

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY**

FRANKLIN COUNTY, OHIO

**REGULAR AUDIT**

FOR THE YEAR ENDED  
DECEMBER 31, 2024

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
FRANKLIN COUNTY, OHIO**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

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## **Independent Auditor's Report**

To the Board of Directors  
Columbus-Franklin County Finance Authority

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of Columbus-Franklin County Finance Authority (the "Authority") as of and for the year ended December 31, 2024 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Columbus-Franklin County Finance Authority as of December 31, 2024 and the changes in its financial position and its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

To the Board of Directors  
Columbus-Franklin County Finance Authority

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of the Authority's proportionate share of the net pension liability, schedule of Authority pension contributions, schedule of the Authority's proportionate share of the net OPEB liability/(asset), and schedule of Authority OPEB contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which 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.

#### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2025 on our consideration of Columbus-Franklin County Finance Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Columbus-Franklin County Finance Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Columbus-Franklin County Finance Authority's internal control over financial reporting and compliance.

*Plante & Moran, PLLC*

June 26, 2025

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
FRANKLIN COUNTY, OHIO**

**MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

The discussion and analysis of the Columbus-Franklin County Finance Authority (the “Authority”) financial performance provides an overall review of the Authority’s financial activities for the fiscal year ended December 31, 2024. The intent of this discussion and analysis is to look at the Authority’s financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the Authority’s financial performance.

**Financial Highlights**

Key financial highlights for 2024 are as follows:

- The Authority issued over \$6.3 million in debt for one project through its Central Ohio Bond Fund (COBF). See Note 5 for further detail of bonds issued through the COBF.
- The Authority issued approximately \$579 million in debt for 25 transactions through other financing programs.
- The Authority received over \$29 million in grants from the City of Columbus and Franklin County restricted for use in the North Market – Merchant Building Project.
- The Authority received a \$1.2 million grant from the City of Columbus restricted to lending for urban redevelopment projects.
- The Authority received a \$1.0 million grant from the City of Columbus restricted to lending to small businesses, net of administration fees, through the Authority’s Neighborhood P3 Program.

**Using these Basic Financial Statements**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Authority’s financial activities. The *statement of net position* and *statement of revenues, expenses and changes in net position* provide information about the activities of the Authority, including all short-term and long-term financial resources and obligations.

**Reporting the Authority’s Financial Activities**

***Statement of net position, statement of revenues, expenses, and changes in net position and the statement of cash flows***

These documents look at all financial transactions and ask the question, “How did we do financially during 2024?” The statement of net position and the statement of revenues, expenses and changes in net position answer this question. These statements include *all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year’s revenues and expenses regardless of when cash is received or paid.

These two statements report the Authority’s *net position* and changes in that position. This change in net position is important because it tells the reader that, for the Authority as a whole, the *financial position* of the Authority has improved or diminished. The causes of this change may be the result of many factors, some financial, some not.

The statement of cash flows provides information about how the Authority finances and meets the cash flow needs of its operations, projects financed through the Central Ohio Bond Fund (COBF) and other financing programs.

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
FRANKLIN COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2024

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Authority's net pension liability and net OPEB liability.

The table below provides a summary of the Authority's net position at December 31, 2024 and December 31, 2023.

	2024	2023
<b>Net Position</b>		
<u>Assets</u>		
Current assets	\$ 19,220,791	\$ 18,474,975
Noncurrent assets:		
Unrestricted	2,525,499	2,023,697
Restricted	187,089,518	173,726,775
Total assets	208,835,808	194,225,447
Deferred outflows of resources	372,067	591,201
<u>Liabilities</u>		
Current liabilities:		
Payable from unrestricted assets	202,326	157,611
Noncurrent liabilities:		
Payable from unrestricted assets	1,017,009	1,190,843
Payable from restricted assets	142,449,010	141,756,525
Total liabilities	143,668,345	143,104,979
Deferred inflows of resources	19,083	7,577
<u>Net Position</u>		
Net investment in capital assets	2,241	5,531
Restricted	44,640,508	31,970,250
Unrestricted	20,877,698	19,728,311
Total net position	\$ 65,520,447	\$ 51,704,092

Over time, net position can serve as a useful indicator of the Authority's financial position. At December 31, 2024, the Authority's net position totaled \$65,520,447. Current assets increased primarily in cash and cash equivalents due to fees generated from financing activities in 2024. Restricted noncurrent assets increased due to cash balances received from grants related to the North Market – Merchant Building Project and from grants received and loaned out to support small businesses and urban redevelopment projects.

The Authority's current liabilities payable from unrestricted assets increased due to an increase in accrued wages and benefits payable.

The Authority's noncurrent liabilities payable from restricted assets increased due to the issuance of a bond through the COBF exceeding principal retirement during fiscal 2024. This increase was partially offset by a decrease in amounts due to developers from 2023 to 2024.

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
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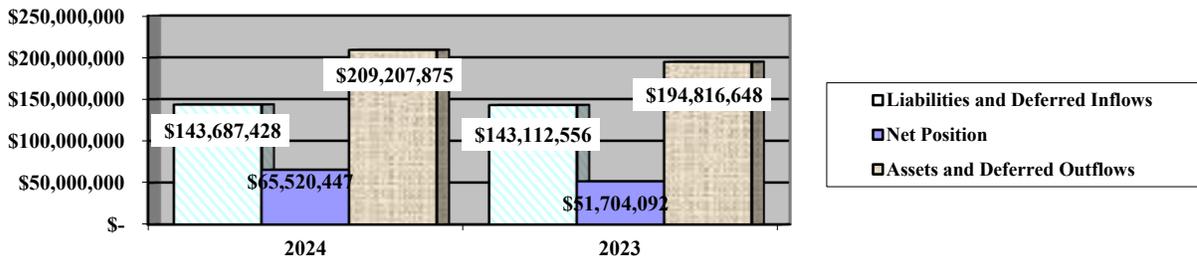
**MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

A portion of the Authority’s net position, \$44,640,508, represents resources that are subject to external restriction on how they may be used. The restricted net position consists of the City of Columbus and Franklin County grants (\$2,500,000) which were used to establish the COBF reserve account and the difference (\$1,031,750) between the original proceeds received from the State loan (\$2,500,000) and the balance of the State loan liability at year end (\$1,468,250). During 2024, the Authority used \$2,000,000 of unrestricted monies to increase the Authority’s COBF reserve account inside the bond indenture. The total amount of the restricted COBF reserve account increased from \$5,000,000 at December 31, 2023 to \$7,000,000 at December 31, 2024.

The Authority’s restricted net position increased \$12,670,258 primarily due to the receipt of a grants from the City of Columbus and Franklin County which are restricted for lending to urban redevelopment projects, small businesses, and use in the North Market – Merchant Building Project. The increase consists of loans receivable and cash and investments received resulting from the grant activity. Additional cash and investments and loans receivable amounted to an approximate \$9,000,000 increase in restricted net position. The Authority also used \$2,000,000 of unrestricted monies to increase the Authority’s COBF reserve inside the indenture which restricts those funds. In addition, the Authority reported approximately \$1,300,000 in restricted interest earnings during fiscal year 2024.

The balance of the unrestricted net position is \$20,877,698 and can be used to finance the Authority’s operations. Unrestricted net position increased \$1,149,387 primarily due to operating income of \$2,355,918 reduced by the use of \$2,000,000 of unrestricted monies to increase the Authority’s COBF reserve account inside the amended bond indenture. These funds were reclassified from unrestricted to restricted. In addition, the Authority reported approximately \$970,000 in unrestricted interest earnings during fiscal year 2024.

The chart below illustrates the Authority’s assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position at December 31, 2024 and 2023.



**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
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**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

The table below shows the changes in net position for fiscal year 2024 and 2023.

**Change in Net Position**

	2024	2023	Increase (Decrease)
<b><u>Operating Revenues:</u></b>			
Conduit financing and other fees	\$ 3,473,053	\$ 4,403,853	\$ (930,800)
Central Ohio bond fund fees	726,190	739,938	(13,748)
Total operating revenue	4,199,243	5,143,791	(944,548)
<b><u>Operating Expenses:</u></b>			
Salaries and benefits	1,148,846	1,114,225	34,621
Professional services	249,173	350,911	(101,738)
Miscellaneous	414,228	364,111	50,117
Depreciation and amortization	31,078	31,078	-
Total operating expenses	1,843,325	1,860,325	(17,000)
Operating income	2,355,918	3,283,466	(927,548)
<b><u>Nonoperating Revenues (Expenses):</u></b>			
Interest revenue	2,396,643	1,485,428	911,215
Interest expense	(3,528)	(4,520)	992
Increase in fair value of investments	15,168	78,880	(63,712)
Grants	32,374,944	3,476,143	28,898,801
Grant disbursements	(23,223,360)	-	(23,223,360)
Forgiveness of loans	(94,500)	(85,000)	(9,500)
Fiscal charges and other expenses	(4,930)	(31,230)	26,300
Assigned TIF revenues	-	356,535	(356,535)
Bond fund:			
Pledged revenue	5,728,843	6,138,921	(410,078)
Interest expense on bonds	(4,840,525)	(5,322,115)	481,590
Fiscal charges	(888,318)	(816,806)	(71,512)
Total nonoperating revenues	11,460,437	5,276,236	6,184,201
Change in net position	13,816,355	8,559,702	5,256,653
Net position at beginning of year	51,704,092	43,144,390	
Net position at end of year	\$ 65,520,447	\$ 51,704,092	

Operating revenues decreased \$944,548 or 18.36%. This decrease is primarily due to fees generated through the Authority's conduit financing program and other fees. The Authority issued debt for twenty-five (25) transactions through its conduit financing program in both 2024 and 2023. The 2024 fees decreased as the amounts financed in 2024 were less than 2023 coupled with a reduction in fee structure related to certain 2024 financings. This accounts for the decrease in conduit and other fees revenue. The Authority issued one (1) bond through the COBF in both 2024 and 2023.

Operating expenses decreased \$17,000 or 0.91%. Professional services decreased primarily in legal fees and professional recruiting services.

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
FRANKLIN COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

Nonoperating revenues include grants. During 2024, the Authority received a \$5,000,000 grant from the City of Columbus and a \$24,674,944 grant from Franklin County restricted for use in the North Market–Merchant Building Project. The Authority received a \$1,200,000 grant from the City of Columbus restricted for lending to urban redevelopment projects and disbursed the entire amount as a forgivable loan. The Authority also disbursed \$500,000 of a previously retained 2023 grant award for urban redevelopment as final requirements for disbursement were satisfied. The Authority received a \$1,000,000 grant from the City of Columbus restricted for lending to small businesses, net of administration fees, through the Authority's Neighborhood P3 Program. During fiscal year 2024, the Authority disbursed \$416,715 of this grant award as forgivable loans.

Nonoperating revenues of the bond fund transactions include the collection of pledged revenues supporting the bonds issued through the COBF. Interest payments and fiscal charges related to the debt service on the bonds are reported as nonoperating expenses. COBF activity remained comparable to the prior year.

**Debt Administration**

The Authority obtained a \$2.5 million Ohio Department of Development (ODOD) (formerly known as the Ohio Development Services Agency (ODSA)) loan in 2007. The loan is interest free with a term of 20 years. Principal payments of \$75,500 were made in 2024. Principal payments were paid out of restricted operating funds of the Authority. The ODOD Loan Agreement requires that annual repayment of principal to be based on no more than the interest earned on the \$2.5 million reserve, up to \$125,000. See Note 11 for more detail on the ODOD loan.

In 2024, the Authority issued \$6.385 million in revenue bonds through the COBF to finance one project. The repayments are secured by pledged revenues which will be collected and distributed to the trustee for repayment of the bonds. See Note 5 for more detail on the COBF program.

**Current Financial Related Activities**

The Authority has the ability to finance projects through its Central Ohio Bond Fund, conduit financing, Energy Loan Program, Neighborhood Improvement and Small Business Loan Program, and through other financing vehicles. At year-end, there were 32 bonds financed through the Authority's COBF program. The Authority's goals are to increase the number of projects financed in 2025 and to increase the number of loans through the Energy Loan Program and the Neighborhood Improvement and Small Business Loan Program. The Authority is exploring increasing its presence in the affordable housing arena to assist Central Ohio with its affordable housing strategies. Fees generated by financing projects are necessary to support the operations and discretionary programming of the Authority.

**Contacting the Authority's Financial Management**

This financial report is designed to provide our clients and creditors with a general overview of the Authority's finances and to show the Authority's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Patty Huddle, President, Columbus-Franklin County Finance Authority, 300 Spruce Street, Suite 220, Columbus, Ohio, 43215.

