



CITY OF COLUMBIA
**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**
FISCAL YEAR ENDED
JUNE 30, 2022

CITY OF COLUMBIA
700 N. GARDEN STREET
COLUMBIA, TN 38401
www.ColumbiaTn.com



City of Columbia, Tennessee
Annual Comprehensive Financial Report
For the Fiscal Year ended June 30, 2022

Prepared by: City of Columbia Finance Department

CITY OF COLUMBIA, TENNESSEE

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Introduction





THAD H. JABLONSKI
CHIEF FINANCIAL OFFICER

December 5, 2022

*The Honorable Mayor and City Council
And the Citizens of the City of Columbia:*

The Annual Comprehensive Financial Report (ACFR) of the City of Columbia, Tennessee (the City) for the fiscal year ended June 30, 2022 is hereby submitted. The financial statements are presented in conformity with generally accepted accounting principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB) and have been audited in accordance with generally accepted auditing standards.

This report consists of management's representation concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. Management asserts, that to the best of its knowledge and belief, this financial report is complete and reliable in all material respects.

Henderson, Hutcherson & McCullough, PLLC, Certified Public Accountants, have issued an unmodified ("clean") opinion on the City of Columbia's financial statements for the year ended June 30, 2022. The independent auditor's report is located at the front of the financial section of this report.

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

Profile of the government

The City of Columbia is located in Maury County, and is the county seat for Maury County government. Columbia was first settled in 1807 and incorporated on November 18, 1817. Located approximately 45 miles southwest of Nashville, today Columbia is one of the fastest growing cities in Middle Tennessee and a major cultural and economic hub for the South-Central Tennessee region.

The City of Columbia operates under the Council-Manager form of government. The governing Council consists of seven members. The Mayor and Councilman at Large (Vice Mayor) are elected at-large, staggered two-year terms from the election of Council members. The five City Council members are elected by ward. The City Council appoints the City Manager, who is the chief administrative officer of the City. The City Manager is responsible for carrying out policies and ordinances of the Council, overseeing day-to-day operations of the government and appointing the heads of city departments. The City Council also appoints the City Attorney.

The City provides a wide range of municipal services including public safety (police, fire protection and emergency management), highway and street maintenance, public works, parks and recreation, development services (engineering, planning and code administration), solid waste collection and general administrative support services. The City also provides treatment of sewage collected via the City of Columbia wastewater system. Columbia Power & Water Systems provide electric power, water and broadband services in the Columbia service area.

The annual budget serves as the foundation for the City's financial planning and control. The appropriated budget is approved by fund and department. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is the fund and department level. All departments of the City are required to submit requests for budget appropriations to the Chief Financial Officer (CFO) in the first quarter of the calendar year. The City Manager, in concert with the CFO, uses these requests as a starting point for developing a proposed budget. After numerous meetings with department heads, the City Manager presents the budget to the City Council for approval.

Two meetings and a public hearing are necessary for approving the budget. Although the legal level of budgetary control is at the department level for the general fund and at the fund level for all other funds, the City prepares the budget by fund, function, and activity. Additional appropriations in a fund require two considerations by the Council at properly noticed meetings of the Council with second consideration preceded by a noticed public hearing. Department heads may transfer funds within and between activities with approval of the City Manager. Budget-to-actual comparisons are provided within this report for each individual governmental fund for which a budget has been adopted. For the General Fund, this comparison is presented beginning on page A-10 as part of the basic financial statements. For the other governmental funds with appropriated annual budgets, the comparisons are presented beginning on page D-1.

Local economy

The City enjoyed an overall favorable economic environment during the current fiscal year with local indicators pointing to continued stability and growth. The local economy maintains a well-balanced blend of financial, agricultural, wholesale, retail, manufacturing and service industries. Local economic growth has been especially high over the past seven years, driven by increased residential growth. Residential development activity continues to increase annually notwithstanding the COVID-19 pandemic which began in February 2020. Given the diverse mix of industries and the high number of governmental, educational and quasi-governmental originations located in Columbia, the City has historically weathered national economic crises better than most Tennessee cities.

The region has a diverse commercial and industrial base, which provides increased employment stability. An annualized unemployment rate during fiscal year 2022 indicates a 4.7% unemployment rate for the City of Columbia. The fiscal year unemployment data shows unemployment as high as 7.8% (approximately 70% lower than the pandemic period high of 26.3% in April 2020). Unemployment rate fluctuations have flattened compared to the disruptive impact on state and local economies in FY 2021. During the second half of the fiscal year, i.e., January through June, the City enjoyed unemployment less than 5% (figures are not seasonally adjusted).

According to the 2020 U.S. Census data, Maury County has a growth rate of 2.89%, surpassing neighboring counties for the number one spot above Williamson County and Marshall County, which rank No. 2 and No. 12, respectively. According to Smart Asset's 2021 rankings, Maury County ranks #1 in Tennessee and #34 in the U.S. for incoming investment in addition to being #1 in Tennessee and #11 in the U.S. for new building permits. All rankings are by county with approximately 3,200 counties in the U.S. The study noted 4.9% growth in business, \$306 million in GDP increases and 40.4 new building permits per 1,000 homes.

Notable sectoral drivers of employment in the area continue to be the healthcare, business services and manufacturing sectors with automotive, metals, plastics and ceramics industries dominating manufacturing in the area. Based in Columbia, Maury Regional is the flagship hospital for Maury Regional Health. The hospital is the largest between Nashville and Huntsville. As the City's largest employer, Maury Regional Health employs over 2,200 system-wide as of 2022, including over 200 physicians. The regional healthcare system serves more than a quarter-million people in the southern Middle Tennessee region. The systems is a six-time IBM Watson Health 15 Top Health System, a notable distinction within the industry.

As of June 30, the largest local employer in the automotive sector is the General Motors (GM) manufacturing plant in Spring Hill. The local GM plant is the largest GM manufacturing operation in North America. In January 2020, GM committed \$40 million to develop and build 5.3L V8 DFM engines with GM's advanced Dynamic Fuel Management technology. In May 2020, the automaker announced plans to power the continent's largest plant using solar power. The current workforce at the plant includes more than 4,000 GM employees with more than 2,000 third-party employees on-site daily. Including the aforementioned investment, GM has invested more than \$2.3 billion in the local manufacturing complex since 2010.

In October 2020, GM announced plans to invest an additional \$2 billion in the local plant to build fully electric vehicles, including the all-new Cadillac LYRIQ. The new electric vehicle initiative invests in a new auto assembly line and employee training and development in next generation jobs. In April 2021, Ultium Cells LLC, a joint venture of LG Energy Solution and General Motors, announced it would invest more than \$2.3 billion to build its second battery cell manufacturing plant in the United States, a new 2.8 million-square-foot facility. The Ultium Cells LLC joint venture would create 1,300 new manufacturing jobs. The October and April announcements are the third largest and second largest economic development projects, respectively, announced in state history to date.

The City hosts national, regional and state-based commercial and franchise business operations, providing the City with a strong retail base and a healthy mix of local and national brand retail. Corporate headquarters in Columbia include Maury Regional Health, Tennessee Farm Bureau and subsidiaries, First Farmers and Merchants Bank and Trust, Local Government Corporation, A-Z Resource, JRN Inc., and Baxter Enterprises.

The Industrial Development Board of the City of Columbia (IDB) promotes industry and trade. The Columbia IDB continues to promote the recently acquired Columbia Rail Site a shelve-ready 225 acre industrial site featuring direct access to regional rail networks. The site was previously certified as a "Tennessee Select Site" by the Tennessee Department of Economic and Community Development. Additionally, the site was also recognized by national rail operator CSX as a "CSX Select Site." The Columbia Rail Site is the second CSX Select Site in Tennessee and one of only two dozen properties across CSX's service territory to meet the rigorous site selection criteria.

During FY 2022, the Columbia IDB sold 130 acres of land on the industrial site to Fiberon Composites, LLC, a fortune 500 company subsidiary. The project followed from a 10-year PILOT agreement contingent upon the creation of an estimated 310 full-time jobs over the next five years. In May 2022, Fiberon broke ground on a 500,000 square foot manufacturing facility, estimated to be completed in 2024. Additional PILOT projects with the Industrial Development Board of the City of Columbia are referenced in detail below.

The Columbia IDB used payment-in-lieu-of-tax authority and state grants during FY 2022 in attracting and recruiting the following industries to the City. The Board adopted a PILOT for Project Farm (SmileDirectClub) commencing on December 14, 2021 and terminating on December 31, 2031. SmileDirectClub is an oral care company and creator of the first medtech platform for teeth straightening. Jobs created by Project Farm total 600 and capital investment totals \$34,100,000. The project was awarded

FastTrack grant funds from TNECD in the amount of \$750,000 for building retrofit, building improvements and fixture improvements. The IDB adopted a PILOT for the Mall Redevelopment Project commencing on December 15, 2021 and terminating on December 31, 2033. Jobs created by the Mall Redevelopment Project total 60 and capital investment totals \$6,000,000. The PILOT agreement with Mall owner Hull Properties is intended to promote investment in the City’s most valuable single piece of retail real estate. The Board adopted a PILOT for Project Leeward commencing on April 5, 2022 and terminating on December 31, 2032. Jobs created by Project Leeward total 310 and capital investment totals \$312,000,000. The project was awarded FastTrack grant funds from TNECD in the amount of \$3,100,000 for new building construction and acquisition of real property. Founded in North Carolina in 1997, Fiberon is a leading U.S. manufacturer of wood-alternative decking, railing and cladding, and prides itself on serving customers with high-quality, ecofriendly products.

Columbia’s downtown historic commercial district is also home to a federal courthouse and state offices, among other public and non-profit agencies located within the City. Local and regional agencies based in Columbia include Maury County Government, Maury County Public Schools, Columbia Main Street Corporation, South Central Tennessee Human Resource Agency, the Housing Coalition of South Central Tennessee, Tennessee Career Center, Columbia Housing Redevelopment Corporation, Columbia Power and Water Systems and City offices, among others.

Redevelopment and a growing commercial base continue to characterize the economic climate in the City’s downtown historic commercial district. Increased from the prior year, downtown growth includes a number of new businesses, business relocations and renovations of existing businesses. Building permit activity during the fiscal year is indicative of planned and ongoing construction for more than 50 downtown structures. Most of the aforementioned structures are of historical significance with exterior/interior renovations underway.

Adjacent to downtown, the Columbia Arts District continues to grow with the number of new businesses and public and private investment in the arts and cultural district also increasing during the fiscal year. In April 2021, The Mulehouse, Columbia’s newest music venue, opened a 55,000 square foot venue constructed from a renovated former church in the City’s arts district. The venue was constructed from the ground up to stream live music across the world, partnering with Nugs.net with multi-media elements designed from the outset of the project. An in-house radio studio will allow artists to broadcast from Columbia to stations around the world and via satellite radio. Future phases of the project are expected to include a bar, restaurant, gift shop and boutique hotel.

The City’s population increased from 28,583 in 1990, 33,055 in 2000 to 34,722 in 2010. Population estimates using American Community Survey and Census data show that the 2022 estimated population stands at approximately 43,340, representing a nearly 4% increase compared to 2020. Strong growth in the City’s residential population continues to serve as a driver for increased residential and commercial development, reflected in building permit activity noted below.

The number of building permits issued during fiscal year 2022 (3,064) increased by 1,314 permits, representing a 75% increase. Total valuation for permits issued in 2022 increased approximately 96% from \$158.3 million to \$310.2 million. During the five years from fiscal year 2018 to fiscal year 2022, number of permits increased 214% and permit valuation increased 166%. A five-year comparison of permits issued and related valuation follows:

<u>Fiscal year:</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Number of permits	3,064	1,750	1,760	1,312	973
Permit Valuation	\$310.2	\$158.3	\$148.7	\$124.0	\$116.7

Long-term financial planning and major initiatives

Annually, the City Council reviews and prioritizes capital investment projects to be accomplished within the next five years. The intent of the City's five-year Capital Improvements Program (CIP) for FY 2023-2027 is to match available funding with high priority projects and highlight any funding shortfalls. Staff compiled a comprehensive list of projects anticipated within the next five years and proposed projects based on the City's strategic plan objectives. *Columbia 2022-2026-2036*, the City's strategic plan effective in fiscal year 2023, was adopted in May 2022. The CFO worked with management to develop the proposed CIP with input from all City departments. Ultimately, the City Council selected projects to fund within the five-year CIP, all high-priority projects. The CIP document will be continually adjusted at minimum annually to reflect the City Council's decisions regarding ongoing highest priorities to be funded.

Priorities approved for funding during fiscal year 2023 in the City's fiscal year 2023-2027 CIP are:

- Fire Station No. 1 Renovations.
- Public Works Storage/Fuel Facility - Phase I.
- Bi-Annual Street Paving and Resurfacing.
- South Garden Streetscape project.
- Intersection Improvements at Nashville Highway/Bear Creek Pike.
- "Columbia Works" infrastructure Improvements (high-impact Public Works projects city-wide).
- Wastewater System improvements, budgeted in the City's Sewer Fund including Bear Creek Pike Pump Station Upgrades, West 7th Street Sewer Improvements and Sewer System Rehabilitation.
- Radio tower for public safety.
- Technology Upgrades and Replacement.
- Capital Equipment/Vehicle Replacements.

Other *Columbia 2022-2026-2036* plan initiatives completed or underway during fiscal year 2022 include:

- West 7th Street Streetscape Project construction complete.
- Acquisition of land for new Wastewater Treatment Facility.
- Begin Phased Construction for Public Works Complex Upgrades.
- Fire Station No. 1 renovations - design phase complete.
- Study of the structure of Downtown Parking Garage is underway.
- Property on Woodland Street transferred to Columbia IDB and sold to Bristol Development for redevelopment project on the east side of Downtown.
- "Smart" Traffic Signal upgrades to ensure Citywide coverage for public safety preemption.
- Engineering and design phase underway for a major Wastewater Treatment Plant upgrade.
- Engineering and design phase completed for bridge report, i.e., Iron Bridge Road Project.
- Mall Redevelopment is underway.

Relevant financial policies

The City has adopted [financial policies](#) related to General Fund reserves, debt management and investments. In December 2020, the City amended its reserve policy to establish a higher minimum reserve of 33% (previously 25%) of budgeted General Fund expenditures. With actual expenditures including transfers out totaling approximately \$38.4 million in fiscal year 2022, the ending *unassigned fund balance* of \$43.2 million represents 112.5% of fiscal year 2022 actual expenditures in the General Fund. Adopted in October 2011, the City's debt policy provides written guidance regarding debt issuance and management of the City's debt portfolio. In December 2018, the City Council adopted an investment policy in accordance with state law and Government Finance Officers Association best practices. In February 2019, the City Council adopted an internal controls policy with significant revisions. The City's purchasing policy was updated in May 2020 to provide guidance on the use of state procurement requirements for grant-funded projects.

The City continues to explore adopting additional best practice financial policies including budgeted, economic development and enterprise risk management.

Awards – Acknowledgements

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Columbia for its comprehensive annual financial report for the fiscal year ended June 30, 2021. This was the 23rd consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

This report has been prepared with the help of City Recorder's Office and Finance staff and the cooperation of each City department. The guidance provided by the City Manager, the support and leadership extended by the Mayor and City Council and the technical assistance and guidance of the staff of Henderson, Hutcherson & McCullough in the preparation of this report are all recognized and appreciated.

Respectfully submitted,



Thad H. Jablonski

CFO/Assistant City Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Columbia
Tennessee**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

CITY OF COLUMBIA, TENNESSEE
LIST OF ELECTED AND APPOINTED OFFICIALS
JUNE 30, 2022

Elected Officials

Mayor	Charles (Chaz) M. Molder
Vice Mayor	Christa S Martin, Ed. D.
Council Member – Ward 1	Davena Hardison
Council Member – Ward 2	Ken Wiles
Council Member – Ward 3	Tony Greene
Council Member – Ward 4	Kenny Marshall
Council Member – Ward 5	Danny Coleman

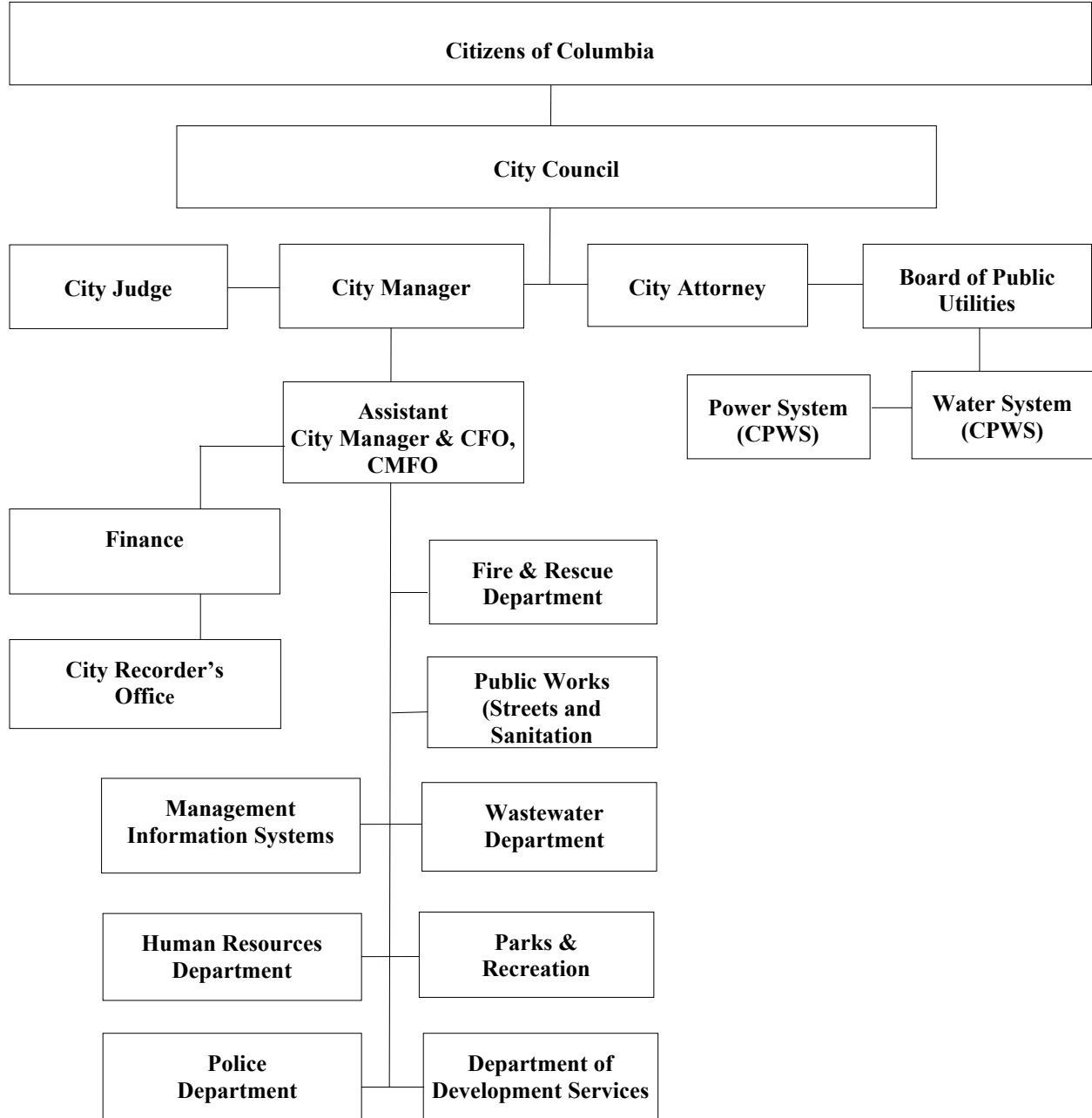
Appointed Officials

City Manager	Tony Massey
Assistant City Manager / CFO / City Recorder	Thad Jablonski*
City Engineer	Glenn Harper
Fire Chief	Ty Cobb
Development Services Director	Paul Keltner
Management Information Systems Director	Jonathan Stotler
Parks & Recreation Director	Mackel Reagan
Personnel Director	Wanda McClain
Police Chief	Jeremy Alsup
Public Works Director	Jeff DeWire
Wastewater Director	Donnie Boshers

*Certified Municipal Finance Officer (CMFO)

**CITY OF COLUMBIA, TENNESSEE
ORGANIZATION CHART**

FOR THE FISCAL YEAR ENDED JUNE 30, 2022



Notes:

Chief Financial Officer (CFO)

Certified Municipal Finance Officer (CMFO) certified, each municipality in the state required to have a designated CMFO

Columbia Power & Water Systems (CPWS), governed by the Board of Public Utilities

Financial Section





INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the City Council
City of Columbia, Tennessee

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, budgetary comparisons for the general and sanitation fund, and the aggregate remaining fund information of the City of Columbia, Tennessee (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the general and sanitation funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Columbia Power and Water System (Enterprise) Funds, which represent 69%, 69%, and 87%, respectively of the assets and deferred outflows, net position, and operating revenues of the business-type activities. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Columbia Power and Water System (Enterprise) Funds, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards, issued by the Comptroller General of the United States, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 17 of the Financial Section and the required supplementary information on pages B-1 through B-9 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Columbia's basic financial statements. The combining and individual nonmajor fund financial statements, the budgetary comparison schedules included as other supplementary information, financial schedules and schedule of expenditures of federal and state awards, as required by the audit requirements of Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 26, 2023 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Chattanooga, Tennessee
January 26, 2023

Henderson Hutcherson
& McCullough, PLLC

**CITY OF COLUMBIA, TENNESSEE
MANAGEMENT’S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

As management of the City of Columbia, Tennessee (the City), we offer readers of the City’s financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2022. Management’s Discussion and Analysis (MD&A) focuses on current year activities and resulting changes. We encourage readers to consider the information presented here in conjunction with the Letter of Transmittal, which can be found on pages i through vi of this report, and in conjunction with the basic financial statements, starting on page A-1 of this report.

Financial Highlights

- **Net Position.** The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by approximately \$352.6 million, compared to \$320.0 million in the prior fiscal year. Nearly \$79.7 million (unrestricted net position) may be used to meet government’s ongoing obligations to citizens and creditors.
- **Fund Balances.** At the close of the current fiscal year, the City’s governmental funds reported combined ending fund balances of \$54.0 million. In the prior year, this amount was approximately \$42.8 million. The increase of \$11.2 million is due primarily to increased revenues over expenditures, particularly in the General Fund.
- **General Fund - Fund Balance.** At the end of the current fiscal year, unassigned fund balance in the General Fund was \$43.2 million, or 112.5% of the \$38.4 million actual General Fund expenditures (including transfers to other funds). The total fund balance in the General Fund increased approximately \$7.9 million from the prior year. Increased revenues over expenditures (primarily due to local sales tax) in addition to cost containment measures implemented by Management to stay within current revenues provided for the 22.3% increase in fund balance.
- **Budget.** The City’s 2022 General Fund budget as originally adopted included \$5.3 million from accumulated fund balance. As amended, the final budget included accumulated budgeted fund balance of \$10.2 million. With actual revenues exceeding current expenditures, the fund balance in the General Fund increased \$7.9 million during the year ended June 30, 2022.
- **Capital Assets.** The City has undertaken several infrastructure projects including improvements to the West 7th Streetscape, LED street light conversion project, intersection improvements at Nashville Highway/Bear Creek Pike, “Columbia Works” infrastructure improvements (including storm sewer, drainage and street improvements), wastewater (sewer) system Bear Creek pump station rehabilitation project, and wastewater (sewer) collection system improvements.
- **Debt.** The City’s debt (principal on bonds) decreased by \$7.4 million from \$38.3 million to \$30.9 million during the current fiscal year. Approximately \$1.3 million in governmental activities debt was repaid during the year.

Overview of the Financial Statements

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

Government-wide financial statements The *government-wide financial statements* are designed to provide readers with a broad overview of the City’s finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City’s assets, deferred outflow of resources, liabilities and deferred inflow of resources, with the difference reported as *net position*. Over periods of time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The *statement of activities* presents information showing how the government’s net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works (roads and streets), sanitation, development services, and parks and recreation. The business-type activities of the City include the sewer, power (power includes both electric and broadband services) and water systems.

The government-wide financial statements can be found on pages A-1 through A-3 of this report.

Fund Financial Statements A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, in addition to *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains eight (8) individual governmental funds, including the Industrial Development Board (IDB) of the City of Columbia. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Sanitation and Capital Projects funds, which are considered to be major funds. Data from the other nonmajor governmental funds is combined into a single, aggregated presentation in the form of combining statements on pages C-1 and C-2 of this report.

The City adopts an annual appropriated budget for its General Fund, Special Revenue Funds and Debt Service Fund. A budgetary comparison has been provided to demonstrate compliance for the General Fund on pages D-1 through D-5, the Special Revenue Funds on pages D-6 through D-9 and the Debt Service Fund on page D-10. Capital Projects Fund appears on page D-11.

The basic *governmental fund financial statements* can be found on pages A-4 through A-11 of this report.

Proprietary Funds The City uses two (2) types of proprietary funds: enterprise funds and internal service funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for activities in its Sewer Fund and Columbia Power and Water Systems' Power and Water Funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses an internal service fund to account for costs associated with the City's employee health insurance plan. The balance of the internal service fund at June 30, 2022 was allocated in a pro-rata share to the General, Sanitation and Wastewater funds.

Proprietary funds provide the same type of information as the government-wide financial statements, except in more detail. The proprietary fund financial statements provide separate information for the Sewer Fund and the Power and Water systems' funds, all three of which are considered to be major funds of the City. The basic proprietary fund financial statements can be found on pages A-12 through A-16 of this report.

Fiduciary Funds Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The City uses fiduciary funds to account for the City's pension and retiree health plans. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of these funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages A-17 through A-18 of this report.

Notes to the financial statements The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page A-19 of this report.

Other information In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the City's progress in funding its obligation to provide pension and OPEB benefits to its employees. Required supplementary information can be found on pages B-1 through B-9 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pension and OPEBs. Combining and individual fund statements and schedules can be found on pages C-1 through C-2 of this report.

Government-wide Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. The City's assets and deferred outflows exceeded liabilities and deferred inflows by \$352.6 million at the close of the most recent fiscal year.

*City of Columbia's Net Position
As of June 30*

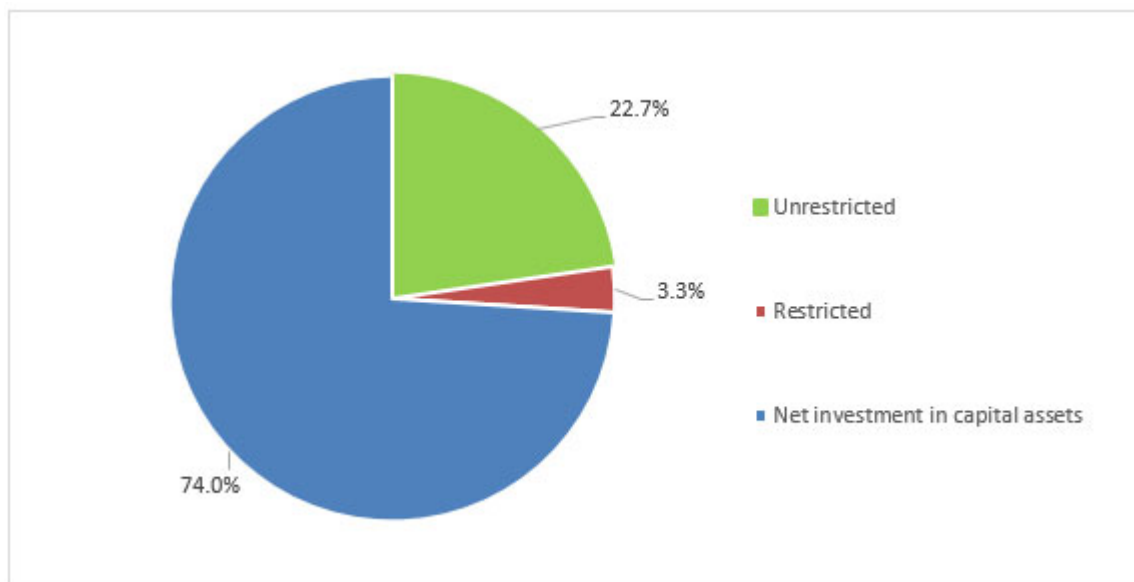
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current and other assets	\$ 77,477,372	\$ 60,252,029	\$ 90,071,871	\$ 77,466,157	\$167,549,243	\$137,718,186
Capital assets, net of accumulated depreciation	<u>76,050,807</u>	<u>74,003,274</u>	<u>217,108,245</u>	<u>203,953,435</u>	<u>293,159,052</u>	<u>277,956,709</u>
Total assets	<u>153,528,179</u>	<u>134,255,303</u>	<u>307,180,116</u>	<u>281,419,592</u>	<u>460,708,295</u>	<u>415,674,895</u>
Deferred outflows of resources	<u>3,880,661</u>	<u>8,098,460</u>	<u>1,008,141</u>	<u>1,699,597</u>	<u>4,888,802</u>	<u>9,798,057</u>
Current and other liabilities	6,574,796	2,518,684	16,615,745	14,476,324	23,190,541	16,995,008
Long-term liabilities outstanding	<u>32,030,896</u>	<u>42,793,747</u>	<u>33,877,663</u>	<u>31,883,673</u>	<u>65,908,559</u>	<u>74,677,420</u>
Total liabilities	<u>38,605,692</u>	<u>45,312,431</u>	<u>50,493,408</u>	<u>46,359,997</u>	<u>89,099,100</u>	<u>91,672,428</u>
Deferred inflows of resources	<u>20,781,254</u>	<u>12,436,300</u>	<u>3,131,522</u>	<u>1,472,041</u>	<u>23,912,776</u>	<u>13,908,341</u>
Net position:						
Net investment in capital assets	63,106,117	59,733,813	197,980,448	179,536,921	261,086,565	239,270,734
Restricted	7,823,074	5,484,319	3,948,310	3,454,641	11,771,384	8,938,960
Unrestricted	<u>27,092,703</u>	<u>19,386,900</u>	<u>52,634,569</u>	<u>52,295,589</u>	<u>79,727,272</u>	<u>71,682,489</u>
Total net position	<u>\$ 98,021,894</u>	<u>\$ 84,605,032</u>	<u>\$254,563,327</u>	<u>\$235,287,151</u>	<u>\$352,585,221</u>	<u>\$319,892,183</u>

The City's net position increased by approximately \$32.6 million, or 10.2%, compared to the prior year. A significant portion of the increase is attributed to the acquisition and investment in capital assets (less depreciation and new debt). A significant portion of the remaining increase is from development-related activity revenues and controlled spending through efforts by the City Council, management and departments to contain expenses without reducing service levels.

Governmental policy continues to recognize that local revenue sources must be the foundation for providing basic public services rather than depending on uncertain federal and state sources. To this end, it is vital to continue focusing on efforts to seek balanced diversity, equity and efficiency in local revenue systems to better accommodate future change. By far, the largest portion of the City's net position, nearly \$261.1 million, or 74.0%, reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less the portion of related debt outstanding used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated to repay these liabilities. A portion of the City's net position, \$11.8 million, or 3.3%, represents resources that are subject to external restriction on how they may be used (e.g. roads and streets, public safety, debt service and solid waste disposal). The remaining balance of \$79.7 million, or 22.7%, is unrestricted net position that may be used to meet the government's ongoing obligations to citizens and creditors.

***Restricted, Unrestricted and Net Investment in Capital Assets
As of June 30, 2022***



Governmental and business-type activities' net position represented \$98.0 million and \$254.6 million, respectively, of total net position for the City in 2022. Governmental activities and business-type activities contributed \$13.3 million and \$19.3 million, respectively, to increased net position compared to the prior fiscal year. Key elements of this increase are as follows:

*City of Columbia's Changes in Net Position
Year ended June 30, 2022*

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 7,003,476	\$ 6,065,088	\$ 118,351,637	\$ 105,540,121	\$ 125,355,113	\$ 111,605,209
Operating grants and contributions:	7,313,896	6,302,511			7,313,896	6,302,511
Capital grants and contributions	3,500,022	3,909,634	3,193,210	2,028,640	6,693,232	5,938,274
General revenues:						
Property taxes	12,633,089	11,994,320	-	-	12,633,089	11,994,320
Sales taxes	17,022,037	15,103,504	-	-	17,022,037	15,103,504
Other local taxes and fees	4,923,206	4,412,743	-	-	4,923,206	4,412,743
Miscellaneous	306,967	1,166,874	134,515	488,489	441,482	1,655,363
Total revenues	<u>52,702,693</u>	<u>48,954,674</u>	<u>121,679,362</u>	<u>108,057,250</u>	<u>174,382,055</u>	<u>157,011,924</u>
Expenses:						
General government	7,068,195	3,498,207	-	-	7,068,195	3,498,207
Police	9,612,492	9,158,314	-	-	9,612,492	9,158,314
Fire	8,412,648	8,157,062	-	-	8,412,648	8,157,062
Drug & education prevention	41,908	144,253	-	-	41,908	144,253
Public works-streets	5,275,242	4,344,436	-	-	5,275,242	4,344,436
Development services	3,413,761	1,760,182	-	-	3,413,761	1,760,182
Sanitation	3,731,455	3,597,460	-	-	3,731,455	3,597,460
Parks and recreation	3,356,165	2,662,254	-	-	3,356,165	2,662,254
Interest on long-term debt	286,039	354,672	-	-	286,039	354,672
Power	-	-	80,447,425	72,303,524	80,447,425	72,303,524
Water	-	-	11,090,703	10,532,308	11,090,703	10,532,308
Sewer	-	-	9,094,080	8,074,317	9,094,080	8,074,317
Total expenses	<u>41,197,905</u>	<u>33,676,840</u>	<u>100,632,208</u>	<u>90,910,149</u>	<u>141,830,113</u>	<u>124,586,989</u>
Increase (decrease) in net position before transfers	11,504,788	15,277,834	21,047,154	17,147,101	32,551,942	32,424,935
Transfers	1,770,978	1,695,015	(1,770,978)	(1,695,015)	-	-
Changes in net position	<u>13,275,766</u>	<u>16,972,849</u>	<u>19,276,176</u>	<u>15,452,086</u>	<u>32,551,942</u>	<u>32,424,935</u>
Net position-beginning	<u>84,746,128</u>	<u>67,632,183</u>	<u>235,287,151</u>	<u>219,835,065</u>	<u>320,033,279</u>	<u>287,467,248</u>
Net position-ending	<u>\$ 98,021,894</u>	<u>\$ 84,605,032</u>	<u>\$ 254,563,327</u>	<u>\$ 235,287,151</u>	<u>\$ 352,585,221</u>	<u>\$ 319,892,183</u>

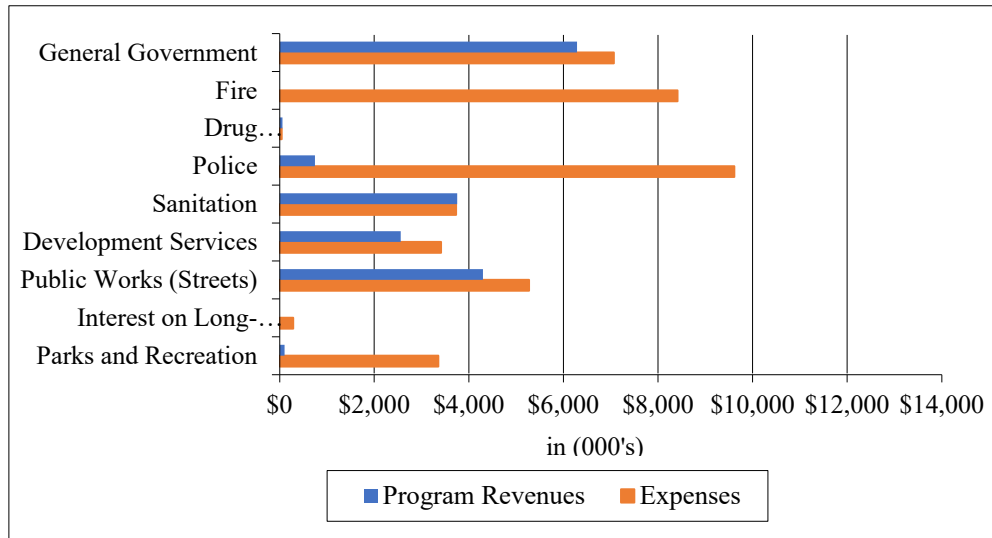
Governmental Activities

Revenues for governmental activities increased \$3.8 million, or 7.7%, compared to the prior fiscal year. Local sales tax increased by \$1.9 million, or 12.7%, and Operating grants and contributions increased by \$1 million, or 16.0%, compared to the prior fiscal year. The overall increase in expenses of governmental activities amounted to \$7.5 million, or 22.3%, compared to the prior fiscal year. Actual revenues over the prior year and cost containment measures implemented to stay within current revenues during the fiscal year ensured revenues exceeded expenditures for the year.

Business-Type Activities

Revenues for business-type activities increased \$13.6 million, or 12.6%, compared to the prior fiscal year. The increase in business-type activities’ revenues was primarily due to a \$12.8 million, or 12.1%, increase in charges for services over the prior year. Expenses of business type-activities increased \$9.7 million, or 10.7%, compared to the prior fiscal year. Expenses for business-type activities increased from the prior fiscal year primarily due to expenses associated with increased energy purchased from the Tennessee Valley Authority by the Power Fund.

