



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2023



CITY OF COLUMBUS, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2023**

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

CITY OF COLUMBUS, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

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INTRODUCTORY SECTION

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The City of Columbus

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

April 30, 2024

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, 2023.

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, 2023. 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 3,739. 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 2014 of \$865,684 and for the current year of \$1,402,643, the growth for the period was 62%. Sales tax received in 2023 was an increase of 10.9% over 2022. Current year sales tax numbers are indicative of an overall increase in sales tax revenue for 2023 as well. 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.

Much like 2022, the City saw an increase in small business openings during 2023. Mostly located in the downtown corridors, these hospitality and retail related enterprises are demonstrative of the interest in revitalizing Columbus' historic downtown area. Growth is also being seen near the Interstate 10 corridor with the construction of several national chain restaurants.

A major tenant of the City's industrial park, a wood preserving company, has recently completed a \$2.5 million expansion to their distribution and warehousing facilities. They are currently working on a new office building. The other major tenant, an oil and gas fabricating facility, continues to be a principal purchaser from the City owned gas utility. Both tenants are major employers in the City. 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 has worked closely with FEMA and the Army Corp of Engineers to rebuild damaged infrastructure. In November of 2019, the City received a CDBG Disaster Recovery Grant administered by the GLO to install additional storm drains in the northeast part of the city. This area experienced major flooding during Hurricane Harvey. The project was completed under the grant budget, and the GLO has approved additional storm drainage work in the same area in order to expend the entire awarded grant. These additions were completed in June of 2022. The City is anticipating \$1.1 million of mitigation funding from the GLO through the COG MIT MOD for additional storm drainage infrastructure.

Long-term Financial Planning

The City of Columbus maintains sufficient cash reserves and unreserved fund balances/unrestricted net position 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 monitor and manage the distribution and use of water and gas to its customers and is also increasing billing efficiency more effectively. This capital lease was retired in 2019.

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. Although the \$2.5 million project experienced construction delays, the three filter units are currently in operation. The remaining funds from the certificates was 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 2021, Industry State Bank was again awarded the City's depository contract expiring on September 30th, 2023. City Council extended the contract with Industry State Bank until September 30, 2024.

The City's bank depository agreement requires that all demand deposits and time deposits are secured by pledged collateral with a fair 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 2022, 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 with upgrades made in 2018 and in 2021. The City implemented an asset and workflow management system in 2021 to enhance maintenance and operational efficiencies. A government portal was implemented for ease in obtaining City permits and licenses. 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 fiscal year 2020, the first of a two-phase upgrade to the next generation SCADA system was installed, allowing for mobile monitoring of the system. 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 2020, the Police Department implemented a ticket-writer system for easier reporting to the Municipal Court.

Since 2014, the City has been improving and replacing Water and Gas infrastructure. Water distribution lines, the demolition of an elevated storage tank as well as aerator replacement were completed in the water department. A new gas transmission line grant project was completed in 2018. In July of 2020, a CDBG grant project for water line replacement in the area near the junior high was completed.

The City of Columbus has earmarked the almost \$1 million of ARPA funding for water distribution line replacement in the downtown area as well as for asset and permitting software to increase efficiencies and controls with assets, inventory, and time-management. In 2023, the city completed a CDBG Downtown Revitalization grant project replacing sidewalks in the downtown area. In addition to the GLO COG MIT MOD funding for drainage infrastructure, the city has been approved to receive \$15 million of GLO funding, administered by H-GAC, for a new wastewater treatment plant.

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, 2022. This was the sixteenth 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 annual comprehensive 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,

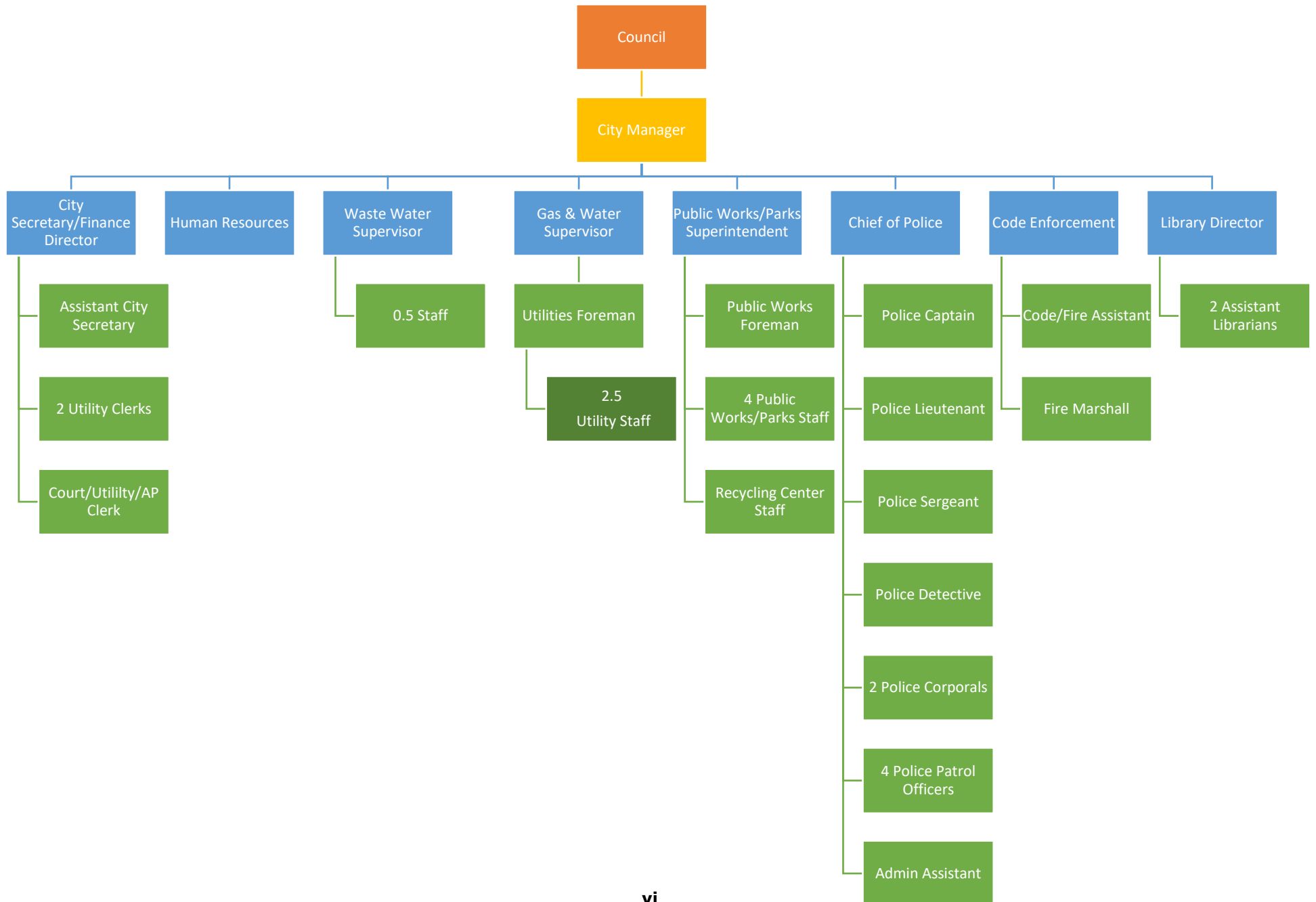


Donald Warschak, PE
City Manager



Bana Schneider
Finance Director/City Secretary

CITY OF COLUMBUS, TEXAS
ORGANIZATIONAL CHART



CITY OF COLUMBUS, TEXAS

LIST OF ELECTED AND APPOINTED

OFFICIALS SEPTEMBER 30, 2023

Title	Name
Mayor	Lori An Gobert
Councilman (Mayor Pro Tem)	Chuck Rankin
Councilman	Keith Cummings
Councilman	Ronny Daley
Councilman	Paige Sciba
Councilwoman	Michael Ridlen
City Manager	Donald Warschak
City Secretary/Finance Director	Bana Schneider
Human Resource Manager	Dinah Jacobs
Police Chief	Milton "Skip" Edman
Fire Chief	Doyle "Dusty" Dittmar
Parks/Public Works Supervisor	Michael Poncik
Water/Gas Supervisor	Kevin Faichtinger
Wastewater Plant Operator	Rolando Tello
Building Inspector	Richard LaCourse

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor
and Members of City Council
City of Columbus, Texas

Report on the Audit of the Financial Statements

Opinions

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, 2023, and the related notes to the financial statements, which collectively comprise City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements 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 City of Columbus, Texas as of September 30, 2023, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Columbus, Texas and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension and OPEB information, as listed in the table of contents, to 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise City of Columbus, Texas' basic financial statements. The combining and individual fund financial statements and schedules 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information Included in the Annual Comprehensive Financial Report

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 30, 2024 on our consideration of 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Columbus, Texas' internal control over financial reporting and compliance.

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

Waco, Texas
April 30, 2024

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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, 2023. 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 the deferred inflows of resources and liabilities at the close of the fiscal year by \$13,525,527. Of this amount, \$11,928,181 represents net investment in capital assets, \$4,211 was restricted for debt service, and \$508,432 was restricted for various purposes. \$1,084,703 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 \$1,642,936. A major contributing factor in this increase is attributable to an increase in operating grants and licenses and charges for services revenue.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$2,218,674, an increase of \$48,259 in comparison with the prior year. Approximately 32% of this total, or \$720,499 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 \$720,499 or 17% percent of total General Fund expenditures for the fiscal year.
- The City's total long-term liabilities decreased by \$705,554 (76%) during the current fiscal year mostly due to scheduled debt service payments and a decrease in the net pension liability.

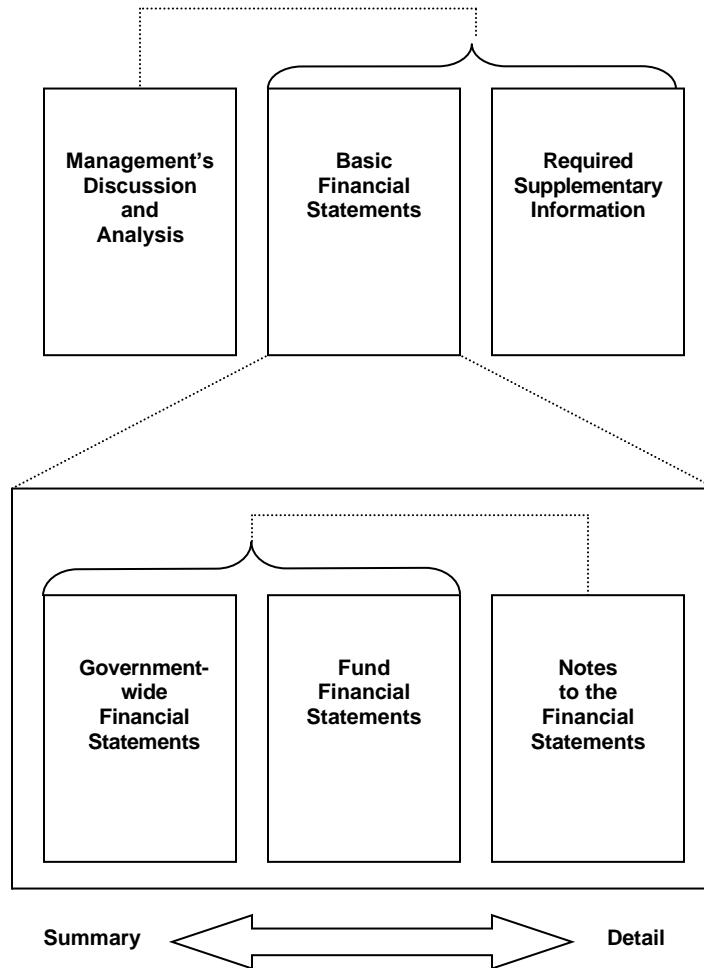
OVERVIEW OF THE FINANCIAL STATEMENTS

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 a deficit of \$175,926. The total decrease in unrestricted net position was \$152,625. 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) which contains information about the City's pension plans and other post-employment benefits plan. 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.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

**City of Columbus' Net Position
Figure 2**

	Governmental Activities		Business-type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 2,554,096	\$ 3,254,836	\$ 1,808,147	\$ 1,222,014	\$ 4,362,243	\$ 4,476,850
Capital assets	<u>4,416,331</u>	<u>3,865,860</u>	<u>10,739,231</u>	<u>10,560,762</u>	<u>15,155,562</u>	<u>14,426,622</u>
Total assets	<u>6,970,427</u>	<u>7,120,696</u>	<u>12,547,378</u>	<u>11,782,776</u>	<u>19,517,805</u>	<u>18,903,472</u>
Deferred outflows of resources	<u>900,977</u>	<u>338,752</u>	<u>264,976</u>	<u>108,544</u>	<u>1,165,953</u>	<u>447,296</u>
Current and other liabilities	300,527	753,940	1,263,352	737,453	1,563,879	1,491,393
Long-term liabilities	<u>1,694,328</u>	<u>933,813</u>	<u>3,861,282</u>	<u>4,254,586</u>	<u>5,555,610</u>	<u>5,188,399</u>
Total liabilities	<u>1,994,855</u>	<u>1,687,753</u>	<u>5,124,634</u>	<u>4,992,039</u>	<u>7,119,489</u>	<u>6,679,792</u>
Deferred inflows of resources	<u>71,863</u>	<u>595,296</u>	<u>21,840</u>	<u>193,089</u>	<u>93,703</u>	<u>788,385</u>
Net position:						
Net investment						
in capital assets	4,086,587	3,461,398	7,841,806	6,729,493	11,928,393	10,190,891
Restricted	512,643	610,897	-	-	512,643	610,897
Unrestricted	<u>1,260,452</u>	<u>1,104,104</u>	<u>(175,926)</u>	<u>(23,301)</u>	<u>1,084,526</u>	<u>1,080,803</u>
Total net position	<u>\$ 5,859,682</u>	<u>\$ 5,176,399</u>	<u>\$ 7,665,880</u>	<u>\$ 6,706,192</u>	<u>\$ 13,525,562</u>	<u>\$ 11,882,591</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 \$13,525,527 as of September 30, 2023. The City's net position increased by \$1,642,936 for the fiscal year ended September 30, 2023. Net investment in capital assets of \$11,928,181 accounts for the greatest portion (88%) of net position.