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**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
FRANKLIN COUNTY, OHIO**

STATEMENT OF NET POSITION  
DECEMBER 31, 2024

<b>ASSETS:</b>	
Current:	
Cash, cash equivalents, and investments (Note 3).....	\$ 18,819,160
Other assets.....	401,631
Total current assets.....	19,220,791
Noncurrent:	
Loan receivable (Note 8).....	1,359,334
Pledged receivable (Note 7).....	1,104,009
Depreciable/amortized capital assets, net (Note 15).....	62,156
Restricted assets:	
Cash, cash equivalents, and investments (Note 3).....	49,307,014
Loans receivable (Note 8).....	18,636,279
Note receivable (Note 9).....	39,587
Net OPEB asset (Note 14).....	31,702
Pledged receivables (Note 5 and 7):	
Loans receivable (Note 8).....	7,358,429
Other pledged receivables.....	111,716,507
Total pledged receivables.....	119,074,936
Total restricted assets.....	187,089,518
Total noncurrent assets.....	189,615,017
Total assets.....	208,835,808
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>	
Pension - OPERS (Note 13).....	344,867
OPEB - OPERS (Note 14).....	27,200
Total deferred outflows of resources.....	372,067
<b>LIABILITIES:</b>	
Current:	
Accounts and other payables.....	20,744
Accrued salaries and benefits payable.....	152,372
Lease payable (Note 17).....	29,210
Total current liabilities.....	202,326
Noncurrent:	
Net pension liability (Note 13).....	986,304
Lease payable (Note 17).....	30,705
Payable from restricted assets:	
State loan payable (Note 11).....	1,468,250
Bond fund:	
Revenue bonds (Note 5).....	136,895,095
Accrued interest payable.....	631,882
Due to developer.....	390,028
Other liabilities/payables.....	3,063,755
Total payable from restricted assets.....	142,449,010
Total noncurrent liabilities.....	143,466,019
Total liabilities.....	143,668,345
<b>DEFERRED INFLOWS OF RESOURCES:</b>	
OPEB - OPERS (Note 14).....	19,083
Total deferred inflows of resources.....	19,083
<b>NET POSITION:</b>	
Net investment in capital assets.....	2,241
Restricted.....	44,640,508
Unrestricted.....	20,877,698
Total net position.....	\$ 65,520,447

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
FRANKLIN COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2024

Operating revenues:	
Conduit financing and other fees .....	\$ 3,473,053
Central Ohio bond fund fees .....	<u>726,190</u>
 Total operating revenues.....	 <u>4,199,243</u>
Operating expenses:	
Salaries and benefits.....	1,148,846
Professional services.....	249,173
Miscellaneous.....	414,228
Depreciation and amortization .....	<u>31,078</u>
 Total operating expenses.....	 <u>1,843,325</u>
 Operating income.....	 <u>2,355,918</u>
Nonoperating revenues (expenses):	
Interest revenue.....	2,396,643
Interest expense.....	(3,528)
Increase fair value of investments.....	15,168
Grants .....	32,374,944
Grant disbursements .....	(23,223,360)
Forgiveness of loans.....	(94,500)
Fiscal charges and other expenses .....	(4,930)
Bond fund:	
Pledged revenue (Note 5).....	5,728,843
Interest expense on bonds (Note 5).....	(4,840,525)
Fiscal charges and other expenses .....	<u>(888,318)</u>
 Total nonoperating revenues (expenses) .....	 <u>11,460,437</u>
 Change in net position.....	 13,816,355
 Net position, January 1.....	 <u>51,704,092</u>
 Net position, December 31.....	 <u>\$ 65,520,447</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
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STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2024

Cash flows from operating activities:	
Cash received from conduit financing and other fees.....	\$ 3,397,208
Cash received from Central Ohio bond fund fees.....	726,190
Cash received from Hubbard parking facility.....	1,132,553
Cash payments for salaries and benefits.....	(1,061,770)
Cash payments for professional services.....	(241,021)
Cash payments for other operating expenses.....	(475,989)
Cash payments for Hubbard parking facility management.....	(1,075,925)
Net cash provided by operating activities.....	<u>2,401,246</u>
Cash flows from noncapital financing activities:	
Payment on State loan - bond fund reserve.....	(75,500)
Grants received.....	31,874,944
Grant disbursement .....	(23,223,360)
Pledged revenue received.....	328,351
Loan disbursements made.....	(6,391,167)
Assigned tax increment financing revenue received.....	93,532
Fiscal charges and other expenses.....	(63,730)
Loan principal payments received.....	270,026
Borrower contributions received .....	806,021
Bond fund:	
Pledged revenue received.....	15,521,110
Issuance of revenue bonds.....	6,385,000
Premium/discount of bonds issued, net.....	94,971
Developer contribution .....	79,600
Pass through bond proceeds payments.....	(121,850)
Developer costs paid.....	(11,120,989)
Principal paid on bonds.....	(4,945,000)
Interest paid on bonds.....	(4,821,010)
Fiscal charges and other payments .....	(1,168,196)
Net cash provided by noncapital financing activities.....	<u>3,522,753</u>
Cash flows from capital and related financing activities:	
Principal paid on lease.....	(27,788)
Interest paid on lease.....	(3,522)
Net cash (used in) capital and related financing activities.....	<u>(31,310)</u>
Cash flows from investing activities:	
Purchase of investments.....	(4,110,696)
Sale of investments.....	2,588,318
Interest received.....	3,078,043
Net cash provided by investing activities.....	<u>1,555,665</u>
Net increase in cash and cash equivalents.....	7,448,354
Cash and cash equivalents, January 1.....	<u>53,827,107</u>
Cash and cash equivalents, December 31.....	<u>\$ 61,275,461</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income.....	\$ 2,355,918
Adjustments:	
Depreciation and amortization expense.....	31,078
Changes in assets and liabilities:	
(Increase) in other assets.....	(83,351)
Increase in accrued salaries and benefits payable.....	32,762
Increase in accounts and other payables.....	10,525
Decrease in deferred outflows - pension and OPEB.....	219,134
Increase in deferred inflows - pension and OPEB.....	11,506
(Decrease) in net pension liability.....	(122,580)
(Increase) in OPEB asset.....	(31,702)
(Decrease) in OPEB liability.....	(22,044)
Net cash provided by operating activities.....	<u>\$ 2,401,246</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

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**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 1 - DESCRIPTION OF THE ENTITY**

The Columbus-Franklin County Finance Authority (the “Authority”) is a legally separate entity organized under Ohio Revised Code Section 4582.21 through 4582.59. The Authority was established on March 21, 2006 by legislative action of the Columbus City Council and the Franklin County Board of Commissioners for the purposes of providing creative and attractive financing to private and civic sectors as well as to enhance and facilitate economic development, job retention and creation in the Central Ohio region. The Authority, organized as a port authority under Ohio law, began operations on May 11, 2006.

The Board of Directors (the “Board”) is the governing body of the Authority. The Board consists of nine members each of whom shall serve for a term of four years, of which four are appointed by the Mayor of the City of Columbus, with advice and consent of the Columbus City Council, four are appointed by the Board of County Commissioners of the County of Franklin, Ohio, and one shall be a joint appointment. The officers of the Board consist of a Chair, Vice-Chair and Secretary-Treasurer. These officers are elected annually by the Board. All of the powers of the Authority are exercised by or under the direction of the Board. The Board sets and approves all policies and other contracts that are accepted or entered into by the Authority. All members of the Board serve without compensation.

The Authority is considered a joint venture of the City of Columbus and Franklin County. The Authority provides financing primarily through its Central Ohio Bond Fund (COBF) (see Note 5) and its conduit financing (see Note 6). The Authority is also involved in certain other financing programs which are described in Note 7 and energy, Neighborhood Improvement and Small Business Loan Program, and other loan programs which are described in Note 8.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Authority's significant accounting policies are described below.

**A. Reporting Entity**

The reporting entity has been defined in accordance with GASB Statement No. 14, “The Financial Reporting Entity” as amended by GASB Statement No. 39, “Determining Whether Certain Organizations Are Component Units” and GASB Statement No. 61, “The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34”. The reporting entity is composed of the primary government, component units and other organizations that are included to ensure that the basic financial statements of the Authority are not misleading. The Authority has no component units and no other governmental organizations other than the Authority itself are included in the financial reporting entity.

**B. Fund Accounting**

The Authority maintains its accounting records in accordance with the principles of fund accounting. Fund accounting is a concept developed to meet the needs of government entities in which legal or other restraints require the recording of specific receipts and disbursements. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Authority uses an enterprise fund to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for public policy, management control, accountability or other purposes.

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**C. Basis of Presentation**

The Authority's basic financial statements consist of a statement of net position, a statement of revenue, expenses and changes in net position, and a statement of cash flows. The Authority uses a single enterprise fund to maintain its financial records during the year.

**D. Basis of Accounting/Measurement Focus**

The basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. The basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. For financial statement presentation purposes, the Authority utilizes the accrual basis of accounting. Under this method of accounting, revenues are recognized when they are earned and expenses are recognized when the liability is incurred.

The Authority's activities are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the Authority's operations are included on the statement of net position. The statement of revenues, expenses, and changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position. The statement of cash flows provides information about how the Authority finances and meets the cash flows of its enterprise activity.

The Authority distinguishes operating revenues and expenses from nonoperating items. Operating revenues generally result from servicing fees. Operating expenses for the Authority include the cost of providing these services, including administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Nonoperating revenues include pledged revenue to support repayment of bonds issued through the COBF, energy and other grants, assigned TIF revenues, increases in the fair value of investments, and interest earnings. Nonoperating expenses include interest payments on bonds and fiscal charges related to projects financed through the COBF, forgiveness on loans, and other nonoperating expenses.

**E. Cash, Cash Equivalents, and Investments**

Cash and cash equivalents consist of cash on hand and all highly liquid investments with an original maturity of three months or less.

During 2024, investments were limited to U.S. government money market mutual funds, Federal Home Loan Bank (FHLB) securities, Federal Farm Credit Bank (FFCB) securities, Federal National Mortgage Association (FNMA) securities, negotiable certificates of deposit (negotiable CDs), U.S. Treasury securities, and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio). Except for investments in STAR Ohio, the Authority measures investments at fair value which is based on quoted market prices.

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted GASB Statement No. 79, "Certain External Investment Pools and Pool Participants". The Authority measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

STAR Ohio reserves the right to limit participant transactions to \$250 million per day. Transactions in all of a participant's accounts will be combined for this purpose. Twenty-four hours advance notice to STAR Ohio is appreciated for purchases or redemptions of \$100 million or more. For 2024, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

Restricted assets

Restricted cash, cash equivalents, and investments include: (1) monies held by a trustee in accordance with the bond indentures for the bonds issued through the Authority's COBF, (2) cash and cash equivalents of the COBF bond reserve, (3) program funds restricted to reinvestment in the Rickenbacker area, (4) energy grants and program funds which are restricted for use in the Authority's energy programs, (5) cash and cash equivalents of the Hubbard parking garage operating and capital reserve, and (6) investments of the COBF reserve to the extent that their use is subject to constraints externally imposed by the trust indenture, creditors, grant contributors, or laws or regulations of other governments. The Authority is required to restrict \$7,000,000 (in both cash and cash equivalents and investments) which represents the proceeds of a City of Columbus bond reserve grant, a Franklin County bond reserve grant and proceeds of the Ohio Department of Development (ODOD) (formerly known as the Ohio Development Services Agency (ODSA)) loan, and additional reserves contributed by the Authority (see Note 11).

For purposes of the statement of cash flows, investments with original maturities of three months or less at the time they are purchased by the Authority are considered to be "cash equivalents". Investments with an initial maturity of more than three months are considered to be "investments". The cash activity related to the restricted cash equivalents with fiscal agent is reported in the Authority's statement of cash flows.

**F. Net Position**

Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Restricted net position includes, but is not limited to, bond reserve grant and loan proceeds that are used in the COBF (see Note 5). Restricted net position is reduced by the balance of the ODOD (formerly known as ODSA) loan payable at year end. The Authority applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**G. Intergovernmental Revenue**

During 2024, the Authority received \$1,200,000 grant from the City of Columbus for Tranche III of the Connect Project (see Note 8). In addition, \$500,000 from Tranche II that was retained at December 31, 2023 until final requirements for disbursement were satisfied, were recognized as revenue and subsequently disbursed in 2024. The Authority received a \$1,000,000 grant from the City of Columbus restricted to lending to small businesses, net of administration fees, through the Authority's Neighborhood P3 Program (see Note 8). The Authority received \$5,000,000 and \$24,674,944 from the City of Columbus and Franklin County, respectively, in grants restricted to the North Market – Merchant Building Project (Note 7). Revenues from grants are recognized as nonoperating revenue in the accounting period in which applicable eligibility requirements are met.

