

**TOWN OF COLUMBUS**  
**Columbus, North Carolina**

Annual Financial Report  
For the Year Ended June 30, 2020

**Prepared by the Finance Department**

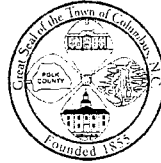
**TOWN OF COLUMBUS, NORTH CAROLINA  
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JUNE 30, 2020**

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## NORTH CAROLINA

### **Letter of Transmittal**

November 19, 2020  
To the Mayor and Council,  
and Residents of the Town of Columbus, North Carolina

Ladies and Gentlemen:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Town of Columbus for the fiscal year ended June 30, 2020. The financial statements contained herein have been audited by the independent, certified public accounting firm of Carland & Andersen, Inc., located in Hendersonville, North Carolina. That firm's unmodified opinion is included in the Financial Section of this report. The report itself, however, is presented by the Town, which is responsible for the accuracy of the data, and for the completeness and fairness of its presentation including all disclosures. We believe the data as presented is accurate in all material aspects; that it is presented in a manner designed to set forth fairly the financial position and results of operations of the Town as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the Town's financial affairs have been included.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The MD&A can be found immediately following the report of the independent auditors and should be read in conjunction with this letter of transmittal.

The financial reporting entity includes all the funds of the Town of Columbus, as well as all of its discretely presented component units. The Town (as legally defined) is considered to be a primary government. A component unit is a legally separate entity for which the primary government is financially accountable or for which the nature and significance of their relationship with the primary government is such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The primary government is considered financially accountable if it appoints a voting majority of the Organization's governing body, and if (1) it is able to impose its will on that organization, or (2) there is a potential for the Organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

A discretely presented component unit is reported in a separate column in the basic financial statements to emphasize that it is legally separate from the primary government and to distinguish its financial position, results of operations, and cash flows from those of the Town. The Town of Columbus Alcoholic Beverage Control (“ABC”) Board is reported as a discretely presented component unit.

### **Description of the Town**

The Town of Columbus, founded in 1855, is located in Polk County in the foothills of the Blue Ridge Mountains of North Carolina, approximately 35 miles south of Asheville, North Carolina. The population of the town is 1,012, with a land area of 1.94 square miles. Columbus is the County seat for Polk County. The entire County has a population of approximately 21,000 and includes 238 square miles of mountains, streams, waterfalls, gracious small-town living, and a rural atmosphere including an emphasis on equestrian activities. The retirement community makes up a large portion of the population base, and per capita income for the County is higher than the State average.

The Town has a Council/Manager form of government. The Mayor is elected at large and serves a two-year term. The four Council members are elected at large and the candidate with the largest number of votes serves a four-year term while the remaining three serve two-year terms. Council elections are held in odd-numbered years. The Town Council holds policy-making and legislative authority. They are also responsible for adopting the budget and appointing the Town Manager. The Town Manager is the chief administrative officer and prepares and recommends the annual budget in addition to being responsible for implementing policies and managing daily operations.

The Town provides its citizens with a wide range of services that include public safety, water and sewer, planning, sanitation, general administration, and cultural and recreational activities. Each year the Town holds a very successful 4<sup>th</sup> of July celebration that includes food and craft vendors and entertainment including a fireworks display. The Town also supports other smaller seasonal events. This report includes all the Town’s activities in maintaining these services.

The annual budget serves as the foundation for the Town’s financial planning and control. Town Council conducts an annual retreat in February of each year to prioritize goals for the coming fiscal year. Along with department heads, the Town Manager uses departmental requests and Council’s priorities as the starting point for developing a proposed budget that is presented to Council. Along with the required public hearing on the proposed budget, Council also conducts budget workshops and community input is encouraged. The budget must be adopted by no later than June 30<sup>th</sup>, the close of the Town’s fiscal year.

## Budget Control

The appropriated budget is prepared by fund, and line items within individual departments. Formal budgetary accounting is used for all funds as a management control required by the North Carolina General Statutes. The budget ordinance adopted by Town Council creates a legal limit on spending authorizations at the line item level. Budgetary control is facilitated by the use of computer software for utility billing, payroll, accounts payable, and general ledger. The Town Manager is the Budget Officer and receives financial statements weekly from the Finance Department. The Finance Department supplies Town Council with monthly financial statements for all funds, which includes an analysis of the current financial position for the month provided. All transfers and amendments to the original budget must be adopted by Town Council no later than June 30<sup>th</sup> of the fiscal year in question.

## Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Town operates.

**Local Economy.** The present unemployment rate is 6.3% (up from 4.5% from the previous year) and is slightly lower than the State unemployment rate of 7.6%. As of June 30, 2020, Polk County ranks nineteenth of the 100 counties in having the lowest unemployment rates. The County had its lowest unemployment rate of 3.3% in 2004 and its highest rate of 8.8% in 2009. The County has slowly lost some industries in the fields of manufacturing and textiles. However, the agricultural and equine industries are growing. In June of 2014, a major developer announced the opening of Tryon Equestrian in Polk County. During the 2018-2019 fiscal year, a parcel on Mills Street was developed into a Bojangles' restaurant, urgent care facility, O'Reilley Auto Parts store, and one additional commercial suite.

**Long-term Financial Planning.** The Town develops and maintains a twenty-year capital improvement plan. This plan has projects in the five, ten, and twenty-year range that address Town facilities, road improvements, and upgrades to the water/sewer system. The capital improvement plan is an important focus of the annual Council retreat.

**Employee Health Insurance Costs.** Facing a 21% increase in employee health insurance rates through the North Carolina League of Municipalities effective July, 2010, the Town switched insurance to a Health Reimbursement Plan with Blue Cross/Blue Shield of North Carolina having an annual deductible of \$10,000. The employee's share of a claim of \$10,000 is \$1,080, with the remainder being paid by the Town from the claims account. All claims exceeding \$10,000 are paid in full by Blue Cross/Blue Shield. The claims account was funded from the savings in premiums. Based on favorable claims experience since July, 2010, the Town has saved over \$27,000. This savings is held in reserve for future claim years to pay the employer-portion of claims and to offset rate increases incurred through Blue Cross/Blue Shield of North Carolina.

## Internal Controls

This report consists of management's representation concerning the finances of the Town of Columbus. To provide a reasonable basis for making these representations, an internal control framework has been designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition; (2) the reliability of financial records for preparing financial statements in conformity with accounting principles generally accepted in the United States of America and maintaining accountability of assets; (3) the effectiveness and efficiency of operations; and (4) compliance with applicable laws and regulations related to federal and state financial assistance programs. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits to be derived, and the evaluation of costs and benefits requires estimates and judgments by management. We believe that the Town's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

## Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Columbus for its comprehensive annual financial report for the fiscal year ended June 30, 2019. This was the eleventh consecutive year that the Town of Columbus has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

We wish to thank and acknowledge the efforts of our auditors, Carland & Andersen, Inc., in the preparation of this report and providing technical assistance. We also thank the Mayor and Council of the Town of Columbus for their leadership in making the Town a fiscally sound, well-governed community.

Respectfully submitted,

*Timothy J. Barth*

Timothy J. Barth  
Town Manager

*Monica Pace Greene*

Monica Pace Greene  
Town Clerk/Assistant Finance Director



**TOWN OF COLUMBUS, NORTH CAROLINA**  
**LIST OF PRINCIPAL OFFICERS**  
June 30, 2020

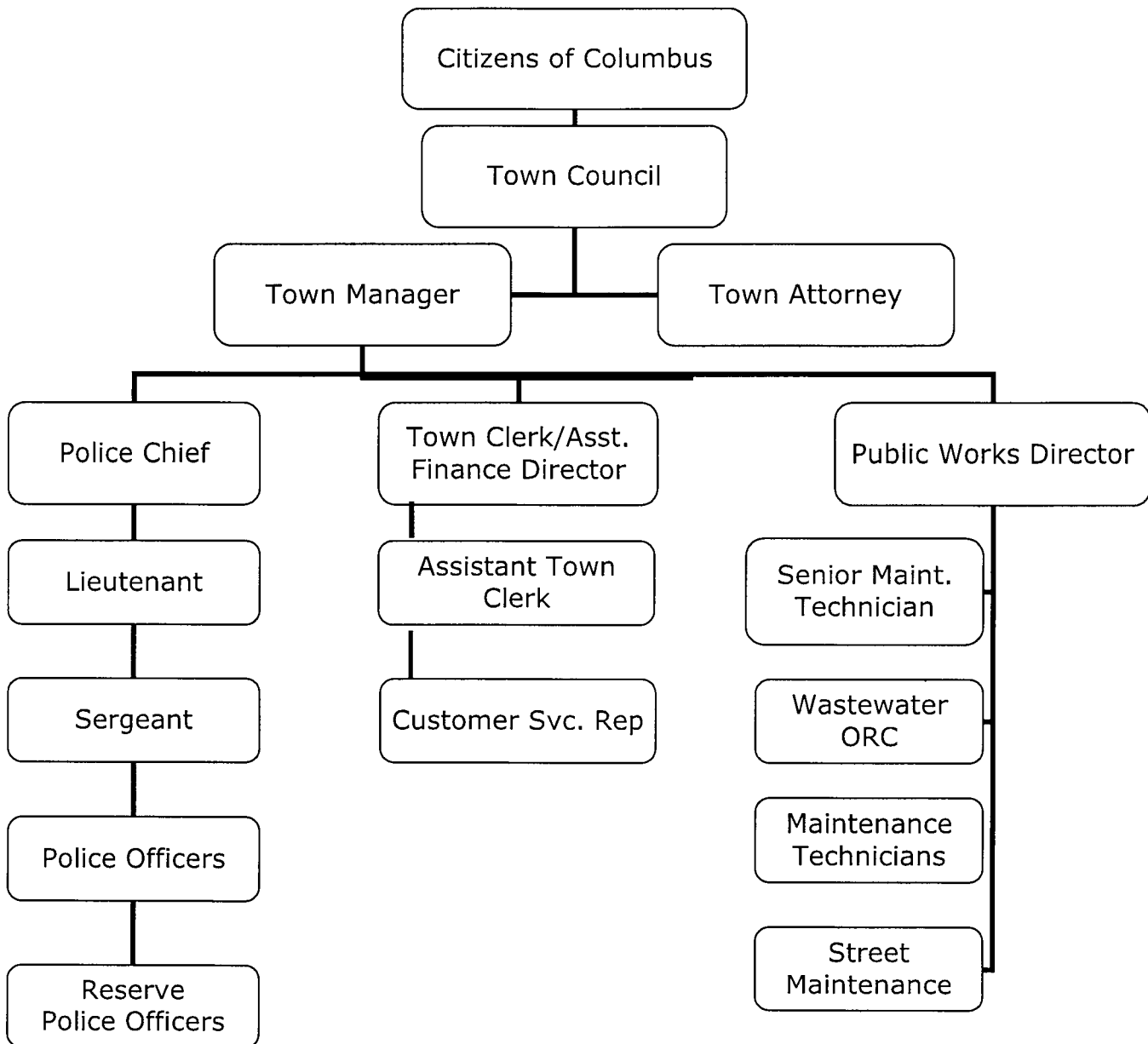
**Town Council Members**

Patrick McCool, Mayor  
Richard Hall  
Brent Jackson  
Mark Phillips  
Robert Williamson

**Town Officials**

Timothy J. Barth, Town Manager/Finance Director  
Monica Pace Greene, Assistant Finance Director and Town Clerk  
Scott Hamby, Chief of Police

Town of Columbus Organizational Chart  
June 30, 2020





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Town of Columbus  
North Carolina**

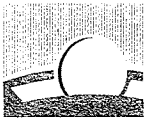
For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morrill*

Executive Director/CEO

**FINANCIAL  
SECTION**



# CARLAND & ANDERSEN, INC.

CERTIFIED PUBLIC ACCOUNTANTS

MAILING: P.O. BOX 179 ▪ HENDERSONVILLE, NC 28793

MEMBER - AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS  
MEMBER - NORTH CAROLINA ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS

Ronald G. Carland, CPA  
Terry B. Andersen, CPA

Trish Check, CPA  
George B. Lee, CPA  
Ashley Larach, CPA  
Roger Warren, CPA  
Harold C. Reid, CPA  
Kim Baker-Hudgins, CPA

## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor  
and Members of the Town Council  
Town of Columbus, North Carolina

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, and each major fund of the Town of Columbus, North Carolina, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

## ***Opinions***

In our opinion, based on our audits, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, and each major fund of the Town of Columbus, North Carolina as of June 30, 2020, and the respective changes in financial position and cash flows, where appropriate, thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages four through fifteen, the Local Government Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Liability (Asset) and Contributions, on pages sixty-one and sixty-two, and the Law Enforcement Officers' Special Separation Allowance schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll on pages sixty-three and sixty-four, be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Town of Columbus, North Carolina. The individual fund statements, budgetary schedules, and other schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual fund statements, budgetary schedules, and other schedules, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, based on our audits and the procedures as described above, the individual fund statements, budgetary schedules, and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Carla A. Anderson, Jr.*

Hendersonville, North Carolina  
November 19, 2020

## **TOWN OF COLUMBUS, NORTH CAROLINA**

### **Management's Discussion and Analysis**

*As management of the Town of Columbus (the Town), we offer readers of the Town of Columbus' financial statements this narrative overview and analysis of the financial activities of the Town of Columbus for the fiscal year ended June 30, 2020. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the Town's financial statements, which follow this narrative.*

#### **Financial Highlights**

- The assets of the Town of Columbus exceeded its liabilities at the close of the fiscal year by \$5,100,718 (*net position*).
- The government's total net position increased by \$59,728.
- As of the close of the current fiscal year, the Town of Columbus' governmental fund reported an ending fund balance of \$875,475, approximately 64% of the ending fund balance, or \$561,067 is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year the unassigned fund balance for the General Fund of \$561,067 was approximately 42% of total general fund expenditures for the fiscal year.
- The Town of Columbus' total debt for the General Fund increased by \$51,328. The Town's total debt decreased by \$301,096 for the Proprietary Fund.

#### **Overview of the Financial Statements**

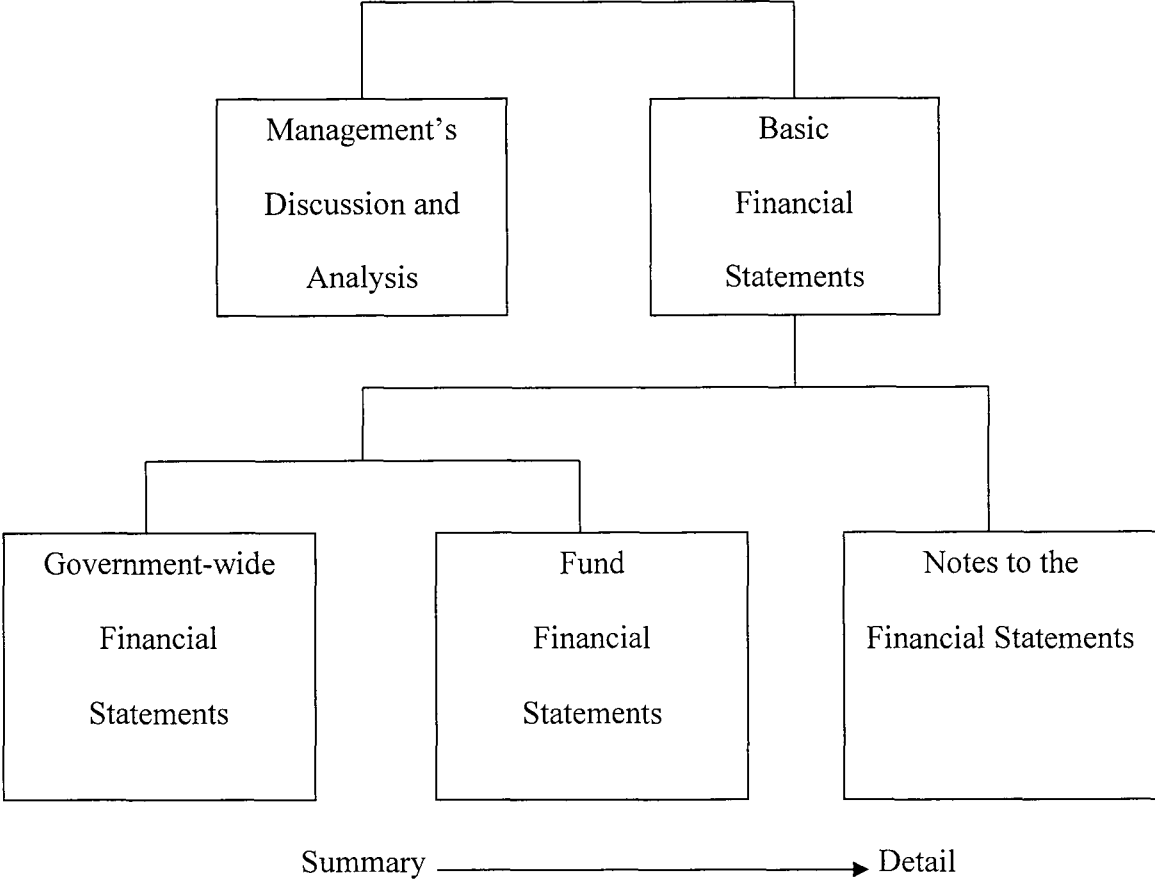
This discussion and analysis are intended to serve as an introduction to the Town of Columbus' basic financial statements. The Town's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements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



**TOWN OF COLUMBUS, NORTH CAROLINA  
Management's Discussion and Analysis**

**Required Components of Annual Financial Report**

**Figure 1**



# TOWN OF COLUMBUS, NORTH CAROLINA

## Management's Discussion and Analysis

### Basic Financial Statements

The first two statements (Exhibits 1 and 2) in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the Town's financial status.

