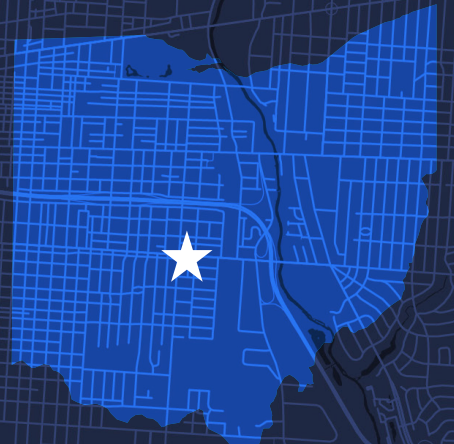




DOWNTOWN COLUMBUS, OHIO

**POPULAR
ANNUAL
FINANCIAL
REPORT** **A Report
to our Citizens**
FOR YEAR ENDED DECEMBER 31, 2022



THE CITY OF
COLUMBUS
OFFICE OF THE CITY AUDITOR
MEGAN N. KILGORE, AUDITOR

FROM THE CITY AUDITOR

Dear Citizens of Columbus, I proudly present to you the 2022 Popular Annual Financial Report (PAFR) for the City of Columbus.

Despite much uncertainty these past few years, one thing is certain: the state of the City's financial position is strong. There's no question much of our resiliency comes from our diverse economy; an enviable blend of large, stable employers and newer firms launching world-changing ideas. But as City leaders, we also believe resiliency can be planned.

In the pages that follow, you'll learn about our financial management philosophies – values we've held through economic ups and downs because they've historically served us well. You'll also learn about the strategic investments the City made during 2022 to strengthen our economy, and in turn, the City's financial foundation. We invested in best-in-class infrastructure, eliminated barriers to commerce, prioritized education, and created new jobs, including jobs for workers without college degrees.

Even before the pandemic, our office recognized that we needed to modernize to better meet the needs of our residents, workers, and business community. In 2022, we launched our brand-new revenue system, CRISP (<https://crisp.columbus.gov/>). For the first time, taxpayers will be able to easily file their taxes online.

My position carries with it the responsibility to report the City's financials to you. I hope you enjoy the story our 2022 numbers tell—a story of intentional investment and planning for resiliency.

Yours in service,



Megan N. Kilgore
Columbus City Auditor

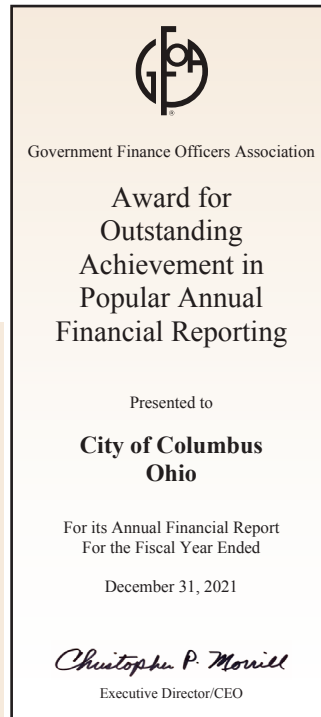
**TABLE OF CONTENTS**

Understanding the PAFR	2
Overview of Government	3
Organizational Structure	4
Strategic Priorities of the City	5
City Services by the Numbers	6
The City's Net Position	7
Where the Money Comes From	8
Where the Money Goes	9
2022 State of the Local Economy	10
Funding Pandemic Recovery	11
Remote Work and Income Tax Collections	12
Planning for our Future	13
Capital Improvements	14
Capital Assets	15
Managing the City's Debt	16
A Plan for Climate Action	17
Fiscal Year 2023 Revenue Projection	18

UNDERSTANDING THE PAFR

“For years, the City of Columbus has received national recognition for being one of the fastest large cities in the country to release their Annual Comprehensive Financial Report. I am particularly proud to uphold that same commitment, even through the challenges of the pandemic.”

– Megan N. Kilgore, Columbus City Auditor



The City’s Annual Comprehensive Financial Reports for the years 2019-2021, from which financial results found in this PAFR have been drawn, were awarded the Certificate of Achievement for Excellence in Financial Reporting by Government Finance Officers Association of the United State and Canada (GFOA). The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. Such an ACFR 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 Annual Comprehensive Financial Report continues to conform to the Certificate of Achievement Program’s requirements, and we are submitting it to GFOA to determine its eligibility for another Certificate.

The purpose of this document is to provide an abbreviated and simplified version of our required annual audit – the more than 300-page 2022 Annual Comprehensive Financial Report (ACFR). For more than 20 years, the City of Columbus has been nationally recognized as one of the fastest large cities in the country to complete our annual audit in compliance with generally accepted accounting principles (GAAP). Beyond good financial management and governance, audit time is critically important to investors who require timely and comprehensive financial information to make accurate investment decisions.

Though this publication is intended to be simple to understand, there are some commonly used accounting terms used in this PAFR:

Bonds: a type of debt-based investment, where money is loaned to a government in return for an agreed rate of interest

Bond Ratings: independent, forward-looking opinions on the creditworthiness of a bond issuer

Business-type activities: one of two classes of activities reported in the government-wide financial statements. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. These activities usually are reported in enterprise funds

Expenditures: everything that a government spends money on

Fiscal Year (FY): a government or organization’s 12-month financial budget and reporting period; not all fiscal years correspond to the calendar year but the City of Columbus’ does

Fund: a separate fiscal and accounting entity used to segregate and account for resources related to a specific activity

General Fund: the main operating fund of a government

General Obligation Bonds: bonds issued that are backed by the full faith and credit of the government

Governmental Activities: activities generally financed through taxes, intergovernmental revenues, and other non-exchange revenues – general fund, special revenue funds, debt service funds, and capital project funds

Net Position: the difference between what the City owns and what the City owes; positive net position indicates a measure of financial stability

Rating Agencies: private entities that assist investors by providing rating and research on debt issuers; for example, Fitch Ratings, Moody’s Investors Service, and S&P Global Ratings

Revenues: money received by a government either by taxes or non-tax sources

Revenue bonds: used to finance projects with built-in revenue streams

THE CITY OF COLUMBUS

OVERVIEW OF GOVERNMENT

Columbus was founded in 1812 and created specifically to be the capital city due to its central location in the state of Ohio. Today, it covers approximately 227 square miles.

The City is administered by a Mayor, a seven-member City Council, the City Auditor, and the City Attorney. These officials are all elected to four-year terms on an at-large basis. The Mayor and four Council members are elected in an odd numbered year. Three Council members, the City Auditor, and the City Attorney are elected in the following odd numbered year. The City Charter provides for appointments and elections of successors to these officials if they should, for any reason, vacate their office.

A charter amendment to change the total number of City Council members from seven to nine, and to change City Council structure from at-large to by place, was approved by voters on May 8, 2018. Such changes take effect in 2023, affecting terms begin-

ning in 2024. The Recreation and Parks Director, the Health Commissioner, the Inspector General, and the Civil Service Executive Director are appointed by, and report to, independent commissions. The City Treasurer and City Clerk to the Council are appointed by, and serve at the pleasure of, City Council. All other departments' directors are appointed by and serve at the pleasure of the Mayor.

COLUMBUS CITY COUNCIL

Since 2018, City Council has been led by President Shannon G. Hardin, who was elected to the post by fellow council members.

City Council meets in the City Hall council chambers on Mondays at 5 p.m.

