



City of Columbia, Tennessee

POPULAR ANNUAL FINANCIAL REPORT

Fiscal Year Ending June 30, 2021



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Letter from the CFO

We are pleased to present the Popular Annual Financial Report (PAFR) of the City of Columbia for the fiscal year ended June 30, 2021. It is our intent that the report provide Columbia citizens with better access and greater insight into the City's financial activities. Development of the 2021 PAFR follows from the City's commitment to providing outstanding transparency and the highest quality financial reporting.

The report is an overview of the City's financial position and long-standing financial practices. It identifies revenue sources and describes how they are spent in a fiscally responsible manner. The fiscal stability of the City is reflected in its ability to maintain a Aa2 credit rating from Moody's since 2011 and a AA+ from S&P beginning in 2017, reaffirmed in 2020.

Although financial figures in the PAFR come from an audited source, they are presented in a condensed, unaudited format. Having received the PAFR Award for FY 2018, FY 2019, FY 2020, the 2021 PAFR will also be submitted to GFOA for consideration for the award program. Citizens seeking more detailed financial information may view a copy of the audited GAAP-basis financial statements of the 2021 ACFR online at ColumbiaTN.com.

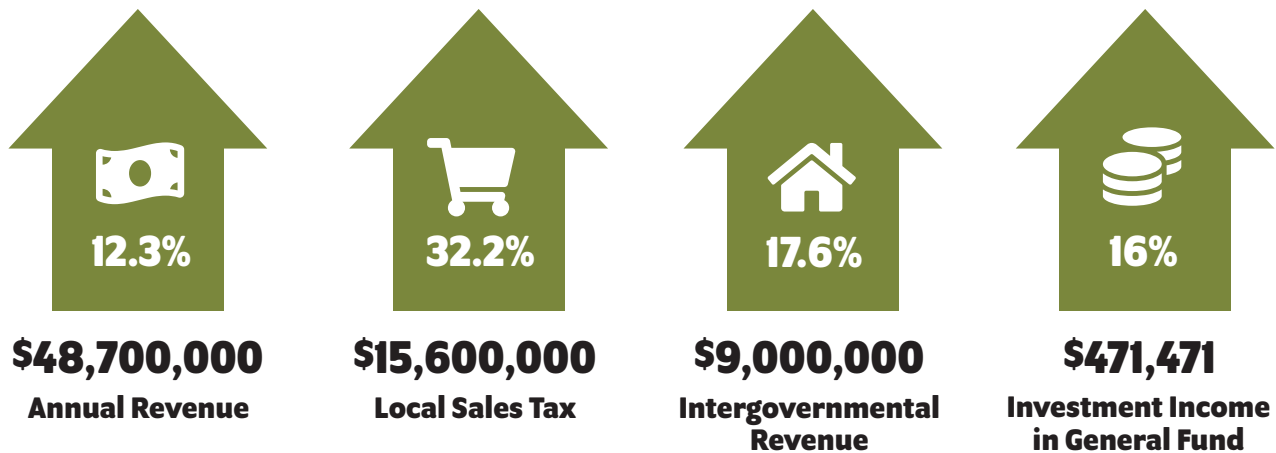
Sincerely,

Thad H. Jablonski,
Chief Financial Officer / Assistant City Manager



FINANCIAL HIGHLIGHTS

Annual Revenue Growth



A Year of Growth

During 2021, revenues for all governmental funds increased approximately 12.3%, or \$5.3 million, with the majority of revenues generated by taxes. Taxes made up 64.8% of all revenues in FY 2021. During the year, the City's population continued to increase. The ongoing influx of residents into Columbia continues to drive increased residential and commercial development city-wide, which has in turn driven strong property tax and local sales tax collections. Local sales tax surpassed property taxes to become the City's largest source of revenue for the first time. Local sales tax revenue increased by 32.2% or nearly \$3.8 million. The City continues to enjoy a strong retail climate. Emphasis is being placed on bringing more retail into the City with the Industrial Development Board working with property owners and retail recruiters beginning in July 2020. These and other economic development initiatives continued throughout 2021.

At June 30, 2021, the City's governmental fund balances totaled \$42.8 million, an increase of \$7.8 million in comparison with the prior year of approximately \$35 million. The increase is due primarily to increased revenues over expenditures across major and non-major governmental funds. In addition to strong revenue growth during 2021, containment measures implemented to stay within current revenues provided for decreased expenditures.