**H. Issuance Costs, Unamortized Bond Discounts and Premiums**

In the financial statements, for bonds issued through the Authority's COBF, bond issuances are paid from bond proceeds and are reported as a component of the pledged receivable supporting repayment of the bonds. Bond discounts and premiums are amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Unamortized bond discounts and premiums are presented as an increase or decrease of the face amount of the bond payable (see Note 5).

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**I. Pledged Receivable**

The Authority has reported a pledged receivable for contractually obligated future revenues due to the Authority that are considered under GASB Statement No. 48 "Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues" to be collateralized borrowings. Pledged receivables have been reported in conjunction with activities of the COBF (see Note 5) and for transactions related to the Pizzuti Rickenbacker project (see Note 7).

**J. Compensated Absences**

Authority employees are entitled to ten days of sick leave per year. Employees are not permitted to carry over unused sick leave and there is no payment for unused sick leave at year end. Employees are not permitted to carry unused vacation over into the next fiscal year. No liability exists for compensated absences at fiscal year-end.

**K. Estimates**

The preparation of the basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results may differ from those estimates.

**L. Deferred Outflows of Resources and Deferred Inflows of Resources**

In addition to assets, the statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense) until then. See Notes 13 and 14 for detail on the Authority's deferred outflows of resources related to its net pension liability and net Other Postemployment Benefits (OPEB) liability, respectively. In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. See Note 14 for detail on the Authority's deferred inflows of resources related to its net OPEB liability.

**M. Pensions/Other Postemployment Benefits (OPEB)**

For purposes of measuring the net pension/OPEB liability, deferred outflows of resources and deferred inflows of resources related pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

**N. Due to Developer**

The Authority reports bonds proceeds and other revenues received through the COBF program that are collected and held by the Trustee at year-end as due to developer on the statement of net position (Note 5).

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**O. Committed and Designated Cash Balance**

The Authority's Board, by resolution or motion, has committed or designated the use of unrestricted cash and cash equivalents for specific purposes. These assets are reported as unrestricted cash and cash equivalents on the statement of net position since the limitation on use was imposed by an internal, rather than external, source.

In 2016, the Authority's Board, by resolution, designated \$1 million of unrestricted cash and cash equivalents to build additional cash reserves for the COBF. The designated funds shall be used for the purpose of the COBF at the direction of the Authority's Board. In December 2024, the Authority's Board designated an additional \$2 million of unrestricted cash and cash equivalents as additional cash reserves for the COBF. At December 31, 2024, a total of \$3 million has been designated as cash reserves for the COBF.

In 2020, the Authority's Board, by motion, approved the set aside of \$1.5 million per year for three years for the sidecar loan fund (now called the Neighborhood Improvement and Small Business Loan Program). At the same time and under the same motion, the Board approved a set aside of \$1 million for loan loss reserves for affordable housing.

In August 2023, the Board passed a motion to commit \$3 million of the above referenced set aside for small business to be released to the program.

In December 2024, the Authority's Board, by resolution, designated \$4 million of unrestricted cash and cash equivalents to create a new Community Priority Project Fund.

**P. Capital Assets and Depreciation/Amortization**

Capital assets are capitalized at cost and updated for additions and deletions during the year. Donated capital assets are recorded at their acquisition value. The Authority maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Capital assets are depreciated/amortized using the straight-line method over the remaining useful lives of the related capital assets. Leasehold improvements are depreciated using the straight-line method over the life of the lease.

	<u>Useful Life</u>
Furniture and Equipment	7 years
Leasehold Improvements	7 years

The Authority is reporting an intangible right-to-use asset related to leased building space. The intangible asset is being amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

**Q. Federal Grant Obligations/Commitments**

The Authority has been awarded a \$900,000 federal EDA grant from the U.S. Department of Commerce to be used for a small business loan program. The Authority has not drawn any of the funds. The Authority will comply with the audit requirements set forth in subpart F of 2 CFR part 200 as appropriate. The Authority will have a single or program-specific audit conducted in any year that it expends \$750,000 or more in federal awards. The Authority's Board has approved the commitment of the required local matching funds, which is \$540,000 from operating.

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024

**NOTE 3 - DEPOSITS AND INVESTMENTS**

**A. Deposits with Financial Institutions**

At December 31, 2024, the carrying amount of the Authority’s deposits was \$4,584,745 and the bank balance was \$4,592,008. Of the bank balance, \$250,000 was covered by the FDIC and \$4,342,008 was exposed to custodial credit risk.

Custodial credit risk is the risk that, in the event of bank failure, the Authority’s deposits may not be returned. All deposits are collateralized by (1) eligible securities pledged to the Authority’s and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the OPCS, a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2024, the Authority’s financial institution was approved for a reduced collateral rate of 85 percent through the OPCS.

**B. Investments**

As of December 31, 2024, the Authority had the following investments and maturities:

Measurement/ Investment type	Measurement Value	Investment Maturities				
		6 months or less	7 to 12 months	13 to 18 months	19 to 24 months	Greater than 24 months
Fair Value:						
Negotiable CDs	\$ 371,255	\$ 75,138	\$ 145,037	\$ 151,080	\$ -	\$ -
FHLB	3,285,332	972,336	882,569	196,216	302,432	931,779
FFCB	1,417,340	368,606	410,795	196,430	275,537	165,972
FNMA	275,476	-	275,476	-	-	-
U.S. Treasury securities	1,501,310	474,967	306,801	-	413,170	306,372
U.S government money market mutual funds	44,162,401	44,162,401	-	-	-	-
Amortized Cost:						
STAR Ohio	12,528,315	12,528,315	-	-	-	-
Total	<u>\$ 63,541,429</u>	<u>\$ 58,581,763</u>	<u>\$ 2,020,678</u>	<u>\$ 543,726</u>	<u>\$ 991,139</u>	<u>\$ 1,404,123</u>

The weighted average length to maturity of investments is 0.12 years.

*Fair Value Measurements:* The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Authority’s investments in U.S. Government money market mutual funds are valued using quoted market prices in active markets (Level 1 inputs). The Authority’s investments in federal agency securities (FHLB, FFCB, FNMA), negotiable CDs, and U.S. Treasury securities are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs). As discussed in Note 2.E, investments in STAR Ohio are reported at the net asset value (NAV) per share as provided by STAR Ohio.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024

**NOTE 3 - DEPOSITS AND INVESTMENTS - (Continued)**

*Interest Rate Risk:* The Authority’s investment policy limits the investment of operating funds and limits the investment of bond fund reserves. Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The Authority’s investment policy addresses interest rate risk by requiring the consideration of market conditions and cash flow requirements in determining the term of an investment.

*Credit Risk:* Standard & Poor’s has assigned STAR Ohio and the U.S. government money market mutual funds an AAAm money market rating. The Authority’s investments in federal agency securities and U.S. Treasury securities were rated AA+ and Aaa by Standard & Poor’s and Moody’s Investor Services, respectively. The negotiable CDs were not rated but were fully covered by the FDIC.

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of the failure of the custodial agent, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Authority has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

*Concentration of Credit Risk:* The Authority’s investment policy does not specifically address the concentration of credit risk. The Authority places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the Authority at December 31, 2024:

Measurement/ Investment type	Measurement Value	% of Total
Fair value:		
Negotiable CDs	\$ 371,255	0.58
FHLB	3,285,332	5.17
FFCB	1,417,340	2.23
FNMA	275,476	0.43
U.S. Treasury securities	1,501,310	2.36
U.S. government money market mutual funds	44,162,401	69.50
Amortized cost:		
STAR Ohio	12,528,315	19.73
Total	\$ 63,541,429	100.00

**C. Reconciliation of Cash and Cash Equivalents on Statement of Cash Flows**

Cash:	
Deposits	\$ 4,584,745
Cash Equivalents:	
U.S. government money market mutual funds	44,162,401
STAR Ohio	12,528,315
Total cash and cash equivalents on statement of cash flows	\$ 61,275,461

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024

**NOTE 3 - DEPOSITS AND INVESTMENTS - (Continued)**

**D. Schedule of Cash and Investments**

The following is a schedule of deposits and investments as reported in the footnote above to cash and investments as reported on the statement of net position as of December 31, 2024:

	<u>Deposits</u>	<u>Investments</u>	<u>Total</u>
Unrestricted:			
Cash, cash equivalents, and investments	\$ 3,088,227	\$ 15,730,933	\$ 18,819,160
Restricted:			
Cash and cash equivalents:			
Operating	\$ 193,341	\$ -	\$ 193,341
Other financing projects	1,227,034	8,565,697	9,792,731
Energy	76,143	4,913,727	4,989,870
COBF - reserve	-	7,000,000	7,000,000
Bonds	-	26,514,653	26,514,653
Manuscript	-	13,499	13,499
Investments:			
Bonds	-	802,920	802,920
Total restricted	<u>1,496,518</u>	<u>47,810,496</u>	<u>49,307,014</u>
Total	<u>\$ 4,584,745</u>	<u>\$ 63,541,429</u>	<u>\$ 68,126,174</u>

**NOTE 4 - HUBBARD PARKING GARAGE**

In September 2012, the Authority issued conduit debt to finance the Hubbard Parking Garage. The agreements stipulate that upon retirement of the Hubbard Garage C bonds, the operating reserve, the capital reserve, and parking revenues will flow through the Authority. The Authority reports the balance of the operating reserve and capital reserve as a restricted cash and cash equivalent on the financial statements.

The operations of the Hubbard Parking Garage are accounted for as a fiduciary activity that meets the criterion for an exception to custodial fund reporting since assets, upon receipt, are held for three months or less. Monthly parking revenues come into the parking revenue account monthly net of operating expenses paid by the parking garage manager. After making any required deposits to the operating reserve and capital reserve, 95% of the parking revenues are redirected to the developer managing the parking garage with 5% of the parking revenue remaining with the Authority as a fee. During 2024, the Authority reported \$56,628 in conduit and other financing fee revenue related to this arrangement.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 5 - CENTRAL OHIO BOND FUND**

The Authority has established the COBF to provide long-term, fixed interest rate financing for qualified industrial, commercial and public projects. The primary objective of the COBF is to further economic development efforts and investment in central Ohio.

To initially fund the COBF reserve account, the Authority received \$5,000,000 in grants and loans. On December 21, 2006, the Authority received a \$1,250,000 grant from Franklin County. On March 15, 2007, the Authority received a \$1,250,000 grant from the City of Columbus. On May 8, 2007, the Authority received a \$2,500,000 loan from the ODOD (formerly known as ODSA) (See Note 11). On December 23, 2024, the Authority funded the COBF reserve account with an additional \$2,000,000. The grant revenues and loan proceeds were deposited into the COBF reserve account and are reported as restricted assets on the statement of net position. Interest earned on investments purchased by the grant proceeds is not required to be maintained in the COBF reserve and may be used by the Authority for general operations.

Under the COBF, debt service requirements on each bond issue are secured by a pledge of amounts to be received under financing agreements, leases, or loan agreements with borrowers who utilize the financed facilities. In addition, all borrowers are required to provide 10% of the bond premium in a reserve (which is used to make the final payment on the bonds), the Primary Reserve. Amounts in the COBF Program Reserve account may be used for debt service in the event the borrower is unable to make the required payments under the lease or loan agreements. The amount held in the COBF Program Reserve account at December 31, 2024 of \$7,000,000 is restricted in use and reported as a restricted asset on the statement of net position.

The Authority obtained a \$15 million, unsecured letter of credit in order to support issuance of development bonds via the Authority's COBF. No amounts were outstanding on the letter of credit at December 31, 2024. In addition, the Authority's Board has, by resolutions, designated \$3 million of unrestricted cash and cash equivalents to build additional cash reserves for the COBF (see Note 2.O.).

During 2021, JobsOhio made a \$10 million commitment to assist the Authority's COBF by establishing a JobsOhio Additional Reserve Account (the "Reserve Account") which can be used to secure the repayment of the COBF Bonds. The Reserve Account was established to provide security of the COBF thereby increasing economic development and job creation and preservation opportunities. JobsOhio has funded the Reserve Account with \$2 million and has committed an additional \$8 million. In accordance with the Securities Account and Control Agreement between JobsOhio and the Authority, the Reserve Account is maintained in JobsOhio's name and, therefore, the Reserve Account is not reported on the Authority's financial statements.

