

Enterprise Funds

THE CITY OF
COLUMBUS

Sewerage and Drainage Operating Fund

The sanitary sewer enterprise fund is used by the city to account for all financial activity related to the operation of the sanitary sewer enterprise. The city collects and treats effluent of city residents and residents of certain suburban areas. The city has two sewerage treatment plants. Revenues consist primarily of user charges.

2023 Cash Balance Statement

The projected beginning year 2023 cash balance is \$265.3 million, which includes \$79.5 million in two reserve funds and an Environmental Protection Agency mandated replacement fund.

2023 Sewerage and Drainage Operating Fund	
Balance Summary	
Unencumbered Cash Balance (January 1, 2023)	\$ 265,277,159
Plus Estimated 2023 Receipts	329,676,352
Total Estimated Available Resources	<u>\$ 594,953,511</u>
Less 2023 Recommended Operating Budget (Sewers/Drains)	(332,787,603)
Less 2023 Recommended Operating Budget (Administration)	(15,844,434)
Projected Available Balance (December 31, 2023)	<u><u>\$ 246,321,474</u></u>

2023 Revenue Summary

User fees support the operations of the Division of Sewerage and Drainage. Section 118 of the Columbus City Charter empowers City Council to establish separate utility rates to fully cover the cost of service. Rates are set to fully recover the cost of operations, maintenance, and debt service, and are reviewed annually by the Sewer and Water Advisory Board. City Council must approve all rate increases before they are effective.

One of the city's goals in the rate setting process is to avoid steep increases and at the same time fully meet the needs of the system. To achieve this goal, a pro forma operating statement was developed. The pro forma is routinely updated to reflect changing appropriations, expenditures, and revenues.

2023 Sewerage and Drainage Operating Fund				
Revenue by Source and Year				
Historical and Projected				
Revenue Summary	2020	2021	2022	2023
	Actual	Actual	Estimated	Proposed
Sewer Sales	\$ 229,482,255	\$ 237,151,482	\$ 246,637,541	\$ 262,329,855
Wet Weather Charges	40,792,447	42,594,596	44,298,379	47,419,185
System Capacity Charges	7,889,516	8,451,144	7,393,557	7,467,492
Investment Earnings	7,248,140	3,656,462	3,018,669	3,033,763
Storm Maintenance Reimbursement	7,899,551	7,007,232	7,357,593	7,541,533
Other Revenue	5,581,979	2,420,813	1,882,642	1,884,524
Cash Balance	229,844,118	262,432,379	268,576,039	265,277,159
Total Resources	\$ 528,738,006	\$ 563,714,108	\$ 579,164,420	\$ 594,953,511
Percent Change		6.62%	2.74%	2.73%

Notes:

- The Sewer and Water Advisory Board recommended a five percent increase in rates for 2023. With this increase, revenues, excluding the beginning balance, will total \$329.7 million in 2023.
- The interest earnings projection in 2023 estimates a 0.5 percent increase over 2022 estimated revenue. Investment income, as a revenue source to the enterprise funds, is based on the amount of cash available in the treasury upon which interest can be earned.
- The storm maintenance reimbursement will continue in 2023. This transfer of funds from the storm to the sanitary sewer fund is a reimbursement for shared resources.
- The low income discount is continued in 2023. This discount is applied to the commodity portion of the customer’s sanitary sewer bill to provide financial relief to qualifying customers.

Sewerage and Drainage Operating Fund

Pro Forma Operating Statement

Presented below is a pro forma operating statement for the sewerage system enterprise operating fund, reflecting sanitary sewer operations only. A separate pro forma statement for storm sewer operations is presented later in this document. Represented is a projection of the sewerage and drainage operating fund revenues and expenditures for the period 2021 through 2032, the assumptions for which are outlined below. The pro forma operating statement is essential to the planning and rate setting processes. The major assumptions upon which the pro forma’s numbers are based are as follows:

- The Sewer and Water Advisory Board recommended various sewer rate increases which will produce 6 percent more revenue in 2023.
- Growth of the sanitary system is projected to be 0.5 percent throughout the pro forma projection period.

- System capacity charges are assumed to grow by 1 percent annually.
 - Projections for personnel costs reflect the rates in effect for the various collective bargaining agreements and/or management salary ordinances represented in the division.
 - The 2023 operations and maintenance budget includes \$14.5 million to pay pro rata (payment to the general fund for services provided to the utility divisions by general fund agencies).
 - In 2023, the division will pay over \$205 million in debt service costs related to various debt issuances. This debt was issued to help fund large infrastructure improvements and upgrades at the wastewater treatment plants and to the wastewater system.
 - Included in the above-noted figure is \$100 million in debt service payments to the Ohio Water Development Authority (OWDA). Use of these low-interest moneys help to decrease the debt retirement expenses associated with sanitary sewer projects. Unlike municipal bonds, debt service on OWDA funded construction projects is not paid until construction is substantially complete.
 - The Division of Sewerage and Drainage's pro forma statement also assumes that all general obligation debt will be issued late in any given year, such that the interest expense is not due until the following year and the first principal payment is due the year after that.
 - A portion of the costs associated with the Public Utilities Director's Office is borne by the sewerage enterprise operating fund. In 2023, \$15.8 million is allocated in this fund for the Director's Office.
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Enterprise Funds

SANITARY SEWER ENTERPRISE FUND
PRO FORMA OPERATING STATEMENT (000's omitted)