Our Elected Officials (as of January 2023):



Andrew J. Ginther, Mayor



Megan N. Kilgore, City Auditor



Zach Klein, City Attorney



Shannon G. Hardin, Council President



Rob Dorans, President Pro Tempore



Nicholas J. Bankston, Councilmember



Lourdes Barroso de Padilla, Councilmember



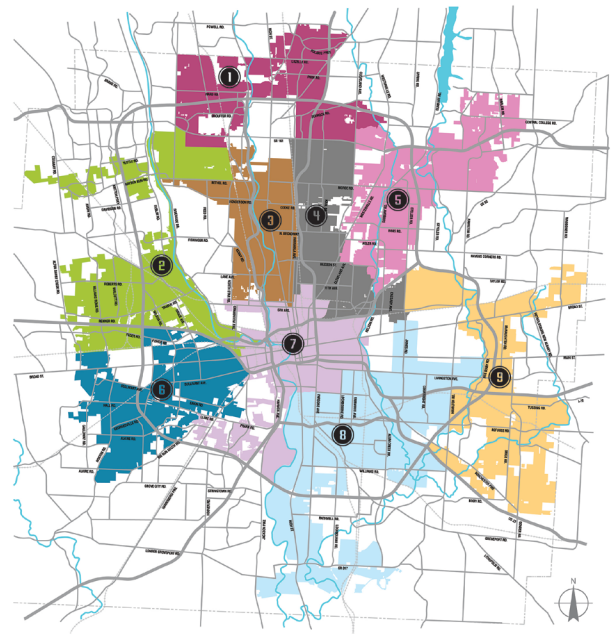
Mitchell Brown, Councilmember



Shayla Favor, Councilmember



Emmanuel Remy, Councilmember



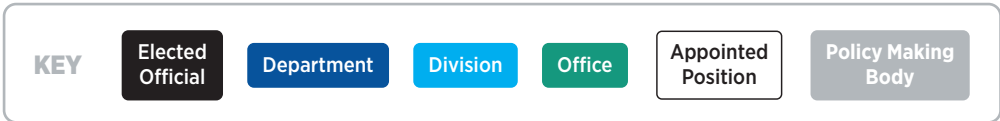
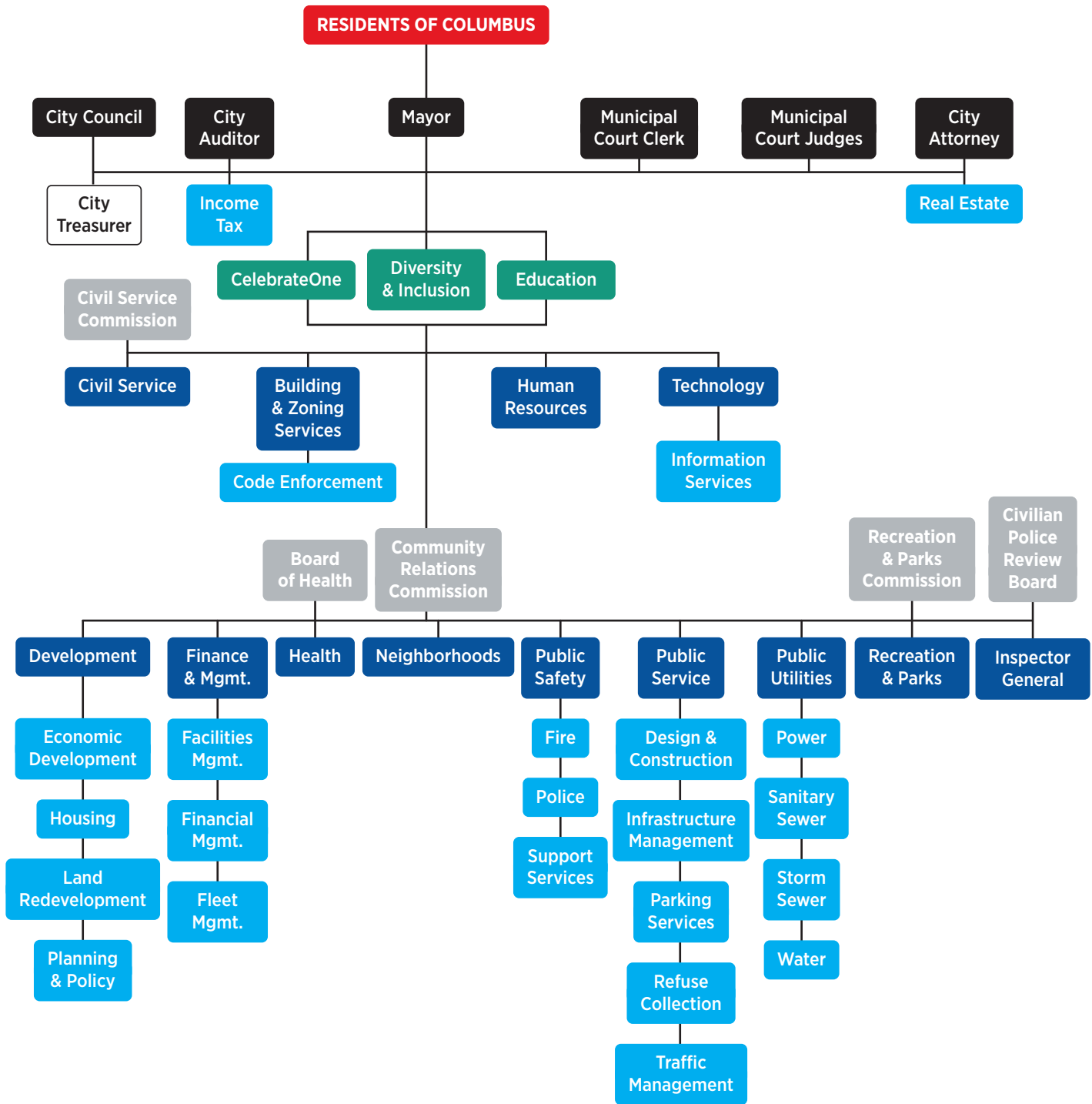
DISTRICT	POPULATION
DISTRICT 1	100,997 RESIDENTS
DISTRICT 2	100,572 RESIDENTS
DISTRICT 3	100,914 RESIDENTS
DISTRICT 4	100,288 RESIDENTS
DISTRICT 5	100,505 RESIDENTS
DISTRICT 6	100,522 RESIDENTS
DISTRICT 7	100,514 RESIDENTS
DISTRICT 8	100,581 RESIDENTS
DISTRICT 9	100,855 RESIDENTS

City Council Districts

Effective 2023 for terms beginning in 2024



ORGANIZATIONAL STRUCTURE



STRATEGIC PRIORITIES OF THE CITY

Opportunity Rising

Columbus is a city on the rise – but not everyone is sharing in our success. Columbus’ residents of color continue to experience the outcomes of systemic racism. The discrimination and disinvestment that has caused these inequities in our city are complex, but their unjust outcomes are ours to change.

That is why we are incorporating equity into everything we do – and this is where the next phase of our Equity Agenda comes into play. We call it “Opportunity Rising,” and it is the strategic, quantifiable playbook by which we will optimize our resources to tackle our City’s greatest challenges – all while strengthening our shared social fabric.

Opportunity Rising names 21 aspirations that Mayor Andrew J. Ginther has for every Columbus resident.

Whether it’s a safe home to sleep in at night, a job that supports a family, clean air to breathe, or access to high-speed internet, there are things that everyone should have in America’s 21st Century City. In order to get everyone to a place of opportunity, we’ll need to think, act, and invest our resources differently. Equitably.

To achieve the aspirations of Opportunity Rising, the City of Columbus will boldly collaborate with partners and residents to dismantle racism in our city and advance opportunity and prosperity for all. This will benefit every Columbus resident through the community’s improved economic stability, stronger health and wellbeing, and safer, more resilient neighborhoods.