Provisions of the master covenant and all of the supplemental covenants securing each individual bond issue provide that events of default would be:

- a. Payment of any interest on any Bond not being made when and as that interest became due and payable;
- b. Payment of the principal of or any premium on any Bond was not made when and as that principal or premium became due and payable; or
- c. The Issuer [the Authority] fails to observe or perform any other covenant, agreement or obligation on its part to be observed or performed contained in the indentures or in the bonds, which failure shall have continued for a period of 60 days after written notice to the Issuer and, if the failure is a result of a Contracting Party (the party for which the Authority is securing financing for a project or projects) being in default under its Agreement, then also to that Contracting Party, specifying the failure and requiring that it be remedied, which notice may be given by the Trustee in its discretion and shall be given by the Trustee at the written request of the Holders of not less than 25 percent in aggregate principal amount of Bonds then outstanding.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 5 - CENTRAL OHIO BOND FUND - (Continued)**

If an event of default should occur, the master and supplemental covenants for all of the issuances under the COBF provide for possible acceleration of the payments otherwise due the bondholders:

- a. In the event Bond Service Charges are not paid when due, whether at maturity or by redemption, the Trustee may, and upon the written request of Holders of not less than a majority in aggregate principal amount of outstanding Bonds shall, declare by notice in writing delivered to the Issuer the principal of all Bonds then outstanding and the interest accrued thereon to be due and payable immediately unless otherwise provided in the related Supplemental Indenture.
- b. Upon the failure of a Contracting Party to pay in full any Financing Payment, the Trustee may declare, and upon the written request of the Holders of not less than 25 percent in aggregate principal amount of outstanding Bonds of the Series related to the Financing Payment which was not made, the Trustee shall declare, by a notice in writing delivered to the Issuer, the principal of all Bonds of that Series then outstanding (if not then due and payable), and the interest accrued thereon, to be due and payable immediately unless otherwise provided in the related Supplemental Indenture; provided that no such notice of acceleration may be given unless there is then on deposit with the Trustee sufficient moneys in the Accounts in the Primary Reserve Fund and Collateral Fund and the Subaccounts in the Prepayment Account, Interest Payment Account, and Principal Payment Account in the Bond Fund for the Series for which such notice is to be given to pay in full the principal of and interest on the outstanding Bonds of that Series on the date selected by the Trustee for tender of payment. Upon that declaration, that principal and interest shall become and be due and payable immediately. Interest on such Bonds shall accrue to the date determined by the Trustee for the tender of payment to the Holders pursuant to any declaration of acceleration hereunder; provided, that interest on any unpaid principal of Bonds outstanding shall continue to accrue from the date determined by the Trustee for the tender of payment to the Holders of those Bonds.
- c. If the default is cured before action is taken pursuant to these provisions, it is possible that acceleration will not proceed to be enforced.

None of the covenants under the COBF provide for any subjective acceleration.

Since the inception of the COBF in 2007, no Bonds have been in default, and no draw has been made by the Trustee under any of the Primary Reserves or Program Reserve Funds.

All revenue bonds are special obligations and not general obligations of the Authority. The bonds do not represent or constitute a debt or pledge of the faith and credit of the Authority. The Authority has reported assets for pledged receivables and cash equivalents held by the fiscal agent which is dedicated to the project. These assets are reported as noncurrent restricted assets on the statement of net position.

Certain bonds issued through the Authority's COBF are direct placements. Direct placements occur when the Authority issues a debt security directly to an investor. Direct placements have terms negotiated directly with the investor and are not offered for public sale.

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 5 - CENTRAL OHIO BOND FUND - (Continued)**

During 2024, the following activity occurred in the COBF:

	Maturity Date	Balance 12/31/23	Issued	Retired	Balance 12/31/24	Amounts Due In One Year
<b>Revenue Bonds:</b>						
2016G - Bridge Park West, 3.345%	2041	\$ 4,200,000	\$ -	\$ (155,000)	\$ 4,045,000	\$ 160,000
2016H - Vision, 3.025%	2027	2,280,000	-	(440,000)	1,840,000	460,000
2017A - St. Clair Commons, 3.82%	2036	1,860,000	-	(110,000)	1,750,000	110,000
2017B - Rickenbacker Phase II, 4.00%	2038	3,800,000	-	(70,000)	3,730,000	190,000
2017C - One Neighborhood 3, 2.00-4.00%	2040	5,705,000	-	(90,000)	5,615,000	95,000
2018B - 800 N. High Garage, 3.97%	2043	4,720,000	-	(85,000)	4,635,000	90,000
2018C - Long St. Energy, 4.25-4.75%	2038	2,710,000	-	(125,000)	2,585,000	130,000
2019A - Founders Park, 3.00-4.00%	2048	5,090,000	-	(180,000)	4,910,000	190,000
2019C - Founders Park 2, 3.90%	2048	5,305,000	-	(65,000)	5,240,000	65,000
2019D - Pulsar Place, 3.75%	2038	2,575,000	-	(125,000)	2,450,000	130,000
2019E - Beulah Park 4.00%	2049	4,395,000	-	(190,000)	4,205,000	215,000
2019F - Hubbard Garage Refund, 2.76%	2036	3,745,000	-	(255,000)	3,490,000	205,000
2020B - Grandview Crossing 2.00-4.00%	2050	7,580,000	-	(235,000)	7,345,000	245,000
2020D - Scioto Peninsula 2.00-3.00%	2052	6,150,000	-	(180,000)	5,970,000	180,000
2020E - Energy Bond #3, 3.00-4.00%	2045	4,325,000	-	(225,000)	4,100,000	235,000
2021A - Quarry Lofts 3.00%	2045	1,415,000	-	(165,000)	1,250,000	50,000
2021C - Quarry Trails 2.00-3.00%	2051	5,975,000	-	(150,000)	5,825,000	165,000
2021D - Gravity 2.0 PACE 3.63%	2044	4,355,000	-	(140,000)	4,215,000	145,000
2021F - Alvis PACE 2.50%	2043	6,195,000	-	(210,000)	5,985,000	220,000
2021H - Jeffrey Park 2.13%	2034	5,185,000	-	(380,000)	4,805,000	395,000
2023A - Eastwood Development 4.00%	2035	5,030,000	-	-	5,030,000	85,000
		<u>92,595,000</u>	<u>-</u>	<u>(3,575,000)</u>	<u>89,020,000</u>	<u>3,760,000</u>

**(continued)**

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024

**NOTE 5 - CENTRAL OHIO BOND FUND - (Continued)**

	Maturity Date	Balance 12/31/23	Issued	Retired	Balance 12/31/24	Amounts Due In One Year
<b>Revenue Bonds (continued):</b>						
<i>Direct Placements:</i>						
2017D - Miranova, 4.50%	2029	\$ 2,150,000	\$ -	\$ (265,000)	\$ 1,885,000	\$ 275,000
2018A - Energy Bond #1, 4.88/4.89%	2032	2,320,000	-	(185,000)	2,135,000	195,000
2018D - Energy Bond #2, 4.56/4.71%	2038	3,990,000	-	(320,000)	3,670,000	345,000
2019B - Fountain Square, 4.65%	2043	6,595,000	-	(170,000)	6,425,000	180,000
2020C - Hamilton Quarter Energy, 3.44%	2045	4,170,000	-	(115,000)	4,055,000	120,000
2020F - 800 N. High Restructure, 3.95%	2043	850,000	-	-	850,000	-
2021B - Crystal Clinic 3.41%	2042	3,450,000	-	(210,000)	3,240,000	220,000
2021G - Arlington Gateway 3.54-4.65%	2051	8,110,000	-	(70,000)	8,040,000	145,000
2022A - Rohr Road 4.38-4.70%	2052	7,855,000	-	-	7,855,000	140,000
2022C - U.S. Playing Card 3.09%	2051	3,410,000	-	(35,000)	3,375,000	40,000
2024A - Toledo Museum of Art 5.00%	2054	-	6,385,000	-	6,385,000	-
		<u>42,900,000</u>	<u>6,385,000</u>	<u>(1,370,000)</u>	<u>47,915,000</u>	<u>1,660,000</u>
Total bonds payable		135,495,000	6,385,000	(4,945,000)	136,935,000	5,420,000
Unamortized premiums		774,651	94,971	(39,824)	829,798	-
Unamortized discounts		(914,942)	-	45,239	(869,703)	-
Total		<u>\$ 135,354,709</u>	<u>\$ 6,479,971</u>	<u>\$ (4,939,585)</u>	<u>\$ 136,895,095</u>	<u>\$ 5,420,000</u>

The Authority issued the following bond through the COBF during 2024:

Series 2024A – Toledo Museum of Art

On December 4, 2024, the Authority issued \$6,385,000 in Series 2024A revenue bonds to finance the acquisition, construction, installation, equipping, and improvement of HVAC system replacements and upgrades and other related energy efficiency improvements to be incorporated into the buildings and improvements generally consisting of a 328,568 square-foot, two-level main building. In conjunction with the bond issue, a Cooperative Agreement was entered into between the Authority, the Toledo Museum of Art, the City of Toledo, and the Northwest Ohio Advanced Energy Improvement District, for the assignment of special assessments levied on the tax parcel benefitting from the energy improvements securing repayment. The Series 2024A revenue bonds bear interest rate of 5.00% and mature on November 15, 2054. The bonds are payable solely from these pledged revenues.

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024

**NOTE 5 - CENTRAL OHIO BOND FUND - (Continued)**

Future Debt Service Requirements

The following is a schedule of the future debt service requirements for the bonds issued through the COBF:

Year Ending	Revenue Bonds			Revenue Bonds - Direct Placements		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 3,760,000	\$ 2,981,964	\$ 6,741,964	\$ 1,660,000	\$ 1,960,025	\$ 3,620,025
2026	4,170,000	2,856,156	7,026,156	1,825,000	1,904,612	3,729,612
2027	4,885,000	2,699,571	7,584,571	1,945,000	1,825,277	3,770,277
2028	4,125,000	2,555,554	6,680,554	2,035,000	1,740,680	3,775,680
2029	4,320,000	2,414,552	6,734,552	2,495,000	1,677,051	4,172,051
2030 - 2034	24,395,000	9,713,306	34,108,306	8,325,000	7,263,596	15,588,596
2035 - 2039	19,945,000	5,547,870	25,492,870	7,950,000	5,637,905	13,587,905
2040 - 2044	12,715,000	2,758,304	15,473,304	9,510,000	3,870,816	13,380,816
2045 - 2049	7,905,000	1,168,158	9,073,158	6,760,000	2,076,005	8,836,005
2050 - 2054	2,800,000	101,625	2,901,625	5,410,000	493,347	5,903,347
Total	<u>\$ 89,020,000</u>	<u>\$ 32,797,060</u>	<u>\$ 121,817,060</u>	<u>\$ 47,915,000</u>	<u>\$ 28,449,314</u>	<u>\$ 76,364,314</u>

Pledged Revenue and Cash Held by Trustee

All COBF revenue bonds are secured by pledged revenues. The pledged revenue coverage is reported below. In accordance with the bond indentures, certain bond proceeds were used to fund various accounts with a trustee. The balance of the amounts held by the trustee at December 31, 2024 are disclosed in the table on the next page. The amounts held by the trustee are reported as restricted cash and cash equivalents on the statement of net position.

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**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024

**NOTE 5 - CENTRAL OHIO BOND FUND - (Continued)**

The schedule below shows pledged revenue coverage and cash held by the trustee at year-end:

	Pledged Revenue Coverage				Restricted Cash Held By Trustee at 12/31/24
	Total Principal and Interest Remaining on Bonds at 12/31/24	Principal Paid in 2024	Interest Expense in 2024	Pledged Revenue in 2024	
<b>Revenue Bonds:</b>					
2016G - Bridge Park West, 3.345%	\$ 5,593,144	\$ (155,000)	\$ (163,412)	\$ 190,853	\$ 516,581
2016H - Vision, 3.025%	1,955,003	(440,000)	(62,732)	77,582	1,247,488
2017A - St. Clair Commons, 3.82%	2,208,973	(110,000)	(71,965)	83,128	774,276
2017B - Rickenbacker Phase II, 4.00%	4,922,800	(70,000)	(153,086)	175,781	1,257,750
2017C - One Neighborhood 3, 2.00-4.00%	7,938,219	(90,000)	(214,787)	248,882	887,805
2018B - 800 N. High Garage, 3.97%	6,865,941	(85,000)	(185,960)	219,410	527,056
2018C - Long St. Energy, 4.25-4.75%	3,560,775	(125,000)	(125,520)	141,888	341,509
2019A - Founders Park, 3.00-4.00%	7,556,069	(180,000)	(191,191)	221,476	614,482
2019C - Founders Park 2, 3.90%	7,916,153	(65,000)	(166,719)	198,459	608,822
2019D - Pulsar Place, 3.75%	3,181,532	(125,000)	(95,733)	111,232	324,336
2019E - Beulah Park, 4.00%	5,749,700	(190,000)	(162,195)	206,280	919,256
2019F - Hubbard Garage Refund, 2.76%	4,256,008	(255,000)	(109,406)	120,266	2,435,405
2020B - Grandview Crossing 2.00-4.00%	10,658,275	(235,000)	(219,488)	264,643	892,794
2020D - Scioto Peninsula 2.00-3.00%	8,497,009	(180,000)	(166,637)	203,252	693,681
2020E - Energy Bond #3, 3.00-4.00%	5,646,750	(225,000)	(165,344)	190,244	549,448
2021A - Quarry Lofts, 3.00%	1,617,075	(165,000)	(39,537)	48,828	348,217
2021C - Quarry Trails, 2.00-3.00%	8,304,325	(150,000)	(155,712)	191,762	672,252
2021D - Gravity 2.0 PACE, 3.63%	5,939,144	(140,000)	(155,955)	186,767	494,513
2021F - Alvis PACE, 2.50%	7,663,197	(210,000)	(154,450)	190,886	964,514
2021H - Jeffrey Park, 2.13%	5,395,168	(380,000)	(113,924)	144,704	839,421
2023A - Eastwood Development, 4.00%	6,391,800	-	(204,344)	232,009	685,553
<b>Direct Placements:</b>					
2017D - Miranova, 4.50%	2,160,737	(265,000)	(92,310)	104,820	575,584
2018A - Energy Bond #1, 4.88-4.89%	2,650,081	(185,000)	(109,950)	123,825	3,019,108
2018D - Energy Bond #2, 4.56-4.71%	4,669,902	(320,000)	(180,460)	202,955	616,866
2019B - Fountain Square, 4.65%	10,057,230	(170,000)	(303,686)	340,380	787,531
2020C - Hamilton Quarter Energy, 3.44%	6,086,076	(115,000)	(145,458)	170,086	487,244
2020F - 800 N. High Restructure, 3.95%	1,272,157	-	(33,575)	34,830	96,526
2021B - Crystal Clinic, 3.41%	4,113,301	(210,000)	(114,945)	138,830	1,233,550
2021G - Arlington Gateway, 3.54-4.65%	13,658,678	(70,000)	(289,767)	336,382	1,211,246
2022A - Rohr Road, 4.38-4.70%	13,757,163	-	(350,368)	397,498	1,294,317
2022C - U.S. Playing Card, 3.09%	5,345,338	(35,000)	(105,887)	129,815	417,342
2024A - Toledo Museum of Art, 5.00%	12,593,651	-	(36,022)	101,090	983,100
<b>Total</b>	<b>\$ 198,181,374</b>	<b>\$ (4,945,000)</b>	<b>\$ (4,840,525)</b>	<b>\$ 5,728,843</b>	<b>\$ 27,317,573</b>

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 6 - CONDUIT FINANCING**

Conduit financing represents bonds and notes for project financing which are collateralized by the related amounts to be received under leases. In accordance with GASB Statement No. 91 “Conduit Debt Obligations”, these arrangements are not reported as leases by the Authority nor does the Authority recognize a liability for the related conduit debt obligations or a receivable for payments related to those arrangements. In addition, the Authority does not recognize a capital asset if title passes to the third-party obligor at the end of the arrangement. The Authority has made no commitments, either voluntary or involuntary, beyond maintenance of the tax-exempt status of the conduit debt obligations, to support debt service in the event the third party is, or will be, unable to do so. The Authority has no responsibility for the payment of the conduit debt issued as the repayment is supported solely by the credit of the borrowing entity (frequently enhanced with a letter of credit). Under the conduit financing program, there is no credit exposure to the Authority. The total amount of conduit debt outstanding at December 31, 2024 is \$2,438,641,051.

**NOTE 7 - OTHER FINANCING PROJECTS**

In 2024, the Authority continued to work with the following financing projects which were not financed through the COBF or conduit financing:

**Pizzuti**

As of December 31, 2024, a total of \$842,999 is held by the Authority, of which \$632,249 is reported as restricted cash and cash equivalents to be reinvested in the Rickenbacker area and \$210,750 is reported as unrestricted cash and cash equivalents.

The Authority has recorded a \$4,416,037 pledged receivable for future revenues due from the City of Columbus in accordance with the Tax Increment Financing (TIF) agreement between the Authority, Pizzuti, and the City of Columbus. Of the total pledged receivable, 75%, or \$3,312,028, is reported as a noncurrent restricted asset while 25%, or \$1,104,009, is reported as a noncurrent unrestricted asset.

In 2024, the Authority made a \$1,200,000 subordinate loan to 0 Outerbelt Street, LLC. To finance the loan, the Authority used money that, under agreements, must be reinvested within 10 miles of Rickenbacker. The loan disbursement occurred in 2024 and is scheduled to mature in 2025.

**Gravity 2**

During 2021, the Authority received a grant from the City of Columbus to establish the Columbus-Franklin County Finance Authority Urban Redevelopment Grant Escrow Account (the “Escrow Account”). The Authority uses the \$1,900,000 Escrow Account balance to support the garage at Gravity 2.0 in the event that the office space is slow to lease up and the Minimum Service Payments required make the project cost prohibitive. The balance of the Escrow Account will be available in the following manner: \$300,000 in 2024, \$800,000 in 2025 and \$800,000 in 2026 to pay NCA payments on the office if needed. These payments will ensure the bonds will be paid. Monies not used in these years by Gravity are not available to Gravity in future years. If the project does not require the monies to be used for bond payments, the Authority may use the funds for lending to support other urban redevelopment projects. The balance of the escrow account including interest (\$1,734,556) is reported as noncurrent restricted cash and cash equivalents on the statement of net position. During fiscal year 2024, none of the Escrow Account was used to support the Minimum Service Payments for Gravity 2.0 bonds.

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024

**NOTE 7 - OTHER FINANCING PROJECTS – (Continued)**

**North Market – Merchant Building Project Grants**

The Authority has entered into various agreements with Franklin County and the City of Columbus to administer grants for the purposes of constructing The North Market–Merchant Building Project (the “Project”) which is an approximately 700,000 SF, 32-story mixed-use building consisting of an approximately 212-room hotel, approximately 174 residential units, class A office space, the Facilities Unit (including the garage), an expansion of the existing North Market, and retail space. The Project is located on approximately 1.5 acres at 475 Wall Street in Columbus, Ohio.

Franklin County and the Authority have entered into a COVID-19 Recovery Grant Agreement whereby the County will provide up to \$39,900,000 of grants to the Authority for the Project (“County Grants”). Of this total, \$34,900,000 will be used for the construction of public spaces in the Public Project, workforce housing, and workforce training and \$5,000,000 will be used for affordable housing unit for the provision of an additional 35 affordable housing units, at or below 60% area mean income. The County Grants will be awarded in five Tranches beginning upon approval of the grant agreement and at various stages ending June 30, 2025.

The City of Columbus and the Authority have entered into a Cooperative Agreement whereby the City will provide up to \$31,000,000 of Public Improvement Grants to the Authority for the Project (“City Grants”). The City Grants will be used for site development and the construction of the Public Project. The City Grants will be awarded in three phases: \$5,000,000 initially, \$13,000,000 from the 2024 Capital Improvement Budget, and \$13,000,000 from the 2025 Capital Improvement Budget.

During 2024, the Authority received \$29,674,944 in grant awards related to the Project. Of this total, \$24,674,944 was from the County Grants and \$5,000,000 was from the City Grants. The Authority disbursed \$23,223,360 of the grant awards to reimburse the Project developer for costs incurred. At December 31, 2024, the balance of the Authority’s escrow account was \$6,831,141 (including interest earned and fiscal charges). This amount is reported in restricted cash, cash equivalents, and investments reported on the statement of net position.

**NOTE 8 - LOANS RECEIVABLE**

The Authority has issued unrestricted loans, restricted loans, and energy direct loans. The energy direct loans are issued through the Authority’s energy loan program. Direct loans to qualifying small businesses are issued through the Authority’s Neighborhood Improvement and Small Business Loan Program and the Neighborhood Public Improvements Program.

Energy Loan Program

The Authority has an energy loan program to finance energy improvement projects. The Authority issues direct loans to eligible borrowers to make energy improvements to owner-occupied or to investor-owned real estate projects. Upon reaching a certain threshold of direct loans, the Authority will issue energy bonds through the COBF to take-out the bundle of individual loans to replenish the energy direct loan cash account and allow for additional energy direct loan projects to be originated by the Authority. During 2018 and 2020, the Authority issued three pooled energy bonds through its COBF (see Note 5) to finance individual energy direct loans of the Authority. The energy bonds are secured by the accumulative repayment of the energy direct loans which match the terms and repayment schedule of the energy bonds.

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 8 - LOANS RECEIVABLE - (Continued)**

On February 2, 2018, the Authority entered into an escrow agreement with Huntington as escrow agent to provide a method of financing energy direct loans made under the Authority’s Energy Loan Program. The Authority deposited proceeds from the Pooled Energy Efficiency Bond 1 and Pooled Energy Efficiency Bond 2 into the escrow account (the “Energy Escrow”) to be used to finance energy direct loans made by the Authority. The Finance Authority established an escrow account through its Energy Bond 1 trust indenture. The escrow account will be used to hold proceeds from certain energy bonds and make loans for eligible energy efficiency improvements. The escrow account will hold early energy loan payoffs and pay energy bondholders as well. At December 31, 2024, the balance of the Energy Escrow was \$2,651,744. This amount is reported in restricted cash, cash equivalents, and investments reported on the statement of net position.

Neighborhood Improvement and Small Business Loan Program

The Authority has a Neighborhood Improvement and Small Business Program (“NISB”) to assist qualified borrowers in financing the acquisition, construction, furnishing, equipping of facilities. The program was established to support small businesses and facilitate investment by providing low interest, fixed-asset based financing to qualified businesses.

On December 1, 2020, the Authority entered into an escrow agreement with Huntington as escrow agent to provide a method of financing direct loans made under the Authority’s NISB loan program. The Authority deposited \$1,500,000 of unrestricted monies into the escrow account (the “NISB Escrow”) to be used to finance direct loans made by the Authority. At December 31, 2024, the balance of the NISB Escrow was \$388,776. This amount is reported in unrestricted cash, cash equivalents, and investments reported on the statement of net position.

Neighborhood P3 Program

The Authority has a Neighborhood Public Improvements Program (“Neighborhood P3”) to support small-scale development projects in the City. The program was developed to support small-scale investments that advance neighborhood building efforts and promote a business climate where every business has equal access to resources and opportunities to succeed.

On September 3, 2024, the Authority entered into a grant agreement with the City of Columbus for a \$1,000,000 grant to fund the Neighborhood P3 program. These grant monies, net of administration fees, are restricted to providing forgivable loans to applicable entities. During 2024, the Authority made three loans to small businesses and incurred administration fees through this program. At December 31, 2024, the remaining balance of the grant to be loaned under the Neighborhood P3 program was \$567,785. This amount is reported as restricted cash, cash equivalents, and investments reported on the statement of net position.

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 8 - LOANS RECEIVABLE - (Continued)**

The Authority had the following loans receivable activity:

	Balance 12/31/23	Issued	Retired	Balance 12/31/24
<b>Unrestricted:</b>				
MAG	\$ 40,000	\$ -	\$ (10,000)	\$ 30,000
Trinity	137,943	-	(65,000)	72,943
<b>NISB Program Loans:</b>				
911 Parsons	317,179	-	(22,954)	294,225
Distinctive Surfaces, LLC	214,148	-	(42,997)	171,151
Sanctuary Night	93,801	-	(26,630)	67,171
2164-2170 Riverside Drive, LLC (Glamm Dental)	-	742,939	(19,095)	723,844
<b>Total unrestricted loans</b>	<u>803,071</u>	<u>742,939</u>	<u>(186,676)</u>	<u>1,359,334</u>
<b>Restricted:</b>				
Long Street Garage	893,656	-	(29,962)	863,694
0 Outerbelt Street, LLC	-	1,200,000	(27,000)	1,173,000
<b>Energy Direct Loans:</b>				
Trivium-Worthington	220,190	-	(23,432)	196,758
Broad Street Partners	868,766	-	(78,586)	790,180
Omni Blazer LLC	681,046	-	(41,381)	639,665
OH15 Dublin LLC	698,964	-	(84,355)	614,609
Worthington Hills Country Club	457,579	-	(56,093)	401,486
145 E. Rich Street	428,085	-	(37,912)	390,173
Knightsbridge Olentangy LLC	322,089	-	(28,525)	293,564
Trivium Grove City LLC	315,439	-	(46,302)	269,137
Hendersen Partners LLC	840,147	-	(42,682)	797,465
145 E. Rich Street #2	168,907	-	(14,958)	153,949
Orchard Knoll	1,134,725	-	(44,812)	1,089,913
OH14 Columbus LLC	774,067	-	(774,067)	-
OH15-2 Dublin LLC	136,002	-	(16,285)	119,717
MND LLC	419,561	-	(50,794)	368,767
Continental Hills LLC	1,263,117	-	(30,071)	1,233,046
Trolley Barn LLC	2,078,107	-	(88,448)	1,989,659
Stoneridge Investments LLC	884,681	30,956 <sup>(1)</sup>	(35,347)	880,290
DLZ Corporation (Huntley Road)	829,407	82,005 <sup>(1)</sup>	-	911,412
1500 Lake Shore, LLC	32,107	759,355 <sup>(1)</sup>	-	791,462
Bridgeway Academy	46,406	1,673,141 <sup>(1)</sup>	-	1,719,547
<b>Forgivable Loans:</b>				
Fortuity	525,000	-	(75,000)	450,000
Trolley Master Sublessee LLC	1,350,000	-	-	1,350,000
Connect Housing LLC	6,400,000	1,700,000	-	8,100,000
<b>Neighborhood P3 Program Loans:</b>				
Rochester Event Center	-	292,500	-	292,500
Pelizcadas Los Primos	-	9,500	(9,500)	-
Gs Shepard Springs Café	-	114,715	-	114,715
<b>Total restricted loans</b>	<u>21,768,048</u>	<u>5,862,172</u>	<u>(1,635,512)</u>	<u>25,994,708</u>
<b>Total loans</b>	<u>\$ 22,571,119</u>	<u>\$ 6,605,111</u>	<u>\$ (1,822,188)</u>	<u>\$ 27,354,042</u>

<sup>(1)</sup> Loan disbursements made in 2024 for loans which originated in 2023 and prior.