During the fiscal year, the City's total debt decreased by \$4.6 million, including proprietary funds, i.e., sewer, power and water systems. The reduction in debt was a result of no new debt issued and payments towards principal and interest during the fiscal year. 2011 general obligation (GO) bonds were refunded during the year to realize debt service savings exceeding \$0.5 million during the life of the bonds.

*Fund Balance: the cumulative excess of revenues over expenditures in a fund at a point in time.



2021 Fund Balance*
\$42,800,000



Debt Decrease
\$4,600,000

10% Reduction



YOY Fund Balance Increase
\$7,800,000

22.3% Increase



Government Finance Officers Association

Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to
City of Columbia
Tennessee

For its Annual Financial Report
for the Fiscal Year Ended
2020

Christopher P. Morill
Executive Director/CEO



Introduction to the Report

The purpose of the Popular Annual Financial Report (PAFR) is to serve as an easy-to-read synopsis of the City of Columbia's financial information. On an annual basis, the City prepares an Annual Comprehensive Financial Report (ACFR), which contains detailed financial information about the finances of the City. The report contains detailed information required to be reported by generally accepted accounting principles and it conforms to the requirements for an ACFR contents prescribed by the Government Finance Officers Association (GFOA). We encourage you to read the ACFR, which contains detailed and audited financial statements, notes, schedules and other information. The FY 2021 ACFR may be found on the City's website [here](#). The information in the PAFR has been taken from the ACFR and is intended to be a supplement to, rather than a replacement for, the ACFR. Unless otherwise noted, financial information in the PAFR is reported at the level of governmental funds. Governmental fund financial statements focus on near-term inflows and outflows of spendable resources and balances of spendable resources available at the end of the fiscal year. This can be useful in evaluating a government's near-term financing requirements. The report does focus more closely on the General Fund as the General Fund is the chief operating fund for most municipal functions and accounts for more than half of the City's annual operating budget.

▲
The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) to the City of Columbia for the fiscal year ended June 30, 2020. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a PAFR, whose contents conform to program standards for creativity, presentation, understandability and reader appeal.

Funds

Most City services and projects are accounted for in a general category referred to us as Funds. This report focuses on the City's largest funds (General, Capital Projects, Sewer, Power and Water Funds).

GENERAL FUND

Accounts for revenues and expenditures for general operations of the City not required to be accounted for in separate funds.

SPECIAL REVENUE FUNDS

Accounts for proceeds of specific revenue sources that are legally restricted or have been restricted for specific purposes (e.g. state street aid, streets and transportation, drug, sanitation, Industrial Development Board).

DEBT SERVICE

Cash reserves are transferred to the fund for the City's annual debt service, i.e., principal interest payments.

CAPITAL PROJECT FUND

Accounts for financial resources used for the construction and/or acquisition

of major capital facilities (e.g. major roads and intersection improvements, general government, public safety and parks improvement).

PROPRIETARY FUNDS

Sewer, Power and Water Utility Funds are operated similar to a private business in that expenses are recovered through fees charged to users. The Sewer Fund is operated by the City. Power and Water Funds are operated by CPWS.

FIDUCIARY FUNDS

These funds convey information about financial relationships in which the City acts solely as a trustee for the benefit of others, namely the pension fund and retiree health insurance fund.



The South's Best Small Towns
Southern Living Magazine



About Columbia

The City of Columbia is located in Maury County, serving as the county seat. Columbia was first settled in 1807 and incorporated on November 18, 1817. Located approximately 40 miles southwest of Nashville, Columbia is one of the fastest growing cities in the South Central and Middle Tennessee regions.



The City's legislative body is made up of the City Council with the Mayor and Vice Mayor elected at-large (city-wide) and five City Council members elected by ward. The City provides a full range of municipal services including public safety (police, fire protection and emergency services), highway/street maintenance, public works, parks and recreation, development services (engineering, planning and code administration), solid waste collection and general administrative services. The City also operates a wastewater utility. Columbia Power & Water Systems (CPWS) provides electric, water and broadband services within the CPWS service area.

