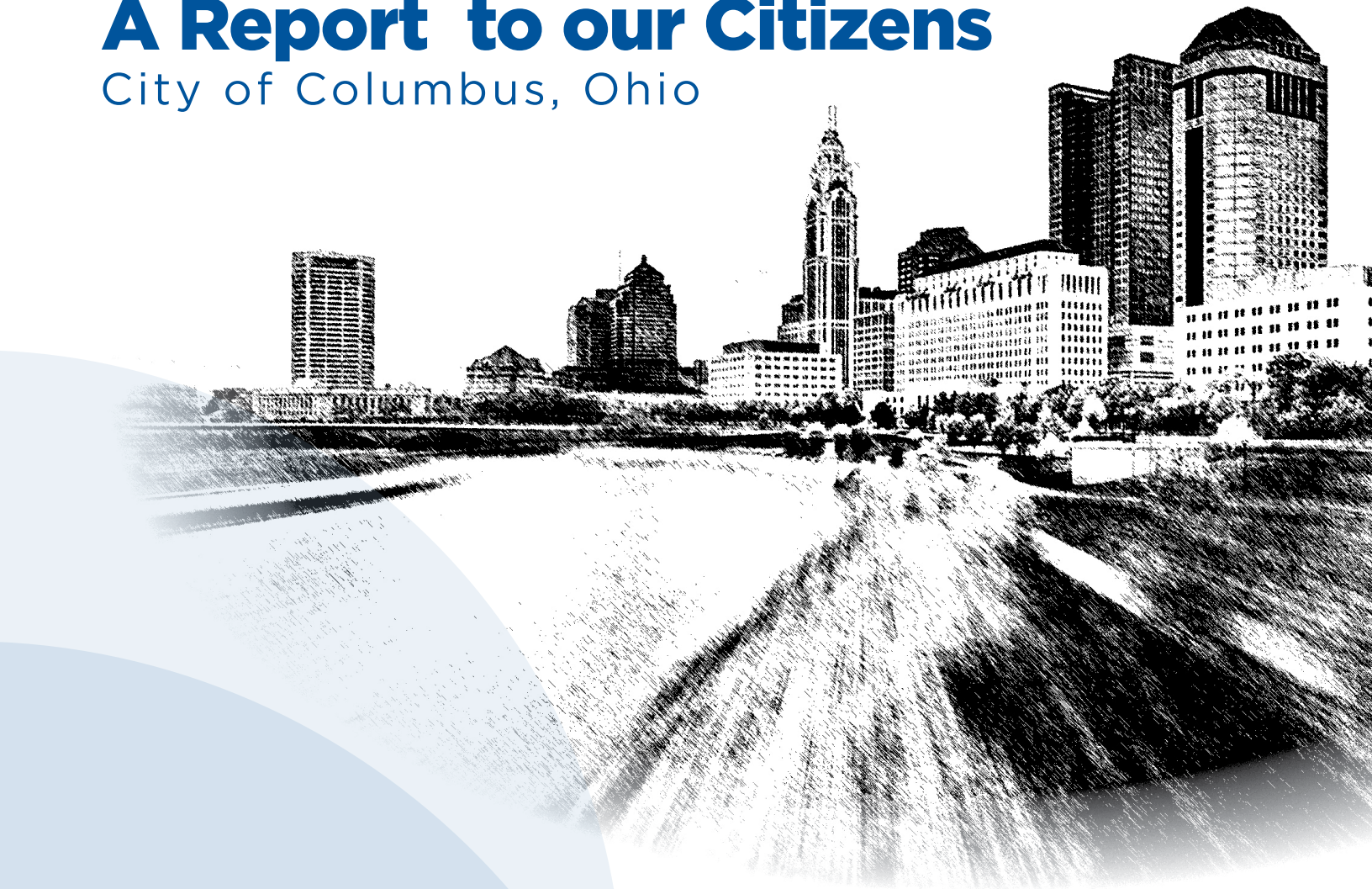


2023

**POPULAR
ANNUAL
FINANCIAL
REPORT**

A Report to our Citizens

City of Columbus, Ohio



For the Fiscal
Year ended
December 31, 2023

THE CITY OF
COLUMBUS

OFFICE OF THE CITY AUDITOR
MEGAN N. KILGORE, AUDITOR

FROM THE CITY AUDITOR

This year’s Popular Annual Financial Report (PAFR) shows a City experiencing growth. Columbus leads Midwest metros in population growth, job growth and wage growth. We earn a reliable spot at the top of a variety of rankings that make us a desirable and affordable place to live, work, raise a family, start a business and retire. With a deep bench of highly successful, established companies and an ecosystem where entrepreneurial success stories are constantly being written, Columbus holds an enviable position as an economic powerhouse.

Centrally located and easily accessible through John Glenn International Airport, our City welcomes everyone and celebrates our diversity. With one of the lowest unemployment rates in the nation and a young, highly-educated and sought-after workforce, our tax base remains strong. Exceptional bond



Megan N. Klone

ratings enable us to secure the lowest interest rates on our debt to provide the high-quality City services we offer and the capital projects we fund. But behind those numbers are the people who make this City great. Their success is Columbus’ success. And if you follow the money, you’ll see where our values as a City truly lie – with our citizens and with our future – as we work tirelessly to maximize the value of your tax dollars.

My elected office carries with it the charge to report the City’s financials but truly, it is a privilege. This annual publication is a labor of love for me and my staff and I hope you enjoy the story our 2023 numbers tell – a story of success, growth and unprecedented opportunity. Please enjoy the 2023 PAFR for Columbus – a city built on bold ideas and fueled by relentless optimism.

Table of Contents

Understanding the PAFR.....	3	Creating the Silicon Heartland	12
Overview of Government	4	Remote Work and Income Tax Collections ...	13
Organizational Structure.....	5	Reimagining Downtown.....	14
Strategic Priorities of the City	6	Capital Improvements	15
City Services by the Numbers	7	Capital Assets	16
The City’s Net Position.....	8	Managing the City’s Debt.....	17
Where the Money Comes From.....	9	A Plan for Climate Action	18
Where the Money Goes.....	10	Fiscal Year Revenue Projection.....	19
2023 State of the Local Economy.....	11		



Understanding the PAFR

The purpose of this document is to provide an abbreviated and simplified version of our required annual audit – the more than 350-page 2023 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 issue our audited financial statements 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 stream



Government Finance Officers Association

Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

**City of Columbus
Ohio**

For its Annual Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morill

Executive Director/CEO

The City's Annual Comprehensive Financial Reports for the years 2021-2022, 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.



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’s management consists of a Mayor, nine-member Council, City Auditor, and City Attorney. These officials are elected to four-year terms. For more than a century, these officials were elected via a fully at-large system. On May 8, 2018, Columbus voters amended the City’s Charter, opting for a hybrid districting system exclusively for City Council that created nine residential districts and expanded Council from seven to nine seats. Such changes took effect in 2023 and applied to elected terms beginning January 1, 2024.