An additional portion of the City's net position (4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$1,084,703 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 99%.
- 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		Totals	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	\$ 234,451	\$ 170,711	\$ 4,442,811	\$ 4,239,652	\$ 4,677,262	\$ 4,410,363
Operating grants and contributions	574,187	288,065	-	-	574,187	288,065
Capital grants and contributions	79,320	25,329	735,051	90,000	814,371	115,329
General revenues:						
Property taxes	1,086,002	1,055,222	-	-	1,086,002	1,055,222
Other taxes	1,893,567	1,794,544	-	-	1,893,567	1,794,544
Other	83,832	33,103	90,995	51,224	174,827	84,327
Total revenues	<u>3,951,359</u>	<u>3,366,974</u>	<u>5,268,857</u>	<u>4,380,876</u>	<u>9,220,216</u>	<u>7,747,850</u>
Expenses:						
General government	537,438	454,754	-	-	537,438	454,754
Public safety	1,732,390	1,403,492	-	-	1,732,390	1,403,492
Public health	209,638	184,820	-	-	209,638	184,820
Public works	534,387	528,567	-	-	534,387	528,567
Culture and recreation	716,746	644,378	-	-	716,746	644,378
Economic development	351,462	169,731	-	-	351,462	169,731
Interest on long-term debt	22,123	5,916	-	-	22,123	5,916
Water	-	-	1,129,722	981,634	1,129,722	981,634
Sewer	-	-	633,521	584,121	633,521	584,121
Garbage	-	-	973,633	861,301	973,633	861,301
Gas	-	-	736,397	888,356	736,397	888,356
Total expenses	<u>4,104,184</u>	<u>3,391,658</u>	<u>3,473,273</u>	<u>3,315,412</u>	<u>7,577,457</u>	<u>6,707,070</u>
Increase (decrease) in net position before transfers	(152,825)	(24,684)	1,795,584	1,065,464	1,642,759	1,040,780
Transfers	<u>835,896</u>	<u>731,575</u>	<u>(835,896)</u>	<u>(731,575)</u>	<u>-</u>	<u>-</u>
Change in net position	683,071	706,891	959,688	333,889	1,642,759	1,040,780
Net position, beginning	<u>5,176,399</u>	<u>4,469,508</u>	<u>6,706,192</u>	<u>6,372,303</u>	<u>11,882,591</u>	<u>10,841,811</u>
Net position, ending	<u>\$ 5,859,470</u>	<u>\$ 5,176,399</u>	<u>\$ 7,665,880</u>	<u>\$ 6,706,192</u>	<u>\$ 13,525,350</u>	<u>\$ 11,882,591</u>

Governmental Activities. Governmental activities increased the City's net position by \$683,248. Key elements of this increase include the City spending less funds than budgeted and receiving more than anticipated.

Business-type Activities. Business-type activities increased the City of Columbus' net position by \$959,688. An increase of net position before transfers of \$1,795,584 leaving the business-type activities with an ending net position of \$7,665,880.

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 \$720,499, with a total fund balance of \$1,169,841. 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 17% of total General Fund expenditures. Total fund balance represents 33.5% of total General Fund expenditures.

The fund balance of the City's General Fund increased by \$88,775 during the current fiscal year. This increase was a result of an increase in intergovernmental revenue, offset slightly by an increase in expenditures.

The fund balance of the Hotel/Motel Tax Fund increased by \$101,694 or 19% during the current fiscal year. This increase is a result of economic recovery of the hotel and short-term rental industry, and tourism as a whole, within the City since the COVID-19 pandemic.

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 \$175,926. The total increase in net position was \$959,688. 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 slightly due to an increase in expected sales tax, licenses and permits and intergovernmental revenue.

Budgeted expenditures increased slightly as supplemental appropriations were needed for supplies and maintenance needs in the public works function.

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, 2023, totals \$15,155,562 (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	
	2023	2022	2023	2022	2023	2022
Land	\$ 520,086	\$ 520,086	\$ 24,183	\$ 24,183	\$ 544,269	\$ 544,269
Buildings and improvements	5,030,236	4,341,408	581,700	581,700	5,611,936	4,923,108
Distribution and collection systems	-	-	19,730,213	18,537,499	19,730,213	18,537,499
Machinery and equipment	4,096,747	3,862,614	1,192,582	1,171,708	5,289,329	5,034,322
Construction in progress	25,980	111,378	2,447,763	2,785,222	2,473,743	2,896,600
Accumulated depreciation	(5,256,718)	(4,969,626)	(13,237,210)	(12,539,550)	(18,493,928)	(17,509,176)
Total	<u>\$ 4,416,331</u>	<u>\$ 3,865,860</u>	<u>\$ 10,739,231</u>	<u>\$ 10,560,762</u>	<u>\$ 15,155,562</u>	<u>\$ 14,426,622</u>

Major capital asset events during the year included the following:

- Police department vehicles for \$73,818
- Parks improvements for \$116,012
- Library improvements in the amount of \$91,111
- Public works Sidewalk improvements in the amount of \$481,705
- Public works equipment in the amount of \$90,000

Additional information on the City's capital asset activity is presented in the notes to the financial statements on page 28.

Long-term Debt. As of September 30, 2023, the City of Columbus had total long-term certificates of obligation and general obligation bonds outstanding of \$3,955,942. 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	
	2023	2022	2023	2022	2023	2022
Refunding general obligation bonds	\$ 329,956	\$ 404,462	\$ 1,374,643	\$ 1,840,538	\$ 1,704,599	\$ 2,245,000
Certificates of obligation	-	-	2,040,000	2,175,000	2,040,000	2,175,000
Premium on bonds	-	-	135,659	159,412	135,659	159,412
Compensated absences	57,771	46,738	17,913	22,896	75,684	69,634
Total	<u>\$ 387,727</u>	<u>\$ 451,200</u>	<u>\$ 3,568,215</u>	<u>\$ 4,197,846</u>	<u>\$ 3,955,942</u>	<u>\$ 4,649,046</u>

The City's total debt decreased by \$693,104 (14.9%) during the current fiscal year. The key factor in this decrease was scheduled debt service payments.

Additional information regarding the City of Columbus' long-term debt can be found in the notes to the financial statements on pages 29 – 31.

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 increase from a rate of 3.3 percent a year ago. This is below the state's average unemployment rate of 3.9 percent and the national average rate of 3.8 percent. The increasing unemployment rates, both regionally and nationally, are influenced by the increased inflation rate.
- Inflationary trends in the region compared to national indices.
- The State Comptroller reported a increase of 10.7 percent in taxable sales for the City in 2023. Sales tax revenue has increased 62 percent since 2014. With a 5.88 percent budget increase for sales tax revenue in 2024, the City remains optimistic sales tax revenue growth will continue.
- Property tax values continue to climb in Colorado County and the region in general. Real property values in the City of Columbus increased \$13,585,971 from the prior year. Values have increased 51.6 percent from 2014. The City's overall property tax rate increased by 3.1 percent for the 2023 budget.
- For the 2024 Budget, the City increased the minimum rates for water, sewer and gas. With these new rates along with the more accurate metering system, the cost for utility system maintenance and debt service requirements for the new water filtration system will be amply covered. Even with the increase, the City's utility rates continue to remain low in comparison to cities of similar size.

All of these factors were considered in preparing the City's budget for the 2024 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.columbus-texas.net.

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**BASIC
FINANCIAL STATEMENTS**

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CITY OF COLUMBUS, TEXAS

STATEMENT OF NET POSITION

SEPTEMBER 30, 2023

	Governmental Activities	Business-type Activities	Total	Component Unit Columbus Industrial Development Corporation
ASSETS				
Cash and investments	\$ 1,595,902	\$ 1,197,939	\$ 2,793,841	\$ 3,269,865
Receivables, net:				
Taxes	424,995	-	424,995	122,616
Other	16,724	508,292	525,016	-
Internal balances	516,475	(516,475)	-	-
Investment in land	-	-	-	174,862
Restricted cash and investments	-	618,391	618,391	-
Capital assets:				
Non-depreciable	546,066	2,471,946	3,018,012	-
Depreciable, net	3,870,265	8,267,285	12,137,550	-
Total assets	<u>6,970,427</u>	<u>12,547,378</u>	<u>19,517,805</u>	<u>3,567,343</u>
DEFERRED OUTFLOW OF RESOURCES				
Deferred charge on refunding	-	34,486	34,486	-
Related to OPEB	17,715	5,502	23,217	-
Related to TESRS pension	158,935	-	158,935	-
Related to TMRS pension	724,327	224,988	949,315	-
Total deferred outflow of resources	<u>900,977</u>	<u>264,976</u>	<u>1,165,953</u>	<u>-</u>
LIABILITIES				
Accounts payable	191,084	274,719	465,803	33,887
Accrued liabilities	45,552	10,056	55,608	-
Accrued interest	1,650	17,729	19,379	-
Unearned revenue	61,258	734,780	796,038	-
Customer deposits	983	226,068	227,051	-
Noncurrent liabilities:				
Due within one year:				
Long-term debt	91,990	621,931	713,921	150,000
Total OPEB liability	1,370	334	1,704	-
Due in more than one year:				
Long-term debt	295,737	2,946,284	3,242,021	-
Net pension liability - TMRS	814,513	253,001	1,067,514	-
Net pension liability - TESRS	308,136	-	308,136	-
Total OPEB liability	<u>127,621</u>	<u>39,732</u>	<u>167,353</u>	<u>-</u>
Total liabilities	<u>1,939,894</u>	<u>5,124,634</u>	<u>7,064,528</u>	<u>183,887</u>
DEFERRED INFLOW OF RESOURCES				
Related to TESRS pension	1,549	-	1,549	-
Related to TMRS pension	25,057	7,783	32,840	-
Related to OPEB	45,257	14,057	59,314	-
Total deferred inflow of resources	<u>71,863</u>	<u>21,840</u>	<u>93,703</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	4,086,375	7,841,806	11,928,181	-
Restricted for:				
Economic development	441,964	-	441,964	3,234,781
Debt service	4,211	-	4,211	148,675
Public safety	66,468	-	66,468	-
Unrestricted	<u>1,260,629</u>	<u>(175,926)</u>	<u>1,084,703</u>	<u>-</u>
Total net position	<u>\$ 5,859,647</u>	<u>\$ 7,665,880</u>	<u>\$ 13,525,527</u>	<u>\$ 3,383,456</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, 2023

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 537,438	\$ 142,496	\$ 442,429	\$ -
Public safety	1,732,390	78,436	48,265	1,000
Public health	209,638	-	-	-
Public works	534,387	-	-	-
Culture and recreation	716,746	13,519	43,493	78,320
Economic development	351,462	-	40,000	-
Interest on long-term debt	21,946	-	-	-
Total governmental activities	<u>4,104,007</u>	<u>234,451</u>	<u>574,187</u>	<u>79,320</u>
Business-type activities:				
Water	1,129,722	1,380,214	-	675,051
Sewer	633,521	1,137,070	-	30,000
Garbage	973,633	1,053,840	-	-
Gas	736,397	871,687	-	30,000
Total business-type activities	<u>3,473,273</u>	<u>4,442,811</u>	<u>-</u>	<u>735,051</u>
Total primary government	<u>7,577,280</u>	<u>4,677,262</u>	<u>574,187</u>	<u>814,371</u>
Component unit:				
Columbus Community Industrial Development Corporation	<u>\$ 418,159</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				

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

Net (Expenses) Revenues and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Columbus Industrial Development Corporation
\$ 47,487	\$ -	\$ 47,487	\$ -
(1,604,689)	-	(1,604,689)	-
(209,638)	-	(209,638)	-
(534,387)	-	(534,387)	-
(581,414)	-	(581,414)	-
(311,462)	-	(311,462)	-
(21,946)	-	(21,946)	-
(3,216,049)	-	(3,216,049)	-
-	925,543	925,543	-
-	533,549	533,549	-
-	80,207	80,207	-
-	165,290	165,290	-
-	1,704,589	1,704,589	-
(3,216,049)	1,704,589	(1,511,460)	-
			(418,159)
1,086,002	-	1,086,002	-
1,402,643	-	1,402,643	702,266
239,864	-	239,864	-
225,012	-	225,012	-
26,048	-	26,048	-
61,145	76,660	137,805	1,022,752
-	14,043	14,043	-
22,687	292	22,979	53,500
835,896	(835,896)	-	-
3,899,297	(744,901)	3,154,396	1,778,518
683,248	959,688	1,642,936	1,360,359
5,176,399	6,706,192	11,882,591	2,023,097
\$ 5,859,647	\$ 7,665,880	\$ 13,525,527	\$ 3,383,456

CITY OF COLUMBUS, TEXAS

BALANCE SHEET

GOVERNMENTAL FUNDS

SEPTEMBER 30, 2023

	General	Hotel/Motel Tax	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 601,592	\$ 389,120	\$ 605,190	\$ 1,595,902
Receivables, net				
Taxes	368,844	52,844	3,307	424,995
Accounts	16,724	-	-	16,724
Due from other funds	516,475	-	-	516,475
Total assets	<u>1,503,635</u>	<u>441,964</u>	<u>608,497</u>	<u>2,554,096</u>
LIABILITIES				
Accounts payable	191,084	-	-	191,084
Accrued payroll	45,552	-	-	45,552
Unearned revenue	61,258	-	-	61,258
Customer deposits	983	-	-	983
Total liabilities	<u>298,877</u>	<u>-</u>	<u>-</u>	<u>298,877</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	17,693	-	1,628	19,321
Unavailable revenue - court fines	17,224	-	-	17,224
Total deferred inflows of resources	<u>34,917</u>	<u>-</u>	<u>1,628</u>	<u>36,545</u>
FUND BALANCES				
Restricted for:				
Economic development	-	441,964	-	441,964
Debt service	-	-	2,583	2,583
Public safety	66,468	-	-	66,468
Assigned for:				
Subsequent year's budget	382,874	-	-	382,874
Capital equipment	-	-	604,286	604,286
Unassigned	720,499	-	-	720,499
Total fund balances	<u>1,169,841</u>	<u>441,964</u>	<u>606,869</u>	<u>2,218,674</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u>\$ 1,503,635</u>	 <u>\$ 441,964</u>	 <u>\$ 608,497</u>	 <u>\$ 2,554,096</u>

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

CITY OF COLUMBUS, TEXAS

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

SEPTEMBER 30, 2023

Total fund balances - governmental funds balance sheet	\$ 2,218,674
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not reported in the funds.	4,416,331
Certain receivables will not be collected soon enough to pay for the current period's expenditures and are therefore deferred in the funds:	
Property taxes	19,321
Court fines and fees	17,224
Accrued bond interest is not due and payable in the current period and therefore is not reported in the funds.	(1,650)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Bonds payable	(329,956)
Compensated absences	(57,771)
Included in the items related to long-term liabilities is the recognition of the City's net pension liabilities and total OPEB liability, as well as the related deferred inflows and outflows of resources.	
Long-term liabilities:	
Net pension liability - TMRS	(814,513)
Net pension liability - TESRS	(308,136)
Total OPEB liability	(128,991)
Deferred outflows of resources:	
Outflows related to TESRS pension	158,935
Outflows related to TMRS pension	724,327
Outflows related to OPEB	17,715
Deferred inflows of resources:	
Inflows related to TESRS pension	(1,549)
Inflows related to TMRS pension	(25,057)
Inflows related to OPEB	<u>(45,257)</u>
Net position of governmental activities	<u>\$ 5,859,647</u>

