

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT**

**CITY OF COLUMBIA, SOUTH CAROLINA**

**FISCAL YEAR ENDED JUNE 30, 2009**

**City Manager  
Steven A. Gantt**

**Deputy Finance Director  
William H. Ellis**

**Prepared by the  
Finance Department**

## **TABLE OF CONTENTS**

**CITY OF COLUMBIA, SOUTH CAROLINA  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 Year Ended June 30, 2009**

**TABLE OF CONTENTS**

	<b>PAGE</b>
<b>INTRODUCTORY SECTION</b>	
Letter of Transmittal	1
City Leaders	5
Organizational Charts	6
<b>FINANCIAL SECTION</b>	
Independent Auditors' Report	8
Management's Discussion and Analysis – Unaudited	10
<b>BASIC FINANCIAL STATEMENTS</b>	
Government-wide Financial Statements	
Statement of Net Assets	20
Statement of Activities	22
Fund Financial Statements	
Balance Sheet – Governmental Funds	23
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	24
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	25
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	26
Statement of Fund Net Assets – Proprietary Funds	27
Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds	29
Statement of Cash Flows – Proprietary Funds	30
Statement of Fiduciary Net Assets	32
Statement of Changes in Fiduciary Net Assets	33
Combining Statement of Net Assets – Discretely Presented Component Units	34
Combining Statement of Activities – Discretely Presented Component Units	36
Statement of Net Assets – Discretely Presented Component Unit – Columbia Empowerment Zone, Inc.	37
Statement of Activities – Discretely Presented Component Unit – Columbia Empowerment Zone, Inc.	38
Notes to the Financial Statements	39

**TABLE OF CONTENTS (CONTINUED)**

	<b>PAGE</b>
<b>FINANCIAL SECTION (CONTINUED)</b>	
<b>Required Supplementary Information</b>	
Schedules of Funding Progress and Employer Contributions – Other Postemployment Benefits	70
Budgetary Comparison Schedule - General Fund	71
Notes to Budgetary Comparison Schedule	72
<b>Combining and Individual Fund Statements and Schedules</b>	
Schedule of Revenues and Other Financing Sources – Budget and Actual – General Fund	73
Schedule of Expenditures and Other Financing Uses – Budget and Actual – General Fund	76
Combining Balance Sheet – Nonmajor Governmental Funds	83
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	85
Combining Statement of Net Assets – Nonmajor Proprietary Funds	87
Combining Statement of Revenues, Expenses, and Changes in Net Assets – Nonmajor Proprietary Funds	88
Combining Statement of Cash Flows – Nonmajor Proprietary Funds	89
Combining Statement of Net Assets – Internal Service Funds	90
Combining Statement of Revenues, Expenses, and Changes in Net Assets - Internal Service Funds	91
Combining Statement of Cash Flows – Internal Service Funds	92
<b>Supplementary Information</b>	
Schedule of Fines, Assessments and Surcharges	93
<b>STATISTICAL SECTION (UNAUDITED)</b>	
General Governmental Expenditures by Function	94
General Governmental Revenues by Source	95
Property Tax Levies and Collections	96
Assessed and Estimated Actual Value of Property	97
Property Tax Rates--Direct and Overlapping Governments	98
Principal Taxpayers	99
Computation of Legal Debt Margin	100
Ratio of Net General Obligation Bonded Debt Per Capita to Assessed Value and Net General Obligation Bonded Debt Per Capita	101
Ratio of Annual Debt Service Expenditures--General Obligation Bonded Debt--Total General Governmental Expenditures	102
Computation of Direct and Overlapping Bonded Debt-- General Obligation Bonds	103
Revenue Bond Coverage--Water and Sewer Bonds	104
Revenue Bond Coverage--Parking Bonds	105
Demographic Statistics	106
Property Value, Construction and Bank Deposits	107
Net Assets by Component	108
Changes in Net Assets	109
Fund Balances, Governmental Funds	110
Changes in Fund Balances, Governmental Funds	111
Miscellaneous Statistics	112

## **INTRODUCTORY SECTION**



**CITY OF COLUMBIA  
SOUTH CAROLINA**

June 30, 2010

Honorable Robert D. Coble, Mayor  
Members of City Council  
City of Columbia, South Carolina

Ladies and Gentlemen:

The Comprehensive Annual Financial Report for the fiscal year ended June 30, 2009 is presented herein with the senior leadership team's admiration and sincere thankfulness to the City Council for their energy, vision, devotion to public service and collective statesmanship. This report confirms the implementation of council's emphasis and favor of conservative fiscal practices and affirms the City of Columbia as one of South Carolina's financially well-managed cities.

The organization, form, and content of this report, and the accompanying financial statements and statistical tables, were formulated according to the principles prescribed by the Governmental Accounting Standards Board and the Government Finance Officers Association. The City of Columbia's financial statements have been audited by WebsterRogers LLP, a firm of licensed certified public accountants. WebsterRogers LLP concluded, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the year ended June 30, 2009, are fairly presented in conformity with Generally Accepted Accounting Principles. The independent auditor's report is presented as the first component of the financial section of this report. Accuracy of the presented data and the completeness and fairness of this publication rests with the City, and its management willingly assumes full responsibility for the same. We believe that the report includes all disclosures necessary to enable the reader to gain a thorough understanding of the City's financial affairs.

**PRESENTATION**

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial and Statistical. The Introductory Section, which is unaudited, includes this Letter of Transmittal; a list of the City of Columbia's elected officials and organizational charts of City staff and the Accounting Division. The Financial Section includes the Management's Discussion and Analysis, the Government-wide Financial Statements, Fund Financial Statements and Notes to the Financial Statements, Required Supplementary Information, combining schedules as well as the independent auditor's report on these financial statements and schedules. The Statistical Section, which is unaudited, includes selected financial and demographic information, generally presented on a multi-year basis.

Generally Accepted Accounting Principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Columbia's MD&A can be found immediately following the report of the independent auditors.

## **REPORTING ENTITY**

The financial reporting entity (the government) includes all the funds and account groups of the Primary Government (i.e., the City of Columbia as legally defined), as well as its Component Units. The Component Units of the City of Columbia are legally separate entities for which the Primary Government is financially accountable. The government provides a full range of services including police and fire protection, certain judicial services, community development and promotion, water and sewer services, solid waste services, construction and maintenance of streets and infrastructure, recreational activities and cultural events.

Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the Primary Government and to differentiate their financial position and results of operations.

### **The City and its Organization**

The City of Columbia is the largest city and the capital of South Carolina. The City remains steadfastly committed to enhancing the quality of life for each resident of, and visitor to the greater Metro-Columbia area. Being cast in the pivotal lead ambassador role of South Carolina is not foreign to the City and it is a duty and responsibility that leadership gladly accepts as we serve as the cultural, educational, health-care, and commercial center of the state. Columbia, located in the geographic center of South Carolina, is accommodated by three interstate highways, which enviably positions the City as a comfortable drive to most other southeastern metropolitan areas. There are 136.2 square miles of land within the corporate boundaries of the City. The City's estimated population is 127,029 with 627,976 in the metro area.

The City of Columbia operates under a Council – Manager form of government. Policy making and legislative authority is vested with the seven members of City Council and the elected Mayor. They also oversee the City Manager who is the Chief Executive Officer of the City and manages the day-to-day operations including budgeting and finances.

### **Economic Conditions and Outlook**

The Greater Columbia Area has a world class business-friendly operating environment, a well-trained labor force, an excellent transportation network and support infrastructure that is conducive to business growth and development. This results in steady growth for the Columbia economy. A balanced economic base, including federal, state and local governments, plus a large medical community provides a stable source of jobs for the growing workforce. The number of jobs in the region increased from 332,857 to 351,230. This economic balance does not happen by chance; the City has a strong economic development team of professionals that has embarked on an enterprising modernization strategy to ensure a favorable economic future by diversification.

Fort Jackson, one of the country's largest military training facilities, is also located in Columbia. Annual expenditures by Fort Jackson exceed \$700 million, and over 100,000 family members visit the Midlands area each year to attend basic training graduation activities. These visitors have a solid impact on the local economy, supporting local hotels, restaurants and the retail shopping industry. Fort Jackson's new \$150 million infrastructure project is under way and is a significant benefit to the local economy.

Another City strategic business partner is the University of South Carolina. In connection with the City of Columbia and Richland County, USC has recently launched a 56-acre research facility named the Innovista Campus. The research to be conducted at the Innovista Campus will concentrate on nanotechnology, hydrogen fuel cell research, bio-medical and environmental sciences. The economic impact of all this new construction, creation of new companies and new jobs is being felt currently and will positively impact the local and state business climate, adding another element of diversity to our economy far into the future.

The renaissance of Columbia's City Center continues; the Meridian Tower office building and headquarters of First Citizens Bank & Trust Company are complete. The CanalSide project, redevelopment of the S.C. Mental Health property, North Columbia projects and The Congaree Vista District (Vista) continues to be a major economic force in Columbia's City Center.

## **MAJOR INITIATIVES**

As the City's Master Plan is implemented, the strengths and opportunities available to support the continued growth of Columbia become more apparent. The Master Plan sets forth a list of development opportunities, principles and strategies to guide public and private investment in the future, and focus on creating a vibrant urban core with a mixture of residential, retail and office space along with cultural and entertainment opportunities.

The Three Rivers Greenway is providing river access to the public while preserving the natural beauty and protecting the rivers as an asset for the local communities. The CanalSide Esplanade and Canalfront project provides prima facie evidence of the City's commitment to responsible riverfront development.

As previously reported, the City of Columbia is ready to embark on a variety of multi-year infrastructure projects. The projects will allow cabling for underground utilities, replacing or moving old water, sewer and storm drain utilities, redesigning streets, and updating gateways into the city. Streetscape improvement projects including new sidewalks, period street lighting, and major landscaping can be seen up and down the City's streets.

The development of the Convention Center is very exciting and continues on schedule as the Convention Center Hotel opened in 2007.

## **RELEVANT FINANCIAL POLICIES**

### **Internal Controls**

Internal controls are procedures that are designed to protect assets from loss, theft or misuse; to check the accuracy and reliability of accounting data; to promote operational efficiency; and to encourage compliance with managerial policies. The management of the City is responsible for establishing a system of internal controls designed to provide reasonable assurances these objectives are met.

### **Cash management practices**

The investment portfolio is split between four asset managers. In addition to investments, the City has purchased certificates of deposit. At June 30, 2009, all certificates of deposit were insured through FDIC or collateralized with investments held by third party institutions. All investments are in compliance with South Carolina State Laws (S.C. Code of Laws, § 6-5-10).

### **Budgetary control**

The City maintains budgetary controls, which are designed to ensure compliance with legal provisions of the annual budget adopted by Council. It is the City's objective to conduct an open budget process providing for input from department administrators, top management, elected officials and the public as the City's programs and services are determined for the next year.

## **ACKNOWLEDGEMENTS**

The preparation of this report could not be accomplished without the dedicated staff of the entire Accounting Division of the Finance Department. We would also like to express our appreciation to all members of other departments who contributed to its preparation and dedicated considerable resources to ensure our successful completion of this report.

In closing, we are thankful for the leadership and support of Columbia City Council in the work that they do for the Citizens and Customers of the City of Columbia.

Respectfully submitted,



Steven A. Gantt  
City Manager



William H. Ellis, CPA  
Deputy Finance Director

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

**As of July 2009**

**Mayor**

Robert D. Coble

**Council Members**

District 1	Sam Davis
District 2	E. W. Cromartie, II
District 3	Belinda Gergel
District 4	Kirkman Finlay, III
At Large	Tameika Isaac-Devine
At Large	Daniel J. Rickenmann

**City Manager**

Steven A. Gantt

**Assistant City Managers**

Senior Assistant City Manager for Operations	S. Allison Baker
Assistant City Manager for Administrative Services	Gladys L. Brown
Assistant City Manager for Public Safety	Michael King

**Department Directors**

City Attorney	Ken Gaines
Community Development	Tony Lawton
Court Administrator	Judge Dana Turner
Development Services	Marc S. Mylott
Economic Development	James B. Gambrell
Emergency Communications	Michael King
Finance	William Ellis, CPA
Fire	Wm. Bradley Anderson
General Services	David Knoche
Governmental Affairs & Community Relations	Teresa Florence
Homeland Security & Emergency Operations	Harold Reaves
Human Resources	Jacques A. Gilliam
Information Technology	Vincent Simonowicz
Midlands Convention Center Authority	Ric Luber
Office of Business Opportunities	Tony Lawton
Parks and Recreation	S. Allison Baker
Police	Tandy Carter
Public Relations	Leshia Utsey
Public Works	Melissa Smith Gentry, P.E.
Utilities & Engineering	John J. Dooley, Jr., P.E.

**Development Corporation Directors**

Columbia Development Corp	Fred Delk
Columbia Housing/TN Development Corp	Deborah Livingston
Eau Claire Development Corp	Michael Manis

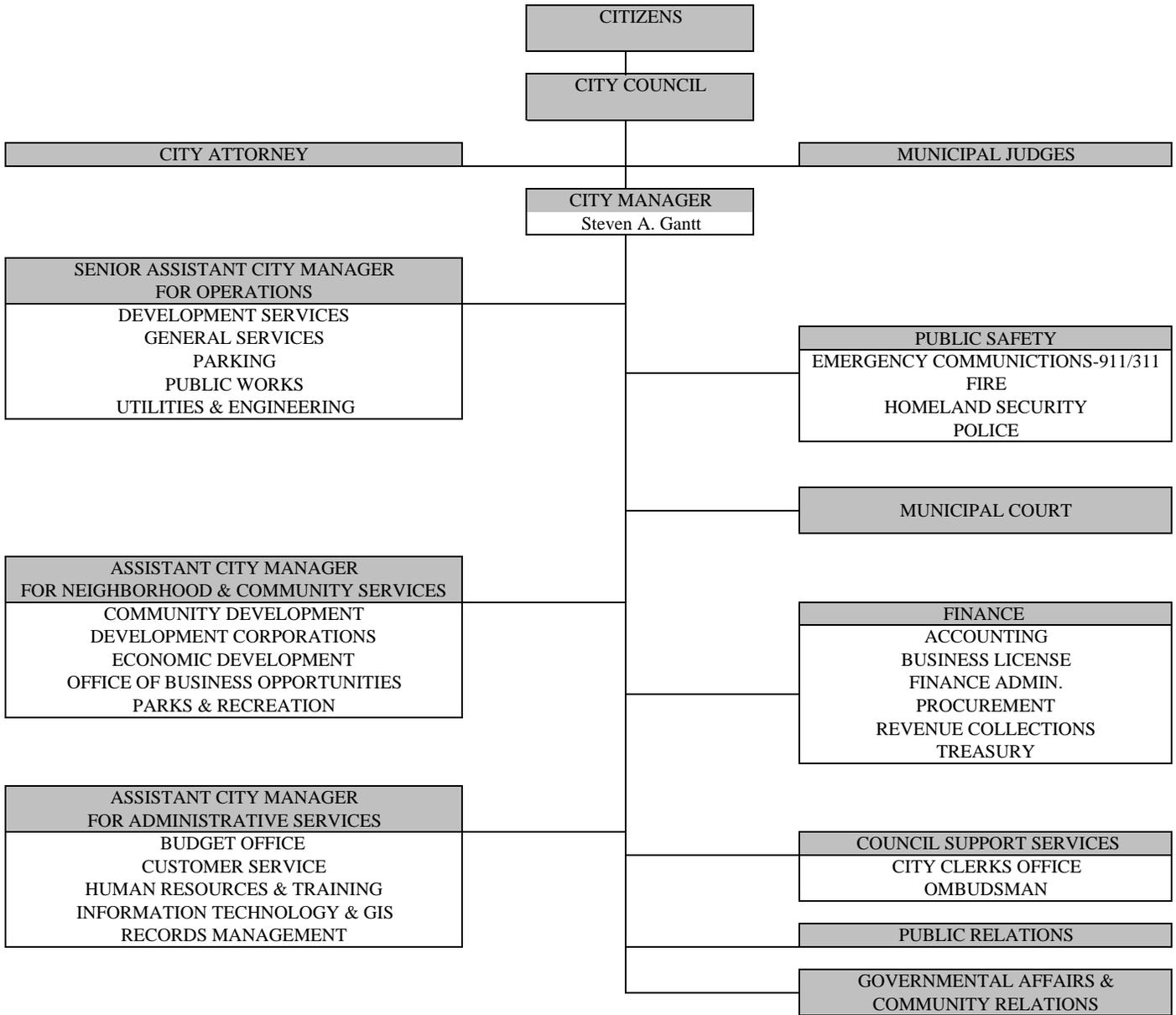
**Other Corporation Directors**

Columbia Empowerment Zone, Inc.	Tony Lawton
---------------------------------	-------------

**CITY OF COLUMBIA, SOUTH CAROLINA**

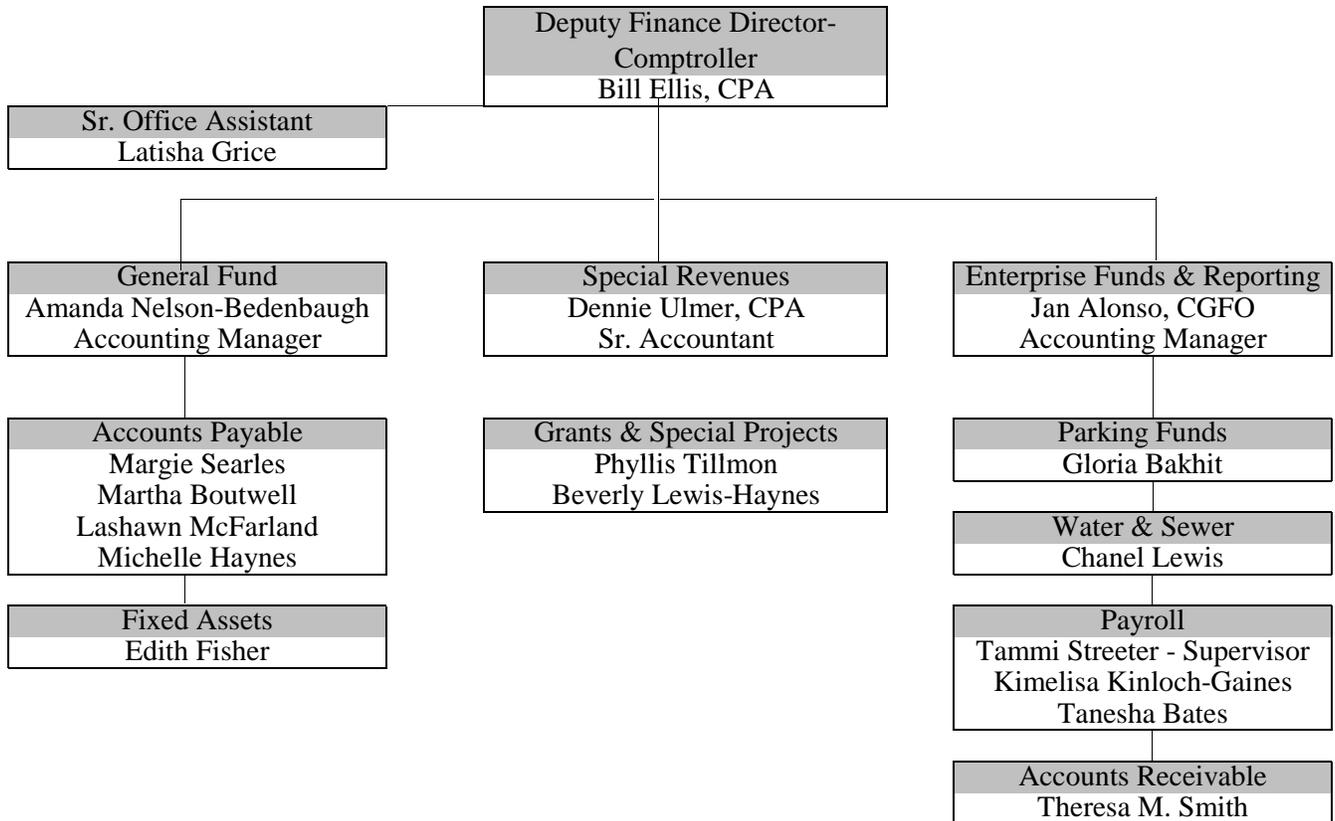
**ORGANIZATIONAL CHART**

**As of July 2009**



**CITY OF COLUMBIA, SOUTH CAROLINA**

**ACCOUNTING DIVISION ORGANIZATIONAL CHART**



## **FINANCIAL SECTION**



Columbia • Charleston • Florence • Myrtle Beach • Sumter • Georgetown • Summerville • Litchfield

## Independent Auditors' Report

The Honorable Robert D. Coble, Mayor  
and Members of City Council  
**City of Columbia, South Carolina**  
Columbia, South Carolina

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, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, based on our audit, the financial statements referred to in paragraph one 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, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2010, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in assessing the results of our audit.

The management's discussion and analysis and required supplementary information, listed in the accompanying table of contents, are not a required part of the basic financial statements, but are required supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

### Members

SC Association of Certified Public Accountants

NC Association of Certified Public Accountants

### Member

Division for CPA Firms, AICPA

RSM McGladrey Network

An Independently Owned Member

The Tower at 1301 Gervais, Suite 1950  
Columbia, South Carolina 29201  
803-312-0001, Fax 803-255-8886  
[www.websterrogers.com](http://www.websterrogers.com)

The Honorable Robert D. Coble, Mayor  
and Members of City Council  
**City of Columbia, South Carolina**  
Page Two

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 fund statements and schedules, and 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 basic 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 basic financial statements. The combining and individual fund statements and schedules, and supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



Columbia, South Carolina  
June 30, 2010

**CITY OF COLUMBIA, SOUTH CAROLINA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Unaudited)**

The following summary and overview is presented by the financial management team of the City of Columbia ("City") in an effort to provide a brief, easy to read, yet concise financial analysis of what the many pages of schedules, comparisons, statements and notes of the Comprehensive Annual Financial Report represents and supports. We have found that many interested readers, those that may not be particularly well versed in the accounting discipline, prefer to be informed via the narrative format, thus this is "our work" to satisfy that need. Please be encouraged to consider the information presented here as well as that found in the letter of transmittal which starts on page 1 of this report.

The discussion and analysis is organized to increase the amount of information and detail as the reader continues through the pages of this document. The following are the "top three" financially significant facts, if you should read nothing further, these highlights are important for you to know and find confidence in the fact that your elected officials and appointed professionals are maintaining the City's long history of financial stewardship, integrity and strength.

**Financial Highlights**

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$781.8 million (net assets), including \$596.6 million invested in capital assets, net of related debt.
- The government's total net assets increased by \$38.7 million when compared to the net assets on June 30, 2008.
- The Local Option Sales Tax was implemented in 2006. This alternative funding method provided \$13.6 million in revenue during the year ended June 30, 2009 as an "offset" to property taxes.

The financial data of the annual report is organized much like this discussion, in that it too provides consolidated information and aggregate reporting in the first few pages and then increases the amount of detail as the reader progresses through the report, and concludes by providing very detailed explanations to the "how and why" of certain presented financial data in the notes to the financial statement section. The reader will need to understand the concept of funds being established on the basis of legal requirement, source of revenue or service provided. You will come to know that the City of Columbia has three types of funds: Government, Proprietary, and Fiduciary.

**Overview of the Financial Statements**

The City's basic financial statements are comprised of three components: 1) government-wide (consolidating all the activities of the City), 2) fund (taking each activity of the City and placing its financial reporting into a designated fund), and 3) notes to the financial statements. The City of Columbia employs the government-wide financial statements to distinguish functions of the City's operations that are principally supported by taxes and government related revenues, which are **governmental activities**, and from the functions of the City's operations that are supported primarily by fees and charges for service rendered, which are **business-type activities**. The following are examples of each:

- Governmental Activities** – police and fire department, public works, and parks & recreation
- Business-type Activities** – water and sewer facilities, parking facilities, and storm water facilities

**MANAGEMENT’S DISCUSSION & ANALYSIS – UNAUDITED (Continued)**

**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. In the private-sector the statement that presents all that the business owns (Assets) and the claims against those Assets by others (Liabilities) and the resulting Net Assets of the company (Assets minus Liabilities) is called the Balance Sheet. The government-wide balance sheet is titled “The Statement of Net Assets” and it provides the same information. Over time, increases or decreases in net assets may serve as a useful indicator of the financial well being of the City.

The consolidated net assets schedule below displays the net assets for both the governmental activities and business-type activities. The complete Government-wide financial statements can be found beginning on page 20 of this report.

Our discussion will first focus on the governmental activities followed by a review of the business-type activities. This schedule and the changes in net assets schedule will be our reference for these discussions.

**City of Columbia  
Statement of Net Assets  
June 30, 2009 and 2008**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
<b>Assets</b>						
Current and other assets	\$ 95,601,087	\$ 100,347,455	\$ 186,479,152	\$ 202,282,956	\$ 282,080,239	\$ 302,630,411
Capital assets	236,964,944	223,145,359	604,895,471	567,668,077	841,860,415	790,813,436
<b>Total assets</b>	<u>332,566,031</u>	<u>323,492,814</u>	<u>791,374,623</u>	<u>769,951,033</u>	<u>1,123,940,654</u>	<u>1,093,443,847</u>
<b>Liabilities</b>						
Long-term liabilities						
outstanding	92,036,631	96,824,248	167,247,070	177,839,852	259,283,701	274,664,100
Other liabilities	51,279,442	46,034,235	31,561,448	29,608,380	82,840,890	75,642,615
<b>Total liabilities</b>	<u>143,316,073</u>	<u>142,858,483</u>	<u>198,808,518</u>	<u>207,448,232</u>	<u>342,124,591</u>	<u>350,306,715</u>
<b>Net assets</b>						
Invested in capital assets,						
net of related debt	150,922,216	133,392,515	445,685,893	402,973,904	596,608,109	536,366,419
Restricted	5,528	5,435	0	0	5,528	5,435
Unrestricted	38,322,214	47,236,381	146,880,212	159,528,897	185,202,426	206,765,278
<b>Total net assets</b>	<u>\$ 189,249,958</u>	<u>\$ 180,634,331</u>	<u>\$ 592,566,105</u>	<u>\$ 562,502,801</u>	<u>\$ 781,816,063</u>	<u>\$ 743,137,132</u>

The statement of changes (activities) presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

**MANAGEMENT'S DISCUSSION & ANALYSIS – UNAUDITED (Continued)**

**City of Columbia  
Condensed Statement of Changes in Net Assets  
For the Years Ended June 30, 2009 and 2008**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
<b>Revenues</b>						
Program revenues						
Charges for services	\$ 53,314,387	\$ 57,359,483	\$ 122,439,045	\$ 125,406,366	\$ 175,753,432	\$ 182,765,849
Operating grants & contributions	29,022,624	27,663,920	0	0	29,022,624	27,663,920
Capital grants & contributions	11,318,774	5,649,457	8,358,175	12,847,905	19,676,949	18,497,362
General revenues						
Property taxes	35,042,668	30,888,940	0	0	35,042,668	30,888,940
Other taxes	25,634,617	27,102,399	0	0	25,634,617	27,102,399
Unrestricted investment income	1,282,669	3,481,543	5,589,423	8,194,017	6,872,092	11,675,560
Gain (loss) on disposal of capital assets	1,891,037	(1,159,745)	3,843,432	(228,140)	5,734,469	(1,387,885)
<b>Total revenues</b>	<b>157,506,776</b>	<b>150,985,997</b>	<b>140,230,075</b>	<b>146,220,148</b>	<b>297,736,851</b>	<b>297,206,145</b>
<b>Expenses</b>						
General government	41,427,388	37,178,955	0	0	41,427,388	37,178,955
Judicial	2,364,353	2,131,608	0	0	2,364,353	2,131,608
Finance department	2,647,689	2,474,302	0	0	2,647,689	2,474,302
Community development	4,192,966	4,012,966	0	0	4,192,966	4,012,966
Public safety	57,138,835	55,514,924	0	0	57,138,835	55,514,924
Parks & recreation	11,142,423	11,544,030	0	0	11,142,423	11,544,030
Public services	20,798,283	20,835,435	0	0	20,798,283	20,835,435
General services	3,919,228	4,018,322	0	0	3,919,228	4,018,322
Community promotion	8,321,723	9,744,750	0	0	8,321,723	9,744,750
Interest on bonds	3,824,725	4,459,396	0	0	3,824,725	4,459,396
Intergovernmental	-	6,462,450	0	0	-	6,462,450
Non departmental	1,694,525	5,441,551	0	0	1,694,525	5,441,551
Water/sewer facilities	0	0	85,747,245	85,963,177	85,747,245	85,963,177
Hydro electric plant	0	0	5,989,066	3,037,803	5,989,066	3,037,803
Storm water operating	0	0	3,148,296	3,383,853	3,148,296	3,383,853
Parking facilities	0	0	5,740,304	5,213,105	5,740,304	5,213,105
Transportation operations	0	0	-	433,773	-	433,773
Redevelopment programs	0	0	960,872	3,611,769	960,872	3,611,769
<b>Total expenses</b>	<b>157,472,138</b>	<b>163,818,689</b>	<b>101,585,783</b>	<b>101,643,480</b>	<b>259,057,921</b>	<b>265,462,169</b>
Increase (decrease) in net assets before transfers	34,638	(12,832,692)	38,644,292	44,576,668	38,678,930	31,743,976
Transfers	8,580,988	2,788,348	(8,580,988)	(2,788,348)	0	0
<b>Change in net assets</b>	<b>8,615,626</b>	<b>(10,044,344)</b>	<b>30,063,304</b>	<b>41,788,320</b>	<b>38,678,930</b>	<b>31,743,976</b>
Net assets - beginning of year	180,634,332	196,281,018	562,502,801	529,431,686	743,137,133	725,712,704
Prior period adjustment	-	(5,602,342)	-	(8,717,205)	-	(14,319,547)
Net assets - beginning of year, as restated	180,634,332	190,678,676	562,502,801	520,714,481	743,137,133	711,393,157
<b>Net assets - end of year</b>	<b>\$ 189,249,958</b>	<b>\$ 180,634,332</b>	<b>\$ 592,566,105</b>	<b>\$ 562,502,801</b>	<b>\$ 781,816,063</b>	<b>\$ 743,137,133</b>

**MANAGEMENT'S DISCUSSION & ANALYSIS – UNAUDITED (Continued)**

In comparison to the prior year net assets, the City's net assets increased \$8.6 million in governmental activities and increased \$30.1 million in Business-type activities during the current fiscal year. The following tables and graphs provide information regarding the government's change in net assets for the year ended June 30, 2009.

Our discussion and analysis will include a discussion of the governmental activities, and the business-type activities review will follow. The tables below will calculate the changes to the net assets, first in aggregate and then by detailed sources and uses of how the changes were affected.