The next statements (Exhibits 3 through 8) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the Town's government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; and 3) the proprietary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the Town's individual funds. Budgetary information required by the North Carolina General Statutes also can be found in this part of the statements.

### Government-Wide Financial Statements

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

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

The government-wide statements are divided into three categories:

**Governmental activities** – These activities include most of the Town's basic services such as public safety, environmental protection, and general administration. Property taxes and state and federal grant funds finance most of these activities.

**Business-type activities** – These activities are those that the Town charges customers to provide. These include the water and sewer services offered by the Town of Columbus.

## **TOWN OF COLUMBUS, NORTH CAROLINA**

### **Management's Discussion and Analysis**

**Component unit** – The government-wide financial statements include not only the Town of Columbus (known as the primary government), but also a legally separate Alcoholic Beverage Control Board (ABC Board). Although legally separate from the Town, the ABC Board is important to the Town. The Town exercises control over the Board by appointing its members and the Board is required to distribute its profits to the Town.

The government-wide financial statements are Exhibits 1 and 2 of this report.

#### **Fund Financial Statements**

The fund financial statements (see Figure 1) provide a more detailed look at the Town's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Columbus, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the Town's budget ordinance. All of the funds of Town of Columbus can be divided into two categories: governmental funds and proprietary funds.

**Governmental Funds** – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the Town's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* which provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the Town's programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

The Town of Columbus adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the Town, the management of the Town, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the Town to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the Town complied with the budget ordinance and whether the Town succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document.

## **TOWN OF COLUMBUS, NORTH CAROLINA**

### **Management's Discussion and Analysis**

The statement shows four columns: 1) the original budget as adopted by the board; 2) the final budget as amended by the board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

**Proprietary Funds** – Town of Columbus has one proprietary fund. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town of Columbus uses an enterprise fund to account for its water and sewer activity. This fund is the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

**Notes to the Financial Statements** – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page twenty-eight of this report.

**Other Information** – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the Town of Columbus' progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page sixty-one of this report.

**Interdependence with Other Entities** - The Town depends on financial resources flowing from, or associated with, both the federal government and the State of North Carolina. Because of this dependency, the Town is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and state laws and federal and state appropriations. It is also subject to changes in investments earnings and asset values associated with U.S. Treasury Securities because of actions by foreign governments and other holders of publicly held U.S. Treasury Securities.

**TOWN OF COLUMBUS, NORTH CAROLINA**  
**Management's Discussion and Analysis**

**Government-Wide Financial Analysis**

**Town of Columbus' Net Position**

**Figure 2**

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets, restated	\$ 882,070	\$ 943,498	\$ 1,171,579	\$ 1,348,538	\$ 2,053,649	\$ 2,292,036
Capital assets	1,112,601	1,123,176	5,700,028	5,854,877	6,812,629	6,978,053
Total assets	1,994,671	2,066,674	6,871,607	7,203,415	8,866,278	9,270,089
Deferred outflows of resources	131,102	152,550	68,070	83,282	199,172	235,832
Long-term liabilities outstanding	523,048	584,402	3,185,884	3,732,545	3,708,932	4,316,947
Other liabilities	-	12,169	97,951	96,362	97,951	108,531
Total liabilities	523,048	596,571	3,283,835	3,828,907	3,806,883	4,425,478
Deferred inflows of resources	147,797	31,006	10,052	8,447	157,849	39,453
Net position:						
Net investment in capital assets	867,732	929,636	2,655,447	2,509,200	3,523,179	3,438,836
Restricted	262,338	254,477	-	-	262,338	254,477
Unrestricted, restated	324,858	407,534	990,343	940,143	1,315,201	1,347,677
Total net position	\$ 1,454,928	\$ 1,591,647	\$ 3,645,790	\$ 3,449,343	\$ 5,100,718	\$ 5,040,990

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets and deferred outflows of the Town of Columbus exceeded liabilities and deferred inflows by \$5,100,718 as of June 30, 2020. The Town's net position increased by \$59,728 for the fiscal year ended June 30, 2020. However, the largest portion (69.1%) of net position reflects the Town's investment in capital assets (e.g. land, buildings, machinery, and equipment). The Town of Columbus uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Columbus's net investment in capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of the Town of Columbus's net position totaling \$262,338 represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$1,315,201 is unrestricted.

## TOWN OF COLUMBUS, NORTH CAROLINA Management's Discussion and Analysis

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

- Continued diligence in the collections of property taxes by maintaining a tax collections percentage of 99.24%.
- Continued low cost of debt due to the Town's high credit rating.

**Town of Columbus Changes in Net Position  
Figure 3**

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	\$ 74,585	\$ 77,041	\$ 1,324,320	\$ 1,326,927	\$ 1,398,905	\$ 1,403,968
Operating grants and contributions	61,127	47,840	-	-	61,127	47,840
General revenues:						
Property taxes	586,115	548,764	-	-	586,115	548,764
Other taxes	418,753	436,698	-	-	418,753	436,698
Grants and contributions not restricted to specific programs	41,029	43,449	-	-	41,029	43,449
Other	1,863	1,548	7,449	6,458	9,312	8,006
Total revenues	<u>1,183,472</u>	<u>1,155,340</u>	<u>1,331,769</u>	<u>1,333,385</u>	<u>2,515,241</u>	<u>2,488,725</u>
Expenses:						
General government	235,841	205,555	-	-	235,841	205,555
Public safety	876,671	779,898	-	-	876,671	779,898
Transportation	132,794	111,694	-	-	132,794	111,694
Environmental Protection	70,593	68,173	-	-	70,593	68,173
Interest on long-term debt	4,292	5,474	-	-	4,292	5,474
Water and sewer	-	-	1,135,322	1,158,547	1,135,322	1,158,547
Total expenses	<u>1,320,191</u>	<u>1,170,794</u>	<u>1,135,322</u>	<u>1,158,547</u>	<u>2,455,513</u>	<u>2,329,341</u>
Increase in net position	<u>(136,719)</u>	<u>(15,454)</u>	<u>196,447</u>	<u>174,838</u>	<u>59,728</u>	<u>159,384</u>
Net position, previously reported	<u>1,591,647</u>	<u>1,607,101</u>	<u>3,391,589</u>	<u>3,216,751</u>	<u>4,983,236</u>	<u>4,823,852</u>
Net position, beginning restated	<u>1,591,647</u>	<u>1,607,101</u>	<u>3,449,343</u>	<u>3,274,505</u>	<u>5,040,990</u>	<u>4,881,606</u>
Net position, June 30	<u>\$ 1,454,928</u>	<u>\$ 1,591,647</u>	<u>\$ 3,645,790</u>	<u>\$ 3,449,343</u>	<u>\$ 5,100,718</u>	<u>\$ 5,040,990</u>

## **TOWN OF COLUMBUS, NORTH CAROLINA**

### **Management's Discussion and Analysis**

**Governmental activities:** Governmental activities decreased the Town's net position by \$136,719. Key elements of this result are as follows:

- Increase in payroll and related expenditures of approximately \$100,000 from 2018/19 to 2019/20 fiscal years. This is due to new hires to account for attrition in the previous fiscal year. When three employees left the Town in 2018/19 they were not immediately replaced resulting in a lower than expected payroll and related expenditures during the 2018/19 year. The Town returned to full staff in the 2019/20 fiscal year.

**Business-type activities:** Business-type activities increased the Town of Columbus' net position by \$196,447. Key elements of this increase are as follows:

- Revenues of \$1,331,769 exceeded expenses of \$1,135,322. Water and sewer fees were increased by the Town previously following a litigation settlement of \$947,813 discussed in Note 3 of this report.

#### **Financial Analysis of the Town's Funds**

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

**Governmental Funds.** The focus of the Town of Columbus' governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Town of Columbus' financing requirements.

The general fund is the chief operating fund of the Town of Columbus. At the end of the current fiscal year, the Town of Columbus' fund balance available in the General Fund was \$561,067 while total fund balance was \$875,475.

The Governing Body of the Town of Columbus has determined that the Town should maintain an available fund balance of 20 percent of general fund budgeted expenditures in case of unforeseen needs or opportunities, in addition to meeting the cash flow needs of the Town. The Town currently has an available fund balance of 40.7 percent of general fund budgeted expenditures, while total fund balance represents 63.4 percent of the same amount.

## **TOWN OF COLUMBUS, NORTH CAROLINA**

### **Management's Discussion and Analysis**

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

During the 2019/20 fiscal year the budget was amended to account for project grant revenues per grant agreements that were not known when the original budget ordinance was adopted, to allow for repairs to be completed to the foundation at the Veterans Park, and to correct the budget to reflect actual revenues and expenditures within the departments budgets.

Actual revenues were greater than budget by \$16,867 and actual expenses were less than budget by \$73,941.

**Proprietary Fund.** The Town of Columbus's proprietary fund provides the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the Water and Sewer Fund at the end of the fiscal year amounted to \$990,343. The total change in net position was an increase of \$196,447.

#### **Capital Asset and Debt Administration**

**Capital assets.** The Town of Columbus' investment in capital assets for its governmental and business-type activities as of June 30, 2020, totals \$6,812,629 (net of accumulated depreciation). These assets include buildings, roads, land, machinery and equipment, water and sewer lines, and vehicles. Major capital asset transactions during the year include the following:

- Purchase of a new server for the Organization at a cost of \$15,608.
- Purchase of two new vehicles for the police department at a cost of \$91,976.
- Engineering costs for the water tank project at a cost of \$12,783.
- Engineering costs for a sanitary sewer project on East Mills Street at a cost of \$7,617.
- Engineering costs for a chlorine contact chamber at the Waste Treatment Plant at a cost of \$9,164.
- Purchase of two refrigerated samplers at the Waste Treatment Plant at a cost of \$13,367.
- Purchase of a new vehicle for the water and sewer department at a cost of \$28,848.



**TOWN OF COLUMBUS, NORTH CAROLINA**  
**Management's Discussion and Analysis**

**Town of Columbus's Capital Assets**  
**(net of depreciation)**

**Figure 4**

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 249,979	\$ 249,979	\$ 41,112	\$ 41,112	\$ 291,091	\$ 291,091
Buildings and system improvements	420,624	439,019	108,827	120,790	529,451	559,809
Water & sewer distribution systems	-	-	5,348,126	5,531,828	5,348,126	5,531,828
Equipment & Furniture	54,899	61,442	124,302	107,712	179,201	169,154
Vehicles and motorized equipment	155,201	111,677	49,878	38,435	205,079	150,112
Infrastructure	231,898	261,059	-	-	231,898	261,059
Construction in progress			27,783	15,000	27,783	15,000
<b>Total</b>	<b>\$1,112,601</b>	<b>\$1,123,176</b>	<b>\$5,700,028</b>	<b>\$5,854,877</b>	<b>\$6,812,629</b>	<b>\$6,978,053</b>

Additional information on the Town's capital assets can be found in Note 3 of the Basic Financial Statements beginning on page forty.

**Long-term Debt.** As of June 30, 2020, the Town of Columbus had debt outstanding of \$3,289,450. Of this, \$441,940 is debt backed by the full faith and credit of the Town. The remainder of the Town's debt represents installment obligations secured solely by specific assets purchased.

**TOWN OF COLUMBUS, NORTH CAROLINA  
Management's Discussion and Analysis**

**Town of Columbus' Outstanding Debt  
Installment Obligations and State Loans**

**Figure 5**

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Installment obligations	\$ 244,869	\$ 193,541	\$ 2,602,641	\$ 2,815,349	\$2,847,510	\$3,008,890
State emergency loan	-	-	441,940	530,328	441,940	530,328
<b>Total</b>	<b>\$ 244,869</b>	<b>\$ 193,541</b>	<b>\$ 3,044,581</b>	<b>\$ 3,345,677</b>	<b>\$3,289,450</b>	<b>\$3,539,218</b>

The Town of Columbus' total debt decreased by a net of \$249,768 (7.1%) during the past fiscal year.

North Carolina general statutes limit the amount of general obligation debt that a unit of government can issue to 8% of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for the Town of Columbus is \$10,037,233.

Additional information regarding the Town of Columbus's long-term obligations can be found in Note 3 beginning on page fifty-five of this report.

**Economic Factors**

The following key economic indicators reflect the economy of the Town of Columbus.

- The unemployment rate in Polk County increased from 4.5% to 6.3% as of June 30, 2020 in comparison to the previous year. The unemployment rate for the State of North Carolina increased from 4.2% to 7.6% for the same time period. As of June 30, 2020, Polk County ranks nineteenth of the 100 counties in having the lowest unemployment rates.
- The outbreak of the COVID-19 virus, which began locally in March 2020, continues to cause a disruption to the regular operations of the Town, its service providers, volunteers, and citizens. While this continuing disruption is expected to be temporary, there is considerable uncertainty around the overall duration, the financial impact cannot be reasonably estimated at this time.
- A continued tax collection rate of over 99%.

**TOWN OF COLUMBUS, NORTH CAROLINA**  
**Management's Discussion and Analysis**

**Highlights for the Fiscal Year Ending June 30, 2020**

**Governmental Activities:** The Town's adopted budget for fiscal year 2020/21 totaled \$1,506,180 which represents a 9.2% increase from the fiscal year 2019/20 final budget of \$1,379,825.

The tax rate in the 2020/21 budget increased by .05 to .5246 per \$100 of assessed valuation.

The adopted budget provides for July 4<sup>th</sup> activities, which include a street fair, entertainment, and fireworks.

**Business-type activities:** The Town's adopted budget for fiscal year 2020/21 totaled \$1,737,545 which represents a 27.4% increase from the fiscal year 2019/20 final budget of \$1,364,030.

This increase largely due to loan proceeds of \$380,000 being secured for the town in the 2020/21 fiscal year.

**Requests for Information**

This report is designed to provide an overview of the Town's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Town Manager, Town of Columbus, P.O. Box 146, Columbus, North Carolina, 28722.

**TOWN OF COLUMBUS, NORTH CAROLINA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

	<u>Primary Government</u>			<b>Town of Columbus ABC Board</b>
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	
<b>Assets</b>				
Current assets:				
Cash and cash equivalents	\$ 613,137	\$ 944,433	\$ 1,557,570	\$ 87,143
Taxes receivables, net	5,278		5,278	
Accrued interest receivable on taxes	1,317		1,317	
Accounts receivable, net	22,862	78,217	101,079	
Due from other governments	80,279	56,954	137,233	
Inventories				151,829
Prepaid items				3,081
Restricted cash and cash equivalents	159,197	91,975	251,172	
Total current assets	<u>\$ 882,070</u>	<u>\$ 1,171,579</u>	<u>\$ 2,053,649</u>	<u>\$ 242,053</u>
Noncurrent assets:				
Capital assets (Note 1):				
Land, non-depreciable improvements, and construction in progress	\$ 249,979	\$ 68,895	\$ 318,874	
Other capital assets, net of depreciation	862,622	5,631,133	6,493,755	\$ 11,393
Total capital assets	<u>\$ 1,112,601</u>	<u>\$ 5,700,028</u>	<u>\$ 6,812,629</u>	<u>\$ 11,393</u>
Total assets	<u>\$ 1,994,671</u>	<u>\$ 6,871,607</u>	<u>\$ 8,866,278</u>	<u>\$ 253,446</u>
<b>Deferred Outflows of Resources</b>				
Pension deferrals	<u>\$ 131,102</u>	<u>\$ 68,070</u>	<u>\$ 199,172</u>	<u>35,125</u>
<b>Liabilities</b>				
Current liabilities:				
Accounts payable and accrued liabilities		\$ 5,976	\$ 5,976	\$ 77,631
Current portion of long-term liabilities	\$ 56,277	332,850	389,127	
Payable from restricted assets		91,975	91,975	
Total current liabilities	<u>\$ 56,277</u>	<u>\$ 430,801</u>	<u>\$ 487,078</u>	<u>\$ 77,631</u>
Long-term liabilities:				
Due in more than one year	\$ 466,771	\$ 2,853,034	\$ 3,319,805	\$ 46,426
Total liabilities	<u>\$ 523,048</u>	<u>\$ 3,283,835</u>	<u>\$ 3,806,883</u>	<u>\$ 124,057</u>
<b>Deferred Inflows of Resources</b>				
Pension deferrals	<u>\$ 147,797</u>	<u>\$ 10,052</u>	<u>\$ 157,849</u>	
<b>Net Position</b>				
Net investment in capital assets	\$ 867,732	\$ 2,655,447	\$ 3,523,179	\$ 11,393
Restricted for:				
Stabilization by State Statute	103,141		103,141	
Streets	110,946		110,946	
Public safety	48,251		48,251	
Working capital				22,006
Unrestricted	324,858	990,343	1,315,201	131,115
Total net position	<u>\$ 1,454,928</u>	<u>\$ 3,645,790</u>	<u>\$ 5,100,718</u>	<u>\$ 164,514</u>