	Actuals 2021	Estimated 2022	Proposed 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Revenue												
Sewer Sales	237,151	246,638	247,871	266,112	285,720	306,799	329,458	353,816	380,003	408,154	434,387	462,327
Sewer Sales Increase	-	-	14,459	15,523	16,667	17,897	19,218	20,639	22,167	20,408	21,719	19,264
Wet Weather	42,595	44,298	44,835	47,994	51,216	54,664	58,344	62,271	66,462	70,095	73,418	76,923
Wet Weather Increase	-	-	2,584	2,615	2,800	2,988	3,189	3,403	3,632	3,323	3,505	3,059
Investment Earnings	3,656	3,019	3,034	3,049	3,064	3,079	3,095	3,110	3,126	3,142	3,157	3,173
System Capacity Charges	8,451	7,394	7,467	7,542	7,618	7,694	7,771	7,848	7,927	8,006	8,086	8,167
Other	2,421	1,883	1,885	1,886	1,888	1,890	1,892	1,894	1,896	1,898	1,900	1,902
Reimbursement from Stormwater Fund	7,007	7,358	7,542	7,730	7,923	8,121	8,324	8,533	8,746	8,965	9,189	9,418
Total Revenue	301,282	310,588	329,676	352,452	376,897	403,132	431,291	461,515	493,959	523,990	555,361	584,232
Beginning Fund Balance	262,432	268,576	265,277	246,351	222,120	204,063	184,414	175,475	166,494	141,251	107,647	78,828
Total Resources	563,714	579,164	594,954	598,803	599,017	607,195	615,705	636,990	660,453	665,241	663,008	663,060
Operating Expenses												
Personnel Services	33,300	32,189	38,577	39,734	40,927	42,154	43,419	44,722	46,063	47,445	48,868	50,334
Health Insurance	6,947	6,041	8,256	8,668	9,102	9,557	10,035	10,536	11,063	11,616	12,197	12,807
Supplies & Materials	9,354	12,072	14,763	15,206	15,663	16,132	16,616	17,115	17,628	18,157	18,702	19,263
Pro Rata	12,764	13,958	14,425	15,860	16,960	18,141	19,408	20,768	22,228	23,580	24,991	26,290
Contractual Services	35,706	42,055	47,963	49,402	50,884	52,411	53,983	55,603	57,271	58,989	60,758	62,581
Other	77	112	125	125	126	126	127	128	128	129	130	130
Equipment	1,664	1,922	3,408	3,510	3,615	3,724	3,835	3,950	4,069	4,191	4,317	4,446
Department of Public Utilities Allocation	11,499	13,838	15,844	16,161	16,485	16,814	17,151	17,494	17,843	18,200	18,564	18,936
Transfers	-	26,047	-	-	-	-	-	-	-	-	-	-
Total Operating Expenses	111,312	148,234	143,361	148,668	153,761	159,060	164,574	170,315	176,294	182,307	188,528	194,788
Debt Service												
Revenue Bond	38,268	-	33,555	43,977	42,598	36,898	20,563	47,870	73,958	77,121	78,842	32,756
General Obligation	41,776	65,217	62,846	60,616	58,857	55,424	52,150	49,107	47,567	45,021	40,789	36,824
OWPCLF/OWDA Debt - Non Wet Weather	102,811	100,095	100,094	97,628	94,934	94,394	105,465	90,065	76,656	74,239	71,475	70,239
Proposed New Debt	-	-	6,907	25,294	44,304	76,505	96,977	112,639	144,226	178,406	204,046	228,843
Fiscal Charges	972	313	1,840	500	500	500	500	500	500	500	500	500
Assessments	-	29	-	-	-	-	-	-	-	-	-	-
Total Debt Service	183,827	165,653	205,242	228,015	241,193	263,721	275,655	300,181	342,908	375,287	395,651	369,162
Total Expense	295,138	313,887	348,603	376,683	394,954	422,781	440,230	470,496	519,202	557,594	584,179	563,950
Ending Fund Balance	268,576	265,277	246,351	222,120	204,063	184,414	175,475	166,494	141,251	107,647	78,828	99,110

Electricity Enterprise Fund

The electricity enterprise fund is used by the city to account for all financial activity related to the operation of the electricity enterprise. The city purchases, but does not generate, electricity and sells it to its residential and commercial customers. Revenues consist primarily of user charges.

2023 Cash Balance Statement

Revenues into the electricity enterprise fund are expected to continue to parallel the expense for the purchase of power. Electrical sales revenue is expected to increase slightly over that of the previous year.

At the beginning of 2023, there is a projected cash balance of almost \$24.2 million, which reflects the combined balances of the reserve and operating funds.

2023 Electricity Enterprise Fund Balance Summary	
Unencumbered Cash Balance (January 1, 2023)	\$ 24,184,906
Plus Estimated 2023 Receipts	91,961,011
Total Estimated Available Resources	\$ 116,145,917
Less 2023 Recommended Operating Budget (Power)	(106,920,022)
Less 2023 Recommended Operating Budget (Administration)	(3,390,929)
Projected Available Balance (December 31, 2023)	\$ 5,834,966

2023 Revenue Summary

The Electricity Enterprise is supported by revenues generated through the sale of wholesale (purchased) power. Section 118 of the Columbus City Charter empowers City Council to establish separate utility rates to fully cover the cost of service. Rates are set to fully recover the cost of operations, maintenance, and debt service. City Council must approve all rate increases before they are effective.