With Opportunity Rising and Equity in mind, the Mayor’s Strategic Priorities are:

ECONOMIC STABILITY	
Workforce Development	Every Columbus resident is prepared to enter and advance in the workforce
Jobs	Every resident earns a wage to support their household
Business Climate	Every business has equal access to resources and opportunities to succeed
Mobility	Every resident lives within a 30-minute commute of work, education, and healthcare
Financial Security	Every resident achieves and maintains financial security
Childcare	Every family has access to high-quality, affordable childcare during the hours they need it
Kindergarten Preparedness	Every Columbus child is prepared to thrive in kindergarten
Digital Inclusion	Every resident can afford and use high-speed, high-capacity internet from home
Housing Stability	No resident pays more than 30 percent of their monthly income to live in a neighborhood of their choice
Homelessness	Every resident is stably housed

HEALTH & WELLBEING	
Infant Vitality	Every baby reaches his or her first birthday
Chronic Disease Prevention	Healthy choices are easy for everyone to access and afford
Climate	Every resident enjoys the benefit of a sustainable environment
Behavioral Health & Trauma	Timely, affordable behavioral health services are available to every resident without stigma

SAFE & RESILIENT COMMUNITIES	
Crisis Mitigation	Every call for help is served by the right response and use of force
Neighborhood Building	Every neighborhood has the infrastructure, greenspace, and programs to support safe and healthy living
Violence Elimination	Every resident lives in a neighborhood free of violent crime
Re-entry	Justice-involved residents are ready to contribute to and be accepted by the community
Youth	Every Columbus young person can find safety and engagement in their neighborhood outside school hours
Community Collaboration	Residents collaborate with their city to create the community they wish to live in
Resiliency	Every resident has the resources to quickly recover from community crisis

CITY SERVICES BY THE NUMBERS

		2020	2021	2022
Public Services	Streets (miles)	2,673	2,770	2,775
	Land area (square miles)	225.868	226.153	226.463
	% Potholes service requests closed within 3 days	90%	90%	91%
Public Safety	Police personnel	1,939	1,921	1,893
	Fire personnel	1,579	1,596	1,670
	Police substations	17	17	17
	Fire stations	34	34	34
	% Structure fire incidents responded to within 8 minutes of call	95%	95%	95%
	% Emergency medical responses within 8 minutes of call	90%	92%	92%
Development	# Full-time jobs committed to be created through economic development incentive programs	688	13,848	3,299
Health	# Food safety inspections completed	9,235	16,133	16,197
Recreation and Parks	Park acreage managed	13,749	13,970	14,042
	Parks managed	400	407	410
	Playgrounds	174	170	170
	Community centers	29	32	32
Water	Water mains (miles)	2,531	2,535	2,535
	Maximum daily capacity (millions of gallons)	255	255	255
	Water treatment plants	3	3	3
Sewer	Sanitary sewers (miles)	4,245	4,452	4,500
	Wastewater treatment plants	2	2	2

Sources: 2022 Various City Departments

THE CITY'S NET POSITION

The net position of the City is equal to City assets and deferred outflows offset by City liabilities and deferred inflows. Net position is the difference between what the City owns and what the City owes. Positive net position indicates a measure of financial stability. The City's net position increased from \$3.39B in 2021 to \$3.82B in 2022, the components of which are listed below. In 2021, governmental activities expenses and business-type activities expenses decreased by 16.4% and 16.2%, respectively, due to a plan design change with the Ohio Public Employees Retirement System (OPERS) other post employment benefits plan (OPEB). OPERS no longer offers a self-insured OPEB to its retirees. Instead,

retirees receive a monthly fixed stipend based on their eligibility. As a result, the OPERS OPEB 2020 net liability converted to a net asset in 2021 with the offset recognized as a reduction in pension expense. The 2022 expenses returned to levels consistent with years prior to 2021. In 2022, the net OPEB asset remained and the Net Pension and OPEB liability decreased, both contributing to the overall increase in net position.

The City participates in two statewide, multi-employer public retirement plans. The City's share of those collective pension net liabilities is \$1.21B, which is the sole reason for the negative \$112.4M unrestricted net position.

Net Position at December 31 (in millions)			
	2020	2021	2022
Current and Other Assets	\$2,444	\$2,784	\$2,959
Net OPEB Asset	-	41	73
Capital Assets	7,496	7,706	7,964
Deferred Outflows of Resources	472	390	513
Total Assets and Deferred Outflows of Resources	\$10,412	\$10,921	\$11,509
Other Liabilities	240	348	377
Net Pension & OPEB Liability	1,938	1,517	1,260
Long-term Liabilities other than Pension and OPEB	4,950	5,089	5,212
Deferred Inflows of Resources	461	580	839
Total Liabilities and Deferred Inflows of Resources	\$7,589	\$7,534	\$7,688
Net Investment in Capital Assets	3,330	3,518	3,712
Restricted	184	185	221
Unrestricted	(691)	(316)	(112)
Net Position	\$2,823	\$3,387	\$3,821

Revenues and Expenses

The City's financial activities in total are made up of two broad classifications: governmental and business-type activities. Additionally, there are two main sources of revenue for the City: program revenues and general revenues. Program revenues include charges for services and operating or capital grants. General revenues include income taxes, property taxes, and other revenues that are not generated through programming.

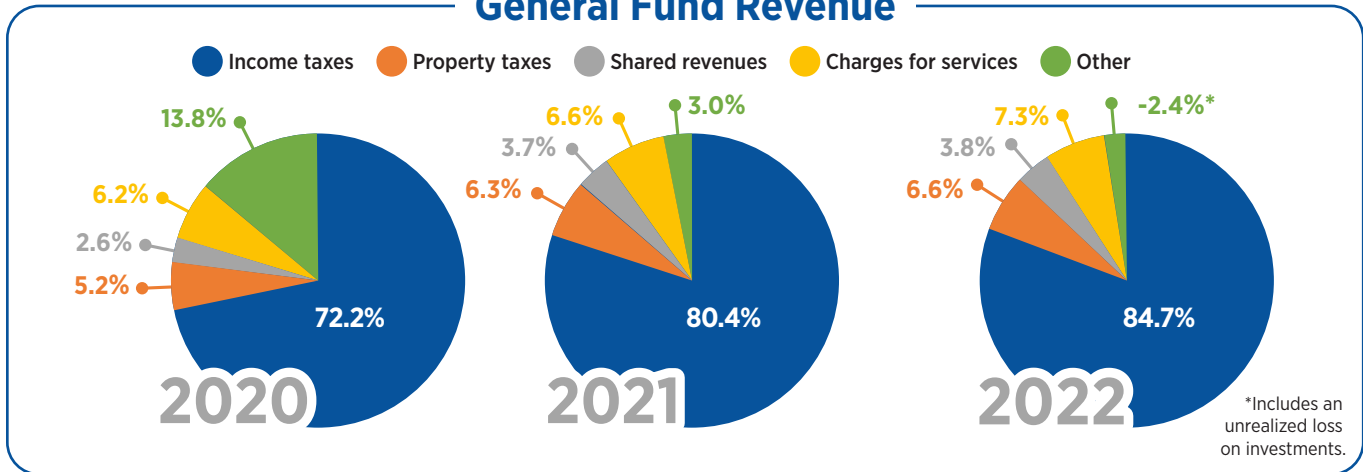
Revenue for the City in 2022 totaled \$2.53B, an increase of \$130.57M or 5.4% compared to 2021. Total revenue increased due to a variety of factors including income tax growth, increased grant and program funding, and increased charges for utilities services.