Terms for all of the City’s elected officials are intentionally staggered. The City’s Charter also provides for appointments and elections of successors to these officials if they should, for any reason, vacate their office. The Mayor, City Auditor, and City Attorney continue to be elected via an at-large process.

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 the 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.

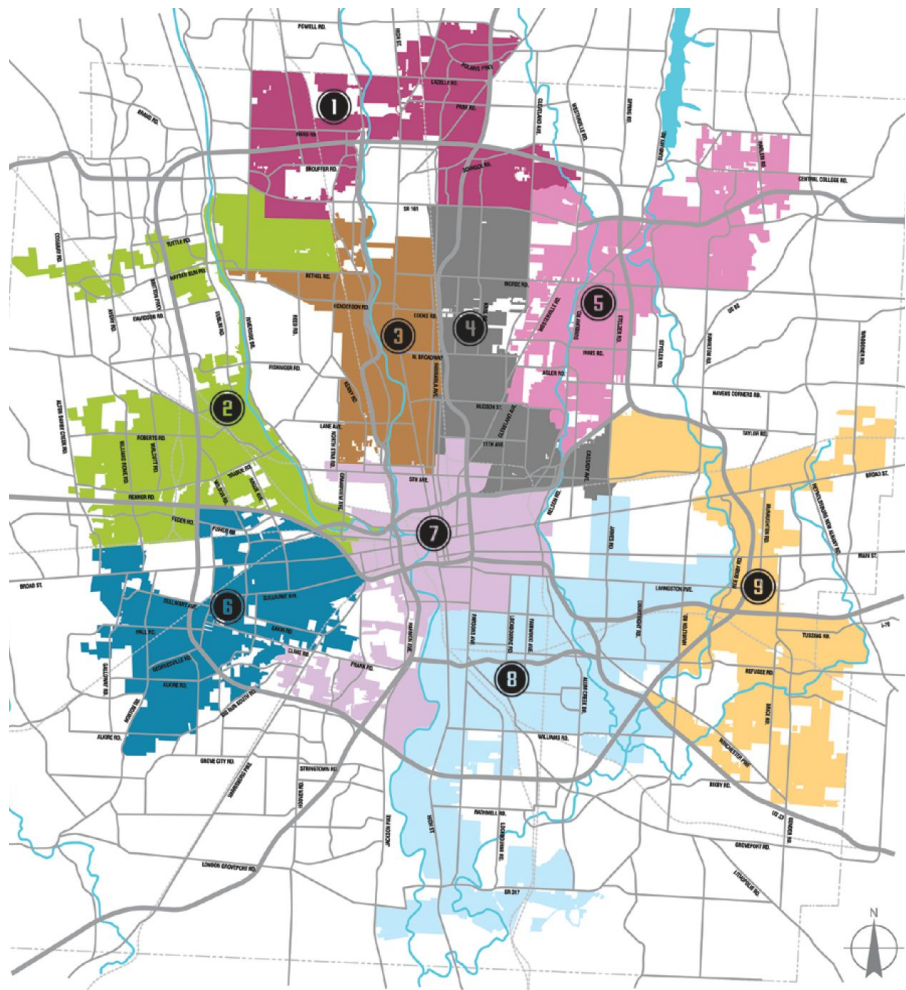
Columbus City Council

Since 2018, City Council has been led by President Shannon G. Hardin, who was elected to the post by fellow councilmembers. City Council meets in the City Hall council chambers most Mondays at 5 p.m.

Our Elected Officials (as of January 2024):

					
Andrew J. Ginther, Mayor	Megan N. Kilgore, City Auditor	Zach Klein, City Attorney	District 9 Shannon G. Hardin, Council President	District 3 Rob Dorans, President Pro Tempore	District 2 Nancy Day-Achauer, Councilmember
					
District 5 Nicholas J. Bankston, Councilmember	District 8 Lourdes Barroso de Padilla, Councilmember	District 6 Melissa Green, Councilmember	District 7 Shayla Favor, Councilmember	District 4 Emmanuel Remy, Councilmember	District 1 Chris Wyche, Councilmember