Electricity operating fund revenues fall into two basic categories: revenue from the retail sale of electricity and specific services (e.g. operation and maintenance of expressway lighting) and investment earnings.

2023 Electricity Enterprise Fund				
Revenue by Source and Year				
Historical and Projected				
	2020	2021	2022	2023
Revenue Summary	Actual	Actual	Estimated	Proposed
Charges for Electrical Service	\$ 79,898,714	\$ 82,302,485	\$ 87,167,783	\$ 89,061,011
Investment Earnings	902,734	1,096,913	-	1,000,000
Other Revenue	2,285,372	2,942,510	351,627	1,896,080
Street Light Assessments	8,211	-	3,843	3,920
Cash Balance	36,983,055	33,536,219	34,037,580	24,184,906
Total Resources	\$ 120,078,086	\$ 119,878,127	\$ 121,560,833	\$ 116,145,917
Percent Change		-0.17%	1.40%	-4.45%

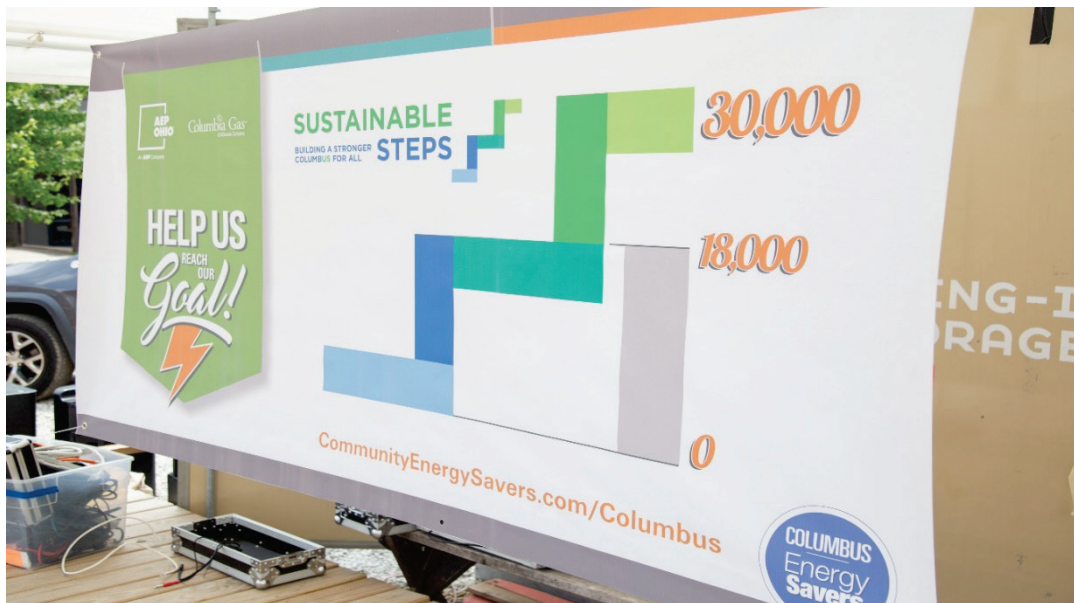
Notes:

- Revenues, excluding the beginning year cash balance, are expected to be just over \$89.1 million in 2023.
- Revenues to the electricity enterprise fund are generated through the purchase of wholesale and resale of retail electricity.
- Effective May 2001, changes in state law caused the Division of Electricity to pay the proceeds of a kilowatt hour tax to the general fund. At that time, to avoid a net reduction in revenue to the division, the general fund reimbursed the payments to the electricity operating fund. However, in 2004, legislation was passed that allowed the general fund to keep the kilowatt hour proceeds. In turn, through 2008, the division received a portion of the costs associated with operation of the street light system from the street construction, maintenance and repair fund (SCMR fund). Starting in 2009, however, this intra-fund transfer was not made and will again not be made in 2023. In 2023, the general fund will retain 100 percent of the value of the kilowatt hour tax.
- 2023 includes \$335,320 of revenue anticipated from the Electric Standby Rate. This rate is charged to customers of other utility companies, who purchase backup coverage in the case of an outage.

Electricity Enterprise Fund Pro Forma Operating Statement

Presented on the next page is a pro forma operating statement for the electricity enterprise operating fund, which outlines projections of operating fund revenues and expenditures on a cash basis for the period 2021 through 2032. Assumptions are outlined below. This division does not follow the same rate setting processes as the Water, Sanitary, and Stormwater Divisions. Rather, its rates are determined by what the market will support given that there are other providers of retail electricity in the area. As such, the pro forma operating statement is essential to this division's planning, management, and decision making processes. The major assumptions upon which the pro forma's numbers are based are as follows:

- The pro forma assumes operating, maintenance, and debt service costs for the division's street lighting program through the entire pro forma period. The objective of the program is to install street lighting throughout the city with revenues derived from electric retail sales.
- The largest portion, by far, of the Division of Electricity's budget is for the purchase of wholesale electrical power. In 2023, \$59 million is budgeted for this commodity. These figures reflect the division's estimates for transmission, capacity, and other ancillary charges.
- Growth of the electric system (i.e. residential sales) is projected to be six percent throughout the pro forma projection period.
- A portion of the costs associated with the Public Utilities Director's Office is borne by the electricity enterprise operating fund. In 2023, \$3.4 million is allocated in this fund for this purpose.