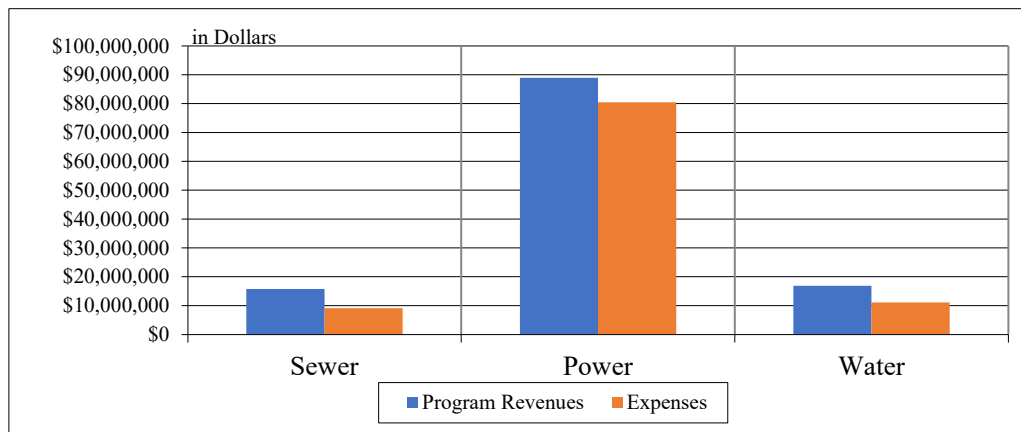
***Expenses and Program Revenues – Governmental Activities
Year ended June 30, 2022***



Governmental Activities

Expenses for governmental activities were \$41.2 million for the current fiscal year. These expenses were offset by \$17.8 million in program revenues. The remainder of expenses was funded by approximately \$36.6 million in general revenues (including fund transfers) such as property, sales and other taxes, fees, and other revenues.

***Expenses and Program Revenues – Business-type Activities
Year ended June 30, 2022***



Business-Type Activities

Expenses for business-type activities totaled nearly \$100.6 million during the current fiscal year. These expenses were offset by \$121.5 million in program revenues. Charges for services totaled \$118.4 million, or 97.4%, of program revenues for business-type activities. The improvement in net position in 2022 for business-type activities was \$19.3 million.

Financial Analysis of Governmental Funds

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

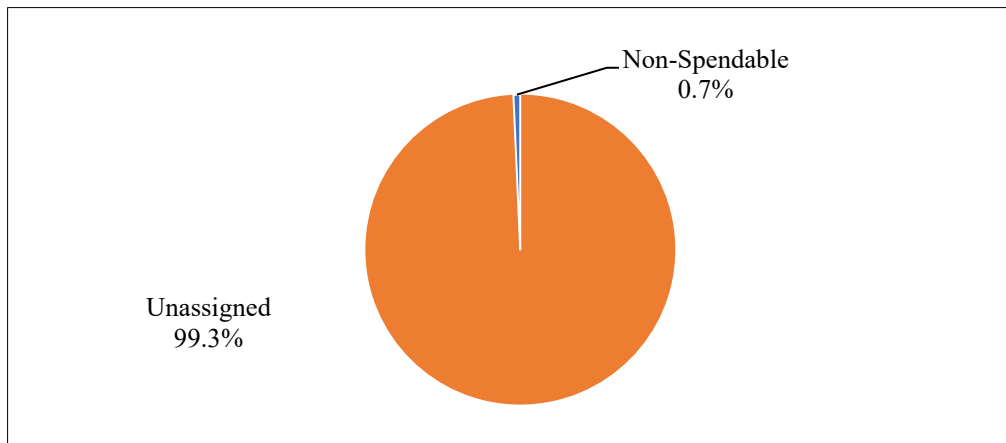
Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balances may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance that has not yet been limited to use for a particular purpose.

At June 30, 2022, the City's governmental funds reported combined ending fund balances of \$54.0 million, representing an increase of \$11.2 million in comparison with the prior year of approximately \$42.8 million. The increase is primarily due to increased local sales tax and other general revenues in the General Fund. Additionally, increased revenues over expenditures and cost containment measures implemented to stay within current revenues resulted in increases to ending fund balances across most governmental funds.

The General Fund is the chief operating fund of the City. The 2022 ending fund balance of \$43.5 million, represents an increase of \$7.9 million compared to 2021. The fiscal year 2022 General Fund ending balance is comprised of \$0.3 million, or 0.7%, in non-spendable funds for inventory and prepaid items, and \$43.2 million, or 99.3%, in unassigned funds.

General Fund – Fund Balance Composition – June 30, 2022



The most significant continuing revenue sources in the General Fund are derived from taxes. During the current fiscal year, taxes represented \$35.1 million, or 78.8%, of total General Fund revenues. Taxes in the General Fund increased \$3.5 million, or 11.1%, in 2022 compared to the prior fiscal year. Beginning in 2021, local sales tax surpassed property tax as the largest source of revenue in the General Fund, with the trend continuing in 2022. Local sales tax increased to \$17.5 million during 2022 compared to \$15.6 million in 2021, an increase of 12.2%. Property tax revenue – the General Fund's most stable source of revenue - increased to \$12.7 million in 2022 compared to \$12.1 million in 2021, an increase of 5.0%. Intergovernmental revenue totaled approximately \$6.4 million in 2022, a 24.6% increase over 2021.

The Sanitation Fund, which receives user fees from solid waste collection and disposal operations, had a fund balance of \$1.7 million as of June 30, 2022. This balance represents a decrease of \$1.1 million, or 37.6%, as compared to the previous fiscal year. The decrease in fund balance was primarily due to the acquisition of new equipment offset by cost containment measures intended to reduce expenditures without reducing service levels.

The fund balance in the Capital Projects Fund increased to \$4.3 million as of the end of 2022. Approximately \$1.9 million was spent on programmed capital improvement projects during 2022. During the year, \$2.9 million was transferred from the General Fund to the Capital Projects Fund. Federal/state grant proceeds received during 2022 totaled \$0.6 million. Wastewater/sewer collection system rehabilitation was completed in 2022. Significant progress was made towards completion on West 7th Streetscape construction.

Budgetary Highlights

In accordance with state law, the City’s governing body approves a budget for the General Fund, Special Revenue Funds, Capital Projects and Debt Service Fund.

Original budget compared to final budget

The fiscal year 2022 original and final budgets (both including transfers) for budgeted funds are as follows:

Fund	Original Budget	Final Budget	Variance
General Fund			
Council, Attorney & Court	\$ 445,666	\$ 450,666	\$ 5,000
City Manager's Office	646,159	647,306	1,147
Management Information Systems	1,207,994	1,208,794	800
Finance	483,486	484,386	900
City Recorder	506,475	508,025	1,550
Personnel	302,079	302,604	525
General Government (incl. Tourism)	6,397,361	8,795,971	2,398,610
Police Department	10,611,337	11,446,158	834,821
Fire & Rescue	8,504,475	8,736,640	232,165
Streets & Maintenance	4,270,491	4,465,108	194,617
Development Services	1,785,565	1,939,518	153,953
Parks & Recreation	2,611,842	2,919,515	307,673
Transfers	<u>\$ 3,136,397</u>	<u>\$ 4,417,019</u>	<u>\$ 1,280,622</u>
Total General Fund	<u>\$ 40,909,327</u>	<u>\$ 46,321,710</u>	<u>\$ 5,412,383</u>
Other Governmental Funds*			
Solid Waste- Sanitation Fund	\$ 3,721,256	\$ 5,362,520	\$ 1,641,264
State Street Aid Fund	1,157,000	1,480,310	323,310
Drug Fund	180,153	180,153	-
Street & Transportation	65,100	65,100	-
Industrial Development Board	1,014,565	6,279,565	5,265,000
Debt Service Fund	1,645,689	1,645,689	-
Capital Projects Fund	3,547,247	7,616,921	4,069,674
	<u>\$ 52,240,337</u>	<u>\$ 68,951,968</u>	<u>\$ 16,711,631</u>
*Expenditures plus transfers out			

The original General Fund budget was \$40.9 million (including transfers) for the current fiscal year. The final budget (including transfers) was increased \$5.4 million to \$46.3 million. During the year, the budget was amended to include \$5.4 million for capital outlays and projects not included in the original appropriation including \$1.2 million for goods and services not received as of June 30, 2021 and \$1.3 million in transfers to Capital Projects.

Other amendments during the year affected special revenue funds as follows:

- The Sanitation Fund was amended to budget \$1.2 million for new refuse collection vehicles.
- The Capital Projects Fund was amended by \$4.1 million including reappropriated funds for West 7th Streetscape project, LED street light conversion project, South Garden Streetscape project, Fire Station No. 1 renovations (design), and Iron Bridge repair project (design).

There were no amendments to the Drug, Debt Service or Streets and Transportation Funds.

Final budget compared to actual results

In the General Fund, the 2022 final budgeted expenditures (including transfers) of \$46.3 million anticipated \$34.3 million in revenues and \$1.8 million of transfers in from business-type activities. Approximately \$1.8 million of transfers in were realized for the year. The final budget also included the use of a \$10.2 million allocation from fund balance. Actual results for the year reflect an increase of fund balance of approximately \$7.9 million.

Actual current revenues for the year were approximately \$44.5 million, representing \$10.2 million more than anticipated. As noted, no budgeted fund balance was used to offset revenues during 2022. Cost containment measures implemented by management allowed the City to finish the year with \$38.3 million in actual expenditures (including transfers). The largest shares of excess budgeted to actual expenditures are unexpended reserves (used as local match for grants, additional pension and other increased anticipated costs), street paving and other goods and services not completed/received before June 30, the presidential park project which was in design phase as of June 30, 2022 and unused salaries and services budgeted.

Due to strong residential and commercial growth, actual charges for services (solid waste collection fees) revenue in the Sanitation Fund was 5.3% greater than the budgeted amount during the current fiscal year. Actual revenues in the Sanitation Fund totaled \$3.7 million and budgeted revenues totaled \$3.9 million for the year. Actual expenditures (including transfers) totaled \$4.8 million and the ending fund balance decreased approximately \$1.1 million during 2022. Accumulated funds balance was committed to the acquisition of capital assets, i.e., four sanitation trucks. Capital Projects Fund expenditures were budgeted at \$3.5 million with actual revenues totaling \$1.5 million for the current fiscal year. Actual capital outlay of \$1.9 million was primarily offset by \$3.0 million of transfers in from the General and State Street Aid Funds.

Capital Asset and Debt Administration

Capital Assets

The City's investment in capital assets from its governmental and business-type activities as of June 30, 2022 was approximately \$293.2 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery and equipment, park facilities, roads, highways and bridges.

City of Columbia's Capital Assets
(Net of depreciation)
As of June 30, 2022

	Governmental Activities	Business-type Activities	Total
Land and land improvements	\$ 9,902,061	\$ 3,844,516	\$ 13,746,577
Buildings and improvements	39,127,490	76,500,016	115,627,506
Machinery and equipment	26,720,198	23,737,155	50,457,353
Infrastructure (plant and lines)	87,271,929	249,884,261	337,156,190
Construction in progress	6,085,845	26,977,610	33,063,455
Total Capital Assets	\$ 169,107,523	\$ 380,943,558	\$ 550,051,081
Total accumulated depreciation	\$ 93,056,716	\$ 163,835,313	\$ 256,892,029
Net of accumulated depreciation	\$ 76,050,807	\$ 217,108,245	\$ 293,159,052

Major capital asset events during the fiscal year included the following:

- Completion of LED street light conversion project.
- Significant progress was made on construction of the West 7th Streetscape project; the major streetscape project anticipated to be completed during 2023.
- Numerous “Columbia Works” infrastructure projects were completed during the year.
- Completion of wastewater (sewer) system rehabilitation and system-wide improvements pursuant to an EPA Administrative Order of Consent (AOC).
- The Bear Creek Pump Station wastewater (sewer) system construction project began during the year.

Additional information on the City’s capital assets can be found in the notes to the financial statements section of this report beginning on page A-27.

Long-term Debt

At the end of the current year, the City of Columbia had outstanding debt of approximately \$30.9 million. Of this amount, \$11.9 million comprises general obligation bonds backed by the full faith and credit of the government and \$0.7 million represents capital outlay notes comprising the city’s governmental activities debt. Of the \$18.3 million of business-type activities debt, \$8.6 million is comprised of general obligation bonds of the Sewer Fund; \$2.9 million is represented by Revenue and Tax Bonds secured by both the taxing power of the City and specific revenue sources (i.e., revenue and tax bonds) of the Power Fund; and \$6.8 million is secured by Water Fund revenues.

City of Columbia's Outstanding Debt
As of June 30, 2022

	Governmental Activities	Business-type Activities	Total
General obligation bonds	\$ 11,920,000	\$ 8,630,000	\$ 20,550,000
Capital outlay notes	675,075	-	675,075
Revenue and tax bonds	-	2,900,000	2,900,000
Revenue bonds	-	6,770,000	6,770,000
Capital lease	-	-	-
Total Outstanding Debt	\$ 12,595,075	\$ 18,300,000	\$ 30,895,075

The City's debt decreased by \$7.4 million, or 19.3% during the current fiscal year. Revenue bonds totaling \$6.8 million were issued during fiscal year 2022 and were used to refund \$9.4 million of previously issued revenue bonds. The refunding of these bonds resulted in an economic gain of approximately \$0.2 million and reduced total debt service payments over the next 11 years by approximately \$0.8 million.

The City maintains an "AA+/Aa2" Rating for general obligation debt. The Aa2 rating was first received by Moody's in 2011. Standard & Poor's (S&P) provided the City's AA+ bond rating prior to the City's 2017 general obligation bond issuance and last affirmed by S&P in November 2020 during a general obligation bond refunding transaction. State statutes impose no debt limit on the amount of general obligation debt a governmental entity may issue. The City's debt policy establishes written guidance and restrictions for amount and type of debt the City will issue, the issuance process and management of the City's debt portfolio. Readers may access the City's debt policy and other financial policies [here](#).

Additional information on the City of Columbia's long-term debt can be found in the notes to the financial statements section of this report beginning on page A-28.

Economic Factors and Next Year's Budget and Rates

Residential population growth continued to increase in fiscal year 2022 with growth anticipated to continue to increase in fiscal year 2023. Columbia's most recent population estimate for 2022 is 43,340 using US Census/American Community Survey data. The 2022 estimated population represents an increase of approximately 4.0% compared to 2021. Strong residential growth continues to drive increased residential and commercial development. Increased development activity is evidenced by the number of building permits issued during fiscal year 2022 (3,064), which represents an increase of 1,314 permits, or 75%, compared to fiscal year 2021. Fiscal year 2022 anticipated building permits issued are expected to exceed 3,500, estimated based on trends during the past five years.

The unemployment rate (not seasonally adjusted) for September 2022 for the City was 3.1%, a 4.1% decrease compared to September 2021. Maury County unemployment stood at 2.7% in September 2022, compared to 3.0% for the State of Tennessee and a national average of 3.3% (not seasonally adjusted).

In addition to the unemployment rate, factors considered in preparing the City's [budget for fiscal year 2023](#) included:

- Property tax is the most stable source of revenue for the City. The property tax rate levied in fiscal year 2023 is \$0.8251, the certified tax rate. Fiscal year 2023 budgeted property taxes comprise 27.8% of overall budgeted General Fund operating revenues. The 2023 budget anticipates \$11.8 million in property tax revenue. Other revenue sources are subject to some degree of fluctuation in economic cycles.
- Local sales tax for fiscal year 2022 continued to represent the largest single source of revenue in the General Fund for the second consecutive year. Fiscal year 2023 budgeted local sales tax represents 32.1% of total operating revenue budgeted. The 2023 budget anticipates \$13.6 million in local sales tax revenue.
- The City continues to follow the *Columbia 2022-2026-2036* strategic plan focused on fiscal responsibility, quality of life, strong public safety, community engagement and commitment to a strong downtown Columbia.
- The City updates and adopts a five-year Capital Improvements Program (CIP) annually. The fiscal year 2023-2027 CIP anticipates the expenditure of \$95.5 million in city, state and federal funds over the next five years.

Requests for Information

This financial report is designed to provide a general overview of the City of Columbia's finances for those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

City of Columbia
Attn: Thad H. Jablonski
Chief Financial Officer/Assistant City Manager
700 North Garden Street
Columbia, Tennessee 38401

Basic Financial Statements



CITY OF COLUMBIA, TENNESSEE

STATEMENT OF NET POSITION

June 30, 2022

	Governmental Activities	Business-type Activities	Total Primary Government
ASSETS			
Cash and cash equivalents	\$ 27,437,536	\$ 40,897,566	\$ 68,335,102
Investments	28,373,924	26,273,243	54,647,167
Restricted assets:			
Cash and cash equivalents:			
Customer deposits	-	4,910,944	4,910,944
Debt service	-	708,295	708,295
Investments - debt service	-	1,759,617	1,759,617
Receivables, net of allowance for uncollectible	18,689,712	6,759,364	25,449,076
Internal balances	960,997	(277,737)	683,260
Inventories	3,998	2,706,021	2,710,019
Prepaid items	335,256	426,748	762,004
Net OPEB asset	1,609,865	1,310,120	2,919,985
Other assets	-	4,597,690	4,597,690
Right to use leased asset, net of amortization	66,084	-	66,084
Capital assets:			
Land and other nondepreciable assets	15,987,906	30,822,126	46,810,032
Capital assets, net of accumulated depreciation	60,062,901	186,286,119	246,349,020
Total assets	<u>153,528,179</u>	<u>307,180,116</u>	<u>460,708,295</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	68,814	299,361	368,175
Deferred pension outflows	2,381,481	549,850	2,931,331
Deferred OPEB outflows	1,430,366	158,930	1,589,296
Total deferred outflows of resources	<u>3,880,661</u>	<u>1,008,141</u>	<u>4,888,802</u>
LIABILITIES			
Accounts payable	1,493,097	7,717,123	9,210,220
Accrued and other payables	1,916,699	8,898,622	10,815,321
Customer deposits	-	4,910,944	4,910,944
Deferred revenue	3,165,000	4,016,032	7,181,032
Lease liabilities	64,937	-	64,937
Long-term liabilities, due within one year	2,497,717	2,704,795	5,202,512
Long-term liabilities, due in more than one year	11,652,221	19,583,728	31,235,949
Long-term liabilities, net pension liability	17,816,021	2,662,164	20,478,185
Total liabilities	<u>38,605,692</u>	<u>50,493,408</u>	<u>89,099,100</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred pension inflows	4,699,449	896,214	5,595,663
Deferred OPEB inflows	3,758,265	1,972,504	5,730,769
Deferred revenue	12,323,540	262,804	12,586,344
Total deferred inflows of resources	<u>20,781,254</u>	<u>3,131,522</u>	<u>23,912,776</u>
NET POSITION			
Net investment in capital assets	63,106,117	197,980,448	261,086,565
Restricted			
Roads and streets	1,994,854	-	1,994,854
Public safety	240,666	-	240,666
Industrial Development Board	2,023,893	-	2,023,893
OPEB asset	1,609,865	757,934	2,367,799
Debt service	229,390	3,190,376	3,419,766
Solid waste disposal	1,724,406	-	1,724,406
Unrestricted	27,092,703	52,634,569	79,727,272
Total net position	<u>\$ 98,021,894</u>	<u>\$ 254,563,327</u>	<u>\$ 352,585,221</u>

The accompanying notes are an integral part of the financial statements.

CITY OF COLUMBIA, TENNESSEE

STATEMENT OF ACTIVITIES

Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental activities -				
General government	\$ 7,068,195	\$ 590,793	\$ 5,242,718	\$ 456,298
Public safety				
Police	9,612,492	199,244	550,364	-
Fire	8,412,648	-	-	-
Drug education and prevention	41,908	62,167	-	-
Public works	5,275,242	2,299,334	1,513,884	484,546
Development services	3,413,761	-	-	2,559,178
Parks and recreation	3,356,165	97,127	6,930	-
Sanitation	3,731,455	3,754,811	-	-
Interest on long-term debt	286,039	-	-	-
Total governmental activities	<u>41,197,905</u>	<u>7,003,476</u>	<u>7,313,896</u>	<u>3,500,022</u>
Business-type activities -				
Sewer system	9,094,080	15,236,381	-	501,790
Power system	80,447,425	88,414,574	-	553,844
Water system	11,090,703	14,700,682	-	2,137,576
Total business-type activities	<u>100,632,208</u>	<u>118,351,637</u>	<u>-</u>	<u>3,193,210</u>
Total primary government	<u>\$ 141,830,113</u>	<u>\$ 125,355,113</u>	<u>\$ 7,313,896</u>	<u>\$ 6,693,232</u>

General Revenues

- Property taxes
- Local sales taxes
- Business taxes
- Hotel and motel taxes
- Alcoholic beverage taxes
- Franchise and excise taxes
- In lieu of taxes
- Unrestricted investment losses
- Other revenue

Transfers

Total general revenues

Change in net position

Net position, beginning

Prior period adjustment

Net position, beginning (as restated)

Net position, ending

The accompanying notes are an integral part of the financial statements.

Net (Expense) Revenue and Changes in Net Position

Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (778,386)	\$ -	\$ (778,386)
(8,862,884)	-	(8,862,884)
(8,412,648)	-	(8,412,648)
20,259	-	20,259
(977,478)	-	(977,478)
(854,583)	-	(854,583)
(3,252,108)	-	(3,252,108)
23,356	-	23,356
(286,039)	-	(286,039)
<u>(23,380,511)</u>	<u>-</u>	<u>(23,380,511)</u>
-	6,644,091	6,644,091
-	8,520,993	8,520,993
-	5,747,555	5,747,555
-	<u>20,912,639</u>	<u>20,912,639</u>
(23,380,511)	20,912,639	(2,467,872)
12,633,089	-	12,633,089
17,022,037	-	17,022,037
1,494,009	-	1,494,009
874,966	-	874,966
1,822,165	-	1,822,165
1,123,933	-	1,123,933
38,163	-	38,163
(430,030)	-	(430,030)
306,967	134,515	441,482
<u>1,770,978</u>	<u>(1,770,978)</u>	<u>-</u>
<u>36,656,277</u>	<u>(1,636,463)</u>	<u>35,019,814</u>
13,275,766	19,276,176	32,551,942
84,605,032	235,287,151	319,892,183
<u>141,096</u>	<u>-</u>	<u>141,096</u>
84,746,128	235,287,151	320,033,279
<u>\$ 98,021,894</u>	<u>\$ 254,563,327</u>	<u>\$ 352,585,221</u>

The accompanying notes are an integral part of the financial statements.

CITY OF COLUMBIA, TENNESSEE

**GOVERNMENTAL FUNDS
BALANCE SHEET**

June 30, 2022

	General	Sanitation	Capital Project
ASSETS			
Cash and cash equivalents	\$ 14,965,455	\$ 631,257	\$ 2,029,202
Investments	25,454,689	967,042	1,952,193
Receivables, net of allowance for uncollectibles			
Taxes	13,145,641	-	-
Accounts receivables	272,591	-	-
Due from other governments	4,203,999	-	341,902
Due from other funds	704,339	321,616	-
Inventories	3,998	-	-
Prepaid items	302,309	19,747	-
Total assets	<u>\$ 59,053,021</u>	<u>\$ 1,939,662</u>	<u>\$ 4,323,297</u>
LIABILITIES			
Accounts payable	\$ 753,841	\$ 148,324	\$ -
Accrued liabilities	548,330	26,106	-
Other payables	1,302,282	-	-
Due to other funds	43,879	21,079	-
Deferred revenue	-	-	-
Total liabilities	<u>2,648,332</u>	<u>195,509</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	12,884,794	-	-
Unavailable revenue - other	52,895	-	-
Total deferred inflows of resources	<u>12,937,689</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable:			
Inventories	3,998	-	-
Prepaid items	302,309	19,747	-
Restricted for:			
Roads and streets	-	-	-
Public safety	-	-	-
Industrial Development Board	-	-	-
Debt service	-	-	-
Solid waste disposal	-	1,724,406	-
Committed to:			
Capital projects	-	-	4,323,297
Unassigned	43,160,693	-	-
Total fund balances	<u>43,467,000</u>	<u>1,744,153</u>	<u>4,323,297</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 59,053,021</u>	<u>\$ 1,939,662</u>	<u>\$ 4,323,297</u>

The accompanying notes are an integral part of the financial statements.

Other Governmental Funds	Total Governmental Funds
\$ 7,465,554	\$ 25,091,468
-	28,373,924
-	13,145,641
-	272,591
727,642	5,273,543
-	1,025,955
-	3,998
700	322,756
<u>\$ 8,193,896</u>	<u>\$ 73,509,876</u>
\$ 497,473	\$ 1,399,638
-	574,436
-	1,302,282
-	64,958
3,165,000	3,165,000
<u>3,662,473</u>	<u>6,506,314</u>
-	12,884,794
41,920	94,815
<u>41,920</u>	<u>12,979,609</u>
-	3,998
700	322,756
1,994,854	1,994,854
240,666	240,666
2,023,893	2,023,893
229,390	229,390
-	1,724,406
-	4,323,297
-	43,160,693
<u>4,489,503</u>	<u>54,023,953</u>
<u>\$ 8,193,896</u>	<u>\$ 73,509,876</u>

The accompanying notes are an integral part of the financial statements.

CITY OF COLUMBIA, TENNESSEE

**RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION**

June 30, 2022

Differences in amounts reported for governmental activities in the statement of net position on pages and A-4 and A-5:

Fund balances – total governmental funds	\$	54,023,953	
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		76,050,807	
Right to use leased asset		66,084	
Lease liability		(64,937)	
Certain revenues will be collected after year end but are not available soon enough to pay for the current period’s expenditures and therefore are deferred or not reported in the funds.		656,069	
The internal service fund is used by management to charge costs of medical and dental insurance to individuals. The assets and liabilities if the internal service fund are included in the governmental activities in the statement of net position.		2,263,046	
The City's other post-employment benefit plan has not been funded. The OPEB obligation is considered a long-term obligation and is not reported in the funds.		1,609,865	
Contributions to pension plans made after the measurement date are recorded as expenditures in governmental funds but must be deferred in the statement of net position. Certain amounts related to the net pension liability are also deferred and amortized over time as follows:			
Deferred outflows:			
Contributions to pension plan	\$	1,974,154	
Experience loss - pension plan		559,011	
Earnings variance - pension plan		1,129,514	
Change of assumption - pension plan		17,094	
Contributions to OPEB plan		361,047	
Change of assumption - OPEB plan		930,953	
Experience loss - OPEB plan		138,366	
Deferred inflows:			
Experience gain - pension plan		(107,274)	
Earnings variance - pension plan		(5,890,467)	
Experience gain - OPEB plan		(2,270,789)	
Earnings variance - OPEB plan		(1,487,476)	(4,645,867)
The net pension liability is not due and payable in the current period and is not reported in the funds.			(17,816,021)
Long-term liabilities are not due and payable in the current period and are not reported in the funds. All liabilities, both due in one year and due in more than one year, are reported in the statement of net position. These items consist of:			
Bonds and notes payable		(12,595,075)	
Less deferred refunding and issue premiums		(314,961)	
Compensated absences		(1,171,088)	
Accrued interest payable		(39,981)	(14,121,105)
Net position of governmental activities	\$		<u>98,021,894</u>

The accompanying notes are an integral part of the financial statements.

CITY OF COLUMBIA, TENNESSEE

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES
GOVERNMENTAL FUNDS**

Year Ended June 30, 2022

	General	Sanitation	Capital Project
REVENUES			
Taxes	\$ 35,074,465	\$ -	\$ -
Licenses and permits	2,604,458	-	-
Intergovernmental	6,358,557	-	556,260
Charges for services	415,613	3,754,811	-
Fines and forfeitures	164,270	-	-
Miscellaneous	(95,462)	(11,641)	967,591
Total revenues	<u>44,521,901</u>	<u>3,743,170</u>	<u>1,523,851</u>
EXPENDITURES			
Current			
General government	7,541,557	-	-
Public safety			
Police	9,908,512	-	-
Fire	8,035,930	-	-
Drug education and prevention	-	-	-
Public works	4,013,512	-	-
Development services	1,704,448	-	-
Parks and recreation	2,758,457	-	-
Sanitation	-	4,723,229	-
Industrial Development Board	-	-	-
Capital outlay	-	-	1,913,766
Debt service			
Principal retirements	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	<u>33,962,416</u>	<u>4,723,229</u>	<u>1,913,766</u>
Excess (deficiency) of revenues over (under) expenditures	<u>10,559,485</u>	<u>(980,059)</u>	<u>(389,915)</u>
OTHER FINANCING SOURCES			
Proceeds from sale of capital assets	-	53,276	-
Transfers in	1,770,978	-	2,972,869
Transfers out	(4,417,019)	(125,489)	-
Total other financing sources (uses)	<u>(2,646,041)</u>	<u>(72,213)</u>	<u>2,972,869</u>
Net change in fund balances	7,913,444	(1,052,272)	2,582,954
FUND BALANCE, beginning	<u>35,553,556</u>	<u>2,796,425</u>	<u>1,740,343</u>
FUND BALANCE, ending	<u>\$ 43,467,000</u>	<u>\$ 1,744,153</u>	<u>\$ 4,323,297</u>

The accompanying notes are an integral part of the financial statements.

Other Governmental Funds	Total Governmental Funds
\$ -	\$ 35,074,465
-	2,604,458
1,513,884	8,428,701
-	4,170,424
62,167	226,437
<u>2,363,708</u>	<u>3,224,196</u>
<u>3,939,759</u>	<u>53,728,681</u>
-	7,541,557
-	9,908,512
-	8,035,930
41,908	41,908
355,185	4,368,697
-	1,704,448
-	2,758,457
-	4,723,229
1,709,313	1,709,313
-	1,913,766
1,284,750	1,284,750
<u>360,714</u>	<u>360,714</u>
<u>3,751,870</u>	<u>44,351,281</u>
<u>187,889</u>	<u>9,377,400</u>
-	53,276
1,644,639	6,388,486
<u>(75,000)</u>	<u>(4,617,508)</u>
<u>1,569,639</u>	<u>1,824,254</u>
1,757,528	11,201,654
<u>2,731,975</u>	<u>42,822,299</u>
<u>\$ 4,489,503</u>	<u>\$ 54,023,953</u>

The accompanying notes are an integral part of the financial statements.

CITY OF COLUMBIA, TENNESSEE

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

Year Ended June 30, 2022

Differences in amounts reported for governmental activities in the statement of activities on pages A-7 and A-8:

Net change in fund balances – total governmental funds		\$ 11,201,654
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlay expenditures in governmental funds, that meet the capitalization threshold, are presented as capital assets in the statement of net position.		9,081,802
The net effect of various transactions involving capital assets to decrease net position.		(3,962,496)
Depreciation expense on governmental capital assets are included in the statement of activities.		(3,071,773)
Amortization of right to use leased asset		1,147
Net loss of the internal service fund are reported with governmental activities.		(213,898)
Bond proceeds and notes issued provide financial resources to governmental funds while repayment of principal consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums, discounts and deferred amounts on refundings when debt is first issued; these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of long-term debt is as follows:		
Principal repayments	\$ 2,284,350	
Notes issued, net of bond premiums	(1,000,000)	
Amortization of bond premium and refundings	<u>75,075</u>	1,359,425
Certain items reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds. This item consists of:		
Change in compensated absences	(34,654)	
Change in net pension liability and related deferrals	569,862	
Change in net OPEB liability and related deferrals	<u>(1,630,169)</u>	(1,094,961)
Certain governmental revenues will not be collected for several months after the fiscal year and are deferred in the governmental funds.		<u>(25,134)</u>
Change in net position of governmental activities		<u>\$ 13,275,766</u>

The accompanying notes are an integral part of the financial statements.

CITY OF COLUMBIA, TENNESSEE

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
GENERAL FUND**

Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 28,073,167	\$ 28,073,167	\$ 35,074,465	\$ 7,001,298
Licenses and permits	1,028,800	1,078,800	2,604,458	1,525,658
Intergovernmental	3,822,298	4,232,860	6,358,557	2,125,697
Charges for services	277,000	355,686	415,613	59,927
Fines and forfeitures	216,000	216,000	164,270	(51,730)
Miscellaneous	<u>376,000</u>	<u>385,337</u>	<u>(95,462)</u>	<u>(480,799)</u>
Total revenues	<u>33,793,265</u>	<u>34,341,850</u>	<u>44,521,901</u>	<u>10,180,051</u>
EXPENDITURES				
Current				
General government	9,989,220	12,397,752	7,541,557	4,856,195
Public safety				
Police	10,611,337	11,446,158	9,908,512	1,537,646
Fire	8,504,475	8,736,640	8,035,930	700,710
Public works	4,270,491	4,465,108	4,013,512	451,596
Development services	1,785,565	1,939,518	1,704,448	235,070
Parks and recreation	<u>2,611,842</u>	<u>2,919,515</u>	<u>2,758,457</u>	<u>161,058</u>
Total expenditures	<u>37,772,930</u>	<u>41,904,691</u>	<u>33,962,416</u>	<u>7,942,275</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,979,665)</u>	<u>(7,562,841)</u>	<u>10,559,485</u>	<u>18,122,326</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,814,000	1,814,000	1,770,978	(43,022)
Transfers out	<u>(3,136,397)</u>	<u>(4,417,019)</u>	<u>(4,417,019)</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,322,397)</u>	<u>(2,603,019)</u>	<u>(2,646,041)</u>	<u>(43,022)</u>
Net change in fund balance	<u>\$ (5,302,062)</u>	<u>\$ (10,165,860)</u>	7,913,444	<u>\$ 18,079,304</u>
FUND BALANCE, beginning			<u>35,553,556</u>	
FUND BALANCE, ending			<u>\$ 43,467,000</u>	

The accompanying notes are an integral part of the financial statements.

CITY OF COLUMBIA, TENNESSEE

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
SANITATION FUND**

Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Charges for services, garbage fees	\$ 3,565,200	\$ 3,565,200	\$ 3,754,811	\$ 189,611
Miscellaneous				
Interest and other	12,000	12,000	(11,641)	(23,641)
Total revenues	<u>3,577,200</u>	<u>3,577,200</u>	<u>3,743,170</u>	<u>165,970</u>
EXPENDITURES				
Sanitation				
Salaries	1,013,253	1,019,239	912,513	106,726
Employee benefits	628,791	616,627	506,161	110,466
Services	1,478,461	1,515,306	1,507,332	7,974
Supplies	475,262	2,085,859	1,797,223	288,636
Total expenditures	<u>3,595,767</u>	<u>5,237,031</u>	<u>4,723,229</u>	<u>513,802</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(18,567)</u>	<u>(1,659,831)</u>	<u>(980,059)</u>	<u>679,772</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	53,276	53,276
Transfers out	<u>(125,489)</u>	<u>(125,489)</u>	<u>(125,489)</u>	<u>-</u>
Total other financing sources (uses)	<u>(125,489)</u>	<u>(125,489)</u>	<u>(72,213)</u>	<u>53,276</u>
Net change in fund balance	<u>\$ (144,056)</u>	<u>\$ (1,785,320)</u>	<u>(1,052,272)</u>	<u>\$ 733,048</u>
FUND BALANCE, beginning			<u>2,796,425</u>	
FUND BALANCE, ending			<u>\$ 1,744,153</u>	

The accompanying notes are an integral part of the financial statements.

CITY OF COLUMBIA, TENNESSEE

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS

June 30, 2022

	Sewer System	Power System	Water System	Total	Governmental Activities Internal Service Fund
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 8,270,499	\$ 28,486,758	\$ 4,140,309	\$ 40,897,566	\$ 2,346,068
Investments	24,273,056	2,000,187	-	26,273,243	-
Restricted assets:					
Cash and cash equivalents:					
Customer deposits	-	4,324,810	586,134	4,910,944	-
Debt service	-	684,134	24,161	708,295	-
Investments - debt service	-	-	1,759,617	1,759,617	-
Accounts receivable, net	77,322	6,682,042	-	6,759,364	-
Due from other funds	797,962	47,609	2,279,359	3,124,930	-
Inventories	125,801	2,121,475	458,745	2,706,021	-
Prepaid items	11,913	345,809	69,026	426,748	12,500
Other assets	-	4,415,504	6,998	4,422,502	-
Total current assets	<u>33,556,553</u>	<u>49,108,328</u>	<u>9,324,349</u>	<u>91,989,230</u>	<u>2,358,568</u>
Noncurrent assets:					
Capital assets:					
Land and other nondepreciable assets	4,581,432	8,127,853	18,112,841	30,822,126	-
Capital assets, net of accumulated depreciation	<u>57,283,492</u>	<u>65,030,657</u>	<u>63,971,970</u>	<u>186,286,119</u>	<u>-</u>
Total capital assets	<u>61,864,924</u>	<u>73,158,510</u>	<u>82,084,811</u>	<u>217,108,245</u>	<u>-</u>
Total noncurrent assets	<u>61,864,924</u>	<u>73,158,510</u>	<u>82,084,811</u>	<u>217,108,245</u>	<u>-</u>
Other assets:					
Conservation loans receivable	-	34,674	-	34,674	-
Net OPEB asset	178,875	757,934	373,311	1,310,120	-
Unamortized bond issue expense	-	42,097	66,101	108,198	-
Other	-	32,316	-	32,316	-
Total other assets	<u>178,875</u>	<u>867,021</u>	<u>439,412</u>	<u>1,485,308</u>	<u>-</u>
Total assets	<u>95,600,352</u>	<u>123,133,859</u>	<u>91,848,572</u>	<u>310,582,783</u>	<u>2,358,568</u>
DEFERRED OUTFLOWS OF RESOURCES					
Advance refundings of debt	299,361	-	-	299,361	-
Deferred outflows - OPEB	158,930	-	-	158,930	-
Deferred outflows - pension	<u>549,850</u>	<u>-</u>	<u>-</u>	<u>549,850</u>	<u>-</u>
Total deferred outflows of resources	<u>1,008,141</u>	<u>-</u>	<u>-</u>	<u>1,008,141</u>	<u>-</u>

(Continued)

The accompanying notes are an integral part of the financial statements.