CITY OF COLUMBUS, TEXAS

**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE**

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	General	Hotel/Motel Tax	Other Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	\$ 990,134	\$ -	\$ 89,522	\$ 1,079,656
Sales taxes	1,428,691	-	-	1,428,691
Franchise taxes	225,012	-	-	225,012
Hotel occupancy tax	-	239,864	-	239,864
Licenses and permits	142,496	-	-	142,496
Fines and forfeitures	82,821	-	-	82,821
Charges for services	13,519	-	-	13,519
Intergovernmental	574,187	-	-	574,187
Investment earnings	20,823	9,904	30,418	61,145
Contributions and donations	79,320	-	-	79,320
Miscellaneous	22,687	-	-	22,687
Total revenues	<u>3,579,690</u>	<u>249,768</u>	<u>119,940</u>	<u>3,949,398</u>
EXPENDITURES				
Current:				
General government	590,949	-	-	590,949
Public safety	1,597,708	-	-	1,597,708
Public health	201,352	-	-	201,352
Public works	462,933	-	-	462,933
Culture and recreation	653,763	-	-	653,763
Economic development	-	351,462	-	351,462
Debt service:				
Principal	-	-	74,506	74,506
Interest and other charges	6,140	-	16,178	22,318
Capital outlay	782,044	-	-	782,044
Total expenditures	<u>4,294,889</u>	<u>351,462</u>	<u>90,684</u>	<u>4,737,035</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(715,199)</u>	<u>(101,694)</u>	<u>29,256</u>	<u>(787,637)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	855,414	-	96,924	952,338
Transfers out	(51,440)	-	(65,002)	(116,442)
Total other financing sources (uses)	<u>803,974</u>	<u>-</u>	<u>31,922</u>	<u>835,896</u>
NET CHANGE IN FUND BALANCES	<u>88,775</u>	<u>(101,694)</u>	<u>61,178</u>	<u>48,259</u>
FUND BALANCES, BEGINNING	<u>1,081,066</u>	<u>543,658</u>	<u>545,691</u>	<u>2,170,415</u>
FUND BALANCES, ENDING	<u>\$ 1,169,841</u>	<u>\$ 441,964</u>	<u>\$ 606,869</u>	<u>\$ 2,218,674</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, 2023

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

Net change in fund balances - total governmental funds	\$ 48,259
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	869,299
Depreciation	(318,828)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Unavailable tax revenue	6,346
Unavailable municipal court revenue	(4,385)
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	74,506
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	19,496
OPEB cost	(784)
Compensated absences	(11,033)
Accrued interest	<u>372</u>
Change in net position of governmental activities.	<u>\$ 683,248</u>

CITY OF COLUMBUS, TEXAS

STATEMENT OF NET POSITION
PROPRIETARY FUND

SEPTEMBER 30, 2023

	Utility Fund
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 1,197,939
Accounts receivable, net	508,292
Restricted cash and cash equivalents	<u>618,391</u>
Total current assets	<u>2,324,622</u>
Noncurrent assets:	
Capital assets:	
Non-depreciable	2,471,946
Depreciable, net	<u>8,267,285</u>
Total capital assets	<u>10,739,231</u>
Total noncurrent assets	<u>10,739,231</u>
Total assets	<u>13,063,853</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charge on refunding	34,486
Related to TMRS pension	224,988
Related to OPEB	<u>5,502</u>
Total deferred outflows of resources	<u>264,976</u>
LIABILITIES	
Current liabilities:	
Accounts payable	274,719
Accrued liabilities	10,056
Due to other funds	516,475
Accrued interest	17,729
Unearned revenue	734,780
Customer deposits	226,068
Bonds payable	617,453
Compensated absences	4,478
Total OPEB liability	<u>334</u>
Total current liabilities	<u>2,402,092</u>
Noncurrent liabilities:	
Bonds payable	2,932,849
Compensated absences	13,435
Net pension liability	253,001
Total OPEB liability	<u>39,732</u>
Total noncurrent liabilities	<u>3,239,017</u>
Total liabilities	<u>5,641,109</u>
DEFERRED INFLOWS OF RESOURCES	
Related to TMRS pension	7,783
Related to OPEB	<u>14,057</u>
Total deferred inflows of resources	<u>21,840</u>
NET POSITION	
Net investment in capital assets	7,841,806
Unrestricted	<u>(175,926)</u>
Total net position	<u>\$ 7,665,880</u>

CITY OF COLUMBUS, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Utility Fund
OPERATING REVENUES	
Charges for sales and services:	
Water sales	\$ 1,380,214
Sewer charges	1,137,070
Garbage fees	1,053,840
Gas sales	871,687
Other	292
Total operating revenues	<u>4,443,103</u>
OPERATING EXPENSES	
Personnel	689,649
Maintenance and operations	1,969,246
Depreciation	<u>697,660</u>
Total operating expenses	<u>3,356,555</u>
OPERATING INCOME	<u>1,086,548</u>
NONOPERATING REVENUES (EXPENSES)	
Interest income	76,660
Intergovernmental	14,043
Interest and other charges	<u>(116,718)</u>
Total nonoperating revenues (expenses)	<u>(26,015)</u>
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	<u>1,060,533</u>
Capital contributions	735,051
Transfers out	<u>(835,896)</u>
CHANGE IN NET POSITION	<u>959,688</u>
NET POSITION, BEGINNING	<u>6,706,192</u>
NET POSITION, ENDING	<u>\$ 7,665,880</u>

CITY OF COLUMBUS, TEXAS**STATEMENT OF CASH FLOWS
PROPRIETARY FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Utility Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 4,723,706
Cash paid to suppliers	(2,063,883)
Cash paid to employees	(711,492)
Net cash provided by operating activities	<u>1,948,331</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Cash received from other governments	14,043
Transfer to other funds	(397,333)
Net cash used by noncapital financing activities	<u>(383,290)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital contributions - intergovernmental	90,000
Purchase of capital assets	(231,078)
Principal paid on capital debt	(624,648)
Interest and other charges paid on debt	(102,467)
Net cash used by capital and related financing activities	<u>(868,193)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	<u>76,660</u>
Net cash provided by investing activities	<u>76,660</u>
NET INCREASE IN CASH AND EQUIVALENTS	<u>773,508</u>
CASH AND CASH EQUIVALENTS, BEGINNING	<u>1,042,822</u>
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 1,816,330</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Net operating income	\$ 1,086,548
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	697,660
(Increase) decrease in accounts receivable	(54,024)
(Increase) decrease in deferred outflows related to pensions	(176,026)
(Increase) decrease in deferred outflows related to OPEB	3,046
Increase (decrease) in accounts payable	81,389
Increase (decrease) in accrued liabilities	(3,232)
Increase (decrease) in due to other funds	144,513
Increase (decrease) in compensated absences	(4,983)
Increase (decrease) in customer deposits	11,476
Increase (decrease) in net pension liability	349,887
Increase (decrease) in total OPEB liability	(16,674)
Increase (decrease) in deferred inflows related to pensions	(171,249)
Net cash provided by operations	<u>\$ 1,948,331</u>

CITY OF COLUMBUS, TEXAS

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

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" or "CCIDC") 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 Columbus City Hall:

Columbus Community and Industrial
Development Corporation
605 Spring
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:

Assets	Years
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 assets 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 and OPEB 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.
- 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.
- Changes in actuarial assumptions – These changes are deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

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 assets 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 the following 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.
- Difference in projected and actual earnings on pension assets – This difference is deferred and amortized over a closed five-year period.
- Changes in actuarial assumptions – These changes are 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. Other Post-Employment Benefits

TMRS Supplemental Death Benefits Fund. For purposes of measuring the total Texas Municipal Retirement System Supplemental Death Benefit Fund (TMRS SDBF) OPEB liability, related deferred outflows and inflows of resources, and expense, City specific information about its total TMRS SDBF liability and additions to/deductions from the City's total TMRS SDBF liability have been determined on the same basis as they are reported by TMRS. The TMRS SDBF expense and deferred (inflows)/outflows of resources related to TMRS SDBF, primarily result from changes in the components of the total TMRS SDBF liability. Most changes in the total TMRS SDBF liability will be included in TMRS SDBF expense in the period of the change. For example, changes in the total TMRS SDBF liability resulting from current-period service cost, interest on the TOL, and changes of benefit terms are required to be included in TMRS SDBF expense immediately. Changes in the total TMRS SDBF liability that have not been included in TMRS SDBF expense are required to be reported as deferred outflows of resources or deferred inflows of resources related to TMRS SDBF.

L. Compensated Absences

Full-time 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.

M. 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.

N. 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 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.

O. 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.

P. 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 \$330,116 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 56 days.

B. Receivables

Receivables at September 30, 2023, were as follows:

	General	Hotel/ Motel Tax	Nonmajor Governmental	Utility	Total Receivables
Property taxes	\$ 41,338	\$ -	\$ 5,647	\$ -	\$ 28,281
Sales taxes	245,231	-	-	-	245,231
Hotel/motel taxes	-	52,844	-	-	52,844
Franchise taxes	99,139	-	-	-	99,139
Mixed beverage taxes	5,024	-	-	-	5,024
Utility accounts	-	-	-	537,193	537,193
Municipal court	233,020	-	-	-	233,020
Less: allowance for doubtful accounts	(238,184)	-	(2,340)	(28,901)	(269,425)
Total	<u>\$ 385,568</u>	<u>\$ 52,844</u>	<u>\$ 3,307</u>	<u>\$ 508,292</u>	<u>\$ 950,011</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, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<u>Governmental activities:</u>				
Capital assets not being depreciated:				
Land	\$ 520,086	\$ -	\$ -	\$ 520,086
Construction in progress	111,378	22,834	108,232	25,980
Total capital assets not being depreciated	631,464	22,834	108,232	546,066
Capital assets being depreciated:				
Buildings and improvements	4,341,407	688,829	-	5,030,236
Machinery and equipment	3,862,614	265,868	31,735	4,096,747
Total capital assets being depreciated	8,204,021	954,697	31,735	9,126,983
Less accumulated depreciation for:				
Buildings and improvements	1,914,301	111,138	-	2,025,439
Machinery and equipment	3,055,324	205,046	29,091	3,231,279
Total accumulated depreciation	4,969,625	316,184	29,091	5,256,718
Total capital assets depreciated, net	3,234,396	638,513	2,644	3,870,265
Governmental activities, capital assets, net	<u>\$ 3,865,860</u>	<u>\$ 661,347</u>	<u>\$ 110,876</u>	<u>\$ 4,416,331</u>
	Beginning Balance	Increases	Decreases	Ending Balance
<u>Business-type activities:</u>				
Capital assets not being depreciated:				
Land	\$ 24,183	\$ -	\$ -	\$ 24,183
Construction in progress	2,785,222	14,043	351,503	2,447,762
Total capital assets not being depreciated	2,809,405	14,043	351,503	2,471,945
Capital assets being depreciated:				
Buildings and improvements	581,700	-	-	581,700
Distribution and collection systems	18,537,500	1,192,715	-	19,730,215
Machinery and equipment	1,171,707	20,874	-	1,192,581
Total capital assets being depreciated	20,290,907	1,213,589	-	21,504,496
Less accumulated depreciation for:				
Buildings and improvements	581,700	-	-	581,700
Distribution and collection systems	11,038,106	614,717	-	11,652,823
Machinery and equipment	919,744	82,943	-	1,002,687
Total accumulated depreciation	12,539,550	697,660	-	13,237,210
Total capital assets depreciated, net	7,751,357	515,929	-	8,267,286
Business-type activities, capital assets, net	<u>\$ 10,560,762</u>	<u>\$ 529,972</u>	<u>\$ 351,503</u>	<u>\$ 10,739,231</u>

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

<u>Governmental activities:</u>	
General government	\$ 25,810
Public safety	141,304
Public health	9,722
Public works	73,074
Culture and recreation	66,274
Total governmental activities	<u>\$ 316,184</u>
<u>Business-type activities:</u>	
Water	\$ 394,175
Sewer	165,254
Garbage	3,376
Gas	134,855
Total business-type activities	<u>\$ 697,660</u>

D. Interfund Receivables, Payables, and Transfers

Interfund Receivables and Payables

The composition of the interfund balances as of September 30, 2023, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Utility	\$ 516,475
Total		<u>\$ 516,475</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, 2023, is as follows:

<u>Transfer To</u>	<u>Transfer From</u>	<u>Amount</u>
General fund	Utility fund	\$ 790,412
General fund	Nonmajor governmental	65,002
Nonmajor governmental	General fund	51,440
Nonmajor governmental	Utility fund	484
Nonmajor governmental	Utility fund	<u>45,000</u>
Total		<u>\$ 952,338</u>

The General and Utility Funds transferred \$51,440 and \$45,000 to nonmajor governmental funds to cover future capital purchases. The Utility Fund transferred \$790,414 to the General Fund to cover budgeted indirect costs and for payments in lieu of taxes.

E. Long-term Debt

The following is a summary of changes in long-term liabilities for the year ended September 30, 2023.

Primary Government

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Refunding GO bonds	\$ 404,462	\$ -	\$ 74,506	\$ 329,956	\$ 77,547
Compensated absences	<u>46,738</u>	<u>100,522</u>	<u>89,489</u>	<u>57,771</u>	<u>14,443</u>
Total	<u>\$ 451,200</u>	<u>\$ 100,522</u>	<u>\$ 163,995</u>	<u>\$ 387,727</u>	<u>\$ 91,990</u>
Business-type activities:					
Certificates of obligation	\$ 2,175,000	\$ -	\$ 135,000	\$ 2,040,000	\$ 135,000
Refunding GO bonds	1,840,538	-	465,494	1,375,044	482,453
Premium on bonds	159,412	-	24,154	135,258	-
Compensated absences	<u>22,896</u>	<u>14,621</u>	<u>19,604</u>	<u>17,913</u>	<u>4,478</u>
Total	<u>\$ 4,197,846</u>	<u>\$ 14,621</u>	<u>\$ 644,252</u>	<u>\$ 3,568,215</u>	<u>\$ 621,931</u>

The compensated absences liability for governmental activities is generally liquidated by the General Fund.

Component Unit

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
CCIDC					
Sales tax revenue bonds	\$ 295,000	\$ -	\$ 145,000	\$ 150,000	\$ 150,000
Premium on bonds	98	-	98	-	-
Total	<u>\$ 295,098</u>	<u>\$ -</u>	<u>\$ 145,098</u>	<u>\$ 150,000</u>	<u>\$ 150,000</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.

The annual debt service requirements on long-term bonds 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
2024	\$ 77,547	\$ 13,198	\$ 617,453	\$ 101,402	\$ 150,000	\$ 3,000
2025	80,589	10,096	639,411	82,454	-	-
2026	85,150	6,873	334,850	62,827	-	-
2027	86,670	3,467	343,330	52,233	-	-
2028	-	-	150,000	41,400	-	-
2029-2033	-	-	795,000	151,500	-	-
2034-2037	-	-	535,000	32,550	-	-
Totals	<u>\$ 329,956</u>	<u>\$ 33,634</u>	<u>\$ 3,415,044</u>	<u>\$ 524,366</u>	<u>\$ 150,000</u>	<u>\$ 3,000</u>

The City's certificates of obligation are payable from the levy and collection of annual ad valorem tax levied on all taxable property within the City and from a limited pledge, not to exceed \$1,000, of the surplus revenues of the City's combined utility system. The City's general obligations are payable from the levy and collection of property taxes of annual ad valorem tax levied on all taxable property within the City.

The CCIDC's sales tax revenue bonds are payable solely by a pledge of and lien on pledged revenues which include the gross proceeds of a ½ of 1% sales and use tax levied within the City for the benefit of CCIDC.