ELECTRICITY ENTERPRISE FUND
PRO FORMA OPERATING STATEMENT (000's omitted)

	Actuals	Estimated	Proposed									
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Revenue												
Residential Electricity Sales	9,685	10,789	11,437	12,123	12,850	13,621	14,439	15,305	16,223	17,197	18,228	19,322
Commercial Electricity Sales	67,917	70,315	71,018	71,728	72,446	73,170	73,902	74,641	75,387	76,141	76,903	77,672
Expressway Lighting	475	523	522	524	527	530	532	535	538	540	543	546
Kilowatt Hour Tax Reduction	(3,313)	(3,407)	(3,424)	(3,441)	(3,458)	(3,475)	(3,493)	(3,510)	(3,528)	(3,545)	(3,563)	(3,581)
(Cogen) DOP Revenue Loss - Energy Charges	-	-	(1,268)	(1,268)	(1,269)	(1,270)	(1,270)	(2,370)	(2,371)	(2,372)	(2,373)	(2,374)
(Cogen) DOP Revenue Loss - Demand Charges	-	-	(539)	(540)	(540)	(540)	(541)	(1,023)	(1,023)	(1,024)	(1,024)	(1,025)
(Cogen) DOP Incremental Revenue	-	-	277	274	289	310	305	300	292	290	290	290
AMI	-	-	500	500	500	500	500	500	500	500	500	500
Electric Standby Rate	-	-	335	339	342	345	349	352	356	360	363	367
PCRA	7,538	8,947	9,036	9,127	9,218	9,310	9,403	9,497	9,592	9,688	9,785	9,883
Other Revenues	2,943	355	3,066	1,938	1,977	2,016	2,057	2,098	2,140	2,183	2,226	2,271
Investment Earnings	1,097	-	1,000	1,050	1,103	1,158	1,216	1,276	1,340	1,407	1,477	1,551
Total Revenue	86,342	87,523	91,961	92,354	93,984	95,676	97,399	97,602	99,447	101,364	103,355	105,421
Beginning Fund Balance	33,536	34,038	24,185	5,835	(8,097)	(18,626)	(37,556)	(55,272)	(73,973)	(91,855)	(109,114)	(126,290)
Total Resources	119,878	121,561	116,146	98,189	85,888	77,050	59,843	42,331	25,473	9,510	(5,759)	-20,868
Operating Expenses												
Personnel Services	8,186	8,210	8,968	9,237	9,514	9,799	10,093	10,396	10,708	11,029	11,360	11,701
Health Insurance	1,416	1,262	1,704	1,789	1,878	1,972	2,071	2,175	2,283	2,397	2,517	2,643
Purchase Power	56,096	56,400	59,000	57,010	53,684	62,792	62,005	61,925	61,567	61,436	61,872	62,368
Supplies & Materials	2,558	6,212	7,088	7,301	7,520	7,745	7,978	8,217	8,464	8,718	8,979	9,248
Pro Rata	3,767	4,418	4,550	4,156	4,229	4,305	4,383	4,392	4,475	4,561	4,651	4,744
Services	8,005	11,125	14,499	14,934	15,382	15,844	16,319	16,809	17,313	17,832	18,367	18,918
Other	20	4	21	21	21	21	22	22	22	22	22	23
Capital Equipment	3,155	5,308	8,143	4,774	4,917	5,065	5,217	5,373	5,534	5,700	5,871	5,871
Department of Public Utilities Allocation	1,748	2,111	3,391	3,459	3,528	3,598	3,670	3,744	3,819	3,895	3,973	4,052
Total Operating Expenses	84,952	95,051	107,363	102,680	100,674	111,142	111,758	113,052	114,185	115,592	117,613	119,569
Debt Service												
General Obligation	-	2,206	2,551	2,469	2,393	2,055	1,988	1,922	1,855	1,784	1,708	1,467
Street Light Assessments	889	4	4	4	4	4	3	3	-	-	-	-
New Distribution Debt Service	-	-	293	1,033	1,344	1,305	1,266	1,227	1,188	1,149	1,110	1,071
Fiscal Charges	-	115	100	100	100	100	100	100	100	100	100	100
Total Debt Service	889	2,325	2,948	3,605	3,840	3,463	3,358	3,252	3,143	3,033	2,917	2,637
Total Expense	85,841	97,376	110,311	106,286	104,514	114,605	115,115	116,304	117,328	118,624	120,531	122,206
Ending Fund Balance	34,038	24,185	5,835	(8,097)	(18,626)	(37,556)	(55,272)	(73,973)	(91,855)	(109,114)	(126,290)	(143,075)

Water Operating Fund

The water enterprise fund is used by the city to account for all financial activity relating to the operation of the water enterprise. The city collects, purifies, and sells water to city residents and residents of certain suburban areas. Water is collected from surface areas (rivers) and wells. The city has three water treatment plants. Revenues consist primarily of user charges.

2023 Cash Balance Statement

The projected beginning year 2023 cash balance is \$186.5 million, which includes \$45.0 million in a reserve fund.