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

**TOWN OF COLUMBUS, NORTH CAROLINA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2020**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
Primary government:			
Governmental Activities:			
General government	\$ 235,841	\$ 6,354	\$ 18,383
Public safety	876,671		9,554
Transportation	132,794		33,190
Environmental protection	70,593	68,231	
Interest on long-term debt	4,292		
Total governmental activities (See Note 1)	<u>\$ 1,320,191</u>	<u>\$ 74,585</u>	<u>\$ 61,127</u>
Business-type activities:			
Water and sewer	<u>\$ 1,135,322</u>	<u>\$ 1,324,320</u>	
Total business-type activities	<u>\$ 1,135,322</u>	<u>\$ 1,324,320</u>	
Total primary government	<u><u>\$ 2,455,513</u></u>	<u><u>\$ 1,398,905</u></u>	<u><u>\$ 61,127</u></u>
Component unit:			
ABC Board	<u>\$ 754,319</u>	<u>\$ 739,398</u>	
Total component unit	<u><u>\$ 754,319</u></u>	<u><u>\$ 739,398</u></u>	

**TOWN OF COLUMBUS, NORTH CAROLINA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2020**

<u>Functions/Programs</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>			<u>Town of Columbus ABC Board</u>
	<u>Primary Government</u>			
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	
Primary government:				
Governmental Activities:				
General government	\$ (211,104)		\$ (211,104)	
Public safety	(867,117)		(867,117)	
Transportation	(99,604)		(99,604)	
Environmental protection	(2,362)		(2,362)	
Interest on long-term debt	(4,292)		(4,292)	
Total governmental activities (See Note 1)	<u>\$ (1,184,479)</u>		<u>\$ (1,184,479)</u>	
Business-type activities:				
Water and sewer		\$ 188,998	\$ 188,998	
Total business-type activities		<u>\$ 188,998</u>	<u>\$ 188,998</u>	
Total primary government	<u>\$ (1,184,479)</u>	<u>\$ 188,998</u>	<u>\$ (995,481)</u>	
Component unit:				
ABC Board				\$ (14,921)
Total component unit				<u>\$ (14,921)</u>
General revenues:				
Taxes:				
Property taxes, levied for general purpose	\$ 586,115		\$ 586,115	
Local option sales tax	295,505		295,505	
Other taxes	123,248		123,248	
Grants and contributions not restricted to specific programs	41,029		41,029	
Unrestricted investment earnings	1,863	\$ 7,449	9,312	
Total general revenues	<u>\$ 1,047,760</u>	<u>\$ 7,449</u>	<u>\$ 1,055,209</u>	
Change in net position	<u>\$ (136,719)</u>	<u>\$ 196,447</u>	<u>\$ 59,728</u>	<u>\$ (14,921)</u>
Net position, previously reported	<u>\$ 1,591,647</u>	<u>\$ 3,391,589</u>	<u>\$ 4,983,236</u>	<u>\$ 179,435</u>
Net position, beginning, restated	<u>\$ 1,591,647</u>	<u>\$ 3,449,343</u>	<u>\$ 5,040,990</u>	<u>\$ 179,435</u>
Net position, ending	<u><u>\$ 1,454,928</u></u>	<u><u>\$ 3,645,790</u></u>	<u><u>\$ 5,100,718</u></u>	<u><u>\$ 164,514</u></u>

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

**TOWN OF COLUMBUS, NORTH CAROLINA  
BALANCE SHEET  
GOVERNMENTAL FUND  
JUNE 30, 2020**

	<b>General Fund</b>
<b>Assets</b>	
Cash and cash equivalents	\$ 613,137
Restricted cash and cash equivalents	159,197
Receivables, net:	
Taxes	5,278
Accounts	22,862
Due from other governments	80,279
Total assets	\$ 880,753
 <b>Deferred Inflows of Resources</b>	
Property taxes receivable	\$ 5,278
Total deferred inflows of resources	\$ 5,278
 <b>Fund Balances</b>	
Restricted	
Stabilization by State Statute	\$ 103,141
Streets	110,946
Public Safety	48,251
Assigned	
Subsequent year's expenditures	52,070
Unassigned	561,067
Total fund balances	\$ 875,475
Total liabilities, deferred inflows of resources and fund balances	\$ 880,753

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

**TOWN OF COLUMBUS, NORTH CAROLINA  
BALANCE SHEET  
GOVERNMENTAL FUND  
JUNE 30, 2020**

Amounts reported for governmental activities in the Statement of Net Position (Exhibit 1) are different because:

Total Fund Balance, Governmental Fund		\$ 875,475
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Gross capital assets at historical cost	\$ 2,342,539	
Accumulated depreciation	<u>(1,229,938)</u>	1,112,601
Deferred outflows of resources related to pensions are not reported in the funds		
		131,102
Other long-term assets (accrued interest receivable from taxes) are not available to pay for current-period expenditures and, therefore, are inflows of resources in the funds.		
		1,317
Earned revenues considered deferred inflows of resources in the fund statements.		
		5,278
Long-term liabilities used in governmental activities are not financial uses and therefore are not reported in the funds		
Gross long-term debt, beginning	\$ (223,689)	
Long-term debt included as net position below (includes the addition of long-term debt and principal payments during the year.)	<u>(57,955)</u>	(281,644)
Net pension liability		(241,404)
Deferred inflows of resources related to pensions are not reported in the funds		
		<u>(147,797)</u>
Net position of governmental activities		<u><u>\$ 1,454,928</u></u>

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



**TOWN OF COLUMBUS, NORTH CAROLINA  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE -- GOVERNMENTAL FUND  
FOR THE YEAR ENDED JUNE 30, 2020**

	<b>General Fund</b>
<b>Revenues</b>	
Ad valorem taxes	\$ 589,471
Other taxes and licenses	21,294
Unrestricted intergovernmental	405,503
Restricted intergovernmental	42,744
Permits, fees and other receipts	108,314
Grants	10,339
Investment earnings	1,862
Total revenues	\$ 1,179,527
 <b>Expenditures</b>	
General government	\$ 216,844
Public safety	788,398
Transportation	104,153
Environmental protection	70,593
Debt service:	
Principal	38,691
Interest and other charges	4,292
Capital outlay	99,780
Total expenditures	\$ 1,322,751
Excess (deficiency) of revenues over expenditures	\$ (143,224)
 <b>Other Financing Sources</b>	
Sale of capital assets	\$ 7,300
Installment purchase obligations issued	90,019
Total other financing sources	\$ 97,319
Net change in fund balance	\$ (45,905)
Fund balance, beginning as previously reported	921,380
Fund balance, ending	\$ 875,475

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

**TOWN OF COLUMBUS, NORTH CAROLINA  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE -- GOVERNMENTAL FUND  
FOR THE YEAR ENDED JUNE 30, 2020**

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

Net change in fund balance - total governmental fund \$ (45,905)

Governmental funds report capital outlays as expenditures.

However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlay expenditures which were capitalized	\$ 99,780	
Depreciation expense for governmental assets	<u>(110,355)</u>	(10,575)

Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities	45,447
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Change in unavailable revenue for tax revenues	(3,355)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

New long-term debt issued	\$ (90,019)	
Principal payments on long-term debt	<u>38,690</u>	(51,329)

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

Change in compensated absences	(6,626)
Pension Expense	<u>(64,376)</u>

Total changes in net position of governmental activities	<u>\$ (136,719)</u>
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**The accompanying notes are an integral part of these financial statements.**

**TOWN OF COLUMBUS, NORTH CAROLINA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**ANNUAL BUDGET AND ACTUAL -- GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	<u>General Fund</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
Revenues:				
Ad valorem taxes	\$ 579,000	\$ 588,400	\$ 589,471	\$ 1,071
Other taxes and licenses	28,600	18,600	21,294	2,694
Unrestricted intergovernmental	396,400	409,400	405,503	(3,897)
Restricted intergovernmental	33,700	33,700	42,744	9,044
Permits, fees and other receipts	82,700	101,665	108,314	6,649
Grants	20,000	10,340	10,339	(1)
Investment earnings	555	555	1,862	1,307
Total revenues	<u>\$ 1,140,955</u>	<u>\$ 1,162,660</u>	<u>\$1,179,527</u>	<u>\$ 16,867</u>
Expenditures:				
Current:				
General government	\$ 241,705	\$ 242,235	\$ 220,746	\$ 21,489
Public safety	939,855	914,980	884,276	30,704
Transportation	71,390	114,690	104,153	10,537
Environmental protection	64,930	64,930	70,593	(5,663)
Debt service:				
Principal retirement		38,695	38,691	4
Interest and other charges	3,775	4,295	4,292	3
Total expenditures	<u>\$ 1,321,655</u>	<u>\$ 1,379,825</u>	<u>\$1,322,751</u>	<u>\$ 57,074</u>
Revenues over (under) expenditures	<u>\$ (180,700)</u>	<u>\$ (217,165)</u>	<u>\$ (143,224)</u>	<u>\$ 73,941</u>
Other financing sources:				
Sale of capital assets	\$ 10,000	\$ 7,300	\$ 7,300	
Installment purchase obligations issued	93,200	93,200	90,019	\$ (3,181)
Total other financing sources	<u>\$ 103,200</u>	<u>\$ 100,500</u>	<u>\$ 97,319</u>	<u>\$ (3,181)</u>
Fund balance appropriated	<u>\$ 77,500</u>	<u>\$ 116,665</u>		<u>\$(116,665)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	\$ (45,905)	<u>\$ (45,905)</u>
Fund balance, beginning as previously reported			<u>921,380</u>	
Fund balance, ending			<u>\$ 875,475</u>	

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

**TOWN OF COLUMBUS, NORTH CAROLINA**  
**STATEMENT OF FUND NET POSITION**  
**PROPRIETARY FUND**  
**JUNE 30, 2020**

	<u>Water and Sewer Fund</u>
<b>Assets</b>	
Current assets:	
Cash and cash equivalents	\$ 944,433
Accounts receivable, net	78,217
Due from other governments	56,954
Restricted cash and cash equivalents	91,975
Total current assets	<u>\$ 1,171,579</u>
Noncurrent assets:	
Capital assets:	
Land and construction in progress	\$ 68,895
Other capital assets, net of depreciation	5,631,133
Capital assets	<u>\$ 5,700,028</u>
Total noncurrent assets	<u>\$ 5,700,028</u>
Total assets	<u><u>\$ 6,871,607</u></u>
<b>Deferred Outflows of Resources</b>	
Pension deferrals	<u>\$ 68,070</u>
<b>Liabilities</b>	
Current liabilities:	
Accounts payable and accrued liabilities	\$ 5,976
Compensated absences, current	5,278
Installment obligations, current	327,572
Liabilities payable from restricted assets:	
Customer deposits	91,975
Total current liabilities	<u>\$ 430,801</u>
Non-current liabilities:	
Compensated absences	\$ 19,728
Net pension liability	116,297
Installment obligations, non-current	2,717,009
Total noncurrent liabilities	<u>\$ 2,853,034</u>
Total liabilities	<u>\$ 3,283,835</u>
<b>Deferred Inflows of Resources</b>	
Pension deferrals	<u>\$ 10,052</u>
<b>Net Position</b>	
Net investment in capital assets	\$ 2,655,447
Unrestricted	990,343
Total net position	<u><u>\$ 3,645,790</u></u>

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

**TOWN OF COLUMBUS, NORTH CAROLINA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES**  
**IN FUND NET POSITION -- PROPRIETARY FUND**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Water and Sewer Fund</u>
Operating revenues:	
Charges for services	\$ 1,303,120
Water and sewer taps	21,200
Total operating revenues	<u>\$ 1,324,320</u>
Operating expenses:	
Salaries and employee benefits	\$ 535,309
Outside services	52,817
Utilities	84,377
Telephone	2,458
Repairs and maintenance	93,621
Equipment rental	156
Materials and supplies	23,774
Office supplies and postage	15,562
Advertising	1,472
Uniforms	1,306
Staff development	365
Professional services	43,486
Safety program and equipment	1,544
Insurance	15,759
Depreciation	234,432
Total operating expenses	<u>\$ 1,106,438</u>
Operating income	<u>\$ 217,882</u>
Non-operating revenues (expenses):	
Investment earnings	\$ 7,449
Interest and other charges	(28,884)
Total non-operating revenues (expenses)	<u>\$ (21,435)</u>
Change in net position	<u>\$ 196,447</u>
Total net position, previously reported	<u>\$ 3,391,589</u>
Beginning net position, restated	<u>\$ 3,449,343</u>
Total net position, ending	<u><u>\$ 3,645,790</u></u>

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

**TOWN OF COLUMBUS, NORTH CAROLINA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
FOR THE YEAR ENDED JUNE 30, 2020**

	<b>Water and Sewer Fund</b>
Cash flows from operating activities:	
Cash received from customers	\$ 1,347,408
Cash paid for goods and services	(333,709)
Cash paid to or on behalf of employees for services	(511,187)
Customer deposits received	7,410
Net cash provided by operating activities	\$ 509,922
Cash flows from noncapital financing activities:	
Decrease in due from other governments	\$ 800
Net cash provided by noncapital financing activities	\$ 800
Cash flows from capital and related financing activities:	
Acquisition and construction of capital assets	\$ (79,582)
Installment purchase obligations issued	28,848
Principal paid on installment obligations	(329,944)
Principal paid on refund settlement obligation	(261,680)
Interest paid on installment obligations	(28,884)
Net cash (used) by capital and related financing activities	\$ (671,242)
Cash flows from investing activities	
Interest and dividends	\$ 7,449
Net cash provided by investing activities	\$ 7,449
Net (decrease) in cash and cash equivalents	\$ (153,071)
Cash and cash equivalents, beginning of year	1,189,479
Cash and cash equivalents, end of year	\$ 1,036,408

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

TOWN OF COLUMBUS, NORTH CAROLINA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Water and Sewer Fund</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 217,882
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	\$ 234,432
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:	
Decrease in accounts receivable	23,089
Decrease in deferred outflows of resources - pensions	15,211
Increase in net pension liability	4,713
Increase in deferred inflows of resources - pensions	1,604
(Decrease) in accounts payable and accrued liabilities	(5,820)
Increase in customer deposits	7,410
Increase in compensated absences	11,401
Total adjustments	<u>\$ 292,040</u>
Net cash provided by operating activities	<u><u>\$ 509,922</u></u>

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

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 1 – Summary of Significant Accounting Policies**

The accounting policies of the Town of Columbus and its discretely presented component unit conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The Town of Columbus (the Town) is a municipal corporation that is governed by an elected mayor and a four-member council. As required by generally accepted accounting principles, these financial statements present the Town and its component unit, a legally separate entity for which the Town is financially accountable. The discretely presented component unit presented below is reported in a separate column in the financial statements in order to emphasize that it is legally separate from the Town.

Town of Columbus ABC Board

The members of the ABC Board's governing board are appointed by the Town. In addition, the ABC Board is required by state statute to distribute its surpluses to the General Fund of the Town. The ABC Board, which has a June 30 year-end, is presented as if it were a proprietary fund (discrete presentation). Complete financial statements for the ABC Board may be obtained from the entity's administrative offices at Town of Columbus ABC Board, P.O. Box 755, Columbus, NC 28722-0755.

B. Basis of Presentation

*Government-wide Statements:* The statement of net position and the statement of activities display information about the primary government and its component unit. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the Town. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the Town and for each function of the Town's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a specific function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a specific program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.



**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 1 - Summary of Significant Accounting Policies - continued**

*Fund Financial Statements:* The fund financial statements provide information about the Town's funds. Separate statements for each fund category – *governmental and proprietary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies result from non-exchange transactions. Other non-operating revenues are ancillary activities such as investment earnings.

The Town reports the following major governmental fund:

**General Fund.** The General Fund is the general operating fund of the Town. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, state grants, and various other taxes and licenses. The primary expenditures are for public safety, street maintenance and construction, and sanitation services.

The Town reports the following major enterprise fund:

**Water and Sewer Fund.** This fund is used to account for the Town's water and sewer operations.

C. Measurement Focus and Basis of Accounting

In accordance with North Carolina General Statutes, all funds of the Town are maintained during the year using the modified accrual basis of accounting.

*Government-wide and Proprietary Fund Financial Statements.* The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Town gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 1 - Summary of Significant Accounting Policies – continued**

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's enterprise fund are charges to customers for sales and services. The Town also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the water and sewer system. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

*Governmental Fund Financial Statements.* Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The Town considers all revenues available if they are collected within ninety days after year-end, except for property taxes. Ad valorem taxes receivable are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of September 1, 2013, state law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013, and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 1 - Summary of Significant Accounting Policies – continued**

Sales taxes and certain intergovernmental revenues, such as the beer and wine tax, collected and held by the state at year-end on behalf of the Town are recognized as revenue. Sales taxes are considered a shared revenue for the Town of Columbus because the tax is levied by Polk County and then remitted to and distributed by the state. Most intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. All taxes, including those dedicated for specific purposes are reported as general revenues rather than program revenues. Under the terms of grant agreements, the Town funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. It is the Town's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then general revenues.