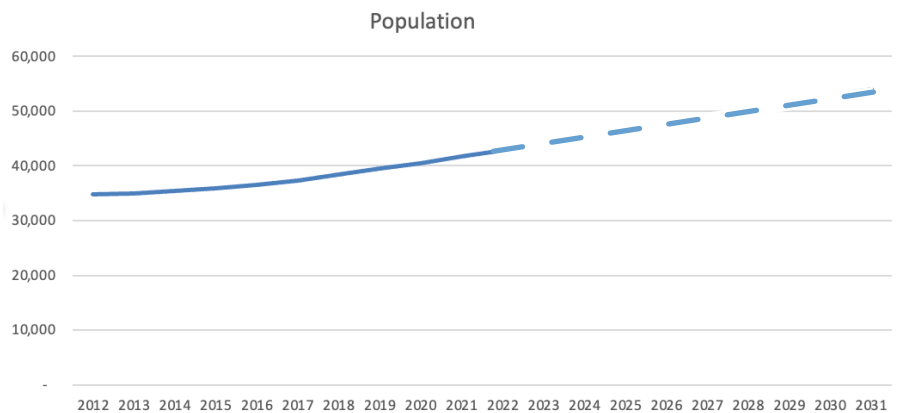
Columbia's commitment to public safety stands apart statewide and nationally. Columbia Fire & Rescue maintained its ISO 1 rating in 2021, the highest rating attainable for fire suppression and one of only two cities in the state recognized as an ISO 1 community. In 2021, the Columbia Police Department received its re-certification of accreditation by CALEA, the highest recognition of excellence in law enforcement, in addition to maintaining state accreditation by TLEA.



Demographics

The City of Columbia's latest population estimate for 2021 stands at 41,690 per U.S. Census/American Community Survey data. 2019 American Community Survey data on housing and income, the most recent available, reports the median age in Columbia is 36.5 years of age, the median age continuing to trend downward.

POPULATION GROWTH IN COLUMBIA



There are 15,070 households in Columbia with an average size of 2.48 people. Family households make up 65.4% of the total households in Columbia with an average size of 3.09 people. Housing units in Columbia have a 88.9% occupancy rate. Based on the most recent 2020 housing occupancy data, there are 18,335 housing units in the City, an 11.3% increase since 2019. Of the 16,821 occupied housing units, 57.3% are owner-occupied. The median home value for owner occupied housing in Columbia is \$137,800.

Columbia has a relatively low crime rate compared to like-size cities in the State of Tennessee. The Police and Fire & Rescue Departments have an average emergency response time of less than five minutes. More than 87.2% of the City's adult population hold a high school diploma, with approximately one quarter of those having earned a bachelor's degree or higher.



About Columbia

Columbia's per capita income totals \$28,083. Median family income totals \$56,765, a 10.2% increase compared to the prior year.

Local Economy

The City of Columbia enjoys an overall favorable economic environment and local indicators point to continued stability and growth. The local economy features a well-balanced blend of financial, agricultural, wholesale, retail, manufacturing and service industries. The local economy has experienced especially high rates of growth over the past 5 years, most notably driven by increased residential development and spillover growth from the larger Nashville Metro Area.

The region has a varied commercial and industrial base, which provides employment stability. Unemployment statistics as of August 31, 2021 indicate a 6% unemployment rate for the City of Columbia, a 3.3% decrease compared to August 2020 and a dramatic decrease from the decade-long high of 26.3% in April 2020 following the onset of the Covid-19 pandemic. Fortunately, labor force participation and new job growth both continue to improve. The August 2021 unemployment rate for Maury County stands at 4.5%, compared to 4.3% for the State of Tennessee and a national average of 5.3% (not seasonally adjusted).

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

Residential population growth continued to increase in FY 2021 with growth anticipated to continue to increase in FY 2022. Columbia's most recent population estimate for 2021 is 41,690 using US Census/American Community Survey data. The 2021 estimated population reflects a 19.8% increase over the last 10 years. Strong residential growth continues to drive increased residential and commercial development. Increased development activity is evidenced by the number of building permits issued during FY 2021 (1,750). Compared to permits issued in FY 2020 (1,760), FY 2021 permit activity was consistent with the prior year, notwithstanding a three-month drop in building activity due to lumber and other commodity price increases. FY 2022 building permits issued are anticipated to exceed 2,000, using a conservative estimate for 2022 permits.

Notable sectoral drivers of employment in the area continue to be the health-care, business services and manufacturing sectors with automotive, metals, plastics and ceramics industries dominating manufacturing in the area.

