

POPULAR ANNUAL
**FINANCIAL
REPORT**

2024





WELCOME



We are pleased to present the Popular Annual Financial Report (PAFR) of the City of Columbia for the fiscal year ended June 30, 2024. 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 2024 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 2024.

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 fiscal years 2018-2023, the 2024 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 2024 ACFR online at ColumbiaTN.gov.

Sincerely,

Handwritten signature of Thad H. Jablonski.

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

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HIGHLIGHTS



City Receives Green Leadership Award



Groundbreaking for new wastewater treatment project, the largest project in City history totaling \$97 million for construction.



Garage renovations in 2024 totaled nearly \$900,000, repairing brick and water damage through the structure.



Ribbon cutting for EV charging station at County owned downtown parking lot. The project is a collaboration between the county (property owner), the city (lot improvements) and CPWS (grantee) using TVA grant funds to finance the charging station.



Fire Station No. 1 renovations began in 2024, the 1978 structure remodeled and adding space for administrative offices and women's domicile.



The City purchased a new Fire Engine in 2024 for \$750,000.



FINANCIAL STRENGTH

During 2024, revenues for all governmental funds (including transfers) increased approximately 1.3%, or \$871,000, with the majority of revenues generated by taxes. Taxes made up 66.1% of all revenues in FY 2024. 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 fourth consecutive year. Local sales tax revenue increased by 9.5% or nearly \$1.9 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 2024. At June 30, 2024, the City's governmental fund balances totaled \$73.3 million, an increase of \$8.8 million in comparison with the prior year of approximately \$64.5 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 2024, containment measures implemented to stay within current revenues provided for decreased expenditures. The positive economic climate evidenced by increased residential and commercial development also drove record sales and business tax collections to record levels. During the fiscal year, the City's total governmental debt (principal on bonds) decreased by \$1.6 million, or 14.1%. Revenue bonds were issued and used to refund existing bonds resulting in an economic gain and reduced total debt service payments. Debt from proprietary funds, i.e., sewer, power, and water, increased by \$3.3 million due to debt issued for water treatment systems.

ANNUAL REVENUE*

\$67,100,000



1.3%

*Revenues include transfer in

**2024 FUND
BALANCE**

\$73,300,000

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

LOCAL SALES TAX

\$19,700,000



9.5%

**GOVERNMENTAL
DEBT DECREASE**

\$1,600,000

14.1% Reduction

**CHANGE IN FUND
BALANCE
GOVERNMENTAL
FUNDS**

\$8,800,000



13.6%

**INCREASE
IN CHARGES
FOR SERVICES**

\$1,140,000

LICENSES & PERMITS

\$2,600,000



52.9%



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 information about the finances of the City. The report shares comprehensive information required to be reported by generally accepted accounting principles and it conforms to the requirements for an ACFR 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 2024 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 focuses more closely on the General Fund, which is the chief operating fund for most municipal functions and accounts for more than half of the City's annual operating budget.

FUNDS

Most City services and projects are accounted for in a general category referred to 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 and interest payments.

CAPITAL PROJECT FUND

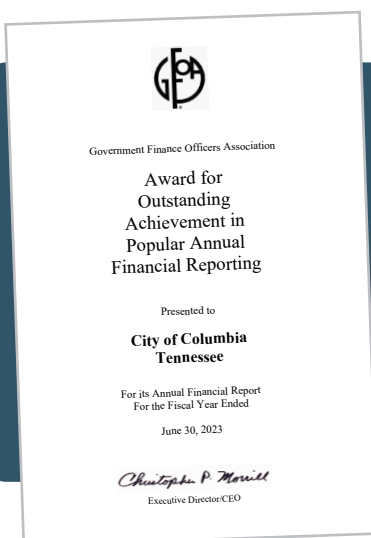
Accounts for financial resources used for the construction and/or acquisition of major capital facilities (e.g. major roads and intersection improvements, general government, public safety and parks improvement).