D. Budgetary Data

The Town's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund and the Enterprise Fund. All annual appropriations lapse at the fiscal-year end. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds. All amendments must be approved by the governing board and the Board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity

1. Deposits and Investments

All deposits of the Town and the ABC Board are made in board-designated official depositories and are secured as required by state law [G.S. 159-31]. The Town and the ABC Board may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the Town and the ABC Board may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

State law [G.S. 159-30(c)] authorizes the Town and the ABC Board to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority, obligations of

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 1 - Summary of Significant Accounting Policies – continued**

1. Deposits and Investments (continued)

certain non-guaranteed federal agencies, certain high quality issues of commercial paper and bankers' acceptances, and the North Carolina Capital Management Trust (NCCMT). The Town's and the ABC Board's investments are reported at fair value. The NCCMT Government Portfolio, a SEC-registered (2a-7) money market mutual fund, is measured at fair value. The NCCMT- Term Portfolio is bond fund, has no rating and is measured at fair value. As of June 30, 2020, The Term portfolio has a duration of .15 years. Because the NCCMT Government and Term Portfolios have a weighted average maturity of less than ninety days, they are presented as an investment with a maturity of less than six months.

2. Cash and Cash Equivalents

The Town pools money from several funds to facilitate disbursement and investment and to maximize investment income and considers all cash and investments to be cash and cash equivalents. The ABC Board considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash and cash equivalents.

3. Restricted Assets

Powell Bill funds are classified as restricted cash because they can be expended only for the purposes outlined in G.S. 136-41.1 through 136-41.4.

Federal Seizure funds are also classified as a restricted asset because their use is restricted to benefit the Public Safety efforts of the Town.

Customer deposits held by the Town before any services are supplied are restricted to the service for which the deposit was collected.

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 1 - Summary of Significant Accounting Policies – continued**

3. Restricted Assets (continued)

<u>Town of Columbus Restricted Cash</u>	
Governmental Activities	
General Fund	
Streets	\$ 110,946
Public Safety	48,251
Total governmental activities	<u>\$ 159,197</u>
Business-type Activities	
Water and Sewer Fund	
Customer deposits	\$ 91,975
Total business-type activities	<u>\$ 91,975</u>
Total Restricted Cash	<u><u>\$ 251,172</u></u>

4. Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the Town levies ad valorem taxes on property other than motor vehicles on July 1st, the beginning of the fiscal year. The taxes are due on September 1st (lien date); however, interest does not accrue until the following January 6th. These taxes are based on the assessed values as of January 1, 2019. As allowed by state law, the Town has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the Town's General Fund, ad valorem tax revenues are reported net of such discounts.

5. Allowances for Doubtful Accounts

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.

6. Inventory and Prepaid Items

The inventories of the ABC Board are valued at cost (last-in, first-out), which approximates market. The inventory of the ABC Board consists of products held for resale. The cost of the inventory is expensed when sold rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements and expensed as the items are used.

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 1 - Summary of Significant Accounting Policies – continued**

7. Capital Assets

Capital assets are defined by the government as assets with an initial, individual cost of more than a certain cost and an estimated useful life in excess of two years. The minimum capitalization cost is \$1,000 for all assets of the governmental activities and \$5,000 for the business-type activities. Donated capital assets received prior to June 30, 2015, are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 30, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. General infrastructure assets acquired prior to July 1, 2003, consist of the road network and water and sewer system assets that were acquired or that received substantial improvements subsequent to July 1, 1980, and are reported at estimated historical cost using deflated replacement cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Infrastructure	30
Buildings and systems	40
Improvements	25
Vehicles and motorized equipment	5
Furniture and equipment	10
Computer equipment	3

Property and equipment of the ABC Board are depreciated over their useful lives on a straight-line basis as follows:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Furniture and equipment	5-10
Leasehold improvements	10

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 1 - Summary of Significant Accounting Policies – continued**

8. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The Town has one item that meets this criterion, pension deferrals for the 2020 fiscal year. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Town has two items that meets the criterion for this category – property taxes receivable and pension deferrals.

9. Long-Term Obligations

In the government-wide financial statements and proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

10. Compensated Absences

The vacation policy of the Town provides for the accumulation of up to twenty-five days earned vacation leave with such leave being fully vested when earned. For the Town's government-wide and proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. The Town has assumed a first-in, first-out method of using accumulated compensated time. The portion of that time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

The Town's sick leave policy provides for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the Town does not have any obligation for the accumulated sick leave until it is taken, no accrual for sick leave has been made.

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 1 - Summary of Significant Accounting Policies – continued**

11. Net Position/Fund Balances

Net Position

Net position in government-wide and proprietary fund financial statements are classified as net investment in capital assets, restricted, and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute.

Fund Balances

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balance as follows:

**Nonspendable Fund Balance** – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

**Restricted Fund Balance** – This classification includes amounts that are restricted to specific purposes externally imposed by creditors or imposed by law.

Restricted for Stabilization by State statute – North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by State statute (RSS), is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "restricted by State statute". Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget. Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed by law through constitutional provisions or enabling legislation." RSS is reduced by inventories and prepaids as they are classified as nonspendable. Outstanding Encumbrances are included with RSS. RSS is included as a component of Restricted Net position and Restricted fund balance on the face of the balance sheet.



**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 1 - Summary of Significant Accounting Policies – continued**

11. Net Position/Fund Balances (continued)

Fund Balances (continued)

Restricted for Streets - Powell Bill portion of fund balance that is restricted by revenue source for street construction and maintenance expenditures. This amount represents the balance of the total unexpended Powell Bill funds.

Restricted for Public Safety - portion of fund balance restricted by revenue source for public safety purposes.

Committed Fund Balance – portion of fund balance that can only be used for specific purposes imposed by majority vote by quorum of the Town of Columbus' governing body (highest level of decision-making authority). The governing body can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Assigned Fund Balance – portion of fund balance that the Town of Columbus governing board authorizes and intends to use for specific purposes.

Subsequent year's expenditures - portion of fund balance that is appropriated in the next year's budget that is not already classified as restricted or committed.

Unassigned Fund Balance – the portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

The Town of Columbus has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bond proceeds, federal funds, state funds, local non-Town funds, Town funds. For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance, and lastly unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the Town.

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 1 - Summary of Significant Accounting Policies – continued**

11. Net Position/Fund Balances (continued)

Fund Balances (continued)

The Town of Columbus has also adopted a minimum fund balance policy for the general fund which instructs management to conduct the business of the Town in such a manner that available fund balance is at least equal to or greater than 20% of budgeted expenditures. Any portion of the general fund balance in excess of 20% of budgeted expenditures may be appropriated for one-time expenditures and may not be used for any purpose that would obligate the Town in a future budget.

12. Defined Benefit Cost-Sharing Plans

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Local Governmental Employees' Retirement System (LGERS) and additions to/deductions from LGERS' fiduciary net position have been determined on the same basis as they are reported by LGERS. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The Town of Columbus' employer contributions are recognized when due and the Town of Columbus has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of LGERS. Investments are reported at fair value.

**Note 2 – Stewardship, Compliance, and Accountability**

A. Excess of Expenditures over Appropriations

For the fiscal year ended June 30, 2020, the expenditures made in the Town's General Fund exceeded the authorized appropriations made by the governing board for environmental protection activities by \$5,663. Management and the Board will more closely review the budget reports to ensure compliance in future years.

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 3 – Detail Notes on All Funds**

A. Assets

1. Deposits

All the deposits of the Town and the ABC Board are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the Town's or the ABC Board's agents in these units' names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the Town and the ABC Board, these deposits are considered to be held by the Town's and the ABC Board's agents in the entities names. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits.

The State Treasurer does not confirm this information with the Town, the ABC Board, or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the Town and the ABC Board under the Pooling Method, the potential exists for under-collateralization. This risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The Town has no formal policy regarding custodial credit risk for deposits, but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The Town complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The ABC Board has no formal policy regarding custodial credit risk for deposits.

At June 30, 2020, the Town's deposits had a carrying amount of \$1,767,367 and a bank balance of \$1,898,296. Of the bank balance, \$682,207 was covered by federal depository insurance and the remainder was covered by collateral held under the pooling method. The carrying amount of deposits for the ABC Board was \$86,524 and the bank balance was \$109,336. All of the bank balance was covered by federal depository insurance. At June 30, 2020, the Town's petty cash fund totaled \$230.

2. Investments

At June 30, 2020, the Town of Columbus had \$41,145 invested with the North Carolina Capital Management Trust's Government Portfolio which carried a credit rating of AAAM by Standard and Poor's. The Town has no policy regarding credit risk.

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 3 – Detail Notes on All Funds – continued**

3. Receivables - Allowances for Doubtful Accounts

The amounts presented in the Balance Sheet and the Statement of Net Position for the year ended June 30, 2020, are net of the following allowances for doubtful accounts:

Fund	6/30/2020
General Fund:	
Taxes receivable	\$ 11,372

4. Capital Assets

**Primary Government**

Capital asset activity for the Primary Government for the year ended June 30, 2020, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Governmental activities:</b>				
<b>Capital assets not being depreciated:</b>				
Land	\$ 249,979			\$ 249,979
Total capital assets not being depreciated	\$ 249,979			\$ 249,979
<b>Capital assets being depreciated:</b>				
Buildings	\$ 584,921			\$ 584,921
Equipment and furniture	329,188	\$ 7,804		336,992
Vehicles and motorized equipment	555,646	91,976	\$ 50,735	596,887
Infrastructure	573,760			573,760
Total capital assets being depreciated	\$2,043,515	\$ 99,780	\$ 50,735	\$2,092,560
<b>Less accumulated depreciation for:</b>				
Buildings	\$ 145,902	\$ 18,395		\$ 164,297
Equipment and furniture	267,746	14,347		282,093
Vehicles and motorized equipment	443,969	48,452	\$ 50,735	441,686
Infrastructure	312,701	29,161		341,862
Total accumulated depreciation	\$1,170,318	\$110,355	\$ 50,735	\$1,229,938
Total capital assets being depreciated, net	\$ 873,197			\$ 862,622
<b>Governmental activity capital assets, net</b>	\$1,123,176			\$1,112,601

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 3 – Detail Notes on All Funds – continued**

**4. Capital Assets (continued)**

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

General government	\$ 14,946
Public safety	69,393
Transportation	<u>26,016</u>
Total depreciation expense	<u><u>\$ 110,355</u></u>

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
<b>Business-type activities:</b>				
<i>Water and Sewer Fund</i>				
<b>Capital assets not being depreciated:</b>				
Land	\$ 41,112			\$ 41,112
Construction in progress	15,000	\$ 12,783		27,783
Total capital assets not being depreciated	<u>\$ 56,112</u>	<u>\$ 12,783</u>		<u>\$ 68,895</u>
<b>Capital assets being depreciated:</b>				
Building	\$ 278,457			\$ 278,457
Water and sewer distribution systems	7,541,120	\$ 7,616		7,548,736
Equipment and furniture	664,848	30,336		695,184
Vehicles and motorized equipment	201,754	28,848		230,602
Total capital assets being depreciated	<u>\$ 8,686,179</u>	<u>\$ 66,800</u>	<u>\$ -</u>	<u>\$ 8,752,979</u>
<b>Less accumulated depreciation for:</b>				
Building	\$ 157,667	\$ 11,963		\$ 169,630
Water and sewer distribution systems	2,009,292	191,318		2,200,610
Equipment and furniture	557,136	13,746		570,882
Vehicles and motorized equipment	163,319	17,405		180,724
Total accumulated depreciation	<u>\$ 2,887,414</u>	<u>\$ 234,432</u>	<u>\$ -</u>	<u>\$ 3,121,846</u>
Total capital assets being depreciated, net	<u>\$ 5,798,765</u>			<u>\$ 5,631,133</u>
Water and Sewer fund capital assets, net	<u>\$ 5,854,877</u>			<u>\$ 5,700,028</u>
<b>Business-type activities capital assets, net</b>	<u><u>\$ 5,854,877</u></u>			<u><u>\$ 5,700,028</u></u>

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 3 – Detail Notes on All Funds – continued**

4. Capital Assets - continued

**Discretely presented component unit**

Activity for the ABC Board for the year ended June 30, 2020, was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
<b>Capital assets being depreciated:</b>				
Leasehold improvements	\$ 18,527			\$ 18,527
Store equipment	31,580	\$ 10,534	\$ 1,188	40,926
Computer equipment	783		500	283
Total capital assets being depreciated	<u>\$ 50,890</u>	<u>\$ 10,534</u>	<u>\$ 1,688</u>	<u>\$ 59,736</u>
<b>Less accumulated depreciation for:</b>				
Leasehold improvements	\$ 18,527			\$ 18,527
Store equipment	26,481	\$ 4,240	\$ 1,188	29,533
Computer equipment	783		500	283
Total accumulated depreciation	<u>\$ 45,791</u>	<u>\$ 4,240</u>	<u>\$ 1,688</u>	<u>\$ 48,343</u>
<b>Total capital assets being depreciated, net</b>	<u><u>\$ 5,099</u></u>			<u><u>\$ 11,393</u></u>

B. Liabilities

1. Pension Plan and Postemployment Obligations

a. Local Governmental Employees' Retirement System

*Plan Description.* The Town of Columbus is a participating employer in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of thirteen members – nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS.

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 3 – Detail Notes on All Funds – continued**

a. Local Governmental Employees' Retirement System - continued

That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at [www.osc.nc.gov](http://www.osc.nc.gov).

*Benefits Provided.* LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad members who are killed in the line of duty) or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as an LEO and have reached age 50, or have completed five years of creditable service as an LEO and have reached age 55, or have completed 15 years of creditable service as an LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

*Contributions.* Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. Town of Columbus employees are required to contribute 6% of their compensation.

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 3 – Detail Notes on All Funds – continued**

a. Local Governmental Employees' Retirement System - continued

Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The Town of Columbus' contractually required contribution rate for the year ended June 30, 2020, was 9.70% of compensation for law enforcement officers and 8.95% for general employees, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the Town of Columbus were \$78,528 for the year ended June 30, 2020.

*Refunds of Contributions* – Town employees who have terminated service as a contributing member of LGERS, may file an application for a refund of their contributions. By state law, refunds to members with at least five years of service include 4% interest. State law requires a 60-day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions, or any other benefit provided by LGERS.

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

At June 30, 2020, the Town reported a liability of \$311,053 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019, utilizing update procedures incorporating the actuarial assumptions. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2019 (measurement date), the Town's proportion was 0.01139%, which was a decrease of 0.00125% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the Town recognized pension expense of \$129,633. At June 30, 2020, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:



**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 3 – Detail Notes on All Funds – continued**

a. Local Governmental Employees' Retirement System - continued

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ 53,260	
Changes of assumptions	50,696	
Net difference between projected and actual earnings on pension plan investments	7,588	
Changes in proportion and differences between Town contributions and proportionate share of contributions		\$ 18,579
Town contributions subsequent to the measurement date	<u>78,528</u>	
Total	<u><u>\$ 190,072</u></u>	<u><u>\$ 18,579</u></u>

\$78,528 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	Principal
<u>June 30</u>	
2020	\$ 48,699
2021	12,532
2022	26,078
2023	<u>5,656</u>
Total	<u><u>\$ 92,965</u></u>

*Actuarial Assumptions.* The total pension liability in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.50 to 8.10 percent, including inflation and productivity factor
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 3 – Detail Notes on All Funds – continued**

a. Local Governmental Employees' Retirement System - continued

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2018, valuation were based on the results of an actuarial experience study for the period January 1, 2010, through December 31, 2014.

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2019, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Fixed Income	29.0%	1.4%
Global Equity	42.0%	5.3%
Real Estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation Protection	6.0%	4.0%
Total	<u>100%</u>	

**TOWN OF COLUMBUS, NORTH CAROLINA  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 3 – Detail Notes on All Funds – continued**

a. Local Governmental Employees' Retirement System - continued

The information above is based on 30 year expectations developed with the consulting actuary for the 2018 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

*Discount rate.* The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the Town's proportionate share of the net pension liability to changes in the discount rate.* The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the Town's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate share of the net pension liability (asset)	\$ 711,433	\$ 311,053	\$ (21,746)

*Pension plan fiduciary net position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) for the State of North Carolina.

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 3 – Detail Notes on All Funds – continued**

b. Law Enforcement Officers Special Separation Allowance

*1. Plan Description.*

The Town of Columbus administers a public employee retirement system (the *Separation Allowance*), a single-employer defined benefit pension plan that provides retirement benefits to the Town's qualified sworn law enforcement officers under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. The Separation Allowance is equal to 0.85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full time law enforcement officers of the Town are covered by the Separation Allowance. At December 31, 2018, the Separation Allowance's membership consisted of:

Retirees receiving benefits	-
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	<u>8</u>
Total	<u><u>8</u></u>

*2. Summary of Significant Accounting Policies:*

*Basis of Accounting.* The Town has chosen to fund the Separation Allowance on a pay as you go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. Benefits are recognized when due and payable in accordance with the terms of the plan.

The Separation Allowance has no assets accumulated in a trust that meets the criteria which are outlined in GASB Statement 73.