CITY OF COLUMBIA, TENNESSEE

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS

June 30, 2022

	Sewer System	Power System	Water System	Total	Governmental Activities Internal Service Fund
(Continued)					
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 312,295	\$ 6,923,936	\$ 480,892	\$ 7,717,123	\$ 95,522
Accrued expenses and other liabilities	89,287	7,540,717	1,232,065	8,862,069	-
Customer deposits	-	4,324,810	586,134	4,910,944	-
Due to other funds	4,560	2,596,415	801,692	3,402,667	-
Deferred revenue	4,016,032	-	-	4,016,032	-
Compensated absences, current portion	109,830	206,527	83,438	399,795	-
Long-term liabilities, current portion	1,355,000	950,000	-	2,305,000	-
Total current liabilities	<u>5,887,004</u>	<u>22,542,405</u>	<u>3,184,221</u>	<u>31,613,630</u>	<u>95,522</u>
Noncurrent liabilities -					
Advances - Tennessee Valley Authority	-	36,553	-	36,553	-
Net pension liability	2,662,164	-	-	2,662,164	-
Compensated absences, less current portion	-	1,849,692	626,089	2,475,781	-
Long-term liabilities, less current portion	7,375,244	2,039,119	7,693,584	17,107,947	-
Total noncurrent liabilities	<u>10,037,408</u>	<u>3,925,364</u>	<u>8,319,673</u>	<u>22,282,445</u>	<u>-</u>
Total liabilities	<u>15,924,412</u>	<u>26,467,769</u>	<u>11,503,894</u>	<u>53,896,075</u>	<u>95,522</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows - pension	896,214	-	-	896,214	-
Deferred inflows - OPEB	417,585	1,041,796	513,123	1,972,504	-
Deferred inflows - other	62,638	-	200,166	262,804	-
Total deferred inflows of resources	<u>1,376,437</u>	<u>1,041,796</u>	<u>713,289</u>	<u>3,131,522</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	53,434,041	70,155,180	74,391,227	197,980,448	-
Restricted - medical insurance	-	-	-	-	2,263,046
Restricted - OPEB asset	-	757,934	-	757,934	-
Restricted - debt service	-	684,134	2,506,242	3,190,376	-
Unrestricted	25,873,603	24,027,046	2,733,920	52,634,569	-
Total net position	<u>\$ 79,307,644</u>	<u>\$ 95,624,294</u>	<u>\$ 79,631,389</u>	<u>\$ 254,563,327</u>	<u>\$ 2,263,046</u>

The accompanying notes are an integral part of the financial statements.

CITY OF COLUMBIA, TENNESSEE

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS

Year Ended June 30, 2022

	Sewer System	Power System	Water System	Total	Governmental Activities Internal Service Fund
OPERATING REVENUES					
Charges for services	\$ 13,268,444	\$ 85,449,555	\$ 13,647,881	\$ 112,365,880	\$ -
Medical premiums	-	-	-	-	4,497,518
Intergovernmental	1,967,937	-	-	1,967,937	-
Other	-	2,965,019	1,052,801	4,017,820	-
Total revenues	<u>15,236,381</u>	<u>88,414,574</u>	<u>14,700,682</u>	<u>118,351,637</u>	<u>4,497,518</u>
OPERATING EXPENSES					
Purchased power	-	58,796,696	-	58,796,696	-
Purchases programming	-	3,304,400	-	3,304,400	-
Production/treatment	3,362,704	-	2,810,334	6,173,038	-
Distribution	1,168,482	7,242,217	2,141,384	10,552,083	-
Customer accounts and service	-	1,952,739	985,486	2,938,225	-
Other direct costs and expenses	1,537,327	-	-	1,537,327	-
Administration and general expenses	-	4,553,155	2,394,900	6,948,055	115,706
Medical claims expense	-	-	-	-	4,603,211
Depreciation	2,637,221	4,548,910	2,413,548	9,599,679	-
Total operating expenses	<u>8,705,734</u>	<u>80,398,117</u>	<u>10,745,652</u>	<u>99,849,503</u>	<u>4,718,917</u>
OPERATING INCOME	6,530,647	8,016,457	3,955,030	18,502,134	(221,399)
NONOPERATING REVENUES (EXPENSES)					
Other income	114,752	14,919	4,844	134,515	7,501
Other expense	(450)	-	-	(450)	-
Amortization expense	(209,792)	17,632	64,166	(127,994)	-
Interest expense	(178,104)	(66,940)	(409,217)	(654,261)	-
Total nonoperating revenues (expenses)	<u>(273,594)</u>	<u>(34,389)</u>	<u>(340,207)</u>	<u>(648,190)</u>	<u>7,501</u>
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS					
	<u>6,257,053</u>	<u>7,982,068</u>	<u>3,614,823</u>	<u>17,853,944</u>	<u>(213,898)</u>
Capital contributions	501,790	553,844	2,137,576	3,193,210	-
Transfers out - payments in lieu of tax	<u>(381,357)</u>	<u>(1,247,288)</u>	<u>(142,333)</u>	<u>(1,770,978)</u>	<u>-</u>
CHANGE IN NET POSITION	6,377,486	7,288,624	5,610,066	19,276,176	(213,898)
NET POSITION, beginning	72,930,158	88,335,670	74,021,323	235,287,151	2,335,848
Prior period adjustment	-	-	-	-	141,096
NET POSITION, beginning (as restated)	72,930,158	88,335,670	74,021,323	235,287,151	2,476,944
NET POSITION, ending	<u>\$ 79,307,644</u>	<u>\$ 95,624,294</u>	<u>\$ 79,631,389</u>	<u>\$ 254,563,327</u>	<u>\$ 2,263,046</u>

The accompanying notes are an integral part of the financial statements.

CITY OF COLUMBIA, TENNESSEE

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS

Year Ended June 30, 2022

	Sewer Fund	Power Fund	Water Fund	Total	Governmental Activities Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 13,265,043	\$ 89,942,139	\$ 13,302,218	\$ 116,509,400	\$ 4,629,910
Receipts (payments) from other funds	5,857,537	-	-	5,857,537	-
Payments to suppliers	(4,198,860)	(69,931,886)	(4,024,448)	(78,155,194)	(4,655,794)
Payments in lieu of taxes	(381,357)	(1,609,404)	(142,333)	(2,133,094)	-
Payments to employees	(1,901,642)	(7,213,693)	(4,233,181)	(13,348,516)	-
Other receipts	-	4,523,972	964,794	5,488,766	-
Net cash from operating activities	<u>12,640,721</u>	<u>15,711,128</u>	<u>5,867,050</u>	<u>34,218,899</u>	<u>(25,884)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Collections of conservation loans	-	28,884	-	28,884	-
Proceeds from surety bonds	(29,609)	-	-	(29,609)	-
Payments of TVA advances	-	(29,751)	-	(29,751)	-
Net cash from noncapital financing activities	<u>(29,609)</u>	<u>(867)</u>	<u>-</u>	<u>(30,476)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Issuance of debt	-	-	7,745,307	7,745,307	-
Principal paid on long-term debt	(1,285,000)	(930,000)	(10,640,000)	(12,855,000)	-
Interest paid on long-term debt	(178,554)	(72,496)	(695,553)	(946,603)	-
Purchase of property, plant and equipment	(2,976,383)	(8,813,190)	(7,584,922)	(19,374,495)	-
Net (cost to remove) salvage on utility plant	-	(217,176)	30,391	(186,785)	-
Net cash from capital and related financing activities	<u>(4,439,937)</u>	<u>(10,032,862)</u>	<u>(11,144,777)</u>	<u>(25,617,576)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	101,267	14,919	4,844	121,030	7,501
Unrealized gain/loss on investments	678,842	-	-	678,842	-
Sale of investments	-	2,000,000	3,769,233	5,769,233	-
Purchase of investments	(24,938,413)	(2,000,187)	(3,769,233)	(30,707,833)	-
Net cash from investing activities	<u>(24,158,304)</u>	<u>14,732</u>	<u>4,844</u>	<u>(24,138,728)</u>	<u>7,501</u>
Net change in cash and cash equivalents	(15,987,129)	5,692,131	(5,272,883)	(15,567,881)	(18,383)
Cash and cash equivalents, June 30, 2021	<u>24,257,628</u>	<u>27,803,571</u>	<u>10,023,487</u>	<u>62,084,686</u>	<u>2,364,451</u>
Cash and cash equivalents, June 30, 2022	<u>\$ 8,270,499</u>	<u>\$ 33,495,702</u>	<u>\$ 4,750,604</u>	<u>\$ 46,516,805</u>	<u>\$ 2,346,068</u>

The accompanying notes are an integral part of the financial statements.

CITY OF COLUMBIA, TENNESSEE

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS

Year Ended June 30, 2022

	Sewer Fund	Power Fund	Water Fund	Total	Governmental Activities Internal Service Fund
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES					
OPERATING INCOME (LOSS)	\$ 6,530,647	\$ 8,016,457	\$ 3,955,030	\$ 18,502,134	\$ (221,399)
ADJUSTMENTS NOT AFFECTING CASH					
Depreciation	2,637,221	4,582,330	2,413,548	9,633,099	-
Pension expense	(85,151)	-	-	(85,151)	-
OPEB expense (income)	181,130	-	-	181,130	-
Payments in lieu of taxes	(381,357)	(1,247,288)	(142,333)	(1,770,978)	-
(Increase) decrease in -					
Accounts receivable	(3,401)	(2,168,298)	(1,685)	(2,173,384)	132,392
Due from other funds	(126,432)	458,813	(360,903)	(28,522)	-
Inventories	(23,719)	(446,805)	(39,271)	(509,795)	-
Other assets	(2,867)	(789,186)	(288,781)	(1,080,834)	12,500
Increase (decrease) in -					
Accounts payable	(114,906)	1,374,084	(90,575)	1,168,603	50,623
Accrued expenses and other liabilities	6,517	224,669	309,905	541,091	-
Customer deposits	-	177,704	31,103	208,807	-
Deferred revenue	4,016,032	-	-	4,016,032	-
Compensated absences	7,007	(41,433)	(64,738)	(99,164)	-
Unearned revenue	-	5,570,081	145,750	5,715,831	-
Total adjustments	<u>6,110,074</u>	<u>7,694,671</u>	<u>1,912,020</u>	<u>15,716,765</u>	<u>195,515</u>
Net cash from operating activities	<u>\$ 12,640,721</u>	<u>\$ 15,711,128</u>	<u>\$ 5,867,050</u>	<u>\$ 34,218,899</u>	<u>\$ (25,884)</u>
Schedule of non-cash capital and related financing activities:					
Capital contributions	<u>\$ 501,790</u>	<u>\$ 553,844</u>	<u>\$ 2,137,576</u>	<u>\$ 3,193,210</u>	<u>\$ -</u>
Depreciation and amortization capitalized	<u>\$ -</u>	<u>\$ 234,045</u>	<u>\$ 82,980</u>	<u>\$ 317,025</u>	<u>\$ -</u>
Net OPEB income (expense)	<u>\$ (181,130)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (181,130)</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements.

CITY OF COLUMBIA, TENNESSEE

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

JUNE 30, 2022

	<u>Trust Funds</u>	<u>Maury Fund</u>
	Pension and Other Postemployment Benefits Trust Fund	Maury County Drug Task Force Fund
ASSETS		
Cash and cash equivalents	\$ 985,259	\$ 31,468
Receivables:		
Interest	105,513	-
Investments, at fair value:		
Fixed income funds	27,761,345	-
Equity securities	40,487,950	-
CPWS investments	3,648,576	-
	<u>72,988,643</u>	<u>31,468</u>
Total assets		
LIABILITIES		
Confiscations pending	<u>-</u>	<u>31,468</u>
	<u>-</u>	<u>31,468</u>
Total liabilities		
NET POSITION		
Restricted for employee's pension benefits	51,526,998	-
Restricted for employee's postemployment benefits	<u>21,461,645</u>	<u>-</u>
	<u>\$ 72,988,643</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements.

CITY OF COLUMBIA, TENNESSEE

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

Year Ended June 30, 2022

	<u>Trust Funds</u>	<u>Maury Fund</u>
	Pension and Other Postemployment Benefits Trust Fund	Maury County Drug Task Force Fund
ADDITIONS		
Contributions:		
Employer	\$ 2,641,510	\$ -
Plan member	574,315	-
Fines	<u>-</u>	<u>7,012</u>
Total contributions	<u>3,215,825</u>	<u>7,012</u>
Investment income:		
Net appreciation in fair value of investments including interest and dividends	<u>(9,095,198)</u>	<u>-</u>
Net investment income	<u>(9,095,198)</u>	<u>-</u>
Total additions	<u>(5,879,373)</u>	<u>7,012</u>
DEDUCTIONS		
Benefits paid to participants	6,150,626	-
Administrative expenses	194,020	-
Payments to other governments	<u>-</u>	<u>7,012</u>
Total deductions	<u>6,344,646</u>	<u>7,012</u>
CHANGE IN NET POSITION	(12,224,019)	-
NET POSITION - beginning	<u>85,212,662</u>	<u>-</u>
NET POSITION - ending	<u>\$ 72,988,643</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements.

Notes to Basic Financial Statements



CITY OF COLUMBIA, TENNESSEE

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022

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CITY OF COLUMBIA, TENNESSEE

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The City of Columbia, Tennessee (the City) was incorporated under the Private Acts of 1972. The City operated under a Council-Manager form of government and is governed by the Mayor, a councilman at large that serves as the Vice-Mayor, and a councilman from each of the five wards of the City.

The accompanying financial statements present the City of Columbia as the primary government. The primary government includes Columbia Power and Water Systems (CPWS) as enterprise funds. CPWS, a separately administered organization, is not legally separate since the City affirms all board member appointments.

Because the following organizations are not legally separate, data from these entities has been presented as part of primary government:

Columbia Power System – Columbia Power System provides electrical and broadband service to customers located generally within Maury County, Tennessee. The Columbia Power System’s board is appointed by the Mayor of the City of Columbia and is approved by City Council. Columbia Power System is fiscally dependent upon the City because the City Council approves the borrowing of money and issuance of bonds.

Columbia Water System – Columbia Water System provides water to residential and commercial customers in the Columbia, Tennessee area. The Columbia Water System’s board is appointed by the Mayor of the City of Columbia and is approved by City Council. Columbia Water System is fiscally dependent upon the City because the City Council approves all the Water System’s rate changes, borrowing of money, and the issuance of bonds.

Separately issued financial statements can be obtained from:

Columbia Power and Water System
201 Pickens Lane
Columbia, TN 38401

Columbia Housing Authority – Columbia Housing Authority (the Authority) is considered a related party to the City but not part of the City’s reporting entity. The Mayor of the City of Columbia appoints the Authority’s board of directors; however, the Authority’s operating and capital expenditures, including debt service, are financed entirely from grants from the U.S. Department of Housing and Urban Development and from income generated by the Authority.

The Industrial Development Board of the City of Columbia, Tennessee - The Industrial Development Board (IDB) serves all citizens of the government. The Board was formed to promote industry and to develop trade by attracting manufacturing, industrial, and commercial enterprises to the City of Columbia. The IDB is governed by a board as appointed by City Council. Debt issuance authorizations are approved by City Council, and the City is legally obligated in case there are deficiencies in debt service payments and resources are not available from any other remedies. The operations of the IDB are reported as a special revenue fund.

Basis of Presentation

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities* which rely to a significant extent on fees and charges for support.

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the enterprise funds. Fiduciary funds are excluded from the government-wide financial statements.

Transfers within governmental activities and business-type activities are eliminated upon consolidation. Any residual balances outstanding between the governmental activities and the business-type activities, including a capital lease, are reported in the government-wide financial statements as "internal balances."

Fund Financial Statements

The fund financial statements provide information about City funds, including fiduciary funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Because the emphasis of fund financial statements is on major governmental and enterprise funds, each major fund is displayed in a separate column. Remaining funds are aggregated and reported as nonmajor funds.

The City reports the following major governmental funds:

General Fund - The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government except those accounted for in another fund. Revenues are derived primarily from taxes and intergovernmental revenues.

Capital Projects - The Capital Projects Fund accounts for the acquisition or construction of capital projects, other than those financed by proprietary funds. Revenues are derived primarily from the sale of general obligation bonds and notes, loans, intergovernmental revenues, and earnings on investments.

Sanitation Fund - The Sanitation Fund accounts for the sanitation service charges and related expenditures as required by the Solid Waste Management Act of 1991 codified at TCA 68-211-801.

The City reports the following major enterprise funds:

Sewer System - The Sewer System Fund accounts sewer service charges and related expenditures.

The following major proprietary funds are operated by the Columbia Board of Public Utilities whose members are appointed by the Mayor and approved by the Council of the City of Columbia, Tennessee.

Columbia Power System - The Columbia Power System accounts for power service charges and related expenditures. In 2002, the System established a broadband telecommunications network division pursuant to Section 7-52-601, Tennessee Code Annotated.

Columbia Water System - The Columbia Water System accounts for water service charges and related expenditures.

Internal Service - The Internal Service Fund is used to account for costs associated with the employees' health insurance plan.

The fiduciary funds account for assets held by the City in a trustee capacity or as an agent on behalf of others. Trust funds account for assets held by the government under terms of a formal trust agreement. The government reports the following fiduciary funds:

Trust Fund – Trust fund is used to account for assets and related liabilities held by the City in a fiduciary capacity for current and former employees of the City. The Trust fund includes the resources of the Columbia general pension plan, Columbia Power and Water OPEB plan, and the Columbia OPEB plan. The resources are held in trust to fund post-retirement health, medical, and retirement benefits.

Custodial Fund – Maury County Drug Task Force Fund – The custodial fund is used to account for assets seized relative to drug cases pending final resolution.

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Additionally, the City reports the following fund types:

Special Revenue – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

Debt Service - The Debt Service Fund is used to account for the accumulation of resources for the payment of interest, principal, and related costs of long-term liabilities of the governmental activities.

During the course of normal operations, the City has numerous transactions between funds to provide services, construct assets and service debt; these transactions are generally reflected as transfers. Any residual balances outstanding at year end are reported as due to/due from other funds.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

Government-wide Financial Statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the 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.

Governmental Fund Financial Statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

The City considers revenues as available if they are collected within thirty days of the end of the fiscal period, except for property taxes, for which the time period is sixty days. Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Proprietary and Trust Funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund, special revenue funds and the debt service fund. The capital projects fund is appropriated on a project-length basis.

The appropriated budget is approved by fund and department. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is the fund and department level. The City Manager has been delegated the authority to make interfund transfers within the general fund. Amounts transferred are reported to City Council as required by TCA 6-56-209.

All unencumbered and unexpended appropriations lapse at the end of the fiscal year. Encumbrances are commitments related to unperformed contracts for goods or services (i.e., purchase orders).

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Encumbrance accounting is utilized to assure effective budgetary control and accountability. Encumbrances are carried forward to the subsequent year and become part of the subsequent year's budget for annually budgeted funds.

Appropriations for capital projects do not lapse until completion of the project. Because of the project nature of these funds, budgetary comparison statements on an annual basis do not provide meaningful information and, accordingly, are not presented in the accompanying financial statements.

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, amounts due from banks, interest-bearing deposits at various financial institutions, certificates of deposits and short-term investments with an original maturity of three months or less.

Investments

Investments, including the Pension and OPEB Trust Funds, are reported at fair value, except for interest-earning investment contracts that have a remaining maturity of one year or less at the time of purchase. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value. Any change in the value of investments recorded at fair value is included in investment income.

Receivables

Accounts receivable are presented, when considered necessary, net of an allowance for doubtful accounts. Unbilled revenues for estimated usage between the last meter reading cycle and June 30 are recorded by the Power Fund, the Water and Sewer Funds do not accrue unbilled revenue.

Internal Balances and Interfund Transfers

During the course of operations, numerous transactions occur between individual funds for goods or services rendered. These receivables and payables are classified as due to/from other funds on the balance sheet and are eliminated in the government-wide financial statements, with the residual reported as internal balances. Other activities between funds that are representative of lending or borrowing arrangements outstanding at the end of the fiscal year are referred to as due to/from other funds.

Inventories and Prepaid Items

For enterprise funds, inventories consist primarily of materials and supplies and are reported at cost. Inventories held for resale should be reported at lower of cost or net realizable value. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method.

Energy Conservation Loans-Power System

The Power System participates with TVA in its energy conservation loan program. Under this program, eligible customers may obtain low interest loans for conservation improvements. Advances from TVA are reported as other liabilities and loans receivable from customers are reported as other assets. Any uncollected loans are the responsibility of TVA.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (such as roads, bridges, sidewalks, sewers, lighting systems, drainage systems, and similar items) are reported in the government-wide and proprietary fund financial statements. The City defines capital assets as assets with an initial, individual cost of more than \$5,000 (\$1,500 for the Power and Water Systems) and an estimated useful life of one year or greater.

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The initial capitalization of infrastructure assets reported by governmental activities was based on replacement cost deflated to the acquisition year. As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs. Donated capital assets are recorded at their estimated fair value at the date of contribution. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value.

Interest incurred during the construction phase of capital assets of enterprise funds is included as part of the capitalized value of the asset's construction. The amount of interest capitalized is the net interest expense incurred (interest expense less interest income) from the date of the borrowing until completion of the project.

Land and construction in progress are not depreciated. The other property, plant, equipment, and infrastructure of the primary government are depreciated using the straight-line method over the following estimated useful lives:

	<u>Useful Life</u>
Buildings	40 - 50 years
Machinery, equipment and vehicles	5 - 20 years
Improvements other than buildings	10 - 20 years
Utility plant in service	3 - 50 years
Public domain infrastructure	10 - 60 years

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This represents a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources (as either an expense or expenditure) until that period. The City reports deferred gains on refunding and deferred contributions on pension and other post-employment benefit (OPEB) plans. A deferred gain on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred contributions for the pension plans were made during the fiscal year but are after the measurement date of the actuarial report. These amounts will be recognized during the next measurement period.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This represents an acquisition of net assets that applies to a future period(s) and will not be recognized as inflow of resources (revenue) until that period. The City has four items that qualify for reporting in this category: (1) Unavailable revenue for property taxes recorded as receivables for the current calendar year tax levy which is not due until October 1. This amount, reported on the governmental funds balance sheet, will be recognized as revenue next year as it is received. (2) Unavailable revenue received after the availability period. This includes property taxes received after 60 days plus other local taxes and intergovernmental revenues received after 30. They are reported as deferred inflows on the governmental funds balance sheet and will be recognized as revenue next year. (3) Unavailable revenue relating to loans. (4) Certain amounts related to pensions must be deferred.

Differences between projected and actual earnings on pension plan investments are deferred and amortized over five years. Changes in pension and OPEB plan assumptions are deferred and amortized over the expected remaining service lives of employees. Differences in experience on pension plan investments are deferred and amortized over four years.

Pensions and Other Post-Employment Benefits

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows or resources related to pensions/OPEB and pension/OPEB expense, information about the fiduciary net position of the City of Columbia Employees' Retirement Plan Pension Plan and additions/deductions from the plan net positions have been determined on the same basis as they are reported by the plans.

Benefit payments (including refunds of employee contributions) are recognized in the fund financial statements when due and payable in accordance with the benefit terms. Payments made after the measurement date are deferred in government-wide statements. Investments are reported at fair value.

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance Flow Assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report for each category of fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes.

Nonspendable Fund Balance - represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid items) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted Fund Balance - represents amounts with external constraints placed on the use of these resources (such as debt covenants, grantors, other governments, etc.) or imposed by enabling legislation.

Committed Fund Balance - represents amounts that can only be used for specific purposes imposed by an ordinance of the City Council. Committed resources cannot be used for any other purpose unless the City Council removes or changes the specified use by ordinance.

Assigned Fund Balance - represents amounts the City intends to use for specific purposes as expressed by City Council resolution or an official delegated the authority to assign amounts. The City Manager has been granted the ability to assign amounts to a specific purpose as part of the annual budget ordinance.

Unassigned Fund Balance - represents the residual classification for the General Fund or deficit balances in other funds.

Revenues, Expenditures/Expenses

Program Revenues

Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes and other internally dedicated resources are reported as general revenues rather than program revenues.

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property Taxes

Property taxes are levied as of November 1, on the assessed value as of the prior January 1, for property located in the City's boundaries. Property taxes are secured by a statutory lien effective as of the original levy date of January 1, however, property taxes are not legally available until the subsequent fiscal year. Taxes are due November 1 and become delinquent December 16 each tax year. Property taxes are levied annually by the City based upon assessed valuations established by the State of Tennessee. The various types of property are assessed at a percentage of market value as follows:

Farm and residential real property:	25%
Commercial and industrial property:	
Real	40%
Personal	30%
Public utilities real and personal property	55% (Railroads 40%)

Indirect Costs

Certain indirect costs are included in program expense reported for individual functions.

Compensated Absences

City employees are granted vacation and sick leave in varying amounts. In the event of termination an employee is paid for accumulated vacation leave, but not for accumulated sick leave. Accumulated vacation is accrued when incurred in the government wide and propriety financial statements. The general and proprietary funds are used to liquidate this liability. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee terminations or retirements.

Employees of the Power and Water Fund use a paid time off (PTO) style of accruing paid leave. This policy converts all vacation and sick leave into a single PTO pool. The liability for accumulated PTO pay is reported in long-term debt, with the current portion recorded in current liabilities.

Proprietary Funds Operating and Non-operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues include charges for services. Operating expenses include costs of services as well as materials, contracts, personnel and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses. The Columbia Board of Public Utilities is regulated by TVA relative to the establishment of power rates. TVA will not allow debt issue costs to be expensed in the period of issuance. Accordingly, the Board has approved continue amortization of bond issue costs as defined in GASB Statement 62 for the Electric and Water Funds.

Estimates

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

NOTE 2 – CASH AND INVESTMENTS

Investments

As of June 30, 2022, The City Pension and OPEB Funds had the following investments:

	S&P or Moody's Rating	Fair Value Measurements Using:		
		Cost	Fair Value	Fair Value Hierarchy
Fixed income *	N/A	\$ 30,345,760	\$ 27,761,345	Level 1
Equities	AA+	33,157,002	40,487,950	Level 1
Debt and equity securities **	N/A	**	3,648,576	Level 1
		<u>\$ 63,502,762</u>	<u>\$ 71,897,871</u>	

* Mutual Funds not rated

** Investments of the Columbia Power & Water Systems OPEB Plan, cost information not available.

As of June 30, 2022, the Trust Funds had the following investments in any one organization that represent five percent or more of the fair value of the plan net assets:

	<u>Pension</u>	<u>OPEB</u>
Dodge & Cox Income Fund	\$ 3,048,609	\$ 1,249,902
Fidelity Contrafund	2,578,735	-
Jpmorgan Short Duration Core Plus	2,815,370	1,138,658
Vanguard Short Term Investment	3,825,663	1,284,449
Blackrock Equity Dividend Fund	2,591,052	-

Interest rate risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. City policy provides that to the extent practicable, investments are matched with anticipated cash flows. Typically, certificates of deposit are issued for periods less than one year.

Custodial credit risk - The City's policies limit deposits and investments to those instruments allowed by applicable state laws. State statutes require that all deposits with financial institutions must be collateralized by securities whose fair value is equal to 105% of the value of the uninsured deposits. The deposits must be covered by federal depository insurance or the Tennessee Bank Collateral Pool, by collateral held by the City's agent in the City's name, or by the Federal Reserve Banks acting as third-party agents. State statutes also authorize the City to invest in bonds, notes or treasury bills of the United States or any of its agencies, certificates of deposit at Tennessee state chartered banks and savings and loan associations and federally chartered banks and savings and loan associations, repurchase agreements utilizing obligations of the United States or its agencies as the underlying securities, the state pooled investment fund, and mutual funds. Statutes also require that securities underlying repurchase agreements must have a fair value at least equal to the amount of funds invested in the repurchase transaction.

Credit risk – The City does not have a formal investment policy, however, management’s current investment practice is formulated around the prudent-person rule: investments are made as a prudent person should be expected to make, with discretion and intelligence, to produce reasonable income, preserve capital and, in general, avoid speculative investments.

NOTE 3 – RECEIVABLES

Amounts in the financial statements are shown net of allowance for uncollectibles. Below is the detail of receivables including the applicable allowances for uncollectible accounts as of June 30, 2022:

	Governmental Activities Funds					Total
	General	Capital Projects	Other Governmental	Internal Service	Business-Type Activities	
Primary Government						
Receivables:						
Taxes	\$ 13,202,578	\$ -	\$ -	\$ -	\$ -	\$ 13,202,578
Accounts	272,591	-	-	-	77,322	349,913
Customer service	-	-	-	-	6,807,272	6,807,272
Intergovernmental	<u>4,203,999</u>	<u>341,902</u>	<u>727,642</u>	-	-	<u>5,273,543</u>
Gross receivables	17,679,168	341,902	727,642	-	6,884,594	25,633,306
Less:						
Allowance for uncollectibles	<u>(56,937)</u>	-	-	-	<u>(125,230)</u>	<u>(182,167)</u>
Net receivables	<u>\$ 17,622,231</u>	<u>\$ 341,902</u>	<u>\$ 727,642</u>	<u>\$ -</u>	<u>\$ 6,759,364</u>	<u>\$ 25,451,139</u>

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022, was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance
PRIMARY GOVERNMENT				
Governmental Activities:				
Non-depreciable assets:				
Land and land improvements	\$ 9,836,215	\$ 65,846	\$ -	\$ 9,902,061
Construction in progress	<u>8,624,014</u>	<u>1,423,244</u>	<u>3,961,413</u>	<u>6,085,845</u>
Total non-depreciable assets	<u>18,460,229</u>	<u>1,489,090</u>	<u>3,961,413</u>	<u>15,987,906</u>
Depreciable assets:				
Buildings and improvements	39,044,495	82,995	-	39,127,490
Machinery and equipment	24,242,485	2,979,066	501,353	26,720,198
Infrastructure	<u>82,741,278</u>	<u>4,530,651</u>	-	<u>87,271,929</u>
Total depreciable assets	<u>146,028,258</u>	<u>7,592,712</u>	<u>501,353</u>	<u>153,119,617</u>
Less accumulated depreciation for:				
Buildings and improvements	\$ 10,197,475	\$ 960,430	\$ -	\$ 11,157,905
Machinery and equipment	14,402,161	612,556	-	15,014,717
Infrastructure	<u>65,885,577</u>	<u>1,498,787</u>	<u>500,270</u>	<u>66,884,094</u>
Total accumulated depreciation	<u>90,485,213</u>	<u>3,071,773</u>	<u>500,270</u>	<u>93,056,716</u>
Depreciable assets, net	<u>55,543,045</u>	<u>4,4520,939</u>	<u>1,083</u>	<u>60,062,901</u>
Governmental activities capital assets, net	<u>\$ 74,003,274</u>	<u>\$ 6,010,029</u>	<u>\$ 3,962,496</u>	<u>\$ 76,050,807</u>

(Continued)

NOTE 4 – CAPITAL ASSETS (Continued)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
Business-Type Activities:				
Non-depreciable assets:				
Land	\$ 3,804,490	\$ 40,026	\$ -	\$ 3,844,516
Construction in progress	<u>18,244,080</u>	<u>13,648,571</u>	<u>4,915,041</u>	<u>26,977,610</u>
Total non-depreciable assets	<u>22,048,570</u>	<u>13,688,597</u>	<u>4,915,041</u>	<u>30,822,126</u>
Depreciable assets:				
Structures and improvements	70,852,424	5,995,941	348,349	76,500,016
Plant and lines	244,250,532	6,608,548	974,819	249,884,261
Machinery and equipment	<u>22,615,142</u>	<u>1,506,683</u>	<u>384,670</u>	<u>23,737,155</u>
Total depreciable assets	<u>337,718,098</u>	<u>14,111,172</u>	<u>1,707,838</u>	<u>350,121,432</u>
Less accumulated depreciation for:				
Structures and improvements	28,541,789	1,887,560	348,209	30,081,140
Plant and lines	109,600,516	6,856,803	1,219,256	115,238,063
Machinery and equipment	<u>17,670,928</u>	<u>1,172,342</u>	<u>327,160</u>	<u>18,516,110</u>
Total accumulated depreciation	<u>155,813,233</u>	<u>9,916,705</u>	<u>1,894,625</u>	<u>163,835,313</u>
Depreciable assets, net	<u>181,904,865</u>	<u>4,194,467</u>	<u>(186,787)</u>	<u>186,286,119</u>
Business-type activities capital assets, net	<u>\$ 203,953,435</u>	<u>\$ 17,883,064</u>	<u>\$ 5,101,828</u>	<u>\$ 217,108,245</u>

Depreciation expense is charged to functions as follows:

Primary Government – Governmental Activities:

General Government	\$ 231,905
Public Safety	
Police	475,561
Fire	481,686
Sanitation	293,492
Public Works	906,545
Recreation	<u>682,584</u>
Total	<u>\$ 3,071,773</u>

Primary Government – Business-Type Activities:

Sewer	\$ 2,637,219
Power	4,782,956
Water	<u>2,496,530</u>
Total	<u>\$ 9,916,705</u>

Depreciation expense capitalized as part of construction costs amount to \$-, \$248,256, \$82,982 for the Sewer, Power and Water Systems, respectively for 2022.

NOTE 5 – LONG-TERM LIABILITIES**Governmental Activities****Description of Long-term Obligations**

The City periodically issues general obligation bonds and notes for the acquisition and construction of major capital facilities. These bonds and notes are direct obligations and are backed by the full faith and credit of the City. Certain bonds are subject to federal arbitrage regulations. These bonds and notes are generally issued as 10- to 20-year serial bonds.

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NOTE 5 – LONG-TERM LIABILITIES (Continued)

General obligation long-term obligations are summarized as follows:

<u>Series</u>	<u>Original Principal</u>	<u>Interest Rates</u>	<u>Final Maturity</u>	<u>Principal June 30, 2022</u>
General obligations refunding bonds, Series 2016	\$ 1,400,000	3.00% - 4.00%	12/01/29	\$ 860,000
General obligations public improvement bonds, Series 2017	8,970,000	3.00%	06/01/36	7,010,000
Public safety equip/improv capital outlay note, Series 2014	1,900,000	2.00%	05/31/24	410,199
Sanitation equipment capital outlay note, Series 2017	235,000	1.72%	11/01/22	48,655
General obligations refunding bonds, Series 2019	4,875,000	2.00% - 4.00%	12/01/29	4,050,000
Sanitation equipment capital outlay note, Series 2019	<u>350,000</u>	2.73%	09/01/24	<u>216,221</u>
Total payable from debt service fund	<u>\$ 17,730,000</u>			<u>\$ 12,595,075</u>

Debt service requirements for general obligation bonds, notes payable, capital leases, and compensated absences are met by the General, Capital Project, and Sanitation Funds. All general obligation bonds, notes payable, and capital leases payable are included in the calculation of net investment in capital assets.

Business-type Activities**Description of Long-term Obligations**

The City periodically issues general obligation bonds and capital leases for the acquisition and construction of major capital facilities. These bonds and capital leases are direct obligations of each business-type activities and are supported by the operation of the fund. Certain bonds are subject to federal arbitrage regulations. These bonds are generally issued as 15- to 30-year serial bonds.