2023 Water Operating Fund Balance Summary	
Unencumbered Cash Balance (January 1, 2023)	\$ 186,483,647
Plus Estimated 2023 Receipts	244,364,247
Total Estimated Available Resources	<u>\$ 430,847,894</u>
Less 2023 Recommended Operating Budget (Water)	(230,237,114)
Less 2023 Recommended Operating Budget (Administration)	(14,411,604)
Projected Available Balance (December 31, 2023)	<u><u>\$ 186,199,177</u></u>

2023 Revenue Summary

User fees completely support the operations of the Water Division. Section 118 of the Columbus City Charter empowers City Council to establish separate utility rates to fully cover the cost of service. Rates are set to recover the cost of operations, maintenance, and debt service, and are reviewed annually by the Sewer and Water Advisory Board. City Council must approve all rate increases before they are effective.

One of the city's goals in the rate setting process is to avoid steep increases and at the same time fully meet the needs of the system. To achieve this goal, a pro forma operating statement was developed. The pro forma is routinely updated to reflect changing appropriations, expenditures and revenues.

2023 Water Operating Fund Revenue by Source and Year Historical and Projected				
	2020	2021	2022	2023
Revenue Summary	Actual	Actual	Estimated	Proposed
Water Sales	\$ 193,273,710	\$ 205,433,741	\$ 212,700,017	\$ 226,120,677
Water Penalty Fee	1,078,318	652,912	1,516,471	1,546,800
System Capacity Charges	6,672,970	7,054,852	6,294,283	6,357,226
Sewer Billings	2,172,740	2,311,606	2,432,560	2,469,048
Meter Service Fee	688,598	919,750	952,126	961,647
Investment Earnings	4,786,613	2,550,384	2,019,127	3,135,405
Other Revenue	6,113,601	2,725,469	1,092,979	3,773,444
Cash Balance	145,391,058	172,677,466	188,287,162	\$ 186,483,647
Total Resources	\$ 360,177,608	\$ 394,326,180	\$ 415,294,724	\$ 430,847,894
Percent Change		9.48%	5.32%	3.75%

Notes:

- The Sewer and Water Advisory Board recommended a four percent increase in water rates for 2023. Water sales are projected to generate \$244.4 million in 2023.
- The low income discount is continued in 2023. This discount is applied to the commodity portion of the customer’s water bill to provide financial relief to qualifying customers.
- The 2023 investment earnings projection reflects an increase of two percent over 2022 estimated income. Investment income, as a revenue source to the enterprise funds, is based on the amount of cash available in the treasury upon which interest can be earned.

Water Operating Fund

Pro Forma Operating Statement

A pro forma operating statement from 2021 through 2032 is presented on the following page. The statement is designed to project the utility's revenues and expenditures for that period, given certain assumptions and is essential to the planning and rate setting process. The major assumptions upon which the water pro forma's numbers are based are as follows:

- The Sewer and Water Advisory Board recommended a four percent increase in water rates for 2023.
 - Growth of the water system (i.e., water sales) is projected to be 0.5 percent annually throughout the pro forma period.
 - System capacity charges are assumed to be one percent in 2023, and one percent thereafter.
 - Interest rates on investments of revenues and reserves are projected to grow by two percent annually.
 - Included in the operations and maintenance budget for 2023 is just over \$10.2 million for payment of pro rata.
 - Proposed new debt is issued both in the form of general obligation bonds at an assumed interest rate of 5 percent, and loans from the Water Supply Revolving Loan Account at an assumed interest rate of 2.5 percent.
 - The Division of Water's pro forma statement assumes that all debt will be issued late in any given year, such that the interest expense is not due until the following year and the first principal payment is due the year after that.
 - A portion of the costs associated with the Public Utilities Director's Office is borne by the water enterprise operating fund. In 2023, \$14.4 million is allocated in this fund for this purpose.
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WATER ENTERPRISE FUND
PRO FORMA OPERATING STATEMENT (000's omitted)