Should the City default on its outstanding bonds, any registered owner of the certificates is entitled to seek a writ of mandamus from a court of proper jurisdiction requiring specific performance from the City.

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.

C. Employee Retirement Systems

Defined Benefit Pension Plan – Texas Municipal Retirement System

Plan Descriptions

The City participates as one of 888 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 agent 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 Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available annual comprehensive financial report 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).

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were 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 Transfer
Annuity increase to retirees	70% of CPI repeating

Employees covered by benefit terms

At the December 31, 2022 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	38
Inactive employees entitled to but not yet receiving benefits	24
Active employees	<u>37</u>
Total	<u><u>99</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 either 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% of their annual gross earnings during the fiscal year. The contribution rates for the City were 12.31% and 12.00% in calendar years 2022 and 2023, respectively. The City's contributions to TMRS for the year ended September 30, 2023, were \$238,730, and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2022, 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, 2022, actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	3.50% to 11.50% including inflation
Investment rate of return	6.75%

Salary increases were based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. 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 pension plan investment expense 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, the actuarial firm 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 real rates of return for each major asset class in fiscal year 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
Global Equity	35.0%	7.70%
Core Fixed Income	6.0%	4.90%
Non-Core Fixed Income	20.0%	8.70%
Other Public & Private Markets	12.0%	8.10%
Real Estate	12.0%	5.80%
Hedge Funds	5.0%	6.90%
Private Equity	10.0%	11.80%
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 (Asset)
	(a)	(b)	(a) - (b)
Balance at 12/31/2021	\$ 9,874,838	\$ 10,269,642	\$ (394,804)
Changes for the year:			
Service cost	275,996	-	275,996
Interest	659,271	-	659,271
Difference between expected and actual experience	136,921	-	136,921
Contributions - employer	-	238,730	(238,730)
Contributions - employee	-	119,565	(119,565)
Net investment income	-	(749,679)	749,679
Benefit payments, including refunds of employee contributions	(491,720)	(491,720)	-
Administrative expense	-	(6,487)	6,487
Other changes	-	7,741	(7,741)
Net changes	<u>580,468</u>	<u>(881,850)</u>	<u>1,462,318</u>
Balance at 12/31/2022	<u>\$ 10,455,306</u>	<u>\$ 9,387,792</u>	<u>\$ 1,067,514</u>

In the governmental activities, the net pension liability is generally liquidated by the General Fund.

The following presents the net pension liability (asset) of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability/(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 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	\$ 2,467,190	\$ 1,067,514	\$ (83,726)

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, 2023, the City recognized pension expense of \$(219,244), of which, \$(167,238) and \$(51,961) were allocated to governmental activities and business-type activities, respectively, for this plan. At September 30, 2023, 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	\$ 102,068	\$ 32,840
Difference between projected and actual investment earnings	652,318	-
Contributions subsequent to the measurement date	<u>194,929</u>	<u>-</u>
Total	<u>\$ 949,315</u>	<u>\$ 32,840</u>

\$191,929 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, 2024. 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,		
2024	\$	48,806
2025		206,473
2026		177,692
2027		288,576

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 annual comprehensive financial report 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 relatively 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 Annual Comprehensive 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 percentage 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 their 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 TERSRS, nor are they allowed. The City makes contributions of \$80 per month per member. Contributions to the pension plan for the year ended September 30, 2023, were \$40,740.

Actuarial Assumptions

The total pension liability in the August 31, 2022, actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50%
Salary increases	3.5% to 11.50% including inflation
Investment rate of return	6.75%

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 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 5.01%) and by adding expected inflation (3.00%). In addition, the final 7.75% assumption was selected by "rounding down" and thereby reflects a reduction of 0.26% 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 Net Real Rate of Return
Equities:		
Large cap domestic	20.0%	5.83%
Small/mid cap domestic	10.0%	5.94%
Developed international	15.0%	6.17%
Emerging markets	5.0%	7.36%
Global infrastructure	5.0%	6.61%
Real estate	10.0%	4.48%
Multi asset income	5.0%	3.86%
Fixed income	30.0%	1.95%
Total	100.0%	
Weighted Average		4.61%

Discount Rate

The discount rate used to measure the total pension liability was 7.5%. No projection of cash flows was used to determine the discount rate because the August 31, 2022 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 7.5%, 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 (6.5%) or 1 percentage point higher (8.5%) than the current rate:

	1% Decrease in Discount Rate (6.5%)	Discount Rate (7.5%)	1% Increase in Discount Rate (8.5%)
City's proportionate share of the net pension liability	\$ 483,382	\$ 308,136	\$ 166,224

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

At September 30, 2023, the City reported a liability of \$308,136 for its proportionate share of the TESRS's net pension liability. The net pension liability was measured as of August 31, 2022, 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, 2021 through August 31, 2022.

At August 31, 2023 the employer's proportion of the collective net pension liability was 0.751%, which was the same as August 31, 2022.

For the year ended September 30, 2023, the City's pension expense was \$65,109 in the governmental activities for this plan. At September 30, 2023, the City reported its proportionate share of the TESRS's deferred outflows and 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	\$ 11,730	\$ -
Changes in Assumptions		1,549
Difference between projected and actual investment earnings	113,635	-
Contributions paid to TESRS subsequent to the measurement date	33,570	-
Total	<u>\$ 158,935</u>	<u>\$ 1,549</u>

\$33,570 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, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

For the Year Ended September 30	
2024	\$ 35,725
2025	22,178
2026	23,156
2027	42,755

Aggregation of Pension-Related Balances and Transactions

Amounts are aggregated into a single net pension liability (asset), and expenses for certain columns. Below is the detail of net pension liability (asset), deferred inflows and outflows, and expenses for governmental and business-type activities.

	Governmental Activities	Business-type Activities Utility Fund	Totals
Deferred outflows:			
Related to TERSRS pension	\$ 158,935	\$ -	\$ 158,935
Related to TMRS pension	724,327	224,988	949,315
Total deferred outflow	<u>\$ 883,262</u>	<u>\$ 224,988</u>	<u>\$ 1,108,250</u>
Deferred inflows:			
Related to TERSRS pension	\$ 1,549	\$ -	\$ 1,549
Related to TMRS pension	25,057	7,783	32,840
Total deferred inflow	<u>\$ 26,606</u>	<u>\$ 7,783</u>	<u>\$ 34,389</u>
	Governmental Activities	Business-type Activities Utility Fund	Totals
Net pension liability - TMRS	<u>\$ 814,513</u>	<u>\$ 253,001</u>	<u>\$ 1,067,514</u>
Net pension liability - TERSRS	<u>\$ 308,136</u>	<u>\$ -</u>	<u>\$ 308,136</u>
	Governmental Activities	Utility Fund	Totals
Pension expense - TMRS	\$ 22,467	\$ 8,988	\$ 31,455
Pension expense TERSRS	65,109	-	65,109
Total pension expense	<u>\$ 87,576</u>	<u>\$ 8,988</u>	<u>\$ 96,564</u>

D. Defined Other Post-Employment Benefit Plans

TMRS SUPPLEMENTAL DEATH BENEFITS FUND

Plan Description. The City voluntarily participates in the Texas Municipal Retirement System Supplemental Death Benefits Fund (TMRS SDBF). The SDBF is a single-employer defined benefit Other Postemployment Benefit (OPEB) plan as defined by GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. It is established and administered in accordance with the TMRS Act identically to the City's pension plan.

Benefits Provided. The SDBF provides group-term life insurance to City employees who are active members in TMRS, including or not including retirees. The City Council opted into this program via an ordinance, and 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.

Payments from this fund are similar to group-term life insurance benefits, and are paid to the designated beneficiaries upon the receipt of an approved application for payment. 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). The death benefit for retirees is considered an other employment benefit and is a fixed amount of \$7,500.

The number of employees currently covered by the benefit terms is as follows:

Inactive employees currently receiving benefits	26
Inactive employees entitled to but not yet receiving benefits	10
Active employees	<u>37</u>
Total	<u>73</u>

Contributions. The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation, which was 0.50% for 2023 and 0.33% for 2022, of which 0.28% and 0.22%, respectively, represented the retiree-only portion for each year, as a percentage of annual covered payroll. 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 prefund retiree term life insurance during employees' entire careers. The City's contributions to the SDBF for the years ended September 30, 2023 and 2022 were \$5,663 and \$4,390, respectively, representing contributions for both active and retiree coverage, which equaled the required contributions each year.

Actuarial Assumptions. The Total OPEB Liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	3.50% to 11.5% including inflation
Discount rate	4.05%

Salary increases were based on a service-related table.

Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale UMP to account for future mortality improvements subject to the floor. Administrative expenses for the SDBF are paid through the TMRS Pension Trust Fund and are wholly accounted for under the provisions of GASB Statement No. 68.

Changes in assumptions reflect the annual change in the municipal bond rate. The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study for the period December 31, 2014 to December 31, 2018.

Discount Rate. The SDBF program is treated as an unfunded OPEB plan because the SDBF trust covers both actives and retirees and the assets are not segregated for these groups. As such, a single discount rate of 2.00% was used to measure the Total OPEB Liability. Because the plan is essentially a "pay-as-you-go" plan, the single discount rate is equal to the prevailing municipal bond rate. The source of the municipal bond rate was fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2022.

Discount Rate Sensitivity Analysis. The following schedule shows the impact of the Total OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (2.00%) in measuring the Total OPEB Liability.

	1% Decrease in Discount Rate (3.05%)	Discount Rate (4.05%)	1% Increase in Discount Rate (5.05%)
Total OPEB Liability	\$ 197,078	\$ 169,057	\$ 146,622

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources Related to OPEBs. At September 30, 2023, the City reported a liability of \$169,057 for its Total OPEB Liability. The Total OPEB Liability was determined by an actuarial valuation as of December 31, 2022. For the year ended September 30, 2023, the City recognized OPEB expense of \$1,245. Of this, the amounts attributed to governmental activities and the utility fund in business-type activities were \$784 and \$2,029, respectively. There were no changes of benefit terms that affected measurement of the Total OPEB Liability during the measurement period.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 12/31/2021	\$ 231,217
Changes for the year:	
Service cost	8,370
Interest	4,291
Difference between expected and actual experience	1,659
Changes of assumptions or other inputs	(72,096)
Benefit payments	(4,384)
Net changes	(62,160)
Balance at 12/31/2022	<u>\$ 169,057</u>

In the governmental activities, the total OPEB liability is generally liquidated by the General Fund.

Changes in assumptions reflect a change in the discount rate from 1.84% to 4.05%.

At September 30, 2023, the City reported deferred outflows and inflows of resources related to other post-employment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 3,406	\$ 4,549
Changes in actuarial assumptions	15,263	54,765
Contributions subsequent to the measurement date	4,548	-
	<u>\$ 23,217</u>	<u>\$ 59,314</u>

\$4,458 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the Total OPEB Liability for the year ending September 30, 2024. Other amounts of the reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the Year Ended September 30

2024	\$ (8,559)
2025	(13,747)
2026	(15,630)
2027	(2,709)

E. 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 January 2019, with a developer to reduce the assessed property tax value for constructing, equipping, and operating a distribution center along with continued operation of the existing facility within TARZ #3. 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 2023, the City rebated property taxes in the amount of \$1,781.

F. Related Party Transactions

In 2023, the City made payments to a vendor owned by the spouse of a city councilmember. The councilmember abstained from voting when the disbursements were made to this vendor. The amounts paid during 2023 were \$15,418.48.

**REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF COLUMBUS, TEXAS

GENERAL FUND

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

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Taxes:				
Property	\$ 993,112	\$ 993,112	\$ 990,134	\$ (2,978)
Sales	1,300,000	1,300,000	1,428,691	128,691
Franchise	217,000	217,000	225,012	8,012
Licenses and permits	46,170	46,170	142,496	96,326
Fines and forfeitures	88,200	88,200	82,821	(5,379)
Charges for services	13,810	13,810	13,519	(291)
Intergovernmental	435,000	513,265	574,187	60,922
Investment earnings	2,000	2,000	20,823	18,823
Contributions and donations	-	78,957	79,320	363
Miscellaneous	6,550	9,280	22,687	13,407
Total revenues	<u>3,101,842</u>	<u>3,261,794</u>	<u>3,579,690</u>	<u>317,896</u>
EXPENDITURES				
General government:				
Personnel	353,565	353,565	355,420	(1,855)
Supplies and maintenance	46,750	46,750	63,490	(16,740)
Other services	157,366	157,366	172,039	(14,673)
Total general government	<u>557,681</u>	<u>557,681</u>	<u>590,949</u>	<u>(33,268)</u>
Public safety:				
Police department:				
Personnel	1,124,943	1,124,943	1,123,783	1,160
Supplies and maintenance	123,437	171,702	169,191	2,511
Other services	71,376	71,376	73,424	(2,048)
Capital outlay	73,300	88,300	88,579	(279)
Total police department	<u>1,393,056</u>	<u>1,456,321</u>	<u>1,454,977</u>	<u>1,344</u>
Fire department:				
Personnel	66,689	66,689	55,254	11,435
Supplies and maintenance	98,800	98,800	80,539	18,261
Other services	102,616	102,616	95,517	7,099
Capital outlay	77,500	77,500	9,517	67,983
Total fire department	<u>345,605</u>	<u>345,605</u>	<u>240,827</u>	<u>104,778</u>
Total public safety	<u>1,738,661</u>	<u>1,801,926</u>	<u>1,695,804</u>	<u>106,122</u>
Public health:				
Personnel	149,289	149,289	160,030	(10,741)
Supplies and maintenance	36,000	36,000	34,954	1,046
Other services	23,131	23,131	6,368	16,763
Total public health	<u>208,420</u>	<u>208,420</u>	<u>201,352</u>	<u>7,068</u>

CITY OF COLUMBUS, TEXAS

GENERAL FUND

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

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget Positive (Negative)
EXPENDITURES				
Public works:				
Personnel	\$ 199,773	\$ 199,773	\$ 190,970	\$ 8,803
Supplies and maintenance	223,193	223,193	165,259	57,934
Other services	82,356	82,356	106,704	(24,348)
Capital outlay	242,500	242,500	473,476	(230,976)
Total public works	<u>747,822</u>	<u>747,822</u>	<u>936,409</u>	<u>(188,587)</u>
Culture and recreation:				
Personnel	451,410	451,410	453,669	(2,259)
Supplies and maintenance	122,151	149,213	104,120	45,093
Other services	112,170	121,305	95,974	25,331
Capital outlay	125,000	183,758	210,472	(26,714)
Total culture and recreation	<u>810,731</u>	<u>905,686</u>	<u>864,235</u>	<u>41,451</u>
Debt service				
Interest	<u>6,125</u>	<u>6,125</u>	<u>6,140</u>	<u>(15)</u>
Total debt service	<u>6,125</u>	<u>6,125</u>	<u>6,140</u>	<u>(15)</u>
Total expenditures	<u>4,069,440</u>	<u>4,227,660</u>	<u>4,294,889</u>	<u>(67,229)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	799,757	799,757	855,414	55,657
Transfers out	<u>(45,000)</u>	<u>(45,000)</u>	<u>(51,440)</u>	<u>(6,440)</u>
Total other financing sources (uses)	<u>754,757</u>	<u>754,757</u>	<u>803,974</u>	<u>49,217</u>
NET CHANGE IN FUND BALANCES	<u>(218,966)</u>	<u>(211,109)</u>	<u>88,775</u>	<u>299,884</u>
FUND BALANCES, BEGINNING	<u>1,081,066</u>	<u>1,081,066</u>	<u>1,081,066</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 862,100</u>	<u>\$ 869,957</u>	<u>\$ 1,169,841</u>	<u>\$ 299,884</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, 2023

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Hotel occupancy tax	\$ 320,000	\$ 320,000	\$ 239,864	\$ (80,136)
Investment earnings	2,250	2,250	9,904	7,654
Total revenues	<u>322,250</u>	<u>322,250</u>	<u>249,768</u>	<u>(72,482)</u>
EXPENDITURES				
Current:				
Economic development	<u>346,966</u>	<u>346,966</u>	<u>351,462</u>	<u>(4,496)</u>
Total expenditures	<u>346,966</u>	<u>346,966</u>	<u>351,462</u>	<u>(4,496)</u>
NET CHANGE IN FUND BALANCES	<u>(24,716)</u>	<u>(24,716)</u>	<u>(101,694)</u>	<u>(76,978)</u>
FUND BALANCES, BEGINNING	<u>543,658</u>	<u>543,658</u>	<u>543,658</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 518,942</u>	<u>\$ 518,942</u>	<u>\$ 441,964</u>	<u>\$ (76,978)</u>

CITY OF COLUMBUS, TEXAS

NOTES TO BUDGETARY INFORMATION

FOR THE YEAR ENDED SEPTEMBER 30, 2023

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 \$158,220.

