



City of Columbia, Missouri

Popular Annual Financial Report

For the Fiscal Year Ended - Sept. 30, 2022



City of Columbia, Missouri

Popular Annual Financial Report - 2022



City of Columbia, Missouri

Founded in 1821, Columbia is Missouri's 4th largest city. Columbia's current government was established by a home rule charter adopted by voters on Nov. 11, 1974, which established a council-manager government. The City Council is made up of six council members that are elected by wards and a mayor that is elected at large. Columbia is the county seat of Boone County, and houses the county court and government center. The city is in Missouri's 4th congressional district. The 19th Missouri State Senate district covers all of Boone County. There are five Missouri House of Representatives districts (9, 21, 23, 24, and 25) within the city.



A Message From Finance

Citizens of Columbia,

As part of a continuous effort to be transparent and present financial data in relatable terms, we are pleased to present the City of Columbia's Popular Annual Financial Report (PAFR). This report provides an overview of City finances and administrative activities for the fiscal year ended Sept. 30, 2022. We have included a brief analysis of where City revenue comes from, where those dollars are spent as well as trends in the local economy.

The report is intended to summarize the financial activities of the City of Columbia government, and includes a portion of information that appears in the 2022 Comprehensive Annual Financial Report. The PAFR is unaudited and not presented in a Generally Accepted Accounting Principles (GAAP) format. A copy of the Comprehensive Annual Financial Report is available at the City's website: [CoMo.gov](https://www.como.gov).

To the best of our knowledge, the information presented herein is accurate in all material respects and presents fairly the financial position and results of operations for the fiscal year ended Sept. 30, 2022.

Responsibility for the accuracy and completeness of the data presented rests solely with the City of Columbia.

We are committed to preserving the City's long-term financial health as evidenced by our Standard & Poor's Issue Credit Rating of AA/Stable. The City has maintained fund balances in compliance with the policy adopted by the City Council in August 2012. The City is required to maintain a balance of 20% of operating expenditures as a required reserve. As of Sept. 30, 2022, the City had an unassigned general fund balance of \$48,996,822, 44.7% of expenditures and transfers of \$108,347,205, above the 20% target.

If you would like more information regarding the City of Columbia and its various departments and agencies, please visit the City's website at: [CoMo.gov](https://www.como.gov).

Additional information regarding the city's finances may be found at: [CoMo.gov/finance/accounting/financial-reports/](https://www.como.gov/finance/accounting/financial-reports/)

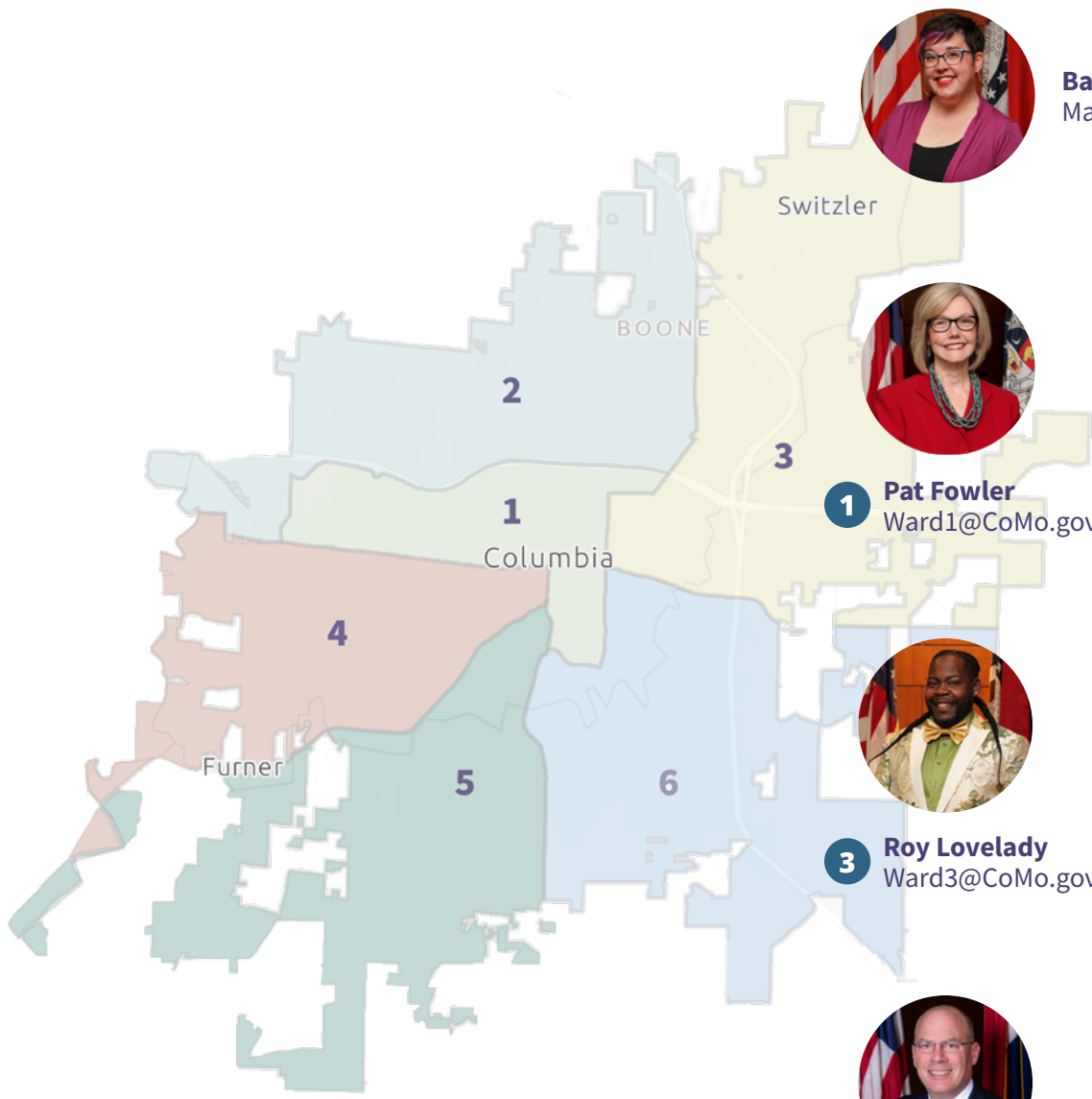


De'Carlton Seewood
City Manager



Matthew Lue
Director of Finance

City of Columbia Mayor & City Council



Barbara Buffaloe
Mayor@CoMo.gov

Pat Fowler
Ward1@CoMo.gov

Andrea Waner
Ward2@CoMo.gov

Roy Lovelady
Ward3@CoMo.gov

Nick Foster
Ward4@CoMo.gov

Matt Pitzer
Ward5@CoMo.gov

Betsy Peters
Ward6@CoMo.gov

City of Columbia Profile

Type of Government:

Council-Manager

City Founded:

1821

RESIDENTS:

126,850

MEDIAN AGE:

29.2

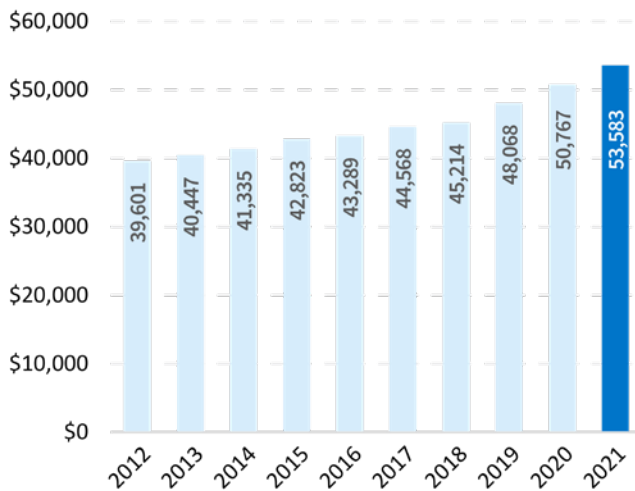
Per Capita Personal Income:

\$53,583

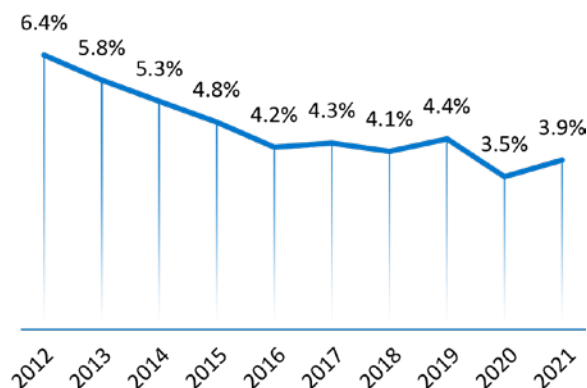
Unemployment Rate:

3.9%

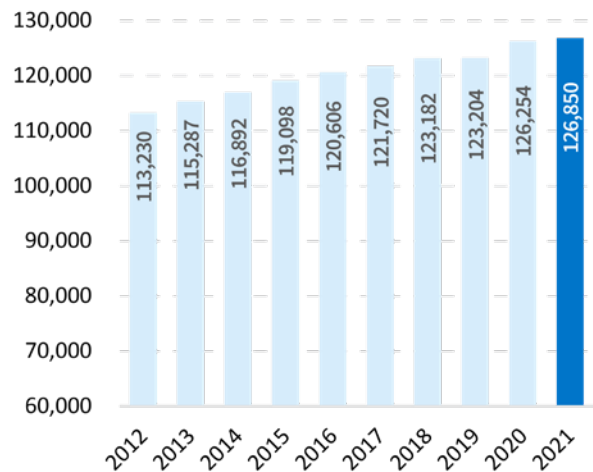
Per Capita Personal Income



Unemployment Rate



Population



Top 10 Employers

	Number of Full-Time Employees	Percentage of Total City Employment
University of Missouri	8,709	9.07%
Health Care	5,092	5.30%
Veterans United Home Loans	3,474	3.62%
Columbia PUBLIC SCHOOLS	2,650	2.76%
U.S. Department of Veterans Affairs	1,779	1.85%
Boone Hospital Center	1,581	1.65%
City of Columbia	1,515	1.58%
SHELTER INSURANCE	1,375	1.43%
JOE MACHENS DEALERSHIPS	1,277	1.33%
HUBBELL Power Systems, Inc.	751	0.78%

Financial Activity Statement:

Governmental Funds for Years Ended Sept. 30, 2022;

Sept. 30, 2021; and Sept. 30, 2020

Governmental Funds

REVENUES	2022	2021	2020	EXPENDITURES	2022	2021	2020
General Property Taxes	9,335,517	9,146,927	8,947,930	Policy Development And Administration	12,097,240	10,153,287	11,453,670
Sales Tax	58,955,232	52,611,482	47,278,467	Police (Public Safety)	25,723,349	24,278,083	23,861,339
Use Tax	1,311,370	-	-	Fire (Public Safety)	23,362,300	21,069,294	19,592,715
Other Local Taxes	15,631,349	13,684,090	12,613,694	Public Safety Misc. (Public Safety)	1,807,445	1,899,802	2,151,611
Payment In Lieu Of Taxes (P.I.L.O.T.)	16,748,504	16,726,267	16,784,702	Public Works	11,362,199	11,086,735	9,843,308
Licenses And Permits	1,072,953	1,102,948	1,002,066	Health And Environment	13,325,477	15,683,454	12,509,107
Fines	552,153	630,989	802,706	Personal Development	8,784,038	7,810,519	7,274,671
Fees And Service Charges	4,113,934	6,684,563	3,216,245	Supporting Activities	3,425,404	3,528,844	-
Intragovernmental Revenue	9,207,929	7,833,847	5,075,091	Misc. Nonprogrammed Activities	57,963	2,059,868	366,194
Revenue From Other Governmental Units	23,653,548	19,385,110	9,945,357	Capital Outlay	11,344,304	20,932,869	17,660,265
Lease Revenue	-	153,664	1,881,162	Debt Service:			
Investment Revenue	197,257	767,445	2,694,696	Principal	1,415,000	1,562,445	5,139,792
Miscellaneous	2,472,056	1,608,832	2,546,324	Interest	355,393	426,225	621,552
Total Revenues	143,251,802	130,336,164	112,788,440	Bond Issuance And Other Costs			-
				Total Expenditures	113,060,112	120,491,425	110,474,224
				Excess (Deficiency) Of Revenues Over Expenditures	30,191,690	9,844,739	2,314,216