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024

**NOTE 8 - LOANS RECEIVABLE - (Continued)**

**Unrestricted Loans**

MidAmerican Global Ventures, LLC

On March 17, 2014, the Authority disbursed \$100,000 to MidAmerican Global Ventures, LLC (MAG) as a loan. This loan has a repayment formula as outlined in the EB-5 Cooperative Loan Agreement and Term Sheet which states that repayment will occur from net available revenues of MAG. The Authority entered a promissory note with MAG which has a maturity date of October 15, 2033. On December 20, 2017, the Authority and MAG established the First Amendment to EB-5 Cooperative Loan Agreement whereby the Authority agreed that the principal amount of the loan will be forgiven at \$10,000 per year beginning October 14, 2018 and continuing annually on October 14 of each year until October 14, 2027. During 2024, \$10,000 of the loan was forgiven and have been reflected as a nonoperating expense. The original disbursement of the loan was made from general operating funds of the Authority. The loan receivable has been recorded as an unrestricted noncurrent asset on the statement of net position.

During 2024, the Authority made the following small business loan through the NISB Program:

2164-2170 Riverside Drive, LLC (Glamm Dental)

On February 9, 2024, the Authority issued a \$750,000 loan for dental office improvements through the Authority's NISB Loan Program. The loan bears an interest rate of 4.5% and matures February 15, 2044. At December 31, 2024, \$7,061 of the loan amount has not been disbursed. Funding for the loan came from the Authority's NISB Escrow account. The loan receivable has been recorded as an unrestricted noncurrent asset on the statement of net position.

**Restricted Loans**

Long Street Garage

On August 21, 2017, the Authority made a \$1,000,000 loan to 56 Long Street, LLC to finance the Long Street Garage Rehabilitation Project. The loan bears an interest rate of 2.00% and is scheduled to mature on August 1, 2047. Accrued but unpaid interest in the amount of \$19,053 is included in the receivable balance. The principal loaned is considered a restricted asset and restricted net position. Principal is restricted for loans made in the City of Columbus. During 2024, the Authority received \$29,962 and \$17,599 in principal and interest payments, respectively. Interest received on the loan is unrestricted.

0 Outerbelt Street, LLC

During 2024, the Authority made a \$1,200,000 subordinate loan to 0 Outerbelt Street, LLC. The loan was made to facilitate the development of an approximate 205,000 square foot industrial warehouse building and related site improvements. During 2024, the Authority received a \$27,000 principal payment on the loan. The maturity date of the loan is March 31, 2025. The Authority is using money that, under agreements, must be reinvested within 10 miles of Rickenbacker.

**Restricted Loans – Forgivable Loans**

Fortuity

In 2020, the Authority made a \$750,000 no interest, forgivable loan to Fortuity for its \$12.5 million project in Franklinton. The loan is to be forgiven 1/10 per year (\$75,000) over a period of 10 years assuming 150 public parking spaces are maintained at the Fortuity site garage. Fortuity must certify annually that the public parking spots are available to receive forgiveness. If Fortuity fails to maintain the required public parking spots in any one year, it must pay the Authority \$75,000 for that period. During 2024, \$75,000 of the loan was forgiven and has been reflected as a nonoperating expense.

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**NOTE 8 - LOANS RECEIVABLE - (Continued)**

Trolley Master Sublessee LLC

On March 13, 2020, Trolley Master Sublessee LLC (the “Borrower”) signed a \$1,350,000 promissory note to the Authority to finance the operations of a Public Market at the former Trolley Barn facility located at 212 Kenton Avenue in Columbus. The Authority received and disbursed a \$1,350,000 grant from the City of Columbus to finance a forgivable loan to the Borrower. The promissory note was issued in connection with a loan agreement between the Authority and the Borrower. The note is subject to forgiveness as follows if Trolley Master Sublessee LLC certifies that it is operating a Public Market at this location:

<u>Forgiveness Date</u>	<u>Amount Forgiven</u>
April 1, 2027	80% of principal balance, plus all of interest accrued to April 1, 2027
April 1, 2028	33% of principal balance, plus all of interest accrued to April 1, 2028
April 1, 2029	50% of principal balance, plus all of interest accrued to April 1, 2029
April 1, 2030	100% of principal balance, plus all of interest accrued to April 1, 2030

The loan bears an interest rate of 1% with payments due each April 1<sup>st</sup> commencing April 1, 2021. Any interest payments forgiven under the loan agreement shall be credited against the Borrower’s obligations under the promissory note between the Borrower and the Authority. The interest payment due in 2024 was forgiven by the Authority.

Connect Housing LLC

On June 28, 2022, the Authority received a \$3,100,000 grant from the City of Columbus to support lending for investment in urban redevelopment projects. The Authority may use \$100,000 of the grant for administration and legal fees. On November 2, 2022, the remaining \$3,000,000 was disbursed by the Authority as a forgivable loan to Connect Housing LLC (the “Borrower”).

On November 21, 2023, the Authority received a \$4,000,000 grant from the City of Columbus to support lending for investment in urban redevelopment projects. The Authority may use \$100,000 of the grant for administration and legal fees. On November 29, 2023, \$3,400,000 was disbursed by the Authority as a forgivable loan to the Borrower. The remaining \$500,000 was retained until final requirements for disbursements were satisfied. During 2024, the Authority disbursed the remaining \$500,000 as a forgivable loan.

On September 24, 2024, the Authority received a \$1,200,000 grant from the City of Columbus to support lending for investment in urban redevelopment projects. The Authority may use \$100,000 of the grant for administration and legal fees. On September 27, 2024 and November 1, 2024, \$1,100,000 and \$100,000, respectively, were disbursed by the Authority as a forgivable loan to the Borrower.

The loans are part of an \$8.3 million commitment by the City of Columbus over a three-year period (\$3.1 million in 2022, \$4.0 million in 2023, and \$1.2 million in 2024). The loans will finance equipment and improvements to Connect Housing’s manufacturing project being developed on Westerville Road in Clinton Township where Connect plans to manufacture affordable housing units in the 600,000 square foot facility on the site.

The forgivable loans were issued at 0% interest over a 12-year period. The loans will be forgiven at a rate of \$10,000 per 1 unit of housing being created by the manufacturing company and situated in the region. During 2024, none of the loan balance was forgiven.

Neighborhood P3 Program

During 2024, the Authority made three loans to small businesses totaling \$416,715. One of the loans received forgiveness in the amount of \$9,500 during 2024. The balance of the loans receivable under the Neighborhood P3 Program was \$407,215 at December 31, 2024.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 9 - NOTE RECEIVABLE**

On June 23, 2020, Worthington Hills Country Club, Inc. signed a \$39,587 promissory note to the Authority for special assessments paid on-behalf of Worthington Hills Country Club, Inc. by the Authority. The note bears no interest and matures January 31, 2031. The Authority made the on-behalf payment from the Energy Escrow account. The note receivable is reported as a restricted noncurrent asset on the statement of net position.

**NOTE 10 - MANUSCRIPT BONDS**

On April 23, 2015, the Authority issued \$655,000 in Series 2015A revenue bonds. Principal and interest payments began on November 15, 2015 and are due May 15 and November 15 of each year. The bonds bear an interest rate of 4.35%. These bonds were both issued and purchased by the Authority.

In accordance with the bond indenture, certain bond proceeds were used to fund various accounts with a trustee. The balance of the amounts held by the trustee at December 31, 2024 was \$13,499. This amount is reported as restricted cash and cash equivalents on the statement of net position. In addition, the Authority had \$72,057 in cash and cash equivalents held by the trustee which are considered unrestricted cash and cash equivalents as unrestricted operating funds were used to deposit the monies with the trustee.

During 2015 and 2016, the Authority disbursed monies to Trinity Lutheran Seminary (Trinity) to finance energy improvements. A loan receivable has been reported in the financials for loan disbursements made by the Authority to contractors and bond issuance costs (net of Trinity contributions received) incurred as part of the bond issue through the COBF (see Note 8). At December 31, 2024, the Authority has reported an unrestricted loan receivable in the amount of \$72,943. Monies used for the loan came from the unrestricted general operating account of the Authority. The loan bears an interest rate of 4.35% and is scheduled to mature on November 15, 2026. Trinity makes monthly principal and interest payments to the Authority as required by the Loan Agreement. The loan receivable has been recorded as an unrestricted noncurrent asset on the statement of net position.

The Authority has pledged the loan payments derived from a Loan Agreement between the Authority and Trinity to secure repayment of the Series 2015A revenue bonds. During 2017, the Loan Agreement was assigned from Trinity to Capital University, an Ohio nonprofit corporation. The bonds are payable solely from these pledged revenues.

On a GAAP basis, the manuscript debt is reported as an internal transaction rather than as an investment (asset) and bond payable (liability). As such, the investment (asset) and bond payable (liability) are eliminated for reporting on the statement of net position. In addition, pledged revenues, fiscal charges and interest expense related to the manuscript debt has been eliminated on the statement of revenues, expenses and changes in net position and on the statement of cash flows.

The loan agreements and bond documents related to this issuance provide for the same events of default and remedies as the other debts listed under the COBF in Note 5, above. While there are no stated rights of offset, presently it is unlikely that there would be any net effect on the Authority's financial statements should any such default occur as long as the Authority continues to hold these manuscript bonds.

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**NOTE 11 - OHIO DEPARTMENT OF DEVELOPMENT (ODOD) LOAN**

On May 8, 2007, the Authority received a \$2,500,000 loan from the ODOD (formerly known as ODSA). The loan proceeds were deposited into the COBF reserve account. The loan has a 20-year term, matures on June 1, 2027, and bears a 0% interest rate. The loan does charge an annual service fee of .25% based upon the outstanding balance of the loan. Payments of principal and the servicing fees are made each June 10. Loan principal payments are paid from restricted operating funds of the Authority and loan servicing fees are paid from unrestricted operating funds of the Authority.

The following is a schedule of the ODOD loan activity in 2024:

	Balance 12/31/23	Issued	Retired	Balance 12/31/24
<i>Direct Borrowing:</i>				
State loan payable	\$ 1,543,750	\$ -	\$ (75,500)	\$ 1,468,250

The Authority will repay the ODOD loan using interest earnings on the investments purchased with the loan proceeds. The Authority is only required to remit interest earned as repayment. Since repayment is contingent upon interest earnings which fluctuate annually, an amortization schedule for repayment of the ODOD loan is not presented.

Significant terms of default for this direct borrowing are as follows:

- a. Failure by the Authority to pay when due any installment of principal, interest service fee, or any combination under the debt agreement or the State Loan Bond on or prior to the date on which such payment is due and payable. Such a failure would not constitute an Event of Default to the extent that the Authority is unable to pay all or any part of an installment at the time when due on account of insufficient Project Revenues.
- b. Failure by the Authority to observe and perform any term, covenant or agreement contained in the loan agreement (other than as required by (a) above), and such failure continued for 30 days (or for any longer period ODSA agrees to) after written notice was given to the Authority by ODOD. Such a failure would not constitute an Event of Default so long as the Authority is proceeding with all reasonable efforts to cure any such failure and diligently pursues that action to completion within 120 days.
- c. Any representation or warranty made by the Authority or any of the Authority's officers in the various related loan documents, proves to have been incorrect in any material respect when made, which may constitute a subjective acceleration clause as defined by generally accepted accounting principles.
- d. Occurrence of an event of default under the Indenture.

If an Event of Default occurs and continues, ODOD may declare that the entire unpaid balance of all amounts owed are immediately due and payable. Various other legal remedies may be exercised, including assessing reasonable attorneys' fees incurred in connection with enforcing other provisions of the loan agreement.

