Ended June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Police										
Police stations	24	24	22	14	14	14	16	10	12	13
Patrol units	N/A	N/A	N/A	N/A	N/A	N/A	N/A	205	238	296
Vehicles	138	155	206	233	244	305	371	358	395	483
Fire										
Fire stations	11	11	11	12	12	12	12	12	12	12
Vehicles	144	180	194	210	215	219	236	251	270	270
Public works										
Vehicles	376	422	457	486	518	553	603	600	600	626
Streets (miles)	219.00	219.00	219.00	219.00	219.00	220.00	220.00	275.00	275.00	275.00
Sidewalks (miles)	120.25	120.45	120.45	120.45	120.45	120.45	139.56	139.46	139.46	139.50
Traffic signals	261	261	262	262	262	262	265	364	364	331
Street lights	9,030	9,067	9,250	9,437	9,859	10,190	10,325	11,724	11,363	11,483
Parks and recreation										
Parks - acreage	597.85	597.85	597.85	600.00	600.00	600.00	600.00	600.00	600.00	600.00
Park facilities	58.00	58.00	58.00	59.00	59.00	59.00	60.00	60.00	60.00	60.00
Tennis courts	54.00	54.00	54.00	54.00	54.00	54.00	54.00	57.00	55.00	55.00
Swimming pools/splash pads	3.00	3.00	3.00	4.00	4.00	4.00	4.00	15.00	16.00	16.00
Playground	30.00	30.00	30.00	30.00	30.00	30.00	31.00	31.00	31.00	31.00
Parking										
Garages	6	7	7	8	8	8	9	9	8	8
Lots	5	5	5	5	5	5	5	5	4	5
Metered spaces	4,333	4,604	4,602	4,703	4,736	4,728	4,704	4,502	4,487	4,198
Stormwater										
Storm drains (miles)	137.00	137.00	137.00	137.00	137.00	137.00	137.00	254.00	254.00	366.00
Vehicles	N/A	54	55	55	70	67	69	63	64	68
Wastewater										
Sanitary sewer (miles)	992.70	1,002.50	1,036.90	1,047.97	1,053.75	1,100.00	1,108.50	1,059.00	1,077.00	1,109.00
Vehicles	143	161	183	200	212	278	331	300	277	278
Treatment plants	1	1	1	1	1	1	1	1	1	1
Solid Waste										
Vehicles	62	73	85	94	95	117	128	130	125	127
Water										
Water lines (miles)	1,837.70	1,887.10	1,935.69	1,954.68	1,966.58	1,966.58	1,978.45	2,250.00	2,301.00	2,356.00
Vehicles	138	178	209	228	237	256	281	291	285	298
Fire hydrants	6,189	3,063	3,307	5,200	5,300	5,300	5,350	5,450	4,300	4,390
Treatment plants	2	2	2	2	2	2	2	2	2	2

Source: Various City departments

Vehicle data includes both licensed and unlicensed vehicles