Business-type activities long-term liabilities are summarized as follows:

<u>Series</u>	<u>Original Principal</u>	<u>Interest Rates</u>	<u>Final Maturity</u>	<u>Principal June 30,2022</u>
Sewer Fund				
General obligation refunding bonds – Series 2016	\$ 6,135,000	2.25%	09/01/33	\$ 4,470,000
General obligation refunding bonds – Series 2020	4,195,000	1.10%	06/30/32	4,160,000
Power System				
Broadband revenue and tax bonds – Series 2014/2015	9,100,000	1.79%	12/01/25	2,900,000
Water System				
Revenue bonds, Series 2021	<u>6,770,000</u>	2.00% - 5.00%	12/01/33	<u>6,770,000</u>
Total payable from business-type activities	<u>\$ 26,200,000</u>			<u>\$ 18,300,000</u>

(Continued)

NOTE 5 – LONG-TERM LIABILITIES (Continued)

Changes in Long-term Liabilities

Changes in long-term liabilities for the fiscal year ended June 30, 2022, were as follows:

	Balance <u>July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2022</u>	Due Within <u>One Year</u>
Primary Government					
GOVERNMENTAL ACTIVITIES					
Bonds:					
2016 General obligation public improvement bonds	\$ 990,000	\$ -	\$ 130,000	\$ 860,000	\$ 135,000
2017 General obligation public improvement bonds	7,425,000	-	415,000	7,010,000	430,000
2019 General obligation public improvement bonds	4,475,000	-	425,000	4,050,000	440,000
Notes Payable:					
2014 Public safety equip/improv capital outlay note	609,173	-	198,974	410,199	203,020
2017 Sanitation equipment capital outlay note	96,463	-	47,808	48,655	48,655
2019 Sanitation equipment capital outlay note	283,789	-	67,568	216,221	69,954
Rural economic development loan	-	1,000,000	1,000,000	-	-
Plus: Premium	458,850	-	75,075	383,775	-
Compensated absences	<u>1,136,434</u>	<u>1,171,088</u>	<u>1,136,434</u>	<u>1,171,088</u>	<u>1,171,088</u>
Total governmental activities	<u>\$ 15,474,709</u>	<u>\$ 2,171,088</u>	<u>\$ 3,495,859</u>	<u>\$ 14,149,938</u>	<u>\$ 2,497,717</u>
	Balance <u>July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2022</u>	Due Within <u>One Year</u>
BUSINESS-TYPE ACTIVITIES					
Sewer Fund					
2011 Sewer revenue and tax bonds	\$ 335,000	\$ -	\$ 335,000	\$ -	\$ -
2015 G.O. refunding bonds	210,000	-	210,000	-	-
2016 G.O. refunding bonds	5,175,000	-	705,000	4,470,000	975,000
2020 G.O. refunding bonds	4,195,000	-	35,000	4,160,000	380,000
Plus: Premium	121,043	-	20,799	100,244	-
Compensated absences	<u>102,823</u>	<u>109,830</u>	<u>102,823</u>	<u>109,830</u>	<u>109,830</u>
	<u>10,138,866</u>	<u>109,830</u>	<u>1,408,622</u>	<u>8,840,074</u>	<u>1,464,830</u>
Power System					
2014/2015 Broadband revenue and tax bonds	3,830,000	-	930,000	2,900,000	950,000
Plus: Unamortized bond premium	122,539	-	33,420	89,119	-
Compensated absences	<u>2,047,462</u>	<u>397,195</u>	<u>388,438</u>	<u>2,056,219</u>	<u>206,527</u>
	<u>6,000,001</u>	<u>397,195</u>	<u>1,351,858</u>	<u>5,045,338</u>	<u>1,156,527</u>
Water System					
2006 Revenue bonds	\$ 2,345,000	\$ -	\$ 2,345,000	\$ -	\$ -
2008 Revenue bonds	1,465,000	-	1,465,000	-	-
2012 Revenue bonds	6,830,000	-	6,830,000	-	-
2021 Revenue bonds	-	6,770,000	-	6,770,000	-
Plus: Unamortized bond premium	318,990	987,626	371,364	935,252	-
Less: Unamortized bond discount	(1,106)	(12,321)	(1,759)	(11,668)	-
Compensated absences	<u>774,263</u>	<u>218,886</u>	<u>283,622</u>	<u>709,527</u>	<u>83,438</u>
	<u>11,732,147</u>	<u>7,964,191</u>	<u>11,293,227</u>	<u>8,403,111</u>	<u>83,438</u>
Total business-type activities	<u>\$ 27,871,014</u>	<u>\$ 8,471,216</u>	<u>\$ 14,053,707</u>	<u>\$ 22,288,523</u>	<u>\$ 2,704,795</u>

(Continued)

NOTE 5 – LONG-TERM LIABILITIES (Continued)

Principal and interest requirements to maturity for bonds and notes payable are as follows:

Year	Governmental Activities Funds				Business-Type Activities	
	Bonds		Notes from		Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 1,005,000	\$ 305,081	\$ 321,629	\$ 15,136	\$ 2,305,000	\$ 492,607
2024	1,045,000	270,987	279,069	8,247	3,600,000	414,489
2025	1,080,000	239,981	74,377	2,050	3,185,000	315,891
2026	1,110,000	207,919	-	-	1,585,000	234,678
2027	1,145,000	180,050	-	-	1,640,000	176,322
2028-2032	4,280,000	576,259	-	-	5,435,000	335,989
2033-2036	2,255,000	171,600	-	-	550,000	5,500
	<u>\$ 11,920,000</u>	<u>\$ 1,951,877</u>	<u>\$ 675,075</u>	<u>\$ 25,433</u>	<u>\$ 18,300,000</u>	<u>\$ 1,975,476</u>

Debt Refunding

On December 21, 2021, the Water System issued \$6,770,000 Water System Revenue Refunding Bonds, Series 2021 with an average coupon of 4.00%. The Water System issued the bonds to refund total debt service of \$9,375,000 of the outstanding series Water Revenue Bonds Series 2006, Water Revenue Bonds Series 2008, and the Water Revenue Bonds Series 2012 with a true interest rate cost 4.00%. The Water System used the net proceeds along with other resources to purchase U.S. government securities. These securities were deposited in an irrevocable trust to provide for all future debt service on the refunded portion of the 2006, 2008, 2012 series bonds. As a result, that portion of 2006, 2008, 2012 series bonds are considered defeased, and the Water System has removed the liabilities from its accounts. The outstanding principal of the defeased bonds is \$9,375,000 at June 30, 2022.

The refunding reduced total debt service payments over the next 11 years by \$772,668. This results in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$211,375.

The current refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$211,375. The difference is reported in deferred inflows of resources in the accompanying Statement of Net Position and is being charged to operations through fiscal year 2026 using the straight-line method. Unamortized deferred cost of the Series 2021 Bonds totaled \$200,166 as of June 30, 2022.

NOTE 6 – CITY OF COLUMBIA GENERAL PENSION TRUST FUND

The City acts as Trustee for the City of Columbia General Pension Plan, the City of Columbia Other Postemployment Benefit (OPEB) Plan, and the Columbia Power and Water Other Postemployment Benefit (OPEB) Plan. The trust funds are combined and are included in the accompanying financial statements as Fiduciary Funds. The note disclosure relates to the City of Columbia General Pension Plan.

Trust Investments

Investment policy - It is the policy of the City of Columbia to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The following is the current asset allocation policy as of June 30, 2022:

Investment policies are adopted by City Ordinance and may be amended by future City Ordinances. The current City Ordinance No. 4047 adopted by City Council on December 10, 2015 allows First Farmers Bank Trust Department of Columbia, Tennessee to invest up to 60% of the Retirement Funds in Stock and/or Equities in the sole discretion of the Bank, provided timely notice of such investment or reinvestment shall be given to the Trustees of such Plan. Prior to the adoption of Ordinance No. 4047, the percentage rate was 55% of the Retirement Funds.

(Continued)

NOTE 6 – CITY OF COLUMBIA GENERAL PENSION TRUST FUND (Continued)

Policies pertaining to asset allocation - The Trustees may recommend changes in the investment percentage. The recommendation is forwarded to the City Manager for the City Council consideration by the adoption of an amended Ordinance.

Concentrations - The plan did not hold investments (other than those issued / guaranteed by US government) in any one organization that represents 5 percent or more of the pension plan's fiduciary net position.

Rate of return - For the year ended June 30, 2022, the annual money-weighted rate of return based on cash flows on pension plan investments, net of pension plan investment expense, was negative 10.94%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE 7 – RETIREMENT PLAN AND OTHER POSTEMPLOYMENT BENEFIT PLANS

City of Columbia General Pension Plan

Plan Description

Plan administration - All full-time employees of the City of Columbia hired after July 1, 1974 through June 30, 2012 were eligible to participate in the City of Columbia, Tennessee Employees Retirement Plan (the Plan). The Plan was closed to any employee hired after June 30, 2012. The Plan is a single employer defined benefit pension plan that is accounted for as a pension trust fund of the City. The assets of the Plan are held separately and are used only for the payment of benefits to the members of the Plan or their beneficiaries and other administrative expenses of the plan. The Plan is administered by the Plan Trustees and Retirement Committee. The Trustees consist of the Mayor, City Recorder, City Attorney, and Council Member and City Employee appointed by Council. The Retirement Committee consists of the Vice Mayor and four City Employees appointed by Council. The Plan does not issue a separate financial report.

Benefits provided - The Plan provides certain retirement, death, disability or termination of service prior to retirement benefits to plan members and their beneficiaries. Section 5.09 of the Plan document provides for cost-of-living adjustments (COLA). The City Council of the City of Columbia, Tennessee (the City Council) has the authority to establish and amend the benefit provisions of the plan by City Ordinance. There were no changes in plan benefits since the last actuarial valuation.

Plan membership - Pension plan membership as of June 30, 2021 the valuation date, consisted of the following:

Inactive plan participants:	
Retirees and beneficiaries currently receiving benefits	219
Terminated employees entitled to benefits	<u>13</u>
Total	<u><u>232</u></u>
Active plan participants:	
Vested	159
Nonvested	<u>-</u>
Total	<u><u>159</u></u>

Contributions - For the year ended June 30, 2021, Plan members were required to contribute 6.74% of their annual covered salary. The City is required to make contributions at an actuarial determined rate, which is adjusted, as necessary. The City's contribution rate for the year ended June 30, 2021 was 30.7%. The contribution requirements of the plan members and the City are established under provisions of the Plan document and may be amended by the City Council. The City has historically based the contribution rate on the prior year actuarial valuation.

(Continued)

NOTE 7 – RETIREMENT PLAN AND OTHER POSTEMPLOYMENT BENEFIT PLANS (Continued)

Net Pension Liability

Actuarial assumptions - The total pension liability was determined by an actuarial valuation as of June 30, 2021 using the following actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021:

Actuarial valuation	Entry age normal
Inflation	2.00 percent
Salary increases	3.50 percent
Rate of retirement	Same method as used for contribution determination
Cost-of-living adjustment	Annual increase is the lessor of (i) the annual change in the consumer price index not seasonally adjusted and (ii) 3.0 percent
Mortality rate	RP-2014 Blue Collar Mortality Table
Termination rates	50% of 2003 SOA Pension Plan Turnover Study
Asset valuation method	5-year smoothing method where the difference between the expected return and the actual is recognized over 5 years for the actuarially determined contribution. Fair value used for GASB 67 and 68 is based on quoted market prices
Amortization method	Level dollar amortization of unfunded liabilities for GASB 67 and 68. Investment gains are amortized over 5 years. Experience gains or losses are amortized over the average working lifetime of all participants. Plan amendments are recognized immediately. Changes in actuarial assumptions over the average working lifetime of all participants.

(Continued)

NOTE 7 – RETIREMENT PLAN AND OTHER POSTEMPLOYMENT BENEFIT PLANS (Continued)

City of Columbia General Pension Plan (Continued)

The investment rate of return was as of June 30, 2021 was 7.25% per annum. The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Discount rate - The discount rate used to measure the total pension liability was 7.25 percent.

Paragraph 43 of Statement No.67 provides for an alternative method to be used other than the projection of the pension plan’s fiduciary net position based on projected contributions, benefit payments and investment earnings. The annual recommended contribution is based on the Entry Age Normal Funding Method where the contributions is equal to the normal cost plus 30-year closed amortization of the unfunded liabilities. The City adopted a funding policy as required by recent State of Tennessee legislation. The funding policy states that the City will contribute at least the actuarially determined contribution as described in the funding policy. Based on actuarial theory if the actuarial experience is within reasonable expectations, and the City makes at least the actuarially determined contribution, the Plan’s fiduciary net position will remain positive.

The information below provides an aggregate view of these plans for the primary government:

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Net Position (b)</u>	<u>Net Pension Liability (a) – (b)</u>
Balances at 6/30/2020	\$ 79,400,125	\$ 50,083,784	\$ 29,316,341
Changes for the year:			
Service cost	1,036,352	-	1,036,352
Interest expense	5,651,663	-	5,651,663
Changes of benefit terms	-	-	-
Difference between expected and actual experience	(164,402)	-	(164,402)
Changes of assumptions	-	-	-
Contributions – city	-	2,810,309	(2,810,309)
Contributions – members	-	636,783	(636,783)
Expected investment income	-	3,571,688	(3,571,688)
Difference between expected and actual returns	-	8,463,313	(8,463,313)
Benefits paid	(4,965,014)	(4,965,014)	-
Plan administrative expenses	-	(120,324)	120,324
Other	-	-	-
Net changes	<u>1,558,599</u>	<u>10,396,755</u>	<u>(8,838,156)</u>
Balances at 6/30/2021	\$ <u>80,958,724</u>	\$ <u>60,480,539</u>	\$ <u>20,478,185</u>

The components of the net pension liability of the City on June 30, 2021 were as follows:

Total pension liability	\$ 80,958,724
Plan fiduciary net position	<u>(60,480,539)</u>
Net pension liability	<u>\$ 20,478,185</u>
Plan fiduciary net position as a percentage of the total pension liability	74.70%

(Continued)

NOTE 7 – RETIREMENT PLAN AND OTHER POSTEMPLOYMENT BENEFIT PLANS (Continued)

City of Columbia General Pension Plan (Continued)

Sensitivity of the net pension liability to changes in the discount rate - The following presents the sensitivity of the net pension liability of the Plan to changes in the discount rate. Analysis is calculated using the discount rate of 7.25 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease <u>(6.25%)</u>	Current Discount Rate <u>(7.25%)</u>	1% Increase <u>(8.25%)</u>
GPP net pension liability	\$ 29,838,198	\$ 20,478,185	\$ 12,631,743

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2022, the City recognized \$1,614,129 in pension expense, \$1,404,292 was recorded within the governmental activities and \$209,837 was recorded within the sewer fund.

Pension expense was determined as follows:

Deferred pension outflows	
Service cost	\$ 1,036,352
Interest	5,651,663
Contribution - members	(636,783)
Expected investment return	(3,571,688)
Recognition of deferred inflows/outflows of resources	
Recognition of economic/demographic gains (losses)	334,667
Recognition of investment gains(losses)	(1,340,053)
Recognition of assumption changes or inputs	19,647
Plan administrative expense	<u>120,324</u>
Pension expense	<u>\$ 1,614,129</u>

On June 30, 2022, deferred outflows of resources and deferred inflows of resources related to pensions are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 642,541	\$ 123,303
Net difference between projected and actual earnings on pension plan investments	-	5,472,360
Changes of assumptions	19,648	-
Contributions made subsequent to measurement date	<u>2,269,142</u>	<u>-</u>
Total	<u>\$ 2,931,331</u>	<u>\$ 5,595,663</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources, excluding deferred contributions, related to pensions will be recognized in pension expense as follows:

Year ended June 30,	
2022	\$ (852,630)
2023	(985,721)
2024	(1,402,454)
2025	(1,692,669)
Thereafter	<u>-</u>
	<u>\$ (4,933,474)</u>

(Continued)

NOTE 7 – RETIREMENT PLAN AND OTHER POSTEMPLOYMENT BENEFIT PLANS (Continued)

City of Columbia Other Postemployment Benefits Plan – Supplemental Health Care Plan

Plan Description

The City’s OPEB plan is a single-employer plan funded through an irrevocable trust that was established in 2009. City Ordinances provide for the City to pay qualified retiree health care insurance premiums from age 54 to age 65 (pre 65 benefits) and supplemental health care insurance for retirees who retire on or after July 1, 1989 and who are at least 65 years of age (post 65 benefits). The City Council has the authority to establish and amend benefit provisions of the Plan. The Plan does not issue a separate financial report.

Plan membership - OPEB plan membership for the 2021 fiscal year, consisted of the following:

Inactive members or their beneficiaries currently receiving benefits	172
Active members	<u>144</u>
Total	<u>316</u>

Contributions - The City contributes to the plan at an actuarially determined rate. The City’s contribution rate for the 2021 year was 5.3%. The contribution requirements of the City are established under provisions of GASB Statement 45. The ARC represents a level of funding that is projected to cover normal costs each year and to amortize any unfunded actuarial liabilities over a thirty-year closed period as a level percentage of payroll.

Annual OPEB Cost and Net OPEB Obligation

Annual Contributions - The annual required contribution for the current year was determined as part of the July 1, 2013 actuarial update using the entry age actuarial method. A method under which the actuarial value of the projected benefits of each individual included in the actuarial valuation is allocated on a level basis over the earnings of the individual between entry age and assumed exit age.

Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. These actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as supplementary information, provides multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Plan participation	100% of future eligible retirees are assumed to elect medical coverage upon retirement.
Dependent coverage	Spouses of retirees are not included in the valuation. Spouses are not covered beyond age 65. As a result, there no existing liability to the City for providing access to this coverage.

Investment policy - See the investment note disclosure that details the investments related to the OPEB Trust at Note 2.

(Continued)

NOTE 7 – RETIREMENT PLAN AND OTHER POSTEMPLOYMENT BENEFIT PLANS (Continued)

City of Columbia Other Postemployment Benefits Plan – Supplemental Health Care Plan (Continued)

Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Net Position (b)	Net OPEB Liability (a) – (b)
Balances at 6/30/2020	\$ 19,566,291	\$ 17,550,935	\$ 2,015,356
Changes for the year:			
Service cost	258,027	-	258,027
Interest expense	1,361,025	-	1,361,025
Changes of benefit terms	-	-	-
Difference between expected and actual experience	(2,212,054)	-	(2,212,054)
Changes of assumptions	463,043	-	463,043
Contributions – city	-	412,870	(412,870)
Contributions – members	-	-	-
Net investment income	-	4,004,417	(4,004,417)
Benefits paid	(762,194)	(762,194)	-
Plan administrative expenses	-	(21,011)	21,011
Other	-	(722,139)	722,139
Net changes	<u>(892,153)</u>	<u>2,911,943</u>	<u>(3,804,096)</u>
Balances at 6/30/2021	\$ 18,674,138	\$ 20,462,878	\$ (1,788,740)

The components of the net OPEB liability of the City on June 30, 2021 were as follows:

Total OPEB liability	\$ 18,674,138
Plan fiduciary net position	<u>(20,462,878)</u>
Net OPEB liability	<u>\$ (1,788,740)</u>

Plan fiduciary net position as a
percentage of the total OPEB liability 109.58%

Actuarial assumptions - The total OPEB liability was determined by an actuarial valuation as of June 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	3.5 percent
Investment rate of return	7.00 percent, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	Annual medical costs assumed to follow Getzen Medical Trend Model

Mortality rates were based on the RP-2014 Blue Collar Mortality Table for Males or Females, as appropriate.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period ending June 30, 2021.

Discount rate - 7.00% per annum for Statement No. 74 and 75, based on the expected long-term rate of return of the plan assets.

(Continued)

NOTE 7 – RETIREMENT PLAN AND OTHER POSTEMPLOYMENT BENEFIT PLANS (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

Sensitivity of Net OPEB Liability to Changes in the Healthcare Cost Trend Rate - The following represents the Net OPEB Liability calculated using the stated health care cost trend assumption, as well as what the OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage-point lower or 1-percentage point higher than the assumed trend rate:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Net OPEB liability	\$ <u>(3,501,179)</u>	\$ <u>(1,788,740)</u>	\$ <u>378,245</u>

Sensitivity of Net OPEB Liability to Changes in the Discount Rate - The following represents the Net OPEB liability calculated using the stated discount rate, as well as what the Net OPEB Liability would be if were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease (6%)</u>	<u>Discount Rate (7%)</u>	<u>1% Increase (8%)</u>
Net OPEB pension liability	\$ <u>739,085</u>	\$ <u>(1,788,740)</u>	\$ <u>(3,863,324)</u>

For the year ended June 30, 2022, the City recognized \$(336,107) in OPEB expense, \$302,496 was recorded within the governmental activities and \$33,611 was recorded within the sewer fund.

OPEB expense was determined as follows:

Service cost	\$ 258,027
Interest	1,361,025
Expected investment return	(1,216,339)
Recognition of deferred inflows/outflows of resources	
Recognition of economic/demographic gains (losses)	(649,509)
Recognition of investment gains(losses)	(335,845)
Recognition of assumption changes or inputs	225,523
Plan administrative expense	21,011
	<u>\$ (336,107)</u>

On June 30, 2022, deferred outflows of resources and deferred inflows of resources related to OPEB are as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 153,741	\$ 2,523,098
Changes of assumptions	1,034,392	-
Difference in earnings	-	1,652,751
Contributions made subsequent to measurement date	401,163	-
Total	<u>\$ 1,589,296</u>	<u>\$ 4,175,849</u>

(Continued)

NOTE 7 – RETIREMENT PLAN AND OTHER POSTEMPLOYMENT BENEFIT PLANS (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources, excluding deferred contributions, related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30,		
2023	\$	(760,304)
2024		(524,652)
2025		(601,522)
2026		(601,517)
2027		(249,858)
Thereafter		(249,863)
	\$	<u>(2,987,716)</u>

Columbia Power and Water Other Postemployment Benefits Plan

Plan Description

The Systems’ OPEB plan is a single-employer plan funded through an irrevocable trust that was established in 2009. The Plan does not issue a separate financial report.

The System’s annual OPEB cost (expense) is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 75. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize any unfunded actuarial liabilities (or funding excess) over a thirty-year period beginning July 1, 2008. The current rate is calculated using a percent of annual covered payroll.

The Systems contributed 100% of the required contribution for the Plan year. A schedule of employer contributions for the year is listed below:

<u>Year</u>	<u>Power System</u>	<u>Water System</u>	<u>Percentage Contributed</u>
2022	\$ -	\$ -	100%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the Plan and the annual required contributions of the Systems are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Projections of benefits are based on the substantive plan (the plan as understood but the Systems and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the Systems and the plan member to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the accrued value of assets. Significant methods and assumptions were as follows:

Actuarial valuation update	June 30, 2021
Actuarial cost method	Entry age normal
Amortization method	Level dollar amount
Remaining amortization period	20 years, closed

The actuarial assumptions included 5.0% long-term investment rate of return. The healthcare cost trend rate assumptions include an ultimate rate of 6.75% over 3 years to 6.25% grading uniformly to 5.75% over 2 years, and following the Getzen model thereafter until reaching an ultimate rate of 4.04% in the year 2075.

(Continued)

NOTE 7 – RETIREMENT PLAN AND OTHER POSTEMPLOYMENT BENEFIT PLANS (Continued)

Columbia Power and Water Other Postemployment Benefits Plan (Continued)

The ARC that resulted from the valuation ranges from \$82,224 to \$313,000, depending on the level of funding by the Systems. The over-funded accrued liability is estimated to be (\$1,131,245) for fiscal year 2022. The results of the valuation must be viewed as an estimate of the actual results that will occur in the future. In addition, certain assumptions have been made that will affect the results of the valuation.

Plan membership - OPEB plan membership as of June 30, 2021, consisted of the following:

Number of Participants:	
Actives (with medical coverage)	4
Retirees (with medical coverage)	37
Disables (with medical coverage)	-
Retiree Spouses (with medical coverage)	<u>22</u>
Total	<u><u>63</u></u>

Benefits provided - Eligibility is attained at age 55 with 30 years of service or attained at age 65. 100% of future eligible retirees are assumed to elect medical coverage upon retirement. It is assumed that these are the eligibility requirements for postretirement medical, life and disability benefits.

Spouses and beneficiaries are provided the same coverage as employees. A spouse is considered as having his or her own individual policy for the purposes of this plan.

Columbia Power & Water Systems provides a life insurance benefit to each eligible employee at retirement. The life insurance benefit is prorated by age as follows:

Age	Face Amount
69 or earlier	\$ 10,000
Between 70 & 74	\$ 6,500
75 or later	\$ 4,420

Investment policy - See the investment note disclosure that details the investments related to the OPEB Trust at Note 2.

Net OPEB (Asset) Liability

The components of the net OPEB (asset) liability of the City on June 30, 2022 were as follows:

Total OPEB liability	\$ 3,138,000
Plan fiduciary net position	<u>(4,269,245)</u>
Net OPEB (asset) liability	<u><u>\$ (1,131,245)</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability	136.05%

Actuarial assumptions - The total OPEB (asset) liability was determined by an actuarial valuation as of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	0.00 percent, average, including inflation
Investment rate of return	5.0 percent, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	6.25 percent graded uniformly to 5.75 percent over two years, then following the Getzen model thereafter to an ultimate rate of 4.04 percent in 2075

Mortality rates were based on the RP-2014 Mortality Table for Males or Females, as appropriate, with generational mortality improvement to current year under Projection Scale MP-2020.

(Continued)

NOTE 7 – RETIREMENT PLAN AND OTHER POSTEMPLOYMENT BENEFIT PLANS (Continued)

Columbia Power and Water Other Postemployment Benefits Plan (Continued)

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period ending June 30, 2021.

Discount rate - The discount rate used to measure the total OPEB liability was 5.0 percent. The projection of cash flows used to determine the discount rate assumed that the Systems' contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to the total OPEB liability.

Sensitivity of Net OPEB Liability to Changes in the Healthcare Cost Trend Rate - The following represents the Net OPEB Liability calculated using the stated health care cost trend assumption, as well as what the OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage-point lower or 1-percentage point higher than the assumed trend rate:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Net OPEB pension (asset) liability	\$ (1,402,564)	\$ (1,131,245)	\$ (813,056)

Sensitivity of Net OPEB Liability to Changes in the Discount Rate - The following represents the Net OPEB liability calculated using the stated discount rate, as well as what the Net OPEB Liability would be if were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease (4%)</u>	<u>Discount Rate (5%)</u>	<u>1% Increase (6%)</u>
Net OPEB pension (asset) liability	\$ (806,146)	\$ (1,131,245)	\$ (1,405,432)

Net OPEB Liability

	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability (a)</u>	<u>Plan Net Position (b)</u>	<u>Net OPEB Liability (a) – (b)</u>
Balances at 6/30/2021	\$ 3,244,977	\$ 3,703,091	\$ (458,114)
Changes for the year:			
Service cost	3,502	-	3,502
Interest expense	155,874	-	155,874
Changes of benefit terms	-	-	-
Difference between expected and actual experience	(135,362)	-	(135,362)
Changes of assumptions	-	-	-
Contributions – city	-	82,224	(82,224)
Contributions – members	-	-	-
Net investment income	-	634,162	(634,162)
Benefits paid	(130,991)	(130,991)	-
Plan administrative expenses	-	(19,241)	19,241
Other	-	-	-
Net changes	<u>(106,977)</u>	<u>566,154</u>	<u>(673,131)</u>
Balances at 6/30/2022	\$ 3,138,000	\$ 4,269,245	\$ (1,131,245)

(Continued)

NOTE 7 – RETIREMENT PLAN AND OTHER POSTEMPLOYMENT BENEFIT PLANS (Continued)

Columbia Power and Water Other Postemployment Benefits Plan (Continued)

For the year ended June 30, 2022, the Systems recognized OPEB expense of \$(348,691). On June 30, 2022, deferred outflows of resources and deferred inflows of resources related to OPEB are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings	\$ -	\$ 967,679
Changes of assumptions	-	218,652
Difference between expected and actual experience	-	368,588
Contributions made subsequent to measurement date	-	-
Total	<u>\$ -</u>	<u>\$ 1,554,919</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources, excluding deferred contributions, related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30,	
2022	\$ (330,976)
2023	(331,150)
2024	(328,124)
2025	(327,406)
2026	(237,263)
Thereafter	-
	<u>\$ (1,554,919)</u>

The aggregate OPEB expense for both the City and the Systems was \$(684,798).

NOTE 8 – OTHER DEFERRED COMPENSATION AND DEFINED CONTRIBUTION PLANS

City (exclusive of Columbia Power & Water) Plans

The City offers all employees an IRC 457 deferred compensation plan. The 457 Plan is funded exclusively by employee contributions and permits employees to defer a portion of their salary until future years. The assets of the 457 Plan are held in trust by ICMA-RC for the exclusive benefit of the participants (employees) and their beneficiaries and may not be diverted to any other use. ICMA-RC acts as agent of the City to provide direction to participants for the investment of the funds held in their account, transfer of assets and all other matter. In accordance with the provisions of GASB Statement 32, plan balances and activities are not reflected in the City's financial statements.

(Continued)

NOTE 8 – OTHER DEFERRED COMPENSATION AND DEFINED CONTRIBUTION PLANS (Continued)

City (exclusive of Columbia Power & Water) Plans (Continued)

Effective July 1, 2012, the City began offering its full-time employees both a single employer IRC 401(a) defined contribution plan and a single employer IRC 457 deferred compensation plan. Plan investments are held in trust by ICMA-TC. In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. Full-time employees hired on or after July 1, 2012 are required to participate in the Plan upon hire. Contributions to the employees' account and related earnings become vested after 5 years of service. Employees who are vested and terminate employment are also eligible for a deposit of 50% of the value of their sick leave balances to the Plan. Forfeitures resulting employees who leave employment prior to being fully vested reduce the City's current period contribution requirements. Full-time employees hired on or after July 1, 2012 must contribute 4% of their salary with equal match by the City. Employees may also contribute an additional percentage of their salary to the 457 Plan with a match of up to 2% by the City made to the 401(a) Plan.

<u>Year</u>	<u>Total Payroll</u>	<u>Covered Payroll</u>	<u>Employees Contributions</u>	<u>Percent Covered Payroll</u>	<u>Employer Contributions</u>	<u>Percent Covered Payroll</u>
2022	\$ 19,739,824	\$ 9,430,156	\$ 377,206	4.00%	\$ 477,498	5.06%

All full-time employees who meet eligibility requirements and so elect can participate in the City of Columbia Board of Public Utilities 401(k) Retirement Plan, (the "Plan"), a single-employer contributory defined contribution plan. The City of Columbia Board of Public Utilities administers the plan and has the authority to establish and amend the plan documents, as necessary. In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. Employees are eligible to participate at a minimum age of 21 years, following one year of service.

The Plan requires minimum employee and employer contributions of 4% and 8%, respectively, of the employee's base salary. Employees may elect to make additional contributions, which are not matched by the Systems. The Systems' contributions for each employee (together with interest earnings on such contributions) are allocated to the employee's account, 20% vested after 1 year and fully vested after 5 years of service. Forfeitures, resulting from employees who leave employment prior to being fully vested in the Plan, are used to reduce the Systems' current period contribution requirements.

	<u>Year</u>	<u>Total Payroll</u>	<u>Covered Payroll</u>	<u>Employees Contributions</u>	<u>Percent Covered Payroll</u>	<u>Employer Contributions</u>	<u>Percent Covered Payroll</u>
Power	2022	\$ 7,458,256	\$ 6,577,393	\$ 664,628	10.10%	\$ 526,191	8.00%
Water	2022	3,854,694	3,351,054	333,470	10.00%	268,084	8.00%

NOTE 9 – INTERFUND RECEIVABLES AND PAYABLES

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Sewer System Fund	Water System Fund	\$ 754,083
Water System Fund	Power System Fund	2,279,359
Power System Fund	Water System Fund	47,609
Sanitation Fund	Power System Fund	317,056
Sanitation Fund	Sewer System Fund	4,560
Sewer System Fund	General Fund	43,879
General Fund	Sanitation Fund	21,079
		<u>\$ 3,467,625</u>

(Continued)

NOTE 9 – INTERFUND RECEIVABLES AND PAYABLES (Continued)

The interfund balances resulted from the time lag between the dates that (1) 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.

As of June 30, 2022, the City of Columbia had an interfund receivable of \$683,260 that was due from Columbia Power and Water Systems (CPWS). The related interfund payable of \$683,260 was not included on CPWS's financials because of a timing difference. CPWS had paid the balance before June 30, 2022 and the City of Columbia did not receive payment until after year-end.

NOTE 10 – INTERFUND TRANSFERS

	Transfers In:				
	General Fund	Capital Projects	Sanitation	Nonmajor Governmental	Total
Transfers out:					
General Fund	\$ -	\$ 2,897,869	\$ -	\$ 1,519,150	\$ 4,417,019
Water Fund	142,333	-	-	-	142,333
Power Fund	1,247,288	-	-	-	1,247,288
Sewer Fund	381,357	-	-	-	381,357
Sanitation Fund	-	-	-	125,489	125,489
Nonmajor Governmental	-	75,000	-	-	75,000
Total	<u>\$ 1,770,978</u>	<u>\$ 2,972,869</u>	<u>\$ -</u>	<u>\$ 1,644,639</u>	<u>\$ 6,388,486</u>

All interfund transfers are eliminated for reporting purposes. For the purpose of interfund transfers, see Note 1.

NOTE 11 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; medical benefits; certain retiree medical benefits; unemployment compensation; injuries to employees; errors and omissions; and natural disasters. Such risks will be addressed as follows:

The City (Excluding Columbia Power System and Columbia Water System)

The City established the self-insured medical insurance fund (an internal service fund) to provide for the funding for risks associated with the employee's health insurance plan. Under the plan, the City retains the risk of loss up to a limit of \$125,000 per employee. The City has obtained stop/loss commercial insurance to cover claims beyond this limit. All full-time employees are eligible to participate in the plan. A premium charge based upon actuarial estimates of amounts needed to pay prior and current employees. Liabilities of the fund are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonable estimated. The fund establishes claims liabilities based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported. The process used to compute claim liabilities does not necessarily result in an exact amount. For the government-wide financials statements the activity and assets and liabilities of the fund have been allocated to the participating funds. Changes in the balances of claims liabilities during the year are as follows within the Internal Service Fund:

	2022	2021
Unpaid claims, beginning of year	\$ 185,995	\$ 220,784
Incurred claims, including IBNRs/reduction in estimated liabilities	3,722,590	4,295,186
Claim payments	<u>(3,815,126)</u>	<u>(4,329,975)</u>
Unpaid claims, end of year	<u>\$ 93,459</u>	<u>\$ 185,995</u>

All unpaid claims are estimated to be paid within one year.

(Continued)

NOTE 11 – RISK MANAGEMENT (Continued)

The City continues to carry commercial insurance for all other risks of loss through the Tennessee Municipal League Risk Management Pool. The TML Pool is a cooperative risk sharing arrangement between local government agencies that works in many ways like a traditional insurer. The City meets the TML Pool's guidelines and complies with its rules and regulations, including loss control requirements as well as its underwriting standards. Rates of the TML Pool are actuarially projected to provide adequate funding to cover loss reserves and expenses, as well as building contingency reserves. The City has also purchased commercial insurance for the surety bonds for principal management officials. Management believes insurance coverage is sufficient to preclude any significant uninsured losses to the City. Settled claims have not exceeded this insurance coverage in any of the past three years.

NOTE 12 – TAX ABATEMENTS

The City of Columbia currently offers Commercial and Industrial Development. Pursuant to Tennessee Code Annotated (TCA) 7-53-305, the Industrial Development Board (IDB) of the City of Columbia are allowed to own property within the city. The city may delegate the authority to the IDB to negotiate and accept payments in lieu of ad valorem taxes from the corporation's lessees, provided that such payments are deemed to be in furtherance of the corporation's public purposes. Every PILOT has to be for business operations, which are defined as a project under TCA 7-53-101 (13). The IDB is allowed by state law to be exempt from taxation and to lease property as a method of security so that PILOT payments may be accepted by cities and counties.

Economic Development

The City utilizes two programs to promote economic development and growth, in particular, commercial and industrial projects that involve a significant capital investment and the generation of new jobs with wages in excess of the annual average wage in the City of Columbia.

Commercial and Industrial Development

This program offers tax abatements for a specified period in exchange for benefits received by the city due to an increase in real and personal property investments, as well as the creation of jobs. Application is made to the Chamber of Commerce, with approval by the Industrial Development Board (IDB) and City Council. To be eligible for a tax reduction, you must either relocate into the city or expand business within the city. Qualified businesses will be eligible for abatement of all or a portion of property taxes dependent on the dollar amount of the investment and the number and average wage of jobs created. There are provisions for recapturing abated taxes if certain terms of the agreement are not met.

NOTE 13 – COMMITMENTS AND CONTINGENCIES

Electric Power Contract

The Power System has a contract to purchase all electrical power from the Tennessee Valley Authority (TVA). This contract requires at least five years prior written notice for termination by either party.

Contingencies

The City are parties to various lawsuits and claims in the ordinary course of their operations. Management believes that the potential adverse impact of these proceedings would not be material to the basic financial statements of the City.

On June 30, 2022, standby letters of credit of approximately \$8,294,460 had been issued under agreements expiring through July 31, 2023 related to governmental activities. The letters are maintained as security for performance of certain developments in the City. Additionally, the City has issued \$1,294,200 in surety bonds related to performance of certain developments in the City. The surety bonds are refundable to the developers upon satisfaction of the performance requirements.

On June 30, 2022, standby letters of credit of approximately \$5,153,183 had been issued under agreements expiring through April 13, 2023 related to Wastewater. The letters are maintained as security for performance of certain developments in the City. Additionally, the City has issued \$563,864 in surety bonds related to performance of certain developments in the City. The surety bonds are refundable to the developers upon satisfaction of the performance requirements.