	Actuals	Estimated	Proposed									
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Revenue												
Water Sales	205,434	204,792	215,353	229,416	237,480	248,214	259,433	271,159	283,416	296,226	309,615	323,610
Water Sales Increase	-	7,908	10,768	5,735	7,916	8,274	8,648	9,039	9,447	9,874	10,321	10,787
Investment Earnings	2,550	2,019	3,135	3,198	3,262	3,327	3,394	3,462	3,531	3,602	3,674	3,747
System Capacity Charges	7,055	6,294	6,357	6,421	6,485	6,550	6,615	6,682	6,748	6,816	6,884	6,953
CUBS Billing Charges	2,312	2,433	2,469	2,506	2,544	2,582	2,621	2,660	2,700	2,740	2,781	2,823
Penalties	653	1,516	1,547	1,578	1,609	1,641	1,674	1,708	1,742	1,777	1,812	1,849
Meter Service Fees	920	952	962	971	981	991	1,001	1,011	1,021	1,031	1,041	1,052
Other	2,725	1,093	1,098	1,104	1,109	1,115	1,121	1,126	1,132	1,137	1,143	1,149
Meter Revenue AMR	-	-	2,000	2,000	1,500	1,000	-	-	-	-	-	-
AMI Reimbursement from Sewer	-	-	675	-	-	-	-	-	-	-	-	-
Total Revenue	221,649	227,008	244,364	252,929	262,886	273,694	284,506	296,846	309,736	323,203	337,272	351,969
Beginning Fund Balance	172,677	188,287	186,484	186,229	192,208	203,239	177,024	154,068	124,979	105,066	80,164	65,367
Total Resources	394,326	415,295	430,848	439,158	455,094	476,933	461,530	450,914	434,716	428,270	417,436	417,336
Operating Expenses												
Personnel Services	33,493	33,998	37,647	38,777	39,940	41,138	42,373	43,644	44,953	46,302	47,691	49,121
Health Insurance	6,827	6,209	7,934	8,331	8,748	9,185	9,644	10,127	10,633	11,165	11,723	12,309
Supplies & Materials	19,494	26,628	26,336	27,126	27,940	28,778	29,641	30,531	31,446	32,390	33,362	34,362
Pro Rata	9,447	9,914	10,212	11,382	11,830	12,316	12,803	13,358	13,938	14,544	15,177	15,839
Contractual Services	26,636	30,726	30,495	31,410	32,352	33,323	34,322	35,352	36,412	37,505	38,630	39,789
Other	19	30	54	54	55	55	55	55	56	56	56	56
Equipment	1,546	1,830	2,251	2,318	2,388	2,459	2,533	2,609	2,687	2,768	2,851	2,936
Department of Public Utilities Allocation	10,408	12,491	14,412	14,700	14,994	15,294	15,600	15,912	16,230	16,554	16,885	17,223
Transfers	19,505	-	-	-	-	-	-	-	-	-	-	-
AMI SAAS NAAS Costs	216	1,350	1,350	-	-	-	-	-	-	-	-	-
Residuals	-	2,450	7,000	2,700	9,760	15,500	21,870	17,430	15,100	18,754	16,332	16,985
Total Operating Expenses	127,591	125,626	137,691	136,798	148,006	158,048	168,841	169,017	171,456	180,037	182,707	188,622
Debt Service												
General Obligation	78,448	102,620	103,491	97,030	79,045	100,892	89,066	98,982	93,657	89,213	82,810	71,710
Proposed New Debt	-	-	3,087	12,772	24,454	40,619	49,204	57,586	64,186	78,506	86,202	104,540
Fiscal Notes and Charges	-	565,155	350	350	350	350	350	350	350	350	350	350
Total Debt Service	78,448	103,185	106,928	110,152	103,849	141,861	138,621	156,918	158,194	168,068	169,362	176,600
Total Expense	206,039	228,811	244,619	246,950	251,855	299,909	307,461	325,935	329,649	348,106	352,069	365,222
Ending Fund Balance	188,287	186,484	186,229	192,208	203,239	177,024	154,068	124,979	105,066	80,164	65,367	52,114

Storm Sewer Maintenance Fund

The storm sewer maintenance fund is used by the city to account for all financial activity related to the operation of the storm sewer enterprise. The city has a separate storm sewerage system, as well as a combined system that also handles sanitary sewage. Revenues consist primarily of user charges.

Prior to 1993, the storm sewer maintenance special revenue fund was used only to reimburse the sanitary operating fund for stormwater management expenses. No expenditures were made directly out of this fund. This arrangement changed in 1993, when the storm sewer maintenance fund became the operating fund for stormwater management engineering and design, although the sanitary fund is still reimbursed for some storm sewer maintenance expenses.

2023 Cash Balance Statement

A 2023 beginning year cash balance of \$39.5 million is projected for this fund. This includes a \$9.0 million reserve balance.

2023 Storm Sewer Maintenance Fund	
Balance Summary	
Unencumbered Cash Balance (January 1, 2023)	\$ 39,548,856
Plus Estimated 2023 Receipts	<u>48,396,656</u>
Total Estimated Available Resources	\$ 87,945,512
Less 2023 Recommended Operating Budget (Storm Sewer)	(43,259,390)
Less 2023 Recommended Operating Budget (Administration)	(4,224,533)
Projected Available Balance (December 31, 2023)	<u><u>\$ 40,461,589</u></u>

2023 Revenue Summary

Storm sewer maintenance fees provide the vast majority of revenues to this fund. In August 1995, the Division of Sewerage and Drainage implemented a new fee structure based on the impervious area of a given property, which directly relates to stormwater runoff into the storm drainage system. The stormwater service fee is based upon an equitable and consistent rate system, defined in equivalent residential units (ERU), where one ERU equals 2,000 square feet of impervious area.

In 2011, there was no increase to the stormwater fee as it was determined that sufficient revenues were being generated under the current fee structure. In 2012, the Sewer and Water Advisory Board voted to decrease the fee by two percent. In 2013, the fee structure remained unchanged. More recently however, small increases have been necessary; for 2023, the board has recommended a two percent increase.

2023 Storm Sewer Maintenance Fund				
Revenue by Source and Year				
Historical and Projected				
Revenue Summary	2020	2021	2022	2023
	Actual	Actual	Estimated	Proposed
Storm Maintenance Fees	\$ 43,002,869	\$ 44,373,502	\$ 45,700,000	\$ 47,430,196
Investment Earnings	1,053,131	516,385	546,640	662,074
Other Revenue	363,778	391,865	19,087	20,041
Penalties	187,235	104,258	450,000	284,345
Cash Balance	27,152,175	32,991,068	38,687,937	39,548,856
Total Resources	\$ 71,759,188	\$ 78,377,078	\$ 85,403,664	\$ 87,945,512
Percent Change		9.22%	8.97%	2.98%

