

CITY OF COLUMBUS, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2017**

**Prepared by:
City's Finance Department**

THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF COLUMBUS, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
TABLE OF CONTENTS
SEPTEMBER 30, 2017

	<u>Page Number</u>
 INTRODUCTORY SECTION	
Letter of Transmittal	i – v
GFOA Certificate of Achievement	vi
Organizational Chart	vii
List of Elected and Appointed Officials	viii
 FINANCIAL SECTION	
Independent Auditors’ Report.....	1 – 3
Management’s Discussion and Analysis	4 – 12
Basic Financial Statements:	
Government-wide Financial Statements	
Statement of Net Position	13
Statement of Activities.....	14 – 15
Fund Financial Statements	
Balance Sheet – Governmental Funds	16
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	17
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	18

CITY OF COLUMBUS, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
TABLE OF CONTENTS
SEPTEMBER 30, 2017

	<u>Page Number</u>
Statement of Net Position – Proprietary Fund	19
Statement of Revenues, Expenses, and Change in Fund Net Position – Proprietary Fund	20
Statement of Cash Flows – Proprietary Fund	21
Notes to the Financial Statements.....	22 – 45
Required Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	46 – 47
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Hotel/Motel Tax Fund.....	48
Notes to Required Supplementary Information	49
Schedule of Changes in TMRS Net Pension Liability and Related Ratios.....	50
Schedule of TMRS Contributions.....	51
Schedule of TESRS Contributions	52
Combining and Individual Fund Statements and Schedules	
Combining Balance Sheet – Nonmajor Governmental Funds.....	53 – 54
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Nonmajor Governmental Funds.....	55 – 56

CITY OF COLUMBUS, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

TABLE OF CONTENTS

SEPTEMBER 30, 2017

	<u>Table</u>	<u>Page Number</u>
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual		
Equipment Capital Projects Fund		57
Fire Equipment Capital Projects Fund		58
Debt Service Fund 2005.....		59
Debt Service Fund 2008.....		60

STATISTICAL SECTION

Net Position by Component	1	61 – 62
Changes in Net Position.....	2	63 – 66
Fund Balances of Governmental Funds	3	67
Changes in Fund Balances of Governmental Funds	4	68 – 69
Principal Gas Purchasers.....	5	70
Taxable Sales by Category.....	6	71 – 72
Tax Revenue by Source, Governmental Funds.....	7	73
Assessed Value and Estimated Actual Value of Taxable Property	8	74
Direct and Overlapping Property Tax Rates	9	75
Principal Property Taxpayers.....	10	76
Property Tax Levies and Collections	11	77
Ratios of Outstanding Debt by Type	12	78
Ratios of General Bonded Debt Outstanding.....	13	79

CITY OF COLUMBUS, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
TABLE OF CONTENTS
SEPTEMBER 30, 2017

	<u>Table</u>	<u>Page</u> <u>Number</u>
Direct and Overlapping Governmental Activities Debt.....	14	80
Legal Debt Margin Information.....	15	81 – 82
Demographic and Economic Statistics	16	83
Principal Employers.....	17	84
Fulltime Equivalent City Government Employees by Function/Program	18	85
Operating Indicators by Function/Program	19	86
Capital Asset Statistics by Function/Program.....	20	87

INTRODUCTORY SECTION

THIS PAGE LEFT BLANK INTENTIONALLY



The City of Columbus

P.O. Box 87 • Columbus, Texas 78934 • 979-732-2366 • 979-732-8213

March 28, 2018

To the Honorable Mayor, Members of City Council, and
Citizens of the City of Columbus, Texas:

State law requires that every general-purpose local government publish at the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended September 30, 2017.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Pattillo, Brown, & Hill L.L.P., has issued an unmodified (“clean”) opinion on the City of Columbus’ financial statements for the year ended September 30, 2017. The independent auditors’ report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditors’ report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The City of Columbus was established in 1835, and first incorporated on June 5, 1837. Current incorporation occurred on January 10, 1927. It is located in Colorado County at the intersection of Interstate Highway 10 and State Highway 71, in south central Texas, approximately 70 miles west of Houston, 120 miles east of San Antonio, and 80 miles southeast of Austin. The City currently has a land area of 2 square miles and a population of 3,655. The City of Columbus is a Type A, General Law City and utilizes the Council-Manager form of government organized under Chapter 25 of the Texas Local Government Code. Policy-making and legislative authority are vested in a governing council consisting of a Mayor and five Council members elected by position. The City Council is responsible, among other things, for passing ordinances, adopting the budget, and appointing the City Manager and City Attorney. The City Manager is responsible for

carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the City and for appointing the heads of the various departments. Council members serve two-year terms, with the Mayor and two Council members elected in odd years and three Council members elected in even numbered years. The Mayor appoints the Municipal Court Judge, and members of various City committees with the approval of City Council.

The City of Columbus provides a full range of services, including police and fire protection, the construction and maintenance of streets and other infrastructure, a public library and governmental activities. The City of Columbus operates water, sewer, garbage service, and gas utilities. In addition, the City is financially accountable for the activities of the Columbus Community and Industrial Development Corporation, a legally separate entity, which is reported separately within the City of Columbus' financial statements.

The City Council is required to adopt a final budget by no later than the close of the fiscal year. This annual budget serves as the foundation for the City of Columbus' financial planning and control. The budget is prepared by fund, function, department, and object. The City Manager may transfer resources within a fund during a fiscal year. To amend the total expenditures, a budget amendment must be approved by City Council.

Local Economy

As measured by the City's sales tax, Columbus has experienced economic growth over the past ten years. With sales tax revenues for fiscal year end 2008 of \$698,525 and for the current year of \$998,674, the growth for the period was 43%. The last four years have seen healthy annual increases in the City's sales tax revenue, with an average annual increase of 5.0%. No single large new business has arrived to drive up the City's sales tax revenue. Instead steady, sound growth is being experienced throughout the business sectors. Because of the volatility in the national economy, the City carefully monitors sales tax revenues on a monthly basis, with a goal of identifying new trends.

2013 saw the completion of a new \$14.5 million oil and gas fabricating facility in the City's industrial park. Because of increased demand on the City's natural gas supply made by this facility, the City obtained a Texas Capital Fund grant to install a new transmission line to the industrial park. This line not only provides needed volumes to the current facility, but will also be available for future expansion at the park. Engineering on this new gas line was completed in 2015. Construction was completed in 2016, with the grant close expected in 2018. Prior committed land in the industrial park has recently become available for prospective expansion, and interest in other available tracts has been heavy.

With the upturn in the energy sector, the City maintains an advantage with growth in related sectors. With the continued growth of the Sun Belt region and as the City's fundamentals improve; an increase in new housing construction will meet the demand for expansion. Columbus has the potential to be a leading small town in this area for years to come.

Although the City saw major flooding during August of 2017 from Hurricane Harvey, clean-up has been completed, and City management is working closely with FEMA to rebuild damaged infrastructure.

Long-term Financial Planning

The City of Columbus maintains sufficient cash reserves and unreserved fund balances/unrestricted net assets in its general and utility fund to avoid borrowing for general operating purposes and to handle emergency situations, while providing quality service levels to the public.

During fiscal year 2005, the City was successful in obtaining certificates of obligation for \$4.75 million to fund a major Water and Sewer Improvement Project. These funds allowed the City to drill a new water well, install new water and sewer lines throughout the City, and renovate the water and sewer plants. This major project was completed in 2009.

During fiscal year 2013, the City refunded the 2005 certificates of obligation by obtaining general obligation refunding bonds. This advance refunding was undertaken to reduce debt service payments over the next 12 years by \$418,623 and resulted in an economic gain of \$365,887.

During fiscal year 2008, the City obtained certificates of obligation for \$4 million. \$1.2 million of these funds were used for a major renovation of City Hall facilities and the Fire Station. The remaining \$2.8 million of the proceeds from the 2008 certificates of obligation were utilized for improvements to the Water system and to enhance the Gas delivery system.

During fiscal year 2010, the City refunded the 2008 certificates of obligation by obtaining general obligation refunding bonds. This advance refunding was undertaken to reduce total debt service payments over the next 18 years by \$375,075 and resulted in an economic gain of \$273,381.

During fiscal year 2014, the City entered into a lease agreement in the amount of \$900,000 to finance the purchase of an Automated Meter Reading system, along with updated water and gas meters. With the majority of meter installation completed in 2015, the system is providing a means for the City to more effectively monitor and manage the distribution and use of water and gas to its customers, and is also increasing billing efficiency.

In October 2016, the City obtained \$3 million of certificates of obligation in order to install a new water filtration system to improve water quality. This \$2.5 million project is expected to be completed by summer 2018. The remaining funds from the certificates are earmarked for sewer and gas system improvements.

Relevant Financial Policies

The City awards its depository contract through official bidding procedures for a two-year period with an option to extend for a year. After open bidding in August of 2015, Industry State Bank was again awarded the City's depository contract expiring on September 30th, 2017.

The City's bank depository agreement requires that all demand deposits and time deposits are secured by pledged collateral with a market value equal to 102 percent of the deposits, less \$250,000, which is insured by the Federal Deposit Insurance Corporation. Evidence of the pledged collateral is maintained by a third party financial institution.

During 2016, the City Council renewed the existing Investment Policy as required by state law and no significant changes were made to the policy.

Major Initiatives

Technology improvement continues to be a major area of change in the City. The City has implemented technology enhancements with new utility billing, building projects, court, and financial software systems since 2007. In 2009, a SCADA (Supervisory Control and Data Acquisition) system was installed which allows the City to remotely monitor the water and sewer plants from two selected locations. In 2010, the City purchased Mobile Data Terminals which were placed in the Police patrol units to allow officers to compile reports in the field and to have improved access to information. In 2012, the City installed an automated fuel control management system at its vehicle fueling station. In 2014, the City's Police Department updated its records management system to allow integration between the reporting, mobile, and other local agency software.

In 2014, the Water and Gas Improvement Project, as mentioned earlier, saw the completion of a project to replace water distribution lines in part of the City, and an elevated water tank, which could no longer be used, was demolished. The City also received a grant to fund the replacement of aerators at its water plants and another to build a dedicated gas line to the industrial park to accommodate increased gas demands there. Major construction of the Aerator Grant Project, and the engineering for the Gas Line Grant Project was completed in 2015. Open bidding for the construction of the gas line project was carried out in late 2015, with construction completed in 2016.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Columbus for its comprehensive annual financial report for the fiscal year ended September 30, 2016. This was the eleventh consecutive year that the City has received 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 the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated service of the finance department staff. We wish to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and City Council members for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Columbus' finances.

Respectively submitted,



Donald Warschak, PE
City Manager



Bana Schneider
Finance Director/City Secretary



Government Finance Officers Association

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

Presented to

**City of Columbus
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2016

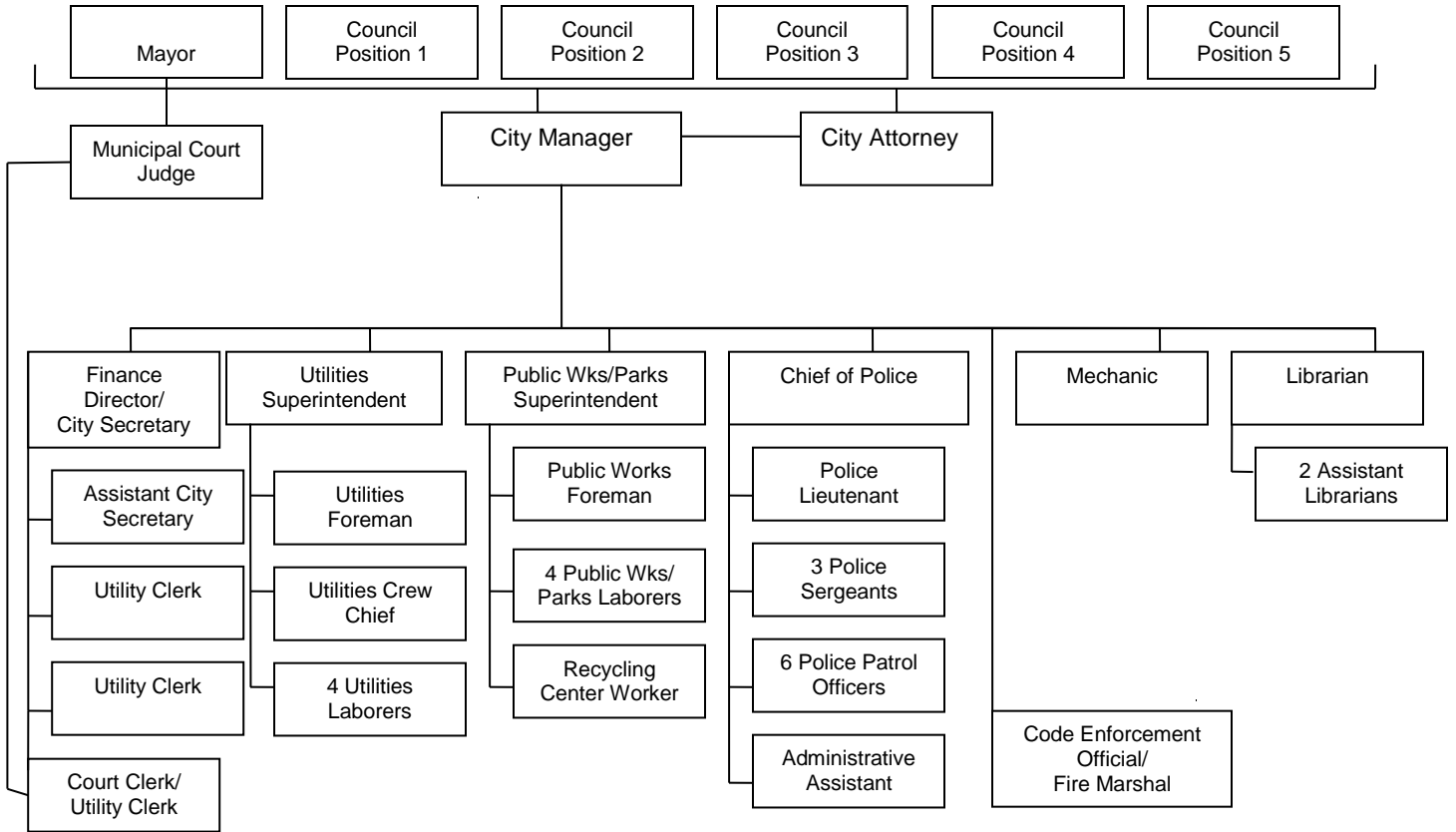
Executive Director/CEO

CITY OF COLUMBUS, TEXAS

ORGANIZATIONAL CHART

SEPTEMBER 30, 2017

City Council



CITY OF COLUMBUS, TEXAS

LIST OF ELECTED AND APPOINTED OFFICIALS

SEPTEMBER 30, 2017

Title	Name
Mayor	Dwain Dungen
Councilwoman (Mayor Pro-Tem)	Lori An Gobert
Councilman	Keith Cummings
Councilman	Gary Swindle
Councilman	Eduardo Hernandez
Councilman	Chuck Rankin
City Manager	Donald Warschak
City Secretary/Finance Director	Bana Schneider
Police Chief	William Lattimore
Fire Chief	Doyle "Dusty" Dittmar
Parks/Public Works Supervisor	Michael Poncik
Utility Supervisor	Jody Ripper
Building Inspector	Richard LaCourse
Fire Marshall	Ford Stein
Library Director	Susan Chandler
Municipal Court Judge	Leonard Peters

FINANCIAL SECTION

THIS PAGE LEFT BLANK INTENTIONALLY



P A T T I L L O , B R O W N & H I L L , L . L . P .
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

INDEPENDENT AUDITORS' REPORT

To The Honorable Mayor and Members
of the City Council and Citizens
City of Columbus, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Columbus, Texas, as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Columbus, Texas, as of September 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of changes in TMRS net pension liability and related ratios, schedule of TMRS contributions and schedule of TESRS contributions on pages 4-12 and 46-52 be presented to supplement the basic financial statements. Such information, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Columbus, Texas' basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules 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. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2018, on our consideration of the City of Columbus, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 of Columbus, Texas' internal control over financial reporting and compliance.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 28, 2018

THIS PAGE LEFT BLANK INTENTIONALLY

**MANAGEMENT'S
DISCUSSION AND ANALYSIS**

THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF COLUMBUS, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

SEPTEMBER 30, 2017

As management of the City of Columbus, Texas (the "City"), we offer readers of the City financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2017. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City for its governmental and business-type activities exceeded its deferred inflows of resources and liabilities at the close of the fiscal year by \$9,224,115. Of this amount, \$7,272,290 are capital assets, net of related debt, \$518,421 was restricted for Economic Development. \$1,433,404 is unrestricted and to be used in accordance with finance related legal requirements reflected in the City's fund structure.
- The City's total net position increased by \$300,415. A major contributing factor in this increase is attributable an increase property taxes and utility revenue.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$2,045,217, an increase of \$36,823 in comparison with the prior year. Approximately 58% of this total, or \$1,186,548 is available for spending at the City's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1,186,548 or 44% percent of total General Fund expenditures for the fiscal year.
- The City's total governmental long-term debt increased by \$117,351 (6%) during the current fiscal year mostly due to the net pension liability.

