

The general fund provides financial support for the city's basic services. Many divisions are funded solely by the general fund, others receive general fund subsidies, and some have multiple funding sources.

Revenues, excluding the unencumbered balance, encumbrance cancellations, and transfers from other funds, are projected at \$1.05 billion, an increase of 4.5 percent from 2022 revenue projections. A description of the major revenue sources of the general fund is provided below, followed by a revenue summary table.

Income Tax

The primary source of revenue to the general fund is the income tax. Columbus' income tax was first instituted in 1947 at 0.5 percent. Subsequent increases of 0.5 percent occurred in each of the years 1956, 1971, 1982, and 2009. The current income tax rate is 2.5 percent.

The city levies an income tax on all wages, salaries, commissions, other compensation paid to employees, and on net proceeds of business operations in the city. Pursuant to Columbus City Code, Section 361.37, 75 percent of all income tax collections are deposited in the general fund for general fund operations and 25 percent of collections are deposited in a separate fund to service debt on capital improvements.

Approximately 80 percent of income taxes are collected through employer withholdings. Payments are made to the city on a statutorily prescribed basis.

The income tax is the largest source of revenue for general fund operations. In 2023, income tax revenues to the general fund are estimated at \$831.6 million, which is 72.7 percent of total general fund resources and 79 percent of total general fund revenue. This represents a 3 percent increase from 2022 projections.

Property Tax

The city annually receives property taxes equal to 3.14 mills of assessed tangible and real property and public utility located in the city. Property taxes are collected by Franklin, Fairfield, and Delaware counties, and are typically remitted to the city on a semi-annual basis. Collections are based on the prior year's assessed valuations, established by state law at 35 percent of appraised market value for real property and at 100 percent of true value for public utility property. Taxes are collected one year in arrears for real property.

Pursuant to Ohio statute and Columbus City Codes, property tax revenue is used for three purposes: certain debt service requirements, partial payment of police and fire pension costs,

General Fund Summary

and general fund operations. State law requires that the first two obligations be met before property tax revenue can be deposited into the general fund for general operations. Because the city pays debt service on non-enterprise capital improvements from the special income tax (SIT) fund, property tax revenues are deposited directly in the general fund. The 2023 estimate for property tax collections is \$63 million, an increase of 3.5 percent from the 2022 projection.



Hotel/Motel Tax

During 2014, Columbus City Code, Section 371.02, was amended and as a result, the general fund no longer receives a deposit from hotel/motel taxes. The 2022 and 2023 projections for general fund hotel/motel tax receipts are \$0.

Kilowatt-Hour Tax

Beginning in 2001, a tax was levied on users of electricity provided by the Division of Electricity. Known as the kilowatt-hour (KWH) tax, state statutes allow that funds collected from users located within the city be deposited into the city's general fund. These revenues are estimated at \$3.3 million for 2023.

Casino Tax

In 2009, a constitutional amendment was passed in Ohio, allowing for casinos in four Ohio cities (Columbus, Cincinnati, Cleveland, and Toledo). In 2012, as casinos opened in the State of Ohio, the state began collecting taxes on casino revenues. The city receives a portion of revenue from the gross casino revenue county fund and the gross casino revenue host city fund. After moneys are set aside for Nationwide Arena and debt service, the balance of

revenue received will be deposited into the general fund. The \$8.2 million estimate for the 2023 general fund deposit for casino tax revenues is just slightly higher than the 2022 projection.

Shared Revenues

Local government fund (LGF) revenues represent portions of various State of Ohio taxes which are shared with local governments within the state. The local community funds, formerly known as the local government fund, and the local government revenue assistance fund are now combined as the local community funds from the State of Ohio. This category also includes the city's share of any residual estate taxes and other smaller taxes. Total revenues are projected at \$27.6 million in 2023, a 1.9 percent increase from projected 2022 revenues.

Fines and Penalties

The City of Columbus receives 100 percent of all municipal court costs and fines assessed in cases initiated by the city (excluding those that have been earmarked for special purposes such as computerization of court functions), as well as fines assessed for traffic violations. In 2022, fines assessed for parking violations were moved to the newly created mobility enterprise fund. In addition, the city receives a percentage of court costs and fines assessed in cases initiated by the state, county, or other municipalities and tried in the Franklin County Municipal Court. Revenues from fines and penalties are projected at \$7.9 million in 2023, a 1.7 percent increase from 2022 collections.

Charges for Service

Sources of revenue in this category include pro rata charges, third party reimbursements for emergency medical services, parking meter revenues and other parking charges, and revenue from various divisions that charge for services. These include auto impounding fees, sales of impounded autos, certain fire protection and dispatching service charges, and revenue from the collection of income taxes and prosecution services for other municipalities and villages. Total revenues from charges for services are projected at \$71.4 million in 2023, a 4.2 percent increase from 2022 estimates.

Pursuant to Ordinance 2293-2018, all independent funds of the city are assessed an administrative service charge of 4.5 percent of revenues, the proceeds of which are deposited into the general fund. This charge, referred to as "pro rata", represents a fee for certain services performed by administrative divisions for enterprise, special revenue, grant, and internal service divisions for which no specific service charge is assessed. Services include, but are not limited to, debt administration and budget preparation provided by the Finance and Management Department, legal services provided by the City Attorney, financial reporting and assistance provided by the City Auditor, and maintenance and cleaning services provided by the Division of Facilities Management.

Investment Earnings

Investment earnings are deposited into the fund in which they were earned. The Treasury Investment Board, consisting of the City Treasurer, City Auditor, and the Director of Finance and Management, is responsible for investing the city's liquid assets. To ensure the credit-worthiness of the investment of public moneys, federal statutes restrict municipal investment to U.S. government securities, bank certificates of deposit, and repurchase agreements. Due to rising interest rates, general fund investment earnings are projected to yield \$25.3 million in 2023, a 150.4 percent increase from 2022 estimates.

License and Permit Fees

This category consists primarily of cable communications fees and fees charged by the Department of Public Safety for the issuance and enforcement of City of Columbus licenses and permits. The city charges cable companies a service permit fee for the ability to operate a cable system in the City of Columbus, equal to five percent of cable operator gross revenues. Fees in this category are estimated at \$11.0 million in 2023, of which Cable TV permits are expected to be approximately \$9.0 million.

Other Revenue

This category includes various unclaimed funds, refunds, and miscellaneous revenue. The 2023 estimate is \$2.2 million.

Encumbrance Cancellations

These funds represent moneys set aside in prior fiscal years for expenditures that subsequently were not made. Funds can then be made available for use through the cancellation of encumbrances. The estimate for 2023 is \$5.0 million.

Other Miscellaneous Transfers

A transfer from the basic city services fund into the general fund will not be needed in 2023. A transfer of \$4 million is projected from the special income tax fund while a transfer of \$2.5 million is projected from the reimagine safety subfund.