Storm Sewer Maintenance Fund

Pro Forma Operating Statement

- The storm sewer maintenance pro forma operating statement assumes a 2 percent increase to the storm sewer maintenance fee in 2023. This increase will fund additional costs to mitigate stormwater issues in neighborhoods and to maintain new green infrastructure.
 - Proposed new debt is issued both in the form of general obligation bonds at an assumed interest rate of 5 percent, and loans from the Water Pollution Control Loan Fund at an assumed interest rate of 2.5 percent.
 - A portion of the costs associated with the Public Utilities Director’s Office is borne by the storm sewer enterprise operating fund. In 2023, \$4.2 million is allocated in this fund for this purpose.
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STORM SEWER ENTERPRISE FUND
PRO FORMA OPERATING STATEMENT (000's omitted)

	Actuals 2021	Estimated 2022	Proposed 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Revenue												
Storm Maintenance Service Charges	44,374	45,700	46,273	47,881	48,581	49,843	51,582	53,431	55,296	57,274	59,270	60,712
Rate Increase (Decrease)	-	-	1,157	399	810	1,246	1,290	1,336	1,382	1,432	988	1,012
Investment Earnings	516	547	662	695	730	766	805	845	887	932	978	1,027
Storm Sewer Maintenance Penalties	104	450	284	299	313	329	346	363	381	400	420	441
Other Revenues	392	19	20	21	22	23	24	26	27	28	30	31
Total Revenue	45,386	46,716	48,397	49,294	50,456	52,208	54,046	56,000	57,974	60,066	61,686	63,223
Beginning Fund Balance	32,991	38,688	39,549	40,462	39,294	35,747	33,091	27,151	22,363	17,791	13,192	9,310
Total Resources	78,377	85,404	87,946	89,756	89,750	87,955	87,137	83,151	80,337	77,857	74,878	72,533
Operating Expenses												
Personnel Services	1,695	1,801	2,189	2,255	2,323	2,392	2,464	2,538	2,614	2,693	2,773	2,857
Health Insurance	318	287	405	425	446	468	492	516	542	569	598	628
Supplies & Materials	30	149	126	130	134	138	142	146	150	155	159	164
Contractual Services	702	2,428	1,138	1,172	1,207	1,244	1,281	1,319	1,359	1,400	1,442	1,485
Pro Rata	1,958	2,079	1,529	2,218	2,271	2,349	2,432	2,520	2,609	2,703	2,776	2,845
Equipment	28	38	216	222	229	236	243	250	258	266	274	282
Other	75	20	20	20	20	20	20	20	20	20	20	21
Transfers	1,660	-	-	-	-	-	-	-	-	-	-	-
Reimbursement to Sanitary Enterprise	7,007	10,052	9,760	9,956	10,155	10,358	10,565	10,776	10,992	11,212	11,436	11,664
Department of Public Utilities Allocation	3,060	3,687	4,225	4,309	4,395	4,483	4,573	4,664	4,758	4,853	4,950	5,049
Department of Technology Allocation	1,622	1,792	2,009	2,049	2,090	2,132	2,174	2,218	2,262	2,307	2,353	2,400
Street Cleaning	9,172	9,270	11,036	11,256	11,481	11,711	11,945	12,184	12,428	12,676	12,930	13,189
Total Operating Expenses	27,326	31,604	32,652	34,012	34,751	35,531	36,331	37,153	37,992	38,854	39,711	40,583
Debt Service												
General Obligation	11,736	13,858	13,116	12,639	12,288	10,389	7,992	7,171	6,970	6,729	6,008	4,470
OWDA Debt (Loan)	105	373	458	553	553	553	553	553	553	553	553	553
Proposed New Debt	-	-	1,148	3,058	5,447	6,642	7,221	7,756	8,324	8,981	9,746	10,486
Proposed New Debt (Loan)	-	-	-	-	763	1,548	7,689	7,955	8,506	9,349	9,349	9,349
Fiscal Charges	521	20	110	200	200	200	200	200	200	200	200	200
Total Debt Service	12,363	14,251	14,832	16,450	19,252	19,333	23,655	23,635	24,553	25,812	25,856	25,059
Total Expense	39,689	45,855	47,484	50,462	54,002	54,864	59,986	60,788	62,545	64,666	65,567	65,642
Ending Fund Balance	38,688	39,549	40,462	39,294	35,747	33,091	27,151	22,363	17,791	13,192	9,310	6,891

Mobility Enterprise Fund



The mobility enterprise fund supports the Division of Parking Services, a division of the Department of Public Service that is responsible for the administration, enforcement, operations, and management of both on-street and off-street public parking in the City of Columbus. The division is separated into five different sections including the Business Office, Enforcement, Meter Operations, Garage Operations, and Policies and Strategies. In addition, fund revenues are being used for several significant expansions including new off-street parking assets (garages) and the shared mobility programs. The mobility enterprise fund is responsible for providing a high quality parking experience in the City of Columbus by holistically managing on-street and off-street parking assets under one system to increase access in high demand parking areas across the city.

2023 Cash Balance Statement

At the beginning of 2023, there is a projected cash balance of \$5 million. The fund anticipates \$19.5 million in revenues, including fees for all on-street and off-street parking, as well as revenues for all tickets and fines issued. Expenditures are estimated at \$21,287,926, resulting in a closing balance of \$3,304,400.