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 3 – Detail Notes on All Funds – continued**

b. Law Enforcement Officers Special Separation Allowance - continued

*3. Actuarial Assumptions*

The entry age actuarial cost method was used in the December 31, 2018, valuation. The total pension liability in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.50 - 7.35 percent, including inflation and productivity
Discount rate	3.26 percent

The discount rate is based on the yield of the S&P Municipal Bond 20-year High Grade Rate Index determined as of December 31, 2018.

Mortality rates are based on the RP-2014 Mortality tables with adjustments for mortality improvements based on MP-2015.

*4. Contributions.*

The Town is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay as you go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The Town's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. No benefits were due to be paid for the reporting period.

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

At June 30, 2020, the Town reported a total pension liability of \$46,648. The total pension liability was measured as of December 31, 2019, based on a December 31, 2018 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2019 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2020, the Town recognized pension expense of (\$10,294).

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 3 – Detail Notes on All Funds – continued**

b. Law Enforcement Officers Special Separation Allowance – continued

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 3,269	\$ 133,864
Changes of assumptions and other inputs	5,831	5,406
Benefit payments and plan administrative expenses subsequent to the measurement date	-	-
Total	<u>\$ 9,100</u>	<u>\$ 139,270</u>

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2021	\$ (24,703)
2022	(24,703)
2023	(23,875)
2024	(20,924)
2025	(20,797)
Thereafter	(15,168)
Total	<u>\$ (130,170)</u>

*Sensitivity of the Town's total pension liability to change in the discount rate.* The following presents the Town's total pension liability calculated using the discount rate of 3.26 percent, as well as what the Town's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.26 percent) or 1-percentage-point higher (4.26 percent) than the current rate:

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 3 – Detail Notes on All Funds – continued**

b. Law Enforcement Officers Special Separation Allowance - continued

	<u>1% Decrease (2.26%)</u>	<u>Current Discount Rate (3.26%)</u>	<u>1% Increase (4.26%)</u>
Total Pension Liability	<u>\$ 52,403</u>	<u>\$ 46,648</u>	<u>\$ 41,574</u>

Schedule of Changes in Total Pension Liability  
Law Enforcement Officers' Special Separation Allowance

Beginning balance	\$ 172,433
Service cost at end of year	7,780
Interest on the total pension liability	6,277
Changes of benefit terms	-
Difference between expected and actual experience	(141,847)
Changes of assumptions and other inputs	2,005
Benefit payments	-
Other changes	-
Ending balance of the total pension liability	<u><u>\$ 46,648</u></u>

The plan currently uses mortality tables that vary by age, and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2018, valuation were based on the results of an actuarial experience study for the period January 1, 2010, through December 31, 2014.

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 3 - Detail Notes on All Funds – continued**

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

Following is information related to the proportionate share and pension expense for all pension plans:

	<u>LGERS</u>	<u>LEOSSA</u>	<u>Total</u>
Pension Expense	\$129,633	\$(10,294)	\$119,339
Pension Liability	311,053	46,648	357,701
Proportionate share of the net pension liability	0.01139%	n/a	
 Deferred Outflows of Resources			
Differences between expected and actual experience	53,260	3,269	56,529
Changes of assumptions	50,696	5,831	56,527
Net difference between projected and actual earnings on plan investments	7,588	-	7,588
Changes in proportion and differences between contributions and proportionate share of contributions	-	-	-
Benefit payments and administrative costs paid subsequent to the measurement date	78,528	-	78,528
 Deferred Inflows of Resources			
Differences between expected and actual experience	-	133,864	133,864
Changes of assumptions	-	5,406	5,406
Net difference between projected and actual earnings on plan investments	-	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	18,579	-	18,579

c. Supplemental Retirement Income Plan for Law Enforcement Officers

*Plan Description.* The Town contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the Town. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.



**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 3 - Detail Notes on All Funds – continued**

c. Supplemental Retirement Income Plan for Law Enforcement Officers (continued)

*Funding Policy.* Article 12E of G.S. Chapter 143 requires the Town to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. The law enforcement officers may make voluntary contributions to the plan.

The Town made contributions of \$20,862 for the operating year. No amounts were forfeited.

2. Other Employment Benefits

The Town has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, state-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to the employee's death, but the benefit may not exceed \$50,000 or be less than \$25,000. Because all death benefit payments are made from the Death Benefit Plan and not by the Town, the Town does not determine the number of eligible participants. The Town has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. Contributions are determined as a percentage of monthly payroll based upon rates established annually by the state. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. The Town considers these contributions to be immaterial.

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 3 - Detail Notes on All Funds – continued**

3. Deferred Outflows and Inflows of Resources

Deferred outflows of resources on the Statement of Net Position is comprised of the following:

Contributions to pension plan in current fiscal year	\$ 78,528
Differences between expected and actual experience	56,529
Changes of assumptions	56,527
Net difference between projected and actual earnings on pension plan investments	7,588
Changes in proportion and differences between employer contributions and proportionate share of contributions	<u>-</u>
Total	<u><u>\$ 199,172</u></u>

Deferred inflows of resources at year-end is comprised of the following:

	<u>Statement of Net Position</u>	<u>General Fund Balance Sheet</u>
Taxes receivable, less penalties (General Fund)		\$ 5,278
Differences between expected and actual experience	\$ 133,864	
Changes of assumptions and inputs	5,406	
Changes in proportion and differences between employer contributions and proportionate share of contributions	<u>18,579</u>	
Total	<u><u>\$ 157,849</u></u>	<u><u>\$ 5,278</u></u>

4. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town carries commercial insurance to cover property, general liability, and auto liability coverage of \$1,000,000 per occurrence and workmen's compensation coverage of \$100,000 per accident. There have been no significant reductions in insurance coverage from the prior year and settled claims have not exceeded coverage in any of the past three fiscal years.

The Town of Columbus is not in a flood plain and does not carry flood insurance.

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 3 - Detail Notes on All Funds – continued**

4. Risk Management (continued)

In accordance with G.S. 159-29, the Town's employees that have access to \$100 or more at any given time of the Town's funds are performance bonded through a commercial surety bond. The finance officer is bonded for \$50,000. The Town's employees that have access to funds are also bonded under a blanket bond for \$100,000.

5. Claims, Judgments and Contingent Liabilities

In March 2018 the Town entered a settlement agreement with the plaintiff in a case which was pending with the North Carolina Supreme Court. The case was related to a dispute in regards to the billing of water and sewer fees by the Town to the plaintiff. In consideration of the compromise of the released claims, the parties agreed to resolve the litigation and appeal for a total settlement of \$947,813. The settlement required payment by the Town of \$250,000 at the execution of the settlement agreement with the remaining balance due in monthly installments for a period of twenty-four consecutive months beginning in April 2018, the final payment was made in March 2020.

6. Long-Term Obligations

a. Installment Purchases

All installment purchases for the Town of Columbus are secured solely by the specific assets purchased with the proceeds of the debt issuance.

On January 18, 2008, the Town executed an installment purchase with a local bank to purchase equipment and for a water/sewer line project. The \$700,000 financing arrangement requires semi-annual payments of \$26,176 with interest at 3.97%, maturing on January 1, 2023.

On August 14, 2008, the Town executed an installment purchase with a local bank for building renovations and construction of a new building. The \$163,969 financing arrangement requires annual principal payments of \$10,931 with interest at 4.18%, maturing on August 14, 2023.

On May 5, 2009, the Town executed a revolving loan with funds from the American Recovery and Reinvestment Act of 2009 (ARRA) for sewer rehabilitation and manhole replacement. The \$150,146 financing arrangement, half of which was forgiven, requires annual payments of \$3,740 with interest at 0.0% maturing May 1, 2030.

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 3 – Detail Notes on All Funds – continued**

a. Installment Purchases - continued

On May 19, 2010, the Town, along with the towns of Tryon and Saluda, executed a revolving loan with the North Carolina Rural Center for the Tryon/Saluda/Columbus joint waterline. Due to construction delays, the first draw on the loan did not take place until September 9, 2010. The \$1,430,001 financing arrangement which is shared equally by the Town of Tryon, the Town of Saluda, and the Town of Columbus, requires annual principal payments of \$70,488 with interest at 2.5% maturing May 1, 2031.

On February 21, 2013, the Town passed an ordinance to enter into a revolving loan agreement with the North Carolina Department of Environment and Natural Resources for the purpose of construction of a wastewater treatment plant upgrade. The final draw on the loan took place in May 2015. The \$3,000,000 financing arrangement requires annual payments of \$150,000 beginning in May 2015 with interest at 0.0% maturing May 1, 2034.

On August 2, 2015, the Town executed an installment purchase with a local bank to acquire vehicles. The \$109,783 financing arrangement requires annual payments of \$29,042 with interest at 2.30%, maturing on August 5, 2019.

On July 15, 2016, the Town executed an installment purchase with a local bank to finance a capital improvement project at the Police Department. The \$200,000 financing arrangement requires annual payments of \$22,287 with an interest rate at 1.99%, maturing on July 15, 2026.

On August 15, 2019, the Town executed an installment purchase with a local bank to acquire vehicles. The \$118,867 financing arrangement requires annual payments of \$31,657 with interest at 2.58%, maturing on August 15, 2023.

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 3 – Detail Notes on All Funds – continued**

a. Installment Purchases - continued

Annual debt service requirements to maturity for installment obligations are as follows:

Year Ended June 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2021	\$ 43,697	\$ 5,702	\$ 239,184	\$ 13,895
2022	44,645	4,625	241,252	10,914
2023	45,606	3,533	243,401	7,851
2024	47,462	2,418	191,892	5,225
2025	20,729	1,284	177,236	4,112
Next 5 Years	42,730	1,297	736,182	11,748
Thereafter			773,494	587
Total	<u>\$ 244,869</u>	<u>\$ 18,859</u>	<u>\$2,602,641</u>	<u>\$ 54,332</u>

The Town's legal debt limit is 8% of the Town's assessed value of taxable property. At June 30, 2020, the Town had a legal debt margin of \$10,037,233.

b. Emergency Loan Payable

The Town received an emergency loan from the state to expand and replace the current sewer system. The construction was completed during the year ended June 30, 2006. The loan is payable in the amount of \$88,388 each May 1 and interest at 2.36% is payable each November 1 and May 1 through May 1, 2025. Annual debt service requirements to maturity are as follows:

Year Ended June 30	Business-type Activities	
	Principal	Interest
2021	\$ 88,388	\$ 10,430
2022	88,388	8,344
2023	88,388	6,258
2024	88,388	4,172
2025	88,388	2,086
Next 5 Years		
Total	<u>\$ 441,940</u>	<u>\$ 31,290</u>

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 3 - Detail Notes on All Funds – continued**

c. Changes in Long-Term Liabilities

Changes in long-term liabilities for the fiscal year ended June 30, 2020, were as follows:

	Balance July 1, 2019	Increases	Decreases	Balance June 30, 2020	Current Portion of Balance
Governmental activities:					
Installment purchase	\$ 193,541	\$ 90,019	\$ 38,691	\$ 244,869	\$ 43,697
Compensated absences	30,149	7,289	663	36,775	12,580
Net pension liability (LGERS)	188,280	6,476		194,756	
Net pension obligation (LEO)	172,433		125,785	46,648	
Governmental activity long-term liabilities	<u>\$ 584,403</u>	<u>\$ 103,784</u>	<u>\$ 165,139</u>	<u>\$ 523,048</u>	<u>\$ 56,277</u>
Business-type activities:					
Installment purchases	\$ 2,815,349	\$ 28,848	\$ 241,556	\$ 2,602,641	\$ 239,184
Refund settlement obligation	261,680		261,680	-	
State emergency loan fund	530,328		88,388	441,940	88,388
Net pension liability (LGERS)	111,584	4,713		116,297	
Compensated absences	13,604	12,568	1,166	25,006	5,278
Business-type activity long-term liabilities	<u>\$ 3,732,545</u>	<u>\$ 46,129</u>	<u>\$ 592,790</u>	<u>\$ 3,185,884</u>	<u>\$ 332,850</u>

Compensated absences for governmental activities have typically been liquidated by the General Fund and for business-type activities by the Water and Sewer Fund.

d. Net Investment in Capital Assets

	<u>Governmental</u>	<u>Business-type</u>
Capital Assets	\$ 1,112,601	\$ 5,700,028
Less: long-term debt	<u>244,869</u>	<u>3,044,581</u>
Net investment in capital assets	<u>\$ 867,732</u>	<u>\$ 2,655,447</u>

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 3 - Detail Notes on All Funds – continued**

e. Fund Balance

The following schedule provides management and citizens with information on the portion of General fund balance that is available for appropriation:

Total fund balance-General Fund	\$ 875,475
Less:	
Stabilization by State Statute	\$ 103,141
Streets-Powell Bill	110,946
Public Safety	48,251
Appropriated Fund Balance in 2021 budget	52,070
Working Capital/Fund Balance Policy	275,965
Remaining Fund Balance	285,102
	\$ 875,475

The Town of Columbus has adopted a minimum fund balance policy for the General Fund which instructs management to conduct the business of the Town in such a manner that available fund balance is at least equal to or greater than 20% of budgeted expenditures.

**Note 4 – Summary Disclosure of Significant Contingencies**

Federal and State Assisted Programs

The Town has received proceeds from several federal and state grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant moneys to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant moneys.

**Note 5 – Subsequent Events**

Subsequent events have been evaluated through November 19, 2020, which is the date the financial statements were available to be issued.

The outbreak of the COVID-19 virus, which began locally in March 2020, continues to cause a disruption to the regular operations of the Town, its service providers, volunteers, and citizens. While this continuing disruption is expected to be temporary, there is considerable uncertainty around the overall duration, the financial impact cannot be reasonably estimated at this time.

**TOWN OF COLUMBUS, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Note 6 – Restatement**

Prior Period Adjustment

During the year ended June 30, 2020, the Town determined that revenue from a litigation settlement related to the Tryon/Saluda/Columbus joint waterline had been received in a prior year by the Town of Tryon, including amounts allocable to the Town of Columbus, and had not been recorded in the Town's Water and Sewer Fund. Therefore, an adjustment to beginning net position has been recorded, the net effect of which increased beginning net position by \$57,754.



**REQUIRED  
SUPPLEMENTARY  
FINANCIAL DATA**

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This section contains additional statements required by generally accepted accounting principles

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- Local Government Employees' Retirement System – Proportionate Share of Net Pension Liability (Asset)
- Local Government Employees' Retirement System – Schedule of Contributions
- Law Enforcement Officers' Special Separation Allowance – Schedule of Changes in Total Pension Liability
- Law Enforcement Officers' Special Separation Allowance – Schedule of Total Pension Liability as a Percentage of Covered Payroll

**TOWN OF COLUMBUS, NORTH CAROLINA  
LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM  
PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)  
LAST SEVEN FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Proportion of net pension liability (asset) (%)	0.01139%	0.01264%	0.01287%	0.01293%	0.01404%	0.01456%	0.01290%
Proportion of net pension liability (asset) (\$)	\$311,053	\$299,864	\$196,619	\$274,419	\$ 63,011	\$(85,868)	\$ 155,495
Covered payroll	\$731,245	\$748,075	\$751,002	\$756,457	\$718,671	\$710,268	\$ 671,257
Proportionate share of the net pension liability (asset) as a percentage of covered payroll	42.54%	40.08%	26.18%	36.28%	8.77%	( 12.09%)	23.16%
Plan fiduciary net position as a percentage of the total pension liability	91.63%	94.18%	91.47%	98.09%	99.07%	102.64%	94.35%

Notes to the schedule:

This schedule will not present ten year information until fiscal year ending June 30, 2023.

**TOWN OF COLUMBUS, NORTH CAROLINA  
LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM  
SCHEDULE OF CONTRIBUTIONS  
LAST SEVEN FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 78,528	\$ 59,184	\$ 58,883	\$ 57,294	\$ 48,706	\$ 49,131	\$ 48,504
Contributions in relation to the contractually required contribution	<u>78,528</u>	<u>59,184</u>	<u>58,883</u>	<u>57,294</u>	<u>48,706</u>	<u>49,131</u>	<u>48,504</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$845,030	\$731,245	\$748,075	\$751,002	\$756,457	\$718,671	\$ 710,268
Contributions as a percentage of covered payroll	9.29%	8.09%	7.87%	7.63%	6.44%	6.84%	6.83%

Notes to the schedule:

This schedule will not present ten year information until fiscal year ending June 30, 2023.

**TOWN OF COLUMBUS, NORTH CAROLINA**  
**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE**  
**SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY**  
**JUNE 30, 2020**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Beginning balance	\$172,433	\$157,179	\$160,362	\$ 150,033
Service cost	7,780	11,175	9,140	8,904
Interest on the total pension liability	6,277	4,967	6,190	5,356
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	(141,847)	4,861	(27,026)	-
Changes of assumptions or other inputs	2,005	(5,749)	8,513	(3,931)
Benefit payments	-	-	-	-
Other changes	-	-	-	-
Ending balance of the total pension liability	<u>\$ 46,648</u>	<u>\$172,433</u>	<u>\$157,179</u>	<u>\$ 160,362</u>

Notes to the schedule:

The amounts presented for the fiscal year were determined as of the prior fiscal year ending December 31.

This schedule will not present ten year information until fiscal year ending June 30, 2026.