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 Government Finance Officers Association (GFOA) has awarded the City of Columbia for its excellent Popular Annual Financial Report (PAFR) for the fiscal year ending June 30, 2023. This national award recognizes government reports that meet the highest standards for clarity, creativity, presentation, and appeal to readers. To win the award, a city must produce a PAFR that is easy to understand and visually engaging.



ABOUT COLUMBIA

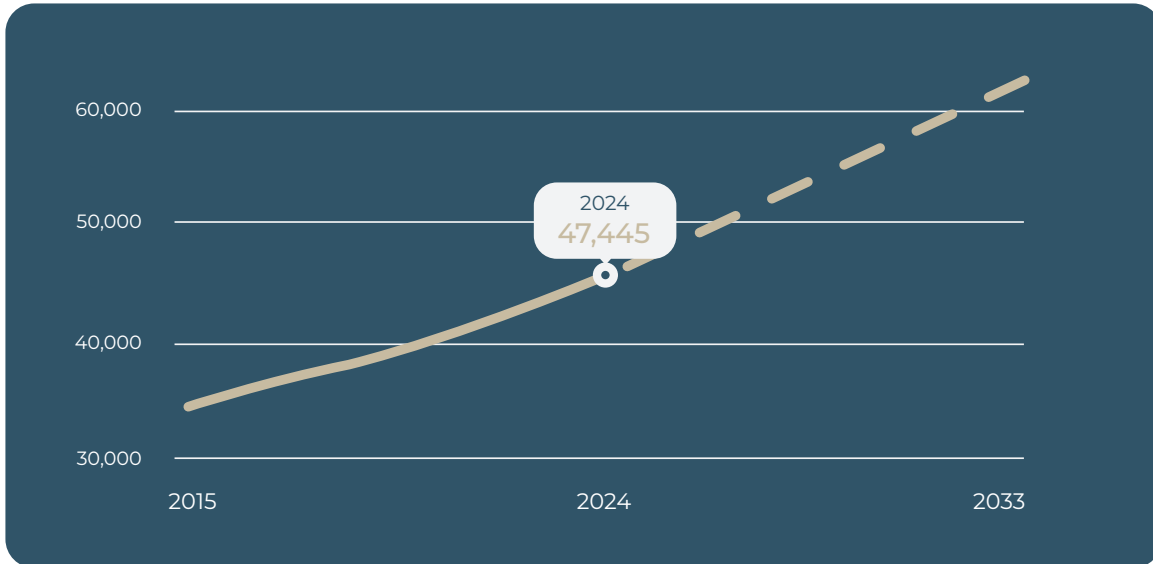
The City of Columbia is located in Maury County, serving as the county seat. Columbia was first settled in 1807 and incorporated on November 18, 1817. Located approximately 40 miles southwest of Nashville, Columbia is one of the fastest growing cities in the South Central and Middle Tennessee regions.

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 reaffirmed its ISO 1 rating in 2022, the highest rating attainable for fire suppression and one of only two cities in the state recognized as an ISO 1 community. In 2022, 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 2024 stands at 47,445 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 34.9 years of age. Median age has trended downward during the past decade.



There are 17,041 households in Columbia with an average size of 2.43 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 an 88.9% occupancy rate. Based on the most recent 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, 69% are owner-occupied. The median home value for owner-occupied housing in Columbia is \$235,800.

During CY 2024, the Columbia Police Dept. (CPD) responded to over 34,000 calls for service, generating 8,329 incident reports. Over the period, more than 36,000 citizen contacts were captured on body cameras. CPD made 2,700 arrests and documented over 5,600 traffic stops. In addition, CPD worked more than 25 mass gathering events inside the city limits. The Police and Fire & Rescue Departments have an average emergency response time of less than five minutes.

More than 91.1% of the City's adult population hold a high school diploma, with more than one quarter of those having earned a bachelor's degree or higher. Columbia's per capita income totals \$60,372. Average household income totals \$92,938.