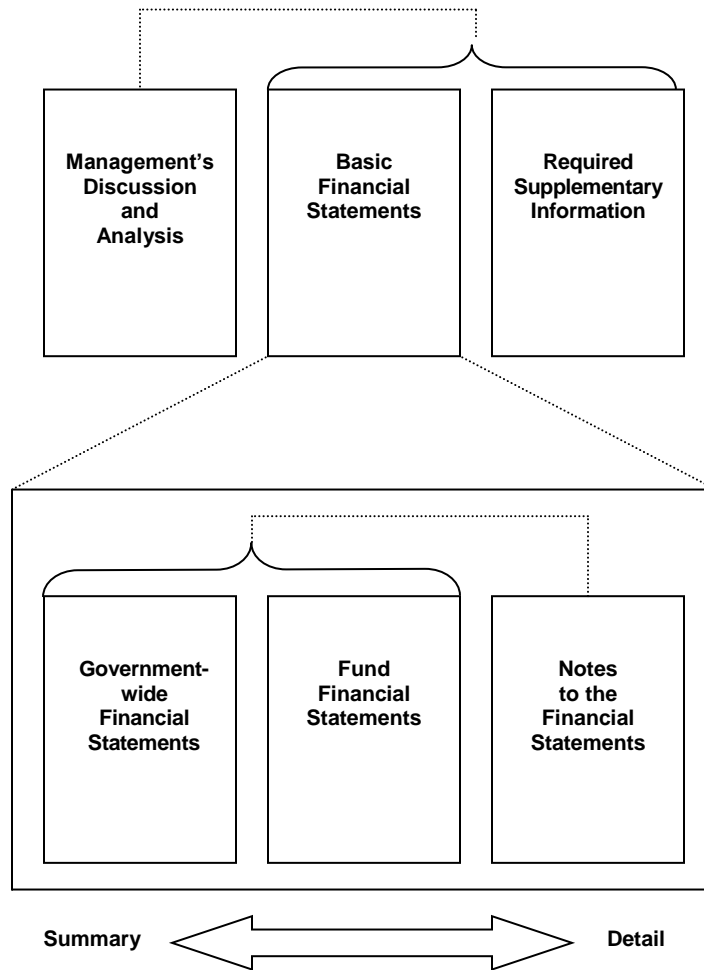
OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City of Columbus' basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the City through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the City of Columbus.

REQUIRED COMPONENTS OF ANNUAL FINANCIAL REPORT

Figure 1

Figure A-1, Required Components of the City's Annual Financial Report



Basic Financial Statements

The first two statements in the basic financial statements are the *government-wide financial statements*. They provide both short and long-term information about the City's financial status.

The next statements are *fund financial statements*. These statements focus on the activities of the individual parts of city government. These statements provide more detail than the government-wide statements. There are two parts to the fund financial statements: 1) the governmental funds statements; and 2) the proprietary fund statements.

The next section of the basic financial statements is the notes. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, supplemental information is provided to show details about the City's individual funds. Budgetary information can be found in the required supplementary section of the report.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the City's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the City's financial status as a whole.

The two government-wide statements report the City's net position and how they have changed. Net position is the difference between the City's total assets, deferred outflows/inflows of resources and total liabilities. Measuring net position is one way to gauge the City's financial condition.

The government-wide statements are divided into three categories: 1) governmental activities; 2) business-type activities; and 3) discretely presented component unit. The governmental activities encompass most of the City's basic services such as public safety, public health, parks and recreation, and general administration. Property taxes, sales taxes and state and federal grant funds finance most of these activities. The business-type activities are those in which the City charges customers to provide services. These include the water, sewer, garbage service, and gas offered by the City. The final category is the component unit. The City of Columbus has one component unit. Although legally separate from the City, the Columbus Community and Industrial Development Corporation is fiscally dependent upon the City and the City exercises control over the organization by appointing its members.

Fund Financial Statements

The fund financial statements (see Figure 2) provide a more detailed look at the City's most significant activities. 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 all other governmental entities, uses fund accounting to ensure and reflect compliance with finance-related legal requirements, such as the general statutes or the City's budget ordinance. All of the funds of the City can be divided into two categories: governmental funds and proprietary 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 financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating 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 six individual governmental funds. 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 Fund, which is considered to be a major fund. Data from the other five governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds. The City has one kind of proprietary fund. Its Enterprise Fund is used to report the same programs presented as business-type activities in the government-wide financial statements. The City uses its Enterprise Fund (the Utility Fund) to account for its water, sewer, garbage and gas operations. This fund is the same as those programs shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

Unrestricted net position of the water, sewer, garbage and gas departments at the end of the fiscal year amounted to \$801,956. The total increase in unrestricted net position was \$198,918. Other factors concerning the finances of this fund are addressed later in the discussion of the City's business-type activities.

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.

Other Information. In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information (RSI) concerning the City's progress in funding its obligation to provide pension benefits to its employees. Schedules comparing actual results with the original budget and the final amended budget for the City's General Fund and Hotel/Motel Tax Fund are also presented in the RSI section. RSI can be found after the notes on pages 46 – 49 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 53 – 60 of this report.

City of Columbus' Net Position
Figure 2

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 2,209,402	\$ 2,332,041	\$ 4,349,973	\$ 1,555,839	\$ 6,559,375	\$ 3,887,880
Capital assets	<u>3,033,275</u>	<u>2,639,002</u>	<u>9,467,327</u>	<u>9,759,347</u>	<u>12,500,602</u>	<u>12,398,349</u>
Total assets	<u>5,242,677</u>	<u>4,971,043</u>	<u>13,817,300</u>	<u>11,315,186</u>	<u>19,059,977</u>	<u>16,286,229</u>
Deferred outflows of resources	<u>423,103</u>	<u>404,406</u>	<u>253,467</u>	<u>362,573</u>	<u>676,570</u>	<u>766,979</u>
Current and other liabilities	143,226	210,361	472,743	354,137	615,969	564,498
Long-term liabilities	<u>1,956,877</u>	<u>1,839,526</u>	<u>7,793,298</u>	<u>5,571,951</u>	<u>9,750,175</u>	<u>7,411,477</u>
Total liabilities	<u>2,100,103</u>	<u>2,049,887</u>	<u>8,266,041</u>	<u>5,926,088</u>	<u>10,366,144</u>	<u>7,975,975</u>
Deferred inflows of resources	<u>127,592</u>	<u>108,893</u>	<u>18,696</u>	<u>44,640</u>	<u>146,288</u>	<u>153,533</u>
Net position:						
Net investment						
in capital assets	2,288,216	1,831,601	4,984,074	4,706,157	7,272,290	6,537,758
Restricted	518,421	754,318	-	-	518,421	754,318
Unrestricted	<u>631,448</u>	<u>630,750</u>	<u>801,956</u>	<u>1,000,874</u>	<u>1,433,404</u>	<u>1,631,624</u>
Total net position	<u>\$ 3,438,085</u>	<u>\$ 3,216,669</u>	<u>\$ 5,786,030</u>	<u>\$ 5,707,031</u>	<u>\$ 9,224,115</u>	<u>\$ 8,923,700</u>

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets and deferred inflows of the City of Columbus exceeded liabilities and deferred outflows by \$9,224,115 as of September 30, 2017. The City's net position increased by \$300,415 for the fiscal year ended September 30, 2017. Net investment in capital assets of \$7,272,290 accounts for the greatest portion (79%) of net position.

An additional portion of the City's net position (6%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$1,433,404 is unrestricted and may be used to meet the government's ongoing obligations.

Several particular aspects of the City's financial operations positively influenced the total unrestricted governmental net position:

- Continued diligence in the collection of property taxes by maintaining a tax collection percentage of 98%.
- Recovering City sales tax revenues mirrored those of the State of Texas and national economic trends.

City of Columbus' Changes in Net Position
Figure 3

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues:						
Charges for services	\$ 170,411	\$ 231,738	\$ 3,592,581	\$ 3,156,434	\$ 3,762,992	\$ 3,388,172
Operating grants and contributions	90,532	65,665	89,366	-	179,898	65,665
Capital grants and contributions	145,000	70,923	90,000	866,610	235,000	937,533
General revenues:						
Property taxes	811,528	744,780	-	-	811,528	744,780
Other taxes	1,473,959	1,494,543	-	-	1,473,959	1,494,543
Other	43,433	32,118	49,133	19,684	92,566	51,802
Total revenues	<u>2,734,863</u>	<u>2,639,767</u>	<u>3,821,080</u>	<u>4,042,728</u>	<u>6,555,943</u>	<u>6,682,495</u>
Expenses:						
General government	455,126	406,885	-	-	455,126	406,885
Public safety	1,353,574	1,231,888	-	-	1,353,574	1,231,888
Public health	93,290	79,528	-	-	93,290	79,528
Public works	402,189	491,918	-	-	402,189	491,918
Culture and recreation	666,036	596,015	-	-	666,036	596,015
Economic development	115,700	89,581	-	-	115,700	89,581
Interest on long-term debt	23,375	30,757	-	-	23,375	30,757
Water	-	-	995,803	1,009,153	995,803	1,009,153
Sewer	-	-	740,254	575,931	740,254	575,931
Garbage	-	-	876,489	787,615	876,489	787,615
Gas	-	-	533,692	515,084	533,692	515,084
Total expenses	<u>3,109,290</u>	<u>2,926,572</u>	<u>3,146,238</u>	<u>2,887,783</u>	<u>6,255,528</u>	<u>5,814,355</u>
Increase (decrease) in net position before transfers	(374,427)	(286,805)	674,842	1,154,945	300,415	868,140
Transfers	<u>595,843</u>	<u>557,979</u>	<u>(595,843)</u>	<u>(557,979)</u>	<u>-</u>	<u>-</u>
Change in net position	221,416	271,174	78,999	596,966	300,415	868,140
Net position, beginning	<u>3,216,669</u>	<u>2,945,495</u>	<u>5,707,031</u>	<u>5,110,065</u>	<u>8,923,700</u>	<u>8,055,560</u>
Net position, ending	<u>\$ 3,438,085</u>	<u>\$ 3,216,669</u>	<u>\$ 5,786,030</u>	<u>\$ 5,707,031</u>	<u>\$ 9,224,115</u>	<u>\$ 8,923,700</u>

Governmental Activities. Governmental activities increased the City's net position by \$221,416.

Key element of this increase include the City expending less funds than budgeted and receiving more than anticipated. This increase in the current year is consistent with the prior year.

Business-type Activities. Business-type activities increased the City of Columbus' net position by \$78,999. In the prior year, the increase was \$596,966, which is significantly less in the current year.

Key element of this are as follows:

- Capital grants and contributions decreased \$776,610 (90%) due to receiving Community Development Block Grant Funding for improvements to water and gas systems in fiscal year 2016.

Financial Analysis of the City's Funds

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

Governmental Funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the City's financing requirements. Specifically, unassigned fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$1,186,548. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 44% percent of total General Fund expenditures.

The fund balance of the City's General Fund increased by \$143,534 during the current fiscal year. This increase is a result of the City's increase in intergovernmental revenue, and property tax.

The fund balance of the Hotel/Motel Tax Fund decreased by \$235,897 or 31% during the current fiscal year. This decrease is a result of the City constructing a Visitor's Center. The building should be completed in early 2018.

Proprietary Fund. The City's Utility Fund provides the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Utility Fund at the end of the year amounted to \$801,956. The total increase in net position was \$78,999. Other factors concerning the finances of the Utility Fund have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights. During the fiscal year, the City revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as federal and state grants; and 3) increases in appropriations that become necessary to maintain services.

Budgeted revenues increased due to funding from library grants (\$34,088), library memorials and donations (\$12,247), fire department gain on sale of fire truck (\$9,500).

Budgeted expenditures increased \$55,835 as supplemental appropriations were needed for the following: \$46,335 for library books, audit visuals, supplies, maintenance, and equipment; \$9,500 for transfer to fire equipment fund. Although the expenditure for pool equipment was increased by \$4,000, budgeted expenditures were not affected; appropriations from the Park's Department were utilized.

Capital Asset and Debt Administration

Capital Assets. The City of Columbus' investment in capital assets for its governmental and business-type activities as of September 30, 2017, totals \$12,500,602 (net of accumulated depreciation). These assets include land, buildings and improvements, distribution and collection systems, machinery and equipment, and construction in progress.

City of Columbus' Capital Assets
Figure 4

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$ 520,086	\$ 520,086	\$ 24,183	\$ 24,183	\$ 544,269	\$ 544,269
Buildings and improvements	3,161,849	2,975,994	581,700	581,700	3,743,549	3,557,694
Distribution and collection systems	-	-	16,005,958	14,851,902	16,005,958	14,851,902
Machinery and equipment	3,008,565	3,171,156	846,409	838,789	3,854,974	4,009,945
Construction in progress	396,179	43,072	1,450,387	2,441,588	1,846,566	2,484,660
Accumulated depreciation	(4,053,404)	(4,071,306)	(9,441,310)	(8,978,814)	(13,494,714)	(13,050,120)
	<u>\$ 3,033,275</u>	<u>\$ 2,639,002</u>	<u>\$ 9,467,327</u>	<u>\$ 9,759,348</u>	<u>\$ 12,500,602</u>	<u>\$ 12,398,350</u>

Major capital asset events during the year included the following:

- Purchase of new library server for \$15,900.
- Purchase of new police vehicle for \$42,192.
- Improvements to golf course for \$40,855.
- Improvements to the fire station for \$145,000.
- Improvement to the visitor's center for \$353,107.
- Water and sewer line improvements for \$62,967.
- Water filtration improvements for \$37,730.
- Gas line additions for \$18,004.
- Additional gas meters for \$39,653.

Additional information on the City's capital asset activity is presented in the notes to the financial statements on pages 31 and 32.

Long-term Debt. As of September 30, 2017, the City of Columbus had total long-term certificates of obligation and general obligation bonds outstanding of \$7,525,000. This debt is backed by the full faith and credit of the City.

City of Columbus' Outstanding Debt
Figure 5

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Certificates of obligation	\$ -	\$ -	\$ 2,805,000	\$ -	\$ 2,805,000	\$ -
Refunding general obligation bonds	<u>745,059</u>	<u>807,401</u>	<u>3,974,941</u>	<u>4,372,599</u>	<u>4,720,000</u>	<u>5,180,000</u>
	<u>\$ 745,059</u>	<u>\$ 807,401</u>	<u>\$ 6,779,941</u>	<u>\$ 4,372,599</u>	<u>\$ 7,525,000</u>	<u>\$ 5,180,000</u>

The City's total debt increased by \$2,345,000 (45.3%) during the current fiscal year. The key factor in this increase was scheduled bond payments and the issuance of \$2,935,000 of certificates of obligation.

Additional information regarding the City of Columbus' long-term debt can be found in the notes to the financial statements on pages 33 to 34.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The unemployment rate for Colorado County is currently 3.6 percent (Columbus is the largest of the three incorporated cities in the county), which is an decrease from a rate of 5.6 percent a year ago. This is below the state's average unemployment rate of 3.9 percent and the national average rate of 4.2 percent.
- Inflationary trends in the region compare favorably to national indices.
- The State Comptroller reported an increase of 3.7 percent in taxable sales for the City. Sales tax revenue has increased 43 percent since 2008. The City expects sales tax revenue growth to continue to remain strong with an increase of 3% budgeted for 2018.
- Property tax values continue to climb in Colorado County and the region in general. Real property values in the City of Columbus increased \$10,077,302 from the prior year. Values have increased 38.8 percent from 2008. The City's overall property tax rate was increased slightly for the 2018 budget.
- For the 2018 Budget, the City did not increase the water and sewer rates. The current rates along with a more accurate metering system should cover the cost of utility system maintenance and for debt service requirements for the new water filtration system. The last increase occurred in 2016. The City's utility rates continue to remain low in comparison to cities of comparable size.

All of these factors were considered in preparing the City's budget for the 2018 fiscal year.

REQUESTS FOR INFORMATION

This report is designed to provide an overview of the City's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Director/City Secretary, P. O. Box 87, Columbus, Texas 78934, 979/732-2366, www.columbustexas.net.