**NOTE 12 - RELATED PARTY TRANSACTIONS**

During 2024, the Authority received the following grants from the City of Columbus: (1) \$1,000,000 grant restricted to lending to small businesses, net of administration fees, through the Authority's Neighborhood P3 Program (see Note 8), (2) \$1,200,000 grant restricted to investments in urban redevelopment projects (see Note 8), and (3) \$5,000,000 grant restricted to the North Market – Merchant Building Project (Note 7). In addition, the Authority received \$24,674,944 in grants from Franklin County restricted to the North Market – Merchant Building Project (Note 7).

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**NOTE 13 - DEFINED BENEFIT PENSION PLAN**

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

***Net Pension Liability and Net OPEB Liability (Asset)***

The net pension liability and the net OPEB liability (asset) reported on the statement of net position represents a liability or asset to employees for pensions and OPEB, respectively.

Pensions and OPEB are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period.

The net pension/OPEB liability (asset) represents the Authority’s proportionate share of each pension/OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan’s fiduciary net position. The net pension/OPEB liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the Authority’s obligation for this liability to annually required payments. The Authority cannot control benefit terms or the manner in which pensions/OPEB are financed; however, the Authority does receive the benefit of employees’ services in exchange for compensation including pension and OPEB.

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan’s unfunded benefits is presented as a long-term net pension/OPEB liability (asset) on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in accrued salaries and benefits payable.

The remainder of this note includes the pension disclosures. See Note 14 for the OPEB disclosures.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 13 - DEFINED BENEFIT PENSION PLAN - (Continued)**

***Plan Description - Ohio Public Employees Retirement System (OPERS)***

Plan Description - Authority employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Effective January 1, 2022, new members may no longer select the Combined Plan, and current members may no longer make a plan change to this plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group.

The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

<b>Group A</b> Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	<b>Group B</b> 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	<b>Group C</b> Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

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**NOTE 13 - DEFINED BENEFIT PENSION PLAN - (Continued)**

Traditional plan state and local members who retire before meeting the age-and-years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member’s pension benefit vests at retirement.

Final average Salary (FAS) represents the average of the three highest years of earnings over a member’s career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member’s career.

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the member’s original base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3.00%. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3.00%.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member’s contributions plus or minus the investment gains or losses resulting from the member’s investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members’ contributions, vested employer contributions and investment gains or losses resulting from the members’ investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20.00% each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	State and Local
<b>2024 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee *	10.0 %
 <b>2024 Actual Contribution Rates</b>	
Employer:	
Pension **	14.0 %
Post-employment Health Care Benefits **	0.0
Total Employer	14.0 %
Employee	10.0 %

\* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

\*\* These pension and employer health care rates are for the traditional plan.

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**NOTE 13 - DEFINED BENEFIT PENSION PLAN - (Continued)**

Employer contribution rates are actuarially determined within the constraints of statutory limits for each division and expressed as a percentage of covered payroll.

The Authority's contractually required contribution for the Traditional Pension Plan was \$108,570 for 2024. Of this amount, \$8,520 is reported as accrued salaries and benefits payable.

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

The net pension liability for OPERS was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities.

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

	OPERS - Traditional
Proportion of the net pension liability/asset prior measurement date	0.00375400%
Proportion of the net pension liability/asset current measurement date	<u>0.00376700%</u>
Change in proportionate share	<u>0.00001300%</u>
Proportionate share of the net pension liability	\$ 986,304
Pension expense	165,321

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**NOTE 13 - DEFINED BENEFIT PENSION PLAN - (Continued)**

At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS - Traditional
<b>Deferred outflows of resources</b>	
Differences between expected and actual experience	\$ 16,119
Net difference between projected and actual earnings on pension plan investments	199,076
Changes in employer's proportionate percentage/ difference between employer contributions	21,102
Contributions subsequent to the measurement date	108,570
Total deferred outflows of resources	\$ 344,867

\$108,570 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of/increase to the net pension liability/asset in the year ending December 31, 2025.

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

	OPERS - Traditional
Year Ending December 31:	
2025	\$ 70,317
2026	67,290
2027	127,039
2028	(28,349)
Total	\$ 236,297

***Actuarial Assumptions - OPERS***

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2023, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67.

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**NOTE 13 - DEFINED BENEFIT PENSION PLAN - (Continued)**

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2023, compared to the December 31, 2022 actuarial valuation, are presented below.

Wage inflation	
Current measurement date	2.75%
Prior measurement date	2.75%
Future salary increases, including inflation	
Current measurement date	2.75% to 10.75% including wage inflation
Prior measurement date	2.75% to 10.75% including wage inflation
COLA or ad hoc COLA	
Current measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 2.30%, simple through 2024, then 2.05% simple
Prior measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2023, then 2.05% simple
Investment rate of return	
Current measurement date	6.90%
Prior measurement date	6.90%
Actuarial cost method	Individual entry age

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five-year period ended December 31, 2020.

During 2023, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Defined Contribution portfolio and the Health Care portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a gain of 11.20% for 2023.

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges 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, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant.

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**NOTE 13 - DEFINED BENEFIT PENSION PLAN - (Continued)**

For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2023, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed income	24.00 %	2.85 %
Domestic equities	21.00	4.27
Real estate	13.00	4.46
Private equity	15.00	7.52
International equities	20.00	5.16
Risk Parity	2.00	4.38
Other investments	5.00	3.46
Total	<u>100.00 %</u>	

**Discount Rate** - The discount rate used to measure the total pension liability was 6.90% for the Traditional Pension Plan, Combined Plan and Member-Directed Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate** - The following table presents the proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 6.90%, as well as what the proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (5.90%) or one-percentage-point higher (7.90%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Authority's proportionate share of the net pension liability:			
Traditional Pension Plan	\$ 1,552,708	\$ 986,304	\$ 515,221

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**NOTE 14 - POSTEMPLOYMENT BENEFITS**

*Net OPEB Asset*

See Note 13 for a description of the net OPEB asset.

*Plan Description - Ohio Public Employees Retirement System (OPERS)*

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined and Member-Directed plans. The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code. Retirees in the Traditional Pension and Combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice and other eligible expenses. An OPERS vendor is available to assist with the selection of a health care program.

With one exception, OPERS-provided health care coverage is neither guaranteed nor statutorily required. Ohio law currently requires Medicare Part A equivalent coverage or Medicare Part A premium reimbursement for eligible retirees and their eligible dependents.

OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents.

OPERS members enrolled in the Traditional Pension Plan retiring with an effective date of January 1, 2022, or after must meet the following health care eligibility requirements to receive an HRA allowance:

**Age 65 or older Retirees** Minimum of 20 years of qualifying service credit

**Age 60 to 64 Retirees** Based on the following age-and-service criteria:

**Group A** 30 years of total service with at least 20 years of qualified health care service credit;

**Group B** 31 years of total service credit with at least 20 years of qualified health care service credit;

**Group C** 32 years of total service credit with at least 20 years of qualified health care service credit.

**Age 59 or younger** Based on the following age-and-service criteria:

**Group A** 30 years of qualified health care service credit;

**Group B** 32 years of qualified health care service credit at any age or 31 years of qualified health care service credit and at least age 52;

**Group C** 32 years of qualified health care service credit and at least age 55.

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FOR THE YEAR ENDED DECEMBER 31, 2024

**NOTE 14 - POSTEMPLOYMENT BENEFITS - (Continued)**

Retirees who do not meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service.

Members with a retirement date prior to January 1, 2022, who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022, as summarized in the following table:

<b>Group A</b>	<b>Group B</b>	<b>Group C</b>
<b>Age and Service Requirements <i>December 1, 2014 or Prior</i></b>	<b>Age and Service Requirements <i>December 1, 2014 or Prior</i></b>	<b>Age and Service Requirements <i>December 1, 2014 or Prior</i></b>
Any Age with 10 years of service credit	Any Age with 10 years of service credit	Any Age with 10 years of service credit
<b><i>January 1, 2015 through December 31, 2021</i></b>	<b><i>January 1, 2015 through December 31, 2021</i></b>	<b><i>January 1, 2015 through December 31, 2021</i></b>
Age 60 with 20 years of service credit or Any Age with 30 years of service credit	Age 52 with 31 years of service credit or Age 60 with 20 years of service credit or Any Age with 32 years of service credit	Age 55 with 32 years of service credit or Age 60 with 20 years of service credit

See the Age and Service Retirement section of the OPERS ACFR for a description of Groups A, B and C.

Eligible retirees may receive a monthly HRA allowance for reimbursement of health care coverage premiums and other qualified medical expenses. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are provided to eligible retirees, and are deposited into their HRA account.

The base allowance is determined by OPERS and is currently \$1,200 per month for non-Medicare retirees and \$350 per month for Medicare retirees. The retiree receives a percentage of the base allowance, calculated based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51.00% and 90.00% of the base allowance for both non-Medicare and Medicare retirees.

Retirees will have access to the OPERS Connector, which is a relationship with a vendor selected by OPERS to assist retirees participating in the health care program. The OPERS Connector may assist retirees in selecting and enrolling in the appropriate health care plan.

When members become Medicare-eligible, recipients enrolled in OPERS health care programs must enroll in Medicare Part A (hospitalization) and Medicare Part B (medical).

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50.00% of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan.

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024

**NOTE 14 - POSTEMPLOYMENT BENEFITS - (Continued)**

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2024, state and local employers contributed at a rate of 14.00% of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2024, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan. Beginning July 1, 2022, there was a 2.00% allocation to health care for the Combined Plan which has continued through 2024. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2024 was 4.00%. Effective July 1, 2022, a portion of the health care rate was funded with reserves which has continued through 2024.

The Authority was not required to make any contributions to fund health care during 2023.

***Net OPEB Asset, OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB***

The net OPEB asset and the total OPEB asset for OPERS were determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The Authority's proportion of the net OPEB asset was based on the Authority's share of contributions to the retirement plan relative to the contributions of all participating entities.

Following is information related to the proportionate share and OPEB expense:

	OPERS
Proportion of the net OPEB liability prior measurement date	0.00349600%
Proportion of the net OPEB liability/asset current measurement date	<u>0.00351300%</u>
Change in proportionate share	<u>0.00001700%</u>
Proportionate share of the net OPEB asset	\$ 31,702
OPEB expense	(2,437)

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024

**NOTE 14 - POSTEMPLOYMENT BENEFITS - (Continued)**

At December 31, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS
<b>Deferred outflows of resources</b>	
Net difference between projected and actual earnings on OPEB plan investments	\$ 19,038
Changes of assumptions	8,162
Total deferred outflows of resources	\$ 27,200
	OPERS
<b>Deferred inflows of resources</b>	
Differences between expected and actual experience	\$ 4,512
Changes of assumptions	13,628
Changes in employer's proportionate percentage/ difference between employer contributions	943
Total deferred inflows of resources	\$ 19,083

No amounts reported as deferred outflows of resources related to OPEB resulting from Authority contributions subsequent to the measurement date will be recognized as a reduction of/increase to the net OPEB liability in the year ending December 31, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPERS
Year Ending December 31:	
2025	\$ (1,451)
2026	1,177
2027	14,819
2028	(6,428)
Total	\$ 8,117

***Actuarial Assumptions - OPERS***

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024

**NOTE 14 - POSTEMPLOYMENT BENEFITS - (Continued)**

The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	
Current measurement date	2.75%
Prior Measurement date	2.75%
Projected Salary Increases, including inflation	
Current measurement date	2.75 to 10.75%
	including wage inflation
Prior Measurement date	2.75 to 10.75%
	including wage inflation
Single Discount Rate:	
Current measurement date	5.70%
Prior Measurement date	5.22%
Investment Rate of Return	
Current measurement date	6.00%
Prior Measurement date	6.00%
Municipal Bond Rate	
Current measurement date	3.77%
Prior Measurement date	4.05%
Health Care Cost Trend Rate	
Current measurement date	5.50% initial, 3.50% ultimate in 2038
Prior Measurement date	5.50% initial, 3.50% ultimate in 2036
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five-year period ended December 31, 2020.

During 2023, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Defined Contribution portfolio and the Health Care portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a gain of 14.00% for 2023.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024

**NOTE 14 - POSTEMPLOYMENT BENEFITS - (Continued)**

The allocation of investment assets within the Health Care portfolio is approved by the Board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. The System’s primary goal is to achieve and maintain a fully funded status for benefits provided through the defined benefit pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges 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, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board’s investment consultant.