**City of Columbia  
Net Change in Assets-Governmental Activities  
(in thousands)**

Net Assets June 30, 2009	\$ 189,250
Less: Net Assets June 30, 2008	<u>180,634</u>
Change in Assets	<u><b>\$ 8,616</b></u>

The next schedule will present the actual source of the revenues and use of the expenditures that were made over the year that resulted in this change.

**City of Columbia  
Changes in Net Assets-Governmental Activities  
(in thousands)**

	<u>Revenues</u>	<u>Expenses</u>	<u>Net Change</u>
Program Revenues	\$ 93,656		
General Revenues	61,960		
Other Revenues/Transfers	10,473		
General Government		\$ 41,428	
Judicial		2,364	
Finance		2,648	
Community Development		4,193	
Public Safety		57,139	
Parks and Recreation		11,142	
Public Services		20,798	
General Services		3,919	
Community Promotions		8,322	
Interest on Bonds		3,825	
Other		1,695	
Net Revenues	<u>\$166,089</u>		
Less: Expenses		<u>\$157,473</u>	
Total Net Change in Assets			<u><b>\$ 8,616</b></u>

Our discussion will continue as we look more closely at the revenues and expenses. From the above schedule the reader can see where the revenues were generated and which department was charged for the expenses. Our next table will show the classification of both the revenues and expenses.

**MANAGEMENT’S DISCUSSION & ANALYSIS – UNAUDITED (Continued)**

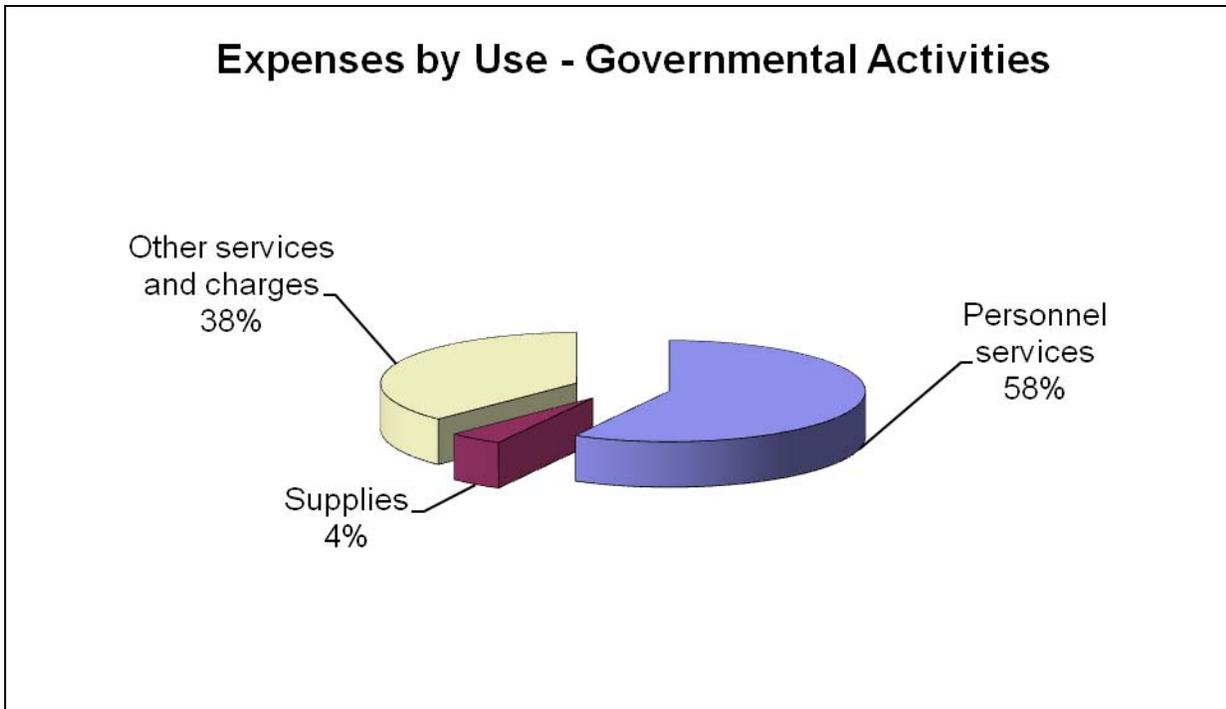
**Revenues by Source – Governmental Activities  
(in thousands)**

Charges for services	\$ 53,315
Operating and capital grants and contributions	40,341
General property taxes	35,043
Other taxes	25,635
Unrestricted investment income	1,282
Other/Transfer	<u>10,473</u>
Total	<u>\$ 166,089</u>

We will now look at the “use” side of the changes in the net assets; the schedule below will show the expense classification. Most readers will find this table of interest as it will show the “mix” of expenses required to generate the changes we have been considering.

**Expenses by Use - Governmental Activities  
(in thousands)**

Personnel services	\$ 91,334
Supplies	6,299
Other services and charges	<u>59,840</u>
Total	<u>\$ 157,473</u>



Our review will now move to the business-type activities, in much the same manner as we explored the governmental activities.

**MANAGEMENT'S DISCUSSION & ANALYSIS – UNAUDITED (Continued)**

**City of Columbia**  
**Net Change in Assets-Business-type Activites**  
**(in thousands)**

Net Assets June 30, 2009	\$ 592,566
Less: Net Assets June 30, 2008	<u>562,503</u>
Change in Assets	<b><u>\$ 30,063</u></b>

The next schedule will present the actual source of the revenues and use of the expenditures that were made over the year that resulted in this change.

**City of Columbia**  
**Changes in Net Assets-Business-type Activites**  
**(in thousands)**

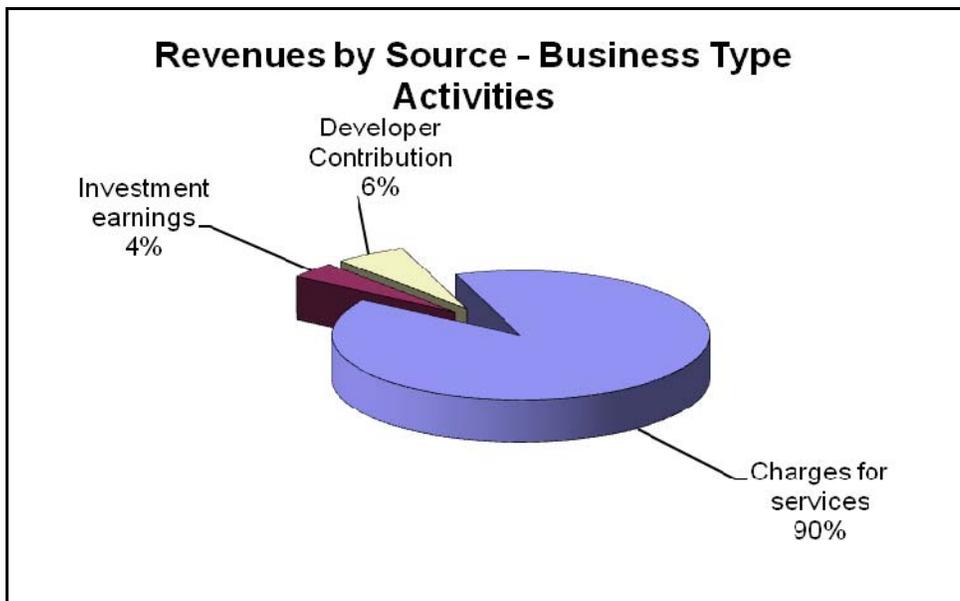
	<u>Revenues</u>	<u>Expenses</u>	<u>Net Change</u>
Charge for Services	\$122,439		
Developer Contributions	8,358		
Investment Income	5,589		
Water & Sewer		\$ 85,747	
Hydro-Electric Plant		5,989	
Storm Water		3,148	
Parking Facilities		5,741	
Redevelopment		961	
Other/Transfers		4,737	
Net Revenues	<u>\$136,386</u>		
Less: Expenses		<u>\$106,323</u>	
Total Net Change in Assets			<b><u>\$ 30,063</u></b>

The table and graph below will present the same information in a different format as well as from a different perspective, much as we did in the review of the governmental activities portion of our discussion.

**Revenues by Source – Business-type Activites**

**(in thousands)**

Charges for services	\$ 122,439
Investment earnings	5,589
Developer Contribution	<u>8,358</u>
Total	<b><u>\$ 136,386</u></b>



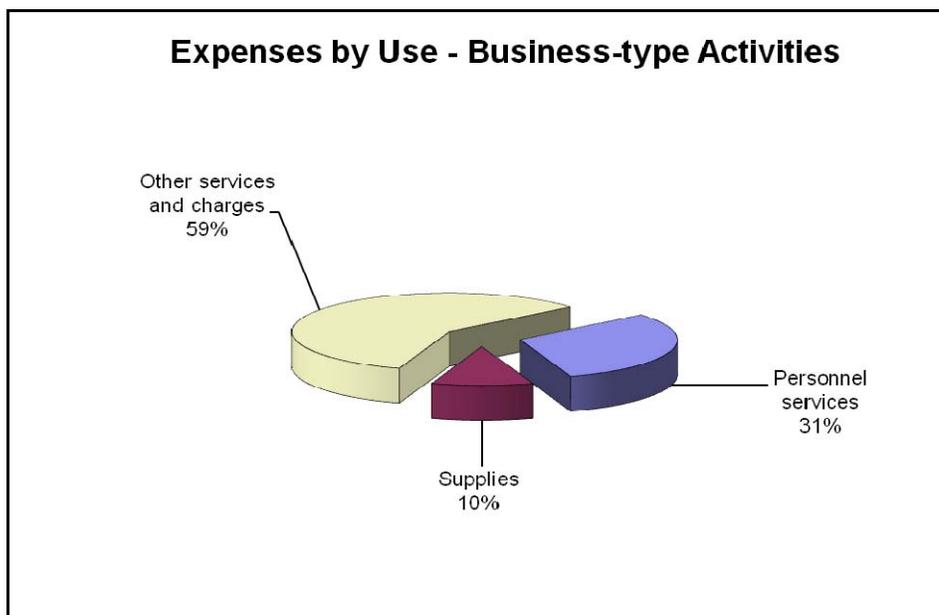
The previously displayed information shows that operating revenues are considerable and that the Water and Sewer department is the main contributor of total revenue for charges for services.

As we did in the governmental activities review, an analysis of the expenses will follow:

#### Expenses by Use - Business-type Activities

(in thousands)

Personnel services	\$ 32,960
Supplies	10,632
Other services and charges	62,731
Total	<u>\$ 106,323</u>



We have concluded our discussion of the government-wide statements but as noted earlier in this analysis, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The following paragraphs provide a discussion of these funds.

## MANAGEMENT'S DISCUSSION & ANALYSIS – UNAUDITED (Continued)

### Financial Analysis of the City's Funds

**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, unreserved fund balance may serve as a useful measure of a government's net resources available to address interruption in cash flow due to timing of cash receipts (most of the taxes are collected in the middle of the fiscal year) or contribute to the next fiscal year's revenue requirement.

At the end of the current fiscal year, the City's governmental funds report a combined decrease in fund balance of \$9.3 million in comparison with the prior year decrease of \$9.7 million. A portion of the total fund balance amount of \$51.1 million constitutes unreserved fund balance of \$33.1 million, which is available for allocation at the government's discretion. However, a significant part of the fund balance is reserved to indicate that it is not available because it has already been committed to liquidate contracts and purchase orders of the prior period.

The general fund is the main operating fund of the City. At the end of the current fiscal year, an unreserved fund balance of \$5.3 million existed, which is a measure of the general fund's liquidity. This is the result of a decrease of \$5.7 million during the current fiscal year. At the close of the same year the fund balance of the non-major special revenue funds decreased by \$1 million. Also of note is the non-major Capital Project fund that decreased by \$933 thousand, which is evidence that the City's construction projects are properly funded.

**Proprietary Funds.** Proprietary funds are established and utilized to report the business functions of the City. The City of Columbia has two types of proprietary funds: enterprise and internal service. Enterprise funds are used to account for our departments that "sell" goods and services outside the government, such as our Water & Sewer Facilities.

Internal service funds account for our departments which "sell" goods and services only to departments and components of the City's government, such as our Fleet Management department.

The City's proprietary funds provide the same type of information found in the Government-wide financial statements, but in more detail.

The City's Water & Sewer Facilities is the largest of the enterprise funds with total assets of approximately \$637.8 million and operating revenues of \$106.4 million. Both of these measures reflect well upon the long-term management practices of the department.

### Original Compared to Final Budget

The original budget for General Fund Departments did not include an increase for health care benefits (premiums), workers compensation nor the GASB 45 expense which were added to departments' budgets during the fiscal year.

### Capital Assets and Debt Administration

**Capital Assets.** The City's investment in capital assets for its governmental and business-type activities as of June 30, 2009 amounts to \$841.9 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, park facilities, roads, highways, and infrastructure. To fairly report an estimated current value, much like a business entity would, the City employs a depreciation allocation method, which reduces the cost reported as the asset ages or decreases in value due to usage, obsolescence, or amortization.

**MANAGEMENT’S DISCUSSION & ANALYSIS – UNAUDITED (Continued)**

Major capital asset events during the current fiscal year included:

- Improvements to the water treatment plants were included in “construction in progress”.
- \$7.5 million of improvements to the water and sewer projects were completed and added to capital assets.
- The Horizon and Discovery garages recorded in the Columbia Parking Facilities Corporation Fund for approximately \$30 million, were transferred from Construction in Progress to Buildings.
- Additional capital was contributed to the capital assets fund during this fiscal year.
- Major streetscaping projects were ongoing (no new projects were started during fiscal year 2009).
- In fiscal year 2007, the City established the Columbia Parking Facilities Corporation to partner with the University of South Carolina (the University) to construct two parking garages. The garages are part of the University’s new research campus, Innovista. Construction of the garages was completed during the year ended June 30, 2009.

**City’s Capital Assets (net of depreciation)**

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$ 32,609,510	\$ 32,780,145	\$ 25,689,277	\$ 25,483,299	\$ 58,298,787	\$ 58,263,444
Construction						
work-in-progress	15,802,905	49,225,825	70,529,134	44,276,552	86,332,039	93,502,377
Infrastructure	11,756,781	10,441,239	0	0	11,756,781	10,441,239
Buildings	162,177,631	117,942,134	498,060,274	485,510,961	660,237,905	603,453,095
Equipment	14,618,117	12,756,016	10,616,786	12,397,265	25,234,903	25,153,281
Total	\$ 236,964,944	\$ 223,145,359	\$ 604,895,471	\$ 567,668,077	\$ 841,860,415	\$ 790,813,436

Additional information on the City’s capital assets can be found in note III. F. on pages 54-55 of this report.

The schedule above displays the tremendous importance of assets to the efficient operations of the City. Paying for the investment in assets is not a one year transaction, but rather a long-term commitment by the City and those obligations warrant discussion as well.

**City’s Outstanding Debt - General Obligation and Revenue Bonds**

The City’s total long-term debt decreased by \$17.2 million during the current fiscal year. This decrease in debt is attributed mostly to principal payments made offset by notes payable additions of \$2.2 million and general obligation bond additions of \$3.6 million.

At the end of the current fiscal year, the City had total debt outstanding of \$271.9 million. Of this amount, \$25.7 million comprises debt backed by the full faith and credit of the government. The remainder of the City’s debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds), such as those issued by the Water & Sewer Facilities or the Parking Facilities, and other items such as compensated absences and capital leases.

The City maintains an “AA” rating from Standard & Poor’s and an “Aa2” rating from Moody’s for general obligation debt and water and sewer long term debt. The parking system long term ratings of the City have been rated “BBB+” Standard & Poor’s and “A3” by Moody’s.

State statutes limit the amount of general obligation debt a governmental entity may issue to 8 percent of its total assessed valuation without referendum; the City is below this limit.

Additional information on the City’s long-term debt can be found in note III. I. on pages 58-65 of this report.

## **MANAGEMENT'S DISCUSSION & ANALYSIS – UNAUDITED (Continued)**

### **Current Conditions That Are Expected to Have a Significant Effect on the City's Financial Position**

Rising health care costs and the issuance of GASB (Governmental Accounting Standards Board) Statement 45 resulted in the City making changes to health care benefits for employees and retiree benefits in order to adequately fund its health care program and reduce the amount of the liability required for reporting GASB 45. Adding to the costs associated with risk management is rising workers compensation claims which is also impacted by the rising cost of health care.

Due to the adoption of GASB Statement 45, in the year ended June 30, 2008, the City recognized the Annual Required Contribution ("ARC") of \$15.4 million associated with Other Post-Employment Benefits ("OPEB") as an expense and the Net OPEB Obligation as a liability. The ARC consists of benefits accruing in a year plus an amount calculated to amortize any unfunded actuarial liability over a period of thirty years. The City currently pays for post-employment benefits on a pay-as-you-go basis. See Note III H. Other Post-Employment Benefits for more details.

While the City's primary revenue sources are not as sensitive to changes in the economy, the cost to operate is impacted by the rising cost of goods and services such as gasoline, electricity, and construction materials. Special revenue sources such as hospitality tax and accommodations tax remain stable due to the growth in entertainment and tourism sectors of the area, and the opening of the Central Midlands Convention Center; however, the impacts of any downturn in the economy are reflected in these collections.

The most significant impact on the City's primary source of general fund revenue is property tax reform passed by the South Carolina Legislation which caps millage increases to CPI and population growth. These caps will have a major impact on the City's ability to adjust property taxes accordingly to fund the services provided to citizens.

### **Requests for Information**

This portion of the financial report is designed to provide a general overview of the City's financial position. The management team hopes this narrative has proved to be helpful in your understanding of the City's finances. If you have questions concerning any of the information provided in this report or suggestions that you feel will help improve this discussion paper, please address same to City of Columbia, PO Box 147, 1136 Washington Street, Columbia, South Carolina, 29217.

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

William H. Ellis  
Deputy Finance Director

## **BASIC FINANCIAL STATEMENTS**

CITY OF COLUMBIA, SOUTH CAROLINA  
STATEMENT OF NET ASSETS

June 30, 2009

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 68,076,416	\$ 59,403,560	\$ 127,479,976	\$ 3,246,188
Investments	6,965,524	56,744,284	63,709,808	8,641,667
Receivables				
Property taxes	1,873,702	0	1,873,702	0
Federal government	7,616,494	0	7,616,494	0
State government	4,383,572	0	4,383,572	0
County government	5,448	0	5,448	0
Accounts	3,997,909	14,174,701	18,172,610	564,883
Accrued interest	76,015	618,706	694,721	29,103
Notes, net of allowance	0	2,721,271	2,721,271	873,679
Inventory	499,071	2,940,563	3,439,634	1,697
Due from component units	2,009	614,837	616,846	0
Internal balances	(6,123,466)	6,123,466	0	0
Prepaid expenses	385,498	10,717	396,215	150,635
Real estate held for resale	0	439,208	439,208	4,109,343
<b>Total current assets</b>	<b>87,758,192</b>	<b>143,791,313</b>	<b>231,549,505</b>	<b>17,617,195</b>
<b>Noncurrent assets</b>				
Cash	6,078,146	16,652,914	22,731,060	0
Investments in partnerships	0	0	0	100,000
Mortgage notes receivable, net	0	23,368,109	23,368,109	791,758
Deposits	78,745	0	78,745	0
Other assets				
Unamortized bond issue costs	1,686,004	2,666,816	4,352,820	0
Other	0	0	0	6,669
Capital assets not being depreciated:				
Land	32,609,510	25,689,277	58,298,787	725,326
Construction in progress	15,802,905	70,529,134	86,332,039	0
Capital assets net of accumulated depreciation:				
Buildings, improvements and utility plant	162,177,631	498,060,274	660,237,905	3,241,475
Office furniture and fixtures	0	0	0	208,212
Infrastructure	11,756,781	0	11,756,781	0
Machinery and equipment	14,618,117	10,616,786	25,234,903	0
Other capital assets	0	0	0	1,561
<b>Total noncurrent assets</b>	<b>244,807,839</b>	<b>647,583,310</b>	<b>892,391,149</b>	<b>5,075,001</b>
<b>Total assets</b>	<b>\$ 332,566,031</b>	<b>\$ 791,374,623</b>	<b>\$ 1,123,940,654</b>	<b>\$ 22,692,196</b>

(Continued)

CITY OF COLUMBIA, SOUTH CAROLINA  
STATEMENT OF NET ASSETS (CONTINUED)

June 30, 2009

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>LIABILITIES AND NET ASSETS</b>				
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts payable	\$ 5,339,214	\$ 9,710,481	\$ 15,049,695	\$ 1,031,939
Accrued salaries and benefits	3,429,142	822,608	4,251,750	0
OPEB liability	16,716,085	0	16,716,085	0
Accrued liability for claims	14,003,940	0	14,003,940	0
Accrued interest	575,491	3,594,134	4,169,625	0
Retainage payable	694,160	2,943,460	3,637,620	0
Deferred revenue	3,850,878	0	3,850,878	248,714
Due to other funds	0	0	0	241,920
Due to primary government	0	0	0	616,846
Compensated absences	1,317,258	415,115	1,732,373	163,460
Current notes and mortgages payable	148,274	0	148,274	1,814,264
Current contracts payable	0	1,954,654	1,954,654	0
General obligation bonds (due in one year)	2,570,000	0	2,570,000	0
Revenue bonds payable (due in one year)	2,635,000	12,120,000	14,755,000	0
Customer deposits	0	996	996	1,000
<b>Total current liabilities</b>	<b>51,279,442</b>	<b>31,561,448</b>	<b>82,840,890</b>	<b>4,118,143</b>
<b>Noncurrent liabilities</b>				
Noncurrent notes payable	6,599,200	0	6,599,200	0
Compensated absences	5,269,031	1,504,578	6,773,609	0
Bonds (due after one year)	80,168,400	163,742,492	243,910,892	5,319,790
Contracts payable	0	2,000,000	2,000,000	0
<b>Total noncurrent liabilities</b>	<b>92,036,631</b>	<b>167,247,070</b>	<b>259,283,701</b>	<b>5,319,790</b>
<b>Total liabilities</b>	<b>143,316,073</b>	<b>198,808,518</b>	<b>342,124,591</b>	<b>9,437,933</b>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	150,922,216	445,685,893	596,608,109	568,841
Restricted				
Nonexpendable	5,000	0	5,000	0
Expendable	528	0	528	0
Unrestricted	38,322,214	146,880,212	185,202,426	12,685,422
<b>Total net assets</b>	<b>189,249,958</b>	<b>592,566,105</b>	<b>781,816,063</b>	<b>13,254,263</b>
<b>Total liabilities and net assets</b>	<b>\$ 332,566,031</b>	<b>\$ 791,374,623</b>	<b>\$ 1,123,940,654</b>	<b>\$ 22,692,196</b>

*See accompanying notes to the basic financial statements*

CITY OF COLUMBIA, SOUTH CAROLINA  
STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2009

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	Component Units
					Governmental Activities	Business-type Activities		
<b>Primary government</b>								
<b>Governmental activities</b>								
General government	\$ 41,427,388	\$ 7,900,830	\$ 28,444,640	\$ 2,115,800	\$ (2,966,118)	\$ 0	\$ (2,966,118)	\$ 0
Judicial	2,364,353	0	0	0	(2,364,353)	0	(2,364,353)	0
Finance department	2,647,689	28,850,804	0	0	26,203,115	0	26,203,115	0
Community development	4,192,966	1,478,580	0	0	(2,714,386)	0	(2,714,386)	0
Public safety	57,138,835	12,926,072	0	0	(44,212,763)	0	(44,212,763)	0
Parks and recreation	11,142,423	656,535	0	0	(10,485,888)	0	(10,485,888)	0
Public services	20,798,283	1,060,884	577,984	9,202,974	(9,956,441)	0	(9,956,441)	0
General services	3,919,228	0	0	0	(3,919,228)	0	(3,919,228)	0
Community promotion	8,321,723	0	0	0	(8,321,723)	0	(8,321,723)	0
Interest on bonds	3,824,725	0	0	0	(3,824,725)	0	(3,824,725)	0
Non departmental	1,694,525	440,682	0	0	(1,253,843)	0	(1,253,843)	0
<b>Total governmental activities</b>	<b>157,472,138</b>	<b>53,314,387</b>	<b>29,022,624</b>	<b>11,318,774</b>	<b>(63,816,353)</b>	<b>0</b>	<b>(63,816,353)</b>	<b>0</b>
<b>Business-type activities</b>								
Water/sewer facilities	85,747,245	106,434,644	0	8,358,175	0	29,045,574	29,045,574	0
Hydro-electric plant	5,989,066	4,094,441	0	0	0	(1,894,625)	(1,894,625)	0
Storm water operating	3,148,296	4,725,468	0	0	0	1,577,172	1,577,172	0
Parking facilities	5,740,304	6,265,683	0	0	0	525,379	525,379	0
Redevelopment programs	960,872	918,809	0	0	0	(42,063)	(42,063)	0
<b>Total business-type activities</b>	<b>101,585,783</b>	<b>122,439,045</b>	<b>0</b>	<b>8,358,175</b>	<b>0</b>	<b>29,211,437</b>	<b>29,211,437</b>	<b>0</b>
<b>Total primary government</b>	<b>\$ 259,057,921</b>	<b>\$ 175,753,432</b>	<b>\$ 29,022,624</b>	<b>\$ 19,676,949</b>	<b>(63,816,353)</b>	<b>29,211,437</b>	<b>(34,604,916)</b>	<b>0</b>
<b>COMPONENT UNITS</b>	<b>\$ 10,540,942</b>	<b>\$ 6,551,146</b>	<b>\$ 2,707,734</b>	<b>\$ 0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,282,062)</b>
General revenues								
General property taxes					35,042,668	0	35,042,668	0
Local Option Sales Tax					13,616,717	0	13,616,717	0
Sales taxes					8,070,790	0	8,070,790	0
Alcoholic beverage taxes					323,644	0	323,644	0
State shared revenue					3,622,407	0	3,622,407	0
Motor fuel taxes					1,059	0	1,059	0
Unrestricted investment earnings					1,282,669	5,589,423	6,872,092	165,679
Gain (loss) from disposal of capital assets					1,891,037	3,843,432	5,734,469	(78,495)
Forgiveness of indebtedness					0	0	0	2,325,693
Transfers					8,580,988	(8,580,988)	0	0
<b>Total general revenues and transfers</b>					<b>72,431,979</b>	<b>851,867</b>	<b>73,283,846</b>	<b>2,412,877</b>
Change in net assets					8,615,626	30,063,304	38,678,930	1,130,815
Net assets - beginning					180,634,332	562,502,801	743,137,133	12,123,448
Net assets - ending					<b>\$ 189,249,958</b>	<b>\$ 592,566,105</b>	<b>\$ 781,816,063</b>	<b>\$ 13,254,263</b>

See accompanying notes to the basic financial statements

CITY OF COLUMBIA, SOUTH CAROLINA  
BALANCE SHEET  
GOVERNMENTAL FUNDS

June 30, 2009

	General	County Services	Columbia Parking Facilities Corporation	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 5,450,221	\$ 789,932	\$ 1,068,371	\$ 38,994,384	\$ 46,302,908
Investments	3,877,638	0	0	3,087,886	6,965,524
Receivables					
Property taxes	1,873,702	0	0	0	1,873,702
Federal government	0	0	0	7,616,494	7,616,494
State government	3,204,773	0	0	440,500	3,645,273
County	0	0	0	5,448	5,448
Accounts, net	662,216	0	0	2,577,457	3,239,673
Accrued interest receivable	41,933	0	0	34,082	76,015
Due from other funds	0	0	0	50,452	50,452
Due from component units	0	0	0	2,009	2,009
Prepaid charges	188,343	0	0	3,731	192,074
<b>Total assets</b>	<b>\$ 15,298,826</b>	<b>\$ 789,932</b>	<b>\$ 1,068,371</b>	<b>\$ 52,812,443</b>	<b>\$ 69,969,572</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ 1,909,550	\$ 144,953	\$ 0	\$ 1,758,158	\$ 3,812,661
Accrued salaries and benefits	2,676,242	606,532	0	51,676	3,334,450
Retainage payable	0	0	0	694,160	694,160
Deferred revenue	3,889,139	0	0	328,737	4,217,876
Due to other funds	0	38,447	0	6,739,735	6,778,182
<b>Total liabilities</b>	<b>8,474,931</b>	<b>789,932</b>	<b>0</b>	<b>9,572,466</b>	<b>18,837,329</b>
<b>Fund balances (deficits)</b>					
Reserved for encumbrances	1,334,927	445,261	0	16,056,594	17,836,782
Reserved for prepaid charges	188,343	0	0	3,731	192,074
Reserved					
Nonexpendable	0	0	0	5,000	5,000
Expendable	0	0	0	528	528
Unreserved, undesignated, reported in					
General fund	5,300,625	0	0	0	5,300,625
Special revenue funds	0	(445,261)	0	7,618,888	7,173,627
Debt service funds	0	0	0	1,288,755	1,288,755
Capital projects funds	0	0	1,068,371	18,266,481	19,334,852
<b>Total fund balances</b>	<b>6,823,895</b>	<b>0</b>	<b>1,068,371</b>	<b>43,239,977</b>	<b>51,132,243</b>
<b>Total liabilities and fund balances</b>	<b>\$ 15,298,826</b>	<b>\$ 789,932</b>	<b>\$ 1,068,371</b>	<b>\$ 52,812,443</b>	<b>\$ 69,969,572</b>

*See accompanying notes to the basic financial statements*

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

June 30, 2009

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

Fund balance - total governmental funds	\$	51,132,243
Internal Service funds are used by management to charge the costs of fleet management, support services, and risk management to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets		(3,302,625)
Eliminations relating to the consolidation in Internal Service funds resulted in an amount due to business-type activities from governmental activities in the statement of net assets		907,878
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		236,964,944
Certain other assets are not available to pay for current period expenditures and, therefore, are deferred in the funds		
Property taxes receivable, net of allowance for doubtful accounts of \$128,000		366,998
State grants		777,170
Unamortized bond costs		1,686,004
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds		
Accrued compensated absences		(6,586,289)
Accrued interest		(575,491)
Accrued bonds and notes payable		(89,952,474)
Unamortized premium		(2,168,400)
Net assets of governmental activities	\$	<u>189,249,958</u>