CHANGES IN NET POSITION (in millions)			
	2020	2021	2022
Revenues	\$2,468	\$2,400	\$2,530
Expenses	2,196	1,836	2,095
Changes in Net Position	272	564	435
Net Position - Beginning	2,551	2,823	3,387
Net Position - Ending	\$2,823	\$3,387	\$3,822

Expenses for the City totaled \$2.10B in 2022, an increase of \$258.94M or 14.1% as compared to 2021. A change in the OPERS OPEB plan described above caused a significant decrease from 2020 to 2021. The current year expenses for 2022 returned to a level consistent to the years prior to 2021.

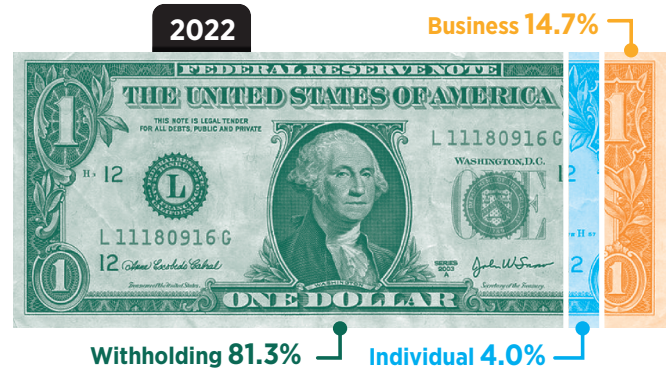
WHERE THE MONEY COMES FROM

General Fund Revenue



Sources of Income Tax

Income Tax Collected	2020	2021	2022
Withholding	84.1%	80.9%	81.3%
Individual Accounts <i>Not from Withholding</i>	4.6%	4.2%	4.0%
Business Accounts	11.3%	14.9%	14.7%



Funding for the City’s General Fund and services provided to the residents comes from many sources. In 2022, the City’s General Fund revenues totaled \$957.57 million. The majority, or 84.7% of total General Fund revenues, was generated from income taxes. During 2022, governmental funds recognized \$1.082 billion in income tax revenue. General government operations are also funded from property taxes, charges for services, fines, investment earnings, and other revenue streams.

The General Fund is the primary operating fund of the City, accounting for all financial resources except those required to be accounted for in another fund. The Special Income Tax debt service fund is used to account for the accumulation of resources for the payment of general obligation debt: principal, interest, and related expenditures. The City issues debt to fund capital improvements and pays down the governmental debt using 25% of the income tax proceeds set aside for debt service.

“Rainy Day” Fund Balance 10-Year Trend (in millions of dollars)

2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
\$56.1	\$64.1	\$66.7	\$69.5	\$73.9	\$76.2	\$80.7	\$85.2	\$87.9	\$90.8

Columbus is committed to its sound fiscal policies, one of which is setting aside dollars for a “Rainy Day” reserve. As of December 31, 2022, the City has accumulated a \$240.941M unassigned fund balance in the General Fund, of which \$90.8M has been set aside for a “Rainy Day.”

This satisfies the City’s goal of maintaining a \$90 million balance by the end of 2024 - two years ahead of schedule.

WHERE THE MONEY GOES

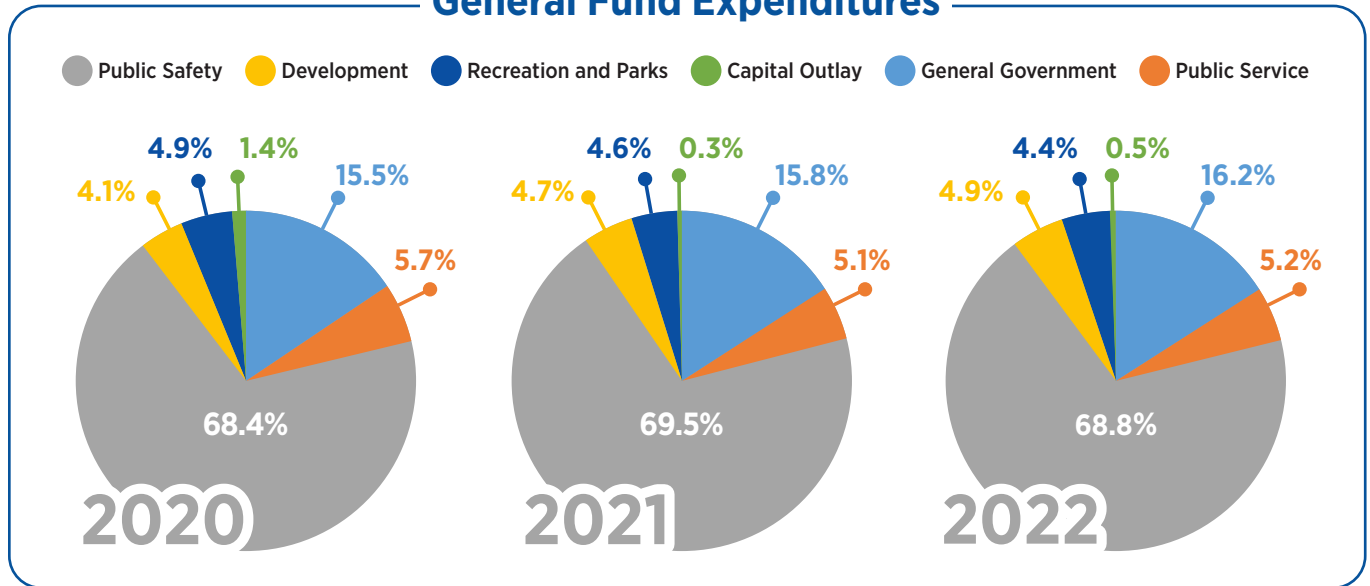
The City provides a full range of services through its General Fund operations such as police and fire protection, recreational activities, refuse collection, development, public health, and other amenities.

In 2022, General Fund expenditures and transfers out totaled \$1.008 Billion, including a \$22.82 million

transfer to the Columbus Board of Health, a blended component unit of the City.

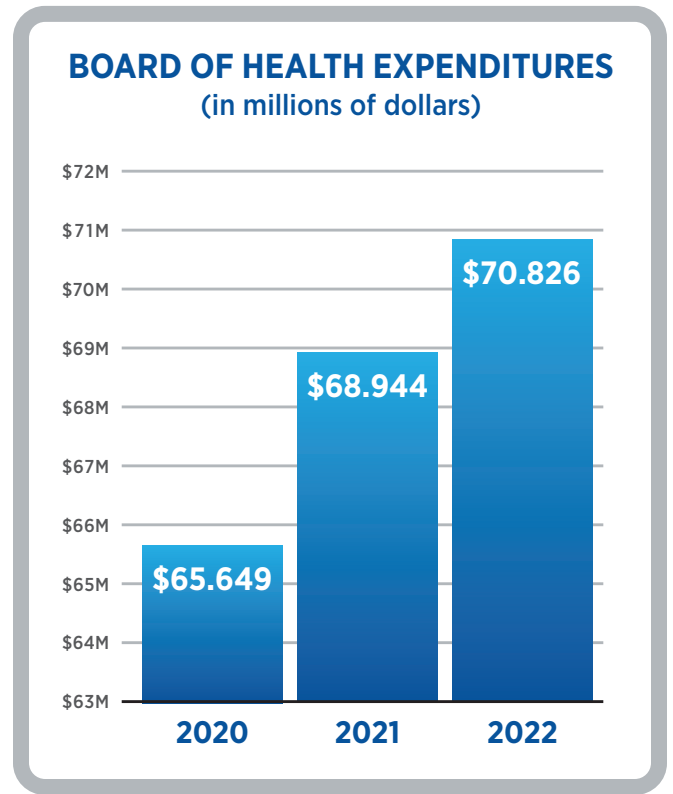
While the majority of general government operations are funded by General Fund revenues, \$25.80 million was funded by transfers from other governmental funds.