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 8 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 September 30, 2024 indicate a 3.6% unemployment rate for the City of Columbia, a 0.3% increase compared to September 2023, indicating a consistently strong local economy. The September 2024 unemployment rate for Maury County stands at 3.2%, compared to 3.2% for the State of Tennessee and a national average of 4.1% (not seasonally adjusted).

According to Smart Asset's 2024 rankings, Maury County ranks #1 in Tennessee for all four incoming investment categories. The County also ranked #3 for incoming investment and #7 for business growth nationally. All rankings are by county with approximately 3,200 counties in the U.S. The study noted 4.9% growth in business, \$306.0 million in GDP increases and 40.4 new building permits per 1,000 homes.

Economic development news and announcements for Maury County and Columbia continued during FY 2024 with four economic development projects across Maury County announced. The cumulative impact of these projects are projected to create approximately 400 new jobs and \$125 million in capital investment. Additionally, the City of Columbia Industrial Development Board was awarded a competitive site development grant totaling \$1.6 million to relocate a power transmission line and maximize remaining developable acreage at its publicly owned Columbia Rail Site. Residential population growth continued to increase in FY 2024 with growth anticipated to continue to increase in FY 2025. Columbia's most recent population estimate for 2024 is 47,445 using U.S. Census/American Community Survey data. The 2024 population reflects a 32.0% increase over the last 10 years. Strong residential growth continues to drive increased residential and commercial development throughout the Columbia City limits. Increased development activity is evidenced by the number of building permits issued during FY 2024 (2,862), which represents an increase of 274 permits, or 10.6%, compared to FY 2023. FY 2024 anticipated building permits issued are expected to exceed 2,900, which is estimated based on trends during the past five years.

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

EMPLOYMENT ON THE RISE

The labor market added jobs during FY 2024. The unemployment rate for September 2024 was 3.6%, an increase of 0.4% over September 2023.

TOP EMPLOYERS	EMPLOYEES
Maury Regional Hospital	3,269
Maury County School System	1,881
Maury Regional Medical Group (formerly Family Health Group)	1,754
Tennessee Farm Bureau & Affiliates	724
Maury County Government	485
City of Columbia	372
Columbia State Community College	286
First Farmers & Merchants National Bank	239
Wiremasters Inc.	235
JC Ford	226

PERMIT GROWTH

Historic residential building activity is evidenced via a nine year trend of year-over-year growth in the number and value of residential building permits.

BUILDING PERMITS	NO. PERMITS	TOTAL VALUATION
2024	2,862	\$326,800,000
2023	2,588	\$290,500,000
2022	2,309	\$205,300,000
2021	1,749	\$158,200,000
2020	1,482	\$87,400,000

FISCAL PROCESS

The annual budget is the foundation of the City's financial planning and control. Each department submits budget requests to the CFO in the first quarter. The City Manager, with the CFO, uses these requests to develop a proposed budget, which is presented to the City Council for approval. An automated accounting system ensures strict budget compliance by checking fund availability for purchases and encumbering purchase orders and contracts. Departments can transfer funds within their budgets, but transfers between departments or funds require City Council approval via a budget amendment.

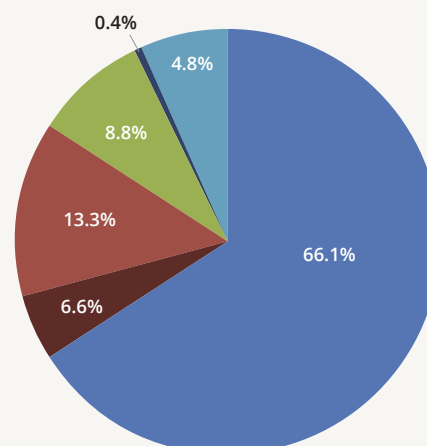


REVENUES AND EXPENDITURES

Revenues for all governmental funds total \$58.3 million. Taxes account for the largest share (66.1%) of governmental revenues. Local sales tax surpassed property taxes to become the City's largest source of revenue for the fourth consecutive year. Local sales tax increased by 9.5% or nearly \$1.9 million, totaling \$19.7 million. FY 2024 property taxes approximated \$13.7 million, compared to \$12.7 million in the prior year. 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.