*See accompanying notes to the basic financial statements*

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

For the Year Ended June 30, 2009

	General	County Services	Columbia Parking Facilities Corporation	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
General property taxes	\$ 48,292,387	\$ 0	\$ 0	\$ 0	\$ 48,292,387
Sales taxes	0	0	0	8,070,790	8,070,790
License and permits	29,591,085	0	0	0	29,591,085
Intergovernmental revenue	11,689,903	0	0	0	11,689,903
Charges for services	7,166,064	0	0	0	7,166,064
Fines and forfeitures	922,675	0	0	0	922,675
Federal government	0	0	0	15,391,313	15,391,313
State government	0	0	0	2,002,864	2,002,864
County government	0	16,557,909	1,644,343	1,891,105	20,093,357
Promotions	0	0	0	192,721	192,721
Confiscated funds	0	0	0	291,003	291,003
Interest	228,742	0	15,888	1,038,039	1,282,669
Other revenues	118,483	0	0	4,670,794	4,789,277
Cost recovery fees	2,270,000	0	0	0	2,270,000
<b>Total revenues</b>	<b>100,279,339</b>	<b>16,557,909</b>	<b>1,660,231</b>	<b>33,548,629</b>	<b>152,046,108</b>
<b>EXPENDITURES</b>					
<b>Current</b>					
General government	7,320,764	16,720,392	12,828	8,075,894	32,129,878
Judicial	2,279,449	0	0	0	2,279,449
Finance department	2,601,962	0	0	0	2,601,962
Planning and development	4,027,245	0	0	0	4,027,245
Public safety	54,072,869	0	0	592,181	54,665,050
Parks and recreation	9,889,048	0	0	0	9,889,048
Public services	19,489,714	0	0	436,413	19,926,127
General services	3,847,700	0	0	0	3,847,700
Community promotion	865,210	0	0	7,456,513	8,321,723
Non departmental	1,395,676	0	0	0	1,395,676
Other charges	0	0	0	8,357	8,357
<b>Debt service</b>					
Principal payment on bonds	0	0	514,966	8,630,000	9,144,966
Interest on bonds	0	0	366,687	3,532,721	3,899,408
Fiscal agent charges	0	0	0	27,424	27,424
<b>Capital outlay</b>					
Capital outlay	0	1,765,364	1,564,639	13,443,616	16,773,619
<b>Total expenditures</b>	<b>105,789,637</b>	<b>18,485,756</b>	<b>2,459,120</b>	<b>42,203,119</b>	<b>168,937,632</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(5,510,298)</b>	<b>(1,927,847)</b>	<b>(798,889)</b>	<b>(8,654,490)</b>	<b>(16,891,524)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	8,963,185	2,790,153	0	13,564,571	25,317,909
Transfers (out)	(11,707,683)	0	0	(11,067,837)	(22,775,520)
Sale of capital assets	2,531,802	0	0	0	2,531,802
Refunding bond proceeds	0	0	0	3,625,000	3,625,000
Payments to refunded bonds escrow agent	0	0	0	(3,540,000)	(3,540,000)
Debt issuance	0	0	1,690,950	738,299	2,429,249
<b>Total other financing sources (uses)</b>	<b>(212,696)</b>	<b>2,790,153</b>	<b>1,690,950</b>	<b>3,320,033</b>	<b>7,588,440</b>
<b>Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>(5,722,994)</b>	<b>862,306</b>	<b>892,061</b>	<b>(5,334,457)</b>	<b>(9,303,084)</b>
Beginning fund balance	12,546,889	(862,306)	176,310	48,574,434	60,435,327
<b>Fund balance, end of year</b>	<b>\$ 6,823,895</b>	<b>\$ 0</b>	<b>\$ 1,068,371</b>	<b>\$ 43,239,977</b>	<b>\$ 51,132,243</b>

See accompanying notes to the basic 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**

For the Year Ended June 30, 2009

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

Net change in fund balance - total governmental funds	\$	(9,303,084)
Internal Service funds are used by management to charge the costs of fleet management, support services, and risk management to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities		(3,302,625)
Eliminations relating to the consolidation of internal service funds resulted in a net decrease in expenses for the business type activities in the statement of activities		907,878
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets		
Capital asset purchases capitalized		21,000,890
Depreciation expense		(8,703,670)
Disposition of capital assets		1,891,037
Proceeds from the sale of capital assets		(2,531,802)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds		
Accrued compensated absences		(203,063)
Accrued interest		74,683
Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources		2,115,800
Because certain receivables will not be collected soon enough after the City's fiscal year ends, the related revenues are not considered "available" and are deferred in the governmental funds		768,238
The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		5,901,344
Net change in net assets - governmental activities	\$	<u>8,615,626</u>

*See accompanying notes to the basic financial statements*

CITY OF COLUMBIA, SOUTH CAROLINA  
STATEMENT OF FUND NET ASSETS  
PROPRIETARY FUNDS

June 30, 2009

	Business-type Activities				Governmental Activities
	Water/Sewer Facilities Fund	Parking Facilities Fund	Nonmajor Proprietary Funds	Total	Internal Service Funds
<b>ASSETS</b>					
<b>Current assets:</b>					
Cash and cash equivalents	\$ 31,800,609	\$ 6,901,379	\$ 20,701,572	\$ 59,403,560	\$ 27,851,654
Investments	43,166,124	6,066,554	7,511,606	56,744,284	0
Accounts receivable, net	6,553,027	213,148	7,408,526	14,174,701	758,236
Mortgage notes receivable, net	119,218	0	2,602,053	2,721,271	0
Accrued interest receivable	466,800	70,675	81,231	618,706	0
Due from other funds	18,818,868	0	0	18,818,868	0
Due from component unit	614,837	0	0	614,837	0
Inventory	2,797,805	142,758	0	2,940,563	499,071
Prepaid expenses	8,212	2,505	0	10,717	193,424
Real estate held for resale	0	0	439,208	439,208	0
<b>Total current assets</b>	<b>104,345,500</b>	<b>13,397,019</b>	<b>38,744,196</b>	<b>156,486,715</b>	<b>29,302,385</b>
<b>Noncurrent assets</b>					
Cash	0	16,652,914	0	16,652,914	0
Mortgage notes receivable, net	0	0	23,368,109	23,368,109	0
Deposits	0	0	0	0	78,745
Unamortized bond costs	1,460,765	1,206,051	0	2,666,816	0
<b>Capital assets:</b>					
Land	9,197,950	16,164,158	327,169	25,689,277	0
Construction in progress	66,772,107	74,934	3,682,093	70,529,134	0
Buildings, improvements and utility plant	699,114,024	42,641,813	20,241,216	761,997,053	903,586
Machinery and equipment	27,757,330	1,317,917	146,513	29,221,760	13,150,467
Less, accumulated depreciation	(270,800,764)	(8,851,652)	(2,889,337)	(282,541,753)	(7,052,367)
Net capital assets	532,040,647	51,347,170	21,507,654	604,895,471	7,001,686
<b>Total noncurrent assets</b>	<b>533,501,412</b>	<b>69,206,135</b>	<b>44,875,763</b>	<b>647,583,310</b>	<b>7,080,431</b>
<b>Total assets</b>	<b>\$ 637,846,912</b>	<b>\$ 82,603,154</b>	<b>\$ 83,619,959</b>	<b>\$ 804,070,025</b>	<b>\$ 36,382,816</b>

(Continued)

CITY OF COLUMBIA, SOUTH CAROLINA  
STATEMENT OF FUND NET ASSETS  
PROPRIETARY FUNDS (Continued)

June 30, 2009

	Business-type Activities - Enterprise Funds				Governmental Activities
	Water/Sewer Facilities Fund	Parking Facilities Fund	Nonmajor Proprietary Funds	Total	Internal Service Funds
<b>LIABILITIES AND NET ASSETS</b>					
<b>Current liabilities:</b>					
Accounts payable	\$ 4,536,772	\$ 88,949	\$ 5,084,760	\$ 9,710,481	\$ 1,526,553
Accrued salaries and benefits	714,929	55,156	52,523	822,608	94,692
OPEB liability	0	0	0	0	16,716,085
Compensated absences	350,832	25,313	38,970	415,115	267,464
Retainage	2,819,046	0	124,414	2,943,460	0
Due to other funds	0	0	5,014,431	5,014,431	7,076,707
Accrued liability for claims	0	0	0	0	14,003,940
Contracts payable	0	0	1,954,654	1,954,654	0
Accrued interest payable	2,636,126	923,998	34,010	3,594,134	0
Revenue bonds payable	11,295,000	825,000	0	12,120,000	0
Customer deposits	0	996	0	996	0
<b>Total current liabilities payable from current assets</b>	<b>22,352,705</b>	<b>1,919,412</b>	<b>12,303,762</b>	<b>36,575,879</b>	<b>39,685,441</b>
<b>Long-term liabilities:</b>					
Contracts payable	0	0	2,000,000	2,000,000	0
Compensated absences	1,403,326	101,252	0	1,504,578	0
Revenue bonds payable, net	116,845,565	46,896,927	0	163,742,492	0
<b>Total long-term liabilities</b>	<b>118,248,891</b>	<b>46,998,179</b>	<b>2,000,000</b>	<b>167,247,070</b>	<b>0</b>
<b>Total liabilities</b>	<b>140,601,596</b>	<b>48,917,591</b>	<b>14,303,762</b>	<b>203,822,949</b>	<b>39,685,441</b>
<b>Net Assets:</b>					
Invested in capital assets, net of related debt	403,900,082	20,278,157	21,507,654	445,685,893	7,001,686
Unrestricted	93,345,234	13,407,406	47,808,543	154,561,183	(10,304,311)
<b>Total net assets</b>	<b>497,245,316</b>	<b>33,685,563</b>	<b>69,316,197</b>	<b>600,247,076</b>	<b>(3,302,625)</b>
<b>Total liabilities and net assets</b>	<b>\$ 637,846,912</b>	<b>\$ 82,603,154</b>	<b>\$ 83,619,959</b>	<b>804,070,025</b>	<b>\$ 36,382,816</b>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise fund				(7,680,971)	
<b>Net assets of business type activities</b>				<b>\$ 592,566,105</b>	

See accompanying notes to the basic financial statements

**CITY OF COLUMBIA, SOUTH CAROLINA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**

For the Year Ended June 30, 2009

	Business-type Activities				Governmental Activities
	Water/Sewer Facilities Fund	Parking Facilities Fund	Nonmajor Proprietary Funds	Total	Internal Service Funds
<b>Operating revenues:</b>					
Charges for services	\$ 106,007,862	\$ 4,851,651	\$ 4,725,468	\$ 115,584,981	\$ 41,728,837
Other operating revenue	347,490	1,379,848	5,010,917	6,738,255	0
<b>Total operating revenues</b>	<u>106,355,352</u>	<u>6,231,499</u>	<u>9,736,385</u>	<u>122,323,236</u>	<u>41,728,837</u>
<b>Operating expenses:</b>					
Personnel services	29,271,319	2,121,980	1,693,858	33,087,157	14,311,268
Materials and supplies	10,762,675	228,728	118,030	11,109,433	7,702,563
Contractual services	0	0	0	0	249,159
Other services and charges	9,711,126	474,012	6,418,978	16,604,116	4,562,719
Heat, light and power	6,113,730	278,054	592,277	6,984,061	68,852
Claims and premiums	0	0	0	0	22,770,645
Indirect costs	2,270,000	0	0	2,270,000	0
Depreciation	19,616,817	1,256,820	568,042	21,441,679	1,405,845
Bad debt expense	412,261	0	599,817	1,012,078	0
<b>Total operating expenses</b>	<u>78,157,928</u>	<u>4,359,594</u>	<u>9,991,002</u>	<u>92,508,524</u>	<u>51,071,051</u>
<b>Operating income (loss)</b>	<u>28,197,424</u>	<u>1,871,905</u>	<u>(254,617)</u>	<u>29,814,712</u>	<u>(9,342,214)</u>
<b>Nonoperating revenues (expenses):</b>					
Investment income	3,711,510	1,292,407	585,506	5,589,423	0
Other nonoperating revenue	79,292	34,184	2,333	115,809	0
Gain (loss) from sale of assets	35,341	0	3,808,091	3,843,432	990
Interest expense	(6,650,033)	(1,217,502)	(56,169)	(7,923,704)	0
Amortization of bond costs	(141,809)	(103,868)	0	(245,677)	0
<b>Total nonoperating revenues (expenses)</b>	<u>(2,965,699)</u>	<u>5,221</u>	<u>4,339,761</u>	<u>1,379,283</u>	<u>990</u>
<b>Income (loss) before contributions and transfers</b>	<u>25,231,725</u>	<u>1,877,126</u>	<u>4,085,144</u>	<u>31,193,995</u>	<u>(9,341,224)</u>
<b>Capital contributions and transfers:</b>					
Transfers in	0	0	3,122,078	3,122,078	6,519,727
Transfers out	(8,479,721)	(1,271,111)	(1,952,234)	(11,703,066)	(481,128)
Development contributions	8,358,175	0	0	8,358,175	0
<b>Total capital contributions and transfers:</b>	<u>(121,546)</u>	<u>(1,271,111)</u>	<u>1,169,844</u>	<u>(222,813)</u>	<u>6,038,599</u>
<b>Change in net assets</b>	25,110,179	606,015	5,254,988	30,971,182	(3,302,625)
<b>Net assets - beginning</b>	<u>472,135,137</u>	<u>33,079,548</u>	<u>64,061,209</u>		<u>0</u>
<b>Net assets - ending</b>	<u>\$ 497,245,316</u>	<u>\$ 33,685,563</u>	<u>\$ 69,316,197</u>		<u>\$ (3,302,625)</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise fund				<u>(907,878)</u>	
<b>Change in net assets of business-type activities</b>				<u>\$ 30,063,304</u>	

*See accompanying notes to the basic financial statements*

CITY OF COLUMBIA, SOUTH CAROLINA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended June 30, 2009

	Business-type Activities				Governmental Activities
	Water/Sewer Facilities Fund	Parking Facilities Fund	Nonmajor Proprietary Funds	Total	Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from customers and users	\$ 107,738,516	\$ 6,202,081	\$ 7,359,059	\$ 121,299,656	\$ 41,310,516
Payments to suppliers	(30,303,954)	(2,323,898)	(2,760,476)	(35,388,328)	(36,565,749)
Payments to employees	(29,069,633)	(2,073,701)	(1,638,605)	(32,781,939)	(3,637,989)
<b>Net cash provided by operating activities</b>	<b>48,364,929</b>	<b>1,804,482</b>	<b>2,959,978</b>	<b>53,129,389</b>	<b>1,106,778</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Due to (from) others	3,300,123	0	3,850,511	7,150,634	1,292,677
Transfers in	0	0	3,122,078	3,122,078	6,519,727
Transfers out	(8,479,721)	(1,271,111)	(1,952,234)	(11,703,066)	(481,128)
<b>Net cash used by noncapital financing activities</b>	<b>(5,179,598)</b>	<b>(1,271,111)</b>	<b>5,020,355</b>	<b>(1,430,354)</b>	<b>7,331,276</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Purchase of capital assets	(42,977,424)	(5,041,063)	(1,453,467)	(49,471,954)	(2,350,245)
Proceeds from sale of capital assets	35,341	0	0	35,341	0
Proceeds from bond issuance	650,000	0	0	650,000	0
Principal paid on capital lease	0	0	0	0	(1,518,235)
Principal paid on bonds and notes	(10,410,000)	(781,943)	0	(11,191,943)	0
Interest paid on debt	(8,729,186)	(1,225,437)	(88,636)	(10,043,259)	0
<b>Net cash used by capital and related financing activities</b>	<b>(61,431,269)</b>	<b>(7,048,443)</b>	<b>(1,542,103)</b>	<b>(70,021,815)</b>	<b>(3,868,480)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
(Purchases) proceeds from sale of investments	9,968,215	22,217,737	3,239,296	35,425,248	9,483,922
Increase in mortgage receivable	(140,788)	0	(5,936,802)	(6,077,590)	0
Decrease in mortgage receivable	287,915	0	5,222,692	5,510,607	0
Interest received	3,591,503	1,291,219	758,294	5,641,016	73,112
Rent received	79,292	34,184	2,333	115,809	0
Purchase of real estate held for resale	0	0	(76,057)	(76,057)	0
<b>Net cash provided by investing activities</b>	<b>13,786,137</b>	<b>23,543,140</b>	<b>3,209,756</b>	<b>40,539,033</b>	<b>9,557,034</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(4,459,801)</b>	<b>17,028,068</b>	<b>9,647,986</b>	<b>22,216,253</b>	<b>14,126,608</b>
Cash and cash equivalents, July 1, 2008	36,260,410	6,526,225	11,053,586	53,840,221	13,725,046
<b>Cash and cash equivalents, June 30, 2009</b>	<b>\$ 31,800,609</b>	<b>\$ 23,554,293</b>	<b>\$ 20,701,572</b>	<b>\$ 76,056,474</b>	<b>\$ 27,851,654</b>

(CONTINUED)

CITY OF COLUMBIA, SOUTH CAROLINA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended June 30, 2009  
(CONTINUED)

	Business-type Activities			Governmental Activities	
	Water/Sewer Facilities Fund	Parking Facilities Fund	Nonmajor Proprietary Funds	Total	Internal Service Funds
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>					
Operating income (loss)	\$ 28,197,424	\$ 1,871,905	\$ (254,617)	\$ 29,814,712	\$ (9,342,214)
Adjustment to reconcile operating income to net cash provided (used) by operating activities					
Depreciation	19,616,817	1,256,820	568,042	21,441,679	1,405,845
Amortization	1,848,203	0	0	1,848,203	0
Bad debt expense	412,261	0	599,817	1,012,078	0
Change in operating assets and liabilities					
Accounts receivable	970,903	(45,907)	(2,453,658)	(1,528,662)	(418,321)
Prepaid expenses	(3,942)	(2,505)	0	(6,447)	2,954
Accounts payable	(2,551,930)	(1,340,600)	2,383,862	(1,508,668)	(305,205)
Contracts payable	0	0	2,088,636	2,088,636	0
Accrued salaries and benefits	123,118	16,883	17,167	157,168	18,405
Compensated absences	78,568	31,396	10,729	120,693	17,534
OPEB liability	0	0	0	0	10,637,338
Accrued liability for claims	0	0	0	0	(1,075,512)
Inventory	(326,493)	16,490	0	(310,003)	165,954
Total adjustments	<u>20,167,505</u>	<u>(67,423)</u>	<u>3,214,595</u>	<u>23,314,677</u>	<u>10,448,992</u>
Net cash provided by operating activities	<u>\$ 48,364,929</u>	<u>\$ 1,804,482</u>	<u>\$ 2,959,978</u>	<u>\$ 53,129,389</u>	<u>\$ 1,106,778</u>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:</b>					
Water and Sewer development contributions	\$ 8,358,175	\$ -	\$ -	\$ 8,358,175	\$ -
Received note in lieu of conveyance of property	\$ -	\$ -	\$ 4,000,000	\$ 4,000,000	\$ -

*See accompanying notes to the basic financial statements*

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

June 30, 2009

Private-Purpose Trust Funds							
	Breast Cancer Awareness	Police Canteen	Inspections Education Program	Mayor's Committee Corporate Citizen of the Year	Mayor's Commission Employ People with Disabilities	Total Private- Purpose Trust Funds	Agency Funds
<b>ASSETS</b>							
Cash and cash equivalents	\$ 7,707	\$ 1,203	\$ 100	\$ 2,358	\$ 1,604	\$ 12,972	\$ 156,178
Total assets	7,707	1,203	100	2,358	1,604	12,972	156,178
<b>LIABILITIES</b>							
Accounts payable	0	0	0	0	0	0	\$ 156,178
Total liabilities	0	0	0	0	0	0	\$ 156,178
<b>NET ASSETS</b>							
Held in trust - other purposes	\$ 7,707	\$ 1,203	\$ 100	\$ 2,358	\$ 1,604	\$ 12,972	

*See accompanying notes to the basic financial statements*

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

For the Year Ended June 30, 2009

	<b>Private-Purpose Trust Funds</b>					
	<b>Breast Cancer Awareness</b>	<b>Police Canteen</b>	<b>Inspections Education Program</b>	<b>Mayor's Committee Corporate Citizen of the Year</b>	<b>Mayor's Commission Employ People with Disabilities</b>	<b>Total Private- Purpose Trust Funds</b>
<b>ADDITIONS</b>						
<b>Contributions:</b>						
Private donations	\$ 7,978	\$ 2,363	\$ 100	\$ 16,433	\$ 360	\$ 27,234
Total contributions	<u>7,978</u>	<u>2,363</u>	<u>100</u>	<u>16,433</u>	<u>360</u>	<u>27,234</u>
<b>Investment earnings:</b>						
Interest	14	4	-	33	3	54
Total investment earnings	<u>14</u>	<u>4</u>	<u>-</u>	<u>33</u>	<u>3</u>	<u>54</u>
Total additions	<u>7,992</u>	<u>2,367</u>	<u>100</u>	<u>16,466</u>	<u>363</u>	<u>27,288</u>
<b>DEDUCTIONS</b>						
Administrative expenses	6,980	3,131	-	15,635	3,577	29,323
Total deductions	<u>6,980</u>	<u>3,131</u>	<u>-</u>	<u>15,635</u>	<u>3,577</u>	<u>29,323</u>
Change in net assets	1,012	(764)	100	831	(3,214)	(2,035)
Net assets - beginning	<u>6,695</u>	<u>1,967</u>	<u>-</u>	<u>1,527</u>	<u>4,818</u>	<u>15,007</u>
Net assets - ending	<u>\$ 7,707</u>	<u>\$ 1,203</u>	<u>\$ 100</u>	<u>\$ 2,358</u>	<u>\$ 1,604</u>	<u>\$ 12,972</u>

*See accompanying notes to the basic financial statements*

## **DISCRETELY PRESENTED COMPONENT UNITS**

**The Discretely Presented Component Units** are presented separately to emphasize that they are legally separate from the City, but are a part of the City's reporting entity.

**Columbia Action Council** provides support to the community through the sponsorship and promotion of community programs and festivals.

**Columbia Development Corporation** assists the City in promoting and improving the growth and development of business concerns through the strengthening of the economic and residential base of the community. This Corporation also includes the activity of the formerly separate South Columbia Development Corporation.

**Columbia Housing Development Corporation** assists the City in the development of housing and to promote growth in the residential base of the community.

**Eau Claire Development Corporation** provides assistance in the conservation and redevelopment of neighborhoods located in North Columbia.

**Midlands Authority for Conventions, Sports, and Tourism** directs and manages activities and missions of the Columbia Metropolitan Convention Center and Visitor's Bureau.

**TN Development Corporation** promotes growth and develops opportunities for affordable rental housing.

**Columbia Empowerment Zone, Inc.** initiates, develops, and maintains projects and programs in economically depressed or blighted areas that encourage the attraction and utilization of both public and private investment capital.

CITY OF COLUMBIA, SOUTH CAROLINA  
 COMBINING STATEMENT OF NET ASSETS  
 DISCRETELY PRESENTED COMPONENT UNITS  
 June 30, 2009

	Columbia Action Council	Columbia Development Corporation	Columbia Housing Development Corporation	Eau Claire Development Corporation	Midlands Authority for Conventions, Sports, and Tourism	TN Development Corporation	Total
<b>ASSETS</b>							
<b>Current assets:</b>							
Cash and cash equivalents	\$ 26,543	\$ 959,503	\$ 128,597	\$ 197,346	\$ 910,904	\$ 408,458	\$ 2,631,351
Certificates of deposit	114,837	200,000	100,000	100,000	0	100,000	614,837
Investments	0	0	93,797	0	8,547,870	0	8,641,667
Accounts receivable	0	4,764	22,662	1,540	451,965	83,952	564,883
Accrued interest receivable	0	29,103	0	0	0	0	29,103
Mortgage notes receivable, current portion	0	777,679	96,000	0	0	0	873,679
Inventory	0	0	0	0	1,697	0	1,697
Prepaid expenses	0	55,367	2,572	4,882	54,104	33,710	150,635
Real estate held for sale and development	0	859,223	689,616	0	0	0	1,548,839
<b>Total current assets</b>	<b>141,380</b>	<b>2,885,639</b>	<b>1,133,244</b>	<b>303,768</b>	<b>9,966,540</b>	<b>626,120</b>	<b>15,056,691</b>
<b>Capital assets:</b>							
Land	0	0	15,000	43,000	0	667,326	725,326
Buildings	0	0	117,760	378,500	0	4,163,541	4,659,801
Office furniture & fixtures	1,438	19,500	10,287	30,702	431,764	357,497	851,188
Other capital assets	0	0	0	0	0	24,093	24,093
Accumulated depreciation	(1,438)	(17,631)	(19,314)	(99,967)	(340,760)	(1,604,724)	(2,083,834)
<b>Net capital assets</b>	<b>0</b>	<b>1,869</b>	<b>123,733</b>	<b>352,235</b>	<b>91,004</b>	<b>3,607,733</b>	<b>4,176,574</b>
<b>Other assets:</b>							
Mortgage note receivable, net of allowance	0	0	791,758	0	0	0	791,758
Investment in partnerships	0	100,000	0	0	0	0	100,000
Real estate held for sale and development	0	0	0	1,746,172	0	814,332	2,560,504
Other	0	0	0	0	0	6,669	6,669
<b>Total other assets</b>	<b>0</b>	<b>100,000</b>	<b>791,758</b>	<b>1,746,172</b>	<b>0</b>	<b>821,001</b>	<b>3,458,931</b>
<b>Total assets</b>	<b>\$ 141,380</b>	<b>\$ 2,987,508</b>	<b>\$ 2,048,735</b>	<b>\$ 2,402,175</b>	<b>\$ 10,057,544</b>	<b>\$ 5,054,854</b>	<b>\$ 22,692,196</b>

(Continued)

CITY OF COLUMBIA, SOUTH CAROLINA  
 COMBINING STATEMENT OF NET ASSETS  
 DISCRETELY PRESENTED COMPONENT UNITS  
 (Continued)  
 June 30, 2009

	Columbia Action Council	Columbia Development Corporation	Columbia Housing Development Corporation	Eau Claire Development Corporation	Midlands Authority for Conventions, Sports, and Tourism	TN Development Corporation	Total
<b>LIABILITIES</b>							
<b>Current liabilities:</b>							
Accounts payable and accrued expenses	\$ 12,737	\$ 33,410	\$ 28,166	\$ 519,999	\$ 281,752	\$ 155,875	\$ 1,031,939
Compensated absences	0	16,246	16,705	0	97,006	33,503	163,460
Customer deposits	0	0	0	1,000	0	0	1,000
Due to primary government	114,837	200,000	100,000	102,009	0	100,000	616,846
Due to other funds	0	0	0	0	241,920	0	241,920
Mortgage/bonds/notes payable - current portion	0	0	206,263	959,531	0	648,470	1,814,264
Deferred revenue	0	0	139,968	0	102,356	6,390	248,714
<b>Total current liabilities</b>	<b>127,574</b>	<b>249,656</b>	<b>491,102</b>	<b>1,582,539</b>	<b>723,034</b>	<b>944,238</b>	<b>4,118,143</b>
<b>Other liabilities:</b>							
Mortgage/bonds payable	0	0	209,934	684,419	0	4,425,437	5,319,790
<b>Total other liabilities</b>	<b>0</b>	<b>0</b>	<b>209,934</b>	<b>684,419</b>	<b>0</b>	<b>4,425,437</b>	<b>5,319,790</b>
<b>Total liabilities</b>	<b>127,574</b>	<b>249,656</b>	<b>701,036</b>	<b>2,266,958</b>	<b>723,034</b>	<b>5,369,675</b>	<b>9,437,933</b>
<b>NET ASSETS</b>							
Invested in capital assets, net of related debt	0	1,869	123,733	52,235	91,004	0	268,841
Unrestricted	13,806	2,735,983	1,223,966	82,982	9,243,506	(314,821)	12,985,422
<b>Total net assets (deficit)</b>	<b>13,806</b>	<b>2,737,852</b>	<b>1,347,699</b>	<b>135,217</b>	<b>9,334,510</b>	<b>(314,821)</b>	<b>13,254,263</b>
<b>Total liabilities and net assets (deficit)</b>	<b>\$ 141,380</b>	<b>\$ 2,987,508</b>	<b>\$ 2,048,735</b>	<b>\$ 2,402,175</b>	<b>\$ 10,057,544</b>	<b>\$ 5,054,854</b>	<b>\$ 22,692,196</b>

*See accompanying notes to financial statements*

CITY OF COLUMBIA, SOUTH CAROLINA  
COMBINING STATEMENT OF ACTIVITIES  
DISCRETELY PRESENTED COMPONENT UNITS

For the Year Ended June 30, 2009

	Program Revenue				Net (Expense) Revenues and Changes in Net Assets						
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Columbia Action Council	Columbia Development Corporation	Columbia Housing Development Corporation	Eau Claire Development Corporation	Midlands Authority for Conventions, Sports, and Tourism	TN Development Corporation	Totals
Columbia Action Council Parks and recreation	\$ 253,621	\$ 65,707	\$ 200,000	\$ 0	\$ 12,086	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 12,086
Columbia Development Corporation Community development	421,734	7,673	413,847	0	0	(214)	0	0	0	0	(214)
Columbia Housing Development Corporation Community development	300,936	31,149	159,796	0	0	0	(109,991)	0	0	0	(109,991)
Eau Claire Development Corporation Community development	452,443	46,676	209,796	0	0	0	0	(195,971)	0	0	(195,971)
Midlands Regional Convention Center Authority Community promotions	7,722,912	5,546,442	1,120,049	0	0	0	0	0	(1,056,421)	0	(1,056,421)
TN Development Corporation Community development	1,389,296	853,499	604,246	0	0	0	0	0	0	68,449	68,449
<b>Total component units</b>	<b>\$ 10,540,942</b>	<b>\$ 6,551,146</b>	<b>\$ 2,707,734</b>	<b>\$ -</b>	<b>12,086</b>	<b>(214)</b>	<b>(109,991)</b>	<b>(195,971)</b>	<b>(1,056,421)</b>	<b>68,449</b>	<b>(1,282,062)</b>
General revenues:											
Investment earnings (losses)					9	44,075	803	2,923	114,964	2,905	165,679
(Loss) gain from disposal of capital assets					0	0	0	(78,495)	0	0	(78,495)
Forgiveness of indebtedness					0	0	0	2,325,693	0	0	2,325,693
Total general revenues					<u>9</u>	<u>44,075</u>	<u>803</u>	<u>2,250,121</u>	<u>114,964</u>	<u>2,905</u>	<u>2,412,877</u>
Change in net assets					12,095	43,861	(109,188)	2,054,150	(941,457)	71,354	1,130,815
Beginning net assets (deficit)					1,711	2,693,991	1,456,887	(1,918,933)	10,275,967	(386,175)	12,123,448
Ending net assets (deficit)					<u>\$ 13,806</u>	<u>\$ 2,737,852</u>	<u>\$ 1,347,699</u>	<u>\$ 135,217</u>	<u>\$ 9,334,510</u>	<u>\$ (314,821)</u>	<u>\$ 13,254,263</u>

See accompanying notes to financial statements.