City Council Districts

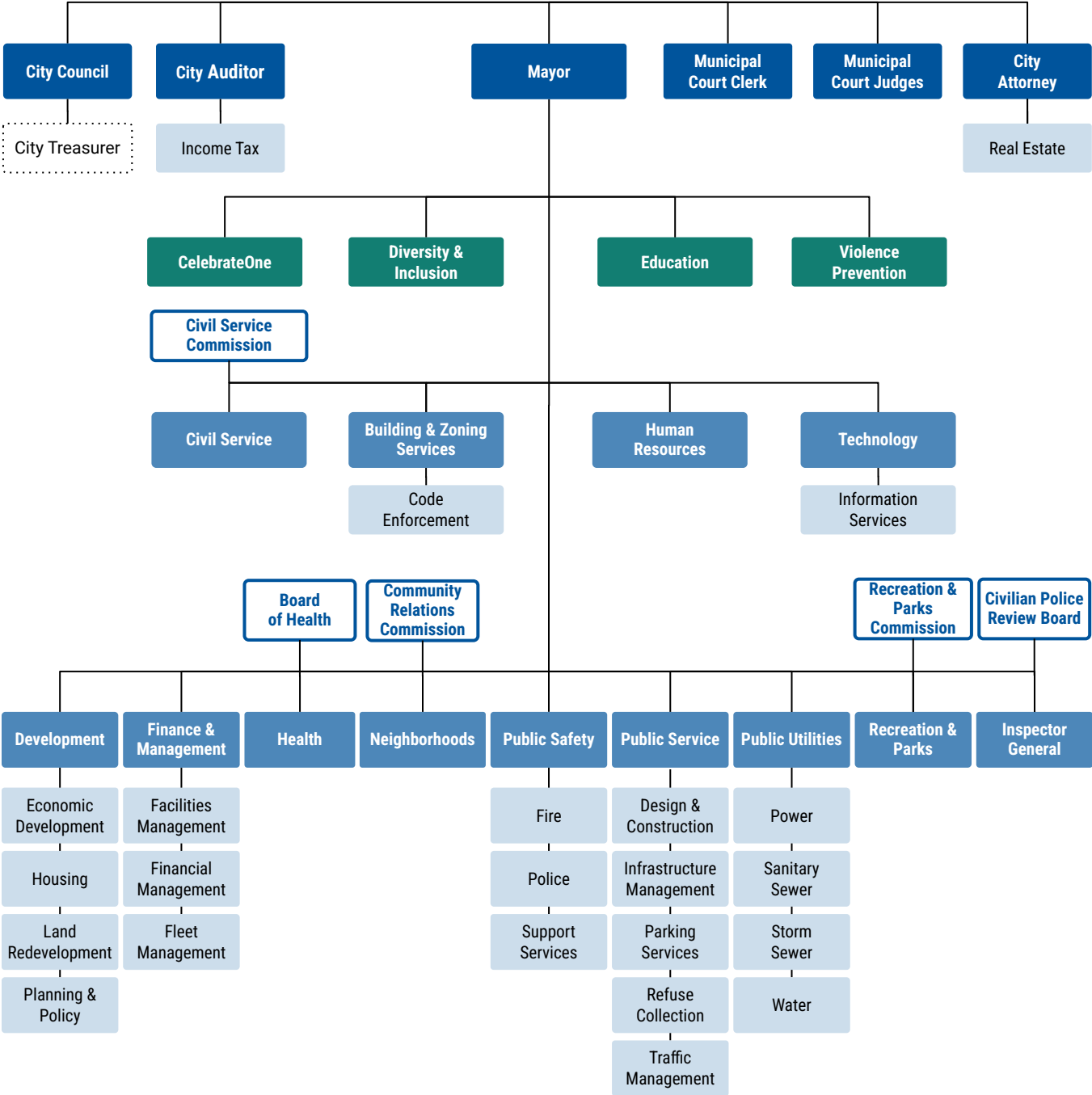


THE CITY OF COLUMBUS

ORGANIZATIONAL STRUCTURE



THE RESIDENTS OF COLUMBUS



Elected Official
Department
Division
Office
Appointed Position
Policy Making Body

STRATEGIC PRIORITIES OF THE CITY

Opportunity Rising

The Office of the Mayor maintains a multi-year strategic plan called Opportunity Rising, which provides 21 aspirational goals for each of our Columbus residents. While many of these outcomes include significant public and private sector collaboration, these 21 goals comprehensively influence the City’s operating and capital budgets, operational plans, and the City’s allocation of resources.

Opportunity Rising created three primary areas of strategic direction: safe and resilient communities; health and

wellbeing; and economic stability. Utilizing an outcome-based approach to budgeting enables the City to carry out projects across multiple time horizons, evaluate performance goals affecting two or more departments, and improve programmatic success. The City’s 2023 budget reflected the priorities established by this framework.

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

Section	ACFR	Figure Name	2021	2022	2023
Public Service	Table 38	Streets (miles)	2,770	2,775	2,773
	Table 21	Land area (square miles)	226.153	226.463	227.241
	Table 37	% Potholes service requests closed within 3 days	90%	91%	94%
Public Safety	Table 36	Police personnel	1,921	1,893	1,925
	Table 36	Fire personnel	1,596	1,670	1,736
	Table 38	Police substations	17	17	18
	Table 38	Fire stations	34	34	34
	Table 37	% Structure fire incident responses within 8 minutes of call	95%	95%	97%
	Table 37	% Emergency medical responses within 8 minutes of call	92%	92%	93%
	Development	Table 37	Full-time jobs committed to be created through economic development incentive programs	13,848	3,299
Health	Table 37	Food safety inspections completed	16,133	16,197	16,572
Recreation & Parks	Table 38	Park acres managed	13,970	14,042	14,978
	Table 38	Parks managed	407	410	422
	Table 38	Playgrounds	170	170	170
	Table 38	Community/Senior centers	32	32	32
Water	Table 38	Water mains (miles)	2,535	2,535	2,539
	Table 38	Maximum daily capacity (millions of gallons)	255	255	245
	Note A (b)	Water treatment plants	3	3	3
Sewer	Table 38	Sanitary sewers (miles)	4,452	4,500	4,595
	Note A (b)	Wastewater treatment plants	2	2	2

*Development reports committed jobs in the year in which the project is legislated. 2021 New Jobs Committed numbers increased due to the OSU Innovation District JGI agreement which includes 12,000 new jobs committed. This agreement and project will take place over a 25-year period making it significantly longer than the Department's standard 5-10 year project lifecycle.

Sources: 2023 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 \$3.822 billion in 2022 to \$4.080 billion in 2023, the components of which are listed below.

In 2023, governmental activities expenses and business-type activities expenses increased by 25.1% and 14.1%, respectively, primarily due to an increase in pension

expense. The City's expenses for pension and other post-employment benefits (OPEB) can fluctuate significantly from year to year based on changes in pension plans' assumptions, differences in the expected and actual expenses of the pensions, and differences between projected and actual earnings on pension plan adjustment.

The City participates in two statewide, multi-employer public retirement plans. The City's share of those collective pension net liabilities is \$2.167 billion, which is the sole reason for the negative \$109.2 million unrestricted net position.

Net Position at December 31 (in millions)

	2021	2022	2023
Current and other assets	\$2,784	\$2,959	\$3,288
Net OPEB asset	41	73	-
Capital assets	7,706	7,964	8,358
Deferred outflows of resources	390	513	880
Total assets and deferred outflows of resources	\$10,921	\$11,509	\$12,526
Long-term liabilities, excluding pension & OPEB	5,089	5,212	5,492
Net pension & OPEB liability	1,517	1,260	2,167
Other liabilities	348	376	428
Deferred inflow of resources	580	839	359
Total liabilities and deferred inflows of resources	\$7,534	\$7,687	\$8,446
Net investment in capital assets	3,518	3,713	3,890
Restricted	185	221	299
Unrestricted	(316)	(112)	(109)
Net position	\$3,387	\$3,822	\$4,080

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.

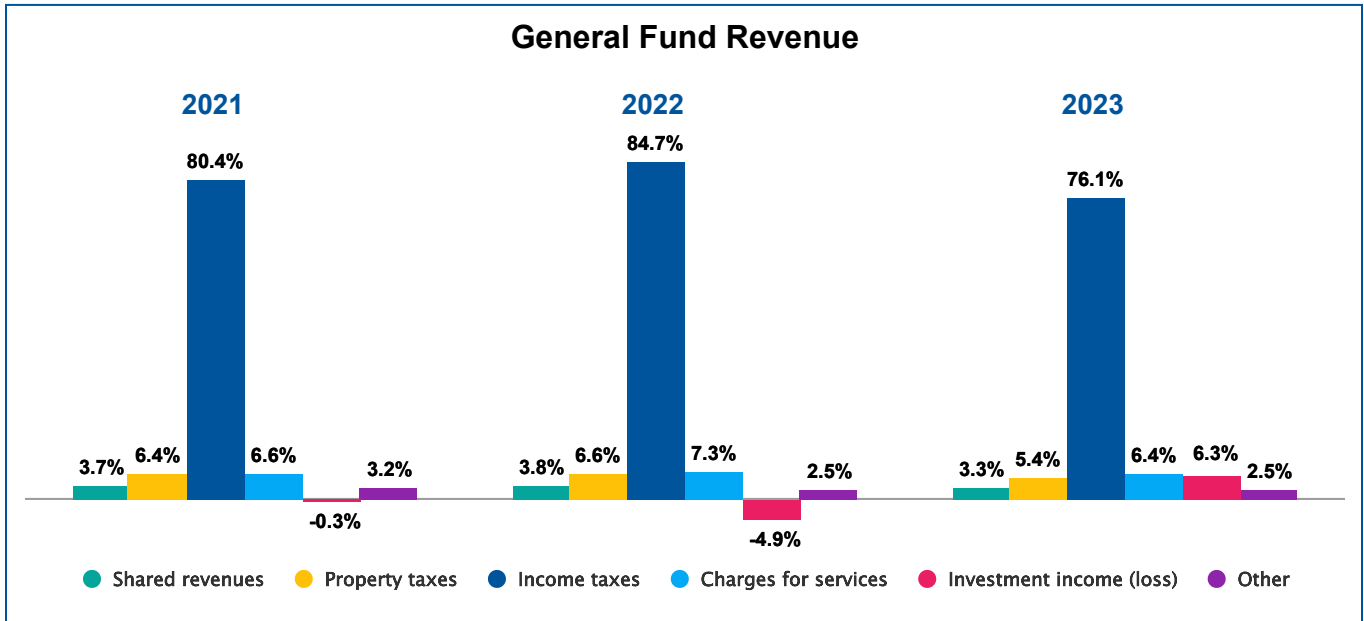
Revenue for the City in 2023 totaled \$2.823 billion, an increase of \$293.0 million or 11.6% compared to 2022. Total revenue increased due to a variety of factors including income tax growth, increased grant and program funding, and increased charges for utilities services.