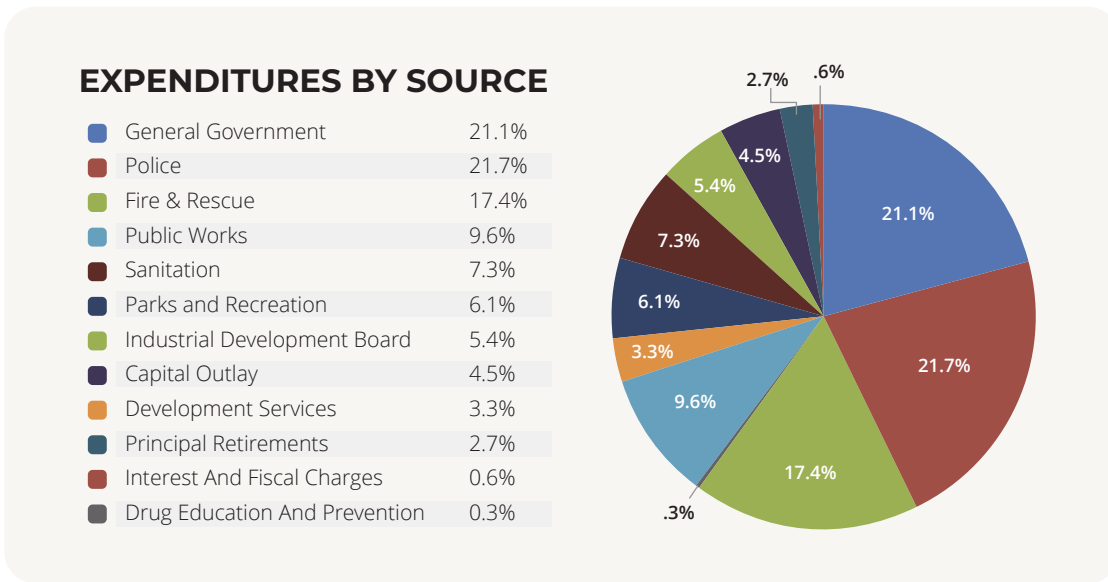
REVENUES BY SOURCE

Taxes	66.1%
Intergovernmental	13.3%
Charges for Services	8.8%
License and Permits	4.8%
Fine and Forfeitures	0.4%
Miscellaneous	6.6%



EXPENDITURES

Expenditures during FY 2024 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 Principal and Interest on Long-term Debt. During FY 2024, expenditures totaled \$51.4 million, an increase of \$1.7 million over 2023. The largest expenditures were Public Safety with Police at \$11.5 million followed by Fire & Rescue at \$10.1 million and General Government at \$10.0 million. FY 2024 expenditures totaled \$4.8 million for Public Works, \$2.1 million for Development Services and \$3.1 million for Parks & Recreation. FY 2024 expenditures for The Sanitation and Industrial Development Board were \$4.8 million and \$30,000, respectively. Payments towards principal (in order to retire debt) totaled more than \$1.3 million in expenditures with interest payments at approximately \$0.3 million.



Capital Projects Fund expenditures accounted for approximately \$3.2 million, a \$1.0 million increase over the prior year, as the City continued design and began construction activities for several large-scale, multi-year infrastructure projects. All departments were able to maintain expenditure levels less than the amounts appropriated, while providing the same service levels to Columbia citizens.

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

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.