NOTE 14 – SEGMENT INFORMATION

The Power System consists of an electric utility division and a broadband division both of which provide service to customers located generally in the Maury County, TN area. The System has outstanding electric system revenue bonds and broadband telecommunications network revenue and tax bonds. Accordingly, summary financial information for the electric utility division and the broadband division is presented as follows (eliminating entries between the divisions have been excluded):

CONDENSED STATEMENT OF NET POSITION

	<u>Electric</u>	<u>Broadband</u>
Assets and Deferred Outflows		
Utility plant	\$ 66,891,272	\$ 6,267,238
Current assets	46,250,472	3,666,510
Deferred changes and other assets	<u>1,629,951</u>	<u>42,097</u>
Total assets	<u>114,771,695</u>	<u>9,975,845</u>
Liabilities and Deferred Inflows		
Current liabilities	17,532,187	544,062
Current liabilities payable from restricted assets	4,253,329	1,021,481
Long-term debt	1,701,451	2,187,360
Other noncurrent liabilities and deferred items	<u>1,078,349</u>	<u>805,027</u>
Total liabilities	<u>24,565,316</u>	<u>4,557,930</u>
Net position		
Net investment in capital assets	\$ 66,891,272	\$ 3,263,908
Restricted		
Debt service	757,934	684,134
Unrestricted	<u>22,557,173</u>	<u>1,469,873</u>
Total net position	<u>90,206,379</u>	<u>5,417,915</u>
Total liabilities and net position	<u>\$ 114,771,695</u>	<u>\$ 9,975,845</u>

CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	<u>Electric</u>	<u>Broadband</u>
Operating revenue	\$ 79,631,979	\$ 9,287,866
Other operating expense	<u>(73,056,991)</u>	<u>(7,484,281)</u>
Operating income	6,574,988	1,803,585
Nonoperating income (expense)	13,130	(47,519)
Transfers out – payment in lieu of taxes	(1,609,404)	-
Capital contributions – utility plant	<u>515,817</u>	<u>38,027</u>
Change in net position	<u>5,494,531</u>	<u>1,794,093</u>
Net position, beginning, as previously reported	<u>84,711,848</u>	<u>3,623,822</u>
Net position, end of year	<u>\$ 90,206,379</u>	<u>\$ 5,417,915</u>

CONDENSED STATEMENT OF CASH FLOWS

	<u>Electric</u>	<u>Broadband</u>
Net cash provided (used) by:		
Operating activities	\$ 13,181,000	\$ 2,530,128
Noncapital financing activities	(867)	-
Capital and related financing activities	(8,164,425)	(1,870,965)
Investing activities	<u>16,812</u>	<u>448</u>
Net increase (decrease)	5,032,520	659,611
Beginning cash and cash equivalents	<u>26,155,962</u>	<u>1,647,609</u>
Ending cash and cash equivalents	<u>\$ 31,188,482</u>	<u>\$ 2,307,220</u>

NOTE 15 – JOINT VENTURE

The Maury County Emergency Communication District (E911) is operated under a consolidation agreement between Maury County and the City of Columbia. The City has no equity interest in the Communications District and is committed to sharing operating expenses with the County. The joint venture is not a part of the reporting entity. Financial statements for E911 as of June 30, 2022 have not been prepared. Therefore, condensed financial information for E911 as of June 30, 2021, the latest financial statement date, is as follows:

STATEMENT OF NET POSITION

Assets and deferred outflows:

Current assets	\$ 786,734
Other assets	853,850
Deferred outflows	<u>126,069</u>
Total assets and deferred outflows	<u>\$ 1,766,653</u>

Liabilities, deferred inflows, and net position:

Current liabilities	\$ 109,426
Long-term debt	2,670
Deferred inflows	58,101
Net position	<u>1,596,456</u>
Total liabilities, deferred inflows, and net position	<u>\$ 1,766,653</u>

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Total operating revenues	\$ 1,574,098
Total operating expenses	<u>(1,755,118)</u>
Loss from operations	(181,020)
Non-operating revenues (expenses)	<u>413,901</u>
Net income	<u>\$ 232,881</u>

Complete financial statements can be obtained from: 2907 Cayce Lane, Columbia TN 38401

NOTE 16 – PRIOR PERIOD ADJUSTMENT

During the year ended June 30, 2022, the City discovered accounts payable that was related to unidentifiable outstanding claims. As such, a prior period adjustment has been recorded on the internal service fund and government-wide financial statements to reflect the write-off of accounts payable. The effect on the financial statements resulted in an increase in the fund balance for the internal service fund by \$141,096 and a decrease in accounts payable by this amount. The effect on the government-wide financial statements resulted in an increase in the Net Position by \$141,096 and a decrease in accounts payable by this amount.

NOTE 17 – PENSION AND OTHER POSTEMPLOYMENT BENEFITS TRUST

The individual pension and postemployment benefit plans (OPEB) are presented as follows:

COMBINING STATEMENT OF PENSION/OPEB TRUST NET PENSION:

	<u>General Pension</u>	<u>General OPEB</u>	<u>Water and Power OPEB</u>	<u>Total</u>
Assets				
Cash and cash equivalents	\$ 870,030	\$ 76,518	\$ 38,711	\$ 985,259
Interest receivable	68,066	30,316	7,131	105,513
Investments, fair value				
Fixed income funds	20,431,142	7,330,203	-	27,761,345
Equity securities	30,157,760	10,330,190	-	40,487,950
CPWS investments	-	-	3,648,576	3,648,576
	<u>\$ 51,526,998</u>	<u>\$ 17,767,227</u>	<u>\$ 3,694,418</u>	<u>\$ 72,988,643</u>
Net position				
Restricted for pension	\$ 51,526,998	\$ -	\$ -	\$ 51,526,998
Restricted for OPEB	-	17,767,227	3,694,418	21,461,645
	<u>\$ 51,526,998</u>	<u>\$ 17,767,227</u>	<u>\$ 3,694,418</u>	<u>\$ 72,988,643</u>

COMBINING STATEMENT OF CHANGES IN NET POSITION:

	<u>General Pension</u>	<u>General OPEB</u>	<u>Water and Power OPEB</u>	<u>Total</u>
Additions:				
Employer contributions	\$ 2,269,142	\$ 372,368	\$ -	\$ 2,641,510
Plan member contributions	<u>574,315</u>	<u>-</u>	<u>-</u>	<u>574,315</u>
	2,843,457	372,368	-	3,215,825
Investment income (loss)	<u>(6,477,908)</u>	<u>(2,195,650)</u>	<u>(421,640)</u>	<u>(9,095,198)</u>
Total additions (deductions)	(3,634,451)	(1,823,282)	(421,640)	(5,879,373)
Deductions:				
Benefits paid	5,187,686	830,793	132,147	6,150,626
Administrative expenses	<u>131,404</u>	<u>41,576</u>	<u>21,040</u>	<u>194,020</u>
Total deductions	5,319,090	872,369	153,187	6,344,646
Change in net position	(8,953,541)	(2,695,651)	(574,827)	(12,224,019)
Net position, beginning	<u>60,480,539</u>	<u>20,462,878</u>	<u>4,269,245</u>	<u>85,212,662</u>
Net position, ending	<u>\$ 51,526,998</u>	<u>\$ 17,767,227</u>	<u>\$ 3,694,418</u>	<u>\$ 72,988,643</u>

NOTE 18 – SUBSEQUENT EVENTS

Management has evaluated events and transactions subsequent to the balance sheet date through the date of the auditor’s report (the date the financial statements were available to be issued) for potential recognition or disclosure in the financial statements. Management has not identified any events that require disclosure.

Required Supplementary Information



Required Supplementary Information

Pension and OPEB Trust Funds

CITY OF COLUMBIA, TENNESSEE

SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND
RELATED RATIOS

PENSION TRUST FUND - GENERAL

Last 10 Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability									
Service cost	\$ 935,471	\$ 1,036,352	\$ 1,183,972	\$ 1,246,632	\$ 1,032,682	\$ 1,300,152	\$ 1,305,399	\$ 1,348,687	\$ 1,340,715
Interest	5,749,276	5,651,663	5,443,486	5,276,330	5,061,754	4,969,545	4,809,559	4,465,773	4,421,469
Changes of assumptions	-	-	-	-	-	-	-	-	-
Difference between expected and actual experience	496,582	(164,402)	1,182,543	205,077	820,889	(881,814)	(297,253)	243,872	268,892
Changes in assumptions	-	-	-	78,589	-	-	-	-	-
Benefit payments, including refund of member contributions	(5,187,686)	(4,965,014)	(4,616,949)	(4,259,768)	(4,079,451)	(3,617,682)	(3,593,835)	(3,352,270)	(3,103,879)
Net change in total pension liability	1,993,643	1,558,599	3,193,052	2,546,860	2,835,874	1,770,201	2,223,870	2,706,062	2,927,197
Total pension liability - beginning	80,958,724	79,400,125	76,207,073	73,660,213	70,824,339	69,054,138	66,830,268	64,124,206	61,197,009
Total pension liability - ending (a)	\$ 82,952,367	\$ 80,958,724	\$ 79,400,125	\$ 76,207,073	\$ 73,660,213	\$ 70,824,339	\$ 69,054,138	\$ 66,830,268	\$ 64,124,206
Plan fiduciary net position									
Contributions - employer	\$ 2,269,142	\$ 2,810,309	\$ 2,888,438	\$ 2,986,755	\$ 2,273,739	\$ 2,698,206	\$ 2,823,351	\$ 2,872,307	\$ 2,406,530
Contributions - employee	574,315	636,783	766,595	841,025	632,022	857,827	862,500	905,788	950,763
Net investment income	(6,477,908)	12,035,001	1,877,902	2,786,749	2,934,539	3,829,501	1,698,472	1,265,225	4,584,810
Benefit payments, including refund of member contributions	(5,187,686)	(4,965,014)	(4,616,949)	(4,259,768)	(4,079,451)	(3,617,682)	(3,593,835)	(3,352,270)	(3,103,879)
Administrative expense	(131,404)	(120,324)	(128,821)	(126,454)	(87,026)	(109,330)	(107,824)	(136,774)	(156,393)
Other	-	-	-	-	-	-	59,550	-	-
Net change in plan fiduciary net position	(8,953,541)	10,396,755	787,165	2,228,307	1,673,823	3,658,522	1,742,214	1,554,276	4,681,831
Plan fiduciary net position - beginning	60,480,539	50,083,784	49,296,619	47,068,312	45,394,489	41,735,967	39,993,753	38,439,477	33,757,646
Plan fiduciary net position - ending (b)	\$ 51,526,998	\$ 60,480,539	\$ 50,083,784	\$ 49,296,619	\$ 47,068,312	\$ 45,394,489	\$ 41,735,967	\$ 39,993,753	\$ 38,439,477
Net pension liability - ending (a) - (b)	\$ 31,425,369	\$ 20,478,185	\$ 29,316,341	\$ 26,910,454	\$ 26,591,901	\$ 25,429,850	\$ 27,318,171	\$ 26,836,515	\$ 25,684,729
Plan fiduciary net position as a percentage of the total pension liability	62.12%	74.71%	63.08%	64.69%	63.90%	64.09%	60.44%	59.84%	59.95%
Covered payroll	\$ 8,383,675	\$ 9,161,864	\$ 9,865,847	\$ 10,388,055	\$ 10,918,022	\$ 11,453,088	\$ 12,556,875	\$ 12,977,297	\$ 12,578,334
Net pension liability as a percentage of covered payroll	374.84%	223.52%	297.15%	259.05%	243.56%	222.03%	217.56%	206.80%	204.20%

Notes to Schedule:

Benefit changes. None

Changes in assumptions. None.

This schedule will present 10 years as information is available.

CITY OF COLUMBIA, TENNESSEE

SCHEDULE OF CHANGES IN THE CITY'S NET OPEB LIABILITY AND RELATED RATIOS
CITY OF COLUMBIA OPEB TRUST FUND - GENERAL
Last 10 Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability						
Service cost	\$ 276,089	\$ 258,027	\$ 348,164	\$ 325,387	\$ 239,407	\$ 223,223
Interest	1,298,105	1,361,025	1,303,944	1,213,936	1,156,375	1,197,754
Changes of assumptions	-	463,043	-	1,115,620	-	-
Difference between expected and actual experience	-	(2,212,054)	-	(684,948)	-	(1,413,903)
Benefit payments, including refund of member contributions	(811,737)	(762,194)	(730,852)	(683,039)	(635,881)	(592,896)
Net change in total OPEB liability	<u>762,457</u>	<u>(892,153)</u>	<u>921,256</u>	<u>1,286,956</u>	<u>759,901</u>	<u>(585,822)</u>
Total OPEB liability - beginning	<u>18,674,138</u>	<u>19,566,291</u>	<u>18,645,035</u>	<u>17,358,079</u>	<u>16,598,178</u>	<u>17,184,000</u>
Total OPEB liability - ending (a)	<u>\$ 19,436,595</u>	<u>\$ 18,674,138</u>	<u>\$ 19,566,291</u>	<u>\$ 18,645,035</u>	<u>\$ 17,358,079</u>	<u>\$ 16,598,178</u>
Plan fiduciary net position						
Contributions - employer	\$ -	\$ 412,870	\$ 519,985	\$ 545,294	\$ 289,413	\$ 557,241
Contributions - employee	-	-	-	-	-	-
Net investment income	1,404,471	4,004,417	1,155,206	944,729	1,051,585	1,273,068
Benefit payments, including refund of member contributions	(811,737)	(762,194)	(730,852)	(683,039)	(635,881)	(592,896)
Administrative expense	(21,011)	(21,011)	-	(19,739)	-	(20,898)
Other	-	(722,139)	-	(78,723)	-	-
Net change in plan fiduciary net position	<u>571,723</u>	<u>2,911,943</u>	<u>944,339</u>	<u>708,522</u>	<u>705,117</u>	<u>1,216,515</u>
Plan fiduciary net position - beginning	<u>20,462,878</u>	<u>17,550,935</u>	<u>16,606,596</u>	<u>15,898,074</u>	<u>15,192,957</u>	<u>13,976,442</u>
Plan fiduciary net position - ending (b)	<u>\$ 21,034,601</u>	<u>\$ 20,462,878</u>	<u>\$ 17,550,935</u>	<u>\$ 16,606,596</u>	<u>\$ 15,898,074</u>	<u>\$ 15,192,957</u>
Net OPEB liability - ending (a) - (b)	<u>\$ (1,598,006)</u>	<u>\$ (1,788,740)</u>	<u>\$ 2,015,356</u>	<u>\$ 2,038,439</u>	<u>\$ 1,460,005</u>	<u>\$ 1,405,221</u>
Plan fiduciary net position as a percentage of the total OPEB liability	108.22%	109.58%	89.70%	89.07%	91.59%	91.53%
Covered payroll	\$ 7,993,368	\$ 7,723,061	\$ 8,745,679	\$ 8,449,931	\$ 10,436,721	\$ 10,083,788
Net OPEB liability as a percentage of covered payroll	-19.99%	-23.16%	23.04%	24.12%	13.99%	13.94%

Notes to Schedule:

Benefit changes. None

Changes in assumptions. None.

This schedule will present 10 years as information is available.

CITY OF COLUMBIA, TENNESSEE

**SCHEDULE OF CHANGES IN THE CITY'S NET OPEB LIABILITY AND
RELATED RATIOS
COLUMBIA POWER AND WATER OPEB TRUST FUND
Last 10 Fiscal Years**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability					
Service cost	\$ 3,502	\$ 5,181	\$ 4,934	\$ 4,622	\$ 13,473
Interest	155,874	226,091	230,271	306,110	304,550
Changes of assumptions	-	(306,114)	-	274,954	-
Difference between expected and actual experience	(135,362)	(1,196,829)	(182,207)	(1,948,792)	(134,752)
Benefit payments, including refund of member contributions	(130,991)	(136,829)	(153,996)	(143,221)	(152,576)
Net change in total OPEB liability	<u>(106,977)</u>	<u>(1,408,500)</u>	<u>(100,998)</u>	<u>(1,506,327)</u>	<u>30,695</u>
Total OPEB liability - beginning	<u>3,244,977</u>	<u>4,653,477</u>	<u>4,754,475</u>	<u>6,260,802</u>	<u>6,230,107</u>
Total OPEB liability - ending (a)	<u>\$ 3,138,000</u>	<u>\$ 3,244,977</u>	<u>\$ 4,653,477</u>	<u>\$ 4,754,475</u>	<u>\$ 6,260,802</u>
Plan fiduciary net position					
Contributions - employer	\$ 82,224	\$ 118,749	\$ 256,693	\$ 267,517	\$ 312,711
Contributions - employee	-	-	-	-	-
Net investment income	634,164	180,640	181,813	153,299	201,936
Benefit payments, including refund of member contributions	(130,991)	(136,828)	(153,996)	(143,221)	(152,576)
Administrative expense	(19,241)	(18,145)	(17,328)	(15,832)	(12,918)
Other	-	-	-	-	-
Net change in plan fiduciary net position	<u>566,156</u>	<u>144,416</u>	<u>267,182</u>	<u>261,763</u>	<u>349,153</u>
Plan fiduciary net position - beginning	<u>3,703,091</u>	<u>3,558,675</u>	<u>3,291,493</u>	<u>3,029,730</u>	<u>2,680,577</u>
Plan fiduciary net position - ending (b)	<u>\$ 4,269,247</u>	<u>\$ 3,703,091</u>	<u>\$ 3,558,675</u>	<u>\$ 3,291,493</u>	<u>\$ 3,029,730</u>
Net OPEB liability - ending (a) - (b)	<u>\$ (1,131,247)</u>	<u>\$ (458,114)</u>	<u>\$ 1,094,802</u>	<u>\$ 1,462,982</u>	<u>\$ 3,231,072</u>
Plan fiduciary net position as a percentage of the total OPEB liability	136.05%	114.12%	76.47%	69.23%	48.39%
Covered payroll	\$ 440,525	\$ 440,525	\$ 512,807	\$ 512,807	\$ 1,007,268
Net OPEB liability as a percentage of covered payroll	-256.80%	-103.99%	213.49%	285.29%	320.78%

Notes to Schedule:

Benefit changes. None

Changes in assumptions. None.

This schedule will present 10 years as information is available.

CITY OF COLUMBIA, TENNESSEE

SCHEDULE OF CITY CONTRIBUTIONS

PENSION TRUST FUND - GENERAL

Last 10 Fiscal Years

	2022*	2021	2020*	2019*	2018*	2017*	2016	2015	2014
Actuarially determined contribution	\$ 2,981,730	\$ 2,810,308	\$ 2,694,555	\$ 2,638,164	\$ 2,756,360	\$ 2,756,118	\$ 2,793,112	\$ 2,620,609	\$ 2,406,530
Contributions in relation to the actuarially determined contribution	2,981,730	2,810,309	2,694,567	2,640,093	2,756,360	2,756,118	2,823,351	2,872,307	2,406,530
Contribution deficiency (excess)	\$ -	\$ (1)	\$ (12)	\$ (1,929)	\$ -	\$ -	\$ (30,239)	\$ (251,698)	\$ -
Covered payroll	\$ 8,383,675	\$ 9,161,864	\$ 9,865,847	\$ 10,388,055	\$ 10,918,022	\$ 11,453,088	\$ 12,556,875	\$ 12,977,297	\$ 12,578,334
Contributions as a percentage of covered payroll	35.57%	30.67%	27.31%	25.41%	25.25%	24.06%	22.48%	22.13%	19.13%

Notes to Schedule:

See notes to the financial statements for valuation, methods, and assumptions information.

This schedule will present 10 years as information is available.

** Including contribution receivables*

CITY OF COLUMBIA, TENNESSEE

**SCHEDULE OF CITY CONTRIBUTIONS
CITY OF COLUMBIA OPEB TRUST FUND - GENERAL
Last 10 Fiscal Years**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially determined contribution	\$ -	\$ 419,679	\$ 519,985	\$ 522,597	\$ 289,413	\$ 340,379
Contributions in relation to the actuarially determined contribution	-	412,870	519,985	545,294	289,413	557,241
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ 6,809</u>	<u>\$ -</u>	<u>\$ (22,697)</u>	<u>\$ -</u>	<u>\$ (216,862)</u>
Covered payroll	\$ 7,993,368	\$ 7,723,061	\$ 8,745,679	\$ 8,449,931	\$ 10,436,721	\$ 10,083,788
Contributions as a percentage of covered payroll	0.00%	5.35%	5.95%	6.45%	2.77%	5.53%

Notes to Schedule:

See notes to the financial statements for valuation, methods, and assumptions information.

This schedule will present 10 years as information is available.

CITY OF COLUMBIA, TENNESSEE

**SCHEDULE OF CITY CONTRIBUTIONS
COLUMBIA POWER AND WATER OPEB TRUST FUND
Last 10 Fiscal Years**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially determined contribution	\$ 6,852	\$ 82,224	\$ 96,455	\$ 267,517	\$ 267,517	\$ 312,711
Contributions in relation to the actuarially determined contribution	6,852	82,224	118,749	256,693	267,517	312,711
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (22,294)</u>	<u>\$ 10,824</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 440,525	\$ 440,525	\$ 440,525	\$ 512,807	\$ 512,807	\$ 1,007,268
Contributions as a percentage of covered payroll	1.56%	18.67%	26.96%	50.06%	52.17%	31.05%

Note to Schedule:

This schedule will present 10 years as information is available.

CITY OF COLUMBIA, TENNESSEE

SCHEDULE OF INVESTMENT RETURNS - OPEB TRUST FUND

Last 10 Fiscal Years

OPEB TRUST FUND - GENERAL

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expense									
City of Columbia Pension Trust Fund - General	-10.94%	24.59%	4.39%	5.95%	6.54%	9.21%	4.30%	3.30%	13.61%
City of Columbia OPEB Trust Fund - General	7.00%	24.03%	7.00%	6.00%	7.00%	9.12%	N/A	N/A	N/A
Columbia Power and Water Systems OPEB Trust Fund	-10.37%	14.47%	4.07%	5.46%	4.99%	7.35%	N/A	N/A	N/A

Notes to Schedule:

This schedule will present 10 years as information is available.

Required Supplementary Information

City Pension and OPEB Plans

CITY OF COLUMBIA, TENNESSEE

**SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND
RELATED RATIOS
GENERAL PENSION PLAN
Last 10 Fiscal Years**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability								
Service cost	\$ 1,036,352	\$ 1,183,972	\$ 1,246,632	\$ 1,032,682	\$ 1,300,152	\$ 1,305,399	\$ 1,348,687	\$ 1,340,715
Interest	5,651,663	5,443,486	5,276,330	5,061,754	4,969,545	4,809,559	4,465,773	4,421,469
Changes of assumptions	-	-	78,589	-	-	-	-	-
Difference between expected and actual experience	(164,402)	1,182,543	205,077	820,889	(881,814)	(297,253)	243,872	268,892
Benefit payments, including refund of member contributions	(4,965,014)	(4,616,949)	(4,259,768)	(4,079,451)	(3,617,682)	(3,593,835)	(3,352,270)	(3,103,879)
Net change in total pension liability	<u>1,558,599</u>	<u>3,193,052</u>	<u>2,546,860</u>	<u>2,835,874</u>	<u>1,770,201</u>	<u>2,223,870</u>	<u>2,706,062</u>	<u>2,927,197</u>
Total pension liability - beginning	<u>79,400,125</u>	<u>76,207,073</u>	<u>73,660,213</u>	<u>70,824,339</u>	<u>69,054,138</u>	<u>66,830,268</u>	<u>64,124,206</u>	<u>61,197,009</u>
Total pension liability - ending (a)	<u>\$ 80,958,724</u>	<u>\$ 79,400,125</u>	<u>\$ 76,207,073</u>	<u>\$ 73,660,213</u>	<u>\$ 70,824,339</u>	<u>\$ 69,054,138</u>	<u>\$ 66,830,268</u>	<u>\$ 64,124,206</u>
Plan fiduciary net position								
Contributions - employer	\$ 2,810,309	\$ 2,888,438	\$ 2,986,755	\$ 2,273,739	\$ 2,698,206	\$ 2,823,351	\$ 2,872,307	\$ 2,406,530
Contributions - employee	636,783	766,595	841,025	632,022	857,827	862,500	905,788	950,763
Net investment income	12,035,001	1,877,902	2,786,749	2,934,539	3,829,501	1,698,472	1,265,225	4,584,810
Benefit payments, including refund of member contributions	(4,965,014)	(4,616,949)	(4,259,768)	(4,079,451)	(3,617,682)	(3,593,835)	(3,352,270)	(3,103,879)
Administrative expense	(120,324)	(128,821)	(126,454)	(87,026)	(109,330)	(107,824)	(136,774)	(156,393)
Other	-	-	-	-	-	59,550	-	-
Net change in plan fiduciary net position	<u>10,396,755</u>	<u>787,165</u>	<u>2,228,307</u>	<u>1,673,823</u>	<u>3,658,522</u>	<u>1,742,214</u>	<u>1,554,276</u>	<u>4,681,831</u>
Plan fiduciary net position - beginning	<u>50,083,784</u>	<u>49,296,619</u>	<u>47,068,312</u>	<u>45,394,489</u>	<u>41,735,967</u>	<u>39,993,753</u>	<u>38,439,477</u>	<u>33,757,646</u>
Plan fiduciary net position - ending (b)	<u>\$ 60,480,539</u>	<u>\$ 50,083,784</u>	<u>\$ 49,296,619</u>	<u>\$ 47,068,312</u>	<u>\$ 45,394,489</u>	<u>\$ 41,735,967</u>	<u>\$ 39,993,753</u>	<u>\$ 38,439,477</u>
Net pension liability - ending (a) - (b)	<u>\$ 20,478,185</u>	<u>\$ 29,316,341</u>	<u>\$ 26,910,454</u>	<u>\$ 26,591,901</u>	<u>\$ 25,429,850</u>	<u>\$ 27,318,171</u>	<u>\$ 26,836,515</u>	<u>\$ 25,684,729</u>
Plan fiduciary net position as a percentage of the total pension liability	74.71%	63.08%	64.69%	63.90%	64.09%	60.44%	59.84%	59.95%
Covered payroll	\$ 9,161,864	\$ 9,865,847	\$ 10,388,055	\$ 10,918,022	\$ 11,453,088	\$ 12,556,875	\$ 12,977,297	\$ 12,578,334
Net pension liability as a percentage of covered payroll	223.52%	297.15%	259.05%	243.56%	222.03%	217.56%	206.80%	204.20%

Notes to Schedule:

Benefit changes. None

Changes in assumptions. None.

This schedule will present 10 years as information is available.

CITY OF COLUMBIA, TENNESSEE

**SCHEDULE OF CITY CONTRIBUTIONS
GENERAL PENSION PLAN
Last 10 Fiscal Years**

	2022	2021	2020**	2019**	2018**	2017**	2016	2015	2014
Actuarially determined contribution	\$ 2,981,730	\$ 2,810,308	\$ 2,694,555	\$ 2,638,164	\$ 2,756,360	\$ 2,756,118	\$ 2,793,112	\$ 2,620,609	\$ 2,406,530
Contributions in relation to the actuarially determined contribution	2,981,730	2,810,309	2,694,567	2,640,093	2,756,360	2,756,118	2,823,351	2,872,307	2,406,530
Contribution deficiency (excess)	\$ -	\$ (1)	\$ (12)	\$ (1,929)	\$ -	\$ -	\$ (30,239)	\$ (251,698)	\$ -
Covered payroll	\$ 8,383,675	\$ 9,161,864	\$ 9,865,847	\$10,388,055	\$10,918,022	\$11,453,088	\$12,556,875	\$12,977,297	\$12,578,334
Contributions as a percentage of covered payroll	35.57%	30.67%	27.31%	25.41%	25.25%	24.06%	22.48%	22.13%	19.13%

Notes to Schedule:

See notes to the financial statements for valuation, methods, and assumptions information.

This schedule will present 10 years as information is available.

*** Including contribution receivables*

Combining Financial Statements



CITY OF COLUMBIA, TENNESSEE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

June 30, 2022

	Special Revenue Funds				Debt Service Fund	Total Nonmajor Governmental Funds
	State Street Aid Fund	Drug Fund	Streets and Transportation Fund	Industrial Development Board		
ASSETS						
Cash and cash equivalents	\$ 1,754,280	\$ 284,438	\$ 21,076	\$ 5,176,370	\$ 229,390	\$ 7,465,554
Due from other governments	252,608	-	12,734	462,300	-	727,642
Prepaid items	-	700	-	-	-	700
Total assets	<u>\$ 2,006,888</u>	<u>\$ 285,138</u>	<u>\$ 33,810</u>	<u>\$ 5,638,670</u>	<u>\$ 229,390</u>	<u>\$ 8,193,896</u>
LIABILITIES						
Accounts payable	\$ 45,844	\$ 1,852	\$ -	\$ 449,777	\$ -	\$ 497,473
Deferred revenue	-	-	-	3,165,000	-	3,165,000
Total liabilities	<u>45,844</u>	<u>1,852</u>	<u>-</u>	<u>3,614,777</u>	<u>-</u>	<u>3,662,473</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - other	-	41,920	-	-	-	41,920
Total deferred inflows of resources	<u>-</u>	<u>41,920</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,920</u>
FUND BALANCES						
Nonspendable:						
Prepaid items	-	700	-	-	-	700
Restricted for:						
Roads and streets	1,961,044	-	33,810	-	-	1,994,854
Public safety	-	240,666	-	-	-	240,666
Industrial Development Board	-	-	-	2,023,893	-	2,023,893
Debt service	-	-	-	-	229,390	229,390
Total fund balances	<u>1,961,044</u>	<u>241,366</u>	<u>33,810</u>	<u>2,023,893</u>	<u>229,390</u>	<u>4,489,503</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,006,888</u>	<u>\$ 285,138</u>	<u>\$ 33,810</u>	<u>\$ 5,638,670</u>	<u>\$ 229,390</u>	<u>\$ 8,193,896</u>

CITY OF COLUMBIA, TENNESSEE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2022

	Special Revenue Funds				Debt Service Fund	Total Nonmajor Governmental Funds
	State Street Aid Fund	Drug Fund	Streets and Transportation Fund	Industrial Development Board		
REVENUES						
Intergovernmental:						
Gasoline tax - State of Tennessee	\$ 1,438,092	\$ -	\$ 75,792	\$ -	\$ -	\$ 1,513,884
Fines and fees	-	62,167	-	-	-	62,167
TVA InvestPrep Grant	-	-	-	2,299,777	-	2,299,777
Contributions	-	-	-	46,628	-	46,628
Miscellaneous:						
Interest income	4,175	1,137	143	8,051	3,787	17,293
Other	10	-	-	-	-	10
Total revenues	<u>1,442,277</u>	<u>63,304</u>	<u>75,935</u>	<u>2,354,456</u>	<u>3,787</u>	<u>3,939,759</u>
EXPENDITURES						
Current:						
Public works	290,085	-	65,100	-	-	355,185
Public safety	-	41,908	-	-	-	41,908
Professional services	-	-	-	1,709,313	-	1,709,313
Debt service:						
Principal retirements	-	-	-	-	1,284,750	1,284,750
Interest and fiscal charges	-	-	-	-	360,714	360,714
Total expenditures	<u>290,085</u>	<u>41,908</u>	<u>65,100</u>	<u>1,709,313</u>	<u>1,645,464</u>	<u>3,751,870</u>
Excess (deficiency) of revenues over (under) expenditures	1,152,192	21,396	10,835	645,143	(1,641,677)	187,889
OTHER FINANCING SOURCES						
Transfers in	-	-	-	-	1,644,639	1,644,639
Transfers out	(75,000)	-	-	-	-	(75,000)
Total other financing sources (uses)	<u>(75,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,644,639</u>	<u>1,569,639</u>
Net change in fund balances	1,077,192	21,396	10,835	645,143	2,962	1,757,528
FUND BALANCE, beginning	<u>883,852</u>	<u>219,970</u>	<u>22,975</u>	<u>1,378,750</u>	<u>226,428</u>	<u>2,731,975</u>
FUND BALANCE, ending	<u>\$ 1,961,044</u>	<u>\$ 241,366</u>	<u>\$ 33,810</u>	<u>\$ 2,023,893</u>	<u>\$ 229,390</u>	<u>\$ 4,489,503</u>

Budgetary and Other Schedules



CITY OF COLUMBIA, TENNESSEE

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
GENERAL FUND**

Year Ended June 30, 2022

	Budget Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes				
Real and personal property taxes	\$ 11,840,000	\$ 11,840,000	\$ 12,658,223	\$ 818,223
Local sales taxes	13,120,000	13,120,000	17,516,135	4,396,135
Business taxes	1,445,000	1,445,000	2,368,975	923,975
Local beer and liquor taxes	1,304,500	1,304,500	1,822,165	517,665
Tax equivalent payments	33,917	33,917	38,163	4,246
Other taxes	329,750	329,750	670,804	341,054
Total taxes	<u>28,073,167</u>	<u>28,073,167</u>	<u>35,074,465</u>	<u>7,001,298</u>
Licenses and permits				
Privilege licenses	1,028,800	1,078,800	2,604,458	1,525,658
Total licenses and permits	<u>1,028,800</u>	<u>1,078,800</u>	<u>2,604,458</u>	<u>1,525,658</u>
Intergovernmental				
State shared revenues	3,822,298	4,225,860	6,297,324	2,071,464
State and federal grants	-	7,000	61,233	54,233
Total intergovernmental	<u>3,822,298</u>	<u>4,232,860</u>	<u>6,358,557</u>	<u>2,125,697</u>
Charges for services				
Administrative charge - Sewer Fund	215,000	215,000	236,038	21,038
Other	62,000	140,686	179,575	38,889
Total charges for services	<u>277,000</u>	<u>355,686</u>	<u>415,613</u>	<u>59,927</u>
Fines and forfeits				
City court fines and fees	216,000	216,000	164,270	(51,730)
Total fines and forfeits	<u>216,000</u>	<u>216,000</u>	<u>164,270</u>	<u>(51,730)</u>

(Continued)

CITY OF COLUMBIA, TENNESSEE

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
GENERAL FUND**

Year Ended June 30, 2022

	Budget Amounts		Actual	Variance with Final Budget
	Original	Final		
(Continued)				
Miscellaneous				
Insurance recoveries	\$ -	\$ -	\$ 75,481	\$ 75,481
Interest	300,000	300,000	(398,266)	(698,266)
Rent	8,000	8,000	12,175	4,175
Contributions	-	9,337	15,437	6,100
Other	68,000	68,000	199,711	131,711
Total miscellaneous	<u>376,000</u>	<u>385,337</u>	<u>(95,462)</u>	<u>(480,799)</u>
 Total revenues	 <u>33,793,265</u>	 <u>34,341,850</u>	 <u>44,521,901</u>	 <u>10,180,051</u>
 EXPENDITURES				
General government:				
Council, Attorney, and Court:				
Salaries	48,048	48,048	46,200	1,848
FICA and employee benefits	31,768	31,768	43,381	(11,613)
Services	113,350	113,350	58,680	54,670
Supplies and materials	7,000	7,000	674	6,326
Special appropriations	245,500	250,500	228,800	21,700
	<u>445,666</u>	<u>450,666</u>	<u>377,735</u>	<u>72,931</u>
City Managers Office:				
Salaries	350,366	351,464	340,733	10,731
FICA and employee benefits	113,905	113,954	109,284	4,670
Services	178,788	178,788	22,756	156,032
Supplies and materials	3,100	3,100	1,037	2,063
	<u>646,159</u>	<u>647,306</u>	<u>473,810</u>	<u>173,496</u>

(Continued)

CITY OF COLUMBIA, TENNESSEE

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
GENERAL FUND**

Year Ended June 30, 2022

	Budget Amounts		Actual	Variance with Final Budget
	Original	Final		
(Continued)				
Management Information Systems:				
Salaries	\$ 275,494	\$ 276,244	\$ 240,459	\$ 35,785
FICA and employee benefits	97,650	97,700	98,053	(353)
Services	220,950	220,950	77,080	143,870
Supplies and materials	613,900	613,900	502,981	110,919
	<u>1,207,994</u>	<u>1,208,794</u>	<u>918,573</u>	<u>290,221</u>
Finance:				
Salaries	361,679	362,529	333,717	28,812
FICA and employee benefits	92,747	92,797	88,495	4,302
Services	21,700	21,700	6,408	15,292
Supplies and materials	7,360	7,360	3,621	3,739
	<u>483,486</u>	<u>484,386</u>	<u>432,241</u>	<u>52,145</u>
City Recorder:				
Salaries	348,620	350,095	323,580	26,515
FICA and employee benefits	126,517	126,592	132,579	(5,987)
Services	26,350	26,350	3,163	23,187
Supplies and materials	4,988	4,988	1,716	3,272
	<u>506,475</u>	<u>508,025</u>	<u>461,038</u>	<u>46,987</u>
Personnel:				
Salaries	203,320	203,807	201,155	2,652
FICA and employee benefits	72,059	72,097	64,920	7,177
Services	24,900	24,900	20,747	4,153
Supplies and materials	1,800	1,800	3,623	(1,823)
	<u>302,079</u>	<u>302,604</u>	<u>290,445</u>	<u>12,159</u>
Other:				
Salaries	348,954	348,954	288,772	60,182
FICA and employee benefits	1,133,507	1,133,507	1,126,372	7,135
Services	3,528,900	5,546,784	2,310,078	3,236,706
Supplies and materials	1,386,000	1,766,726	862,493	904,233
	<u>6,397,361</u>	<u>8,795,971</u>	<u>4,587,715</u>	<u>4,208,256</u>
Total general government	<u>9,989,220</u>	<u>12,397,752</u>	<u>7,541,557</u>	<u>4,856,195</u>

(Continued)

CITY OF COLUMBIA, TENNESSEE

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
GENERAL FUND**

Year Ended June 30, 2022

	Budget Amounts		Actual	Variance with Final Budget
	Original	Final		
(Continued)				
Department of Public Safety:				
Police:				
Salaries	\$ 6,228,016	\$ 6,204,679	\$ 5,631,218	\$ 573,461
FICA and employee benefits	2,238,272	2,226,620	2,225,596	1,024
Services	823,015	852,654	744,444	108,210
Supplies and materials	1,322,034	2,162,205	1,307,254	854,951
	<u>10,611,337</u>	<u>11,446,158</u>	<u>9,908,512</u>	<u>1,537,646</u>
Fire:				
Salaries	5,506,023	5,419,009	5,172,942	246,067
FICA and employee benefits	2,001,966	2,003,166	1,955,441	47,725
Services	390,169	394,704	392,013	2,691
Supplies and materials	606,317	919,761	515,534	404,227
	<u>8,504,475</u>	<u>8,736,640</u>	<u>8,035,930</u>	<u>700,710</u>
Total department of public safety	<u>19,115,812</u>	<u>20,182,798</u>	<u>17,944,442</u>	<u>2,238,356</u>
Department of public works:				
Streets and Maintenance:				
Salaries	1,997,969	2,007,766	1,839,664	168,102
FICA and employee benefits	815,667	816,164	770,576	45,588
Services	382,625	497,168	212,790	284,378
Supplies and materials	1,074,230	1,144,010	1,190,482	(46,472)
	<u>4,270,491</u>	<u>4,465,108</u>	<u>4,013,512</u>	<u>451,596</u>
Total department of public works	<u>4,270,491</u>	<u>4,465,108</u>	<u>4,013,512</u>	<u>451,596</u>
Development services:				
Salaries	1,090,646	1,094,969	1,024,760	70,209
FICA and employee benefits	428,799	429,023	399,708	29,315
Services	237,700	387,106	258,293	128,813
Supplies and materials	28,420	28,420	21,687	6,733
	<u>1,785,565</u>	<u>1,939,518</u>	<u>1,704,448</u>	<u>235,070</u>
Total development services	<u>1,785,565</u>	<u>1,939,518</u>	<u>1,704,448</u>	<u>235,070</u>