CITY OF COLUMBUS, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2023

Measurement Date December 31,

	<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 (asset) - 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 payroll	\$ 1,701,613	\$ 1,626,867	\$ 1,666,057
F. Net pension liability (asset) as a percentage of covered 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.

2017	2018	2019	2020	2021	2022
\$ 250,666 530,391 (113,799) -	\$ 247,345 556,914 7,809 -	\$ 256,293 592,656 (56,319) 2,987	\$ 261,445 622,142 (397,727) -	\$ 268,741 627,383 22,686 -	\$ 275,996 659,271 136,921 -
<u>(278,571)</u>	<u>(266,785)</u>	<u>(307,276)</u>	<u>(415,424)</u>	<u>(408,323)</u>	<u>(491,720)</u>
388,687	545,283	488,341	70,436	510,487	580,468
<u>7,871,604</u>	<u>8,260,291</u>	<u>8,805,574</u>	<u>9,293,915</u>	<u>9,364,351</u>	<u>9,874,838</u>
<u>\$ 8,260,291</u>	<u>\$ 8,805,574</u>	<u>\$ 9,293,915</u>	<u>\$ 9,364,351</u>	<u>\$ 9,874,838</u>	<u>\$ 10,455,306</u>
\$ 236,414 103,013 909,248	\$ 248,241 107,619 (225,298)	\$ 229,940 111,351 1,141,272	\$ 238,827 115,005 649,097	\$ 241,592 117,184 1,190,891	\$ 238,730 119,565 (749,680)
(278,571) (4,710) (238)	(266,785) (4,355) (227)	(307,276) (6,449) (193)	(415,424) (4,200) (164)	(408,323) (5,509) 38	(491,720) (6,487) 7,741
965,156	(140,805)	1,168,645	583,141	1,135,873	(881,851)
<u>6,557,633</u>	<u>7,522,789</u>	<u>7,381,984</u>	<u>8,550,629</u>	<u>9,133,770</u>	<u>10,269,643</u>
<u>\$ 7,522,789</u>	<u>\$ 7,381,984</u>	<u>\$ 8,550,629</u>	<u>\$ 9,133,770</u>	<u>\$ 10,269,643</u>	<u>\$ 9,387,792</u>
<u>\$ 737,502</u>	<u>\$ 1,423,590</u>	<u>\$ 743,286</u>	<u>\$ 230,581</u>	<u>\$ (394,805)</u>	<u>\$ 1,067,514</u>
91.07%	83.83%	92.00%	97.54%	104.00%	89.79%
\$ 1,716,888	\$ 1,793,653	\$ 1,855,849	\$ 1,916,751	\$ 1,953,058	\$ 1,992,754
42.96%	79.37%	40.05%	12.03%	-20.21%	53.57%

CITY OF COLUMBUS, TEXAS

SCHEDULE OF TMRS CONTRIBUTIONS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

Fiscal Year September 30,	2014	2015	2016	2017
Actuarial determined contribution	\$ 234,237	\$ 222,113	\$ 218,454	\$ 229,867
Contributions in relation to the actuarially determined contribution	<u>(234,237)</u>	<u>(222,113)</u>	<u>(218,454)</u>	<u>(229,867)</u>
Contribution deficiency (excess)	-	-	-	-
Covered payroll	1,659,459	1,629,065	1,651,318	1,690,258
Contributions as a percentage of covered 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	25 years
Asset Valuation Method	10 Year fair market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 11.50% 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 2019 valuation pursuant to an experience study of the period 2014-2018.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

2018	2019	2020	2021	2022	2023
\$ 245,764	\$ 235,013	\$ 244,418	\$ 238,827	\$ 241,592	\$ 257,272
<u>(245,764)</u>	<u>(235,013)</u>	<u>(244,418)</u>	<u>(238,827)</u>	<u>(241,592)</u>	<u>(257,272)</u>
-	-	-	-	-	-
1,778,237	1,837,469	1,964,571	1,963,977	1,953,175	2,130,947
13.82%	12.79%	12.44%	12.16%	12.37%	12.07%

CITY OF COLUMBUS, TEXAS

**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY - TESRS**

FOR THE YEAR ENDED SEPTEMBER 30, 2023

Measurement Date August 31,	2015	2016	2017
City's proportion of the net pension liability	0.670%	0.700%	0.670%
City's proportionate share of the net pension liability	\$ 178,840	\$ 203,897	\$ 160,811
City's covered payroll	-	-	-
City's proportionate share of the net pension liability as a percentage of its covered payroll	0%	0%	0%
Plan fiduciary net position as a percentage of the total pension liability	76.90%	76.30%	81.40%

SCHEDULE OF CITY'S TESRS CONTRIBUTIONS

Fiscal year ended September 30,	2014	2015	2016	2017
Contractually required contribution	\$ 31,159	\$ 31,650	\$ 32,055	\$ 33,920
Contributions in relation to the contractually required contribution	<u>(31,159)</u>	<u>(31,650)</u>	<u>(32,055)</u>	<u>(33,920)</u>
Contribution deficiency (excess)	-	-	-	-
City's covered payroll	-	-	-	-
Contributions as a percentage of covered 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.

2018	2019	2020	2021	2022
0.670%	0.709%	0.666%	0.736%	0.751%
\$ 168,252	\$ 200,970	\$ 167,904	\$ 78,856	\$ 308,136
-	-	-	-	-
0%	0%	0%	0%	0%
84.26%	80.20%	80.20%	93.10%	75.20%

2018	2019	2020	2021	2022	2023
\$ 31,440	\$ 31,771	\$ 31,040	\$ 35,320	\$ 36,540	\$ 33,570
<u>(31,440)</u>	<u>(31,771)</u>	<u>(31,040)</u>	<u>(35,320)</u>	<u>(36,540)</u>	<u>(33,570)</u>
-	-	-	-	-	-
-	-	-	-	-	-
0%	0%	0%	0%	0%	0%

CITY OF COLUMBUS, TEXAS

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY
AND RELATED RATIOS - TEXAS MUNICIPAL RETIREMENT SYSTEM
SUPPLEMENTAL DEATH BENEFITS FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2023

Measurement Date December 31,	2017	2018
A. Total OPEB liability		
Service Cost	\$ 3,777	\$ 4,663
Interest (on the Total OPEB Liability)	5,399	5,406
Differences between expected and actual experience	-	(960)
Changes of assumptions	11,938	(10,599)
Benefit payments, including refunds of employee contributions	<u>(1,030)</u>	<u>(1,076)</u>
Net change in Total OPEB liability	20,084	(2,566)
Total OPEB liability - beginning	<u>141,444</u>	<u>161,528</u>
Total OPEB liability - ending (a)	<u>\$ 161,528</u>	<u>\$ 158,962</u>
B. Covered-employee payroll	1,716,888	1,793,653
C. Total OPEB liability as a percentage of covered-employee payroll	9.41%	8.86%

Notes to Schedule:

- No assets are accumulated in a trust for the SDB plan to pay related benefits that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.
- This schedule is required to have 10 years of information, but the information prior to 2017 is not available.
- The changes of assumptions generally includes the annual change in the municipal bond index rate.

2019	2020	2021	2022
\$ 4,083	\$ 6,134	\$ 7,812	\$ 8,370
5,949	5,313	4,304	4,291
(5,019)	(12,560)	3,804	1,659
28,234	25,394	6,326	(72,096)
<u>(1,298)</u>	<u>(1,533)</u>	<u>(4,687)</u>	<u>(4,384)</u>
31,949	22,748	17,559	(62,160)
<u>158,962</u>	<u>190,910</u>	<u>213,658</u>	<u>231,217</u>
<u>\$ 190,911</u>	<u>\$ 213,658</u>	<u>\$ 231,217</u>	<u>\$ 169,057</u>
1,855,849	1,916,751	1,953,058	1,992,739
10.29%	11.15%	11.84%	8.48%

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**COMBINING AND INDIVIDUAL
FUND STATEMENTS AND SCHEDULES**

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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 & 2013 – 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 2010 – 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, 2023

	Capital Projects		Debt Service		Total Nonmajor Governmental Funds
	Equipment	Fire Equipment	2005 & 2013 C of O	2010 C of O	
ASSETS					
Cash and investments	\$ 46,698	\$ 557,588	\$ -	\$ 904	\$ 605,190
Taxes receivable, net	-	-	-	3,307	3,307
Total assets	<u>46,698</u>	<u>557,588</u>	<u>-</u>	<u>4,211</u>	<u>608,497</u>
LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	1,628	1,628
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,628</u>	<u>1,628</u>
FUND BALANCES					
Restricted for:					
Debt service	-	-	-	2,583	2,583
Assigned for:					
Capital equipment	<u>46,698</u>	<u>557,588</u>	<u>-</u>	<u>-</u>	<u>604,286</u>
Total fund balances	<u>46,698</u>	<u>557,588</u>	<u>-</u>	<u>2,583</u>	<u>606,869</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 46,698</u>	<u>\$ 557,588</u>	<u>\$ -</u>	<u>\$ 4,211</u>	<u>\$ 608,497</u>

CITY OF COLUMBUS, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Capital Projects		Debt Service		Total Nonmajor Governmental Funds
	Equipment	Fire Equipment	2005 & 2013 C of O	2010 C of O	
REVENUES					
Property taxes	\$ -	\$ -	\$ 2	\$ 89,520	\$ 89,522
Investment earnings	3,083	27,261	-	74	30,418
Total revenues	<u>3,083</u>	<u>27,261</u>	<u>2</u>	<u>89,594</u>	<u>119,940</u>
EXPENDITURES					
Debt service:					
Principal	-	-	-	74,506	74,506
Interest and other charges	-	-	-	16,178	16,178
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>90,684</u>	<u>90,684</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>3,083</u>	<u>27,261</u>	<u>2</u>	<u>(1,090)</u>	<u>29,256</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	26,440	70,000	-	484	96,924
Transfers out	(65,000)	-	(2)	-	(65,002)
Total other financing sources (uses)	<u>(38,560)</u>	<u>70,000</u>	<u>(2)</u>	<u>484</u>	<u>31,922</u>
NET CHANGE IN FUND BALANCES	<u>(35,477)</u>	<u>97,261</u>	<u>-</u>	<u>(606)</u>	<u>61,178</u>
FUND BALANCES, BEGINNING	<u>82,175</u>	<u>460,327</u>	<u>-</u>	<u>3,189</u>	<u>545,691</u>
FUND BALANCES, ENDING	<u>\$ 46,698</u>	<u>\$ 557,588</u>	<u>\$ -</u>	<u>\$ 2,583</u>	<u>\$ 606,869</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, 2023

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	\$ 600	\$ 600	\$ 3,083	\$ 2,483
Total revenues	<u>600</u>	<u>600</u>	<u>3,083</u>	<u>2,483</u>
EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>600</u>	<u>600</u>	<u>3,083</u>	<u>2,483</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	20,000	20,000	26,440	6,440
Transfers out	<u>(65,000)</u>	<u>(65,000)</u>	<u>(65,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(45,000)</u>	<u>(45,000)</u>	<u>(38,560)</u>	<u>6,440</u>
NET CHANGE IN FUND BALANCES	<u>(44,400)</u>	<u>(44,400)</u>	<u>(35,477)</u>	<u>8,923</u>
FUND BALANCES, BEGINNING	<u>82,175</u>	<u>82,175</u>	<u>82,175</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 37,775</u>	<u>\$ 37,775</u>	<u>\$ 46,698</u>	<u>\$ 8,923</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, 2023

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	\$ 5,000	\$ 5,000	\$ 27,261	\$ 22,261
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>27,261</u>	<u>22,261</u>
EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>5,000</u>	<u>5,000</u>	<u>27,261</u>	<u>22,261</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>-</u>
Total other financing sources (uses)	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>75,000</u>	<u>75,000</u>	<u>97,261</u>	<u>22,261</u>
FUND BALANCES, BEGINNING	<u>460,327</u>	<u>460,327</u>	<u>460,327</u>	<u>-</u>
FUND BALANCES, ENDING	\$ <u>535,327</u>	\$ <u>535,327</u>	\$ <u>557,588</u>	\$ <u>22,261</u>

CITY OF COLUMBUS, TEXAS

DEBT SERVICE FUND 2005 & 2013

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

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property taxes	\$ 20	\$ 20	\$ 2	\$ (18)
Total revenues	<u>20</u>	<u>20</u>	<u>2</u>	<u>(18)</u>
EXPENDITURES				
Debt service:				
Principal	319,750	319,750	-	(319,750)
Total expenditures	<u>319,750</u>	<u>319,750</u>	<u>-</u>	<u>(319,750)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(319,730)</u>	<u>(319,730)</u>	<u>2</u>	<u>319,732</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	319,750	319,750	-	(319,750)
Transfers out	-	-	(2)	(2)
Total other financing sources (uses)	<u>319,750</u>	<u>319,750</u>	<u>(2)</u>	<u>(319,752)</u>
NET CHANGE IN FUND BALANCES	<u>20</u>	<u>20</u>	<u>-</u>	<u>(20)</u>
FUND BALANCES, BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 20</u>	<u>\$ 20</u>	<u>\$ -</u>	<u>\$ (20)</u>