For each major asset class that is included in the Health Care’s portfolio’s target asset allocation as of December 31, 2023, these best estimates are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Geometric)</u>
Fixed Income	37.00 %	2.82 %
Domestic equities	25.00	4.27
Real Estate Investment Trusts (REITs)	5.00	4.68
International equities	25.00	5.16
Risk parity	3.00	4.38
Other investments	5.00	2.43
Total	<u>100.00 %</u>	

**Discount Rate** - A single discount rate of 5.70% was used to measure the total OPEB liability on the measurement date of December 31, 2023; however, the single discount rate used at the beginning of the year was 5.22%. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 3.77%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2070. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2070, and the municipal bond rate was applied to all health care costs after that date.

**Sensitivity of the Authority’s Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate** - The following table presents the proportionate share of the net OPEB asset calculated using the single discount rate of 5.70%, as well as what the proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is one-percentage-point lower (4.70%) or one-percentage-point higher (6.70%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Authority's proportionate share of the net OPEB asset	\$ 17,422	\$ (31,702)	\$ (72,395)

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024

**NOTE 14 - POSTEMPLOYMENT BENEFITS - (Continued)**

***Sensitivity of the Authority's Proportionate Share of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate*** - Changes in the health care cost trend rate may also have a significant impact on the net OPEB asset. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB asset if it were calculated using a health care cost trend rate that is 1.00% lower or 1.00% higher than the current rate.

Retiree health care valuations use a health care cost trend assumption with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2024 is 5.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health care cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

	1% Decrease	Current Health Care Trend Rate Assumption	1% Increase
Authority's proportionate share of the net OPEB asset	\$ 33,018	\$ 31,702	\$ 30,208

**NOTE 15 - CAPITAL ASSETS**

The Authority's capital asset activity for the year ended December 31, 2024, was as follows:

	Balance 12/31/23	Additions	Disposals	Balance 12/31/24
<i>Capital assets being depreciated/amortized:</i>				
Intangible right-to-use leased:				
Building space	\$ 139,869	\$ -	\$ -	\$ 139,869
Furniture and equipment	6,686	-	-	6,686
Leasehold improvements	15,043	-	-	15,043
Total capital assets being depreciated/amortized	161,598	-	-	161,598
<i>Less: accumulated depreciation/amortization:</i>				
Intangible right-to-use leased:				
Building space	(55,948)	(27,974)	-	(83,922)
Furniture and equipment	(3,820)	(955)	-	(4,775)
Leasehold improvements	(8,596)	(2,149)	-	(10,745)
Total accumulated depreciation/amortization	(68,364)	(31,078)	-	(99,442)
Total capital assets being depreciated, net depreciated/amortized, net	\$ 93,234	\$ (31,078)	\$ -	\$ 62,156

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024

**NOTE 16 - RISK MANAGEMENT**

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to contracted personnel; and natural disasters. Commercial insurance has been obtained to cover damage or destruction of the Authority’s property and for public liability, personal injury, and third-party property damage claims. There have been no claims in any of the past three years. There has been no reduction in coverage from the prior year.

**NOTE 17 - LEASE PAYABLE**

The Authority has entered into a lease agreement for the right-to-use leased building space. In accordance with GASB Statement No. 87, the Authority has reported an intangible capital asset (see Note 15) and corresponding lease liability for the future scheduled payments under the lease agreement in which the Authority is lessee. The Authority is lessee under the following lease agreement:

<u>Purpose</u>	<u>Lease Commencement Date</u>	<u>Term (Years)</u>	<u>Lease End Date</u>	<u>Payment Method</u>
Building Space	2020	7	2026	Monthly

The following is a schedule of future lease payments required under the lease agreement:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 29,210	\$ 2,332	\$ 31,542
2026	30,705	838	31,543
Total	<u>\$ 59,915</u>	<u>\$ 3,170</u>	<u>\$ 63,085</u>

**NOTE 18 - ACCOUNTABILITY AND COMPLIANCE**

**Change in Accounting Principles**

For 2024, the Authority has implemented certain paragraphs from GASB Implementation Guide No. 2021-1, certain paragraphs of GASB Statement No. 99, “*Omnibus 2022*”, GASB Statement No. 100, “*Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*”, Implementation Guide No. 2023-1 and GASB Statement No. 101, “*Compensated Absences*”.

GASB Implementation Guide 2021-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2021-1 did not have an effect on balances previously report by the Authority.

GASB Statement No. 99 is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of GASB Statement No. 99 did not have an effect on the financial statements of the Authority.

GASB Statement No. 100 is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The implementation of GASB Statement No. 100 did not have an effect on the financial statements of the Authority.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024

**NOTE 18 - ACCOUNTABILITY AND COMPLIANCE - (Continued)**

GASB Implementation Guide 2023-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2023-1 did not have an effect on the financial statements of the Authority.

GASB Statement No. 101 is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The implementation of GASB Statement No. 101 did not have an effect on the financial statements of the Authority.

REQUIRED SUPPLEMENTARY INFORMATION

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
FRANKLIN COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF  
THE NET PENSION LIABILITY AND  
AUTHORITY PENSION CONTRIBUTIONS  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS) - TRADITIONAL PLAN

LAST TEN FISCAL YEARS

Calendar Year (1)	Authority's Proportion of the Net Pension Liability	Authority's Proportionate Share of the Net Pension Liability	Authority's Covered Payroll	Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	0.003767340%	\$ 986,304	\$ 623,414	158.21%	79.01%
2023	0.003754000%	1,108,884	586,271	189.14%	75.74%
2022	0.003189000%	277,456	469,757	59.06%	92.62%
2021	0.002844000%	421,134	393,821	106.94%	86.88%
2020	0.002073000%	409,804	293,507	139.62%	82.17%
2019	0.002104000%	576,177	285,657	201.70%	74.70%
2018	0.001922000%	301,474	257,192	117.22%	84.66%
2017	0.001682000%	381,999	218,767	174.61%	77.25%
2016	0.001747000%	302,640	204,400	148.06%	81.08%
2015	0.001679000%	202,450	208,825	96.95%	86.45%

Calendar Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Authority's Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ 108,570	\$ (108,570)	\$ -	\$ 775,500	14.00%
2023	87,278	(87,278)	-	623,414	14.00%
2022	82,078	(82,078)	-	586,271	14.00%
2021	65,766	(65,766)	-	469,757	14.00%
2020	55,135	(55,135)	-	393,821	14.00%
2019	41,091	(41,091)	-	293,507	14.00%
2018	39,992	(39,992)	-	285,657	14.00%
2017	33,435	(33,435)	-	257,192	13.00%
2016	26,252	(26,252)	-	218,767	12.00%
2015	24,528	(24,528)	-	204,400	12.00%

(1) Amounts presented for each fiscal year were determined as of the Authority's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
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SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF  
THE NET OPEB LIABILITY/(ASSET) AND  
AUTHORITY OPEB CONTRIBUTIONS  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST EIGHT AND TEN FISCAL YEARS

Fiscal Year (1) (2)	Authority's Proportion of the Net OPEB Liability/(Asset)	Authority's Proportionate Share of the Net OPEB Liability/(Asset)	Authority's Covered Payroll	Authority's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/(Asset)
2024	0.003513000%	\$ (31,702)	\$ 623,414	5.09%	107.76%
2023	0.003496000%	22,044	586,271	3.76%	94.79%
2022	0.002968000%	(92,962)	469,757	19.79%	128.23%
2021	0.002648000%	(47,176)	393,821	11.98%	115.57%
2020	0.001931000%	266,704	293,507	90.87%	47.80%
2019	0.001959000%	255,410	285,657	89.41%	46.33%
2018	0.001793000%	194,692	257,192	75.70%	54.14%
2017	0.001682000%	169,888	218,767	77.66%	54.05%

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Authority's Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ -	\$ -	\$ -	\$ 775,500	0.00%
2023	-	-	-	623,414	0.00%
2022	-	-	-	586,271	0.00%
2021	-	-	-	469,757	0.00%
2020	-	-	-	393,821	0.00%
2019	-	-	-	293,507	0.00%
2018	-	-	-	285,657	0.00%
2017	2,572	(2,572)	-	257,192	1.00%
2016	4,375	(4,375)	-	218,767	2.00%
2015	4,088	(4,088)	-	204,400	2.00%

(1) Amounts presented for each fiscal year were determined as of the Authority's measurement date which is the prior year-end.

(2) Information prior to 2017 is not available. Schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
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NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2024

**NOTE 1 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

**PENSION**

*OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)*

*Change in benefit terms:*

- There were no changes in benefit terms from the amounts reported for 2015.
- There were no changes in benefit terms from the amounts reported for 2016.
- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- There were no changes in benefit terms from the amounts reported for 2019.
- There were no changes in benefit terms from the amounts reported for 2020.
- There were no changes in benefit terms from the amounts reported for 2021.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.
- There were no changes in benefit terms from the amounts reported for 2024.

*Change in assumptions:*

- There were no changes in assumptions for 2015.
- There were no changes in assumptions for 2016.
- For 2017, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.00% down to 7.50%, (b) for defined benefit investments, decreasing the wage inflation from 3.75% to 3.25%, (c) changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75% and (d) COLA for post 1/7/2013 retirees were changed to 3.00%, simple through 2018, then 2.15% simple.
- There were no changes in assumptions for 2018.
- For 2019, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the assumed rate of return and discount rate were reduced from 7.50% down to 7.20%.
- For 2020, COLA for post 1/7/2013 retirees were changed to 1.40%, simple through 2020, then 2.15% simple.
- For 2021, COLA for post 1/7/2013 retirees were changed to 0.50%, simple through 2021, then 2.15% simple.
- For 2022, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) wage inflation was changed from 3.25% to 2.75%, (b) future salary increases, including inflation were changed from 3.25%-10.75% to 2.75%-10.75%, (c) COLA for post 1/7/2013 retirees were changed 3.00%, simple through 2022, then 2.05% simple and (d) the actuarially assumed rate of return was changed from 7.20% to 6.90%.
- For 2023, COLA for post 1/7/2013 retirees were changed to 3.00%, simple through 2023, then 2.05% simple.
- For 2024, COLA for post 1/7/2013 retirees were changed to 2.30%, simple through 2024, then 2.05% simple.

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
FRANKLIN COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2024

**NOTE 1 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)**

**OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

*OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)*

*Change in benefit terms:*

- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- There were no changes in benefit terms from the amounts reported for 2019.
- There were no changes in benefit terms from the amounts reported for 2020.
- For 2021, the following were the most significant changes in benefit terms since the prior measurement date: the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care Plan. These changes are effective January 1, 2022 and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in the December 31, 2020 measurement date health care valuation. These changes significantly decreased the total OPEB liability for the measurement date December 31, 2020.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.
- There were no changes in benefit terms from the amounts reported for 2024.

*Change in assumptions:*

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 4.23% down to 3.85%.
- For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.85% up to 3.96%, (b) the investment rate of return was decreased from 6.50% percent down to 6.00%, (c) the municipal bond rate was increased from 3.31% up to 3.71% and (d) the health care cost trend rate was increased from 7.50%, initial/3.25%, ultimate in 2028 up to 10.00%, initial/3.25% ultimate in 2029.
- For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.96% up to 3.16%, (b) the municipal bond rate was decreased from 3.71% up to 2.75% and (c) the health care cost trend rate was increased from 10.50%, initial/3.25%, ultimate in 2029 up to 10.50%, initial/3.50% ultimate in 2030.
- For 2021, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.16% up to 6.00%, (b) the municipal bond rate was decreased from 2.75% up to 2.00% and (c) the health care cost trend rate was decreased from 10.50%, initial/3.50%, ultimate in 2030 down to 8.50%, initial/3.50% ultimate in 2035.
- For 2022, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) wage inflation changed from 3.25% to 2.75%, (b) projected salary increases, including inflation changed from 3.25%-10.75% to 2.75%-10.75%, (c) the municipal bond rate was changed from 2.00% to 1.84% and (d) the health care cost trend rate was changed from 8.50% initial, 3.50% ultimate in 2035 to 5.50% initial, 3.50% ultimate in 2034.

**COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY  
FRANKLIN COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 1 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)**

- For 2023, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 6.00% to 5.22%, (b) the municipal bond rate was changed from 1.84% to 4.05% and (c) the health care cost trend rate was changed from 5.50% initial, 3.50% ultimate in 2034 to 5.50% initial, 3.50% ultimate in 2036.
- For 2024, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the single discount rate changed to 5.70%, (b) the municipal bond rate was changed to 3.77% and (c) the health care cost trend rate was changed to 5.50% initial, 3.50% ultimate in 2038.

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of  
Financial Statements Performed in Accordance with *Government Auditing Standards*

**Independent Auditor's Report**

To Management and the Board of Directors  
Columbus-Franklin County Finance Authority

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Columbus-Franklin County Finance Authority (the "Authority"), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated June 26, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

To Management and the Board of Directors  
Columbus-Franklin County Finance Authority

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Plante & Moran, PLLC*

June 26, 2025