(Continued)

CITY OF COLUMBIA, TENNESSEE

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
GENERAL FUND**

Year Ended June 30, 2022

	Budget Amounts		Actual	Variance with Final Budget
	Original	Final		
(Continued)				
Department of parks and recreation:				
Parks and Recreation:				
Salaries	\$ 1,324,664	\$ 1,340,433	\$ 1,201,997	\$ 138,436
FICA and employee benefits	436,378	451,400	402,818	48,582
Services	426,933	538,142	518,539	19,603
Supplies and materials	<u>423,867</u>	<u>589,540</u>	<u>635,103</u>	<u>(45,563)</u>
Total department of parks and recreation	<u>2,611,842</u>	<u>2,919,515</u>	<u>2,758,457</u>	<u>161,058</u>
 Total expenditures	<u>37,772,930</u>	<u>41,904,691</u>	<u>33,962,416</u>	<u>7,942,275</u>
 Excess (deficiency) of revenues over (under) expenditures	<u>(3,979,665)</u>	<u>(7,562,841)</u>	<u>10,559,485</u>	<u>18,122,326</u>
 OTHER FINANCING SOURCES (USES)				
Transfers in	1,814,000	1,814,000	1,770,978	(43,022)
Transfers out	<u>(3,136,397)</u>	<u>(4,417,019)</u>	<u>(4,417,019)</u>	<u>-</u>
	<u>(1,322,397)</u>	<u>(2,603,019)</u>	<u>(2,646,041)</u>	<u>(43,022)</u>
 NET CHANGE IN FUND BALANCES	<u>\$ (5,302,062)</u>	<u>\$ (10,165,860)</u>	7,913,444	<u>\$ 18,079,304</u>
 FUND BALANCE, beginning			<u>35,553,556</u>	
 FUND BALANCE, ending			<u>\$ 43,467,000</u>	

CITY OF COLUMBIA, TENNESSEE

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
STATE STREET AID FUND**

Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental				
Gasoline and motor fuel tax	\$ 719,000	\$ 719,000	\$ 853,560	\$ 134,560
Gasoline 3 cent	178,000	178,000	212,738	34,738
Tennessee gas tax	250,000	250,000	371,794	121,794
Miscellaneous	10,000	10,000	4,185	(5,815)
Total revenues	<u>1,157,000</u>	<u>1,157,000</u>	<u>1,442,277</u>	<u>285,277</u>
EXPENDITURES				
Public works				
Services	946,835	990,676	229,527	761,149
Supplies	135,165	414,634	60,558	354,076
Total expenditures	<u>1,082,000</u>	<u>1,405,310</u>	<u>290,085</u>	<u>1,115,225</u>
OTHER FINANCING USES				
Transfers out	<u>(75,000)</u>	<u>(75,000)</u>	<u>(75,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (323,310)</u>	1,077,192	<u>\$ 1,400,502</u>
FUND BALANCE, beginning			<u>883,852</u>	
FUND BALANCE, ending			<u>\$ 1,961,044</u>	

CITY OF COLUMBIA, TENNESSEE

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
DRUG FUND**

Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Fines and fees				
Drug fines, confiscated property	\$ 105,000	\$ 105,000	\$ 62,167	\$ (42,833)
Miscellaneous				
Interest	2,000	2,000	1,137	(863)
Other	-	-	-	-
Total revenues	<u>107,000</u>	<u>107,000</u>	<u>63,304</u>	<u>(43,696)</u>
EXPENDITURES				
Public safety				
Services	106,013	106,013	29,775	76,238
Supplies	<u>74,140</u>	<u>74,140</u>	<u>12,133</u>	<u>62,007</u>
Total expenditures	<u>180,153</u>	<u>180,153</u>	<u>41,908</u>	<u>138,245</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ (73,153)</u>	<u>\$ (73,153)</u>	21,396	<u>\$ 94,549</u>
FUND BALANCE, beginning			<u>219,970</u>	
FUND BALANCE, ending			<u>\$ 241,366</u>	

CITY OF COLUMBIA, TENNESSEE

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
STREET AND TRANSPORTATION FUND**

Year Ended June 30, 2022

	Budget Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental				
Gasoline tax	\$ 65,000	\$ 65,000	\$ 75,792	\$ 10,792
Miscellaneous	100	100	143	43
Total revenues	<u>65,100</u>	<u>65,100</u>	<u>75,935</u>	<u>10,835</u>
EXPENDITURES				
Public works				
Services	<u>65,100</u>	<u>65,100</u>	<u>65,100</u>	<u>-</u>
Total expenditures	<u>65,100</u>	<u>65,100</u>	<u>65,100</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	10,835	<u>\$ 10,835</u>
FUND BALANCE, beginning			<u>22,975</u>	
FUND BALANCE, ending			<u>\$ 33,810</u>	

CITY OF COLUMBIA, TENNESSEE

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
INDUSTRIAL DEVELOPMENT BOARD**

Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Grant revenue	\$ 505,000	\$ 2,605,000	\$ 2,299,777	\$ (305,223)
Contributions	-	-	46,628	46,628
Miscellaneous				
Interest	-	-	8,051	8,051
Other	-	3,165,000	-	(3,165,000)
Total revenues	<u>505,000</u>	<u>5,770,000</u>	<u>2,354,456</u>	<u>(3,415,544)</u>
EXPENDITURES				
Professional services	<u>1,014,565</u>	<u>6,279,565</u>	<u>1,709,313</u>	<u>4,570,252</u>
Total expenditures	<u>1,014,565</u>	<u>6,279,565</u>	<u>1,709,313</u>	<u>4,570,252</u>
Net change in fund balance	<u>\$ (509,565)</u>	<u>\$ (509,565)</u>	645,143	<u>\$ 1,154,708</u>
FUND BALANCE, beginning			<u>1,378,750</u>	
FUND BALANCE, ending			<u>\$ 2,023,893</u>	

CITY OF COLUMBIA, TENNESSEE

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
DEBT SERVICE FUND**

Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Miscellaneous	\$ 11,050	\$ 11,050	\$ 3,787	\$ (7,263)
Total revenues	<u>11,050</u>	<u>11,050</u>	<u>3,787</u>	<u>(7,263)</u>
EXPENDITURES				
Debt Service				
Principal retirements	1,285,292	1,285,292	1,284,750	542
Interest and fiscal charges	<u>360,397</u>	<u>360,397</u>	<u>360,714</u>	<u>(317)</u>
Total expenditures	<u>1,645,689</u>	<u>1,645,689</u>	<u>1,645,464</u>	<u>225</u>
Excess (deficiency) of revenues over (under) expenditures	(1,634,639)	(1,634,639)	(1,641,677)	(7,038)
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>1,644,639</u>	<u>1,644,639</u>	<u>1,644,639</u>	<u>-</u>
Total other financing sources	<u>1,644,639</u>	<u>1,644,639</u>	<u>1,644,639</u>	<u>-</u>
Net change in fund balance	<u>\$ 10,000</u>	<u>\$ 10,000</u>	2,962	<u>\$ (7,038)</u>
FUND BALANCE, beginning			<u>226,428</u>	
FUND BALANCE, ending			<u>\$ 229,390</u>	

CITY OF COLUMBIA, TENNESSEE

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
CAPITAL PROJECT FUND**

Year Ended June 30, 2022

	Budget Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental				
Federal and state grants	\$ 800,000	\$ 2,741,064	\$ 556,260	\$ (2,184,804)
Miscellaneous				
Interest and other	15,000	15,000	967,591	952,591
Prior year revenue	791,821	3,879,821	-	(3,879,821)
Total revenues	<u>1,606,821</u>	<u>6,635,885</u>	<u>1,523,851</u>	<u>(5,112,034)</u>
EXPENDITURES				
Capital outlay	<u>3,547,247</u>	<u>7,616,921</u>	<u>1,913,766</u>	<u>5,703,155</u>
Total expenditures	<u>3,547,247</u>	<u>7,616,921</u>	<u>1,913,766</u>	<u>5,703,155</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,940,426)</u>	<u>(981,036)</u>	<u>(389,915)</u>	<u>591,121</u>
OTHER FINANCING SOURCES				
Transfer in	<u>1,692,247</u>	<u>2,972,869</u>	<u>2,972,869</u>	<u>-</u>
Total other financing sources	<u>1,692,247</u>	<u>2,972,869</u>	<u>2,972,869</u>	<u>-</u>
Net change in fund balance	<u>\$ (248,179)</u>	<u>\$ 1,991,833</u>	<u>2,582,954</u>	<u>\$ 591,121</u>
FUND BALANCE, beginning			<u>1,740,343</u>	
FUND BALANCE, ending			<u>\$ 4,323,297</u>	

Financial Schedules



CITY OF COLUMBIA, TENNESSEE

SCHEDULE OF CHANGES IN PROPERTY TAX RECEIVABLES

Year Ended June 30, 2022

<u>Tax Year</u>	<u>Balance June 30, 2021</u>	<u>Current Year Tax Levy</u>	<u>Taxes Collected</u>	<u>Tax Adjustments</u>	<u>Balance June 30, 2022</u>
2021	\$ -	\$ 12,500,116	\$ (12,242,770)	\$ 52,235	\$ 309,581
2020	343,142	-	(306,105)	3,158	40,195
2019	74,594	-	(54,831)	(60)	19,703
2018	16,997	-	(1,267)	-	15,730
2017	19,159	-	(1,921)	-	17,238
2016	8,765	-	(342)	-	8,423
2015	7,166	-	(301)	-	6,865
2014	5,882	-	(163)	-	5,719
2013	6,350	-	-	-	6,350
2012	3,900	-	(95)	-	3,805
2011	8,381	-	(104)	-	8,277
2010	15,379	-	-	(15,379)	-
2009	11,309	-	-	(11,309)	-
2008	<u>4,241</u>	<u>-</u>	<u>-</u>	<u>(3,981)</u>	<u>260</u>
	<u>\$ 525,265</u>	<u>\$ 12,500,116</u>	<u>\$ (12,607,899)</u>	<u>\$ 24,664</u>	442,146
		Estimated property tax 2021-2022 tax levy			<u>12,500,116</u>
		Total property tax receivable			12,942,262
		Less allowance for doubtful accounts			<u>(56,937)</u>
		Total property tax receivable, net			<u>\$ 12,885,325</u>

Note: All uncollected delinquent taxes have been filed in accordance with applicable laws.

City of Columbia, Tennessee
Schedule of Changes in Long-Term Debt by Individual Issue
June 30, 2022

Description of Indebtedness	Original Amount of issue	Interest Rate	Date of Issue	Final Maturity Date	Outstanding 7/1/2021	Issued During Period	Paid and/or Matured During Period	Refunded During Period	Outstanding 6/30/2022
Governmental Activities									
<u>NOTES PAYABLE</u>									
<u>Payable through Debt Service Fund</u>									
Public Safety equip/improv capital outlay, Series 2014	\$ 1,900,000	2.00%	7/14/2014	5/31/2024	\$ 609,173	\$ -	\$ 198,974	\$ -	\$ 410,199
Sanitation Equipment Capital outlay, Series 2017	\$ 235,000	1.72%	11/1/2017	11/1/2022	96,463	-	47,808	-	48,655
Sanitation Equipment Capital outlay, Series 2019	\$ 350,000	2.73%	9/1/2019	9/1/2024	283,789	-	67,568	-	216,221
Rural Economic Development loan	\$ 1,000,000	0.00%	7/9/2021	N/A	-	1,000,000	1,000,000	-	-
Total Notes Payable through Debt Service Fund					989,425	1,000,000	1,314,350	-	675,075
<u>BONDS PAYABLE</u>									
<u>Payable through Debt Service Fund</u>									
General Obligation refunding, Series 2016	\$ 1,400,000	3.00 - 4.00%	1/15/2016	12/1/2029	990,000	-	130,000	-	860,000
General Obligation public improvement, Series 2017	\$ 8,970,000	3.00%	2/3/2017	6/1/2036	7,425,000	-	415,000	-	7,010,000
General Obligation refunding, Series 2019	\$ 4,875,000	2.00 - 4.00%	9/6/2019	12/1/2029	4,475,000	-	425,000	-	4,050,000
Total Bonds Payable through Debt Service Fund					12,890,000	-	970,000	-	11,920,000
Total Governmental Activities					\$ 13,879,425	\$ 1,000,000	\$ 2,284,350	\$ -	\$ 12,595,075
Business-Type Activities									
<u>BONDS PAYABLE</u>									
<u>Payable through Sewer Fund</u>									
Sewer rev and tax, Series 2011	\$ 7,000,000	3.00 - 4.00%	7/13/2011	12/1/2031	\$ 335,000	\$ -	\$ 335,000	\$ -	\$ -
General Obligation, Series 2015	\$ 4,000,000	1.39%	12/17/2015	12/1/2021	210,000	-	210,000	-	-
General Obligation, Series 2016	\$ 6,135,000	2.25%	1/15/2016	9/1/2033	5,175,000	-	705,000	-	4,470,000
General Obligation, Series 2020	\$ 4,195,000	1.05 - 2.00%	12/18/2020	6/30/2032	4,195,000	-	35,000	-	4,160,000
Total Payable Sewer Fund					9,915,000	-	1,285,000	-	8,630,000
<u>Payable through Power System Fund</u>									
Broadband rev and tax, Series 2014/2015	\$ 9,100,000	1.79%	12/19/2014	3/1/2025	3,830,000	-	930,000	-	2,900,000
Total Payable Power System Fund					3,830,000	-	930,000	-	2,900,000
<u>Payable through Water System Fund</u>									
Revenue Bonds, Series 2006	\$ 5,855,000	4.00%	6/1/2007	6/1/2027	2,345,000	-	-	2,345,000	-
Revenue Bonds, Series 2008	\$ 4,500,000	4.00 - 5.13%	6/1/2009	12/1/2023	1,465,000	-	-	1,465,000	-
Revenue Bonds, Series 2012	\$ 10,000,000	2.00 - 5.00%	6/1/2012	6/1/2033	6,830,000	-	-	6,830,000	-
Revenue Bonds, Series 2021	\$ 6,770,000	2.00 - 5.00%	12/21/2021	12/1/1933	-	6,770,000	-	-	6,770,000
Total Payable Water System Fund					10,640,000	6,770,000	-	10,640,000	-
Total Bonds Payable Business-Type					24,385,000	6,770,000	2,215,000	10,640,000	11,530,000
Total Business-Type Activities					\$ 24,385,000	\$ 6,770,000	\$ 2,215,000	\$ 10,640,000	\$ 11,530,000

CITY OF COLUMBIA, TENNESSEE

SCHEDULE OF DEBT SERVICE REQUIREMENTS
GOVERNMENTAL OBLIGATION DEBT

JUNE 30, 2022

Year Ending June 30,	Sanitation Equipment Capital Outlay Note - 2017		General Obligation Refunding & Improvement Bonds - 2016 - General Fund		Public Safety Improvement/Equipment Capital Outlay Note - 2014		General Obligation Bonds - 2017		General Obligation Bonds - 2019		Equipment Capital Outlay Note 2019		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 48,655	\$ 848	\$ 135,000	\$ 17,831	\$ 203,020	\$ 8,317	\$ 430,000	\$ 177,150	\$ 440,000	\$ 110,100	\$ 69,954	\$ 5,971	\$ 1,326,629	\$ 320,217
2024	-	-	140,000	14,737	207,179	4,212	440,000	164,250	465,000	92,000	71,890	4,035	1,324,069	279,234
2025	-	-	145,000	11,531	-	-	450,000	155,450	485,000	73,000	74,377	2,050	1,154,377	242,031
2026	-	-	145,000	8,269	-	-	460,000	146,450	505,000	53,200	-	-	1,110,000	207,919
2027	-	-	150,000	4,950	-	-	470,000	137,250	525,000	37,850	-	-	1,145,000	180,050
2028	-	-	145,000	1,631	-	-	480,000	127,850	530,000	27,300	-	-	1,155,000	156,781
2029	-	-	-	-	-	-	490,000	117,050	545,000	16,550	-	-	1,035,000	133,600
2030	-	-	-	-	-	-	500,000	106,026	555,000	5,550	-	-	1,055,000	111,576
2031	-	-	-	-	-	-	510,000	93,526	-	-	-	-	510,000	93,526
2032	-	-	-	-	-	-	525,000	80,776	-	-	-	-	525,000	80,776
2033	-	-	-	-	-	-	540,000	67,650	-	-	-	-	540,000	67,650
2034	-	-	-	-	-	-	555,000	51,450	-	-	-	-	555,000	51,450
2035	-	-	-	-	-	-	570,000	34,800	-	-	-	-	570,000	34,800
2036	-	-	-	-	-	-	590,000	17,700	-	-	-	-	590,000	17,700
Total	\$ 48,655	\$ 848	\$ 860,000	\$ 58,949	\$ 410,199	\$ 12,529	\$ 7,010,000	\$ 1,477,378	\$ 4,050,000	\$ 415,550	\$ 216,221	\$ 12,056	\$ 12,595,075	\$ 1,977,310

CITY OF COLUMBIA, TENNESSEE

**SCHEDULE OF DEBT SERVICE REQUIREMENTS
SEWER FUND**

JUNE 30, 2022

Year Ending June 30,	General Obligation Refunding Bonds - 2016		General Obligation Refunding Bonds - 2020		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 975,000	\$ 89,607	\$ 380,000	\$ 61,190	\$ 1,355,000	\$ 150,797
2024	995,000	67,444	390,000	53,490	1,385,000	120,934
2025	1,025,000	44,719	395,000	45,640	1,420,000	90,359
2026	360,000	29,138	405,000	37,640	765,000	66,778
2027	365,000	20,982	415,000	29,440	780,000	50,422
2028	375,000	12,657	425,000	23,165	800,000	35,822
2029	375,000	4,219	425,000	18,809	800,000	23,028
2030	-	-	435,000	14,076	435,000	14,076
2031	-	-	440,000	8,825	440,000	8,825
2032	-	-	450,000	3,038	450,000	3,038
Total	<u>\$ 4,470,000</u>	<u>\$ 268,766</u>	<u>\$ 4,160,000</u>	<u>\$ 295,313</u>	<u>\$ 8,630,000</u>	<u>\$ 564,079</u>

CITY OF COLUMBIA, TENNESSEE

**SCHEDULE OF DEBT SERVICE REQUIREMENTS
WATER SYSTEM**

JUNE 30, 2022

Year Ending June 30,	Water Revenue Bonds - 2021		Total	
	Principal	Interest	Principal	Interest
2023	\$ -	\$ 289,900	\$ -	\$ 289,900
2024	1,250,000	258,650	1,250,000	258,650
2025	780,000	207,900	780,000	207,900
2026	820,000	167,900	820,000	167,900
2027	860,000	125,900	860,000	125,900
2028	455,000	93,025	455,000	93,025
2029	480,000	69,650	480,000	69,650
2030	505,000	45,025	505,000	45,025
2031	530,000	27,100	530,000	27,100
2032	540,000	16,400	540,000	16,400
2033	550,000	5,500	550,000	5,500
Total	\$ 6,770,000	\$ 1,306,950	\$ 6,770,000	\$ 1,306,950

CITY OF COLUMBIA, TENNESSEE

**SCHEDULE OF DEBT SERVICE REQUIREMENTS
POWER SYSTEM**

JUNE 30, 2022

Year Ending June 30,	2014/2015 Broadband Telecommunications Revenue & Tax Refunding Bonds - 2014/215		Total	
	Principal	Interest	Principal	Interest
2023	\$ 950,000	\$ 51,910	\$ 950,000	\$ 51,910
2024	965,000	34,905	965,000	34,905
2025	<u>985,000</u>	<u>17,632</u>	<u>985,000</u>	<u>17,632</u>
Total	<u>\$ 2,900,000</u>	<u>\$ 104,447</u>	<u>\$ 2,900,000</u>	<u>\$ 104,447</u>

City of Columbia, Tennessee

Continuing Disclosure Report

For the Fiscal Year ended June 30, 2022

Base CUSIP: **198558**
 198630
 198576
 198612

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CITY OF COLUMBIA
SUMMARY OF OUTSTANDING DEBT
(as of June 30, 2022)

Original Issue Amount	Issue	Date Issued	Final Maturity Date	Interest Rate	Amount Outstanding 6/30/2022
General Obligation Bonds:					
\$ 1,400,000	General Obligation Refunding Bonds, Series 2016 (General Government Portion)	1/15/2016	12/1/2028	2.25%	\$ 860,000
8,970,000	General Obligation Public Improvement Bonds, Series 2017	2/3/2017	6/1/2036	3.00%	7,010,000
4,875,000	General Obligation Refunding Bonds, Series 2019	9/6/2019	12/1/2029	2.00% - 4.00%	4,050,000
Total General Obligation Bonds					\$ 11,920,000
General Obligation Notes:					
1,900,000	Public Safety Equipment Improvement Capital Outlay Notes, Series 2014	7/14/2014	5/31/2024	2.00%	410,199
235,000	Sanitation Capital Outlay Notes, Series 2017	11/1/2017	11/1/2022	1.72%	48,655
350,000	Sanitation Capital Outlay Notes, Series 2019	9/1/2019	9/1/2024	2.73%	216,221
Total General Obligation Notes					\$ 675,075
Total General Obligation Debt					\$ 12,595,075
Self-Supporting Utility Debt (also secured by general obligation pledge of City):					
Sewer Fund Debt:					
\$ 7,000,000	Sewer System Revenue and Tax Bonds, Series 2011	7/13/2011	12/1/2031	2.00% - 4.00%	\$ -
4,000,000	General Obligation Refunding Bonds, Series 2015 (Sewer)	12/17/2015	12/1/2021	1.39%	-
6,135,000	General Obligation Refunding Bonds, Series 2016 (Sewer Portion)	1/15/2016	12/1/2028	2.25%	4,470,000
4,195,000	General Obligation Refunding Bonds, Series 2020 (Sewer)	12/18/2020	12/1/2031	1.00% - 2.00%	4,160,000
Total Sewer Fund Debt					\$ 8,630,000
Columbia Broadband System Debt (only portion also secured by general obligation pledge of City):					
\$ 9,100,000	Broadband Telecommunications Network Revenue and Tax	12/19/2014	3/1/2025	1.79%	\$ 2,900,000
Total Columbia Broadband System Debt					\$ 2,900,000
Columbia Water System Debt (only portion also secured by general obligation pledge of City):					
\$ 5,855,000	Waterworks System Revenue Bonds, Series 2006	6/1/2007	6/1/2027	4.00%	\$ -
4,500,000	Waterworks System Revenue Bonds, Series 2008	6/1/2009	12/1/2023	4.00%-5.125%	-
10,000,000	Waterworks System Revenue Bonds, Series 2012	6/1/2012	12/1/2032	2.00-5.00%	-
6,770,000	Waterworks System Revenue Bonds, Series 2021	12/21/2021	12/1/2032	2.00-5.00%	6,770,000
Total Columbia Water System Debt					\$ 6,770,000
Total Self-Supporting Utility Debt					\$ 18,300,000
Total Current Outstanding Debt					\$ 30,895,075
Debt Statement as of June 30, 2022					
Outstanding Debt					
Total Current Outstanding Debt					\$ 30,895,075
Gross Direct Debt					\$ 30,895,075
Less: Self-Supporting Debt					(18,300,000)
Net Direct Debt					<u>\$ 12,595,075</u>
Net Overlapping Debt					
City Portion of Maury County Debt					<u>\$ 113,307,652</u>
Total Net Overlapping Debt					113,307,652
Overall Net Debt					<u><u>\$ 125,902,727</u></u>

DEBT RECORD OF COLUMBIA

There is no record of a default on bond principal and interest from information available .

Source - City of Columbia Tennessee Annual Comprehensive Financial Report (ACFR)/audit for year ended June 30,2022 by Henderson, Hutcherson & McCullough.

CITY OF COLUMBIA
POPULATION TRENDS AND DEBT RATIOS
(as of June 30, 2022)

POPULATION

	<u>City</u>	<u>Tennessee</u>
2022 Census and American Community Survey	43,340	6,975,218
2021 Census and American Community Survey	41,690	6,910,840
2020 Census and American Community Survey	40,494	6,829,174
2019 Census and American Community Survey	39,475	6,771,631
2018 Census and American Community Survey	38,407	6,708,799
2017 Census and American Community Survey	37,316	6,646,010
2016 Census and American Community Survey	36,569	6,591,170
2015 Census and American Community Survey	35,935	6,541,223
2014 Census and American Community Survey	35,431	6,494,340
2013 Census and American Community Survey	34,925	6,453,898

PER CAPITA DEBT RATIO

Outstanding Debt	\$ 741.07
Gross Direct Debt	741.07
Net Direct Debt	302.11
Total Net Overlapping	2,717.86
Overall Net Debt	3,019.97

DEBT RATIOS

	<u>Assessed Value</u>	<u>Estimated Actual Value</u>
Outstanding Debt to	3.05%	0.91%
Gross Direct Debt to	3.05%	0.91%
Net Direct Debt to	1.24%	0.37%
Total Net Overlapping Debt to	11.20%	3.34%
Overall Net Debt to	12.44%	3.71%

DEBT TREND

Debt Category	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
General Obligation Bonds & Loan Agreements	\$ 11,920,000	\$ 12,890,000	\$ 13,824,207	\$ 13,879,207	\$ 15,899,207
General Obligation Notes	675,075	989,425	1,436,385	1,512,731	2,145,591
Sewer Fund Bonds & Loan Agreements	8,630,000	9,915,000	11,000,000	12,510,000	13,995,000
Water Revenue & Tax Bonds	6,770,000	10,640,000	11,855,000	13,020,000	14,145,000
Broadband Telecom Revenue & Tax Bonds	2,900,000	3,830,000	4,740,000	5,640,000	6,793,412
Total Outstanding Debt	\$ 30,895,075	\$ 38,264,425	\$ 42,855,592	\$ 46,561,938	\$ 52,978,210

Source - City of Columbia Tennessee Annual Comprehensive Financial Report (ACFR)/audit for years ending 2018 -2022 by Henderson, Hutcherson & McCullough.

CITY OF COLUMBIA
GOVERNMENTAL ACTIVITIES
DEBT SERVICE REQUIREMENTS
(as of June 30, 2022)

Year No.	Year Ended June 30	Total Outstanding Bonds & Notes Principal	Percent Principal Retired	Total Outstanding Bonds & Notes Interest	Total Debt Service Requirements
1	2023	1,327,179		320,229	1,647,408
2	2024	1,324,342		279,222	1,603,564
3	2025	1,153,554		242,017	1,395,571
4	2026	1,110,000		207,919	1,317,919
5	2027	1,145,000	48.11%	180,050	1,325,050
6	2028	1,155,000		156,781	1,311,781
7	2029	1,035,000		133,600	1,168,600
8	2030	1,055,000		111,575	1,166,575
9	2031	510,000		93,525	603,525
10	2032	525,000	33.98%	80,775	605,775
11	2033	540,000		67,650	607,650
12	2034	555,000		51,450	606,450
13	2035	570,000		34,800	604,800
14	2036	590,000	17.90%	17,700	607,700
		\$ 12,595,075	100.00%	\$ 1,977,293	\$ 14,572,368

Source - City of Columbia Tennessee Annual Comprehensive Financial Report (ACFR)/audit for year ended June 30,2022 by Henderson, Hutcherson & McCullough.

CITY OF COLUMBIA
SEWER FUND
DEBT SERVICE REQUIREMENTS
(as of June 30, 2022)

Year No.	Year Ended June 30	Total Outstanding Bonds & Notes Principal	Percent Principal Retired	Total Outstanding Bonds & Notes Interest	Total Debt Service Requirements
1	2023	\$ 1,355,000		\$ 150,796	\$ 1,505,796
2	2024	1,385,000		120,934	1,505,934
3	2025	1,420,000		90,359	1,510,359
4	2026	765,000		66,778	831,778
5	2027	780,000	66.11%	50,422	830,422
6	2028	800,000		35,822	835,822
7	2029	800,000		23,028	823,028
8	2030	435,000		14,076	449,076
9	2031	440,000		8,825	448,825
10	2032	450,000	33.89%	3,038	453,038
		\$ 8,630,000	100.00%	\$ 564,078	\$ 9,194,078

Source - City of Columbia Tennessee Annual Comprehensive Financial Report (ACFR)/audit for year ended June 30,2022 by Henderson, Hutcherson & McCullough.

CITY OF COLUMBIA
BROADBAND TELECOMMUNICATIONS NETWORK REVENUE
DEBT SERVICE REQUIREMENTS
(as of June 30, 2022)

Year No.	Year Ended June 30	Total Outstanding Bonds & Notes Principal	Percent Principal Retired	Total Outstanding Bonds & Notes Interest	Total Debt Service Requirements
1	2023	\$ 950,000		\$ 51,910	\$ 1,001,910
2	2024	965,000		34,905	999,905
3	2025	985,000	100.00%	17,632	1,002,632
		<u>\$ 2,900,000</u>	<u>100.00%</u>	<u>\$ 104,447</u>	<u>\$ 3,004,447</u>

Source: Columbia Power and Water System ACFR/Audit Report ending June 30 , 2022 prepared by Alexander Thompson and Arnold PLLC.

CITY OF COLUMBIA
DEBT SERVICE REQUIREMENTS - COLUMBIA WATER SYSTEM
(as of June 30, 2022)

Year No.	Year Ending June 30	Total Outstanding Bonds & Notes Principal	Percent Principal Retired	Total Outstanding Bonds & Notes Interest	Total Debt Service Requirements
1	2023	\$ -		\$ 289,900	\$ 289,900
2	2024	1,250,000		258,650	1,508,650
3	2025	780,000		207,900	987,900
4	2026	820,000		167,900	987,900
5	2027	860,000	54.80%	125,900	985,900
6	2028	455,000		93,025	548,025
7	2029	480,000		69,650	549,650
8	2030	505,000		45,025	550,025
9	2031	530,000		27,100	557,100
10	2032	540,000	37.08%	16,400	556,400
11	2033	550,000	8.12%	5,500	555,500
		<u>\$ 6,770,000</u>	<u>100.00%</u>	<u>\$ 1,306,950</u>	<u>\$ 8,076,950</u>

Source: Columbia Power and Water System ACFR/Audit Report ending June 30, 2022 prepared by Alexander Thompson and Arnold PLLC.

DEBT SERVICE REQUIREMENTS - COLUMBIA POWER SYSTEM

(as of June 30, 2022)

THERE IS NOT A DEBT SCHEDULE FOR COLUMBIA POWER SYSTEM AS THE ELECTRIC DIVISION OF THE POWER SYSTEM IS DEBT FREE.

Source: Columbia Power and Water System ACFR/Audit Report ending June 30, 2022 prepared by Alexander Thompson and Arnold PLLC.

CITY OF COLUMBIA
PROPERTY VALUATION AND PROPERTY TAX
(as of June 30, 2022)

Fiscal Year Tax Year	2021-2022 2021	2020-2021 2020	2019-2020 2019	2018-2019 2018	2017-2018 2017
ESTIMATED ACTUAL VALUES					
Residential & Farm	\$ 2,210,888,900	\$ 2,104,249,200	\$ 2,025,018,800	\$ 1,931,937,000	\$ 1,391,881,400
Commercial & Industrial	999,789,200	974,064,800	912,508,300	882,866,700	759,068,400
Personal Tangible Property	338,214,015	311,093,155	442,041,372	447,712,800	383,091,138
Public Utilities	510,700	510,700	510,700	510,645	521,800
Total Estimated Actual Values	\$ 3,549,402,815	\$ 3,389,917,855	\$ 3,380,079,172	\$ 3,263,027,145	\$ 2,534,562,738
Annual Percentage Change	4.70%	0.29%	3.59%	28.74%	5.60%
Estimated Per Capita Amount	\$ 81,897	\$ 81,312	\$ 83,471	\$ 82,661	\$ 65,992
ASSESSED VALUES					
Residential & Farm (at 25%)	\$ 552,722,225	\$ 526,062,300	\$ 506,254,700	\$ 482,984,250	\$ 347,970,350
Commercial & Industrial (at 40%)	399,915,680	389,625,920	365,003,320	353,146,680	303,627,360
Personal Tangible Property (at 30% - 40%)	101,553,840	95,778,533	157,049,490	160,642,485	125,155,850
Public Utilities (at 30% -55%)	280,885	280,885	280,885	280,855	286,990
Total Assessed Values	\$ 1,054,472,630	\$ 1,011,747,638	\$ 1,028,588,395	\$ 997,054,270	\$ 777,040,550
Annual Percentage Change	4.22%	-1.64%	3.16%	28.31%	1.88%
Estimated Per Capita Amount	\$ 24,330	\$ 24,268	\$ 25,401	\$ 25,258	\$ 20,231.74
Appraisal Ratio	100.00%	100.00%	100.00%	100.00%	100.00%
Assessed Values to Actual Values	29.71%	29.85%	30.43%	30.56%	30.66%
Property Tax Rate	\$1.1597	\$1.1597	\$1.1597	\$1.1597	\$1.44
Tax Levied	\$ 12,500,116	\$ 11,971,756	\$ 12,198,049	\$ 11,820,739	\$ 11,189,454
Collections					
Current Fiscal Year	\$ 12,607,900	\$ 12,013,222	\$ 12,229,474	\$ 11,890,730	\$ 11,468,882
Percent Collected Current FY	100.86%	100.35%	100.26%	100.59%	102.50%
Delinquent Taxes as of June 30, 2021	\$ 442,145	\$ 525,265	\$ 574,003	\$ 587,916	\$ 386,340
Delinquent Taxes as % of Levy	3.54%	4.39%	4.71%	4.97%	3.45%

TOP TEN TAXPAYERS

<u>Business</u>	<u>Type of Business</u>	<u>Tax Year 2021 Assessed Value*</u>	<u>Assessed Value as a % of Total Assessment</u>
TN Farmers Life Ins. Co.	Insurance	\$ 30,932,699	2.93%
TN Farmers Mutual Insurance Co.	Insurance	\$ 8,089,624	0.77%
Arden Village Apartments	Housing	\$ 7,805,800	0.74%
TRH Health Insurance	Insurance	\$ 7,432,912	0.70%
TN Farm Bureau Fed Inc.	Insurance	\$ 6,745,560	0.64%
ERGH Investors LLC	Housing	\$ 6,314,160	0.60%
Wal-Mart Real Estate	Retail	\$ 6,100,000	0.58%
Tristar Maury Behavioral Healthcare LLC	Health Care	\$ 5,769,662	0.55%
NHC - Maury Regional Healthcare	Health Care	\$ 5,393,280	0.51%
Samuel, Son & Co., Inc.	Manufacturing	\$ 4,817,119	0.46%

*Tax Year 2021 property taxes due and collected during FY 2022.

Source - City of Columbia Tennessee Annual Comprehensive Financial Report (ACFR) for years ending 2018-2022 by Henderson, Hutcherson & McCullough.

CITY OF COLUMBIA
STATEMENT OF OPERATING REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES- TOTAL GOVERNMENTAL FUNDS
(as of June 30, 2022)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
REVENUES					
Taxes	\$ 35,074,465	\$ 31,574,594	\$ 27,763,948	\$ 26,448,519	\$ 25,425,553
Intergovernmental Revenue	8,428,701	9,040,012	7,687,250	6,081,799	7,314,395
Licenses & Permits	2,604,458	1,737,096	1,189,603	930,837	866,191
Fine and Forfeits	226,437	360,551	352,176	430,636	412,894
Charges for Services	4,170,424	3,964,403	3,980,230	3,920,566	3,801,855
Other Revenue	3,277,472	2,446,451	2,421,420	896,759	811,467
Debt Issuance	-	-	442,451	-	-
Operating Transfers In	6,388,486	8,265,343	3,462,233	8,689,636	4,047,387
Total Revenues & Other Sources	<u>\$ 60,170,443</u>	<u>\$ 57,388,450</u>	<u>\$ 47,299,311</u>	<u>\$ 47,398,752</u>	<u>\$ 42,679,742</u>
EXPENDITURES					
Current					
General Government	\$ 9,246,005	\$ 7,726,683	\$ 8,970,180	\$ 10,085,051	\$ 6,378,699
Public Works	4,368,697	3,608,932	4,889,943	4,065,905	3,632,734
Sanitation	4,723,229	3,892,993	3,460,281	3,205,053	3,350,007
Public Safety	17,986,350	17,413,791	16,681,541	16,818,979	17,575,789
Recreation	2,758,457	2,425,763	2,398,037	2,527,934	2,170,239
Community Support	1,709,313	63,650	3,532,251	29,586	-
Capital Outlay	1,913,766	6,090,062	6,688,256	6,063,649	3,502,603
Debt Service	1,645,464	1,777,680	1,881,849	2,041,549	2,036,386
Operating Transfer Out	4,617,508	6,565,828	1,887,163	4,420,878	2,148,488
Total Expenditures & Other Uses	<u>\$ 48,968,789</u>	<u>\$ 49,565,382</u>	<u>\$ 50,389,501</u>	<u>\$ 49,258,584</u>	<u>\$ 40,794,945</u>
Excess of Revenues & Other Source					
Over (Under) Expenditures & Other Uses	11,201,654	7,823,068	(3,090,190)	(1,859,832)	1,884,797
Fund Balance , July 1	<u>\$ 42,822,299</u>	<u>\$ 34,999,231</u>	<u>\$ 38,089,421</u>	<u>\$ 39,949,253</u>	<u>\$ 38,064,456</u>
Fund Balance , June 30	<u>\$ 54,023,953</u>	<u>\$ 42,822,299</u>	<u>\$ 34,999,231</u>	<u>\$ 38,089,421</u>	<u>\$ 39,949,253</u>

Source - City of Columbia Tennessee Annual Comprehensive Financial Report (ACFR) for year ending 2018-2022 by Henderson, Hutcherson & McCullough.