**GENERAL FUND
REVENUE BY SOURCE AND YEAR
HISTORICAL AND PROJECTED
2019 - 2023**

SOURCE	2019	PERCENT	2020	PERCENT	2021	PERCENT	2022	PERCENT	2023	PERCENT	2023
	ACTUAL	CHANGE	ACTUAL	CHANGE	ACTUAL	CHANGE	PROJECTED	CHANGE	PROJECTED	CHANGE	PERCENT OF TOTAL
Income Tax	\$ 706,085,907	5.59%	\$ 699,560,529	(0.92%)	\$ 776,095,407	10.94%	\$ 807,371,000	4.03%	\$ 831,592,000	3.00%	72.69%
Property Tax	50,390,381	2.32%	49,377,900	(2.01%)	60,174,110	21.86%	60,853,000	1.13%	63,000,000	3.53%	5.51%
Kilowatt Hour Tax	3,369,256	1.47%	3,192,372	(5.25%)	3,312,758	3.77%	3,300,000	(0.39%)	3,300,000	0.00%	0.29%
Hotel/Motel Tax	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00%
TOTAL TAXES	759,845,544	5.35%	752,130,801	(1.02%)	839,582,275	11.63%	871,524,000	3.80%	897,892,000	3.03%	78.49%
Local Government Fund	21,232,931	6.74%	21,076,556	(0.74%)	23,758,335	12.72%	25,614,000	7.81%	26,938,000	5.17%	2.35%
Estate Tax	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00%
Liquor Permit Fee, Other	1,295,038	(3.09%)	1,195,370	(7.70%)	884,214	(26.03%)	1,477,000	67.04%	653,000	(55.79%)	0.06%
Casino Tax	7,100,147	2.25%	5,385,492	(24.15%)	7,989,634	48.35%	8,000,000	0.13%	8,200,000	2.50%	0.72%
TOTAL SHARED REVENUE	29,628,116	5.17%	27,657,418	(6.65%)	32,632,183	17.99%	35,091,000	7.53%	35,791,000	1.99%	3.13%
License and Permit Fees	12,106,082	1.48%	9,758,763	(19.39%)	8,825,273	(9.57%)	11,016,000	24.82%	11,016,000	0.00%	0.96%
Fines and Penalties	18,921,231	2.39%	11,612,764	(38.63%)	13,572,065	16.87%	7,732,000	(43.03%)	7,860,000	1.66%	0.69%
Investment Earnings	21,145,912	72.75%	18,975,693	(10.26%)	9,511,747	(49.87%)	10,110,000	6.29%	25,310,000	150.35%	2.21%
Charges for Service	65,365,937	(0.49%)	60,886,060	(6.85%)	63,265,602	3.91%	68,450,000	8.19%	71,350,000	4.24%	6.24%
All Other	2,596,250	(15.79%)	83,613,669	3120.56%	5,952,881	(92.88%)	2,200,000	(63.04%)	2,200,000	0.00%	0.19%
TOTAL OTHER REVENUES	120,135,412	7.82%	184,846,949	53.87%	101,127,568	(45.29%)	99,508,000	(1.60%)	117,736,000	18.32%	10.29%
TOTAL ALL REVENUES	909,609,072	5.66%	964,635,168	6.05%	973,342,026	0.90%	1,006,123,000	3.37%	1,051,419,000	4.50%	91.91%
Encumbrance Cancellations	9,995,846	23.54%	3,800,071	(61.98%)	6,595,499	73.56%	5,479,000	(16.93%)	5,000,000	(8.74%)	0.44%
Unencumbered Balance	16,170,687	(8.49%)	40,795,387	152.28%	78,259,958	91.84%	58,299,693	(25.51%)	81,081,000	39.08%	7.09%
Fund Transfers	3,361,411	(12.32%)	3,041,291	(9.52%)	7,857,481	158.36%	5,339,000	(32.05%)	6,500,000	21.75%	0.57%
Other Misc. Transfers	12,962,619	(22.77%)	-	(100.00%)	-	N/A	10,876,000	N/A	-	(100.00%)	0.00%
Total Annual Resources	952,099,635	4.95%	1,012,271,917	6.32%	1,066,054,963	5.31%	1,086,116,693	1.88%	1,144,000,000	5.33%	100.00%
27th Pay Period Reserve Fund	25,129,786	11.21%	3,266,058	(87.00%)	5,953,058	82.27%	8,721,058	46.50%	11,572,058	32.69%	
Basic City Services Fund	14,761,329	13.88%	74,045,492	401.62%	60,545,492	(18.23%)	49,669,492	(17.96%)	49,669,492	0.00%	
Economic Stabilization Fund	80,655,018	5.87%	85,158,273	5.58%	87,880,608	3.20%	90,580,608	3.07%	95,197,220	5.10%	
TOTAL GENERAL FUND											
AVAILABLE RESOURCES	\$ 1,072,645,768	6.62%	\$1,174,741,740	9.52%	\$1,220,434,121	3.89%	\$ 1,235,087,851	1.20%	\$ 1,300,438,770	5.29%	



Expenditures and Personnel

The following tables provide summary detail on general fund expenditures and personnel levels:

General Fund Summary

GENERAL FUND 2023 PROPOSED BUDGET SUMMARY BY AREA OF EXPENSE

Department/Division	Personnel	Materials	Services	Other	Capital	Transfers	Totals
City Council	\$ 5,656,378	\$ 65,000	\$ 351,708	\$ 3,000	\$ -	\$ -	\$ 6,076,086
City Auditor							
City Auditor	4,784,828	32,500	805,920	1,000	-	-	5,624,248
Income Tax	8,995,824	78,500	1,246,844	500	-	-	10,321,668
Total	13,780,652	111,000	2,052,764	1,500	-	-	15,945,916
City Treasurer	1,234,285	4,200	336,246	-	-	-	1,574,731
City Attorney							
City Attorney	15,497,377	96,500	710,282	3,000	-	87,565	16,394,724
Real Estate	186,754	-	-	-	-	-	186,754
Total	15,684,131	96,500	710,282	3,000	-	87,565	16,581,478
Municipal Court Judges	22,931,653	152,244	2,684,704	-	-	490,000	26,258,601
Municipal Court Clerk	14,032,743	140,834	1,136,580	-	-	-	15,310,157
Civil Service	4,576,680	37,135	1,176,352	3,500	-	-	5,793,667
Public Safety							
Administration	9,987,116	30,367	4,981,308	150	-	-	14,998,941
Support Services	18,229,255	809,175	3,962,377	5,800	-	-	23,006,607
Police	343,203,479	6,743,585	21,180,585	255,000	-	-	371,382,649
Fire	278,237,753	5,849,964	13,590,660	125,000	80,000	-	297,883,377
Total	649,657,603	13,433,091	43,714,930	385,950	80,000	-	707,271,574
Office of the Mayor							
Mayor	4,697,284	98,000	3,746,106	2,000	-	-	8,543,390
Office of Diversity & Inclusion	1,600,968	20,000	380,990	-	-	-	2,001,958
Office of CelebrateOne	1,437,442	10,000	390,256	-	-	-	1,837,698
Office of Education	328,416	7,000	12,934,074	-	-	-	13,269,490
Total	8,064,110	135,000	17,451,426	2,000	-	-	25,652,536
Inspector General	1,529,603	25,000	390,447	-	-	-	1,945,050
Building and Zoning Services							
Building & Zoning	311,069	-	-	-	-	-	311,069
Code Enforcement	6,874,876	75,400	772,180	9,000	-	-	7,731,456
Total	7,185,945	75,400	772,180	9,000	-	-	8,042,525
Development							
Administration	3,974,310	21,100	8,976,460	151,000	-	-	13,122,870
Econ. Development	1,822,778	5,400	3,786,835	1,000	-	-	5,616,013
Planning	2,115,174	7,000	73,496	1,000	-	-	2,196,670
Housing	2,512,768	9,500	5,805,315	11,000	-	-	8,338,583
Land Redevelopment	623,801	-	1,000	-	-	-	624,801
Total	11,048,831	43,000	18,643,106	164,000	-	-	29,898,937
Finance and Management							
Finance Administration	3,297,375	23,000	3,070,272	-	-	-	6,390,647
Financial Management	3,220,760	14,000	1,721,339	-	-	-	4,956,099
Facilities Management	9,358,196	952,000	9,913,361	3,000	-	-	20,226,557
Total	15,876,331	989,000	14,704,972	3,000	-	-	31,573,303
Finance City-wide	-	-	-	-	-	60,276,963	60,276,963
Finance Technology (pays gf agency bills)	-	-	26,870,460	-	-	-	26,870,460
Human Resources	1,919,680	48,847	1,437,780	-	-	-	3,406,307
Neighborhoods	6,573,330	88,000	3,322,181	3,500	-	52,500	10,039,511
Health	-	-	-	-	-	32,742,198	32,742,198
Recreation and Parks	-	-	-	-	-	50,449,636	50,449,636
Public Service							
Administration	876,930	-	9,533	-	-	-	886,463
Refuse Collection	19,068,496	603,500	47,029,905	62,000	640,000	-	67,403,901
Total	19,945,426	603,500	47,039,438	62,000	640,000	-	68,290,364
Total General Operating Fund	\$ 799,697,381	\$ 16,047,751	\$ 182,795,556	\$ 640,450	\$ 720,000	\$ 144,098,862	\$ 1,144,000,000