Top Employers

Employer	Employees
1. Maury Regional Hospital	2,240
2. Maury County School System	1,713
3. Tennessee Farm Bureau & Affiliates	706
4. Columbia State Community College	515
5. Maury County Government	490
6. City of Columbia	402
7. NHC Healthcare	287
8. Wiremasters Inc.	206
9. Kings Daughter's School	195
10. Sleep Solutions & Services	139

Building Permits

Year	No. Permits	Total Valuation
2021	1,750	\$158,300,000
2020	1,760	\$148,700,000
2019	1,312	\$124,000,000
2018	973	\$116,700,000
2017	867	\$122,200,000

Fiscal Process

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit requests for budget appropriations to the Chief Financial Officer (CFO) in the first quarter of the calendar year. The City Manager, in concert with the CFO, uses these requests as a starting point for developing a proposed budget. After numerous meetings with department heads, the City Manager presents the budget to the City Council for approval. To assure effective fiscal management and accountability, strict budgetary compliance is maintained by an automated accounting system. All requests for purchases are checked to ensure funds are available. Purchase orders and contracts are encumbered prior to release to vendors. Departments may make transfers of appropriations from within their department budgets. Transfers of appropriations between departments or funds requires approval by the City Council via a budget amendment.

REVENUES & EXPENDITURES

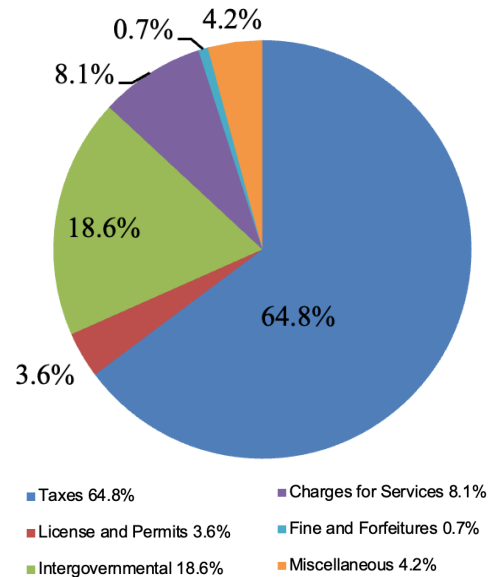
Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Data shown in this report come from Governmental Fund financials in the ACFR unless otherwise noted.



Revenues

Revenues for all governmental funds total \$48.7 million. Taxes account for the largest share (64.8%) of governmental revenues. Local sales tax surpassed property taxes to become the City's largest source of revenue for the first time. Local sales tax increased by 32.2% or nearly \$3.8 million, totaling \$15.6 million. FY 2021 property taxes approximated \$12 million, which remained consistent with prior year collections. Intergovernmental revenues include state sales taxes, beer and liquor taxes, and petroleum special taxes. Other revenues come from fines and forfeitures, licenses and permits, charges for services, interest on investments, grants and other revenues.

REVENUES BY SOURCE



Expenditures

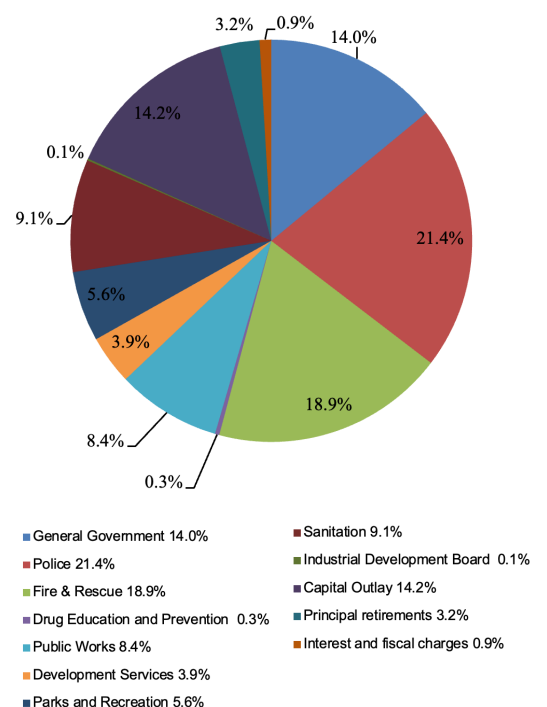
Expenditures during fiscal year 2021 are divided among General Government, Police, Fire & Rescue, Drug Education and Prevention, Public Works, Development Service, Parks & Recreation, Sanitation, Industrial Development Board, Capital Outlay and Principle and Interest on Long-term Debt. For fiscal year 2021, expenditures totaled \$43.0 million, a decrease of \$5.5 million from 2020.

The largest expenditures were Public Safety with Police at \$9.2 million and Fire & Rescue at \$8.1 million followed by General Government \$6 million. Fiscal year 2021 expenditures totaled nearly \$3.6 million for Public Works, \$1.7 million for Development Services and \$2.4 million for Parks & Recreation. Fiscal year 2021 expenditures for Sanitation and Industrial Development Board were \$3.9 million and \$63,650, respectively. Payments towards principal to retire debt totaled more than \$1.4 million in expenditures with interest payments at approximately \$400,000.