General Fund Expenditures



Board of Health Expenditures

A major component of City operations includes delivering public health services to the community. Public health expenditures are reported separately and receive a significant portion of funding from the General Fund. The increase in expenditures over the past years is due a range of factors, including ongoing expenses related to the City's response to the pandemic.



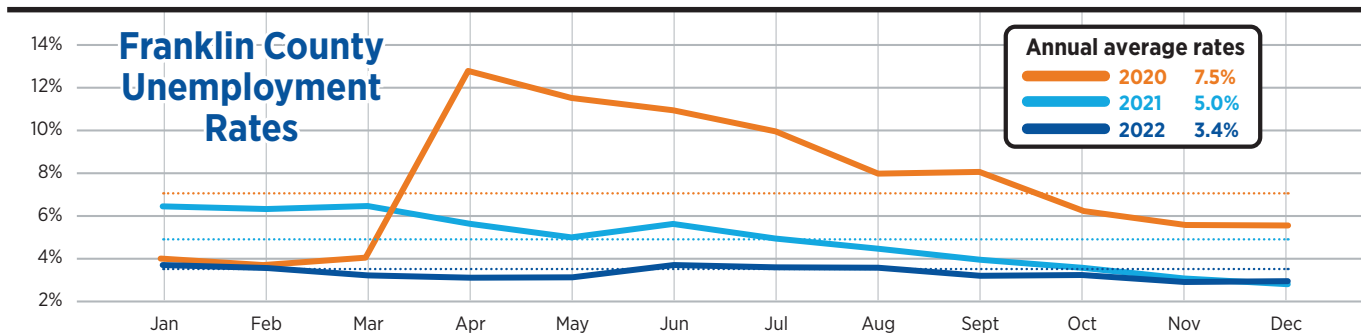
2022 STATE OF THE LOCAL ECONOMY

Job growth, while more measured than 2021, steadily grew in the aggregate through 2022. Per the U.S. Bureau of Labor Statistics, jobs in Columbus rebounded to pre-pandemic (peak year: 2019) levels in August 2022. Not all sectors have exceeded 2019 numbers; notably, finance and insurance, real estate, and arts/recreation/leisure jobs remain behind. Hiring remains strong, however, in transportation and warehousing, accommodation and food services, and construction.

Columbus is home to a highly diversified base of companies, including some of the world's most recognizable brands, innovative emerging businesses, top-ranked universities and research institutions. As we continue to grow - especially into the chip and manufacturing ecosystem - we anticipate benefiting from further foundational diversity.

Rank	TOP 10 EMPLOYERS	Full-time Employees
1	The Ohio State University	33,653
2	State of Ohio	22,736
3	JPMorgan Chase & Co.	16,896
4	Kroger Co.	11,529
5	Nationwide Children's Hospital	11,302
6	Nationwide Insurance Co.	11,000
7	Amazon	9,262
8	City of Columbus	8,656
9	Mount Carmel Health System	7,887
10	Honda North America, Inc.	5,800

Source: City of Columbus, 2022 Annual Comprehensive Financial Report



Source: Ohio Department of Job and Family Services, Bureau of Labor Market Information

Columbus Job Numbers and Ohio Wage Growth

INDUSTRY	2019			2020		2021		2022		WAGE GROWTH Q3 '22 vs Q1 '21
	# of Columbus Jobs	Columbus Annual Avg	% Change	Columbus Annual Avg	% Change	Columbus Annual Avg	% Change			
Agriculture, Forestry, Fishing and Hunting	263	N/A	—	N/A	—	N/A	—	—	—	
Mining, Quarrying, and Oil and Gas Extraction	262	N/A	—	N/A	—	N/A	—	—	—	
Utilities	2,693	2,687	-0.2%	2,693	0.2%	2,742	1.8%	0.3%		
Construction	23,180	23,915	3.2%	24,537	2.6%	25,668	4.6%	12.0%		
Manufacturing	26,062	24,960	-4.2%	25,564	2.4%	25,920	1.4%	8.3%		
Wholesale Trade	18,723	17,880	-4.5%	18,146	1.5%	19,078	5.1%	9.1%		
Retail Trade	47,719	45,735	-4.2%	47,199	3.2%	47,719	1.1%	4.8%		
Transportation and Warehousing	30,307	34,865	15.0%	38,436	10.2%	42,665	11.0%	4.3%		
Information	9,799	8,785	-10.3%	8,898	1.3%	9,461	6.3%	13.6%		
Finance and Insurance	33,640	33,072	-1.7%	32,930	-0.4%	32,788	-0.4%	7.2%		
Real Estate and Rental and Leasing	11,021	10,668	-3.2%	11,304	6.0%	11,092	-1.9%	12.4%		
Professional, Scientific, and Technical	34,880	34,775	-0.3%	35,880	3.2%	35,774	-0.3%	11.5%		
Management of Companies and Enterprises	14,202	13,905	-2.1%	14,314	2.9%	14,797	3.4%	3.9%		
Administrative and Support and Waste Management and Remediation Services	34,836	32,170	-7.7%	33,345	3.7%	31,809	-4.6%	12.2%		
Educational Services	11,431	10,253	-10.3%	10,547	2.9%	10,606	0.6%	6.3%		
Health Care and Social Assistance	92,718	88,981	-4.0%	91,043	2.3%	91,880	0.9%	7.9%		
Arts, Entertainment, and Recreation	8,278	6,474	-21.8%	7,004	8.2%	6,792	-3.0%	7.6%		
Accommodation and Food Services	47,789	39,764	-16.8%	43,336	9.0%	46,857	8.1%	7.4%		
Other Services (except Public Administration)	24,887	22,168	-10.9%	23,586	6.4%	24,591	4.3%	6.5%		
Government	107,103	103,652	-3.2%	103,359	-0.3%	103,184	-0.2%	6.1%		
Unclassified	31	N/A	—	N/A	—	N/A	—	—		
TOTAL	579,824	554,709	-4.3%	572,121	3.1%	583,423	2.0%			

Source: U.S. Bureau of Labor Statistics

FUNDING PANDEMIC RECOVERY

The COVID-19 pandemic continues to influence the City's budgetary priorities. Through 2022, departments and divisions citywide addressed ongoing social, fiscal, health, and economic impacts of the pandemic using a range of programs, including: human services; youth programming; childcare initiatives; vaccine incentives; small business support; workforce development; rental and utility assistance; and numerous other economic support programs.