FUND BALANCES

	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>
GOVERNMENTAL FUNDS					
General Fund	\$ 43,467,000	\$ 35,553,556	\$ 29,364,003	\$ 26,295,308	\$ 28,115,173
Sanitation Fund	1,744,153	2,796,425	1,798,664	1,339,578	1,293,293
State Street Aid Fund	1,961,044	883,852	1,487,175	1,879,472	1,336,179
Drug Fund	241,366	219,970	192,892	196,295	302,481
Streets & Transportation Fund	33,810	22,975	18,972	17,462	16,287
Industrial Development Board	2,023,893	1,378,750	262,005	2,226,064	-
Debt Service Fund	229,390	226,428	143,407	88,505	73,105
Capital Project Fund	4,323,297	1,740,343	1,732,113	6,046,738	8,812,735
Total Governmental Funds	<u>\$ 54,023,953</u>	<u>\$ 42,822,299</u>	<u>\$ 34,999,231</u>	<u>\$ 38,089,422</u>	<u>\$ 39,949,253</u>

Source - City of Columbia Tennessee Annual Comprehensive Financial Report (ACFR) for year ending 2018-2022 by Henderson, Hutcherson & McCullough.

NET POSITION

	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>
PROPRIETARY FUNDS					
Sewer Fund	\$ 79,307,644	\$ 72,930,158	\$ 68,095,034	\$ 65,118,339	\$ 61,771,190
Power System	95,624,294	88,335,670	81,895,490	75,878,804	71,201,911
Water System	79,631,389	74,021,323	69,576,318	65,890,444	61,457,769
Total Proprietary Funds	<u>\$ 254,563,327</u>	<u>\$ 235,287,151</u>	<u>\$ 219,566,842</u>	<u>\$ 206,887,587</u>	<u>\$ 194,430,870</u>

LOCAL OPTION SALES TAX COLLECTIONS
For Fiscal Years Ending June 30

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
General Fund	\$ 17,516,135	\$ 15,620,379	\$ 11,785,162	\$ 10,867,058	\$ 9,913,746
% of Increase	12.14%	32.54%	8.45%	9.62%	8.21%

Source - City of Columbia Tennessee Annual Comprehensive Financial Report (ACFR) for years ending 2018-2022 by Henderson, Hutcherson & McCullough.

CITY OF COLUMBIA
STATEMENT OF OPERATING REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GENERAL FUND
(as of June 30, 2022)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
REVENUES					
Taxes	\$ 35,074,465	\$ 31,574,594	\$ 27,763,948	\$ 26,448,519	\$ 25,425,553
Intergovernmental Revenue	6,358,557	5,103,373	4,127,318	3,957,888	3,835,209
Licenses & Permits	2,604,458	1,737,096	1,189,603	930,837	866,191
Fine and Forfeitures	164,270	208,107	244,260	308,507	275,642
Charges for Services	415,613	305,080	409,919	422,013	401,340
Other Revenue	(95,462)	1,068,002	692,055	721,481	374,446
Operating Transfers In	1,770,978	1,695,015	1,580,070	2,030,758	1,898,899
Total Revenues & Other Sources	<u>\$ 46,292,879</u>	<u>\$ 41,691,267</u>	<u>\$ 36,007,173</u>	<u>\$ 34,820,003</u>	<u>\$ 33,077,280</u>
EXPENDITURES					
Current					
General Government	\$ 9,246,005	\$ 7,726,683	\$ 8,970,180	\$ 10,085,051	\$ 6,378,699
Public Works	4,013,512	3,043,873	3,174,978	3,376,592	2,961,276
Public Safety	17,944,442	17,265,038	16,572,595	16,591,753	17,410,452
Recreation	2,758,457	2,425,763	2,398,037	2,527,934	2,170,239
Community Support	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Operating Transfers Out	4,417,019	5,040,357	1,822,688	4,058,538	1,809,821
Total Expenditures & Other Uses	<u>\$ 38,379,435</u>	<u>\$ 35,501,714</u>	<u>\$ 32,938,478</u>	<u>\$ 36,639,868</u>	<u>\$ 30,730,487</u>
Excess of Revenues & Other Source					
Over (Under) Expenditures & Other Uses	7,913,444	6,189,553	3,068,695	(1,819,865)	2,346,793
Fund Balance , July 1	<u>\$ 35,553,556</u>	<u>\$ 29,364,003</u>	<u>\$ 26,295,308</u>	<u>\$ 28,115,173</u>	<u>\$ 25,768,380</u>
Fund Balance , June 30	<u>\$ 43,467,000</u>	<u>\$ 35,553,556</u>	<u>\$ 29,364,003</u>	<u>\$ 26,295,308</u>	<u>\$ 28,115,173</u>

Source - City of Columbia Tennessee Annual Comprehensive Financial Report (ACFR) for years ending 2018-2022 by Henderson, Hutcherson & McCullough.

CITY OF COLUMBIA
STATEMENT OF OPERATING REVENUES, EXPENSES
AND CHANGES IN NET POSITION- SEWER FUND
(as of June 30, 2022)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
OPERATING REVENUES					
Services	\$ 13,268,444	\$ 12,070,520	\$ 10,819,190	\$ 11,218,683	\$ 11,045,039
Other Revenues	1,967,937	-	-	-	-
Total Operating Revenues	<u>15,236,381</u>	<u>12,070,520</u>	<u>10,819,190</u>	<u>11,218,683</u>	<u>11,045,039</u>
OPERATING EXPENSES					
Other Direct Expenses	6,068,513	5,302,087	5,599,323	5,521,534	5,249,127
Administrative & General	-	-	-	-	-
Depreciation	2,637,221	2,454,273	2,487,346	2,534,583	2,574,239
Total Operating Expenses	<u>8,705,734</u>	<u>7,756,360</u>	<u>8,086,669</u>	<u>8,056,117</u>	<u>7,823,366</u>
Operating Income	<u>6,530,647</u>	<u>4,314,160</u>	<u>2,732,521</u>	<u>3,162,566</u>	<u>3,221,673</u>
Non-Operating Revenues (Expenses)					
Other Non-Operating Net Rev. (Exp.)	(95,040)	382,078	330,505	371,623	245,936
Interest Expense	(178,554)	(235,849)	(306,097)	(345,634)	(385,448)
Total Non-Operating Rev. (Exp.)	<u>(273,594)</u>	<u>146,229</u>	<u>24,408</u>	<u>25,989</u>	<u>(139,512)</u>
Net Income (Loss) Before Contributions	6,257,053	4,460,389	2,756,929	3,188,555	3,082,161
Transfer Out	(381,357)	(378,498)	(388,994)	(493,186)	(498,361)
Capital contributions - utility plant	501,790	485,010	608,760	651,780	948,560
Capital Grant					
Change in Net Assets	\$ 6,377,486	\$ 4,566,901	\$ 2,976,695	\$ 3,347,149	\$ 3,532,360
Net Assets - Prior Year (as restated)	\$ 72,930,158	\$ 68,363,257	\$ 65,118,339	\$ 61,771,190	\$ 56,713,563
Net Assets - Current Year	<u>\$ 79,307,644</u>	<u>\$ 72,930,158</u>	<u>\$ 68,095,034</u>	<u>\$ 65,118,339</u>	<u>\$ 59,925,167</u>

Source - City of Columbia Tennessee Annual Comprehensive Financial Report (ACFR)/audit for years ending 2018 -2022 by Henderson, Hutcherson & McCullough.

	SEWER CUSTOMERS				
Property Type	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Apartment	3,478	3,491	3,159	3,092	3,061
Residential	15,192	14,649	14,001	13,660	12,783
Commercial	2,041	2,057	1,974	1,981	1,894
Industrial	11	11	11	11	11
Total	<u>20,722</u>	<u>20,208</u>	<u>19,145</u>	<u>18,744</u>	<u>17,749</u>

Source - City of Columbia Tennessee Officials

TEN LARGEST SEWER CUSTOMERS			
<u>Customer Name</u>	<u>Type of Business</u>	<u>Consumption</u>	<u>Billed Amount</u>
MPS Inc.	Housing	138,844	\$68,573
Fresenius Medical Care	Healthcare	86,270	\$42,452
Kurtz Property Management, LLC	Housing	83,985	\$41,812
Columbia Housing Authority	Housing	82,854	\$40,778
Maury County Government	Municipal	73,504	\$36,736
ERGH Investors LLC	Housing	71,678	\$36,573
Graymere Apartments	Housing	71,767	\$35,526
American Mobile Village	Housing	65,011	\$34,374
Cedar Pointe Ltd. Partnership	Housing	65,114	\$33,885
Maury County Board of Education	Education	63,628	\$32,617

Source - City of Columbia Tennessee Officials

	SEWER RATES	
	<u>Inside City Limits</u>	<u>Outside City Limits</u>
Minimum Bill/ Charge	\$14.99	\$28.48
Charge per Unit	\$4.90/1000 gallons	\$9.30/1000 gallons

Source - City of Columbia Tennessee Officials.

CITY OF COLUMBIA
STATEMENT OF OPERATING REVENUES, EXPENSES, AND CHANGES IN NET POSITION
COLUMBIA POWER & WATER SYSTEMS: BROADBAND DIVISION
(as of June 30, 2022)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Operating Revenues	\$ 9,287,866	\$ 8,921,453	\$ 8,539,511	\$ 8,586,138	\$ 8,532,296
Operating Expenses	7,484,281	7,309,162	7,560,382	7,595,224	6,984,899
Operating Income	<u>1,803,585</u>	<u>1,612,291</u>	<u>979,129</u>	<u>990,614</u>	<u>1,547,397</u>
Non- Operating Revenues (Expenses)	(47,519)	(71,351)	(94,897)	(133,359)	(143,746)
Income Before Contributions	<u>1,756,066</u>	<u>1,540,940</u>	<u>884,232</u>	<u>857,255</u>	<u>1,403,651</u>
Capital Contributions - Utility Plant	38,027	10,372	1,863	12,080	-
Increase In Net Position	<u>\$ 1,794,093</u>	<u>\$ 1,551,312</u>	<u>\$ 886,095</u>	<u>\$ 869,335</u>	<u>\$ 1,403,651</u>
Net Position - Beginning of Year	<u>\$ 3,623,822</u>	<u>\$ 2,072,510</u>	<u>\$ 1,186,415</u>	<u>\$ 317,080</u>	<u>\$ (1,086,571)</u>
Net Position - End of Year	<u><u>\$ 5,417,915</u></u>	<u><u>\$ 3,623,822</u></u>	<u><u>\$ 2,072,510</u></u>	<u><u>\$ 1,186,415</u></u>	<u><u>\$ 317,080</u></u>

Source: Columbia Power and Water System ACFR Report ending June 30, 2022 prepared by Alexander Thompson and Arnold PLLC.

Number of Subscribers by Service
as of June 30, 2022

Cable :		
	Basic	2,500
	Expanded Basic	2,251
	Digital	928
	Premium	210
	High Definition	690
	Telephone	1,130
	Total	<u>7,709</u>
Internet:		
	Residential	5,838
	Commercial	368
	Other	114
	Total	<u>6,320</u>

Source: Columbia Power and Water System - Broadband Division Monthly Report for June 2022

CITY OF COLUMBIA
SUMMARY OF REVENUE, EXPENSES AND
CHANGES IN NET POSITION - COLUMBIA WATER SYSTEM
(as of June 30, 2022)

	<u>FY 2022</u>	<u>FY 2021</u>	<u>FY 2020</u>	<u>FY 2019</u>	<u>FY 2018</u>
Revenues and Expenses					
Operating Revenues	\$ 14,700,682	\$ 13,632,433	\$ 13,074,181	\$ 13,238,872	\$ 12,827,934
Operating Expenses	10,745,652	10,048,355	9,566,948	9,413,561	9,261,333
Operating Income	<u>3,955,030</u>	<u>3,584,078</u>	<u>3,507,233</u>	<u>3,825,311</u>	<u>3,566,601</u>
Non-Operating Revenue (Expense)	<u>(340,207)</u>	<u>(474,357)</u>	<u>(477,757)</u>	<u>42,441</u>	<u>(551,116)</u>
Income Before Transfers and Contributions	<u>3,614,823</u>	<u>3,109,721</u>	<u>3,029,476</u>	<u>3,867,752</u>	<u>3,015,485</u>
Transfers and Contributions	1,995,243	1,335,284	656,398	564,921	575,233
Increase (Decrease) In Net Position	<u>\$ 5,610,066</u>	<u>\$ 4,445,005</u>	<u>\$ 3,685,874</u>	<u>\$ 4,432,673</u>	<u>\$ 3,590,718</u>
Net Position - Beginning of Year	<u>\$ 74,021,323</u>	<u>\$ 69,576,318</u>	<u>\$ 65,890,444</u>	<u>\$ 61,457,771</u>	<u>\$ 57,867,053</u>
Net Position - End of Year	<u>\$ 79,631,389</u>	<u>\$ 74,021,323</u>	<u>\$ 69,576,318</u>	<u>\$ 65,890,444</u>	<u>\$ 61,457,771</u>

Source: Columbia Power and Water System ACFR Report ending June 30, 2022 prepared by Alexander Thompson and Arnold PLLC.

TOP TEN COLUMBIA WATER SYSTEM CUSTOMERS

<u>Business</u>	<u>Type of Business</u>	<u>Consumption*</u>	<u>Billed Amount</u>
Maury County Water System	Municipal	5,790,731	\$ 1,705,626
General Motors LLC	Manufacturing	1,770,770	\$ 782,916
Town of Spring Hill	Municipal	2,698,245	\$ 780,401
Mersen USA GSTN Corporation	Manufacturing	361,190	\$ 160,141
City of Columbia	Municipal	405,611	\$ 143,444
Maury Regional Medical Center	Healthcare	345,332	\$ 118,981
Worldwide Stages LLC	Entertainment	249,863	\$ 108,902
Tennessee Distilling Group	Beverage	201,155	\$ 67,425
Nashville Ready Mix of Columbia	Manufacturing	172,375	\$ 58,477
MPS Inc.	Housing	138,844	\$ 51,794

* Hundreds of Gallons

Source: Columbia Power & Water Systems Top Customer Report.

CITY OF COLUMBIA
SUMMARY OF REVENUE, EXPENSES AND
CHANGES IN NET POSITION - COLUMBIA POWER SYSTEM: ELECTRIC DIVISION
(as of June 30, 2022)

	<u>FY 2022</u>	<u>FY 2021</u>	<u>FY 2020</u>	<u>FY 2019</u>	<u>FY 2018</u>
Revenues and Expenses					
Operating Revenues	\$ 79,631,979	\$ 71,434,190	\$ 71,128,504	\$ 71,033,928	\$ 69,965,113
Operating Expenses	73,056,991	65,070,837	64,955,273	67,063,579	64,275,373
Operating Income	<u>6,574,988</u>	<u>6,363,353</u>	<u>6,173,231</u>	<u>3,970,349</u>	<u>5,689,740</u>
Non-Operating Revenue (Expense)	<u>13,130</u>	<u>14,230</u>	<u>119,738</u>	<u>1,167,117</u>	<u>207,528</u>
Income Before Transfers and Contributions	<u>6,588,118</u>	<u>6,377,583</u>	<u>6,292,969</u>	<u>5,137,466</u>	<u>5,897,268</u>
Transfers and Contributions	(1,093,587)	(1,488,715)	(1,162,378)	(1,329,908)	(1,311,036)
Increase (Decrease) In Net Position	<u>\$ 5,494,531</u>	<u>\$ 4,888,868</u>	<u>\$ 5,130,591</u>	<u>\$ 3,807,558</u>	<u>\$ 4,586,232</u>
Net Position - Beginning of Year	<u>\$ 84,711,848</u>	<u>\$ 79,822,980</u>	<u>\$ 74,692,389</u>	<u>\$ 70,884,831</u>	<u>\$ 66,298,599</u>
Net Position - End of Year	<u>\$ 90,206,379</u>	<u>\$ 84,711,848</u>	<u>\$ 79,822,980</u>	<u>\$ 74,692,389</u>	<u>\$ 70,884,831</u>

Source: Columbia Power and Water System ACFR Report ending June 30, 2022 prepared by Alexander Thompson and Arnold PLLC.

TOP TEN COLUMBIA POWER SYSTEM CUSTOMERS

<u>Business</u>	<u>Type of Business</u>	<u>Consumption</u>	<u>Billed Amount</u>
Maury Regional Medical Center	Healthcare	26,871,309	\$ 2,441,217
City of Columbia	Municipal	9,717,728	\$ 982,683
Maury County Board of Education	Education	6,866,320	\$ 840,081
Columbia Water System	Utilities	7,882,311	\$ 735,717
Columbia State Community College	Education	5,079,705	\$ 481,739
Tenneco Automotive	Manufacturing	4,537,000	\$ 427,668
Faurecia Interior Systems	Manufacturing	3,999,600	\$ 409,146
Samuel Son & Company	Manufacturing	4,374,000	\$ 406,248
Wal-Mart Store East	Retail	3,979,000	\$ 365,286
TN Farm Bureau Federation	Insurance	3,775,320	\$ 349,872

Source: Columbia Power & Water Systems Top Customer Report.

CITY OF COLUMBIA
Broadband Telecommunication Network
Cable and Internet Rates
(as of June 30, 2022)

Standard Cable Rates:

Analog:

Basic	\$	26.00
Expanded Basic		79.00

Digital:

Digital Gateway		88.00
Premium Services ⁽¹⁾		16.50

Internet: ⁽¹⁾

Residential :

PowerNet 100.0	\$	50.00
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Commercial

Power Net Business 50.0	\$	125.00
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⁽¹⁾ Price varies based on services selected.

Source: Columbia Power and Water System ACFR Report ending June 30, 2022 prepared by Alexander Thompson and Arnold PLLC.

Statistical Section



CITY OF COLUMBIA, TENNESSEE

Statistical Section Index

Year Ended June 30, 2022

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

Financial Trends

These schedules contain trend information to help readers understand how The City’s financial performance and well-being have changed over time. F-1 – F-5

Revenue Capacity

These Schedules contain information to help readers assess the City’s most significant local revenue source is property tax. F-6 – F-14

Debt Capacity

These schedules present information to help readers assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future. F-15 – F-19

Demographic and Economic Information

These schedules offer demographic and economic indicators to help readers understand the environment within which the City’s financial activities take place. F-20 – F-21

Operating Information

These schedules contain service and infrastructure data to help readers understand how the Information in the City’s financial report relates to the services the City provides and the activities it performs. F-22 – F-25

CITY OF COLUMBIA, TENNESSEE
Financial Trends Information
Net Position by Component, Last Ten Fiscal Years*

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental activities										
Net investment in capital assets	\$ 63,106,117	\$ 59,733,813	\$ 50,846,126	\$ 43,356,315	\$ 37,005,055	\$ 33,193,547	\$ 32,818,883	\$ 32,909,034	\$ 31,342,867	\$ 28,887,406
Restricted	7,823,074	5,484,319	3,883,439	5,735,917	3,010,799	2,364,870	3,478,803	3,098,146	3,780,216	3,970,794
Unrestricted	27,092,703	19,386,900	12,902,618	13,402,063	14,557,874	11,813,052	5,395,431	607,418	17,586,563	14,573,386
Total governmental activities net position	<u>\$ 98,021,894</u>	<u>\$ 84,605,032</u>	<u>\$ 67,632,183</u>	<u>\$ 62,494,295</u>	<u>\$ 54,573,728</u>	<u>\$ 47,371,469</u>	<u>\$ 41,693,117</u>	<u>\$ 36,614,598</u>	<u>\$ 52,709,646</u>	<u>\$ 47,431,586</u>
Business-type activities										
Net investment in capital assets	\$197,980,448	\$179,536,921	\$165,026,053	\$152,674,804	\$148,642,897	\$141,999,500	\$132,591,349	\$129,324,547	\$130,443,503	\$128,702,481
Restricted	3,948,310	3,454,641	3,086,687	3,022,152	2,940,308	2,856,591	3,678,813	3,600,713	3,498,826	3,467,721
Unrestricted	52,634,569	52,295,589	51,454,102	51,190,631	42,847,667	40,019,395	40,923,833	39,104,761	35,942,912	32,516,920
Total business-type activities net position	<u>\$254,563,327</u>	<u>\$235,287,151</u>	<u>\$219,566,842</u>	<u>\$206,887,587</u>	<u>\$194,430,872</u>	<u>\$184,875,486</u>	<u>\$177,193,995</u>	<u>\$172,030,021</u>	<u>\$169,885,241</u>	<u>\$164,687,122</u>
Primary government										
Net investment in capital assets	\$261,086,565	\$239,270,734	\$215,872,179	\$196,031,119	\$185,647,952	\$175,193,047	\$165,410,232	\$162,233,581	\$161,786,370	\$157,589,887
Restricted	11,771,384	8,938,960	6,970,126	8,758,069	5,951,107	5,221,461	7,157,616	6,698,859	7,279,042	7,438,515
Unrestricted	79,727,272	71,682,489	64,356,720	64,592,694	57,405,541	51,832,447	46,319,264	39,712,179	53,529,475	47,090,306
Total primary government net position	<u>\$352,585,221</u>	<u>\$319,892,183</u>	<u>\$287,199,025</u>	<u>\$269,381,882</u>	<u>\$249,004,600</u>	<u>\$232,246,955</u>	<u>\$218,887,112</u>	<u>\$208,644,619</u>	<u>\$222,594,887</u>	<u>\$212,118,708</u>

CITY OF COLUMBIA, TENNESSEE
Financial Trends Information
Changes in Net Position, Last Ten Fiscal Years*

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental activities:										
Revenues:										
Charges for services:										
Sanitation	\$ 3,754,811	\$ 3,659,323	\$ 3,570,311	\$ 3,498,553	\$ 3,400,515	\$ 3,300,628	\$ 3,199,487	\$ 3,072,873	\$ 3,026,748	\$ 3,052,861
Police	199,244	219,805	270,767	309,915	282,264	343,034	398,131	471,324	435,329	431,494
Other	3,049,421	2,220,460	1,683,234	1,492,235	1,408,922	1,292,109	641,081	642,148	622,329	286,361
Operating grants and contributions	7,313,896	6,302,511	5,171,661	5,139,714	5,067,588	4,857,405	1,098,479	1,293,895	1,556,547	1,416,667
Capital grants and contributions	3,500,022	3,909,634	4,066,839	3,202,828	3,550,580	793,864	184,530	2,137,572	2,602,381	1,289,395
General Revenues:										
Property taxes	12,633,089	11,994,320	12,270,028	12,164,763	11,641,901	11,051,383	11,081,793	10,945,490	10,960,754	9,776,041
Sales taxes	17,022,037	15,103,504	11,294,469	10,361,255	9,913,746	9,780,603	11,958,028	10,946,492	10,173,743	9,699,238
Other taxes	5,353,236	4,412,743	4,172,435	4,124,259	3,998,178	3,859,517	4,405,484	3,610,074	3,311,692	3,125,478
Miscellaneous	(123,063)	1,166,874	689,538	668,843	309,353	480,925	936,547	390,010	256,384	491,535
Total governmental activities revenues	\$ 52,702,693	\$ 48,989,174	\$ 43,189,282	\$ 40,962,365	\$ 39,573,047	\$ 35,759,468	\$ 33,903,560	\$ 33,509,878	\$ 32,945,907	\$ 29,569,070
Expenses:										
General government	\$ 7,068,195	\$ 3,498,207	\$ 4,904,389	\$ 8,516,355	\$ 3,899,359	\$ 4,336,380	\$ 4,912,611	\$ 4,950,758	\$ 5,105,778	\$ 6,058,004
Public Safety (Police and Fire)*						15,688,701	15,009,895	14,266,192	14,280,134	14,012,528
Police*	9,612,492	9,158,314	9,175,193	8,709,492	8,135,340	-	-	-	-	-
Fire*	8,412,648	8,157,062	7,948,573	7,024,187	8,486,501	-	-	-	-	-
Drug education & prevention*	41,908	178,753	123,947	252,226	185,337	-	-	-	-	-
Public Works	5,275,242	4,344,436	5,522,494	3,132,110	3,701,452	4,798,422	3,573,219	4,126,015	3,399,371	3,253,321
Sanitation	3,731,455	3,597,460	3,715,202	3,126,177	3,236,094	3,336,499	3,303,006	3,126,853	3,069,085	3,017,034
Parks and recreation	3,356,165	2,662,254	2,657,486	2,397,140	1,260,967	2,331,186	2,093,393	1,921,320	1,937,519	1,822,334
Development Services	3,413,761	1,760,182	5,044,550	1,406,147	1,219,548	1,238,258	1,194,238	1,025,890	1,050,114	1,110,860
Community Support	-	-	-	-	-	196,000	307,309	276,102	279,386	328,877
Program Costs	-	-	-	-	-	-	-	529,149	-	-
Interest on long-term debt	286,039	354,672	539,630	508,725	544,665	410,190	366,541	391,387	385,680	404,695
Total governmental activities expenses	\$ 41,197,905	\$ 33,711,340	\$ 39,631,464	\$ 35,072,559	\$ 30,669,263	\$ 32,335,636	\$ 30,760,212	\$ 30,613,666	\$ 29,507,067	\$ 30,007,653
Total governmental activities net expense	11,504,788	15,277,834	3,557,818	5,889,806	8,903,784	3,423,832	3,143,348	2,896,212	3,438,840	(438,583)
Total operating transfers	1,770,978	1,695,015	1,580,070	2,030,758	1,898,899	1,862,142	1,935,171	1,948,656	1,832,459	1,765,084
Total governmental activities change in net position	\$ 13,275,766	\$ 16,972,849	\$ 5,137,888	\$ 7,920,564	\$ 10,802,683	\$ 5,285,974	\$ 5,078,519	\$ 4,844,868	\$ 5,271,299	\$ 1,326,501
Business-type activities: Power, Water & Sewer										
Program revenues:										
Charges for services										
Power	\$ 88,414,574	\$ 79,837,168	\$ 79,176,569	\$ 79,127,484	\$ 78,026,176	\$ 74,364,525	\$ 69,032,354	\$ 69,400,709	\$ 68,708,684	\$ 66,331,187
Water	14,700,682	13,632,433	13,074,181	13,238,872	12,827,934	11,400,802	10,172,069	10,485,022	10,294,575	9,850,520
Sewer	15,236,381	12,070,520	10,819,190	11,218,683	11,045,039	10,764,359	9,622,342	8,990,593	9,189,205	9,032,541
Capital grants and contributions	3,193,210	2,028,640	1,628,111	1,855,005	1,986,347	1,960,956	769,005	345,695	345,132	309,575
Other	134,515	488,489	555,719	539,449	206,611	154,061	102,347	197,852	95,984	120,492
Total business-type activities program revenues	\$ 121,679,362	\$ 108,057,250	\$ 105,253,770	\$ 105,979,493	\$ 104,092,107	\$ 98,644,703	\$ 89,698,117	\$ 89,419,871	\$ 88,633,580	\$ 85,644,315
Expenses:										
Power	\$ 80,447,425	\$ 72,303,524	\$ 72,437,950	\$ 73,695,218	\$ 71,183,176	\$ 69,802,825	\$ 65,247,476	\$ 66,368,295	\$ 65,151,490	\$ 63,430,413
Water	11,090,703	10,532,308	10,097,789	9,420,108	9,855,009	9,940,524	9,031,211	7,786,069	7,689,022	7,513,285
Sewer	9,094,080	8,074,317	8,458,706	8,376,694	8,042,062	8,965,341	8,320,285	8,632,740	8,471,305	7,467,812
Total business-type activities expenses	\$ 100,632,208	\$ 90,910,149	\$ 90,994,445	\$ 91,492,020	\$ 89,080,247	\$ 88,708,690	\$ 82,598,972	\$ 82,787,104	\$ 81,311,817	\$ 78,411,510
Total business activities net expense	21,047,154	17,147,101	14,259,325	14,487,473	15,011,860	9,936,013	7,099,145	6,632,767	7,321,763	7,232,805
Total business activities operating transfers	(1,770,978)	(1,695,015)	(1,580,070)	(2,030,758)	(1,898,899)	(1,862,142)	(1,935,171)	(1,948,656)	(1,832,459)	(1,765,084)
Total business activities change in net position	\$ 19,276,176	\$ 15,452,086	\$ 12,679,255	\$ 12,456,715	\$ 13,112,961	\$ 8,073,871	\$ 5,163,974	\$ 4,684,111	\$ 5,489,304	\$ 5,467,721
Total change in net position	\$ 32,551,942	\$ 32,424,935	\$ 17,817,143	\$ 20,377,279	\$ 23,915,644	\$ 13,359,845	\$ 10,242,493	\$ 9,528,979	\$ 10,760,603	\$ 6,794,222

* Public Safety was reported as a consolidated department until FY 2018, which during 2018 was reported Police, Fire & Rescue, and Drug Education & Prevention

CITY OF COLUMBIA, TENNESSEE
Financial Trends Information
Fund Balances, Governmental Funds, Last Ten Fiscal Years

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund										
Nonspendable*	\$ 306,307	\$ 151,130	\$ 166,398	\$ 185,937	\$ 195,848	\$ 192,874	\$ 250,197	\$ 247,190	\$ 223,052	\$ 212,051
Restricted*	-	-	-	-	-	-	83,284	83,284	83,284	83,284
Assigned*	-	-	-	-	-	-	2,217,840	1,422,828	1,930,050	1,155,315
Unassigned*	43,160,693	35,402,426	29,197,605	26,109,371	27,919,325	25,575,506	19,604,465	17,438,706	15,034,542	13,188,126
Total General Fund	\$ 43,467,000	\$ 35,553,556	\$ 29,364,003	\$ 26,295,308	\$ 28,115,173	\$ 25,768,380	\$ 22,155,786	\$ 19,192,008	\$ 17,270,928	\$ 14,638,776
All Other Governmental Funds										
Nonspendable*	\$ 20,447	\$ 13,565	\$ 19,676	\$ 15,672	\$ 10,546	\$ 14,806	\$ 41,585	\$ 15,198	\$ 16,075	\$ 13,076
Restricted*	6,213,209	5,514,835	3,883,439	5,731,703	3,010,799	2,364,870	2,823,446	2,441,488	3,127,243	3,334,702
Committed*	4,323,297	1,740,343	1,732,113	6,046,738	8,812,735	9,916,400	1,955,940	900,455	89,725	99,949
Unassigned*	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 10,556,953	\$ 7,268,743	\$ 5,635,228	\$ 11,794,113	\$ 11,834,080	\$ 12,296,076	\$ 4,820,971	\$ 3,357,141	\$ 3,233,043	\$ 3,447,727

CITY OF COLUMBIA, TENNESSEE
Financial Trends Information
Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues:										
Taxes	\$ 35,074,465	\$ 31,574,594	\$ 27,763,948	\$ 26,448,519	\$ 25,425,553	\$ 24,944,326	\$ 23,813,515	\$ 21,993,026	\$ 21,252,380	\$ 19,788,849
Licenses and permits	2,604,458	1,737,096	1,189,603	930,837	866,191	817,389	621,717	318,425	307,459	228,144
Fines and forfeitures	226,437	360,551	352,176	430,636	412,894	342,684	342,812	403,575	403,800	384,976
Intergovernmental revenues	8,428,701	9,040,012	7,687,250	6,081,799	7,314,395	5,361,391	4,972,474	6,767,528	6,179,248	5,732,333
Charges for services	4,170,424	3,964,403	3,980,230	3,920,566	3,801,855	3,763,458	3,542,605	3,384,995	3,345,627	3,107,876
Interest (430,030)	577,981	557,952	501,537	159,545	130,698	100,266	85,607	76,814	74,573	
Other	3,654,226	1,480,158	1,853,905	395,222	275,172	269,416	381,938	359,346	317,242	644,775
Total Revenues	<u>53,728,681</u>	<u>48,734,795</u>	<u>43,385,064</u>	<u>38,709,116</u>	<u>38,255,605</u>	<u>35,629,362</u>	<u>33,775,327</u>	<u>33,312,502</u>	<u>31,882,570</u>	<u>29,961,526</u>
Other financing sources:										
Bond/loan proceeds, local government contributions and net operating transfers in	6,441,762	8,653,655	3,914,247	8,689,636	4,424,137	13,478,679	7,496,890	5,160,224	3,017,863	3,060,888
Total other financing sources	<u>6,441,762</u>	<u>8,653,655</u>	<u>3,914,247</u>	<u>8,689,636</u>	<u>4,424,137</u>	<u>13,478,679</u>	<u>7,496,890</u>	<u>5,160,224</u>	<u>3,017,863</u>	<u>3,060,888</u>
Total Revenues and Other financing sources	<u>60,170,443</u>	<u>57,388,450</u>	<u>47,299,311</u>	<u>47,398,752</u>	<u>42,679,742</u>	<u>49,108,041</u>	<u>41,272,217</u>	<u>38,472,726</u>	<u>34,900,433</u>	<u>33,022,414</u>
Expenditures:										
Current										
General government	\$ 7,541,557	\$ 6,030,151	\$ 7,457,881	\$ 8,708,490	\$ 5,136,311	\$ 5,456,600	\$ 4,793,680	\$ 4,881,980	\$ 4,634,131	\$ 4,625,245
Public works	9,091,926	7,501,925	8,350,224	7,270,958	6,982,741	7,373,191	6,258,925	6,813,430	5,927,370	5,723,053
Development Services	1,704,448	1,696,532	1,512,299	1,376,561	1,242,388	1,238,258	1,216,022	1,083,598	1,085,107	1,139,255
Public safety*						15,105,192	14,704,229	14,618,819	14,114,370	13,727,529
Police*	9,908,512	9,184,528	8,737,795	8,699,061	8,808,581	-	-	-	-	-
Fire*	8,035,930	8,080,510	7,834,800	7,892,692	8,601,871	-	-	-	-	-
Drug education & prevention*	41,908	144,253	108,946	227,226	165,337	-	-	-	-	-
Parks and recreation	2,758,457	2,425,763	2,398,037	2,527,934	2,170,239	1,975,918	1,790,542	1,741,159	1,731,306	1,629,482
Industrial Development Board **	1,709,313	63,650	3,532,251	29,586	-	-	-	-	-	-
Community support/other	-	-	-	-	-	196,000	307,559	276,352	279,886	1,145,997
Capital outlay	1,913,766	6,090,062	6,688,256	6,063,649	3,502,603	2,627,269	2,287,751	4,469,594	2,326,574	1,500,756
Debt service										
Interest	360,714	403,404	530,503	508,689	544,629	459,870	370,157	390,732	386,788	410,868
Principal	1,284,750	1,374,276	1,351,346	1,532,860	1,491,757	1,100,545	1,043,836	840,317	812,029	796,796
Total Expenditures	<u>44,351,281</u>	<u>42,995,054</u>	<u>48,502,338</u>	<u>44,837,706</u>	<u>38,646,457</u>	<u>35,532,843</u>	<u>32,772,701</u>	<u>35,115,981</u>	<u>31,297,561</u>	<u>30,698,981</u>

* Public Safety was reported as a consolidated department until FY 2018, which during 2018 was reported Police, Fire & Rescue, and Drug Education & Prevention

** Created in 2019

CITY OF COLUMBIA, TENNESSEE
Financial Trend Information
Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years (continued)

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Other financing uses:										
Net transfers out	4,617,508	6,570,328	1,887,163	4,420,878	2,148,488	2,487,499	4,071,907	1,311,568	1,185,404	1,295,804
Total other financing uses	4,617,508	6,570,328	1,887,163	4,420,878	2,148,488	2,487,499	4,071,907	1,311,568	1,185,404	1,295,804
Total Expenditures and Other financing uses	48,968,789	49,565,382	50,389,501	49,258,584	40,794,945	38,020,342	36,844,608	36,427,549	32,482,965	31,994,785
Net change in fund balances	<u>\$ 11,201,654</u>	<u>\$ 7,823,068</u>	<u>\$ (3,090,190)</u>	<u>\$ (1,859,832)</u>	<u>\$ 1,884,797</u>	<u>\$ 11,087,699</u>	<u>\$ 4,427,609</u>	<u>\$ 2,045,177</u>	<u>\$ 2,417,468</u>	<u>\$ 1,027,629</u>
Debt services as a percentage of non-capital expenditures	4.67%	6.28%	6.39%	6.02%	6.37%	4.81%	4.64%	4.04%	4.14%	4.13%

CITY OF COLUMBIA, TENNESSEE
Revenue Capacity Information
Assessed Value and Estimated Actual Value of Taxable Property, Last Ten Years

Fiscal Year	Estimated Actual Value			Assessed Value*	Taxable Assessed Value as a % of Actual Taxable Value	Total Direct Rate***
	Real Property	Personal Property	Total			
2022	\$ 3,211,188,800	\$ 338,214,015	\$ 3,549,402,815	\$ 1,054,472,630	29.71 %	1.1597
2021	3,078,824,700	311,093,155	3,389,917,855	1,011,747,638	29.85 %	1.1597
2020	2,938,037,800	442,041,372	3,380,079,172	1,028,588,395	30.43 %	1.1597
2019	** 2,815,314,400	447,712,800	3,263,027,200	997,054,300	30.56 %	1.1597
2018	2,151,471,600	383,091,138	2,534,562,738	777,040,550	30.66 %	1.4400
2017	2,063,683,000	351,532,609	2,415,215,609	740,688,148	30.67 %	1.4400
2016	2,029,379,200	299,998,509	2,329,377,709	722,059,087	31.00 %	1.4400
2015	** 2,008,179,900	270,076,101	2,278,256,001	705,435,248	30.96 %	1.4400
2014	2,293,376,980	272,880,280	2,566,257,260	710,987,445	27.71 %	1.4400
2013	2,015,025,200	234,735,371	2,249,760,571	695,103,805	30.90 %	1.3100

* Assessed value information does not include public utility assessments. Totals for exemptions are not available.