Capital Projects Fund expenditures accounted for approximately \$6.1 million with increased activity in large-scale, multi-year infrastructure improvements during 2021.

All departments were able to control expenditures, maintaining expenditure levels less than the amounts appropriated, while providing the same service levels to Columbia citizens.

EXPENDITURES BY SOURCE



General Fund

The fund balance of the City's General Fund increased by \$6.2 million during the fiscal year ended June 30, 2021. Increased revenues over expenditures in addition to cost containment measures implemented by Management to stay within current revenues provided for the 21.1% increase in fund balance. Key factors are as follows:

- **\$5.2 Million increase in all general fund revenues compared to 2020.**
- **Taxes in the General Fund increased \$3.8 million, or 13.7%.**
- **Local sales tax increased \$3.8 million, or 32.2%.**
- **Property tax collections were consistent with 2020.**
- **Building permit revenue increased 44.5% versus prior year.**
- **Intergovernmental revenue, including grants, increased 23.6% over 2020.**
- **Investment program revenue in the General Fund increased 16% over 2020.**
- **Public Safety (Police and Fire) remains the largest area of expenditure, representing 56.7% of General Fund expenditures during 2021.**
- **Total actual expenditures decreased by 2.1% compared to 2020.**
- **At year-end, total actual expenditures were 12% less than budgeted expenditures as the City operated to stay within budgeted revenues.**
- **\$7.5 million in prior year revenue was budgeted from fund balance, though none was used.**

Fiscal year 2021 General Fund revenues increased more than \$5.2 million over 2020. Property tax collections kept pace with the prior year and local sales tax increased 32.2%, making local sales tax the largest source of General Fund revenue. Strong property and sales tax performance in 2021 follows from increased residential and commercial development. Local sales tax increases demonstrate the strength of ongoing improvements in local economic conditions during the fiscal year.

Total expenditures in the General Fund decreased by \$654,433 over FY 2020 primarily due to cost containment by City departments aimed at ensuring that expenditures stay within current revenues.

The General Fund is the chief operating fund of the City. At June 30, 2021, unassigned fund balance of the General Fund was \$35.6 million with nearly \$200,000 designated as "non-spendable".

The City's Debt Service Policy requires an unassigned balance equal to 33% of budgeted General Fund expenditures. Unassigned fund balance at the end of FY 2021 exceeded 100% of General Fund expenditures (including transfers to other funds) totalling \$35.5 million.



What Makes Up The General Fund?

REVENUE

PROPERTY TAX

Real property taxes, personal property taxes, penalties and interest on property taxes, payment in lieu of taxes (TVA), payment in lieu of taxes (CPWS).

LOCAL SALES AND BUSINESS TAXES

Sales taxes, beer and liquor taxes, gross receipts tax, penalties and interest, room occupancy tax.

INTERGOVERNMENTAL

Sales taxes, income taxes, beer taxes, liquor taxes, petroleum special taxes. Fines, Forfeitures, and Penalties. Traffic and other violations, City court costs, other court costs. Building permits, electrical and mechanical permits, animal licenses, fence and sign permits.

CHARGES FOR SERVICES

Building permits, engineering fees, fire inspection fees, zoning applications, cable television fees.

INTEREST ON INVESTMENTS & FEDERAL AND STATE GRANTS

self-explanatory.

OTHER REVENUES

Miscellaneous revenue, donations.

EXPENDITURES

GENERAL GOVERNMENT

City Council, Legal, Management Information Systems, City Manager's Office, Finance, City Recorder, and Personnel

PUBLIC SAFETY

Police, Fire & Rescue, Animal Control, and Drug Enforcement

DEVELOPMENT SERVICES

Planning, Engineering and Codes Administration

PUBLIC WORKS

Streets and Infrastructure Maintenance, Traffic and Signs

PARKS AND RECREATION



Wastewater system-wide improvements

The City's enterprise funds, also referred to as proprietary funds, provide the same type of information found in the government-wide financial statements, but in more detail.