General Fund Summary

GENERAL FUND EXPENDITURE AND BUDGET SUMMARY					
	2020 Actual	2021 Actual	2022 Budgeted	2022 Projected	2023 Proposed
City Council	\$ 4,860,945	\$ 4,994,511	\$ 5,201,612	\$ 5,438,829	\$ 6,076,086
City Auditor					
City Auditor	4,654,518	4,757,595	5,222,349	5,172,709	5,624,248
Income Tax	8,233,436	7,669,174	9,990,318	7,914,946	10,321,668
Total	12,887,955	12,426,768	15,212,667	13,087,655	15,945,916
City Treasurer	1,187,272	1,299,673	1,502,649	1,441,611	1,574,731
City Attorney					
City Attorney	13,587,329	13,474,762	14,085,707	14,157,475	16,394,724
Real Estate	165,982	166,961	171,489	170,947	186,754
Total	13,753,311	13,641,724	14,257,196	14,328,422	16,581,478
Municipal Court Judges	20,175,534	21,405,301	21,537,233	22,457,145	26,258,601
Municipal Court Clerk	12,175,332	12,119,042	13,295,769	12,927,678	15,310,157
Civil Service	4,223,590	4,408,774	5,016,917	5,291,752	5,793,667
Public Safety					
Administration	8,151,062	9,284,122	12,926,671	14,737,796	14,998,941
Support Services	6,789,208	18,305,976	22,038,303	20,701,234	23,006,607
Police	350,060,990	386,370,000	354,194,577	341,142,918	371,382,649
Fire	234,316,471	273,096,189	273,461,932	273,084,932	297,883,377
Total	599,317,731	687,056,287	662,621,483	649,666,880	707,271,574
Office of the Mayor					
Mayor	4,051,659	3,704,507	4,330,000	3,717,568	8,543,390
Office of Diversity & Inclusion	1,445,603	1,535,194	1,910,183	1,828,419	2,001,958
Office of CelebrateOne*	-	804,521	1,378,071	1,482,164	1,837,698
Office of Education	6,070,004	8,508,120	10,467,361	8,662,227	13,269,490
Total	11,567,266	14,552,341	18,085,615	15,690,378	25,652,536
Inspector General	-	-	1,032,602	824,129	1,945,050
Building and Zoning Services					
Building & Zoning	-	87,177	282,216	277,292	311,069
Code Enforcement*	-	1,760,827	7,365,924	7,115,578	7,731,456
Total	-	1,848,004	7,648,140	7,392,870	8,042,525
Development					
Administration	5,822,406	10,097,772	7,380,161	9,695,345	13,122,870
Economic Development	16,101,945	18,322,326	4,876,470	19,386,779	5,616,013
Code Enforcement*	8,275,537	6,345,733	-	-	-
Planning	1,511,359	1,567,810	2,020,097	1,996,151	2,196,670
Housing	7,603,663	7,879,272	8,142,651	8,101,609	8,338,583
Land Redevelopment	570,012	805,118	587,101	586,557	624,801
Total	39,884,921	45,018,031	23,006,480	39,766,441	29,898,937
Finance and Management					
Finance Administration	4,923,156	6,506,352	6,222,427	10,287,829	6,390,647
Financial Management	3,487,375	4,741,730	4,346,100	3,801,791	4,956,099
Fleet Management	-	-	-	3,000,000	-
Facilities Management	17,613,290	18,707,732	19,416,293	19,772,252	20,226,557
Total	26,023,821	29,955,814	29,984,820	36,861,872	31,573,303
Citywide Technology	19,829,386	26,143,340	23,902,525	22,391,513	26,870,460
Finance City-wide	68,340,251	13,684,108	56,138,365	27,806,389	60,276,963
Human Resources	2,979,302	2,922,407	3,168,712	2,967,264	3,406,307
Neighborhoods	5,089,753	7,904,497	8,875,120	9,566,190	10,039,511
Health	17,216,803	32,953,181	30,803,453	22,818,174	32,742,198
Recreation and Parks	42,005,613	42,562,142	45,173,881	43,387,465	50,449,636
Public Service					
Administration	648,750	766,286	740,775	737,019	886,463
Refuse Collection	31,844,422	32,093,041	50,157,111	50,186,779	67,403,901
Total	32,493,172	32,859,327	50,897,886	50,923,798	68,290,364
Total General Operating Fund	\$ 934,011,958	\$ 1,007,755,270	\$ 1,037,363,125	\$ 1,005,036,453	\$ 1,144,000,000

*The Office of CelebrateOne was formally established during 2021. Budgets prior to 2022 reflect CelebrateOne programming within the Mayor's budget. In 2021, the Division of Code Enforcement transferred from the Department of Development to the Department of Building and Zoning Services during the year.