** Maury County property reappraisal became effective in the 2015 and 2019 fiscal years.

*** Per \$100 of assessed value

CITY OF COLUMBIA, TENNESSEE
Revenue Capacity Information
Direct and Overlapping Property Tax Rates, Last Ten Fiscal Years

Fiscal Year	Direct Rate City **	Overlapping Rate*** Maury County**	Combined Totals**
2022	1.1597	2.2364	3.3961
2021	1.1597	2.2364	3.3961
2020	1.1597	2.2364	3.3961
2019 *	1.1597	2.2364	3.3961
2018	1.4400	2.8150	4.2550
2017	1.4400	2.8150	4.2550
2016	1.4400	2.6200	4.0600
2015 *	1.4400	2.6200	4.0600
2014	1.4400	2.5970	4.0370
2013	1.3100	2.5970	3.9070

* Property reappraisals became effective in the 2015 and 2019 fiscal years. Accordingly, a new tax rate was determined and certified by the State Board of Equalization.

** Per \$100 of assessed valuation

***Overlapping rates are those of Maury County government that apply to property owners within the City of Columbia.

CITY OF COLUMBIA, TENNESSEE
Revenue Capacity Information
Property Tax Levies and Collections, Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2022	\$ 12,500,116	\$ 12,242,770	97.94 %	\$ -	\$ 12,242,770	97.94 %
2021	\$ 11,971,756	\$ 11,628,707	97.13 %	\$ 306,105	\$ 11,934,812	99.69 %
2020	\$ 12,198,049	\$ 11,826,303	96.95 %	\$ 361,759	\$ 12,188,062	99.92 %
2019	\$ 11,820,739	\$ 11,426,730	96.67 %	\$ 387,792	\$ 11,814,522	99.95 %
2018	\$ 11,492,343	\$ 11,107,015	96.65 %	\$ 453,930	\$ 11,560,945	100.60 %
2017	\$ 10,986,884	\$ 10,603,511	96.51 %	\$ 393,389	\$ 10,996,900	100.09 %
2016	\$ 10,735,192	\$ 10,322,672	96.16 %	\$ 333,962	\$ 10,656,634	99.27 %
2015	\$ 10,466,717	\$ 9,977,660	95.33 %	\$ 483,874	\$ 10,461,534	99.95 %
2014	\$ 10,513,084	\$ 9,980,984	94.94 %	\$ 516,802	\$ 10,497,786	99.85 %
2013	\$ 9,348,680	\$ 8,877,273	94.96 %	\$ 463,392	\$ 9,340,665	99.91 %

Note: Taxes are levied each November 1 on the assessed value as of the prior January 1. Taxes are due in one payment on November 1 and are delinquent on December 16 each tax year.

CITY OF COLUMBIA, TENNESSEE
Revenue Capacity Information
Local Sales Tax Revenue by Industry, Principal Employers, Fiscal Years 2022 and 2013

Sector	Fiscal Year 2022				Fiscal Year 2013			
	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
1. Retail Trade	548	48.45%	\$ 20,352,486	74.64%	646	60.26%	\$ 10,496,656	83.13%
2. Services	226	19.98%	2,665,815	9.78%	247	23.04%	1,020,239	8.08%
3. Manufacturing	85	7.52%	1,025,180	3.76%	49	4.57%	249,363	1.97%
4. Wholesale Trade	50	4.42%	1,864,995	6.84%	47	4.38%	473,221	3.75%
5. Construction	24	2.12%	61,631	0.23%	15	1.40%	23,570	0.19%
6. Finance Insurance Real Estate	15	1.33%	13,872	0.05%	11	1.03%	6,439	0.05%
7. Transportation and Utilites	12	1.06%	492,604	1.81%	10	0.93%	207,344	1.64%
8. Agriculture	13	1.15%	23,103	0.08%	4	0.37%	8,982	0.07%
9. Other, Non Classified	158	13.97%	766,614	2.81%	43	4.02%	141,324	1.12%
Total	1,131	100.00%	\$ 27,266,300	100.00%	1,072	100.00%	\$ 12,627,138	100.00%

Source: Tennessee Department of Revenue, Research Division.

Notes:

1. Figures subject to revision due to amended taxpayer returns.
2. Figures represent local sales tax collected by taxpayers during the period, not disbursements from the Department of Revenue. Thus, amounts presented above do not match to amounts reflected within the financial report.
3. Does not include Columbia 's share of county clerk or out-of-state taxpayer amounts.

CITY OF COLUMBIA, TENNESSEE
Revenue Capacity Information
Taxable Sales by Category, Last Ten Calendar Years

Category	Calendar Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
1 Apparel Stores	\$ 22,963,056	\$ 15,865,740	\$ 17,835,994	\$ 16,260,638	\$ 15,126,294	\$ 16,015,993	\$ 15,458,322	\$ 15,200,271	\$ 9,641,247	\$ 9,022,636
2 General Merchandise Stores	140,987,008	135,306,060	127,515,478	121,669,712	119,938,999	119,811,085	112,166,050	108,897,056	111,607,346	113,416,794
3 Food Stores	128,384,898	130,021,645	117,126,388	114,532,284	108,776,435	103,841,632	97,131,245	91,615,035	88,400,843	82,668,430
4 Eating and Drinking Places	121,145,271	99,415,694	106,342,301	98,824,286	96,141,796	91,680,136	87,131,189	80,698,112	76,545,372	75,123,928
5 Furniture Stores	21,759,272	18,133,941	15,130,821	16,638,181	17,107,137	17,333,905	14,196,985	13,552,554	17,533,343	17,150,377
6 Building Materials	93,028,516	84,630,819	72,247,056	70,947,858	71,955,819	65,573,150	59,236,352	51,930,626	46,049,173	43,429,117
7 MV Dealers and Service Stations	115,952,817	104,669,534	99,870,451	94,168,932	90,062,144	85,524,943	76,237,749	70,077,597	66,897,295	63,191,945
8 Other Retail	73,919,681	67,721,651	67,414,082	66,154,075	65,990,187	66,128,568	64,482,389	58,937,401	57,405,838	54,795,726
9 All Other Outlets	240,568,886	199,715,225	181,693,829	172,479,999	154,739,785	154,554,632	143,067,587	126,036,249	98,414,318	96,569,822
Total	\$ 958,709,405	\$ 855,480,309	\$ 805,176,400	\$ 771,675,965	\$ 739,838,596	\$ 720,464,044	\$ 669,107,868	\$ 616,944,901	\$ 572,494,775	\$ 555,368,775

Source: Tennessee Department of Revenue, Research Division.

Notes:

1. Figures subject to revision due to amended taxpayer returns.

CITY OF COLUMBIA, TENNESSEE
Revenue Capacity Information
Direct and Overlapping Sales Tax Rates, Last Ten Fiscal Years

<u>Fiscal</u> <u>Year</u>	<u>City</u> <u>Direct Rate*</u>
2022	2.75%
2021	2.75%
2020 **	2.75%
2019	2.25%
2018	2.25%
2017	2.25%
2016	2.25%
2015	2.25%
2014	2.25%
2013	2.25%

* Maury County retains half of the 2.75% City sales tax as funding for the school system.

** In February 2020, a referendum was approved increasing local option sales tax by 0.50%, with an effective date of May 1, 2020.

CITY OF COLUMBIA, TENNESSEE
Revenue Capacity Information
Schedule of Electric Rates (Unaudited), Last 10 Fiscal Years ****

COLUMBIA POWER SYSTEM

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
RESIDENTIAL RATE										
Customer charge per month	\$ 17.08	\$ 17.08	\$ 17.08	\$ 17.08	\$ 17.08	\$ 17.08	\$ 14.61	\$ 12.76	\$ 12.76	\$ 12.76
Energy charge per kWh per month	0.07805	0.09636	0.07805	0.07800	0.07109	0.07458	0.07300	0.07022	0.06837	0.06680
GENERAL POWER RATE***										
PART A (DEMAND 0 - 5,000 kW)										
1. Up to 50 kW and/or 15,000 kWh										
Customer charge per month	\$ 20.42	\$ 20.42	\$ 20.42	\$ 20.42	\$ 20.42	\$ 20.42	\$ 20.42	\$ 18.65	\$ 18.65	\$ 18.65
Energy charge per kWh per month	0.08921	0.10729	0.08921	0.08916	0.08178	0.08515	0.08350	0.08237	0.08090	0.07927
2. From 51 kW to 1,000 kW and/or more than 15,000 kWh										
Customer charge per month	\$ 65.76	\$ 65.76	\$ 65.76	\$ 65.76	\$ 65.76	\$ 65.76	\$ 65.76	\$ 34.19	\$ 34.19	\$ 34.19
Demand charge:										
First 50 kW per month	\$ 14.10	\$ 14.10	\$ 14.10	\$ 14.09	\$ 13.80	\$ 13.55	\$ 13.30	\$ 13.30	\$ 13.02	\$ 12.76
Energy charge:										
First 15,000 kWh per month	0.09339	0.11147	0.09339	0.09337	0.08597	0.08932	0.08765	0.08577	0.08401	0.08233
Additional kWh per month	0.04488	0.06271	0.04488	0.04488	0.03934	0.04257	0.04171	0.03983	0.03896	0.03812
3. Demand greater than 1,000 kW										
Customer charge per month	\$ 314.22	\$ 314.22	\$ 314.22	\$ 314.22	\$ 314.22	\$ 314.22	\$ 314.22	\$ 130.54	\$ 130.54	\$ 130.54
Demand charge:										
First 1,000 kW per month*	\$ 13.66	\$ 13.66	\$ 13.66	\$ 17.65	\$ 13.36	\$ 13.11	\$ 12.86	\$ 12.84	\$ 12.84	\$ 12.58
Additional kW per month*	\$ 12.37	\$ 12.37	\$ 12.37	\$ 16.36	\$ 12.07	\$ 11.82	\$ 11.57	\$ 11.57	\$ 11.55	\$ 11.29
Energy charge:										
All kWh per month	0.04657	0.06440	0.04657	0.04656	0.04100	0.04419	0.04330	0.04284	0.04279	0.04188
PART B (DEMAND 5,001 - 15,000 kW)**										
Customer charge per month	N/A	N/A	N/A	N/A	N/A	\$ 1,850	\$ 1,850	\$ 1,850	\$ 1,850	\$ 1,850
Demand charge:										
Per kW per month*	N/A	N/A	N/A	N/A	N/A	\$ 19.92	\$ 19.48	\$ 22.70	\$ 22.16	\$ 21.63
Energy charge:										
All kWh per month	N/A	N/A	N/A	N/A	N/A	0.03018	0.02949	0.02680	0.02614	0.02549
First 620 kWh per kW per month										
Additional kWh per month										
PART C (DEMAND 15,001 - 25,000 kW)**										
Customer charge per month	N/A	N/A	N/A	N/A	N/A	\$ 1,850	\$ 1,850	\$ 1,850	\$ 1,850	\$ 1,850
Demand charge:										
Per kW per month*	N/A	N/A	N/A	N/A	N/A	\$ 19.41	\$ 18.87	\$ 22.19	\$ 21.65	\$ 21.12
Energy charge:										
All kWh per month	N/A	N/A	N/A	N/A	N/A	0.02958	0.02891	0.02693	0.02627	0.02562
First 620 kWh per kW per month										
Additional kWh per month										
PART D (DEMAND > 25,001 kW)**										
Customer charge per month	N/A	N/A	N/A	N/A	N/A	\$ 1,850	\$ 1,850	\$ 1,850	\$ 1,850	\$ 1,850
Demand charge:										
Per kW per month*	N/A	N/A	N/A	N/A	N/A	\$ 19.30	\$ 18.86	\$ 25.84	\$ 25.20	\$ 24.58
Energy charge:										
Per kW per month	N/A	N/A	N/A	N/A	N/A	0.02723	0.02661	0.01949	0.01902	0.01856
OUTDOOR LIGHTING										
Street, Parks, and Athletic Fields										
Customer charge	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50
Each kWh	0.05112	0.06943	0.05112	0.05111	0.04164	0.04896	0.04818	0.04528	0.04348	0.04274
Plus investment charge										
Security Lighting										
Energy charge:										
All kWh	0.05119	0.06943	0.05112	0.05111	0.04164	0.04896	0.04818	0.04528	0.04348	0.04274

* Establishes minimum bill requirements

** Minimum bill or contract demand minimum is applicable, facilities rental and reactive demand charges.

*** Seasonal customers add \$.0133 (1.33 cents) to first 15,000 kWh and \$4.00 per kW to billed demand charges.

**** Base rates shown. Rates will adjust quarterly for TVA Fuel Cost Adjustment.

Note: Electric rates require approval by the Tennessee Valley Authority.

CITY OF COLUMBIA, TENNESSEE
Revenue Capacity Information

Schedule of Primary Power & Water System Revenue by Payor Type (Unaudited), Current Year and 9 Years Ago

COLUMBIA POWER SYSTEM

Customer Type	Fiscal Year 2022		Customer Type	Fiscal Year 2013	
	Gross Revenue	%		Gross Revenue	%
Residential	\$ 43,533,445	56.65%	Residential	\$ 31,035,273	51.43%
Commercial	8,764,243	11.41%	Commercial	7,207,496	11.94%
Industrial	23,922,049	31.13%	Industrial	21,080,064	34.94%
Street and athletic	221,868	0.29%	Street and athletic	638,323	1.06%
Outdoor Lighting	399,204	0.52%	Outdoor Lighting	378,049	0.63%
Total energy sales before bad debt expense	<u>\$ 76,840,809</u>	<u>100.00%</u>	Total energy sales before bad debt expense	<u>\$ 60,339,205</u>	<u>100.00%</u>

COLUMBIA WATER SYSTEM

Customer Type	Fiscal Year 2022		Customer Type	Fiscal Year 2013	
	Gross Revenue	%		Gross Revenue	%
Residential	\$ 7,732,170	56.60%	Residential	\$ 5,581,360	59.43%
Commercial	2,307,644	16.89%	Commercial	1,618,488	17.23%
Industrial	1,007,564	7.37%	Industrial	890,145	9.48%
Public and private fire protection	133,104	0.97%	Public and private fire protection	115,955	1.23%
Sales for resale	2,470,913	18.09%	Sales for resale	1,184,755	12.61%
Bulk and flat rates	10,875	0.08%	Bulk and flat rates	1,812	0.02%
Total water sales before bad debt expense	<u>\$ 13,662,270</u>	<u>100.00%</u>	Total water sales before bad debt expense	<u>\$ 9,392,515</u>	<u>100.00%</u>

CITY OF COLUMBIA, TENNESSEE
Debt Capacity Information
Ratios of Outstanding Debt by Type, Last Ten Fiscal Years

Fiscal Year	Population*	Per Capita Income**	Governmental Activities		Business-type Activities		Total Primary Government	Percentage of Personal Income ^a	Per Capita ^a
			General Obligation Bonds***	Notes Payable	Revenue Bonded Debt****	General Obligation Bonds***			
2022	43,340	\$ 31,873	\$ 12,303,774	\$ 675,075	\$ 10,682,703	\$ 8,730,244	\$ 32,391,796	0.10%	\$ 747.39
2021	41,690	\$ 28,083	\$ 13,348,850	\$ 989,425	\$ 15,250,253	\$ 9,696,213	\$ 39,284,741	0.07%	\$ 942.31
2020	40,494	\$ 25,685	\$ 14,328,526	\$ 1,436,385	\$ 21,892,128	\$ 6,275,000	\$ 43,932,039	0.06%	\$ 1,084.90
2019	39,475	\$ 27,852	\$ 15,169,470	\$ 1,512,731	\$ 24,336,794	\$ 7,475,000	\$ 48,493,995	0.06%	\$ 1,228.47
2018	38,407	\$ 26,159	\$ 16,079,955	\$ 2,145,591	\$ 26,989,087	\$ 8,375,000	\$ 53,589,633	0.05%	\$ 1,395.31
2017	37,316	\$ 24,437	\$ 17,657,639	\$ 1,835,149	\$ 29,560,082	\$ 9,265,000	\$ 58,317,870	0.04%	\$ 1,562.81
2016	36,569	\$ 23,509	\$ 8,323,928	\$ 3,142,893	\$ 37,173,174	\$ 10,135,000	\$ 58,774,995	0.04%	\$ 1,607.24
2015	35,935	\$ 22,944	\$ 8,658,990	\$ 2,765,757	\$ 50,461,504	\$ -	\$ 61,886,251	0.04%	\$ 1,722.17
2014	35,431	\$ 22,674	\$ 9,114,786	\$ 1,251,074	\$ 53,581,185	\$ -	\$ 63,947,045	0.04%	\$ 1,804.83
2013	34,925	\$ 22,466	\$ 9,560,582	\$ 1,618,005	\$ 56,082,697	\$ -	\$ 67,261,284	0.03%	\$ 1,925.88

* Fiscal year population reported using annual year prior 2020 Census and estimated population statistics by the US Census Bureau.

** US Census Bureau America Community Survey annual population statistics; ESRI estimates for two most recent years.

*** Presented net of original issuance discounts and premiums

**** Includes Revenue and Revenue & Tax Bonds, net of original issuance discounts and premiums and loss on refunding

^a See Schedule 19 for personal income and population data. These ratios are calculated using personal income data from the prior calendar year and estimated population at June 30th fiscal year end.

CITY OF COLUMBIA, TENNESSEE
Debt Capacity Information
Ratio of General Bonded Debt Outstanding, Last Ten Fiscal Years

Fiscal Year	Population*	Actual Value of Taxable Property**	General Bonded Debt ***	Percent of General Obligation Debt to Actual Value	Bonded Debt Per Capita
2022	43,340	\$ 3,549,402,815	\$ 21,034,018	0.59%	\$ 485.33
2021	41,690	\$ 3,389,917,855	\$ 23,045,063	0.68%	\$ 552.77
2020	40,494	\$ 3,380,079,172	\$ 20,603,526	0.61%	\$ 508.80
2019	39,475	\$ 3,263,027,200	\$ 22,644,470	0.69%	\$ 573.64
2018	38,407	\$ 2,534,562,738	\$ 24,454,955	0.96%	\$ 636.73
2017	37,316	\$ 2,415,215,609	\$ 26,922,639	1.11%	\$ 721.48
2016	36,569	\$ 2,329,367,709	\$ 18,458,928	0.79%	\$ 504.77
2015	35,935	\$ 2,278,256,001	\$ 8,658,990	0.38%	\$ 240.96
2014	35,431	\$ 2,566,257,260	\$ 9,114,786	0.36%	\$ 257.25
2013	34,925	\$ 2,249,760,571	\$ 9,560,582	0.42%	\$ 273.75

* Based on US Census Bureau America Community Survey annual population statistics estimating two most recent years.

** Property value information does not include public utility assessments.

*** Includes general obligation bonds issued by governmental funds and proprietary funds, net of original issuance discounts and premiums.

CITY OF COLUMBIA, TENNESSEE
Debt Capacity Information
Direct and Overlapping Governmental Activities Debt

Jurisdiction	Net Total Debt Outstanding *	Percentage Applicable to City	Estimated Share of Overlapping Debt
Direct:			
City of Columbia	\$ 12,978,849	100.00%	\$ 12,978,849
Overlapping:			
Maury County	<u>293,665,039</u>	38.58% **	<u>113,295,972</u>
Total	<u>\$ 306,643,888</u>		<u>\$ 126,274,821</u>

* Excluding debt financed by special assessments and proprietary funds.

**Based upon assessed value of property in the 2021 tax year in:

County	\$ 2,732,928,800
City	\$ 1,054,472,630

CITY OF COLUMBIA, TENNESSEE
Debt Capacity Information
Legal Debt Margin Information, Last Ten Fiscal Years

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Assessed value	\$ 1,054,472,630	1,011,747,638	\$ 1,028,588,395	\$ 997,054,270	\$ 777,040,550	\$ 740,688,148	\$ 722,059,087	\$ 705,435,248	\$ 710,987,445	\$ 695,103,805
General obligation bonds*	\$ 21,034,018	23,045,063	\$ 20,603,526	\$ 22,644,470	\$ 24,454,955	\$ 26,922,639	\$ 18,458,928	\$ 8,658,990	\$ 9,114,786	\$ 9,560,582
Debt as a percent of assessed value	1.99%	2.28%	2.00%	2.27%	3.15%	3.63%	2.56%	1.23%	1.28%	1.38%

*Includes general obligation bonds issued by governmental funds and proprietary funds, net of original issuance discounts and premiums.

Note: The City has no legal debt limit.

CITY OF COLUMBIA, TENNESSEE
Debt Capacity Information
Pledged-Revenue Coverage, Last Ten Fiscal Years

SEWER SYSTEM

Year	Gross Revenues*	Operating Expense	Available for Debt Service	Debt Service Requirements			Times Coverage
				Principal	Interest	Total	
2022	15,236,381	8,705,734	6,530,647	1,285,000	178,554	1,463,554	4.46
2021	12,070,520	7,756,360	4,314,160	1,210,000	235,849	1,445,849	2.98
2020	10,819,190	8,086,669	2,732,521	1,510,000	313,962	1,823,962	1.50
2019	11,218,683	8,056,117	3,162,566	1,485,000	507,825	1,992,825	1.59
2018	11,045,039	7,823,366	3,221,673	1,455,000	377,742	1,832,742	1.76
2017	10,764,359	8,497,325	2,267,034	1,415,000	409,040	1,824,040	1.24
2016	9,622,342	7,814,874	1,807,468	1,250,000	544,838	1,794,838	1.01
2015	8,990,593	7,968,083	1,022,510	1,215,000	722,978	1,937,978	0.53
2014	9,163,048	7,266,166	1,896,882	1,175,000	759,705	1,934,705	0.98
2013	9,032,541	6,841,536	2,191,005	2,082,000	831,823	2,913,823	0.75

*Operating revenues excludes capital contributions and interest income

POWER SYSTEM

Fiscal Year	Gross Revenues*	Operating Expense	Available for Debt Service	Debt Service Requirements			Times Coverage
				Principal	Interest	Total	
2022	88,414,574	80,398,117	8,016,457	930,000	66,940	996,940	8.04
2021	79,837,168	71,861,524	7,975,644	910,000	84,846	994,846	8.02
2020	79,176,569	72,024,209	7,152,360	900,000	100,956	1,000,956	7.15
2019	79,127,484	74,166,521	4,960,963	1,036,701	129,800	1,166,501	4.25
2018	78,026,176	71,162,091	6,864,085	910,642	134,078	1,044,720	6.57
2017	74,364,525	69,132,066	5,232,459	1,203,905	388,901	1,592,806	3.29
2016	69,032,354	64,793,830	4,238,524	1,140,000	414,147	1,554,147	2.73
2015	68,708,684	64,361,233	4,347,451	970,000	736,646	1,706,646	2.55
2014	68,708,684	64,361,233	4,347,451	940,000	771,953	1,711,953	2.54
2013	66,331,187	62,555,011	3,776,176	1,135,000	890,660	2,025,660	1.86

*Operating revenues excludes capital contributions and interest income

WATER SYSTEM

Fiscal Year	Gross Revenues*	Operating Expense	Available for Debt Service	Debt Service Requirements			Times Coverage
				Principal	Interest	Total	
2022	14,700,682	10,745,652	3,955,030	1,265,000	409,217	1,674,217	2.36
2021	13,632,433	10,048,355	3,584,078	1,215,000	501,056	1,716,056	2.09
2020	13,074,181	9,566,948	3,507,233	1,165,000	547,894	1,712,894	2.05
2019	13,238,872	9,413,561	3,825,311	1,125,000	591,656	1,716,656	2.23
2018	12,827,934	9,261,333	3,566,601	1,085,000	631,847	1,716,847	2.08
2017	11,400,802	9,276,703	2,124,099	1,050,000	669,838	1,719,838	1.24
2016	10,172,069	8,310,864	1,861,205	1,010,000	705,288	1,715,288	1.09
2015	10,485,022	7,442,777	3,042,245	975,000	737,488	1,712,488	1.78
2014	10,294,575	7,319,637	2,974,938	950,000	768,638	1,718,638	1.73
2013	9,850,520	7,094,585	2,755,935	1,245,000	870,191	2,115,191	1.30

*Operating revenues excludes capital contributions and interest income

CITY OF COLUMBIA, TENNESSEE
Demographic and Economic Information
Demographic and Economic Statistics, Last Ten Years

Fiscal Year	Population^A	Personal Income^B	Per Capita Income^C	Unemployment Rate^D
2022	43,340	\$ 1,381,376	\$ 31,873	4.70%
2021	41,690	1,170,780	28,083	7.70%
2020	40,494	1,040,088	25,685	7.50%
2019	39,475	1,099,458	27,852	3.40%
2018	38,407	1,004,689	26,159	3.80%
2017	37,316	911,891	24,437	3.60%
2016	36,569	859,701	23,509	4.60%
2015	35,935	824,493	22,944	5.80%
2014	35,431	803,362	22,674	6.80%
2013	34,925	784,625	22,466	8.10%

Compiled and calculated by the City of Columbia, compiled using the sources below.

Sources:

- ^A US Census Bureau America Community Survey annual population statistics estimating two most recent years.
- ^B US Census Bureau America Community Survey annual population statistics estimating two most recent years. Amoi
- ^C US Census Bureau America Community Survey annual population statistics; ESRI estimates for two most recent yea
- ^D City rate was obtained from the Tennessee Dept. of Labor statistics (annual average was used).

CITY OF COLUMBIA, TENNESSEE
Demographic and Economic Information
Principal Employers, Current Year and Nine Years Ago

<u>Employer</u>	<u>2022</u>			<u>2013</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Maury Regional Hospital	2,451	1	12.24%	2,135	1	15.90%
Maury County School System	1,650	2	8.24%	1,580	2	11.77%
Tennessee Farm Bureau & Affiliates	698	3	3.49%	625	3	4.66%
Maury County Government	564	4	2.82%	266	7	1.98%
Columbia State Community College	512	5	2.56%	250	9	1.86%
City of Columbia	400	6	2.00%	373	5	2.78%
NHC Healthcare	310	7	1.55%	255	8	1.90%
Wiremasters Inc.	213	8	1.06%			
Kings Daughter's School	212	9	1.06%	180	10	1.34%
Sleep Solutions & Services LLC	187	10	0.93%			
Wal Mart				500	4	3.72%
First Farmers & Merchants National Bank				266	6	1.98%
Total	<u>7,197</u>		<u>35.95%</u>	<u>6,430</u>		<u>47.89%</u>
	Total Employment *			Total Employment **		
	20,017			13,425		

Source: Source: Number of employees provided by City of Columbia, total employment numbers from U.S. Department of Labor, Bureau of Labor Statistics

* number employed within City of Columbia as of June 30, 2022

**number employed within City of Columbia as of June 30, 2013

City of Columbia, Tennessee
Operating Information
Operating Indicators by Function/Program, Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Police										
Calls for service (including traffic stops)	38,254	40,353	47,420	48,872	46,545	46,307	44,714	43,252	47,627	46,812
Custodial arrests	1,918	1,884	2,758	2,463	2,635	2,584	2,607	2,865	3,237	2,852
Traffic violations	1,951	2,280	1,910	3,108	1,952	1,705	1,892	2,234	3,601	3,390
Fire Department										
Emergency responses	5,134	4,748	4,561	4,273	3,445	3,984	4,266	4,104	4,095	3,856
Fires extinguished	134	134	137	116	118	160	114	144	135	163
Inspections	2,575	2,050	2,437	3,674	2,757	2,904	2,310	1,201	1,420	2,178
Sanitation										
Refuse collected (tons per day)	101	98	94	92	91	82	85	76	78	85
Other Public Works										
Streets resurfacing (miles)	<1	<1	16.9	<1	<1	8	<1	11.8	<1	<1
Sidewalks replaced/constructed (blocks)	2	6	5	4	4.5	3.5	6	4	3	2
Parks & Recreation										
Athletic permits issued	12	14	14	14	14	13	14	14	14	15
Community center /ball field admissions	136,000	121,114	75,000	125,000	117,747	107,043	103,926	98,224	90,237	87,237
Facility rentals	4,250	3,911	2,109	3,906	3,807	3,461	3,361	1,157	1,154	1,450
Sewage										
Average daily sewage treatment (thousands of gallons)	7,689	5,936	7,493	6,359	5,977	6,153	5,229	6,408	5,890	5,268

Sources: Various city departments

City of Columbia, Tennessee
Operating Information
Capital Assets Statistics by Function Program, Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Police										
Stations	1	1	1	1	1	2	2	2	2	2
Substations	0	0	0	0	0	2	2	2	3	3
Fire Stations	5	5	5	5	5	5	5	5	5	5
Transfer station	0	0	0	0	0	0	0	0	0	0
Other Public Works										
Streets (miles)	231	223	221	219	215	214	212	210	200	200
Street lights	6,463	6,423	6,214	6,126	5,876	5,850	5,850	5,850	5,846	5,843
Traffic signals (signalized intersections)	48	48	48	48	47	46	45	45	44	43
Parks & Recreation										
Acreage	380	400	400	400	370	326	326	326	326	326
Playgrounds	9	10	10	10	10	9	9	9	9	9
Baseball/softball diamonds	16	18	19	19	18	17	16	16	16	15
Soccer/football fields	18	18	18	18	28	26	26	26	26	26
Community centers	3	3	3	3	4	4	4	4	4	4
Sewage										
Sanitary sewers (miles)	325	321	317	314	312	309	307	304	304	304
Storm sewers (miles)	42	42	42	42	42	42	42	42	42	42
Treatment capacity (thousands of gallons)	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000

Sources: Various city departments

CITY OF COLUMBIA, TENNESSEE
Operating Information
Full-time Authorized Positions City Government Employees by Function/Program, Last Ten Fiscal Years

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General government										
City Manager*	5	4	4	3	3	3	3	3	3	3
Management Information Systems	4	3	3	4	4	4	4	4	4	4
Emergency Management	0	0	0	0	0	1	1	1	1	1
Finance	5	5	5	5	4	4	4	4	4	4
City Recorder	6	6	6	6	7	8	8	8	8	8
Personnel	3	3	3	3	3	3	3	3	3	3
Police										
Sworn Officers	95	91	90	94	90	88	88	88	88	88
Civilians	12	11	13	12	12	11	12	12	12	12
Fire										
Firefighters and officers	89	89	89	89	87	86	86	86	86	86
Non-Suppression personnel	7	8	8	6	6	5	5	5	5	5
Sanitation	29	30	30	27	27	30	30	30	30	30
Public works										
Development Services	18	17	16	16	15	16	16	16	16	16
Public Works-Streets	45	45	43	43	43	44	44	44	44	44
Parks and recreation	25	26	26	24	22	36	21	23	23	23
Wastewater	50	49	48	49	49	48	48	51	51	51
Total	393	387	384	381	372	387	373	378	378	378

Source: City of Columbia Personnel Department (authorized positions)

* Includes Tourism and Marketing personnel

City of Columbia, Tennessee
Schedule of Lease Requirements by Year
As of June 30, 2022

GOVERNMENTAL ACTIVITIES

<u>Year Ending June 30</u>	<u>Leases</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 26,438	\$ 1,008	\$ 27,446
2024	24,982	576	25,558
2025	13,517	151	13,668
Total	<u>\$ 64,937</u>	<u>\$ 1,735</u>	<u>\$ 66,672</u>

BUSINESS-TYPE ACTIVITIES

NONE

Sources: Various city departments

Single Audit Section



CITY OF COLUMBIA, TENNESSEE

Schedule of Expenditures of Federal and State Awards

For the Fiscal Year Ended June 30, 2022

FEDERAL FINANCIAL ASSISTANCE	FEDERAL ALN	GRANTOR'S NUMBER	ACCRUED (DEFERRED) REVENUE			ACCRUED
			JULY 1, 2021	RECEIPTS	EXPENDITURES	(DEFERRED) REVENUE JUNE 30, 2022
U.S. Department of Housing and Urban Development						
<u>Passed through from</u>						
Tennessee Department of Economic and Community Development						
2019 "Small Cities" Grant - CDBG	14.228	33004-17520	\$ -	\$ 63,820	\$ 63,820	\$ -
Total U.S. Department of Housing and Urban Development			-	63,820	63,820	-
U.S. Department of Justice						
<u>Direct assistance</u>						
Bulletproof Vest Grant (2019)	16.607	N/A	1,888	-	-	1,888
Bulletproof Vest Grant (2020)	16.607	N/A	2,697	-	2,543	5,240
Bulletproof Vest Grant (2021)	16.607	N/A	-	-	2,948	2,948
Total Program 16.607			4,585	-	5,491	10,076
2020 Justice Assistance Grant - JAG	16.738	2020-DJ-BX-0719	-	14,800	14,800	-
Federal Equitable Sharing-Asset Forfeiture Justice	16.922	N/A	-	44,621	-	(44,621)
Total U.S. Department of Justice			4,585	59,421	20,291	(34,545)
U.S. Department of Transportation						
<u>Passed through from</u>						
Tennessee Department of Transportation						
Surface Transp Program-US 31/US 412	20.205	PIN 125912.00	124,331	127,182	91,868	89,017
Surface Transp Program-West 7th Street	20.205	PIN 121512.00	6,313	53,627	392,678	345,364
Total Highway Planning and Construction Cluster			130,644	180,809	484,546	434,381
<u>Passed through from</u>						
Governor's Highway Safety Office						
2021 Highway Safety Office Grant	20.600	Z21THSO68	-	18,256	18,256	-
2022 Highway Safety Office Grant	20.600	Z21THSO70	-	2,495	2,495	-
Total Highway Safety Cluster			-	20,751	20,751	-
Total U.S. Department of Transportation			130,644	201,560	505,297	434,381
U.S. Department of Treasury						
<u>Direct assistance</u>						
Coronavirus State & Local Fiscal Recovery Funds	21.027	N/A	-	5,983,969	1,967,937	(4,016,032)
Total U.S. Department of Treasury			-	5,983,969	1,967,937	(4,016,032)
Environmental Protection Agency						
<u>Direct assistance</u>						
2019 Brownfields Assessment Grant	66.818	BF 00D95119-0	-	12,079	46,454	34,375
Total Environmental Protection Agency			-	12,079	46,454	34,375
U.S. Department of Homeland Security						
<u>Direct assistance</u>						
Public Assistance Grant	97.036	68346-40876	-	440,244	440,244	-
Total U.S. Department of Homeland Security			-	440,244	440,244	-
Total Federal Financial Assistance			\$ 135,229	\$ 6,761,093	\$ 3,044,043	\$ (3,581,821)
STATE FINANCIAL ASSISTANCE						
Tennessee Arts Commission						
Arts Build Communities Gant	N/A	31625-16185	\$ -	\$ 1,725	\$ 1,725	\$ -
Arts Build Communities Gant	N/A	ABC-2106-13591	-	2,035	2,035	-
Total Tennessee Arts Commission			-	3,760	3,760	-
Tennessee Department of Economic and Community Development						
2019 CDBG Façade Improvement Grant	N/A	33007-28720	-	30,785	30,785	-
2020 FastTrack Grant	N/A	33006-30920	-	449,777	449,777	-
2021 FastTrack Grant	N/A	33006-07322	-	350,000	350,000	-
2021 FastTrack Grant	N/A	33006-17121	-	1,500,000	-	(1,500,000)
Total Tennessee Department of Economic and Community Development			-	2,330,562	830,562	(1,500,000)
Tennessee Department of Finance and Admin						
2021 TN Government Local Support Grant	N/A	N/A	-	456,298	456,298	-
Total Tennessee Department of Finance and Admin			-	456,298	456,298	-
Total State Financial Assistance			\$ -	\$ 5,124,942	\$ 2,124,942	\$ (3,000,000)

Note: Schedule was prepared utilizing the accrual basis of accounting.

CITY OF COLUMBIA, TENNESSEE

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

June 30, 2022

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal and state awards includes the federal and state grant activity of the City and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2. Indirect Cost Rate

The City has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3. Subrecipients

Of the federal expenditures presented in the schedule, the City has not provided any federal awards to subrecipients.



**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Honorable Mayor
and Members of the City Council
City of Columbia, Tennessee

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Columbia, Tennessee (the City) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, and have issued our report thereon dated January 26, 2023. Other auditors audited the financial statements of the Power System and Water System Funds, as described in our report of the City of Columbia’s financial statements. This report does not include the results of the other auditors’ testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City’s internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Chattanooga, Tennessee
January 26, 2023

Henderson Hutcherson



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND
REPORT ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

To the Honorable Mayor
and Members of the City Council
City of Columbia, Tennessee

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Columbia, Tennessee's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2022. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Chattanooga, Tennessee
January 26, 2023

*Henderson Hutcherson
in McCullough, PLLC*

CITY OF COLUMBIA, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2022

SECTION 1 – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

- Material weaknesses identified: ___yes x no
- Significant deficiencies identified that are not considered to be material weaknesses? ___yes x none reported

Noncompliance material to financial statements noted? ___yes x no

Federal Awards

Internal control over major programs:

- Material weaknesses identified: ___yes x no
- Significant deficiencies identified that are not considered to be material weaknesses? ___yes x none reported

Type of auditor’s report issued on compliance for major programs: Unmodified

Any audit findings disclosed under the Uniform Guidance? ___yes x no

Identification of major programs:

CFDA Numbers

Name of Federal Program or Cluster

21.027

U.S. Department of Treasury
Coronavirus State & Local Fiscal Recovery Funds

CITY OF COLUMBIA, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2022

Dollar threshold used to distinguish between Type A
and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

 yes

 X no

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported

CITY OF COLUMBIA, TENNESSEE

SCHEDULE OF PRIOR AUDIT FINDINGS

Year Ended June 30, 2022

None reported