Similar to governmental fund balances, "Retained Earnings" in an Enterprise Fund are the historically accumulated difference between fund assets and fund liabilities. Unlike governmental funds, enterprise funds report all related assets, including capital assets, and all liabilities which include debt. Put simply, retained earnings refer to the fund's available resources, acting as a sound barometer of the fund's economic health

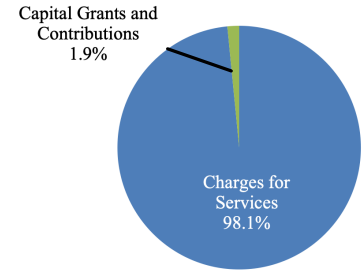


Public works flood prevention prevention project in Sunnyside Neighborhood

Enterprise Funds*

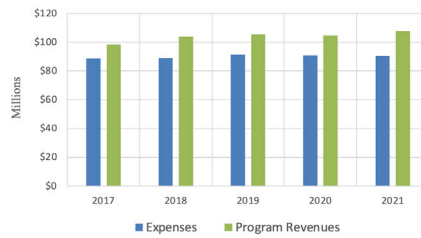
Business-type activities – Sewer, Power and Water Funds operate as “Enterprise Funds,” funds established to account for operations wherein services are provided. These are segregated by purpose (sewer, power, water) and use from other funds and accounts of the government so that revenues generated by the enterprise activity are devoted to funding all operations of the enterprise.

Enterprise fund revenues were made up primarily of \$105.5 million in charges for services. Enterprise fund revenues more than offset \$90.9 million in expenses for business-type activities in 2021.

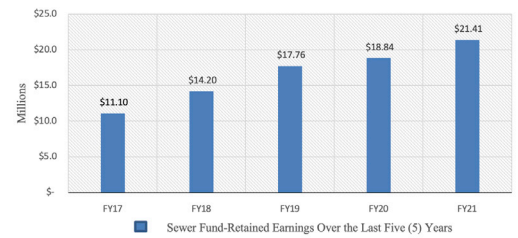


The Sewer Fund (Wastewater System) is operated by the City of Columbia day-to-day as a city department. Retained earnings for the Sewer Fund totaled more than \$21.4 million as of June 30, 2021, representing an increase of approximately \$3 million, or 16.3% from the previous year. Retained earnings in the City's Sewer Fund have increased nearly \$10.3 million dollars since 2017. Revenues from new development and cost containment of Sewer System expenses continues to drive impressive growth in year over year retained earnings, i.e., unrestricted net position. While the Sewer Fund is managed by the City of Columbia, Columbia Power and Water Systems (CPWS) operate the Power and Water Funds.

PROGRAM REVENUES AND EXPENSES**



SEWER FUND RETAINED EARNINGS***



2021 Outstanding Debt

During FY 2021, the City's total debt decreased by \$4.6 million. The major types of long-term debt include general obligation bonds, revenue bonds, revenue and tax bonds and capital outlay notes. Total debt for governmental activities decreased by 9.1%. Business-type activities' debt decreased 11.6%. General Obligation Bond Series 2011 was refunded during the year, saving approximately \$0.5 million in debt service payments over the next decade. No new debt was issued during the fiscal year.

Outstanding Debt		
Governmental:		2021
General Obligation Bonds	\$	12,890,000
Capital Outlay Notes		989,425
Business-Type:		
General Obligation Bonds		9,580,000
Revenue/Revenue & tax bonds		14,805,000
Total	\$	38,264,425

*Enterprise Funds on page 8 are reported from Proprietary fund financial statements.

Refers to all enterprise funds, i.e., Sewer, Power and Water Funds *Refers to the City's Sewer (Wastewater System) Fund

Credit Rating

The City maintains “AA+/Aa2” credit ratings for general obligation debt. The Aa2 rating was first received by Moody’s in 2011 and the AA+ rating last affirmed by Standard & Poor’s (S&P) in December 2020. The S&P “AA+” rating is considered a stronger rating than the “Aa2” rating by Moody’s. S&P cited the City’s strong financial management, conservative budgeting, diversity of revenue sources and strong local economy as reasons for the improved rating in 2017, reaffirming the rating in 2020 citing continued improvement in the aforementioned factors as well as the local economy. The City has maintained a good relationship with rating agencies and major investment institutions through comprehensive disclosure of financial data and direct meetings with rating agency analysts. Both Moody’s and S&P cite the City’s large, diverse tax base, active financial management, stable and liquid reserves and low debt and pension burdens as the rationale for the City’s maintaining excellent creditworthiness. The higher credit rating is important, lowering borrowing costs and saving millions of dollars in annual debt service payments particularly as the City has sought to refinance older debt at lower interest rates.



