



CLARK SCHAEFER HACKETT
BUSINESS ADVISORS

CITY OF WORTHINGTON, OHIO

FRANKLIN COUNTY

REGULAR AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2023



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Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

Members of City Council
City of Worthington
6550 N. High Street
Worthington, Ohio 43085

We have reviewed the *Independent Auditors' Report* of the City of Worthington, Franklin County, prepared by Clark, Schaefer, Hackett & Co., for the audit period January 1, 2023 through December 31, 2023. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Worthington is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

June 24, 2024

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Attachment: Annual Comprehensive Financial Report

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INDEPENDENT AUDITORS' 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

To the City Manager and Members of City Council
City of Worthington, Ohio:

We have audited, in accordance with the 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Worthington, Ohio (the "City") as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 10, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 entity'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 and significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants 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*.

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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

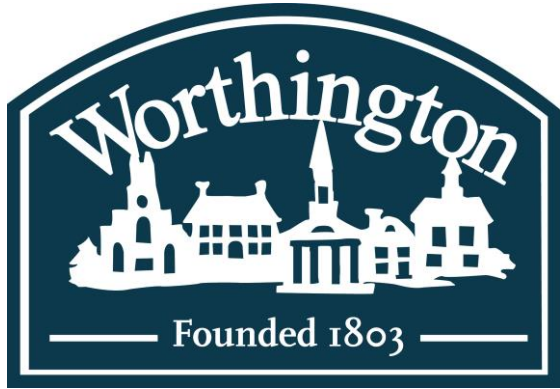
Clark, Schaefer, Hackett & Co.

Columbus, Ohio
June 10, 2024



City of Worthington, Ohio
Annual Comprehensive
Financial Report
Fiscal Year January 1—December 31, 2023





ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2023

Issued by:
Department of Finance
Scott F. Bartter
Director

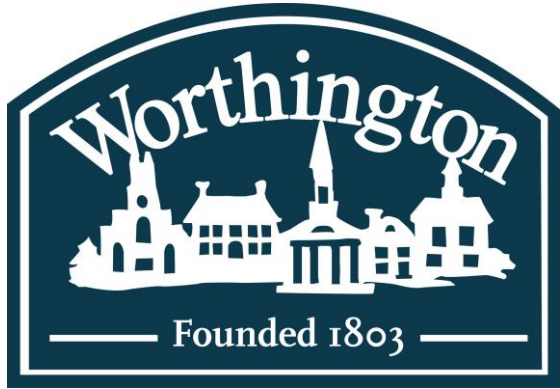


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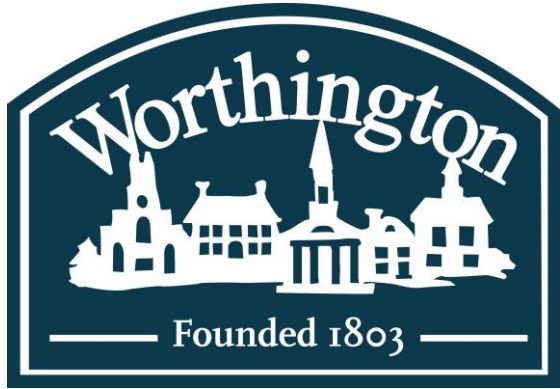
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Introductory Section

Introductory Section





June 10, 2024

To: Members of City Council and Citizens of the City of Worthington

The Annual Comprehensive Financial Report of the City of Worthington, Ohio (City), for fiscal year ended December 31, 2023, is submitted herewith. The report has a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted government auditing standards by Clark Schaefer Hackett. The independent auditors' report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report. The MD&A provides a narrative introduction, overview, and analysis of the basic financial statements and complements this letter of transmittal and should be read in conjunction with it.

The City's Finance Department is responsible for management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of the information contained in the report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal controls should not exceed its anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

In developing and revising the City's accounting and reporting control systems, consideration is given to the adequacy of internal controls to provide reasonable but not absolute assurance regarding the safeguarding of assets from loss, theft or misuse, and reliability of financial records for preparing the City's financial statements in conformity with GAAP and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management.

As management, we believe the data presented is accurate in all material respects and that all disclosures necessary to enable the reader to acquire the maximum understanding of the City's financial activity have been included.

CITY OF WORTHINGTON

Letter of Transmittal

For the Year Ended December 31, 2023

Profile of the City

The City of Worthington, with a population of approximately 15,000, is located in the northern quadrant of Franklin County, on the I-270 outer belt, adjacent to Columbus, Ohio, the Capital of the State of Ohio. The City encompasses 5.5 square miles and has a daytime population of approximately 35,000. The City was founded in 1803, the year of Ohio statehood, by the Scioto Land Company which was formed in 1802 in Granby, Connecticut. The Village was named by James Kilbourne, community leader, in honor of Thomas Worthington, who had actively advocated Ohio statehood and who later served as State Senator and Governor.

The Village of Worthington was incorporated in 1835, became a city in 1956, and in 1957 adopted a city charter approving a council/city manager form of government. The City is an independent political subdivision of the State of Ohio and operates subject to the provisions of the Ohio Constitution, various sections of the Ohio Revised Code, and the City's charter. The City Manager is the chief executive and administrative officer of the City and is charged with the responsibility for the administration of all municipal affairs as empowered by the charter.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the organization's budget, the issuance of its debt, or the levying of its taxes.

Discretely Presented Component Unit – A 10-member board governs the Worthington Community Improvement Corporation (CIC). For financial reporting purposes, the CIC is reported separately from the City's operations because its purpose is to assist the City as a whole in the revitalization and enhancement of the property within the City, and its governing body is not the same as that of the primary government.

The annual budget serves as the foundation for the City's financial planning and control. The City complies with requirements of the City Charter in the adoption of the budget. Appropriations for the operation of various City departments are established through the passage of an ordinance by City Council. Budgetary control is facilitated through the maintenance of an encumbrance system for purchase orders, and through the use of the City's automated financial system. The City Manager, at least 60 days prior to the beginning of each budget year, must present a proposed balanced budget to City Council. The City Council is required to hold public hearings on the proposed budget and to adopt the budget no later than December 26 or the City Manager's proposed budget is deemed adopted. The appropriated budget is prepared by fund, department or function, and category (i.e. personnel services and other than personnel services). The City Council may pass supplemental appropriations at any time by ordinance.

CITY OF WORTHINGTON

Letter of Transmittal For the Year Ended December 31, 2023

Economic Condition and Outlook

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

In recent years there has been significant economic development in and around the City and throughout Central Ohio, particularly in the areas of distribution, insurance, professional services, and retail.

While predominately a residential community, the City possesses a healthy mix of industrial and commercial enterprises. The City benefits from the strong Central Ohio economy. Unemployment in the County is traditionally well below state and national levels.

Most of the geographic area of the City is fully developed, with approximately 64% being residential and 19% being commercial or industrial. While there are limited sites for new development, there are numerous sites for redevelopment and sites where positive economic initiatives are underway. A few examples include:

- Downtown Worthington/Old Worthington – The City’s downtown area in Old Worthington has a high occupancy rate, which is a positive reflection on the efforts and activities of the City, merchants and various community partners. The 2023 budget continued funding for the Worthington Partnership, which the City first funded in 2016, to help ensure support for this vital and iconic part of the City. Additionally, the Worthington Partnership serves as the convention and visitors bureau (CVB) and receives financial support from the City for enhanced community marketing efforts. Old Worthington has welcomed several new businesses in recent years, included Joya’s and Kittie’s which are both popular eateries. The City continues to see investment in older residential and commercial buildings in Old Worthington, such as the full renovation of former Masonic Lodge building into residential and office space, and new residential at 544 High Street and at 31 and 41 East New England Avenue. New houses have also been constructed at 53 Short Street and 99 E. North Street. The Hartford at Stafford Village, a living community for older adults that is comprised of market rate and affordable units was completed and occupied in 2023. These investments have enhanced the already vibrant Old Worthington area.
- Wilson Bridge Road Corridor – The City is seeing success in the heart of this corridor where the Worthington Gateway development is nearing completion. This is a mixed-use project involving five new buildings adjacent to the street which are finished and occupied and a four-story building to house office, restaurant and retail businesses. This building is under construction with anticipated completion near the end of 2024. Construction has finished on the Northeast Gateway Intersection project, a \$17 million-dollar improvement of the intersection of Huntley Road, Worthington-Galena, and East Wilson Bridge Road. This project utilizes Federal, State and local dollars and has significantly improved traffic conditions surrounding the City’s industrial corridor. Improvements to McCord Park are

CITY OF WORTHINGTON

Letter of Transmittal

For the Year Ended December 31, 2023

nearing completion which involved the replacement of a playground, creation of the full-size soccer/field hockey field, installation of reservable shelters, the installation of a multi-use path, renovation of ballfields, and installation of a new restroom facility. This 25-acre park in the East Wilson Bridge Road Corridor is adjacent to the Worthington Community Center and hosts numerous community events. Additionally, the Community Improvement Corporation (the “CIC”) has acquired four parcels and identified a development partner for the construction of office space.

- Façade Improvement Program (FACE) – The FACE grant and loan program has achieved success in improving aesthetics and attracting investment in the eastern industrial portions of the City. The CIC recommended and Council approved using some of these funds to offer energy efficiency analyses for commercial buildings, with a goal of encouraging property owners to use the Property Assessed Clean Energy (PACE) program to invest in energy efficiency retrofits. This has the dual goal of lowering the City’s carbon footprint and enhancing older office buildings. The City has extended the FACE program to other areas of the City, with a focus on allowing office buildings outside the industrial corridor to be eligible for façade renovation grants.
- At the intersection of Proprietors Road and SR-161, Boundless, a not for profit serving the developmentally disabled, is pursuing implementation of plans for the property. They have constructed, and are now operating, a health center serving all ages, with a focus on people with intellectual and developmental disabilities, autism and mental health challenges. The health center provides primary care, dental care, behavioral health care, and speech and language therapy. Boundless has announced their intent to sell part of their campus to provide for additional development at this location. They have accepted proposals and are in discussions with prospective purchaser(s).
- The Shops at Worthington Place were purchased by new owners who have proposed a significant redevelopment, called High North, with a Planned Unit Development that includes approximately 200,000 square feet of office, restaurant, and retail in two phases. To accomplish this catalytic project, parking structures will be needed, and a portion of the current shops would be demolished. The High North project has received development approvals from the City and the City has approved a tax increment financing arrangement to support the structured parking in Phase I of this project.

CITY OF WORTHINGTON

Letter of Transmittal

For the Year Ended December 31, 2023

- The City has launched a planning process to develop a vision for the northeast area of the community which has historically been an industrial corridor. The area is currently comprised of older buildings and fragmented parcels. The Northeast Area Plan process has engaged property owners, businesses and other interested parties to develop a vision for the future of the corridor. The Plan will identify strategies to re-invigorate and re-position the area for future economic success.

In inventorying the City's economic development programs, initiatives, and assets, it quickly becomes apparent that the City has a long and successful history of planned development, a track-record of proactive economic development initiatives, and a well-regarded economic development office and professional staff.

Long-term Financial Planning

A significant portion of the City's role in reinvesting in Worthington is to protect those investments already made as the community grew and took shape over the course of many decades – our underground and surface infrastructure and public facilities such as the Community Center, Griswold Center, and parks. The City remains committed to improving its aging infrastructure through its annually updated five-year Capital Improvement Program (CIP).

In 2018, Worthington City Council adopted a revised General Fund Carryover Policy to assist the City in maintaining long-term financial stability. The revised policy sets the minimum General Fund balance to 35% of prior year expenditures and incorporates a financial action plan in the event the City falls below the policy floor. Additionally, in 2018 the City Council adopted a new debt policy to establish parameters and provide guidance governing the issuance, management, evaluation, and reporting of all debt obligations of the City.

In 2019, the City established a twenty-seventh pay reserve, distinct and separate from the fund balance, to have funds available to pay every eleven years when a "twenty-seventh" payday occurs. The City will put aside funds each year to pay for this periodic occurrence.

In 2023, the City negotiated with Sharon Township to increase the property tax levied within the Sharon Fire District that supports the City's fire and EMS services for Sharon Township and the Village of Riverlea. The negotiations resulted in the placement of a property tax levy on the November 2023 which was approved by voters. This is the first time in 30 years the levy has been increased and will result in \$500,000 of additional annual revenue to support the City's fire and EMS operation.

In 2021 S&P Global Ratings assigned a rating of AAA to the city of Worthington, a rating that was reaffirmed in 2023.

City Council has prioritized a citizen-led comprehensive visioning process to consider the community's vision for the future. The results of this visioning process will direct future goals of the City and further set community priorities and development plans.

CITY OF WORTHINGTON

Letter of Transmittal For the Year Ended December 31, 2023

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Worthington, Ohio for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2022. To be awarded a Certificate of Achievement, a governmental unit must prepare an easily readable and efficiently organized Annual Comprehensive Financial Report whose contents satisfy all program standards. The report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements respective to the reporting entity.

A Certificate of Achievement is valid for a period of one year only. We believe this current report continues to conform to the Certificate of Achievement for Excellence in Financial Reporting program requirements and are submitting it to the GFOA.

Acknowledgements

The preparation of this report was made possible by the diligence of the staff of the entire Finance Department. Their initiative and conscientious work ensured the integrity of the information contained herein and guaranteed this report's successful completion.

In closing, we would like to thank City Council for their support in maintaining the highest standards of professionalism in the management of the City of Worthington's finances

Respectfully submitted,



Scott F. Bartter, Finance Director



Robyn Stewart, City Manager



CITY OF WORTHINGTON

List of Principal Officials For the Year Ended December 31, 2023



For the Year Ended December 31, 2023

City Council

President	Rachael Dorothy
President Pro Tempore	Beth Kowalczyk
Member of Council	Rebecca Hermann
Member of Council	Peter Bucher
Member of Council	David Robinson
Member of Council	Katy Brewer
Member of Council	Amy Lloyd

Appointed Officials

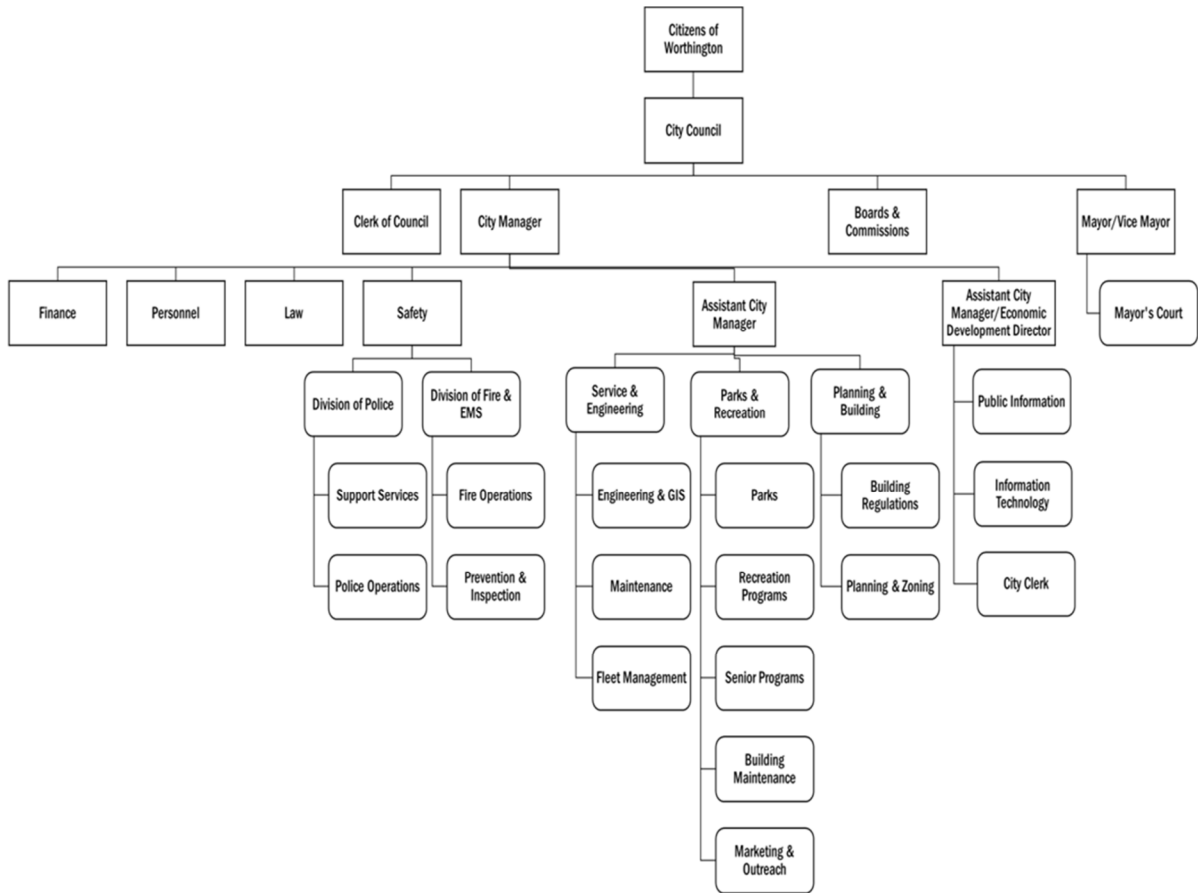
City Manager	Robyn Stewart
Mayor	Scott Holmes
Vice-Mayor	Joseph Mas

Executive Staff

Assistant City Manager & Economic Development Director	David McCorkle
City Clerk	Grace Brown
Clerk of Courts	Nickolas Johnson
Director of Finance	Scott F. Bartter
Director of Information Technology	Gene Oliver
Director of Communications	Anne Brown
Director of Law	Tom Lindsey
Director of Parks & Recreation	Darren Hurley
Director of Personnel	Angela Harris
Director of Planning & Building	Lee Brown
Director of Service & Engineering	John Moorehead
Fire Division Chief	Mark Zambito
Police Division Chief	Eric Grile

CITY OF WORTHINGTON

City Organizational Chart For the Year Ended December 31, 2023





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Worthington
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

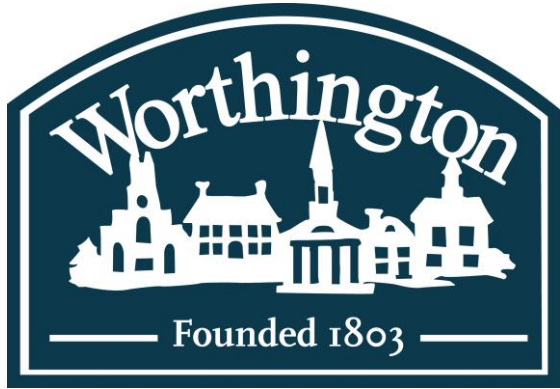
Christopher P. Morill

Executive Director/CEO



Financial Section

Financial Section



INDEPENDENT AUDITORS' REPORT

To the City Manager and City Council
City of Worthington, Ohio:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Worthington, Ohio (the "City"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City'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 respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2023, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, 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 opinions.

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 City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' report that includes our opinions. 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.

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 City'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 City'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 and schedules of net pension and OPEB liabilities/(assets) and pension and OPEB contributions, as listed in the table of contents, 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, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial

statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical section but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 10, 2024 on our consideration of the City of Worthington's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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 the City'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 the City of Worthington's internal control over financial reporting and compliance.

Clark, Schaefer, Hackett & Co.

Columbus, Ohio
June 10, 2024



CITY OF WORTHINGTON

Management's Discussion and Analysis For the Year Ended December 31, 2023

Unaudited

The discussion and analysis of the City of Worthington's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2023. The intent of this discussion and analysis is to look at the City'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 City's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2023 are as follows:

- ❑ Net position increased \$9,429,098, which represents a 14% increase from 2022.
- ❑ General revenues accounted for \$43,287,514 in revenue or 89% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$5,538,467 or 11% of total revenues of \$48,825,981.
- ❑ The City had \$39,396,883 in expenses related to governmental activities; only \$5,538,467 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$43,287,514 were also available to provide for these programs.
- ❑ Among major funds, the general fund had \$37,874,345 in revenues and \$31,160,782 in expenditures. The general fund's fund balance increased \$3,197,910 to \$30,400,111.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *management's discussion and analysis*, the *basic financial statements*, *required supplementary information*, and an optional section that presents *combining statements* for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the City:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the City's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Government-Wide Financial Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets, liabilities, and deferred outflows/inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how it has changed. Net position is one way to measure the City's financial health.

- Over time, increases or decreases in the City's net position is an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City you need to consider additional nonfinancial factors such as the City's tax base and the condition of the City's capital assets.

The government-wide financial statements of the City reflect the following category of activities:

- Governmental Activities – All of the City's program's and services are reported here including security of persons and property, public health and welfare services, leisure time activities, community environment, basic utility services, transportation, general government, interest and fiscal charges, and other expenses.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

Governmental Funds – Most of the City's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. All of the City's fiduciary activities are reported in a separate Statement of Net Position and Statement of Changes in Net Position.

CITY OF WORTHINGTON

Management's Discussion and Analysis For the Year Ended December 31, 2023

Unaudited

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The following table provides a comparison of the City's net position as of December 31, 2023 and 2022:

	Governmental Activities	
	2023	2022
Current and Other Assets	\$70,315,838	\$60,732,835
Net OPEB Asset	0	1,382,223
Capital Assets, Net	65,974,240	56,606,185
Total Assets	136,290,078	118,721,243
Deferred Outflows of Resources	16,398,519	9,338,011
Net Pension Liability	40,114,355	21,823,182
Net OPEB Liability	2,312,460	3,165,274
Other Long-term Liabilities	19,905,462	15,799,858
Other Liabilities	5,116,369	1,873,801
Total Liabilities	67,448,646	42,662,115
Deferred Inflows of Resources	9,920,454	19,506,740
Net Position		
Net Investment in Capital Assets	45,534,824	42,309,190
Restricted	9,205,197	7,354,826
Unrestricted	20,579,476	16,226,383
Total Net Position	\$75,319,497	\$65,890,399

The net pension liability is reported by the City pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." The net OPEB liability/asset is reported by the City pursuant to GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB, and net OPEB asset.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

CITY OF WORTHINGTON

Management's Discussion and Analysis For the Year Ended December 31, 2023

Unaudited

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability/asset to equal the City's proportionate share of each plan's collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service
2. Minus plan assets available to pay these benefits

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68 and GASB 75, the City's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability/asset, respectively, not accounted for as deferred inflows/outflows.

CITY OF WORTHINGTON

Management's Discussion and Analysis For the Year Ended December 31, 2023

Unaudited

Changes in Net Position – The following table shows the changes in net position for fiscal years 2023 and 2022:

	Governmental Activities	
	2023	2022
Revenues		
Program revenues:		
Charges for Services and Sales	\$4,161,191	\$3,078,997
Operating Grants and Contributions	1,377,276	2,647,343
Capital Grants and Contributions	0	818,192
Total Program Revenues	<u>5,538,467</u>	<u>6,544,532</u>
General revenues:		
Property Taxes	4,913,609	4,420,313
Municipal Income Taxes	34,541,958	33,760,465
Other Local Taxes	79,361	81,306
Intergovernmental, Unrestricted	950,800	917,986
Investment Earnings	2,158,147	(20,870)
Miscellaneous	643,639	590,999
Total General Revenues	<u>43,287,514</u>	<u>39,750,199</u>
Total Revenues	<u>48,825,981</u>	<u>46,294,731</u>
Program Expenses		
Security of Persons and Property	16,107,373	14,131,522
Public Health and Welfare Services	81,035	77,175
Leisure Time Activities	6,455,020	4,522,433
Community Environment	1,238,630	798,112
Basic Utility Services	1,400,742	1,542,317
Transportation	2,771,109	2,242,682
General Government	10,783,431	8,936,089
Interest and Fiscal Charges	559,543	313,333
Total Expenses	<u>39,396,883</u>	<u>32,563,663</u>
Change in Net Position	9,429,098	13,731,068
Beginning Net Position	65,890,399	52,159,331
Ending Net Position	<u>\$75,319,497</u>	<u>\$65,890,399</u>

Governmental Activities

Governmental activities net position increased \$9,429,098, or 14% in 2023. Coronavirus relief funding received in the prior year resulted in a subsequent decrease in operating grants and contributions in 2023. An increase in income taxes was the result of improving economic conditions. An increase in building permits, recreation activities, and an increase in EMS rates all contributed to an increase in charges for services and sales. An increase in investment earnings was the result of an increase in interest rates.

An overall increase in expenses can be attributed to changes in the net pension and OPEB liability/asset.

CITY OF WORTHINGTON

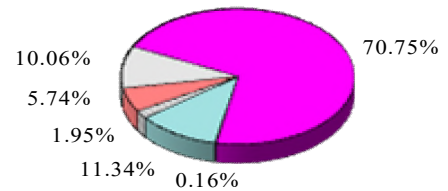
Management's Discussion and Analysis For the Year Ended December 31, 2023

Unaudited

The City also receives an income tax and a hotel/motel tax. The income tax is based on 2.5% of all income earned within the City. In addition, the residents of the City are required to pay income tax on income earned outside of the City; however, the City allows a credit for income taxes paid to another municipality up to 100 percent of the City's current tax rate. The hotel/motel tax is based on 6.00% of all lodging revenues.