OTHER FINANCING SOURCES (USES)	2022	2021	2020
Transfers In From Other City Funds	7,009,317	4,507,533	4,403,343
Transfers Out To Other City Funds	(13,342,776)	(4,171,358)	(13,404,801)
Total Other Financing Sources (Uses)	(6,333,459)	336,175	(9,001,458)
NET CHANGE IN FUND BALANCES	23,858,231	10,180,914	(6,687,242)
Fund Balance - Beginning	135,019,913	124,838,999	131,526,241
Fund Balance - Ending	\$158,878,144	\$135,019,913	\$124,838,999

Definitions

GOVERNMENTAL FUNDS - Include the functions of the City that are principally supported by taxes and intergovernmental revenues. The funds included under Governmental Funds are the General Fund, Capital Projects Fund, Transportation Sales Tax Fund, Park Sales Tax Fund, Convention and Tourism Fund, Community Development Fund, Debt Service Funds, Designated Loan Fund, and Contributions Fund.

Governmental revenues over the last three-year period have increased by \$30,463,362 or 27.01%. Revenue categories that saw significant increases include Sales Tax (24.70%), Other Local Taxes (23.92%), and Revenue from Other Governmental Units (137.84%).

The increase in fund balance for 2022 resulted primarily from an increase in Sales Tax and the receiving of ARPA grant funds.

Financial Activity Statement:

General Funds for Years Ended Sept. 30, 2022;

Sept. 30, 2021; and Sept. 30, 2020

General Fund

REVENUES	2022	2021	2020	EXPENDITURES	2022	2021	2020
General Property Taxes	9,335,517	9,146,927	8,947,930	Current:			
Sales Tax	29,461,437	26,295,876	23,668,382	Policy Development And Administration	9,485,474	7,915,484	8,982,535
Use Tax	642,572	-	-	Police (Public Safety)	25,723,349	24,278,083	23,861,339
Other Local Taxes	12,003,180	11,082,330	10,418,850	Fire (Public Safety)	23,362,300	21,069,294	19,592,715
Payment In Lieu Of Taxes (P.I.L.O.T.)	16,748,504	16,726,267	16,784,702	Public Safety Misc. (Public Safety)	1,807,445	1,899,802	2,151,611
Licenses And Permits	1,072,953	1,102,948	1,002,066	Public Works	11,362,199	11,086,735	9,727,324
Fines	552,153	630,989	802,706	Health And Environment	12,037,810	12,767,098	10,484,214
Fees And Service Charges	3,060,416	5,417,444	2,384,529	Personal Development	8,637,666	7,693,565	7,243,981
Intragovernmental Revenue	9,207,929	7,833,847	5,075,091	Supporting Activities	3,425,404	3,528,844	-
Revenue From Other Governmental Units	17,810,636	11,705,842	4,060,183	Misc. Nonprogrammed Activities	57,963	2,059,868	366,194
Investment Revenue	(38,356)	(61,407)	877,266	Capital Outlay	-	1,655,922	463,911
Miscellaneous	1,126,234	1,353,384	1,651,090	Total Expenditures	95,899,610	93,954,695	82,873,824
Total Revenues	100,983,175	91,234,447	75,672,795	Excess (Deficiency) Of Revenues Over Expenditures	5,083,565	(2,720,248)	(7,201,029)

OTHER FINANCING SOURCES (USES)	2022	2021	2020
Transfers In	10,685,064	15,310,890	8,292,111
Transfers Out	(12,447,595)	(2,930,002)	(1,898,027)
Total Other Financing Sources (Uses)	(1,762,531)	12,380,888	6,394,084
NET CHANGE IN FUND BALANCES	3,321,034	9,660,640	(806,945)
Fund Balance - Beginning	48,428,498	38,767,858	39,574,803
Fund Balance - Ending	51,749,532	48,428,498	38,767,858

Definitions

GENERAL FUND - is used to account for resources traditionally associated with government, which are not required legally, or by sound financial management to be accounted for in another fund. Departments that fall within the general fund include, City Manager, Public Safety, Streets and Sidewalks, and Health and Environment.

Total General Fund revenues increased by \$25,310,380 or (33.45%) over the three year period. Largely from an increase in sales tax and grant revenue. Expenditures increased by \$13,025,786 or (15.72%). The categories that saw the largest increase were Police, Fire, and Health.

Financial Activity Statement:

Utility Enterprise Fund for Years Ended Sept. 30, 2022;

Sept. 30, 2021; and Sept. 30, 2020

Utility Enterprise Funds

CHARGES FOR SERVICES	2022	2021	2020
Water	28,925,977	27,386,064	26,202,238
Electric	146,231,047	136,322,478	128,949,589
Solid Waste	26,623,267	24,926,232	22,892,486
Sewer	25,891,056	25,336,835	24,067,766
Stormwater	3,721,744	3,686,147	3,613,993
Total Charges for Services	231,393,091	217,657,756	205,726,072
OPERATING EXPENSES			
Water	15,911,411	15,306,154	14,277,095
Electric	129,592,792	103,781,447	97,390,048
Solid Waste	19,634,668	17,747,120	15,262,478
Sewer	10,248,386	11,108,955	10,139,639
Stormwater	1,406,246	1,152,142	1,094,450
Total Operating Expenses	176,793,503	149,095,818	138,163,710
Operating Income (Loss) Before Payment-in-lieu-of-tax and Depreciation	54,599,588	68,561,938	67,562,362
Payment-in-lieu-of-tax	(16,748,504)	(16,726,267)	(16,784,702)
Depreciation	(25,376,443)	(25,712,823)	(24,889,842)
Operating Income (Loss)	12,474,641	26,122,848	25,887,818