THIS PAGE LEFT BLANK INTENTIONALLY

**BASIC
FINANCIAL STATEMENTS**

THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF COLUMBUS, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2017

	Governmental Activities	Business-type Activities	Total	Component Unit <u>Columbus Industrial Development Corporation</u>
ASSETS				
Cash and investments	\$ 1,746,956	\$ 1,084,606	\$ 2,831,562	\$ 1,029,864
Receivable (net of allowances for estimated uncollectibles)				
Taxes	346,167	-	346,167	85,529
Other	16,053	394,308	410,361	-
Due from other governments	-	20,836	20,836	-
Internal balances	100,226	(100,226)	-	-
Investment in land	-	-	-	283,950
Restricted assets:				
Cash and investments	-	2,950,449	2,950,449	-
Capital assets:				
Non-depreciable	916,265	1,474,570	2,390,835	-
Depreciable, net	<u>2,117,010</u>	<u>7,992,757</u>	<u>10,109,767</u>	<u>-</u>
Total assets	<u>5,242,677</u>	<u>13,817,300</u>	<u>19,059,977</u>	<u>1,399,343</u>
DEFERRED OUTFLOW OF RESOURCES				
Deferred charge on refunding	-	128,493	128,493	20,839
Deferred outflow related to pensions	<u>423,103</u>	<u>124,974</u>	<u>548,077</u>	<u>-</u>
Total deferred outflow of resources	<u>423,103</u>	<u>253,467</u>	<u>676,570</u>	<u>20,839</u>
LIABILITIES				
Accounts payable	86,535	266,214	352,749	10,678
Accrued liabilities	53,127	20,732	73,859	-
Accrued interest	3,444	18,569	22,013	13,979
Customer deposits	120	167,228	167,348	-
Noncurrent liabilities:				
Due within one year	72,265	739,390	811,655	115,591
Due in more than one year	<u>1,884,612</u>	<u>7,053,908</u>	<u>8,938,520</u>	<u>817,462</u>
Total liabilities	<u>2,100,103</u>	<u>8,266,041</u>	<u>10,366,144</u>	<u>957,710</u>
DEFERRED INFLOW OF RESOURCES				
Deferred inflow related to pensions	<u>127,592</u>	<u>18,696</u>	<u>146,288</u>	<u>-</u>
Total deferred inflow of resources	<u>127,592</u>	<u>18,696</u>	<u>146,288</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	2,288,216	4,984,074	7,272,290	-
Restricted for:				
Economic development	518,421	-	518,421	-
Debt service	-	-	-	134,694
Unrestricted	<u>631,448</u>	<u>801,956</u>	<u>1,433,404</u>	<u>327,778</u>
Total net position	<u>\$ 3,438,085</u>	<u>\$ 5,786,030</u>	<u>\$ 9,224,115</u>	<u>\$ 462,472</u>

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

CITY OF COLUMBUS, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2017

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 455,126	\$ 40,038	\$ -	\$ -
Public safety	1,353,574	109,306	10,750	145,000
Public health	93,290	-	-	-
Public works	402,189	-	-	-
Culture and recreation	666,036	21,067	49,782	-
Economic development	115,700	-	30,000	-
Interest on long-term debt	23,375	-	-	-
Total governmental activities	<u>3,109,290</u>	<u>170,411</u>	<u>90,532</u>	<u>145,000</u>
Business-type activities:				
Water	995,803	1,061,351	89,366	30,000
Sewer	740,254	944,107	-	30,000
Garbage	876,489	905,691	-	-
Gas	533,692	681,432	-	30,000
Total business-type activities	<u>3,146,238</u>	<u>3,592,581</u>	<u>89,366</u>	<u>90,000</u>
Total primary government	<u>\$ 6,255,528</u>	<u>\$ 3,762,992</u>	<u>\$ 179,898</u>	<u>\$ 235,000</u>
Component unit:				
Columbus Community Industrial Development Corporation	<u>\$ 316,164</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

General revenues:
Property taxes
Sales taxes
Hotel occupancy tax
Franchise taxes
Alcoholic beverage taxes
Interest revenue
Gain on sale of capital assets
Miscellaneous

Transfers
Total general revenues and transfers

Change in net position

Net position, beginning

Net position, ending

Net (Expenses) Revenues and Changes in Net Position

Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Columbus Industrial Development Corporation
\$(415,088)	\$ -	\$(415,088)	\$ -
(1,088,518)	-	(1,088,518)	-
(93,290)	-	(93,290)	-
(402,189)	-	(402,189)	-
(595,187)	-	(595,187)	-
(85,700)	-	(85,700)	-
(23,375)	-	(23,375)	-
<u>(2,703,347)</u>	<u>-</u>	<u>(2,703,347)</u>	<u>-</u>
-	184,914	184,914	-
-	233,853	233,853	-
-	29,202	29,202	-
<u>-</u>	<u>177,740</u>	<u>177,740</u>	<u>-</u>
<u>-</u>	<u>625,709</u>	<u>625,709</u>	<u>-</u>
<u>(2,703,347)</u>	<u>625,709</u>	<u>(2,077,638)</u>	<u>-</u>
			<u>(316,164)</u>
811,528	-	811,528	-
998,674	-	998,674	497,337
225,098	-	225,098	-
236,828	-	236,828	-
13,359	-	13,359	-
21,460	49,012	70,472	7,725
2,950	-	2,950	-
19,023	121	19,144	2,400
<u>595,843</u>	<u>(595,843)</u>	<u>-</u>	<u>-</u>
<u>2,924,763</u>	<u>(546,710)</u>	<u>2,378,053</u>	<u>507,462</u>
<u>221,416</u>	<u>78,999</u>	<u>300,415</u>	<u>191,298</u>
<u>3,216,669</u>	<u>5,707,031</u>	<u>8,923,700</u>	<u>271,174</u>
<u>\$ 3,438,085</u>	<u>\$ 5,786,030</u>	<u>\$ 9,224,115</u>	<u>\$ 462,472</u>

THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF COLUMBUS, TEXAS

BALANCE SHEET

GOVERNMENTAL FUNDS

SEPTEMBER 30, 2017

	<u>General</u>	<u>Hotel/Motel Tax</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and investments	\$ 919,667	\$ 487,318	\$ 339,971	\$ 1,746,956
Receivables, net				
Taxes	284,942	60,311	914	346,167
Accounts	16,053	-	-	16,053
Due from other funds	100,226	-	-	100,226
Total assets	<u>1,320,888</u>	<u>547,629</u>	<u>340,885</u>	<u>2,209,402</u>
LIABILITIES				
Accounts payable	57,327	29,208	-	86,535
Customer deposits	120	-	-	120
Accrued payroll	53,127	-	-	53,127
Total liabilities	<u>110,574</u>	<u>29,208</u>	<u>-</u>	<u>139,782</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	7,713	-	637	8,350
Unavailable revenue - court fines	16,053	-	-	16,053
Total deferred inflows of resources	<u>23,766</u>	<u>-</u>	<u>637</u>	<u>24,403</u>
FUND BALANCES:				
Restricted for:				
Economic development	-	518,421	-	518,421
Debt service	-	-	1,523	1,523
Assigned for equipment	-	-	338,725	338,725
Unassigned	1,186,548	-	-	1,186,548
Total fund balances	<u>1,186,548</u>	<u>518,421</u>	<u>340,248</u>	<u>2,045,217</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,320,888</u>	<u>\$ 547,629</u>	<u>\$ 340,885</u>	

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.	3,033,275
Other long-term assets are not available to pay for current period expenditures and, therefore are deferred in the funds.	
Unavailable property tax revenue	8,350
Unavailable municipal court revenue	16,053
Long-term liabilities such as certificates of obligation and compensated absences are not due and payable in the current period and therefore are not reported in the funds.	
Interest payable	(3,444)
Net pension liability and related deferred inflows and outflows	(179,815)
Compensated absences	120
Certificates of obligation	(1,481,671)
Net position of governmental activities	<u>\$ 3,438,085</u>

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

CITY OF COLUMBUS, TEXAS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<u>General</u>	<u>Hotel/Motel Tax</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Property taxes	\$ 723,730	\$ -	\$ 91,058	\$ 814,788
Sales taxes	1,012,033	-	-	1,012,033
Franchise taxes	236,828	-	-	236,828
Hotel occupancy tax	-	225,098	-	225,098
Licenses and permits	38,116	-	-	38,116
Fines and forfeitures	139,705	-	-	139,705
Charges for services	16,152	-	-	16,152
Intergovernmental	70,753	-	-	70,753
Investment earnings	9,267	7,813	4,380	21,460
Miscellaneous	30,895	-	-	30,895
Total revenues	<u>2,277,479</u>	<u>232,911</u>	<u>95,438</u>	<u>2,605,828</u>
EXPENDITURES				
Current:				
General government	406,258	-	-	406,258
Public safety	1,137,015	-	-	1,137,015
Public health	87,892	-	-	87,892
Public works	358,904	-	-	358,904
Culture and recreation	607,569	-	-	607,569
Economic development	-	115,700	-	115,700
Debt service:				
Principal	-	-	62,342	62,342
Interest and other charges	-	-	23,609	23,609
Capital outlay	98,947	353,108	-	452,055
Total expenditures	<u>2,696,585</u>	<u>468,808</u>	<u>85,951</u>	<u>3,251,344</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(419,106)</u>	<u>(235,897)</u>	<u>9,487</u>	<u>(645,516)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	601,340	-	78,050	679,390
Transfers out	(51,550)	-	(31,997)	(83,547)
Sale of capital assets	12,850	-	-	12,850
Total other financing sources (uses)	<u>562,640</u>	<u>-</u>	<u>46,053</u>	<u>608,693</u>
NET CHANGE IN FUND BALANCES	<u>143,534</u>	<u>(235,897)</u>	<u>55,540</u>	<u>(36,823)</u>
FUND BALANCES, BEGINNING	<u>1,043,014</u>	<u>754,318</u>	<u>284,708</u>	<u>2,082,040</u>
FUND BALANCES, ENDING	<u>\$ 1,186,548</u>	<u>\$ 518,421</u>	<u>\$ 340,248</u>	<u>\$ 2,045,217</u>

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

CITY OF COLUMBUS, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2017

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

Net change in fund balances - total governmental funds	\$(36,823)
--	-------------

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	597,055
Depreciation	(192,882)
Sale of capital assets	(9,900)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Unavailable tax revenue	(3,260)
Unavailable municipal court revenue	(15,655)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Bond principal payments	62,342
-------------------------	--------

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Pension cost	(179,815)
Compensated absences	120
Accrued interest	<u>234</u>

Change in net position of governmental activities.	<u>\$ 221,416</u>
--	-------------------

CITY OF COLUMBUS, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUND
SEPTEMBER 30, 2017

	Utility Fund
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 1,084,606
Accounts receivable, net	394,308
Due from other governments	20,836
Restricted assets:	
Cash and cash equivalents	2,950,449
Total current assets	4,450,199
Noncurrent assets:	
Capital assets:	
Non-depreciable	1,474,570
Depreciable, net	7,992,757
Total noncurrent assets	9,467,327
Total assets	13,917,526
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charge on refunding	128,493
Deferred outflow related to pensions	124,974
Total deferred outflows of resources	253,467
LIABILITIES	
Current liabilities:	
Accounts payable	266,214
Accrued liabilities	20,732
Due to other funds	100,226
Accrued interest	18,569
Customer deposits	167,228
Bonds payable	549,737
Notes payable	184,669
Compensated absences	4,984
Total current liabilities	1,312,359
Noncurrent liabilities:	
Bonds payable	6,509,616
Notes payable	189,680
Compensated absences	14,950
Net pension liability	339,662
Total noncurrent liabilities	7,053,908
Total liabilities	8,366,267
DEFERRED INFLOWS OF RESOURCES	
Deferred inflow related to pensions	18,696
Total deferred inflows of resources	18,696
NET POSITION	
Net investment in capital assets	4,984,074
Unrestricted	801,956
Total net position	\$ 5,786,030

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

CITY OF COLUMBUS, TEXAS

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION**

PROPRIETARY FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<u>Utility Fund</u>
OPERATING REVENUES	
Charges for sales and services:	
Water sales	\$ 1,061,351
Sewer charges	944,107
Garbage fees	905,691
Gas sales	681,432
Other	121
Total operating revenues	<u>3,592,702</u>
OPERATING EXPENSES	
Personnel	559,309
Maintenance and operations	1,832,897
Depreciation	462,496
Total operating expenses	<u>2,854,702</u>
OPERATING INCOME	<u>738,000</u>
NONOPERATING REVENUES (EXPENSES)	
Intergovernmental	89,366
Interest income	49,012
Interest and other charges	(291,536)
Total nonoperating revenues (expenses)	<u>(153,158)</u>
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	<u>584,842</u>
Capital contributions	90,000
Transfers in	3,997
Transfers out	(599,840)
CHANGE IN NET POSITION	<u>78,999</u>
NET POSITION, BEGINNING	<u>5,707,031</u>
NET POSITION, ENDING	<u>\$ 5,786,030</u>

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

CITY OF COLUMBUS, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<u>Utility Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 3,355,499
Cash paid to suppliers	(1,637,463)
Cash paid to employees	(552,581)
Net cash provided by operating activities	<u>1,165,455</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Cash received from other governments	68,530
Transfer from other funds	3,997
Transfer to other funds	(599,840)
Net cash used by noncapital financing activities	<u>(527,313)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital contributions - intergovernmental	90,000
Proceeds from issuance of long-term debt	3,079,943
Purchase of capital assets	(170,476)
Principal paid on capital debt	(409,533)
Interest and other charges paid on debt	(584,697)
Net cash provided by capital and related financing activities	<u>2,005,237</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	<u>49,012</u>
Net cash provided by investing activities	<u>49,012</u>
NET INCREASE IN CASH AND EQUIVALENTS	<u>2,692,391</u>
CASH AND CASH EQUIVALENTS, BEGINNING	<u>1,342,664</u>
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 4,035,055</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Net operating income	\$ 738,000
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	462,496
(Increase) decrease in accounts receivable	(93,810)
(Increase) decrease in deferred outflows related to pensions	93,615
Increase (decrease) in accounts payable	101,819
Increase (decrease) in accrued liabilities	4,183
Increase (decrease) in due to other funds	12,903
Increase (decrease) in compensated absences	2,545
Increase (decrease) in customer deposits	11,105
Increase (decrease) in net pension liability	(141,457)
Increase (decrease) in deferred inflows related to pensions	<u>(25,944)</u>
Net cash provided by operations	<u>\$ 1,165,455</u>

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

CITY OF COLUMBUS, TEXAS

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Columbus have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described below:

A. The Reporting Entity

The City of Columbus was incorporated under the laws of the State of Texas in 1927 and operates under a Manager-Council form of government. The following services are provided by the City: public safety (police and fire), public works (streets and drainage), parks and recreation, and utilities (water, sewer, garbage, and natural gas).

The accompanying financial statements present the City and its component unit, an entity for which the City is considered to be financially accountable. Each discretely presented component unit is reported in a separate column in the government-wide financial statement to emphasize that it is legally separate from the City.

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB). The more significant accounting policies of the City are described below:

The following component unit is discretely presented:

The Columbus Community Industrial and Development Corporation (the “Corporation”) is a nonprofit corporation organized pursuant to the provisions of the Development Corporation Act of 1979, and is responsible for promoting, assisting and enhancing economic development activities within the City’s jurisdiction. The members of the Corporation’s governing board are appointed by the Mayor and approved by the City Council. The Corporation is fiscally dependent upon the City as the City levied a ½ cent sales and use tax for the benefit of the Corporation.

Financial statements for the individual component unit may be obtained at the entity's administrative offices:

Columbus Community and Industrial
Development Corporation
P. O. Box 87
Columbus, Texas 78934

B. Government-wide Financial Statements

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the activities of the City. The effect of interfund activity, within the governmental and business-type activities columns, has been removed from these statements. 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.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given program; and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The City segregates transactions related to certain functions or activities into separate funds in order to aid financial management and to demonstrate legal compliance. Separate statements are presented for governmental and proprietary activities. These statements present each major fund as a separate column on the fund financial statements; all nonmajor funds are aggregated and presented in a single column.

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

C. Measurement Focus/Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using 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. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The revenues susceptible to accrual are property taxes, licenses, charges for service, interest income and intergovernmental revenues. Sales taxes collected and held by the state at year-end on behalf of the government are also recognized as revenue. All other governmental fund revenues are considered to be measurable and available only when cash is received by the City.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources.

The City reports the following major governmental funds:

The **General Fund** is the operating fund of the City. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

The **Hotel Occupancy Tax Fund** is used to collect Hotel/Motel taxes which are used to support trade and tourism in the City. Revenue derived from hotel occupancy taxes is legally restricted to certain expenditures such as those expenditures associated with promotion of tourism.

The City has presented the following major proprietary fund:

The **Utility Fund** is used to account for the provision of water, sewer, natural gas services, and garbage collection to the residents of the City. Activities of the fund include administration, operations and maintenance of the water, sewer, and natural gas systems and billing and collection activities for garbage collection. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure integrity of the funds.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary's principal ongoing operations. Operating expenses for the proprietary fund include the cost of sales and services, administrative services, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The proprietary funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

D. Cash and Investments

The City pools cash resources of its Governmental and Utility Funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing deposits and disclosed as part of the City's deposits and investments.

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments in government pools are recorded at amortized cost. All other investments are recorded at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

E. Investment in Land

The City's component unit reports land for resale for future development and was obtained to provide new opportunities for commercial and industrial redevelopment and to spur job creation. The land was not obtained to be a profit or income generating investment to the component unit. This land is available for sale and is stated at the lower of cost or net realizable value.

F. Interfund Receivables and Payables

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

G. Restricted Assets

Certain assets of the City are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by debt covenants.

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at acquisition cost, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. General infrastructure assets acquired prior to October 1, 2003, are not reported in the basic financial statements.

Assets capitalized, not including infrastructure assets, have an original cost of \$5,000 or more and a useful life of over one year.

Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

<u>Assets</u>	<u>Years</u>
Buildings	20-50
Improvements	10-50
Machinery and equipment	5-20

I. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has the following items that qualify for reporting in this category.

- Deferred charges on refunding – A deferred charge 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.
- Pension contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.
- Difference in projected and actual earnings on pension assets – This difference is deferred and amortized over a closed five year period.

In addition to liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of items that qualify for reporting in this category.

- Unavailable revenue is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- Difference in expected and actual pension experience - This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

J. Pensions

For purposes of measuring the net pension liability, pension related deferred outflows and inflows of resources, and pension expense, City specific information about its Fiduciary Net Position in the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For purposes of measuring the net pension liability for the Texas Emergency Services Retirement System (TESRS), pension related deferred outflows and inflows of resources, and pension expense, information about the fiduciary net position of TESRS and additions to/deductions from TESRS's fiduciary net position have been determined on the same basis as they are reported by TESRS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

K. Compensated Absences

Fulltime permanent employees are granted vacation benefits in increasing amounts depending on their years of service with the City. Generally, vacation leave may not be accumulated or carried over. Earned vacation leave not used by the employee's anniversary hire date will be lost as vacation leave and converted to sick leave. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Accumulated sick leave is for the sole purpose of permitting an employee to be relieved of his duties during actual illness and may not be used under any other circumstances. There is no liability for unpaid accumulated sick leave since the City does not pay any amounts when employees separate from service.

L. Long-term Obligations

In the government-wide financial statements and the proprietary fund in the fund financial statements, the long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount and deferred amount on refunding.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

M. Fund Balance

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- **Assigned:** This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Council.
- **Unassigned:** This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

N. Net Position

Net position represents the difference between assets, deferred outflows/inflows of resources and liabilities. Net position investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

O. Use of Estimates

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

2. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Cash, Cash Equivalents and Investments

The City's deposits and investments are permitted by The Public Funds Investment Act and the City of Columbus' adopted Investment Policy.

The Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code (the "Act"), provide for the creation of public funds investment pools, such as Texas CLASS, through which political subdivisions and other entities may invest public funds.

Texas CLASS has a redemption notice period of one day and may redeem daily. The investment pool's authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national state of emergency that affects the pool's liquidity.