Changes In Net Position (in millions)

	2021	2022	2023
Revenues	\$2,400	\$2,530	\$2,823
Expenses	1,836	2,095	2,565
Changes in Net Position	564	435	258
Net Position - Beginning	2,823	3,387	3,822
Net Position - Ending	\$3,387	\$3,822	\$4,080

Expenses for the City totaled \$2.565 billion in 2023, an increase of \$470.0 million or 22.4% as compared to 2022. The City's pension expense fluctuated from 2022 to 2023 based on changes in pension plans' assumptions, differences in the expected and actual expenses of the pensions, and differences between the projected and actual earnings on pension plan investments.

WHERE THE MONEY COMES FROM



Sources of Income Tax

Income Tax Collected	2021	2022	2023
Withholding	80.9%	81.3%	79.8%
Individual Accounts (Not From Withholding)	4.2%	4.0%	4.3%
Business Accounts	14.9%	14.7%	15.9%

2023



Funding for the City’s General Fund and services provided to our residents comes from many sources. In 2023, the City’s General Fund revenues totaled \$1.114 billion. The majority, or 76.1% of total General Fund revenues, was generated from income taxes.

During 2023, governmental funds recognized \$1.130 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)

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
\$64.1	\$66.7	\$69.5	\$73.9	\$76.2	\$80.7	\$85.2	\$87.9	\$90.8	\$96.6

Our economy is strong, and the City’s financial position is secure, but we must continue to plan and prepare for the next possible crisis, whatever that may be. As of December 31, 2023, the City has accumulated a \$247.4

million unassigned fund balance in the General Fund, of which \$96.6 million has been set aside for a “Rainy Day.” This represents approximately 9% of the City’s total 2023 General Fund expenditures.

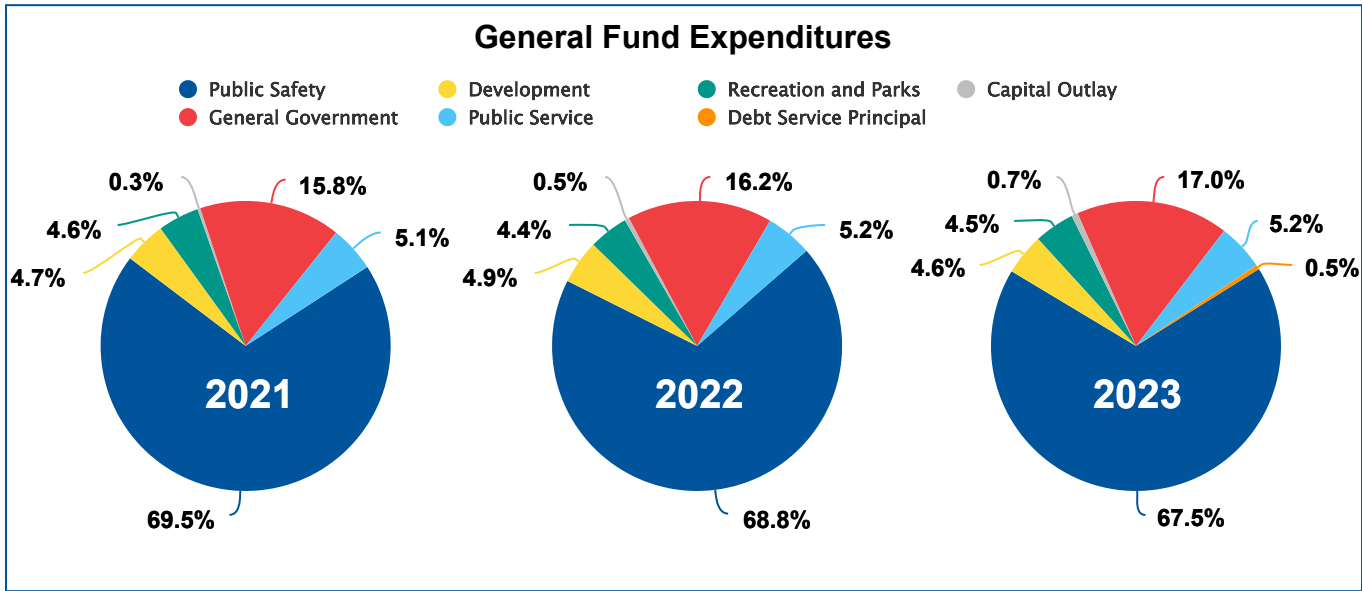
WHERE THE MONEY GOES

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 2023, General Fund expenditures and transfers out totaled \$1.116 billion, including a \$32.4 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, \$2.2 million was funded by transfers from other governmental funds.

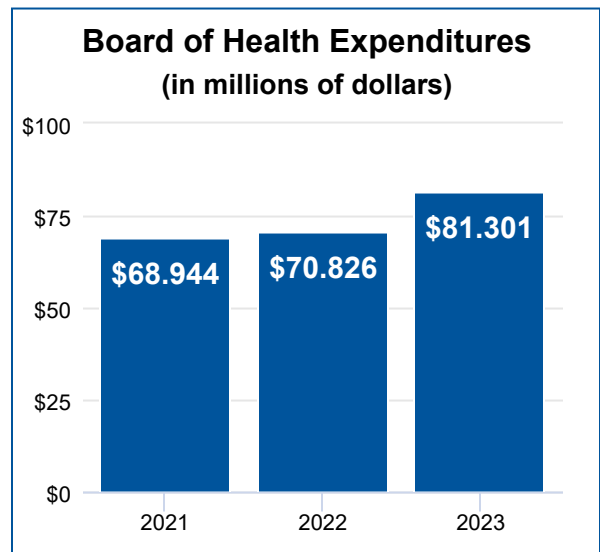


Board of Health Expenditures

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. Columbus Public Health protects the health and safety of our community through more than 45 diverse public health services, including restaurant inspections, infectious disease testing and treatment, women’s

health and wellness services, newborn home visitations, immunizations, and much more.