NON-OPERATING REVENUES (EXPENSES)	2022	2021	2020
Investment revenue	82,700	565,432	3,915,573
Revenue from other governmental units	140,244	61,897	76,252
Miscellaneous revenue	9,134,063	10,235,738	2,615,135
Interest revenue - leases	11,952	-	-
Interest expense	(7,094,080)	(7,995,708)	(8,870,679)
Loss on disposal of fixed assets	(109,985)	(1,528,358)	(416,803)
Miscellaneous expense	(221,622)	(330,020)	(1,260,630)
Total Non-Operating Revenues and Expenses	1,943,272	1,008,981	(3,941,152)

OPERATING TRANSFERS	2022	2021	2020
Operating transfers from other funds	565,887	2,071,031	-
Operating transfers to other funds	(1,566,530)	(1,538,899)	(1,074,621)
Total Operating Transfers	(1,000,643)	532,132	(1,074,621)
Capital contribution	4,170,769	3,528,893	2,018,852
Net Income (Loss)	17,588,039	31,192,854	22,890,897

Definitions

UTILITY ENTERPRISE FUNDS - Utility Enterprise funds are used to account for utility operations that are financed and operated in a manner similar to private business enterprise – where the intent of the government’s council is that the cost of providing goods or services to the public on a continuing basis be financed or recovered primarily through user charges.

Financial Activity Statement: Non-Utility Enterprise Funds for Years Ended Sept. 30, 2022; Sept. 30, 2021; and Sept. 30, 2020

Non-Utilities Enterprise Funds

CHARGES FOR SERVICES	2022	2021	2020
Airport	1,160,346	967,882	1,097,963
Public Transportation	1,287,366	955,395	1,195,776
Parking	4,085,614	3,708,230	3,734,516
Recreation Services	4,487,125	3,911,598	3,233,824
Railroad	352,876	423,722	316,302
Transload	177,549	85,921	81,251
Total Charges For Services	11,550,876	10,052,748	9,659,632
OPERATING EXPENSES			
Airport	2,916,860	2,460,492	1,845,207
Public Transportation	6,015,578	5,358,989	6,164,899
Parking	1,844,866	2,159,456	1,362,979
Recreation Services	6,580,818	6,190,292	5,788,594
Railroad	472,640	443,173	363,521
Transload	89,520	145,736	213,721
Total Operating Expenses	17,920,282	16,758,138	15,738,921
Operating Income (Loss) Before Depreciation	(6,369,406)	(6,705,390)	(6,079,289)
Depreciation	(4,950,426)	(4,935,358)	(4,295,060)
Operating Income (Loss)	(11,319,832)	(11,640,748)	(10,374,349)

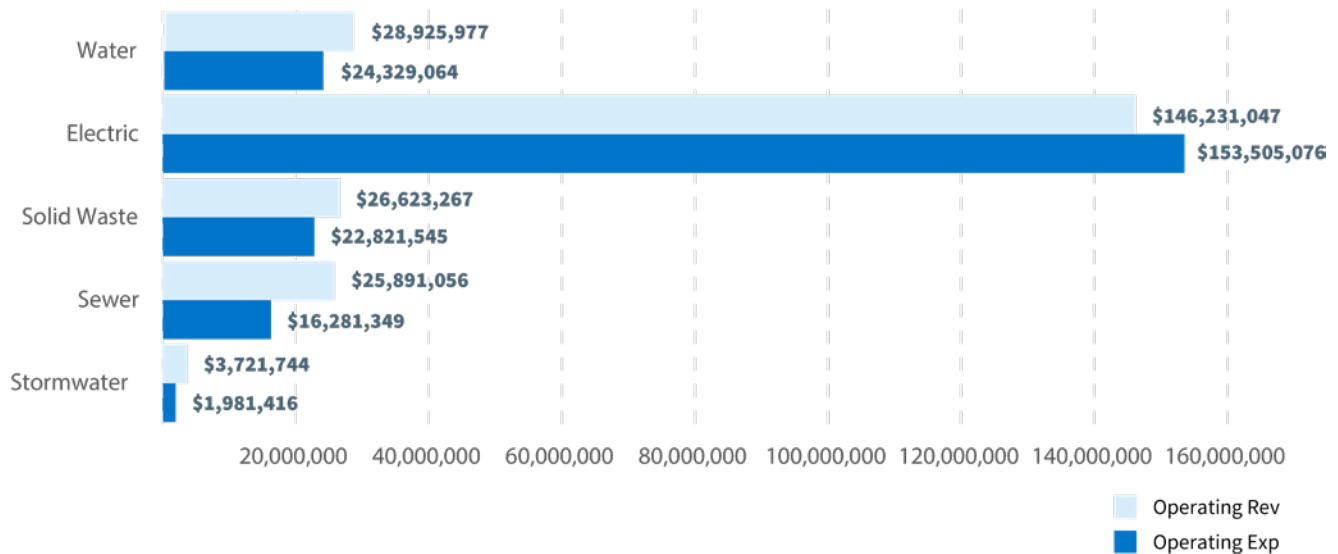
NON-OPERATING REVENUES (EXPENSES)	2021	2020	2019
Investment Revenue	32,397	63,262	483,897
Revenue From Other Governmental Units	4,822,257	6,446,811	4,417,978
Miscellaneous Revenue	1,153,750	1,998,935	290,159
Interest Revenue - Leases	34,412	-	-
Interest Expense	(599,051)	(662,003)	(699,884)
Gain Or (Loss) On Disposal Of Fixed Assets	(3,456)	(219,811)	192,623
Miscellaneous Expense	(636)	(514,817)	(64,492)
Total Non-Operating Revenues And (Expenses)	5,439,673	7,112,377	4,620,281
OPERATING TRANSFERS			
Operating Transfers From Other Funds	10,554,911	3,860,194	6,560,721
Operating Transfers To Other Funds	(5,661,442)	(175,618)	(2,834,838)
Total Operating Transfers	4,893,469	3,684,576	3,725,883
Capital Contribution	12,602,741	14,115,410	10,385,412
Net Income (Loss)	11,616,051	13,271,615	8,357,227

Definitions

UTILITY ENTERPRISE FUNDS - Utility Enterprise funds are used to account for utility operations that are financed and operated in a manner similar to private business enterprise – where the intent of the government's council is that the cost of providing goods or services to the public on a continuing basis be financed or recovered primarily through user charges.