GENERAL FUND

The fund balance of the City's General Fund increased by \$4.9 million during the fiscal year ended June 30, 2024. Increased revenues over expenditures in addition to cost containment measures implemented by Management to stay within current revenues provided for the 9.9% increase in fund balance. Key factors are as follows:

- 3.8 million, or 8.1% increase in all general fund revenues compared to 2023.
- Taxes in the General Fund increased \$1.8 million, or 4.8% versus the prior year.
- Local sales tax increased \$1.9 million, or 9.5% over the prior year.
- Property tax collections increased \$1.0 million, to \$13.7 million in 2024.
- Business tax revenue increased 7.0% versus prior year.
- Intergovernmental revenue, including grants, increased 5.9% over 2023.
- General Fund investment income doubled over prior year totaling \$2.5 million.
- Public Safety (Police and Fire) remains the largest area of expenditure, representing 42.1% of all General Fund expenditures during 2024.
- Total expenditures increased 3.5% compared to 2023.
- At year-end, total actual expenditures were 19.2% less than budgeted expenditures as the City operated to stay within budgeted revenues.
- \$10.6 million in prior year revenue was budgeted from fund balance, though none was used.

FY 2024 General Fund revenues decreased approximately \$1.7 million over 2023. Taxes increased 4.8% versus the prior year with property and sales tax collections totaling highest amounts historically. Local sales tax represents the single largest source of General Fund revenue year-over-year since 2021. Strong property and sales tax performance in 2024 follows from increased residential and commercial development. Local sales tax growth (9.5%) demonstrates the continued strength in local economic conditions during the year.

Total expenditures in the General Fund increased \$1.7 million over FY 2023. General Fund revenues exceeded expenditures in FY 2024 as Management continued to manage finances so that current year expenditures stay within current year revenues. The General Fund is the chief operating fund of the City. At June 30, 2024, unassigned fund balance of the General Fund was \$54.1 million with \$0.5 million designated as "non-spendable".

WHAT'S IN THE GENERAL FUND?

REVENUES

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

Federal and state grants and assistance, state sales tax, gas tax and other state aid and tax transfers

FINES AND FEES

Court and traffic related fines and fees

CHARGES FOR SERVICE

Charges and fees that support a particular service provided, e.g., park rental fee

LICENSES AND PERMITS

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

INTEREST ON INVESTMENTS

Interest generated on deposit accounts or investments in treasury notes

OTHER REVENUES

Miscellaneous revenue, donations.

EXPENSES

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

Miscellaneous revenue, donations.



Recognizing Former Columbia Mayor Dean Dickey - Softball Park Dedication



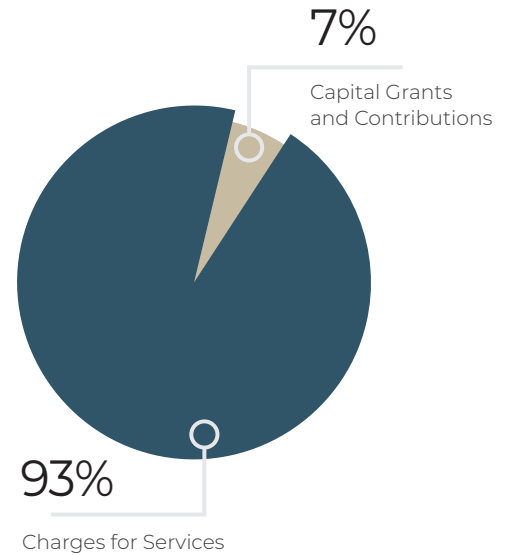
Columbia Fire Chief Chris Cummins discussed new air pack demonstration provided to the City Council.