Important highlights from 2023 include: the CDC Public Health Infrastructure Grant, which will support and build a trained and ready public health workforce for the 21st century; and bond-funded renovations to the Columbus Board of Health main facility at 240 Parsons Avenue.

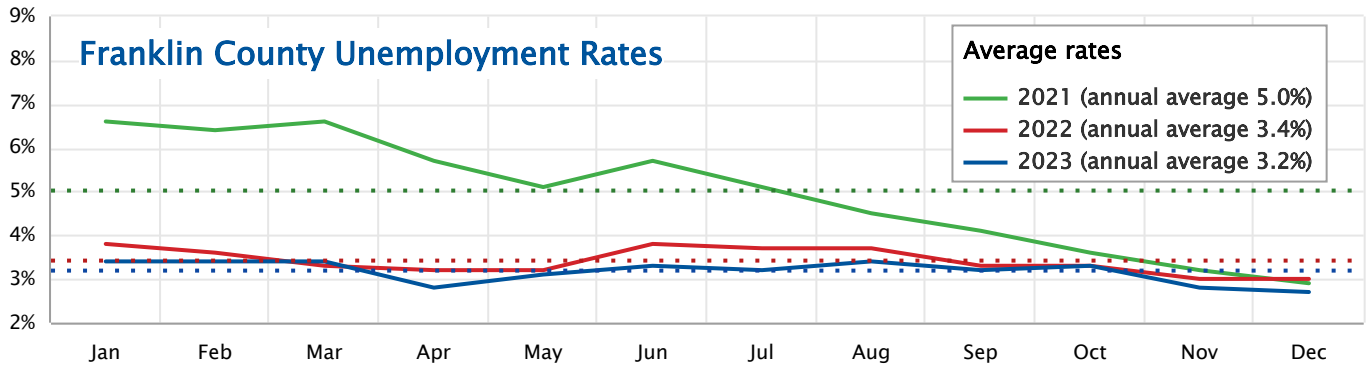


2023 STATE OF THE LOCAL ECONOMY

The City’s economy continues to benefit from mounting strength. The past two years have been record setting in terms of job creation and 2023 marked another year of solid job gains and increased wages, key drivers of the City’s income tax base. Columbus maintains an enviable blend of: large, stable employers, including our hospital systems and governmental entities; globally-recognized firms like JPMorgan Chase, Honda, Nationwide, and Cardinal Health; top-ranked universities and research institutions like The Ohio State University; and more-recent major investments in a range of industries, including semiconductors, financial technologies, and healthcare technologies. As we continue to grow – especially into the global chip and manufacturing ecosystem – we anticipate benefitting from further foundational diversity.

RANK	TOP 10 EMPLOYERS	FULL-TIME EMPLOYEES
1	The Ohio State University	34,661
2	State of Ohio	23,410
3	Ohio Health	21,950
4	JP Morgan Chase & Co.	18,600
5	Nationwide Children’s Hospital	14,242
6	Nationwide Mutual Insurance Co.	11,000
7	Kroger Co.	10,925
8	Amazon	9,262
9	City of Columbus	8,855
10	Columbus City Schools	8,235

Source: City of Columbus, 2023 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		2023		WAGE GROWTH Q1 '23 vs Q1 '20
	# of Columbus Jobs	Columbus Annual Avg	% Change	Columbus Annual Avg	% Change	Columbus Annual Avg	% Change	Columbus Annual Avg	% Change	
Agriculture, Forestry, Fishing and Hunting	263	N/A	-%	N/A	-%	N/A	-%	N/A	-%	-
Mining, Quarrying, and Oil and Gas Extraction	262	N/A	-%	N/A	-%	N/A	-%	N/A	-%	-
Utilities	2,693	2,687	(0.2%)	2,693	0.2%	2,558	(5.0%)	2,687	5.0%	7.2%
Construction	23,180	23,915	3.2%	24,537	2.6%	26,007	6.0%	27,590	6.1%	22.7%
Manufacturing	26,062	24,960	(4.2%)	25,564	2.4%	26,418	3.3%	26,453	0.1%	16.4%
Wholesale Trade	18,723	17,880	(4.5%)	18,146	1.5%	18,412	1.5%	19,078	3.6%	23.8%
Retail Trade	47,719	45,735	(4.2%)	47,199	3.2%	48,569	2.9%	48,853	0.6%	19.8%
Transportation and Warehousing	30,307	34,865	15.0%	38,436	10.2%	38,577	0.4%	35,382	(8.3%)	32.3%
Information	9,799	8,785	(10.3%)	8,898	1.3%	10,362	16.5%	10,362	-%	20.0%
Finance and Insurance	33,640	33,072	(1.7%)	32,930	(0.4%)	32,363	(1.7%)	31,889	(1.5%)	21.0%
Real Estate and Rental and Leasing	11,021	10,668	(3.2%)	11,304	6.0%	12,010	6.2%	12,575	4.7%	29.3%
Professional, Scientific, and Technical	34,880	34,775	(0.3%)	35,880	3.2%	37,563	4.7%	39,878	6.2%	30.1%
Management of Companies and Enterprises	14,202	13,905	(2.1%)	14,314	2.9%	14,537	1.6%	14,722	1.3%	16.2%
Administrative and Support and Waste Management and Remediation Services	34,836	32,170	(7.7%)	33,345	3.7%	35,107	5.3%	33,842	(3.6%)	31.0%
Educational Services	11,431	10,253	(10.3%)	10,547	2.9%	10,488	(0.6%)	11,077	5.6%	17.0%
Health Care and Social Assistance	92,718	88,981	(4.0%)	91,043	2.3%	92,331	1.4%	97,550	5.7%	19.4%
Arts, Entertainment, and Recreation	8,278	6,474	(21.8%)	7,004	8.2%	8,119	15.9%	8,596	5.9%	19.8%
Accommodation and Food Services	47,789	39,764	(16.8%)	43,336	9.0%	46,961	8.4%	48,669	3.6%	25.1%
Other Services (except Public Administration)	24,887	22,168	(10.9%)	23,586	6.4%	24,532	4.0%	25,478	3.9%	13.0%
Government	107,103	103,652	(3.2%)	103,359	(0.3%)	105,582	2.2%	108,682	2.9%	14.3%
Unclassified	31	N/A	-%	N/A	-%	N/A	-%	N/A	-%	-
TOTAL	579,824	554,709	(4.3%)	572,121	3.1%	590,496	3.2%	603,363	2.2%	

Source: U.S. Bureau of Labor Statistics

CREATING THE SILICON HEARTLAND



The City of Columbus is proud to have innovated and invested in what is fast becoming the Silicon Heartland. Intel is investing more than \$28 billion in a project to construct two new, leading-edge chip factories in the Columbus suburb of New Albany that will produce the most advanced semiconductor processors in the country. As the largest, single, private-sector investment in Ohio history, the initial phase will create 3,000 full-time, high-paying Intel jobs, 7,000 construction jobs and 10,000 indirect jobs. Additionally, Intel will receive up to \$8.5 billion in direct funding from the U.S. Department of Commerce under the U.S. CHIPS and Science Act for its U.S. projects.