CITY OF COLUMBIA, SOUTH CAROLINA  
STATEMENT OF NET ASSETS  
DISCRETELY PRESENTED COMPONENT UNITS  
COLUMBIA EMPOWERMENT ZONE, INC.  
June 30, 2009

**ASSETS**

**Current assets:**

Cash and cash equivalents	\$	107,622
Accounts receivable, net		0
Prepaid expenses		1,232
		1,232

**Total current assets** 108,854

**Capital assets:**

Land		1,477,764
Buildings		296,814
Office furniture & fixtures		2,445
Other capital assets		(5,810)
Accumulated depreciation		1,771,213
		1,771,213

**Net capital assets**

**Other assets:**

Organizational costs, net		8,857
Utility deposits		4,075
Cash and cash equivalents - restricted		6,970
		6,970

**Total other assets** 19,902

**Total assets** \$ 1,899,969

**LIABILITIES**

**Current liabilities:**

Accounts payable	\$	80,633
Accrued property taxes		21,828
		21,828

**Total current liabilities** 102,461

**Long-term liabilities payable from restricted assets** 6,970

**Total liabilities** 109,431

**Net Assets**

**Unrestricted** 1,790,538

**Total Net Assets** 1,790,538

**Total Liabilities and Net Assets** \$ 1,899,969

**CITY OF COLUMBIA, SOUTH CAROLINA  
STATEMENT OF ACTIVITIES-  
DISCRETELY PRESENTED COMPONENT UNITS  
COLUMBIA EMPOWERMENT ZONE, INC.  
For the year ended June 30, 2009**

**UNRESTRICTED NET ASSETS**

**Support and revenues**

Grant and contract revenue	\$ 1,312,737
Forgiveness of indebtedness	477,169
Rental income	79,215
Other income	<u>5,085</u>

**Total unrestricted support and revenues** 1,874,206

**Expenses**

Program services	
Economic development	70,222
Supporting services	
Management and general	<u>13,446</u>

**Total operating expenses** 83,668

**Change in unrestricted net assets** 1,790,538

**Net assets, beginning of period** 0

**Net assets, end of period** \$ 1,790,538

## **INDEX TO NOTES TO FINANCIAL STATEMENTS**

**CITY OF COLUMBIA, SOUTH CAROLINA**  
**Index to Notes to Financial Statements**  
**Year Ended June 30, 2009**

**INDEX**

<u>Note</u>	<u>Page</u>
<b>I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</b>	
A. Reporting Entity	39
B. Basis of Presentation	41
C. Measurement Focus and Basis of Accounting	44
D. Assets and Liabilities	45
E. Revenues, Expenditures and Expenses	47
F. Fund Balance	49
<b>II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY</b>	
A. Encumbrances	49
B. Deficit Fund Equity	49
C. Risk Management	50
<b>III. DETAIL NOTES ON ALL FUNDS</b>	
A. Deposits and Investments	51
B. Receivables	52
C. Mortgage Notes Receivable and Revolving Loan Pools	52
D. Interfund Receivables, Payables, and Transfers	53
E. Operating Leases	54

(Continued)

**CITY OF COLUMBIA, SOUTH CAROLINA**  
**Index to Notes to Financial Statements**  
**Year Ended June 30, 2009**  
**INDEX (Continued)**

<u>Note</u>	<u>Page</u>
<b>III. DETAIL NOTES ON ALL FUNDS (Continued)</b>	
F. Capital Assets	54
G. Deferred Compensation Plan	56
H. Other Post-Employment Benefits	56
I. Long-Term Debt	58
<b>IV. PENSION PLANS</b>	65
<b>V. RECENT ACCOUNTING PRONCEMENTS</b>	66
<b>VI. CONTINGENT LIABILITIES AND COMMITMENTS</b>	
A. Federal Grants	67
B. Litigation	67
C. Central Midlands Regional Transit Authority	67
D. Eau Claire Development Corporation	67
<b>VII. INTEREST RATE SWAP AGREEMENTS</b>	67
<b>VIII. RELATED PARTY TRANSACTION</b>	68
<b>IX. SUBSEQUENT EVENTS</b>	68

CITY OF COLUMBIA, SOUTH CAROLINA  
Notes to Financial Statements  
June 30, 2009

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Columbia, 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 a population of 127,029 living within an area of 136.2 square miles. The Greater Columbia Metropolitan Area consists of Lexington and Richland Counties and has an estimated population of 716,030. 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 (6) 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. Using the criteria of GASB Statement No. 14, "The Financial Reporting Entity," as amended by GASB Statement No. 39 "Determining Whether Certain Organizations Are Component Units," discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

**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 I. The balances of this Corporation are reported in a non-major special revenue fund as well as a non-major capital projects fund.

***Columbia Parking Facilities Corporation***

For fiscal year 2007, the Columbia Parking Facilities Corporation (a capital projects fund) using the guidelines of GASB 34, was deemed a Major fund. In 2009, management has determined using the same guidelines, that the fund is considered a major fund for reporting purposes although it does not quantitatively qualify. This is a single purpose entity that 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 new research campus, Innovista. The Board of Directors is comprised of five members of City Council. For further discussion of this component unit, see Note III. I.

**Discretely Presented Component Units**

***Columbia Action Council (CAC)***

The CAC, incorporated in 1979, provides support to the community through the sponsorship and promotion of community programs and festivals. Partial funding is supplied by the City and the CAC board is appointed by City Council. No retiring members were replaced and there were no active board members at June 30, 2009.

CITY OF COLUMBIA, SOUTH CAROLINA  
Notes to Financial Statements  
June 30, 2009

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**A. REPORTING ENTITY (Continued)**

***Columbia Empowerment Zone, Inc. (CEZ)***

Incorporated in 2009, the CEZ, Inc. was formed to carry out the mission of the Columbia Empowerment Zone (CEZ), a federally designated area (1999-2009). The purpose of CEZ, Inc. 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 nine member Board of Directors 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. CEZ, Inc. is not a governmental entity and therefore uses a different reporting model. As such, its balances and transactions are reported on separate financial statements.

***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, appropriations from the City, and a grant from the Environmental Protection Agency for pollution site identification and cleanup.

***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 the CHDC is derived from sale of properties, interest income, mortgages receivable, and the U.S. Department of Housing and Urban Development (HUD) Grants passed through the Community Development Special Revenue Fund.

***Eau Claire Development Corporation (ECDC)***

Incorporated in 1993, the ECDC provides assistance in the conservation and redevelopment of neighborhoods located in North Columbia. The nine-member Board of Directors is composed of three Council members and six members appointed by City Council. Current funding is derived from the U.S. Department of Housing and Urban Development (HUD) grants passed through the Community Development Special Revenue Fund, appropriations from the City of Columbia, and sale of properties and rents.

***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 Governmental Entities have pledged their tourism development fees to support this project. However, outside of this pledge of revenues, the City is responsible for issuing the initial debt to fund this project and will retain title to the Convention Center.

CITY OF COLUMBIA, SOUTH CAROLINA  
Notes to Financial Statements  
June 30, 2009

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**A. REPORTING ENTITY (Continued)**

***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 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, and the U.S. Department of Housing and Urban Development (HUD) grants passed through the Community Development Special Revenue Fund.

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

**B. BASIS OF PRESENTATION**

**GOVERNMENT WIDE FINANCIAL STATEMENTS**

The Statement of Net Assets and Statement of Activities display information about the reporting government as a whole. 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. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

**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, 2009

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. BASIS OF PRESENTATION (Continued)**

*Special Revenue Funds*

These funds are used to account for revenues 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 -- accounts for fire services and 911 emergency communications provided to citizens outside the City limits and the reimbursement for expenditures from Richland County.
- Accommodations Tax -- accounts for State Hotel Accommodations Tax receipts to promote activities of City organizations.
- Tourism Development -- 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.
- 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.
- Hospitality Tax -- accounts for a local 2% gross sales tax on prepared food and beverages sold in establishments.
- Confiscated Drug Program -- accounts for the disposition of forfeited property and money seized in Columbia by law enforcement agencies.
- Other Programs -- provides for miscellaneous programs for park improvements and special events.
- Community Development Grants and Awards -- accounts for the Community Development Block Grants.
- Justice Department Grants -- accounts for receipt of Federal and State funds for programs to improve public safety and law enforcement to the community.
- Other Grants -- accounts for the receipt of Federal and State funds used for various signal grants, and highway safety grants, various tree-planting projects, and various public services and planning projects.

*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. Ad valorem taxes, 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.

*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, tax increment district property taxes, certain Federal grants and other specific receipts. These funds include:

- Parking Facilities Corporation -- accounts for funds designated for the Innovista parking garages.
- Tax Increment District -- accounts for the construction and development of parks and infrastructure, within the Congaree Vista Redevelopment District, and is funded by tax increment district property tax revenues.
- 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.

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. BASIS OF PRESENTATION (Continued)**

*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:

Anna Dickson Park Fund -- 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 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:

- Water/Sewer Facilities Fund -- accounts for water and sewer utility activities.
- Parking Facilities Fund -- accounts for parking garage and parking ticket activities.
- Hydro-Electric Plant -- accounts for hydro electric plant activities.
- Storm Water Facilities Fund -- accounts for storm water utility activities.
- Redevelopment Programs Fund -- accounts for various home rehabilitation and mortgage lending programs funded from various sources.

*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 funds include:

- Fleet Management -- accounts for the maintenance and repair of movable vehicles.
- Support Services -- accounts for a decentralized governmental and 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, unemployment, 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.

CITY OF COLUMBIA, SOUTH CAROLINA  
Notes to Financial Statements  
June 30, 2009

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. BASIS OF PRESENTATION (Continued)**

*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.

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 provided to citizens outside the City limits and the reimbursement for expenditures from Richland County.
- The Columbia Parking Facilities Corporation Fund accounts for funds designated for the Innovista parking garages.

The government 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.

**C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

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. Additionally, the effect of interfund activity has been eliminated from the government-wide financial statements, except for amounts due between the City's governmental activities and business-type activities.

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 unreserved fund balance is a measure of available spendable resources.

All governmental fund types use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., 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 sixty days after year-end for government-wide financial statement purposes. The City considers revenues available if they are collected within sixty 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, 2009

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (Continued)**

Deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also 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 deferred revenue is removed from the balance sheet, and revenue is recognized.

Proprietary fund financial statements are accounted for on a flow of economic resources measurement focus. The accrual basis of accounting is utilized by proprietary fund types. Under this method, revenues are recognized when earned, and expenses are recorded at the time liabilities are incurred.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidelines.

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.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

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 and certain claims and judgment liabilities, among other accounts. Actual results could differ from those estimates.

**D. ASSETS AND LIABILITIES**

***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.

***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.

CITY OF COLUMBIA, SOUTH CAROLINA  
Notes to Financial Statements  
June 30, 2009

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. ASSETS AND LIABILITIES (Continued)**

***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 resale 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 charges-offs, 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***

All balances between funds that are outstanding at the end of the fiscal year are referred to as "due 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."

***Bond Discount and Issuance Costs***

In the government-wide financial statements and proprietary fund types in the fund financial statements, bond discount and issuance costs are deferred and amortized using the straight-line method over the term of the applicable bonds, providing no material differences between the straight-line method and the interest method. In the fund financial statements, governmental fund types recognize bond discounts and issuance costs during the current period.

***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, 2009

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. ASSETS AND LIABILITIES (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. Infrastructure assets acquired during fiscal year 2008 were 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

*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 assets. Debt is reported net of applicable premiums or discounts on the statement of net assets. Bond premiums and discounts are deferred and amortized over the term of the bonds using the straight-line method. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as issuance costs, during the current period. Bond proceeds are reported as an "other financing source" net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as expenditures.

**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 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.

CITY OF COLUMBIA, SOUTH CAROLINA  
Notes to Financial Statements  
June 30, 2009

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. REVENUES, EXPENDITURES AND EXPENSES (Continued)**

That portion of General Fund property taxes allocated for payment of debt services is transferred to the Debt Service Fund. All Special District, Tax Increment property taxes are recorded as revenue in the Debt Service Fund and any excess revenues over debt service requirements are remitted as principle outstanding on the balance of the debt.

***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. This revenue is included in the general fund property tax revenue. The tax generated \$16.4 million during the year ended June 30, 2009, and was capped in order to prevent a windfall effect of taxes collected. This "cap" created deferred revenue of approximately \$2.8 million in the General Fund as of June 30, 2009. Deferred revenue of the Local Option Sales Tax will be utilized to offset any reduction of property tax revenue and/or adjust future property tax increases.

***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 average daily equity in pooled cash and investments to the total average daily-pooled equity in pooled cash and investments.

***Grant Revenue***

Revenues from Federal and State grants are recognized when qualifying expenditures are made and all grant requirements have been met. Cash received by the City prior to the City making qualifying expenditures is recorded as deferred revenue.

***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, 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 ten years may receive up to a maximum of two weeks of vacation. An employee with service of ten to twenty years may receive up to a maximum of four weeks, and service of over twenty years may receive a maximum of five weeks. Maximum carryover allowed per employee is two calendar years of accrued compensated absences.

The liability for compensated absences in the financial statements is calculated based upon recorded balances of unused leave for which the City would compensate employees if employment ended June 30, 2009. The change in this calculated amount from the previous year is expensed in current operations.

***Operating and Nonoperating Revenues and Expenses***

Proprietary and internal service funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a fund's principal ongoing operations. The principal operating revenues of the water/sewer facilities fund and the parking facilities fund are charges to customers for sales and services. Operating revenues for internal service funds consist of charges to other funds for the services being provided by the internal service funds. Operating expenses for business-type funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.



CITY OF COLUMBIA, SOUTH CAROLINA  
Notes to Financial Statements  
June 30, 2009

**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 a lifetime amount of \$1,000,000 with a stop-loss provision of \$275,000 per year. The accrued liability for prior year claims represents estimates for medical and dental claims incurred as of June 30, 2009. Some of these claims were reported at June 30, 2009, 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
2008	\$ 15,901,813	\$ 18,689,761	\$ (19,512,122)	\$ 15,079,452
2009	\$ 15,079,452	\$ 19,815,099	\$ (20,890,611)	\$ 14,003,940

Fiscal year 2009 aggregate liability includes the following amounts for legal claims: \$8,639,166 beginning liability, \$78,518 current year claims and changes in estimates, and \$913,508 claims payments. The ending liability for legal claims is \$7,647,140. 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, 2009

**III. DETAIL NOTES ON ALL FUNDS**

**A. DEPOSITS AND INVESTMENTS**

As of June 30, 2009, the City, excluding component units, had the following investments (in thousands):

Investment Type	Investment Maturities (in Years)		
	Fair Value	Less Than 1	Greater Than 1
Certificates of Deposit	\$ 1,556	\$ 1,556	\$ 0
Treasuries	28,384	3,172	25,212
Agencies	33,770	2,825	30,945
Total	\$ 63,710	\$ 7,553	\$ 56,157

***Investment Classification***

Investments are classified as current on the Statements of Net Assets based on the ability of the City to sell the securities at any time regardless of maturity.

***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.

***Credit Risk***

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.

***Custodial Credit Risk - Deposits***

The City's cash deposit policy requires that United States Treasury 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, 2009 the City was in full compliance with its collateral policy.

***Custodial Credit Risk - Investments***

Similarly, the City uses an independent investment custodian who takes direction from the outside portfolio managers and independently settles all trades with the securities being held by the custodian on behalf of and in the name of the City.

CITY OF COLUMBIA, SOUTH CAROLINA  
Notes to Financial Statements  
June 30, 2009

**III. DETAIL NOTES ON ALL FUNDS (Continued)**

**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, 2009 are as follows:

General Fund	\$ 1,815,541
Water/Sewer Facilities	\$ 1,573,317
Parking Facilities	\$ 1,522,176
Nonmajor Business-type activities	\$ 4,063,540

Receivables for the Component Units consist of items totaling \$589,447 at June 30, 2009. As of June 30, 2009, the allowance for doubtful accounts was approximately \$24,564.

***Contractual rights and related obligations***

During the year ended June 30, 2004 the City acquired the contractual right to receive approximately \$1,000,000 per year for seven years in monthly installments. At the same time, the City contracted to pay \$1,000,000 per year annually for seven years to an unrelated governmental entity. No interest was specified in either contract. This receivable and related payable has been discounted at 4.75% (prime rate at the date of the transaction). Further details of the contract can be found in Note VI. C.

**C. MORTGAGE NOTES RECEIVABLE AND REVOLVING LOAN POOLS**

The various mortgage programs involve the Community Development loan 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 and delinquent mortgages receivable are estimated to be \$2,105,771 as of June 30, 2009.

***Component units***

The Columbia Housing Development Corporation (CHDC) has mortgage notes receivable consisting of \$887,758, which is net of allowance for uncollectible loans of \$85,777. Mortgage notes receivable consist of loans to individuals under various federal housing lending programs and have various interest rates and maturity dates. The Columbia Housing Development Corporation 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 \$777,679. Mortgage notes receivable consist of two loans to corporations for the purpose of community development and have various interest rates and maturity dates. The Columbia Development Corporation is considered a community development corporation and revenue recognition is applied under the cost recovery method.

CITY OF COLUMBIA, SOUTH CAROLINA  
Notes to Financial Statements  
June 30, 2009

**III. DETAIL NOTES ON ALL FUNDS (Continued)**

**D. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The interfund receivables and payables at June 30, 2009 are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Funds:		
Water/Sewer Facilities	\$ 18,818,868	\$ 0
Other Governmental	50,452	6,739,735
County Services	0	38,447
Other Proprietary	0	5,014,431
Internal Service	0	7,076,707
Total	<u>\$ 18,869,320</u>	<u>\$ 18,869,320</u>

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 occur; (2) transactions are recorded in the accounting system; and (3) payments between funds are made.

The interfund transfers at June 30, 2009 are as follows:

	<u>Transfers Out</u>	<u>Transfers In</u>
General	\$ 11,707,683	\$ 8,963,185
County Services	0	2,790,153
Nonmajor governmental funds	11,067,837	13,564,571
Water/Sewer	8,479,721	0
Parking	1,271,111	0
Nonmajor proprietary funds	1,952,234	3,122,078
Internal service funds	<u>481,128</u>	<u>6,519,727</u>
	<u>\$ 34,959,714</u>	<u>\$ 34,959,714</u>

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, 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.

CITY OF COLUMBIA, SOUTH CAROLINA  
Notes to Financial Statements  
June 30, 2009

**III. DETAIL NOTES ON ALL FUNDS (Continued)**

**E. OPERATING LEASES**

The City is committed under various operating leases for office and copier equipment. Operating lease expenditures for the year ended June 30, 2009, were \$1,121,373. Future minimum lease payments for these leases are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2010	\$ 929,028
2011	926,166
2012	632,575
2013	204,267
2014	<u>206,820</u>
Total	<u>\$ 2,898,856</u>

**F. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2009, is as follows (in thousands):

<b>Governmental activities</b>	<u>Balance June 30, 2008</u>	<u>Increases</u>	<u>Transfers</u>	<u>Decreases</u>	<u>Balance June 30, 2009</u>
Capital assets, not being depreciated:					
Land	\$ 32,780	\$ 425	\$ 0	\$ (596)	\$ 32,609
Construction in progress	49,226	16,968	0	(50,391)	15,803
Total capital assets, not being depreciated:	<u>82,006</u>	<u>17,393</u>	<u>0</u>	<u>(50,987)</u>	<u>48,412</u>
Capital assets, being depreciated:					
Buildings and improvements	142,893	49,782	(105)	0	192,570
Machinery and equipment	36,559	5,762	105	(1,789)	40,637
Infrastructure	16,404	2,116	0	0	18,520
Total capital assets, being depreciated:	<u>195,856</u>	<u>57,660</u>	<u>0</u>	<u>(1,789)</u>	<u>251,727</u>
Less accumulated depreciation:					
Buildings and improvements	(24,951)	(5,481)	39	0	(30,393)
Machinery and equipment	(23,803)	(3,829)	(39)	1,652	(26,019)
Infrastructure	(5,963)	(800)	0	0	(6,763)
Total accumulated depreciation	<u>(54,717)</u>	<u>(10,110)</u>	<u>0</u>	<u>1,652</u>	<u>(63,175)</u>
Total capital assets, being depreciated, net	<u>141,139</u>	<u>47,550</u>	<u>0</u>	<u>(137)</u>	<u>188,552</u>
Governmental activities capital assets, net	<u>\$ 223,145</u>	<u>\$ 64,943</u>	<u>\$ 0</u>	<u>\$ (51,124)</u>	<u>\$ 236,964</u>

CITY OF COLUMBIA, SOUTH CAROLINA  
Notes to Financial Statements  
June 30, 2009

**III. DETAIL NOTES ON ALL FUNDS (Continued)**

**F. CAPITAL ASSETS (Continued)**

<b>Business-type activities</b>	Balance June 30, 2008	Increases	Transfers	Decreases	Balance June 30, 2009
Capital assets, not being depreciated:					
Land	\$ 25,483	\$ 206	\$ 0	\$ 0	\$ 25,689
Construction in progress	44,276	88,790	0	(62,537)	70,529
Total capital assets, not being depreciated:	<u>69,759</u>	<u>88,996</u>	<u>0</u>	<u>(62,537)</u>	<u>96,218</u>
Capital assets, being depreciated:					
Buildings and improvements	730,755	31,243	0	0	761,998
Machinery and equipment	28,532	975	0	(285)	29,222
Total capital assets, being depreciated:	<u>759,287</u>	<u>32,218</u>	<u>0</u>	<u>(285)</u>	<u>791,220</u>
Less accumulated depreciation:					
Buildings and improvements	(245,243)	(18,694)	0	0	(263,937)
Machinery and equipment	(16,135)	(2,748)	0	278	(18,605)
Total accumulated depreciation	<u>(261,378)</u>	<u>(21,442)</u>	<u>0</u>	<u>278</u>	<u>(282,542)</u>
Total capital assets, being depreciated, net	<u>497,909</u>	<u>10,776</u>	<u>0</u>	<u>(7)</u>	<u>508,678</u>
Business-type activities capital assets, net	<u>\$ 567,668</u>	<u>\$ 99,772</u>	<u>\$ 0</u>	<u>\$ (62,554)</u>	<u>\$ 604,896</u>

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

Governmental activities:	
Total depreciation expense – governmental activities	<u>\$ 10,109,515</u>
Business-type activities:	
Water/Sewer facilities	\$ 19,616,817
Storm Water facilities	244,576
Parking facilities	1,256,820
Hydro electric plant	323,466
Total depreciation expense – business-type activities	<u>\$ 21,441,679</u>

Construction commitments as of June 30, 2009 totaled approximately \$45,719,000.

CITY OF COLUMBIA, SOUTH CAROLINA  
Notes to Financial Statements  
June 30, 2009

**III. DETAIL NOTES ON ALL FUNDS (Continued)**

**G. DEFERRED COMPENSATION PLAN**

The City has two approved deferred compensation plans administered by the South Carolina Public Employees Deferred Compensation Commission. Although the City makes no contributions to either plan, employees may elect to participate under either Internal Revenue Service Section 401K or 457. The amount of the deferred compensation is expensed as salaries and a like amount is remitted to the Deferred Compensation Commission. The City owns none of the plan assets and has no liability to its employees.

**H. OTHER POST-EMPLOYMENT BENEFITS**

The City provides post-employment 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 twenty years or more. Currently, 590 retirees meet those requirements. The City pays all premiums for all qualifying retirees. For the year ended June 30, 2009 premiums totaled \$317,471. Retirees paid dependent coverage of \$440,902. Currently, the City is financing the post-employment retirement benefits on a pay-as-you-go basis and expenditures for these insurance premiums are recorded in all of the City's funds.

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

	Year Ended June 30, 2009				
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Participants:					
Active	2,179	2,197	2,162	2,069	1,999
Retired	589	650	610	514	512
Total Employee Claims					
Active	\$11,714,190	\$11,156,966	\$10,754,287	\$8,699,735	\$8,430,837
Retired	5,219,495	5,524,277	4,909,064	4,683,189	3,400,508
% of Active Payroll:					
Active	12.61%	12.32%	12.73%	10.91%	10.91%
Retired	<u>5.62%</u>	<u>6.10%</u>	<u>5.81%</u>	<u>5.87%</u>	<u>4.40%</u>
Total	<u>18.23%</u>	<u>18.42%</u>	<u>18.54%</u>	<u>16.78%</u>	<u>15.31%</u>

For the fiscal year ending 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.

From an accrual perspective, the cost of other post-employment 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 ARC (Annual Required Contribution) 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, 2009

**III. DETAIL NOTES ON ALL FUNDS (Continued)**

**H. OTHER POST-EMPLOYMENT BENEFITS (Continued)**

***Annual OPEB costs and Net OPEB Obligation***

The City first had an actuarial valuation performed for the plan as of July 1, 2008 to determine the funded status of the plan as of that date as well as the employer's annual required contribution (ARC) for the fiscal year ended June 30, 2009. The City's annual OPEB costs and the net OPEB obligation for the year ended June 30, 2009 on the Statement of Net Assets was as follows (information for prior years is not available as the actuarial valuation was performed for the first time as of June 30, 2007):

Employer Normal Cost	\$ 5,140,977
Amortization of UAAL*	<u>10,290,057</u>
Annual Required Contribution (ARC)	15,431,034
Interest on Net Obligation	319,134
Adjustment to the ARC	<u>(386,481)</u>
Annual OPEB Cost	15,363,687
Contributions made	<u>(4,726,349)</u>
Increase in Net OPEB Obligation	10,637,388
Net OPEB Obligation, July 1, 2008	<u>6,078,747</u>
Net OPEB Obligation, June 30, 2009	<u><u>\$ 16,716,085</u></u>

\* Unfunded Actuarial Accrued Liabilities (UAAL) were amortized over 30 years.

Funded status and Funding Progress of the plan as of June 30, 2009 was as follows:

Present Value of Future Benefits:	
Retirees & Beneficiaries	\$ 69,803,814
Covered Spouses of Retirees	21,917,988
Participants Fully Eligible for Benefits	17,364,704
Participants Not Fully Eligible for Benefits	<u>52,760,198</u>
Total Present Value of Future Benefits	<u><u>\$ 161,846,704</u></u>
Present Value of Future Normal Costs	<u>\$ 5,140,977</u>
Actuarial Accrued Liabilities	\$ 161,846,704
Actuarial Value of Assets	<u>0</u>
Unfunded Actuarial Accrued Liability	\$ 161,846,704
Funded Ratio	0%
Covered payroll (active plan members)	\$ 92,885,005
UAAL as a percentage of covered payroll	174.24%

CITY OF COLUMBIA, SOUTH CAROLINA  
Notes to Financial Statements  
June 30, 2009

**III. DETAIL NOTES ON ALL FUNDS (Continued)**

**H. OTHER POST-EMPLOYMENT BENEFITS (Continued)**

*Actuarial Methods and Assumptions*

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events well into the future. Examples would include assumptions about future employment, rates of retirement, mortality, and health care cost trends. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

In the June 30, 2009 actuarial valuation, the projected unit credit cost method was used. The UAAL amortization payment is the level percent of payroll (assumed to increase 3%) required to fully amortize the UAAL over a 30 year period. The actuarial assumptions included 5.25% rate of investment return. The valuation assumes a 10% health care trend inflation rate for 2010 and decreases 1% each year until 2014. General inflation is assumed to be 3% per year.

**I. LONG-TERM DEBT**

	Balance 6/30/2008	Additions	Reductions	Balance 6/30/2009	Amount Due in 2010
<b>Governmental activities:</b>					
Notes payable	\$ 4,658,191	\$ 2,429,249	\$ (339,966)	\$ 6,747,474	\$ 148,274
General obligation bonds	28,155,000	3,625,000	(6,085,000)	25,695,000	2,570,000
Revenue bonds	60,010,000	0	(2,500,000)	57,510,000	2,635,000
Tax increment bonds	3,760,000	0	(3,760,000)	0	0
Unamortized bond premiums	2,609,082	0	(440,682)	2,168,400	0
Capital lease payable	1,518,235	0	(1,518,235)	0	0
Compensated absences	6,365,692	6,586,289	(6,365,692)	6,586,289	1,317,258
<b>Total governmental activities</b>	<b>107,076,200</b>	<b>12,640,538</b>	<b>(21,009,575)</b>	<b>98,707,163</b>	<b>6,670,532</b>
<b>Business-Type activities:</b>					
Revenue bonds	184,040,000	650,000	(11,190,000)	173,500,000	12,120,000
Contracts payable	1,866,018	3,954,654	(1,866,018)	3,954,654	1,954,654
Unamortized premium	2,553,978	217,153	(408,639)	2,362,492	0
Compensated absences	1,799,000	1,919,693	(1,799,000)	1,919,693	415,115
<b>Total business-type activities</b>	<b>190,258,996</b>	<b>6,741,500</b>	<b>(15,263,657)</b>	<b>181,736,839</b>	<b>14,489,769</b>
<b>Total all long term debt</b>	<b>\$ 297,335,196</b>	<b>\$ 19,382,038</b>	<b>\$ (36,273,232)</b>	<b>\$ 280,444,002</b>	<b>\$ 21,160,301</b>

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, \$267,464 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 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, 2009

**III. DETAIL NOTES ON ALL FUNDS (Continued)**

**I. LONG-TERM DEBT (Continued)**

The annual requirements to amortize all outstanding debt of the City as of June 30, 2009, 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	Total Principal	Total Interest
2010	\$ 2,570,000	\$ 1,017,659	\$ 2,635,000	\$ 2,382,768	\$ 148,274	\$ 175,200	\$ 5,353,274	\$ 3,575,627
2011	2,730,000	926,225	2,730,000	2,305,205	150,472	173,001	5,610,472	3,404,431
2012	2,060,000	832,987	2,885,000	2,194,205	152,735	170,738	5,097,735	3,197,930
2013	1,205,000	762,653	3,020,000	2,075,855	155,068	168,406	4,380,068	3,006,914
2014	1,260,000	715,515	3,195,000	1,943,855	157,470	166,004	4,612,470	2,825,374
2015-2019	7,175,000	2,768,433	18,395,000	7,575,413	5,458,455	482,867	31,028,455	10,826,713
2020-2024	6,480,000	1,141,315	17,495,000	3,207,050	375,000	0	24,350,000	4,348,365
2025-2029	2,215,000	181,695	5,515,000	1,140,780	150,000	0	7,880,000	1,322,475
2030-2034	0	0	1,640,000	430,000	0	0	1,640,000	430,000
	\$ <u>25,695,000</u>	\$ <u>8,346,482</u>	\$ <u>57,510,000</u>	\$ <u>23,255,131</u>	\$ <u>6,747,474</u>	\$ <u>1,336,216</u>	\$ <u>89,952,474</u>	\$ <u>32,937,829</u>

CITY OF COLUMBIA, SOUTH CAROLINA  
Notes to Financial Statements  
June 30, 2009

**III. DETAIL NOTES ON ALL FUNDS (Continued)**

**I. LONG-TERM DEBT (Continued)**

**Business-type activities:**

Year Ending June 30,	Revenue Bonds	Interest
2010	\$ 12,120,000	\$ 8,671,433
2011	12,775,000	8,009,798
2012	13,070,000	7,384,425
2013	4,705,000	6,691,874
2014	4,955,000	6,449,056
2015-2019	28,585,000	28,422,356
2020-2024	32,090,000	20,962,031
2025-2029	38,340,000	12,442,569
2030-2034	18,235,000	4,301,938
2035-2039	<u>8,625,000</u>	<u>876,500</u>
	\$ <u>173,500,000</u>	\$ <u>104,211,980</u>

**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%

\$ 1,275,000

\$5,185,000 Construction note secured for the construction of a 1,450 parking space parking deck for Innovista

Annual principal installments of \$5,000 to \$15,000

through March 1, 2017

Interest rate: Adjusted LIBOR rate (0.309%)

Maximum draw amount: \$5,185,000

4,734,175

\$738,299 note secured for development of a hydrogen fueling station

Annual principal installments of \$73,000 to \$96,000

through April 1, 2019

Interest rate: 3%

738,299

*Total Governmental Activities Notes Payable*

\$ 6,747,474

**General Obligation Bond Anticipation Notes**

In February of 2007, the City created the Columbia Parking Facilities Corporation (the Corporation), a blended component unit, and entered into an agreement with Richland County and the University of South Carolina (the University), related to the construction and operation of two parking garages. These garages are part of the University's development of a research campus known as Innovista. Under this agreement, the City agreed to issue \$7,750,000 in bond anticipation notes (BANS), of which \$6,600,000 were issued, to fund a portion of the construction costs of the first garage. Richland County agreed to issue the same amount of bond anticipation notes to assist in the funding of the first garage, with the remainder of the costs coming from resources of the University. In December of 2007, the City issued general obligation bonds and retired the bond anticipation notes.