ENTERPRISE FUNDS*

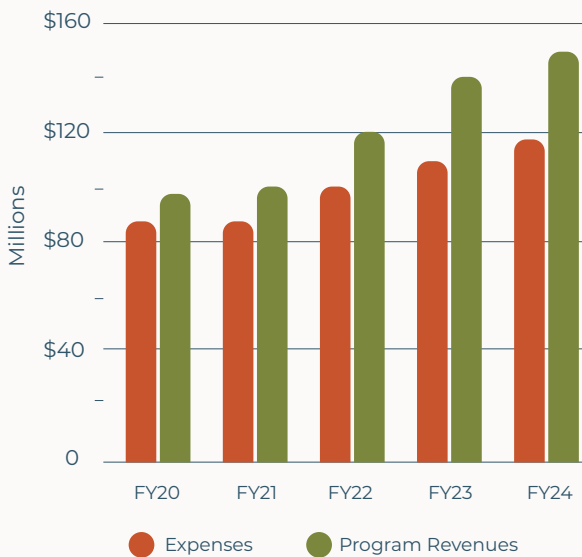
Business-type activities – Sewer, Power and Water Funds operate as “Enterprise Funds,” funds established to account for operations wherein services are provided. These are segregated by purpose (sewer, power, water) and use from other funds and accounts of the government so that revenues generated by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

Enterprise fund revenues were made up primarily of \$135.2 million in charges for services. Enterprise fund revenues more than offset \$117.1 million in operating expenses for business-type activities in 2024.

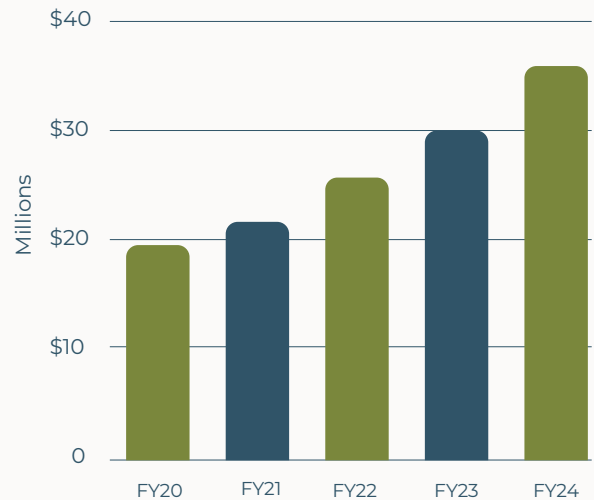
The Sewer Fund (Wastewater System) is operated by the City of Columbia day-to-day as a city department. Unrestricted Net position for the Sewer Fund totaled more than \$36.9.0 million as of June 30, 2024, representing an increase of approximately \$6.9 million, or 23.0% from the previous year. Unrestricted net position in the City’s Sewer Fund has increased nearly \$19.2 million dollars since 2020. Revenues over expenses, including higher impact fee revenue from new development and cost containment of Sewer System expenses, continues to drive year-over-year growth in net position. While the Sewer Fund is managed by the City of Columbia, CPWS operates the Power and Water Funds.



PROGRAM REVENUES & EXPENSES



SEWER FUND-RETAINED EARNINGS



2024 OUTSTANDING DEBT

During FY 2024, the City's total debt (principal on bonds) increased by \$1.7 million compared to the prior year. The major types of long-term debt include general obligation bonds, revenue bonds, revenue and tax bonds and capital outlay notes. During FY 2024, total debt for governmental activities decreased 14.1% and business-type activities increased 19.4%. New debt issued during 2024 followed from the CPWS water treatment system expansion.

DEBT TYPE	AMOUNT
Governmental	
General Obligation Bonds	\$9,870,000
Capital Outlay Notes	\$74,285
Business-Type	
General Obligation Bonds	\$5,890,000
Revenue/Revenue & Tax Bonds	\$14,385,103
\$30,219,388	



Fire Chief Chris Cummins and Police Chief Jeremy Alsup are pictured together at the 2024 City Employee Picnic.



Mayor Chaz Molder leads the pack driving heavy equipment during the Public Works Department "Equipment Rodeo" at the 2024 City Employee Picnic.



Firefighters using newly purchased equipment.