GENERAL FUND PERSONNEL SUMMARY -- FULL-TIME				
	2020	2021	2022	2023
	Actual	Actual	Budgeted	Proposed
City Council	42	42	44	46
City Auditor				
City Auditor	31	36	35	37
Income Tax	66	58	84	84
Total	97	94	119	121
City Treasurer	8	8	9	9
City Attorney				
City Attorney	124	122	128	130
Real Estate	1	1	1	1
Total	125	123	129	131
Municipal Court Judges	194	203	220	232
Municipal Court Clerk	152	150	170	172
Civil Service	32	36	37	40
Public Safety				
Administration	12	57	68	85
Support Services	38	138	194	196
Police- Non Uniformed	350	204	252	269
Police- Uniformed	1,947	1,922	1,936	2,021
Fire- Non Uniformed	50	38	50	57
Fire- Uniformed	1,592	1,585	1,637	1,703
Total	3,989	3,944	4,137	4,331
Office of the Mayor				
Mayor	27	23	27	31
Office of Diversity and Inclusion	9	10	14	14
Office of CelebrateOne	0	7	9	9
Office of Education	2	2	2	2
Total	38	42	52	56
Inspector General	0	0	10	7
Building and Zoning Services				
Building & Zoning	0	3	3	2
Code Enforcement	0	78	83	66
Total	0	81	86	69
Development				
Administration	20	23	25	28
Economic Development	15	11	15	15
Code Enforcement	75	0	0	0
Planning	16	15	20	20
Housing	17	13	24	24
Land Redevelopment	6	8	6	6
Total	149	70	89	93
Finance and Management				
Administration	28	29	31	31
Financial Management	23	24	28	28
Facilities Management	89	90	107	107
Total	140	143	166	166
Human Resources	15	13	14	14
Neighborhoods	42	47	52	65
Public Service				
Administration	6	6	6	7
Refuse Collection	180	180	226	239
Total	186	186	232	246
Total General Fund	5,209	5,182	5,566	5,797

To: Mayor Andrew J. Ginther
Columbus City Councilmembers
City Attorney Zach Klein

From: City Auditor Megan Kilgore

Date: October 21, 2022

2023 Official Revenue Estimate

Dear Colleagues:

Amid much uncertainty these past three years, one thing is certain: the City's economy continues to show resilience. I do not remember a time when we have navigated more countervailing forces. A pandemic-forced shutdown followed by unprecedented wage inflation. Supply chain limitations in the midst of extraordinary levels of federal stimulus. Businesses closed, yet an incredible \$2.5 billion of PPP funding fueled growth for others in Columbus. Remote work's income tax implications offset by new, high-wage paying jobs in our expanding sectors.

Eyes will be on the national economy as we approach 2023. Many of the variables we have considered for the City's 2023 Official Revenue Estimate remain out of the City's direct control, including geopolitical tensions and their impact on the supply chain and how inflation and interest rate levels will impact local business and consumer decisions. There are four primary areas we will be monitoring:

1. Direct and indirect impacts from national economy
2. Remote work and its ongoing effect on the City's income tax revenues
3. Local employment trends
4. Income tax refunds due to remote work in 2020 (Ohio Supreme Court decision)

See the attached NOTES to this Revenue Estimate for more detail in each of these areas.

General Fund resources for 2023 are forecasted to be \$1.144 billion, an increase of 1.84% as compared to the 2022 Revised Revenue Estimate of June 2022. We will closely monitor the actual impacts to revenues in the first quarter of 2023 and will update projections as needed.

We endeavored to provide a lot of useful information in the ensuing document. Please contact me with any follow-up questions.



Megan N. Kilgore
City Auditor



October 21, 2022

2023 Official Revenue Estimate

Per the Charter of the City of Columbus, the Mayor's estimate of the expense of conducting the affairs of the City for the following fiscal year shall be submitted to City Council on or before the fifteenth day of November in each year. The estimate shall be compiled from certain information obtained from various City departments, including a statement from the City Auditor of the total probable revenue for the period covered by the Mayor's estimate. This statement shall serve as the City Auditor's Statement of Available Resources for Fiscal Year 2023.

Statement of Estimated Available Resources

	Original Estimate
ESTIMATED GENERAL OPERATING FUND REVENUE:	
Income taxes	\$831,592,000
Property taxes	63,000,000
Investment earnings	25,310,000
Licenses and permits fees	11,016,000
Shared revenue	35,791,000
Charges for services	71,350,000
Fines, forfeitures and penalties	7,860,000
Miscellaneous revenue	5,500,000
TOTAL ESTIMATED RESOURCES FROM REVENUE	\$1,051,419,000
TOTAL TRANSFERS IN	6,500,000
TOTAL ESTIMATED RESOURCES AND TRANSFERS	\$1,057,919,000
Estimated prior year encumbrance cancellations	5,000,000
Estimated 2022 Year End Fund Balance	81,081,000
TOTAL ESTIMATED AVAILABLE RESOURCES GENERAL OPERATING FUND	\$1,144,000,000
UNENCUMBERED CASH AVAILABLE IN OTHER GENERAL FUND SUBFUNDS:	
Estimated Unencumbered Cash – JOB GROWTH [100015]	\$ 1,020,312
Estimated Unencumbered Cash – PUBLIC SAFETY INITIATIVE [100016]	688,654
Estimated Unencumbered Cash – BASIC CITY SERVICES [100017]	49,669,492
Estimated Unencumbered Cash – NEIGHBORHOOD INITIATIVE [100018]	2,448,888
TOTAL ESTIMATED AVAILABLE RESOURCES	\$1,197,827,346

This estimate includes an increase in 2023 income tax revenue of 3% as compared to the anticipated income tax revenue of \$807.371 million for the year ended December 31, 2022.



In addition to the total resources estimated for the General Operating Fund, there is an estimated \$53.8 million in unencumbered cash in other General Fund subfunds, which could be transferred to the General Operating Fund to cover the cost of basic city services. If the unencumbered balances in these General Fund subfunds were transferred to the General Operating Fund, total estimated available resources would be \$1.198 billion for 2023.

See “Notes to the City Auditor’s Statement of 2023 Estimated Available Resources” for additional information.

CITY OF COLUMBUS, OHIO
NOTES TO THE CITY AUDITOR'S STATEMENT OF 2023 ESTIMATED AVAILABLE RESOURCES
GENERAL OPERATING FUND

NOTE 1 – GENERAL OPERATING FUND RESOURCES

The 2023 General Operating Fund total estimated *revenues* for the City of Columbus (“City”) are approximately \$1.051 billion. The revenue is generated through income tax, property tax, licenses and permit fees, fines, forfeitures and penalties, investment earnings, charges for services, shared revenue, and miscellaneous revenue.

Total 2023 estimated *resources* for the General Operating Fund, which include revenues, transfers in, estimated cancellations of prior year encumbrances and the estimated year-end cash balance at December 31, 2022 are \$1.144 billion.

Total estimated revenues for 2023 increased \$53.2 million or 5.33% as compared to the revised estimated revenues for 2022 of \$998 million. Total estimated resources for 2023 represent a \$20.6 million or 1.84% increase as compared to the estimated total resources for 2022 of \$1.123 billion. The table below displays the total amount of estimated revenue attributable to each revenue category for both 2023 and 2022 and the actual revenue collected for 2021.