Credit Risk. The City's investment policy, in an effort to control credit risk, requires depositories to provide 102% of the carrying value of the City's time or demand deposits as collateral. The City also only invests in governmental investment pools which maintain a constant dollar value.

At year-end, the City's investments were in the Texas Cooperative Liquid Assets Securities System (Texas CLASS). The carrying amount of the investments was \$917,533. Texas CLASS is a local government investment pool supervised by a Board of Trustees who is elected by its participants. Texas CLASS invests solely in securities permitted under the Public Funds Investment Act. Texas CLASS is not registered with the SEC. As an intergovernmental trust comprised solely of governmental entities, it is statutorily exempt from registration. The Program Administrator/Investment Advisor to Texas CLASS, MBIA Municipal Investors Service Corp., is registered with the SEC as a Registered Investment Advisor. The Texas CLASS program is rated AAAM by Standard & Poor's.

Custodial Credit Risk – Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The bank balance was covered by federal depository insurance or by collateral held in the pledging financial institution's trust department in the City's name.

Interest Rate Risk. Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. In accordance with its investment policy, the City manages its exposure to interest rate risk by allowing no more than 20% of its investments to have maturities greater than one year. The City's funds in Texas CLASS have a dollar weighted average maturity of 53 days.

B. Receivables

Receivables at September 30, 2017, were as follows:

	General	Hotel/ Motel Tax	Nonmajor Governmental	Utility	Total Receivables
Property taxes	\$ 23,485	\$ -	\$ 3,450	\$ -	\$ 26,935
Sales taxes	175,057	-	-	-	175,057
Hotel/motel taxes	-	60,311	-	-	60,311
Franchise taxes	99,179	-	-	-	99,179
Mixed beverage taxes	2,993	-	-	-	2,993
Utility accounts	-	-	-	414,688	414,688
Municipal court	124,503	-	-	-	124,503
Less: allowance for doubtful accounts	(124,222)	-	(2,536)	(20,380)	(147,138)
	<u>\$ 300,995</u>	<u>\$ 60,311</u>	<u>\$ 914</u>	<u>\$ 394,308</u>	<u>\$ 756,528</u>

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and are payable by February 1, at which time they become delinquent. The Colorado County Central Appraisal District assesses bills and collects property taxes for the City.

C. Capital Assets

Capital asset activity for the year ended September 30, 2017, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 520,086	\$ -	\$ -	\$ 520,086
Construction in progress	<u>43,072</u>	<u>353,107</u>	<u>-</u>	<u>396,179</u>
Total capital assets not being depreciated	<u>563,158</u>	<u>353,107</u>	<u>-</u>	<u>916,265</u>
Capital assets being depreciated:				
Buildings and improvements	2,975,994	185,855	-	3,161,849
Machinery and equipment	<u>3,171,156</u>	<u>58,092</u>	<u>220,683</u>	<u>3,008,565</u>
Total capital assets being depreciated	<u>6,147,150</u>	<u>243,947</u>	<u>220,683</u>	<u>6,170,414</u>
Less accumulated depreciation for:				
Buildings and improvements	1,426,146	65,989	-	1,492,135
Machinery and equipment	<u>2,645,160</u>	<u>126,893</u>	<u>210,784</u>	<u>2,561,269</u>
Total accumulated depreciation	<u>4,071,306</u>	<u>192,882</u>	<u>210,784</u>	<u>4,053,404</u>
Total capital assets depreciated, net	<u>2,075,844</u>	<u>51,065</u>	<u>9,899</u>	<u>2,117,010</u>
Governmental activities, capital assets, net	<u>\$ 2,639,002</u>	<u>\$ 404,172</u>	<u>\$ 9,899</u>	<u>\$ 3,033,275</u>
	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 24,183	\$ -	\$ -	\$ 24,183
Construction in progress	<u>2,441,588</u>	<u>80,136</u>	<u>1,071,337</u>	<u>1,450,387</u>
Total capital assets not being depreciated	<u>2,465,771</u>	<u>80,136</u>	<u>1,071,337</u>	<u>1,474,570</u>
Capital assets being depreciated:				
Buildings and improvements	581,700	-	-	581,700
Distribution and collection systems	14,851,902	1,154,057	-	16,005,959
Machinery and equipment	<u>838,789</u>	<u>7,620</u>	<u>-</u>	<u>846,409</u>
Total capital assets being depreciated	<u>16,272,391</u>	<u>1,161,677</u>	<u>-</u>	<u>17,434,068</u>
Less accumulated depreciation for:				
Buildings and improvements	581,700	-	-	581,700
Distribution and collection systems	7,704,412	433,240	-	8,137,652
Machinery and equipment	<u>692,703</u>	<u>29,256</u>	<u>-</u>	<u>721,959</u>
Total accumulated depreciation	<u>8,978,815</u>	<u>462,496</u>	<u>-</u>	<u>9,441,311</u>
Total capital assets depreciated, net	<u>7,293,576</u>	<u>699,181</u>	<u>-</u>	<u>7,992,757</u>
Business-type activities, capital assets, net	<u>\$ 9,759,347</u>	<u>\$ 779,317</u>	<u>\$ 1,071,337</u>	<u>\$ 9,467,327</u>

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

Governmental activities:		
General government		\$ 25,198
Public safety		109,658
Public health		197
Public works		26,256
Culture and recreation		<u>31,573</u>
Total governmental activities		<u>\$ 192,882</u>
Business-type activities:		
Water		\$ 298,357
Sewer		151,408
Garbage		642
Gas		<u>12,089</u>
Total business-type activities		<u>\$ 462,496</u>

D. Interfund Receivables, Payables, and Transfers

Due to/Due from

The composition of the interfund balances as of September 30, 2017, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Utility	\$ <u>100,226</u>

The outstanding balances between funds result mainly from the time lag between the dates that a) reimbursable expenditures occur; b) transactions are recorded in the accounting system; and c) payments between funds are made. All balances are expected to be repaid within one year.

Transfers In/Transfers Out

Interfund activity for the year ended September 30, 2017, is as follows:

<u>Transfer In Fund</u>	<u>Transfer Out Fund</u>	<u>Amount</u>
General	Utility	\$ 573,340
General	Nonmajor governmental	28,000
Nonmajor governmental	General	51,550
Nonmajor governmental	Utility	26,500
Utility	Nonmajor governmental	<u>3,997</u>
		<u>\$ 683,387</u>

The General Fund transferred \$384,700 and \$41,550 to the Equipment and Fire Equipment Fund, respectively to cover future capital purchases. The Equipment and Fire Equipment Fund transferred \$28,000 to the General Fund for the purchase of equipment. The Utility Fund transferred \$384,700 to the General Fund to cover budgeted indirect costs. The Utility Fund transferred payments in lieu of taxes of \$188,640 to the General Fund. The Utility Fund transferred \$16,500 to the Fire Equipment Fund and \$10,000 to the Equipment Fund to cover future capital purchases. The 2005 and 2008 Certificates of Obligation fund transferred \$67 and \$3,930 to the Utility Fund to aid in reducing the outstanding certificates of obligation debt.

E. Long-term Debt

The following is a summary of changes in long-term liabilities for the year ended September 30, 2017.

Primary Government

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental activities:					
Refunding GO bonds	\$ 807,401	\$ -	\$ 62,342	\$ 745,059	\$ 63,862
Net pension liability -TESRS	178,840	43,437	18,380	203,897	-
Net pension liability -TMRS	819,553	317,208	162,452	974,309	-
Compensated absences	<u>33,732</u>	<u>49,202</u>	<u>49,322</u>	<u>33,612</u>	<u>8,403</u>
Total governmental activities	<u>\$ 1,839,526</u>	<u>\$ 409,847</u>	<u>\$ 292,496</u>	<u>\$ 1,956,877</u>	<u>\$ 72,265</u>
Business-type activities:					
Certificates of obligation	\$ -	\$ 2,935,000	\$ 130,000	\$ 2,805,000	\$ 120,000
Refunding GO bonds	4,372,599	-	389,179	3,983,420	406,138
Premium on bonds	146,704	148,012	23,783	270,933	23,599
Notes payable	554,140	-	179,791	374,349	184,669
Net pension liability -TMRS	481,119	60,278	201,735	339,662	-
Compensated absences	<u>17,389</u>	<u>19,589</u>	<u>17,044</u>	<u>19,934</u>	<u>4,984</u>
Total business-type activities	<u>\$ 5,571,951</u>	<u>\$ 3,162,879</u>	<u>\$ 941,532</u>	<u>\$ 7,793,298</u>	<u>\$ 739,390</u>

The compensated absences and net pension liabilities for governmental activities are generally liquidated by the General Fund.

Component Unit

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Columbus Community Industrial and Development Corporation:					
Sales tax revenue bonds	\$ 1,045,000	\$ -	\$ 115,000	\$ 930,000	\$ 115,000
Premium on bonds	<u>3,644</u>	<u>-</u>	<u>591</u>	<u>3,053</u>	<u>591</u>
Total Columbus Community and Development Corporation:	<u>\$ 1,048,644</u>	<u>\$ -</u>	<u>\$ 115,591</u>	<u>\$ 933,053</u>	<u>\$ 115,591</u>

Certificates of Obligation

The City has issued certificates of obligation to provide funds for the acquisition and construction of major capital facilities. The original amount of Certificates of Obligation issued in 2005 was \$4,750,000 for water and sewer improvements. These bonds were refunded by the 2013 Refunding General Obligation Bonds at annual interest rates from 1.00% to 3.00% with a maturity date of August 2025.

General Obligation Bonds

Certificates of obligation were issued in 2008 in the amount of \$4,000,000 for water and gas improvements and remodeling City Hall. These bonds were refunded by the 2010 Refunding General Obligation Bonds at annual interest rates from 2.00% to 4.00% with a maturity date of August 2027. The City issued \$3,065,000 of General Obligation Refunding Bonds, Series 2013 with interest rates ranging from 1.0%-3.0%. The proceeds were used to refund \$3,055,000 of outstanding Series 2005 certificates of obligation which had interest rates ranging from 3.0%-4.85%.

Combination Tax & Revenue Certificates of Obligation

Certificates of obligation were issued in October of 2016 in the amount of \$2,935,000. The \$3,000,000 proceeds will be used for a water filtration system, and gas and sewer improvements. With interest rates ranging from 2.0%-3.0%, the maturity date for the Series 2016 Certificates of Obligations is August 2036.

Sales Tax Revenue Bonds

The Columbus Community Industrial Development Corporation component unit has issued sales tax revenue bonds for the acquisition and construction of major capital facilities. The original amount of the bonds issued in prior years was \$2,170,000 for water and sewer lines and street and drainage improvements at the Texas Crossroads Industrial Park. These bonds were refunded by the 2010 Sales Tax Refunding Bonds at annual interest rates from 2.00% to 4.00% with a maturity date of November 2023.

Notes Payable

In 2014, the City entered into an agreement for financing the acquisition of automatic meter readers in the amount of \$900,000. The annual interest rate is 2.695%.

The annual debt service requirements on long-term debt are as follows for the City and its component unit.

	Primary Government				Component Unit	
	Governmental Activities		Business-type Activities		Sales Tax Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ 63,862	\$ 27,556	\$ 526,138	\$ 195,081	\$ 115,000	\$ 32,119
2019	66,903	25,640	543,094	181,797	125,000	28,363
2020	66,903	23,633	548,097	168,079	125,000	24,222
2021	69,944	21,458	565,056	153,854	130,000	19,756
2022	72,985	19,098	582,015	137,602	140,000	14,600
2023-2027	404,462	49,813	2,544,020	418,687	295,000	11,900
2028-2032	-	-	780,000	171,900	-	-
2033-2036	-	-	700,000	53,550	-	-
Totals	<u>\$ 745,059</u>	<u>\$ 167,198</u>	<u>\$ 6,788,420</u>	<u>\$ 1,480,550</u>	<u>\$ 930,000</u>	<u>\$ 130,960</u>

	Primary Government	
	Notes Payable	
	Principal	Interest
2017	\$ 184,669	\$ 8,853
2018	<u>189,680</u>	<u>3,842</u>
	<u>\$ 374,349</u>	<u>\$ 12,695</u>

3. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For its liability, property and workers' compensation insurance, the City is a participant in the Texas Municipal League Intergovernmental Risk Pool (TML), a public entity risk pool operated by The Texas Municipal League for the benefit of political subdivisions of the State of Texas. The City pays an annual premium to TML for this coverage.

TML is considered a self-sustaining risk pool that will provide coverage for its members for up to \$1 million per occurrence for property damage, \$1 million per occurrence for general liability and \$1 million per occurrence for workers' compensation. TML obtains independent coverage for insured events in excess of the amounts listed above. There have been no significant reductions in insurance coverage and settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

B. Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time.

The City has entered into an agreement with the Texas Department of Agriculture (TDA) to reimburse the City \$1 million for an economic development program. The City is required to expend the funds in accordance with the contract. Additionally, the City has executed a contract with a Company that includes a condition requiring the Company to create 100 jobs which is a performance requirement of the grant. The City believes that it is probable that the Company will not meet its performance requirements and the City will not be reimbursed for \$158,000 of expenditures related to the program.

C. Employee Retirement Systems

DEFINED BENEFIT PENSION PLAN – TEXAS MUNICIPAL RETIREMENT SYSTEM

Plan Descriptions

The City participates as one of 872 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agency multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Sections 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tmrs.com.

All eligible employees of the City are required to participate in TMRS.

Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the City-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

The City has approved an annually repeating (automatic) basis a monetary credit referred to as an updated service credit (USC) which is a theoretical amount which takes into account salary increases or plan improvements. If at any time during their career an employee earns a USC, this amount remains in their account earning interest at 5% until retirement. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employer match plus employer-financed monetary credits, such as USC, with interest were used to purchase an annuity. Additionally, City provides on an annually repeating (automatic) basis cost of living adjustments (COLA) for retirees equal to a percentage of the change in the consumer price index (CPI).

A summary of plan provisions for the City are as follows:

Employee deposit rate	6.0%
Matching ratio (City to employee)	2 to 1
Years required for vesting	5
Service retirement eligibility	25 years to any age, 5 years at age 60 and above
Updated service credit	100% repeating
Annuity increase to retirees	70% of CPI repeating

Employees covered by benefit terms

At the December 31, 2016 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	21
Inactive employees entitled to but not yet receiving benefits	30
Active employees	<u>37</u>
	<u><u>88</u></u>

Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the City matching percentages are with 100%, 150%, or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contributions rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City were required to contribute 6.0% of their annual gross earnings during the fiscal year. The contribution rates for the City were 13.15% and 13.77% in calendar years 2016 and 2017, respectively. The City’s contributions to TMRS for the year ended September 30, 2017, were \$229,867, and were equal to the required contributions.

Net Pension Liability

The City’s Net Pension Liability (NPL) was measured as of December 31, 2016, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The Total Pension Liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.0% per year
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Health Mortality Tables with Blue Collar Adjustment are used with male rates multiplied by 109% and female rate multiplied by 103% with a 3-year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who became disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

Actuarial assumptions used in the December 31, 2016 valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2010 through December 31, 2014. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering the 2009 through 2011, and the dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

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 (expected returns, net of plant investment expenses and inflation) 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. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of arithmetic real rates return for each major assets class in fiscal year 2017 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Domestic Equity	17.5%	4.55%
International Equity	17.5%	6.35%
Core Fixed Income	10.0%	1.00%
Non-Core Fixed Income	20.0%	4.15%
Real Return	10.0%	4.15%
Real Estate	10.0%	4.75%
Absolute Return	10.0%	4.00%
Private Equity	5.0%	7.75%
Total	100.0%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan’s Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at 12/31/2015	\$ 7,387,084	\$ 6,086,412	\$ 1,300,672
Changes for the year:			
Service cost	243,411	-	243,411
Interest	498,257	-	498,257
Difference between expected and actual experience	(2,739)	-	(2,739)
Contributions - employer	-	219,086	(219,086)
Contributions - employee	-	99,963	(99,963)
Net investment income	-	411,476	(411,476)
Benefit payments, including refunds of employee contributions	(254,409)	(254,409)	-
Administrative expense	-	(4,645)	4,645
Other changes	-	(250)	250
Net changes	<u>484,520</u>	<u>471,221</u>	<u>13,299</u>
Balance at 12/31/2016	<u>\$ 7,871,604</u>	<u>\$ 6,557,633</u>	<u>\$ 1,313,971</u>

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) of 1-percentage-higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's net pension liability	\$ 2,384,685	\$ 1,313,971	\$ 429,947

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. The report may be obtained on the Internet at www.tmrs.org.

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

For the year ended September 30, 2017, the City recognized pension expense of \$302,284. At September 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	\$ 72,323
Changes in actuarial assumptions	38,824	-
Difference between projected and actual investment earnings	275,909	-
Contributions subsequent to the measurement date	168,728	-
Total	<u>\$ 483,461</u>	<u>\$ 72,323</u>

\$168,728 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2018. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expenses as follows:

For the Year Ended September 30,	
2018	\$ 66,520
2019	94,210
2020	81,808

DEFINED BENEFIT PENSION PLAN – TEXAS EMERGENCY SERVICES RETIREMENT SYSTEM

Plan Description

The City participates in the Texas Emergency Services Retirement System (TESRS), a cost-sharing multiple-employer defined benefit pension established and administered by the State of Texas. The TESRS is an agency of the State of Texas and its financial records comply with state statutes and regulations. The nine members Board of Trustees, appointed by the Governor, establishes policy for the administration of the Texas Emergency Services Retirement System. TESRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tesrs.org.

The TESRS was created as a standalone agency by the 83rd Legislature via the passage of SB 220, effective September 1, 2013, to assume the related functions of the abolished Office of the Fire Fighters' Pension Commissioner. While the agency is new, the System has been in existence since 1977. TESRS, which is under the authority of Title 8, Subtitle H, Chapters 861-865 of the Texas Government Code, provides death and disability benefits to active volunteer fire fighters and first responders, and a pension to members with vested service, as well as to their survivor/beneficiaries.