CITY OF COLUMBIA, SOUTH CAROLINA  
Notes to Financial Statements  
June 30, 2009

**III. DETAIL NOTES ON ALL FUNDS (Continued)**

**I. LONG-TERM DEBT (Continued)**

Under this agreement, the Corporation owns the garage and the cost of the garage is included on the governmental activities statement of net assets. Under the operating agreement, the University has agreed to operate the garage. Revenues of this garage are pledged to pay bonds issued to finance the garage.

***General Obligation Bonds***

The City has issued General Obligation Bonds to fund building programs of the City and also to refinance debt issued to fund parking facilities. 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 percent 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.

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.

General Obligation Bonds outstanding as of June 30, 2009, are as follows:

*Governmental Activities:*

\$15,500,000 City of Columbia General Obligation Bonds, Series 2002	
Proceeds for: Infrastructure improvements, acquisition of land	
Annual Principal Installments of \$575,000 to \$1,190,000	
Through June 1, 2022	
Interest Rate: 2.75 to 4.625%	\$ 11,815,000
\$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 %	9,085,000
\$3,050,000 City of Columbia General Obligation Bonds, Series 2007B	
Proceeds for: Defeasance of the 2006 Bond Anticipation Notes,	
construction and infrastructure improvements	
Annual Principal Installments of \$965,000 to \$1,070,000	
through June 1, 2011	
Interest Rate: 3.58%	2,085,000
\$3,625,000 City of Columbia General Obligation Bonds, Series 2008	
Proceeds for: Refund Series 1998A General Obligation Bonds	
Annual Principal Installments of \$865,000 to \$940,000	
through February 1, 2012	
Interest Rate: 2.78%	<u>2,710,000</u>
<i>Total Government Activities General Obligation Bonds</i>	<u><u>\$ 25,695,000</u></u>

CITY OF COLUMBIA, SOUTH CAROLINA  
Notes to Financial Statements  
June 30, 2009

**III. DETAIL NOTES ON ALL FUNDS (Continued)**

**I. LONG-TERM DEBT (Continued)**

***Special District (Tax Increment) Debt***

Title 31, Chapter 6 of the South Carolina Code of Laws allows municipalities to redevelop deteriorating areas using incremental tax revenues from property owners located in those areas. In order to finance the development of the Congaree Vista area, the City issued bonds, which are repaid from the incremental taxes of property owners in that neighborhood. The Water and Sewer Facilities Fund Revenues are pledged as a junior lien to secure this Special District Tax Increment Debt.

In December 2008, the City defeased the 2001 Tax Increment Bonds by placing its own funds in an irrevocable trust to provide for the 07/08 and 08/09 debt service payments on the bonds. Accordingly, the trust account assets and the liability for the defeased bonds will not be included in the City's financial statements. The defeased balance related to these bonds is approximately \$3,760,000.

***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 construction of the second of two Innovista garages is being 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. The Corporation has ownership of both garages. BB&T, the bond holder, also holds a first mortgage on both garages. Richland County is responsible for 50% of the construction costs. The garages are included on the governmental activities statement of net assets of the City. The garages are operated by the University, and the revenues from them are remitted by USC to the Corporation to retire this debt. 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 0.309% at June 30, 2009.

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 (0.309%, at June 30, 2009). At June 30, 2009, \$4,734,175 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.

CITY OF COLUMBIA, SOUTH CAROLINA  
Notes to Financial Statements  
June 30, 2009

**III. DETAIL NOTES ON ALL FUNDS (Continued)**

**I. LONG-TERM DEBT (Continued)**

Revenue bonds outstanding as of June 30, 2009 are as follows:

*Governmental Activities:*

<p>\$19,365,000 Certificates of Participation 2004 Payable from revenues derived by the City from hospitality taxes Annual principal installments of \$680,000 to \$1,495,000 through February 1, 2025 Interest rate: 3.75 to 5.25%</p>	<p>\$ 16,885,000</p>
<p>\$36,570,000 Certificates of Participation 2002 Payable from revenues derived by the City from tourism development fees Annual principal installments of \$1,305,000 to \$2,810,000 through June 1, 2022 Interest rate: 2.0 to 5.25%</p>	<p>27,805,000</p>
<p>\$13,070,000 South Carolina Jobs-Economic Development Authority Bond 2007 Payable from revenues derived by the City from operation of a garage Annual principal installments of \$250,000 to \$920,000 through March 1, 2031 Interest rate: Rate per annum equal to 95% of LIBOR (0.039%)</p>	<p><u>12,820,000</u></p>
<p><i>Total Government Activities Revenue Bonds</i></p>	<p><u>\$ 57,510,000</u></p>

*Business-type Activities:*

Parking Facilities Fund:

<p>\$8,605,000 Parking Facilities Revenue Bonds, Series 1994 Payable from revenues derived by the City from operation of off-street and on-street parking facilities. Proceeds for: Refund Series 1987 Parking Facilities Revenue Bonds Annual principal installments of \$265,000 to \$680,000 through December 1, 2013 Interest rate: 3.2 to 5.875%</p>	<p>\$ 3,050,000</p>
<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. Proceeds for: Expand City parking facilities. Annual principal installments of \$1,240,000 to \$3,015,000 through February 1, 2037 Interest rate: 4.375 to 5.0%</p>	<p>39,895,000</p>

CITY OF COLUMBIA, SOUTH CAROLINA  
Notes to Financial Statements  
June 30, 2009

**III. DETAIL NOTES ON ALL FUNDS (Continued)**

**I. LONG-TERM DEBT (Continued)**

Parking Facilities Fund (continued):

\$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 \$255,000 to \$1,120,000 through February 1, 2017	
	Interest rate: 4.88 to 5.2%	<u>\$ 4,860,000</u>
	<i>Total Parking Facilities Revenue Bonds</i>	<u>47,805,000</u>

Water and Sewer Fund:

\$74,765,000	Waterworks and Sewer System Revenue Bonds, Series 1993	
	Payable from revenues derived from the City's water and sewer system.	
	Proceeds for: Refunding all Series 1989 (\$31,984,646) and all allocated 1991 Series (\$34,935,000 in May 1993)	
	Annual principal installments of \$960,000 to \$8,590,000 through February 1, 2012	
	Interest rate: 3.5 to 5.7%	24,470,000
\$61,125,000	Waterworks and Sewer System Revenue Bonds, Series 1999	
	Payable from revenues derived from the City's water and sewer system.	
	Proceeds for: Cost of improvements to the System	
	Annual principal installments of \$255,000 to \$1,120,000 through February 1, 2010	
	Interest rate: 3.6 to 6.0%	3,025,000
\$41,500,000	Waterworks and Sewer System Revenue Bonds, Series 2001	
	Payable from revenues derived from the City's water and sewer system.	
	Proceeds for: Refunding portion of Series 1991 (\$3,370,000 and portion of	
	Annual principal installments of \$255,000 to \$1,120,000 through February 1, 2010	
	Interest rate: 3.6 to 6.0%	37,550,000
\$60,000,000	Waterworks and Sewer System Revenue Bonds, Series 2005	
	Payable from revenues derived from the City's water and sewer system.	
	Proceeds for: Cost of improvements to the System	
	Annual principal installments of \$4,655,000 to \$6,385,000 through February 1, 2030	
	Interest rate: 3.6 to 5.0%	60,000,000
\$650,000	Waterworks and Sewer System Revenue Bonds, Junior Lien, 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 \$325,000 through July 12, 2010	
	Interest rate: 0%	<u>650,000</u>
	<i>Total Water and Sewer Revenue Bonds</i>	<u>125,695,000</u>
	<i>Total Business-type Activities Revenue Bonds</i>	<u>\$ 173,500,000</u>

**Authorized but Unissued Debt**

The City was authorized to issue \$81,860,000 and \$105,000,000 in Water and Sewer Bonds. The issuance of the \$81,860,000 occurred in September of 2009 and the issuance of the \$105,000,000 occurred in May of 2010.

CITY OF COLUMBIA, SOUTH CAROLINA  
Notes to Financial Statements  
June 30, 2009

**III. DETAIL NOTES ON ALL FUNDS (Continued)**

**I. LONG-TERM DEBT (Continued)**

***Current Year Advance Refunding***

On December 5, 2008, the City issued \$3,625,000 of general obligation bonds with an interest rate of 2.78%. These refunding bonds were issued to advance refund and defease bonds issued in 2001. The refunding resulted in an economic gain of \$86,537 with a total savings of \$89,521, which is the aggregate difference in debt service between the refunded debt and the refunding debt.

***Defeasance Debt***

In prior years, the City defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. On June 30, 2009, revenue bonds outstanding, considered defeased in previous years, are approximately \$39,130,000 in the Water and Sewer Facilities Fund.

***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, 2009, the balance of this conduit debt was \$3,952,951.

**IV. PENSION PLANS**

The City's retirement plans are as follows:

***Description of Plans***

As a condition of employment, all eligible City employees are required to participate in a pension plan. All firemen and law enforcement officers must belong to the South Carolina Police Officers' Retirement System (SCPORS). All other eligible employees must belong to the South Carolina Retirement System (SCRS). Both plans are a cost-sharing multiple-employer Public Employee Retirement System (PERS) administered by the Retirement Division of the State Budget and Control Board. Retirement costs are funded by withholding from the employees' salaries, and by a contribution from the City of a percentage of the employees' salaries. Both Retirement Systems are administered by the South Carolina Retirement System, which is a state agency. The City has no fiduciary responsibility for or further liability for either of the retirement plans beyond their current contributions, except as noted below, which are established to fund prior year's liabilities. A Comprehensive Annual Financial Report containing financial statements and required supplementary information for the South Carolina Retirement System and Police Officers Retirement System is issued and publicly available by writing the South Carolina Retirement System, Post Office Box 11960, Columbia, South Carolina 29211-1960.

***Basic Provisions***

Benefit provisions are established under the authority of Title 9 of the South Carolina Code of Laws. Under current statutes pertaining to the SCRS, member employees who retire at age 65 or after 28 years of credited service are entitled to an annual full service retirement benefit, payable monthly for life, equal to 1.82 percent of the average final compensation (average compensation over the last three years of credited service) times years of credited service. A member with at least 25 years of credited service who terminates employment may continue to pay employee and employer contributions until 28 years of credited service credit is reached. The contributions will be made through the most recent employer on a regular basis and remitted to the South Carolina Retirement System.

Under current statutes pertaining to the SCPORS, member employees who retire at age 65 or after 25 years of credited service are entitled to an annual full service retirement benefit, payable monthly for life, equal to 2.14 percent of average final compensation times years of credited service.

CITY OF COLUMBIA, SOUTH CAROLINA  
Notes to Financial Statements  
June 30, 2009

**IV. PENSION PLANS (Continued)**

***Basic Provisions (Continued)***

Member employees who are at least 60 years of age may elect early retirement in which case the full service benefit is reduced by 5 percent for each year the employee's age at retirement is less than 65. In either case, any unrecovered contributions are payable upon death and cost of living adjustments are evaluated annually on an ad hoc basis. Full service or early retirees may elect other optional methods of benefit distributions, including lump sum distributions, benefit levels coordinated with the retiree's social security benefits and distributions to a named beneficiary. Benefits are fully vested on reaching 5 years of service. The SCRS and SCPORS also provide life insurance, survivor and disability benefits to all member employees.

***Funding Policy***

***South Carolina Retirement System (SCRS)***

From July 1, 1988 – June 30, 2006 employees participating in the SCRS were required to contribute 6 percent of eligible compensation. Effective July 1, 2006 the employee contribution rate increased to 6.50 percent of eligible compensation. Effective July 1, 2007, the employer contribution rate became 9.39 percent which includes 0.15 percent towards group life insurance. City contributions to SCRS for the years ended June 30, 2007, 2008 and 2009 were \$4,151,924, \$4,902,695 and \$5,253,110, respectively equal to the actuarially required contributions for each year.

***Police Officers Retirement System (SCPORS)***

Since July 1, 1988, employees participating in the PORS have been required to contribute 6.5 percent of all compensation. Effective July 1, 2007, the employer contribution rate became 10.85 percent which includes 0.20 percent towards group life insurance. Contributions to SCPORS for the years ended June 30, 2007, 2008 and 2009 were \$3,475,682, \$3,818,658, and \$4,144,042, respectively, equal to the actuarially required contribution rates for each year.

**V. RECENT ACCOUNTING PRONOUNCEMENTS**

The GASB has issued Statement No. 51, "Accounting and Financial Reporting for Financial Assets." This statement requires that all intangible assets not specifically excluded by its scope provisions be classified as capital assets. The requirements of the new statement become effective for fiscal periods beginning after June 15, 2009. Management has not yet assessed the impact of implementation.

The GASB has issued Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments." This Statement addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. The requirements of the new statement become effective for fiscal periods beginning after June 15, 2009. Management has not yet assessed the impact of implementation.

The GASB has issued Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2010.

The GASB has issued Statement No. 55, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments." The objective of this Statement is to incorporate the hierarchy of generally accepted accounting principles (GAAP) for state and local governments into the Governmental Accounting Standards Board's (GASB) authoritative literature. The City has implemented the provisions of this Statement without impact to its financial statements.

CITY OF COLUMBIA, SOUTH CAROLINA  
Notes to Financial Statements  
June 30, 2009

**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. 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 financial statements (Note II. C).

**C. Central Midlands Regional Transit Authority ("CMRTA")**

In 2002, the City entered into a conveyance agreement with South Carolina Electric & Gas Company ("SCE&G"). The basic premise of this agreement was to convey the operations of the CMRTA from SCE&G to the direction of the City. The CMRTA was established in October 2002, and is committed to providing safe, dependable and accessible public transit service to the heart of the Midlands, including Columbia, Cayce, West Columbia, Forest Acres, Arcadia Lakes, Springdale and the St. Andrews area. Under the conveyance agreement SCE&G agreed to transfer funds of \$15,000,000 and \$17,290,000, both under installment agreements, to the City. The City then entered into an agreement with CMRTA to transfer these SCE&G payments to the CMRTA. In addition to transferring the SCE&G funds to the CMRTA, the City also made the following commitments:

1. The City agreed to pay CMRTA the amount of \$1,000,000 annually on each October 1 beginning October 1, 2003; provided, however, that if a dedicated tax or dedicated source of revenue is approved to provide funds for the operation of transit services, the City's obligation under this Section shall cease on the first anniversary of the approval of the dedicated source of revenue. As of June 30, 2009, no dedicated tax or dedicated source of revenue has been approved. The payments continue in perpetuity until an alternate source of revenue is approved.
2. The City agreed to transfer to the CMRTA on the effective date all amounts budgeted by the City but unspent for all expenses related to the trolley service for fiscal year 2002/2003. Thereafter, the City shall pay the CMRTA the amount of \$90,000 as verified by the current budget for the fiscal year 2002/2003 annually for seven years on each October 1 beginning October 1, 2003; however, if a dedicated tax or dedicated source of revenue is approved to provide funds for the operation of transit services, the City's obligation under this Section shall cease on the first anniversary of the approval of the dedicated source of revenue. As of June 30, 2009, no dedicated tax or dedicated source of revenue has been approved.

**D. Eau Claire Development Corporation**

The City has committed to provide a line of credit to the Eau Claire Development Corporation ("ECDC"). The line of credit will be used by ECDC to fund a construction commitment to Rex Thompson Builders to build twelve houses in the amount of \$1,399,421. The terms of the line of credit provide for reimbursement from ECDC to the City at the time each house is sold.

**VII. INTEREST RATE SWAP AGREEMENTS**

To hedge exposure to rising interest rates the Columbia Parking Facilities Corporation ("The Corporation") entered into two variable-to-fixed interest rate swap agreements related to \$13,070,000 and \$5,185,000 bonds payable. The agreements were entered into in February 2007 and were effective on February 23, 2007 and March 1, 2007, respectively. The Counterparty is Branch Bank and Trust Corporation. The purpose of the swaps was to effectively change the variable rate notes to fixed rate bonds. The bonds and related swap agreements mature on March 1, 2017. The notional amounts of the swaps equal the principal amounts of the associated bonds and decrease simultaneously with the reduction in the principal amounts of the associated bonds. As of June 30, 2009, the notional amounts were \$13,070,000 and \$5,185,000.

CITY OF COLUMBIA, SOUTH CAROLINA  
Notes to Financial Statements  
June 30, 2009

**VII. INTEREST RATE SWAP AGREEMENTS (Continued)**

The swaps provide for 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) on such notional amount. At June 30, 2009, 95% of LIBOR was 1.59%. As a result of these hedge transactions, the payments received by the Corporation from the counterparties pursuant to the swaps are expected to approximate the interest payment on the notes, which are based on an auction rate, resulting in net fixed rate debt service. Because the variable interest rates paid by the Corporation and paid to the Corporation are based on different indexes, the Corporation is exposed to basis risk.

There can be no assurance that the actual payments received by the Corporation from the counterparties will match the actual interest payments. The Corporation is also exposed to credit risk. That is the risk that the counterparty, Branch Bank and Trust, cannot perform their obligation on the swap contract. 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.

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 fiscal year 2009, the Corporation made variable interest payments of \$366,572 and the net settlement of variable receiver and fixed payer payments of \$636,586. The market value of the swaps was (\$1,629,948) and (\$676,634) at June 30, 2009, respectively.

Debt service payments on the notes are disclosed in Note III.I.

**VIII. RELATED PARTY TRANSACTION**

In mid-April 2009, the mother of a city council member received a \$280,000 loan from the Sumter-Columbia Empowerment Zone Program. The loan was repaid subsequent to the end of the fiscal year.

**IX. SUBSEQUENT EVENTS**

On February 20, 2002, SCE&G and the City entered into an agreement for SCE&G to convey the property commonly known as the Huger Street Bus Barn property to the City. The property was to be conveyed to the City after SCE&G completed an environmental remediation of the property. On July 9, 2009, the City and SCE&G amended the conveyance agreement. The amendment requires that SCE&G remit \$4,000,000 to the City in two equal installments of \$2,000,000 in lieu of conveying the Huger Street bus barn property. The first installment was made contemporaneously with the execution of the amendment and the second will be due 365 days from that date. If needed, these payments will be available for payment to CMRTA in the agreement noted at Note VI. C.

CITY OF COLUMBIA, SOUTH CAROLINA  
Notes to Financial Statements  
June 30, 2009

**IX. SUBSEQUENT EVENTS (Continued)**

On September 2, 2009, the City issued \$81,860,000 of Waterworks and Sewer System Revenue Bonds. The bonds are to be repaid from revenues derived from the City's water and sewer system. The proceeds from the bonds are for improving and enlarging the sewer system. Annual principal installments range from \$525,000 to \$10,840,000 with an interest rate of 4.354%. Payments will commence on 2/1/2022 and end on 2/1/2038. Periodic interest payments will be paid semi-annually through 2/1/2022 until principal payments begin at that time. Additionally, the City has entered into an interest rate swap agreement with a financial institution as a result of this bond issuance.

On May 18, 2010 the City received a letter from the United States Environmental Protection Agency (EPA) that identified alleged violations of the Clean Water Act (CWA). In order to resolve this matter, the City may be required to pay fines and incur capital costs related to making improvements to the waste management system in order to address all violations. The action is in the early stages and is general in nature. Therefore, management is not able to quantify the magnitude of the potential penalties and costs, if any. It is management's belief that potential payment of any such fines and costs will not have a material effect on the Water and Sewer Systems' financial position. Further, the system's current five year capital improvement plan is believed to address all known environmental concerns, including the current allegations, and management does not anticipate additional capital expenditures.

On May 26, 2010, the City issued \$105,000,000 of Waterworks and Sewer System Revenue Bonds. The bonds are to be repaid from revenues derived from the City's water and sewer system. The proceeds from the bonds are for improving and enlarging the sewer system. Annual principal installments range from \$450,000 to \$4,120,000 with interest rates of 3.0% to 5.0%. Payments will commence on 2/1/2013 and end on 2/1/2034.

Due to the bond issuances on September 2, 2009 and May 26, 2010, the City has entered into significant construction contracts to perform improvements and enlargements of the sewer system funded by the revenue bonds. The City has procured these contracts through statutory bid letting procedures.

Effective August 26, 2009, Columbia Empowerment Zone, Inc. ("CEZ") entered into a Memorandum of Agreement with the City which, among other things, provides for the management and administration of activities related to the Empowerment Zone Strategic Plan. Certain activities formerly engaged in by the Columbia-Sumter Empowerment Zone (the "EZ"), an organization which began in 1999, are assigned to CEZ in accordance with the August 26, 2009 contract. In addition, in accordance with its memorandum to CEZ, HUD has stipulated guidance as to how the EZ will transition assets to CEZ. On June 23, 2010 the City of Columbia executed a resolution (R-2010-045) wherein previous EZ assets and program income will be transferred to CEZ and a sub-recipient agreement will govern such activities consistent with the August 26, 2009 Memorandum of Agreement, the Empowerment Zone Strategic Plan, and HUD directives.

## **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.

*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  
SCHEDULES OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS -  
OTHER POSTEMPLOYMENT BENEFITS  
FISCAL YEAR ENDED JUNE 30, 2009  
(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							
7/1/2008	\$	-	\$ 161,846,704	\$ 161,846,704	0%	\$ 92,885,005	174.24%
7/1/2007		-	95,609,296	95,609,296	0%	90,545,291	105.59%

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

Fiscal Year Ended June 30	Annual Required Contribution	Actual Contribution	Net OPEB Liability	Percent Contributed
Primary Government				
2009	\$ 15,431,034	\$ 4,726,349	\$ 16,716,085	30.63%
2008	11,978,747	5,900,000	6,078,747	49.25%

CITY OF COLUMBIA, SOUTH CAROLINA  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND

For the Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
General property taxes	\$ 45,539,691	\$ 48,292,387	\$ 48,292,387	\$ 0
License and permits	28,869,225	29,591,085	29,591,085	0
Intergovernmental revenue	10,653,390	11,689,903	11,689,903	0
Charges for services	6,931,870	7,166,064	7,166,064	0
Fines and forfeitures	915,275	922,675	922,675	0
Interest	1,605,000	228,742	228,742	0
Other revenues	245,000	118,483	118,483	0
Cost recovery fees	2,270,000	2,270,000	2,270,000	0
<b>Total revenues</b>	<u>97,029,451</u>	<u>100,279,339</u>	<u>100,279,339</u>	<u>0</u>
<b>EXPENDITURES</b>				
<b>Current</b>				
General government	6,886,978	7,320,764	7,320,764	0
Judicial	2,306,303	2,279,449	2,279,449	0
Finance department	2,129,636	2,601,962	2,601,962	0
Development services and planning	3,902,378	4,027,245	4,027,245	0
Public safety	48,200,166	54,072,869	54,072,869	0
Parks and recreation	8,946,575	9,889,048	9,889,048	0
Public works	18,131,943	19,489,714	19,489,714	0
General services	4,143,326	3,847,700	3,847,700	0
Community promotion	847,500	865,210	865,210	0
Nondepartmental	2,285,835	1,395,676	1,395,676	0
<b>Total expenditures</b>	<u>97,780,640</u>	<u>105,789,637</u>	<u>105,789,637</u>	<u>0</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(751,189)</u>	<u>(5,510,298)</u>	<u>(5,510,298)</u>	<u>0</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	7,825,000	8,963,185	8,963,185	0
Transfers (out)	(7,073,811)	(11,707,683)	(11,707,683)	0
Sale of property	0	2,531,802	2,531,802	0
<b>Total other financing sources (uses)</b>	<u>751,189</u>	<u>(212,696)</u>	<u>(212,696)</u>	<u>0</u>
<b>Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses</b>	<u>0</u>	<u>(5,722,994)</u>	<u>(5,722,994)</u>	<u>0</u>
<b>Fund balance-beginning</b>	<u>24,640,941</u>	<u>24,640,941</u>	<u>12,546,889</u>	<u>(12,094,052)</u>
<b>Fund balance- ending</b>	<u>\$ 24,640,941</u>	<u>\$ 18,917,947</u>	<u>\$ 6,823,895</u>	<u>\$ (12,094,052)</u>

*See accompanying notes to budgetary comparison schedule*

**CITY OF COLUMBIA, SOUTH CAROLINA  
 NOTES TO BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2009**

**BUDGETS AND BUDGETARY ACCOUNTING**

A legal operating budget is prepared annually for the General Fund on the GAAP basis. 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.

**SCHEDULE OF CHANGES IN APPROPRIATED BUDGET  
 FOR YEAR ENDED JUNE 30, 2009**

	Original Adopted Budget		Final Budget Amendments		Revised Budget
General Fund	\$ 104,854,451	\$	12,642,869	\$	117,497,320

**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, 2009

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
<b>General property taxes</b>				
General property taxes - current	\$ 40,362,739	\$ 43,782,770	\$ 43,782,770	\$ 0
General property taxes - prior	1,000,000	0	0	0
Real estate tax - Lexington County - current	2,350,000	2,569,231	2,569,231	0
Personal tax - Lexington County - current	25,000	47,909	47,909	0
Personal tax - Lexington County - prior	9,000	0	0	0
Homestead exemption	1,050,000	1,099,894	1,099,894	0
Payment in lieu of taxes	40,000	61,877	61,877	0
Merchants inventory tax	702,952	730,706	730,706	0
<b>Total general property taxes</b>	<b>45,539,691</b>	<b>48,292,387</b>	<b>48,292,387</b>	<b>0</b>
<b>License and permits</b>				
Business license	7,850,000	8,100,021	8,100,021	0
Business license - Telecommunications	1,300,000	1,441,579	1,441,579	0
Business license - Insurance	10,600,000	9,936,431	9,936,431	0
Delinquent business license	1,150,000	1,006,570	1,006,570	0
Delinquent business license - prior year	90,000	79,282	79,282	0
Business license franchise fees	6,500,000	7,373,842	7,373,842	0
Franchise fees - vendors	600	1,500	1,500	0
Business license sales tax audit	0	8,324	8,324	0
Audited license fees	65,000	134,657	134,657	0
Arts and craft permits	1,875	2,440	2,440	0
New business list sales	1,000	944	944	0
Business license ordinance sales	0	0	0	0
Business license contractor's decals	23,500	19,680	19,680	0
Group event license/permit	8,250	7,235	7,235	0
Building permits	800,000	980,997	980,997	0
Electrical permits	160,000	133,833	133,833	0
Plumbing permits	50,000	56,182	56,182	0
Gas permits	9,000	7,332	7,332	0
Sign permits	15,000	18,685	18,685	0
Heat permits	80,000	121,915	121,915	0
Zoning permits	45,000	43,568	43,568	0
Dog license	0	28,363	28,363	0
Chauffeur license	0	5,765	5,765	0
Other miscellaneous - business	0	80,218	80,218	0
Other miscellaneous - non business	120,000	1,722	1,722	0
<b>Total license and permits</b>	<b>28,869,225</b>	<b>29,591,085</b>	<b>29,591,085</b>	<b>0</b>
<b>Intergovernmental revenues</b>				
State shared	3,991,000	3,622,407	3,622,407	0
School resource officer services	0	253,494	253,494	0
Miscellaneous tax collected	0	0	0	0
SC Motor fuel tax reimbursement	0	1,059	1,059	0
Highway signal maintenance	319,390	324,490	324,490	0
Fire Rebate - Richland County	6,343,000	7,488,453	7,488,453	0
<b>Total intergovernmental revenues</b>	<b>10,653,390</b>	<b>11,689,903</b>	<b>11,689,903</b>	<b>0</b>

(Continued)

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

For the Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance
<b>Charges for services</b>				
Trade publication renewals	\$ 7,000	\$ 7,090	\$ 7,090	\$ 0
Return check service charges	0	2,486	2,486	0
Regulation code books	100	25	25	0
Duplicated business licenses	350	420	420	0
Project work	7,700	1,005	1,005	0
Compost sales	5,000	7,983	7,983	0
Recycling sales	85,000	93,796	93,796	0
Solid waste disposal fees	15,000	35,794	35,794	0
Commercial bulk container collection	2,000	0	0	0
Commercial bulk container disposal	440,000	351,962	351,962	0
Commercial roll cart disposal	59,000	45,291	45,291	0
Eleemosynary bulk container collection	46,000	53,070	53,070	0
Eleemosynary bulk container disposal	51,000	52,069	52,069	0
Eleemosynary roll cart collection	35,000	30,581	30,581	0
Eleemosynary roll cart disposal	10,000	7,578	7,578	0
Eleemosynary homeowner collection	10,000	8,029	8,029	0
Eleemosynary homeowner disposal	2,500	1,990	1,990	0
Six night service disposal	23,000	19,113	19,113	0
Tree and forestry lot clearance fees	0	17,397	17,397	0
Animal shelter fees - Richland County	130,000	223,248	223,248	0
Animal shelter fees	238,000	112,180	112,180	0
Employee animal clinic fees	1,000	803	803	0
Hydrant fees	5,211,000	5,388,215	5,388,215	0
Police accident report copies	20,000	32,604	32,604	0
Reimbursement police services	550	0	0	0
False fire alarm charges	11,500	16,800	16,800	0
Maxcy Gregg admissions fees	23,000	23,843	23,843	0
Drew Park admissions fees	299,970	448,820	448,820	0
Greenview pool admissions fees	12,000	10,585	10,585	0
Recreation athletics	48,200	43,588	43,588	0
Tennis court fees	42,000	39,335	39,335	0
Golf Center	17,000	13,359	13,359	0
Other parks/recreation fees	54,000	65,005	65,005	0
Ticket rebate - Capital City Ball Park	0	12,000	12,000	0
Return check collections	25,000	0	0	0
<b>Total charges for services</b>	<b>6,931,870</b>	<b>7,166,064</b>	<b>7,166,064</b>	<b>0</b>
<b>Fines and forfeitures</b>				
Criminal court fines	187,775	91,631	91,631	0
Traffic court fines	710,500	778,584	778,584	0
Late fees	0	597	597	0
Uniform ordinance inspections	0	12,405	12,405	0
Uniform ordinance animal control	17,000	7,546	7,546	0
Uniform ordinance business license	0	10,505	10,505	0
Uniform ordinance fire department	0	21,151	21,151	0
Uniform ordinance zoning	0	256	256	0
<b>Total fines and forfeitures</b>	<b>915,275</b>	<b>922,675</b>	<b>922,675</b>	<b>0</b>
<b>Revenues from use of money and property</b>				
Interest on investments general	1,500,000	46,306	46,306	0
Interest gain/loss cost /market	100,000	51,525	51,525	0
Interest - Lexington County tax collections	5,000	0	0	0
Rents and Royalties	0	130,911	130,911	0
<b>Total revenues from use of money and property</b>	<b>1,605,000</b>	<b>228,742</b>	<b>228,742</b>	<b>0</b>