Revenue Categories	(\$ in thousands)					
	2021		2022		2023	
	Actual	% to Total	Revised Estimate	% to Total	Original Estimate	% to Total
Income Taxes	\$776,095	79.7%	\$799,371	80.1%	\$831,592	79.1%
Property Taxes	60,174	6.2%	63,623	6.4%	63,000	6.0%
License and permit fees	8,825	0.9%	11,016	1.1%	11,016	1.0%
Fines, forfeitures and penalties	13,572	1.4%	7,663	0.8%	7,860	0.8%
Investment earnings	9,512	0.9%	8,000	0.8%	25,310	2.4%
Charges for service	63,266	6.5%	67,962	6.8%	71,350	6.8%
Shared revenue	32,632	3.4%	35,087	3.5%	35,791	3.4%
Miscellaneous revenue	9,266	1.0%	5,465	0.5%	5,500	0.5%
Resources from revenue	\$973,342	100.0%	\$998,187	100.0%	\$1,051,419	100.0%

NOTE 2 – INCOME TAXES

Income tax revenue represents approximately 79% of total General Fund revenues for 2023.

Total income tax revenues for 2023, after providing for refunds to taxpayers, are estimated at \$1.109 billion. One fourth of the collections will be deposited into a debt service fund, more commonly known

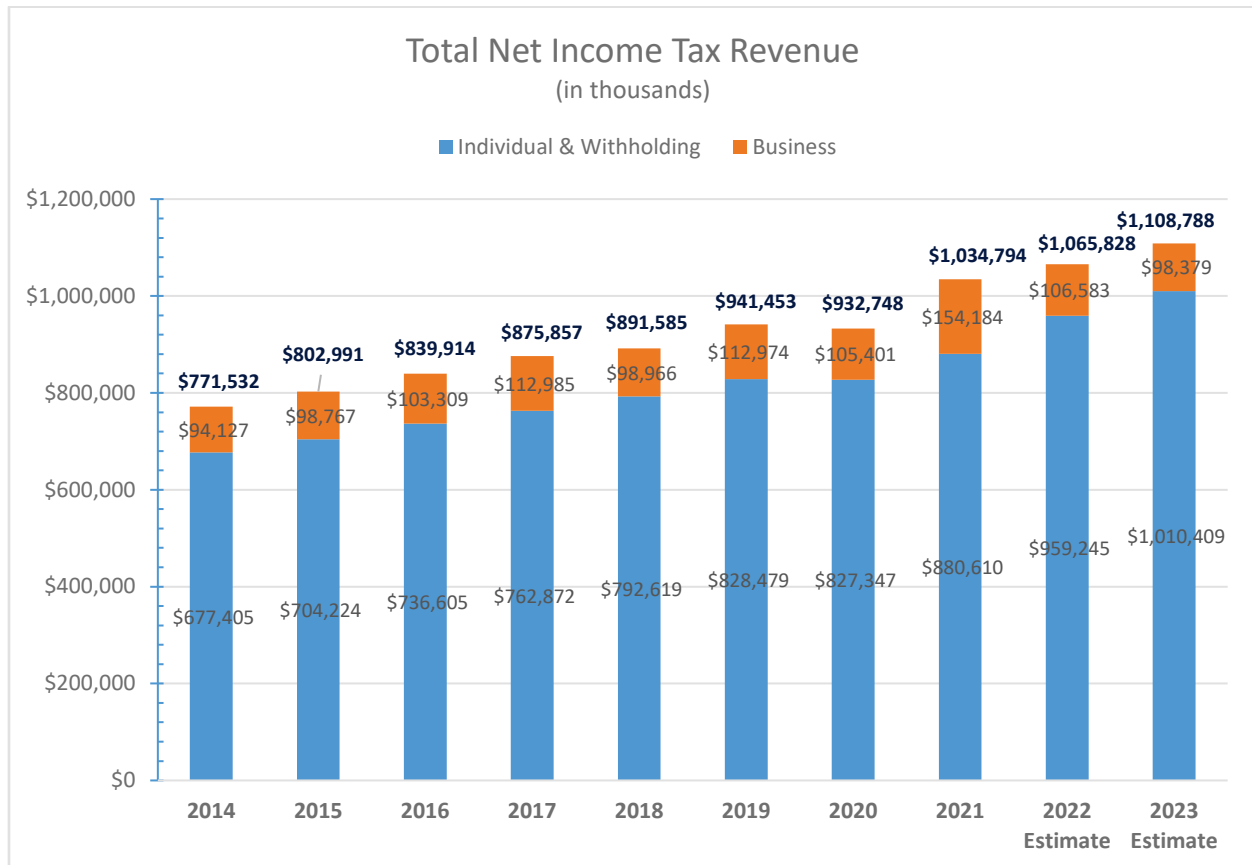
CITY OF COLUMBUS, OHIO

NOTES TO THE CITY AUDITOR'S STATEMENT OF 2023 ESTIMATED AVAILABLE RESOURCES

GENERAL OPERATING FUND

as the "Special Income Tax Fund." The remaining three fourths of the collections, approximately \$831.592 million, will be deposited in the City's General Operating Fund. The City's current income tax rate is 2.5%, which is levied on all wages, salaries, commissions, other compensation paid to employees, and on net profits of business operations in the City.

The 2023 General Fund income tax revenue was estimated based on projections for employment levels, realized wage inflation, and work from home trends. The graph below shows total income tax collections/estimates for a 10 year period.



Direct and Indirect Impacts from National Economy

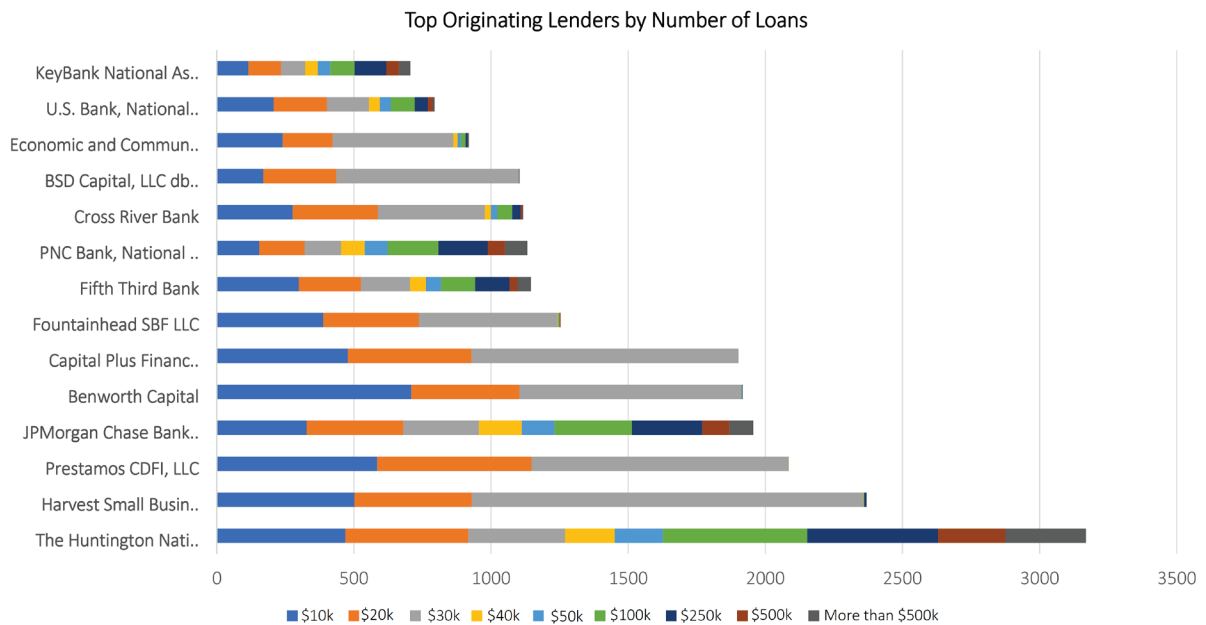
Economic growth is slowing, but only time will tell how much key variables including the Fed's monetary policy decisions, the impact to various global markets as a result of the Russian invasion of Ukraine, and inflation ultimately affect the local economy. At present, we believe it is likely for certain local sectors to be adversely impacted in late 2022/early 2023 versus a comprehensive "downturn" involving numerous sectors. As high interest rates continue, for example, we anticipate that lenders will eventually have to take losses on existing mortgages; as such, the financial system might show levels of stress. Although some measurements of U.S. economic activity are decelerating, employment broadly remains strong.