Property taxes and income taxes made up 10.06% and 70.75% respectively, of revenues for governmental activities in fiscal year 2023, while other local taxes made up 0.16%. The City's reliance upon tax revenues is demonstrated by the following graph indicating 80.97% of total revenues from general tax revenues:

Revenue Sources	2023	Percent of Total
Property Taxes	\$4,913,609	10.06%
Income Taxes	34,541,958	70.75%
Other Local Taxes	79,361	0.16%
Program Revenues	5,538,467	11.34%
Intergovernmental, Unrestricted	950,800	1.95%
General Other	2,801,786	5.74%
Total Revenue	\$48,825,981	100.00%



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of \$55,118,643, which is an increase from last year's balance of \$50,348,952. The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2023 and 2022:

	Fund Balance December 31, 2023	Fund Balance December 31, 2022	Increase (Decrease)
General	\$30,400,111	\$27,202,201	\$3,197,910
Tax Increment Financing	3,109,395	2,246,432	862,963
Capital Improvement	16,263,938	16,427,973	(164,035)
Other Governmental	5,345,199	4,472,346	872,853
Total	\$55,118,643	\$50,348,952	\$4,769,691

General Fund – The City's General Fund balance change is due to various reasons. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

CITY OF WORTHINGTON

Management's Discussion and Analysis For the Year Ended December 31, 2023

Unaudited

	2023 Revenues	2022 Revenues	Increase (Decrease)
Property Taxes	\$3,103,596	\$3,077,007	\$26,589
Municipal Income Taxes	27,453,242	26,639,303	813,939
Other Local Taxes	3,402	3,742	(340)
Intergovernmental Revenues	875,849	2,427,080	(1,551,231)
Charges for Services	3,372,124	2,715,618	656,506
Licenses, Permits and Fees	478,483	411,015	67,468
Investment Earnings	2,184,664	(63,508)	2,248,172
Special Assessments	32,977	32,977	0
Fines and Forfeitures	58,000	55,632	2,368
All Other Revenue	312,008	403,941	(91,933)
Total	\$37,874,345	\$35,702,807	\$2,171,538

General Fund revenues increased approximately 6% when compared with the prior year. Coronavirus relief funding received in the prior year resulted in a subsequent decrease in intergovernmental revenue in 2023. An increase in income taxes was the result of improving economic conditions. An increase in building permits, recreation activities, and an increase in EMS rates all contributed to an increase in charges for services. An increase in investment earnings was due to an increase in interest rates.

	2023 Expenditures	2022 Expenditures	Increase (Decrease)
Security of Persons and Property	\$13,345,996	\$13,146,137	\$199,859
Public Health and Welfare Services	81,035	77,175	3,860
Leisure Time Activities	5,877,829	5,191,911	685,918
Community Environment	1,256,527	1,010,210	246,317
Basic Utility Services	1,197,357	1,200,282	(2,925)
General Government	9,402,038	8,700,847	701,191
Total	\$31,160,782	\$29,326,562	\$1,834,220

General Fund expenditures increased \$1,834,220, or 6% from the prior year. An increase in recreational programming as well as increases in wages resulted in an increase in leisure time activities. Amounts paid for a Northwest Area Plan study as well as revisions to departmental structure contributed to an increase in community environment. An increase in general government can mostly be attributed to an increase in litigation costs.

Tax Increment Financing Fund – The City's Tax Increment Financing Fund balance increased \$862,963, or 38%. This fund reports amounts received in lieu of property taxes generated by various tax increment financing agreements. Expenditures are for various infrastructure improvements.

Capital Improvement Fund – The City's Capital Improvement Fund balance decreased \$164,035, or less than 1% in 2023. This fund reported \$4.4 million in various purpose bond proceeds. Expenditures included \$12.7 million of outlays for various capital improvements.

CITY OF WORTHINGTON

Management's Discussion and Analysis For the Year Ended December 31, 2023

Unaudited

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the course of fiscal year 2023 the City amended its General Fund budget several times.

General fund original and final revenue and expenditure estimates were not significantly different. Actual revenues were 18% more than final estimates, which was the result of increases in income taxes and investment earnings. Actual budget basis expenditures were 9% less than final budget estimates.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2023, the City had \$65,974,240 net of accumulated depreciation invested in land, construction in progress, land improvements, buildings, infrastructure, equipment and furniture, and vehicles. The following table shows fiscal year 2023 and 2022 balances:

	Governmental Activities		Increase (Decrease)
	2023	2022*	
Land	\$9,216,299	\$9,216,299	\$0
Construction In Progress	22,150,956	14,047,417	8,103,539
Land Improvements	2,732,441	2,656,196	76,245
Buildings	23,058,033	22,924,544	133,489
Infrastructure	52,333,429	50,532,370	1,801,059
Equipment and Furniture	10,559,560	9,533,427	1,026,133
Vehicles	7,326,956	6,927,754	399,202
Less: Accumulated Depreciation	(61,403,434)	(59,231,822)	(2,171,612)
Totals	\$65,974,240	\$56,606,185	\$9,368,055

* Beginning of year classification was adjusted to properly reflect asset category. Total cost and net value were unchanged from the prior year.

Additions to construction in progress included McCord Park renovations, West Selby Boulevard bridge replacement, Shaker Square playground improvements, and various street, water, and sewer improvements. Equipment and vehicle additions included playground equipment, fire department equipment, medic vehicle, and a street sweeper.

As of December 31, 2023, the City had contractual commitments of \$8,220,391 related to street improvements, equipment replacements, and building improvements. Additional information on the City's capital assets can be found in Note 8.

CITY OF WORTHINGTON

Management's Discussion and Analysis For the Year Ended December 31, 2023

Unaudited

Debt and Other Long-Term Obligations

The following table summarizes the City's debt and other long-term obligations outstanding as of December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Governmental Activities:		
General Obligation Bonds	\$17,379,731	\$13,298,196
OPWC Loans	474,331	488,450
Installment Loan	0	16,162
Compensated Absences	<u>2,051,400</u>	<u>1,997,050</u>
Total Governmental Activities	<u><u>\$19,905,462</u></u>	<u><u>\$15,799,858</u></u>

Additional information on the City's debt and other long-term obligations can be found in Note 13.

ECONOMIC FACTORS

The City of Worthington is building upon its efforts to implement a robust, multi-faceted, and professional economic development program. The City has strong community partners in this effort with the Worthington Partnership, which focuses on Old Worthington as well as the community through engagement with businesses, convention and visitors bureau services, and community events, and the Worthington Area Chamber of Commerce which engages businesses throughout the Worthington area with programming and member benefits. The Worthington Community Improvement Corporation (CIC) partners with the City to promote economic development and strengthen the economy. The City has deployed a mix of property tax incentives and income tax incentives to support physical infrastructure improvements and payroll growth, respectively.

Worthington is an inner-ring, infill community. Understanding that Worthington's economic sustainability hinges not on further growth via new land masses and annexation, but on continual investment and at times, re-use and redevelopment in existing commercial property inventory, the City has been working aggressively to encourage new investments and identify public funding mechanisms to facilitate commercial redevelopment opportunities.

Efforts continue to advance, as Worthington is experiencing a number of development activities:

- Continued focus has been placed on ensuring the economic vitality of the Wilson Bridge Road Corridor. There have been several initiatives in this important area including:
 - The Worthington Community Improvement Corporation's acquisition of four residential parcels for the purpose of long-term redevelopment to revenue-generating office space.
 - The Shops at Worthington Place were purchased by new owners who have proposed a significant mixed-use redevelopment, called High North, which is proposed to include 200,000 square feet of office, restaurant, and retail space.

CITY OF WORTHINGTON

Management's Discussion and Analysis For the Year Ended December 31, 2023

Unaudited

- A Planned Use Development (PUD) has been approved for a mixed-use project at the former Holiday Inn site, called the Worthington Gateway. This project is under construction and, once completed, will have approximately 45,000 square feet of retail, restaurant, and professional services space, as well as 60,000 square feet of Class A office space. The one- and two-story buildings along High Street and Wilson Bridge Road have been completed and are occupied. The four-story building in the heart of the site is under construction with completion scheduled for late 2024.
 - Construction of the Northeast Gateway has reached completion, a \$17 million traffic improvement project that has improved traffic congestion and provides a distinctive gateway into the Huntley Road industrial corridor and the eastern portion of the Wilson Bridge Road corridor.
 - Renovation of McCord Park at the eastern end of the Wilson Bridge corridor, which is nearing completion, provides a number of amenities not only for residents but also for the workforce based on this corridor.
- The City continued to see the opening of several businesses at Linworth Crossing Plaza, a new 40,000 sq.ft. retail development at the City's western gateway.
 - At the intersection of Proprietors Road and SR-161, I Am Boundless, a not for profit serving the developmentally disabled, has acquired the former Harding Hospital site, utilizes it for their administrative offices, and is pursuing implementation of plans for the property. They have constructed, and are now operating, a health center serving all ages, with a focus on people with intellectual and developmental disabilities, autism and mental health challenges. The health center provides primary care, dental care, behavioral health care, and speech and language therapy. They have announced a significant portion of their property is for sale and they are entertaining offers for it, which will make it available for future development.
 - A planning effort has been underway focused on the historically industrial portion of the community to envision re-investment and enhanced vitality. This Northeast Area Plan is recommending the corridor be positioned as an Eco-Innovation District with a focus on renewable and clean energy businesses, green operations, green infrastructure and tech-flex spaces. Preliminary recommendations encourage hubs within the area that incorporate housing and mixed-use developments and enhancement of the environment throughout the area with trails and a more attractive creek corridor.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information contact Scott F. Bartter, Director of Finance for the City of Worthington.



CITY OF WORTHINGTON

Statement of Net Position December 31, 2023

	Governmental Activities	Component Unit Community Improvement Corporation
Assets:		
Pooled Cash and Investments	\$ 54,535,574	\$ 0
Cash and Cash Equivalents	0	84,054
Cash and Cash Equivalents in Segregated Accounts	77,287	0
Receivables:		
Taxes	12,872,471	0
Accounts	422,318	0
Intergovernmental	1,393,762	0
Interest	88,543	0
Special Assessments	42,274	0
Leases	0	86,452
Loans	30,627	0
Prepaid Items	264,483	408
Restricted Assets:		
Cash and Cash Equivalents with Fiscal Agent	588,499	0
Real Estate Held for Development	0	975,955
Capital Assets:		
Capital Assets Not Being Depreciated	31,367,255	0
Capital Assets Being Depreciated, Net	34,606,985	0
Total Assets	136,290,078	1,146,869
Deferred Outflows of Resources:		
Pension	14,077,367	0
OPEB	2,321,152	0
Total Deferred Outflows of Resources	16,398,519	0
Liabilities:		
Accounts Payable	545,564	12,050
Accrued Wages and Benefits	331,675	0
Intergovernmental Payable	533,504	0
Contracts Payable	3,095,643	0
Property Taxes Payable	0	7,771
Retainage Payable	438,207	0
Payroll Withholding	127,047	0
Accrued Interest Payable	44,729	0
Noncurrent Liabilities:		
Due Within One Year	1,472,163	0
Due in More Than One Year:		
Net Pension Liability	40,114,355	0
Net OPEB Liability	2,312,460	0
Other Amounts Due in More Than One Year	18,433,299	0
Total Liabilities	67,448,646	19,821

(Continued)

CITY OF WORTHINGTON

	Governmental Activities	Component Unit Community Improvement Corporation
Deferred Inflows of Resources:		
Property Tax Levy for Next Fiscal Year	5,114,059	0
Leases	0	68,999
Pension	2,249,343	0
OPEB	2,557,052	0
Total Deferred Inflows of Resources	9,920,454	68,999
Net Position:		
Net Investment in Capital Assets	45,534,824	0
Restricted For:		
Capital Projects	4,145,466	0
Debt Service	2,265,682	0
Street Improvements	1,015,725	0
Law Enforcement	1,484,159	0
Mayor's Court Improvements	182,506	0
Building Inspection	15,000	0
Performance Deposits	57,787	0
Addiction Treatment	38,872	0
Unrestricted	20,579,476	1,058,049
Total Net Position	\$ 75,319,497	\$ 1,058,049

See accompanying notes to the basic financial statements

CITY OF WORTHINGTON

Statement of Activities For the Year Ended December 31, 2023

	Expenses	Program Revenues	
		Charges for Services and Sales	Operating Grants and Contributions
Governmental Activities:			
Security of Persons and Property	\$ 16,107,373	\$ 1,367,775	\$ 160,908
Public Health and Welfare Services	81,035	0	31,786
Leisure Time Activities	6,455,020	2,195,366	0
Community Environment	1,238,630	370,752	0
Basic Utility Services	1,400,742	83,220	0
Transportation	2,771,109	0	1,179,387
General Government	10,783,431	144,078	5,195
Interest and Fiscal Charges	559,543	0	0
Total Primary Government	\$ 39,396,883	\$ 4,161,191	\$ 1,377,276
Component Unit:			
Community Improvement Corporation	\$ 25,571	\$ 32,596	\$ 0

General Revenues

Property Taxes Levied for:

General Purposes

Bond Retirement

Police Pension

Capital Projects

Municipal Income Taxes

Other Local Taxes

Intergovernmental, Unrestricted

Investment Earnings

Miscellaneous

Total General Revenues

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements

CITY OF WORTHINGTON

Net (Expense) Revenue and Changes in Net Position	Component Unit
Governmental Activities	Community Improvement Corporation
\$ (14,578,690)	
(49,249)	
(4,259,654)	
(867,878)	
(1,317,522)	
(1,591,722)	
(10,634,158)	
(559,543)	
<u>\$ (33,858,416)</u>	

\$ 7,025

3,160,464	0
116,971	0
206,419	0
1,429,755	0
34,541,958	0
79,361	0
950,800	0
2,158,147	361
643,639	0
<u>43,287,514</u>	<u>361</u>
9,429,098	7,386
65,890,399	1,050,663
<u>\$ 75,319,497</u>	<u>\$ 1,058,049</u>

CITY OF WORTHINGTON

Balance Sheet Governmental Funds December 31, 2023

	General	Tax Increment Financing	Capital Improvement	Other Governmental Funds
Assets:				
Pooled Cash and Investments	\$ 26,805,156	\$ 3,759,395	\$ 18,666,050	\$ 5,304,973
Cash and Cash Equivalents in Segregated Accounts	4,158	0	0	73,129
Receivables:				
Taxes	10,187,710	733,500	1,529,449	421,812
Accounts	414,048	0	0	8,270
Intergovernmental	621,803	0	0	771,959
Interest	88,543	0	0	0
Special Assessments	0	0	42,274	0
Loans	30,627	0	0	0
Interfund Loans Receivable	650,000	0	153,738	0
Prepaid Items	192,060	0	72,423	0
Restricted Assets:				
Cash and Cash Equivalents with Fiscal Agent	0	0	588,499	0
Total Assets	\$ 38,994,105	\$ 4,492,895	\$ 21,052,433	\$ 6,580,143
Liabilities:				
Accounts Payable	\$ 518,788	\$ 0	\$ 0	\$ 26,776
Accrued Wages and Benefits Payable	321,401	0	0	10,274
Intergovernmental Payable	406,964	0	49,392	77,148
Contracts Payable	0	0	3,095,643	0
Retainage Payable	0	0	438,207	0
Payroll Withholding	127,047	0	0	0
Interfund Loans Payable	0	650,000	0	153,738
Total Liabilities	1,374,200	650,000	3,583,242	267,936
Deferred Inflows of Resources:				
Unavailable Amounts	3,251,059	0	1,205,253	555,184
Property Tax Levy for Next Fiscal Year	3,968,735	733,500	0	411,824
Total Deferred Inflows of Resources	7,219,794	733,500	1,205,253	967,008
Fund Balances:				
Nonspendable	912,202	0	72,423	0
Restricted	0	3,109,395	410,645	4,992,964
Committed	815,430	0	15,780,870	352,235
Assigned	8,791,742	0	0	0
Unassigned	19,880,737	0	0	0
Total Fund Balances	30,400,111	3,109,395	16,263,938	5,345,199
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 38,994,105	\$ 4,492,895	\$ 21,052,433	\$ 6,580,143

See accompanying notes to the basic financial statements

CITY OF WORTHINGTON

Total Governmental Funds
\$ 54,535,574
77,287
12,872,471
422,318
1,393,762
88,543
42,274
30,627
803,738
264,483
588,499
<u>\$ 71,119,576</u>
\$ 545,564
331,675
533,504
3,095,643
438,207
127,047
803,738
<u>5,875,378</u>
5,011,496
5,114,059
<u>10,125,555</u>
984,625
8,513,004
16,948,535
8,791,742
19,880,737
<u>55,118,643</u>
<u>\$ 71,119,576</u>

CITY OF WORTHINGTON

Reconciliation Of Total Governmental Fund Balances To Net Position Of Governmental Activities December 31, 2023

Total Governmental Fund Balances \$ 55,118,643

***Amounts reported for governmental activities in the
statement of net position are different because***

Capital Assets used in governmental activities are not resources and therefore are not reported in the funds. 65,974,240

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds. 5,011,496

The net pension and OPEB liabilities are not due and payable in the current period, therefore, the liabilities and related deferred inflows/outflows are not reported in the governmental funds.

Deferred Outflows - Pension	14,077,367	
Deferred Inflows - Pension	(2,249,343)	
Net Pension Liability	(40,114,355)	
Deferred Outflows - OPEB	2,321,152	
Deferred Inflows - OPEB	(2,557,052)	
Net OPEB Liability	<u>(2,312,460)</u>	(30,834,691)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

General Obligation Bonds Payable	(17,379,731)	
OPWC Loans Payable	(474,331)	
Compensated Absences Payable	(2,051,400)	
Accrued Interest Payable	<u>(44,729)</u>	<u>(19,950,191)</u>

Net Position of Governmental Activities \$ 75,319,497

See accompanying notes to the basic financial statements



CITY OF WORTHINGTON

Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds For the Year Ended December 31, 2023

	General	Tax Increment Financing	Capital Improvement	Other Governmental Funds
Revenues:				
Property Taxes	\$ 3,103,596	\$ 1,473,787	\$ 0	\$ 322,058
Municipal Income Taxes	27,453,242	0	6,855,084	0
Other Local Taxes	3,402	0	0	6,606
Intergovernmental Revenues	875,849	0	0	1,257,533
Charges for Services	3,372,124	0	0	88,572
Licenses, Permits and Fees	478,483	0	0	0
Investment Earnings	2,184,664	0	0	3,048
Special Assessments	32,977	0	57,644	0
Fines and Forfeitures	58,000	0	0	5,696
All Other Revenue	312,008	2,922	169,849	141,845
Total Revenues	37,874,345	1,476,709	7,082,577	1,825,358
Expenditures:				
Current:				
Security of Persons and Property	13,345,996	0	0	714,207
Public Health and Welfare Services	81,035	0	0	0
Leisure Time Activities	5,877,829	0	0	15,426
Community Environment	1,256,527	0	0	0
Basic Utility Services	1,197,357	0	0	204,948
Transportation	0	0	0	925,464
General Government	9,402,038	613,746	543,208	152,449
Capital Outlay	0	0	12,665,729	0
Debt Service:				
Principal Retirement	0	0	30,281	690,000
Interest and Fiscal Charges	0	0	47	628,544
Total Expenditures	31,160,782	613,746	13,239,265	3,331,038
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,713,563	862,963	(6,156,688)	(1,505,680)
Other Financing Sources (Uses):				
Premium on Debt Issuance	0	0	0	455,533
Bond Issuance	0	0	4,400,000	0
Transfers In	0	0	2,640,000	2,063,000
Transfers Out	(3,515,653)	0	(1,047,347)	(140,000)
Total Other Financing Sources (Uses)	(3,515,653)	0	5,992,653	2,378,533
Net Change in Fund Balances	3,197,910	862,963	(164,035)	872,853
Fund Balances at Beginning of Year	27,202,201	2,246,432	16,427,973	4,472,346
Fund Balances End of Year	\$ 30,400,111	\$ 3,109,395	\$ 16,263,938	\$ 5,345,199

See accompanying notes to the basic financial statements

CITY OF WORTHINGTON

Total Governmental Funds
\$ 4,899,441
34,308,326
10,008
2,133,382
3,460,696
478,483
2,187,712
90,621
63,696
626,624
<hr/> 48,258,989
14,060,203
81,035
5,893,255
1,256,527
1,402,305
925,464
10,711,441
12,665,729
720,281
628,591
<hr/> 48,344,831
(85,842)
455,533
4,400,000
4,703,000
(4,703,000)
<hr/> 4,855,533
4,769,691
50,348,952
<hr/> \$ 55,118,643

CITY OF WORTHINGTON

Reconciliation Of The Statement Of Revenues, Expenditures And Changes In Fund Balances Of Governmental Funds To The Statement Of Activities For The Year Ended December 31, 2023

Net Change in Fund Balances - Total Governmental Funds \$ 4,769,691

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.

Capital Outlay	12,826,010	
Depreciation Expense	<u>(3,167,890)</u>	9,658,120

The statement of activities reports losses arising from the disposal of capital assets. Conversely, the governmental funds do not report any loss on the disposal of capital assets. (290,065)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 566,992

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows:

Pension	2,697,050	
OPEB	<u>38,992</u>	2,736,042

Except for amounts reported as deferred inflows/outflows, changes in the net pension and OPEB liabilities/asset are reported as pension/OPEB expense in the statement of activities:

Pension	(4,542,830)	
OPEB	<u>654,153</u>	(3,888,677)

The issuance of long-term debt provides current financial resources to governmental funds, however, has no effect on net position.

Bond Issuance	(4,400,000)	
Bond Issuance Premium	<u>(455,533)</u>	(4,855,533)

(Continued)

CITY OF WORTHINGTON

Repayment of bond, loan, and lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

General Obligation Bond Principal Payment	690,000	
Bond Premium Amortization	83,998	
OPWC Loan Principal Payment	14,119	
Installment Loan Principal Payment	<u>16,162</u>	804,279

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. (14,950)

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

Compensated Absences		<u>(56,801)</u>
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Change in Net Position of Governmental Activities \$ 9,429,098

See accompanying notes to the basic financial statements

CITY OF WORTHINGTON

Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) General Fund For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 3,066,227	\$ 3,085,499	\$ 3,103,596	\$ 18,097
Municipal Income Taxes	23,370,845	23,370,845	27,397,090	4,026,245
Other Local Taxes	2,720	2,720	3,482	762
Intergovernmental Revenue	810,036	804,328	881,789	77,461
Charges for Services	3,508,234	3,508,234	3,219,754	(288,480)
Licenses, Permits and Fees	496,500	496,500	499,901	3,401
Investment Earnings	300,000	300,000	2,043,045	1,743,045
Fines and Forfeitures	100,000	100,000	60,504	(39,496)
All Other Revenues	250,750	250,750	306,255	55,505
Total Revenues	31,905,312	31,918,876	37,515,416	5,596,540
Expenditures:				
Current:				
Security of Persons and Property	15,299,968	15,335,968	13,787,039	1,548,929
Public Health and Welfare Services	81,113	81,114	81,114	0
Leisure Time Activities	6,260,490	6,346,490	6,017,138	329,352
Community Environment	1,333,232	1,333,232	1,248,142	85,090
Basic Utility Services	1,352,009	1,352,009	1,288,566	63,443
General Government	10,955,481	11,293,680	10,223,128	1,070,552
Total Expenditures	35,282,293	35,742,493	32,645,127	3,097,366
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,376,981)	(3,823,617)	4,870,289	8,693,906
Other Financing Sources (Uses):				
Transfers In	150,000	150,000	37,345	(112,655)
Transfers Out	(3,825,653)	(6,365,653)	(6,365,653)	0
Total Other Financing Sources (Uses):	(3,675,653)	(6,215,653)	(6,328,308)	(112,655)
Net Change in Fund Balance	(7,052,634)	(10,039,270)	(1,458,019)	8,581,251
Fund Balance at Beginning of Year	18,975,047	18,975,047	18,975,047	0
Prior Year Encumbrances	4,539,100	4,539,100	4,539,100	0
Fund Balance at End of Year	\$ 16,461,513	\$ 13,474,877	\$ 22,056,128	\$ 8,581,251

See accompanying notes to the basic financial statements

CITY OF WORTHINGTON

Statement of Net Position Fiduciary Funds December 31, 2023

	<u>Custodial</u>
Assets:	
Cash and Cash Equivalents	\$ 79,286
Cash and Cash Equivalents in Segregated Accounts	2,016
Receivables:	
Property Taxes	31,206
Total Assets	<u>112,508</u>
Liabilities:	
Intergovernmental Payable	112,443
Undistributed Monies	65
Total Liabilities	<u>112,508</u>
Net Position:	
Total Net Position	<u>\$ 0</u>

See accompanying notes to the basic financial statements

CITY OF WORTHINGTON

Statement of Changes in Net Position Fiduciary Funds For the Year Ended December 31, 2023

	<u>Custodial</u>
Additions:	
Fines and Forfeiture Collections for other Governments	\$ 27,433
Fee Collections for other Governments	15,323
Income Tax Collections for other Governments	<u>104,600</u>
Total Additions	<u>147,356</u>
Deductions:	
Distribution of Fines and Forfeitures to other Governments	27,433
Distribution of Fees to other Governments	15,323
Distribution of Income Taxes to other Governments	<u>104,600</u>
Total Deductions	<u>147,356</u>
Change in Net Position	0
Net Position at Beginning of Year	<u>0</u>
Net Position End of Year	<u><u>\$ 0</u></u>

See accompanying notes to the basic financial statements

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Worthington (“the City”) is a charter municipal corporation operating under the laws of the State of Ohio. A charter was first adopted in November, 1956, before the Village of Worthington became a City. The City was incorporated on November 8, 1960.

The municipal government provided by the charter is known as a Council-Manager form of government. Legislative power is vested in a seven-member council, each elected to four-year terms. The Council appoints the Mayor and the City Manager. The City Manager is the chief executive officer and the head of the administrative agencies of the City. The City Manager appoints all department heads and employees, except as otherwise provided in the charter.

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the City are not misleading. The primary government consists of all funds and departments that are not legally separate from the City. The City provides various services including police protection, fire protection, parks and recreation (including the community center), planning, zoning, street maintenance and repair, community development, and public health and welfare. These activities comprise the primary governmental unit of the City and are directly responsible to Council and the City Manager. Therefore, they are included in the reporting entity.

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (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*” in that the financial statements include all organizations, activities, functions and component units for which the City (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either the City's ability to impose its will over the organization or the possibility that the organization will provide a financial benefit to, or impose a financial burden on, the City. Based on the foregoing, the City has one component unit, the Worthington Community Improvement Corporation.