Pension Plan Fiduciary Net Position

For financial reporting purposes, the State of Texas is considered the primary reporting government. TESRS' financial statements are included in the State's Comprehensive Annual Financial Report. TESRS issues a publicly available Annual Financial Report, which includes financial statements, notes, and required supplementary information, which can be obtained at www.tesrs.org.

Benefits Provided

Senate Bill 411, 65th Legislature, Regular Session (1977), created TESRS and established the applicable benefit provisions. The 79th Legislature, Regular Session (2005), re-codified the provisions and gave the TESRS Board of Trustees authority to establish vesting requirements, contribution levels, benefit formulas, and eligibility requirements by board rule. The benefit provisions include retirement benefits as well as death and disability benefits. Members are 50% vested after the tenth year of service, with the vesting percent increasing 10% for each of the next five years of service so that a member becomes 100% vested with 15 years of service.

Upon reaching age 55, each vested member may retire and receive a monthly pension equal to his vested percent multiplied by six times the governing body's average monthly contribution over the member's years of qualified service. For years of service in excess of 15 years, this monthly benefit is increased at the rate of 6.2% compounded annually. There is no provision for automatic postretirement benefit increases.

On and off-duty death benefits and on-duty disability benefits are dependent on whether or not the member was engaged in the performance of duties at the time of death or disability. Death benefits include a lump sum amount or continuing monthly payments to a member's surviving spouse and dependent children.

Contributions

Contributions are made by the City for the participating employees. No contributions are required from the individuals who are members of the TESRS, nor are they allowed. The City is required to make contributions for each month an employee of the plan this minimum contribution is \$36 per member. Contributions to the pension plan for the year ended September 30, 2017, were \$33,920.

Actuarial Assumptions

The total pension liability in the August 31, 2016, actuarial valuation was determined using the following actuarial assumptions:

Inflation	3.00%
Salary increases	None
Investment rate of return	7.75%, net of pension plan investment

Mortality rates were based on the RP-2000 Combined Healthy Lives Mortality Tables for males and for females projected to 2024 by scale AA.

The actuarial assumptions used in the August 31, 2016, valuation were based on the results of an actuarial experience study for the period completed in 2008.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future net real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These components 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 (currently 4.97%) and by adding expected inflation (3.00%). In addition, the final 7.75% assumption reflected a reduction of 0.22% for adverse deviation. The target allocation and expected arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Portfolio Real Rate of Return
Equities:		
Large cap domestic	32.0%	5.72%
Small cap domestic	10.0%	5.96%
Developed international	21.0%	6.21%
Emerging markets	6.0%	7.18%
Master limited partnership	5.0%	7.61%
Fixed income:		
Domestic	21.0%	1.61%
International	5.0%	1.81%
Cash	0.0%	0.00%
Total	100.0%	

Discount Rate

The discount rate used to measure the total pension liability was 7.75%. No projection of cash flows was used to determine the discount rate because the August 31, 2016 actuarial valuation showed that expected contributions would pay the normal cost and amortize the unfunded actuarial accrued liability (UAAL) in 30 years using the conservative level dollar amortization method. Because of the 30-year amortization period with the conservative amortization method and with a lower value of assets, the pension plan’s fiduciary net position is expected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the City’s proportionate share of the net pension liability, calculated using the discount rate of 7.75%, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.75%) or 1 percentage point higher (8.75%) than the current rate:

	1% Decrease in Discount Rate (6.75%)	Discount Rate (7.75%)	1% Increase in Discount Rate (8.75%)
City's proportionate share of the net pension liability	\$ 345,200	\$ 203,897	\$ 113,865

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

At September 30, 2017, the City reported a liability of \$227,199 for its proportionate share of the TESRS’s net pension liability. The net pension liability was measured as of August 31, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City’s proportion of the net pension liability was based on the employer’s contributions to the pension plan relative to contributions of all participating employers to the plan for the period September 1, 2015 through August 31, 2016.

At August 31, 2016 the employer’s proportion of the collective net pension liability was 0.70%, which was an increase of 0.03% when compared to August 31, 2015.

For the year ended September 30, 2017, the City’s pension expense was \$43,437. At September 30, 2017, the City reported its proportionate share of the TESRS’s deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
Differences between expected and actual economic experience	\$ 315
Changes in actuarial assumptions	4,342
Difference between projected and actual investment earnings	38,608
Contributions paid to TESRS subsequent to the measurement date	<u>32,055</u>
Total	<u>\$ 75,320</u>

\$33,920 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2018. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

For the Year Ended September 30,	
2018	\$ 11,318
2019	11,318
2020	17,914
2021	2,715

Other Postemployment Benefits

The City also participates in the cost sharing multiple-employer defined benefit group term life insurance plan operated by TMRS known as the Supplemental Death Benefits Fund (SDBF). The City elected by ordinance, to provide group term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee’s annual salary (calculated based on the employee’s actual earnings, for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an “other postemployment benefit,” or OPEB.

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees’ entire careers.

The City's contributions to the TMRS SDBF for the years ended 2017, 2016, and 2015, were \$3,334, \$3,363, and \$3,910, respectively, which equaled the required contributions each year.

D. Economic Development Agreement

The City enters into economic development agreements designed to promote development and redevelopment within the City, stimulate commercial activity, generate additional sales tax and enhance the property tax base and economic vitality of the City. This program reduces the assessed property tax values as authorized under Chapter 381 of the Texas Local Government Code.

The City has entered into a tax abatement agreement dated October 2012, with a developer to reduce the assessed property tax value for constructing, equipping, and operating an oil and gas production equipment manufacturing facility. The City agrees to abate 100% of ad valorem taxation of the Certified Appraised Value of all Eligible Property for the first two years, 75% in year three, 50% in year four, and 25% in year 5. In fiscal year 2017, the City rebated property taxes in the amount of \$25,014.

E. New Accounting Principles

Significant new accounting standards not yet implemented by the City include the following.

Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*" – This statement changes the focus of accounting of postemployment benefits other than pensions from whether an entity is responsible for funding the benefits over time to a point-in-time liability that is reflected on the employer's financial statements for any actuarially unfunded portion of benefits earned to date. This statement will become effective for the City in fiscal year 2018.

Statement No. 87, "*Leases*" – This statement changes the recognition requirements for certain lease assets and liabilities for leases that are currently classified as operating leases. This statement will become effective for the City in fiscal year 2021.

**REQUIRED
SUPPLEMENTARY INFORMATION**

THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF COLUMBUS, TEXAS

GENERAL FUND

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

FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Property	\$ 719,263	\$ 719,263	\$ 723,730	\$ 4,467
Sales	978,500	978,500	1,012,033	33,533
Franchise	235,000	235,000	236,828	1,828
Licenses and permits	21,075	21,075	38,116	17,041
Fines and forfeitures	103,800	103,800	139,705	35,905
Charges for services	13,250	13,250	16,152	2,902
Intergovernmental	35,000	35,000	70,753	35,753
Investment earnings	8,000	8,000	9,267	1,267
Miscellaneous	8,050	20,297	30,895	10,598
Total revenues	2,121,938	2,134,185	2,277,479	143,294
EXPENDITURES				
General government:				
Personnel	284,666	284,666	276,838	7,828
Supplies and maintenance	20,150	20,150	21,342	(1,192)
Other services	105,975	105,975	108,078	(2,103)
Total general government	410,791	410,791	406,258	4,533
Public safety:				
Police department:				
Personnel	872,124	872,124	872,571	(447)
Supplies and maintenance	99,850	99,850	72,328	27,522
Other services	57,769	57,769	57,401	368
Capital outlay	42,000	42,000	42,192	(192)
Total police department	1,071,743	1,071,743	1,044,492	27,251

CITY OF COLUMBUS, TEXAS

GENERAL FUND

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

FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES				
Public safety:				
Fire department:				
Personnel	\$ 55,700	\$ 55,700	\$ 49,976	\$ 5,724
Supplies and maintenance	57,900	57,900	61,959	(4,059)
Other services	<u>26,936</u>	<u>26,936</u>	<u>22,780</u>	<u>4,156</u>
Total fire department	<u>140,536</u>	<u>140,536</u>	<u>134,715</u>	<u>5,821</u>
Total public safety	<u>1,212,279</u>	<u>1,212,279</u>	<u>1,179,207</u>	<u>33,072</u>
Public health:				
Personnel	76,588	76,588	77,641	(1,053)
Supplies and maintenance	7,725	7,725	6,603	1,122
Other services	<u>17,866</u>	<u>17,866</u>	<u>3,648</u>	<u>14,218</u>
Total public health	<u>102,179</u>	<u>102,179</u>	<u>87,892</u>	<u>14,287</u>
Public works:				
Personnel	208,025	208,025	208,457	(432)
Supplies and maintenance	175,050	175,050	69,448	105,602
Other services	<u>86,426</u>	<u>86,426</u>	<u>80,999</u>	<u>5,427</u>
Total public works	<u>469,501</u>	<u>469,501</u>	<u>358,904</u>	<u>110,597</u>
Culture and recreation:				
Personnel	374,158	374,158	355,150	19,008
Supplies and maintenance	67,400	97,839	89,761	8,078
Other services	187,061	187,061	162,658	24,403
Capital outlay	<u>61,000</u>	<u>76,946</u>	<u>56,755</u>	<u>20,191</u>
Total culture and recreation	<u>689,619</u>	<u>736,004</u>	<u>664,324</u>	<u>71,680</u>
Total expenditures	<u>2,884,369</u>	<u>2,930,754</u>	<u>2,696,585</u>	<u>234,169</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	621,496	621,496	601,340	(20,156)
Transfers out	(42,050)	(51,550)	(51,550)	-
Sale of capital assets	<u>-</u>	<u>-</u>	<u>12,850</u>	<u>12,850</u>
Total other financing sources (uses)	<u>579,446</u>	<u>569,946</u>	<u>562,640</u>	<u>(7,306)</u>
NET CHANGE IN FUND BALANCES	<u>(182,985)</u>	<u>(226,623)</u>	<u>143,534</u>	<u>370,157</u>
FUND BALANCES, BEGINNING	<u>1,043,014</u>	<u>1,043,014</u>	<u>1,043,014</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 860,029</u>	<u>\$ 816,391</u>	<u>\$ 1,186,548</u>	<u>\$ 370,157</u>

CITY OF COLUMBUS, TEXAS

HOTEL/MOTEL TAX FUND

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

FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Hotel occupancy tax	\$ 270,000	\$ 270,000	\$ 225,098	\$(44,902)
Investment earnings	<u>3,000</u>	<u>3,000</u>	<u>7,813</u>	<u>4,813</u>
Total revenues	<u>273,000</u>	<u>273,000</u>	<u>232,911</u>	<u>(40,089)</u>
EXPENDITURES				
Current:				
Economic development	117,650	117,650	115,700	1,950
Capital outlay	<u>700,000</u>	<u>700,000</u>	<u>353,108</u>	<u>346,892</u>
Total expenditures	<u>817,650</u>	<u>817,650</u>	<u>468,808</u>	<u>348,842</u>
NET CHANGE IN FUND BALANCES	<u>(544,650)</u>	<u>(552,650)</u>	<u>(235,897)</u>	<u>316,753</u>
FUND BALANCES, BEGINNING	<u>754,318</u>	<u>754,318</u>	<u>754,318</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 209,668</u>	<u>\$ 201,668</u>	<u>\$ 518,421</u>	<u>\$ 316,753</u>

CITY OF COLUMBUS, TEXAS

NOTES TO BUDGETARY INFORMATION

SEPTEMBER 30, 2017

BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except the Capital Projects Fund, which adopted a project-length budget. All annual appropriations lapse at fiscal year-end.

The City's fiscal year is the 12-month period beginning October 1. The departments submit to the City Manager a budget of estimated expenditures for the ensuing fiscal year after which the City Manager subsequently submits a budget of estimated expenditures and revenues to the City Council by September 1. The City Manager also files this proposed budget with the municipal clerk before the 30th day before the date the City Council makes its tax levy for the fiscal year. Upon receipt of the budget estimates, the Council holds public hearings on the proposed budget. On final approval of the budget by the City Council, the budget is filed with the municipal clerk and posted on the City's website.

The City Manager is authorized to transfer budgeted amounts between line items and departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.

Budgeted amounts are as originally adopted or as amended by the City Council. The Council made several supplemental budgetary appropriations throughout the year which increased total budgeted expenditures by \$59,885. These amendments were as follows:

<u>Date Budget Amended</u>	<u>Purpose</u>	<u>Amount</u>
October 13, 2016	Library Supplies	\$ 18,113
October 13, 2016	Library Audio Visual	1,000
October 13, 2016	Library Promotional Supplies	1,000
October 13, 2016	Library Books	2,000
March 27, 2017	Library Equipment	15,946
April 24, 2017	Pool Equipment	4,000
May 22, 2017	Library Supplies	1,622
June 12, 2017	Fire Equipment Fund Transfer	9,500
September 25, 2017	Library Supplies	3,500
September 25, 2017	Library Books	1,000
September 25, 2017	Library Building Maintenance	<u>2,204</u>
		<u>\$ 59,885</u>

CITY OF COLUMBUS, TEXAS

**SCHEDULE OF CHANGES IN TMRS NET PENSION LIABILITY
AND RELATED RATIOS**

FOR THE YEAR ENDED SEPTEMBER 30, 2017

Plan Year	<u>2014</u>	<u>2015</u>	<u>2016</u>
A. Total pension liability			
Service Cost	\$ 225,111	\$ 231,666	\$ 243,411
Interest (on the Total Pension Liability)	463,968	484,124	498,257
Difference between expected and actual experience	(115,052)	(84,508)	(2,739)
Change of assumptions	-	80,347	-
Benefit payments, including refunds of employee contributions	<u>(329,185)</u>	<u>(249,541)</u>	<u>(254,409)</u>
Net change in total pension liability	244,842	462,088	484,520
Total pension liability - beginning	<u>6,680,154</u>	<u>6,924,996</u>	<u>7,387,084</u>
Total pension liability - ending (a)	<u>\$ 6,924,996</u>	<u>\$ 7,387,084</u>	<u>\$ 7,871,604</u>
B. Plan fiduciary net position			
Contributions - employer	\$ 240,607	\$ 218,650	\$ 219,086
Contributions - employee	102,097	97,612	99,963
Net investment income	325,069	8,879	411,476
Benefit payments, including refunds of employee contributions	(329,185)	(249,541)	(254,409)
Administrative expenses	(3,393)	(5,407)	(4,645)
Other	<u>(279)</u>	<u>(268)</u>	<u>(250)</u>
Net change in plan fiduciary net position	334,916	69,925	471,221
Plan fiduciary net position - beginning	<u>5,681,571</u>	<u>6,016,487</u>	<u>6,086,412</u>
Plan fiduciary net position - ending (b)	<u>\$ 6,016,487</u>	<u>\$ 6,086,412</u>	<u>\$ 6,557,633</u>
C. Net pension liability - ending (a) - (b)	<u>\$ 908,509</u>	<u>\$ 1,300,672</u>	<u>\$ 1,313,971</u>
D. Plan fiduciary net position as a percentage of total pension liability	86.88%	82.39%	83.31%
E. Covered employee payroll	\$ 1,701,613	\$ 1,626,867	\$ 1,666,057
F. Net position liability as a percentage of covered employee payroll	53.39%	79.95%	78.87%

Note: The schedule is intended to show 10 years of information, additional years will be presented as it becomes available.

CITY OF COLUMBUS, TEXAS
SCHEDULE OF TMRS CONTRIBUTIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

Fiscal Year	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Actuarial determined contribution	\$ 234,237	\$ 222,113	\$ 218,454	\$ 229,867
Contributions in relation to the actuarially determined contribution	(234,237)	(222,113)	(218,454)	(229,867)
Contribution deficiency (excess)	-	-	-	-
Covered employee payroll	1,659,459	1,629,065	1,651,318	1,690,258
Contributions as a percentage of covered employee payroll	14.12%	13.63%	13.23%	13.60%

NOTES TO SCHEDULE OF TMRS CONTRIBUTIONS

Valuation Date Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	29 years
Asset Valuation Method	10 Year smoothed market; 15% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 10.50% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010-2014.
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.

Other Information There were no benefit changes during the year.

Note: The schedule is intended to show 10 years of information, additional years will be presented as it becomes available.

CITY OF COLUMBUS, TEXAS
SCHEDULE OF TESRS CONTRIBUTIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

Plan Year	2014	2015	2016
City's proportion of the net pension liability	0.688%	0.670%	0.670%
City's proportionate share of the net pension liability	\$ 125,021	\$ 178,840	\$ 203,897
City's covered-employee payroll	-	-	-
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	0%	0%	0%
Plan fiduciary net position as a percentage of the total pension liability	83.5%	76.9%	76.3%

SCHEDULE OF CITY'S TESRS CONTRIBUTIONS

Fiscal Year	2014	2015	2016	2017
Contractually required contribution	\$ 31,159	\$ 31,650	\$ 32,055	\$ 33,920
Contributions in relation to the contractually required contribution	(31,159)	(31,650)	(32,055)	(33,920)
Contribution deficiency (excess)	-	-	-	-
City's covered-employee payroll	-	-	-	-
Contribution as a percentage of covered-employee payroll	0%	0%	0%	0%

Note: The schedule is intended to show 10 years of information, additional years will be presented as it becomes available.

THIS PAGE LEFT BLANK INTENTIONALLY

**COMBINING AND INDIVIDUAL
FUND STATEMENTS AND SCHEDULES**

THIS PAGE LEFT BLANK INTENTIONALLY

NONMAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUNDS

Equipment Fund – This fund is used to maintain funds set aside for the purposes of financing purchases of long-lived equipment.