One of the most important factors we are watching is the impact of *outgoing* dollars from Federal COVID-19 funding initiatives on the City's local economy. Governments, businesses, nonprofits, and households

CITY OF COLUMBUS, OHIO
NOTES TO THE CITY AUDITOR'S STATEMENT OF 2023 ESTIMATED AVAILABLE RESOURCES
GENERAL OPERATING FUND

benefitted from various types of stimulus, such as the Paycheck Protection Program (PPP), Economic Impact Payments, and Enhanced Unemployment Insurance. Across the board, spending resulted, creating volatile growth in the City's income tax collections in 2021 and 2022.

In Columbus, over \$2.5 billion in PPP funding was distributed via nearly 32,000 loans, many of which were forgiven. Decoupling the impact these (forgiven) loans and other stimuli had on our local economy from real (i.e. typical) economic activity is nearly impossible, for the funds were used for a variety of purposes, in various amounts, and we can only make reasonably informed projections. To illustrate the range of loans and loan amounts that originated in the City, see the below table. Many more originating lenders were active with PPP distribution; only the top originators are shown.



Source: US Small Business Administration

Remote Work and Its Effect on the City's Income Tax Revenues

We continue monitoring remote work trends and the corresponding impacts on income tax collections. Through 2022, revenue declines resulting from remote work have been masked by wage inflation, early January/February bonuses, stimulus, and new jobs. Many employers have yet to fully implement technology systems to track remote work and withhold correctly. Predicting the long-term levels of remote work and the length of time it will take for employers to implement withholding processes is difficult. We expect that it will take some time for revenues to fully reflect remote work.

Local Employment Trends

Job growth, while slower than 2021, remains above our earlier estimates. Per the U.S. Bureau of Labor Statistics, jobs in Columbus rebounded to pre-pandemic (peak year: 2019) levels this past August. Not all sectors have exceeded 2019 numbers; notably, finance and insurance, administrative support, and

CITY OF COLUMBUS, OHIO

NOTES TO THE CITY AUDITOR'S STATEMENT OF 2023 ESTIMATED AVAILABLE RESOURCES

GENERAL OPERATING FUND

arts/recreation/leisure jobs remain behind. Hiring remains strong, however, in transportation and warehousing, accommodation and food services, and construction.

We anticipate benefitting from ongoing growth in certain sectors, particularly industries supporting emerging businesses in technology, biotech, and innovative sciences. We continue to see investments in these sectors and expect growth in jobs — both on-site and remote — to occur concurrently.

A four-year analysis of jobs, by North American Industry Classification System (NAICS) code designation, and their respective +/- changes is below. Also presented is the Ohio wage growth through the second quarter of 2022, as compared to the first quarter of 2020.

NAICS	2019	2020		2021		2022		WAGE GROWTH Ohio Earnings Q2 2022 v. Q1 2020
	# Columbus Jobs	Columbus Annual Average	% Change	Columbus Annual Average	% Change	Columbus - Average thru August	% Change	
Agriculture, Forestry, Fishing and Hunting	263	N/A		N/A		N/A		N/A
Mining, Quarrying, and Oil and Gas Extraction	262	N/A		N/A		N/A		N/A
Utilities	2,693	2,687	-0.2%	2,693	0.2%	2,724	1.1%	2.0%
Construction	23,180	23,915	3.2%	24,537	2.6%	25,555	4.1%	14.9%
Manufacturing	26,062	24,960	-4.2%	25,564	2.4%	25,778	0.8%	8.0%
Wholesale Trade	18,723	17,880	-4.5%	18,146	1.5%	18,812	3.7%	17.4%
Retail Trade	47,719	45,735	-4.2%	47,199	3.2%	47,577	0.8%	16.8%
Transportation and Warehousing	30,307	34,865	15.0%	38,436	10.2%	42,524	10.6%	24.7%
Information	9,799	8,785	-10.3%	8,898	1.3%	9,405	5.7%	23.2%
Finance and Insurance	33,640	33,072	-1.7%	32,930	-0.4%	32,552	-1.1%	16.8%
Real Estate and Rental and Leasing	11,021	10,668	-3.2%	11,304	6.0%	11,092	-1.9%	17.3%
Professional, Scientific, and Technical Services	34,880	34,775	-0.3%	35,880	3.2%	35,669	-0.6%	19.8%
Management of Companies and Enterprises	14,202	13,905	-2.1%	14,314	2.9%	14,760	3.1%	0.5%
Administrative and Support and Waste Management and Remediation Services	34,836	32,170	-7.7%	33,345	3.7%	31,944	-4.2%	29.6%
Educational Services	11,431	10,253	-10.3%	10,547	2.9%	10,901	3.4%	3.0%
Health Care and Social Assistance	92,718	88,981	-4.0%	91,043	2.3%	90,656	-0.4%	13.0%
Arts, Entertainment, and Recreation	8,278	6,474	-21.8%	7,004	8.2%	6,792	-3.0%	9.6%
Accommodation and Food Services	47,789	39,764	-16.8%	43,336	9.0%	46,805	8.0%	13.9%
Other Services (except Public Administration)	24,887	22,168	-10.9%	23,586	6.4%	24,414	3.5%	3.2%
Government	107,103	103,652	-3.2%	103,359	-0.3%	102,131	-1.2%	3.5%
Unclassified	31	N/A		N/A		N/A		
	579,824	554,707	-4.3%	572,122	3.1%	580,089	1.4%	

Source: U.S. Bureau of Labor Statistics

Income Tax Refunds Due to Remote Work in 2020

On June 7, 2022, the Ohio Supreme Court announced that it will hear *Schaad v. Alder*. The issues in the *Schaad* case share some of the same questions presented in the *Buckeye Institute v. Kilgore*, et. al. case. The Ohio Supreme Court declined to accept jurisdiction of the appeal of the *Buckeye Institute* case after the Franklin County Court of Appeals affirmed the Franklin County Court of Common Pleas decision granting the City's Motion to Dismiss. In *Schaad v. Alder*, the Ohio Supreme Court will consider whether taxpayers can claim refunds for municipal income taxes paid during 2020 to their employers' principal place of work, as opposed to the location of their home office or city of residence. Currently, the outcome of this case only applies to income taxes paid in 2020; the Ohio General Assembly has already taken action to allow employees to seek refunds for the days they worked from home in 2021. The case will likely be heard at the end of 2022 or early 2023.