Columbia Mayor’s Youth Council established during FY 2021

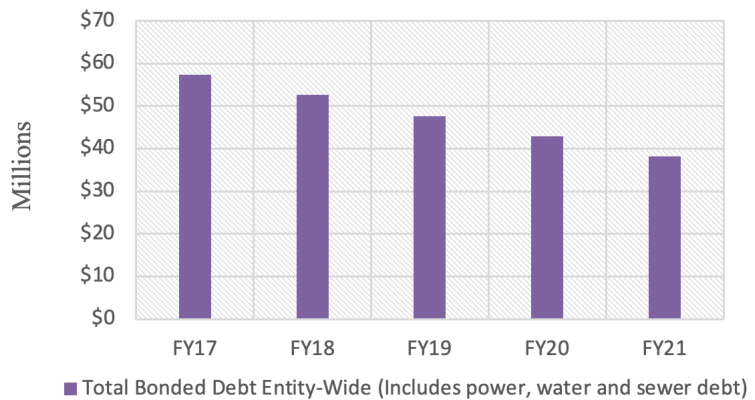


Columbia Police Department Accreditation Recognition, the Department having achieved both state and national accreditation by TELEA and CALEA, respectively



Fire Department Training Center Construction

GENERAL OBLIGATION AND REVENUE BONDS



Protecting the City’s Financial Health

The City of Columbia relies on several strategies to maintain a fiscally healthy city government. Each of the following help ensure the City’s financial health.

1. Continue strategic plan monitoring execution, and demonstration of plan effectiveness in the most transparent manner in meeting the City’s strategic objectives as outlined in the Columbia 2021-2025-2030 Strategic Plan.
2. Analysis of financial trends to guide the City’s elected officials and management for financial planning.
3. Adherence to sound, long established financial policies.
4. Constant diligence and attentiveness to the City’s stewardship of taxpayer dollars.
5. Review and evaluation of the City’s finances by Finance Department staff and Management, in addition to ongoing initiatives to improve the quality and frequency of financial reporting for elected officials and Columbia citizens.



CAPITAL IMPROVEMENTS PROGRAM

Most of the Capital improvements noted in this report are funded in the Capital Projects Fund. The Capital Projects Fund is used to consolidate the acquisition, design and construction of major capital improvements of the City other than improvements financed by special revenue or enterprise funds. The projects are funded through operating transfers from the General Fund and other revenue sources, such as grant proceeds and bond proceeds. Projects listed below are included within the first year of the five-year Capital Improvements Program and, in many cases, may take more than one fiscal year to be completed.

Revenues for capital projects totaled nearly \$6.1 million in 2021, an increase representing 154.2% compared to 2020. During the year, \$3.5 million was transferred from other funds including the General Fund (\$2.2 million) and State Street Aid Fund (\$1.3 million) to the Capital Projects Fund. Federal/state grant proceeds received during 2021 totaled \$2.6 million.



WASTEWATER SYSTEM REHAB
ASSESSMENT / DESIGN

Assessment and design/engineering for sewer system-wide improvements pursuant to an EPA Administrative Order of Consent (AOC) were completed during the year. Recommended Sewer System improvements to follow in FY 2022. Est. cost \$2.2 million (Wastewater “Sewer” Fund).



WEST 7TH STREET STREET SCAPE
CONSTRUCTION

The project to construct a streetscape on historic West 7th Street was approximately 95% complete at the end of FY 2021. The streetscape project connects the West 7th Street Historic District with the city’s historic downtown commercial district. The project features underground utilities, street and intersection realignment, on-street parking, wider sidewalks for bikes and pedestrians and improved traffic flow. The streetscape is anticipated to be completed during FY 2022. Est. cost \$7,000,000 (80% of funds from State, Nashville Area MPO and utilities).



FIRE STATION NO. 3
COMPLETED

Construction completed at the new Fire Station No. 3 located off of Bear Creek Pike adjacent to Cox Middle School. The site includes 30 acres of land donated to the City by Maury County Public Schools in exchange for the City developing a future Nature Park and maintaining sports facilities. Site prep was completed by Public Works, saving nearly \$1 million. Est. cost \$3,895,000 (2017 GO bond proceeds/General Fund reserves).



LED STREET LIGHT CONVERSIONS
CONSTRUCTION

The project to convert LED streetlights was nearly completed during 2021. The project included conversion of the City’s more than 6,000 street lights to LED bulbs, which will provide annual savings estimated to exceed \$400,000. The project was 90% complete as of June 30, 2021 (Capital Projects Fund using proceeds transferred from State Street Aid).