Additional Enterprise Funds Information

FY22 Utilites Operating Revenue To Operating Expense Comparison

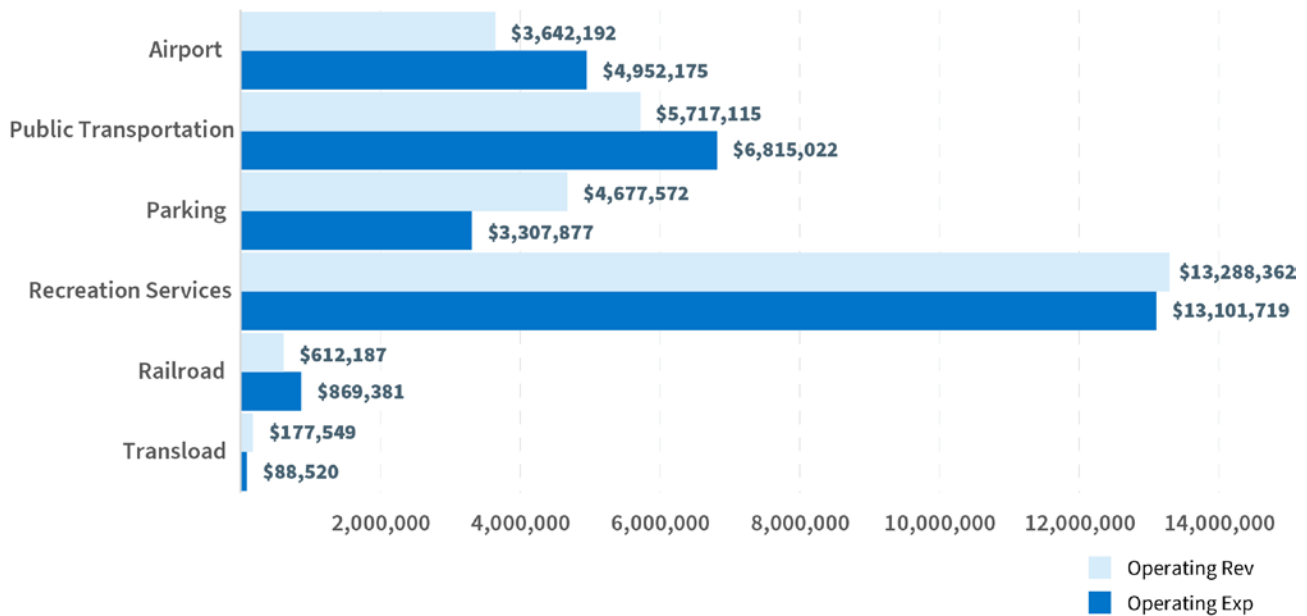


UTILITES	2022 OPERATING INCOME (LOSS)	2021 OPERATING INCOME (LOSS)	2020 OPERATING INCOME (LOSS)	% CHANGE
Water	4,596,913	3,560,529	3,465,084	32.66%
Electric	(7,274,029)	8,496,211	7,382,598	-198.53%
Solid Waste	3,801,722	4,156,127	4,953,582	-23.25%
Sewer	9,609,707	7,974,648	8,026,257	19.73%
Stormwater	1,740,328	1,935,333	1,918,977	-9.31%

- Utility Operating Income:** The operating income loss for electric was due to high volatility in the energy market, which lead to higher than an anticipated power purchases. Increase in Water operating income gains was largely due to a dry and hot summer.