NOTE 3 – PROPERTY TAXES

The City's share of taxes collected in 2023 attributable to real properties is estimated at \$63.0 million, net of an estimated \$2.0 million retained by the counties and the State for costs and fees. Amounts paid directly to the City from the State, known as "rollbacks," are included herein. Property tax revenues are

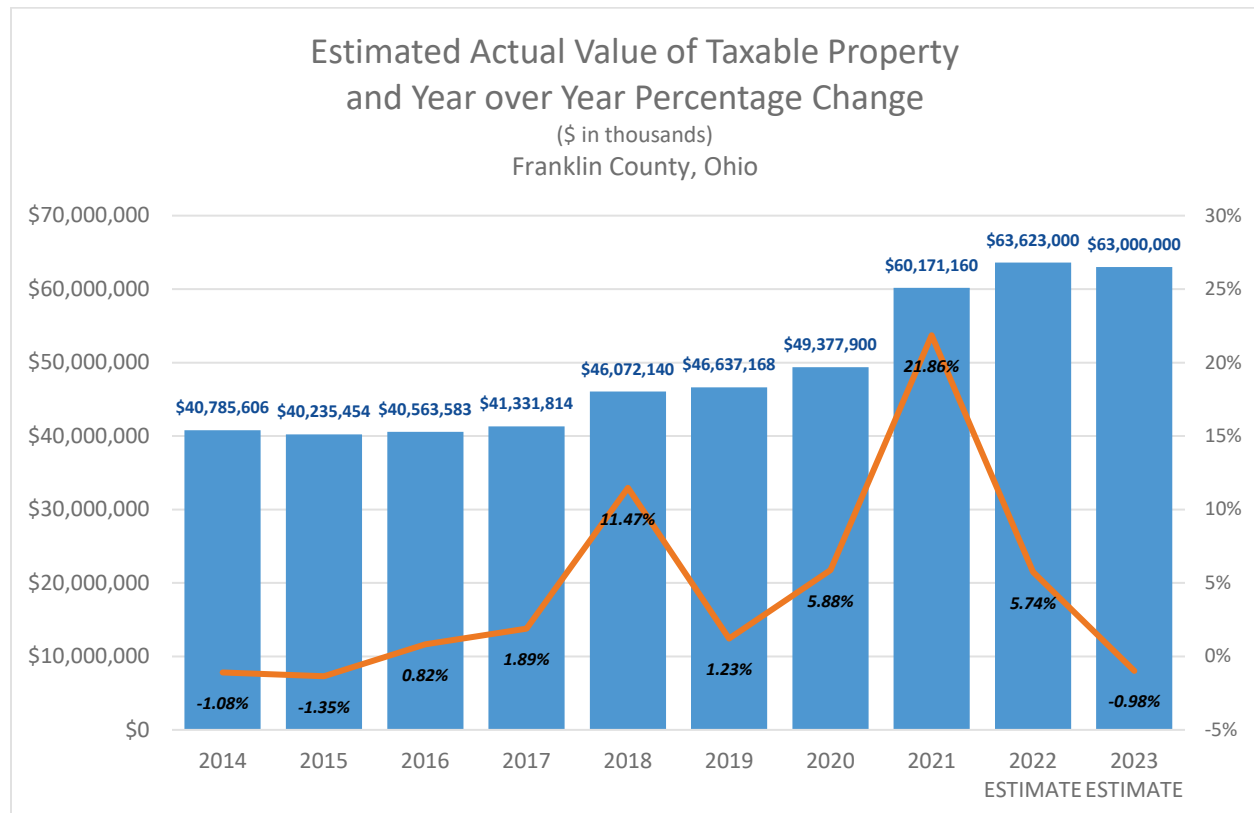
CITY OF COLUMBUS, OHIO

NOTES TO THE CITY AUDITOR'S STATEMENT OF 2023 ESTIMATED AVAILABLE RESOURCES

GENERAL OPERATING FUND

estimated based on trends in assessed valuation of property as determined by the county auditors. Assessed values on real property are established by State law at 35 percent of appraised market value. A revaluation of all property is required to be completed every sixth year, with triennial appraisals occurring every third year. The last sexennial revaluation in Franklin County was completed in 2017; the last triennial occurred in 2020, resulting in a significant increase in revenues in 2021. Ohio law prohibits taxation of property from all taxing authorities within a county in excess of one percent of assessed value without a vote of the people. Under current procedures, the City's share is .314 percent (3.14 mills) of assessed value. Increases in the property tax rate are restricted only by voter willingness to approve such increases.

Franklin County tax year 2022 assessed values for property tax amounts to be collected in 2023 will be available in December 2022. The graph below shows total property tax revenue and the year-over-year percentage change for a 10 year period.



NOTE 4 – INVESTMENT EARNINGS

The City pools its cash and investments for maximum investing efficiency. Earnings on the pool are allocated to individual funds at the discretion of City Council after meeting certain requirements. Interest earnings in excess of amounts required to be allocated are recorded as revenue in the General Fund. Based on the estimated amount of pooled cash and investments and projected interest rates, it is estimated that \$25.3 million will be posted as revenue to the General Fund in 2023. The 2023 estimate

CITY OF COLUMBUS, OHIO
NOTES TO THE CITY AUDITOR'S STATEMENT OF 2023 ESTIMATED AVAILABLE RESOURCES
GENERAL OPERATING FUND

for investment earnings is a significant increase over the 2022 revised estimate because of rising interest rates.

NOTE 5 – LICENSES AND PERMIT FEES

It is estimated that various licenses and permits issued by the City's Department of Public Safety will generate approximately \$1.9 million for the General Fund in 2023. Cable permits are estimated to produce \$9 million, while other licenses and permits will add another \$100 thousand for a total of \$11 million in licenses and permits.