2023 Mobility Enterprise Fund	
Balance Summary	
Unencumbered Cash Balance (January 1, 2023)	\$ 5,017,326
Plus Estimated 2023 Receipts	19,500,000
Plus Estimated Encumbrance Cancellations	<u>75,000</u>
Total Estimated Available Resources	\$ 24,592,326
Less 2023 Recommended Operating Budget	(21,287,926)
Projected Available Balance (December 31, 2023)	<u><u>\$ 3,304,400</u></u>

2023 Revenue Summary

In 2023, \$19.5 million of revenues reported below will support the mobility enterprise fund, of which, \$3.7 million will be supported by parking garage revenues, \$5.2 million will be supported by parking violations fines, and \$10.5 million will be supported by on-street parking assets.

2023 Mobility Enterprise Fund				
Revenue by Source and Year				
Historical and Projected				
	2020	2021	2022	2023
Revenue Summary	Actual	Actual	Estimated	Proposed
Investment Earnings	\$ 27,281	\$ 22,768	\$ 150,000	\$ 100,000
Parking Space Revenue	4,720,886	7,950,135	8,450,000	9,400,000
Off-Street Parking	-	-	2,300,000	3,650,000
Parking Violations Fines	-	-	5,200,000	5,450,000
Residential Permits	422,488	413,816	400,000	400,000
Miscellaneous Revenue	395,277	3,029,805	1,800,000	500,000
Encumbrance Cancellations	184,056	247,315	50,000	75,000
Unencumbered Cash Balance	1,608,373	(60,614)	3,180,658	5,017,326
Total Resources	\$ 7,358,361	\$ 11,603,225	\$21,530,658	\$24,592,326
Percent Change		57.69%	85.56%	14.22%

Mobility Enterprise Fund

Pro Forma Operating Statement

- Beginning in 2022 and continuing in 2023, this fund will absorb all revenues related to parking, including all fines and fees. Additionally, this fund will assume the responsibility for the principal, interest, and all finance charges related to issuing debt for the parking garages.
- In 2024 and all years after, personnel charges are estimated to increase by 3 percent annually.
- Professional services are expected to grow by 3 percent annually.
- Interest for year 2023 is based on known actuals associated with the issuance of a one year note. For years 2024 and beyond, interest charges are estimated based on an assumed interest rate of 2 percent if the note would be converted to a bond.
- Fiscal charges related to the service of debt for all years are estimated to be \$75,000.

Mobility Enterprise Fund
PRO FORMA OPERATING STATEMENT

	Actual 2021	Estimated 2022	Proposed 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Revenue												
Off-Street Parking	-	2,600,000	3,650,000	4,850,000	5,900,000	6,100,000	6,283,000	6,471,490	6,665,635	6,865,604	7,071,572	7,283,719
Parking Violations and Fines	-	5,200,000	5,450,000	5,613,500	5,781,905	5,955,362	6,134,023	6,318,044	6,507,585	6,702,813	6,903,897	7,111,014
On-Street Parking	11,416,524	10,500,000	10,400,000	10,712,000	11,033,360	11,364,361	11,705,292	12,056,450	12,418,144	12,790,688	13,174,409	13,569,641
Total Revenue	11,416,524	18,300,000	19,500,000	21,175,500	22,715,265	23,419,723	24,122,315	24,845,984	25,591,364	26,359,105	27,149,878	27,964,374
Beginning Fund Balance	(60,614)	3,180,658	5,017,326	3,304,400	2,847,673	3,498,325	4,407,282	5,557,880	6,955,787	8,606,750	10,516,546	12,690,960
Encumbrance Cancellations	247,315	50,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Total Resources	11,603,225	21,530,658	24,592,326	24,554,900	25,637,938	26,993,048	28,604,597	30,478,864	32,622,150	35,040,855	37,741,424	40,730,334
Operating Expenses												
Director's office		767,917	1,180,856	1,216,282	1,252,770	1,290,353	1,329,064	1,368,936	1,410,004	1,452,304	1,495,873	1,540,749
Personnel	3,523,865	3,856,322	5,322,992	5,482,682	5,647,162	5,816,577	5,991,074	6,170,807	6,355,931	6,546,609	6,743,007	6,945,297
Materials & Supplies	37,546	186,900	190,500	196,215	202,101	208,164	214,409	220,842	227,467	234,291	241,320	248,559
Services	3,621,656	10,486,735	10,086,266	10,388,854	10,700,520	11,021,535	11,352,181	11,692,747	12,043,529	12,404,835	12,776,980	13,160,289
Other	16,500	17,000	53,000	54,590	56,228	57,915	59,652	61,442	63,285	65,183	67,139	69,153
Capital	1,223,000	105,000	120,000	123,600	127,308	131,127	135,061	139,113	143,286	147,585	152,012	156,573
Principal	-	807,000	2,390,000	2,390,000	2,390,000	2,390,000	2,390,000	2,390,000	2,390,000	2,390,000	2,390,000	2,390,000
Interest	-	286,458	1,869,311	1,780,004	1,688,524	1,595,094	1,500,275	1,404,192	1,306,898	1,208,502	1,109,133	1,008,984
Fiscal Charges	-	-	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Total Operating Expenses	8,422,567	16,513,332	21,287,926	21,707,227	22,139,613	22,585,765	23,046,717	23,523,078	24,015,400	24,524,309	25,050,464	25,594,605
Ending Fund Balance	3,180,658	5,017,326	3,304,400	2,847,673	3,498,325	4,407,282	5,557,880	6,955,787	8,606,750	10,516,546	12,690,960	15,135,728