CITY OF COLUMBUS, TEXAS

DEBT SERVICE FUND 2010

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

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Property taxes	\$ 89,024	\$ 89,024	\$ 89,520	\$ 496
Investment earnings	<u>50</u>	<u>50</u>	<u>74</u>	<u>24</u>
Total revenues	<u>89,074</u>	<u>89,074</u>	<u>89,594</u>	<u>520</u>
EXPENDITURES				
Debt service:				
Principal	245,000	245,000	74,506	170,494
Interest and other charges	<u>53,200</u>	<u>53,200</u>	<u>16,178</u>	<u>37,022</u>
Total expenditures	<u>298,200</u>	<u>298,200</u>	<u>90,684</u>	<u>207,516</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(209,126)</u>	<u>(209,126)</u>	<u>(1,090)</u>	<u>208,036</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>207,516</u>	<u>207,516</u>	<u>484</u>	<u>(207,032)</u>
Total other financing sources (uses)	<u>207,516</u>	<u>207,516</u>	<u>484</u>	<u>(207,032)</u>
NET CHANGE IN FUND BALANCES	<u>(1,610)</u>	<u>(1,610)</u>	<u>(606)</u>	<u>1,004</u>
FUND BALANCES, BEGINNING	<u>3,189</u>	<u>3,189</u>	<u>3,189</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 1,579</u>	<u>\$ 1,579</u>	<u>\$ 2,583</u>	<u>\$ 1,004</u>

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STATISTICAL SECTION

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Statistical Section
(Unaudited)

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

	<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.	59 – 68
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.	69 – 76
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.	77 – 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 – 88

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

CITY OF COLUMBUS, TEXAS**NET POSITION BY COMPONENT**

LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year			
	2013	2014	2015	2016
Governmental activities:				
Net investment in capital assets	\$ 1,395,779	\$ 1,483,520	\$ 1,747,899	\$ 1,831,601
Restricted	285,550	497,101	570,705	754,318
Unrestricted	<u>1,185,305</u>	<u>1,223,557</u>	<u>626,891</u>	<u>630,750</u>
Total governmental activities	<u>\$ 2,866,634</u>	<u>\$ 3,204,178</u>	<u>\$ 2,945,495</u>	<u>\$ 3,216,669</u>
Business-type activities:				
Net investment in capital assets	\$ 3,212,280	\$ 2,952,589	\$ 3,689,918	\$ 4,706,157
Unrestricted	<u>2,043,038</u>	<u>2,115,984</u>	<u>1,420,147</u>	<u>1,000,874</u>
Total business-type activities	<u>\$ 5,255,318</u>	<u>\$ 5,068,573</u>	<u>\$ 5,110,065</u>	<u>\$ 5,707,031</u>
Primary government:				
Net investment in capital assets	\$ 4,608,059	\$ 4,436,109	\$ 5,437,817	\$ 6,537,758
Restricted	285,550	497,101	570,705	754,318
Unrestricted	<u>3,228,343</u>	<u>3,339,541</u>	<u>2,047,038</u>	<u>1,631,624</u>
Total primary government	<u>\$ 8,121,952</u>	<u>\$ 8,272,751</u>	<u>\$ 8,055,560</u>	<u>\$ 8,923,700</u>

TABLE 1

Fiscal Year						
2017	2018	2019	2020	2021	2022	2023
\$ 2,288,216	\$ 2,416,550		\$ 2,617,798	\$ 3,238,259	\$ 3,461,398	\$ 4,086,375
518,421	424,724	452,152	387,257	493,000	610,897	512,643
<u>631,448</u>	<u>604,229</u>	<u>773,962</u>	<u>710,690</u>	<u>738,249</u>	<u>1,104,104</u>	<u>1,260,629</u>
<u>\$ 3,438,085</u>	<u>\$ 3,445,503</u>	<u>\$ 3,639,329</u>	<u>\$ 3,715,745</u>	<u>\$ 4,469,508</u>	<u>\$ 5,176,399</u>	<u>\$ 5,859,647</u>
\$ 4,984,074	\$ 5,590,129	\$ 6,033,610	\$ 6,624,044	\$ 6,631,989	\$ 6,729,493	\$ 7,841,806
801,956	472,757	290,136	33,694	(259,686)	(23,301)	(175,926)
<u>\$ 5,786,030</u>	<u>\$ 6,062,886</u>	<u>\$ 6,323,746</u>	<u>\$ 6,657,738</u>	<u>\$ 6,372,303</u>	<u>\$ 6,706,192</u>	<u>\$ 7,665,880</u>
\$ 7,272,290	\$ 8,006,679	\$ 8,446,825	\$ 9,241,842	\$ 9,870,248	\$ 10,190,891	\$ 11,928,181
518,421	424,724	452,152	387,257	493,000	610,897	512,643
<u>1,433,404</u>	<u>1,076,986</u>	<u>1,064,098</u>	<u>744,384</u>	<u>478,563</u>	<u>1,080,803</u>	<u>1,084,703</u>
<u>\$ 9,224,115</u>	<u>\$ 9,508,389</u>	<u>\$ 9,963,075</u>	<u>\$ 10,373,483</u>	<u>\$ 10,841,811</u>	<u>\$ 11,882,591</u>	<u>\$ 13,525,527</u>

CITY OF COLUMBUS TEXAS

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year			
	2013	2014	2015	2016
EXPENSES				
Governmental activities:				
General government	\$ 453,776	\$ 419,265	\$ 699,548	\$ 406,885
Public safety	1,133,864	1,148,463	1,135,820	1,231,888
Public health	82,154	72,318	71,159	79,528
Public works	486,505	436,314	451,269	491,918
Culture and recreation	497,033	503,013	498,746	596,015
Economic development	257,954	66,034	97,917	89,581
Interest on long-term debt	37,950	37,896	31,056	30,757
Total governmental activities	<u>2,949,236</u>	<u>2,683,303</u>	<u>2,985,515</u>	<u>2,926,572</u>
Business-type activities:				
Water	1,123,342	869,803	840,349	1,009,153
Sewer	559,944	585,847	585,891	575,931
Garbage	723,904	768,391	787,469	787,615
Gas	643,572	868,726	758,466	515,084
Total business-type activities	<u>3,050,762</u>	<u>3,092,767</u>	<u>2,972,175</u>	<u>2,887,783</u>
Total primary government	<u>\$ 5,999,998</u>	<u>\$ 5,776,070</u>	<u>\$ 5,957,690</u>	<u>\$ 5,814,355</u>
PROGRAM REVENUES				
Governmental activities:				
Charges for services:				
General government	\$ 65,255	\$ 20,217	\$ 22,326	\$ 23,375
Public safety	67,780	92,136	129,011	189,374
Culture and recreation	21,335	20,955	18,864	18,989
Operating grants and contributions	123,134	211,482	452,335	65,665
Capital grants and contributions	-	-	71,750	70,923
Total governmental activities	<u>277,504</u>	<u>344,790</u>	<u>694,286</u>	<u>368,326</u>
Business-type activities:				
Charges for services:				
Water	881,687	838,031	824,319	867,695
Sewer	686,360	721,118	707,917	779,310
Garbage	796,801	856,312	856,700	849,245
Gas	697,765	1,024,124	926,703	660,184
Operating grants and contributions	-	-	-	-
Capital grants and contributions	90,000	125,675	497,975	866,610
Total business-type activities	<u>3,152,613</u>	<u>3,565,260</u>	<u>3,813,614</u>	<u>4,023,044</u>
Total primary government	<u>\$ 3,430,117</u>	<u>\$ 3,910,050</u>	<u>\$ 4,507,900</u>	<u>\$ 4,391,370</u>

TABLE 2

Fiscal Year						
2017	2018	2019	2020	2021	2022	2023
\$ 455,126	\$ 442,536	\$ 487,077	\$ 540,229	\$ 472,851	\$ 454,754	\$ 537,438
1,353,574	1,234,760	1,409,862	1,475,198	1,358,446	1,403,492	1,732,390
93,290	95,333	142,007	167,894	157,670	184,820	209,638
402,189	581,452	511,443	502,142	452,286	528,567	534,387
666,036	637,826	640,571	680,727	586,457	644,378	716,746
115,700	236,393	249,951	267,729	183,941	169,731	351,462
23,375	27,317	32,018	28,984	46,230	5,916	21,946
<u>3,109,290</u>	<u>3,255,617</u>	<u>3,472,929</u>	<u>3,662,903</u>	<u>3,257,881</u>	<u>3,391,658</u>	<u>4,104,007</u>
995,803	1,020,986	976,333	1,025,945	1,125,556	981,634	1,129,722
740,254	592,647	540,537	558,264	546,080	584,121	633,521
876,489	861,106	870,635	908,939	915,870	861,301	973,633
533,692	734,314	770,119	646,459	969,229	888,356	736,397
<u>3,146,238</u>	<u>3,209,053</u>	<u>3,157,624</u>	<u>3,139,607</u>	<u>3,556,735</u>	<u>3,315,412</u>	<u>3,473,273</u>
\$ <u>6,255,528</u>	\$ <u>6,464,670</u>	\$ <u>6,630,553</u>	\$ <u>6,802,510</u>	\$ <u>6,814,616</u>	\$ <u>6,707,070</u>	\$ <u>7,577,280</u>
\$ 40,038	\$ 33,511	\$ 35,185	\$ 68,639	\$ 148,001	\$ 63,257	\$ 142,496
109,306	134,406	111,446	80,622	68,131	92,686	78,436
21,067	13,954	12,982	9,258	12,081	14,768	13,519
90,532	159,791	198,442	174,353	322,667	288,065	574,187
145,000	-	-	-	185,991	25,329	79,320
<u>405,943</u>	<u>341,662</u>	<u>358,055</u>	<u>332,872</u>	<u>736,871</u>	<u>484,105</u>	<u>887,958</u>
1,061,351	1,075,353	1,501,544	1,192,392	1,090,843	1,252,916	1,380,214
944,107	956,092	957,499	956,251	952,339	1,040,028	1,137,070
905,691	910,105	938,515	944,690	951,771	1,015,258	1,053,840
681,432	827,189	829,701	626,419	822,908	931,450	871,687
89,366	90,369	132,702	10,779	-	-	-
90,000	190,260	140,632	389,368	90,000	90,000	735,051
<u>3,771,947</u>	<u>4,049,368</u>	<u>4,050,593</u>	<u>4,119,899</u>	<u>3,907,861</u>	<u>4,329,652</u>	<u>5,177,862</u>
\$ <u>4,177,890</u>	\$ <u>4,391,030</u>	\$ <u>4,408,648</u>	\$ <u>4,452,771</u>	\$ <u>4,644,732</u>	\$ <u>4,813,757</u>	\$ <u>6,065,820</u>

CITY OF COLUMBUS, TEXAS

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year			
	2013	2014	2015	2016
NET (EXPENSE) REVENUES				
Governmental activities	\$ (2,671,732)	\$ (2,338,513)	\$ (2,291,229)	\$ (2,558,246)
Business-type activities	<u>101,851</u>	<u>472,493</u>	<u>841,439</u>	<u>1,135,261</u>
Total primary government	<u>(2,569,881)</u>	<u>(1,866,020)</u>	<u>(1,449,790)</u>	<u>(1,422,985)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities:				
Taxes				
Property	687,308	712,022	715,735	744,780
Sales	821,618	865,689	871,911	966,595
Hotel occupancy	283,508	274,796	258,465	275,829
Franchise	246,201	247,048	250,639	237,509
Alcohol beverage	8,306	11,137	12,509	14,610
Investment earnings	17,526	15,493	16,872	18,016
Gain on sale of capital assets	11,965	329	9,880	-
Miscellaneous	14,805	17,093	17,691	14,102
Transfers	<u>539,745</u>	<u>563,228</u>	<u>594,103</u>	<u>557,979</u>
Total governmental activities	<u>2,630,982</u>	<u>2,706,835</u>	<u>2,747,805</u>	<u>2,829,420</u>
Business-type activities:				
Other	36,628	26,523	25,863	19,684
Transfers	<u>(539,745)</u>	<u>(563,228)</u>	<u>(594,103)</u>	<u>(557,979)</u>
Total business-type activities	<u>(503,117)</u>	<u>(536,705)</u>	<u>(568,240)</u>	<u>(538,295)</u>
Total primary government	<u>2,127,865</u>	<u>2,170,130</u>	<u>2,179,565</u>	<u>2,291,125</u>
CHANGE IN NET POSITION				
Governmental activities	(40,750)	368,322	456,576	271,174
Business-type activities	<u>(401,266)</u>	<u>(64,212)</u>	<u>273,199</u>	<u>596,966</u>
Total primary government	<u>\$ (442,016)</u>	<u>\$ 304,110</u>	<u>\$ 729,775</u>	<u>\$ 868,140</u>

TABLE 2

Fiscal Year						
2017	2018	2019	2020	2021	2022	2023
\$ (2,703,347)	\$ (2,913,955)	\$ (3,114,874)	\$ (3,330,031)	\$ (2,521,010)	\$ (2,907,553)	\$ (3,216,049)
<u>625,709</u>	<u>840,315</u>	<u>892,969</u>	<u>980,292</u>	<u>351,126</u>	<u>1,014,240</u>	<u>1,704,589</u>
<u>(2,077,638)</u>	<u>(2,073,640)</u>	<u>(2,221,905)</u>	<u>(2,349,739)</u>	<u>(2,169,884)</u>	<u>(1,893,313)</u>	<u>(1,511,460)</u>
811,528	874,437	890,019	1,061,417	984,899	1,055,222	1,086,002
998,674	996,317	1,127,925	1,180,800	1,155,086	1,264,959	1,402,643
225,098	225,662	236,441	200,051	222,084	282,152	239,864
236,828	238,973	232,105	223,757	213,807	223,954	225,012
13,359	13,020	21,501	15,712	21,007	23,479	26,048
21,460	22,743	34,962	20,011	10,743	14,946	61,145
2,950	2,576	10,645	2,760	1,720	6,440	-
19,023	26,194	21,002	21,785	10,861	11,717	22,687
<u>595,843</u>	<u>625,125</u>	<u>707,100</u>	<u>680,154</u>	<u>654,566</u>	<u>731,575</u>	<u>835,896</u>
<u>2,924,763</u>	<u>3,025,047</u>	<u>3,308,700</u>	<u>3,406,447</u>	<u>3,274,773</u>	<u>3,614,444</u>	<u>3,899,297</u>
49,133	60,779	74,991	33,854	18,005	51,224	90,995
<u>(595,843)</u>	<u>(625,125)</u>	<u>(707,100)</u>	<u>(680,154)</u>	<u>(654,566)</u>	<u>(731,575)</u>	<u>(835,896)</u>
<u>(546,710)</u>	<u>(564,346)</u>	<u>(632,109)</u>	<u>(646,300)</u>	<u>(636,561)</u>	<u>(680,351)</u>	<u>(744,901)</u>
<u>2,378,053</u>	<u>2,460,701</u>	<u>2,676,591</u>	<u>2,760,147</u>	<u>2,638,212</u>	<u>2,934,093</u>	<u>3,154,396</u>
221,416	111,092	193,826	76,416	753,763	706,891	683,248
<u>78,999</u>	<u>275,969</u>	<u>260,860</u>	<u>333,992</u>	<u>(285,435)</u>	<u>333,889</u>	<u>959,688</u>
<u>\$ 300,415</u>	<u>\$ 387,061</u>	<u>\$ 454,686</u>	<u>\$ 410,408</u>	<u>\$ 468,328</u>	<u>\$ 1,040,780</u>	<u>\$ 1,642,936</u>