FEDERAL STIMULUS

The City has been a direct recipient of federal stimulus measures, which provide support for public health, state and local governments, businesses, and individuals. While some of the supports have been exhausted, certain recovery funds remain or are anticipated to provide future benefits to the Columbus economy. The City has been a direct recipient of the below programs:

Federal Aid – Coronavirus Aid, Relief, and Economic Security Act (CARES Act)

The City received \$157 million in CARES Act funding. The City has allocated and expended the full \$157 million of these funds in the following categories:

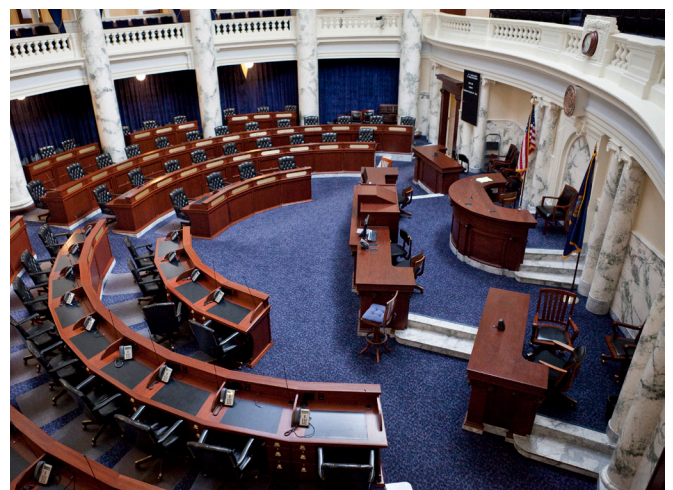
- \$80 million for direct spending for COVID-19 expenditures such as medical expenses for testing, Emergency Medical Service response, and personal protective equipment (PPE);
- \$51 million for human services such as shelter for those experiencing homelessness, food and rental assistance; and
- \$26 million for economic impact such as small business assistance and technology for teleworking.

Federal Aid – The American Rescue Plan Act of 2021 (ARPA)

As of December 31, 2022, the City has received a total of \$187 million of ARPA funds. The City has allocated \$96.1 million of these funds and has made actual expenditures of these funds in the amount of approximately \$69.5 million.

Federal Aid – Emergency Rental Assistance Program (Consolidated Appropriations Act, 2021 & ARPA)

As of December 31, 2022, the City has received a total of \$61.7 million of Emergency Rental Assistance funds. The City has allocated \$61.6 million of these funds and has made actual expenditures of these funds in the amount of approximately \$57.5 million.



REMOTE WORK AND INCOME TAX COLLECTIONS

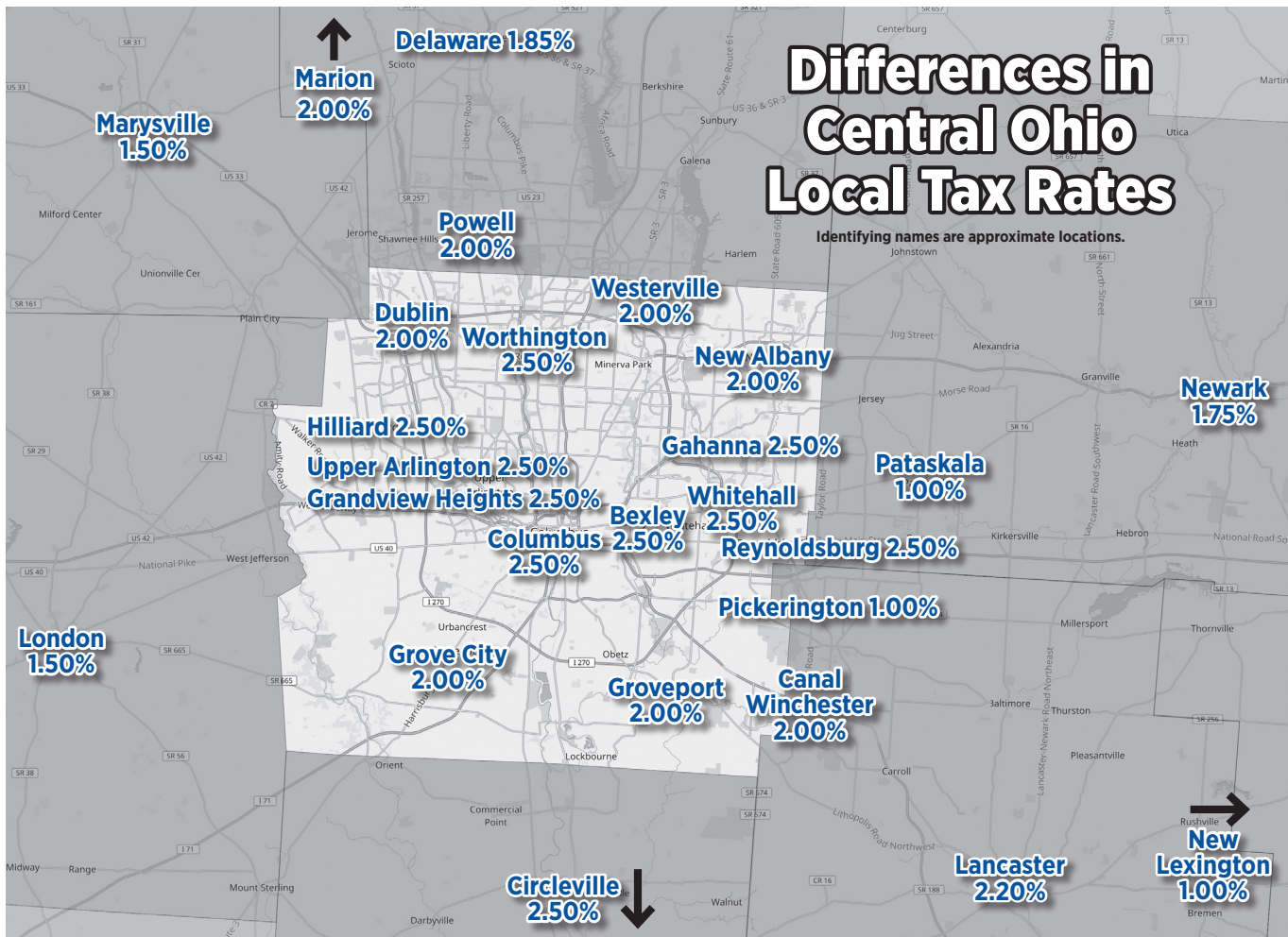
Income Tax is the City’s primary source of revenue, funding approximately 84.7% of the City’s General Fund expenditures. Given this materiality, the City Auditor’s Office developed behavioral and technical modeling to monitor remote work trends and their corresponding impacts on income tax collections. Through the end of 2022, revenue declines resulting from remote work were largely masked by strong wage inflation, fiscal stimulus, and net job gains. Job growth, while slower than in 2021, rebounded in the third quarter of 2022 to overtake 2019’s previous high of total jobs.

As to the future, we’re closely monitoring how people are working and where investment is occurring. Given the additional investment currently underway in key local sectors, particularly industries supporting emerging businesses in technology, innovative research, and life sciences, we anticipate that growth in jobs — both on-site and remote — will occur concurrently and largely compensate for any



near-term impacts of remote work.

Predicting long-term trends of remote work and the length of time it will take for employers to implement income tax withholding processes to account for such remote work is difficult. Through the publication of this PAFR, income tax refunds (tax year 2022) resulting from remote work have remained below projections, but we expect that it will take some time for collections to fully reflect remote work.



PLANNING FOR OUR FUTURE

Nearly every aspect of the City’s planning efforts – from our operating budget and our capital improvement plan, to our regional partnerships on transportation and housing – are centered around our anticipated growth. The most recent Mid-Ohio Regional Planning Commission (MORPC) modeling projections predict that the Central Ohio region will reach 3.15 million in population by 2050. Franklin County, where Columbus is primarily situated, is expected to absorb half of the regional growth.

The City’s investment in infrastructure via its capital improvement plan is critical to the success of our region. We’re growing our water and sewer systems, our roads and sidewalks, our parks, and our public safety facilities to meet the needs of our residents today and in the future.

Columbus maintains AAA/Aaa/AAA ratings from S&P Global, Moody’s Ratings, and Fitch Ratings, respectively. As we say, we also maintain “Triple-A Values” when it comes to managing our debt program.