Fire Equipment Fund – This fund is used to account for funds set aside for the future purchase of fire department equipment.

DEBT SERVICE FUNDS

Debt Service Fund 2005 – This fund is used to account for resources accumulated and transferred to the Proprietary Fund. These resources supplement Utility Fund resources used to make payments on the principal and interest of the City's 2005 Combination Tax and Revenue Certificates of Obligation.

Debt Service Fund 2008 – This fund is used to account for resources accumulated and payments made for principal and interest on the City's 2008 Combination Tax and Revenue Certificates of Obligation.

CITY OF COLUMBUS, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2017

	Capital Projects		
	Equipment	Fire Equipment	Total
ASSETS			
Cash and investments	\$ 20,120	\$ 318,605	\$ 338,725
Taxes receivable, net	-	-	-
Total assets	20,120	318,605	338,725
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	-	-	-
Total deferred inflows of resources	-	-	-
FUND BALANCES			
Restricted for:			
Debt service	-	-	-
Assigned for equipment	20,120	318,605	338,725
Total fund balances	20,120	318,605	338,725
Total liabilities, deferred inflows of resources and fund balances	\$ 20,120	\$ 318,605	\$ 338,725

Debt Service			Total Nonmajor Governmental Funds
2005 C of O	2008 C of O	Total	
\$ -	\$ 1,246	\$ 1,246	\$ 339,971
<u>-</u>	<u>914</u>	<u>914</u>	<u>914</u>
<u>-</u>	<u>2,160</u>	<u>2,160</u>	<u>340,885</u>
<u>-</u>	<u>637</u>	<u>637</u>	<u>637</u>
<u>-</u>	<u>637</u>	<u>637</u>	<u>637</u>
-	1,523	1,523	1,523
<u>-</u>	<u>-</u>	<u>-</u>	<u>338,725</u>
<u>-</u>	<u>1,523</u>	<u>1,523</u>	<u>340,248</u>
<u>\$ -</u>	<u>\$ 2,160</u>	<u>\$ 2,160</u>	<u>\$ 340,885</u>

CITY OF COLUMBUS, TEXAS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Capital Projects		
	Equipment	Fire Equipment	Total
REVENUES			
Property taxes	\$ -	\$ -	\$ -
Investment earnings	289	4,039	4,328
Total revenues	289	4,039	4,328
EXPENDITURES			
Debt service:			
Principal	-	-	-
Interest and other charges	-	-	-
Total expenditures	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	289	4,039	4,328
OTHER FINANCING SOURCES (USES)			
Transfers in	20,000	58,050	78,050
Transfers out	(28,000)	-	(28,000)
Total other financing sources (uses)	(8,000)	58,050	50,050
NET CHANGE IN FUND BALANCES	(7,711)	62,089	54,378
FUND BALANCES, BEGINNING	27,831	256,516	284,347
FUND BALANCES, ENDING	\$ 20,120	\$ 318,605	\$ 338,725

2005 C of O	Debt Service		Total Nonmajor Governmental Funds
	2008 C of O	Total	
\$ 67	\$ 90,991	\$ 91,058	\$ 91,058
-	52	52	4,380
<u>67</u>	<u>91,043</u>	<u>91,110</u>	<u>95,438</u>
-	62,342	62,342	62,342
-	<u>23,609</u>	<u>23,609</u>	<u>23,609</u>
-	<u>85,951</u>	<u>85,951</u>	<u>85,951</u>
<u>67</u>	<u>5,092</u>	<u>5,159</u>	<u>9,487</u>
-	-	-	78,050
(67)	(3,930)	(3,997)	(31,997)
(67)	(3,930)	(3,997)	<u>46,053</u>
-	<u>1,162</u>	<u>1,162</u>	<u>55,540</u>
-	<u>361</u>	<u>361</u>	<u>284,708</u>
<u>\$ -</u>	<u>\$ 1,523</u>	<u>\$ 1,523</u>	<u>\$ 340,248</u>

CITY OF COLUMBUS, TEXAS

EQUIPMENT CAPITAL PROJECTS FUND

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

FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	\$ 350	\$ 350	\$ 289	\$(61)
Total revenues	<u>350</u>	<u>350</u>	<u>289</u>	<u>(61)</u>
EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	20,000	20,000	20,000	-
Transfers out	<u>(28,000)</u>	<u>(28,000)</u>	<u>(28,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(8,000)</u>	<u>(8,000)</u>	<u>(8,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>(7,650)</u>	<u>(7,650)</u>	<u>(7,711)</u>	<u>(61)</u>
FUND BALANCES, BEGINNING	<u>27,831</u>	<u>27,831</u>	<u>27,831</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 20,181</u>	<u>\$ 20,181</u>	<u>\$ 20,120</u>	<u>\$(61)</u>

CITY OF COLUMBUS, TEXAS

FIRE EQUIPMENT CAPITAL PROJECTS FUND

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

FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	\$ 3,300	\$ 3,300	\$ 4,039	\$ 739
Total revenues	<u>3,300</u>	<u>3,300</u>	<u>4,039</u>	<u>739</u>
EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>48,550</u>	<u>58,050</u>	<u>58,050</u>	<u>-</u>
Total other financing sources (uses)	<u>48,550</u>	<u>58,050</u>	<u>58,050</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>51,850</u>	<u>61,350</u>	<u>62,089</u>	<u>739</u>
FUND BALANCES, BEGINNING	<u>256,516</u>	<u>256,516</u>	<u>256,516</u>	<u>-</u>
FUND BALANCES, ENDING	<u><u>\$ 308,366</u></u>	<u><u>\$ 317,866</u></u>	<u><u>\$ 318,605</u></u>	<u><u>\$ 739</u></u>

CITY OF COLUMBUS, TEXAS

DEBT SERVICE FUND 2005

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

FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property taxes	\$ 40	\$ 40	\$ 67	\$ 27
Total revenues	<u>40</u>	<u>40</u>	<u>67</u>	<u>27</u>
EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>40</u>	<u>40</u>	<u>67</u>	<u>27</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>-</u>	<u>-</u>	<u>(67)</u>	<u>(67)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(67)</u>	<u>(67)</u>
NET CHANGE IN FUND BALANCES	<u>40</u>	<u>40</u>	<u>-</u>	<u>(40)</u>
FUND BALANCES, BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, ENDING	<u><u>\$ 40</u></u>	<u><u>\$ 40</u></u>	<u><u>\$ -</u></u>	<u><u>\$(40)</u></u>

CITY OF COLUMBUS, TEXAS

DEBT SERVICE FUND 2008

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

FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Property taxes	\$ 90,648	\$ 90,648	\$ 90,991	\$ 343
Investment earnings	<u>50</u>	<u>50</u>	<u>52</u>	<u>2</u>
Total revenues	<u>90,698</u>	<u>90,698</u>	<u>91,043</u>	<u>345</u>
EXPENDITURES				
Debt service:				
Principal	205,000	205,000	62,342	142,658
Interest and other charges	<u>96,763</u>	<u>96,763</u>	<u>23,609</u>	<u>73,154</u>
Total expenditures	<u>301,763</u>	<u>301,763</u>	<u>85,951</u>	<u>215,812</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(211,065)</u>	<u>(211,065)</u>	<u>5,092</u>	<u>216,157</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	209,995	209,995	-	(209,995)
Transfers out	<u>-</u>	<u>-</u>	<u>(3,930)</u>	<u>(3,930)</u>
Total other financing sources (uses)	<u>209,995</u>	<u>209,995</u>	<u>(3,930)</u>	<u>(213,925)</u>
NET CHANGE IN FUND BALANCES	<u>(1,070)</u>	<u>(1,070)</u>	<u>1,162</u>	<u>2,232</u>
FUND BALANCES, BEGINNING	<u>361</u>	<u>361</u>	<u>361</u>	<u>-</u>
FUND BALANCES, ENDING	<u><u>\$ (709)</u></u>	<u><u>\$ (709)</u></u>	<u><u>\$ 1,523</u></u>	<u><u>\$ 2,232</u></u>

THIS PAGE LEFT BLANK INTENTIONALLY

STATISTICAL SECTION

THIS PAGE LEFT BLANK INTENTIONALLY

Statistical Section

(Unaudited)

This part of the City of Columbus' 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.

	<u>Page Number</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance has changed over time.	61 – 69
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the City's most significant local revenue source – gas revenue, as well as its ability to generate its property taxes and information regarding its sales tax sources.	70 – 77
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	78 – 82
Demographic and Economic Information These schedules offer demographics and economic indicators to help the reader understand the environment within which the City's financial activities take place.	83 – 85
Operating Information These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	86 – 87

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

CITY OF COLUMBUS, TEXAS

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

(accrual basis of accounting)

	Fiscal Year			
	2008	2009	2010	2011
Governmental activities:				
Net investment in capital assets	\$ 1,370,592	\$ 1,299,073	\$ 1,459,522	\$ 1,354,636
Restricted	3,367	388,506	204,648	342,880
Unrestricted	<u>976,383</u>	<u>945,314</u>	<u>1,118,030</u>	<u>1,155,658</u>
Total governmental activities net position	<u>\$ 2,350,342</u>	<u>\$ 2,632,893</u>	<u>\$ 2,782,200</u>	<u>\$ 2,853,174</u>
Business-type activities:				
Net investment in capital assets	\$ 3,738,667	\$ 1,830,862	\$ 3,261,972	\$ 3,132,994
Restricted	-	1,685,888	-	-
Unrestricted	<u>2,023,416</u>	<u>2,180,617</u>	<u>2,093,182</u>	<u>2,317,925</u>
Total business-type activities net position	<u>\$ 5,762,083</u>	<u>\$ 5,697,367</u>	<u>\$ 5,355,154</u>	<u>\$ 5,450,919</u>
Primary government:				
Net investment in capital assets	\$ 5,109,259	\$ 3,129,935	\$ 4,721,494	\$ 4,487,630
Restricted	3,367	2,074,394	204,648	342,880
Unrestricted	<u>2,999,799</u>	<u>3,125,931</u>	<u>3,211,212</u>	<u>3,473,583</u>
Total primary government net position	<u>\$ 8,112,425</u>	<u>\$ 8,330,260</u>	<u>\$ 8,137,354</u>	<u>\$ 8,304,093</u>

TABLE 1

Fiscal Year					
2012	2013	2014	2015	2016	2017
\$ 1,277,925	\$ 1,395,779	\$ 1,483,520	\$ 1,747,899	\$ 1,831,601	\$ 2,288,216
463,251	285,550	497,101	570,705	754,318	518,421
<u>1,166,208</u>	<u>1,185,305</u>	<u>1,223,557</u>	<u>626,891</u>	<u>630,750</u>	<u>631,448</u>
<u>\$ 2,907,384</u>	<u>\$ 2,866,634</u>	<u>\$ 3,204,178</u>	<u>\$ 2,945,495</u>	<u>\$ 3,216,669</u>	<u>\$ 3,438,085</u>
\$ 3,261,199	\$ 3,212,280	\$ 2,952,589	\$ 3,689,918	\$ 4,706,157	\$ 4,984,074
-	-	-	-	-	-
<u>2,395,384</u>	<u>2,043,038</u>	<u>2,115,984</u>	<u>1,420,147</u>	<u>1,000,874</u>	<u>801,956</u>
<u>\$ 5,656,583</u>	<u>\$ 5,255,318</u>	<u>\$ 5,068,573</u>	<u>\$ 5,110,065</u>	<u>\$ 5,707,031</u>	<u>\$ 5,786,030</u>
\$ 4,539,124	\$ 4,608,059	\$ 4,436,109	\$ 5,437,817	\$ 6,537,758	\$ 7,272,290
463,251	285,550	497,101	570,705	754,318	518,421
<u>3,561,592</u>	<u>3,228,343</u>	<u>3,339,541</u>	<u>2,047,038</u>	<u>1,631,624</u>	<u>1,433,404</u>
<u>\$ 8,563,967</u>	<u>\$ 8,121,952</u>	<u>\$ 8,272,751</u>	<u>\$ 8,055,560</u>	<u>\$ 8,923,700</u>	<u>\$ 9,224,115</u>

CITY OF COLUMBUS TEXAS

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

(accrual basis of accounting)

	Fiscal Year			
	2008	2009	2010	2011
EXPENSES				
Governmental activities:				
General government	\$ 324,635	\$ 354,275	\$ 392,785	\$ 389,512
Public safety	891,435	894,696	952,871	1,012,625
Public health	34,689	35,379	38,746	65,505
Public works	481,732	487,126	432,312	506,469
Culture and recreation	435,819	449,684	495,341	504,078
Economic development	131,556	122,134	126,784	91,326
Interest on long-term debt	-	51,139	59,024	38,005
Total governmental activities expenses	<u>2,299,866</u>	<u>2,394,433</u>	<u>2,497,863</u>	<u>2,607,520</u>
Business-type activities:				
Water	646,858	833,374	892,209	847,389
Sewer	469,715	571,787	637,526	581,032
Garbage	609,423	615,091	586,244	636,724
Gas	813,248	657,088	837,959	696,535
Total business-type activities expenses	<u>2,539,244</u>	<u>2,677,340</u>	<u>2,953,938</u>	<u>2,761,680</u>
Total primary government program expenses	<u>\$ 4,839,110</u>	<u>\$ 5,071,773</u>	<u>\$ 5,451,801</u>	<u>\$ 5,369,200</u>
PROGRAM REVENUES				
Governmental activities:				
Charges for services:				
General government	\$ 46,790	\$ 41,328	\$ 35,003	\$ 33,938
Public safety	62,614	76,714	57,611	63,885
Public works	5,077	9,655	-	-
Culture and recreation	27,673	21,013	19,308	23,335
Operating grants and contributions	14,242	103,945	62,195	58,366
Capital grants and contributions	44,250	283,753	75,756	41,016
Total governmental activities program revenues	<u>200,646</u>	<u>536,408</u>	<u>249,873</u>	<u>220,540</u>
Business-type activities:				
Charges for services:				
Water	659,474	813,882	770,263	1,034,041
Sewer	497,712	618,393	634,215	660,203
Garbage	660,369	637,383	622,420	683,561
Gas	917,565	739,790	942,875	760,700
Operating grants and contributions	-	-	-	-
Capital grants and contributions	135,000	125,000	201,500	109,581
Total business-type activities program revenues	<u>2,870,120</u>	<u>2,934,448</u>	<u>3,171,273</u>	<u>3,248,086</u>
Total primary government program revenues	<u>\$ 3,070,766</u>	<u>\$ 3,470,856</u>	<u>\$ 3,421,146</u>	<u>\$ 3,468,626</u>

TABLE 2

Fiscal Year					
2012	2013	2014	2015	2016	2017
\$ 390,388	\$ 453,776	\$ 419,265	\$ 699,548	\$ 406,885	\$ 455,126
1,010,135	1,133,864	1,148,463	1,135,820	1,231,888	1,353,574
72,323	82,154	72,318	71,159	79,528	93,290
516,638	486,505	436,314	451,269	491,918	402,189
480,353	497,033	503,013	498,746	596,015	666,036
143,712	257,954	66,034	97,917	89,581	115,700
37,561	37,950	37,896	31,056	30,757	23,375
<u>2,651,110</u>	<u>2,949,236</u>	<u>2,683,303</u>	<u>2,985,515</u>	<u>2,926,572</u>	<u>3,109,290</u>
907,037	1,123,342	869,803	840,349	1,009,153	995,803
575,110	559,944	585,847	585,891	575,931	740,254
680,444	723,904	768,391	787,469	787,615	876,489
539,344	643,572	868,726	758,466	515,084	533,692
<u>2,701,935</u>	<u>3,050,762</u>	<u>3,092,767</u>	<u>2,972,175</u>	<u>2,887,783</u>	<u>3,146,238</u>
<u>\$ 5,353,045</u>	<u>\$ 5,999,998</u>	<u>\$ 5,776,070</u>	<u>\$ 5,957,690</u>	<u>\$ 5,814,355</u>	<u>\$ 6,255,528</u>
\$ 20,598	\$ 65,255	\$ 20,217	\$ 22,326	\$ 23,375	\$ 40,038
73,155	67,780	92,136	129,011	189,374	109,306
-	-	-	-	-	-
19,652	21,335	20,955	18,864	18,989	21,067
61,402	123,134	211,482	452,335	65,665	90,532
-	-	-	71,750	70,923	145,000
<u>174,807</u>	<u>277,504</u>	<u>344,790</u>	<u>694,286</u>	<u>368,326</u>	<u>405,943</u>
912,018	881,687	838,031	824,319	867,695	1,061,351
699,940	686,360	721,118	707,917	779,310	944,107
764,171	796,801	856,312	856,700	849,245	905,691
610,750	697,765	1,024,124	926,703	660,184	681,432
-	-	-	-	-	89,366
407,819	90,000	125,675	497,975	866,610	90,000
<u>3,394,698</u>	<u>3,152,613</u>	<u>3,565,260</u>	<u>3,813,614</u>	<u>4,023,044</u>	<u>3,771,947</u>
<u>\$ 3,569,505</u>	<u>\$ 3,430,117</u>	<u>\$ 3,910,050</u>	<u>\$ 4,507,900</u>	<u>\$ 4,391,370</u>	<u>\$ 4,177,890</u>

CITY OF COLUMBUS, TEXAS

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

(accrual basis of accounting)