CAPITAL IMPROVEMENTS PROGRAM

COLUMBIA WORKS PROJECTS

Local, High-Impact Infrastructure Improvements

County Public Parking Lot Improvements

Public Works completed improvements to the large, county-owned parking lot west of the downtown square. In partnership with the county, improvements include repaving, striping and new LED lighting. The improved lot was subsequently opened to the public with a dedicated section for public parking in addition to county employee parking which aids the City's objective to expand access to parking near the downtown square.

Trolley Shelters

Trolley shelters were completed at nine locations within the center of the City limits, the first transit shelters ever constructed in Columbia. The project is a partnership with Muletown Trolley, the transit system operated by the South Central Tennessee Development District. The project was funded using the City's CDBG non-entitlement grant funds.

Traffic Signal upgrades at five key intersections

This project expands upon an existing program to provide pre-emption for the City's public safety departments triggering traffic signals to clear traffic backup for improved response times. The upgrades also provide real-time monitoring and diagnostics of the signal's operation.

FACADE IMPROVEMENT PROGRAM

The Columbia Facade Improvement Program is funded using TNECD Facade Grant funds awarded to eligible MainStreet cities on a competitive basis. The City has focused on awarding Facade Grant funds to local property/business owners for high impact projects within the downtown historic business district and adjacent areas. To date, 16 projects have been completed with five currently underway.

AMUSEUM CHILDREN'S MUSEUM
NEW SIGNAGE AND LIGHTING



BOYS AND GIRLS CLUB
FACADE PAINTING AND AWNING



FLAG WORLD
PAINTING



TED'S SPORTING GOODS
SIGN RESTORATION AND ILLUMINATION



BEFORE

AFTER



CONCLUSION

Economic Factors and FY22 Budget and Rates

Factors considered in preparing the City’s Budget for the [2022 fiscal year](#) are further discussed in the Budget document and include:

POPULATION

Residential population growth continued to increase in FY 2021 with growth anticipated to continue to increase in FY 2022. Columbia’s most recent population estimate for 2021 is 41,690 using US Census/American Community Survey data. Strong residential growth continues to drive increased residential and commercial development. Increased development activity is evidenced by the number of building permits issued during FY 2021 (1,750), which is comparable to the prior year FY 2022 building permits issued are anticipated to exceed 2,000, using a conservative estimate for 2022 permits.

UNEMPLOYMENT

The unemployment rate (not seasonally adjusted) for August 2021 for the City of Columbia was 6% with Maury County unemployment at 4.5%, the State of Tennessee at 6.2% and a national unemployment at 5.3% (not seasonally adjusted). The City’s 6% unemployment rate is down 3.3% compared to August 2020.

PROPERTY TAXES

Property tax is the most stable source of revenue for the City. The property tax rate levied in FY 2022 is \$1.1597. Property taxes generated in Columbia comprises 32% of overall budgeted General Fund operating revenues. The FY 2022 budget anticipates \$11.4 million in property tax revenue. Other revenue sources are subject to some degree of fluctuation in economic cycles. Local sales tax represents 35.4% of total revenue budgeted in the General Fund. The FY 2022 budget anticipates \$12.6 million in local sales tax revenue.

2021-2025-2035 PLAN


The City will continue to follow the Columbia 2021-2025-2035 plan focusing on fiscal responsibility, quality of life issues, strong public safety, community engagement and continued commitment to downtown Columbia.

CAPITAL IMPROVEMENTS PROGRAM

The City updates and adopts annually a five-year Capital Improvements Program, including a five-year projection of capital needs and expenditures and five-year forecasts of revenues, expenditures and excess for capital investment for the General Fund as part of the annual budget document. [More information on the FY 2022 Budget is available here.](#)

TRANSPORTATION

As the City continues to see increased rates of growth for residential in-migration, the City’s Capital Improvements Program (CIP) includes key investment to the City’s transportation network. The FY 2022 budget was adopted with CIP funding totaling nearly \$5.4 million in transportation improvements. In addition to programs included in the fiscal year budget as of July 1, 2021, the City also budgeted \$640,000 to complete the LED street light conversion project, which began in FY 2021.

Click here for more information on the City’s financial policies. 

Acknowledgments

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Requests for Information

The information contained in the PAFR is a general overview of the City’s finances. Questions or requests for additional information may be addressed to **Chief Financial Officer Thad H. Jablonski** at (931) 560-1580, Tjablonski@ColumbiaTN.com or to:

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