(Continued)

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

For the Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance
<b>Other revenues</b>				
Miscellaneous revenue	\$ 95,000	\$ 256	\$ 256	\$ 0
Reimbursement property damage	5,000	1,845	1,845	0
Collection agency	5,000	1,590	1,590	0
Police revolvers	0	150	150	0
Auction sales	140,000	92,148	92,148	0
Donations	0	22,494	22,494	0
<b>Total other revenues</b>	<u>245,000</u>	<u>118,483</u>	<u>118,483</u>	<u>0</u>
<b>Cost recovery fees</b>	<u>2,270,000</u>	<u>2,270,000</u>	<u>2,270,000</u>	<u>0</u>
<b>OTHER FINANCING SOURCES</b>				
Sale of property	<u>0</u>	<u>2,531,802</u>	<u>2,531,802</u>	<u>0</u>
<b>Transfers from</b>				
Water and sewer operating fund	3,000,000	4,500,000	4,500,000	0
Parking operating fund	1,000,000	1,000,000	1,000,000	0
Hospitality fund	800,000	2,300,000	2,300,000	0
Accomodations fund	25,000	25,000	25,000	0
Other funds	0	1,138,185	1,138,185	0
Unappropriated surplus transfer	3,000,000	0	0	0
<b>Total transfers from other funds</b>	<u>7,825,000</u>	<u>8,963,185</u>	<u>8,963,185</u>	<u>0</u>
<b>Total revenues and other financing sources</b>	<u>\$ 104,854,451</u>	<u>\$ 111,774,326</u>	<u>\$ 111,774,326</u>	<u>\$ 0</u>

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

For the Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance
<b>EXPENDITURES</b>				
<b>General Government</b>				
<b>Legislative</b>				
Personnel services	\$ 287,790	\$ 339,234	\$ 339,234	\$ 0
Supplies	23,300	9,168	9,168	0
Other services and charges	148,830	142,910	142,910	0
<b>Total Legislative</b>	<b>459,920</b>	<b>491,312</b>	<b>491,312</b>	<b>0</b>
<b>Executive/Administration</b>				
Personnel services	596,110	624,120	624,120	0
Supplies	26,262	17,081	17,081	0
Other services and charges	68,300	35,456	35,456	0
<b>Total Executive/Administration</b>	<b>690,672</b>	<b>676,657</b>	<b>676,657</b>	<b>0</b>
<b>Governmental Affairs</b>				
Personnel services	275,665	303,524	303,524	0
Supplies	19,600	16,390	16,390	0
Other services and charges	219,316	244,467	244,467	0
<b>Total Governmental Affairs</b>	<b>514,581</b>	<b>564,381</b>	<b>564,381</b>	<b>0</b>
<b>Administrative Operations</b>				
Personnel services	222,673	194,053	194,053	0
Supplies	14,700	4,893	4,893	0
Other services and charges	30,820	23,604	23,604	0
<b>Total Administrative Operations</b>	<b>268,193</b>	<b>222,550</b>	<b>222,550</b>	<b>0</b>
<b>Administrative Services</b>				
Personnel services	358,819	367,454	367,454	0
Supplies	7,990	6,033	6,033	0
Other services and charges	31,665	7,620	7,620	0
Capital outlay	32,000	0	0	0
<b>Total Administrative Services</b>	<b>430,474</b>	<b>381,107</b>	<b>381,107</b>	<b>0</b>
<b>Neighborhood and Community Service Administration</b>				
Personnel services	239,554	197,426	197,426	0
Supplies	8,240	2,495	2,495	0
Other services and charges	34,333	11,795	11,795	0
<b>Total Neighborhood and Community Service Administration</b>	<b>282,127</b>	<b>211,716</b>	<b>211,716</b>	<b>0</b>
<b>Citizen's Support Services</b>				
Personnel services	255,633	330,408	330,408	0
Supplies	38,000	19,236	19,236	0
Other services and charges	9,235	5,633	5,633	0
<b>Total Citizen's Support Services</b>	<b>302,868</b>	<b>355,277</b>	<b>355,277</b>	<b>0</b>
<b>Business Enterprise Office</b>				
Personnel services	309,122	204,117	204,117	0
Supplies	13,150	13,780	13,780	0
Other services and charges	143,400	142,112	142,112	0
<b>Total Business Enterprise Office</b>	<b>465,672</b>	<b>360,009</b>	<b>360,009</b>	<b>0</b>

(Continued)

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

For the Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance
<b>Human Resources and Training</b>				
Personnel services	\$ 779,688	\$ 848,804	\$ 848,804	\$ 0
Supplies	49,819	39,617	39,617	0
Other services and charges	182,534	49,061	49,061	0
<b>Total Human Resources and Training</b>	<u>1,012,041</u>	<u>937,482</u>	<u>937,482</u>	<u>0</u>
<b>Legal</b>				
Personnel services	922,122	936,827	936,827	0
Supplies	63,612	49,262	49,262	0
Other services and charges	934,740	1,179,085	1,179,085	0
Capital outlay	24,000	12,936	12,936	0
<b>Total Legal</b>	<u>1,944,474</u>	<u>2,178,110</u>	<u>2,178,110</u>	<u>0</u>
<b>Homeless Shelter</b>				
Personal services	0	204,439	204,439	0
Supplies	0	21,459	21,459	0
Other services and charges	0	216,318	216,318	0
Capital outlay	0	45,838	45,838	0
<b>Total Homeless Shelter</b>	<u>0</u>	<u>488,054</u>	<u>488,054</u>	<u>0</u>
<b>Public Information</b>				
Personnel services	359,676	323,451	323,451	0
Supplies	69,880	71,224	71,224	0
Other services and charges	86,400	45,029	45,029	0
Capital outlay	0	14,405	14,405	0
<b>Total public information</b>	<u>515,956</u>	<u>454,109</u>	<u>454,109</u>	<u>0</u>
<b>Total General Government</b>	<u>6,886,978</u>	<u>7,320,764</u>	<u>7,320,764</u>	<u>0</u>
<b>Judicial</b>				
<b>Municipal Court</b>				
Personnel services	2,047,018	2,134,614	2,134,614	0
Supplies	68,302	47,201	47,201	0
Other services and charges	160,983	94,138	94,138	0
Capital outlay	30,000	3,496	3,496	0
<b>Total Municipal Court</b>	<u>2,306,303</u>	<u>2,279,449</u>	<u>2,279,449</u>	<u>0</u>
<b>Total Judicial</b>	<u>2,306,303</u>	<u>2,279,449</u>	<u>2,279,449</u>	<u>0</u>
<b>Finance Department:</b>				
<b>Administration</b>				
Personnel services	153,932	11,001	11,001	0
Supplies	6,602	5,603	5,603	0
Other services and charges	450,590	97,576	97,576	0
<b>Total Administration</b>	<u>611,124</u>	<u>114,180</u>	<u>114,180</u>	<u>0</u>
<b>Accounting</b>				
Personnel services	780,513	890,792	890,792	0
Supplies	24,725	36,332	36,332	0
Other services and charges	47,625	842,272	842,272	0
Capital Outlay	2,500	0	0	0
<b>Total Accounting</b>	<u>855,363</u>	<u>1,769,396</u>	<u>1,769,396</u>	<u>0</u>

(Continued)

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

For the Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance
<b>Business License</b>				
Personnel services	\$ 593,679	\$ 660,304	\$ 660,304	\$ 0
Supplies	25,800	24,457	24,457	0
Other services and charges	43,670	33,625	33,625	0
<b>Total Business License</b>	<b>663,149</b>	<b>718,386</b>	<b>718,386</b>	<b>0</b>
<b>Total Finance Department</b>	<b>2,129,636</b>	<b>2,601,962</b>	<b>2,601,962</b>	<b>0</b>
<b>Development Services and Planning</b>				
<b>Development Services</b>				
Personnel services	3,331,341	3,579,749	3,579,749	0
Supplies	194,467	130,550	130,550	0
Other services and charges	289,170	242,412	242,412	0
Capital outlay	87,400	73,036	73,036	0
<b>Total Development Services</b>	<b>3,902,378</b>	<b>4,025,747</b>	<b>4,025,747</b>	<b>0</b>
<b>Planning</b>				
Supplies	0	1,498	1,498	0
<b>Total Planning</b>	<b>0</b>	<b>1,498</b>	<b>1,498</b>	<b>0</b>
<b>Total Development Services and Planning</b>	<b>3,902,378</b>	<b>4,027,245</b>	<b>4,027,245</b>	<b>0</b>
<b>Public Safety</b>				
<b>Police Department</b>				
<b>Administrative Services</b>				
Personnel services	2,127,342	2,273,477	2,273,477	0
Supplies	634,344	806,338	806,338	0
Other services and charges	803,096	811,102	811,102	0
Capital outlay	301,894	0	0	0
<b>Total Administrative Services</b>	<b>3,866,676</b>	<b>3,890,917</b>	<b>3,890,917</b>	<b>0</b>
<b>Operations</b>				
Personnel services	14,353,583	17,425,910	17,425,910	0
Supplies	592,986	591,254	591,254	0
Other services and charges	829,720	791,105	791,105	0
Capital outlay	208,232	90,406	90,406	0
<b>Total Operations</b>	<b>15,984,521</b>	<b>18,898,675</b>	<b>18,898,675</b>	<b>0</b>
<b>Special Services</b>				
Personnel services	5,352,222	5,262,605	5,262,605	0
Supplies	113,450	115,715	115,715	0
Other services and charges	84,639	129,298	129,298	0
Capital outlay	151,459	89,064	89,064	0
<b>Total Special Services</b>	<b>5,701,770</b>	<b>5,596,682</b>	<b>5,596,682</b>	<b>0</b>
<b>Total Police Department</b>	<b>25,552,967</b>	<b>28,386,274</b>	<b>28,386,274</b>	<b>0</b>
<b>Fire Department - City Administration</b>				
Personnel services	597,927	716,183	716,183	0
Supplies	27,399	11,356	11,356	0
Other services and charges	33,748	10,451	10,451	0
<b>Total Administration</b>	<b>659,074</b>	<b>737,990</b>	<b>737,990</b>	<b>0</b>

(Continued)

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

For the Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance
<b>Fire Prevention</b>				
Personnel services	\$ 838,971	\$ 1,005,174	\$ 1,005,174	\$ 0
Supplies	53,375	34,059	34,059	0
Other services and charges	37,147	36,321	36,321	0
Capital outlay	7,600	0	0	0
<b>Total Fire Prevention</b>	<b>937,093</b>	<b>1,075,554</b>	<b>1,075,554</b>	<b>0</b>
<b>Fire Suppression</b>				
Personnel services	13,316,571	15,855,267	15,855,267	0
Supplies	763,086	698,453	698,453	0
Other services and charges	1,627,222	1,754,618	1,754,618	0
Capital outlay	1,156,496	1,111,256	1,111,256	0
<b>Total Fire Suppression</b>	<b>16,863,375</b>	<b>19,419,594</b>	<b>19,419,594</b>	<b>0</b>
<b>Fire Logistics</b>				
Personnel services	271,357	273,895	273,895	0
Supplies	159,900	65,266	65,266	0
Other services and charges	115,540	56,659	56,659	0
Capital outlay	73,000	59,423	59,423	0
<b>Total Fire Logistics</b>	<b>619,797</b>	<b>455,243</b>	<b>455,243</b>	<b>0</b>
<b>Total Fire Department - City</b>	<b>19,079,339</b>	<b>21,688,381</b>	<b>21,688,381</b>	<b>0</b>
<b>Homeland Security</b>				
Personnel services	1,496,509	1,811,228	1,811,228	0
Supplies	84,649	46,396	46,396	0
Other services and charges	95,886	84,380	84,380	0
<b>Total Homeland Security</b>	<b>1,677,044</b>	<b>1,942,004</b>	<b>1,942,004</b>	<b>0</b>
<b>911 Emergency and 311 Center</b>				
Personnel services	1,711,142	1,955,115	1,955,115	0
Supplies	37,725	24,780	24,780	0
Other services and charges	135,874	76,315	76,315	0
Capital outlay	6,075	0	0	0
<b>Total 911 Emergency and 311 Center</b>	<b>1,890,816</b>	<b>2,056,210</b>	<b>2,056,210</b>	<b>0</b>
<b>Total Public Safety</b>	<b>48,200,166</b>	<b>54,072,869</b>	<b>54,072,869</b>	<b>0</b>
<b>Parks and Recreation</b>				
<b>Recreation</b>				
Personnel services	4,738,210	5,543,054	5,543,054	0
Supplies	217,755	246,098	246,098	0
Other services and charges	833,114	1,214,944	1,214,944	0
Capital outlay	12,000	21,907	21,907	0
<b>Total Recreation</b>	<b>5,801,079</b>	<b>7,026,003</b>	<b>7,026,003</b>	<b>0</b>
<b>Parks</b>				
Personnel services	2,331,254	2,213,629	2,213,629	0
Supplies	185,010	91,721	91,721	0
Other services and charges	267,485	249,210	249,210	0
Capital outlay	49,460	2,567	2,567	0
<b>Total Parks</b>	<b>2,833,209</b>	<b>2,557,127</b>	<b>2,557,127</b>	<b>0</b>

(Continued)

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

For the Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance
<b>Swimming Pools</b>				
Personnel services	\$ 127,010	\$ 114,988	\$ 114,988	\$ 0
Supplies	20,229	6,563	6,563	0
Other services and charges	5,000	3,246	3,246	0
<b>Total Swimming Pools</b>	<b>152,239</b>	<b>124,797</b>	<b>124,797</b>	<b>0</b>
<b>Tennis Courts</b>				
Personnel services	152,787	176,717	176,717	0
Supplies	2,011	1,293	1,293	0
Other services and charges	5,250	3,111	3,111	0
<b>Total Tennis Courts</b>	<b>160,048</b>	<b>181,121</b>	<b>181,121</b>	<b>0</b>
<b>Total Parks and Recreation</b>	<b>8,946,575</b>	<b>9,889,048</b>	<b>9,889,048</b>	<b>0</b>
<b>Public Works</b>				
<b>Administration</b>				
Personnel services	287,107	320,074	320,074	0
Supplies	41,332	20,760	20,760	0
Other services and charges	131,575	126,944	126,944	0
Capital outlay	12,500	0	0	0
<b>Total Administration</b>	<b>472,514</b>	<b>467,778</b>	<b>467,778</b>	<b>0</b>
<b>Solid Waste</b>				
Personnel services	5,140,481	5,673,116	5,673,116	0
Supplies	1,059,182	952,875	952,875	0
Other services and charges	3,537,405	3,770,608	3,770,608	0
Community Promotion	0	20,000	20,000	0
Capital outlay	34,200	0	0	0
<b>Total Solid Waste</b>	<b>9,771,268</b>	<b>10,416,599</b>	<b>10,416,599</b>	<b>0</b>
<b>Streets and Storm Drains</b>				
Personnel services	1,207,663	1,248,427	1,248,427	0
Supplies	195,896	147,961	147,961	0
Other services and charges	138,415	25,083	25,083	0
<b>Total Street and Storm Drains</b>	<b>1,541,974</b>	<b>1,421,471</b>	<b>1,421,471</b>	<b>0</b>
<b>Animal Control:</b>				
Personnel services	879,186	965,578	965,578	0
Supplies	138,509	126,342	126,342	0
Other services and charges	141,545	132,038	132,038	0
<b>Total Animal Control</b>	<b>1,159,240</b>	<b>1,223,958</b>	<b>1,223,958</b>	<b>0</b>
<b>Forestry and Beautification</b>				
Personnel services	1,578,271	1,708,820	1,708,820	0
Supplies	240,061	149,658	149,658	0
Other services and charges	380,687	370,984	370,984	0
Capital outlay	29,100	2,418	2,418	0
<b>Total Forestry and Beautification</b>	<b>2,228,119</b>	<b>2,231,880</b>	<b>2,231,880</b>	<b>0</b>

(Continued)

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

For the Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance
<b>Traffic Engineering</b>				
Personnel services	\$ 1,321,290	\$ 1,495,825	\$ 1,495,825	\$ 0
Supplies	166,342	180,732	180,732	0
Other services and charges	1,383,267	1,973,770	1,973,770	0
Capital outlay	87,929	77,701	77,701	0
<b>Total Traffic Engineering</b>	<u>2,958,828</u>	<u>3,728,028</u>	<u>3,728,028</u>	<u>0</u>
<b>Total Public Works</b>	<u>18,131,943</u>	<u>19,489,714</u>	<u>19,489,714</u>	<u>0</u>
<b>General Services</b>				
<b>Information Technology</b>				
Personnel services	1,520,525	1,500,084	1,500,084	0
Supplies	79,364	79,307	79,307	0
Other services and charges	853,865	766,406	766,406	0
Capital outlay	229,594	161,829	161,829	0
<b>Total Information Technology</b>	<u>2,683,348</u>	<u>2,507,626</u>	<u>2,507,626</u>	<u>0</u>
<b>Public Buildings</b>				
Personnel services	362,237	370,953	370,953	0
Supplies	59,750	35,163	35,163	0
Other services and charges	984,702	914,033	914,033	0
Capital outlay	53,289	19,925	19,925	0
<b>Total Public Buildings</b>	<u>1,459,978</u>	<u>1,340,074</u>	<u>1,340,074</u>	<u>0</u>
<b>Total General Services</b>	<u>4,143,326</u>	<u>3,847,700</u>	<u>3,847,700</u>	<u>0</u>
<b>Community Promotion</b>				
Community Promotion	847,500	865,210	865,210	0
<b>Total Community Promotion</b>	<u>847,500</u>	<u>865,210</u>	<u>865,210</u>	<u>0</u>
<b>Nondepartmental Contingencies</b>				
Supplies	0	5,114	5,114	0
Other services and charges	1,580,000	498,204	498,204	0
Community Promotions	0	277,702	277,702	0
<b>Total Contingencies</b>	<u>1,580,000</u>	<u>781,020</u>	<u>781,020</u>	<u>0</u>

(Continued)

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

For the Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance
<b>Administration</b>				
Other services and charges	\$ 595,835	\$ 306,704	\$ 306,704	\$ 0
<b>Total Administration</b>	<u>595,835</u>	<u>306,704</u>	<u>306,704</u>	<u>0</u>
<b>Bank Service Charges:</b>				
Other services and charges	0	242,006	242,006	0
<b>Total Bank Service Charges</b>	<u>0</u>	<u>242,006</u>	<u>242,006</u>	<u>0</u>
<b>Employee Holiday</b>				
Supplies	110,000	55,821	55,821	0
<b>Total Employee Holiday</b>	<u>110,000</u>	<u>55,821</u>	<u>55,821</u>	<u>0</u>
<b>Land Transactions</b>				
Other services and charges	0	10,125	10,125	0
<b>Total Nondepartmental</b>	<u>2,285,835</u>	<u>1,395,676</u>	<u>1,395,676</u>	<u>0</u>
<b>OTHER FINANCING USES</b>				
<b>Transfers to Other Funds</b>				
Debt service	3,086,604	3,729,148	3,729,148	0
Transfers Interfund	3,987,207	7,978,535	7,978,535	0
<b>Total Transfers to Other Funds</b>	<u>7,073,811</u>	<u>11,707,683</u>	<u>11,707,683</u>	<u>0</u>
<b>Total Expenditures and Other Financing     Uses</b>	<u>\$ 104,854,451</u>	<u>\$ 117,497,320</u>	<u>\$ 117,497,320</u>	<u>\$ 0</u>

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds

*Accommodations Tax* accounts for State Hotel Accommodations Tax receipts to promote activities of City organizations.

*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 improvement of the services provided to tourists.

*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.

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

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

*Other Programs* provides for miscellaneous programs for park improvements and special events.

*Community Development grants and awards* accounts for the Community Development Block Grants and Emergency Shelter Grant.

*Justice Department Grants* accounts for receipt of Federal and State funds for programs to improve public safety and law enforcement to the community.

*Other Grants* accounts for the receipt of Federal and State funds for programs to improve public safety and law enforcement to the community, various tree-planting projects, and various public service and planning projects.

## **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 proprietary fund types. Ad valorem taxes, interest earned 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. There is a General Obligation (“GO”) Bond Debt Service Fund and a Special District Bond Debt Service Fund. Each fund is set up to hold the investments set aside for the payments of the respective debt.

## **Capital Project Funds**

*Tax Increment 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, 2009

	Special Revenue									Totals
	Accommodations Tax	Tourism Development Convention Center	Business Improvement District	Hospitality Tax	Confiscated Drug Program	Other Programs	Community Development	Justice Department Grants	Other Grants	
<b>ASSETS</b>										
Cash and cash equivalents	\$ 0	\$ 1,987,077	\$ 1,531	\$ 1,491,999	\$ 500,515	\$ 313,783	\$ 0	\$ 0	\$ 5,361	\$ 4,300,266
Investments	0	0	0	3,082,358	0	0	0	0	0	3,082,358
Receivables, net										
Federal government	0	0	0	0	0	33,167	2,972,129	91,303	362,698	3,459,297
State government	431,719	0	0	0	0	8,781	0	0	0	440,500
County	0	0	5,448	0	0	0	0	0	0	5,448
Accounts	0	2,498,659	0	0	0	78,793	0	0	5	2,577,457
Accrued interest	0	328	0	33,333	0	0	0	0	0	33,661
Prepaid charges	0	0	0	0	0	3,731	0	0	0	3,731
Due from other funds	0	0	0	0	0	0	0	0	0	0
Due from component units	0	0	0	0	0	0	2,009	0	0	2,009
<b>Total assets</b>	<b>\$ 431,719</b>	<b>\$ 4,486,064</b>	<b>\$ 6,979</b>	<b>\$ 4,607,690</b>	<b>\$ 500,515</b>	<b>\$ 438,255</b>	<b>\$ 2,974,138</b>	<b>\$ 91,303</b>	<b>\$ 368,064</b>	<b>\$ 13,904,727</b>
<b>LIABILITIES AND FUND BALANCES</b>										
Liabilities:										
Accounts payable	\$ 0	\$ 0	\$ 6,979	\$ 0	\$ 4,830	\$ 9,992	\$ 410,613	\$ 3,075	\$ 51,296	\$ 486,785
Accrued salaries and benefits	0	0	0	0	0	23,260	21,571	6,845	0	51,676
Retainage payable	0	0	0	0	0	0	0	0	0	0
Deferred revenue	0	0	0	0	264,727	1,947	414	35,284	26,365	328,737
Due to other funds	151,613	0	0	0	0	422,957	2,541,540	46,099	290,403	3,452,612
<b>Total liabilities</b>	<b>151,613</b>	<b>0</b>	<b>6,979</b>	<b>0</b>	<b>269,557</b>	<b>458,156</b>	<b>2,974,138</b>	<b>91,303</b>	<b>368,064</b>	<b>4,319,810</b>
Fund balances										
Reserved for encumbrances	5,000	0	0	393,276	8,050	45,734	860,909	0	649,329	1,962,298
Reserved for prepaid charges	0	0	0	0	0	3,731	0	0	0	3,731
Reserved										
Nonexpendable	0	0	0	0	0	0	0	0	0	0
Expendable	0	0	0	0	0	0	0	0	0	0
Unreserved	275,106	4,486,064	0	4,214,414	222,908	(69,366)	(860,909)	0	(649,329)	7,618,888
<b>Total fund balances</b>	<b>280,106</b>	<b>4,486,064</b>	<b>0</b>	<b>4,607,690</b>	<b>230,958</b>	<b>(19,901)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,584,917</b>
<b>Total liabilities and fund balances</b>	<b>\$ 431,719</b>	<b>\$ 4,486,064</b>	<b>\$ 6,979</b>	<b>\$ 4,607,690</b>	<b>\$ 500,515</b>	<b>\$ 438,255</b>	<b>\$ 2,974,138</b>	<b>\$ 91,303</b>	<b>\$ 368,064</b>	<b>\$ 13,904,727</b>

(Continued)

CITY OF COLUMBIA, SOUTH CAROLINA  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)  
 June 30, 2009

	Debt Service			Capital Projects					Permanent Trust	Total Nonmajor Governmental Funds
	G. O. Bonds	Special District Bonds	Total	Tax Increment District	Streetscaping	General Capital Projects	Miscellaneous Projects	Total	Dickson Trust	
<b>ASSETS</b>										
Cash and cash equivalents	\$ 791,279	\$ 497,476	\$ 1,288,755	\$ 10,470,432	\$ 9,472,299	\$ 2,325,884	\$ 11,136,748	\$ 33,405,363	\$ 0	\$ 38,994,384
Investments		0	0	0	0	0	0	0	5,528	3,087,886
Receivables, net										
Federal government	0	0	0	0	4,012,197	145,000	0	4,157,197	0	7,616,494
State government	0	0	0	0	0	0	0	0	0	440,500
County	0	0	0	0	0	0	0	0	0	5,448
Accounts	0	0	0	0	0	0	0	0	0	2,577,457
Accrued interest	0	0	0	0	0	0	421	421	0	34,082
Prepaid charges	0	0	0	0	0	0	0	0	0	3,731
Due from other funds	0	0	0	0	0	0	50,452	50,452	0	50,452
Due from component units	0	0	0	0	0	0	0	0	0	2,009
<b>Total assets</b>	<b>\$ 791,279</b>	<b>\$ 497,476</b>	<b>\$ 1,288,755</b>	<b>\$ 10,470,432</b>	<b>\$ 13,484,496</b>	<b>\$ 2,470,884</b>	<b>\$ 11,187,621</b>	<b>\$ 37,613,433</b>	<b>\$ 5,528</b>	<b>\$ 52,812,443</b>
<b>LIABILITIES AND FUND BALANCES</b>										
<b>Liabilities:</b>										
Accounts payable	\$ 0	\$ 0	\$ 0	\$ 134,596	\$ 1,064,974	\$ 44,450	\$ 27,353	\$ 1,271,373	\$ 0	\$ 1,758,158
Accrued salaries and benefits	0	0	0	0	0	0	0	0	0	51,676
Retainage payable	0	0	0	108,613	555,109	30,438	0	694,160	0	694,160
Deferred revenue	0	0	0	0	0	0	0	0	0	328,737
Due to other funds	0	0	0	0	0	0	3,287,123	3,287,123	0	6,739,735
<b>Total liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>243,209</b>	<b>1,620,083</b>	<b>74,888</b>	<b>3,314,476</b>	<b>5,252,656</b>	<b>0</b>	<b>9,572,466</b>
<b>Fund balances</b>										
Reserved for encumbrances	0	0	0	905,009	11,644,857	1,508,303	36,127	14,094,296	0	16,056,594
Reserved for prepaid charges	0	0	0	0	0	0	0	0	0	3,731
Reserved										
Nonexpendable	0	0	0	0	0	0	0	0	5,000	5,000
Expendable	0	0	0	0	0	0	0	0	528	528
Unreserved	791,279	497,476	1,288,755	9,322,214	219,556	887,693	7,837,018	18,266,481	0	27,174,124
<b>Total fund balances</b>	<b>791,279</b>	<b>497,476</b>	<b>1,288,755</b>	<b>10,227,223</b>	<b>11,864,413</b>	<b>2,395,996</b>	<b>7,873,145</b>	<b>32,360,777</b>	<b>5,528</b>	<b>43,239,977</b>
<b>Total liabilities and fund balances</b>	<b>\$ 791,279</b>	<b>\$ 497,476</b>	<b>\$ 1,288,755</b>	<b>\$ 10,470,432</b>	<b>\$ 13,484,496</b>	<b>\$ 2,470,884</b>	<b>\$ 11,187,621</b>	<b>\$ 37,613,433</b>	<b>\$ 5,528</b>	<b>\$ 52,812,443</b>