	Fiscal Year			
	2008	2009	2010	2011
NET (EXPENSE) REVENUES				
Governmental activities	\$(2,099,220)	\$(1,858,025)	\$(2,247,990)	\$(2,386,980)
Business-type activities	330,876	257,108	217,335	486,406
Total primary government net expense	(1,768,344)	(1,600,917)	(2,030,655)	(1,900,574)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities:				
Taxes				
Property	469,274	614,554	617,831	657,475
Sales	698,525	737,437	674,917	732,969
Hotel occupancy	131,930	154,074	160,242	232,716
Franchise	261,436	253,782	261,061	261,982
Alcohol beverage	5,483	7,895	7,934	9,670
Investment earnings	34,714	13,350	15,277	13,192
Gain on sale of capital assets	8,945	2,610	810	839
Miscellaneous	-	-	12,270	15,731
Transfers	157,287	356,875	614,396	434,293
Total governmental activities	1,767,594	2,140,577	2,364,738	2,358,867
Business-type activities:				
Other	101,555	35,053	54,848	43,652
Transfers	(157,287)	(356,876)	(614,396)	(434,293)
Total business-type activities	(55,732)	(321,823)	(559,548)	(390,641)
Total primary government	1,711,862	1,818,754	1,805,190	1,968,226
CHANGE IN NET POSITION				
Governmental activities	(331,626)	282,552	116,748	(28,113)
Business-type activities	275,144	(64,715)	(342,213)	95,765
Total primary government	\$(56,482)	\$ 217,837	\$(225,465)	\$ 67,652

TABLE 2

Fiscal Year					
2012	2013	2014	2015	2016	2017
\$(2,476,303)	\$(2,671,732)	\$(2,338,513)	\$(2,291,229)	\$(2,558,246)	\$(2,703,347)
<u>692,763</u>	<u>101,851</u>	<u>472,493</u>	<u>841,439</u>	<u>1,135,261</u>	<u>625,709</u>
<u>(1,783,540)</u>	<u>(2,569,881)</u>	<u>(1,866,020)</u>	<u>(1,449,790)</u>	<u>(1,422,985)</u>	<u>(2,077,638)</u>
665,659	687,308	712,022	715,735	744,780	811,528
767,295	821,618	865,689	871,911	966,595	998,674
263,139	283,508	274,796	258,465	275,829	225,098
255,088	246,201	247,048	250,639	237,509	236,828
6,843	8,306	11,137	12,509	14,610	13,359
13,769	17,526	15,493	16,872	18,016	21,460
-	11,965	329	9,880	-	2,950
32,961	14,805	17,093	17,691	14,102	19,023
<u>525,759</u>	<u>539,745</u>	<u>563,228</u>	<u>594,103</u>	<u>557,979</u>	<u>595,843</u>
<u>2,530,513</u>	<u>2,630,982</u>	<u>2,706,835</u>	<u>2,747,805</u>	<u>2,829,420</u>	<u>2,924,763</u>
38,660	36,628	26,523	25,863	19,684	49,133
<u>(525,759)</u>	<u>(539,745)</u>	<u>(563,228)</u>	<u>(594,103)</u>	<u>(557,979)</u>	<u>(595,843)</u>
<u>(487,099)</u>	<u>(503,117)</u>	<u>(536,705)</u>	<u>(568,240)</u>	<u>(538,295)</u>	<u>(546,710)</u>
<u>2,043,414</u>	<u>2,127,865</u>	<u>2,170,130</u>	<u>2,179,565</u>	<u>2,291,125</u>	<u>2,378,053</u>
54,210	(40,750)	368,322	456,576	271,174	221,416
<u>205,664</u>	<u>(401,266)</u>	<u>(64,212)</u>	<u>273,199</u>	<u>596,966</u>	<u>78,999</u>
<u>\$ 259,874</u>	<u>\$(442,016)</u>	<u>\$ 304,110</u>	<u>\$ 729,775</u>	<u>\$ 868,140</u>	<u>\$ 300,415</u>

THIS PAGE LEFT BLANK INTENTIONALLY

TABLE 3

CITY OF COLUMBUS, TEXAS

**FUND BALANCES
GOVERNMENTAL FUNDS**

LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General fund										
Reserved	\$ 22,736	\$ 27,598	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	740,197	691,287	844,564	-	-	-	-	-	-	-
Unassigned	-	-	-	849,063	844,446	844,528	878,471	1,052,713	1,043,014	1,186,548
Total general fund	<u>\$ 762,933</u>	<u>\$ 718,885</u>	<u>\$ 844,564</u>	<u>\$ 849,063</u>	<u>\$ 844,446</u>	<u>\$ 844,528</u>	<u>\$ 878,471</u>	<u>\$ 1,052,713</u>	<u>\$ 1,043,014</u>	<u>\$ 1,186,548</u>
All other governmental funds										
Reserved, reported in:										
Debt service funds	\$ 186	\$ 2,367	\$ 1,938	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital projects funds	1,137,009	240,573	6,497	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	222,867	366,317	448,773	-	-	-	-	-	-	-
Restricted	-	-	-	343,847	464,686	287,689	497,767	573,328	754,679	519,944
Assigned	-	-	-	267,135	292,060	318,257	344,460	259,568	284,347	338,725
Total all other governmental funds	<u>\$ 1,360,062</u>	<u>\$ 609,257</u>	<u>\$ 457,208</u>	<u>\$ 610,982</u>	<u>\$ 756,746</u>	<u>\$ 605,946</u>	<u>\$ 842,227</u>	<u>\$ 842,227</u>	<u>\$ 1,039,026</u>	<u>\$ 858,669</u>

Note: In fiscal year 2011 the City implemented GASB 54.

CITY OF COLUMBUS, TEXAS

CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDSLAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
REVENUES										
Property taxes	\$ 467,410	\$ 613,903	\$ 618,780	\$ 646,047	\$ 671,801	\$ 692,238	\$ 710,327	\$ 723,757	\$ 742,857	\$ 814,788
Other taxes	1,097,375	1,153,187	1,104,154	1,237,337	1,292,365	1,359,633	1,398,670	1,393,524	1,494,543	1,473,959
Licenses and permits	37,783	30,897	33,524	31,693	18,366	63,601	17,175	19,850	20,851	38,116
Fines and forfeitures	52,744	75,617	57,720	66,652	78,525	68,194	94,229	130,425	174,178	139,705
Charges for services	24,785	17,717	15,347	18,949	17,025	17,252	17,886	16,007	17,203	16,152
Intergovernmental	43,914	125,770	126,006	84,596	56,694	115,648	210,025	499,003	125,680	70,753
Miscellaneous	59,184	39,567	40,984	37,915	52,499	42,063	35,133	37,171	43,107	52,355
Total revenues	<u>1,783,195</u>	<u>2,056,658</u>	<u>1,996,515</u>	<u>2,123,189</u>	<u>2,187,275</u>	<u>2,358,629</u>	<u>2,483,445</u>	<u>2,819,737</u>	<u>2,618,419</u>	<u>2,605,828</u>
EXPENDITURES										
General government	307,755	355,284	357,262	360,564	386,077	465,484	394,178	679,478	385,867	406,258
Public safety	863,991	838,387	831,081	876,298	931,916	1,015,739	1,051,456	1,074,401	1,114,031	1,137,015
Public health	43,952	34,456	36,404	62,686	69,569	81,482	72,282	72,270	80,334	87,892
Public works	518,859	444,832	391,200	465,266	502,950	478,011	415,204	381,352	428,549	358,904
Culture and recreation	404,403	414,243	448,232	462,583	445,902	462,441	474,920	473,271	569,239	607,569
Economic development	136,556	122,934	126,784	91,326	143,712	465,888	66,034	191,052	96,708	115,700
Capital outlay	63,354	905,824	381,252	92,971	-	-	206,742	298,004	213,471	452,055
Debt service										
Principal	-	30,712	54,739	53,219	56,260	56,260	57,780	57,780	60,821	62,342
Interest and other charges	-	70,799	81,918	35,913	35,501	35,752	38,183	31,201	30,947	23,609
Total expenditures	<u>2,338,870</u>	<u>3,217,471</u>	<u>2,708,872</u>	<u>2,500,826</u>	<u>2,571,887</u>	<u>3,061,057</u>	<u>2,776,779</u>	<u>3,258,809</u>	<u>2,979,967</u>	<u>3,251,344</u>

CITY OF COLUMBUS, TEXAS

CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (555,675)</u>	<u>\$ (1,160,813)</u>	<u>\$ (712,357)</u>	<u>\$ (377,637)</u>	<u>\$ (384,612)</u>	<u>\$ (702,428)</u>	<u>\$ (293,334)</u>	<u>\$ (439,072)</u>	<u>\$ (361,548)</u>	<u>\$ (645,516)</u>
OTHER FINANCING SOURCES (USES)										
Transfers in	274,753	483,522	707,772	503,517	578,166	592,235	614,383	756,052	612,547	679,390
Transfers out	(117,466)	(126,646)	(93,376)	(69,224)	(52,407)	(52,490)	(51,155)	(161,949)	(54,568)	(83,547)
Issuance of long-term debt	1,200,000	-	1,204,260	-	-	-	-	-	-	-
Payment to escrow agent	-	-	(1,169,288)	-	-	-	-	-	-	-
Premium on bonds	-	-	3,250	-	-	-	-	-	-	-
Sale of capital assets	<u>8,945</u>	<u>2,610</u>	<u>810</u>	<u>2,530</u>	<u>-</u>	<u>11,965</u>	<u>329</u>	<u>9,880</u>	<u>-</u>	<u>12,850</u>
Total other financing sources (uses)	<u>1,366,232</u>	<u>359,486</u>	<u>653,428</u>	<u>436,823</u>	<u>525,759</u>	<u>551,710</u>	<u>563,557</u>	<u>603,983</u>	<u>557,979</u>	<u>608,693</u>
NET CHANGE IN FUND BALANCES	<u>\$ 810,557</u>	<u>\$ (801,327)</u>	<u>\$ (58,929)</u>	<u>\$ 59,186</u>	<u>\$ 141,147</u>	<u>\$ (150,718)</u>	<u>\$ 270,223</u>	<u>\$ 164,911</u>	<u>\$ 196,431</u>	<u>\$ (36,823)</u>
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	<u>- %</u>	<u>4.36%</u>	<u>5.87%</u>	<u>3.71%</u>	<u>3.72%</u>	<u>3.29%</u>	<u>3.75%</u>	<u>3.13%</u>	<u>3.34%</u>	<u>3.24%</u>

THIS PAGE LEFT BLANK INTENTIONALLY

TABLE 5

CITY OF COLUMBUS, TEXAS
PRINCIPAL GAS PURCHASERS
CURRENT YEAR AND NINE YEARS AGO

Customer	2017			2008		
	Gas Sales	Rank	Percentage of Total Gas Sales	Gas Sales	Rank	Percentage of Total Gas Sales
KW International, LLC	\$ 60,209	1	9.61%			
Columbus Community Hospital	39,272	2	6.27%	\$ 53,748	1	5.93%
Columbus Independent School District	31,544	3	5.04%	20,730	4	2.29%
County Fresh Cleaners	15,520	4	2.48%	20,618	5	2.28%
Los Cabos Mexican Grill	15,408	5	2.46%			
Columbus Oaks Healthcare Community	14,834	6	2.37%			
Colorado County Detention Center	11,757	7	1.88%	16,993	8	1.88%
Schobels Restaurant	11,196	8	1.79%			
Jack in the Box #3945	8,800	9	1.41%			
Texas Great Southern Wood, LLC	<u>8,719</u>	10	<u>1.39%</u>			
River Oaks Convalescent Center				31,341	2	3.46%
Bazar Foods LTD				29,178	3	3.22%
Nancy's Steakhouse				12,936	10	1.43%
Gary Kulhanek (Washateria)				17,721	7	1.96%
Columbus Inn				15,884	9	1.75%
Columbus Care Center				<u>19,488</u>	6	<u>2.15%</u>
Total	<u>\$ 217,259</u>		<u>34.69%</u>	<u>\$ 238,637</u>		<u>26.35%</u>

CITY OF COLUMBUS, TEXAS

TAXABLE SALES BY CATEGORY

LAST TEN FISCAL YEARS

	Fiscal Year			
	2008	2009	2010	2011
Agricultural	\$ 11,194	\$ 31,459	\$ 19,058	\$ 17,117
Mining/quarrying/oil extraction	12,894	-	-	-
Construction	1,461,977	4,110,732	1,242,215	1,598,262
Manufacturing	1,888,360	1,158,673	958,389	1,330,107
Wholesale	2,244,137	1,774,390	1,510,938	1,994,558
Retail	38,234,724	38,024,476	36,624,035	38,192,034
Information	138,654	121,475	-	171,952
Real estate, rental, leasing	114,849	57,252	8,051	23,553
Professional, scientific, technical services	665,880	445,954	413,105	506,097
Health care, social assistance	-	31,956	138,031	129,348
Administrative, support, waste management, remediation services	1,891,695	2,222,536	2,361,517	2,630,274
Arts, entertainment, recreation	307,289	146,168	324,608	283,926
Accommodation, food services	13,741,559	14,450,645	13,963,676	15,158,966
Other services	<u>1,865,236</u>	<u>1,886,321</u>	<u>1,850,214</u>	<u>1,919,548</u>
 Total taxable sales	 <u>\$ 62,578,448</u>	 <u>\$ 64,462,037</u>	 <u>\$ 59,413,837</u>	 <u>\$ 63,955,742</u>
 City direct sales tax rate	 1.00%	 1.00%	 1.00%	 1.00%

Note: General grocery items are not taxable.

Source: Texas State Comptroller. Comptroller recently began reporting this data using the North American Industry Classification System (NAICS) sector.

TABLE 6

Fiscal Year					
2012	2013	2014	2015	2016	2017
\$ 28,455	\$ 9,063	\$ 6,895	\$ -	\$ -	\$ -
-	-	-	-	-	-
2,113,804	2,732,528	2,183,792	1,736,431	3,679,024	5,328,704
1,324,114	1,591,674	1,483,024	1,643,144	2,134,778	2,214,946
1,938,044	2,413,099	2,439,096	2,395,561	2,124,513	2,160,938
40,794,231	40,605,098	40,943,687	41,825,744	42,171,733	41,661,287
226,919	238,719	447,418	-	752,064	701,157
32,747	6,242	27,354	46,631	39,556	8,611
508,547	533,343	600,572	737,168	1,999,970	3,058,941
153,582	228,443	199,556	267,149	329,803	311,997
1,571,722	1,380,055	549,919	468,079	516,303	466,992
291,182	238,563	235,375	219,771	175,195	234,307
15,868,440	16,278,752	16,531,550	16,589,505	16,819,096	17,065,127
<u>2,133,661</u>	<u>2,047,065</u>	<u>1,946,404</u>	<u>1,917,542</u>	<u>1,901,313</u>	<u>2,095,857</u>
<u>\$ 66,985,448</u>	<u>\$ 68,302,644</u>	<u>\$ 67,594,642</u>	<u>\$ 67,846,725</u>	<u>\$ 72,643,348</u>	<u>\$ 75,308,864</u>
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

CITY OF COLUMBUS, TEXAS

TAX REVENUE BY SOURCE, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Fiscal Year	Property Tax	Sales Tax	Gross Receipts Tax	Hotel Occupancy Tax	Mixed Beverage Tax	Totals
2008	\$ 467,410	\$ 698,525	\$ 261,436	\$ 131,930	\$ 5,483	\$ 1,564,784
2009	613,903	737,437	253,782	154,074	7,895	1,767,091
2010	618,780	674,917	261,061	160,242	7,394	1,722,394
2011	646,047	732,969	261,982	232,716	9,670	1,883,384
2012	671,800	767,295	255,088	263,139	6,843	1,964,165
2013	692,238	821,618	246,201	283,508	8,306	2,051,871
2014	710,329	865,689	247,048	274,796	11,137	2,108,999
2015	723,624	884,420	250,639	258,465	12,509	2,129,657
2016	742,857	981,205	237,509	275,829	14,610	2,252,010
2017	796,240	998,674	236,828	225,098	13,360	2,270,200
Change 2008-2017	70.4%	43.0%	(9.4%)	70.6%	143.7%	45.1%

TABLE 8

CITY OF COLUMBUS, TEXAS

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS

Fiscal Year	Real Property	Personal Property	Less: Tax-exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a % of Actual Taxable Value
2008	\$ 185,060,381	\$ 21,636,780	\$ 5,695,690	\$ 201,001,471	\$ 0.23312	\$ 201,001,471	100.00%
2009	202,170,771	24,295,540	6,085,022	220,381,289	0.27312	220,381,289	100.00%
2010	206,241,587	25,375,000	8,641,377	222,975,210	0.27312	231,616,587	96.27%
2011	218,954,455	27,303,920	8,551,472	237,706,903	0.27312	246,258,375	96.53%
2012	219,876,334	29,992,938	8,911,084	240,958,188	0.27312	249,869,272	96.43%
2013	223,188,234	31,987,686	9,301,203	245,874,717	0.27312	255,175,920	96.35%
2014	225,304,657	35,539,101	9,313,532	251,530,226	0.27312	260,843,758	96.43%
2015	239,192,108	40,497,180	20,955,498	258,733,790	0.27312	270,892,714	95.51%
2016	246,830,821	48,695,697	24,633,804	270,892,714	0.27312	295,526,518	91.66%
2017	256,908,123	53,135,559	22,193,497	287,850,185	0.28000	310,043,682	92.84%

Source: Colorado County Central Appraisal District.

CITY OF COLUMBUS, TEXAS

DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN FISCAL YEARS
(rate per \$100 of assessed value)

Table with 8 columns: Fiscal Year, City Direct Rates (Basic Rate, Debt Service, Total Direct Rate), Overlapping Rates (Columbus I.S.D., Colorado County, Colorado County Ground Water Conservation District), and Total Direct and Overlapping Rates. Rows represent fiscal years from 2008 to 2017.

Source: Colorado County Central Appraisal District.