Discretely Presented Component Unit - The component unit column in the government-wide financial statements includes the financial data of the City's component unit. The City of Worthington Community Improvement Corporation (the “CIC”) was formed pursuant to passage of City of Worthington Ordinance 13-2006, passed April 3, 2006 and incorporated as a not-for-profit corporation under Title XVII, Chapters 1702 and 1724 of the Ohio Revised Code for the purpose of advancing, encouraging and promoting the industrial, economic, commercial and civic development of the City of Worthington and its environment.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

The CIC is designated by the City as its agency for the industrial, commercial, distribution and research development in the City, in order to promote health, safety, morals and general welfare of the residents of the City of Worthington.

The CIC is a legally separate entity and is reported as a component unit of the City due to the nature and significance of the CIC's relationship with the City, and the fact that the CIC is financially closely related to the City. Historically, CIC revenues consist almost entirely of contributions from the City, which are used to further economic development efforts of the City. Complete financial statements can be obtained from the City's finance department. See Note 18 for additional note disclosures regarding the CIC.

The City of Worthington Mayor's Court has been included in the City's financial statements as a custodial fund. The Mayor is an appointed City official who has a fiduciary responsibility for the collection and distribution of court fees and fines.

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CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

The City is a member of the Central Ohio Health Care Consortium, (the “Pool”) a risk sharing self-insurance pool which provides health insurance to the City. The Pool, which commenced business on January 1, 1992, has eleven members consisting of various cities, villages, and townships. The members have entered into an irrevocable agreement to remain a member of the Pool for a minimum of three years. The Consortium established a new Pool, effective January 1, 1995, to continue its self-insurance program. The new Pool retained the major attributes of the original Pool. The Consortium transferred an amount from the original Pool Trust account to the new Pool Trust account in 1995, which was equal to a total of each member’s average monthly contribution. The Consortium elected to distribute excess contributions from the original Pool to its participating members. The Pool is governed by a Board of Directors consisting of one director appointed by each member. The Board elects a chairman, a vice chairman and a secretary. The Board is responsible for its own financial matters, and the Pool maintains its own books of account. Budgeting and financing of the Pool is subject to the approval of the Board. The City has no explicit and measurable equity interest in the Pool. With the passage of Ordinance 49-2021, the City committed to an eleventh three-year term that began on January 1, 2022. The City has no ongoing financial responsibility other than the three-year minimum membership. See Note 12.

B. Basis of Presentation - Fund Accounting

The City uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain City functions or activities.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

For financial statement presentation purposes, the various funds of the City are grouped into the following generic fund types under the broad fund categories of governmental and fiduciary.

Governmental Fund Types

Governmental funds are those through which most governmental functions typically are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities are accounted for through governmental funds. The measurement focus is upon determination of “financial flow” (sources, uses and balances of financial resources). The following are the City's major governmental funds:

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

General Fund - This fund is the operating fund of the City and is used to account for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio and the Charter of the City.

Tax Increment Financing Fund - This fund is used to account for payments received in lieu of property taxes to be used for public improvements.

Capital Improvement Fund - This fund is used to account for financial resources to be used for the acquisition of capital assets and the construction of major capital facilities.

Other governmental funds of the City are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including acquisition or construction of capital facilities and other capital assets, (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects, and (c) financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and custodial funds. Fiduciary funds are used to account for assets the City holds in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. The City's only fiduciary funds are custodial funds, which account for the mayor's court activity, sewer system capacity fees, building permit surcharges, and activity of the Sharon Township Joint Economic Development District.

C. Basis of Presentation – Financial Statements

Government-wide Financial Statements – The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

Interfund receivables and payables between governmental activities have been eliminated in the government-wide Statement of Net Position. These eliminations minimize the duplicating effect on assets and liabilities within the governmental activities. Interfund services provided and used are not eliminated through the process of consolidation.

The government-wide statements are prepared using the economic resources measurement focus. The governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the City's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

Program revenues include charges paid by the recipient of the goods or services offered by the program, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the City.

Fund Financial Statements – Fund financial statements report detailed information about the City. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets, current liabilities, deferred outflows/inflows of resources, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. The custodial funds are accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets, liabilities, and deferred outflows/inflows of resources associated with the operation of these funds are included on the balance sheet.

D. Basis of Accounting

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses in the accounts and reported in the financial statements, and relates to the timing of the measurements made. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the City is 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

The accrual basis of accounting is followed by the government-wide financial statements and fiduciary funds. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the time of related cash flows. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operations of the City are included on the statement of net position. The statement of activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. Revenue from income taxes is recognized in the period in which the income is earned and is available. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied and the revenue is available. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis.

Revenues considered susceptible to accrual at year end include income taxes, interest on investments and state levied locally shared taxes (including motor vehicle license fees, gasoline tax, and local government assistance). Other revenues, including licenses, permits, certain charges for services, fines and forfeitures, and miscellaneous revenues, are recorded as revenues when received in cash because generally these revenues are not measurable until actually received.

Special assessment installments and related accrued interest, which are measurable but not available at December 31, 2023, are recorded as deferred inflows of resources. Property taxes measurable as of December 31, 2023, but which are not intended to finance 2023 operations and delinquent property taxes, whose availability is indeterminate, are recorded as deferred inflows of resources. Property taxes are further described in Note 5.

E. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds other than the custodial funds, are legally required to be budgeted and appropriated. The City did not adopt a budget for the Subdivision Trust and Performance Trust Special Revenue Funds. These funds were classified as special revenue funds for GAAP reporting. The legal level of budgetary control is at the object level (personal services and other expenditures) within each department. Budgetary modifications may only be made by resolution of the City Council.

1. Tax Budget

Prior to July 20 of each year, the City must submit to the County Budget Commission a Council-adopted operating budget of the City for the year commencing the following January 1. The express purpose of this budget document is to reflect the need for existing (or increased) tax rates.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

2. Estimated Resources

Prior to October 1, the City accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's certificate of estimated resources which states the estimated fund balance and the projected revenues of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation ordinance. On or about January 1, the certificate of estimated resources is amended to include unencumbered fund balances at December 31 of the preceding year. The certificate may be further amended during the year if the fiscal officer determines that the revenue collected is greater or less than the current estimates. The amounts reported on the budgetary statements reflect the amounts in the final amended certificate issued during 2023.

3. Appropriations

A temporary appropriation measure to control expenditures may be passed on or about January 1 of each year for the period from January 1 to March 31. The annual appropriation ordinance must be passed by April 1 of each year for the period January 1 to December 31. Appropriations may not exceed current estimated resources, as certified in the Official Amended Certificate of Estimated Resources. Supplemental appropriations may be adopted during the year only by an ordinance of Council. During the year, several supplemental appropriation measures were passed. The budget figures which appear in the "Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual" represent the final appropriation amounts, including all amendments and modifications.

4. Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for expenditures are encumbered and recorded as the equivalent of expenditures (budget basis) in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. However, on the GAAP basis of accounting, encumbrances do not constitute expenditures or liabilities.

5. Lapsing of Appropriations

At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding calendar year and need not be reappropriated.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

6. Budgetary Basis of Accounting

The City's budgetary process accounts for certain transactions on a basis other than accounting principles generally accepted in the United States of America (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on the cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. In addition, under the budgetary basis, encumbrances are recognized as expenditures and note proceeds are recognized as an other financing source. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the "Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual" for the General Fund:

	<u>Net Change in Fund Balance</u>
	<u>General Fund</u>
GAAP Basis (as reported)	\$3,197,910
Increase (Decrease):	
Accrued Revenues at December 31, 2023 received during 2024	(3,839,507)
Accrued Revenues at December 31, 2022 received during 2023	3,380,881
Accrued Expenditures at December 31, 2023 paid during 2024	1,374,200
Accrued Expenditures at December 31, 2022 paid during 2023	(1,110,242)
2022 Prepays for 2023	110,627
2023 Prepays for 2024	(192,060)
Outstanding Encumbrances	(4,177,238)
Perspective Difference:	
Activity of Funds Reclassified for GAAP Reporting Purposes	<u>(202,590)</u>
Budget Basis	<u><u>(\$1,458,019)</u></u>

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Cash Equivalents

Cash and cash equivalents include amounts in federal securities, demand deposits, repurchase agreements, the State Treasury Asset Reserve (STAR Ohio) and certificates of deposit with original maturity dates of three months or less. Except for cash in segregated accounts, the City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. See Note 4, "Cash, Cash Equivalents and Investments."

Cash and cash equivalents in segregated accounts represents bonds and inspection fees collected for public improvements being made by owners, developers, and contractors working in the City, and funds generated by mayor's court activity.

Investment earnings of \$1,141,758 earned by other funds were credited to the General Fund as required by State Statute.

G. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. The City allocates interest among certain funds based upon the fund's cash balance at the date of investment. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools" and GASB Statement No. 72, "Fair Value Measurement and Application," the City records all its investments at fair value except for nonparticipating investment contracts which are reported at cost, which approximates fair value. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statements. See Note 4, "Cash, Cash Equivalents and Investments."

The City's investment in the State Treasury Asset Reserve of Ohio (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 and is recognized as an external investment pool by the City. The City 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. For 2023, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2023 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure is reported in the year in which services are consumed.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Capital Assets and Depreciation

Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000.

1. Property, Plant and Equipment - Governmental Activities

Governmental activities capital assets are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost. The capital asset values were initially determined at December 31, 1990, assigning original acquisition costs when such information was available. In cases where information supporting original costs was not available, estimated historical costs were developed.

For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition. Donated capital assets are capitalized at acquisition value on the date donated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized. These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Position, but they are not reported in the Fund Financial Statements.

2. Depreciation

All capital assets are depreciated, excluding land and construction in progress. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives (in years)</u>
Land Improvements	30
Buildings	20 - 50
Infrastructure	15 - 40
Equipment and Furniture	5 - 20
Vehicles	3 - 15

J. Accrued Liabilities and Long-Term Obligations

Long-term liabilities are being repaid from the following funds:

<u>Obligation</u>	<u>Fund</u>
General Obligation Notes/ Bonds	General Obligation Bond Retirement Fund
Installment Loan	Capital Improvement Fund
OPWC Loans	Capital Improvement Fund
Compensated Absences/Net Pension and OPEB Liabilities	General Fund, Street Maintenance and Repair Fund, State Highway Improvement Fund, Water Fund, Sanitary Sewer Fund, Parks and Recreation Fund

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Accrued Liabilities and Long-Term Obligations (Continued)

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, and net pension/OPEB liabilities that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.

K. Compensated Absences

The City accrues a liability for compensated absences in accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 16, "*Accounting for Compensated Absences*." Vacation benefits and compensatory time are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate employees for the benefits through time off or some other means. Sick leave benefits are accrued using the termination method. An accrual for earned sick leave is made to the extent it is probable that benefits will result in termination payments. The amount is based on accumulated sick leave and employees' wage rates at year end, taking into consideration any limits specified in the City's termination policy.

City employees earn vacation leave at varying rates depending upon the length of service. City employees can earn compensatory time for any work in excess of their normal hours of work per day in lieu of overtime pay. Employees earn compensatory time at the rate of one and one-half times for overtime hours worked.

City employees earn sick leave at the rate of ten hours per month. Sick leave may be accumulated and carried forward from year to year without limit. An employee who is to be separated from City service through retirement, layoff, or resignation in good standing after completion of fifteen years continuous service with the City and has accumulated more than 232 hours of sick leave, is eligible to be paid for thirty-five percent of the total accrued hours up to a maximum of 640 hours paid.

For governmental funds, that portion of unpaid compensated absences that is expected to be paid using expendable available financial resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." In the government wide statement of net position, "Compensated Absences Payable" is recorded within the "Due within one year" account and the long-term portion of the liability is recorded within the "Due in more than one year" account.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Net Position

Net position represents the difference between assets, liabilities, and deferred outflows/inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

M. Pension/OPEB

The provision for pension/OPEB cost is recorded when the related payroll is accrued and the obligation is incurred. For purposes of measuring the net pension and OPEB liability, deferred outflows of resources and deferred inflows of resources related to 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 systems. 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 systems report investments at fair value.

N. Intergovernmental Revenues

In governmental funds, intergovernmental revenues, such as grants awarded on a non-reimbursement basis, and shared revenues are recorded as intergovernmental receivables and revenues when measurable and available. Reimbursable grants are recorded as intergovernmental receivables and revenues when the related expenditures are made.

O. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures to the funds that initially paid for them are not presented on the financial statements.

P. Interfund Assets/Liabilities

Receivables and payables arising between funds for goods provided or services rendered are classified as "Due From/To Other Funds" on the balance sheet. The City had no "Due From/To Other Funds" at December 31, 2023. Short-term interfund loans are classified as "Interfund Receivables/Payables," while long-term interfund loans are classified as "Interfund Loan Receivables/Payables."

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Restricted Assets

Cash with fiscal agent is classified as restricted assets on the balance sheet because these funds are being held for specified purposes.

R. Fund Balances

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

Nonspendable – Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally contractually required to be maintained intact.

Restricted – Restricted fund balance consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the City to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

Committed – Committed fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City’s highest level of decision making authority. For the City, these constraints consist of ordinances passed by City Council. Committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action (ordinance) it employed previously to commit those amounts.

Assigned –Assigned fund balance consists of amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. The City has no formal policy authorizing a body or official to assign amounts for specific purposes.

Unassigned – Unassigned fund balance consists of amounts that have not been restricted, committed or assigned to specific purposes within the General Fund as well as negative fund balances in all other governmental funds.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. Estimates

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

T. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred outflows for deferred pension/OPEB amounts. Deferred outflows of resources are reported for pension/OPEB amounts on the government-wide statement of net position. See Notes 9 and 10.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, *unavailable amounts*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for property taxes, income taxes, special assessments, and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources related to pension/OPEB are reported on the government-wide statement of net position. See Notes 9 and 10.

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLE

For 2023 the City implemented Governmental Accounting Standards Board (GASB) Statement No. 94, “Public-Private and Public-Public Partnerships and Availability Payment Arrangements,” and Statement No. 96, “Subscription-Based Information Technology Arrangements.”

GASB Statement No. 94 clarifies accounting and financial reporting requirements for public-private and public-public partnership arrangements and availability payment arrangements.

GASB Statement No. 96 provides guidance on accounting and financial reporting for subscription-based information technology arrangements for government end users.

The implementation of these Statements had no effect on beginning net position/fund balance.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 3 – FUND BALANCE CLASSIFICATION

Fund balance is classified as nonspendable, restricted, committed, assigned, and unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General Fund	Tax Increment Financing Fund	Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:					
Prepaid Items	\$192,060	\$0	\$72,423	\$0	\$264,483
Interfund Loans Receivable	650,000	0	0	0	650,000
Unclaimed Funds	70,142	0	0	0	70,142
Total Nonspendable	912,202	0	72,423	0	984,625
Restricted:					
Street Maintenance and Repair	0	0	0	685,397	685,397
Law Enforcement	0	0	0	1,340,183	1,340,183
Court Improvements	0	0	0	182,506	182,506
Performance Deposits	0	0	0	57,787	57,787
Building Code Inspection	0	0	0	15,000	15,000
Debt Retirement	0	0	0	2,298,070	2,298,070
Addiction Treatment	0	0	0	38,872	38,872
Capital Improvements	0	3,109,395	410,645	375,149	3,895,189
Total Restricted	0	3,109,395	410,645	4,992,964	8,513,004
Committed:					
Economic Development	815,430	0	0	0	815,430
Parks and Recreation	0	0	0	77,436	77,436
Water Public Works	0	0	0	108,129	108,129
Sewer Public Works	0	0	0	84,342	84,342
Bicentennial Celebration	0	0	0	79,434	79,434
Convention and Visitor's Bureau	0	0	0	2,894	2,894
Capital Improvements	0	0	15,780,870	0	15,780,870
Total Committed	815,430	0	15,780,870	352,235	16,948,535
Assigned:					
Materials and Supplies	3,377,696	0	0	0	3,377,696
Subsequent Year Appropriations	5,414,046	0	0	0	5,414,046
Total Assigned	8,791,742	0	0	0	8,791,742
Unassigned (Deficits):	19,880,737	0	0	0	19,880,737
Total Fund Balances	\$30,400,111	\$3,109,395	\$16,263,938	\$5,345,199	\$55,118,643

In 2018, City Council adopted a revised General Fund Carryover Policy to assist the City in maintaining long-term financial stability. The revised policy increases the minimum General Fund balance to 35% of prior year expenditures and incorporates a financial action plan in the event the City falls below the policy floor. This policy remained unchanged through 2023.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 4 – CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments. The City has a formal adopted investment policy, with the main objective being the preservation of capital and the protection of investment principal.

Statutes require the classification of funds held by the City into three categories. Category 1 consists of “active” funds - those funds required to be kept in a “cash” or “near cash” status for immediate use by the City. Such funds must be maintained either as cash in the City Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of “inactive” funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

Category 3 consists of “interim” funds - those funds which are not needed for immediate use but, which will be needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, and government national mortgage association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
- The State Treasury Asset Reserve of Ohio (STAR Ohio), and
- Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 4 – CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

A. Deposits

Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it. The City has no deposit policy for custodial risk beyond the requirements of State statute.

Ohio law requires that deposits be either insured or be protected by eligible securities pledged to the City 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 participation in the Ohio Pooled Collateral System (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.

At December 31, 2023, the carrying amount of the City's deposits, including segregated accounts, was \$10,246,352 and the bank balance was \$11,005,846. Of the bank balance, \$9,972,603 was covered by federal depository insurance and \$1,033,243 was exposed to custodial risk and was collateralized with securities held in the Ohio Pooled Collateral System.

The City had \$588,499 related to permissive tax monies held and secured by Franklin County, which is reported as cash and cash equivalents with fiscal agent.

B. Investments

The City's investments at December 31, 2023 were as follows:

	Measurement	Credit	Fair Value	Concentration	Investment Maturities (in Years)		
	Value	Rating	Hierarchy	of Credit Risk	less than 1	1-3	3-5
STAR Ohio ³	\$26,756,673	AAAm ¹	NA	59.41%	\$26,756,673	\$0	\$0
Repurchase Agreement	4,551,017	*	Level 2	10.11%	4,551,017	0	0
Government Money Market	71,793	AA+ ¹	Level 1	0.16%	71,793	0	0
U.S. Treasuries	3,215,134	AA+ ¹	Level 1	7.14%	1,837,688	495,350	882,096
FHLB	1,954,990	AA+ ¹	Level 2	4.34%	0	1,463,660	491,330
FHLMC	2,487,650	AA+ ¹	Level 2	5.52%	0	2,487,650	0
Negotiable CD's	5,999,053	AAA ²	Level 2	13.32%	716,681	4,321,482	960,890
Total Investments	<u>\$45,036,310</u>			<u>100.00%</u>	<u>\$33,933,852</u>	<u>\$8,768,142</u>	<u>\$2,334,316</u>

¹ Standard & Poor's

² All are fully FDIC insured and therefore have an implied AAA credit rating

³ Reported at amortized cost

* United States Treasury and United States Agency securities underlie the repurchase agreements and are therefore not subject to credit risk disclosures.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 4 – CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

B. Investments (Continued)

The City 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. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Level 2 inputs are significant other observable inputs. Investments classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Level 3 inputs are significant unobservable inputs.

Investment Credit Risk – The City has no credit risk policy beyond the requirements of State Statute.

Interest Rate Risk – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date. The City does not have a policy regarding interest rate risk.

Concentration of Credit Risk – The City limits the amount the City may invest in one issuer to 30% of the City's investable funds. The City's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Of the City's investment in repurchase agreements, the entire balance is collateralized by underlying securities pledged by the investment's counterparty, not in the name of the City. The City has no policy on custodial credit risk and is governed by the Ohio Revised Code as described under Deposits.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 5 - TAXES

A. Property Taxes

Property taxes include amounts levied against all real estate and public utility property located in the City. Real property taxes (other than public utility) collected during 2023 were levied after October 1, 2022 on assessed values as of January 1, 2022, the lien date. Assessed values are established by the county auditor at 35 percent of appraised market value. All property is required to be reappraised every six years and equalization adjustments are made in the third year following reappraisal. The last reappraisal was completed in 2023. Real property taxes are payable annually or semi-annually. The first payment is due January 20, with the remainder payable by June 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100 percent of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The County Treasurer collects property taxes on behalf of all taxing Cities in the County, including the City of Worthington. The County Auditor periodically remits to the City its portion of the taxes collected. The full tax rate for all City operations for the year ended December 31, 2023, was \$5.00 per \$1,000 of assessed value. Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is .50% (5.00 mills) of assessed value.

The assessed values of real and public utility tangible personal property upon which 2023 property tax receipts were based are as follows:

<u>Category</u>	<u>Amount</u>
Real Property Tax	\$742,118,670
Public Utility Tangible Personal	<u>21,215,520</u>
Total Assessed Valuation	<u><u>\$763,334,190</u></u>

Property taxes receivable represent real and public utility taxes and outstanding delinquencies which are measurable as of December 31, 2023. Although total property tax collections for the next fiscal year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31, nor are they intended to finance 2023 operations. The receivable is therefore offset by a credit to deferred inflows of resources.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 5 – TAXES (Continued)

A. Property Taxes (Continued)

Tax Abatement Disclosures

Pursuant to Ohio Revised Code Section 5709 the City of Worthington has established three (3) Community Reinvestment Areas (CRAs). As established with City of Worthington Resolution 15-2007, the minimum qualifying criteria for tax exemption under a CRA is as follows.

<u>Land Use</u>	<u>Min. Investment in New Construction</u>	<u>Min Number of New Employees</u>	<u>Max Term</u>
Residential	No exemption permitted		
Industrial	\$1,000,000	25 Employees or \$1,000,000 of employee compensation	10 years
Commercial	\$1,000,000	25 Employees or \$1,000,000 of employee compensation	10 years

The City has offered the CRA abatements to encourage economic stability, maintain property values, and generate new employment opportunities and population growth.

Below is information relevant to the disclosure of this program for the year ending December 31, 2023.

	<u>Total Amount of Taxes Abated For the year 2023</u>
<i>Community Reinvestment Area (CRA)</i>	
Retail/Financial	<u>\$45,315</u>
	<u><u>\$45,315</u></u>

B. Income Tax

The City levies and collects an income tax of 2.5 percent on all income earned within the City. In addition, the residents of the City are required to pay income tax on income earned outside of the City; however, the City allows a credit for income taxes paid to another municipality up to 100 percent of the City's current tax rate.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City monthly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

The City entered into an agreement with the Regional Income Tax Agency (R.I.T.A.) for the administration and collection of all City income tax effective July 1, 2002. Collections are distributed twice per month to the City less a 3.0% collection fee. An annual reconciliation is performed each year to determine each community's proportionate share of the collection expense and an adjustment is made at the time of the fixed 3.0% collection fee.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 6 - RECEIVABLES

Receivables at December 31, 2023 consisted of taxes, intergovernmental receivables arising from shared revenues, special assessments, loans, interest, and utility and emergency medical service accounts.

NOTE 7 – TRANSFERS AND INTERFUND RECEIVABLES/PAYABLES

Transfers are used to move revenues from the funds that statute or budget requires to collect them to the funds that statute or budget requires to expend them; to move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments are due, and to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Following is a summary of transfers in and out for all funds for 2023:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$0	\$3,515,653
Capital Improvement Fund	2,640,000	1,047,347
Nonmajor Governmental Funds	2,063,000	140,000
Total All Funds	<u>\$4,703,000</u>	<u>\$4,703,000</u>

Transfers out of the Capital Improvement Fund were for debt service payments. Transfers out of nonmajor governmental funds were for the City’s match for street construction projects, and for reclasses related to debt retirement. All transfers were made in accordance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16. Interfund transfers between governmental funds are eliminated in the government-wide financial statements.

Individual interfund loan receivable and payable balances at December 31, 2023 were as follows:

	<u>Interfund Loans Receivable</u>	<u>Interfund Loans Payable</u>
General Fund	\$650,000	\$0
Tax Increment Financing Fund	0	650,000
Capital Improvement Fund	153,738	0
Nonmajor Governmental Funds	0	153,738
Totals	<u>\$803,738</u>	<u>\$803,738</u>

Interfund loan balances represent special assessment collections received in the Special Assessment Bond Retirement Fund which are due to the Capital Improvement Fund as well as advances made from the General Fund to the Tax Increment Financing Fund to fund development projects. Interfund loan receivable and payable balances are eliminated in the governmental activities column on the statement of net position.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 8 - CAPITAL ASSETS

Summary by category of changes in governmental activities capital assets at December 31, 2023:

<i>Historical Cost:</i>				
Class	December 31, 2022*	Additions	Deletions	December 31, 2023
<i>Capital assets not being depreciated:</i>				
Land	\$9,216,299	\$0	\$0	\$9,216,299
Construction in Progress	14,047,417	9,939,153	(1,835,614)	22,150,956
	23,263,716	9,939,153	(1,835,614)	31,367,255
<i>Capital assets being depreciated:</i>				
Land Improvements	2,656,196	113,715	(37,470)	2,732,441
Buildings	22,924,544	133,489	0	23,058,033
Infrastructure	50,532,370	1,801,059	0	52,333,429
Equipment and Furniture	9,533,427	1,792,841	(766,708)	10,559,560
Vehicles	6,927,754	881,367	(482,165)	7,326,956
Total Cost	\$115,838,007	\$14,661,624	(\$3,121,957)	\$127,377,674
<i>Accumulated Depreciation:</i>				
Class	December 31, 2022*	Additions	Deletions	December 31, 2023
Land Improvements	(\$2,032,863)	(\$35,746)	\$37,470	(\$2,031,139)
Buildings	(15,210,511)	(522,927)	0	(15,733,438)
Infrastructure	(33,613,700)	(1,452,850)	0	(35,066,550)
Machinery and Equipment	(4,226,400)	(636,724)	605,755	(4,257,369)
Vehicles	(4,148,348)	(519,643)	353,053	(4,314,938)
Total Depreciation	(\$59,231,822)	(\$3,167,890) **	\$996,278	(\$61,403,434)
<i>Net Value:</i>	\$56,606,185			\$65,974,240

* Beginning of year classification was adjusted to properly reflect asset category. Total cost and net value were unchanged from the prior year.