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

For the Year Ended June 30, 2009

	Special Revenue									
	Accommodation Tax	Tourism Development Convention Center	Business Improvement District	Hospitality Tax	Confiscated Drug Program	Other Programs	Community Development	Justice Department Grants	Other Grants	Totals
<b>REVENUES</b>										
Federal government	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 200,000	\$ 4,898,748	\$ 600,888	\$ 804,052	\$ 6,503,688
State government	1,382,009	323,644	0	0	0	0	0	0	323	1,705,976
County government	0	1,891,105	0	0	0	0	0	0	0	1,891,105
Promotions	0	0	0	0	0	192,721	0	0	0	192,721
Confiscated funds	0	0	0	0	291,003	0	0	0	0	291,003
Sales taxes	0	0	0	8,070,790	0	0	0	0	0	8,070,790
Interest	491	22,535	0	280,835	124	336	0	0	0	304,321
Other revenues	0	2,437,275	703,934	0	0	1,511,124	0	0	0	4,652,333
<b>Total revenues</b>	<b>1,382,500</b>	<b>4,674,559</b>	<b>703,934</b>	<b>8,351,625</b>	<b>291,127</b>	<b>1,904,181</b>	<b>4,898,748</b>	<b>600,888</b>	<b>804,375</b>	<b>23,611,937</b>
<b>EXPENDITURES</b>										
<b>Current</b>										
General government	0	0	705,573	0	0	1,636,148	4,615,621	0	846,723	7,804,065
Public safety	0	0	0	0	172,746	0	0	419,435	0	592,181
Public services	0	0	0	0	0	0	0	0	0	0
Community promotion	1,427,906	637,272	0	5,391,335	0	0	0	0	0	7,456,513
Other charges	0	0	0	4,982	0	0	0	0	0	4,982
<b>Debt Service</b>										
Principal payment on bonds	0	1,550,000	0	0	0	0	0	0	0	1,550,000
Interest on bonds	0	1,390,063	0	0	0	0	0	0	0	1,390,063
Fiscal agent charges	0	0	0	0	0	0	0	0	0	0
<b>Capital outlay</b>										
Capital outlay	2,675	0	0	0	78,527	40,354	0	224,805	11,182	357,543
<b>Total expenditures</b>	<b>1,430,581</b>	<b>3,577,335</b>	<b>705,573</b>	<b>5,396,317</b>	<b>251,273</b>	<b>1,676,502</b>	<b>4,615,621</b>	<b>644,240</b>	<b>857,905</b>	<b>19,155,347</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(48,081)</b>	<b>1,097,224</b>	<b>(1,639)</b>	<b>2,955,308</b>	<b>39,854</b>	<b>227,679</b>	<b>283,127</b>	<b>(43,352)</b>	<b>(53,530)</b>	<b>4,456,590</b>
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers in	407,103	0	20,772	0	0	60,494	1,010,714	43,352	325,787	1,868,222
Transfers (out)	(432,103)	(170,000)	0	(5,004,499)	0	(154,478)	(1,293,841)	0	(272,257)	(7,327,178)
Proceeds from note payable issued	0	0	0	0	0	0	0	0	0	0
<b>Total other financing sources ( uses)</b>	<b>(25,000)</b>	<b>(170,000)</b>	<b>20,772</b>	<b>(5,004,499)</b>	<b>0</b>	<b>(93,984)</b>	<b>(283,127)</b>	<b>43,352</b>	<b>53,530</b>	<b>(5,458,956)</b>
<b>Net change in fund balances</b>	<b>(73,081)</b>	<b>927,224</b>	<b>19,133</b>	<b>(2,049,191)</b>	<b>39,854</b>	<b>133,695</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,002,366)</b>
<b>Beginning fund balances(deficits)</b>	<b>353,187</b>	<b>3,558,840</b>	<b>(19,133)</b>	<b>6,656,881</b>	<b>191,104</b>	<b>(153,596)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,587,283</b>
<b>Fund balances (deficits), end of year</b>	<b>\$ 280,106</b>	<b>\$ 4,486,064</b>	<b>\$ 0</b>	<b>\$ 4,607,690</b>	<b>\$ 230,958</b>	<b>\$ (19,901)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 9,584,917</b>

(Continued)

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

For the Year Ended June 30, 2009

	Debt Service			Capital Projects				Total 2009	Permanent Trust Dickson Trust	Total Nonmajor Governmental Funds
	G. O. Bonds	Special District Bonds	Total	Tax Increment District	Streetscaping	General Capital Projects	Miscellaneous Projects			
<b>REVENUES</b>										
Federal government	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,887,625	\$ 0	\$ 0	\$ 8,887,625	\$ 0	\$ 15,391,313
State government	0	0	0	0	296,888	0	0	296,888	0	2,002,864
County government	0	0	0	0	0	0	0	0	0	1,891,105
Promotions	0	0	0	0	0	0	0	0	0	192,721
Confiscated funds	0	0	0	0	0	0	0	0	0	291,003
Sales taxes	0	0	0	0	0	0	0	0	0	8,070,790
Interest	0	61,642	61,642	51,348	15,402	0	605,233	671,983	93	1,038,039
Other revenues	0	0	0	0	0	18,461	0	18,461	0	4,670,794
<b>Total revenues</b>	<b>0</b>	<b>61,642</b>	<b>61,642</b>	<b>51,348</b>	<b>9,199,915</b>	<b>18,461</b>	<b>605,233</b>	<b>9,874,957</b>	<b>93</b>	<b>33,548,629</b>
<b>EXPENDITURES</b>										
<b>Current</b>										
General government	0	0	0	4,003	0	113,297	154,529	271,829	0	8,075,894
Public safety	0	0	0	0	0	0	0	0	0	592,181
Public services	0	0	0	0	0	164,025	272,388	436,413	0	436,413
Community promotion	0	0	0	0	0	0	0	0	0	7,456,513
Other charges	0	3,375	3,375	0	0	0	0	0	0	8,357
<b>Debt Service</b>										
Principal payment on bonds	6,085,000	4,535,000	10,620,000	0	0	0	0	0	0	12,170,000
Interest on bonds	1,155,684	986,974	2,142,658	0	0	0	0	0	0	3,532,721
Fiscal agent charges	0	27,424	27,424	0	0	0	0	0	0	27,424
<b>Capital outlay</b>										
Capital outlay	0	0	0	2,072,173	9,081,359	1,932,541	0	13,086,073	0	13,443,616
<b>Total expenditures</b>	<b>7,240,684</b>	<b>5,552,773</b>	<b>12,793,457</b>	<b>2,076,176</b>	<b>9,081,359</b>	<b>2,209,863</b>	<b>426,917</b>	<b>13,794,315</b>	<b>0</b>	<b>45,743,119</b>
Excess (deficiency) of revenues over (under) expenditures	(7,240,684)	(5,491,131)	(12,731,815)	(2,024,828)	118,556	(2,191,402)	178,316	(3,919,358)	93	(12,194,490)
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers in	4,242,010	1,466,280	5,708,290	95,065	1,857,821	3,656,413	378,760	5,988,059	0	13,564,571
Transfers (out)	0	0	0	(1,182,840)	(196,493)	0	(2,361,326)	(3,740,659)	0	(11,067,837)
Proceeds from note payable issued	3,625,000	0	3,625,000	0	0	738,299	0	738,299	0	4,363,299
Total other financing sources ( uses)	7,867,010	1,466,280	9,333,290	(1,087,775)	1,661,328	4,394,712	(1,982,566)	2,985,699	0	6,860,033
<b>Net change in fund balances</b>	<b>626,326</b>	<b>(4,024,851)</b>	<b>(3,398,525)</b>	<b>(3,112,603)</b>	<b>1,779,884</b>	<b>2,203,310</b>	<b>(1,804,250)</b>	<b>(933,659)</b>	<b>93</b>	<b>(5,334,457)</b>
<b>Beginning fund balances(deficits)</b>	<b>164,953</b>	<b>4,522,327</b>	<b>4,687,280</b>	<b>13,339,826</b>	<b>10,084,529</b>	<b>192,686</b>	<b>9,677,395</b>	<b>33,294,436</b>	<b>5,435</b>	<b>48,574,434</b>
<b>Fund balances (deficits), end of year</b>	<b>\$ 791,279</b>	<b>\$ 497,476</b>	<b>\$ 1,288,755</b>	<b>\$ 10,227,223</b>	<b>\$ 11,864,413</b>	<b>\$ 2,395,996</b>	<b>\$ 7,873,145</b>	<b>\$ 32,360,777</b>	<b>\$ 5,528</b>	<b>\$ 43,239,977</b>

## 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.

*Storm Water Facilities Fund* accounts for storm water utility activities.

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

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

June 30, 2009

	Hydro Electric Facilities Fund	Storm Water Facilities Fund	Redevelopment Programs Fund	Totals
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and cash equivalents	\$ 2,012,799	\$ 11,335,456	\$ 7,353,317	\$ 20,701,572
Investments	0	7,511,606	0	7,511,606
Accounts receivable, net	7,332,194	0	76,332	7,408,526
Mortgage notes receivable, net	0	0	2,602,053	2,602,053
Accrued interest receivable	0	81,231	0	81,231
Real estate held for resale	0	0	439,208	439,208
<b>Total current assets</b>	<u>9,344,993</u>	<u>18,928,293</u>	<u>10,470,910</u>	<u>38,744,196</u>
<b>Noncurrent assets:</b>				
<b>Capital assets:</b>				
Land	327,169	0	0	327,169
Buildings, improvements and utility plant	16,173,300	4,067,916	0	20,241,216
Machinery and equipment	0	146,513	0	146,513
Less, accumulated depreciation	(2,183,396)	(705,941)	0	(2,889,337)
Construction in progress	0	3,682,093	0	3,682,093
<b>Net capital assets</b>	<u>14,317,073</u>	<u>7,190,581</u>	<u>0</u>	<u>21,507,654</u>
Mortgage notes receivable, net	0	0	23,368,109	23,368,109
<b>Total noncurrent assets</b>	<u>14,317,073</u>	<u>7,190,581</u>	<u>23,368,109</u>	<u>44,875,763</u>
<b>Total assets</b>	<u>\$ 23,662,066</u>	<u>\$ 26,118,874</u>	<u>\$ 33,839,019</u>	<u>\$ 83,619,959</u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>Current liabilities:</b>				
Accounts payable	\$ 3,852,875	\$ 483,892	\$ 747,993	\$ 5,084,760
Accrued salaries and benefits	0	52,523	0	52,523
Compensated absences	0	38,970	0	38,970
Retainage payable	0	124,414	0	124,414
Due to other funds	0	4,091,945	922,486	5,014,431
Contract payable	1,954,654	0	0	1,954,654
Accrued interest payable	34,010	0	0	34,010
<b>Total current liabilities</b>	<u>5,841,539</u>	<u>4,791,744</u>	<u>1,670,479</u>	<u>12,303,762</u>
<b>Noncurrent liabilities:</b>				
Contract payable	2,000,000	0	0	2,000,000
<b>Total non-current liabilities</b>	<u>2,000,000</u>	<u>0</u>	<u>0</u>	<u>2,000,000</u>
<b>Total liabilities</b>	<u>7,841,539</u>	<u>4,791,744</u>	<u>1,670,479</u>	<u>14,303,762</u>
<b>Net Assets:</b>				
Investment in capital assets, net of related debt	14,317,073	7,190,581	0	21,507,654
Unrestricted	1,503,454	14,136,549	32,168,540	47,808,543
<b>Total net assets</b>	<u>15,820,527</u>	<u>21,327,130</u>	<u>32,168,540</u>	<u>69,316,197</u>
<b>Total liabilities and net assets</b>	<u>\$ 23,662,066</u>	<u>\$ 26,118,874</u>	<u>\$ 33,839,019</u>	<u>\$ 83,619,959</u>

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

For the Year Ended June 30, 2009

	Hydro Electric Facilities Fund	Storm Water Facilities Fund	Redevelopment Programs Fund	Totals
<b>Operating revenues:</b>				
Charges for services	\$ 0	\$ 4,725,468	\$ 0	\$ 4,725,468
Other operating revenue	4,094,441	0	916,476	5,010,917
<b>Total operating revenue</b>	<u>4,094,441</u>	<u>4,725,468</u>	<u>916,476</u>	<u>9,736,385</u>
<b>Operating expenses:</b>				
Personnel services	0	1,693,858	0	1,693,858
Materials and supplies	0	118,030	0	118,030
Other services and charges	5,017,154	1,040,769	361,055	6,418,978
Heat, light and power	592,277	0	0	592,277
Depreciation	323,466	244,576	0	568,042
Bad debt expense	0	0	599,817	599,817
<b>Total operating expenses</b>	<u>5,932,897</u>	<u>3,097,233</u>	<u>960,872</u>	<u>9,991,002</u>
<b>Operating income (loss)</b>	<u>(1,838,456)</u>	<u>1,628,235</u>	<u>(44,396)</u>	<u>(254,617)</u>
<b>Nonoperating revenues (expenses):</b>				
Investment income (loss)	(30,295)	571,833	43,968	585,506
Gain (loss) from sale of assets	4,000,000	0	(191,909)	3,808,091
Interest expense	(56,169)	0	0	(56,169)
Other nonoperating expense	0	0	2,333	2,333
<b>Total nonoperating revenues (expenses)</b>	<u>3,913,536</u>	<u>571,833</u>	<u>(145,608)</u>	<u>4,339,761</u>
<b>Income (loss) before transfers</b>	<u>2,075,080</u>	<u>2,200,068</u>	<u>(190,004)</u>	<u>4,085,144</u>
<b>Transfers:</b>				
Transfers in	0	1,000,000	2,122,078	3,122,078
Transfers out	0	(138,202)	(1,814,032)	(1,952,234)
<b>Change in net assets</b>	<u>2,075,080</u>	<u>3,061,866</u>	<u>118,042</u>	<u>5,254,988</u>
<b>Net assets - beginning</b>	<u>13,745,447</u>	<u>18,265,264</u>	<u>32,050,498</u>	<u>64,061,209</u>
<b>Ending net assets</b>	<u>\$ 15,820,527</u>	<u>\$ 21,327,130</u>	<u>\$ 32,168,540</u>	<u>\$ 69,316,197</u>

**CITY OF COLUMBIA, SOUTH CAROLINA  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR PROPRIETARY FUND  
For the Year Ended June 30, 2009**

	Hydro Electric Facilities Fund	Storm Water Facilities Fund	Redevelopment Programs Fund	Total Nonmajor Proprietary Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 1,716,901	\$ 4,725,682	\$ 916,476	\$ 7,359,059
Payments to suppliers	(1,498,438)	(705,893)	(556,145)	(2,760,476)
Payments to employees	0	(1,638,605)	0	(1,638,605)
<b>Net cash provided by operating activities</b>	<b>218,463</b>	<b>2,381,184</b>	<b>360,331</b>	<b>2,959,978</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Due to (from) others	0	4,091,945	(241,434)	3,850,511
Transfers in	0	1,000,000	2,122,078	3,122,078
Transfers out	0	(138,202)	(1,814,032)	(1,952,234)
<b>Net cash provided by noncapital and related financing activities</b>	<b>0</b>	<b>4,953,743</b>	<b>66,612</b>	<b>5,020,355</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchase of capital assets	0	(1,453,467)	0	(1,453,467)
Interest paid on debt	(88,636)	0	0	(88,636)
<b>Net cash used by capital and related financing activities</b>	<b>(88,636)</b>	<b>(1,453,467)</b>	<b>0</b>	<b>(1,542,103)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
(Purchase) sale of investments, net	930,469	(1,332,808)	3,641,635	3,239,296
Increase in mortgage notes receivable	0	0	(5,936,802)	(5,936,802)
Decrease in mortgage notes receivable	0	0	5,222,692	5,222,692
Interest received	12,255	547,312	198,727	758,294
Rent received	0	0	2,333	2,333
Purchase of real estate held for resale	0	0	(76,057)	(76,057)
<b>Net cash provided (used) by investing activities</b>	<b>942,724</b>	<b>(785,496)</b>	<b>3,052,528</b>	<b>3,209,756</b>
<b>Net increase in cash and cash equivalents</b>	<b>1,072,551</b>	<b>5,095,964</b>	<b>3,479,471</b>	<b>9,647,986</b>
Cash and cash equivalents, July 1, 2008	940,248	6,239,492	3,873,846	11,053,586
Cash and cash equivalents, June 30, 2009	<u>\$ 2,012,799</u>	<u>\$ 11,335,456</u>	<u>\$ 7,353,317</u>	<u>\$ 20,701,572</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ (1,838,456)	\$ 1,628,235	\$ (44,396)	\$ (254,617)
Adjustment to reconcile operating income to net cash provided (used) by operating activities				
Depreciation	323,466	244,576	0	568,042
Bad debt expense	0	0	599,817	599,817
Change in operating assets and liabilities				
Accounts receivable	(2,377,540)	214	(76,332)	(2,453,658)
Accounts payable	2,022,357	480,263	(118,758)	2,383,862
Contracts payable	2,088,636	0	0	2,088,636
Accrued salaries	0	17,167	0	17,167
Accrued vacation	0	10,729	0	10,729
<b>Total adjustments</b>	<b>2,056,919</b>	<b>752,949</b>	<b>404,727</b>	<b>3,214,595</b>
<b>Net cash provided by operating activities</b>	<b>\$ 218,463</b>	<b>\$ 2,381,184</b>	<b>\$ 360,331</b>	<b>\$ 2,959,978</b>

## **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 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, unemployment and tort liability for all City departments.

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

June 30, 2009

	Fleet Management	Support Services	Risk Management	Totals
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and cash equivalents	\$ 180,121	\$ 84,519	\$ 27,587,014	\$ 27,851,654
Accounts receivable	41,686	0	716,550	758,236
Prepaid expenses	0	151,815	41,609	193,424
Inventory	0	499,071	0	499,071
<b>Total current assets</b>	<b>221,807</b>	<b>735,405</b>	<b>28,345,173</b>	<b>29,302,385</b>
<b>Noncurrent assets:</b>				
Deposits	0	0	78,745	78,745
<b>Capital assets</b>				
Buildings	903,586	0	0	903,586
Machinery and equipment	12,537,875	594,164	18,428	13,150,467
Less, accumulated depreciation	(6,591,153)	(442,786)	(18,428)	(7,052,367)
<b>Total capital assets (net of accumulated depreciation)</b>	<b>6,850,308</b>	<b>151,378</b>	<b>0</b>	<b>7,001,686</b>
<b>Total noncurrent assets</b>	<b>6,850,308</b>	<b>151,378</b>	<b>78,745</b>	<b>7,080,431</b>
<b>Total assets</b>	<b>\$ 7,072,115</b>	<b>\$ 886,783</b>	<b>\$ 28,423,918</b>	<b>\$ 36,382,816</b>
<b>LIABILITIES AND NET ASSETS</b>				
<b>Current liabilities:</b>				
Accounts payable	\$ 216,802	\$ 354,016	\$ 955,735	\$ 1,526,553
Accrued salaries and benefits	59,768	23,477	11,447	94,692
OPEB liability	0	0	16,716,085	16,716,085
Accrued vacation	140,361	87,767	39,336	267,464
Due to other funds	6,655,184	421,523	0	7,076,707
Accrued liability for claims	0	0	14,003,940	14,003,940
<b>Total current liabilities</b>	<b>7,072,115</b>	<b>886,783</b>	<b>31,726,543</b>	<b>39,685,441</b>
<b>Total liabilities</b>	<b>7,072,115</b>	<b>886,783</b>	<b>31,726,543</b>	<b>39,685,441</b>
<b>NET ASSETS</b>				
Investment in capital assets	6,850,308	151,378	0	7,001,686
Unrestricted	(6,850,308)	(151,378)	(3,302,625)	(10,304,311)
<b>Total net assets (deficit)</b>	<b>0</b>	<b>0</b>	<b>(3,302,625)</b>	<b>(3,302,625)</b>
<b>Total liabilities and net assets</b>	<b>\$ 7,072,115</b>	<b>\$ 886,783</b>	<b>\$ 28,423,918</b>	<b>\$ 36,382,816</b>

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

Year Ended June 30, 2009

	Fleet Management	Support Services	Risk Management	Total
<b>Operating revenues:</b>				
Charges for services	\$ 10,577,432	\$ 3,000,119	\$ 28,151,286	\$ 41,728,837
<b>Total operating revenues</b>	<u>10,577,432</u>	<u>3,000,119</u>	<u>28,151,286</u>	<u>41,728,837</u>
<b>Operating expenses:</b>				
Personnel services	2,358,079	882,278	11,070,911	14,311,268
Materials and supplies	6,927,642	762,543	12,378	7,702,563
Contractual services	29,067	220,092	0	249,159
Heat, light and power	68,852	0	0	68,852
Other charges and services	228,321	2,288,003	2,046,395	4,562,719
Claims and premiums	0	0	22,770,645	22,770,645
Depreciation	1,291,779	114,066	0	1,405,845
<b>Total operating expenses</b>	<u>10,903,740</u>	<u>4,266,982</u>	<u>35,900,329</u>	<u>51,071,051</u>
<b>Operating loss</b>	<u>(326,308)</u>	<u>(1,266,863)</u>	<u>(7,749,043)</u>	<u>(9,342,214)</u>
<b>Non-operating revenues (expenses):</b>				
Gain (Loss) on sale of assets	990	0	0	990
<b>Total non-operating revenues (expenses)</b>	<u>990</u>	<u>0</u>	<u>0</u>	<u>990</u>
<b>Loss before transfers</b>	<u>(325,318)</u>	<u>(1,266,863)</u>	<u>(7,749,043)</u>	<u>(9,341,224)</u>
Transfers in	325,318	1,325,144	4,869,265	6,519,727
Transfers out	0	(58,281)	(422,847)	(481,128)
<b>Net Transfers</b>	<u>325,318</u>	<u>1,266,863</u>	<u>4,446,418</u>	<u>6,038,599</u>
<b>Change in net assets</b>	<u>0</u>	<u>0</u>	<u>(3,302,625)</u>	<u>(3,302,625)</u>
<b>Net assets - beginning</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net assets (deficit) - ending</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (3,302,625)</u>	<u>\$ (3,302,625)</u>

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

Year Ended June 30, 2009

	Fleet Management	Support Services	Risk Management	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 10,650,236	\$ 3,000,119	\$ 27,660,161	\$ 41,310,516
Payments to suppliers	(7,618,440)	(3,255,585)	(25,691,724)	(36,565,749)
Payments to employees	(2,344,035)	(869,594)	(424,360)	(3,637,989)
<b>Net cash provided (used) by operating activities</b>	<b>687,761</b>	<b>(1,125,060)</b>	<b>1,544,077</b>	<b>1,106,778</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Due to (from) others	1,494,143	(201,466)	0	1,292,677
Transfers in	325,318	1,325,144	4,869,265	6,519,727
Transfers out	0	(58,281)	(422,847)	(481,128)
<b>Net cash provided by noncapital financing activities</b>	<b>1,819,461</b>	<b>1,065,397</b>	<b>4,446,418</b>	<b>7,331,276</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchase of capital assets	(2,333,986)	(16,259)	0	(2,350,245)
Principal and interest paid on lease	0	(1,518,235)	0	(1,518,235)
<b>Net cash used by capital and related financing activities</b>	<b>(2,333,986)</b>	<b>(1,534,494)</b>	<b>0</b>	<b>(3,868,480)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Sale of investments, net	0	1,549,844	7,934,078	9,483,922
Interest received	0	291	72,821	73,112
<b>Net cash provided by investing activities</b>	<b>0</b>	<b>1,550,135</b>	<b>8,006,899</b>	<b>9,557,034</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>173,236</b>	<b>(44,022)</b>	<b>13,997,394</b>	<b>14,126,608</b>
Cash and cash equivalents, July 1, 2008	6,885	128,541	13,589,620	13,725,046
Cash and cash equivalents, June 30, 2009	\$ 180,121	\$ 84,519	\$ 27,587,014	\$ 27,851,654
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating loss	\$ (326,308)	\$ (1,266,863)	\$ (7,749,043)	\$ (9,342,214)
Adjustment to reconcile operating loss to net cash provided (used) by operating activities				
Depreciation	1,291,779	114,066	0	1,405,845
Change in operating assets and liabilities				
Accounts receivable	72,804	0	(491,125)	(418,321)
Inventory	0	165,954	0	165,954
Prepaid expenses	0	0	2,954	2,954
Accounts payable	(364,558)	(150,901)	210,254	(305,205)
Accrued salaries	11,343	5,577	1,485	18,405
Accrued vacation	2,701	7,107	7,726	17,534
OPEB liability	0	0	10,637,338	10,637,338
Accrued liability for claims	0	0	(1,075,512)	(1,075,512)
<b>Total adjustments</b>	<b>1,014,069</b>	<b>141,803</b>	<b>9,293,120</b>	<b>10,448,992</b>
<b>Net cash provided (used) by operating activities</b>	<b>\$ 687,761</b>	<b>\$ (1,125,060)</b>	<b>\$ 1,544,077</b>	<b>\$ 1,106,778</b>

## **SUPPLEMENTARY INFORMATION**

**CITY OF COLUMBIA, SOUTH CAROLINA  
SCHEDULE OF FINES, ASSESSMENTS AND SURCHARGES  
YEAR ENDED JUNE 30, 2009**

**Court Fines and Assessments**

Fines Collected	\$ 1,036,021
Assessments	831,545
Surcharges	451,425
Total Court Fines and Assessments Collected	<u>\$ 2,318,991</u>

**Surcharges and Assessments Remitted to State Treasurer**

DUI/DUS/BUI	
Municipal DUI Assessment	\$ 3,108
Municipal DUI Surcharge	4,200
Municipal DUI DPS Pullout	2,100
Surcharges	
Municipal Drug Surcharge	1,400
Municipal Law Enforcement Surcharge	363,370
Criminal Justice Academy Surcharge	53,830
Other Assessments - State Shared	733,504
Total Revenue Remitted to State Treasurer	<u>\$ 1,161,512</u>

**Fines, Surcharges and Assessments Retained by City**

Fines	\$ 1,036,021
Assessments	92,833
Surcharges	28,625
Total Revenue Retained by City	<u>\$ 1,157,479</u>

**Funds Allocated to Victims Service**

Carryover Funds from Prior Year	\$ -
Assessments Retained	92,833
Surcharges Retained	28,625
Expenditures	(121,458)
Total Unexpended Victims Rights Assistance	<u>\$ -</u>

## STATISTICAL SECTION

**CITY OF COLUMBIA, SOUTH CAROLINA**

**General Governmental Expenditures by Function (1)  
Last Ten Fiscal Years  
(Unaudited)**

<b>Fiscal Year</b>	<b>General Government (including Judicial)</b>	<b>Finance Department</b>	<b>Public Safety</b>	<b>Public Services</b>	<b>Parks and Recreation</b>	<b>General Services</b>	<b>Intergovernmental Expenses</b>	<b>(2) Non-Departmental</b>	<b>Debt Service</b>	<b>Total</b>
2000	\$ 20,637,407	\$ 660,500	\$ 31,254,495	\$ 14,814,481	\$ 5,166,101	\$ 2,011,780	\$ 0	\$ 6,533,274	\$ 2,820,608	\$ 83,898,646
2001	24,191,112	754,291	31,023,855	14,653,490	5,320,632	2,830,930	0	13,799,625	3,135,293	95,709,228
2002	41,835,074	794,471	33,818,006	15,081,382	6,397,916	2,256,629	0	6,737,131	4,633,150	111,553,759
2003	50,192,834	889,279	37,735,589	17,609,130	8,319,793	2,489,298	0	8,068,918	4,969,839	130,274,680
2004	49,734,715	1,022,332	38,176,476	22,669,683	7,753,513	2,467,729	0	7,915,399	7,138,852	136,878,699
2005	47,678,771	1,192,351	37,548,549	25,087,460	13,063,008	2,366,418	0	7,122,359	6,765,479	140,824,395
2006	48,566,519	1,252,432	37,555,878	21,433,541	6,857,319	5,181,242	0	18,208,113	9,800,114	148,855,158
2007	32,010,958	1,747,050	42,204,031	20,907,423	8,959,135	3,221,626	0	40,249,283	11,450,613	160,750,119
2008	32,949,833	2,583,820	56,694,907	21,341,887	11,172,199	3,873,214	6,462,450	30,699,723	21,584,613	187,362,646
2009	34,409,327	2,601,962	54,665,050	19,926,127	9,889,048	3,847,700	0	30,526,620	13,071,798	168,937,632

(1) Includes total governmental funds.

(2) Includes non-departmental, community promotions, community development, capital outlay of special revenue and paid to component units and other charges.

**CITY OF COLUMBIA, SOUTH CAROLINA**

**General Governmental Revenues by Source (1)  
Last Ten Fiscal Years  
(Unaudited)**

<b>Fiscal Year</b>	<b>Property Taxes</b>	<b>Sales Taxes</b>	<b>Licenses and Permits</b>	<b>Fines and Forfeitures (2)</b>	<b>Revenues From Use of Money and Property</b>	<b>Inter-governmental Revenues</b>	<b>Charges for Services (3)</b>	<b>Grants and Other Revenues (4)</b>	<b>Total</b>
2000	\$ 31,156,007	\$ 0	\$ 19,473,839	\$ 1,138,140	\$ 954,736	\$ 24,464,558	\$ 9,012,986	\$ 3,936,122	\$ 90,136,388
2001	33,545,198	0	21,331,968	957,822	1,465,644	31,889,662	9,177,057	4,275,664	102,643,015
2002	34,670,479	0	22,576,535	986,247	1,371,073	30,318,580	9,351,199	6,687,714	105,961,827
2003	36,233,504	0	23,487,750	881,319	853,450	26,535,765	9,420,593	17,949,043	115,361,424
2004	36,099,720	5,506,276	25,431,285	792,154	52,231	29,191,496	9,517,515	11,723,684	118,314,361
2005	36,529,356	6,580,448	26,666,050	903,730	1,114,238	22,563,698	6,059,904	8,574,582	108,992,006
2006	41,546,505	6,972,280	27,911,017	788,374	1,869,260	32,327,219	7,708,719	10,403,418	129,526,792
2007	46,684,713	7,571,767	31,162,106	786,187	3,512,130	37,782,027	8,412,727	8,423,821	144,335,478
2008	45,540,299	8,061,364	29,961,967	910,061	3,451,240	41,207,393	7,200,753	8,234,349	144,567,426
2009	48,292,387	8,070,790	29,591,085	922,675	1,282,669	49,177,437	7,166,064	7,543,001	152,046,108

(1) Includes total governmental funds. Transfers from enterprise funds are excluded.

(2) Certain parking fees and fines were pledged to the parking enterprise fund.

(3) Includes indirect cost reimbursement from water and sewer facilities fund.

(4) Includes sale of property.

CITY OF COLUMBIA, SOUTH CAROLINA

Property Tax Levies and Collections  
Last Ten Fiscal Years  
(Unaudited)

Fiscal Year	Total Tax Levy (1)	Current Tax Collections (2)	Percent of Current Taxes Collected	Delinquent Tax Collections (3)	Total Tax Collections (4)	Ratio of Total Tax Collections to Total Tax Levy (2)	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
2000	\$ 27,960,908	\$ 26,694,938	95.47	\$ 949,237	\$ 27,644,175	98.87	\$ 972,640	3.48
2001	30,342,007	27,581,071	90.90	1,448,732	29,029,803	95.68	1,025,138	3.38
2002	30,747,522	27,930,552	90.84	1,542,794	29,473,346	95.86	1,136,150	3.70
2003	30,717,596	28,041,551	91.29	1,663,305	29,704,856	96.70	1,155,090	3.76
2004	30,246,516	28,162,482	93.11	1,574,590	29,737,072	98.32	770,230	2.55
2005	30,483,195	27,959,678	91.72	1,632,522	29,592,200	97.08	797,804	2.62
2006	36,175,090	34,021,898	94.05	1,216,010	35,237,908	97.41	482,045	1.33
2007	39,338,096	38,398,690	97.61	1,011,744	39,410,434	100.18	600,849	1.53
*2008	43,166,262	42,270,086	97.92	1,348,627	43,618,713	101.05	1,642,910	3.81
2009	48,642,762	46,502,075	95.60	1,322,443	47,824,518	98.32	2,255,637	4.64

(1) The City levied and collected real and personal property taxes in some areas of Lexington County due to annexation.

(2) Includes only 80% of taxes levied on real property on which the assessment has been appealed.