Additional Enterprise Funds Information

FY21 Non-Utilities Enterprise Funds Revenue And Expense Comparison

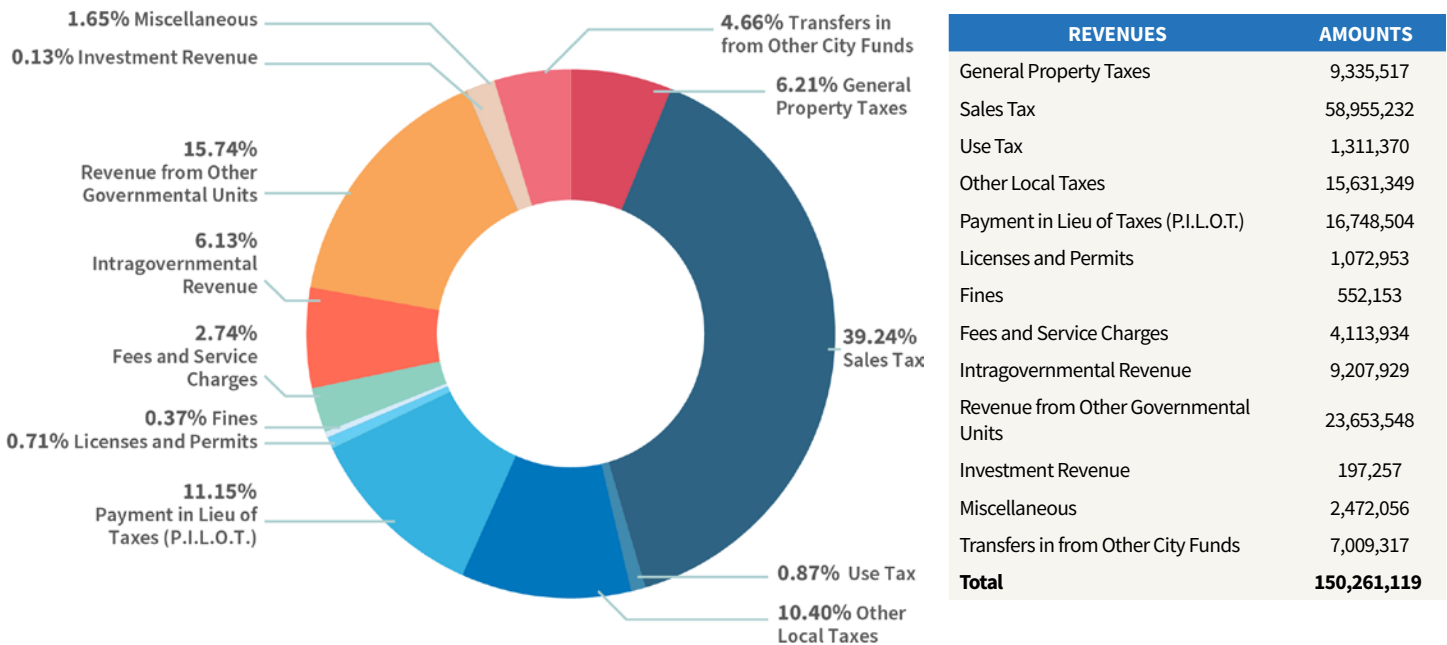


NON-UTILITES	2022 NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	2021 NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	2020 NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	% CHANGE
Airport	(1,309,983)	(753,575)	(793,877)	-65.01%
Public Transportation	(1,097,907)	(133,934)	(565,090)	-94.29%
Parking	1,369,695	212,392	648,317	111.27%
Recreation Services	186,643	(36,211)	(735,540)	125.37%
Railroad	(257,194)	(72,956)	(237,022)	-8.51%
Transload	87,919	(59,511)	(344,973)	125.49%

- Non-Utility Net Income:** Increases in net income gains for Parking, and Rec Services was largely the result of moving out of the Covid-19 pandemic and a return to more normal economic activities. Increases in net income losses for Airport and Public Transportation was the result of the CARES grant revenue that was going to supplement operating revenue ending in 2022.

Where does the Money Come From?

Government-Wide Revenues By Type



Definitions

The revenues and transfers in for governmental activities total \$150,261,119 for 2022. The largest category of revenues is taxes, which increased over the last three-year period by \$33,069,336 or 28.22%. The increase was largely due to an increase in Revenue from Other Governmental Units from the revenue received from the ARPA grant, and increases in sales tax due to increased consumer spending and inflation.

Taxes The majority of the Governmental Funds revenue, 56% is generated by taxes levied on property, retail sales, a use tax, a lodging tax, and gross receipts tax on the sale of electricity, gas, telephone, and television video services.

Payment in Lieu of Taxes (P.I.L.O.T.) is an amount equal to the gross receipt tax that would be paid by the Water and Electric Fund if they were not a part of the City.

Revenues from Other Governmental Units represents grants the City receives from other governmental

agencies such as the federal government, State and County. Over the last three years, this saw an increase of 137.84%. This was due to ARPA money the City received for Covid-19 related expenses.

Intragovernmental Revenue consists of revenue transferred from non-governmental funds to the General Fund to cover the cost of the overhead services that the General Fund provides. These services include Human Recourse, Law, and Finance.

Transfer in from Other City Funds represent transfers from other city funds not related to overhead services that are part of Intragovernmental Revenues. The majority of these transfers go to Debt Service to pay for principal and interest payments, and Sustainability.

Fees and Service Charges are fees charged for the City's performance of construction inspections, street and sidewalk resurfacing and maintenance, animal control and health services.

Licenses and Permits are charges assessed for various business activities and animal ownership. This revenue stream saw a decline.

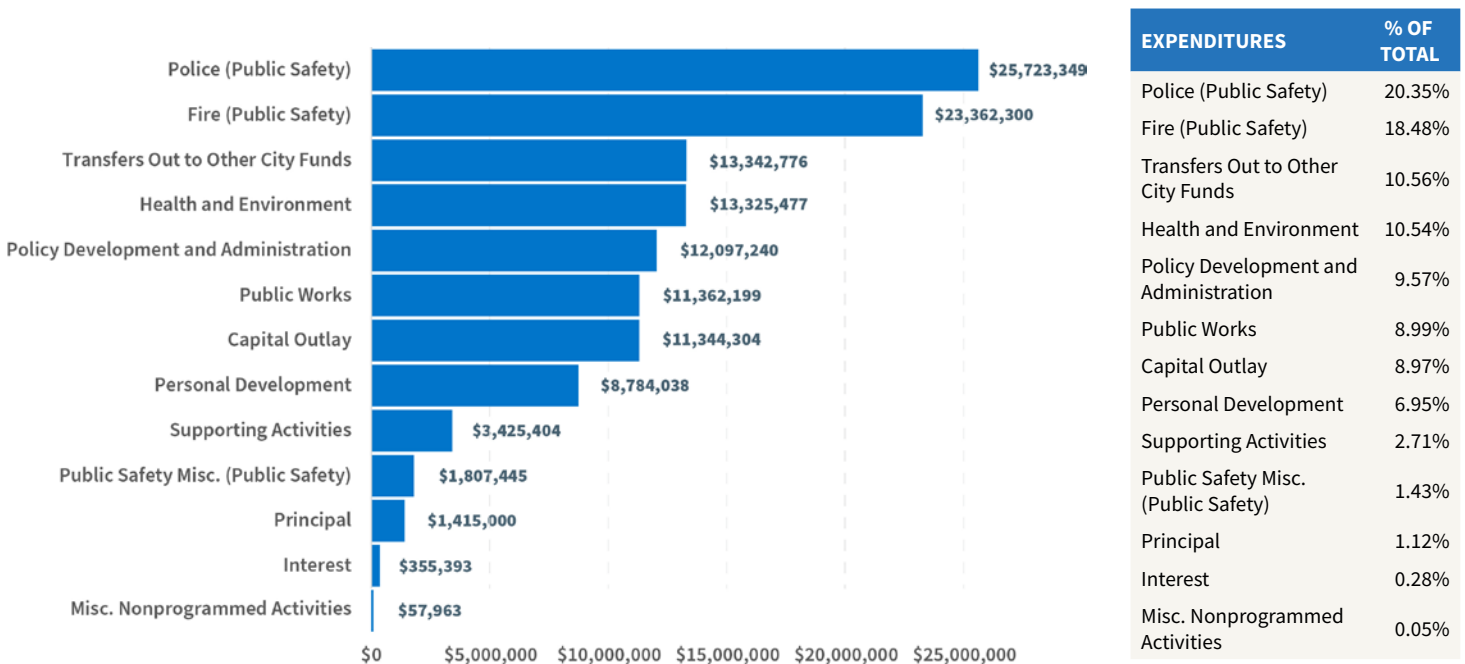
Fines Included are violations of any city ordinance, corporation court fines, uniform ticket fines, meter fines and alarm violations.