** Depreciation was charged to governmental functions as follows:

Security of Persons and Property	\$584,514
Leisure Time Activities	670,322
Transportation	1,865,597
General Government	47,457
Total Depreciation Expense	\$3,167,890

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 9 – DEFINED BENEFIT PENSION PLANS

Net Pension Liability

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions 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 obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the City’s proportionate share of each pension plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan’s fiduciary net position. The net pension 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 City’s obligation for this liability to annually required payments. The City cannot control benefit terms or the manner in which pensions are financed; however, the City does receive the benefit of employees’ services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan’s unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS 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 cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. Effective January 1, 2022, the Combined Plan is no longer available for member selection. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS’ traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. 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 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 plan 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):

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

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.

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 initial amount of a member’s pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost-of-living adjustment.

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3.00% simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3.00%.

Benefits in the Combined Plan consist of both an age-and-service formula benefit (defined benefit) and a defined contribution element. The defined benefit element is calculated on the basis of age, FAS, and years of service. Eligibility regarding age and years of service in the Combined Plan is the same as the Traditional Pension Plan. The benefit formula for the defined benefit component of the plan for State and Local members in transition Groups A and B applies a factor of 1.00% to the member’s FAS for the first 30 years of service.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

A factor of 1.25% is applied to years of service in excess of 30. The benefit formula for transition Group C applies a factor of 1.0% to the member's FAS and the first 35 years of service and a factor of 1.25% is applied to years in excess of 35. Persons retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit. The defined contribution portion of the benefit is based on accumulated member contributions plus or minus any investment gains or losses on those contributions. Defined contribution plan benefits are established in the plan documents, which may be amended by the OPERS's Board of Trustees. 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% 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), 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. For additional information, see the Plan Statement in the OPERS Annual Comprehensive Financial Report.

Beginning in 2022, the Combined Plan will be consolidated under the Traditional Pension Plan (defined benefit plan) and the Combined Plan option will no longer be available for new hires beginning in 2022.

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

	<u>State and Local</u>
2023 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
2023 Actual Contribution Rates	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits	<u>0.0</u>
Total Employer	<u>14.0 %</u>
Employee	<u>10.0 %</u>

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$1,025,141 for 2023. Of this amount, \$112,960 is reported as an intergovernmental payable.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

Plan Description – Ohio Police & Fire Pension Fund (OPF)

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan administered by OPF. OPF provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OPF issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OPF fiduciary net position. The report that may be obtained by visiting the OPF website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Upon attaining a qualifying age with sufficient years of service, a member of OPF may retire and receive a lifetime monthly pension. OPF offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member's average annual salary. The following discussion of the pension formula relates to normal service retirement.

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit. (see OP&F Annual Comprehensive Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

Under normal service retirement, retired members who are at least 55 years old and have been receiving OPF benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit and statutory survivors. Members participating in the DROP program have separate eligibility requirements related to COLA.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either 3.00% or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to 3.00% of their base pension or disability benefit.

Members who retired prior to July 24, 1986 or their surviving beneficiaries under optional plans are entitled to cost-of-living allowance increases. The annual increase is paid on July 1st of each year. The annual COLA increase is \$360 under a Single Life Annuity Plan with proportional reductions for optional payment plans.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

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

	<u>Police</u>	<u>Firefighters</u>
2023 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25
2023 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50</u>	<u>0.50</u>
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was \$1,671,909 for 2023. Of this amount, \$149,822 is reported as an intergovernmental payable.

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, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF's total pension liability was measured as of December 31, 2022, and was determined by rolling forward the total pension liability as of January 1, 2022, to December 31, 2022. 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:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$13,008,844	\$27,105,511	\$40,114,355
Proportion of the Net Pension Liability-2023	0.044038%	0.285350%	
Proportion of the Net Pension Liability-2022	<u>0.043468%</u>	<u>0.288780%</u>	
Percentage Change	<u>0.000570%</u>	<u>(0.003430%)</u>	
Pension Expense	\$1,449,837	\$3,092,993	\$4,542,830

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Changes in assumptions	\$137,429	\$2,444,825	\$2,582,254
Differences between expected and actual experience	432,099	406,571	838,670
Net difference between projected and actual earnings on pension plan investments	3,707,930	3,946,230	7,654,160
Change in proportionate share	60,186	245,047	305,233
City contributions subsequent to the measurement date	<u>1,025,141</u>	<u>1,671,909</u>	<u>2,697,050</u>
Total Deferred Outflows of Resources	<u>\$5,362,785</u>	<u>\$8,714,582</u>	<u>\$14,077,367</u>
Deferred Inflows of Resources			
Changes in assumptions	\$0	\$528,548	\$528,548
Differences between expected and actual experience	0	617,542	617,542
Change in proportionate share	<u>67,898</u>	<u>1,035,355</u>	<u>1,103,253</u>
Total Deferred Inflows of Resources	<u>\$67,898</u>	<u>\$2,181,445</u>	<u>\$2,249,343</u>

\$2,697,050 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 the net pension liability in the year ending December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Year Ending December 31:			
2024	\$476,277	\$361,384	\$837,661
2025	885,640	1,184,489	2,070,129
2026	1,091,423	1,318,424	2,409,847
2027	1,816,406	2,086,743	3,903,149
2028	<u>0</u>	<u>(89,812)</u>	<u>(89,812)</u>
Total	<u>\$4,269,746</u>	<u>\$4,861,228</u>	<u>\$9,130,974</u>

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.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

The total pension liability in the December 31, 2022 and December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	December 31, 2022
Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	3 percent simple
COLA or Ad Hoc COLA (Post 1/7/13 retirees)	3 percent simple through 2023. 2.05 percent simple, thereafter
Investment Rate of Return	6.9 percent
Actuarial Cost Method	Individual Entry Age
	December 31, 2021
Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	3 percent simple
COLA or Ad Hoc COLA (Post 1/7/13 retirees)	3 percent simple through 2022. 2.05 percent simple, thereafter
Investment Rate of Return	6.9 percent
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 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for 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 loss of 12.1 percent for 2022.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees 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 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 rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic rates of return were provided by the Board's investment consultant.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	22.00 %	2.62 %
Domestic Equities	22.00	4.60
Real Estate	13.00	3.27
Private Equity	15.00	7.53
International Equities	21.00	5.51
Risk Parity	2.00	4.37
Other Investments	5.00	3.27
Total	100.00 %	

Discount Rate The discount rate used to measure the total pension liability was 6.9 percent. The discount rate for the prior year was 6.9 percent. 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 statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the City's proportionate share of the net pension liability calculated using the current period discount rate assumption of 6.9 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (5.9 percent) or one-percentage-point higher (7.9 percent) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
City's proportionate share of the net pension liability	\$19,486,815	\$13,008,844	\$7,620,336

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions – OPF

OPF's total pension liability as of December 31, 2022 is based on the results of an actuarial valuation date of January 1, 2022, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2022, compared with January 1, 2021, are presented below.

	January 1, 2022	January 1, 2021
Valuation Date	January 1, 2022, with actuarial liabilities rolled forward to December 31, 2022	January 1, 2021, with actuarial liabilities rolled forward to December 31, 2021
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	7.5 percent	7.5 percent
Projected Salary Increases	3.75 percent to 10.5 percent	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5	Inflation rate of 2.75 percent plus productivity increase rate of 0.5
Cost of Living Adjustments	2.2 percent simple	2.2 percent simple

For the January 1, 2022 valuation, mortality for non-disabled participants is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2% for males and 98.7% for females. All rates are projected using the MP-2021 Improvement Scale.

For the January 1, 2022 valuation, mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135% for males and 97.9% for females. All rates are projected using the MP-2021 Improvement Scale.

For the January 1, 2022 valuation, mortality for contingent annuitants is based on the Pub-2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9% for males and 131% for females. All rates are projected using the MP-2021 Improvement Scale.

For the January 1, 2022 valuation, mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP-2021 Improvement Scale.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

The most recent experience study was completed for the five year period ended December 31, 2021.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) 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 and by adding expected inflation. The assumption is intended to be a long-term assumption (30 to 50 years) and is not expected to change absent a significant change in the asset allocation, a change in the underlying inflation assumption, or a fundamental change in the market that alters expected returns in future years.

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF’s target asset allocation as of December 31, 2022 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	0.00 %	0.00 %
Domestic Equity	18.60	4.80
Non-US Equity	12.40	5.50
Private Markets	10.00	7.90
Core Fixed Income *	25.00	2.50
High Yield Fixed Income	7.00	4.40
Private Credit	5.00	5.90
U.S. Inflation Linked Bonds*	15.00	2.00
Midstream Energy Infrastructure	5.00	5.90
Real Assets	8.00	5.90
Gold	5.00	3.60
Private Real Estate	12.00	5.30
Commodities	2.00	3.60
Total	<u>125.00 %</u>	

* levered 2.5x

Note: Assumptions are geometric

OPF’s Board of Trustees has incorporated the “risk parity” concept into OPF’s asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

Discount Rate For 2022, the total pension liability was calculated using the discount rate of 7.50 percent. The discount rate used for 2021 was 7.50 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 7.50 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability	\$35,757,401	\$27,105,511	\$19,913,197

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CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 10 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability (Asset)

The net OPEB liability (asset) reported on the statement of net position represents a liability to employees for OPEB. OPEB is a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. OPEB 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 obligation to sacrifice resources for OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net OPEB liability (asset) represents the City’s proportionate share of each OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan’s fiduciary net position. The net OPEB liability (asset) 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 these estimates annually.

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

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability (asset). Resulting adjustments to the net OPEB liability (asset) would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

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.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

Medicare-eligible retirees who choose to become re-employed or survivors who become employed in an OPERS-covered position are prohibited from participating in an HRA. For this group of retirees, OPERS sponsors secondary coverage through a professionally managed self-insured program. Retirees who enroll in this plan are provided with a monthly allowance to offset a portion of the monthly premium. Medicare-eligible spouses and dependents can also enroll in this plan as long as the retiree is enrolled.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS. For those retiring on or after January 1, 2015, the allowance has been determined by applying a percentage to the base allowance. The percentage applied is based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51 percent and 90 percent of the base allowance. Those who retired prior to January 1, 2015, will have an allowance of at least 75 percent of the base allowance.

Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses. These changes are reflected in the December 31, 2020, measurement date health care valuation.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have 20 or more years of qualifying Ohio service credit with a minimum age of 60, or generally 30 years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. Current retirees eligible (or who become eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements will change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. See OPERS' Annual Comprehensive Financial Report referenced below for additional information.

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.

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 requiring 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, health care is not being funded.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. 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. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2023. 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 2023 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$0 for 2023.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

Plan Description – Ohio Police & Fire Pension Fund (OP&F)

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment health care plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. On January 1, 2019, OP&F implemented a new model for health care. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements. OP&F contracted with a vendor who assists eligible retirees in choosing health care plans that are available where they live (both Medicare-eligible and pre-65 populations). A stipend funded by OP&F is available to these members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses.

Regardless of a benefit recipient's participation in the health care program, OP&F is required by law to pay eligible recipients of a service pension, disability benefit and spousal survivor benefit for their Medicare Part B insurance premium, up to the statutory maximum provided the benefit recipient is not eligible to receive reimbursement from any other source. Even if an OP&F member or their dependents are not eligible for a stipend, they can use the services of the third-party administrator to select and enroll in a plan. The stipend provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75. OP&F maintains funds for health care in two separate accounts: one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. IRS Code Section 401(h) account is maintained for Medicare Part B reimbursements.

The Ohio Revised Code allows, but does not mandate, OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5 percent and 24 percent of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2023, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The OP&F Board of Trustees is also authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contractually required contribution to OP&F was \$38,992 for 2023. Of this amount, \$3,529 is reported as an intergovernmental payable.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2022, and was determined by rolling forward the total OPEB liability as of January 1, 2022, to December 31, 2022. The City's proportion of the net OPEB liability was based on the City'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:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net OPEB Liability	\$280,849	\$2,031,611	\$2,312,460
Proportion of the Net OPEB Liability-2023	0.044543%	0.285350%	
Proportion of the Net OPEB Liability-2022	0.044130%	0.288780%	
Percentage Change	<u>0.0004130%</u>	<u>(0.003430%)</u>	
OPEB Expense	(\$743,286)	\$89,133	(\$654,153)

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS	OP&F	Total
Deferred Outflows of Resources			
Changes in assumptions	\$274,315	\$1,012,439	\$1,286,754
Differences between expected and actual experience	0	121,234	121,234
Net difference between projected and actual earnings on OPEB plan investments	557,782	174,253	732,035
Change in proportionate share	0	142,137	142,137
City contributions subsequent to the measurement date	0	38,992	38,992
Total Deferred Outflows of Resources	<u>\$832,097</u>	<u>\$1,489,055</u>	<u>\$2,321,152</u>
Deferred Inflows of Resources			
Changes in assumptions	\$22,571	\$1,661,690	\$1,684,261
Differences between expected and actual experience	70,055	400,594	470,649
Change in proportionate share	13,067	389,075	402,142
Total Deferred Inflows of Resources	<u>\$105,693</u>	<u>\$2,451,359</u>	<u>\$2,557,052</u>

\$38,992 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2024	\$79,025	(\$107,373)	(\$28,348)
2025	203,988	(104,155)	99,833
2026	173,933	(111,429)	62,504
2027	269,458	(63,959)	205,499
2028	0	(187,611)	(187,611)
2029	0	(202,572)	(202,572)
2030	0	(215,580)	(215,580)
2031	0	(8,617)	(8,617)
Total	<u>\$726,404</u>	<u>(\$1,001,296)</u>	<u>(\$274,892)</u>

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

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 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, 2021, rolled forward to the measurement date of December 31, 2022. 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	2.75 percent
Projected Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	5.22 percent
Prior measurement date	6.00 percent
Investment Rate of Return:	
Current measurement date	6.00 percent
Prior measurement date	6.00 percent
Municipal Bond Rate:	
Current measurement date	4.05 percent
Prior measurement date	1.84 percent
Health Care Cost Trend Rate:	
Current measurement date	5.5 percent initial, 3.5 percent ultimate in 2036
Prior measurement date	5.5 percent initial, 3.5 percent ultimate in 2034
Actuarial Cost Method	Individual Entry Age Normal

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.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution 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, if any contributions are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. 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 loss of 15.6 percent for 2022.

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees 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. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined 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 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 rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic rates of return were provided by OPERS investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00 %	2.56 %
Domestic Equities	26.00	4.60
Real Estate Investment Trust	7.00	4.70
International Equities	25.00	5.51
Risk Parity	2.00	4.37
Other investments	6.00	1.84
Total	100.00 %	

Discount Rate A single discount rate of 5.22 percent was used to measure the OPEB liability on the measurement date of December 31, 2022. A single discount rate of 6.00 percent was used to measure the OPEB liability on the measurement date of December 31, 2021. 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) 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 an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 4.05 percent (Fidelity Index's "20-Year Municipal GO AA Index").

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

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 2054. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2054, the duration of the projection period through which projected health care payments are fully funded.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate The following table presents the City's proportionate share of the net OPEB liability (asset) calculated using the single discount rate of 5.22 percent, as well as what the City's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (4.22 percent) or one-percentage-point higher (6.22 percent) than the current rate:

	1% Decrease (4.22%)	Current Discount Rate (5.22%)	1% Increase (6.22%)
City's proportionate share of the net OPEB liability (asset)	\$955,893	\$280,849	(\$276,167)

Sensitivity of the City's Proportionate Share of the Net OPEB Liability (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 liability (asset). The following table presents the net OPEB liability (asset) calculated using the assumed trend rates and the expected net OPEB liability (asset) if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.50 percent. 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 that in the not-too-distant future, the health plan 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 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability (asset)	\$263,249	\$280,849	\$300,665

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

Actuarial Assumptions – OP&F

OP&F's total OPEB liability as of December 31, 2022, is based on the results of an actuarial valuation date of January 1, 2022, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, 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 and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below.

Valuation Date	January 1, 2022, with actuarial liabilities rolled forward to December 31, 2022	January 1, 2021, with actuarial liabilities rolled forward to December 31, 2021
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	7.5 percent	7.5 percent
Projected Salary Increases	3.75 percent to 10.5 percent	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 3.25 percent plus productivity increase rate of 0.5	Inflation rate of 2.75 percent plus productivity increase rate of 0.5
Single discount rate	4.27 percent	2.84 percent
Cost of Living Adjustments	2.2 percent simple	2.2 percent simple
Municipal Bond Rate	3.65 percent	2.05 percent

For the January 1, 2022 valuation, mortality for non-disabled participants is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2% for males and 98.7% for females. All rates are projected using the MP-2021 Improvement Scale.

For the January 1, 2022 valuation, mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135% for males and 97.9% for females. All rates are projected using the MP-2021 Improvement Scale.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

For the January 1, 2022 valuation, mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9% for males and 131% for females. All rates are projected using the MP-2021 Improvement Scale.

For the January 1, 2022 valuation, mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP- 2021 Improvement Scale.

The most recent experience study was completed for the five year period ended December 31, 2021.

The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in OP&F's Statement of Investment Policy. A forecasted rate of inflation serves as a baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF's target asset allocation as of December 31, 2022 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	0.00 %	0.00 %
Domestic Equity	18.60	4.80
Non-US Equity	12.40	5.50
Private Markets	10.00	7.90
Core Fixed Income *	25.00	2.50
High Yield Fixed Income	7.00	4.40
Private Credit	5.00	5.90
U.S. Inflation Linked Bonds*	15.00	2.00
Midstream Energy Infrastructure	5.00	5.90
Real Assets	8.00	5.90
Gold	5.00	3.60
Private Real Estate	12.00	5.30
Commodities	2.00	3.60
Total	<u>125.00 %</u>	

* levered 2.5x

Note: Assumptions are geometric

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

Discount Rate For 2022, the total OPEB liability was calculated using the discount rate of 4.27 percent. For 2021, the total OPEB liability was calculated using the discount rate of 2.84 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 7.50 percent for 2022, and 7.50 percent for 2021. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 3.65 percent at December 31, 2022 and 2.05 percent at December 31, 2021, was blended with the long-term rate of 7.50 percent, which resulted in a blended discount rate of 4.27 percent for 2022 and 2.84 percent for 2021. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2035. The long-term expected rate of return on health care investments was applied to projected costs through 2035, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate The net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 4.27 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.27 percent), or one percentage point higher (5.27 percent) than the current rate.

	1% Decrease (3.27%)	Current Discount Rate (4.27%)	1% Increase (5.27%)
City's proportionate share of the net OPEB liability	\$2,501,739	\$2,031,611	\$1,634,703

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate The total OPEB liability is based on a medical benefit that is a flat dollar amount; therefore, it is unaffected by a health care cost trend rate. An increase or decrease in the trend rate would have no effect on the total OPEB liability.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 11 - COMPENSATED ABSENCES

City employees earn sick leave at the rate of ten hours per month. Sick leave may be accumulated and carried forward from year to year without limit. An employee who is to be separated from City service through retirement, layoff, or resignation in good standing after completion of fifteen years continuous service with the City and has accumulated more than 232 hours of sick leave, is eligible to be paid for thirty percent of the total accrued hours up to a maximum of 640 hours paid.

City employees earn vacation leave at varying rates depending upon the length of service. City employees can earn compensatory time for any work in excess of their normal hours of work per day in lieu of overtime pay. Employees earn compensatory time at the rate of one and one-half times for overtime hours worked.

At December 31, 2023, the total liability for accumulated unpaid compensated absences reported as long-term obligations of the City was as follows:

	<u>Hours</u>	<u>Amount</u>
Sick Leave	21,620	\$896,149
Vacation / Compensatory Time	<u>27,871</u>	<u>1,155,251</u>
Total	<u>49,491</u>	<u>\$2,051,400</u>

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 12 - RISK MANAGEMENT

A. Insurance

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2023, the City contracted with various insurance agencies for various insurance, which includes the following types of insurance, amount of coverage and the amount of deductible:

<u>Type of Coverage</u>	<u>Coverage</u>	<u>Deductible</u>
General Liability	\$2,000,000	\$5,000
Automobile	1,000,000	500/1,000
Property	72,101,596	5,000
Boiler and Machinery	72,101,596	5,000
Crime	250,000	2,500
Public Officials	1,000,000	10,000
Law Enforcement	1,000,000	10,000
Abuse/Molestation	1,000,000	0
Cyber	1,000,000	10,000
Umbrella	5,000,000	0

Settled claims have not exceeded this commercial coverage in any of the past three years. There have been no significant reductions in insurance from the prior year.

The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

B. Health Care Benefits

The City participates in the Central Ohio Health Care Consortium (COHCC), a risk-sharing pool, which provides employee health care benefits for all full-time employees who wish to participate in the plan. The COHCC consists of eleven political subdivisions that pool risk for basic hospital, surgical and prescription drug coverage. The COHCC is governed by a Board of Directors consisting of one director appointed by each member municipality. The Board elects a chairman, vice-chairman, secretary and treasurer. The Board is responsible for its own financial matters and the COHCC maintains its own books of account. Budgeting and financing of the COHCC are subject to the approval of the Board. The City pays monthly contributions to the COHCC, which are used to purchase excess loss insurance for the COHCC to pay current claims and related claim settlement expenses and to establish and maintain sufficient reserves. The monthly contribution is determined for each member in accordance with the number of covered officers and employees, and the prior loss experience of the respective member group. The funds are maintained in a bank trust account established for the sole purpose and benefit of the COHCC's operations. Financial information for the COHCC can be obtained from Scott F. Barter, Treasurer, COHCC, 6550 North High Street, Worthington, OH 43085.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 12 - RISK MANAGEMENT (Continued)

B. Health Care Benefits (Continued)

The COHCC has entered into an agreement for specific stop loss coverage with a commercial insurance carrier. The specific stop loss coverage has been structured to indemnify the COHCC for medical claims paid on an individual in excess of \$250,000, with an unlimited individual lifetime maximum. Aggregate stop loss coverage was discontinued effective 1/1/2020. In the event the consortium incurs net plan expenses in any year which exceed amounts paid to the COHCC and including plan cash reserves, the payment of all excess expenses shall revert to the member political subdivisions of the COHCC. No such loss has occurred in the past ten years.

The City currently has no specified percentage share of the COHCC. The only time at which a percentage share would be calculated occurs if the COHCC votes to terminate ongoing operations. After a vote to terminate the COHCC, the Board would wind-up the COHCC's business as quickly as practicable, but in any event would complete this process no later than twelve months after the termination date. During such period, the COHCC would continue to pay all claims and expenses until the COHCC's funds are exhausted. After payment of all claims and expenses, or upon the termination of the aforesaid twelve month period, any remaining surplus funds held by the COHCC would be paid to the members of the COHCC who are members as of the termination date. The Board would determine the manner in which such surplus funds would be distributed, and would consider the percentage relationship which each member's contributions to the COHCC for the prior three calendar years of the COHCC bore to all members' contributions to the COHCC for that same period. The City's payment for health insurance coverage to COHCC in 2023 was \$2,751,227. Dental, vision and life insurance benefits are also provided. The family and single rates are not gender and age sensitive, and are the same for each class of employees.

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CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 13 - LONG-TERM DEBT AND OTHER LONG-TERM LIABILITIES

Detail of the changes in the long-term debt and other long-term liabilities of the City for the year ended December 31, 2023, was as follows:

	Balance			Balance		Amount
	December 31,	Issued	(Retired)	December 31,	Due Within	
	2022			2023	One Year	
Governmental Activities Debt:						
General Obligation Bonds:						
2017 2.21% Various Purpose	\$2,570,000	\$0	(\$260,000)	\$2,310,000	\$260,000	
2021 2.0-5.0% Various Purpose	9,565,000	0	(430,000)	9,135,000	450,000	
2023 4.0-5.0% Various Purpose	0	4,400,000	0	4,400,000	135,000	
Premium	1,163,196	455,533	(83,998)	1,534,731	0	
Total General Obligation Bonds	13,298,196	4,855,533	(773,998)	17,379,731	845,000	
OPWC Loans:						
0.00% Old Worthington ADA Ramps	39,050	0	(3,905)	35,145	7,810	
0.00% Kenyonbrook Sanitary Sewer	449,400	0	(10,214)	439,186	20,427	
Total OPWC Loans	488,450	0	(14,119)	474,331	28,237	
Installment Loan:						
2018 3.99% Wheel Loader	16,162	0	(16,162)	0	0	
Governmental Activities Other Long-Term Liabilities:						
Compensated Absences	1,997,050	620,092	(565,742)	2,051,400	598,926	
Total Governmental Activities Long-Term Debt and Other Long-Term Liabilities	\$15,799,858	\$5,475,625	(\$1,370,021)	\$19,905,462	\$1,472,163	

The Ohio Public Works Commission Loans and Installment Loans are direct borrowings.

In 2008 the City received a \$156,201 Ohio Public Works Commission loan for installation of Americans with Disabilities Act ramps in Old Worthington. The loan carries a 0% interest rate and matures in 2028.

In 2015 the City received a \$612,816 Ohio Public Works Commission loan for sanitary sewer improvements. The loan carries a 0% interest rate and matures in 2045.

On January 18, 2017, the City issued \$3,960,000 of general obligation bonds to retire notes previously issued in the amount of \$1,560,000 for the acquisition of a fire truck, constructing and installing a waterline for the Davis Estates subdivision and for the community center window replacement project. In addition to retiring notes previously issued, the bond proceeds are for various roadway and sewer projects. The bonds carry an interest rate of 2.21% and mature in 2032. These bonds are direct placement debt.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 13 - LONG-TERM DEBT AND OTHER LONG-TERM LIABILITIES (Continued)

In August 2021 the City issued \$9,985,000 of various purpose general obligation bonds for improvements to parks, water, sewer, public safety building, street, and other various improvements. The bonds carry an interest rate of 2.00% to 5.00% and mature in 2041.