(3) This represents delinquent taxes collected within the fiscal year. A breakdown of delinquent tax collections by year of tax is not available. Therefore, the ratio of total tax collections to total tax levy may exceed 100%.

(4) Does not include payment in lieu of taxes from Columbia Housing Authority.

\* Change from prior year figures

CITY OF COLUMBIA, SOUTH CAROLINA

Assessed and Estimated Actual Value of Property (1)  
Last Ten Fiscal Years  
(Unaudited)

Fiscal Year	Tax Year	Real Property (2)		Personal Property (4)		Total		Ratio of Total Assessed Value To Estimated Actual Value
		Assessed Value	Estimated Actual Value	Assessed Value (3)	Estimated Actual Value	Assessed Value	Estimated Actual Value	
2000	1999	\$ 201,775,490	\$ 4,041,222,908	\$ 108,901,269	\$ 1,037,154,941	\$ 310,676,759	\$ 5,078,377,849	6.12
2001	2000	208,432,649	4,148,697,733	121,371,772	716,246,505	329,804,421	4,864,944,238	6.78
2002	2001	213,751,250	4,306,304,426	120,460,950	1,172,654,757	334,212,200	5,478,959,183	6.10
2003	2002	218,320,320	4,397,310,301	115,566,596	1,150,448,599	333,886,916	5,547,758,900	6.02
2004	2003	225,199,267	4,527,472,624	103,567,184	1,063,887,735	328,766,451	5,591,360,359	5.88
2005	2004	228,375,270	4,591,392,500	102,543,149	1,069,412,879	330,918,419	5,660,805,379	5.85
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
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
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
2009	2008	344,361,680	8,463,091,500	113,237,212	1,406,240,339	457,598,892	9,869,331,839	4.64

(1) Total assessed value based upon assessment ratios set by state statutes.

(2) Does not include real property assessment under appeal.

(3) Merchants inventory tax was eliminated in 1987. Funds are appropriated by the state to make up the loss of revenues from the phase-out a higher minimum assessed value was also established for autos.

(4) Personal Property includes all Manufacturing Property, Utilities and Railroads in Richland County.

Note: The Act, which provides for statewide uniform assessment ratios, established assessment rates of 10.5% for manufacturers' equipment, furniture, and fixtures, and autos; 6% for inventory; and either 6% or 4% for real estate. A county-wide reassessment of real property and manufacturers was completed in 2005 tax year. The source for the non-accounting data above is the assessment and millage worksheets received from Richland and Lexington Counties.

**CITY OF COLUMBIA, SOUTH CAROLINA**

**Property Tax Rates - Direct and Overlapping Governments  
(Per \$1,000 of Assessed Value)  
Last Ten Fiscal Years  
(Unaudited)**

Tax Year	County Millage	County Purposes Millage	Richland County School District No. 1 (1)		Richland County School District No. 2		Richland / Lexington School District No. 5 (2)	
			School Millage	Overlapping District 1CC	School Millage	Overlapping District 2CC	School Millage	Overlapping District 6CC
1999	90.0	80.6	183.9	354.5	197.5	368.1	197.2	367.8
2000	92.0	78.5	193.0	363.5	208.8	379.3	212.9	383.4
2001	92.0	65.7	215.1	372.8	230.0	387.7	235.4	393.1
2002	92.0	70.8	238.9	401.7	258.1	420.9	255.6	418.4
2003	92.0	76.3	280.4	448.8	281.8	450.2	267.5	435.9
2004	92.0	80.0	289.1	461.1	289.5	461.5	266.4	438.4
2005	83.6	78.0	266.0	427.6	279.0	440.6	234.6	396.2
2006	99.0	76.4	282.7	458.1	295.4	470.8	253.0	428.4
2007	102.5	77.9	299.1	479.5	311.1	491.5	274.7	455.1
2008	106.3	81.1	306.1	493.5	324.2	511.6	284.4	471.8

(1) The City of Columbia is primarily situated in School District No. 1 of Richland County.

(2) Annexation first occurred in School District No. 5 in tax year 1991.

**CITY OF COLUMBIA, SOUTH CAROLINA**

**Principal Taxpayers  
(Unaudited)**

**Year Ended June 30, 2009**

<b>Taxpayer</b>	<b>Type of Business</b>	<b>Assessed Valuation</b>	<b>Percentage of Total Assessed Valuation</b>
South Carolina Electric & Gas	Electric & Gas Utility	\$ 11,036,800	2.41%
BellSouth Telecom, Inc.	Communications	8,672,790	1.89%
AT&T Mobility f/k/a Cingular Wireless	Communications	4,215,830	0.92%
GGP Columbiana Trust	Real Estate	2,963,010	0.65%
Main Street Associates	Real Estate	2,334,900	0.51%
Unumprovident Corporation	Insurance	2,248,420	0.49%
Parkway Properties LP	Real Estate	2,183,630	0.48%
Time Warner Ent. - Advance	Communications	1,841,830	0.40%
Bank of America Plaza LLC	Real Estate	1,742,410	0.38%
Colonial Life & Accident	Insurance	1,696,410	0.37%
<b>Totals</b>		<b>\$ 38,936,030</b>	<b>8.50%</b>

**CITY OF COLUMBIA, SOUTH CAROLINA**

**Computation of Legal Debt Margin  
(Unaudited)**

**Year Ended June 30, 2009**

---

<b>Assessed value as of January 1, 2009</b>	
City limits Richland County	\$ 433,309,205
City limits Lexington County	24,556,360
Total	<u>457,865,565</u>
<b>Business inventory 1987 assessed value</b>	<u>6,667,290</u>
<b>Total assessed value (see note)</b>	\$ <u><u>464,532,855</u></u>
<b>Debt limit - Eight (8%) percent of assessed value, without voters' approval</b>	\$ 37,162,628
<b>Amount of debt applicable to debt limit:</b>	
Total general bonded debt	<u>25,695,000</u>
<b>Legal debt margin without a referendum</b>	\$ <u><u>11,467,628</u></u>

**Note:** The City's borrowing power is restricted by amended Article X, Section 14, of the State Constitution which became effective November 30, 1977. This Section provides that a local government unit cannot at any time have total debt outstanding in any amount that exceeds eight percent (8%) of its assessed property value. Excluded from the limitation are: bonded indebtedness approved by the voters and issued within five years of the date of such referendum; special bonded indebtedness levies assessed on properties located in an area receiving special benefits from the taxes collected; and bonded indebtedness existing on November 30, 1977.

**CITY OF COLUMBIA, SOUTH CAROLINA**

**Ratio of Net General Obligation Bonded Debt per Capita  
To Assessed Value and Net General Obligation Bonded Debt Per Capita  
Last Ten Fiscal Years  
(Unaudited)**

<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Assessed Value (2)</b>	<b>Gross Bonded Debt (3)</b>	<b>Debt Payable From Enterprise Revenues (4)</b>	<b>Net Bonded Debt</b>	<b>Ratio of Net Bonded Debt To Assessed Value</b>	<b>Net Bonded Debt Per Capita</b>
2000	126,828	310,676,759	10,058,532	1,318,532	8,740,000	2.81	68.91
2001	116,278	329,804,421	9,347,228	1,107,228	8,240,000	2.50	70.86
2002	116,278	334,212,200	8,520,924	875,924	7,645,000	2.29	65.75
2003	117,394	333,886,916	23,194,620	644,620	22,550,000	6.75	192.09
2004	117,394	328,766,451	21,803,315	423,315	21,380,000	6.50	182.12
2005	117,394	331,339,053	20,320,000	210,000	20,110,000	6.07	171.30
2006	117,394	388,844,481	18,830,000	1,400,000	17,430,000	4.48	148.47
2007	116,278	400,925,762	17,430,000	0	17,430,000	4.35	149.90
2008	124,818	421,069,443	28,155,000	0	28,155,000	6.69	225.57
2009	128,299	457,598,892	25,695,000	0	25,695,000	5.62	200.27

(1) Source: Bureau of the Census and current Planning Department of the City of Columbia, South Carolina.

(2) From assessed value of property as furnished by Richland & Lexington counties.

(3) Amount does not include revenue bonds.

(4) This amount represents the general obligation refunding bond that is being repaid from the parking operating fund.

**CITY OF COLUMBIA, SOUTH CAROLINA**

**Ratio of Annual Debt Service Expenditures  
General Obligation Bonded Debt (1)  
Total General Governmental Expenditures (3)  
Last Ten Fiscal Years  
(Unaudited)**

<b>Fiscal Year</b>	<b>Principal (1)</b>	<b>Interest (2)</b>	<b>Total Debt Service</b>	<b>Total General Governmental Expenditures (3)</b>	<b>Ratio of Debt Service to General Governmental Expenditures</b>
2000	\$ 635,000	\$ 468,740	\$ 1,103,740	\$ 83,898,646	1.3
2001	725,000	430,123	1,155,123	95,709,228	1.2
2002	595,000	385,398	980,398	95,858,067	1.0
2003	595,000	667,546	1,262,546	105,298,901	1.2
2004	1,170,000	955,943	2,125,943	113,119,371	1.9
2005	1,270,000	914,545	2,184,545	119,787,994	1.8
2006	1,280,000	868,318	2,148,318	148,855,158	1.4
2007	1,400,000	810,798	2,210,798	160,750,119	1.4
*2008	8,010,000	986,607	8,996,607	187,362,646	4.8
2009	2,545,000	1,098,634	3,643,634	168,937,632	2.2

(1) General obligation bonds reported in the enterprise funds have been excluded.

(2) Excludes bond issuance and other costs.

(3) Includes total governmental funds.

\* Change from prior year figures

**CITY OF COLUMBIA, SOUTH CAROLINA**

**Computation of Direct and Overlapping Bonded Debt  
General Obligation Bonds  
(Unaudited)  
Year Ended June 30, 2009**

<b>Jurisdiction</b>	<b>City of Columbia Direct General Obligation Bonded Debt Outstanding (1)</b>	<b>Overlapping General Obligation Bonded Debt Outstanding</b>	<b>Total Direct and Overlapping Bonded Debt Outstanding (1)</b>
<b>Direct:</b>			
City of Columbia	\$ 25,695,000	\$ -	\$ 25,695,000
<b>Overlapping:</b>			
Richland County School District No. 1	103,848,289	419,691,711	523,540,000
General purposes- Richland County	18,902,263	27,477,737	46,380,000
Riverbanks Park District	4,965,535	7,634,465	12,600,000
<b>Total Overlapping</b>	<b>127,716,087</b>	<b>454,803,913</b>	<b>582,520,000</b>
<b>Total</b>	<b>\$ 153,411,087</b>	<b>\$ 454,803,913</b>	<b>\$ 608,215,000</b>

(1) Excluding general obligation refunding bonds reported in the enterprise funds.

**CITY OF COLUMBIA, SOUTH CAROLINA**

**Revenue Bond Coverage  
Water and Sewer Bonds**

**Last Ten Fiscal Years  
(Unaudited)**

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirement			Coverage
				Principal	Interest	Total	
2000	\$ 71,342,820	\$ 27,326,824	\$ 44,015,996	\$ 10,640,000	\$ 6,121,644	\$ 16,761,644	2.63
2001	79,051,017	29,725,288	49,325,729	12,700,000	7,701,563	20,401,563	2.42
2002	77,671,344	29,891,043	47,780,301	13,420,000	6,985,440	20,405,440	2.34
*2003	78,738,660	34,344,036	44,394,624	9,033,368	11,062,110	20,095,478	2.21
*2004	77,856,380	41,513,901	36,342,479	8,969,249	11,124,590	20,093,839	1.81
*2005	78,864,065	44,812,297	34,051,768	8,965,071	11,122,212	20,087,283	1.70
*2006	92,726,369	51,852,947	40,873,422	14,915,000	7,052,737	21,967,737	1.86
2007	101,657,409	53,436,775	48,220,634	9,275,000	7,889,584	17,164,584	2.81
2008	118,014,221	61,347,698	56,666,523	9,865,000	7,419,673	17,284,673	3.28
2009	110,181,495	58,541,111	51,640,384	10,410,000	6,880,982	17,290,982	2.99

(1) Gross revenues are defined by the bond ordinance of 1991 as "all fees, tolls, rates, rentals and charges to be levied and collected in connection with, and all other income and receipts of whatever kind of character derived by the City from the operation of the system or arising from the system." Accordingly, gross revenues include operating revenues, interest revenues, and gains/losses on disposals of capital assets

(2) Direct operating expenses include all operating and maintenance expenses except depreciation

The next highest annual debt service requirement is \$17,296,703 for fiscal year ending June 30, 2010

\* Change from prior year figures

**CITY OF COLUMBIA, SOUTH CAROLINA**

**Revenue Bond Coverage  
Parking Bonds**

**Last Ten Fiscal Years  
(Unaudited)**

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirement			Coverage
				Principal	Interest	Total	
2000	\$ 4,724,509	\$ 1,385,585	\$ 3,338,924	\$ 325,000	\$ 389,319	\$ 714,319	4.67
2001	5,461,908	1,474,996	3,986,912	345,000	372,904	717,904	5.55
2002	5,462,605	1,555,459	3,907,146	360,000	355,451	715,451	5.46
2003	5,755,703	1,709,237	4,046,466	380,000	336,761	716,761	5.65
2004	5,630,996	1,892,203	3,738,793	395,000	316,703	711,703	5.25
2005	6,213,474	1,914,254	4,299,220	415,000	295,336	710,336	6.05
2006	6,867,719	3,864,972	3,002,747	440,000	640,638	1,080,638	2.78
2007	8,061,224	2,502,413	5,558,811	460,000	2,455,384	2,915,384	1.91
2008	8,694,118	3,664,050	5,030,068	740,000	2,429,153	3,169,153	1.59
2009	7,558,090	3,102,774	4,455,316	780,000	2,388,322	3,168,322	1.41

(1) The Bond Ordinance earnings test prescribes that "The average of the aggregate of revenue paid into the Gross Revenue Fund for the two fiscal years immediately preceding the fiscal year in which additional bonds are proposed to be issued, as certified to by a Certified Public Accountant, shall be not less than one hundred thirty five per centum (135%) of the highest combined interest and principal requirements of any succeeding year of all bonds, for all additional bonds which may be then issued, and for all additional bonds then proposed to be issued." Gross revenues include operating revenues, interest revenues, and gains/losses on disposal of capital assets.

(2) Direct operating expenses include all operating and maintenance expenses except depreciation.

**CITY OF COLUMBIA, SOUTH CAROLINA**

**Demographic Statistics**

**Last Ten Fiscal Years  
(Unaudited)**

<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Per Capita Income (2)</b>	<b>School Enrollment (3)</b>	<b>Unemployment Rate (4)</b>
2000	126,828	26,855	27,120	3.0%
2001	116,278	27,255	25,753	3.1%
2002	116,278	27,879	25,732	5.4%
2003	117,394	28,577	25,304	4.2%
2004	117,394	29,419	25,770	6.9%
2005	117,394	30,810	24,589	5.7%
2006	117,394	32,308	24,060	6.2%
2007	116,278	32,238	23,658	5.1%
2008	127,029	33,943	24,179	5.8%
2009	127,029	34,600	24,590	9.8%

- Sources:**
- (1) Bureau of the Census and Current Planning Department of the City of Columbia.**
  - (2) Office of Research and Statistical Services, State of South Carolina Budget and Control Board, represents Columbia MSA.**
  - (3) Richland County School District One.**
  - (4) South Carolina Employment Security Commission. (Labor market information).**

**CITY OF COLUMBIA, SOUTH CAROLINA**

**Property Value, Construction and Bank Deposits**

**Last Ten Fiscal Years  
(Unaudited)**

Fiscal Year	Property Value (Estimated Actual Value)			Commercial Construction (1)		Residential Construction (1)		Bank Deposits (2)
	Commercial	Residential	Total	No. of Units	Value	No. of Units	Value	
2000	\$ 2,006,126,167	2,034,674,250	\$ 4,040,800,417	44	\$ 32,910,736	413	\$ 73,933,009	\$ 4,594,167
2001	2,124,236,983	2,023,482,500	4,147,719,483	40	99,802,533	481	76,001,939	4,920,952
2002	2,075,747,467	2,229,672,050	4,305,419,517	56	36,417,036	448	62,723,046	5,224,624
2003	4,077,296,267	2,243,842,000	6,321,138,267	18	32,943,996	352	58,318,234	5,247,678
2004	2,142,707,533	2,360,137,200	4,502,844,733	83	98,682,615	538	73,330,695	5,676,259
2005	2,285,978,500	2,355,197,750	4,641,176,250	24	34,381,801	522	95,558,797	7,090,704
2006	2,680,175,167	3,134,568,250	5,814,743,417	78	95,097,082	847	110,239,753	7,832,236
2007	2,742,031,630	2,923,932,400	5,665,964,030	51	88,313,998	1,548	144,516,429	8,565,386
2008	2,228,698,817	2,046,781,375	4,275,480,192	60	117,112,809	708	81,871,255	9,554,642
2009	2,213,951,133	1,904,465,625	4,118,416,758	32	115,323,008	783	76,178,625	10,119,806

(1) Inspection Division of the City of Columbia.

(2) Federal Reserve Bank of Richmond, Virginia FY1995-2002. Data represents Columbia MSA as of June 30.  
Beginning 2003 source: (FDIC) Federal Deposit Insurance Corp. Represented to the (\$000) thousand power.

**CITY OF COLUMBIA, SOUTH CAROLINA**

**Net Assets by Component  
Last Three Fiscal Years  
(Unaudited)**

	2009	2008	2007
<b>Governmental activities</b>			
Invested in capital assets, net of related debt	\$ 150,922,216	\$ 133,392,515	\$ 170,666,468
Restricted	5,528	5,435	7,270
Unrestricted	38,322,214	47,236,381	25,607,280
<b>Total governmental activities net assets</b>	<b>\$ 189,249,958</b>	<b>\$ 180,634,331</b>	<b>\$ 196,281,018</b>
<b>Business-type activities</b>			
Invested in capital assets, net of related debt	\$ 445,685,893	\$ 402,973,904	\$ 441,526,920
Unrestricted	146,880,212	159,528,897	87,904,766
<b>Total business-type activities net assets</b>	<b>\$ 592,566,105</b>	<b>\$ 562,502,801</b>	<b>\$ 529,431,686</b>
<b>Primary Government</b>			
Invested in capital assets, net of related debt	\$ 596,608,109	\$ 536,366,419	\$ 612,193,388
Restricted	5,528	5,435	7,270
Unrestricted	185,202,426	206,765,278	113,512,046
<b>Total primary government net assets</b>	<b>\$ 781,816,063</b>	<b>\$ 743,137,132</b>	<b>\$ 725,712,704</b>

CITY OF COLUMBIA, SOUTH CAROLINA

Changes in Net Assets  
Last Three Fiscal Years  
(Accrual Basis of Accounting)  
(Unaudited)

	2009	2008	2007
<b>Expenses</b>			
<b>Governmental activities:</b>			
General government	\$ 41,427,388	\$ 37,178,955	\$ 35,358,581
Judicial	2,364,353	2,131,608	2,167,922
Finance department	2,647,689	2,474,302	1,982,964
Community development	4,192,966	4,012,966	3,904,174
Public safety	57,138,835	55,514,924	50,306,710
Parks and recreation	11,142,423	11,544,030	11,053,830
Public services	20,798,283	20,835,435	24,014,241
General services	3,919,228	4,018,322	3,382,092
Community promotions	8,321,723	9,744,750	9,926,673
Interest on bonds	3,824,725	4,459,396	4,081,910
Intergovernmental	-	6,462,450	-
Non departmental	1,694,525	5,441,552	3,433,418
<b>Total governmental activities expenses</b>	<b>157,472,138</b>	<b>163,818,690</b>	<b>149,612,515</b>
<b>Business-type activities:</b>			
Water/sewer facilities	85,747,245	85,963,177	83,849,936
Hydro-electric plant	5,989,066	3,037,803	1,020,132
Storm water operating	3,148,296	3,383,853	3,382,264
Parking facilities	5,740,304	5,213,105	5,139,583
Transportation operating	-	433,773	30,320
Redevelopment programs	960,872	3,611,769	774,935
<b>Total business-type expenses</b>	<b>101,585,783</b>	<b>101,643,480</b>	<b>94,197,170</b>
<b>Total primary government expenses</b>	<b>\$ 259,057,921</b>	<b>\$ 265,462,170</b>	<b>\$ 243,809,685</b>
<b>Program revenues</b>			
<b>Governmental activities:</b>			
Charges for services	\$ 53,314,387	\$ 57,359,483	\$ 56,583,922
Operating grants and contributions	29,022,624	27,663,920	22,841,837
Capital grants and contributions	11,318,774	5,649,457	8,291,673
<b>Total governmental program revenues</b>	<b>93,655,785</b>	<b>90,672,860</b>	<b>87,717,432</b>
<b>Business-type activities:</b>			
Charges for services	122,439,045	125,406,366	109,493,479
Capital grants and contributions	8,358,175	12,847,905	12,161,089
<b>Total business-type program revenues:</b>	<b>130,797,220</b>	<b>138,254,271</b>	<b>121,654,568</b>
<b>Total primary government revenues</b>	<b>\$ 224,453,005</b>	<b>\$ 228,927,131</b>	<b>\$ 209,372,000</b>
<b>Net (Expense)/Revenue</b>			
<b>Governmental activities</b>	<b>\$ (63,816,353)</b>	<b>\$ (73,145,830)</b>	<b>\$ (61,895,083)</b>
<b>Business-type activities</b>	<b>29,211,437</b>	<b>36,610,791</b>	<b>27,457,398</b>
<b>Total primary government net revenue (expense)</b>	<b>\$ (34,604,916)</b>	<b>\$ (36,535,039)</b>	<b>\$ (34,437,685)</b>
<b>General Revenues</b>			
<b>Governmental activities:</b>			
Taxes	\$ 35,042,668	\$ 30,888,940	\$ 31,728,223
LOST revenue	13,616,717	14,988,418	14,988,418
Sales taxes	8,070,790	8,061,364	7,571,767
Alcoholic beverages taxes	323,644	254,562	300,633
State shared revenue	3,622,407	3,796,780	3,435,403
Motor fuel taxes	1,059	1,275	7,715
Unrestricted investment earnings	1,282,669	3,481,543	4,670,483
Gain/Loss from disposal of capital assets	1,891,037	(1,159,745)	(7,426,558)
Transfers	8,580,988	2,788,348	8,736,903
<b>Total general government revenues/transfers</b>	<b>\$ 72,431,979</b>	<b>\$ 63,101,485</b>	<b>\$ 64,012,987</b>
<b>Business-type activities:</b>			
Unrestricted investment earnings	5,589,423	8,194,017	6,715,293
Gain/Loss from disposal of capital assets	3,843,432	(228,140)	(116,006)
Transfers	(8,580,988)	(2,788,348)	(8,736,903)
<b>Total business-type activities:</b>	<b>851,867</b>	<b>5,177,529</b>	<b>(2,137,616)</b>
<b>Total primary government general revenues</b>	<b>\$ 73,283,846</b>	<b>\$ 68,279,014</b>	<b>\$ 61,875,371</b>
<b>Change in Net Assets</b>			
<b>Governmental activities</b>	<b>\$ 8,615,626</b>	<b>\$ (10,044,345)</b>	<b>\$ 2,117,904</b>
<b>Business-type activities</b>	<b>30,063,304</b>	<b>41,788,320</b>	<b>25,319,782</b>
<b>Total primary government</b>	<b>\$ 38,678,930</b>	<b>\$ 31,743,975</b>	<b>\$ 27,437,686</b>

**CITY OF COLUMBIA, SOUTH CAROLINA**

**Fund Balances, Governmental Funds  
Last Three Fiscal Years  
(Unaudited)**

	2009		2008		2007
<b>General Fund</b>					
Reserved for encumbrances	\$ 1,334,927	\$	1,901,955	\$	2,037,950
Reserved for prepaid charges	188,343		181,481		0
Unreserved	<u>5,300,625</u>		<u>10,463,453</u>		<u>21,687,149</u>
<b>Total General Fund</b>	\$ <u><u>6,823,895</u></u>	\$	\$ <u><u>12,546,889</u></u>	\$	\$ <u><u>23,725,099</u></u>
<b>All Other Governmental Funds</b>					
Reserved for encumbrances	\$ 16,501,855	\$	7,664,534	\$	17,972,849
Reserved for prepaid charges	3,731		858		0
Reserved					
Nonexpendable	5,000		5,000		1,983
Expendable	528		435		5,287
Unreserved, reported in:					
Special revenue funds	7,173,627		7,018,168		12,579,898
Debt service funds	1,288,755		4,687,280		4,885,298
Capital projects funds	<u>19,334,852</u>		<u>28,512,163</u>		<u>10,968,390</u>
<b>Total all other governmental funds</b>	\$ <u><u>44,308,348</u></u>	\$	\$ <u><u>47,888,438</u></u>	\$	\$ <u><u>46,413,705</u></u>

CITY OF COLUMBIA, SOUTH CAROLINA

Changes in Fund Balances, Governmental Funds  
Last Three Fiscal Years  
(Modified Accrual Basis of Accounting)  
(Unaudited)

	2009	2008	2007
<b>Revenues</b>			
General property taxes	\$ 48,292,387	\$ 45,540,299	\$ 46,684,713
Sales taxes	8,070,790	8,061,364	7,571,767
Licenses and permits	29,591,085	29,961,967	31,162,106
Intergovernmental revenue	11,689,903	11,401,560	9,879,961
Charges for services	7,166,064	7,200,753	8,412,727
Fines and forfeitures	922,675	910,061	786,187
Federal government	15,391,313	8,143,042	6,296,982
State government	2,002,864	2,988,092	1,630,152
County government	20,093,357	18,674,699	19,974,932
Promotions	192,721	148,073	188,563
Confiscated drugs	291,003	192,623	44,057
Interest	1,282,669	3,451,240	3,512,130
Other revenues	4,789,277	5,158,653	4,991,201
Cost recovery fees	2,270,000	2,735,000	3,200,000
<b>Total revenues</b>	<b>152,046,108</b>	<b>144,567,426</b>	<b>144,335,478</b>
<b>Expenditures</b>			
<b>Current</b>			
General government	32,129,878	30,673,629	30,136,559
Judicial	2,279,449	2,276,204	1,874,399
Finance department	2,601,962	2,583,820	1,747,050
Community development	4,027,245	4,311,401	3,249,126
Public safety	54,665,050	56,694,907	42,204,031
Parks and recreation	9,889,048	11,172,199	8,959,135
Public services	19,926,127	21,341,887	20,907,423
General services	3,847,700	3,873,214	3,221,626
Community promotions	8,321,723	9,744,750	8,028,392
Intergovernmental	-	6,462,450	-
Non departmental	1,395,676	5,348,207	1,994,232
Other charges	8,357	1,983	1,567,941
<b>Debt service</b>			
Principle retirement	-	16,741,585	7,559,169
Principle payment	9,144,966		
Interest on bonds	3,899,408	4,838,956	3,804,084
Fiscal agent charges	27,424	4,072	87,360
<b>Capital outlay</b>			
Capital outlay	16,773,619	11,293,382	25,409,592
<b>Total expenditures</b>	<b>168,937,632</b>	<b>187,362,646</b>	<b>160,750,119</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(16,891,524)</b>	<b>(42,795,220)</b>	<b>(16,414,641)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	25,317,909	57,336,108	23,252,127
Transfers (out)	(22,775,520)	(46,409,322)	(31,432,694)
Proceeds from disposal of capital assets	2,531,802	9,021,764	2,526,053
Refunding bond proceeds	3,625,000	-	0
Payments to refunded bonds escrow agent	(3,540,000)	-	0
Proceeds from note payable issued	2,429,249	13,143,195	22,014,258
<b>Total other financing sources (uses)</b>	<b>7,588,440</b>	<b>33,091,745</b>	<b>16,359,744</b>
<b>Net change in fund balances</b>	<b>\$ (9,303,084)</b>	<b>\$ (9,703,475)</b>	<b>\$ (54,897)</b>
<b>Debt service as a percentage of noncapital expenses</b>	<b>9%</b>	<b>12%</b>	<b>8%</b>

**CITY OF COLUMBIA, SOUTH CAROLINA**

**Miscellaneous Statistics**

**(UNAUDITED)**

**Year Ended June 30, 2009**

<hr/>			
Date of Incorporation			
Town			<b>December 21, 1805</b>
City			<b>December 21, 1854</b>
Form of Government			<b>Council-Manager</b>
Area - Square Miles			<b>136.20</b>
Miles of Streets and Sidewalks			
Streets			<b>475.54</b>
Sidewalks			<b>305.34</b>
Miles of Sanitary Sewers			<b>1,047.97</b>
Building Permits			
Permits issued			<b>4,404</b>
Estimated Cost - taxable property			<b>347,840,298</b>
Estimated Cost - nontaxable property			<b>8,557,186</b>
Fire Protection			
Number of stations			<b>12</b>
Number of employees			<b>247</b>
Police Protection			
Number of Stations			<b>14</b>
Authorized strength:			
Full-time sworn			<b>343</b>
Part-time civilians			<b>8</b>
Full-time civilians			<b>37</b>
Recreation			
Parks and playgrounds - acres			<b>587.4</b>
City owned parks and playgrounds			<b>57</b>
Municipal Water Plants			<b>2</b>
	<u>Inside</u>	<u>Outside</u>	
	<u>City Limits</u>	<u>City Limits</u>	<u>Total</u>
Number of Meters Billed			
Water	<b>40,016</b>	<b>94,737</b>	<b>134,753</b>
Sewer	<b>32,608</b>	<b>36,411</b>	<b>69,019</b>
Daily Average			
consumption billed			<b>66,830,602</b>
Plant Capacity			<b>146,000,000</b>
Miles of water mains			<b>1,954.68</b>
Number of fire hydrants (in-City)			<b>5,200</b>

**CITY OF COLUMBIA, SOUTH CAROLINA**

**Miscellaneous Statistics**

**(UNAUDITED)**

**Year Ended June 30, 2009**

---

Election Data	
Registered voters in the City (District 1C)	<b>65,749</b>
Number of votes cast last election	<b>10,660</b>
Percentage of registered voters voting	<b>18.27%</b>
Traffic Signals and Street Lights	
Controlled traffic signal intersections	<b>262</b>
Four-way flashing signal at intersections	<b>16</b>
School flashing signals	<b>45</b>
Number of street lights	<b>9,437</b>
Education (Public School System Only)	
City school system(Richland County School District 1)	
Number of school buildings	<b>51</b>
Number of teachers	<b>2,046</b>
Number of students registered	<b>24,590</b>
Average daily attendance:	
Elementary schools	<b>10,650</b>
Middle schools	<b>6,961</b>
High schools	<b>6,979</b>
Universities and Colleges	
Number of locations	<b>8</b>
Number of students registered	<b>38,263</b>
City of Columbia Permanent Employees	
Full-time	<b>2,156</b>
Part-time	<b>77</b>