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 July 2024. 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 2024 citing continued improvement in the aforementioned factors as well as financial management and 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.



Fall Fest 2024



Downtown improvements with added wayfinding kiosks



Opening of President James K Polk and First Lady Sarah Polk Statues at President's Park.

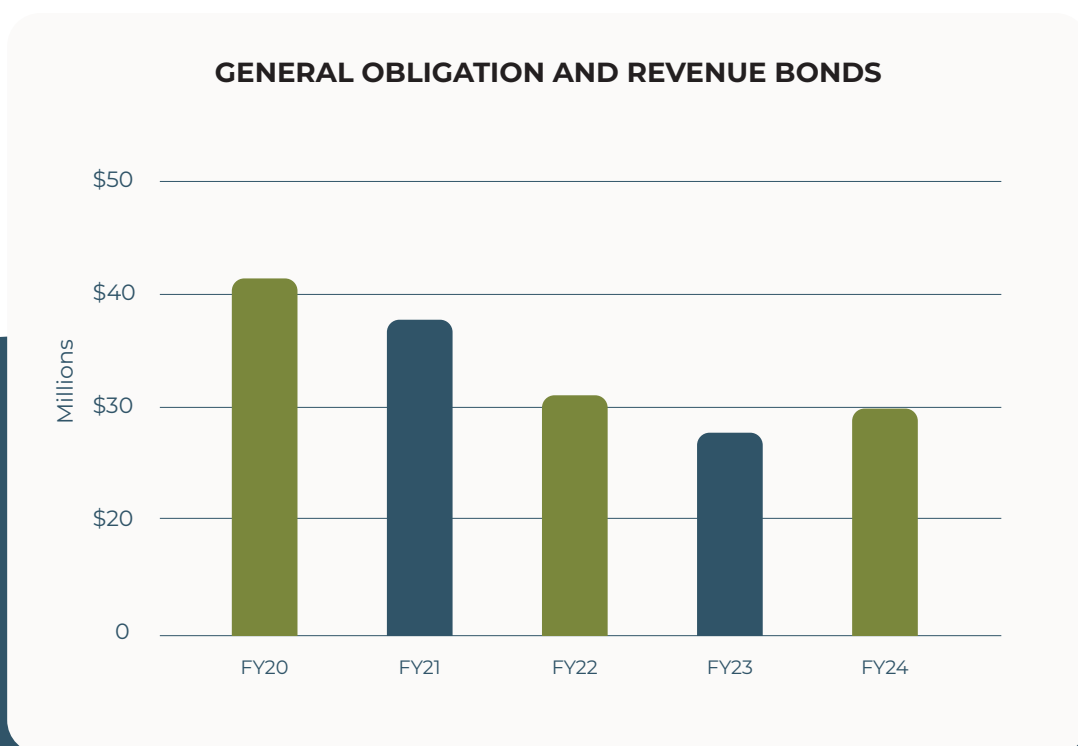


New artwork by local artist applied to crosswalk in the Arts District

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 2024-2029 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 \$0.5 million in 2024, a decrease of 0.3% compared to 2023. During the year, \$5.4 to the Capital Projects Fund. Federal/state grant proceeds received during 2024 totaled \$0.5 million.

FIRE STATION NO. 1 RENOVATION / DESIGN

Engineering and design began at Fire Station No. 1 located in Downtown Columbia. Built in 1978, Station No. 1 is the City's oldest firehouse. Preliminary designs were completed in FY 2022 and construction drawings are being completed with plans to solicit construction bids during FY 2024. Construction is anticipated to be completed in FY 2025. Est. cost \$4,882,000 (General Fund reserves).

PUBLIC WORKS STORAGE/FUEL FACILITY DESIGN

Project includes construction of covered storage, emergency fuel, salt and equipment storage at the Columbia Public Works facility on Santa Fe Pike. Construction is anticipated to be completed in FY 2025. Est. cost \$1,000,000 (General Fund reserves).