Though Intel’s primary fabrication plants are geographically outside of the City, Columbus provides water and sewer resources to the full area and is responsible for certain infrastructure that supports the Intel project. The Intel project comprehensively influences both the City’s operating and capital budgets, as the City plans for population growth and its related impacts to infrastructure, community programming, and our ability to deliver services.



City of Columbus, Ohio

Silicon Heartland BY THE NUMBERS	
\$28 billion	investment from Intel
\$8.5 billion	from the U.S. Dept. of Commerce
1,000 acres	in Central Ohio
3,000	high-tech, high-wage Intel jobs
7,000	construction jobs
10,000	indirect jobs
\$2.8 billion	to Ohio’s annual GDP

Source: Intel Ohio Newsroom



REMOTE WORK AND INCOME TAX COLLECTIONS

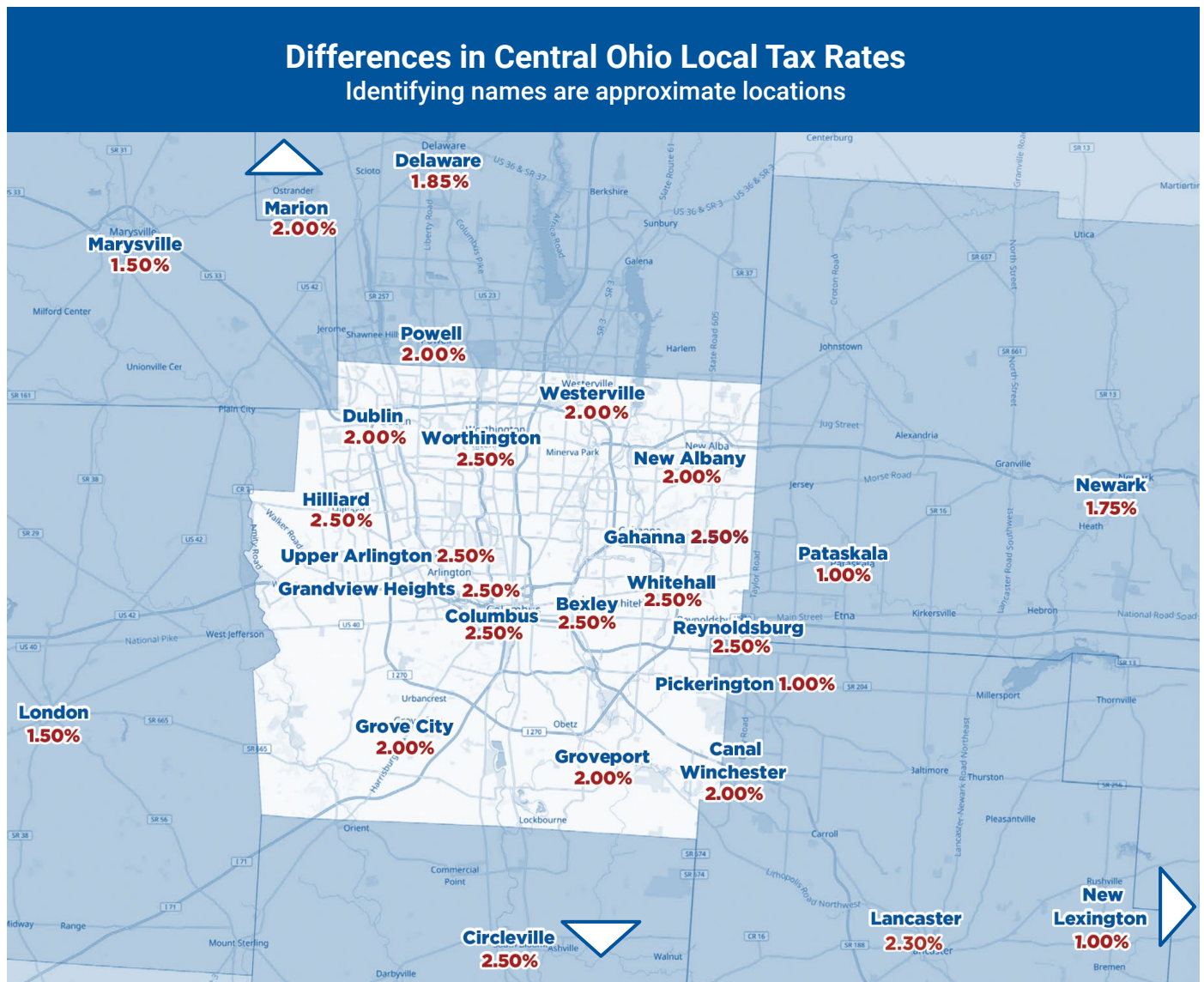
The public health emergency related to the COVID-19 pandemic ended on May 11, 2023, however the pandemic drastically changed the way people worked, lived, shopped, and experienced life in Columbus. Income tax, which corresponds to where an employee is physically performing work, will fluctuate as employee behaviors may change.

The City Auditor’s Office has developed behavioral and technical modeling to monitor remote work trends. Through the end of 2023, revenue declines resulting from remote work were outsized by net job gains and growing wage levels. It is anticipated that growth in jobs – both on-site and remote – will occur concurrently and largely compensate for any near-term impacts of remote work.

Litigation. On February 14, 2024, the Ohio Supreme Court issued its decision in *Schaad v. Alder*, a case the City was closely watching given its importance to municipal

taxation. The Ohio Supreme Court affirmed the decision of the lower court in *Schaad* and held that the General Assembly acted within its constitutional power when it enacted Section 29 that required Ohio residents to pay taxes to the municipality where the employee’s principal place of work was located rather than the municipality where the employee actually worked. Therefore, income taxes collected in 2020 are not required to be refunded.

With the *Schaad* decision, the stay in the Eighth District case has now been lifted. The facts in that case are distinguishable from *Schaad* in that although Section 29 is at issue, the taxpayer is a non-resident of Ohio. Even if the taxpayer in the Eighth District case is successful, the impact on Columbus collections should be minimal since the vast majority of persons employed within the City are residents of Ohio.



REIMAGINING DOWNTOWN



As with many cities across the nation, the pandemic redefined Columbus workers' relationship to "the office." Many of our downtown workers have computer-based jobs in professional service firms embracing remote work. Leaders from the City and our development partner, Downtown Columbus, Inc., are underway on projects that reimagine our core, from a historically daytime mono-use district to a diverse, mixed-use, 18-hour, grouping of well-connected neighborhoods.