CITY OF COLUMBUS, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Customer	2017			2008		
	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation
KWI International LLC	\$ 18,001,335	1	6.09%			
LCRA Transmission Svcs. Corp	4,839,780	2	1.64%			
Komatsu Financial (Maverick Constr.)	4,553,150	3	1.54%			
DHC Realco - Columbus LLC	4,501,300	4	1.52%			
Colorado Co. Development Group (TLC)	4,027,340	5	1.36%			
Goodmark Lodging, LLC (Holiday Inn)	3,650,000	6	1.24%	2,128,510		1.03%
AEP Texas Central Compant	3,492,380	7	1.18%		4	
Maverick Contractors Inc	3,308,840	8	1.12%		2	
Texas Great Southern Wood, LLC	2,897,120	9	0.98%	1,439,710		0.70%
Wal-Mart Stores Texas LP	<u>2,781,050</u>	10	<u>0.94%</u>	2,363,530	5	1.14%
Columbus Assoiicates (Wal-Mart)				1,720,890	8	0.83%
Magnolia Living Center				1,689,830	7	0.82%
Southwestern Bell Telephone				1,779,130	3	0.86%
AEP Central Power & Light				1,671,440	1	0.81%
River Oaks Grocery Company				1,712,820	6	0.83%
H.E. Butt Grocery Company				1,759,820	9	0.85%
Drymalla Construction Co.				<u>1,726,140</u>	10	<u>0.83%</u>
Total	\$ <u>52,052,295</u>		<u>17.61%</u>	\$ <u>17,991,820</u>		<u>8.70%</u>

Source: Colorado County Central Appraisal District.

CITY OF COLUMBUS, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

<u>Fiscal Year Ended</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collected Within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u>	<u>Total Collections to Date</u>	
		<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2008	\$ 468,574	\$ 458,536	97.9%	\$ 9,486	\$ 468,022	99.9%
2009	611,136	597,118	97.7%	12,889	610,007	99.8%
2010	612,157	596,438	97.4%	14,732	611,170	99.8%
2011	649,225	622,322	95.9%	26,084	648,406	99.9%
2012	658,105	637,159	96.8%	19,654	656,813	99.8%
2013	671,533	655,518	97.6%	14,120	669,638	99.7%
2014	686,979	669,270	97.4%	15,182	684,452	97.4%
2015	706,654	696,845	98.6%	6,878	703,723	99.6%
2016	739,862	728,252	98.4%	6,477	734,729	99.3%
2017	805,980	796,240	98.8%	-	796,240	98.8%

Source: Colorado County Central Appraisal District.

TABLE 12

CITY OF COLUMBUS, TEXAS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental activities										
2008 certificates of obligation	\$ 1,200,000	\$ 1,169,288	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2010 general obligation refunding bonds	<u>-</u>	<u>-</u>	<u>1,149,521</u>	<u>1,096,302</u>	<u>1,040,043</u>	<u>983,783</u>	<u>926,002</u>	<u>868,222</u>	<u>807,401</u>	<u>745,059</u>
Total governmental activities	<u>1,200,000</u>	<u>1,169,288</u>	<u>1,149,521</u>	<u>1,096,302</u>	<u>1,040,043</u>	<u>983,783</u>	<u>926,003</u>	<u>868,222</u>	<u>807,401</u>	<u>745,059</u>
Business-type activities										
2005 certificates of obligation	4,265,000	4,080,000	3,890,000	3,690,000	3,485,000	220,000	-	-	-	-
2008 certificates of obligation	2,800,000	2,675,715	-	-	-	-	-	-	-	-
2010 general obligation refunding bonds	-	-	2,630,479	2,508,697	2,379,957	2,251,217	2,118,997	1,986,778	1,847,599	1,704,941
2013 general obligation refunding bonds	-	-	-	-	-	3,025,000	3,010,000	2,770,000	2,525,000	2,270,000
2016 certificates of obligation	-	-	-	-	-	-	-	-	-	2,780,000
Premium on bonds	55,974	52,617	7,225	6,999	6,561	195,760	179,408	163,056	146,704	148,012
Deferred loss on refunding	-	-	(47,765)	(44,955)	(42,145)	(189,636)	(173,910)	(158,418)	(142,927)	(123,012)
Capital leases	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>900,000</u>	<u>729,183</u>	<u>554,140</u>	<u>374,350</u>
Total business-type activities	<u>7,120,974</u>	<u>6,808,332</u>	<u>6,479,939</u>	<u>6,160,741</u>	<u>5,829,373</u>	<u>5,502,341</u>	<u>6,034,495</u>	<u>5,490,599</u>	<u>4,930,516</u>	<u>7,154,291</u>
Total primary government	<u>\$ 8,320,974</u>	<u>\$ 7,977,620</u>	<u>\$ 7,629,460</u>	<u>\$ 7,257,043</u>	<u>\$ 6,869,416</u>	<u>\$ 6,486,124</u>	<u>\$ 6,960,498</u>	<u>\$ 6,358,821</u>	<u>\$ 5,737,917</u>	<u>\$ 7,899,350</u>
(1) Percentage of personal income	13.4%	12.9%	12.3%	10.0%	8.6%	6.6%	8.6%	8.6%	7.0%	10.0%
(1) Per capita	\$ 2,125	\$ 2,037	\$ 2,087	\$ 1,986	\$ 1,879	\$ 1,775	\$ 1,904	\$ 1,740	\$ 1,570	\$ 2,161

(1) See the Schedule of Demographics and Economic Statistics on Table 16 for personal income and population data.

CITY OF COLUMBUS, TEXAS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

LAST NINE FISCAL YEARS

Fiscal Year	General Bonded Debt Outstanding				Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Certificate of Obligation Bonds	Less Debt Service Resources Available	Total		
2008	\$ 1,200,000	\$ -	\$ 186	\$ 1,199,814	0.60%	\$ 306
2009	1,169,288	-	2,367	1,166,921	0.53%	298
2010	3,787,225	3,890,000	1,938	7,675,287	3.44%	2,100
2011	3,611,998	3,690,000	2,097	7,299,901	3.07%	1,997
2012	3,426,560	3,485,000	1,864	6,909,696	2.87%	1,890
2013	6,455,760	220,000	2,759	6,673,001	2.71%	1,826
2014	6,234,407	-	-	6,234,407	2.48%	1,706
2015	5,788,056	-	-	5,788,056	2.24%	1,584
2016	5,326,704	-	-	5,326,704	1.97%	1,457
2017	4,851,400	2,953,012	-	7,804,412	2.71%	2,135

Notes:

See Table 8 for property value data.

See Table 16 for population data.

CITY OF COLUMBUS, TEXAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF SEPTEMBER 30, 2017

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable ⁽¹⁾	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Columbus Independent School District	\$ 10,184,990	30.19%	\$ 3,074,848
Colorado County	6,552,770	12.48%	<u>817,786</u>
Subtotal overlapping debt			3,892,634
City of Columbus direct debt			<u>745,059</u>
Total direct and overlapping debt			<u>\$ 4,637,693</u>

Sources: Assessed value data used to estimate applicable percentages provided by the Colorado County Central Appraisal District. Debt outstanding data provided by the County Auditor and Columbus Independent School District.

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

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's and school district's taxable assessed value that is within the City's boundaries and dividing it by the county's and school district's total taxable assessed value.

CITY OF COLUMBUS, TEXAS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year			
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Tax roll year	2007	2008	2009	2010
Net assessed value	\$ 201,001,471	\$ 220,381,289	\$ 222,975,210	\$ 237,706,903
Plus exempt property	<u>5,695,690</u>	<u>6,085,022</u>	<u>6,149,715</u>	<u>6,331,457</u>
Total assessed value	<u>206,697,161</u>	<u>226,466,311</u>	<u>229,124,925</u>	<u>244,038,360</u>
Debt limit (1)	<u>\$ 20,669,716</u>	<u>\$ 22,646,631</u>	<u>\$ 22,912,493</u>	<u>\$ 24,403,836</u>

(1) Texas statutes do not describe a debt limit; however by custom a practical economic debt limit is 10% of the assessed valuation is used.

TABLE 15

Fiscal Year					
<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
2011	2012	2013	2014	2015	2016
\$ 240,958,188	\$ 245,874,717	\$ 251,530,226	\$ 258,733,790	\$ 270,892,714	\$ 287,850,185
<u>6,616,621</u>	<u>6,940,764</u>	<u>6,949,549</u>	<u>23,148,726</u>	<u>24,633,804</u>	<u>22,193,497</u>
<u>247,574,809</u>	<u>252,815,481</u>	<u>258,479,775</u>	<u>281,882,516</u>	<u>295,526,518</u>	<u>310,043,682</u>
\$ <u>24,757,481</u>	\$ <u>25,281,548</u>	\$ <u>25,847,978</u>	\$ <u>28,188,252</u>	\$ <u>29,552,652</u>	\$ <u>31,004,368</u>

CITY OF COLUMBUS, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population ⁽¹⁾	Personal Income ⁽¹⁾	Per Capita Personal Income ⁽¹⁾	Median Age ⁽¹⁾	Percent of Population With Bachelor's Degree or Higher (1)	School Enrollment ⁽²⁾	Unemployment Rate ⁽³⁾
2008	3,916	\$ 61,958,952	\$ 15,882	40	16.7%	1,627	4.0%
2009	3,916	61,958,952	15,882	40	16.7%	1,485	6.9%
2010	3,655	61,958,952	15,882	40	16.7%	1,551	7.8%
2011	3,655	72,273,970	19,774	43	18.8%	1,622	7.3%
2012	3,655	79,993,330	21,886	43	18.3%	1,610	5.6%
2013	3,655	98,988,365	27,083	46	21.9%	1,626	5.2%
2014	3,655	80,347,865	21,983	42	20.4%	1,584	4.0%
2015	3,655	78,421,680	21,456	46	19.3%	1,565	3.9%
2016	3,655	82,526,245	22,579	49	21.0%	1,516	5.6%
2017	3,655	82,672,445	22,619	45	19.3%	1,483	3.6%

Data Sources:

- (1) United States Census Bureau
- (2) Columbus Independent School District
- (3) Texas Workforce Commission (Colorado County)

CITY OF COLUMBUS, TEXAS

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

Employer	2017			2008		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Columbus Independent School District	236	1	1.99%	211	1	1.98%
Colorado County (Government)	185	2	1.56%	135	4	1.27%
Columbus Community Hospital	175	3	1.48%	177	2	1.66%
Drymalla Construction Co.	147	4	1.24%	187	3	1.75%
Columbus Oaks Healthcare Community	97	5	0.82%			
Wal-Mart	89	6	0.75%	114	6	1.07%
River Oaks Convalescent Home (name changed)				131	5	1.23%
Schobels Restaurant	60	7	0.51%	80	7	0.75%
KWI	89	11	0.75%			
HEB Grocery Company, LP	60	9	0.51%	58	9	0.54%
TruCare	68	8	0.57%			
Great Southern Wood	52	10	0.44%	69	8	0.65%
Brookshire Brothers (Grocery)	43	12	0.36%	<u>56</u>	10	<u>0.52%</u>
City of Columbus	<u>37</u>	13	<u>0.31%</u>			
Total	<u>1,338</u>		<u>11.30%</u>	<u>1,218</u>		<u>11.41%</u>

Note: Total City employment is not available. Employees as a percentage of Colorado County employment is presented.

Data Sources:

Texas Workforce Commission

Local Employers

CITY OF COLUMBUS, TEXAS
FULLTIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function	Fulltime Equivalent Employees as of September 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Administrative and general	3.00	3.00	2.77	2.87	3.00	3.00	2.98	3.02	3.00	3.00
Police department	12.24	12.14	11.92	11.96	11.74	13.23	13.13	13.43	13.39	13.42
Streets and drainage	4.93	4.87	5.10	4.88	5.02	4.94	4.17	3.07	3.99	3.91
Parks and recreation										
Parks	3.69	3.57	3.58	3.58	3.35	3.47	3.47	2.82	2.55	3.15
Swimming pool	0.94	1.00	0.90	1.12	1.08	0.91	0.92	0.86	1.14	1.01
Library	3.81	3.73	3.89	3.81	4.02	3.92	3.53	3.47	3.81	3.80
Public health	0.54	0.53	0.54	0.74	1.01	1.01	1.01	1.00	1.13	1.39
Tourism and economic development	-	0.51	0.41	-	-	-	-	-	-	-
Water	3.13	2.93	3.46	2.76	3.29	3.29	4.32	3.96	4.21	4.33
Sewer	2.65	3.02	3.12	2.72	2.69	2.70	2.68	3.08	2.69	2.42
Garbage	0.49	0.50	0.48	0.49	0.58	0.64	0.49	0.72	0.75	0.55
Gas	4.54	4.68	4.64	4.52	4.39	4.37	4.17	3.42	3.38	3.35
Total	<u>39.96</u>	<u>40.48</u>	<u>40.81</u>	<u>39.45</u>	<u>40.17</u>	<u>41.48</u>	<u>40.87</u>	<u>38.85</u>	<u>40.03</u>	<u>40.33</u>

Source: City Finance Director

Notes: A fulltime employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Fulltime equivalent employment is calculated by dividing total labor hours by 2,080.

TABLE 19

CITY OF COLUMBUS, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General government										
Building permits issued	42	34	40	32	29	23	26	29	41	61
Building inspections conducted	34	36	39	40	35	37	32	50	24	118
Gas inspections	22	15	4	30	55	32	40	70	11	36
Electrical inspections	65	82	57	84	77	50	63	100	58	143
Plumbing inspections	25	36	56	73	78	44	20	110	39	110
Mechanical inspections	15	22	76	70	59	26	32	66	42	137
Police										
Case reports opened	203	460	500	406	477	422	259	379	282	246
Calls of service	2,422	1,934	2,124	2,332	2,117	2,378	2,469	2,281	2,194	2,410
Citations issued	1,239	1,522	2,109	1,850	1,885	2,685	3,525	2,234	3,051	1,405
Fire										
Fire/other calls										
Structure fires	25	27	11	15	16	22	24	11	9	15
Grass/brush fires	68	48	26	98	41	38	41	23	46	45
Car fires	9	13	11	17	19	17	20	24	18	25
Rescues	29	31	15	18	31	27	17	26	32	20
Hazardous	6	16	7	12	14	16	6	24	11	17
False alarms	6	3	28	16	7	15	19	24	21	27
Others	4	3	10	23	11	37	37	40	35	39
Total man hours	4,561	4,750	4,279	7,722	4,201	4,916	4,460	4,085	4,028	4,103
Total training hours	1,500	1,500	1,500	1,346	1,666	1,398	1,610	1,308	1,382	1,284
Total maintenance hours	1,500	1,500	1,500	321	720	715	750	750	798	846
Municipal court										
Cases filed										
Traffic - non-parking	394	612	570	443	705	594	786	1,338	1,565	1,268
Traffic - parking	25	22	47	78	114	27	8	11	5	6
Non-traffic - state law	206	152	157	75	158	179	167	149	152	165
Non-traffic - city ordinance	38	23	13	18	11	27	14	10	9	13
Cases disposed										
Traffic - non-parking	436	537	492	635	686	462	648	1,053	1,497	1,148
Traffic - parking	18	22	30	100	97	34	9	13	10	5
Non-traffic - state law	156	132	84	140	191	158	144	141	153	140
Non-traffic - city ordinance	34	24	12	6	16	28	15	9	10	10
Solid waste										
Customers	1,826	1,585	1,598	1,594	1,595	1,600	1,606	1,609	1,595	1,626
Recyclables (tons per day)	.34	.31	.30	.51	0.41	0.37	0.33	0.29	0.30	0.30
Water										
Customers	1,641	1,638	1,651	1,650	1,656	1,664	1,672	1,678	1,666	1,694
New water taps	12	3	4	8	6	7	10	7	8	5
Average daily consumption (thousands of gallons)	716	761	678	867	672	679	694	542	729	718
Sewer										
Customers	1,576	1,574	1,587	1,584	1,583	1,584	1,590	1,591	1,573	1,694
New sewer taps	13	3	4	4	6	5	9	7	8	5
Average daily discharge (thousands of gallons)	376	350	314	437	313	284	310	304	329	280
Gas										
Customers	1,239	1,232	1,241	1,241	1,218	1,216	1,208	1,192	1,171	1,199
New gas meters	3	6	4	3	5	3	5	5	5	3
Average daily consumption (mcf)	186.37	188.95	229.70	194.59	172.95	175.94	239.91	235.19	184.34	167.44

Source: Various departments within the City.

TABLE 20

CITY OF COLUMBUS, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General government										
Municipal buildings	1	1	1	1	1	1	1	1	1	1
Community buildings	2	2	2	2	2	2	2	2	2	2
Public safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	9	9	9	9	9	10	10	9	10	10
Fire										
Stations	1	1	1	1	1	1	1	1	1	1
Fire trucks	9	10	10	11	11	11	12	12	12	11
Highways and streets										
Streets (miles)	29	29	29	29	29	29	29	29	29	29
Culture and recreation										
Acreage	106.1	106.1	106.1	106.1	106.1	106.1	106.7	106.8	106.8	106.8
Community buildings	1	1	1	1	1	1	1	1	1	1
Playgrounds	3	3	3	3	3	3	3	3	3	3
Baseball/softball diamonds	6	6	6	6	6	6	6	6	6	6
Golf courses	1	1	1	1	1	1	1	1	1	1
Libraries	1	1	1	1	1	1	1	1	1	1
Swimming pool	1	1	1	1	1	1	1	1	1	1
Soccer fields	5	5	5	5	5	5	5	5	5	5
Water										
Wells (active)	4	4	4	3	3	4	4	4	4	4
Water mains (miles)	41.62	41.62	41.62	41.70	41.70	41.70	41.70	41.70	41.70	41.70
Fire hydrants	193	205	205	207	207	207	207	207	207	207
Storage capacity	1,340,000	1,340,000	1,340,000	1,340,000	1,340,000	1,340,000	1,340,000	1,340,000	1,340,000	1,340,000
Sewer										
Sewer mains (miles)	29.3	29.3	29.3	29.3	29.3	29.3	29.3	29.3	29.3	29.3
Lift stations	6	6	6	6	6	6	6	6	6	6

Source: Various City departments