In May 2023 the City issued \$4,400,000 of various purpose general obligation bonds to fund McCord Park Phase 2 improvements as well as sewer improvements. The bonds carry an interest rate of 4.00% to 5.00% and mature in 2043.

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and the refinancing of bond anticipation notes. General obligation bonds are direct obligations of the City for which its full faith and credit are pledged for repayment. All general obligation bond issues will be paid through the General Obligation Debt Retirement Fund.

A. Principal and Interest Requirements

A summary of the City's future long-term debt funding requirements, including principal and interest payments as of December 31, 2023, follows:

Years	General Obligation Bonds		OPWC Loans	
	Principal	Interest	Principal	Interest
2024	\$845,000	\$536,752	\$28,237	\$0
2025	875,000	506,256	28,238	0
2026	910,000	474,688	28,238	0
2027	955,000	441,710	28,238	0
2028	985,000	407,062	24,334	0
2029-2033	4,900,000	1,424,800	102,135	0
2034-2038	3,905,000	734,400	102,135	0
2039-2043	2,470,000	141,800	102,135	0
2044-2045	0	0	30,641	0
Totals	<u>\$15,845,000</u>	<u>\$4,667,468</u>	<u>\$474,331</u>	<u>\$0</u>

The Ohio Public Works Commission Loans and Installment Loans are direct borrowings.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 14 - SIGNIFICANT COMMITMENTS

The City had the following contractual commitments at December 31, 2023:

Project	Amount
NE Gateway Wilson Bridge/Huntley/WG Intersection Study	\$2,056,257
Fire Department Ladder Truck	1,650,000
HVAC Improvement Program	1,410,811
Fire Department Engine Rescue	850,000
McCord Park Renovations	329,971
Colonial and Andover Waterline Improvement	253,269
2023 New and Replacement Equipment	221,421
2023 Street Improvement Program	167,997
Northbrook Relief Sewer Phase II	140,727
2022 New and Replacement Equipment	115,775
Fire Station Bathroom	100,000
Selby Bridge Replacement	91,981
2021 Bicycle and Pedestrian Improvement	90,515
Kenyonbrook Sanitary Sewer	79,108
Kenyonbrook Trunk Sewer Improvement	72,687
2023 Sewer Lining Project	68,418
Arterial Improvements - Huntley and Schrock Road	63,578
Traffic Signal Improvement Program	50,000
2023 Bike and Pedestrian Improvements	49,862
Park Overlook Drive Waterline	46,091
Streetscape Improvements - High and North	45,525
2021 Street Improvement Program	40,893
2021 Building Improvement Program	39,942
Selby Park Renovations Design	33,855
2023 Building Improvement Program	27,745
2020 Sewer Lining and Repair	27,483
Community Center Lobby Renovations Design	25,000
Park Facility and Amenity Replacement and Improvements	25,000
2019 Bike and PED Improvement	15,918
Community Wayfinding Signage Project	15,562
2021 New and Replacement Equipment	15,000
	<u>\$8,220,391</u>

At December 31, 2023 the City had encumbrance commitments in the Governmental Funds as follows:

Fund	Encumbrances
General Fund	\$4,177,238
Tax Increment Financing Fund	1,798,156
Capital Improvement Fund	11,442,821
Other Governmental Funds	180,711
Total Governmental Funds	<u>\$17,598,926</u>

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 15 - CONTINGENT LIABILITIES

A. Litigation

The City is of the opinion that the ultimate disposition of all claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

B. State and Federal Grants

For the period January 1, 2023, to December 31, 2023, the City received state and federal grants for specific purposes that are subject to review and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

NOTE 16 – JOINTLY GOVERNED ORGANIZATIONS

Mid-Ohio Regional Planning Commission - The City is a participant in the Mid-Ohio Regional Planning Commission (MORPC), a jointly governed organization. MORPC is composed of 84 representatives appointed by member governments who make up the commission, the policy-making body of MORPC, and the oversight board. MORPC is a voluntary association of local governments in central and south-central Ohio and a regional planning agency whose membership includes 44 political subdivisions in and around Franklin, Delaware, Fairfield, Licking, Madison, Morrow, Pickaway, Ross and Union counties. MORPC's area of interest also includes Fayette, Marion, and Knox counties resulting in a strong 12-county region. The purpose of the organization is to improve the quality of life for member communities by improving housing conditions, to promote and support livability/sustainability measures as a means of addressing regional growth challenges, and to administer and facilitate the availability of regional environmental infrastructure program funding to the full advantage of MORPC's members.

Northwest Regional Emergency Communications Center (NRECC) – With the passage of Resolution 31-2019, City Council authorized the City Manager to enter into a three-year agreement with the City of Dublin for the Northwest Regional Emergency Communications Center to provide public safety dispatching communication services. The agreement would commence on January 1, 2020. With Resolution 26-2023, City Council authorized the renewal of the NRECC agreement. The Northwest Regional Emergency Communications Center, operated by the City of Dublin, currently serves the communities of Dublin, Hilliard and Upper Arlington, and is governed by an executive committee and two operational committees which allow for each of the jurisdictions served by the Center to have input on how the Center operates and interacts with the community, police, firefighters and paramedics.

NOTE 17 – JOINT VENTURE

Central Ohio Interoperable Radio System Council of Governments - The City joined the City of Dublin and Delaware County to create the Central Ohio Interoperable Radio System Council of Governments (COG), which is a joint venture. The COG was created in order to allow the members to collaborate to create an improved dispatching system with enhanced technology, redundancy, spectrum efficiency, and interoperability that will better serve the residents of each member's political subdivision. The City does not have an equity interest in the COG.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2023

NOTE 18 – COMPONENT UNIT

The component unit column in the government-wide financial statements includes the financial data of the City's component unit, the Worthington Community Improvement Corporation (CIC).

A. Basis of Accounting

The basic financial statements of the CIC are prepared using the accrual basis of accounting in conformity with GAAP.

B. Basis of Presentation

The CIC's basic financial statements consist of a statement of net position, a statement of revenues, expenses and changes in net position, and a statement of cash flows.

The CIC distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally resulted from providing services in connection with the CIC's principal ongoing operation. The principal operating revenues of the CIC are contributions from the City. Operating expenses for the CIC include professional fees and service contract fees. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

C. Federal Income Tax

The City of Worthington Community Improvement Corporation is exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code.

D. Deposits

As of December 31, 2023, the carrying amount of the CIC's deposits was in the amount of \$84,054. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosure", as of December 31, 2023 the entire bank balance was covered by the Federal Deposit Insurance Corporation. There are no significant statutory restrictions regarding the deposits and investments of funds held by the not-for-profit corporation.

E. Real Estate Held for Development

At December 31, 2023 the CIC reported \$975,955 of real estate held for development. Additional property purchases in the East Wilson Bridge Road corridor are expected, with the intent to develop this property into commercial space.

F. Contributions from the City

The CIC received no contributions from the City in 2023.



REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WORTHINGTON

Schedule of City's Proportionate Share of the Net Pension Liability Last Ten Years

Ohio Public Employees Retirement System

Year	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
City's proportion of the net pension liability (asset)	0.052367%	0.052367%	0.051182%	0.049793%
City's proportionate share of the net pension liability (asset)	\$6,173,387	\$6,316,045	\$8,865,381	\$11,307,168
City's covered payroll	\$6,628,738	\$6,439,617	\$6,393,258	\$6,484,525
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	93.13%	98.08%	138.67%	174.37%
Plan fiduciary net position as a percentage of the total pension liability	86.36%	86.45%	81.08%	77.25%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
City's proportion of the net pension liability (asset)	0.320344%	0.320344%	0.321738%	0.310223%
City's proportionate share of the net pension liability (asset)	\$15,601,738	\$16,595,134	\$20,697,616	\$19,649,242
City's covered payroll	\$7,143,963	\$6,315,026	\$6,460,034	\$6,620,503
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	218.39%	262.79%	320.39%	296.79%
Plan fiduciary net position as a percentage of the total pension liability	73.00%	72.20%	66.77%	68.36%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

The schedule is reported as of the measurement date of the Net Pension Liability, which is the prior year end.

See notes to the required supplementary information

CITY OF WORTHINGTON

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
0.051531%	0.052514%	0.052154%	0.045381%	0.043468%	0.044038%
\$8,084,188	\$14,382,520	\$10,308,590	\$6,719,937	\$3,781,891	\$13,008,844
\$6,835,277	\$7,131,850	\$7,281,807	\$6,317,093	\$6,031,921	\$6,849,993
118.27%	201.67%	141.57%	106.38%	62.70%	189.91%
84.66%	74.70%	82.17%	86.88%	92.62%	75.74%

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
0.322982%	0.304814%	0.297303%	0.302380%	0.288780%	0.285350%
\$19,822,876	\$24,880,876	\$20,027,911	\$20,613,522	\$18,041,291	\$27,105,511
\$6,990,813	\$6,847,709	\$7,002,528	\$7,103,344	\$7,321,238	\$7,669,583
283.56%	363.35%	286.01%	290.19%	246.42%	353.42%
70.91%	63.07%	69.89%	70.65%	75.03%	62.90%

CITY OF WORTHINGTON

Schedule of City Pension Contributions Last Ten Years

Ohio Public Employees Retirement System

Year	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Contractually required contribution	\$772,754	\$767,191	\$778,143	\$888,586
Contributions in relation to the contractually required contribution	<u>772,754</u>	<u>767,191</u>	<u>778,143</u>	<u>888,586</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$6,439,617	\$6,393,258	\$6,484,525	\$6,835,277
Contributions as a percentage of covered payroll	12.00%	12.00%	12.00%	13.00%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Contractually required contribution	\$1,352,864	\$1,383,353	\$1,420,678	\$1,497,060
Contributions in relation to the contractually required contribution	<u>1,352,864</u>	<u>1,383,353</u>	<u>1,420,678</u>	<u>1,497,060</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$6,315,026	\$6,460,034	\$6,620,503	\$6,990,813
Contributions as a percentage of covered payroll	21.42%	21.41%	21.46%	21.41%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

See notes to the required supplementary information

CITY OF WORTHINGTON

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$998,459	\$1,019,453	\$884,393	\$844,469	\$958,999	\$1,025,141
<u>998,459</u>	<u>1,019,453</u>	<u>884,393</u>	<u>844,469</u>	<u>958,999</u>	<u>1,025,141</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$7,131,850	\$7,281,807	\$6,317,093	\$6,031,921	\$6,849,993	\$7,322,436
14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$1,464,952	\$1,503,453	\$1,518,554	\$1,572,781	\$1,644,498	\$1,671,909
<u>1,464,952</u>	<u>1,503,453</u>	<u>1,518,554</u>	<u>1,572,781</u>	<u>1,644,498</u>	<u>1,671,909</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$6,847,709	\$7,002,528	\$7,103,344	\$7,321,238	\$7,669,583	\$7,798,337
21.39%	21.47%	21.38%	21.48%	21.44%	21.44%

CITY OF WORTHINGTON

Schedule of the City's Proportionate Share of the Net Other Postemployment Benefits (OPEB) Liability (Asset) Last Seven Years

Ohio Public Employees Retirement System

Year	2017	2018	2019
City's proportion of the net OPEB liability (asset)	0.050253%	0.052212%	0.053116%
City's proportionate share of the net OPEB liability (asset)	\$5,075,727	\$5,669,804	\$6,925,071
City's covered payroll	\$6,484,525	\$6,835,277	\$7,131,850
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	78.27%	82.95%	97.10%
Plan fiduciary net position as a percentage of the total OPEB liability	54.04%	54.14%	46.33%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2017	2018	2019
City's proportion of the net OPEB liability (asset)	0.310223%	0.322982%	0.304814%
City's proportionate share of the net OPEB liability (asset)	\$14,725,610	\$18,299,719	\$2,775,798
City's covered payroll	\$6,620,503	\$6,990,813	\$6,847,709
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	222.42%	261.77%	40.54%
Plan fiduciary net position as a percentage of the total OPEB liability	15.96%	14.13%	46.57%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 75 in 2018.

The schedule is intended to show ten years of information. Additional years will be displayed as they become available. Information prior to 2017 is not available.

The schedule is reported as of the measurement date of the Net OPEB Liability, which is the prior year end.

See notes to the required supplementary information

CITY OF WORTHINGTON

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
0.052920%	0.046387%	0.044130%	0.044543%
\$7,309,625	(\$826,424)	(\$1,382,223)	\$280,849
\$7,281,807	\$6,317,093	\$6,031,921	\$6,849,993
100.38%	(13.08%)	(22.92%)	4.10%
47.80%	115.57%	128.23%	94.79%

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
0.297303%	0.302380%	0.288780%	0.285350%
\$2,936,677	\$3,203,766	\$3,165,274	\$2,031,611
\$7,002,528	\$7,103,344	\$7,321,238	\$7,669,583
41.94%	45.10%	43.23%	26.49%
47.08%	45.42%	46.86%	52.59%

CITY OF WORTHINGTON

Schedule of City Other Postemployment Benefit (OPEB) Contributions Last Ten Years

Ohio Public Employees Retirement System

Year	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Contractually required contribution	\$128,792	\$127,865	\$129,691	\$68,353
Contributions in relation to the contractually required contribution	<u>128,792</u>	<u>127,865</u>	<u>129,691</u>	<u>68,353</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$6,439,617	\$6,393,258	\$6,484,525	\$6,835,277
Contributions as a percentage of covered payroll	2.00%	2.00%	2.00%	1.00%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Contractually required contribution	\$31,575	\$32,300	\$33,103	\$34,954
Contributions in relation to the contractually required contribution	<u>31,575</u>	<u>32,300</u>	<u>33,103</u>	<u>34,954</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$6,315,026	\$6,460,034	\$6,620,503	\$6,990,813
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 75 in 2018.
See notes to the required supplementary information

CITY OF WORTHINGTON

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$0	\$0	\$0	\$0	\$0	\$0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$7,131,850	\$7,281,807	\$6,317,093	\$6,031,921	\$6,849,993	\$7,322,436
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$34,239	\$35,013	\$35,517	\$36,606	\$38,348	\$38,992
<u>34,239</u>	<u>35,013</u>	<u>35,517</u>	<u>36,606</u>	<u>38,348</u>	<u>38,992</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$6,847,709	\$7,002,528	\$7,103,344	\$7,321,238	\$7,669,583	\$7,798,337
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%

CITY OF WORTHINGTON

Notes to the Required Supplementary Information For the Year Ended December 31, 2023

NET PENSION LIABILITY

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms: There were no changes in benefit terms for the period 2014-2023.

Changes in assumptions:

2014-2016: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2017: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%
- Decrease in wage inflation from 3.75% to 3.25%
- Change in future salary increases from a range of 4.25%-10.02% to 3.25%-10.75%
- Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant mortality table.

2018: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2019: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 7.50% to 7.20%

2020: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Change in COLA from 3.00% to 1.4% for post 1/7/13 retirees.

2021: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Change in COLA from 1.4% to 0.5% for post 1/7/13 retirees.

2022: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Change in COLA from 0.5% to 3.00% for post 1/7/13 retirees.
- Reduction in actuarial assumed rate of return from 7.20% to 6.90%.
- Pre-retirement mortality rates are based on Pub-2010 General Employee/Safety Employee mortality tables.
- Post-retirement mortality rates are based on PubG-2010 Retiree mortality tables.
- Post-retirement mortality rates for disabled retirees are based on PubNS-2010 Disabled Retiree mortality tables for all divisions.

2023: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

CITY OF WORTHINGTON

Notes to the Required Supplementary Information For the Year Ended December 31, 2023

NET PENSION LIABILITY (Continued)

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms: There were no changes in benefit terms for the period 2014-2023.

Changes in assumptions:

2014-2017: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2018: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.25% to 8.00%
- Decrease salary increases from 3.75% to 3.25%
- Change in payroll growth from 3.75% to 3.25%
- Reduce DROP interest rate from 4.5% to 4.0%
- Reduce CPI-based COLA from 2.6% to 2.2%
- Inflation component reduced from 3.25% to 2.75%
- For the January 1, 2017, valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006
- For the January 1, 2017, valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006

2019-2021: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2022: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%

2023: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Mortality for non-disabled participants is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table
- Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table
- Mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table
- Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table

CITY OF WORTHINGTON

Notes to the Required Supplementary Information For the Year Ended December 31, 2023

NET OPEB LIABILITY (ASSET)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms: There were no changes in benefit terms for the periods 2018-2021, and 2023.

2022: Group plans for non-Medicare retirees and re-employed retirees replaced with individual medical plans. OPERS will provide a subsidy or allowance via an HRA.

Changes in assumptions:

For 2018, the single discount rate changed from 4.23% to 3.85%.

2019: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.85% to 3.96%.
- Reduction in actuarial assumed rate of return from 6.50% to 6.00%
- Change in health care cost trend rate from 7.5% to 10%
- The Municipal Bond Rate changed from 3.31% to 3.71%

2020: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.96% to 3.16%.
- Change in health care cost trend rate from 10.0% to 10.5%
- The Municipal Bond Rate changed from 3.71% to 2.75%

2021: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.16% to 6.00%.
- Change in health care cost trend rate from 10.5% to 8.5%
- The Municipal Bond Rate changed from 2.75% to 2.00%

2022: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- Change in health care cost trend rate from 8.5% to 5.5%
- The Municipal Bond Rate changed from 2.00% to 1.84%
- Pre-retirement mortality rates are based on Pub-2010 General Employee/Safety Employee mortality tables.
- Post-retirement mortality rates are based on PubG-2010 Retiree mortality tables.
- Post-retirement mortality rates for disabled retirees are based on PubNS-2010 Disabled Retiree mortality tables for all divisions.

CITY OF WORTHINGTON

Notes to the Required Supplementary Information For the Year Ended December 31, 2023

NET OPEB LIABILITY (ASSET) (Continued)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS) (Continued)

2023: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The Municipal Bond Rate changed from 1.84% to 4.05%
- The single discount rate changed from 6.00% to 5.22%.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms:

2018: There were no changes in benefit terms.

2019: The retiree health care model and the current self-insured health care plan were replaced with a stipend-based health care model.

2020 - 2023: There were no changes in benefit terms.

Changes in assumptions:

2018: The single discount rate changed from 3.79% to 3.24%.

2019: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.24% to 4.66%.

2020: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 4.66% to 3.56%.

2021: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.56% to 2.96%.
- The payroll growth rate changed from 2.75% to 3.25%.

2022: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 2.96% to 2.84%.
- The investment rate of return changed from 8.0% to 7.5%.

CITY OF WORTHINGTON

Notes to the Required Supplementary Information For the Year Ended December 31, 2023

NET OPEB LIABILITY (ASSET) (Continued)

OHIO POLICE AND FIRE (OP&F) PENSION FUND (Continued)

2023: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 2.84% to 4.27%.
- Mortality for non-disabled participants is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table
- Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table
- Mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table
- Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table

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***COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES***

***THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS AND FIDUCIARY
FUNDS.***

CITY OF WORTHINGTON

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted to expenditures for specified purposes.

Property Assessed Clean Energy Fund

To account for special assessments that are levied by the City and remitted to the Franklin County Finance Authority, as part of the Property Assessed Clean Energy Program. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

Payroll Reserve Fund

To account for resources accumulated for payment of salaries during any fiscal year when the number of pay periods exceeds the usual number. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

Street Construction, Maintenance and Repair Fund

To account for revenues distributed by the State from the motor vehicle registration and gasoline tax. Expenditures may only be used for City street construction, maintenance and repair.

State Highway Fund

To account for the portion of the state gasoline tax designated for construction, maintenance and repair of State highways located within the City.

Water Fund

To account for the operation of the water distribution system. This fund receives proceeds from the City water surcharge and water permit fees as paid to and distributed by the City of Columbus.

Sanitary Sewer Fund

To account for the operation of the sanitary sewer distribution system. This fund receives proceeds from the City sewer surcharge and sewer permit fees as paid to and distributed by the City of Columbus.

Police Pension Fund

To account for property taxes levied to fund police retirement plan contributions.

Law Enforcement Fund

To account for revenues received by the Police Department for contraband per state statute.

(Continued)

Special Revenue Funds (Continued)

Municipal Motor Vehicle License Tax Fund

To account for the permissive auto license taxes levied for street construction, maintenance and repairs.

Enforcement and Education Fund

To account for revenues received from mandatory fines for drug offenses.

Ohio Opioid Settlement Fund

To account for monies obtained and distributed by the State of Ohio for opioid settlements from drug manufacturers and distributors. It is designated for resources to assist with community drug recovery, prevention and treatment.

Court Clerk Computer Fund

To account for the assessment fee charged to each issued citation to be used only for the purchase and maintenance of computerizing the Mayor's Court operations.

Economic Development Fund

To account for the activities associated with offering certain economic incentives provided to businesses who meet specific criteria. This fund receives non-tax revenue transfers from the General Fund. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

Convention and Visitors Bureau Fund

To account for hotel taxes to be used to promote tourism in the City.

Law Enforcement Continuing Education Fund

To account for monies to be used for continuing professional training programs for law enforcement officers.

FEMA Fund

To account for Federal Emergency Management Agency funds received from the State of Ohio. (The Statement of Revenues, Expenditures and Changes in Fund Balances is not presented because there was no activity on a GAAP basis.) (This fund is not part of the City's appropriated budget therefore no budgetary schedule is presented.)

Special Parks Fund

To account for the Public Area Fee Payments related to the development of residential, industrial, and commercial property. Fees are received as a result of new or redevelopment projects in lieu of dedicated public property for park lands. The City matches the public use fee payments as required by State statute. These fees are to be used for the capital costs associated with the City's parks, playgrounds, and recreation areas.

Bicentennial Trust Fund

To account for the pledges, contributions, donations, and City advances designated for the City 2003 Bicentennial Celebration.

(Continued)

CITY OF WORTHINGTON

Nonmajor Governmental Funds (Continued)

Special Revenue Funds (Continued)

Subdivision Trust Fund

To account for bonds and inspection fees collected for public improvements being made by owners or developers in the City. (This fund is not part of the City's appropriated budget therefore no budgetary schedule is presented.)

Performance Trust Fund

To account for bond payments made by contractors working within the City to ensure their project is completed within City requirements. The bond is released back to the contractor upon the successful completion and inspection of the project. (This fund is not part of the City's appropriated budget therefore no budgetary schedule is presented.).

Debt Service Funds

The debt service funds are used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment levies when the government is obligated in some manner for the payment.

General Obligation Bond Retirement Fund

To account for property taxes and transfers to be used for payments of principal and interest on the City's general obligation bonds.

Special Assessment Bond Retirement Fund

To account for the accumulation of special assessment revenues collected by the County Treasurer and remitted to the City by the County Auditor for payment of principal and interest on the City's special assessment bonds.

Capital Projects Fund

The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities.

Trunk Sewer Fund

To account for the City's portion of the sewer system capacity charge collected for the maintenance of the main trunk sanitary sewer lines.