CITY OF COLUMBUS, TEXAS**FUND BALANCES
GOVERNMENTAL FUNDS****LAST TEN FISCAL YEARS**
(modified accrual basis of accounting)

	Fiscal Year			
	2013	2014	2015	2016
General fund				
Assigned	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Unassigned	<u>844,528</u>	<u>878,471</u>	<u>1,052,713</u>	<u>1,043,014</u>
Total general fund	<u>\$ 844,528</u>	<u>\$ 878,471</u>	<u>\$ 1,052,713</u>	<u>\$ 1,043,014</u>
All other governmental funds				
Restricted	\$ 287,689	\$ 497,767	\$ 573,328	\$ 754,679
Assigned	<u>318,257</u>	<u>344,460</u>	<u>259,568</u>	<u>284,347</u>
Total all other governmental funds	<u>\$ 605,946</u>	<u>\$ 842,227</u>	<u>\$ 842,227</u>	<u>\$ 1,039,026</u>

TABLE 3

Fiscal Year						
2017	2018	2019	2020	2021	2022	2023
\$ -	\$ 456,919	-	\$ 496,718	\$ 496,718	\$ 231,747	\$ 382,874
-	-	-	-	61,175	63,205	66,468
<u>1,186,548</u>	<u>637,687</u>	<u>573,153</u>	<u>539,628</u>	<u>534,798</u>	<u>786,114</u>	<u>720,499</u>
\$ <u>1,186,548</u>	\$ <u>1,094,606</u>	\$ <u>1,293,449</u>	\$ <u>1,036,346</u>	\$ <u>1,092,691</u>	\$ <u>1,081,066</u>	\$ <u>1,169,841</u>
\$ 519,944	\$ 427,592	\$ 454,026	\$ 388,833	\$ 431,549	\$ 546,847	\$ 444,547
<u>338,725</u>	<u>384,849</u>	<u>451,798</u>	<u>507,214</u>	<u>479,515</u>	<u>542,502</u>	<u>604,286</u>
\$ <u>858,669</u>	\$ <u>812,441</u>	\$ <u>905,824</u>	\$ <u>896,047</u>	\$ <u>911,064</u>	\$ <u>1,089,349</u>	\$ <u>1,048,833</u>

CITY OF COLUMBUS, TEXAS

**CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS**

LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year			
	2013	2014	2015	2016
REVENUES				
Property taxes	\$ 692,238	\$ 710,327	\$ 723,757	\$ 742,857
Other taxes	1,359,633	1,398,670	1,393,524	1,494,543
Licenses and permits	63,601	17,175	19,850	20,851
Fines and forfeitures	68,194	94,229	130,425	174,178
Charges for services	17,252	17,886	16,007	17,203
Intergovernmental	115,648	210,025	499,003	125,680
Contributions and Donations	-	-	-	-
Miscellaneous	42,063	35,133	37,171	43,107
Total revenues	<u>2,358,629</u>	<u>2,483,445</u>	<u>2,819,737</u>	<u>2,618,419</u>
EXPENDITURES				
General government	465,484	394,178	679,478	385,867
Public safety	1,015,739	1,051,456	1,074,401	1,114,031
Public health	81,482	72,282	72,270	80,334
Public works	478,011	415,204	381,352	428,549
Culture and recreation	462,441	474,920	473,271	569,239
Economic development	465,888	66,034	191,052	96,708
Capital outlay	-	206,742	298,004	213,471
Debt service				
Principal	56,260	57,780	57,780	60,821
Interest and other charges	35,752	38,183	31,201	30,947
Total expenditures	<u>3,061,057</u>	<u>2,776,779</u>	<u>3,258,809</u>	<u>2,979,967</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(702,428)</u>	<u>(293,334)</u>	<u>(439,072)</u>	<u>(361,548)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	592,235	614,383	756,052	612,547
Transfers out	(52,490)	(51,155)	(161,949)	(54,568)
Capital leases	-	-	-	-
Sale of capital assets	11,965	329	9,880	-
Total other financing sources (uses)	<u>551,710</u>	<u>563,557</u>	<u>603,983</u>	<u>557,979</u>
NET CHANGE IN FUND BALANCES	<u>\$ (150,718)</u>	<u>\$ 270,223</u>	<u>\$ 164,911</u>	<u>\$ 196,431</u>
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	<u>3.29%</u>	<u>3.75%</u>	<u>3.13%</u>	<u>3.34%</u>

TABLE 4

Fiscal Year						
2017	2018	2019	2020	2021	2022	2023
\$ 814,788	\$ 871,965		\$ 930,458	\$ 986,525	\$ 1,049,815	\$ 1,079,656
1,473,959	1,473,972	1,644,972	1,620,320	1,611,984	1,794,544	1,893,567
38,116	33,271	34,985	68,539	148,001	63,257	142,496
139,705	142,278	107,293	82,539	73,551	78,324	82,821
16,152	14,194	13,182	9,358	12,081	14,768	13,519
70,753	159,791	198,442	172,103	454,688	286,393	574,187
-	-	-	-	185,991	27,001	79,320
52,355	48,937	55,964	41,796	18,604	26,663	83,832
<u>2,605,828</u>	<u>2,744,408</u>	<u>2,945,423</u>	<u>2,925,113</u>	<u>3,491,425</u>	<u>3,340,765</u>	<u>3,949,398</u>
406,258	426,947	439,286	511,211	482,297	523,318	590,949
1,137,015	1,222,493	1,263,797	1,359,452	1,363,742	1,410,938	1,597,708
87,892	94,846	132,150	159,014	166,465	196,279	201,352
358,904	561,249	470,647	446,485	423,406	485,949	462,933
607,569	605,477	573,883	623,806	584,064	644,760	653,763
115,700	324,458	249,951	267,729	183,941	169,731	351,462
452,055	183,391	197,112	408,870	783,198	382,937	782,044
62,342	63,862	75,378	82,645	87,201	72,985	74,506
23,609	27,556	32,269	29,256	27,583	25,223	22,318
<u>3,251,344</u>	<u>3,510,279</u>	<u>3,434,473</u>	<u>3,888,468</u>	<u>4,101,897</u>	<u>3,912,120</u>	<u>4,737,035</u>
<u>(645,516)</u>	<u>(765,871)</u>	<u>(489,050)</u>	<u>(963,355)</u>	<u>(610,472)</u>	<u>(571,355)</u>	<u>(787,637)</u>
679,390	658,193	750,601	720,488	794,328	780,633	952,338
(83,547)	(33,068)	(43,501)	(40,334)	(139,762)	(49,058)	(116,442)
-	-	63,531	18,179	-	-	-
12,850	2,576	10,645	7,360	18,050	6,440	-
<u>608,693</u>	<u>627,701</u>	<u>781,276</u>	<u>705,693</u>	<u>672,616</u>	<u>738,015</u>	<u>835,896</u>
<u>\$ (36,823)</u>	<u>\$ (138,170)</u>	<u>\$ 292,226</u>	<u>\$ (257,662)</u>	<u>\$ 62,144</u>	<u>\$ 166,660</u>	<u>\$ 48,259</u>
<u>3.24%</u>	<u>2.82%</u>	<u>3.36%</u>	<u>3.21%</u>	<u>3.74%</u>	<u>2.78%</u>	<u>2.50%</u>

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TABLE 5

CITY OF COLUMBUS, TEXAS

PRINCIPAL GAS PURCHASERS

CURRENT YEAR AND NINE YEARS AGO

Customer	2023			2014		
	Gas Sales	Rank	Percentage of Total Gas Sales	Gas Sales	Rank	Percentage of Total Gas Sales
KW International, LLC	\$ 58,893	1	6.94%	\$ 80,640	1	8.36%
Columbus Community Hospital	56,536	2	6.66%	46,761	2	4.85%
Texas Great Southern Wood LLC	24,574	3	2.89%	38,603	3	4.00%
Colorado County Detention Facility	23,366	4	2.75%	-		0.00%
Los Cabos Mexican Grill	21,443	5	2.53%	20,602	6	2.14%
Schobels Restaurant	18,696	6	2.20%	14,523	8	1.51%
Country Fresh Cleaners	15,260	7	1.80%	17,063	7	1.77%
Jack In The Box #3945	13,896	8	1.64%	-		
Gary Kulhanek (Washateria)	10,561	9	1.24%	-		
Namcy's Steakhouse	<u>10,376</u>	10	<u>1.22%</u>	-		
Columbus Independent School District				25,223	4	2.62%
River Oaks Convalescent Center (Renamed)				22,528	5	2.34%
Tru Care Living Centers				11,962	9	1.24%
Columbus Inn				<u>10,287</u>	10	<u>1.07%</u>
Total	\$ <u>253,600</u>		<u>29.87%</u>	\$ <u>288,192</u>		<u>29.89%</u>

CITY OF COLUMBUS, TEXAS

TAXABLE SALES BY CATEGORY

LAST TEN FISCAL YEARS

	Fiscal Year			
	2014	2015	2016	2017
Agricultural	\$ 6,895	\$ -	\$ -	\$ -
Construction	2,183,792	1,736,431	3,679,024	5,328,704
Manufacturing	1,483,024	1,643,144	2,134,778	2,214,946
Wholesale	2,439,096	2,395,561	2,124,513	2,160,938
Retail	40,943,687	41,825,744	42,171,733	41,661,287
Information	447,418	-	752,064	701,157
Real estate, rental, leasing	27,354	46,631	39,556	8,611
Professional, scientific, technical services	600,572	737,168	1,999,970	3,058,941
Health care, social assistance	199,556	267,149	329,803	311,997
Administrative, support, waste management, remediation services	549,919	468,079	516,303	466,992
Arts, entertainment, recreation	235,375	219,771	175,195	234,307
Accommodation, food services	16,531,550	16,589,505	16,819,096	17,065,127
Other services	<u>1,946,404</u>	<u>1,917,542</u>	<u>1,901,313</u>	<u>2,095,857</u>
Total taxable sales	\$ <u>67,594,642</u>	\$ <u>67,846,725</u>	\$ <u>72,643,348</u>	\$ <u>75,308,864</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					
2018	2019	2020	2021	2022	2023
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30
3,472,413	3,791,418	4,032,925	3,532,884	3,890,318	4,789,712
1,492,471	1,193,991	1,655,335	1,879,168	1,624,294	1,937,060
2,058,185	2,070,062	2,615,407	3,226,442	3,228,608	3,315,404
41,328,274	40,230,297	43,571,442	44,166,616	48,415,927	52,504,973
768,621	1,171,588	622,079	1,628,068	1,692,919	1,462,404
19,040	75,036	105,498	82,430	99,561	106,121
4,254,008	7,502,077	10,369,347	6,012,156	5,157,961	7,389,899
218,588	205,595	149,569	122,244	143,030	165,461
417,117	378,928	365,831	341,038	378,481	341,678
303,379	200,316	431,886	440,839	567,485	597,318
17,787,882	18,494,525	18,523,449	20,447,394	22,827,216	24,639,225
<u>2,143,553</u>	<u>2,315,306</u>	<u>2,923,667</u>	<u>2,932,120</u>	<u>3,251,223</u>	<u>3,838,828</u>
<u>\$ 74,263,531</u>	<u>\$ 77,629,139</u>	<u>\$ 85,366,435</u>	<u>\$ 84,811,399</u>	<u>\$ 91,277,023</u>	<u>\$ 101,088,113</u>
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

TABLE 7

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
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
2018	846,798	996,317	238,973	225,662	13,020	2,320,770
2019	890,585	1,127,925	232,105	263,441	21,501	2,535,557
2020	930,458	1,180,800	223,757	200,051	15,712	2,550,778
2021	990,840	1,155,086	213,807	222,084	21,007	2,602,824
2022	1,035,960	1,264,959	223,954	282,544	23,479	2,830,896
2023	1,069,024	1,402,643	225,012	239,864	26,048	2,962,591
Change 2014-2023	50.5%	62.0%	(8.9%)	(12.7%)	133.9%	40.5%

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
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%
2018	268,755,763	58,166,741	18,738,092	308,184,412	0.28000	326,922,504	94.27%
2019	278,547,279	46,930,227	18,409,526	307,067,980	0.28500	325,477,506	94.34%
2020	291,457,481	49,695,661	12,630,460	328,522,682	0.28500	338,275,178	97.12%
2021	304,008,636	56,478,540	13,760,849	346,726,327	0.28392	356,589,596	97.23%
2022	328,042,879	54,100,773	20,197,242	361,946,410	0.28392	376,384,374	96.16%
2023	341,627,850	51,183,963	19,939,515	372,872,298	0.29227	372,672,295	100.05%

Source: Colorado County Central Appraisal District.

TABLE 9**CITY OF COLUMBUS, TEXAS****DIRECT AND OVERLAPPING PROPERTY TAX RATES**

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

Fiscal Year	City Direct Rates			Overlapping Rates			Total Direct and Overlapping Rates
	Basic Rate	Debt Service	Total Direct Rate	Columbus I.S.D.	Colorado County	Colorado County Ground Water Conservation District	
2014	0.23693	0.03619	0.27312	1.18000	0.48206	0.01450	1.94968
2015	0.23925	0.03387	0.27312	1.18000	0.48206	0.01450	1.94968
2016	0.23925	0.03387	0.27312	1.17000	0.48206	0.01250	1.93768
2017	0.24877	0.03123	0.28000	1.16000	0.51000	0.01150	1.96150
2018	0.25042	0.02958	0.28000	1.16000	0.51000	0.01000	1.96000
2019	0.25500	0.03000	0.28500	1.08000	0.52000	0.00950	1.89450
2020	0.25722	0.02778	0.28500	1.08000	0.52000	0.00950	1.89450
2021	0.25734	0.02658	0.28392	1.07030	0.52000	0.00875	1.88297
2022	0.26471	0.02529	0.29000	1.03750	0.49960	0.00875	1.83585
2023	0.26809	0.02418	0.29227	1.03070	0.49695	0.00825	1.82817

Source: Colorado County Central Appraisal District.

TABLE 10

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

Taxpayer	2022			2013		
	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation
200 Texas LLC	\$ 16,441,930	1	4.18%			
KWI International LLC	12,041,750	2	3.06%			
DHC Realco - Columbus LLC	4,147,520	3	1.06%			
AEP Texas Central Company	3,983,640	4	1.01%			
Colorado Co. Development Group (TLC)	3,775,580	5	0.96%	\$ 4,413,970	3	1.75%
LCRA Transmission Svcs. Corp	3,739,060	6	0.95%	9,352,710	1	3.72%
H-E-B LP	2,656,840	7	0.68%			
Goodmark Lodging, LLC (Holiday Inn)	2,594,430	8	0.66%	3,396,000	4	1.35%
Union Pacific Railroad Company	2,531,370	9	0.64%			
Texas Great Southern Wood, LLC	<u>2,463,543</u>	<u>10</u>	<u>0.63%</u>	4,715,370	2	1.87%
Brookfield Lodging INC				3,159,370	5	1.26%
Wal-Mart Stores INC				2,531,940	6	1.01%
Mega Texas Realty INC (Comfort Inn)				2,139,940	7	0.85%
Maverick Contractors, INC				2,099,680	8	0.83%
Columbus Associates (Wal-Mart)				2,038,030	9	0.81%
Magnolia Living Center				<u>1,954,530</u>	<u>10</u>	<u>0.78%</u>
Total	# \$ <u>54,375,663</u>		<u>13.83%</u>	\$ <u>35,801,540</u>		<u>14.23%</u>

Source: Colorado County Central Appraisal District.