Occupancy trends indicate that companies are seeking "work, live, play" environments. Each of the following downtown office projects are built around these elements of inclusive residential, hospitality, restaurants, and entertainment.

- The Astor Park neighborhood development, home of the Columbus Crew's MLS stadium. Construction on the neighborhood is underway, with offices slated for completion in 2024.
- The Peninsula mixed-use development, which began leasing in 2023, blends office, residential, and retail.
- The Merchant Building, a development project that surrounds our historic public market, is expected to open in 2026.

Astor Park. Image courtesy The Pizzuti Companies.

The City also has several commercial-to-residential conversions underway, including Preston Centre, a 24-story redevelopment project and the Continental Centre redevelopment, expected to produce 409 apartments from 26-stories of office space.

The Preston Centre. Image courtesy The Edwards Companies.



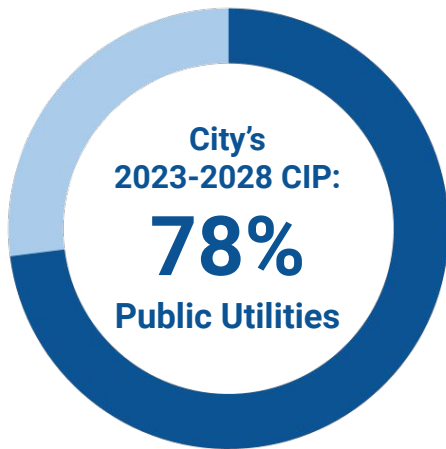
CAPITAL IMPROVEMENTS

Capital Improvement Program

The City manages the long-term financing of its capital needs through the annual fulfillment of its Capital Improvement Plan (CIP). The CIP schedules capital improvements through the current and succeeding five years. The CIP contains not only a detailed listing of planned projects but also, in most instances, their funding source or sources. Most capital projects are funded through the use of long-term debt, bonds or monies borrowed via the Ohio Water Development Authority.

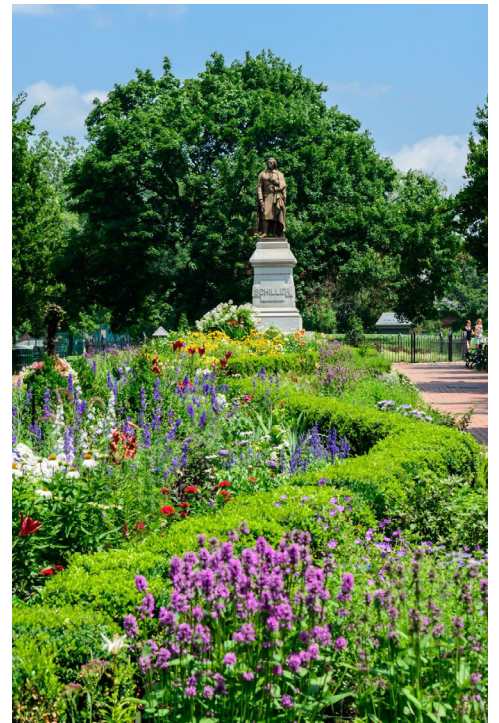
The City typically requests voter approval for the issuance of voted debt through bond packages every three to five years. Seeking voter approval every few years allows the City to solicit voter input and participation in its capital project prioritization process.

Since 1956 (most recently in 2022), the City has sought voter approval 106 times to issue debt for various purposes. The voters have given their approval 100 times. All requests have passed since 1981.



Voted Debt Authority (in millions)

	Total		Remaining	
Voter Approved	Authorized	Issued	Authority	
November 2016	\$ 950	\$ 850	\$ 100	
May 2019	\$ 1,030	\$ 607	\$ 423	
May 2022	\$ 1,500	\$ 8	\$ 1,492	
Total	\$ 3,480	\$ 1,465	\$ 2,015	



Some examples of capital improvement projects include the purchase of major equipment, street lighting improvements, street and highway improvements, land acquisition, recreational trail improvements, building construction, facility rehabilitation, and improvements to the public utilities systems throughout the City.

CAPITAL ASSETS

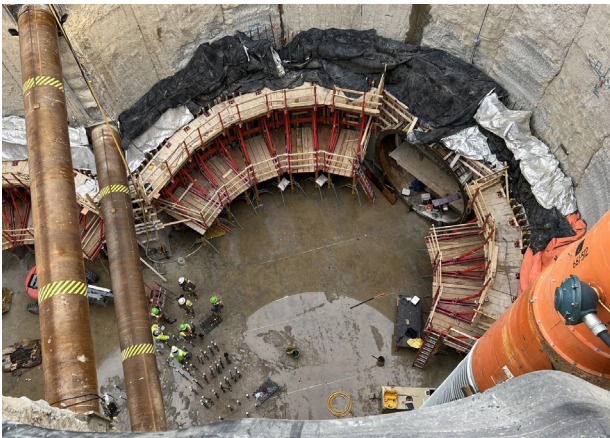
The City’s capital assets are grouped by governmental activities and business-type activities. The governmental capital assets consist primarily of infrastructure, which are mainly roadways, curbs, and sidewalks. Business-type capital assets consist mainly of improvements other than buildings, which are water and sewer treatment plants, water and sewer lines, and reservoirs.

Total capital assets, net of accumulated depreciation, increased \$393.6 million in 2023. Total additions were \$682.9 million, while depreciation expense and disposals totaled \$289.3 million. Significant capital asset additions

included: \$185.2 million in various sanitary sewer line and plant improvements, such as the Lower Olentangy Tunnel project; \$156.4 million in public service improvement projects, such as various resurfacing and roadway improvements, the I-70/71 South and East Freeway, and the Georgesville Road Outpost; \$121.9 million in water line and plant improvements including the Dublin Road Water plant, the O’Shaughnessy Hydroelectric improvements, and the Water Quality Assurance Lab; \$58.8 million in recreation and parks land and general improvement projects, including the Glenwood and Windsor pools.