CITY OF WORTHINGTON

Combining Balance Sheet Nonmajor Governmental Funds December 31, 2023

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets:				
Pooled Cash and Cash Equivalents	\$ 2,478,016	\$ 2,451,808	\$ 375,149	\$ 5,304,973
Cash and Cash Equivalents in Segregated Accounts	73,129	0	0	73,129
Receivables:				
Taxes	269,356	152,456	0	421,812
Accounts	8,270	0	0	8,270
Intergovernmental	763,116	8,843	0	771,959
Total Assets	\$ 3,591,887	\$ 2,613,107	\$ 375,149	\$ 6,580,143
Liabilities:				
Accounts Payable	\$ 26,776	\$ 0	\$ 0	\$ 26,776
Accrued Wages and Benefits Payable	10,274	0	0	10,274
Intergovernmental Payable	77,148	0	0	77,148
Interfund Loans Payable	0	153,738	0	153,738
Total Liabilities	114,198	153,738	0	267,936
Deferred Inflows of Resources:				
Unavailable Amounts	542,843	12,341	0	555,184
Property Tax Levy for Next Fiscal Year	262,866	148,958	0	411,824
Total Deferred Inflows of Resources	805,709	161,299	0	967,008
Fund Balances:				
Restricted	2,319,745	2,298,070	375,149	4,992,964
Committed	352,235	0	0	352,235
Total Fund Balances	2,671,980	2,298,070	375,149	5,345,199
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 3,591,887	\$ 2,613,107	\$ 375,149	\$ 6,580,143

CITY OF WORTHINGTON

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds For the Year Ended December 31, 2023

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues:				
Property Taxes	\$ 205,569	\$ 116,489	\$ 0	\$ 322,058
Other Local Taxes	6,606	0	0	6,606
Intergovernmental Revenues	1,243,756	13,777	0	1,257,533
Charges for Services	88,572	0	0	88,572
Investment Earnings	3,048	0	0	3,048
Fines and Forfeitures	5,696	0	0	5,696
All Other Revenues	141,845	0	0	141,845
Total Revenue	1,695,092	130,266	0	1,825,358
Expenditures:				
Current:				
Security of Persons and Property	714,207	0	0	714,207
Leisure Time Activities	15,426	0	0	15,426
Basic Utility Services	204,948	0	0	204,948
Transportation	925,464	0	0	925,464
General Government	152,449	0	0	152,449
Debt Service:				
Principal Retirement	0	690,000	0	690,000
Interest & Fiscal Charges	0	628,544	0	628,544
Total Expenditures	2,012,494	1,318,544	0	3,331,038
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(317,402)	(1,188,278)	0	(1,505,680)
Other Financing Sources (Uses):				
Premium on Debt Issuance	0	455,533	0	455,533
Transfers In	1,015,653	1,047,347	0	2,063,000
Transfers Out	(140,000)	0	0	(140,000)
Total Other Financing Sources (Uses)	875,653	1,502,880	0	2,378,533
Net Change in Fund Balances	558,251	314,602	0	872,853
Fund Balances at Beginning of Year	2,113,729	1,983,468	375,149	4,472,346
Fund Balances End of Year	\$ 2,671,980	\$ 2,298,070	\$ 375,149	\$ 5,345,199

CITY OF WORTHINGTON

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2023**

	Street Construction Maintenance and Repair	State Highway	Water	Sanitary Sewer
Assets:				
Pooled Cash and Investments	\$ 414,103	\$ 77,589	\$ 104,796	\$ 96,578
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	4,387	3,883
Intergovernmental	467,028	37,866	0	0
Total Assets	\$ 881,131	\$ 115,455	\$ 109,183	\$ 100,461
Liabilities:				
Accounts Payable	\$ 5,644	\$ 22	\$ 0	\$ 15,065
Accrued Wages and Benefits Payable	7,545	1,521	604	604
Intergovernmental Payable	5,641	1,123	450	450
Total Liabilities	18,830	2,666	1,054	16,119
Deferred Inflows of Resources:				
Unavailable Amounts	311,352	25,244	0	0
Property Tax Levy for Next Fiscal Year	0	0	0	0
Total Deferred Inflows of Resources	311,352	25,244	0	0
Fund Balances:				
Restricted	550,949	87,545	0	0
Committed	0	0	108,129	84,342
Total Fund Balances	550,949	87,545	108,129	84,342
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 881,131	\$ 115,455	\$ 109,183	\$ 100,461

(Continued)

CITY OF WORTHINGTON

Combining Balance Sheet Nonmajor Special Revenue Funds December 31, 2023

	Police Pension	Law Enforcement	Municipal Motor Vehicle License Tax	Enforcement and Education
Assets:				
Pooled Cash and Investments	\$ 1,300,050	\$ 9,503	\$ 16,390	\$ 54,449
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0
Receivables:				
Taxes	269,039	0	0	0
Accounts	0	0	0	0
Intergovernmental	15,605	0	91,539	0
Total Assets	\$ 1,584,694	\$ 9,503	\$ 107,929	\$ 54,449
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits Payable	0	0	0	0
Intergovernmental Payable	69,484	0	0	0
Total Liabilities	69,484	0	0	0
Deferred Inflows of Resources:				
Unavailable Amounts	21,778	0	61,026	0
Property Tax Levy for Next Fiscal Year	262,866	0	0	0
Total Deferred Inflows of Resources	284,644	0	61,026	0
Fund Balances:				
Restricted	1,230,566	9,503	46,903	54,449
Committed	0	0	0	0
Total Fund Balances	1,230,566	9,503	46,903	54,449
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,584,694	\$ 9,503	\$ 107,929	\$ 54,449

CITY OF WORTHINGTON

Ohio Opioid Settlement	Court Clerk Computer	Convention and Visitor's Bureau	Law Enforcement Continuing Education	FEMA	Special Parks
\$ 38,872	\$ 182,164	\$ 4,184	\$ 18,030	\$ 0	\$ 81,874
0	342	0	0	0	0
0	0	317	0	0	0
0	0	0	0	0	0
0	0	0	27,635	123,443	0
<u>\$ 38,872</u>	<u>\$ 182,506</u>	<u>\$ 4,501</u>	<u>\$ 45,665</u>	<u>\$ 123,443</u>	<u>\$ 81,874</u>
\$ 0	\$ 0	\$ 1,607	\$ 0	\$ 0	\$ 4,438
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>1,607</u>	<u>0</u>	<u>0</u>	<u>4,438</u>
0	0	0	0	123,443	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>123,443</u>	<u>0</u>
38,872	182,506	0	45,665	0	0
0	0	2,894	0	0	77,436
<u>38,872</u>	<u>182,506</u>	<u>2,894</u>	<u>45,665</u>	<u>0</u>	<u>77,436</u>
<u>\$ 38,872</u>	<u>\$ 182,506</u>	<u>\$ 4,501</u>	<u>\$ 45,665</u>	<u>\$ 123,443</u>	<u>\$ 81,874</u>

(Continued)

CITY OF WORTHINGTON

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2023**

	Bicentennial Trust	Subdivision Trust	Performance Trust	Total Nonmajor Special Revenue Funds
Assets:				
Pooled Cash and Investments	\$ 79,434	\$ 0	\$ 0	\$ 2,478,016
Cash and Cash Equivalents in Segregated Accounts	0	15,000	57,787	73,129
Receivables:				
Taxes	0	0	0	269,356
Accounts	0	0	0	8,270
Intergovernmental	0	0	0	763,116
Total Assets	\$ 79,434	\$ 15,000	\$ 57,787	\$ 3,591,887
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 26,776
Accrued Wages and Benefits Payable	0	0	0	10,274
Intergovernmental Payable	0	0	0	77,148
Total Liabilities	0	0	0	114,198
Deferred Inflows of Resources:				
Unavailable Amounts	0	0	0	542,843
Property Tax Levy for Next Fiscal Year	0	0	0	262,866
Total Deferred Inflows of Resources	0	0	0	805,709
Fund Balances:				
Restricted	0	15,000	57,787	2,319,745
Committed	79,434	0	0	352,235
Total Fund Balances	79,434	15,000	57,787	2,671,980
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 79,434	\$ 15,000	\$ 57,787	\$ 3,591,887

CITY OF WORTHINGTON

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Special Revenue Funds For the Year Ended December 31, 2023

	Street Construction Maintenance and Repair	State Highway	Water	Sanitary Sewer
Revenues:				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Other Local Taxes	0	0	0	0
Intergovernmental Revenues	939,907	76,207	0	0
Charges for Services	0	0	44,873	38,347
Investment Earnings	0	0	0	0
Fines and Forfeitures	0	0	0	0
All Other Revenue	0	0	0	0
Total Revenues	939,907	76,207	44,873	38,347
Expenditures:				
Current:				
Security of Persons and Property	0	0	0	0
Leisure Time Activities	0	0	0	0
Basic Utility Services	0	0	138,390	66,558
Transportation	833,473	91,991	0	0
General Government	0	0	0	0
Total Expenditures	833,473	91,991	138,390	66,558
Excess (Deficiency) of Revenues Over (Under) Expenditures	106,434	(15,784)	(93,517)	(28,211)
Other Financing Sources (Uses):				
Transfers In	0	0	110,000	70,000
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	0	0	110,000	70,000
Net Change in Fund Balances	106,434	(15,784)	16,483	41,789
Fund Balances at Beginning of Year	444,515	103,329	91,646	42,553
Fund Balances End of Year	\$ 550,949	\$ 87,545	\$ 108,129	\$ 84,342

(Continued)

CITY OF WORTHINGTON

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Special Revenue Funds For the Year Ended December 31, 2023

	Police Pension	Law Enforcement	Municipal Motor Vehicle License Tax	Enforcement and Education
Revenues:				
Property Taxes	\$ 205,569	\$ 0	\$ 0	\$ 0
Other Local Taxes	0	0	0	0
Intergovernmental Revenues	24,312	0	134,079	0
Charges for Services	0	0	0	0
Investment Earnings	0	0	0	0
Fines and Forfeitures	0	0	0	800
All Other Revenue	0	13	0	0
Total Revenues	229,881	13	134,079	800
Expenditures:				
Current:				
Security of Persons and Property	696,366	8,011	0	0
Leisure Time Activities	0	0	0	0
Basic Utility Services	0	0	0	0
Transportation	0	0	0	0
General Government	0	0	0	0
Total Expenditures	696,366	8,011	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(466,485)	(7,998)	134,079	800
Other Financing Sources (Uses):				
Transfers In	770,653	0	0	0
Transfers Out	0	0	(140,000)	0
Total Other Financing Sources (Uses)	770,653	0	(140,000)	0
Net Change in Fund Balances	304,168	(7,998)	(5,921)	800
Fund Balances at Beginning of Year	926,398	17,501	52,824	53,649
Fund Balances End of Year	\$ 1,230,566	\$ 9,503	\$ 46,903	\$ 54,449

CITY OF WORTHINGTON

Ohio Opioid Settlement	Court Clerk Computer	Convention and Visitor's Bureau	Law Enforcement Continuing Education	Special Parks	Bicentennial Trust
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	6,606	0	0	0
31,786	0	0	37,465	0	0
0	0	0	0	5,352	0
0	0	0	0	0	3,048
0	4,896	0	0	0	0
0	0	0	0	37,246	0
<u>31,786</u>	<u>4,896</u>	<u>6,606</u>	<u>37,465</u>	<u>42,598</u>	<u>3,048</u>
0	0	0	9,830	0	0
0	0	0	0	15,426	0
0	0	0	0	0	0
0	0	0	0	0	0
0	13,235	70,562	0	0	0
<u>0</u>	<u>13,235</u>	<u>70,562</u>	<u>9,830</u>	<u>15,426</u>	<u>0</u>
31,786	(8,339)	(63,956)	27,635	27,172	3,048
0	0	65,000	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>65,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
31,786	(8,339)	1,044	27,635	27,172	3,048
7,086	190,845	1,850	18,030	50,264	76,386
<u>\$ 38,872</u>	<u>\$ 182,506</u>	<u>\$ 2,894</u>	<u>\$ 45,665</u>	<u>\$ 77,436</u>	<u>\$ 79,434</u>

(Continued)

CITY OF WORTHINGTON

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Special Revenue Funds For the Year Ended December 31, 2023

	Subdivision Trust	Performance Trust	Total Nonmajor Special Revenue Funds
Revenues:			
Property Taxes	\$ 0	\$ 0	\$ 205,569
Other Local Taxes	0	0	6,606
Intergovernmental Revenues	0	0	1,243,756
Charges for Services	0	0	88,572
Investment Earnings	0	0	3,048
Fines and Forfeitures	0	0	5,696
All Other Revenue	34	104,552	141,845
Total Revenues	34	104,552	1,695,092
Expenditures:			
Current:			
Security of Persons and Property	0	0	714,207
Leisure Time Activities	0	0	15,426
Basic Utility Services	0	0	204,948
Transportation	0	0	925,464
General Government	0	68,652	152,449
Total Expenditures	0	68,652	2,012,494
Excess (Deficiency) of Revenues Over (Under) Expenditures	34	35,900	(317,402)
Other Financing Sources (Uses):			
Transfers In	0	0	1,015,653
Transfers Out	0	0	(140,000)
Total Other Financing Sources (Uses)	0	0	875,653
Net Change in Fund Balances	34	35,900	558,251
Fund Balances at Beginning of Year	14,966	21,887	2,113,729
Fund Balances End of Year	\$ 15,000	\$ 57,787	\$ 2,671,980

CITY OF WORTHINGTON

Combining Balance Sheet Nonmajor Debt Service Funds December 31, 2023

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Service Funds
Assets:			
Pooled Cash and Investments	\$ 2,173,360	\$ 278,448	\$ 2,451,808
Receivables:			
Taxes	152,456	0	152,456
Intergovernmental	8,843	0	8,843
Total Assets	<u>\$ 2,334,659</u>	<u>\$ 278,448</u>	<u>\$ 2,613,107</u>
Liabilities:			
Interfund Loans Payable	\$ 0	\$ 153,738	\$ 153,738
Total Liabilities	<u>0</u>	<u>153,738</u>	<u>153,738</u>
Deferred Inflows of Resources:			
Unavailable Amounts	12,341	0	12,341
Property Tax Levy for Next Fiscal Year	148,958	0	148,958
Total Deferred Inflows of Resources	<u>161,299</u>	<u>0</u>	<u>161,299</u>
Fund Balances:			
Restricted	2,173,360	124,710	2,298,070
Total Fund Balances	<u>2,173,360</u>	<u>124,710</u>	<u>2,298,070</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,334,659</u>	<u>\$ 278,448</u>	<u>\$ 2,613,107</u>

CITY OF WORTHINGTON

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended December 31, 2023**

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Service Funds
Revenues:			
Property Taxes	\$ 116,489	\$ 0	\$ 116,489
Intergovernmental Revenues	13,777	0	13,777
Total Revenues	130,266	0	130,266
Expenditures:			
Debt Service:			
Principal Retirement	690,000	0	690,000
Interest and Fiscal Charges	628,544	0	628,544
Total Expenditures	1,318,544	0	1,318,544
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,188,278)	0	(1,188,278)
Other Financing Sources (Uses):			
Premium on Debt Issuance	455,533	0	455,533
Transfers In	1,047,347	0	1,047,347
Total Other Financing Sources (Uses)	1,502,880	0	1,502,880
Net Change in Fund Balances	314,602	0	314,602
Fund Balances at Beginning of Year	1,858,758	124,710	1,983,468
Fund Balances End of Year	\$ 2,173,360	\$ 124,710	\$ 2,298,070

CITY OF WORTHINGTON

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Major Funds – General Fund For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 3,066,227	\$ 3,085,499	\$ 3,103,596	\$ 18,097
Municipal Income Taxes	23,370,845	23,370,845	27,397,090	4,026,245
Other Local Taxes	2,720	2,720	3,482	762
Intergovernmental Revenues	810,036	804,328	881,789	77,461
Charges for Services	3,508,234	3,508,234	3,219,754	(288,480)
Licenses, Permits and Fees	496,500	496,500	499,901	3,401
Investment Earnings	300,000	300,000	2,043,045	1,743,045
Fines and Forfeitures	100,000	100,000	60,504	(39,496)
All Other Revenues	250,750	250,750	306,255	55,505
Total Revenues	31,905,312	31,918,876	37,515,416	5,596,540
Expenditures:				
Security of Persons and Property:				
Police - Administration:				
Personal Services	638,323	638,323	493,884	144,439
Nonpersonnel	482,244	512,244	383,161	129,083
Total Police - Administration	1,120,567	1,150,567	877,045	273,522
Police - Community Service:				
Personal Services	4,966,482	4,966,482	4,384,587	581,895
Nonpersonnel	52,366	58,366	57,925	441
Total Police - Community Service	5,018,848	5,024,848	4,442,512	582,336
Police - Support Service:				
Personal Services	471,816	471,816	402,587	69,229
Total Police - Support Service	471,816	471,816	402,587	69,229
Fire - Administration:				
Personal Services	348,699	348,699	251,861	96,838
Nonpersonnel	235,771	213,271	191,607	21,664
Total Fire - Administration	584,470	561,970	443,468	118,502
Fire - Operations:				
Personal Services	6,703,046	6,703,046	6,265,214	437,832
Nonpersonnel	470,835	470,835	435,612	35,223
Total Fire - Operations	7,173,881	7,173,881	6,700,826	473,055
Fire - Training and Prevention:				
Personal Services	204,458	226,958	199,396	27,562
Nonpersonnel	39,928	39,928	36,000	3,928
Total Fire - Training and Prevention	244,386	266,886	235,396	31,490

(Continued)

CITY OF WORTHINGTON

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Major Funds – General Fund For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
911 Dispatch:				
Nonpersonnel	686,000	686,000	685,205	795
Total 911 Dispatch	686,000	686,000	685,205	795
Total Security of Persons and Property	15,299,968	15,335,968	13,787,039	1,548,929
Public Health and Welfare Services:				
Board of Health:				
Nonpersonnel	81,113	81,114	81,114	0
Total Public Health and Welfare Services	81,113	81,114	81,114	0
Leisure Time Activities:				
Parks and Recreation - Administration:				
Personal Services	259,387	217,262	206,780	10,482
Nonpersonnel	70,982	70,982	64,491	6,491
Total Parks and Recreation - Administration	330,369	288,244	271,271	16,973
Parks Maintenance:				
Personal Services	992,336	977,529	920,179	57,350
Nonpersonnel	353,679	372,586	371,629	957
Total Parks Maintenance	1,346,015	1,350,115	1,291,808	58,307
Community Center Programs:				
Personal Services	2,363,448	2,508,285	2,404,215	104,070
Nonpersonnel	895,850	965,850	943,387	22,463
Total Community Center Programs	3,259,298	3,474,135	3,347,602	126,533
Recreation Programs:				
Personal Services	653,967	579,274	558,050	21,224
Nonpersonnel	358,147	374,147	307,564	66,583
Total Recreation Programs	1,012,114	953,421	865,614	87,807
Senior Citizen Programs:				
Personal Services	254,223	222,104	191,664	30,440
Nonpersonnel	58,471	58,471	49,179	9,292
Total Senior Citizen Programs	312,694	280,575	240,843	39,732
Total Leisure Time Activities	6,260,490	6,346,490	6,017,138	329,352
Community Environment:				
Planning and Building:				
Personal Services	856,339	856,339	816,188	40,151
Nonpersonnel	476,893	476,893	431,954	44,939
Total Community Environment	1,333,232	1,333,232	1,248,142	85,090

(Continued)

CITY OF WORTHINGTON

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Major Funds – General Fund For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Basic Utility Services:				
Refuse:				
Nonpersonnel	1,352,009	1,352,009	1,288,566	63,443
Total Basic Utility Services	<u>1,352,009</u>	<u>1,352,009</u>	<u>1,288,566</u>	<u>63,443</u>
General Government:				
Personnel:				
Personal Services	631,190	681,190	555,760	125,430
Nonpersonnel	111,478	131,478	128,490	2,988
Total Personnel	<u>742,668</u>	<u>812,668</u>	<u>684,250</u>	<u>128,418</u>
Finance and Taxation:				
Personal Services	560,365	560,365	549,996	10,369
Nonpersonnel	1,519,781	1,686,980	1,563,149	123,831
Total Finance and Taxation	<u>2,080,146</u>	<u>2,247,345</u>	<u>2,113,145</u>	<u>134,200</u>
Legislative and Clerk:				
Personal Services	88,804	88,804	79,099	9,705
Nonpersonnel	134,665	149,665	135,672	13,993
Total Legislative and Clerk	<u>223,469</u>	<u>238,469</u>	<u>214,771</u>	<u>23,698</u>
Law:				
Personal Services	213,984	213,984	208,925	5,059
Nonpersonnel	933,586	933,586	884,133	49,453
Total Law	<u>1,147,570</u>	<u>1,147,570</u>	<u>1,093,058</u>	<u>54,512</u>
Mayor and Mayors Court:				
Personal Services	154,339	154,339	143,672	10,667
Nonpersonnel	17,580	17,580	10,350	7,230
Total Mayor and Mayors Court	<u>171,919</u>	<u>171,919</u>	<u>154,022</u>	<u>17,897</u>
Economic Development:				
Personal Services	187,809	187,809	184,427	3,382
Nonpersonnel	47,524	47,524	31,578	15,946
Total Economic Development	<u>235,333</u>	<u>235,333</u>	<u>216,005</u>	<u>19,328</u>
Management Information Systems:				
Personal Services	570,491	566,991	548,242	18,749
Nonpersonnel	374,874	378,374	365,300	13,074
Total Management Information Systems	<u>945,365</u>	<u>945,365</u>	<u>913,542</u>	<u>31,823</u>

(Continued)

CITY OF WORTHINGTON

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Major Funds – General Fund For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Service/Engineering - Administration:				
Personal Services	1,073,007	1,073,007	959,388	113,619
Nonpersonnel	495,886	545,886	477,765	68,121
Total Service/Engineering - Administration	1,568,893	1,618,893	1,437,153	181,740
Service/Engineering - Buildings and Structures:				
Personal Services	347,890	347,890	337,424	10,466
Nonpersonnel	339,945	339,945	326,630	13,315
Total Service/Engineering - Buildings and Structures	687,835	687,835	664,054	23,781
Service/Engineering - Grounds Maintenance:				
Personal Services	677,434	677,434	575,753	101,681
Nonpersonnel	375,535	375,535	328,256	47,279
Total Service/Engineering - Grounds Maintenance	1,052,969	1,052,969	904,009	148,960
Service/Engineering - Sanitation:				
Nonpersonnel	28,200	28,200	28,200	0
Total Service/Engineering - Sanitation	28,200	28,200	28,200	0
Service/Engineering - Fleet Maintenance:				
Personal Services	161,345	161,345	158,271	3,074
Nonpersonnel	194,994	194,994	177,786	17,208
Total Service/Engineering - Fleet Maintenance	356,339	356,339	336,057	20,282
Cultural Arts Center:				
Nonpersonnel	287,500	323,500	323,500	0
Total Cultural Arts Center	287,500	323,500	323,500	0
Administration:				
Personal Services	900,009	900,009	668,359	231,650
Nonpersonnel	151,213	151,213	141,438	9,775
Total Administration	1,051,222	1,051,222	809,797	241,425
General Miscellaneous:				
Nonpersonnel	376,053	376,053	331,565	44,488
Total General Miscellaneous	376,053	376,053	331,565	44,488
Total General Government	10,955,481	11,293,680	10,223,128	1,070,552
Total Expenditures	35,282,293	35,742,493	32,645,127	3,097,366
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(3,376,981)	(3,823,617)	4,870,289	8,693,906

(Continued)

CITY OF WORTHINGTON

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2023***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Other Financing Sources (Uses):				
Transfers In	150,000	150,000	37,345	(112,655)
Transfers Out	(3,825,653)	(6,365,653)	(6,365,653)	0
Total Other Financing Sources (Uses)	<u>(3,675,653)</u>	<u>(6,215,653)</u>	<u>(6,328,308)</u>	<u>(112,655)</u>
Net Change in Fund Balance	(7,052,634)	(10,039,270)	(1,458,019)	8,581,251
Fund Balance at Beginning of Year	18,975,047	18,975,047	18,975,047	0
Prior Year Encumbrances	4,539,100	4,539,100	4,539,100	0
Fund Balance at End of Year	<u>\$ 16,461,513</u>	<u>\$ 13,474,877</u>	<u>\$ 22,056,128</u>	<u>\$ 8,581,251</u>

CITY OF WORTHINGTON

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Major Funds – Capital Projects Fund– Tax Increment Financing Fund For the Year Ended December 31, 2023

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$ 733,500	\$ 1,473,787	\$ 740,287
All Other Revenues	0	2,922	2,922
Total Revenues	<u>733,500</u>	<u>1,476,709</u>	<u>743,209</u>
Expenditures:			
General Government:			
Nonpersonnel	<u>2,495,026</u>	<u>2,411,902</u>	<u>83,124</u>
Total Expenditures	<u>2,495,026</u>	<u>2,411,902</u>	<u>83,124</u>
Net Change in Fund Balance	(1,761,526)	(935,193)	826,333
Fund Balance at Beginning of Year	1,098,276	1,098,276	0
Prior Year Encumbrances	<u>1,798,156</u>	<u>1,798,156</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1,134,906</u>	<u>\$ 1,961,239</u>	<u>\$ 826,333</u>

CITY OF WORTHINGTON

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Capital Projects Fund – Capital Improvement Fund
For the Year Ended December 31, 2023**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Municipal Income Taxes	\$ 5,842,711	\$ 6,841,047	\$ 998,336
Special Assessments	40,000	30,013	(9,987)
All Other Revenues	150,000	2,809,849	2,659,849
Total Revenues	<u>6,032,711</u>	<u>9,680,909</u>	<u>3,648,198</u>
Expenditures:			
General Government:			
Nonpersonnel	543,220	528,889	14,331
Capital Outlay:			
Nonpersonnel	21,485,006	21,010,229	474,777
Debt Service:			
Principal Retirement	127,874	127,873	1
Total Expenditures	<u>22,156,100</u>	<u>21,666,991</u>	<u>489,109</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(16,123,389)	(11,986,082)	4,137,307
Other Financing Sources (Uses):			
General Obligation Bonds Issued	5,716,500	4,400,000	(1,316,500)
Transfers Out	(1,052,347)	(1,047,347)	5,000
Total Other Financing Sources (Uses)	<u>4,664,153</u>	<u>3,352,653</u>	<u>(1,311,500)</u>
Net Change in Fund Balance	(11,459,236)	(8,633,429)	2,825,807
Fund Balance at Beginning of Year	7,676,793	7,676,793	0
Prior Year Encumbrances	8,179,866	8,179,866	0
Fund Balance at End of Year	<u>\$ 4,397,423</u>	<u>\$ 7,223,230</u>	<u>\$ 2,825,807</u>

CITY OF WORTHINGTON

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2023**

PROPERTY ASSESSED CLEAN ENERGY FUND			
	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Special Assessments	\$ 33,000	\$ 32,977	\$ (23)
Total Revenues	<u>33,000</u>	<u>32,977</u>	<u>(23)</u>
Expenditures:			
General Government:			
Nonpersonnel	33,000	32,977	23
Total Expenditures	<u>33,000</u>	<u>32,977</u>	<u>23</u>
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF WORTHINGTON

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2023**

PAYROLL RESERVE FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Other Financing Sources (Uses):			
Transfers In	<u>50,000</u>	<u>50,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>50,000</u>	<u>50,000</u>	<u>0</u>
Net Change in Fund Balance	50,000	50,000	0
Fund Balance at Beginning of Year	50,000	50,000	0
Fund Balance at End of Year	<u><u>\$ 100,000</u></u>	<u><u>\$ 100,000</u></u>	<u><u>\$ 0</u></u>

CITY OF WORTHINGTON

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2023

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 990,000	\$ 935,443	\$ (54,557)
Total Revenues	<u>990,000</u>	<u>935,443</u>	<u>(54,557)</u>
Expenditures:			
Transportation:			
Personal Services	732,328	675,327	57,001
Nonpersonnel	197,664	197,445	219
Total Expenditures	<u>929,992</u>	<u>872,772</u>	<u>57,220</u>
Net Change in Fund Balance	60,008	62,671	2,663
Fund Balance at Beginning of Year	304,908	304,908	0
Prior Year Encumbrances	29,330	29,330	0
Fund Balance at End of Year	<u>\$ 394,246</u>	<u>\$ 396,909</u>	<u>\$ 2,663</u>

CITY OF WORTHINGTON

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2023

	STATE HIGHWAY FUND		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Intergovernmental Revenues	\$ 85,000	\$ 75,847	\$ (9,153)
Total Revenues	<u>85,000</u>	<u>75,847</u>	<u>(9,153)</u>
Expenditures:			
Transportation:			
Personal Services	103,774	91,861	11,913
Nonpersonnel	<u>25,000</u>	<u>0</u>	<u>25,000</u>
Total Expenditures	<u>128,774</u>	<u>91,861</u>	<u>36,913</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(43,774)	(16,014)	27,760
Other Financing Sources (Uses):			
Transfers In	<u>25,000</u>	<u>0</u>	<u>(25,000)</u>
Total Other Financing Sources (Uses)	<u>25,000</u>	<u>0</u>	<u>(25,000)</u>
Net Change in Fund Balance	(18,774)	(16,014)	2,760
Fund Balance at Beginning of Year	<u>93,581</u>	<u>93,581</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 74,807</u>	<u>\$ 77,567</u>	<u>\$ 2,760</u>