**TOWN OF COLUMBUS, NORTH CAROLINA  
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE  
SCHEDULE OF TOTAL PENSION LIABILITY  
AS A PERCENTAGE OF COVERED PAYROLL  
JUNE 30, 2020**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability	\$ 46,648	\$ 172,433	\$ 157,179	\$ 160,362
Covered payroll	315,110	400,979	415,880	402,997
Total pension liability as a percentage of covered payroll	14.80%	43.00%	37.79%	39.79%

Notes to the schedule:

The Town of Columbus has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 73 to pay related benefits.

This schedule will not present ten year information until fiscal year ending June 30, 2026.

**INDIVIDUAL  
FUND STATEMENTS  
AND SCHEDULES**

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This section contains additional statements required by the Local Government Commission in North Carolina.

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**TOWN OF COLUMBUS, NORTH CAROLINA**  
**GENERAL FUND -- SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCE -- BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2020**

<b>Revenues</b>	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Ad valorem taxes:			
Taxes	\$ 588,400	\$ 586,978	\$ (1,422)
Penalties and interest		2,493	2,493
Total	<u>\$ 588,400</u>	<u>\$ 589,471</u>	<u>\$ 1,071</u>
Other taxes and licenses:			
Solid waste fee	\$ 600	\$ 794	\$ 194
Gross receipts tax on short-term rental property	18,000	20,500	2,500
Total	<u>\$ 18,600</u>	<u>\$ 21,294</u>	<u>\$ 2,694</u>
Unrestricted intergovernmental:			
Local option sales tax	\$ 298,000	\$ 295,505	\$ (2,495)
Telecommunications sales tax	100,000	10,432	(89,568)
Utilities sales tax		75,024	75,024
Piped natural gas sales tax		4,910	4,910
Video franchise fee		7,270	7,270
Beer and wine tax	4,400	4,318	(82)
ABC profit distributions	7,000	8,044	1,044
Total	<u>\$ 409,400</u>	<u>\$ 405,503</u>	<u>\$ (3,897)</u>
Restricted intergovernmental:			
Powell Bill allocation	\$ 32,700	\$ 33,190	\$ 490
Drug seizure revenue		6,891	6,891
Controlled substance tax	1,000	2,663	1,663
Total	<u>\$ 33,700</u>	<u>\$ 42,744</u>	<u>\$ 9,044</u>
Permits fees, and other receipts:			
Court fees	\$ 3,000	\$ 3,739	\$ 739
Sanitation fees	67,000	68,231	1,231
Zoning	3,000	2,615	(385)
Other	28,665	33,729	5,064
Total	<u>\$ 101,665</u>	<u>\$ 108,314</u>	<u>\$ 6,649</u>
Grants:			
Governor's Highway Safety Program	\$ 10,340	\$ 10,339	\$ (1)
Total	<u>\$ 10,340</u>	<u>\$ 10,339</u>	<u>\$ (1)</u>
Investment earnings:			
Interest-unrestricted	\$ 500	\$ 1,719	\$ 1,219
Interest-restricted	55	143	88
Total	<u>\$ 555</u>	<u>\$ 1,862</u>	<u>\$ 1,307</u>
Total revenues	<u>\$ 1,162,660</u>	<u>\$ 1,179,527</u>	<u>\$ 16,867</u>

**TOWN OF COLUMBUS, NORTH CAROLINA**  
**GENERAL FUND -- SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCE -- BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2020**

<b>Expenditures</b>	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>General government:</b>			
Salaries and employee benefits	\$ 10,765	\$ 10,765	
Other operating expenditures	6,450	6,228	\$ 222
Capital outlay	7,500	3,902	3,598
<b>Total</b>	<u>\$ 24,715</u>	<u>\$ 20,895</u>	<u>\$ 3,820</u>
<b>Administration:</b>			
Salaries and employee benefits	\$ 63,365	\$ 60,987	\$ 2,378
Other operating expenditures	154,155	138,864	15,291
<b>Total</b>	<u>\$ 217,520</u>	<u>\$ 199,851</u>	<u>\$ 17,669</u>
<b>Total general government</b>	<u>\$ 242,235</u>	<u>\$ 220,746</u>	<u>\$ 21,489</u>
<b>Public Safety:</b>			
<b>Police:</b>			
Salaries and employee benefits	\$ 603,360	\$ 578,959	\$ 24,401
Other operating expenditures	104,110	99,129	4,981
Capital outlay	97,200	95,878	1,322
<b>Total</b>	<u>\$ 804,670</u>	<u>\$ 773,966</u>	<u>\$ 30,704</u>
<b>Fire:</b>			
Contracted services	\$ 110,310	\$ 110,310	
<b>Total public safety</b>	<u>\$ 914,980</u>	<u>\$ 884,276</u>	<u>\$ 30,704</u>
<b>Transportation:</b>			
Salaries and employee benefits	\$ 27,740	\$ 28,793	\$ (1,053)
Other operating expenditures	86,950	75,360	11,590
<b>Total transportation</b>	<u>\$ 114,690</u>	<u>\$ 104,153</u>	<u>\$ 10,537</u>
<b>Environmental Protection:</b>			
Contracted services	\$ 64,930	\$ 70,593	\$ (5,663)
<b>Debt service:</b>			
Principal retirement	\$ 38,695	\$ 38,691	\$ 4
Interest and other charges	4,295	4,292	3
<b>Total debt service</b>	<u>\$ 42,990</u>	<u>\$ 42,983</u>	<u>\$ 7</u>
<b>Total expenditures</b>	<u>\$ 1,379,825</u>	<u>\$ 1,322,751</u>	<u>\$ 57,074</u>



**TOWN OF COLUMBUS, NORTH CAROLINA**  
**GENERAL FUND -- SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCE -- BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues over (under) expenditures	<u>\$ (217,165)</u>	<u>\$ (143,224)</u>	<u>\$ 73,941</u>
Other financing sources:			
Sale of capital assets	\$ 7,300	\$ 7,300	
Installment purchase obligations issued	<u>93,200</u>	<u>90,019</u>	<u>\$ (3,181)</u>
Total other financing sources	<u>\$ 100,500</u>	<u>\$ 97,319</u>	<u>\$ (3,181)</u>
Fund balance appropriated	<u>\$ 116,665</u>		<u>\$ (116,665)</u>
Net change in fund balance	<u><u>\$ -</u></u>	<u>\$ (45,905)</u>	<u><u>\$ (45,905)</u></u>
Fund balance, beginning as previously reported		<u>921,380</u>	
Fund balance, ending		<u><u>\$ 875,475</u></u>	

**TOWN OF COLUMBUS, NORTH CAROLINA**  
**WATER AND SEWER FUND -- SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON GAAP)**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Water sales:			
Charges for services	\$ 666,749	\$ 660,087	\$ (6,662)
Municipal usage	38,000	38,882	882
Total	<u>\$ 704,749</u>	<u>\$ 698,969</u>	<u>\$ (5,780)</u>
Sewer charges:			
Charges for services	<u>\$ 605,031</u>	<u>\$ 604,151</u>	<u>\$ (880)</u>
Water and sewer taps	<u>\$ 21,200</u>	<u>\$ 21,200</u>	
Total operating revenues	<u>\$ 1,330,980</u>	<u>\$ 1,324,320</u>	<u>\$ (6,660)</u>
Non-operating revenues:			
Interest earnings	<u>\$ 4,200</u>	<u>\$ 7,449</u>	<u>\$ 3,249</u>
Total revenues	<u>\$ 1,335,180</u>	<u>\$ 1,331,769</u>	<u>\$ (3,411)</u>
<b>Expenditures:</b>			
Water and sewer administration:			
Salaries and employee benefits	\$ 531,800	\$ 502,380	\$ 29,420
Outside services	84,000	52,817	31,183
Utilities	88,000	84,377	3,623
Telephone	3,600	2,458	1,142
Repairs and maintenance	132,757	93,621	39,136
Equipment rental	100	156	(56)
Materials and supplies	31,500	23,774	7,726
Office supplies and postage	7,500	15,562	(8,062)
Advertising	650	1,472	(822)
Uniforms	3,000	1,306	1,694
Staff development	1,500	365	1,135
Professional services	41,650	43,486	(1,836)
Safety program and equipment	2,000	1,544	456
Insurance	15,590	15,759	(169)
Total water and sewer administration	<u>\$ 943,647</u>	<u>\$ 839,077</u>	<u>\$ 104,570</u>
Debt service:			
Interest and other charges	\$ 28,884	\$ 28,884	
Principal retirement	329,949	329,944	\$ 5
Total debt service	<u>\$ 358,833</u>	<u>\$ 358,828</u>	<u>\$ 5</u>
Capital outlay	<u>\$ 61,550</u>	<u>\$ 79,583</u>	<u>\$ (18,033)</u>
Total expenditures	<u>\$ 1,364,030</u>	<u>\$ 1,277,488</u>	<u>\$ 86,542</u>

**TOWN OF COLUMBUS, NORTH CAROLINA**  
**WATER AND SEWER FUND -- SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON GAAP)**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues over (under) expenditures	\$ (28,850)	\$ 54,281	\$ 83,131
Other financing sources:			
Installment purchase obligations issued	\$ 28,850	\$ 28,848	\$ (2)
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 83,129</u>	<u>\$ 83,129</u>
<b>Reconciliation from budgetary basis</b>			
<b>(modified accrual) to full accrual:</b>			
Revenues and other financing sources over (under) expenditures		<u>\$ 83,129</u>	
<b>Reconciling items:</b>			
Installment purchase obligations issued		\$ (28,848)	
Principal retirement		329,944	
Capital outlay		79,583	
Depreciation		(234,432)	
(Increase) in compensated absences		(11,401)	
(Decrease) in deferred outflows of resources - pensions		(15,211)	
(Increase) in net pension liability		(4,713)	
(Increase) in deferred inflows of resources - pensions		<u>(1,604)</u>	
Total reconciling items		<u>\$ 113,318</u>	
Change in net position		<u>\$ 196,447</u>	

**OTHER  
SCHEDULES**

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This section contains additional statements required on property taxes.

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- Schedule of Ad Valorem Taxes Receivable
- Analysis of Current Tax Levy – Town-Wide Levy



**TOWN OF COLUMBUS, NORTH CAROLINA**  
**ANALYSIS OF CURRENT TAX LEVY -- TOWN-WIDE LEVY**  
**JUNE 30, 2020**

	Property Valuation	Rate	Total Levy	Total Levy	
				Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property taxed at current year's rate	\$ 125,895,500	0.4746	\$ 597,500	\$ 559,037	\$ 38,463
Discoveries:					
Current year	1,647,455	0.4746	7,819	7,819	
Releases	<u>(2,077,539)</u>	0.4746	<u>(9,860)</u>	<u>(9,860)</u>	
Total property valuation	<u>\$ 125,465,416</u>				
Net levy			\$ 595,459	\$ 556,996	\$ 38,463
Uncollected taxes at June 30, 2020			<u>4,546</u>	<u>4,546</u>	
Current year's taxes collected			<u>\$ 590,913</u>	<u>\$ 552,450</u>	<u>\$ 38,463</u>
Current levy collection percentage			<u>99.24%</u>	<u>99.18%</u>	<u>100.00%</u>

## STATISTICAL SECTION

This part of the Town of Columbus' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the Town's overall financial condition. The schedules included in this section can be categorized as follows:

### Financial Trends

*These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.*

### Revenue Capacity

*These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.*

### Debt Capacity

*These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.*

### Demographic and Economic Information

*These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.*

### Operating Information

*These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.*

Sources: Unless otherwise noted, the information in these schedules is derived from the Town's annual financial report for the current year.

# TOWN OF COLUMBUS, NORTH CAROLINA

## Net Position by Category

### Last Ten Fiscal Years

Fiscal Year Ending June 30,	Governmental Activities				Business-Type Activities		
	Net investment in capital assets	Restricted	Unrestricted	Total	Net investment in capital assets	Unrestricted	Total
2011	\$ 769,999	\$ 54,681	\$ 459,130	\$ 1,283,810	\$ 1,497,576	\$ 956,850	\$ 2,454,426
2012	830,079	83,797	469,891	1,383,767	1,718,712	943,857	2,662,569
2013	812,107	188,274	498,091	1,498,472	2,170,311	696,561	2,866,872
2014	805,603	276,768	502,199	1,584,570	1,647,092	1,452,848	3,099,940
2015	789,041	274,761	503,565	1,567,367	1,899,294	1,551,112	3,450,406
2016	734,472	316,941	520,226	1,571,639	1,995,520	1,798,939	3,794,459
2017	869,877	324,308	358,238	1,552,423	2,218,265	1,842,439	4,060,704
2018	962,087	280,669	364,345	1,607,101	2,317,136	899,615	3,216,751
2019	929,636	254,477	407,534	1,591,647	2,509,200	882,389	3,391,589
2020	867,732	262,338	324,858	1,454,928	2,655,447	990,343	3,645,790



# TOWN OF COLUMBUS, NORTH CAROLINA

## Net Position by Category

### Last Ten Fiscal Years

Primary Government				
Fiscal Year Ending June 30,	Net investment in capital assets	Restricted	Unrestricted	Total
2011	\$ 2,267,575	\$ 54,681	\$ 1,415,980	\$ 3,738,236
2012	2,548,791	83,797	1,413,748	4,046,336
2013	2,982,418	188,274	1,194,652	4,365,344
2014	2,452,695	276,768	1,955,047	4,684,510
2015	2,688,335	274,761	2,054,677	5,017,773
2016	2,729,992	316,941	2,319,165	5,366,098
2017	3,088,142	324,308	2,200,677	5,613,127
2018	3,279,223	280,669	1,263,960	4,823,852
2019	3,438,836	254,477	1,289,923	4,983,236
2020	3,523,179	262,338	1,315,201	5,100,718

# TOWN OF COLUMBUS, NORTH CAROLINA

## Revenues - Primary Government

Last Ten Fiscal Years

### Governmental Activities

Fiscal Year Ending June 30,	Charges for services	Operating grants and contributions	Capital grants and contributions	Property taxes	Other taxes	Grants and contributions not restricted to specific programs	Other
2011	\$ 186,755	\$ 32,127	\$ 96,000	\$ 469,176	\$ 221,727	\$ 87,646	\$ 1,662
2012	93,631	36,280	95,715	467,102	218,824	86,700	16,806
2013	93,497	142,801	54,999	492,749	210,706	105,345	2,399
2014	150,671	77,124	80,554	499,784	243,308	90,147	492
2015	192,779	36,800	16,078	513,108	231,146	111,649	445
2016	190,959	52,623	30	515,545	240,960	109,303	5,984
2017	226,582	38,310	17,500	528,707	278,048	113,838	592
2018	74,247	52,754	17,500	512,581	403,884	127,220	571
2019	77,041	47,840	-	548,764	436,698	43,449	1,548
2020	74,585	61,127	-	586,115	418,753	41,029	1,863

# TOWN OF COLUMBUS, NORTH CAROLINA

## Revenues - Primary Government

Last Ten Fiscal Years

Fiscal Year Ending June 30,	Business-Type Activities			Total Primary Government
	Charges for services	Capital grants and contributions	Other	
2011	\$ 1,074,453	\$ 79,982	\$ 3,542	\$ 2,253,070
2012	1,112,520	8,680	2,559	2,138,817
2013	1,101,708	84,900	980	2,290,084
2014	1,099,967	-	218	2,242,265
2015	1,270,771	-	-	2,372,776
2016	1,264,412	-	-	2,379,816
2017	1,265,743	-	-	2,469,320
2018	1,233,024	-	1,702	2,423,483
2019	1,326,927	-	6,458	2,488,725
2020	1,324,320	-	7,449	2,515,241

# TOWN OF COLUMBUS, NORTH CAROLINA

## Expenses - Primary Government

### Last Ten Fiscal Years

Fiscal Year Ending June 30,	Governmental Activities				
	General government	Public safety	Transportation	Environmental protection	Interest on long-term debt
2011	\$ 236,374	\$ 476,222	\$ 168,017	\$ 109,445	\$ 5,358
2012	231,279	506,621	111,897	60,970	4,334
2013	227,768	606,841	88,031	61,026	4,125
2014	214,882	693,737	80,928	62,904	3,531
2015	203,782	715,940	73,275	61,214	2,078
2016	159,089	751,609	136,837	61,080	2,517
2017	198,721	827,449	81,076	62,516	4,456
2018	195,625	782,966	90,291	61,025	4,172
2019	205,555	779,898	111,694	68,173	5,474
2020	235,841	876,671	132,794	70,593	4,292

# TOWN OF COLUMBUS, NORTH CAROLINA

## Expenses - Primary Government

### Last Ten Fiscal Years

#### Business-Type Activities

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<u>Fiscal Year Ending June 30,</u>	<u>Water &amp; sewer</u>	<u>Total Primary Government</u>
2011	\$ 963,785	\$ 1,959,201
2012	915,616	1,830,717
2013	983,285	1,971,076
2014	867,117	1,923,099
2015	876,236	1,932,525
2016	920,359	2,031,491
2017	999,498	2,173,716
2018	2,078,679	3,212,758
2019	1,158,547	2,329,341
2020	1,135,322	2,455,513