Investment Revenue includes revenues earned from the investment of idle city funds throughout the year in accordance with the City's investment policy.

Miscellaneous include proceeds from antenna rent, insurance reimbursements, external CNG sales, school resource program, Medicaid reimbursement.

Where does the Money Go?

2022 Government-Wide Expenditures & Uses



Definitions

The expenditures and transfers out for governmental activities total \$126,402,888 for 2022. The largest category of expenditures is for public safety and represents 40% of all governmental activities.

Public Safety includes all operations of police, fire, animal control, and municipal courts.

Capital Outlay includes all governmental capital projects.

Transfers Out to Other City Funds are transfers to non-governmental city funds. The majority of these transfers

are to Airport, Public Transit, and Recreations to fund operating as well as capital project activities.

Health and Environment includes Health and Human Services, Planning, Community Development, and Economic Development.

Policy Development and Administration includes City Manager, Sustainability, Finance, Human Resources, City Counselor, and Convention and Tourism.

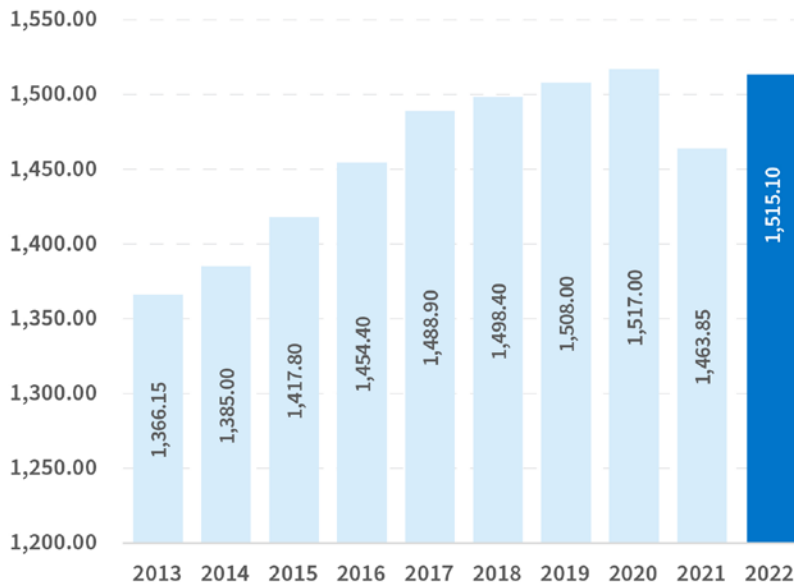
Public Works includes Streets and Sidewalks and Traffic.

Personal Development includes Parks and Recreation, Cultural Affairs, and Community Services.

Debt Service includes principal and interest for all governmental debt; this represents .033% of all governmental uses.

Misc. Nonprogrammed Activities is part of the general fund and represent non-departmental governmental expenditures.

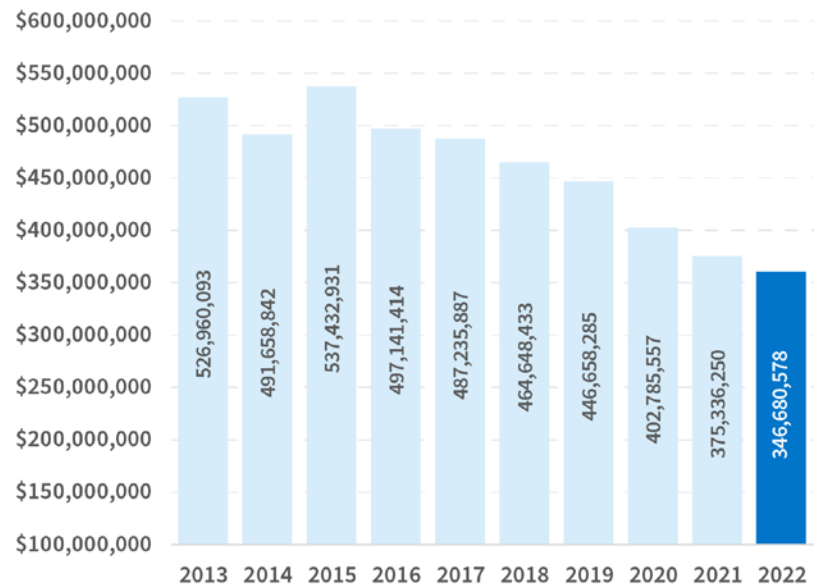
Citywide Full-Time Equivalent Positions



- This City's full-time equivalent employees increased by 51.25 positions. This increase was done in an effort to return the City's full-time equivalent positions back to pre Covid-19 levels.
- Full-Time equivalent positions involved in governmental activities came to 910.65 in 2022.
- Full-Time equivalent positions involved in business-type activities came to 604.45 in 2022.

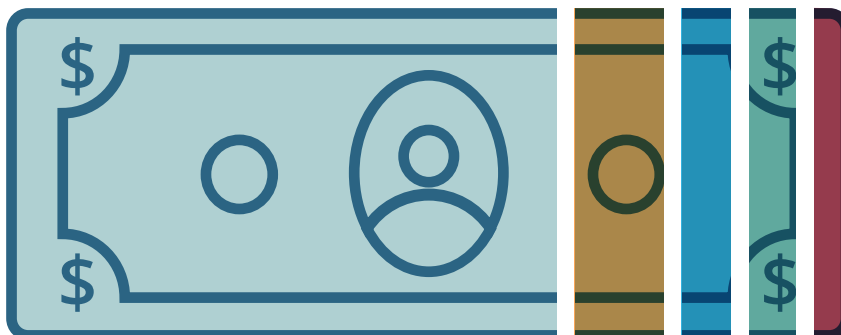
Citywide Outstanding Bonded Debt At Fiscal Year End

- Total outstanding bonded debt at fiscal year-end 2022 came to \$346,680,578.
- No new debt was issued in 2022 by the City.