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TABLE 11**CITY OF COLUMBUS, TEXAS****PROPERTY TAX LEVIES AND COLLECTIONS****LAST TEN FISCAL YEARS**

Fiscal Year Ended	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	\$ 686,979	\$ 669,270	97.4%	\$ 17,322	\$ 686,592	99.9%
2015	706,654	696,845	98.6%	9,548	706,393	100.0%
2016	739,862	728,252	98.4%	10,700	738,952	99.9%
2017	805,980	796,240	98.8%	7,579	803,819	99.7%
2018	862,916	846,978	98.2%	9,652	856,630	99.3%
2019	876,624	869,922	99.4%	7,624	877,546	100.1%
2020	925,981	916,960	99.0%	7,275	924,235	99.8%
2021	970,943	962,839	99.2%	3,406	966,245	99.5%
2022	1,047,718	1,034,429	98.7%	4,320	1,038,749	99.1%
2023	1,087,087	1,066,875	98.1%	-	1,066,875	98.1%

Source: Colorado County Central Appraisal District.

CITY OF COLUMBUS, TEXAS

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Governmental activities				
Financed Purchases	\$ -	\$ -	\$ -	\$ -
2010 general obligation refunding bonds	<u>926,002</u>	<u>868,222</u>	<u>807,401</u>	<u>745,059</u>
Total governmentalactivities	<u>926,003</u>	<u>868,222</u>	<u>807,401</u>	<u>745,059</u>
Business-type activities				
2010 general obligation refunding bonds	2,118,997	1,986,778	1,847,599	1,704,941
2013 general obligation refunding bonds	3,010,000	2,770,000	2,525,000	2,270,000
2016 certificates of obligation	-	-	-	2,780,000
Premium on bonds	179,408	163,056	146,704	270,933
Financed purchases	<u>900,000</u>	<u>729,183</u>	<u>554,140</u>	<u>374,350</u>
Total business-type activities	<u>6,208,405</u>	<u>5,649,017</u>	<u>5,073,443</u>	<u>7,400,224</u>
Total primary government	\$ <u>7,134,408</u>	\$ <u>6,517,239</u>	\$ <u>5,880,844</u>	\$ <u>8,145,283</u>
(1) Percentage of personal income	8.6%	8.6%	7.0%	10.0%
(1) Per capita	\$ 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.

TABLE 12

2018	2019	2020	2021	2022	2023
\$ -	\$ 55,056	\$ 57,493	\$ 40,236	\$ -	\$ -
<u>681,197</u>	<u>614,294</u>	<u>547,391</u>	<u>477,447</u>	<u>404,461</u>	<u>329,955</u>
<u>681,197</u>	<u>669,350</u>	<u>604,884</u>	<u>517,683</u>	<u>404,461</u>	<u>329,955</u>
1,558,804	1,414,000	1,252,610	1,092,553	925,539	755,045
2,010,000	1,745,000	1,475,000	1,200,000	915,000	620,000
2,685,000	2,560,000	2,435,000	2,305,000	2,175,000	2,040,000
255,319	223,272	207,813	183,968	158,633	128,545
<u>189,680</u>	<u>63,533</u>	<u>64,516</u>	<u>46,262</u>	<u>-</u>	<u>-</u>
<u>6,698,803</u>	<u>6,005,805</u>	<u>5,434,939</u>	<u>4,827,783</u>	<u>4,174,172</u>	<u>3,543,590</u>
\$ <u>7,380,000</u>	\$ <u>6,675,155</u>	\$ <u>6,039,823</u>	\$ <u>5,345,466</u>	\$ <u>4,578,633</u>	\$ <u>3,873,545</u>
7.6%	7.2%	6.0%	5.3%	4.6%	2.9%
\$ 2,019	\$ 1,826	\$ 1,652	\$ 1,430	\$ 1,225	\$ 1,036

CITY OF COLUMBUS, TEXAS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

LAST TEN 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		
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
2018	4,372,109	2,818,211	1,131	7,189,189	2.33%	1,967
2019	3,870,757	2,685,810	699	6,555,868	1.93%	1,794
2020	3,364,311	2,553,410	-	5,917,721	1.80%	1,619
2021	2,843,052	2,415,916	-	5,258,968	1.47%	1,407
2022	2,404,412	2,175,000	4,034	4,575,378	1.22%	1,224
2023	1,840,258	2,040,000	4,211	3,876,047	1.04%	1,037

Notes:

See Table 8 for property value data.

See Table 16 for population data.

TABLE 14

CITY OF COLUMBUS, TEXAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF SEPTEMBER 30, 2023

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable ⁽¹⁾	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Columbus Independent School District	\$ 4,239,315	22.39%	\$ 949,042
Colorado County	3,420,000	11.32%	<u>387,144</u>
Subtotal overlapping debt			1,336,186
City of Columbus direct debt			<u>329,955</u>
Total direct and overlapping debt			\$ <u>1,666,141</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>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Tax roll year	2013	2014	2015	2016
Net assessed value	\$ 251,530,226	\$ 258,733,790	\$ 270,892,714	\$ 287,850,185
Plus exempt property	<u>6,949,549</u>	<u>23,148,726</u>	<u>24,633,804</u>	<u>22,193,497</u>
Total assessed value	<u>258,479,775</u>	<u>281,882,516</u>	<u>295,526,518</u>	<u>310,043,682</u>
Debt limit (1)	\$ <u>25,847,978</u>	\$ <u>28,188,252</u>	\$ <u>29,552,652</u>	\$ <u>31,004,368</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					
2018	2019	2020	2021	2022	2023
2017	2018	2019	2020	2021	2022
\$ 308,184,412	\$ 322,731,277	\$ 328,522,682	\$ 342,828,747	\$ 361,946,410	\$ 372,287,298
<u>18,738,092</u>	<u>15,663,297</u>	<u>12,630,460</u>	<u>13,760,849</u>	<u>14,437,964</u>	<u>19,939,515</u>
<u>326,922,504</u>	<u>338,394,574</u>	<u>341,153,142</u>	<u>356,589,596</u>	<u>376,384,374</u>	<u>392,226,813</u>
\$ <u>32,692,250</u>	\$ <u>33,839,457</u>	\$ <u>34,115,314</u>	\$ <u>35,658,960</u>	\$ <u>37,638,437</u>	\$ <u>39,222,681</u>

TABLE 16

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⁾
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%
2018	3,655	97,548,295	26,689	45	18.9%	1,516	3.2%
2019	3,655	92,997,820	25,444	46	18.6%	1,565	3.1%
2020	3,655	100,618,495	27,529	42	22.2%	1,532	6.1%
2021	3,739	110,494,928	29,552	40	22.2%	1,566	4.3%
2022	3,739	119,704,085	32,015	44	19.6%	1,570	3.3%
2023	3,739	134,327,314	35,926	47	19.0%	1,610	3.6%

Data Sources:

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

TABLE 17

CITY OF COLUMBUS, TEXAS

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

Employer	2023			2014		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Columbus Independent School District	233	1	2.85%	233	1	2.12%
Columbus Community Hospital	192	2	2.35%	188	3	1.71%
Colorado County (Government)	173	3	2.12%	207	2	1.89%
Drymalla Construction Co.	145	4	1.77%	109	5	0.99%
Wal-Mart	107	5	1.31%	100	6	0.91%
Great Southern Wood	105	6	1.29%	-		0
KW International (Closed)	-			80	7	0.73%
TruCare Living Center	67	7	0.82%	54	10	0.49%
HEB Grocery Company, LP	59	8	0.72%	65	9	0.59%
Schobels Restaurant	45	9	0.55%	80	8	0.73%
Brookshire Bros. (Grocery)	43	10	0.53%	-		0
River Oaks Convalescent Home (name changed)	-			-		0
City of Columbus	<u>39</u>		0.48%	123	4	1.12%
	<u>1,208</u>		<u>14.78%</u>	<u>1,239</u>		<u>11.30%</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

TABLE 18

CITY OF COLUMBUS, TEXAS

FULLTIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Administrative and general	2.98	3.02	3.00	3.00	3.07	3.07	3.07	3.08	3.08	3.07
Police department	13.13	13.43	13.39	13.42	13.11	13.46	13.52	13.22	13.49	12.72
Streets and drainage	4.17	3.07	3.99	3.91	4.24	4.45	4.32	3.44	3.07	3.11
Parks and recreation										
Parks	3.47	2.82	2.55	3.15	3.20	3.18	3.37	3.06	3.18	3.17
Swimming pool	0.92	0.86	1.14	1.01	1.04	1.02	0.94	1.13	1.33	1.34
Library	3.53	3.47	3.81	3.80	3.79	3.79	3.50	3.44	3.34	3.63
Public health	1.01	1.00	1.13	1.39	1.55	2.04	2.60	2.60	2.58	2.57
Water	4.32	3.96	4.21	4.33	4.16	4.18	3.26	4.23	4.03	5.18
Sewer	2.68	3.08	2.69	2.42	2.06	2.04	1.77	1.10	1.12	1.10
Garbage	0.49	0.72	0.75	0.55	0.43	0.42	0.42	0.33	0.41	0.41
Gas	4.17	3.42	3.38	3.35	3.17	3.23	4.34	3.83	3.13	2.11
Total	40.87	38.85	40.03	40.33	39.82	40.88	41.11	39.46	38.76	38.41

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	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General government										
Building permits issued	26	29	41	61	85	93	79	99	331	457
Building inspections conducted	32	50	24	118	136	113	196	148	178	381
Gas inspections	40	70	11	36	41	31	36	69	32	97
Electrical inspections	63	100	58	143	158	211	195	128	157	153
Plumbing inspections	20	110	39	110	139	96	168	80	126	139
Mechanical inspections	32	66	42	137	114	235	165	154	218	225
Police										
Case reports opened	259	379	282	246	236	322	285	209	212	281
Calls of service	2,469	2,281	2,194	2,410	2,312	2,312	2,425	2131	2184	2205
Citations issued	3,525	2,234	3,051	1,405	1,268	874	562	371	524	508
Fire										
Fire/other calls										
Structure fires	24	11	9	15	19	15	14	10	11	8
Grass/brush fires	41	23	46	45	47	38	46	37	71	44
Car fires	20	24	18	25	17	26	11	14	22	25
Rescues	17	26	32	20	16	19	27	40	40	41
Hazardous	6	24	11	17	12	20	36	51	47	42
False alarms	19	24	21	27	20	25	25	29	50	45
Others	37	40	35	39	39	54	55	39	89	80
Total man hours	4,460	4,085	4,028	4,103	3,217	3,731	3,634	4380	8158	5409
Total training hours	1,610	1,308	1,382	1,284	1,172	1,280	952	1280	1190	1144
Total maintenance hours	750	750	798	846	825	839	765	850	944	864
Municipal court										
Cases filed										
Traffic - non-parking	786	1,338	1,565	1,268	1,085	845	446	341	573	724
Traffic - parking	8	11	5	6	1	3	3	0	0	4
Non-traffic - state law	167	149	152	165	123	73	93	93	60	104
Non-traffic - city ordinance	14	10	9	13	3	2	8	6	1	4
Cases disposed										
Traffic - non-parking	648	1,053	1,497	1,148	1,218	555	375	322	458	524
Traffic - parking	9	13	10	5	2	2	1	2	1	2
Non-traffic - state law	144	141	153	140	108	56	69	61	81	65
Non-traffic - city ordinance	15	9	10	10	2	2	4	7	1	2
Solid waste										
Customers	1,606	1,609	1,595	1,626	1,625	1,622	1,627	1628	1628	1641
Recyclables (tons/day)	0.33	0.29	0.30	0.30	0.30	0.28	0.28	0.30	0.30	0.32
Water										
Customers	1,672	1,678	1,666	1,694	1,693	1,690	1,699	1698	1705	1721
New water taps	10	7	8	5	13	5	12	8	11	4
Average daily consumption (thousands of gallons)	694	542	729	718	709	621	665	580	719	736
Sewer										
Customers	1,590	1,591	1,573	1,694	1,605	1,601	1,605	1607	1617	1621
New sewer taps	9	7	8	5	11	5	10	7	22	4
Average daily discharge (thousands of gallons)	310	304	329	280	369	293	312	340	409	412
Gas										
Customers	1,208	1,192	1,171	1,199	1,190	1,192	1,178	1171	1181	1178
New gas meters	5	5	5	3	6	5	6	10	10	0
Average daily consumption (mcf)	240	235	184	167	206	213	176	195	182	187

Source: Various departments within the City.

CITY OF COLUMBUS, TEXAS

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

Function/Program	Fiscal Year			
	2014	2015	2016	2017
General government				
Municipal buildings	1	1	1	1
Community buildings	2	2	2	2
Public safety				
Police				
Stations	1	1	1	1
Patrol units	10	9	10	11
Fire				
Stations	1	1	1	1
Fire trucks	12	12	12	11
Highways and streets				
Streets (miles)	29	29	29	29
Culture and recreation				
Acreage	107	107	107	107
Community buildings	1	1	1	1
Playgrounds	3	3	3	3
Baseball/softball diamonds	6	6	6	6
Golf courses	1	1	1	1
Libraries	1	1	1	1
Swimming pool	1	1	1	1
Soccer fields	5	5	5	5
Water				
Wells (active)	4	4	4	4
Water mains (miles)	42	42	42	42
Fire hydrants	207	207	207	207
Storage capacity (millions)	1	1	1	1
Sewer				
Sewer mains (miles)	29	29	29	29
Lift stations	6	6	6	6

Source: Various City departments

TABLE 20

Fiscal Year					
2018	2019	2020	2021	2022	2023
1	1	1	1	1	1
2	2	2	2	2	2
1	1	1	1	1	1
11	11	11	11	11	11
1	1	1	1	1	1
11	11	11	11	11	11
29	29	29	29	29	29
107	107	107	107	107	106.8
2	2	2	2	2	2
3	3	3	3	3	3
6	6	6	6	6	6
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
5	5	5	5	5	5
4	4	4	4	4	4
42	42	42	42	42	41.7
207	207	207	207	207	207
1	1	1	1	1	1
29	29	29	29	29	29.3
6	6	6	6	6	6

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COMPLIANCE SECTION

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, 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, 2023, and the related notes to the financial statements, which collectively comprise the City of Columbus, Texas' basic financial statements, and have issued our report thereon dated April 30, 2024.

Report Internal Control Over Financial Reporting

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

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

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

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque

Report on Compliance and Other Matters

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

Purpose of this Report

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

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

Waco, Texas
April 30, 2024