# TOWN OF COLUMBUS, NORTH CAROLINA

## Changes in Net Position Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b>Expenses</b>										
Governmental activities:										
General government	\$ 236,364	\$ 231,279	\$ 227,768	\$ 214,882	\$ 203,782	\$ 159,089	\$ 198,721	\$ 195,625	\$ 205,555	\$ 235,841
Public safety	476,222	506,621	606,841	693,737	715,940	751,609	827,449	782,966	779,898	876,671
Transportation	168,017	111,897	88,031	80,928	73,275	136,837	81,076	90,291	111,694	132,794
Environmental protection	109,455	60,970	61,026	62,904	61,214	61,080	62,516	61,025	68,173	70,593
Interest on long-term debt	<u>5,358</u>	<u>4,334</u>	<u>4,125</u>	<u>3,531</u>	<u>2,078</u>	<u>2,517</u>	<u>4,456</u>	<u>4,172</u>	<u>5,474</u>	<u>4,292</u>
Total governmental activities expenses	<u>\$ 995,416</u>	<u>\$ 915,101</u>	<u>\$ 987,791</u>	<u>\$ 1,055,982</u>	<u>\$ 1,056,289</u>	<u>\$ 1,111,132</u>	<u>\$ 1,174,218</u>	<u>\$ 1,134,079</u>	<u>\$ 1,170,794</u>	<u>\$ 1,320,191</u>
Business-type activities:										
Water and sewer	<u>\$ 963,785</u>	<u>\$ 915,616</u>	<u>\$ 983,285</u>	<u>\$ 867,117</u>	<u>\$ 876,236</u>	<u>\$ 920,359</u>	<u>\$ 999,498</u>	<u>\$ 2,078,679</u>	<u>\$ 1,158,547</u>	<u>\$ 1,135,322</u>
Total business-type activities	<u>\$ 963,785</u>	<u>\$ 915,616</u>	<u>\$ 983,285</u>	<u>\$ 867,117</u>	<u>\$ 876,236</u>	<u>\$ 920,359</u>	<u>\$ 999,498</u>	<u>\$ 2,078,679</u>	<u>\$ 1,158,547</u>	<u>\$ 1,135,322</u>
Total primary governmental expenses	<u>\$ 1,959,201</u>	<u>\$ 1,830,717</u>	<u>\$ 1,971,076</u>	<u>\$ 1,923,099</u>	<u>\$ 1,932,525</u>	<u>\$ 2,031,491</u>	<u>\$ 2,173,716</u>	<u>\$ 3,212,758</u>	<u>\$ 2,329,341</u>	<u>\$ 2,455,513</u>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	\$ 123,185	\$ 29,758	\$ 29,189	\$ 86,280	\$ 127,189	\$ 126,241	\$ 161,143	\$ 8,303	\$ 8,974	\$ 6,354
Public safety	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-
Environmental protection	63,570	63,873	64,308	64,391	65,590	64,718	65,439	65,944	68,067	68,231
Operating grants and contributions	32,137	36,280	142,801	77,124	36,800	52,623	38,310	52,754	47,840	61,127
Capital grants and contributions	<u>96,000</u>	<u>95,715</u>	<u>54,999</u>	<u>80,554</u>	<u>16,078</u>	<u>30</u>	<u>17,500</u>	<u>17,500</u>	<u>-</u>	<u>-</u>
Total governmental activities program revenues	<u>\$ 314,882</u>	<u>\$ 225,626</u>	<u>\$ 291,297</u>	<u>\$ 308,349</u>	<u>\$ 245,657</u>	<u>\$ 243,612</u>	<u>\$ 282,392</u>	<u>\$ 144,501</u>	<u>\$ 124,881</u>	<u>\$ 135,712</u>
Business-type activities:										
Charges for services:										
Water and sewer	\$ 1,074,453	\$ 1,112,520	\$ 1,101,708	\$ 1,099,967	\$ 1,270,771	\$ 1,264,412	\$ 1,265,743	\$ 1,233,024	\$ 1,326,927	\$ 1,324,320
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	<u>79,982</u>	<u>8,680</u>	<u>84,900</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total business-type activities program revenues	<u>\$ 1,154,435</u>	<u>\$ 1,121,200</u>	<u>\$ 1,186,608</u>	<u>\$ 1,099,967</u>	<u>\$ 1,270,771</u>	<u>\$ 1,264,412</u>	<u>\$ 1,265,743</u>	<u>\$ 1,233,024</u>	<u>\$ 1,326,927</u>	<u>\$ 1,324,320</u>
Total primary government program revenues	<u>\$ 1,469,317</u>	<u>\$ 1,346,826</u>	<u>\$ 1,477,905</u>	<u>\$ 1,408,316</u>	<u>\$ 1,516,428</u>	<u>\$ 1,508,024</u>	<u>\$ 1,548,135</u>	<u>\$ 1,377,525</u>	<u>\$ 1,451,808</u>	<u>\$ 1,460,032</u>
Net (expense) revenue										
Governmental activities	\$ (680,534)	\$ (689,475)	\$ (696,494)	\$ (747,633)	\$ (810,632)	\$ (867,520)	\$ (891,826)	\$ (989,578)	\$ (1,045,913)	\$ (1,184,479)
Business-type activities	<u>190,650</u>	<u>205,584</u>	<u>203,323</u>	<u>232,850</u>	<u>394,535</u>	<u>344,053</u>	<u>266,245</u>	<u>(845,655)</u>	<u>168,380</u>	<u>188,998</u>
Total primary government net expense	<u>\$ (489,884)</u>	<u>\$ (483,891)</u>	<u>\$ (493,171)</u>	<u>\$ (514,783)</u>	<u>\$ (416,097)</u>	<u>\$ (523,467)</u>	<u>\$ (625,581)</u>	<u>\$ (1,835,233)</u>	<u>\$ (877,533)</u>	<u>\$ (995,481)</u>

## TOWN OF COLUMBUS, NORTH CAROLINA

### Changes in Net Position Last Ten Fiscal Years (accrual basis of accounting)

Fiscal Year

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes										
Property taxes	\$ 469,176	\$ 467,102	\$ 492,749	\$ 499,784	\$ 513,108	\$ 515,545	\$ 528,707	512,581	\$ 548,764	\$ 586,115
Local option sales tax	177,842	173,504	170,717	211,303	203,124	214,071	249,002	265,093	296,250	295,505
Other taxes	43,885	45,320	39,989	32,005	28,022	26,889	29,046	138,791	140,448	123,248
Unrestricted grants and contributions	87,646	86,700	105,345	90,147	111,649	109,303	113,838	127,220	43,449	41,029
Investment earnings	1,662	1,125	659	492	445	526	541	571	1,548	1,863
Miscellaneous	-	15,681	1,740	-	-	5,458	51	-	-	-
Total governmental activities	<u>\$ 780,211</u>	<u>\$ 789,432</u>	<u>\$ 811,199</u>	<u>\$ 833,731</u>	<u>\$ 856,348</u>	<u>\$ 871,792</u>	<u>\$ 921,185</u>	<u>\$ 1,044,256</u>	<u>\$ 1,030,459</u>	<u>\$ 1,047,760</u>
Business-type activities:										
Investment earnings	\$ 3,542	\$ 2,559	\$ 980	\$ 218	\$ -	\$ -	\$ -	\$ 1,702	\$ 6,458	\$ 7,449
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Total business-type activities	<u>\$ 3,542</u>	<u>\$ 2,559</u>	<u>\$ 980</u>	<u>\$ 218</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,702</u>	<u>\$ 6,458</u>	<u>\$ 7,449</u>
Total primary government	<u>\$ 783,753</u>	<u>\$ 791,991</u>	<u>\$ 812,179</u>	<u>\$ 833,949</u>	<u>\$ 856,348</u>	<u>\$ 871,792</u>	<u>\$ 921,185</u>	<u>\$ 1,045,958</u>	<u>\$ 1,036,917</u>	<u>\$ 1,055,209</u>
<b>Change in Net Position</b>										
Governmental activities	\$ 99,677	\$ 99,957	\$ 114,705	\$ 86,098	\$ 45,716	\$ 4,272	\$ 29,359	\$ 54,678	\$ (15,454)	\$ (136,719)
Business-type activities	194,192	208,143	204,303	233,068	394,535	344,053	266,245	(843,953)	174,838	196,447
Total primary government	<u>\$ 293,869</u>	<u>\$ 308,100</u>	<u>\$ 319,008</u>	<u>\$ 319,166</u>	<u>\$ 440,251</u>	<u>\$ 348,325</u>	<u>\$ 295,604</u>	<u>\$ (789,275)</u>	<u>\$ 159,834</u>	<u>\$ 59,728</u>

# TOWN OF COLUMBUS, NORTH CAROLINA

## Fund Balances - Governmental Funds

### Last Ten Fiscal Years

Fiscal Year Ending June 30,	General Fund				Total Fund Balance
	Nonspendable	Restricted	Assigned	Unassigned	
2011		\$ 54,681		\$ 505,867	\$ 560,548
2012	\$ 3,488	83,797		532,233	619,518
2013		188,274		574,041	762,315
2014		276,768		592,781	869,549
2015		274,761		640,878	915,639
2016		316,941	\$ 449	667,074	984,464
2017	568	324,308	22,013	553,009	899,898
2018		280,669	27,013	565,091	872,773
2019		254,477	69,500	597,403	921,380
2020		262,338	52,070	561,067	875,475



# TOWN OF COLUMBUS, NORTH CAROLINA

## Revenues - Governmental Funds

### Last Ten Fiscal Years

Fiscal Year Ending June 30,	Property taxes	Other taxes and licenses	Inter- governmental contributions	Restricted Inter- governmental	Permits, fees, other	Investment Earnings	Total
2011	\$ 449,257	\$ 221,727	\$ 87,646	\$ 32,127	\$ 186,755	\$ 1,662	\$ 979,174
2012	475,586	218,824	86,700	127,256	98,001	1,495	1,007,862
2013	496,835	210,707	105,345	197,035	93,497	1,424	1,104,843
2014	502,120	26,903	306,552	153,290	154,316	1,235	1,144,416
2015	511,289	26,789	314,773	52,790	194,012	535	1,100,188
2016	519,646	26,889	323,374	52,559	190,959	623	1,114,050
2017	531,636	29,046	368,125	38,310	238,797	541	1,206,455
2018	511,638	31,482	377,402	47,754	218,967	571	1,187,814
2019	552,286	33,387	410,811	37,827	111,702	1,548	1,147,561
2020	589,471	21,294	405,503	42,744	118,653	1,862	1,179,527

# TOWN OF COLUMBUS, NORTH CAROLINA

## Expenditures-Governmental Funds

### Last Ten Fiscal Years

Fiscal Year Ending June 30,	General government	Public safety	Transportation	Environmental protection	Capital outlay	Debt Service		Total	Debt service as a % of non-capital expenditures
						Principal	Interest		
2011	\$ 115,163	\$ 372,200	\$ 115,951	\$ 109,445	\$ 175,608	\$ 32,178	\$ 5,358	\$ 925,903	5.00
2012	201,696	467,411	92,731	60,970	120,042	39,726	4,334	986,910	5.08
2013	201,269	548,667	69,804	61,026	45,875	33,020	4,125	963,786	4.05
2014	190,485	625,182	63,652	61,296	55,550	41,336	3,531	1,041,032	4.55
2015	184,547	669,821	55,587	61,214	100,305	28,431	2,078	1,101,983	3.05
2016	199,132	673,581	55,168	61,080	146,646	22,342	2,517	1,160,466	2.45
2017	170,588	743,030	58,310	62,516	410,809	41,462	4,456	1,491,171	4.25
2018	176,585	710,666	61,906	61,025	148,803	51,782	4,172	1,214,939	5.25
2019	186,599	683,246	79,918	68,173	36,495	50,350	5,474	1,110,255	5.20
2020	216,844	788,398	104,153	70,593	99,780	38,691	4,292	1,322,751	3.51

# TOWN OF COLUMBUS, NORTH CAROLINA

## Changes in Fund Balances - Governmental Funds

### Last Ten Fiscal Years

<u>Fiscal Year Ending June 30,</u>	<u>Total revenues</u>	<u>Total expenditures</u>	<u>Other financing sources (uses)</u>	<u>Net change</u>
2011	\$ 979,174	\$ 925,903	\$ 19,080	\$ 72,351
2012	1,007,862	986,910	38,018	58,970
2013	1,104,843	963,786	1,740	142,797
2014	1,144,416	1,041,032	3,850	107,234
2015	1,100,188	1,101,983	47,885	46,090
2016	1,114,050	1,160,466	115,241	68,825
2017	1,206,455	1,491,171	200,150	(84,566)
2018	1,187,814	1,214,939	-	(27,125)
2019	1,147,561	1,110,255	11,301	48,607
2020	1,179,527	1,322,751	97,319	(45,905)

# TOWN OF COLUMBUS, NORTH CAROLINA

## Assessed Value and Estimated Actual Value of Taxable Property

Fiscal Year Ending June 30,	Last Ten Fiscal Years (in thousands)					Total Direct Tax Rate	Estimated Actual Tax Value	Assessed Value as a Percentage of Actual Value
	Assessed Real Property		Assessed Personal Property					
	Commercial Property	Residential Property	Motor Vehicles	Other	Taxable Value			
2011	\$ 34,421	\$ 76,019	\$ 5,771	\$ 11,324	\$ 127,535	.3900	\$ 143,993	88.57
2012	34,680	73,533	6,629	9,301	124,143 *	.3900	142,350	87.21
2013	34,795	74,273	6,284	8,702	124,054	.4000	143,690	86.33
2014	34,920	75,198	8,180	8,510	126,808	.4000	147,434	86.01
2015	35,185	74,769	6,556	8,299	124,809	.4150	146,112	85.42
2016	35,148	72,943	7,086	9,687	124,864	.4150	150,783	82.81
2017	36,179	71,683	8,257	10,103	126,222	.4200	154,819	81.53
2018	37,108	67,770	7,833	9,864	122,575	.4246	124,803	98.21
2019	38,021	68,120	7,828	9,753	123,722	.4446	131,703	93.94
2020	46,790	60,267	8,205	7,522	122,784	.4746	126,326	97.20

Source: Polk County Tax Assessor's Office.

Estimated actual tax value based on County Assessor's sale ratio studies.

Note: Property in the Town was last reassessed for fiscal year 2018. Tax rates are per \$100 of assessed value.

\*Decline in 2012 due to valuation appeal from Tryon/Columbus Retirement Assn.(Laurel Hurst/Laurel Woods).

# TOWN OF COLUMBUS, NORTH CAROLINA

## Direct and Overlapping Tax Rate

### Last Ten Fiscal Years

Fiscal Year Ending June 30,	Direct Town			Polk County	
	<u>Town</u>	<u>Fire</u>	<u>Total</u>	<u>Total Rate</u>	<u>Total Rate</u>
2011	.350	.0400	.3900	.5200	.9100
2012	.350	.0400	.3900	.5200	.9100
2013	.350	.0500	.4000	.5200	.9200
2014	.350	.0500	.4000	.5175	.9175
2015	.350	.0650	.4150	.5175	.9325
2016	.350	.0650	.4150	.5175	.9325
2017	.350	.0700	.4200	.5375	.9575
2018	.350	.0746	.4246	.5294	.9540
2019	.370	.0746	.4446	.5494	.9940
2020	.370	.1046	.4746	.5494	1.024

The last Countywide revaluation was effective January 1, 2017

Tax rates are per \$100 of assessed value.

The same tax rate is applied to all classifications of property  
--real, business personal, vehicles, and utilities.