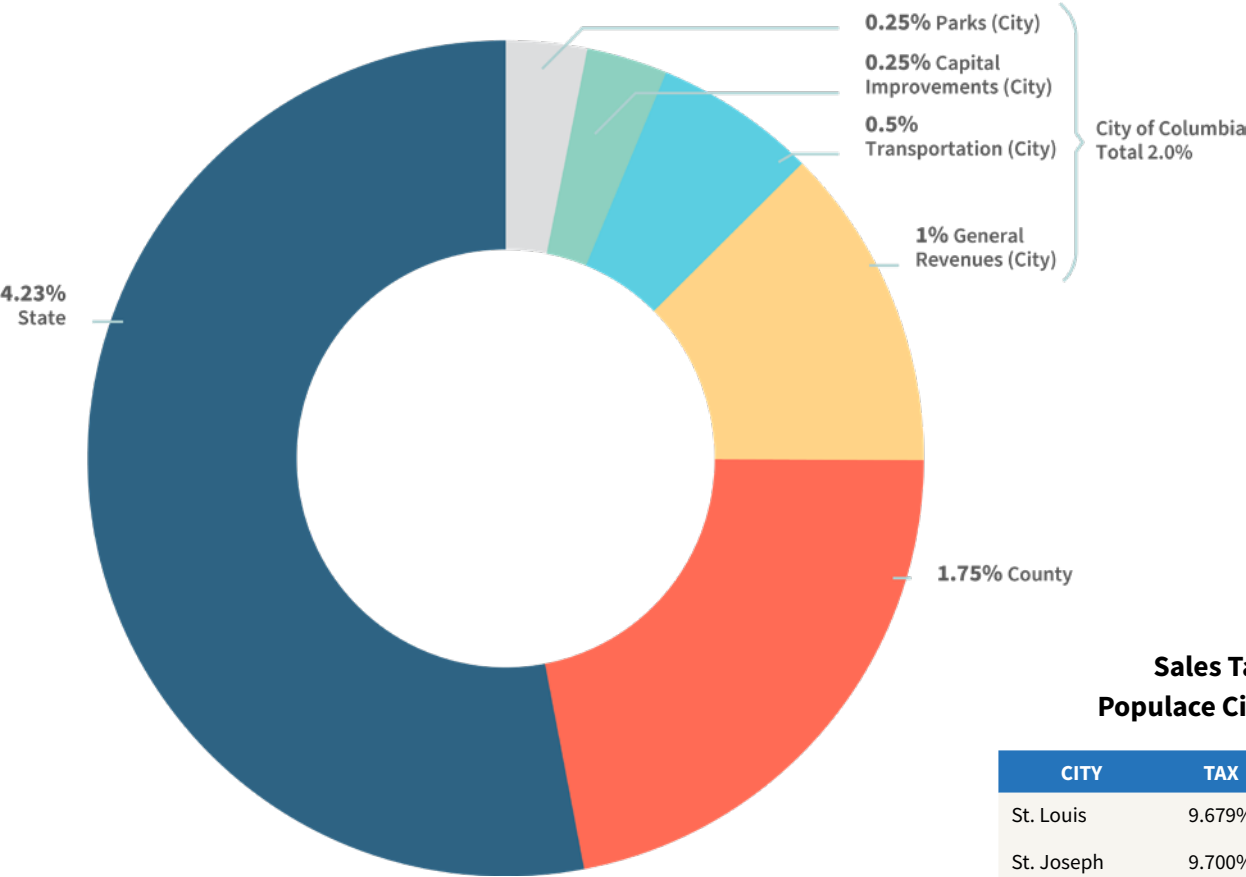
Definitions

RESIDENTIAL PROPERTY is assessed at 19% of market value. This "assessed value" is then multiplied by the tax rate (per \$100) for your particular area. A property assessed at \$50,000, would have a property tax amount of \$3,341.75 ($\$50,000/100 \times 6.6835$).



	84.8% COLUMBIA PUBLIC SCHOOLS
	6% CITY OF COLUMBIA
	4.5% LIBRARY
	4.2% BOONE COUNTY
	0.4% STATE

Breakdown of Sales Tax Revenue



Sales Tax Rate Of Most Populace Cities In Missouri

CITY	TAX	CITY PORTION
St. Louis	9.679%	5.450%
St. Joseph	9.700%	3.875%
Kansas City	8.850%	3.250%
Lee Summit	8.350%	2.750%
Independence	8.225%	2.625%
Springfield	8.100%	2.125%
Columbia	7.980%	2.000%
O'Fallon	7.950%	2.000%
St. Charles	7.960%	2.000%
St. Peters	7.950%	2.000%

Definitions

Breakdown of Sales Tax Rate The City’s sales tax rate of 7.98% is comparable to cities of similar size within Missouri. The sales tax is divided between three separate entities, the State receives 4.23%, the County receives 1.75%, and the City receives 2%. Of the portion the City receives, 1% goes to the General Fund, 0.5% to transportation, 0.25% for capital

improvements, and 0.25% for parks. The portion of sales tax allocated to transportation goes to fund Airport and Transit activities, various road projects, and pay for street and sidewalk related activities. Capital Improvement Sales Tax is used for capital improvement projects. Parks sales tax is composed of a one-eighth cent permanent portion that goes to fund operations of Parks and Recreations, and

a one-eighth temporary portion primarily used to fund capital projects within Parks and Recreations. In 2022, by voter the City implemented a Use Tax. The breakdown of the use tax is identical to the sales tax. The City brought in \$58,955,232 in sales tax, and \$1,311,370 in use tax.



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Columbia, MO 65205-6015