While every analysis we have point toward continued growth (and in turn, our tax base), we always find comfort in contingency plans.

We maintain several self-imposed policies that thoughtfully plan for and limit debt issuance, to ensure that coverage levels are met and we do not overburden residents and ratepayers.

WE BELIEVE IN BALANCING AFFORDABILITY & GROWTH.

Central Ohio’s population now projected to exceed 3 million by 2050, boosted by new economic development projects

“Our recent growth places us among the fastest-growing large metros in the country. We are growing faster than any other region in the state, but at an estimated 0.89% annually, it is a much more manageable rate than metros, such as Austin or Boise, which have been growing at twice the rate of Central Ohio.”

- Mid-Ohio Regional Planning Commission, 2/2/2023



“If Columbus’ population growth between 2000-2020 were its own city - with 177,600 residents - it would be the state’s sixth-largest, just behind Dayton.”

- Axios, 11/15/2022

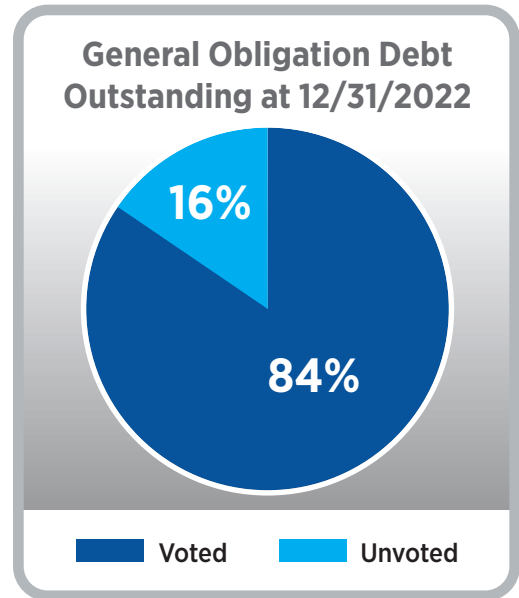
CAPITAL IMPROVEMENTS

Capital Improvement Program

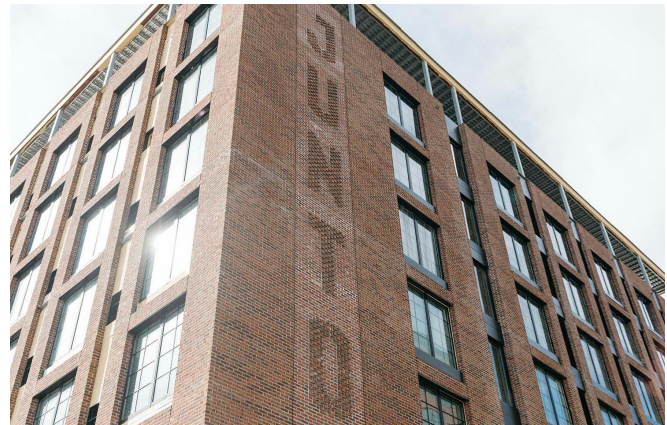
Each year the City updates its Capital Improvement Program (CIP), which is a six-year planning document for future capital projects throughout the City. The CIP is funded mainly by the issuance of debt in the form of general obligation bonds, both voted and unvoted. Voted debt is authorized by a popular vote of Columbus residents. Voter approval provides the City with the ability to levy an ad valorem property tax to service the debt, which provides additional assurance to investors that their investment in the City is secure. However, the City has never exercised its taxing authority for this purpose and does not intend to do so.

Eighty-four percent of the general obligation debt issued to fund the City's Capital Improvement Program is voted debt.

From 1956 through 2022, the City has sought voter approval 106 times to issue debt for various purposes, and the voters have given their approval 100 times. All requests have passed since 1981.



**City's
2022-2027 CIP:
73%
PUBLIC UTILITIES**



Above: The completed Junto Hotel located in The Scioto Peninsula. Courtesy: Columbus Downtown Development Corporation



Left: The ceremonial groundbreaking of Astor Park, a dynamic mixed-use neighborhood that borders Lower.com Field, the home of the Columbus Crew.

CAPITAL ASSETS

The City’s capital assets are grouped by governmental activities and business-type activities.

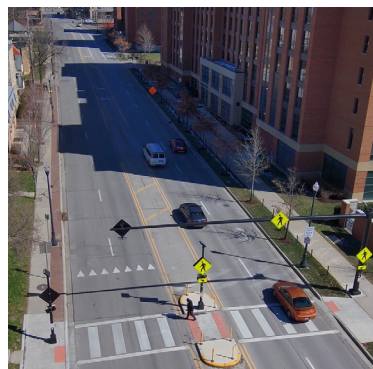
The governmental capital assets consist primarily of infrastructure, which are mainly roadways, curbs, and sidewalks.

Business-type capital assets consist mainly of improvements other than buildings, which are water

and sewer treatment plants, water and sewer lines, and reservoirs.

Annually, City Council authorizes the Capital Improvement Budget (CIB), which serves as the basis for all budgeting and spending related to capital projects throughout the City for the ensuing year. The CIB provides a breakdown of the various capital projects by department and by source of funding.

CAPITAL ASSETS, Net of Accumulated Depreciation (in thousands of dollars)					
	Total 2020	Total 2021	Governmental Activities	Business-type Activities	Total 2022
Land	\$395,592	\$401,081	\$315,867	\$91,615	\$407,482
Buildings	667,911	652,915	573,765	88,397	662,162
Improvements other than buildings	4,405,924	4,524,178	515,287	4,120,368	4,635,655
Machinery and equipment	165,119	158,931	128,898	35,489	164,387
Infrastructure	1,859,606	1,936,861	1,816,110	172,327	1,988,437
Construction in progress	1,364	32,376	27,417	78,462	105,879
Total	\$7,495,516	\$7,706,342	\$3,377,344	\$4,586,658	\$7,964,002



Above left: The Department of Public Service installed a pedestrian-activated crosswalk signal on Lane Avenue adjacent to The Ohio State University campus to increase safety when crossing the street.

Above right: The City’s \$19 million Hudson Street project in the Linden community is underway to reconstruct the roadway, upgrade infrastructure and add new sidewalks and a shared-use path.

Left: The \$250 million Lower Olentangy Tunnel Project that will use an overflow tunnel to improve water quality for the City. Courtesy: Office of Public Utilities

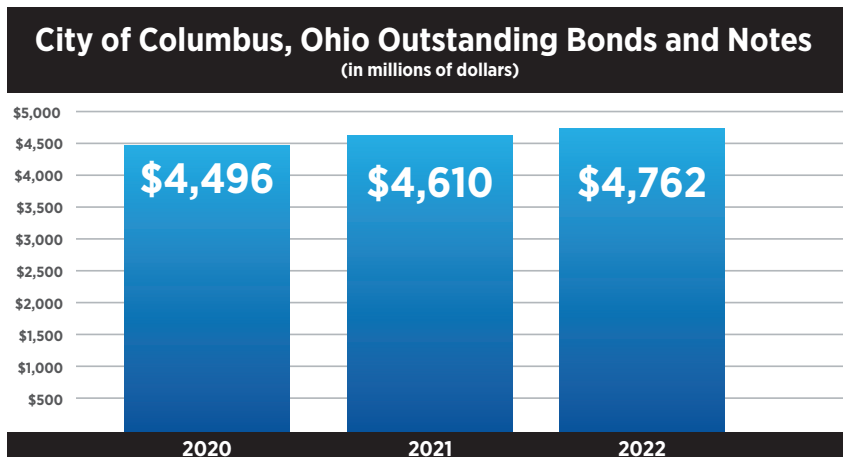
MANAGING THE CITY'S DEBT

Debt is used to finance the City's major capital projects, such as water reservoirs, sewer lines, and street improvements. Depending on the project, the City will typically issue general obligation bonds, notes, revenue bonds, or utilize loans from the State of Ohio. All debt issuance is conducted within the parameters of the City's debt guidelines.