Source: Polk County Tax Department and Town of Columbus annual  
budget ordinances

# TOWN OF COLUMBUS, NORTH CAROLINA

## Principal Property Taxpayers

### Current Year and Ten Years Ago

Taxpayer	2020		Taxpayer	2010	
	Taxable assessed value	Percentage of total town taxable assessed value		Taxable assessed value	Percentage of total town taxable assessed value
CSL Laurelhurst NC, LLC	\$ 6,208,575	4.95%	Tryon/Columbus Retirement	\$ 7,905,565	6.13%
Duke Energy Corp	3,419,483	2.73%	AZJ Promotory	5,725,660	4.44%
St Luke's Professional	3,039,905	2.42%	Columbus Plaza	3,163,616	2.45%
Columbus Plaza Associates, LLC	2,981,801	2.38%	Feagan Family 1, LLC	2,696,612	2.09%
Dry Pond Partners	2,257,500	1.80%	Dunn's Solution Unlimited	2,560,533	1.98%
Bhakta Prakashbbai	2,155,704	1.72%	Gore Brothers Inc.	2,177,510	1.69%
Woodstock Station LLC	1,977,467	1.58%	Day's Inn	1,860,948	1.44%
Feagan Family 1, LLC	1,968,932	1.57%	Karaman Properties	1,559,042	1.21%
State Employees Credit Union	1,767,987	1.41%	Woodstock Station, LLC	1,357,601	1.05%
National Retail Properties	1,738,862	1.39%	Thermal Belt Outreach Min.	1,227,770	0.95%
<b>Total</b>	<b>\$ 27,516,216</b>	<b>21.95%</b>	<b>Total</b>	<b>\$ 30,234,857</b>	<b>23.43%</b>

Source: Polk County Tax Assessor's Office

# TOWN OF COLUMBUS, NORTH CAROLINA

## Property Tax Levies and Collections

### Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes levied for the fiscal year	Collected within the fiscal year of the levy		Current uncollected balance	Collection in subsequent years	Total collections to date	
		Amount	Percentage of levy			Amount	Percentage of levy
2011	\$ 497,386	\$477,121	95.83	\$ 3,226	\$ 17,039	\$494,160	99.35
2012	484,158	469,418	96.96	2,163	12,577	481,995	99.55
2013	496,215	486,408	98.02	923	8,884	495,292	99.81
2014	507,231	500,749	98.72	9	6,473	507,222	100.00
2015	517,959	509,650	98.40	662	7,647	517,297	99.87
2016	518,184	513,857	99.16	602	3,725	517,582	99.88
2017	530,131	525,435	99.11	870	4,091	529,526	99.89
2018	520,454	513,368	98.64	2,439	4,798	518,166	99.56
2019	550,068	546,872	99.42	3,196	1,570	548,442	99.70
2020	595,459	590,913	99.24	4,546	-	590,913	99.24

Source: Polk County Tax Department and Town of Columbus Financial Statements

# TOWN OF COLUMBUS, NORTH CAROLINA

## Ratios of Outstanding Debt by Type

### Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities	Business Type Activities		Total Primary Government	Per capita (a)	Percentage of Personal Income (a)
	Installment loans	Installment loans	State emergency loan			
2011	\$ 155,951	\$1,304,330	\$ 1,237,425	\$ 2,697,706	\$ 2,700	13.57
2012	138,563	1,202,301	1,149,037	2,489,901	2,525	12.16
2013	105,543	1,100,423	1,060,650	2,266,516	2,337	12.78
2014	64,207	3,590,426	972,265	4,626,898	4,770	25.58
2015	83,661	3,752,690	883,878	4,720,229	4,792	25.42
2016	171,102	3,507,209	795,490	4,473,801	4,556	23.28
2017	329,640	3,259,311	707,103	4,296,054	4,388	N/A
2018	243,890	3,055,154	618,715	3,917,759	3,902	N/A
2019	193,540	2,815,349	530,328	3,539,217	3,525	N/A
2020	244,869	2,602,641	441,940	3,289,450	3,250	N/A

Note: Details regarding the Town's outstanding debt can be found in the notes to the financial statements.

(a) See Demographics and Economic Statistics on page 94 for population and income data.



# TOWN OF COLUMBUS, NORTH CAROLINA

## Legal Debt Margin Information

### Last Ten Fiscal Years

Fiscal Year Ended June 30,	Debt limit	Total debt applicable to limit	Legal debt margin	Total debt applicable to the limit as a percentage of debt limit
2011	\$ 10,202,790	-	\$ 10,202,790	0.00
2012	9,931,452	-	9,931,452	0.00
2013	9,924,310	-	9,924,310	0.00
2014	10,144,620	-	10,144,620	0.00
2015	9,984,740	-	9,984,740	0.00
2016	9,989,095	-	9,989,095	0.00
2017	10,097,737	-	10,097,737	0.00
2018	9,806,028	-	9,806,028	0.00
2019	9,897,778	-	9,897,778	0.00
2020	10,037,233	-	10,037,233	0.00

### Legal Debt Margin Calculation for Fiscal Year 2020

Assessed value	\$ 125,465,416
Debt limit (8% of assessed value)	\$ 10,037,233
Debt applicable to limit:	
Less General obligation bonds	-
Legal debt margin	<u>\$ 10,037,233</u>

# TOWN OF COLUMBUS, NORTH CAROLINA

## Direct and Overlapping Governmental Activities Debt

As of June 30, 2020

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (2)	Estimated Share of Overlapping Debt
Polk County (1)	\$ 13,909,760	3.47%	\$ 482,669
Town of Columbus Direct			<u>244,869</u>
Total Direct and Overlapping Debt			<u>\$ 727,538</u>

Sources:

- (1) Polk County Finance Department
- (2) The percentage of overlapping debt is estimated using taxable assessed property values. The Town of Columbus represents 3.47% of the total Polk County assessed valuation per the Polk County Tax Assessor.

## Town of Columbus, North Carolina

### Water Rates Last Ten Fiscal Years

	2010	2011,2012,2013	2014	2015,2016,2017	2018,2019
Residential(1) Inside (3)	\$16.65 Minimum/ \$2.43 per 1,000 Gallons Thereafter	\$16.65 Minimum/ \$2.43 per 1,000 Gallons Thereafter	\$18.32 Minimum/ \$2.67 per 1,000 Gallons Thereafter	\$18.32 Minimum/ \$2.67 3,001-10,000 \$3.67 10,001+ Gallons	\$19.24 Minimum/ \$2.80 3,001-10,000 \$3.67 10,001+ Gallons
Residential (1) Outside (4)	\$32.17 Minimum/ \$4.84 per 1,000 Gallons Thereafter	\$32.17 Minimum/ \$4.84 per 1,000 Gallons Thereafter	\$35.59 Minimum/ \$5.32 per 1,000 Gallons Thereafter	\$36.64 Minimum/ \$5.34 3,001-10,000 \$7.34 10,001+ Gallons	\$38.47 Minimum/ \$5.61 3,001-10,000 \$7.71 10,001+ Gallons
Commercial(2) Inside(3)	\$26.99 Minimum/ \$2.43 per 1,000 Gallons Thereafter	\$26.99 Minimum/ \$2.43 per 1,000 Gallons Thereafter	\$29.69 Minimum/ \$2.67 per 1,000 Gallons Thereafter	\$29.69 Minimum/ \$2.67 5,001-10,000 \$3.67 10,001-100,000 \$4.67 100,001-500,000 \$5.67 500,001+ Gallons	\$31.17 Minimum/ \$2.80 5,001-10,000 \$3.85 10,001-100,000 \$4.90 100,001-500,000 \$5.95 500,001+ Gallons
Commercial(2) Outside (4)	\$52.86 Minimum/ \$4.84 per 1,000 Gallons Thereafter	\$52.86 Minimum/ \$4.84 per 1,000 Gallons Thereafter	\$58.15 Minimum/ \$5.32 per 1,000 Gallons Thereafter	\$59.38 Minimum/ \$5.34 5,001-10,000 \$7.34 10,001-100,000 \$9.34 100,001-500,000 \$11.34 500,001+ Gallons	\$62.35 Minimum/ \$5.61 5,001-10,000 \$7.71 10,001-100,000 \$9.81 100,001-500,000 \$11.91 500,001+ Gallons

All rates after the minimum are per 1,000 gallons of usage

- (1) All residential minimums are based on 3,000 gallons
- (2) All commercial minimums are based on 5,000 gallons
- (3) Inside--Inside the Town Limits of Columbus
- (4) Outside--Outside the Town Limits of Columbus

## Town of Columbus, North Carolina

### Sewer Rates Last Ten Fiscal Years

	2010	2011,2012,2013	2014	2015, 2016, 2017	2018,2019
Residential(1) Inside (3)	\$21.91 Minimum/ \$3.29 per 1,000 Gallons Thereafter	\$24.10 Minimum/ \$3.62 per 1,000 Gallons Thereafter	\$26.51 Minimum \$3.98 per 1,000 Gallons Thereafter	\$26.51 Minimum/ \$3.98 3,001-10,000 \$4.98 10,001+ Gallons	\$27.84 Minimum/ \$4.18 3,001-10,000 \$5.23 10,001+ Gallons
Residential (1) Outside (4)	\$42.56 Minimum/ \$6.44 per 1,000 Gallons Thereafter	\$46.82 Minimum/ \$7.08 per 1,000 Gallons Thereafter	\$51.50 Minimum/ \$7.79 per 1,000 Gallons Thereafter	\$53.02 Minimum/ \$7.96 3,001-10,000 \$9.96 10,001+ Gallons	\$55.67 Minimum/ \$8.36 3,001-10,000 \$10.46 10,001+ Gallons
Commercial(2) Inside(3)	\$35.64 Minimum/ \$3.29 per 1,000 Gallons Thereafter	\$39.20 Minimum \$3.62 per 1,000 Gallons Thereafter	\$43.12 Minimum/ \$3.98 per 1,000 Gallons Thereafter	\$43.12 Minimum/ \$3.98 5,001-10,000 \$4.98 10,001-100,000 \$5.98 100,001-500,000 \$6.98 500,001+ Gallons	\$45.28 Minimum/ \$4.18 5,001-10,000 \$5.23 10,001-100,000 \$6.28 100,001-500,000 \$7.33 500,001+ Gallons
Commercial(2) Outside (4)	\$68.80 Minimum \$6.44 per 1,000 Gallons Thereafter	\$75.86 Minimum/ \$7.08 per 1,000 Gallons Thereafter	\$83.25 Minimum/ \$7.79 per 1,000 Gallons Thereafter	\$86.24 Minimum/ \$7.96 5,001-10,000 \$9.96 10,001-100,000 \$11.96 100,001-500,000 \$13.96 500,001+ Gallons	\$90.55 Minimum/ \$8.36 5,001-10,000 \$10.46 10,001-100,000 \$12.56 100,001-500,000 \$14.66 500,001+ Gallons

All rates after the minimum are per 1,000 gallons of usage

- (1) All residential minimums are based on 3,000 gallons
- (2) All commercial minimums are based on 5,000 gallons
- (3) Inside--Inside the Town Limits of Columbus
- (4) Outside--Outside the Town Limits of Columbus

# TOWN OF COLUMBUS, NORTH CAROLINA

## Top Ten Water Customers

Fiscal Year 2019-2020

<u>Customer Name</u>	<u>Total Gallons Billed</u>	<u>% of Total Town Billing</u>
Acts, Inc.	12,114,000	15.60%
St. Luke's Hospital	5,521,000	7.11%
Milliken Hatch Plant	4,468,000	5.75%
CSL Laurelhurst NC LLC	2,520,700	3.25%
Columbus Launderette	1,717,400	2.21%
DOT Welcome Center	1,036,400	1.33%
The Sanctuary at Tryon	864,000	1.11%
Bubbles Car Wash	804,300	1.04%
Donna Boyd	626,690	0.81%
Days Inn - Columbus	617,900	0.80%
<b>Total</b>	<b>30,290,390</b>	<b>39.01%</b>

# TOWN OF COLUMBUS, NORTH CAROLINA

## Demographic and Economic Statistics

### Last Ten Fiscal Years

Fiscal Year Ended June 30,	(Town) Population (1)	Personal Income (2)	Per capita personal income (2)	(County) Median Age (1)	(County) school enrollment (3)	(County) unemployment rate (4)
2011	999	\$ 19,873,107	\$ 19,893	52.51	2,385	7.7%
2012	986	20,469,300	20,760	49.50	2,355	8.0%
2013	970	17,735,480	18,284	49.58	2,293	6.1%
2014	970	18,090,189	18,650	51.52	2,294	5.4%
2015	985	18,568,500	18,851	52.01	2,246	5.8%
2016	982	19,220,801	19,573	52.25	2,276	4.9%
2017	979	N/A	N/A	51.06	2,167	4.0%
2018	1,004	N/A	N/A	51.29	2,147	4.1%
2019	1,004	N/A	N/A	51.55	2,099	4.5%
2020	1,012	N/A	N/A	52.00	2,117	6.3%

**Sources:**

- (1) N.C. State Data Center
- (2) [www.city-data.com](http://www.city-data.com)
- (3) N.C. Department of Public Instruction, First Month Average Daily Membership
- (4) N.C. Employment Security Commission, June
- N/A - Information not available

# TOWN OF COLUMBUS, NORTH CAROLINA

## Principal Employers

Current Year and Nine Years Ago\*

Employer	2020		2011	
	Employees (1)	Percentage of total county employment (2)	Employees (1)	Percentage of total county employment (2)
Polk County Public Schools	250-499	2.8%-5.6%	250-499	2.8%-5.6%
ACTS, Inc.	250-499	2.8%-5.6%	250-499	2.8%-5.6%
St. Luke's Hospital	250-499	2.8%-5.6%	250-499	2.8%-5.6%
Polk County Government	250-499	2.8%-5.6%	250-499	2.8%-5.6%
Cooper Riis	100-249	1.1%-2.8%	100-249	1.1%-2.8%
Tryon International Equestrian Ctr	100-249	1.1%-2.8%	N/A	N/A
White Oak Management, Inc.	100-249	1.1%-2.8%	100-249	1.1%-2.8%
Pavillion International	100-249	1.1%-2.8%	50-99	.6%-1.0%
Pure Country	50-99	.06%-1.0%	50-99	.6%-1.0%
Polk Vocational Services	50-99	.06%-1.0%	N/A	N/A
Community Choices, Inc.	50-99	.06%-1.0%	50-99	.6%-1.0%
Autumn Corporation	50-99	.06%-1.0%	100-249	.6%-1.0%
<b>Total</b>	<b>1600-3388</b>	<b>15.6%-37.6%</b>	<b>1450-3040</b>	<b>14.7%-32.0%</b>

Due to the size of Columbus statistics are not available for the Town. The above information is for Polk County as a whole and is provided to the reader for a better understanding of the economic climate for Columbus, which is the County seat.

Source:

(1) d4ncommerce.com

(2) Percentages based on a workforce of 9,002 and 8,474 for 2020 and 2011, respectively, per the Employment Security Commission of North Carolina.

N/A--company not in business in Polk County in 2011 or 2020. .

# TOWN OF COLUMBUS, NORTH CAROLINA

## Full-time Equivalent Town Government Employees by Function/Program

### Last Ten Fiscal Years

<u>Function/program</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General government	3.4	3.4	3.2	3.2	3.2	3.6	3.6	3.6	3.6	2.6
Planning	1.0	.40	-	-	-	-	-	-	-	0.4
Police	6.0	7.0	7.6	9.6	9.6	11.0	11.0	11.0	11.0	10.0
Streets/Water	5.0	5.0	5.0	5.0	5.0	4.0	3.0	3.0	3.0	4.5
Wastewater	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.5
Recycling	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>16.4</b>	<b>16.8</b>	<b>16.8</b>	<b>18.8</b>	<b>18.8</b>	<b>19.6</b>	<b>18.6</b>	<b>18.6</b>	<b>18.6</b>	<b>19.0</b>

Source: Various Town Departments



# TOWN OF COLUMBUS, NORTH CAROLINA

## Operating Indicators by Function/Program

### Last Ten Fiscal Years

<u>Function/program</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b>Building Permits: (1)</b>										
Commercial	0	0	0	0	0	0	0	0	0	0
Residential	0	0	0	0	0	0	0	0	0	0
Electrical	0	0	0	0	0	0	0	0	0	0
Plumbing	0	0	0	0	0	0	0	0	0	0
Mechanical	0	0	0	0	0	0	0	0	0	0
Sign	10	6	12	8	9	8	8	5	12	9
Demolition	0	0	0	0	0	0	0	0	0	0
Fire Sprinkler	0	0	0	0	0	0	0	0	0	0
<b>Police Department:</b>										
Arrests	211	230	254	268	297	206	178	138	263	259
Accidents	129	133	108	121	137	129	89	102	85	80
Citations	622	1308	2446	2617	2209	1659	1695	2167	2661	2605
<b>Water Department:</b>										
Customers Count	923	949	957	960	961	959	962	970	974	980
Annual Production (millions of gallons)	134	95	77	75	88	87	85	86	84.2	90.7
<b>Sewer Department:</b>										
Customer Count	511	539	547	543	549	547	551	558	561	559
Annual Flow (millions of gallons)	57.3	52.5	55.1	53.0	59.0	62.0	49.3	57.0	56.3	54.6

(1) The Town of Columbus began issuing permits in fiscal year 2007/08 when the Planning Department was established. Prior to that date, all permits were issued by Polk County. In December, 2009 all permitting and inspection activity was turned back over to Polk County.

Source: Various Town Departments

# TOWN OF COLUMBUS, NORTH CAROLINA

## Capital Asset and Infrastructure Statistics by Function/Program

### Last Ten Fiscal Years

<u>Function/program</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b>General government:</b>										
Buildings-Town Hall	1	1	1	1	1	1	1	1	1	1
Vehicles	1	1	-	-	-	-	-	-	-	-
<b>Police:</b>										
Buildings-Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	6	7	7	7	9	11	12	12	12	12
Utility Trailer	-	-	1	1	1	1	1	1	1	1
Motorcycles	-	-	1	2	2	2	2	2	2	2
<b>Water/Sewer:</b>										
Buildings-storage barn	1	1	1	1	1	1	1	1	1	1
Water Wells	4	4	4	4	4	4	4	4	4	4
Treatment Plants	1	1	1	1	1	1	1	1	1	1
Sewer Lift Stations	5	5	5	5	5	5	5	5	5	5
Vehicles	4	4	4	4	5	6	6	6	6	6
Backhoes	2	2	2	2	1	1	1	1	1	2
Sewer Jet	1	1	1	1	1	1	1	1	1	1
Sanitary Sewer miles	20	20	20	20	20	20	20	20	20	20
<b>Streets:</b>										
Number of street lights	167	179	179	179	179	179	179	179	179	179
Miles (1)	7.32	7.32	7.32	7.32	7.32	7.32	7.32	7.32	7.32	7.32

(1) Miles are per annual Powell Bill reports.

Source: Various Town Departments