CAPITAL ASSETS, Net of Accumulated Depreciation (in millions of dollars)

	Total 2021	Total 2022	Governmental Activities	Business-type Activities	Total 2023
Land	\$401.081	\$407.482	\$328.428	\$95.363	\$423.791
Buildings	\$652.915	\$662.162	\$554.626	\$84.380	\$639.006
Improvements, other than building	\$4,524.178	\$4,635.655	\$681.570	\$4,259.144	\$4,940.714
Machinery and equipment	\$158.931	\$164.387	\$152.191	\$25.303	\$177.494
Infrastructure	\$1,936.861	\$1,988.437	\$1,788.760	\$186.398	\$1,975.158
Construction in progress	\$32.376	\$105.879	\$31.188	\$141.794	\$172.982
Intangible Assets	\$-	\$-	\$27.143	\$1.350	\$28.493
Total	\$7,706.342	\$7,964.002	\$3,563.906	\$4,793.732	\$8,357.638



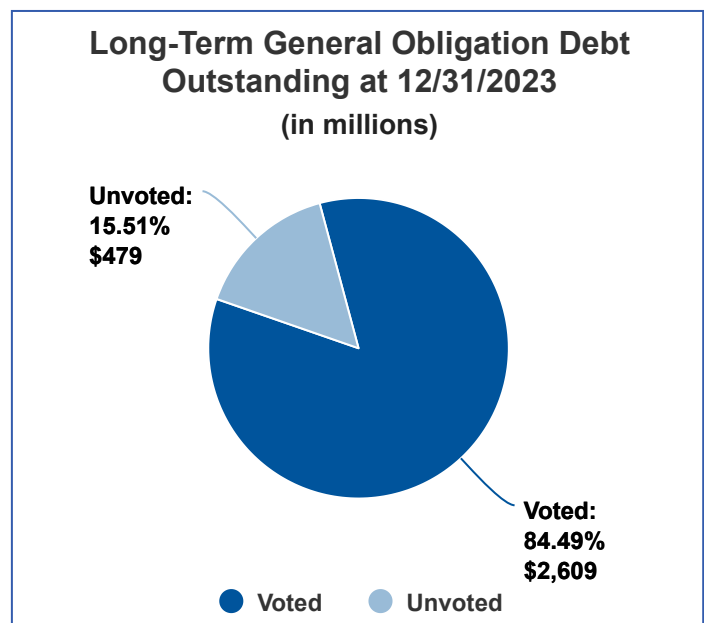
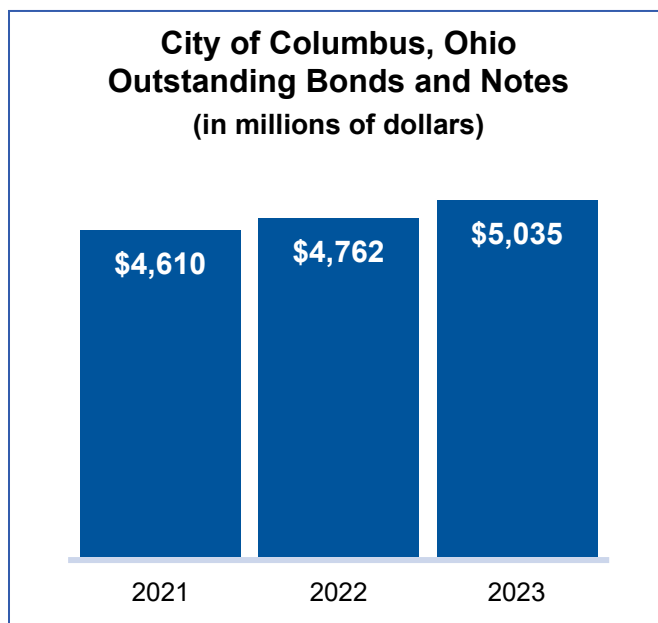
MANAGING THE CITY'S DEBT

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.

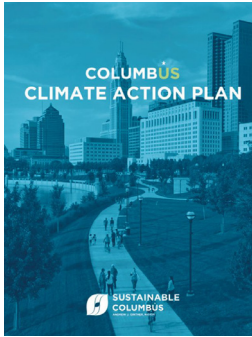
Exceptional bond ratings save the City money by securing lower interest rates on its debt. Columbus is proud to receive the highest designation of financial strength - triple-A bond ratings - from three different rating agencies.

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 millions)	Outstanding Fixed	Outstanding Variable	Total Outstanding Principal
General Obligation (GO) Bonds	\$3,066	12	\$3,078
Sanitary Sewer Revenue Obligation Bonds	307	52	359
Tax Increment Financing (TIF) Revenue Bonds	14	-	14
State Infrastructure Bank (SIB) Loan - Direct Borrowing	6	-	6
Ohio Public Works Commission (OPWC) Loans - Direct Borrowing	4	-	4
Lease Revenue Bonds	93	-	93
Ohio Water Development Authority (OWDA) Revenue Loans			
Water - Direct Borrowing	449	-	449
Sanitary Sewer - Direct Borrowing	1,001	-	1,001
Storm Sewer - Direct Borrowing	10	-	10
General Obligation Notes - Direct Placement	21	-	21
	\$4,971	64	\$5,035



A PLAN FOR CLIMATE ACTION



Through the City's Sustainable Columbus initiative, the City of Columbus created our community's first-ever Columbus Climate Action Plan which acts as our roadmap for imparting equity and environmental justice through bold climate action.



2030 Greenhouse Gases Reduction Goal



2050 Greenhouse Gases Reduction Goal

BUDGET HIGHLIGHTS

Beginning in 2023, the City expended \$12 million to continue support for clean energy jobs training, energy efficient initiatives, sustainability staffing, and new waste reduction initiatives including an increase in weekly recycling, two new Waste & Reuse Convenience Centers, and food waste drop-off sites.

The **2024 Budget** continues these investments and will be amplified by Columbus' selection to participate in the Bloomberg Sustainable Cities Initiative. Columbus is one of 25 cities nationwide to receive customized policy and technical support focused on climate and racial wealth equity.

EXPANDING RENEWABLE ENERGY EFFORTS



- The City began construction in 2023 on two onsite solar projects totaling 45 megawatts of clean energy to power municipal facilities
- 1,774 of the City's on-road fleet are alternative fueled with over 200 being fully electric or hybrid
- Department of Public Utilities is completing construction on a \$30 million cogeneration system at the Jackson Pike Wastewater Treatment Plant to repurpose biogas created during treatment to power the facility
- Plans for more cogeneration are in process for Southerly Wastewater Treatment Plant, an \$80 million project that will utilize direct-pay incentives available through the Inflation Reduction Act. This project will also include an organics receiving station to further infrastructure that supports the Columbus Climate Action Plan waste goals.



FISCAL YEAR 2024 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 2024 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.



Statement of Estimated Available Resources General Operating Fund

(in millions)

	Original Estimate
Estimated Revenue:	
Income taxes	\$872.305
Property taxes	81.800
Investment earnings	41.270
Licenses and permits fees	6.684
Shared revenue	34.427
Charges for services	74.040
Fines and forfeits	8.020
Miscellaneous revenue	5.750
Total Estimated Resources From Revenue	\$1,124.296
Total Transfers In	31.400
Total Estimated Resources And Transfers	\$1,155.696
Estimated prior year encumbrance cancellations	5.000
Actual 12/31/2023 Unencumbered Cash Balance	\$50.884
Total Estimated Available Resources	\$1,211.580

The estimate includes an increase in 2024 income tax of 3.0% as compared to the 2023 updated estimate of \$846.898 million. The 2024 estimate of total resources is \$1.212 billion or 3.3% higher than the 2023 updated estimate of \$1.173 billion.






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 2023 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 new.columbus.gov/Government/City-Auditor/Financial-Reports. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:



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