NOTE 6 – SHARED REVENUE

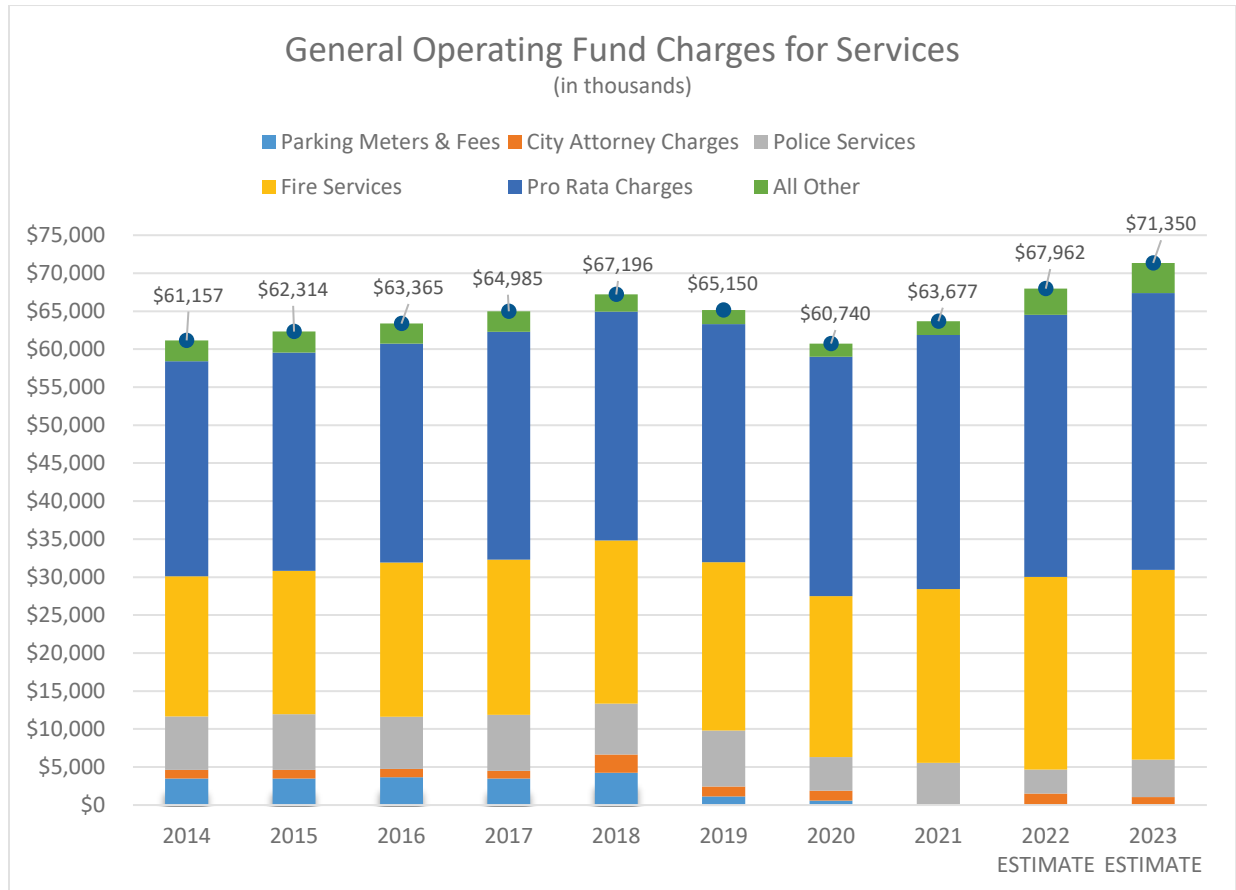
Shared revenue sources are estimated at \$35.8 million for 2023. Shared revenues include portions of the various State taxes which are shared with local governments. It is estimated that these shared taxes will provide \$27.6 million. Additionally, the City receives Casino taxes as an allocation of county share portion and as a host city portion. Total Casino taxes are estimated at \$13 million. The City has entered into various agreements funded with Casino taxes. For 2023, it is estimated that \$8.2 million in Casino taxes will remain in the General Fund.

NOTE 7 – CHARGES FOR SERVICES

Charges for services in 2023 are estimated at \$71.4 million. The most significant revenue sources included in charges for services are for Pro Rata, Division of Fire Emergency Medical Services Billing, and special Police services. Pro Rata (or administrative charges to non-General Operating Fund divisions) represents certain operating costs borne by the General Operating Fund and then partially allocated to other funds of the City. Ordinance 2293-2018 calls for an assessment rate of 4.5% of revenues of the funds assessed, resulting in revenue to the General Operating Fund estimated at \$36.4 million for 2023. Since the revenues from the water, sanitary sewer, and storm sewer enterprise have not been significantly impacted by the COVID-19 pandemic, Pro Rata has remained consistent with prior years. The Fire Services estimate of \$25.0 million includes Fire Emergency Medical Services Billing for fees related to emergency medical transportation services of \$20.0 million for 2023. Special Police services include auto impound fees, policing special community and other events and is estimated to generate revenue of \$4.9 million in 2023.

CITY OF COLUMBUS, OHIO
NOTES TO THE CITY AUDITOR'S STATEMENT OF 2023 ESTIMATED AVAILABLE RESOURCES
GENERAL OPERATING FUND

The following graph illustrates charges for services revenue by source over a 10-year period.



NOTE 8 – FINES, FORFEITURES AND PENALTIES

Revenue from fines, forfeitures and penalties consists primarily of court costs. Court costs resulting from operations of the Franklin County Municipal Court should produce approximately \$7.9 million in 2023. Revenue from the Franklin County Municipal Court has not returned to pre-pandemic levels of approximately \$12.5 million per year.

NOTE 9 – MISCELLANEOUS REVENUES

Miscellaneous revenues are estimated at \$5.5 million for 2023. Kilowatt hour (kWh) tax is permitted to be levied on users of electricity provided by the City's Division of Electricity. State statutes provide for the kWh tax to be deposited into the City's General Operating Fund and the City reports this amount as miscellaneous revenue. The kWh tax for 2023 is estimated at \$3.2 million. The remaining \$2.3 million estimated in miscellaneous revenue is for rents, refunds, reimbursements, and other miscellaneous payments.

CITY OF COLUMBUS, OHIO
NOTES TO THE CITY AUDITOR'S STATEMENT OF 2023 ESTIMATED AVAILABLE RESOURCES
GENERAL OPERATING FUND

NOTE 10 – TRANSFERS IN

Transfers from other funds for 2023 are estimated at \$6.5 million, including: \$4 million representing 25% sharing by the Special Income Tax fund of job incentive programs to be paid from the City's General Operating Fund; and \$2.5 million to be transferred from the Reimagine Safety General Fund subfund [1000-100019]. Although not included in the Total Estimated Available Resources for 2023, there is approximately \$53.827 million in other General Fund subfunds that is available for transfer and use in the General Operating Fund, which includes \$49.669 million in the Basic City Services Fund [Fund 1000; Subfund 100017]. If the \$53.827 million is transferred to the General Operating Fund, the Total Estimated Available Resources for 2023 becomes approximately \$1.198 billion.

NOTE 11 – PRIOR YEAR ENCUMBRANCE CANCELLATIONS

Encumbrances which will be carried forward to 2023, but not used, are estimated at \$5 million. These cancellations will increase unencumbered cash in 2023 to be used for operations. Cancellations are estimated based on previous trends of encumbrance amounts carried forward from year to year, as well as the amounts cancelled each year.

NOTE 12 – ESTIMATED AVAILABLE BEGINNING BALANCE

The estimated available 2023 beginning balance was determined using estimates of year-end 2022 revenues and expenses based on year-to-date actual revenues and expenditures through the third quarter of 2022.

The 2023 beginning cash balance was estimated as follows:

General Operating Fund Estimated Beginning Cash Balance	(in thousands)
Beginning Cash Balance - January 1, 2022	\$ 137,557
Less - Outstanding Encumbrances at December 31, 2021	79,257
Unencumbered Cash Balance - January 1, 2022	\$ 58,300
Add City Auditor's Official Revised Estimate dated June 2022	
Add - City Auditor's Estimated 2022 Receipts	\$ 998,187
Add - City Auditor's Estimated Encumbrance Cancellations	5,000
Add - Transfers In	61,876
Total Amount Available for Appropriations	\$ 1,123,363
Add - Estimate of Revenue in Excess of Official Estimate dated June 2022	2,754
Less - 2022 Projected Operating Expenditures per 3rd Quarter Review	1,005,036
Less - Anticipated 4th Quarter Adjustment to Transfers In	40,000
Projected Available Cash Balance - December 31, 2022	\$ 81,081