IRON BRIDGE DESIGN / CONSTRUCTION

Engineering and design for bridge replacement of single-span concrete vehicular bridge on Iron Bridge Road over Lytle Creek designed to meet current standards. The bridge is currently anticipated to have two vehicle travel lanes, a shoulder on the south side,

and a multiuse path on the north side. Preliminary designs were completed in FY 2024 and construction drawings are being completed with plans to solicit construction bids during FY 2025. Construction is anticipated to be completed in FY 2025. Est. cost \$1,934,000 (General Fund reserves).

BEAR CREEK PUMP STATION DESIGN

Engineering and design has begun for a new Bear Creek Pump Station. Construction is anticipated to begin in FY 2025. Est. cost \$8,255,000 (Wastewater "Sewer" Fund Net Position and proceeds from the sale of Sewer Bonds).

WASTEWATER TREATMENT PLANT DESIGN

Engineering and design completed in FY 2024. Construction began at start of FY 2025. The new treatment plant project is the largest project, in terms of cost, in the City's history. Est. cost \$97,000,000 (Wastewater "Sewer" Fund Net Position and proceeds from the sale of Sewer Bonds).

COLUMBIA WORKS PROJECTS

Columbia Works provides dedicated funds for high impact projects. Several FY 2024 projects are included below.

26

Drainage Ditch Improvement Projects

7

Curb and Gutter Repair/Replacement

8

Sidewalk Repair/Replacement Projects

\$240,000

Estimated Cost (General/State Street Aid Funds)





ECONOMIC FACTORS AND FUSION FY25 BUDGET AND RATES

Factors considered in preparing the City's Budget for the 2025 fiscal year are further discussed in the Budget document and include:

POPULATION

Residential population growth continued to increase in FY 2024 with growth anticipated to continue to increase in FY 2025. Columbia's most recent population estimate for FY 2024 is 47,445 using U.S. 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 2024 (2,862), which represents a 10.6% increase to the prior year. FY 2025 building permits issued are anticipated to exceed 2,900, using a conservative estimate based on the previous years' activity.

UNEMPLOYMENT

The unemployment rate (not seasonally adjusted) for September 2024 for the City of Columbia was 3.6% with Maury County unemployment at 3.2%, the State of Tennessee at 3.5% and national unemployment at 3.9% (not seasonally adjusted). The City's 3.6% unemployment rate is down slightly by 0.1% compared to September 2023.

PROPERTY AND LOCAL SALES TAXES

Property tax is the most stable source of revenue for the City. The property tax rate levied in FY 2025 is \$0.8251. Property taxes generated in Columbia comprises 26.4% of overall budgeted General Fund operating revenues. The FY 2025 budget anticipates \$12.5 million in property tax revenue. Other revenue sources are subject to some degree of fluctuation in economic cycles. Local sales tax represents 38.5% of total revenue budgeted in the General Fund. The FY 2025 budget anticipates \$16.3 million in local sales tax revenue.

2024-2098 PLAN

The City will continue to follow the Columbia 2024-2029 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 (CIP), including a five-year projection of capital needs and expenditures and five-year forecasts of revenues, expenditures and excess for capital investment as part of the annual budget document.

TRANSPORTATION

As the City continues to see increased rates of growth for residential in-migration, the City's CIP includes key investment to the City's transportation network. The FY 2025 budget was adopted with CIP funding totaling nearly \$10.2 million in transportation improvements. In addition to programs included in the fiscal year budget as of July 1, 2024, the City also budgeted \$4.4 million for municipal facilities including to complete Fire Station No. 1 renovations and City Hall Roof Replacement, and \$1.2 million for the Public Works Storage/Fuel Facility project.



New public art unveiled in the Arts District



Public Works snow plowing

ACKNOWLEDGEMENTS



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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

(931) 560-1580

Tjablonski@ColumbiaTN.gov

or to:

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