Exceptional bond ratings save the City money by securing lower interest rates on its debt. Columbus is proud to receive the highest designation of financial strength - triple-A bond ratings - from three different rating agencies.

Municipal Bond Rating	Moody's	S&P Global	Fitch
General Obligation (GO) Bonds	Aaa	AAA	AAA
2006 Sanitary Sewer System Adjustable Rate GO Bonds	Aaa/VMIG1	AAA/A-1+	AAA/F1+
2008 Sanitary Sewer System Adjustable Rate Revenue Bonds (Series 2008B)	Aa1/VMIG1	AA/A-1+	AA-/F1+
2014 Sanitary Sewer System Fixed Rate Revenue Refunding Bonds	Aa1	AA	AA-
2015 Sanitary Sewer System Fixed Rate Revenue Refunding Bonds	Aa1	AA	(Not Rated)

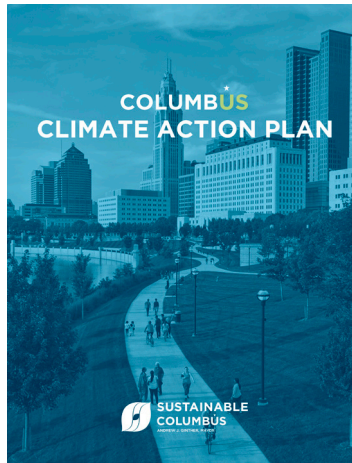
Debt and Other Financial Obligations Portfolio (in thousands)	Outstanding Fixed	Outstanding Variable	Total Outstanding Principal
General Obligation (GO) Bonds	\$2,950,975	16,000	\$2,966,975
Assessment Bonds - Direct Placement	20	-	20
Sanitary Sewer Revenue Obligation Bonds	316,335	51,855	368,190
Tax Increment Financing (TIF) Revenue Bonds	15,939	-	15,939
State Infrastructure Bank (SIB) Loan - Direct Borrowing	6,255	-	6,255
Ohio Public Works Commission (OPWC) Loans - Direct Borrowing	4,596	-	4,596
Lease Revenue Bonds	40,470	-	40,470
Ohio Water Development Authority (OWDA) Revenue Loans			
Water - Direct Borrowing	382,887	-	382,887
Sanitary Sewer - Direct Borrowing	944,239	-	944,239
Storm Sewer - Direct Borrowing	7,819	-	7,819
General Obligation Notes - Direct Placement	24,300	-	24,300
	\$4,693,835	67,855	\$4,761,690



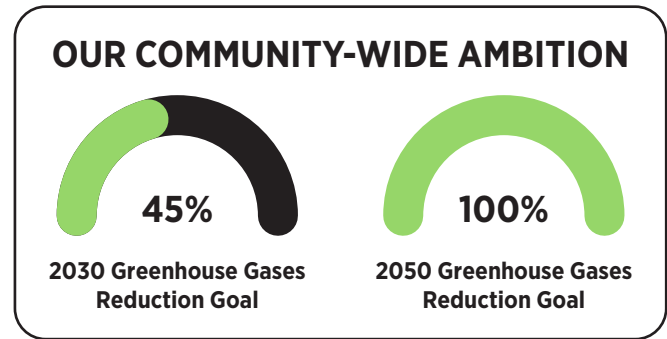
A PLAN FOR CLIMATE ACTION

Sustainable Columbus

The City released its first Columbus Climate Action Plan in December 2021. The plan attempts to ensure that the City mitigates and adapts to the impacts of climate change while imparting equity and environmental principles within marginalized communities. The plan commits the City to carbon neutrality by 2050 and a minimum 45% reduction in greenhouse gases (GHG)



emissions by 2030. The City has developed over 30 specific actions with individual timelines to achieve these GHG reductions and develop programs to prepare for, recover from, and adapt to these impacts, such as increased, more frequent heat and increased, stronger rain and flooding events.



Sustainable Columbus partnered with IMPACT Community Action to fund and launch the Empowered! Program – a clean energy and construction jobs training program for young adults focused on communities of color, women, and our Opportunity neighborhoods. 2022 saw two cohorts completed and a total of 22 graduates who completed the program. Several of those graduates have obtained full-time employment in good paying jobs that will provide long-term careers.



2023 BUDGET HIGHLIGHT
\$12 MILLION
 to support clean energy jobs, energy initiatives, and the creation of a Columbus Regional Green Fund to incentivize solar projects.

The City's first solar-powered micro-grid at our Tussing Water Booster Station, a \$1 million project done in collaboration with AEP Ohio.

FISCAL YEAR 2023 REVENUE PROJECTION

Every year, it is the responsibility of the City Auditor to predict, as accurately as possible, the revenue the City will collect for the subsequent year. The state of our local economy is expected to remain strong, but we're closely monitoring the national and international economies. Many of the variables we have considered for the City's 2023 Official Revenue Estimate remain out of the City's direct control, including geopolitical tensions and their impact on the supply chain and how inflation and interest rate levels will impact local business and consumer decisions. There are four primary areas we will be monitoring:

1. Direct and indirect impacts from national economy
2. Remote work and its ongoing effect on the City's income tax revenues
3. Local employment trends



4. Income tax refunds due to remote work in 2020 (pending Ohio Supreme Court ruling)

A detailed breakdown of the 2023 Official Revenue Estimate can be found below.

STATEMENT OF ESTIMATED AVAILABLE RESOURCES | General Operating Fund (in thousands)

	Original Estimate
ESTIMATED REVENUE:	
Income taxes	\$831,592
Property taxes	63,000
Investment earnings	25,310
Licenses and permits fees	11,016
Shared revenue	35,791
Charges for services	71,350
Fines and forfeits	7,860
Miscellaneous revenue	5,500
TOTAL ESTIMATED RESOURCES FROM REVENUE	\$1,051,419
TOTAL TRANSFERS IN	6,500
TOTAL ESTIMATED RESOURCES AND TRANSFERS	\$1,057,919
Estimated prior year encumbrance cancellations	5,000
ACTUAL 12/31/2022 UNENCUMBERED CASH BALANCE	100,022
TOTAL ESTIMATED AVAILABLE RESOURCES	\$1,162,941

The estimate includes an increase in 2023 income tax of 3.0% as compared to the 2022 revised estimate of \$807,371,000. The 2023 estimate of total resources is \$39,578,693 or 3.5% higher than the 2022 revised estimate of \$1,123,362,693.





The Columbus City Auditor is committed to providing clean and transparent reporting of the City's financial activities. We hope this report has been helpful in providing a brief overview of the City and its finances. The financial data presented in the PAFR is derived from the City's 2022 Annual Comprehensive Financial Report and is consistent with Generally Accepted Accounting Principles. The City's PAFR does not report on all governmental funds or include detailed footnotes. A full copy of the City's annual report is available at columbus.gov/auditor. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Columbus City Auditor
90 West Broad Street
Columbus, Ohio 43215
614.645.7615
cityauditor@columbus.gov



City Auditor Megan N. Kilgore

 @ColumbusAuditor
 ColumbusCityAuditor
columbus.gov/auditor

THE CITY OF
COLUMBUS
OFFICE OF THE CITY AUDITOR
MEGAN N. KILGORE, AUDITOR