CITY OF WORTHINGTON

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2023**

WATER FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$ 45,000	\$ 45,328	\$ 328
Total Revenues	<u>45,000</u>	<u>45,328</u>	<u>328</u>
Expenditures:			
Basic Utility Services:			
Personal Services	62,685	36,823	25,862
Nonpersonnel	110,730	109,304	1,426
Total Expenditures	<u>173,415</u>	<u>146,127</u>	<u>27,288</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(128,415)	(100,799)	27,616
Other Financing Sources (Uses):			
Transfers In	75,000	110,000	35,000
Total Other Financing Sources (Uses)	<u>75,000</u>	<u>110,000</u>	<u>35,000</u>
Net Change in Fund Balance	(53,415)	9,201	62,616
Fund Balance at Beginning of Year	86,099	86,099	0
Prior Year Encumbrances	9,318	9,318	0
Fund Balance at End of Year	<u>\$ 42,002</u>	<u>\$ 104,618</u>	<u>\$ 62,616</u>

CITY OF WORTHINGTON

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2023**

SANITARY SEWER FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$ 45,500	\$ 38,727	\$ (6,773)
Total Revenues	<u>45,500</u>	<u>38,727</u>	<u>(6,773)</u>
Expenditures:			
Basic Utility Services:			
Personal Services	67,026	41,018	26,008
Nonpersonnel	50,043	49,722	321
Total Expenditures	<u>117,069</u>	<u>90,740</u>	<u>26,329</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(71,569)	(52,013)	19,556
Other Financing Sources (Uses):			
Transfers In	35,000	70,000	35,000
Total Other Financing Sources (Uses)	<u>35,000</u>	<u>70,000</u>	<u>35,000</u>
Net Change in Fund Balance	(36,569)	17,987	54,556
Fund Balance at Beginning of Year	38,554	38,554	0
Prior Year Encumbrances	24,972	24,972	0
Fund Balance at End of Year	<u>\$ 26,957</u>	<u>\$ 81,513</u>	<u>\$ 54,556</u>

CITY OF WORTHINGTON

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2023**

POLICE PENSION FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$ 204,370	\$ 205,569	\$ 1,199
Intergovernmental Revenues	24,359	24,312	(47)
Total Revenues	<u>228,729</u>	<u>229,881</u>	<u>1,152</u>
Expenditures:			
Security of Persons and Property:			
Personal Services	775,000	704,768	70,232
Total Expenditures	<u>775,000</u>	<u>704,768</u>	<u>70,232</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(546,271)	(474,887)	71,384
Other Financing Sources (Uses):			
Transfers In	600,000	770,653	170,653
Total Other Financing Sources (Uses)	<u>600,000</u>	<u>770,653</u>	<u>170,653</u>
Net Change in Fund Balance	53,729	295,766	242,037
Fund Balance at Beginning of Year	1,004,284	1,004,284	0
Fund Balance at End of Year	<u>\$ 1,058,013</u>	<u>\$ 1,300,050</u>	<u>\$ 242,037</u>

CITY OF WORTHINGTON

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2023

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
All Other Revenues	\$ 2,500	\$ 13	\$ (2,487)
Total Revenues	<u>2,500</u>	<u>13</u>	<u>(2,487)</u>
Expenditures:			
Security of Persons and Property:			
Personal Services	2,500	0	2,500
Nonpersonnel	<u>10,000</u>	<u>10,000</u>	<u>0</u>
Total Expenditures	<u>12,500</u>	<u>10,000</u>	<u>2,500</u>
Net Change in Fund Balance	(10,000)	(9,987)	13
Fund Balance at Beginning of Year	<u>17,501</u>	<u>17,501</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 7,501</u>	<u>\$ 7,514</u>	<u>\$ 13</u>

CITY OF WORTHINGTON

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2023

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 120,000	\$ 124,306	\$ 4,306
Total Revenues	<u>120,000</u>	<u>124,306</u>	<u>4,306</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	120,000	124,306	4,306
Other Financing Sources (Uses):			
Transfers Out	<u>(150,000)</u>	<u>(140,000)</u>	<u>10,000</u>
Total Other Financing Sources (Uses)	<u>(150,000)</u>	<u>(140,000)</u>	<u>10,000</u>
Net Change in Fund Balance	(30,000)	(15,694)	14,306
Fund Balance at Beginning of Year	<u>32,084</u>	<u>32,084</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2,084</u>	<u>\$ 16,390</u>	<u>\$ 14,306</u>

CITY OF WORTHINGTON

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2023***

ENFORCEMENT AND EDUCATION FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 2,500	\$ 825	\$ (1,675)
Total Revenues	2,500	825	(1,675)
Expenditures:			
Security of Persons and Property:			
Nonpersonnel	3,500	0	3,500
Total Expenditures	3,500	0	3,500
Net Change in Fund Balance	(1,000)	825	1,825
Fund Balance at Beginning of Year	53,624	53,624	0
Fund Balance at End of Year	\$ 52,624	\$ 54,449	\$ 1,825

CITY OF WORTHINGTON

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2023***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 0	\$ 31,786	\$ 31,786
Total Revenues	<u>0</u>	<u>31,786</u>	<u>31,786</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	0	31,786	31,786
Fund Balance at Beginning of Year	<u>7,086</u>	<u>7,086</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 7,086</u>	<u>\$ 38,872</u>	<u>\$ 31,786</u>

CITY OF WORTHINGTON

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2023**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 10,000	\$ 5,130	\$ (4,870)
Total Revenues	<u>10,000</u>	<u>5,130</u>	<u>(4,870)</u>
Expenditures:			
General Government:			
Nonpersonnel	17,468	15,344	2,124
Total Expenditures	<u>17,468</u>	<u>15,344</u>	<u>2,124</u>
Net Change in Fund Balance	(7,468)	(10,214)	(2,746)
Fund Balance at Beginning of Year	189,834	189,834	0
Prior Year Encumbrances	668	668	0
Fund Balance at End of Year	<u>\$ 183,034</u>	<u>\$ 180,288</u>	<u>\$ (2,746)</u>

CITY OF WORTHINGTON

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2023**

ECONOMIC DEVELOPMENT FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
All Other Revenues	\$ 10,000	\$ 0	\$ (10,000)
Total Revenues	<u>10,000</u>	<u>0</u>	<u>(10,000)</u>
Expenditures:			
Community Environment:			
Nonpersonnel	<u>562,753</u>	<u>272,291</u>	<u>290,462</u>
Total Expenditures	<u>562,753</u>	<u>272,291</u>	<u>290,462</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(552,753)	(272,291)	280,462
Other Financing Sources (Uses):			
Transfers In	<u>250,000</u>	<u>300,000</u>	<u>50,000</u>
Total Other Financing Sources (Uses)	<u>250,000</u>	<u>300,000</u>	<u>50,000</u>
Net Change in Fund Balance	(302,753)	27,709	330,462
Fund Balance at Beginning of Year	366,893	366,893	0
Prior Year Encumbrances	<u>169,753</u>	<u>169,753</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 233,893</u></u>	<u><u>\$ 564,355</u></u>	<u><u>\$ 330,462</u></u>

CITY OF WORTHINGTON

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2023

CONVENTION AND VISITOR'S BUREAU FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Other Local Taxes	\$ 10,280	\$ 6,760	\$ (3,520)
Total Revenues	<u>10,280</u>	<u>6,760</u>	<u>(3,520)</u>
Expenditures:			
General Government:			
Nonpersonnel	<u>75,325</u>	<u>73,833</u>	<u>1,492</u>
Total Expenditures	<u>75,325</u>	<u>73,833</u>	<u>1,492</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(65,045)	(67,073)	(2,028)
Other Financing Sources (Uses):			
Transfers In	<u>65,000</u>	<u>65,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>65,000</u>	<u>65,000</u>	<u>0</u>
Net Change in Fund Balance	(45)	(2,073)	(2,028)
Fund Balance at Beginning of Year	4,081	4,081	0
Prior Year Encumbrances	<u>325</u>	<u>325</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 4,361</u>	<u>\$ 2,333</u>	<u>\$ (2,028)</u>

CITY OF WORTHINGTON

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2023

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 20,000	\$ 9,830	\$ (10,170)
Total Revenues	<u>20,000</u>	<u>9,830</u>	<u>(10,170)</u>
Expenditures:			
Security of Persons and Property:			
Personal Services	20,000	9,830	10,170
Total Expenditures	<u>20,000</u>	<u>9,830</u>	<u>10,170</u>
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	18,030	18,030	0
Fund Balance at End of Year	<u>\$ 18,030</u>	<u>\$ 18,030</u>	<u>\$ 0</u>

CITY OF WORTHINGTON

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2023**

SPECIAL PARKS FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$ 5,000	\$ 5,352	\$ 352
All Other Revenues	0	37,246	37,246
Total Revenues	<u>5,000</u>	<u>42,598</u>	<u>37,598</u>
Expenditures:			
Leisure Time Activities:			
Nonpersonnel	26,574	23,049	3,525
Total Expenditures	<u>26,574</u>	<u>23,049</u>	<u>3,525</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(21,574)	19,549	41,123
Other Financing Sources (Uses):			
Transfers In	5,000	0	(5,000)
Total Other Financing Sources (Uses)	<u>5,000</u>	<u>0</u>	<u>(5,000)</u>
Net Change in Fund Balance	(16,574)	19,549	36,123
Fund Balance at Beginning of Year	39,008	39,008	0
Prior Year Encumbrances	11,574	11,574	0
Fund Balance at End of Year	<u>\$ 34,008</u>	<u>\$ 70,131</u>	<u>\$ 36,123</u>

CITY OF WORTHINGTON

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2023***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Investment Earnings	\$ 250	\$ 3,048	\$ 2,798
Total Revenues	<u>250</u>	<u>3,048</u>	<u>2,798</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	250	3,048	2,798
Fund Balance at Beginning of Year	<u>76,386</u>	<u>76,386</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 76,636</u>	<u>\$ 79,434</u>	<u>\$ 2,798</u>

CITY OF WORTHINGTON

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Debt Service Funds For the Year Ended December 31, 2023

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$ 115,810	\$ 116,489	\$ 679
Intergovernmental Revenues	13,803	13,777	(26)
Total Revenues	<u>129,613</u>	<u>130,266</u>	<u>653</u>
Expenditures:			
Debt Service:			
Principal Retirement	690,000	689,831	169
Interest and Fiscal Charges	588,588	583,500	5,088
Total Expenditures	<u>1,278,588</u>	<u>1,273,331</u>	<u>5,257</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,148,975)	(1,143,065)	5,910
Other Financing Sources (Uses):			
Premium on Debt Issuance	0	404,404	404,404
Transfers In	922,493	1,047,347	124,854
Total Other Financing Sources (Uses)	<u>922,493</u>	<u>1,451,751</u>	<u>529,258</u>
Net Change in Fund Balance	(226,482)	308,686	535,168
Fund Balance at Beginning of Year	1,853,670	1,853,670	0
Prior Year Encumbrances	5,088	5,088	0
Fund Balance at End of Year	<u>\$ 1,632,276</u>	<u>\$ 2,167,444</u>	<u>\$ 535,168</u>

CITY OF WORTHINGTON

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2023**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	278,448	278,448	0
Fund Balance at End of Year	<u>\$ 278,448</u>	<u>\$ 278,448</u>	<u>\$ 0</u>

CITY OF WORTHINGTON

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2023***

	TRUNK SEWER FUND		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	375,149	375,149	0
Fund Balance at End of Year	\$ 375,149	\$ 375,149	\$ 0



CITY OF WORTHINGTON

Fiduciary Funds

Fiduciary fund types are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

Custodial Funds

Mayor's Court Fund

To account for funds that flow through the City's Mayor's Court.

Accrued Acreage Benefit Fund

To account for sewer system capacity charges collected and remitted to the City of Columbus.

Ohio Board of Building Standards (OBBS) Fund

To account for the three percent surcharge levied on building permits issued in the City of Worthington by the State of Ohio and the one percent surcharge levied on residential permits. These funds are distributed to the State of Ohio on a monthly basis.

Sharon Township JEDD Fund

To account for the receipt and disbursement of income tax revenue pursuant to The Joint Economic Development District Agreement with Sharon Township.

CITY OF WORTHINGTON

Combining Statement of Net Position Custodial Funds December 31, 2023

	Mayor's Court	Accrued Acreage Benefit	OBBS	Sharon Township JEDD
Assets:				
Pooled Cash and Investments	\$ 0	\$ 11,110	\$ 1,615	\$ 66,561
Cash and Cash Equivalents in Segregated Accounts	2,016	0	0	0
Receivables:				
Property Taxes	0	0	0	31,206
Total Assets	<u>2,016</u>	<u>11,110</u>	<u>1,615</u>	<u>97,767</u>
Liabilities:				
Intergovernmental Payable	1,951	11,110	1,615	97,767
Undistributed Monies	65	0	0	0
Total Liabilities	<u>2,016</u>	<u>11,110</u>	<u>1,615</u>	<u>97,767</u>
Net Position:				
Total Net Position	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF WORTHINGTON

Total Custodial
Funds

\$ 79,286
2,016

31,206

112,508

112,443
65

112,508

\$ 0

CITY OF WORTHINGTON

Combining Statement of Changes in Net Position Custodial Funds For the Year Ended December 31, 2023

	Mayor's Court	Accrued Acreage Benefit	OBBS
Additions:			
Fines and Forfeiture Collections for other Governments	\$ 27,433	\$ 0	\$ 0
Fee Collections for other Governments	0	9,132	6,191
Income Tax Collections for other Governments	0	0	0
Total Additions	27,433	9,132	6,191
Deductions:			
Distribution of Fines and Forfeitures to other Governments	27,433	0	0
Distribution of Fees to other Governments	0	9,132	6,191
Distribution of Income Taxes to other Governments	0	0	0
Total Deductions	27,433	9,132	6,191
Change in Net Position	0	0	0
Net Position at Beginning of Year	0	0	0
Net Position End of Year	\$ 0	\$ 0	\$ 0

CITY OF WORTHINGTON

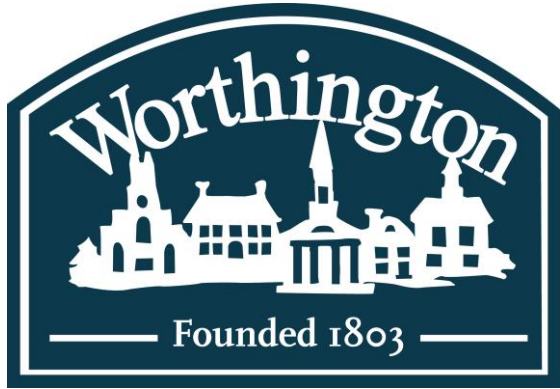
Sharon Township JEDD	Total Custodial Funds
\$ 0	\$ 27,433
0	15,323
104,600	104,600
<u>104,600</u>	<u>147,356</u>
0	27,433
0	15,323
104,600	104,600
<u>104,600</u>	<u>147,356</u>
0	0
0	0
<u>\$ 0</u>	<u>\$ 0</u>





Statistical Section

Statistical Section



STATISTICAL TABLES

This part of the City’s annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

Contents

Financial Trends	S 2 – S 13
These schedules contain trend information to help the reader understand how the City’s financial position has changed over time.	
Revenue Capacity	S 14 – S 17
These schedules contain information to help the reader understand and assess the factors affecting the City’s ability to generate its most significant local revenue source, the income tax.	
Debt Capacity	S 18 – S 25
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	
Economic and Demographic Information	S 26 – S 29
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City’s financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	S 30 – S 35
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	
Sources Note:	
Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.	

CITY OF WORTHINGTON

*Net Position by Component
Last Ten Years
(accrual basis of accounting)*

	*		*	*
	2014	2015	2016	2017
Governmental Activities:				
Net Investment in Capital Assets	\$34,341,581	\$36,040,343	\$35,066,291	\$35,853,600
Restricted	2,580,781	2,737,671	3,738,858	3,882,091
Unrestricted	(154,676)	905,477	(43,393)	(18,845,342)
Total Primary Government Net Position	<u>\$36,767,686</u>	<u>\$39,683,491</u>	<u>\$38,761,756</u>	<u>\$20,890,349</u>

Source: City Finance Director's Office

* As Restated

CITY OF WORTHINGTON

*					
2018	2019	2020	2021	2022	2023
\$35,598,171	\$40,987,801	\$43,582,235	\$42,224,296	\$42,309,190	\$45,534,824
4,193,594	4,466,757	6,240,586	7,735,188	7,354,826	9,205,197
<u>(19,184,400)</u>	<u>(9,014,333)</u>	<u>(11,527,739)</u>	<u>2,199,847</u>	<u>16,226,383</u>	<u>20,579,476</u>
<u>\$20,607,365</u>	<u>\$36,440,225</u>	<u>\$38,295,082</u>	<u>\$52,159,331</u>	<u>\$65,890,399</u>	<u>\$75,319,497</u>

CITY OF WORTHINGTON

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

	2014	2015	2016
Expenses			
Governmental Activities:			
Security of Persons and Property	\$11,222,523	\$12,601,769	\$13,827,841
Public Health and Welfare Services	54,180	54,045	42,559
Leisure Time Activities	4,513,699	5,681,219	6,019,675
Community Environment	765,040	844,283	1,098,121
Basic Utility Services	2,107,884	1,109,835	1,079,883
Transportation	2,141,898	2,075,204	2,457,842
General Government	8,510,482	7,068,167	7,620,278
Interest and Fiscal Charges	277,281	227,741	147,987
<i>Total Primary Government Expenses</i>	<u>\$29,592,987</u>	<u>\$29,662,263</u>	<u>\$32,294,186</u>
Program Revenues			
Governmental Activities:			
Charges for Services			
Security of Persons and Property	\$1,439,086	\$1,327,412	\$1,354,344
Leisure Time Activities	2,137,502	2,172,924	2,211,620
Community Environment	251,870	222,788	243,883
Basic Utility Services	89,176	89,176	90,730
Transportation	0	5,085	0
General Government	2,500	0	2
Operating Grants and Contributions	938,914	1,261,922	1,202,627
Capital Grants and Contributions	447,271	0	0
<i>Total Primary Government Program Revenues</i>	<u>5,306,319</u>	<u>5,079,307</u>	<u>5,103,206</u>

CITY OF WORTHINGTON

2017	2018	2019	2020	2021	2022	2023
\$14,453,396	\$16,168,159	\$2,035,677	\$17,242,042	\$14,606,693	\$14,131,522	\$16,107,373
73,770	63,000	66,153	70,000	73,500	77,175	81,035
6,474,760	6,814,845	7,152,692	5,741,663	2,739,808	4,522,433	6,455,020
1,028,043	1,281,355	1,250,129	1,416,432	1,146,825	798,112	1,238,630
1,379,682	1,343,620	1,220,625	1,449,751	1,191,753	1,542,317	1,400,742
2,709,083	2,505,597	2,468,187	2,518,695	1,896,851	2,242,682	2,771,109
8,187,827	9,716,823	10,307,088	9,944,001	6,593,619	8,936,089	10,783,431
199,009	211,215	307,499	251,019	479,024	313,333	559,543
<u>\$34,505,570</u>	<u>\$38,104,614</u>	<u>\$24,808,050</u>	<u>\$38,633,603</u>	<u>\$28,728,073</u>	<u>\$32,563,663</u>	<u>\$39,396,883</u>
\$1,358,886	\$1,348,441	\$1,252,362	\$1,289,186	\$1,285,974	\$1,084,356	\$1,367,775
2,283,207	2,336,946	2,419,580	947,495	1,090,551	1,607,263	2,195,366
245,942	274,635	320,305	242,354	296,274	240,995	370,752
90,196	80,161	80,997	82,826	79,633	79,839	83,220
251	56	0	70,807	0	0	0
2	40,329	47,225	43,407	53,426	66,544	144,078
934,301	900,969	1,199,369	2,461,136	1,173,570	2,647,343	1,377,276
0	612,321	2,889,715	772,295	1,173,144	818,192	0
<u>4,912,785</u>	<u>5,593,858</u>	<u>8,209,553</u>	<u>5,909,506</u>	<u>5,152,572</u>	<u>6,544,532</u>	<u>5,538,467</u>

(continued)

CITY OF WORTHINGTON

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>
Net (Expense)/Revenue			
Governmental Activities	<u>(24,286,668)</u>	<u>(24,582,956)</u>	<u>(27,190,980)</u>
<i>Total Primary Government Net (Expense)/Revenue</i>	<u><u>(\$24,286,668)</u></u>	<u><u>(\$24,582,956)</u></u>	<u><u>(\$27,190,980)</u></u>
General Revenues and Other Changes in Net Position			
Governmental Activities:			
Property Taxes	\$2,396,954	\$2,503,244	\$2,758,956
Municipal Income Taxes	23,636,768	23,428,075	25,006,898
Other Local Taxes	203,099	233,061	217,345
Intergovernmental Revenue, Unrestricted	929,797	788,376	771,640
Investment Earnings	34,359	203,962	170,700
Miscellaneous	522,245	342,043	382,161
<i>Total Primary Government</i>	<u><u>\$27,723,222</u></u>	<u><u>\$27,498,761</u></u>	<u><u>\$29,307,700</u></u>
Change in Net Position			
Governmental Activities	<u>\$3,436,554</u>	<u>\$2,915,805</u>	<u>\$2,116,720</u>
<i>Total Primary Government Change in Net Position</i>	<u><u>\$3,436,554</u></u>	<u><u>\$2,915,805</u></u>	<u><u>\$2,116,720</u></u>

Source: City Finance Director's Office

CITY OF WORTHINGTON

2017	2018	2019	2020	2021	2022	2023
<u>(29,592,785)</u>	<u>(32,510,756)</u>	<u>(16,598,497)</u>	<u>(32,724,097)</u>	<u>(23,575,501)</u>	<u>(26,019,131)</u>	<u>(33,858,416)</u>
<u><u>(\$29,592,785)</u></u>	<u><u>(\$32,510,756)</u></u>	<u><u>(\$16,598,497)</u></u>	<u><u>(\$32,724,097)</u></u>	<u><u>(\$23,575,501)</u></u>	<u><u>(\$26,019,131)</u></u>	<u><u>(\$33,858,416)</u></u>
\$2,800,084	\$3,441,389	\$3,487,243	\$3,639,209	\$4,252,861	\$4,420,313	\$4,913,609
27,009,943	26,986,800	26,745,221	26,770,166	31,731,764	33,760,465	34,541,958
185,435	97,172	15,587	73,905	83,170	81,306	79,361
722,404	724,696	872,887	785,472	943,170	917,986	950,800
119,705	365,681	767,218	459,424	(10,604)	(20,870)	2,158,147
581,837	548,212	543,201	2,850,778	439,389	590,999	643,639
<u>\$31,419,408</u>	<u>\$32,163,950</u>	<u>\$32,431,357</u>	<u>\$34,578,954</u>	<u>\$37,439,750</u>	<u>\$39,750,199</u>	<u>\$43,287,514</u>
\$1,826,623	(\$346,806)	\$15,832,860	\$1,854,857	\$13,864,249	\$13,731,068	\$9,429,098
<u>\$1,826,623</u>	<u>(\$346,806)</u>	<u>\$15,832,860</u>	<u>\$1,854,857</u>	<u>\$13,864,249</u>	<u>\$13,731,068</u>	<u>\$9,429,098</u>

CITY OF WORTHINGTON

*Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General Fund				
Nonspendable	\$35,051	\$32,704	\$34,855	\$34,398
Restricted	0	0	0	0
Committed	607,031	504,457	540,221	587,181
Assigned	396,974	826,160	947,624	1,463,862
Unassigned	<u>11,124,927</u>	<u>11,614,096</u>	<u>12,425,887</u>	<u>14,042,149</u>
<i>Total General Fund</i>	<u>12,163,983</u>	<u>12,977,417</u>	<u>13,948,587</u>	<u>16,127,590</u>
All Other Governmental Funds				
Nonspendable	56,556	58,609	57,314	64,131
Restricted	2,420,720	2,584,213	3,023,840	3,052,161
Committed	6,753,563	7,153,824	7,970,436	9,443,727
Assigned	0	0	0	0
Unassigned	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total All Other Governmental Funds	<u>9,230,839</u>	<u>9,796,646</u>	<u>11,051,590</u>	<u>12,560,019</u>
<i>Total Governmental Funds</i>	<u>\$21,394,822</u>	<u>\$22,774,063</u>	<u>\$25,000,177</u>	<u>\$28,687,609</u>

Source: City Finance Director's Office

* As Restated

CITY OF WORTHINGTON

*					
2018	2019	2020	2021	2022	2023
\$96,443	\$84,753	\$103,272	\$1,000,184	\$830,769	\$912,202
0	0	0	0	0	0
569,887	703,685	706,580	431,364	611,646	815,430
2,521,541	3,382,414	3,538,550	3,166,205	6,472,165	8,791,742
13,668,594	14,218,139	16,511,559	19,137,062	19,287,621	19,880,737
16,856,465	18,388,991	20,859,961	23,734,815	27,202,201	30,400,111
59,897	59,158	67,083	75,060	81,744	72,423
5,601,770	3,747,734	5,424,954	6,915,456	6,497,079	8,513,004
5,137,576	4,206,241	2,572,217	12,110,986	16,567,928	16,133,105
0	0	0	0	0	0
0	0	0	0	0	0
10,799,243	8,013,133	8,064,254	19,101,502	23,146,751	24,718,532
\$27,655,708	\$26,402,124	\$28,924,215	\$42,836,317	\$50,348,952	\$55,118,643

CITY OF WORTHINGTON

*Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2014	2015	2016	2017
Revenues:				
Property Taxes	\$2,408,615	\$2,533,210	\$2,712,413	\$2,787,849
Municipal Income Taxes	23,531,714	23,573,223	25,181,744	27,310,948
Other Local Taxes	203,099	233,061	217,345	185,435
Intergovernmental Revenues	2,225,148	1,638,930	1,914,292	1,578,200
Charges for Services	3,370,997	3,305,918	3,376,707	3,526,529
Licenses, Permits and Fees	503,885	453,276	519,593	466,285
Investment Earnings	34,359	203,962	170,700	113,804
Special Assessments	33,698	17,946	22,569	55,749
Fines and Forfeitures	273,465	192,953	168,407	172,714
All Other Revenue	276,133	137,832	109,590	359,220
Total Revenue	32,861,113	32,290,311	34,393,360	36,556,733
Expenditures:				
Current:				
Security of Persons and Property	10,576,062	11,862,349	11,870,390	12,632,285
Public Health and Welfare Services	54,180	54,045	42,559	73,770
Leisure Time Activities	3,908,091	5,194,138	5,303,025	5,263,937
Community Environment	626,798	818,167	1,046,297	870,069
Basic Utility Services	2,009,604	1,109,619	1,076,461	1,297,233
Transportation	881,852	905,003	1,046,176	1,101,114
General Government	7,909,130	6,929,128	7,465,688	7,429,858
Capital Outlay	4,331,815	3,435,649	3,368,398	5,609,059
Debt Service:				
Principal Retirement	2,506,715	6,949,119	2,418,237	2,602,950
Interest and Fiscal Charges	239,866	278,853	90,015	159,343
Total Expenditures	33,044,113	37,536,070	33,727,246	37,039,618
Excess (Deficiency) of Revenues Over Expenditures	(183,000)	(5,245,759)	666,114	(482,885)

CITY OF WORTHINGTON

2018	2019	2020	2021	2022	2023
\$3,424,243	\$3,534,141	\$3,635,106	\$4,231,022	\$4,424,433	\$4,899,441
25,368,712	26,717,808	26,757,531	31,268,523	33,294,382	34,308,326
97,172	15,587	6,381	12,027	11,005	10,008
2,399,337	4,904,706	3,965,219	3,263,228	4,383,670	2,133,382
3,653,599	3,665,959	2,141,270	2,290,346	2,797,768	3,460,696
507,901	504,161	446,072	458,531	411,015	478,483
356,120	759,179	466,355	(8,517)	(62,505)	2,187,712
71,069	85,963	60,413	75,642	58,062	90,621
164,488	133,882	57,281	40,093	60,912	63,696
268,073	338,378	2,710,416	347,855	449,366	626,624
36,310,714	40,659,764	40,246,044	41,978,750	45,828,108	48,258,989
12,624,584	13,261,938	14,589,957	13,644,289	13,848,489	14,060,203
63,000	66,153	70,000	73,500	77,175	81,035
5,458,303	5,529,247	4,446,915	4,438,689	5,256,252	5,893,255
1,027,970	1,078,509	1,237,042	1,521,237	1,010,210	1,256,527
1,149,678	1,194,753	1,369,712	1,204,224	1,513,665	1,402,305
955,364	929,710	922,649	957,490	943,550	925,464
8,324,660	8,939,437	8,464,213	8,837,578	9,734,929	10,711,441
6,734,263	9,935,584	5,155,972	6,902,128	4,829,669	12,665,729
1,038,639	1,236,308	1,269,174	1,296,680	725,470	720,281
204,340	298,392	198,319	400,250	376,064	628,591
37,580,801	42,470,031	37,723,953	39,276,065	38,315,473	48,344,831
(1,270,087)	(1,810,267)	2,522,091	2,702,685	7,512,635	(85,842)

(continued)

CITY OF WORTHINGTON

*Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2014	2015	2016	2017
Other Financing Sources (Uses):				
Capital Lease Issuance	0	0	0	210,317
Bond Issuance	0	0	0	3,960,000
Premium on Debt Issuance	0	0	0	0
Sale of Notes	1,760,000	1,660,000	1,560,000	0
Insurance Proceeds	0	375,000	0	0
Refunding Bonds Issued	0	4,590,000	0	0
OPWC Loan Issuance	612,816	0	0	0
Transfers In	1,777,919	1,945,201	2,177,193	1,820,246
Transfers Out	(1,777,919)	(1,945,201)	(2,177,193)	(1,820,246)
Total Other Financing Sources (Uses)	<u>2,372,816</u>	<u>6,625,000</u>	<u>1,560,000</u>	<u>4,170,317</u>
Net Change in Fund Balance	<u>\$2,189,816</u>	<u>\$1,379,241</u>	<u>\$2,226,114</u>	<u>\$3,687,432</u>
Debt Service as a Percentage of Noncapital Expenditures	9.22%	21.14%	8.27%	8.67%

Source: City Finance Director's Office

CITY OF WORTHINGTON

2018	2019	2020	2021	2022	2023
128,471	513,054	0	0	0	0
0	0	0	9,985,000	0	4,400,000
45,893	43,629	0	1,224,417	0	455,533
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
1,976,230	2,309,117	2,503,144	3,201,662	3,781,181	4,703,000
(1,976,230)	(2,309,117)	(2,503,144)	(3,201,662)	(3,781,181)	(4,703,000)
174,364	556,683	0	11,209,417	0	4,855,533
(\$1,095,723)	(\$1,253,584)	\$2,522,091	\$13,912,102	\$7,512,635	\$4,769,691

3.84%	4.80%	4.32%	5.03%	3.16%	3.80%
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CITY OF WORTHINGTON

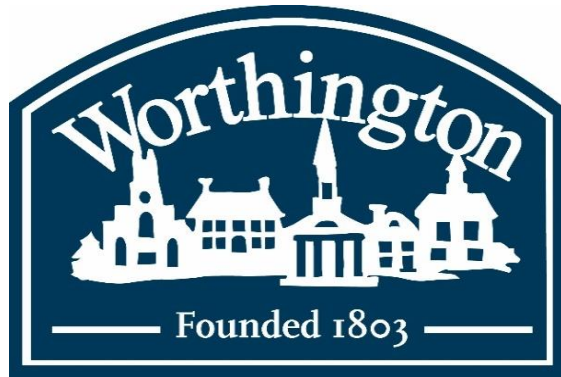
*Income Tax Revenues by Source, Governmental Funds
Last Ten Years*

Tax year	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Income Tax Rate	2.50%	2.50%	2.50%	2.50%
Total Personal Income	\$524,948,983	\$540,626,455	\$540,926,478	\$530,503,028
Total Tax Collected	\$23,359,334	\$23,741,881	\$24,883,975	\$26,258,201
Income Tax Receipts				
Withholding	17,434,204	17,925,917	19,358,989	20,444,183
Percentage	74.7%	75.5%	77.8%	77.9%
Corporate	3,345,462	2,960,948	2,623,030	3,056,963
Percentage	14.3%	12.5%	10.5%	11.6%
Individuals	2,579,668	2,855,016	2,901,956	2,757,055
Percentage	11.0%	12.0%	11.7%	10.5%

Source: City Finance Department

CITY OF WORTHINGTON

2018	2019	2020	2021	2022	2023
2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
\$414,607,177	\$545,997,584	\$550,050,411	\$528,825,626	\$531,795,109	\$551,940,031
\$26,065,130	\$26,426,895	\$26,498,678	\$30,736,965	\$33,198,547	\$34,219,050
20,508,647	20,764,225	20,820,728	23,119,571	24,836,420	26,424,752
78.7%	78.6%	78.6%	75.2%	74.8%	77.2%
2,662,644	2,828,732	2,763,783	4,605,795	5,124,707	4,265,631
10.2%	10.7%	10.4%	15.0%	15.4%	12.5%
2,893,839	2,833,938	2,914,167	3,011,599	3,237,420	3,528,667
11.1%	10.7%	11.0%	9.8%	9.8%	10.3%



CITY OF WORTHINGTON

Income Tax Statistics Current Year and Nine Years Ago

Calendar Year 2023				
Income Level	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$19,999	904	19.73%	\$7,016,863	1.27%
20,000 - 49,999	667	14.55%	23,759,066	4.30%
50,000 - 74,999	519	11.32%	32,642,566	5.91%
75,000 - 99,999	514	11.22%	45,220,789	8.19%
Over 100,000	1,979	43.18%	443,300,746	80.33%
Total	4,583	100.00%	\$551,940,030	100.00%

Calendar Year 2014				
Income Level	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$19,999	1,289	23.14%	\$10,152,422	1.91%
20,000 - 49,999	1,022	18.35%	35,246,348	6.64%
50,000 - 74,999	692	12.42%	43,054,136	8.11%
75,000 - 99,999	635	11.40%	55,244,239	10.40%
Over 100,000	1,933	34.69%	387,436,228	72.94%
Total	5,571	100.00%	\$531,133,373	100.00%

Source: City Finance Director's Office

CITY OF WORTHINGTON

Ratios of Outstanding Debt By Type Last Ten Years

	2014	2015	2016	2017
Governmental Activities				
General Obligation Bonds	\$5,095,000	\$4,510,000	\$3,780,000	\$6,785,000
Ohio Public Works Commission Loans	714,347	700,228	671,991	629,635
Installment Loan	0	0	0	164,723
Total Primary Government	<u>\$5,809,347</u>	<u>\$5,210,228</u>	<u>\$4,451,991</u>	<u>\$7,579,358</u>
Population (1)				
City of Worthington	13,606	13,629	13,596	13,650
Outstanding Debt Per Capita	\$427	\$382	\$327	\$555
Income (2)				
Personal Income	\$524,948,983	\$540,626,455	\$540,926,478	\$530,503,028
Percentage of Personal Income	1.11%	0.96%	0.82%	1.43%

Sources:

- (1) MORPC Population Estimates
- (2) Regional Income Tax Agency

CITY OF WORTHINGTON

2018	2019	2020	2021	2022	2023
\$5,825,000	\$4,845,000	\$3,840,000	\$14,029,417	\$13,298,196	\$17,379,731
601,398	573,161	544,924	516,687	488,450	474,331
242,792	527,775	291,838	43,395	16,162	0
<u>\$6,669,190</u>	<u>\$5,945,936</u>	<u>\$4,676,762</u>	<u>\$14,589,499</u>	<u>\$13,802,808</u>	<u>\$17,854,062</u>
14,285	14,442	14,692	14,786	14,786	14,786
\$467	\$412	\$318	\$987	\$934	\$1,207
\$414,607,177	\$545,997,584	\$550,050,411	\$528,825,626	\$531,795,109	\$551,940,031
1.61%	1.09%	0.85%	2.76%	2.60%	3.23%

CITY OF WORTHINGTON

*Ratios of General Bonded Debt Outstanding
Last Ten Years*

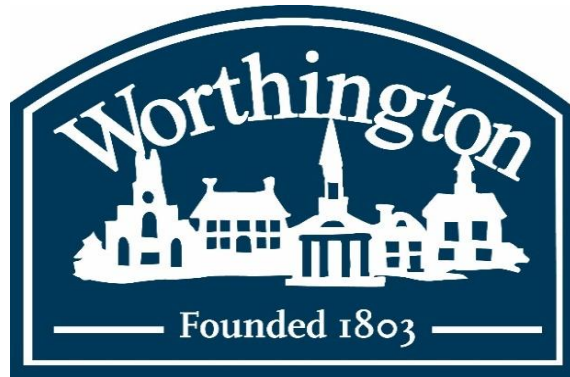
Year	2014	2015	2016	2017
Population ⁽¹⁾	13,606	13,629	13,596	13,650
Personal Income ⁽²⁾	\$524,948,983	\$540,626,455	\$540,926,478	\$530,503,028
General Bonded Debt ⁽³⁾				
General Obligation Bonds	\$5,095,000	\$4,510,000	\$3,780,000	\$6,785,000
Resources Available to Pay Principal	\$1,122,887	\$1,213,529	\$1,348,040	\$1,063,222
Net General Bonded Debt	\$3,972,113	\$3,296,471	\$2,431,960	\$5,721,778
Ratio of Net Bonded Debt to Personal Income	0.76%	0.61%	0.45%	1.08%
Net Bonded Debt per Capita	\$291.94	\$241.87	\$178.87	\$419.18

Source:

- (1) MORPC Population Estimates
- (2) Regional Income Tax Agency
- (3) Includes all general obligation bonded debt supported by property taxes.

CITY OF WORTHINGTON

2018	2019	2020	2021	2022	2023
14,285	14,442	14,692	14,786	14,786	14,786
\$414,607,177	\$545,997,584	\$550,050,411	\$528,825,626	\$531,795,109	\$551,940,031
\$5,825,000	\$4,845,000	\$3,840,000	\$14,029,417	\$13,298,196	\$17,379,731
\$1,191,326	\$1,183,122	\$1,206,300	\$2,042,079	\$1,858,758	\$2,173,360
\$4,633,674	\$3,661,878	\$2,633,700	\$11,987,338	\$11,439,438	\$15,206,371
1.12%	0.67%	0.48%	2.27%	2.15%	2.76%
\$324.37	\$253.56	\$179.26	\$810.72	\$773.67	\$1,028.43



CITY OF WORTHINGTON

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2023*

<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to the City of Worthington</u>	<u>Amount Applicable to the City of Worthington</u>
Direct:			
City of Worthington	\$17,854,062	100.00%	\$17,854,062
Overlapping:			
Franklin County	84,805,355	1.96%	1,662,185
Worthington City Schools	328,955,000	30.49%	100,298,380
Columbus State Community College	112,910,000	1.96%	2,213,036
Solid Waste Authority of Central Ohio	51,120,000	1.84%	940,608
		Subtotal	<u>105,114,209</u>
		Total	<u><u>\$122,968,271</u></u>

Source: Ohio Municipal Advisory Council

Note: Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City by the subdivisions' total assessed valuation.

CITY OF WORTHINGTON

*Debt Limitations
Last Ten Years*

	2014	2015	2016	2017
Total Debt				
Net Assessed Valuation	\$577,576,190	\$582,555,670	\$584,612,080	\$650,365,580
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	60,645,500	61,168,345	61,384,268	68,288,386
City Debt Outstanding (2)	5,095,000	4,510,000	3,780,000	6,785,000
Less: Applicable Debt Service Fund Amounts	(1,122,887)	(1,213,529)	(1,348,040)	(1,063,222)
Net Indebtedness Subject to Limitation	<u>3,972,113</u>	<u>3,296,471</u>	<u>2,431,960</u>	<u>5,721,778</u>
Overall Legal Debt Margin	<u>\$56,673,387</u>	<u>\$57,871,874</u>	<u>\$58,952,308</u>	<u>\$62,566,608</u>
Debt Margin as a Percentage of Debt Limit	93.45%	94.61%	96.04%	91.62%
Unvoted Debt				
Net Assessed Valuation	\$577,576,190	\$582,555,670	\$584,612,080	\$650,365,580
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	31,766,690	32,040,562	32,153,664	35,770,107
City Debt Outstanding (2)	5,095,000	4,510,000	3,780,000	6,785,000
Less: Applicable Debt Service Fund Amounts	(1,122,887)	(1,213,529)	(1,348,040)	(1,063,222)
Net Indebtedness Subject to Limitation	<u>3,972,113</u>	<u>3,296,471</u>	<u>2,431,960</u>	<u>5,721,778</u>
Overall Legal Debt Margin	<u>\$27,794,577</u>	<u>\$28,744,091</u>	<u>\$29,721,704</u>	<u>\$30,048,329</u>

(1) Direct Debt Limitation based upon Section 133, The Uniform Bond Act of the Ohio Revised Code.

(2) City Debt Outstanding includes Non Self-Supporting General Obligation Bonds and Notes only.

Source: City Finance Director's Office

CITY OF WORTHINGTON

2018	2019	2020	2021	2022	2023
\$650,262,970	\$657,692,980	\$754,629,800	\$760,080,460	\$763,334,190	\$982,628,480
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
68,277,612	69,057,763	79,236,129	79,808,448	80,150,090	103,175,990
5,825,000	4,845,000	3,840,000	14,029,417	13,298,196	17,379,731
(1,191,326)	(1,183,122)	(1,206,300)	(2,042,079)	(1,858,758)	(2,173,360)
4,633,674	3,661,878	2,633,700	11,987,338	11,439,438	15,206,371
\$63,643,938	\$65,395,885	\$76,602,429	\$67,821,110	\$68,710,652	\$87,969,619
93.21%	94.70%	96.68%	84.98%	85.73%	85.26%
\$650,262,970	\$657,692,980	\$754,629,800	\$760,080,460	\$763,334,190	\$982,628,480
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
35,764,463	36,173,114	41,504,639	41,804,425	41,983,380	54,044,566
5,825,000	4,845,000	3,840,000	14,029,417	13,298,196	17,379,731
(1,191,326)	(1,183,122)	(1,206,300)	(2,042,079)	(1,858,758)	(2,173,360)
4,633,674	3,661,878	2,633,700	11,987,338	11,439,438	15,206,371
\$31,130,789	\$32,511,236	\$38,870,939	\$29,817,087	\$30,543,942	\$38,838,195

CITY OF WORTHINGTON

Demographic and Economic Statistics Last Ten Years

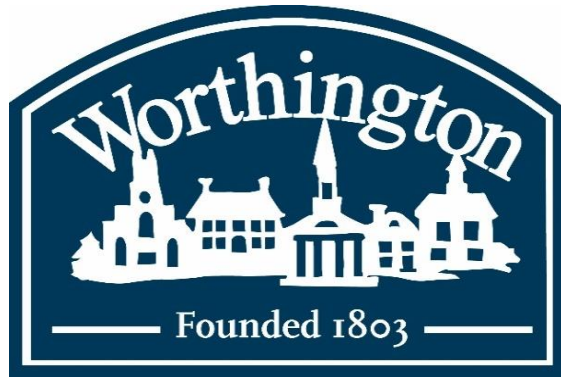
Calendar Year	2014	2015	2016	2017
Population (1)				
City of Worthington	13,606	13,629	13,596	13,650
Income				
Total Personal Income (2)	\$524,948,983	\$540,626,455	\$540,926,478	\$530,503,028
Per Capita Personal Income	38,582	39,667	39,786	38,865
Median Household Income (3)	87,842	90,445	91,075	98,784
Unemployment Rate (4)				
Federal	5.6%	5.3%	4.9%	3.9%
State	4.8%	4.9%	5.0%	4.5%
Franklin County	3.6%	4.1%	6.1%	3.6%

Sources:

- (1) MORPC Population Estimates
- (2) Regional Income Tax Agency
- (3) Data USA
- (4) Ohio Department of Job and Family Services Ohio Labor Market Information

CITY OF WORTHINGTON

2018	2019	2020	2021	2022	2023
14,285	14,442	14,692	14,786	14,786	14,786
\$414,607,177	\$545,997,584	\$550,050,411	\$528,825,626	\$531,795,109	\$551,940,031
29,024	37,806	37,439	35,765	35,966	37,329
102,731	NA	N/A	N/A	N/A	N/A
3.9%	3.5%	6.7%	3.9%	3.4%	3.7%
4.6%	4.1%	5.5%	4.5%	4.0%	3.6%
3.5%	4.0%	5.7%	2.9%	3.4%	2.7%



CITY OF WORTHINGTON

*Principal Employers
Current Year and Nine Years Ago*

		2023
Employer	Nature of Business	Rank (1)
Worthington Industries Incorporated	Manufacturing	1
Worthington City Schools	Education	2
Worthington Cylinder Corporation	Manufacturing	3
MedVet Associates	Animal Care	4
Worthington Steel Company	Manufacturing	5
Diamond Innovations Incorporated	Manufacturing	6
DLZ Corporation	Professional Services	7
The Ohio State University	Health Care	8
MedVet Associates	Animal Care	9
Centric HC, Inc	Professional Services	10

		2014
Employer	Nature of Business	Rank (1)
Worthington City Schools	Education	1
Worthington Industries Incorporated	Manufacturing	2
Diamond Innovations Inc	Manufacturing	3
The Wellpoint Companies Inc	Health Care	4
Worthington Steel Company	Manufacturing	5
Worthington Cylinder Corp.	Manufacturing	6
MedVet Associates	Animal Care	7
Ohio Automobile Club	Automotive	8
DLZ Corporation	Professional Services	9
Jack Maxton Chevrolet Inc	Automotive	10

Source: City Finance Director's Office

(1) Based on total payroll taxes

CITY OF WORTHINGTON

*Full Time Equivalent Employees by Function
Last Ten Years*

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Governmental Activities					
General Government					
Finance	4.00	4.00	4.00	4.00	4.00
Legal/Court	3.50	3.50	3.50	3.50	3.50
Administration	10.00	10.00	10.25	10.25	11.25
Public Safety					
Police	46.50	47.00	47.00	47.00	47.00
Fire	41.00	41.00	41.00	41.00	41.00
Public Works					
Public Service & Engineering	24.00	24.00	24.00	24.00	24.00
Parks and Recreation					
Parks and Recreation	55.75	57.75	57.75	57.75	58.75
Community Environment					
Planning & Building	5.00	5.50	5.50	5.50	5.50
Total Employees	<u>189.75</u>	<u>192.75</u>	<u>193.00</u>	<u>193.00</u>	<u>195.00</u>

Method: 1.00 for each full-time, Part-time positions are calculated using a base of 2080 hours.

Source: City Finance Director's Office

CITY OF WORTHINGTON

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
4.00	4.00	4.00	4.00	4.00
3.50	3.50	3.50	3.50	3.50
11.25	11.25	11.25	12.25	13.25
48.00	48.00	40.50	40.50	40.50
41.00	41.00	41.00	42.50	42.50
24.00	24.00	24.00	25.00	25.00
58.75	58.75	59.25	40.50	40.50
<u>5.50</u>	<u>5.50</u>	<u>5.50</u>	<u>5.50</u>	<u>6.50</u>
<u>196.00</u>	<u>196.00</u>	<u>189.00</u>	<u>173.75</u>	<u>175.75</u>

CITY OF WORTHINGTON

*Operating Indicators by Function
Last Nine Years*

	2015	2016	2017
Governmental Activities			
General Government			
Court			
Number of Mayor's Court Cases	2,462	2,018	2,291
Licenses and Permits			
Number of Building Permits	1,542	1,277	1,161
Number of Building Inspections	3,396	3,733	3,747
Information Technology			
Number of Website Visitors	302,867	340,191	328,421
Public Safety			
Police			
Number of Moving Citations Issued	1,977	2,005	2,145
Number of Non-moving Citations Issued	273	226	343
Number of Felony Arrests	28	54	60
Number of Misdemeanor Arrests	234	216	253
Number of Juvenile Arrests	36	43	20
Number of DUI/OVI Arrests	107	100	114
Number of Auto Accident Reports	448	458	469
Fire			
Number of Fire Calls	N/A	1,200	1,202
Number of EMS Runs	N/A	3,083	3,149
Number of Inspections	N/A	946	398
Public Works			
Street			
Centerline Miles of Streets Resurfaced	1.40	2.00	3.50
Number of Public Trees Trimmed	600	620	1,300
Curbside Leaf Pickup (# of households)	5,200	5,200	5,200
Curbside Leaf Pickup (#of Leaf Loads)	460	458	480
Sidewalk Repair Locations (# properties)	51	51	106
Parks and Recreation			
Parks and Recreation*			
Number of Classes / Events (Community Center)	1,651	1,728	1,769
Number of Classes / Events (Griswold Center)	453	404	374
Number of Community Center Memberships	N/A	7,661	8,908
Number of Community Center Day Passes Sold	19,884	32,204	34,561
Number of Griswold Memberships	1,030	799	789

Information is not available in this format for years prior to 2015

*2020 Parks and Recreation activity was significantly impacted by the Covid-19 pandemic.

Source: City Finance Director's Office

CITY OF WORTHINGTON

2018	2019	2020	2021	2022	2023
2,169	1,537	635	446	800	844
1,210	1,164	1,079	1,170	1,156	1,228
3,453	3,528	2,878	3,134	3,879	4,135
331,868	394,155	389,429	387,712	738,998	460,367
2,029	1,665	766	533	950	1,061
383	289	130	28	123	204
33	75	52	60	114	59
285	254	103	93	191	184
22	27	10	15	13	33
155	116	62	63	77	99
463	444	241	320	380	359
1,145	1,051	903	1,319	1,186	1,332
3,199	3,271	3,179	3,318	3,024	2,842
349	422	527	727	1,123	1,364
3.60	4.20	3.26	3.42	2.90	2.97
530	1,055	2,200	1,150	558	2,275
5,200	5,200	5,200	5,200	5,200	5,200
496	384	400	356	394	394
82	76	71	107	64	133
1,462	1,585	651	1,330	1,226	1,230
368	656	329	446	425	446
5,838	5,612	2,713	3,056	9,133	11,810
38,621	35,369	12,437	2,781	12,564	27,719
625	596	180	131	251	192

CITY OF WORTHINGTON

Capital Asset Statistics by Function Last Six Years

	2018	2019	2020	2021
Governmental Activities				
General Government				
Public Land and Buildings				
ROW Land (acres)	650	650	650	650
Buildings	3	3	3	3
Public Safety				
Police				
Stations	1	1	1	1
Vehicles	15	19	19	19
Fire				
Stations	1	1	1	1
Vehicles	14	15	15	15
Public Works				
Street				
Streets (lane miles)	130	130	130	130
Street Lights	170	170	170	170
Vehicles	25	29	29	29
Parks and Recreation				
Parks and Recreation				
Land (acres)	221	221	221	221
Buildings	8	8	8	8
Parks	20	20	20	20
Tennis Courts	8	8	8	8
Baseball/Softball Diamonds	10	10	10	10
Soccer Fields	5	5	5	5
Vehicles	8	9	9	9

Information is not available in this format for years prior to 2018

Source: City Finance Director's Office

CITY OF WORTHINGTON

<u>2022</u>	<u>2023</u>
650	650
3	3
1	1
20	20
1	1
15	15
130	130
170	170
28	28
221	221
8	8
20	20
8	8
10	10
5	5
9	9



OHIO AUDITOR OF STATE KEITH FABER



CITY OF WORTHINGTON

FRANKLIN COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 7/9/2024

65 East State Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov