

PRELIMINARY OFFICIAL STATEMENT DATED JUNE 2, 2026

Rating: S&P: AAA
See "RATING" herein.

NEW ISSUE BOOK-ENTRY FORM ONLY

In the opinion of Bricker Graydon Wyatt LLP, Bond Counsel, under existing law, (i) assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax imposed on individuals; however, interest on the Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on and any profit made on the sale, exchange or other disposition of the Bonds is exempt from certain taxes levied by the State of Ohio and its political subdivisions. The City has designated the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. Interest on the Bonds may be subject to certain federal income taxes imposed on certain corporations, and certain taxpayers may have certain other adverse federal income tax consequences as a result of owning the Bonds. For a more complete discussion of the tax aspects, see "TAX MATTERS" herein.



OFFICIAL STATEMENT **\$4,350,000*** **CITY OF WORTHINGTON, OHIO** **Various Purpose Bonds, Series 2026** **(General Obligation - Limited Tax)**

Dated: Date of Delivery

Due: December 1, as shown on the inside cover

The Various Purpose Bonds, Series 2026 (the "Bonds") are unvoted general obligation debt of the City of Worthington, Ohio (the "City"), and the full faith, credit and revenue of the City are irrevocably pledged for the prompt payment of the principal of and interest on the Bonds. (See "SECURITY AND SOURCE OF PAYMENT FOR THE CITY'S GENERAL OBLIGATION DEBT" herein.) Terms used herein with initial capitalization where the rules of grammar would not otherwise so require and not defined have the meanings given to them under "DEFINITIONS" or as defined elsewhere herein.

Interest on the Bonds will be payable at the respective rates shown on the inside cover herein on June 1 and December 1 of each year, beginning December 1, 2026*, to the Bondholders of record as of the record dates described in the Bond Ordinance.

Principal of the Bonds will be payable at the designated corporate trust office of Argent Institutional Trust Company, as registrar, paying agent and transfer agent for the Bonds.

The Bonds will be issuable as fully registered bonds without coupons in the denominations set forth herein. The Bonds will be issuable under a book-entry only method and registered in the name of The Depository Trust Company ("DTC") or its nominee. There will be no physical delivery of the Bonds to the ultimate purchasers. _____ (the "Underwriter") has satisfied the requirements of DTC for the Bonds to be eligible for its book-entry services. (See "BOOK-ENTRY ONLY SYSTEM" herein.)

The Bonds maturing on or after December 1, 2035* will be subject to optional redemption prior to stated maturity, as set forth herein. (See "THE BONDS – Redemption Provisions" herein).

The Bonds are offered when, as and if issued and received by the Underwriter, subject to prior sale and to withdrawal or modification of the offer without notice.

Certain legal matters relating to the issuance of the Bonds are subject to the approving opinion of Bricker Graydon Wyatt LLP, Bond Counsel. (See "LEGAL MATTERS" and "TAX MATTERS" herein.) Baker Tilly Municipal Advisors, LLC, has served as the Municipal Advisor to the City in connection with the issuance of the Bonds. (See "MUNICIPAL ADVISOR" herein.)

This cover page contains certain information for general reference only. It is not a summary of the provisions of the Bonds. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

This Official Statement has been prepared by the City in connection with the original offering for sale by it of the Bonds. It is expected that delivery of the Bonds in definitive form will be made through DTC on or about June 24, 2026*. The date of this Official Statement is June 11, 2026*, and the information herein speaks only as of that date.

Electronic bids (received via PARITY®) must be submitted in accordance with the Official Notice of Sale. See Appendix F. Bids will be received until 10:45 a.m. (Ohio time) on June 11, 2026. This Official Statement is "deemed final" by the City as of its date for purposes of, and except for certain omissions as permitted by SEC Rule 15c2-12(b)(1) and is subject to completion, amendment or supplementation in the final Official Statement.

ELECTRONIC BIDS SUBMITTED VIA PARITY®

See Official Notice of Sale attached hereto as APPENDIX F

* Preliminary, subject to change

\$4,350,000*
CITY OF WORTHINGTON, OHIO
Various Purpose Bonds, Series 2026
(General Obligation - Limited Tax)

Year* (December 1)	Principal Maturing*	Interest Rate	Price	CUSIP†
2027	\$130,000			
2028	140,000			
2029	145,000			
2030	160,000			
2031	165,000			
2032	170,000			
2033	175,000			
2034	190,000			
2035	200,000			
2036	205,000			
2037	220,000			
2038	230,000			
2039	240,000			
2040	255,000			
2041	260,000			
2042	270,000			
2043	280,000			
2044	295,000			
2045	305,000			
2046	315,000			

* Preliminary, subject to change

† Copyright © 2026 CUSIP Global Services. The City is not responsible for the use of the CUSIP numbers referenced herein nor is any representation made by the City as to their correctness; such CUSIP numbers are included solely for the convenience of the readers of the Official Statement.

\$4,350,000*
CITY OF WORTHINGTON, OHIO
Various Purpose Bonds, Series 2026
(General Obligation - Limited Tax)

CITY COUNCIL

Rachael Dorothy
President

Rebecca Hermann
President Pro Tem

Pete Bucher
Member

Joy Dong
Member

Amy Lloyd
Member

Glen Pratt
Member

Maria Ramirez
Member

CITY ADMINISTRATION

Robyn Stewart
City Manager

Scott Bartter
Finance Director

Tom Lindsey
Law Director

PROFESSIONAL SERVICES

Underwriter

Bricker Graydon Wyatt LLP
Bond Counsel

Baker Tilly Municipal Advisors, LLC
Municipal Advisor

Argent Institutional Trust Company
Paying Agent/Bond Registrar

* Preliminary, subject to change

REGARDING THIS OFFICIAL STATEMENT

This Official Statement does not constitute an offering of any security other than the original offering of the Various Purpose Bonds, Series 2026 (the “Bonds”) of the City of Worthington, Ohio (the “City”) identified on the Cover. No person has been authorized by the City to give any information or to make any representations other than those contained in this Official Statement, and if given or made, such other information or representation must not be relied upon as having been given or authorized by the City. Statements contained in this Official Statement that involve estimates, forecasts, or matters of opinion, whether or not expressly described herein, are intended solely as such and are not to be construed as representations of facts.

The information set forth herein has been obtained from the City and other sources that are believed to be reliable for purposes of this Official Statement. This Official Statement contains, in part, estimates and matters of opinion that are not intended as statements of fact, and no representation is made as to the correctness of such estimates and opinions or that they will be realized. The information and expressions of opinions herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof. In accordance with Section (f)(3) of the Rule, the City may provide additional or updated financial information and/or operating data about the City in a document or documents filed on the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access (“EMMA”) website, and any such documents are hereby included by specific reference through the date that the Bonds are delivered to DTC.

Certain information located at websites referred to herein has been prepared by the respective entities responsible for maintaining such websites. The City takes no responsibility for the continued accuracy of any internet address or the accuracy, completeness, or timeliness of any information posted at any such address. In the absence of an express statement to the contrary, none of such information is incorporated herein by reference.

The CUSIP numbers on the Cover have been provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association (“ABA”) by FactSet Research Systems Inc. CUSIP is a registered trademark of the ABA. CUSIP numbers are being provided solely for the convenience of the owners of the Bonds and only at the time of issuance of the Bonds. The City, Bond Counsel, and the Underwriter are not responsible for the selection or use of these CUSIP numbers and make no representation with respect to such data or undertake any responsibility for its accuracy now or at any time in the future. CUSIP numbers are subject to being changed after the issuance of the Bonds as a result of subsequent actions and events.

Certain information in this Official Statement is attributed to the Ohio Municipal Advisory Council (“OMAC”). OMAC compiles information from official and other sources. OMAC believes the information it compiles is accurate and reliable, but OMAC does not independently confirm or verify the information and does not guarantee its accuracy. OMAC has not reviewed this Official Statement to confirm that the information attributed to it is information provided by OMAC or for any other purpose.

_____ (the “Underwriter”) has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

UPON ISSUANCE, THE BONDS WILL NOT BE REGISTERED BY THE CITY UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAW OF ANY STATE, AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. THE BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, NOR HAS ANY OTHER FEDERAL, STATE, MUNICIPAL OR OTHER GOVERNMENTAL ENTITY OR AGENCY, EXCEPT THE CITY, PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT OR APPROVED THE BONDS FOR SALE. **THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY, AND THERE SHALL NOT BE ANY SALE OF THE BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL TO MAKE SUCH OFFER, SOLICITATION OR SALE.**

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE BONDS TO CERTAIN DEALERS, DEALER BANKS AND BANKS ACTING AS AGENT AT PRICES LOWER THAN THE PUBLIC OFFERING PRICE STATED ON THE COVER AND SAID PUBLIC OFFERING PRICE MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

INVESTMENT CONSIDERATIONS

General

The Bonds, like other obligations of state and local governments, are subject to changes in value due to changes in the condition of the market for tax-exempt obligations or changes in the financial position of the City.

It is possible under certain market conditions, or if the financial condition or credit profile of the City should change, that the market price of the Bonds could be adversely affected. With regard to the risk involved in a downward revision or withdrawal of the rating on the Bonds shown on the Cover, see "RATING" herein.

With regard to the risk involved in a loss of the exclusion from gross income for purposes of federal income taxation of interest payable on the Bonds, see "TAX MATTERS" herein.

Prospective purchasers of the Bonds should consult their own tax advisors prior to any purchase of the Bonds as to the impact of the Code upon their acquisition, holding or disposition of the Bonds.

Market for the Bonds

Subject to prevailing market conditions, the Underwriter intends, but is not obligated, to make a market in the Bonds. There is presently no secondary market for the Bonds and no assurance that a secondary market for the Bonds will develop or, if developed, will not be disrupted. Consequently, investors may not be able to resell the Bonds purchased should they need or wish to do so for emergency or other purposes.

Investment Suitability of Tax-Exempt Bonds

A primary test of the suitability of a tax-exempt obligation (such as the Bonds) for an individual investor is a comparison of the yield the investor would have to earn on a taxable obligation to equal a tax-exempt yield in his or her income tax bracket. Individuals should consult with brokers or qualified financial or tax advisors to determine the taxable equivalent yield they could expect given their particular tax circumstances.

Prepayments of Principal

The City may prepay certain maturities of the principal of the Bonds without penalty. (See “THE BONDS – Redemption Provisions – Optional Redemption” herein.) If such Bonds were to be prepaid before scheduled maturity, the investor would not receive the anticipated yield through the scheduled maturity date. In such a prepayment situation there is no guarantee that the investor could reinvest the proceeds and receive a comparable yield for the period remaining until the scheduled maturity of such Bonds. The investor, therefore, may receive a lower total return for the period beginning on the date of purchase through the scheduled date of maturity than anticipated.

Considerations Regarding Real Property Tax Reform

From time to time, (i) legislative proposals may be introduced in the General Assembly, (ii) ballot initiatives may be proposed by electors, and (iii) court proceedings may be filed, which, in each case, if to become law, could alter or amend one or more of the ad valorem property tax matters referred to herein, which may have a materially adverse effect on the market value of the Bonds. See “CITY TAX BASE – Ad Valorem Taxes and Assessed Valuation – Overview” herein for more information on five property tax reform bills that were recently enacted.

For example, a ballot initiative to amend the Ohio Constitution to abolish property taxes, the title and summary of which were certified by the Ohio Attorney General on May 9, 2025 and the Ohio Ballot Board on May 14, 2025, is currently being circulated for signatures to place it on the November 2026 ballot. In order to appear on the ballot, the petitioners must collect signatures from registered voters equal to at least 10% of the vote cast in the most recent gubernatorial election. Those signatures must come from voters in at least 44 of Ohio’s 88 counties, and for each of those counties the number must equal at least 5% of the vote cast in the most recent gubernatorial election. If sufficient signatures are verified by the Ohio Secretary of State’s Office at least 65 days before the election, the full text of the proposed amendment would be placed on the ballot at the next regular or general election that occurs subsequent to 125 days after the filing of such petition.

There can be no assurance that legislation enacted, ballot initiatives approved, or actions by a court, after the date of issuance of the Bonds, will not have a materially adverse effect on the market value or marketability of the Bonds or the financial condition of the City. Prospective purchasers of the Bonds should consult their own counsel regarding pending or proposed State property tax legislation, related ballot initiatives, and court proceedings, as to all of which the City, Bond Counsel, and the Underwriter express no opinion.

[Balance of Page Intentionally Left Blank]

BOND ISSUE SUMMARY

The information contained in this Bond Issue Summary is qualified in its entirety by the entire Official Statement, which should be reviewed in its entirety by potential investors.

Issuer:	City of Worthington, Ohio
Issue:	\$4,350,000* Various Purpose Bonds, Series 2026 (the “Bonds”)
Dated Date:	Date of Delivery
Interest Payment Dates:	Interest on the Bonds will be paid each June 1 and December 1, beginning December 1, 2026*.
Principal Payment Dates:	December 1, 2027* through December 1, 2046*, inclusive.
Redemption:	The Bonds maturing on or after December 1, 2035* are subject to redemption at the option of the City, either in whole or in part, in such order of maturity as the City shall determine, on any date on or after June 1, 2035*, at a redemption price equal to 100% of the principal amount redeemed plus, in each case, accrued interest to the date fixed for redemption. (See “THE BONDS – Redemption Provisions” herein.)
Purpose:	The Bonds are being issued for various purposes. (See “THE BONDS – Authorization and Purpose” herein.)
Security:	The Bonds will be unvoted general obligations of the City and will contain a pledge of the full faith and credit of the City for the payment of the principal of and interest on the Bonds when due. (See “SECURITY AND SOURCE OF PAYMENT FOR THE CITY’S GENERAL OBLIGATION DEBT” herein.)
Credit Rating:	The City has received a rating of “AAA” from S&P Global Ratings (“S&P”), a division of S&P Global Inc. (See “RATING” herein.)
Tax Matters:	In the opinion of Bond Counsel, under existing law, (i) assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax imposed on individuals; however, interest on the Bonds is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code, and (ii) interest on and any profit made on the sale, exchange or other disposition of the Bonds is exempt from certain taxes levied by the State of Ohio and its political subdivisions. Interest on the Bonds may be subject to certain federal income taxes imposed on certain corporations, and certain taxpayers may have certain other adverse federal income tax consequences as a result of owning the Bonds. For a more complete discussion of the tax aspects, see “TAX MATTERS” herein.
Bank Qualification:	The City has designated the Bonds as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code.
Legal Opinion:	Bricker Graydon Wyatt LLP
Municipal Advisor:	Baker Tilly Municipal Advisors, LLC
Underwriter:	_____
Bond Registrar and Paying Agent:	Argent Institutional Trust Company.

* Preliminary, subject to change

Book-Entry Only System: The Bonds are being issued as fully registered Bonds in book-entry form only and book-entry interests therein will be available for purchase in amounts of \$5,000 and integral multiples thereof. Owners of book-entry interests will not receive physical delivery of bond certificates. DTC or its nominee will receive all payments with respect to the Bonds from the Bond Registrar. DTC is required by its rules and procedures to remit such payments to its participants for subsequent disbursement to owners of the book-entry interests.

Delivery and Payment: It is expected that delivery of the Bonds in definitive form will be made through DTC on or about June 24, 2026*. The Bonds will be released to the Underwriter against payment in federal funds.

City Official: Questions concerning the Official Statement should be directed to Scott Bartter, Finance Director, City of Worthington, Ohio, 6550 N. High Street, Worthington, Ohio 43085. Telephone: (614) 436-3100.

[Balance of Page Intentionally Left Blank]

* Preliminary, subject to change

TABLE OF CONTENTS

REGARDING THIS OFFICIAL STATEMENT	iii
INVESTMENT CONSIDERATIONS	iv
General.....	iv
Market for the Bonds	iv
Investment Suitability of Tax-Exempt Bonds.....	v
Prepayments of Principal	v
BOND ISSUE SUMMARY	vi
TABLE OF CONTENTS.....	viii
INTRODUCTORY STATEMENT	1
DEFINITIONS.....	2
THE BONDS	4
Authorization and Purpose.....	4
Form and Terms.....	4
Redemption Provisions	4
ESTIMATED SOURCES AND USES OF FUNDS	5
SECURITY AND SOURCE OF PAYMENT FOR THE CITY’S GENERAL OBLIGATION	
DEBT	5
Security for the Bonds	5
Municipal Bankruptcy	6
RATING	6
UNDERWRITING	7
MUNICIPAL ADVISOR.....	7
LITIGATION.....	8
LEGAL MATTERS.....	8
TAX MATTERS.....	9
General.....	9
Original Issue Discount.....	10
Amortizable Bond Premium	10
BOOK-ENTRY ONLY SYSTEM.....	11
Revision of Book-Entry Only System - Replacement Bonds	13
TRANSCRIPT AND CLOSING DOCUMENTS	14
CONTINUING DISCLOSURE.....	14
CONCLUDING STATEMENT	15
APPENDIX A CITY OF WORTHINGTON, OHIO.....	A-1
GENERAL INFORMATION	A-1
Introduction.....	A-1
Map of Geographic Area	A-2
Structure of Government.....	A-3
Principal Officials	A-3
City Employees.....	A-3
Pension Obligations	A-4
City Services.....	A-4
ECONOMY AND EMPLOYMENT	A-4
Economic Development.....	A-4
Building Permit Values.....	A-6
Labor Force Statistics	A-7
Largest Employers	A-8
CITY TAX BASE.....	A-9
Ad Valorem Taxes and Assessed Valuation.....	A-9

Tax Abatements and Economic Development Incentives	A-11
Assessed Valuation	A-12
Largest Taxpayers in the City	A-13
History of Voted Taxes	A-14
Property Tax Rate Calculations	A-14
Property Tax Revenues	A-16
Income Tax Revenues	A-16
State Reimbursement of Property Tax Revenues	A-17
CITY DEBT AND DEBT LIMITATIONS	A-17
Statutory Debt Limitations Generally	A-17
Charter Millage Limitation	A-19
Bond Anticipation Notes.....	A-20
City General Obligation Debt Currently Outstanding	A-20
General Obligation Debt Service Requirements	A-22
Overlapping Subdivision Indebtedness.....	A-23
Leases and Other Long Term Obligations	A-23
Future Financings	A-24
FINANCES OF THE CITY	A-24
Budgeting, Tax Levy and Appropriations Procedure	A-24
Investment of Funds.....	A-26
City Insurance	A-27
Cyber-Security	A-28
APPENDIX B – Audited Financial Statements for the Fiscal Year Ended December 31, 2024.....	B-1
APPENDIX C – Form of Approving Legal Opinion of Bricker Graydon Wyatt LLP	C-1
APPENDIX D – Form of Closing Certificates	D-1
APPENDIX E – Form of Continuing Disclosure Certificate.....	E-1
APPENDIX F – Form of Official Notice of Sale	F-1

\$4,350,000*

**CITY OF WORTHINGTON, OHIO
Various Purpose Bonds, Series 2026
(General Obligation - Limited Tax)**

INTRODUCTORY STATEMENT

This Official Statement has been prepared by the City in connection with the original issuance and sale by the City of the Bonds identified on the Cover.

All financial and other information presented herein has been provided by the City from its records, except for information expressly attributed to other sources. The presentation of information, including tables of receipts from taxes and other sources, is intended to show recent historic information, and is not intended to indicate future or continuing trends in the financial position or other affairs of the City. No representation is made that past experience, as might be shown by such financial and other information, will necessarily continue or be repeated in the future.

Certain statements contained in this Official Statement, including, without limitation, statements containing the words “believes,” “anticipates,” “expects” and words of similar import, involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the City to be materially different from any future results, performance or achievements expressed or implied by such statements. Such factors include, among others, general economic conditions, demographic changes, and existing government regulations and changes in, or the failure to comply with, government regulations. Certain of these factors are discussed in more detail elsewhere in this Official Statement. Given these uncertainties, readers of this Official Statement and investors are cautioned not to place undue reliance on such forward-looking statements.

This Official Statement should be considered in its entirety and no subject discussed should be considered less important than any other subject by reason of its location in the text. Reference should be made to laws, reports or documents referred to for more complete information regarding their contents.

References herein to provisions of Ohio law (whether codified in the Ohio Revised Code or uncodified), the Ohio Constitution, or federal law are references to such provisions as they presently exist. Provisions of Ohio law, the Ohio Constitution and federal law may in the future, and from time to time, be amended, repealed or supplemented.

Additional information relating to the financial condition of the City may be obtained by contacting Scott Bartter, Finance Director, City of Worthington, Ohio, 6550 N. High Street, Worthington, Ohio 43085, telephone: (614) 436-3100.

* Preliminary, subject to change

DEFINITIONS

The following capitalized terms, as used in this Official Statement and the Appendices attached hereto, have the following meanings unless otherwise indicated:

“**Annual Report**” means any continuing disclosure annual report provided by the City referred to in this Official Statement and any appendix hereto, which Annual Reports are intended to satisfy the annual financial information requirements of the Rule and Section (b)(5)(i)(A) therein.

“**Bankruptcy Code**” means Title 11 of the United States Code.

“**Bond Counsel**” means Bricker Graydon Wyatt LLP.

“**Bonds**” means the City’s \$4,350,000* Various Purpose Bonds, Series 2026, dated June 24, 2026*.

“**Bond Registrar**” means Argent Institutional Trust Company.

“**Charter**” means the Charter of the City.

“**City**” means the City of Worthington, Ohio.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Council**” means the City Council of the City.

“**County**” means Franklin County, Ohio.

“**County Auditor**” means the County Auditor of the County.

“**County Treasurer**” means the County Treasurer of the County.

“**Cover**” means the cover page and the inside cover of this Official Statement.

“**Finance Director**” means the Finance Director of the City.

“**MSA**” or “**Columbus MSA**” means the Columbus Metropolitan Statistical Area, as defined by the United States Office of Management and Budget, including Delaware, Fairfield, Franklin, Hocking, Licking, Madison, Morrow, Perry, Pickaway and Union Counties.

“**OMAC**” means the Ohio Municipal Advisory Council.

“**Revised Code**” means the Ohio Revised Code, as amended.

“**Rule**” means Rule 15c2-12, and particularly Section (b)(5) therein, adopted by the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“**State**” or “**Ohio**” means the State of Ohio.

“**State Auditor**” means the Auditor of the State.

* Preliminary, subject to change

“Tax Commissioner” means the Tax Commissioner of the State.

“Underwriter” means _____.

[Balance of Page Intentionally Left Blank]

THE BONDS

Authorization and Purpose

The Bonds are authorized by ordinances (collectively, the “Bond Ordinance”) of the City Council of the City (the “Council”) adopted on May 18, 2026, and a Certificate of Award (the “Certificate of Award” and together with the Bond Ordinance, the “Bond Legislation”), dated June 11, 2026.

The Bonds are limited tax general obligation bonds issued for the purpose of: (i) constructing, improving, furnishing, and equipping a new outdoor swim facility, with related site improvements and appurtenances thereto, (ii) designing, engineering, and constructing sewer improvements, with related site improvements and appurtenances thereto, and (iii) designing, engineering, and constructing water improvements, with related site improvements and appurtenances thereto.

The Bonds are issued in conformity with Revised Code Chapter 133, and are, therefore, lawful investments for banks, savings and loan associations, credit union share guaranty corporations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other funds of the State, subdivisions and taxing districts, the Commissioners of the Sinking Fund of the State, the Administrator of Workers’ Compensation, the State teachers, public employees, and school employees retirement systems, and the police and firemen’s disability and pension fund, and are eligible as security for the repayment of the deposit of public moneys.

Under Ohio law, the maximum maturity of the Bonds is 29 years.

Form and Terms

The Bonds will be issued in fully registered form and the Bonds (as shown on the Cover) will bear interest from their dated date until maturity or earlier redemption, at the rates per annum as set forth on the Cover, payable on June 1 and December 1 of each year, commencing December 1, 2026*, and will mature on December 1 in the years as indicated on the Cover. The Bonds will be issued in denominations of \$5,000 or any integral multiple thereof, provided that, so long as the Bonds shall be in book-entry form and held by a depository, each Bond will be of a single maturity, and will be numbered as determined by the Finance Director.

Principal of the Bonds (as shown on the Cover) will be payable at maturity, in lawful money of the United States of America, at the designated corporate trust office of Argent Institutional Trust Company, which has been designated by the City as the bond registrar, paying agent, and transfer agent for the Bonds (the “Bond Registrar”). Interest on the Bonds will be payable to the person whose name appears as the registered holder thereof on the registration records maintained by the Bond Registrar, on the respective Record Date (15th day next preceding an interest payment date) by wire or check mailed to such registered holder at the address of such registered holder as it appears on the registration records. No deduction shall be made for exchange, collection, or service charges.

Redemption Provisions

The Bonds maturing on or after December 1, 2035* are subject to redemption at the option of the City, either in whole or in part, in such order of maturity as the City shall determine, on any date on or after

* Preliminary, subject to change.

June 1, 2035*, at a redemption price equal to 100% of the principal amount redeemed plus, in each case, accrued interest to the date fixed for redemption.

When partial redemption is authorized, the Bonds or portions thereof will be selected by lot within a maturity in such manner as the Bond Registrar may determine, provided, however, that the portion of any such Bond so selected will be in the amount of \$5,000 or any integral multiple thereof.

The notice of the call for redemption of Bonds shall identify (i) by designation, letters, numbers or other distinguishing marks, such Bonds or portions thereof to be redeemed, (ii) the redemption price to be paid, (iii) the date fixed for redemption, and (iv) the place or places where the amounts due upon redemption are payable. From and after the specified redemption date, interest on such Bonds (or portions thereof) called for redemption shall cease to accrue. Such notice shall be sent by first class mail to each such registered holder at the address shown in the Bond registration records at least 30 days prior to the redemption date. Failure to receive such notice or any defect therein shall not affect the validity of the proceedings for the redemption of any such Bond.

ESTIMATED SOURCES AND USES OF FUNDS

The proceeds of the Bonds will be applied as follows:

Sources

Par value of the bonds	\$4,350,000.00*
[Net] original issue premium	

Total Sources

Uses

Deposit to project fund	
Deposit to bond retirement fund	
Costs of issuance**	

Total Uses

* Preliminary, subject to change.

** Includes Underwriter's compensation, rating fees, municipal advisory fees, legal fees, bond registrar fees, and other miscellaneous expenses.

SECURITY AND SOURCE OF PAYMENT FOR THE CITY'S GENERAL OBLIGATION DEBT

Security for the Bonds

The Bonds are unvoted general obligation debt of the City, payable from the sources described herein, subject to Chapter 9 of the Bankruptcy Code and other laws affecting creditors' rights. The basic security for payment of the Bonds is the requirement that the City levy ad valorem property taxes within the City's charter millage limitation (which limitation is further described in APPENDIX A under "CITY DEBT AND DEBT LIMITATIONS"), which taxes are limited as to rate and amount, to the extent necessary

to pay the anticipated debt service on the Bonds as the same becomes due, and to the extent that such debt service on the Bonds is not paid from other sources.

The Bonds are also secured by a pledge of the full faith and credit of the City. This pledge includes all of the funds of the City, except those prohibited from use by the Ohio Constitution, State or federal law, or specifically limited to another use. (See “CITY DEBT AND DEBT LIMITATIONS – Statutory Debt Limitations Generally” in APPENDIX A.)

In addition to the full faith and credit pledge discussed above, the Bond Legislation contains a covenant, pursuant to Section 133.05(B)(7) of the Revised Code, to appropriate annually from lawfully available municipal income taxes the amounts necessary to meet the annual debt service charges on the Bonds. (See “CITY TAX BASE – Income Tax Revenues” in APPENDIX A herein.)

In addition to the right of individual bondholders to sue upon their particular Bonds, State law authorizes the holders of not less than 10% in principal amount of the Bonds to bring mandamus or other actions to enforce all contractual or other rights of the bondholders, including the right to require the City to levy, collect and apply the taxes to pay debt service on the Bonds, and in the case of any default in payment of debt service on the Bonds, to bring an action to require the City to account as if it were the trustee of an express trust for the bondholders or to enjoin any acts that may be unlawful or in violation of bondholder rights.

Municipal Bankruptcy

An Ohio municipality may file for bankruptcy under Chapter 9 of the Bankruptcy Code if it meets certain prerequisites under both federal and State law. Section 109(c) of the Bankruptcy Code sets forth the requirements for a State political subdivision to file for bankruptcy protection. In addition to requiring the municipality to be insolvent[†], the municipality must be specifically authorized, in its capacity as a municipality or by name, to be a debtor under such chapter by State law, or by a governmental officer or organization empowered by State law to authorize such entity to be a debtor under such chapter[‡]. With regard to State law, Revised Code Section 133.36 requires that a political subdivision which desires to file bankruptcy seek and obtain permission of the Tax Commissioner.

The foregoing federal and State laws also permit an Ohio county to initiate Chapter 9 proceedings which, because a county collects certain revenues on behalf of a municipality (particularly ad valorem property taxes), may adversely affect the financial condition of such municipality.

RATING

As noted on the Cover, the City has received a rating of “AAA” on the Bonds from S&P. No application for a rating has been made to any other rating agency.

The rating reflects only the views of S&P. Any explanation of the significance of the rating may only be obtained from such rating agency at S&P Global Ratings, a division of S&P Global Inc., 55 Water Street, New York, New York 10041, telephone (212) 438-2000; website: <https://www.spglobal.com>.

The City furnished S&P with certain information and materials, some of which may not have been included in this Official Statement, relating to the Bonds and the City. Generally, rating agencies base their

[†] 11 U.S.C. Section 101(32)(C) requires that in order to be “insolvent” a municipality must not be paying its debts as they come due.

[‡] See 11 U.S.C. Section 109(c)(2).

ratings on such information and materials, as well as investigation, studies and assumptions by the rating agencies. Such ratings are not recommendations to buy, sell or hold the Bonds.

There can be no assurance that a rating, when assigned, will continue for any given period of time or that it will not be lowered or withdrawn entirely by a rating agency if, in the rating agency's judgment, circumstances so warrant. In addition, the City currently expects to provide to S&P, but assumes no obligation to furnish to the Underwriter or the holders of the Bonds, further information and materials that it may request. However, the City does not obligate itself hereby to furnish such information and materials to S&P, and the City may issue unrated bonds and notes from time to time. Failure by the City to furnish such information and materials, or the issuance of unrated bonds or notes, may result in the suspension or withdrawal of S&P's rating on the Bonds. Any lowering, suspension or withdrawal of the rating may have an adverse effect on the marketability or market price of the Bonds.

UNDERWRITING

_____ (the "Underwriter"), subject to certain conditions set forth in the Official Notice of Sale dated _____, 2026 (the "Notice of Sale"), attached hereto as APPENDIX F, has agreed to purchase all, but not less than all, of the Bonds at a purchase price of \$ _____ (the "Purchase Price"), which is equal to the par amount of the Bonds (\$4,350,000.00*), plus [net] original issue premium (\$ _____), less Underwriter's discount (\$ _____).

The Underwriter is purchasing the Bonds as originally issued for the purpose of resale. The Underwriter reserves the right to join with dealers and other underwriters in offering the Bonds to the public. The Underwriter may offer and sell the Bonds to certain dealers (including dealer banks and dealers depositing the Bonds into unit investment trusts, certain of which may be sponsored or managed by the Underwriter), and others at prices lower than the public offering prices noted on the Cover. The initial offering prices of the Bonds may be changed, from time to time, by the Underwriter.

The Underwriter has agreed to wire funds to the Bond Registrar at closing for further distribution by the Bond Registrar, as disbursement agent, to pay certain costs of issuance of the Bonds on behalf of the City, including rating fees, municipal advisory fees, legal fees, registrar fees, and other miscellaneous expenses. The amount of \$ _____ shall be retained from the Purchase Price and deposited with the Bond Registrar for this purpose and disbursed in accordance with instructions from the City.

The obligation of the Underwriter to accept delivery of the Bonds is subject to the various conditions set forth in the Purchase Agreement. The Underwriter is obligated to purchase all of the Bonds if any of the Bonds are purchased.

MUNICIPAL ADVISOR

The City has retained Baker Tilly Municipal Advisors, LLC (the "Municipal Advisor" or "BTMA") as municipal advisor in connection with certain aspects of the issuance of the Bonds. BTMA is a municipal advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. BTMA is a subsidiary of Baker Tilly Advisory Group, LP ("BTAG") which is indirectly owned by (a) H&F Waterloo Holdings, L.P., an affiliate of Hellman & Friedman LLC ("H&F"), an investment adviser registered with the Securities and Exchange Commission (the "SEC"), (b) Valeas Capital Partners Fund I Waterloo Aggregator LP, an affiliate of Valeas Capital Partners Management LP ("Valeas"), an investment adviser registered with the SEC, and (c) individuals who are principals of BTAG. None of these parties own a majority interest in BTAG, or indirectly, BTMA. Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, operate under an alternative practice structure and are members of the

* Preliminary, subject to change.

global network of Baker Tilly International, Ltd. Baker Tilly US, LLP (“BTUS”) is a licensed CPA firm providing assurance services to its clients. BTAG and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

BTMA has been retained by the City to provide certain municipal advisory services to the City and, in that capacity, has assisted the City in reviewing this Official Statement. The information contained in the Official Statement has been compiled from the sources stated or, if not otherwise sourced, from records and other materials provided by the City. The Municipal Advisor makes no representation, warranty or guarantee regarding the accuracy or completeness of the information in this Official Statement, and its assistance in reviewing this Official Statement should not be construed as a representation that it has independently verified such information.

The Municipal Advisor’s duties, responsibilities and fees arise solely as Municipal Advisor to the City, and it has no secondary obligations or other responsibility. The Municipal Advisor’s fees are expected to be paid from proceeds of the Bonds. BTMA provides certain specific municipal advisory services to the City but is neither a placement agent to the City nor a broker/dealer.

Other Financial Industry Activities and Affiliations

Baker Tilly Wealth Management, LLC (“BTWM”), an SEC registered investment adviser, and Baker Tilly Capital, LLC (“BTC”), a broker/dealer registered with the SEC and member of the Financial Industry Regulatory Authority (“FINRA”), are controlled subsidiaries of BTAG. Both H&F and Valeas, are registered with the SEC as investment advisers and serve as managers of, or advisers to, certain private investment funds, some of which indirectly own BTAG.

BTWM and other subsidiaries of BTAG may provide advisory services to the clients of BTMA. BTMA has no other activities or arrangements that are material to its municipal advisory business or its clients with a related person who is a broker-dealer, investment company, other investment adviser or financial planner, bank, law firm or other financial entity.

LITIGATION

To the knowledge of the appropriate officials of the City, no litigation or administrative action or proceeding is pending or threatened restraining or enjoining, or seeking to restrain or enjoin, the issuance and delivery of the Bonds, or the levy and collection of taxes to pay the debt service on the Bonds, or contesting or questioning the proceedings and authority under which the Bonds are to be authorized and are to be issued, sold, executed or delivered, or the validity of the Bonds. A no-litigation certificate to such effect will be delivered to the Underwriter at the time of original delivery of the Bonds to the Underwriter.

The City is a party to various legal proceedings seeking damages or injunctive relief and generally incidental to its operations. These proceedings are unrelated to the Bonds or the security therefor. The ultimate disposition of such proceedings is not presently determinable, but will not, in the opinion of the City’s Director of Law, have a material adverse effect on the Bonds or the security therefor.

LEGAL MATTERS

Legal matters incident to the issuance of the Bonds and with regard to the excludability of the interest on the Bonds from gross income for federal income tax purposes (see “TAX MATTERS” herein) are subject to the approving opinion of Bricker Graydon Wyatt LLP, Bond Counsel to the City. A signed copy of that opinion will be delivered to the Underwriter at the time of original delivery. Assuming no change in applicable law prior to the date of delivery of such opinion, the opinion will be substantially in the form attached hereto as APPENDIX C. The opinion will speak only as of its date, and subsequent

distribution of it by recirculation of the Official Statement or otherwise shall create no implication that Bond Counsel has reviewed or expresses any opinion concerning any of the matters referred to in the opinion subsequent to the date thereof.

While Bond Counsel has participated in the preparation of portions of this Official Statement, it has not been engaged to confirm or verify, and expresses and will express no opinion as to the accuracy, completeness or fairness of any of the statements in this Official Statement, including its appendices (other than APPENDIX C), or in any other reports, financial information, offering or disclosure documents or other information pertaining to the City or the Bonds that may be prepared or made available by the City or others to the holders of the Bonds or others.

TAX MATTERS

General

In the opinion of Bricker Graydon Wyatt LLP, Bond Counsel, under existing law, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103(a) of the Code, and is not treated as an item of tax preference under Section 57 of the Code for purposes of the alternative minimum tax imposed on individuals; however, interest on the Bonds is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Further, the Bonds are not “private activity bonds” as defined in Section 141(a) of the Code.

Interest on the Bonds, the transfer thereof, and any profit made on their sale, exchange or other disposition, are exempt from the Ohio personal income tax, the Ohio commercial activity tax, the net income base of the Ohio corporate franchise tax, and municipal, school district and joint economic development district income taxes in Ohio. Bond Counsel will express no opinion as to any other tax consequences regarding the Bonds.

The opinion on tax matters will be based on and will assume the accuracy of certain representations and certifications made by the City and others, and the compliance with certain covenants of the City, to be contained in the transcript of proceedings and which are intended to evidence and assure the foregoing, including that the Bonds are and will remain obligations the interest on which is excluded from gross income for federal income tax purposes. Bond Counsel has not and will not independently verify the accuracy of such certifications and representations.

The City has designated the Bonds as “qualified tax-exempt obligations” as defined in Section 265(b)(3) of the Code.

The Code prescribes a number of qualifications and conditions for the interest on state and local government obligations to be and remain excluded from gross income for federal income tax purposes, some of which require future or continued compliance after issuance of the obligations in order for the interest to be and continue to be so excluded from the date of issuance. Noncompliance with these requirements could cause the interest on the Bonds to be included in gross income for federal income tax purposes and thus to be subject to regular federal income tax retroactively to the date of their issuance. The City has covenanted to take such actions that may be required of it for the interest on the Bonds to be and remain excluded from gross income for federal income tax purposes, and not to take any actions which would adversely affect that exclusion.

Under the Code, interest on the Bonds may be subject to a branch profits tax imposed on certain foreign corporations doing business in the United States of America and a tax imposed on excess net passive income of certain S corporations. Under the Code, the exclusion of interest from gross income for federal income tax purposes can have certain adverse federal income tax consequences on items of income or

deductions for certain taxpayers, including among them financial institutions, certain insurance companies, recipients of Social Security and Railroad Retirement benefits, and those that are deemed to incur or continue indebtedness to acquire or carry tax-exempt obligations and individuals otherwise eligible for the earned income tax credit. The applicability and extent of these or other tax consequences will depend upon the particular tax status or other items of income and expenses of the holders of the Bonds. Bond Counsel will express no opinion and make no representation regarding such consequences.

From time to time, legislative proposals are pending in the United States Congress that would, if enacted, alter or amend one or more of the federal tax matters referred to above in certain respects or would adversely affect the market value of the Bonds. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Bonds. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Bonds will not have an adverse effect on the tax status of interest or other income on the Bonds or the market value or marketability of the Bonds. Prospective purchasers of the Bonds should consult their own tax advisers regarding pending or proposed federal and state tax legislation and court proceedings, as to all of which Bond Counsel expresses no opinion.

Original Issue Discount

Certain of the Bonds may be sold to the public at a price of less than 100% of their face amount (the “Discount Bonds”). The following information, which has not been included in the opinion of Bond Counsel, may be helpful to prospective purchasers of the Discount Bonds.

Under present federal income tax law, original issue discount (i.e., the difference between the issue price, as hereinafter defined, of a Discount Bond and the stated redemption price at maturity of such Discount Bond), is treated as accruing (“accreted”) over the term of such Discount Bond. The issue price is the price at which a substantial amount of the Discount Bonds is sold to the public (excluding bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers). In general, the amount of original issue discount that is to be accreted in each “accretion period” will equal (i) the issue price of that Discount Bond, increased by the amount of original issue discount that has been accreted in all prior accretion periods, multiplied by (ii) the initial offering yield of that Discount Bond reflected on the Cover of this Official Statement (determined on the basis of compounding at the close of each accretion period and properly adjusted for the length of the accretion period), minus interest actually paid during such accretion period. For these purposes, “accretion period” means a six-month period (or shorter period from the date the Discount Bond was issued) which ends on a day in the calendar year corresponding to the maturity date of that Discount Bond or the date six months before such maturity date.

The amount of original issue discount so accreted in a particular accretion period will be considered to accrete ratably on each day of the accretion period. Such accreted amount is used for purposes of determining the adjusted basis for federal income tax purposes of the holder of such Discount Bond but is not included in such holder’s gross income for federal income tax purposes. Consequently, a purchaser who buys a Discount Bond in the initial offering at the issue price and holds such Discount Bond to its maturity would not realize any gain or loss for federal income tax purposes upon payment of the stated redemption price of that Discount Bond at maturity.

Amortizable Bond Premium

Certain of the Bonds may be sold at issue prices greater than the principal amount payable at maturity or earlier call date (the “Premium Bonds”). The following information, which has not been included in the opinion of Bond Counsel, may be helpful to prospective purchasers of the Premium Bonds.

Premium Bonds will be considered to be issuable with amortizable bond premium (the “Bond Premium”). A taxpayer who acquires a Premium Bond in the initial public offering will be required to adjust his or her basis in the Premium Bond downward as a result of the amortization of the Bond Premium, pursuant to Section 1016(a)(5) of the Code. The amount of amortizable Bond Premium will be computed on the basis of the taxpayer’s yield to maturity with compounding at the end of each accrual period. Rules for determining (i) the amount of amortizable Bond Premium and (ii) the amount amortizable in a particular year are set forth at Section 171(b) of the Code. No income tax deduction for the amount of amortizable Bond Premium will be allowed to a holder pursuant in Section 171(a)(2) of the Code. The amortization of Bond Premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining other tax consequences of owning the Premium Bonds. A purchaser of a Premium Bond at its issue price in the initial public offering who holds that Premium Bond to maturity will realize no gain or loss upon the retirement of such Premium Bond.

PROSPECTIVE PURCHASERS OF THE DISCOUNT OR PREMIUM BONDS SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THE PURCHASE, SALE, TRANSFER, REDEMPTION, PAYMENT, OR OTHER DISPOSITION OF THE DISCOUNT OR PREMIUM BONDS, INCLUDING, WITHOUT LIMITATION, MODIFICATIONS TO THE METHOD FOR ACCRETING ORIGINAL ISSUE DISCOUNT OR AMORTIZING PREMIUM FOR CERTAIN SUBSEQUENT PURCHASERS, AND INCLUDING THE EFFECT OF ANY APPLICABLE STATE OR LOCAL INCOME TAX LAWS.

BOOK-ENTRY ONLY SYSTEM

The information in this section concerning DTC and DTC’s book-entry only system has been obtained from DTC and the City takes no responsibility for the completeness or accuracy thereof. The City cannot and does not give any assurances that DTC, Direct Participants or Indirect Participants will distribute to the Beneficial Owners (each as hereinafter defined) (i) payments of interest, principal, or premium, if any, with respect to the Bonds, (ii) certificates representing ownership interest in or other confirmation of ownership interest in the Bonds, or (iii) redemption or other notices sent to DTC or Cede & Co., its partnership nominee, as the registered owner of the Bonds, or that they will so do on a timely basis or that DTC, Direct Participants or Indirect Participants will act in the manner described in this Official Statement. The current “Rules” applicable to DTC are on file with the Securities and Exchange Commission and the current “Procedures” of DTC to be followed in dealing with DTC Participants are on file with DTC.

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered Bonds registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct

Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has an S&P Global Ratings rating of AA+. The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bonds. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC’s MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

All payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the City or the Bond Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Bond Registrar, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment on the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Bond Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as a depository with respect to the Bonds at any time by giving reasonable notice to the City or the Bond Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed (or otherwise produced) and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed (or otherwise produced) and delivered to DTC. (See also "BOOK-ENTRY ONLY SYSTEM – Revision of Book-Entry Only System – Replacement Bonds" herein.)

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

Revision of Book-Entry Only System - Replacement Bonds

The Bond Ordinance provides for issuance of fully registered Bonds (the "Replacement Bonds") directly to owners other than DTC or its nominee only if DTC determines not to continue to act as security depository of the Bonds. In such event, the City may in its discretion establish a securities depository/book-entry relationship with another qualified securities depository. If the City does not or is unable to do so, and after appropriate notice to DTC, the City's Bond Registrar will authenticate and deliver fully registered Replacement Bonds, in the denominations of \$5,000 or any multiple thereof, to or at the direction of and, if the event is not the result of City action or inaction, at the expense (including printing costs) of, any persons requesting such issuance. Replacement Bonds may be transferred, registered and assigned only in the registration books of the City's Bond Registrar.

TRANSCRIPT AND CLOSING DOCUMENTS

A complete transcript of proceedings for the Bonds, including an appropriate no litigation certificate (described above under “LITIGATION”), will be delivered by the City when the Bonds are delivered by the City to the Underwriter. The City will at that time also provide to the Underwriter a certificate of the Finance Director, in the form attached hereto as APPENDIX D, addressed to the Underwriter relating to the accuracy and completeness of this Official Statement.

CONTINUING DISCLOSURE

The City has agreed for the benefit of the holders and beneficial owners of the Bonds to provide annual financial and operating information in its Annual Report, not later than September 30 of each year, and to provide notices of certain significant events, as listed in the Disclosure Certificate defined below. Concurrently with the delivery of the Bonds, the City will deliver a certificate of the Finance Director of the City (the “Disclosure Certificate”), in the form attached hereto as APPENDIX E, describing the nature of the information to be provided, the persons and entities to whom such information will be provided and the times at which such information will be provided. The City’s failure to comply with any undertaking contained in the Disclosure Certificate will not constitute an event of default under the Bonds.

The Disclosure Certificate is being signed by the City to assist the Underwriter in complying with the Rule. Specifically, the City agrees to provide the Annual Report and notices of certain enumerated events to the Municipal Securities Rulemaking Board (“MSRB”) in the manner and format prescribed by the MSRB.

The City has had three continuing disclosure undertakings (the “Undertakings”) that were in effect for all or part of the previous five years. For its Fiscal Year 2021 Annual Report, the City failed to include a detailed Assessed Valuation table and Historical Income Tax table, but posted a notice and correction of such failure on October 18, 2023.

[Balance of Page Intentionally Left Blank]

CONCLUDING STATEMENT

To the extent that any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated to be such, they are made as such and not as representations of fact or certainty, and no representation is made that any of such statements will be realized. Information herein has been derived by the City from official and other sources and is believed by the City to be reliable, but information other than that obtained from official records of the City has not been independently confirmed or verified by the City and its accuracy is not guaranteed.

Neither this Official Statement nor any statement which may have been made orally or in writing is to be construed as or as part of a contract with the original purchasers or holders of the Bonds.

This Official Statement has been duly prepared and delivered by the City, and executed for and on behalf of the City by its City Manager and Finance Director.

CITY OF WORTHINGTON, OHIO

By: _____
City Manager

By: _____
Finance Director

THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF WORTHINGTON, OHIO

GENERAL INFORMATION

Introduction

The Village of Worthington (the “Village”) was founded in 1803 by the Scioto Land Company which had purchased the territory, comprised of 16,000 acres in 1802. The first settlers of the Village named their new village Worthington in honor of Thomas Worthington, one of Ohio’s first senators and a future governor, for his assistance in locating the tract of land that would become the City. The Village was incorporated in 1835, became a city in 1956 and adopted a charter approving a council/city manager form of government. The City was incorporated on November 8, 1960.

The City, is located in the northern quadrant of Franklin County, on the I-270 outerbelt, 11 miles north of the Columbus, Ohio, the capital of the State. The City encompasses 5.5 square miles and has a population of approximately 15,000, with a daytime population that swells to approximately 35,000. The City is intersected by U.S. Highway 23 and State Route 161, bordered to the west by State Route 315 and in close proximity to Interstate 71.

The City is one of the first planned communities in the Midwest, successfully blending residential life and commerce. The City’s New England heritage is reflected in the brick sidewalks leading to the village green where many of the City’s original commercial buildings still stand. Located just south of the green is the City’s downtown business district. This historic area contains a vibrant mix of retail and restaurant tenants as well as a number of small office spaces. The downtown business district and village green draw crowds throughout the year with visitors wanting to experience the small-town charm and unique offerings of this historic City.

The Worthington City School District (the “School District”) is the primary school district serving the population of the City, with an enrollment of over 10,000 students. The School District has 19 school facilities to serve its student population including one Pre-K school, 11 elementary schools (K-5), four middle schools (6-8), one alternative middle school (6-8), two high schools (9-12), and one alternative high school (9-12). A number of public and private two-year and four-year colleges and universities are also located within commuting distance, including The Ohio State University, Capital University, Ohio Wesleyan University, Otterbein College, Ohio Dominican College, Franklin University, Columbus State Community College, and DeVry Institute of Technology.

The City is an independent political subdivision of the State of Ohio and operates subject to the provisions of its Charter, the Ohio Constitution, and various sections of the Revised Code.

Map of Geographic Area



Structure of Government

The City operates under its Charter, but is also subject to the general statutes of the State that are applicable to all municipalities in the State. As a home-rule municipality, the City may exercise all powers of local self-government under Article XVIII, Section 3 of the Ohio Constitution.

The City operates under a “Council/Manager” form of government. The Council is composed of seven members and selects a President and President Pro Tem from among its ranks to serve one-year terms. Under this form of government, the Council also appoints a city manager (the “City Manager”) and a Mayor and Vice Mayor (who serve as magistrate for Mayor’s Court and perform ceremonial duties). 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.

Principal Officials

The current elected officials of the City and some of its appointed officials are:

Principal Officials
City of Worthington, Ohio

Name	Office	Date Term Expires	Beginning of Tenure
Rachael Dorothy	Council President	December 31, 2027	January 2012
Rebecca Hermann	Council President Pro Tem	December 31, 2029	January 2022
Pete Bucher	Council Member	December 31, 2027	January 2020
Joy Dong	Council Member	December 31, 2029	January 2026
Amy Lloyd	Council Member	December 31, 2027	January 2024
Glen Pratt	Council Member	December 31, 2029	January 2026
Maria Ramirez	Council Member	December 31, 2029	January 2026
Robyn Stewart	City Manager	Appointed	April 2024
David McCorkle	Assistant City Manager	Appointed	May 2024
Scott Bartter	Finance Director	Appointed	June 2017
Tom Lindsey	Law Director	Appointed	September 2017
Daniel Ruggiero	Clerk of Council	Appointed	September 2024

Source: City of Worthington

City Employees

The City has 145 full-time employees and 176 part-time employees. This includes 36 firefighters, which are unionized and represented by the International Association of Fire Fighters (IAFF) #3498, and 30 members in the police force, which is unionized and represented by the Capital City Lodge #9 Fraternal Order of Police (FOP).

The City’s current collective bargaining agreement with the IAFF runs from January 1, 2024 through December 31, 2026. It provides for the following wage increases: 3.5% in 2024, 3.0% in 2025, and 3.0% in 2026. The City’s current collective bargaining agreement with the FOP runs from January 1, 2025 through December 31, 2027. It provided for a 3.0% wage increase in 2025, 3.0% in 2026 and 2.5% in 2027.

Pension Obligations

All full-time employees of the City are covered either by the Ohio Public Employees Retirement System or the Ohio Police and Fire Pension Fund.

The current employee contribution to the statewide systems is 10.0% of total compensation to the Ohio Public Employees Retirement System and 12.25% to the Ohio Police and Fire Pension Fund. The City's share, as employer, is currently 14.0% to Public Employees Retirement System; 19.5% for Police and 24.0% for Fire to the Ohio Police and Fire Pension Fund.

These pension funds are regulated by the laws of the State, and changes in benefits will change the employer's contribution rate.

Under the Consolidated Omnibus Reconciliation Act of 1985 (Public Law 99-272), public employers, including the City, are subject to mandatory Medicare (hospital insurance tax of Federal Insurance Contributions Act tax) contributions of 1.45% of each covered employee's wage base. Covered employees include all employees (with limited exceptions) hired after March 31, 1986.

City Services

Residents of the City receive water and sewer service from the City of Columbus, through distribution and collection lines owned by the City. Billing is handled by the City of Columbus, which collects a surcharge over Columbus rates to partially cover the cost of maintaining City-owned lines. Electric service is provided by American Electric Power and gas service by Columbia Gas of Ohio, both of which are investor-owned utilities.

ECONOMY AND EMPLOYMENT

Economic Development

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.

In early 2025, the City launched a community process to update its "Comprehensive Plan," which guides property owners and prospective developers regarding the types of development desirable in different areas of the City. Most of the geographic area of the City is fully developed, with approximately 80% being residential and 18% 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 of current projects include:

- Downtown Worthington – The City's downtown area has a high occupancy rate, which is a positive reflection on the efforts and activities of the City, merchants and various community partners. The 2026 budget continues funding to the Worthington Partnership, which the City first funded in 2016, to help ensure support for this vital and iconic part of the City. The City continues to see investment in older downtown residential and commercial buildings, such as the full renovation of office buildings at 25 W. New England Avenue and 579 High Street and a new restaurant at 649 High Street. The renovation and occupation of the Kilbourne Memorial Library Building owned by the City on the Village Green has been

a success having been converted to a mix of retail, co-working, and maker space. This dynamic mix of uses has contributed to new vibrancy north of State Route 161, outside of the traditional central business district. This includes the area near North and High Streets where the conversion of a former car repair shop to a bank, renovation of retail facades, and completion of two two-story office/retail building is attracting new retail, office and entertainment tenants.

- The Worthington Gateway Project, at the intersection of High Street and Wilson Bridge Road, involves five mixed-use buildings adjacent to the street which have completed construction and become occupied. Numerous new businesses have opened, ranging from offices to restaurants to other service industries. The final building, a four-story, mixed-use office, restaurant and retail building in the heart of the site, is nearing completion and multiple tenants have already moved in.
- East Wilson Bridge Road Corridor – Reinvestment has occurred along East Wilson Bridge Road with the expansion of MedVet Medical & Cancer Center for Pets, the reconstruction of a McDonald’s, and construction of new apartments. 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 improve traffic conditions surrounding the City’s industrial corridor. Additional public investment involving a new waterline and road resurfacing in this corridor has also been completed. The first phase of improvements to McCord Park have been completed which involved the replacement of a playground, creation of a full-size soccer/field hockey field, installation of shelters that can be reserved, and the installation of a multi-use path. The second and final phase of improvements to the Park, which included the renovation of ballfields, installation of a new restroom facility, and the extension of the multi-use path, was completed in 2024 and financed primarily with proceeds from the City’s Series 2023 Various Purpose Bonds. This 25-acre park in the East Wilson Bridge Rd. corridor is adjacent to the Worthington Community Center and hosts numerous community events. Additionally, the Community Improvement Corporation (the “CIC”) acquired four residential parcels (which have been demolished and the parcels re-zoned) and is identifying 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 the FACE 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 all commercial properties in the City, with a focus on allowing office buildings outside the industrial corridor to be eligible for façade renovation grants.
- Two redevelopment projects are focused on the area near Proprietors Road and SR-161. The Cotter House, a memory care facility, opened on Proprietor’s Road representing the final piece of the redevelopment of the former Worthington Foods site. Across the street, 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 selected Elford as a partner to develop underutilized portions of the site. Elford recently submitted a development proposal for the site and is actively working through the rezoning process. Additionally, Boundless plans to expand their operations and employment on their portion of the site.

- 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. In April 2024, the City approved a change to the previous approval to allow the southern building to house residential units.
- The City has recently completed an in-depth analysis and planning process focused on the northeast portion of the City which is currently an older industrial corridor. The Northeast Area Plan recommends pursuit of an Eco Innovation Corridor focused on economic and environmental sustainability with the incorporation of mixed-use zones, investment in connectivity projects and preservation of open space and ecology. Work started in 2025 to begin implementation of the recommendations of the rebranded corridor, Forge Fields at Rush Run.
- Five large commercial office buildings on West Wilson Bridge Road were sold in 2025. As a result, the City anticipates that the new owners will make significant new investments along the West Wilson Bridge Road corridor. Additional details about the proposed redevelopment project have started to be shared with the community, with more information expected to be coming later in 2026.

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. Examples of this include a new Economic Development Strategic Plan as part of the Comprehensive Plan update process, the rebranding of a staff position to emphasize the City's focus on business retention and expansion efforts, and the creation of a customized Workforce Housing Tax Abatement Program that balances multiple City priority areas.

Building Permit Values

The City's growth in the past decade is reflected, in part, in the degree of building activity in the City. The following table relating to the issuance of building permits by the City since 2020 is set forth for informational purposes only.

Annual Permits and Total Construction Value
City of Worthington, Ohio

Year	Number of Building Permits	Total Construction Cost
2021	1,243	\$ 46,625,111
2022	1,156	54,015,380
2023	1,228	167,293,644
2024	1,108	88,700,731
2025	1,148	52,455,689

Source: City of Worthington Building Department

Labor Force Statistics

Unemployment and labor force statistics specific to the City are not available. The County and MSA information presented in this section is included for informational purposes only. It should not be inferred from the inclusion of such data in this Official Statement that the County or the MSA are representative of the City, or vice versa. The following statistics are not seasonally adjusted.

Area Unemployment Rates (annual percentages)					Labor Force (in thousands)	
Year	Franklin County	MSA	State of Ohio	United States	Year	Franklin County
2021	5.1%	4.8%	5.3%	5.3%	2021	700.5
2022	3.4	3.4	4.0	3.6	2022	700.2
2023	3.3	3.1	3.7	3.6	2023	708.1
2024	4.2	4.0	4.4	4.0	2024	729.6
2025	4.4	4.3	4.6	4.3	2025	739.2
2026*	4.1	n/a	4.6	4.7	2026	724.7

Source: Ohio Department of Job and Family Services,
Bureau of Labor Market Information

* Preliminary as of January, 2026. Some data may be limited or delayed due to the temporary suspension of federal data collection and reporting activities during the federal government shutdown.

[Balance of Page Intentionally Left Blank]

Largest Employers

The following table lists the 50 largest employers in the MSA as of October 2025. It should not be inferred from the inclusion of such data in this Official Statement that the MSA is representative of the City, or vice versa.

Largest Employers Columbus MSA

Rank	Firm	Number of Employees	Industry
1	The Ohio State University	36,433	Education
2	OhioHealth Corp.	28,115	Healthcare
3	State of Ohio	24,264	State government
4	JPMorgan Chase & Co.	18,242	Banking & financial services
5	Nationwide Children's Hospital	16,411	Pediatric healthcare
6	The Kroger Company	14,000	Retail grocery
7	Nationwide Mutual Insurance Company	11,000	Insurance & financial services
8	City of Columbus	9,202	Government
9	Columbus City School District	9,000	Education
10	Amazon.com, Inc.	7,558	Online retailer/cloud computing
11	Honda North America, Inc.	7,500	Auto manufacturing
12	Mount Carmel Health System	7,041	Healthcare
13	Franklin County	6,301	Government
14	Victoria's Secret & Co.	5,091	Specialty retailer
15	Huntington Bancshares Inc.	4,872	Banking & financial services
16	Cardinal Health Inc.	4,275	Healthcare products & services
17	American Electric Power Company Inc.	4,210	Electric power utility
18	DHL Supply Chain	3,461	Logistics
19	South-Western City School District	3,392	Education
20	Columbus State Community College	3,147	Education
21	Dublin City School District	2,963	Education
22	Giant Eagle Inc.	2,869	Retail grocery
23	FedEx Corp.	2,710	Logistics
24	Defense Logistics Agency Weapons Support	2,700	Military logistics
25	Licking Memorial Health Systems	2,615	Healthcare
26	Cameron Mitchell Restaurants LLC	2,286	Restaurants and catering
27	NetJets Inc.	2,200	Private aviation
28	I Am Boundless, Inc.	2,149	Healthcare
29	Bread Financial Holdings, Inc.	2,144	Financial services
30	Ohio Living	2,127	Senior living/healthcare
31	Fairfield Medical Center	1,951	Healthcare
32	United Parcel Service	1,949	Logistics
33	UnitedHealth Group Inc.	1,781	Healthcare insurance
34	Abbott Laboratories/Abbott Nutrition	1,768	Nutrition research and products
35	Battelle Memorial Institute	1,754	Technology & research development
36	Abercrombie & Fitch Company	1,700	Retail clothing
37	Quantum Health	1,699	Healthcare navigation services
38	Gap Inc.	1,600	Retail clothing
39	Eddie Bauer	1,500	Retail clothing fulfillment services
39	Vertiv Holdings Co.	1,500	Information technology
41	Delaware County	1,492	Government
42	CVS Health Corp.	1,430	Pharmacy & healthcare
43	Stanley Electric U.S. Co., Inc.	1,303	Automotive parts manufacturing
44	Gahanna-Jefferson City School District	1,300	Education
45	YMCA of Central Ohio	1,289	Social services
46	ODW Logistics, Inc.	1,260	Logistics
47	TS Tech Americas Inc.	1,254	Automotive parts manufacturing
48	Target Corp.	1,240	Retail distribution
49	Worthington Enterprises, Inc.	1,230	Consumer/building manufacturing
50	PNC Financial Services Group, Inc.	1,225	Banking & financial services

Sources: *Columbus Business First*. Data as of October 2025. Data obtained separately from the Columbus City School District, Franklin County, and Licking Memorial Health Systems for their respective totals.

The following table lists the 10 largest employers in the City.

Largest Employers*
City of Worthington, Ohio

Rank	Firm	Type of Business
1	Worthington City Schools	Education
2	Worthington Steel Company	Manufacturing
3	Worthington Cylinder Corp	Manufacturing
4	Worthington Enterprises, Inc	Manufacturing
5	Medvet Associates LLC**	Animal Care
6	DLZ Corporation	Professional Services
7	Diamond Innovations	Manufacturing
8	The Ohio State University	Health Care
9	Centric HC, Inc	Professional Services
10	I Am Boundless	Healthcare

Source: City of Worthington, 2025

*. Largest employers by income tax withholding.

CITY TAX BASE

Ad Valorem Taxes and Assessed Valuation

Overview

For property taxation purposes, assessment of real property is performed on a calendar year basis by the elected County Auditor subject to supervision by the Tax Commissioner, and assessment of public utility tangible personal property is performed by the Tax Commissioner. Property taxes are billed and collected by the County Treasurer.

Taxes collected from real property in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year. Public utility 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 that second year preceding the tax collection year. Beginning with the 2009 tax year, general business tangible personal property is no longer subject to tax.

Over the course of 2025, legislators in the General Assembly introduced various proposed bills that would affect ad valorem property taxation in the State. While some of these proposals were more narrow and targeted at more limited issues, some would have a substantial impact on property tax law if implemented. Recent legislation that went into effect on March 20, 2026 is summarized in the following table.

2025 Property Tax Reform Legislation

Bill	Summary of Primary Provisions
Am. HB 124	Modifies process for property tax sales-assessment ratio studies – shifts more responsibility/authority to county auditors and away from the Department of Taxation

Sub. HB 309 (“HB 309”)	County budget commissions (“CBCs”) are granted authority to reduce the amount or rate of a tax levy (other than bond levies) if the CBC determines the reduction is necessary to avoid “unnecessary” or “excessive” collections*; a public hearing by a CBC is required before any reduction; a CBC cannot reduce a levy below what it collected in the prior year unless there are reserve accounts, nonexpendable trust funds, or carryover amounts to offset the reduction; new voter-approved tax levies are only protected from reduction by a CBC during the first year of collection, while renewed levies can be reduced by a CBC at any time
Sub. HB 335	Beginning with TY 2026, in a county’s reappraisal or update year, (1) requires CBCs to adjust the rate of each inside (unvoted) millage levy to limit any increase in revenue to GDP deflator growth over the three previous years, or (2) if an increase in inside millage levy revenue is less than the GDP deflator but greater than the previous year, then each taxing unit receiving inside millage must adopt legislation by November 1 requesting the increased revenue up to the rate certified and demonstrating the need for the higher rate, which a CBC may approve, partially approve, or deny. These inside millage adjustments do not apply when an increase in taxes results from real property being added to the tax duplicate since the preceding year, such as from new construction or the expiration of abatements.

More information on each bill, including the text of each bill, can be found at the General Assembly’s website at: <https://www.legislature.ohio.gov/legislation/search?generalAssembly=136>. (See also “INVESTMENT CONSIDERATIONS – Considerations Regarding Real and Property Tax Reform” herein.)

Real Property

The “assessed valuation” of real property is fixed at 35% of true value and is determined pursuant to rules of the Tax Commissioner, except that real property devoted exclusively to agricultural use is assessed at not more than 35% of its current agricultural use value. Certain homeowners receive a property tax exemption on a portion of the market value of their homestead. (See “CITY TAX BASE – Property Tax Rate Calculations” for a discussion of the homestead exemption.)

Ohio law requires the County Auditor, subject to supervision by the Tax Commissioner, to adjust the true value of taxable real property every six years to reflect current fair market values. This “sexennial reappraisal” is done by individual appraisal of properties. In the third year following a sexennial reappraisal, the County Auditor, again subject to supervision by the Tax Commissioner, performs a “triennial update” to adjust the value of taxable real property to reflect true values. The triennial update is done without individual appraisal of properties, but with reference to a sales-assessment ratio over the three-year period.

Personal Property

The State formerly imposed a broad personal property tax on property used in business. However, due to changes in State law, most tangible personal property has been excluded from this tax since 2011 through a gradual phase-out. Initially, the State reimbursed political subdivisions for tax losses resulting

* HB 309 defines “unnecessary collections” as “collections from a tax beyond the reasonably anticipated financial needs of the taxing authority for the specific purposes of the tax after accounting for current fund balances, projected expenditures, and other available funding sources.” HB 309 defines “excessive collections” as “collections from a tax in an amount or at a rate that exceeds what is required to provide services at a level that is consistent with statutory obligations.”

from repeal of the broad-based tax on tangible personal property. However, the State has since substantially ended this reimbursement. (See “CITY TAX BASE – State Reimbursement of Property Tax Revenues” herein.)

Unlike most business personal property, public utility tangible personal property was not subject to the personal property tax repeal referenced above and remains subject to tax under State law. Unless an exemption or abatement program applies, all public utility tangible personal property is assessed at varying percentages of its true value depending on the type of property and type of utility.

Tax Abatements and Economic Development Incentives

Tax abatements are temporary property tax exemptions designed to stimulate economic growth or to promote other activities deemed by the State to be in the public interest. Under Ohio law, tax abatements may be granted for urban renewal projects, community redevelopment corporations, community reinvestment areas, property acquired by municipal corporations engaged in urban redevelopment, enterprise zones, railroad property, and for any improvements declared to serve a “public purpose” in municipalities, townships, and counties.

There is one active tax abatement for tax year 2025 that has resulted in approximately \$2.9 million in estimated real property investment in the City. This abatement has a term of 10 years and expires in tax year 2026.

The City currently has 10 tax-increment financing areas for tax year 2025 affecting real property with a combined market valuation of approximately \$81.5 million.

See the City’s audited financial statements for the year ended December 31, 2024 attached hereto as APPENDIX B for additional information on the City’s tax abatements.

[Balance of Page Intentionally Left Blank]

Assessed Valuation

The following table classifies the City’s assessed valuation of taxable property according to use:

Assessed Valuation
City of Worthington, Ohio
(2026 Collection Year)

Property Classification	Amount	Percent of Total Assessed Valuation
<i>Real Property¹</i>		
Class I (Residential/Agricultural)	\$790,735,760	80.16%
Class II (Commercial/Industrial/Other)	<u>173,975,280</u>	<u>17.64</u>
Total Real Property	\$964,711,040	97.80%
<i>Personal Property²</i>		
Public Utility Personal	<u>\$ 21,965,930</u>	<u>2.20%</u>
Total Assessed Valuation	\$986,406,970	100.00%

Source: Franklin County Auditor

¹ Real property taxes collected in a calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year. Real property is assessed at 35% of market value and reappraised every six years, with triennial updates every three years.

Historic Growth in Assessed Valuation
City of Worthington, Ohio

Tax Collection Year	Assessed Valuation	Percent Increase Over Prior Year
2018 ¹	\$649,884,290	11.17%
2019	650,262,970	0.06
2020	657,692,980	1.14
2021 ²	754,629,800	14.74
2022	760,080,460	0.72
2023	763,334,190	0.43
2024 ¹	982,628,480	28.73
2025	989,537,640	0.70
2026	986,406,970	(0.32)

Source: Franklin County Auditor

¹ Year of triennial update

² Year of sexennial appraisal

Largest Taxpayers in the City

The following tables list the largest real estate and public utility taxpayers in the City. Percentages of total assessed valuation are based on a total assessed valuation of \$986,406,970 for the 2026 collection year.

Largest Taxpayers City of Worthington, Ohio (2026 Collection Year)

Real Estate Taxpayers

Name	Type of Business	Assessed Valuation	Percent of City's Total Assessed Valuation
Financing VI Healthcare Property	Skilled Nursing Center	\$4,675,350	0.47%
WWB Holdings I LLC	Commercial Real Estate	4,439,960	0.45
Worthington Gateway LLC	Commercial Real Estate	3,345,620	0.34
IS-CAN (Cascades) Ohio LP	Commercial Real Estate	3,293,700	0.33
Worthington Campus LLC	Real Estate	3,289,930	0.33
MK&K Real Inc.	Apartments	3,287,570	0.33
RRC Worthington LLC	Commercial Real Estate	2,992,890	0.30
ALP-ARC II Creek Run Property Company LLC	Warehouse	2,975,000	0.30
Northpointe Distribution Center LLC	Warehouse	2,942,070	0.30
Worthington 17 LLC	Real Estate	2,875,990	0.29

Public Utility Taxpayers

Name	Type of Business	Assessed Valuation	Percent of City's Total Assessed Valuation
Ohio Power Company	Electric Utility	\$18,423,180	1.87%
Columbia Gas of Ohio Inc.	Gas Utility	3,218,940	0.33

Source: Franklin County Auditor

History of Voted Taxes

The table below provides the history of voted taxes for the City for the past 20 years. Issues listed in **bold** were approved by the City’s voters.

History of Voted Taxes City of Worthington, Ohio

Election Date	Levy or Bond Issue Description	% Voting For	% Voting Against
11/05/2024	\$11,400,000 Pool Facilities Construction Bonds (20 years)	52.66%	47.34%
05/04/2010	0.50% Income Tax Levy – Capital Improvements (Additional – continuing)	60.80	39.20

Source: Franklin County Board of Elections and Ohio Municipal Advisory Council

Property Tax Rate Calculations

State law has a “reduction factor” mechanism that is intended to negate increases in taxes resulting from increases in the true value of real property due solely to inflation. Legislation implementing a 1980 constitutional amendment classifies real property as either (i) residential and agricultural or (ii) all other real property, and provides for tax reduction factors to be separately computed for and applied to each class.

Statutory procedures limit the amount realized by each taxing subdivision from real property taxation, by the application of a tax reduction factor, to the amount realized from those taxes in the preceding year plus: (i) the proceeds of any new taxes (other than renewals) approved by the electors, calculated to produce an amount equal to the amount that would have been realized if those taxes had been levied in the preceding year, and (ii) amounts realized from new and existing taxes on the assessed valuation of real property added to the tax duplicate since the preceding year. Such limitations are expressly inapplicable to amounts realized from taxes levied at a rate required to produce a specified amount, such as for debt service charges or emergency school levies, and from taxes levied inside the ten-mill limitation or any applicable municipal charter tax rate limitation.

A reduction factor is computed for each separate levy that is subject to the limitation. A resulting “effective tax rate” reflects the aggregate of those reductions and is the rate at which real property taxes are, in fact, collected. Real property tax amounts from property devoted to residential and agricultural purposes are, in certain cases, further reduced by:

(a) property tax rollbacks, which for tax year 2025/collection year 2026 include a 10% reduction or “rollback” for residential and agricultural (non-commercial) properties and an additional 2.5% reduction or “rollback” for owner-occupied residential property; such reductions do not apply to (1) new levies, (2) replacement levies, or (3) the increase portion of a renewal levy combined with an increase that are approved by voters after September 29, 2013; and

(b) the homestead exemption*, which provides a reduction in a homestead’s market value available to (1) certain homeowners 65 years of age or older or disabled resident homeowners, (2) disabled veterans or (3) the surviving spouse of a public service officer, which includes police officers, firefighters,

* For more information about the homestead exemption, please visit the Ohio Department of Taxation’s website at <https://tax.ohio.gov>, including <https://tax.ohio.gov/help-center/faqs/real-property-tax-homestead-means-testing/real-property-tax--homestead-means-testing>.

and other first responders, who died in the line of duty or as a result of an injury or illness sustained in the line of duty. The Tax Commissioner adjusts both income restrictions and exemption reduction values annually for inflation.

These reductions are reimbursed to taxing subdivisions by the State. (See “CITY TAX BASE – State Reimbursement of Property Tax Revenues” for a discussion of reimbursement by the State for these reductions.)

HB 186, which became effective on March 19, 2026, changes the rollback structure for non-commercial and owner-occupied residential properties beginning in tax year 2026/collection year 2027. The owner-occupied rollback will increase from 2.50% to 15.38% in tax year 2029/collection year 2030 and in following years as shown in the table below. Simultaneously, the 10.0% rollback for non-commercial, non-agricultural properties that are not owner-occupied will decrease from 10.0% currently to 0% in tax year 2029/collection year 2030 and in following years as shown in the table below. The final result by tax year 2029/collection year 2030 and beyond will be that residential properties (non-commercial and non-agricultural properties) will only receive a rollback tax reduction if they are owner-occupied. The 10.0% rollback that applied to agricultural properties was left unchanged by HB 186 as were the type of levies that qualify for the rollbacks.

**Phase-In Schedule for HB 186 Property Tax Rollbacks
for Non-Agricultural Residential Property**

Collection Year	Owner-Occupied Rollback Rate	Non-Commercial Rollback Rate	Total Rollback Rate
2026 (no change)	2.50%	10.00%	12.50%
2027	5.70	7.50	13.20
2028	8.92	5.00	13.92
2029	12.15	2.50	14.65
2030 and beyond	15.38	0.00	15.38

Such rollbacks and related reimbursements to taxing districts are subject to further revision or repeal by the State.

Property Tax Revenues

The following table shows historical property tax levies and collections for the City since collection year 2020.

Historical Property Tax Collections City of Worthington, Ohio

Collection Year	Assessed Valuation	Taxes Levied	Taxes Collected (including delinquent taxes)	Collection Rate
2021	\$754,629,800	\$3,772,646	\$3,756,116	99.56%
2022	760,080,460	3,799,899	3,808,922	100.24
2023	763,334,190	3,816,154	3,838,315	100.58
2024	982,628,480	4,912,572	4,885,458	99.45
2025	989,537,640	4,947,118	5,096,368	103.02
2026	986,406,970	5,838,295	n/a	n/a

Source: Franklin County Auditor

*Includes only first half collections

Income Tax Revenues

The Revised Code authorizes municipal corporations to levy a tax on income at a uniform rate. No municipal corporation is authorized to levy a municipal income tax in excess of one percent (1%) per annum without obtaining the approval of at least a majority of its electors voting on the question at an election held in accordance with applicable Ohio law.

The City's income tax is imposed on wages, salaries, commissions, and other compensation of individuals and on net profits of businesses and professions received within the City. Military pay or allowances, income of religious, charitable, or educational institutions (to the extent derived from tax-exempt property or activities), net profits of public utilities (except for long-distance telephone companies), and interest and dividends are exempt from municipal income tax.

The City's income tax rate is 2.5%. The City provides a 100% income tax credit to residents of the City who work elsewhere and pay an income tax to the municipality of their place of work. Revenues derived from the income tax since 2020 are as follows:

Historical Income Tax Revenues
City of Worthington, Ohio

Year	Income Tax Revenues	Percent Change
2021	\$30,736,965	15.99%
2022	33,198,549	8.01
2023	34,219,050	3.07
2024	35,127,185	2.65
2025	35,268,997	0.40

Source: City of Worthington

State Reimbursement of Property Tax Revenues

Rollback and Homestead Exemption Reimbursement

The State reimburses taxing districts, including municipalities, for decreased tax revenues due to (a) the 10% reduction or “rollback” in certain non-commercial property taxes, (b) the 2.5% reduction or “rollback” applicable to certain owner-occupied housing, and (c) the homestead exemption. Such reimbursements are subject to repeal or revision by the State. (See “CITY TAX BASE – Property Tax Rate Calculations” for a discussion of reimbursements by the State for these reductions.)

Public Utility Property and Tangible Personal Property Tax Loss Reimbursement

Beginning in tax year 2006, the State began to phase out the tax on tangible personal property used in business. The State also reimbursed certain taxing districts for the loss of tax revenues due to the phase-out of the tax on general business tangible personal property, and on the tangible personal property belonging to telephone, telegraph, and interexchange telecommunications companies. The reimbursement of both types of tangible personal property tax revenues losses have substantially ended for municipalities. In order to replace a portion of the lost revenue, a commercial activity tax was enacted in 2005 and is imposed on gross receipts, including receipts from services, in the State.

CITY DEBT AND DEBT LIMITATIONS

Statutory Debt Limitations Generally

The City may issue voted general obligation bonds, and notes issued in anticipation thereof, pursuant to a vote of the electors of the City. Ad valorem taxes, without limitation as to amount or rate, assessed to pay debt service on voted bonds are authorized by the electors at the same time they authorize issuance of the bonds. Such voted debt is subject to the direct debt limitations but is not subject to the indirect debt limitation. (See “Direct Debt Limitations” below.) Voted obligations may also be issued by certain overlapping subdivisions.

General obligation bonds, and notes issued in anticipation thereof, may also be issued by the City (and certain overlapping political subdivisions, such as the School District and the County) without a vote of the electors. Unvoted debt is subject to both the direct and indirect debt limitations. (See “Direct Debt Limitations” and “Indirect Debt Limitation”)

Following are descriptions of the statutory and constitutional debt and ad valorem property tax limitations applying to the City’s presently outstanding and projected bond and note indebtedness, and certain other long term financial obligations of the City.

Direct Debt Limitations

Revised Code Section 133.05 provides that, exclusive of certain “exempt debt” (discussed below), the net principal amount of unvoted general obligation debt of the City may not exceed five and one-half percent (5.5%) of the total value of all property in the City as listed and assessed for taxation. Revised Code Section 133.05 also provides that the net principal amount of both voted and unvoted general obligation debt of the City may not exceed ten and one-half percent (10.5%) of the total value of all property in the City as listed and assessed for taxation. These two limitations, referred to as “the direct debt limitations,” may be amended from time to time by the Ohio General Assembly.

Ohio law provides that certain forms of municipal debt are exempt from the direct debt limitations (“exempt debt”). Exempt debt includes, among others, general obligation debt, to the extent that such debt is “self-supporting” (that is, revenues from the facilities financed are sufficient to pay applicable operating and maintenance expenses and related debt service and other requirements); bonds issued in anticipation of the collection of special assessments; revenue bonds; notes issued in anticipation of the collection of current revenues or in anticipation of the proceeds of a specific tax levy; notes issued for certain emergency purposes; and bonds issued to pay final judgments. Notes issued in anticipation of such bonds are also exempt from the direct debt limitations.

In calculating debt subject to the direct debt limitations, the amount of money in a City’s bond retirement fund allocable to the principal amount of non-exempt debt is deducted from gross non-exempt debt.

Without consideration of money in the City’s bond retirement fund, and based on the currently applicable assessed valuation of \$986,406,970:

(a) The total voted and unvoted non-exempt debt that the City could issue subject to the 10-1/2% limitation described above is \$103,572,731.85. The total City non-exempt debt which will be outstanding after delivery of the Bonds is \$11,400,000.00, leaving the borrowing capacity of \$92,172,731.85 within the limitation for combined voted and unvoted non-exempt debt; and

(b) The total unvoted non-exempt debt that the City could issue subject to the 5-1/2% limitation is \$54,252,383.35. The total City non-exempt debt subject to such limitation which will be outstanding after issuance of the Bonds is \$0.00, leaving the full borrowing capacity of \$54,252,383.35 within the 5-1/2% limitation for unvoted non-exempt debt.

Indirect Debt Limitation

Unvoted general obligation bonds and bond anticipation notes cannot be issued by the City unless the tax required to be imposed on taxable property in the City for the payment of the debt service on (a) such bonds (or the bonds in anticipation of which notes are issued), and (b) all outstanding unvoted general obligation bonds (including bonds in anticipation of which notes are issued) of the combination of overlapping taxing subdivisions in the City resulting in the highest tax rate required for such debt service, in any one year, is ten mills or less per \$1.00 of assessed valuation. This indirect debt limitation, the product of which is commonly referred to as the “ten-mill limitation,” is imposed by a combination of the provisions of Article XII, Sections 2 and 11 of the Ohio Constitution and Revised Code Section 5705.02.

The ten-mill limitation is the maximum aggregate millage for all purposes that may be levied on any single piece of property by all overlapping taxing subdivisions without a vote of the electors. The ten mills which may be levied without a vote of the electors is in fact levied, collected and allocated among the City and its overlapping taxing subdivisions for general fund purposes pursuant to a statutory formula.

This “inside” millage allocated to each overlapping taxing subdivision is required by present Ohio law to be used first for the payment of debt service on unvoted general obligation debt of the subdivision, unless provision has been made for its payment from other sources. The balance of the millage is available for other purposes of the subdivision. Thus, to the extent this inside millage is required for debt service of a taxing subdivision (which may exceed the formula allocation to that subdivision), the amount that would otherwise be available to that subdivision or to other such overlapping subdivisions for general fund purposes is reduced.

A political subdivision’s allocation of inside millage can be exceeded only in the event it is required for the payment of debt service on its unvoted general obligation debt and, in that case, the inside millage allocated to the other overlapping subdivisions would be reduced proportionally to bring the aggregate levies of inside millage down to ten mills.

In case of notes issued in anticipation of the issuance of unvoted general obligation bonds, the highest annual debt service estimated for the bonds anticipated by the notes is used to calculate the millage required.

Revenue bonds and notes in anticipation of revenue bonds, are not included in debt subject to the ten-mill limitation since they are not general obligations of the City, and neither the general revenue nor the full faith and credit of the City are pledged for their payment.

The ten-mill limitation applies to all unvoted general obligation debt even if debt service on some of such debt is expected to be paid in fact from special assessments, utility earnings or other sources.

In calculating whether or not unvoted debt to be issued by the City is within the ten-mill limitation, it is necessary to determine the total outstanding debt service requirements within the ten-mill limitation of all the taxing subdivisions overlapping the City.

Charter Millage

Pursuant to its Charter, the City has the authority to levy a property tax of up to eight mills without specific voter approval (“Charter Millage”). This Charter Millage is outside the ten-mill limitation imposed by general Ohio law. In effect, the Charter Millage is treated as a voter-approved property tax levy that can be allocated to debt service charges on unvoted general obligation indebtedness and any other lawful municipal purpose. Pursuant to Revised Code Section 5705.18, this Charter Millage limitation supersedes the ten-mill limitation that would otherwise apply to the City and its overlapping subdivisions.

Based upon the maximum debt service schedule required for outstanding general obligation debt of the City (but excluding therefrom debt service requirements for voted debt), the highest annual debt service requirement in any year for all City debt subject to the Charter Millage limitation is estimated to be approximately \$1,933,010.50.* The payment of that annual debt service would require a levy of approximately 1.9596* mills per \$1.00 of assessed valuation based on current (collection year 2026) assessed valuation of \$986,406,970. Thus, approximately 6.0404* mills remain free within the City’s Charter Millage limitation to support, based upon the current assessed valuation of the City, the issuance of approximately \$80,926,930.53* of additional 20-year bonds, assuming an interest rate of 4.50% (and subject to the 5.5% percent direct debt limit heretofore described). Any Charter Millage not allocated to debt service charges on unvoted general obligation indebtedness may be allocated to any other lawful municipal purpose.

* Preliminary, subject to change.

Bond Anticipation Notes

Under Ohio law, notes, including renewal notes, issued in anticipation of the issuance of general obligation bonds may be issued and outstanding from time to time up to a maximum period of 20 years from the date of issuance of the original notes, except that the maximum maturity for notes issued in anticipation of general obligation bonds payable from special assessments is approximately five years. Any period in excess of five years must be deducted from the permitted maximum maturity of the bonds anticipated, and portions of the principal amount of notes outstanding for more than five years must be retired in amounts at least equal to, and payable not later than, principal maturities that would have been required if bonds had been issued at the expiration of the initial five-year period. The last maturity of any bonds issued to refund general obligation bond anticipation notes may not be later than the year of last maturity permitted by law for the bonds anticipated.

None of the debt of the City is in the form of general obligation bond anticipation notes.

City General Obligation Debt Currently Outstanding

After the issuance of the Bonds, the City currently has the following issues of general obligation bonds outstanding:

Outstanding General Obligation Debt City of Worthington, Ohio

Issue	Dated Date	Final Maturity	Balance Outstanding on June 24, 2026*
Various Purpose Bonds, Series 2017	1/18/2017	12/1/2031	\$ 1,780,000
Various Purpose Bonds, Series 2021	8/11/2021	12/1/2041	8,220,000
Various Purpose Bonds, Series 2023	5/31/2023	12/1/2043	4,125,000
Pool Facilities Bonds, Series 2025	9/10/2025	12/1/2045	11,400,000
The Bonds	6/24/2026	12/1/2046*	4,350,000*
Total General Obligation Debt			\$29,875,000*

Source: City of Worthington

The following tables list the City's outstanding general obligation debt (before reduction for moneys in the City's bond retirement fund) represented by bonds and notes:

Analysis of Outstanding General Obligation Debt
City of Worthington, Ohio

A. Total Debt Outstanding:	\$29,875,000*
B. Exempt Debt:	
Special Assessment Bonds	0
Special Assessment Notes	0
Income Tax Pledged Bonds	\$18,475,000*
Income Tax Pledged Notes	0
Self-Supporting Enterprise Bonds	0
Self-Supporting Enterprise Notes	0
Total Exempt Debt	\$18,475,000*
C. Total Non-Exempt Debt: (A minus B)	\$11,400,000*

Source: City of Worthington

Analysis of Outstanding Non-Exempt General Obligation Debt
City of Worthington, Ohio

	Unlimited Tax	Limited Tax	Total
Notes	\$ 0	\$0	\$ 0
Bonds	11,400,000	0	11,400,000
Total	\$11,400,000	\$0	\$11,400,000

Source: City of Worthington

General Obligation Debt Service Requirements

The following schedule presents the City's actual debt service requirements for general obligation debt currently outstanding:

General Obligation Debt Service Requirements

City of Worthington, Ohio

Calendar Year	Outstanding Debt		The Bonds		Total Debt Service
	Principal	Interest	Principal	Interest	
2026	\$1,150,000.00	\$504,875.25	---	\$	\$
2027	1,325,000.00	964,773.00			
2028	1,375,000.00	911,624.50			
2029	1,435,000.00	850,965.50			
2030	1,500,000.00	787,585.50			
2031	1,570,000.00	721,234.50			
2032	1,305,000.00	663,862.50			
2033	1,350,000.00	611,212.50			
2034	1,260,000.00	563,212.50			
2035	1,315,000.00	515,812.50			
2036	1,350,000.00	466,112.50			
2037	1,410,000.00	414,662.50			
2038	1,455,000.00	360,662.50			
2039	1,300,000.00	307,212.50			
2040	1,330,000.00	262,412.50			
2041	1,265,000.00	214,700.00			
2042	1,055,000.00	167,312.50			
2043	1,105,000.00	123,250.00			
2044	815,000.00	75,150.00			
2045	855,000.00	38,475.00			
2046	0.00	0.00			
Total	\$25,525,000.00	\$9,525,108.25	\$4,350,000.00*	\$	\$

Source: City of Worthington

No bonds have been authorized by the electors that have not yet been issued, except for the Bonds.

The City is not and has not been in default in the payment of debt service on any of its general obligation bonds or notes.

* Preliminary, subject to change

Overlapping Subdivision Indebtedness

In addition to the City, other political subdivisions have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the City. The estimated outstanding bonded indebtedness of such political subdivisions (as of June 24, 2026* and excluding debt that is payable primarily from special assessments, enterprise revenues, or is otherwise self-supporting) is as follows:

Overlapping Subdivision and Debt City of Worthington, Ohio

Overlapping Units	Estimated Outstanding Debt	Percent Applicable to City	Estimated Amount of Overlapping Debt
Franklin County	\$ 23,899,615	1.95%	\$ 466,042
Worthington City School District	310,300,000	30.59	94,920,770
Columbus State Community College	160,355,000	1.95	3,126,923
Solid Waste Authority of Central Ohio	14,745,000	1.86	274,257
Total			\$98,787,992

Source: OMAC

The following table shows the per capita debt of the residents in the City based upon the 2024 U.S. Bureau of the Census listed by OMAC population estimate of 14,938 people residing in the City, the above overlapping indebtedness figures, and the City's general obligation debt shown above:

City Debt, per capita	\$1,999.93*
Overlapping Debt, per capita	6,613.20
Total Debt, per capita	\$8,613.13

Source: OMAC

Leases and Other Long Term Obligations

A. Leases

The City currently has no leases.

[Balance of Page Intentionally Left Blank]

* Preliminary, subject to change

B. Other Long Term Obligations

The City has two outstanding loans with the Ohio Public Works Commission (“OPWC”), both of which carry an interest rate of 0%. The terms of the OPWC loans are set forth in the table below.

Other Long Term Obligations
City of Worthington, Ohio

Loan Name	Year of Loan	Amount of Loan	Amount Outstanding	Year of Maturity
Old Worthington Ada Ramps	2008	\$156,201.00	\$23,430	2028
Kenyonbrook Sanitary Sewer	2015	\$612,815.96	\$408,544	2045

Future Financings

The City has an active capital improvements plan (“CIP”). The CIP is budgeted over five years and includes commitments to maintain the City infrastructure. The City anticipates paying for infrastructure improvements under the CIP through a combination of borrowing, cash on hand, and grants.

The City anticipates issuing approximately \$10,000,000 of limited tax general obligation bonds in 2028 to fund various sanitary sewer, water line, and roadway capital improvements.

FINANCES OF THE CITY

Budgeting, Tax Levy and Appropriations Procedure

The Revised Code contains detailed provisions regarding City budgeting, tax levy and appropriation procedures. These procedures involve review by County officials at several steps.

The law requires generally that a subdivision prepare, and then adopt after a public hearing, a tax budget approximately six months before the start of the next fiscal year. The tax budget then is presented for review by the county budget commission, which is comprised of the County Auditor, treasurer and prosecuting attorney. However, a county budget commission may waive the requirement for a tax budget and require an alternative form of more limited information required by the commission to perform its duties.

City budgeting for a fiscal year (which is the calendar year) formally begins with the preparation of a tax budget by the Franklin County Budget Commission, which is comprised of the County Auditor, County Treasurer and County Prosecuting Attorney (the “Budget Commission”). Among other items, the tax budget must show the amounts required for debt service, the estimated receipts for payment from sources other than ad valorem property taxes and the net amount for which an ad valorem property tax levy must be made. The tax budget then is presented for review by the Budget Commission. The Budget Commission holds a public hearing, reviews the budget, and issues a Certificate of Estimated Resources by September 1, which certificate is the basis for City appropriations and expenditures for the coming fiscal year.

Upon approval of the tax budget and issuance of the Certificate of Estimated Resources, the Budget Commission certifies its actions to the Council together with the approved tax rates. Thereafter, the Council levies the approved taxes and certifies them to the proper County officials. The approved and certified tax rates are reflected in the tax bills sent to property owners during the collection year. Real property taxes are payable on a calendar year basis, generally in two installments with the first due usually in February and the second due in July or later.

Appropriation measures may be amended or supplemented during the fiscal year. Annual appropriations may not exceed the Budget Commission's official estimates of resources. The County Auditor must certify that the Council's appropriation measures, including any supplements or amendments, do not appropriate moneys in excess of the amount set forth in the latest of those official estimates.

Financial Reports and Audits

The City's fiscal year is the calendar year. The City maintains its accounts, appropriations and other fiscal records in accordance with the procedures established and prescribed by the State Auditor. The State Auditor is charged by Ohio law with the responsibility of auditing the financial statements of each taxing subdivision and most agencies and public institutions.

The State Auditor is charged by law with the responsibility for auditing the financial statements of each taxing subdivision and most public agencies and institutions. A financial report for each fiscal year is required to be filed with the State Auditor pursuant to Revised Code Section 117.38. Such reports are required to be submitted to the State Auditor at the close of each fiscal year. At the time of filing of such report, the Finance Director is required to publish a notice that the report is completed and available for review in the Finance Director's office.

The most recent audit of the City's financial statements was completed by Clark, Schaefer, Hackett & Co. (the "Auditor") through the fiscal year ending December 31, 2024. The Auditor did not make any citations, require any adjustments, or make any findings for recovery. No bring-down procedures have been undertaken by the Auditor since the date of the financial statements. The audited Financial Statements for the Fiscal Year Ended December 31, 2024 are attached hereto as APPENDIX B.

Except for audits by, or by certified public accountants at the direction of, the State Auditor pursuant to Ohio law and audits under federal program requirements, no independent audit of the City's financial records is made.

All Ohio municipalities and counties are required to prepare their annual financial reports on the basis of generally accepted accounting principles ("GAAP"). Governmental Accounting Standards Board ("GASB") pronouncements and Financial Accounting Standards Board pronouncements are the principal sources used to determine the accounting principles employed. These publications, among other things, provide for a modified accrual basis of accounting for governmental funds and for a full accrual basis of accounting for proprietary funds and for each major and aggregated non-major fiduciary funds. The publications also further provide for the preparation of balance sheets for each major and non-major fund, and statements of revenues and expenditures, and changes in fund balances (major and aggregated non-major governmental funds) or statements of revenues, expenses and changes in retained earnings/equity (major and aggregated non-major proprietary funds) and statement of cash flows. The principles further require preparation of a statement of net assets and a statement of activities for the entity's business type and government type activities on the full accrual basis of accounting, and management's discussion and analysis of major events and transactions during the year.

General Fund Revenue Sources

The General Fund is the main operating fund of the City. It is the fund from which most of the City’s expenditures are paid and into which most of the City’s revenues are deposited. The City derives most of its revenues from a tax on real and tangible personal property, a municipal income tax, the local government fund, and fees for services. The local government fund includes moneys derived from portions of state general revenue fund taxes that are earmarked for distribution to local governmental units and the rollback reimbursement (see “CITY TAX BASE – State Reimbursement of Property Tax Revenues – Rollback and Homestead Exemption Reimbursement” in this APPENDIX A). These programs are subject to repeal or modification by the General Assembly of the State.

Although the security for the City’s general obligation debt is its pledge to pay such debt from ad valorem taxes to be levied on all taxable property within the City, debt service for the City is in practice paid from four sources: voted property tax revenues, income tax revenues, local government fund, and enterprise surcharge revenues.

The following table sets forth the historical revenues of the major revenue sources of the City’s General Fund.

General Fund – Major Tax Revenue Sources City of Worthington, Ohio (Non-GAAP Budgetary Basis)

Year	City Income Tax	% of General Fund	Property (Ad Valorem) Taxes	% of General Fund	Local Government Fund	% of General Fund
2021	\$24,589,572	77.43%	\$3,028,771	9.53%	\$442,337	1.39%
2022	26,558,839	73.35	3,077,007	8.49	474,137	1.31
2023	27,375,240	72.90	3,103,596	8.26	478,550	1.27
2024	28,101,748	68.70	3,948,574	9.65	462,737	1.13
2025	28,215,198	67.59	4,214,919	10.10	498,758	1.19

Source: City of Worthington

Investment of Funds

According to the Finance Director, all moneys of the City, including specifically moneys in the general fund, the bond retirement fund, and all project funds containing proceeds of any debt issuances of the City, are presently or will be invested in accordance with the requirements of Ohio law, and in particular Chapter 135 of the Revised Code (the “Uniform Depository Act”). Under Section 135.14, Revised Code, the City may invest its funds provided that such investments must mature or be redeemable within five years from the date of purchase. The classifications of obligations which are eligible for such investment by the City range from investment in the State Treasury Asset Reserve of Ohio investment pool (“STAR Ohio”) to investment in United States Treasury bills, certificates of deposit and investment grade bonds, notes, or other obligations issued by any federal government agency. Certain investment practices remain exclusive to those political subdivisions whose fiscal officers have completed additional training in accordance with the Uniform Depository Act.

Further, pursuant to Revised Code Section 135.14, all investments of the City, except for investments in securities in STAR Ohio and certain no-load money market mutual funds, must be made through members of the National Association of Securities Dealers, Inc., banks, savings banks, or savings and loan associations regulated by the State superintendent of financial institutions or through institutions

regulated by the comptroller of the currency, Federal Deposit Insurance Corporation, or board of governors of the Federal Reserve System.

The City interprets the limits on federally guaranteed investments and all other legal investments very conservatively. No moneys of the City have ever been invested in interest-only obligations, reverse-repurchase obligations, inverse floater obligations, or other investment vehicles commonly referred to as derivative investments. No moneys of the City are invested in obligations which mature later than the time at which it is reasonably expected that the City will need access to such moneys in order to meet current financial commitments. The Finance Director has attended special training in all of the investment areas to assure strict compliance with the conservative investment philosophy of the City. All investments are transacted with banks or other financial institutions operating in the State. Complete detail of the current investment practices of the City can be found in the most recent audited financial statements of the City (see APPENDIX B herein).

City Insurance

The City maintains comprehensive insurance coverage with private carriers for real property, building contents, and vehicles. 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. The following represent the City's current coverage limits and deductibles:

Insurance Coverages/Deductibles
City of Worthington, Ohio

Type of Coverage	Limits	Deductible
General Liability	\$ 2,000,000	\$ 5,000
Automobile	1,000,000	500/1,000
Property	84,657,503	5,000
Boiler and Machinery	84,657,503	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
Social Services Professional	1,000,000	0
Umbrella	5,000,000	0

Ohio law provides immunity for political subdivisions such as the City from liability in damages. The immunity covers injury, death, or loss to persons or property allegedly caused by an act or omission of such political subdivisions or their employees in connection with governmental and proprietary functions, as defined in State statutes. The statutes have no effect on any liability imposed by federal law or other federal cause of action. Pursuant to Ohio law, there are, however, five areas in which a political subdivision may be held liable for such loss. These include the negligent operation of a motor vehicle by employees engaged within the scope of their employment and authority; negligent performance of proprietary functions; negligent failure to keep public roads in repair, and other negligent failure to remove obstructions from public roads; negligence of employees due to physical defects within or upon the grounds of buildings used in the performance of governmental functions, excluding jails, juvenile detention workhouses and other detention facilities; and liability specifically imposed by statute. Ohio law also imposes a two-year statute of limitations and puts limits on the damages which may be recovered from such political subdivisions. No punitive or exemplary damages can be recovered, and any insurance benefits are deducted

from any award against a political subdivision. Although there is no limitation with respect to compensatory damages representing a person's economic loss, there is a \$250,000 per person ceiling on the compensatory damage that represents a person's non-economic loss in cases other than wrongful death, in which case there is no maximum limitation.

Cyber-Security

The City, like many other large public and private entities, relies on a large and complex technology environment to conduct its operations and faces multiple cybersecurity threats, including, but not limited to, hacking, phishing, viruses, malware and other attacks on its computing and other digital networks and systems (collectively, "Systems Technology"). As a recipient and provider of personal, private, or sensitive information, the City may be the target of cybersecurity incidents that could result in adverse consequences to the City and its Systems Technology, requiring action to mitigate the consequences. Cybersecurity incidents could result from unintentional events or from deliberate attacks by unauthorized entities or individuals attempting to gain access to the City's Systems Technology for the purposes of misappropriating assets or information or causing operational disruption and damage.

To mitigate the risk of operations impact and/or damage from cybersecurity incidents or cyber-attacks, the City invests in multiple forms of cybersecurity and operational safeguards. While City cybersecurity and operational safeguards are periodically tested, no assurances can be given by the City that such measures will ensure against cybersecurity threats and attacks, and any breach could damage the City's Systems Technology and cause material disruption to the City's finances or operations. The costs of remedying any such damage or protecting against future attacks could be substantial. Furthermore, cybersecurity breaches could expose the City to material litigation and other legal risks, which could cause the City to incur material costs.

In the event of a Systems Technology breach, the City has invested in a cyber-security insurance policy. The policy provides for a variety of coverages: cyber-crime, liability, breach response and business loss.

AUDITED FINANCIAL STATEMENTS
CITY OF WORTHINGTON, OHIO
For the Fiscal Year Ended December 31, 2024

THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF WORTHINGTON, OHIO
FRANKLIN COUNTY
REGULAR AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2024



65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

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, 2024 through December 31, 2024. 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.

KEITH FABER
Ohio Auditor of State

A handwritten signature in black ink that reads "Tiffany L. Ridenbaugh". The signature is written in a cursive style.

Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

August 15, 2025

This page intentionally left blank.

TABLE OF CONTENTS

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* 1 - 2

Attachment: Annual Comprehensive Financial Report

This page intentionally left blank.



4449 Easton Way, Suite 400,
Columbus, OH 43219
P: 614.885.2208 | F: 614.885.8159

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, 2024, 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 12, 2025.

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 or significant deficiencies may exist that were not 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 grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 12, 2025



City of Worthington, Ohio
Annual Comprehensive
Financial Report
Fiscal Year January 1—December 31, 2024





ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2024

Issued by:
Department of Finance
Scott F. Bartter
Director



TABLE OF CONTENTS

I **INTRODUCTORY SECTION**

A Letter of Transmittalv
B List of Principal Officialsxii
C City Organizational Chartxiii
D Certificate of Achievement for Excellence in Financial Reportingxiv

II **FINANCIAL SECTION**

A Independent Auditors' Report.....1
B Management's Discussion and Analysis5
C Basic Financial Statements:
 Government-wide Financial Statements:
 Statement of Net Position16
 Statement of Activities18
 Fund Financial Statements:
 Governmental Funds:
 Balance Sheet20
 Reconciliation of Total Governmental Fund Balances to Net Position of
 Governmental Activities22
 Statement of Revenues, Expenditures and Changes in Fund Balances24
 Reconciliation of the Statement of Revenues, Expenditures and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities26
 Statement of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual (Non-GAAP Budgetary Basis):
 General Fund28
 Fiduciary Funds:
 Statement of Net Position29
 Statement of Changes in Net Position30
 Notes to the Basic Financial Statements.....31

D Required Supplementary Information:

Schedule of City’s Proportionate Share of the Net Pension Liability.....	86
Schedule of City Pension Contributions.....	88
Schedule of City’s Proportionate Share of the Net Other Postemployment Benefits (OPEB) Liability/Asset.....	90
Schedule of City Other Postemployment Benefit (OPEB) Contributions	92
Notes to the Required Supplementary Information	94

E Combining and Individual Fund Statements and Schedules:

Nonmajor Governmental Financial Statements:

Combining Balance Sheet.....	103
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	104
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	105
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds.....	109
Combining Balance Sheet – Nonmajor Debt Service Funds.....	113
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Debt Service Funds.....	114

Individual Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis):

Major Governmental Funds:

<i>General Fund</i>	115
<i>Capital Projects Fund:</i>	
Tax Increment Financing Fund	120
Capital Improvement Fund.....	121

Nonmajor Governmental Funds:

Special Revenue Funds:

Property Assessed Clean Energy Fund.....	122
Payroll Reserve Fund	123
Street, Construction, Maintenance and Repair Fund.....	124
State Highway Fund	125
Water Fund.....	126
Sanitary Sewer Fund	127
Police Pension Fund	128
Law Enforcement Fund.....	129
Municipal Motor Vehicle License Tax Fund	130
Enforcement and Education Fund	131
Ohio Opioid Settlement Fund.....	132
Court Clerk Computer Fund.....	133
Economic Development Fund	134
Convention and Visitor’s Bureau Fund.....	135
Law Enforcement Continuing Education Fund.....	136
FEMA Fund.....	137
Special Parks Fund	138
Bicentennial Trust Fund.....	139

Debt Service Funds:

General Obligation Bond Retirement Fund.....	140
Special Assessment Bond Retirement Fund.....	141

Capital Projects Funds:

Trunk Sewer Fund	142
------------------------	-----

Fiduciary Funds – Custodial Funds:

Combining Statement of Net Position	144
Combining Statement of Changes in Net Position	146

III STATISTICAL SECTION

Net Position by Component - Last Ten Years S 2
Changes in Net Position - Last Ten Years..... S 4
Fund Balances, Governmental Funds - Last Ten Years S 8
Changes in Fund Balances, Governmental Funds - Last Ten Years S 10
Income Tax Revenues by Source, Governmental Funds - Last Ten Years S 14
Income Tax Statistics - Current Year and Nine Years Ago S 17
Ratios of Outstanding Debt by Type - Last Ten Years S 18
Ratios of General Bonded Debt Outstanding - Last Ten Years S 20
Computation of Direct and Overlapping Debt Attributable to
Governmental Activities - Current Year S 23
Debt Limitations - Last Ten Years S 24
Demographic and Economic Statistics - Last Ten Years S 26
Principal Employers - Current Year and Nine Years Ago S 29
Full Time Equivalent Employees by Function - Last Ten Years S 30
Operating Indicators by Function - Last Ten Years S 32
Capital Asset Statistics by Function - Last Seven Years..... S 34



Introductory Section

Introductory Section





June 12, 2025

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, 2024, 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 auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's 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, 2024

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 Ohio Revised Code 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 Council is required to hold public hearings on the proposed budget and to adopt the budget no later than December 31, the close of the City's fiscal year. 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, 2024

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 have recently been complete or are underway. A few examples include:

- Downtown Worthington – The City’s downtown area has a high occupancy rate, which is a positive reflection on the efforts and activities of the City, merchants and various community partners. The City’s Operating Budget contains recurring 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, in 2019 the Worthington Partnership assumed the duties of the Convention and Visitors Bureau (CVB) and receives financial support from the City for enhanced community marketing efforts. The City has continued to see investment in older downtown residential and commercial buildings in recent years, such as the full renovation of office buildings at 25 W. New England Avenue and 579 High Street. The renovation and occupation of the Kilbourne Memorial Library Building owned by the City on the Village Green has been a success having been converted to a mix of retail, co-working, and maker space. This dynamic mix of uses has contributed to new vibrancy north of State Route 161, outside of the traditional central business district. This includes the area near North and High Streets where the conversion of a former car repair shop to a bank, renovation of retail facades, and completion of two two-story office/retail building has attracted new retail, office and entertainment tenants.
- East Wilson Bridge Road Corridor – Reinvestment has occurred along East Wilson Bridge Road with the expansion of MedVet Medical & Cancer Center for Pets, the reconstruction of a McDonald’s, construction of new apartments and the planned construction of a new Chick-Fil-A. 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 utilized Federal, State and local dollars and has significantly improved traffic conditions surrounding the City’s industrial corridor. Additional public investment involving a new waterline and road resurfacing in this

CITY OF WORTHINGTON

Letter of Transmittal For the Year Ended December 31, 2024

corridor has also been completed. All phases of improvements to McCord Park have been completed which involved the renovation of ballfield, installation of a new restroom facility, replacement of a playground, creation of the full-size soccer field, installation of reservable shelters and the installation of a multi-use path. 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 residential 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 City 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.
- Two redevelopment projects focused on the area near Proprietors Road and SR-161 have been completed. The Kemper House, a memory care facility, opened on Proprietor’s Road representing the final piece of the redevelopment of the former Worthington Foods site. Across the street, Boundless, a not for profit serving the developmentally disabled 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. Boundless has identified a development partner to pursue new investment in underutilized portions of their property. The developer is evaluating the site and meeting with neighbors in advance of filing a proposed development application with the City.
- 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 office, residential, 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, 2024

- The City has recently completed an in-depth analysis and planning process focused on the northeast portion of the City which is currently an older industrial corridor. The Northeast Area Plan recommends pursuit of an Eco Innovation Corridor focused on economic and environmental sustainability with the incorporation of mixed-use zones, investment in connectivity projects and preservation of open space and ecology. Work will occur in 2025 to begin implementation of the recommendations.

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

City Council prioritized a citizen-led comprehensive visioning process to consider the community's vision for the future in 2020. The results of this visioning process direct the current policy agenda and the future goals of the City. In 2025, the City will build upon this visioning work with an update to the City's Comprehensive Plan. The update to the Comprehensive Plan, which serves as the City's vision for its physical development, will consider such topical areas as land use, housing, economic development, sustainability, transportation, utilities, community character and open space. The update will be informed by an analysis of the fiscal impacts of various types of land use to ensure the City is preserving and growing its tax base.

CITY OF WORTHINGTON

Letter of Transmittal For the Year Ended December 31, 2024

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, 2023. 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, 2024



For the Year Ended December 31, 2024

City Council

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

Appointed Officials

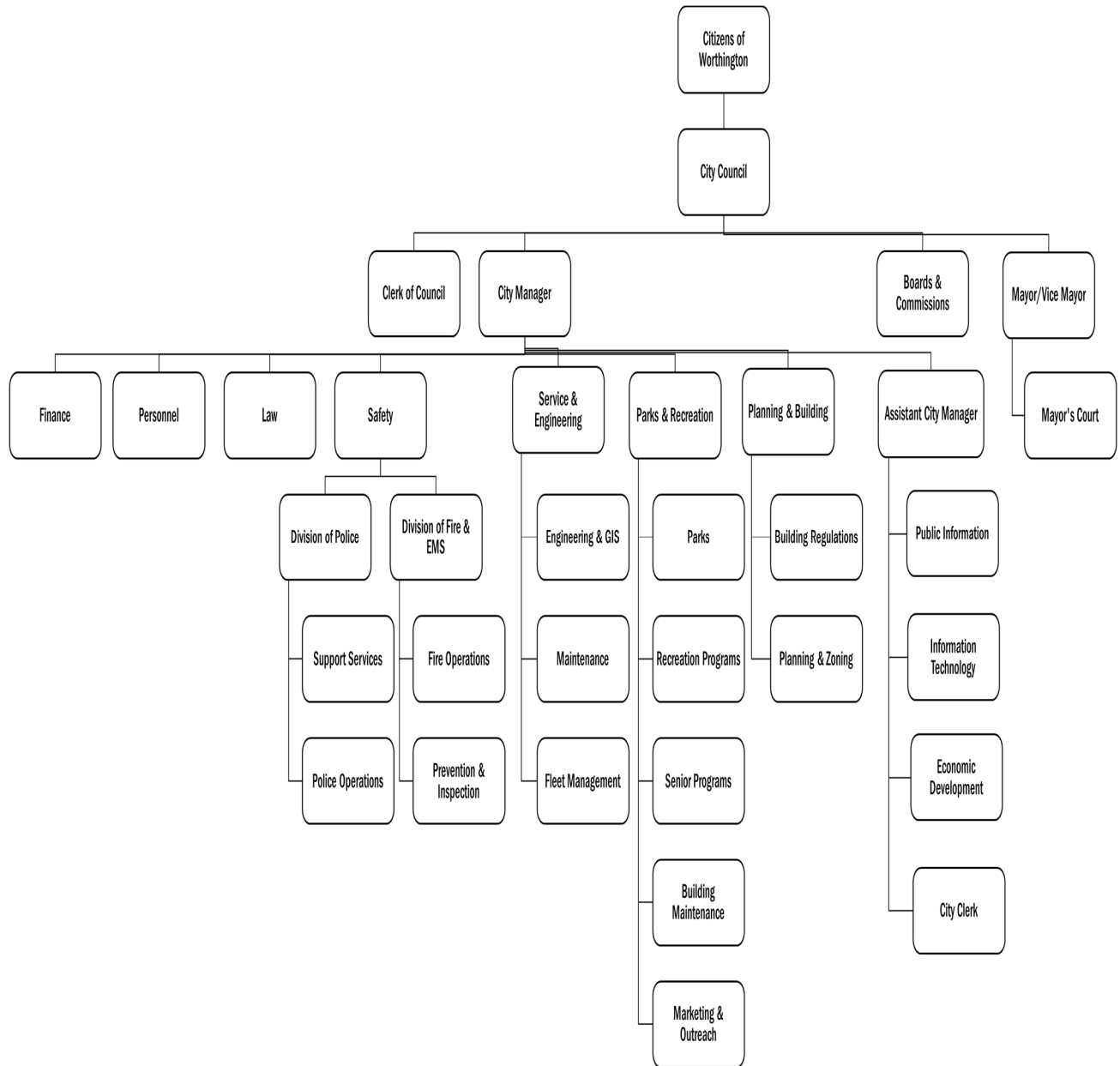
City Manager	Robyn Stewart
Mayor	Scott Holmes
Vice-Mayor	Joseph Mas

Executive Staff

Assistant City Manager & Economic Development Director	David McCorkle
City Clerk	Daniel Ruggiero
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	Stephen Mylett

CITY OF WORTHINGTON

City Organizational Chart For the Year Ended December 31, 2024





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, 2023

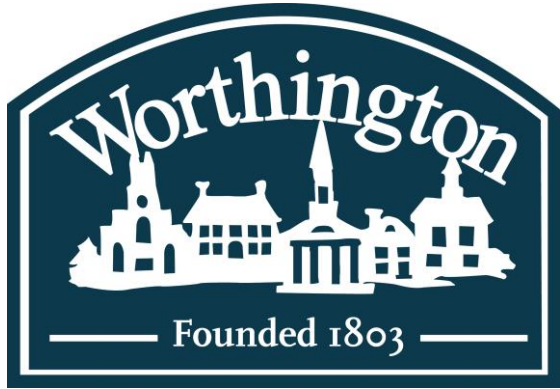
Christopher P. Morill

Executive Director/CEO



Financial Section

Financial Section





4449 Easton Way, Suite 400,
Columbus, OH 43219
P: 614.885.2208 | F: 614.885.8159

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, 2024, 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, 2024, 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 12, 2025 on our consideration of the City'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 12, 2025



CITY OF WORTHINGTON

Management's Discussion and Analysis For the Year Ended December 31, 2024

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, 2024. 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 2024 are as follows:

- ❑ Net position increased \$9,632,246, which represents a 13% increase from 2023.
- ❑ General revenues accounted for \$44,907,941 in revenue or 87% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$6,585,964 or 13% of total revenues of \$51,493,905.
- ❑ The City had \$41,861,659 in expenses related to governmental activities; only \$6,585,964 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$44,907,941 were also available to provide for these programs.
- ❑ Among major funds, the general fund had \$40,639,452 in revenues and \$32,429,452 in expenditures. The general fund's fund balance increased \$5,135,469 to \$35,535,580.

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, 2024

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, 2024 and 2023:

	Governmental Activities	
	2024	2023
Current and Other Assets	\$76,230,403	\$70,315,838
Net OPEB Asset	407,357	0
Capital Assets, Net	67,302,456	65,974,240
Total Assets	143,940,216	136,290,078
Deferred Outflows of Resources	12,533,531	16,398,519
Net Pension Liability	38,253,583	40,114,355
Net OPEB Liability	2,013,177	2,312,460
Other Long-term Liabilities	20,256,714	19,905,462
Other Liabilities	2,806,810	5,116,369
Total Liabilities	63,330,284	67,448,646
Deferred Inflows of Resources	9,356,501	9,920,454
Net Position		
Net Investment in Capital Assets	49,628,283	45,534,824
Restricted	10,868,906	9,205,197
Unrestricted	23,289,773	20,579,476
Total Net Position	\$83,786,962	\$75,319,497

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, 2024

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, 2024

Unaudited

Changes in Net Position – The following table shows the changes in net position for fiscal years 2024 and 2023:

	Governmental Activities	
	2024	2023
Revenues		
Program revenues:		
Charges for Services and Sales	\$5,167,232	\$4,161,191
Operating Grants and Contributions	1,400,990	1,377,276
Capital Grants and Contributions	17,742	0
Total Program Revenues	6,585,964	5,538,467
General revenues:		
Property Taxes	5,620,897	4,913,609
Municipal Income Taxes	35,352,944	34,541,958
Other Local Taxes	82,040	79,361
Intergovernmental, Unrestricted	1,048,817	950,800
Investment Earnings	2,380,019	2,158,147
Miscellaneous	423,224	643,639
Total General Revenues	44,907,941	43,287,514
Total Revenues	51,493,905	48,825,981
Program Expenses		
Security of Persons and Property	17,116,887	16,107,373
Public Health and Welfare Services	85,083	81,035
Leisure Time Activities	7,629,153	6,455,020
Community Environment	1,323,349	1,238,630
Basic Utility Services	1,419,890	1,400,742
Transportation	2,811,130	2,771,109
General Government	11,026,162	10,783,431
Interest on Long Term Debt	450,005	559,543
Total Expenses	41,861,659	39,396,883
Change in Net Position	9,632,246	9,429,098
Net Position as Previously Reported	75,319,497	65,890,399
Change in Accounting Principle	(1,164,781)	0
Beginning Net Position - Restated	74,154,716	65,890,399
Ending Net Position	\$83,786,962	\$75,319,497

Governmental Activities

Governmental activities net position increased \$9,632,246, or 13% in 2024. The City negotiated a new contract for fire service protection provided to Sharon Township in 2024. The City also increased the fees charged for EMS transports. In addition, recreation programming and community recreation center memberships increased in 2024. These changes all contributed to an increase in charges for services when compared with the prior year. An increase in property taxes can be attributed to an increase in the assessed value of property.

An increase in staffing was needed to accommodate the increase in community recreational programming, which contributed to an increase in leisure time activities expense. The hiring of additional public safety employees, as well as the negotiation of a new labor contract resulted in increased expense for security of persons and property.

CITY OF WORTHINGTON

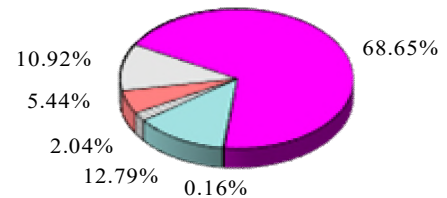
Management's Discussion and Analysis For the Year Ended December 31, 2024

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 10.92% and 68.65% respectively, of revenues for governmental activities in 2024, while other local taxes made up 0.16%. The City's reliance upon tax revenues is demonstrated by the following graph indicating 79.73% of total revenues from general tax revenues:

Revenue Sources	2024	Percent of Total
Property Taxes	\$5,620,897	10.92%
Income Taxes	35,352,944	68.65%
Other Local Taxes	82,040	0.16%
Program Revenues	6,585,964	12.79%
Intergovernmental, Unrestricted	1,048,817	2.04%
General Other	2,803,243	5.44%
Total Revenue	\$51,493,905	100.00%



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of \$63,408,983, which is an increase from last year's balance of \$55,118,643. The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2024 and 2023:

	Fund Balance December 31, 2024	Fund Balance December 31, 2023	Increase (Decrease)
General	\$35,535,580	\$30,400,111	\$5,135,469
Tax Increment Financing	3,620,726	3,109,395	511,331
Capital Improvement	17,894,727	16,263,938	1,630,789
Other Governmental	6,357,950	5,345,199	1,012,751
Total	\$63,408,983	\$55,118,643	\$8,290,340

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, 2024

Unaudited

	2024 Revenues	2023 Revenues	Increase (Decrease)
Property Taxes	\$3,948,574	\$3,103,596	\$844,978
Municipal Income Taxes	28,130,006	27,453,242	676,764
Other Local Taxes	3,703	3,402	301
Intergovernmental Revenues	981,981	875,849	106,132
Charges for Services	4,547,105	3,372,124	1,174,981
Licenses, Permits and Fees	353,512	478,483	(124,971)
Investment Earnings	2,355,682	2,184,664	171,018
Special Assessments	32,977	32,977	0
Fines and Forfeitures	72,319	58,000	14,319
All Other Revenue	213,593	312,008	(98,415)
Total	<u>\$40,639,452</u>	<u>\$37,874,345</u>	<u>\$2,765,107</u>

General Fund revenues increased approximately 7% when compared with the prior year. This increase can mostly be attributed to an increase in property tax receipts and charges for services. The primary factors contributing to these increases are detailed above as part of the discussion of governmental activities.

	2024 Expenditures	2023 Expenditures	Increase (Decrease)
Security of Persons and Property	\$14,370,255	\$13,345,996	\$1,024,259
Public Health and Welfare Services	85,083	81,035	4,048
Leisure Time Activities	6,278,971	5,877,829	401,142
Community Environment	1,285,815	1,256,527	29,288
Basic Utility Services	1,211,095	1,197,357	13,738
General Government	9,198,233	9,402,038	(203,805)
Total	<u>\$32,429,452</u>	<u>\$31,160,782</u>	<u>\$1,268,670</u>

General Fund expenditures increased \$1,268,670, or 4% from the prior year. This increase was due primarily to increases in security of persons and property and leisure time activities. The primary factors contributing to these increases are detailed above as part of the discussion of governmental activities.

Tax Increment Financing Fund – The City's Tax Increment Financing Fund balance increased \$511,331, or 16%. This fund reports amounts received in lieu of property taxes generated by various tax increment financing agreements. Expenditures are for various infrastructure improvements. Revenues and expenditures were consistent with the prior year, with revenues continuing to outpace expenditures.

Capital Improvement Fund – The City's Capital Improvement Fund balance increased \$1,630,789, or 10% in 2024. The primary revenue sources in this fund in 2024 were income taxes, permissive license fees, and transfers. Expenditures included \$6.5 million of outlays for various capital improvements.

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 2024 the City amended its General Fund budget several times.

CITY OF WORTHINGTON

Management's Discussion and Analysis For the Year Ended December 31, 2024

Unaudited

General fund original and final revenue and expenditure estimates were not significantly different. Actual revenues were 22% more than final estimates, which was the result of increases in income taxes, charges for services, and investment earnings. Actual budget basis expenditures were 8% less than final budget estimates.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2024, the City had \$67,302,456 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 2024 and 2023 balances:

	Governmental Activities		Increase (Decrease)
	2024	2023	
Land	\$9,216,299	\$9,216,299	\$0
Construction In Progress	16,670,579	22,150,956	(5,480,377)
Land Improvements	4,730,917	2,732,441	1,998,476
Buildings	23,707,263	23,058,033	649,230
Infrastructure	55,620,360	52,333,429	3,286,931
Equipment and Furniture	13,427,946	10,559,560	2,868,386
Vehicles	7,977,343	7,326,956	650,387
Less: Accumulated Depreciation	(64,048,251)	(61,403,434)	(2,644,817)
Totals	\$67,302,456	\$65,974,240	\$1,328,216

Capital asset activity included significant improvements to McCord Park, pickleball court installation, and playground improvements. Other acquisitions included various equipment and vehicle additions for police, fire, and parks.

As of December 31, 2024, the City had contractual commitments of \$10,530,373 related to street improvements, equipment replacements, and building improvements. Additional information on the City's capital assets can be found in Note 8.

Debt and Other Long-Term Obligations

The following table summarizes the City's debt and other long-term obligations outstanding as of December 31, 2024 and 2023:

	2024	2023
Governmental Activities:		
General Obligation Bonds	\$16,450,733	\$17,379,731
OPWC Loans	446,094	474,331
Compensated Absences	3,359,887	2,051,400
Total Governmental Activities	\$20,256,714	\$19,905,462

The increase in compensated absences is primarily due to the implementation of GASB Statement 101.

Additional information on the City's debt and other long-term obligations can be found in Note 12.

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 witnessed the re-emergence of the downtown retailers' association, the Worthington Partnership, and 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 encourage 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 office, residential, restaurant, and retail space.
 - A Planned Use Development (PUD) has been approved for a mixed-use project at the former Holiday Inn site, called the Worthington Gateway. Nearing completed, the Worthington Gateway has approximately 45,000 square feet of retail, restaurant, and professional services space, as well as 60,000 square feet of Class A office space.
 - Attraction and retention of two employers, NODIS Corp. and Cleverley & Associates, respectively.
 - Construction of the Northeast Gateway is complete, 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.
- The City continued to see the opening of several businesses at Linworth Crossing Plaza, a new 40,000 square foot. retail development at the City's western gateway.
- Two redevelopment projects have been completed in the area near Proprietors Road and SR-161. The Kemper House, a memory care facility, opened on Proprietor's Road representing the final piece of the redevelopment of the former Worthington Foods site. Across the street, 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 selected a development partner to develop plans for underutilized portions of the site. This developer in evaluating the site and meeting with neighbors in advance of submitting a development proposal to the City.

CITY OF WORTHINGTON

Management's Discussion and Analysis For the Year Ended December 31, 2024

Unaudited

- The City completed the Northeast Area Plan in 2024 that focused on the industrial corridor in the eastern portion of Worthington. The Plan calls for the creation of an Eco Innovation District focused on economic and environmental sustainability with the addition of mixed use zones, investments in connectivity, and preservation or creation of open spaces. Many businesses and property owners in the area were involved with the planning process and support the recommendations.
- One of the City's largest employers recently split into two companies. One of the companies is planning to move into office space outside the City limits within the next 12-24 months. The other company plans to expand into the space to be vacated and is expected to grow their workforce within the City.

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, 2024

	Governmental Activities	Component Unit Community Improvement Corporation
Assets:		
Pooled Cash and Investments	\$ 60,251,076	\$ 0
Cash and Cash Equivalents	0	100,678
Cash and Cash Equivalents in Segregated Accounts	94,593	0
Receivables:		
Taxes	13,141,044	0
Accounts	370,595	0
Intergovernmental	1,245,011	0
Interest	373,612	0
Special Assessments	6,941	0
Leases	0	49,399
Settlement	152,676	0
Loans	22,032	0
Prepaid Items	360,557	382
Restricted Assets:		
Cash and Cash Equivalents with Fiscal Agent	212,266	0
Real Estate Held for Development	0	975,955
Net OPEB Asset	407,357	0
Capital Assets:		
Capital Assets Not Being Depreciated	25,886,878	0
Capital Assets Being Depreciated, Net	41,415,578	0
Total Assets	143,940,216	1,126,414
Deferred Outflows of Resources:		
Pension	11,139,344	0
OPEB	1,394,187	0
Total Deferred Outflows of Resources	12,533,531	0
Liabilities:		
Accounts Payable	663,697	0
Accrued Wages and Benefits	424,550	0
Intergovernmental Payable	601,922	0
Contracts Payable	524,734	0
Property Taxes Payable	0	8,108
Retainage Payable	252,612	0
Payroll Withholding	178,486	0
Unearned Revenue	118,621	0
Accrued Interest Payable	42,188	0
Noncurrent Liabilities:		
Due Within One Year	2,610,259	0
Due in More Than One Year:		
Net Pension Liability	38,253,583	0
Net OPEB Liability	2,013,177	0
Other Amounts Due in More Than One Year	17,646,455	0
Total Liabilities	63,330,284	8,108

(Continued)

CITY OF WORTHINGTON

	Governmental Activities	Component Unit Community Improvement Corporation
Deferred Inflows of Resources:		
Property Tax Levy for Next Fiscal Year	5,161,947	0
Leases	0	41,399
Pension	1,975,586	0
OPEB	2,218,968	0
Total Deferred Inflows of Resources	9,356,501	41,399
Net Position:		
Net Investment in Capital Assets	49,628,283	0
Restricted For:		
Capital Projects	4,317,548	0
Debt Service	2,402,139	0
Street Improvements	1,193,528	0
Law Enforcement	2,035,274	0
Mayor's Court Improvements	168,707	0
Building Inspection	15,043	0
Performance Deposits	72,087	0
OPEB	407,357	0
Addiction Treatment	257,223	0
Unrestricted	23,289,773	1,076,907
Total Net Position	\$ 83,786,962	\$ 1,076,907

See accompanying notes to the basic financial statements

CITY OF WORTHINGTON

Statement of Activities For the Year Ended December 31, 2024

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
Security of Persons and Property	\$ 17,116,887	\$ 1,855,332	\$ 194,643	\$ 0
Public Health and Welfare Services	85,083	218,351	0	0
Leisure Time Activities	7,629,153	2,739,975	0	0
Community Environment	1,323,349	211,120	0	0
Basic Utility Services	1,419,890	82,049	0	0
Transportation	2,811,130	0	1,200,865	17,742
General Government	11,026,162	60,405	5,482	0
Interest on Long Term Debt	450,005	0	0	0
Total Primary Government	\$ 41,861,659	\$ 5,167,232	\$ 1,400,990	\$ 17,742
Component Unit:				
Community Improvement Corporation	\$ 12,753	\$ 31,129	\$ 0	\$ 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 as Previously Reported

Change in Accounting Principle (GASB Statement 101)

Net Position Beginning of Year as Restated

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
\$ (15,066,912)	
133,268	
(4,889,178)	
(1,112,229)	
(1,337,841)	
(1,592,523)	
(10,960,275)	
(450,005)	
<u>\$ (35,275,695)</u>	
	<u>\$ 18,376</u>
4,017,139	0
149,293	0
263,458	0
1,191,007	0
35,352,944	0
82,040	0
1,048,817	0
2,380,019	482
423,224	0
<u>44,907,941</u>	<u>482</u>
9,632,246	18,858
75,319,497	1,058,049
(1,164,781)	
74,154,716	
<u>\$ 83,786,962</u>	<u>\$ 1,076,907</u>

CITY OF WORTHINGTON

Balance Sheet Governmental Funds December 31, 2024

	General	Tax Increment Financing	Capital Improvement
Assets:			
Pooled Cash and Investments	\$ 32,377,617	\$ 4,004,726	\$ 17,522,767
Cash and Cash Equivalents in Segregated Accounts	6,953	0	0
Receivables:			
Taxes	10,401,330	743,500	1,567,712
Accounts	363,040	0	0
Intergovernmental	497,597	0	0
Interest	373,612	0	0
Special Assessments	0	0	6,941
Settlement	0	0	0
Loans	22,032	0	0
Interfund Loans Receivable	350,000	0	153,738
Prepaid Items	251,150	0	109,407
Restricted Assets:			
Cash and Cash Equivalents with Fiscal Agent	0	0	212,266
Total Assets	\$ 44,643,331	\$ 4,748,226	\$ 19,572,831
Liabilities:			
Accounts Payable	\$ 655,893	\$ 0	\$ 0
Accrued Wages and Benefits Payable	408,206	0	0
Intergovernmental Payable	423,731	34,000	31,201
Contracts Payable	0	0	524,734
Retainage Payable	0	0	252,612
Payroll Withholding	178,486	0	0
Interfund Loans Payable	0	350,000	0
Unearned Revenue	0	0	0
Total Liabilities	1,666,316	384,000	808,547
Deferred Inflows of Resources:			
Unavailable Amounts	3,438,374	0	869,557
Property Tax Levy for Next Fiscal Year	4,003,061	743,500	0
Total Deferred Inflows of Resources	7,441,435	743,500	869,557
Fund Balances:			
Nonspendable	671,292	0	109,407
Restricted	0	3,620,726	0
Committed	977,629	0	17,785,320
Assigned	10,166,588	0	0
Unassigned	23,720,071	0	0
Total Fund Balances	35,535,580	3,620,726	17,894,727
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 44,643,331	\$ 4,748,226	\$ 19,572,831

See accompanying notes to the basic financial statements

CITY OF WORTHINGTON

Other Governmental Funds	Total Governmental Funds
\$ 6,345,966	\$ 60,251,076
87,640	94,593
428,502	13,141,044
7,555	370,595
747,414	1,245,011
0	373,612
0	6,941
152,676	152,676
0	22,032
0	503,738
0	360,557
0	212,266
<u>\$ 7,769,753</u>	<u>\$ 76,734,141</u>
\$ 7,804	\$ 663,697
16,344	424,550
112,990	601,922
0	524,734
0	252,612
0	178,486
153,738	503,738
118,621	118,621
<u>409,497</u>	<u>3,268,360</u>
586,920	4,894,851
415,386	5,161,947
<u>1,002,306</u>	<u>10,056,798</u>
0	780,699
5,974,418	9,595,144
383,532	19,146,481
0	10,166,588
0	23,720,071
<u>6,357,950</u>	<u>63,408,983</u>
<u>\$ 7,769,753</u>	<u>\$ 76,734,141</u>

CITY OF WORTHINGTON

Reconciliation Of Total Governmental Fund Balances To Net Position Of Governmental Activities December 31, 2024

Total Governmental Fund Balances		\$ 63,408,983
<i>Amounts reported for governmental activities in the statement of net position are different because</i>		
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.		67,302,456
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		4,894,851
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	11,139,344	
Deferred Inflows - Pension	(1,975,586)	
Net Pension Liability	(38,253,583)	
Deferred Outflows - OPEB	1,394,187	
Deferred Inflows - OPEB	(2,218,968)	
Net OPEB Asset	407,357	
Net OPEB Liability	<u>(2,013,177)</u>	(31,520,426)
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	(16,450,733)	
OPWC Loans Payable	(446,094)	
Compensated Absences Payable	(3,359,887)	
Accrued Interest Payable	<u>(42,188)</u>	<u>(20,298,902)</u>
<i>Net Position of Governmental Activities</i>		<u><u>\$ 83,786,962</u></u>

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, 2024

	General	Tax Increment Financing	Capital Improvement
Revenues:			
Property Taxes	\$ 3,948,574	\$ 1,230,474	\$ 0
Municipal Income Taxes	28,130,006	0	7,023,165
Other Local Taxes	3,703	0	0
Intergovernmental Revenues	981,981	0	465,125
Charges for Services	4,547,105	0	0
Licenses, Permits and Fees	353,512	0	0
Investment Earnings	2,355,682	0	0
Special Assessments	32,977	0	21,417
Fines and Forfeitures	72,319	0	0
All Other Revenue	213,593	1,867	48,640
Total Revenues	40,639,452	1,232,341	7,558,347
Expenditures:			
Current:			
Security of Persons and Property	14,370,255	0	0
Public Health and Welfare Services	85,083	0	0
Leisure Time Activities	6,278,971	0	0
Community Environment	1,285,815	0	0
Basic Utility Services	1,211,095	0	0
Transportation	0	0	0
General Government	9,198,233	721,010	462,756
Capital Outlay	0	0	6,013,226
Debt Service:			
Principal Retirement	0	0	28,237
Interest and Fiscal Charges	0	0	0
Total Expenditures	32,429,452	721,010	6,504,219
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,210,000	511,331	1,054,128
Other Financing Sources (Uses):			
Transfers In	0	0	1,925,000
Transfers Out	(3,074,531)	0	(1,348,339)
Total Other Financing Sources (Uses)	(3,074,531)	0	576,661
Net Change in Fund Balances	5,135,469	511,331	1,630,789
Fund Balances at Beginning of Year	30,400,111	3,109,395	16,263,938
Fund Balances End of Year	\$ 35,535,580	\$ 3,620,726	\$ 17,894,727

See accompanying notes to the basic financial statements

CITY OF WORTHINGTON

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 409,732	\$ 5,588,780
0	35,153,171
7,187	10,890
1,568,757	3,015,863
83,919	4,631,024
0	353,512
3,590	2,359,272
0	54,394
6,665	78,984
100,560	364,660
<u>2,180,410</u>	<u>51,610,550</u>
908,680	15,278,935
0	85,083
136,268	6,415,239
0	1,285,815
167,221	1,378,316
970,356	970,356
101,460	10,483,459
0	6,013,226
845,000	873,237
536,544	536,544
<u>3,665,529</u>	<u>43,320,210</u>
(1,485,119)	8,290,340
2,647,870	4,572,870
(150,000)	(4,572,870)
<u>2,497,870</u>	<u>0</u>
1,012,751	8,290,340
5,345,199	55,118,643
<u>\$ 6,357,950</u>	<u>\$ 63,408,983</u>

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, 2024

Net Change in Fund Balances - Total Governmental Funds \$ 8,290,340

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	4,874,400	
Depreciation Expense	(3,480,166)	1,394,234

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. (66,018)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (116,645)

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

Pension	2,859,774	
OPEB	41,567	2,901,341

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	(3,663,268)	
OPEB	76,192	(3,587,076)

(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	845,000	
Bond Premium Amortization	83,998	
OPWC Loan Principal Payment	<u>28,237</u>	957,235

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 2,541

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>(143,706)</u>
----------------------	------------------

Change in Net Position of Governmental Activities \$ 9,632,246

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, 2024**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 3,087,829	\$ 3,968,735	\$ 3,948,574	\$ (20,161)
Municipal Income Taxes	24,365,145	24,365,145	28,139,103	3,773,958
Other Local Taxes	2,720	2,720	3,646	926
Intergovernmental Revenue	795,311	895,362	972,599	77,237
Charges for Services	2,966,391	2,966,391	4,703,517	1,737,126
Licenses, Permits and Fees	421,500	421,500	354,832	(66,668)
Investment Earnings	400,000	400,000	2,142,821	1,742,821
Fines and Forfeitures	75,000	75,000	69,524	(5,476)
All Other Revenues	250,750	241,421	218,191	(23,230)
Total Revenues	32,364,646	33,336,274	40,552,807	7,216,533
Expenditures:				
Current:				
Security of Persons and Property	15,853,517	16,108,622	14,761,721	1,346,901
Public Health and Welfare Services	105,506	105,506	105,427	79
Leisure Time Activities	6,774,856	6,775,019	6,438,242	336,777
Community Environment	1,683,503	1,683,002	1,603,935	79,067
Basic Utility Services	1,309,345	1,267,345	1,243,811	23,534
General Government	11,332,628	11,531,861	10,216,626	1,315,235
Total Expenditures	37,059,355	37,471,355	34,369,762	3,101,593
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,694,709)	(4,135,081)	6,183,045	10,318,126
Other Financing Sources (Uses):				
Transfers In	59,329	59,329	352,011	292,682
Transfers Out	(5,927,531)	(5,927,531)	(5,924,531)	3,000
Total Other Financing Sources (Uses):	(5,868,202)	(5,868,202)	(5,572,520)	295,682
Net Change in Fund Balance	(10,562,911)	(10,003,283)	610,525	10,613,808
Fund Balance at Beginning of Year	22,056,128	22,056,128	22,056,128	0
Prior Year Encumbrances	4,177,238	4,177,238	4,177,238	0
Fund Balance at End of Year	\$ 15,670,455	\$ 16,230,083	\$ 26,843,891	\$ 10,613,808

See accompanying notes to the basic financial statements

CITY OF WORTHINGTON

Statement of Net Position Fiduciary Funds December 31, 2024

	<u>Custodial</u>
Assets:	
Cash and Cash Equivalents	\$ 73,782
Cash and Cash Equivalents in Segregated Accounts	3,047
Receivables:	
Property Taxes	19,569
Total Assets	<u>96,398</u>
Liabilities:	
Intergovernmental Payable	89,948
Total Liabilities	<u>89,948</u>
Net Position:	
Restricted For:	
Permits and Fees	6,450
Total Net Position	<u>\$ 6,450</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, 2024

	<u>Custodial</u>
Additions:	
Fines and Forfeiture Collections for other Governments	\$ 33,472
Fee Collections for other Governments	36,400
Income Tax Collections for other Governments	167,161
Total Additions	<u>237,033</u>
Deductions:	
Distribution of Fines and Forfeitures to other Governments	33,472
Distribution of Fees to other Governments	29,950
Distribution of Income Taxes to other Governments	167,161
Total Deductions	<u>230,583</u>
Change in Net Position	6,450
Net Position at Beginning of Year	0
Net Position End of Year	<u>\$ 6,450</u>

See accompanying notes to the basic financial statements

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

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, 2024

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 17 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.

This space intentionally left blank.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

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 Resolution No. 71-2024, the City committed to a twelfth three-year term through 2027. The City has no ongoing financial responsibility other than the three-year minimum membership. See Note 11.

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, 2024

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, 2024

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, 2024

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, 2024, are recorded as deferred inflows of resources. Property taxes measurable as of December 31, 2024, but which are not intended to finance 2024 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, 2024

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 2024.

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, 2024

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)	\$5,135,469
Increase (Decrease):	
Accrued Revenues at December 31, 2024 received during 2025	(3,935,519)
Accrued Revenues at December 31, 2023 received during 2024	3,839,507
Accrued Expenditures at December 31, 2024 paid during 2025	1,666,316
Accrued Expenditures at December 31, 2023 paid during 2024	(1,374,200)
2023 Prepaids for 2024	192,060
2024 Prepaids for 2025	(251,150)
Change in Interfund Loans	300,000
Outstanding Encumbrances	(4,743,345)
Perspective Difference:	
Activity of Funds Reclassified for GAAP Reporting Purposes	(218,613)
Budget Basis	<u>\$610,525</u>

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

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 \$1,130,045 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 2024, 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, 2024 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, 2024

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
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, 2024

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

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.

GASB Statement No. 101, "*Compensated Absences*", requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. GASB Statement No. 101 establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. In addition, certain salary related payments that are directly and incrementally associated with the payments for leave should be included in the measurement of the liability. Accrued vacation and sick leave are accumulated to City employees at varying amounts and are attributable to services already rendered. At the time of the employee's termination, such accruals are paid to the employee at varying rates from the fund to which the employee's payroll is charged. The City utilizes a first-in, first-out (FIFO) flow assumption for purposes of measuring the amount to be paid in the next reporting period.

For governmental funds, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. For governmental funds, the portion of unpaid compensated absences expected to be paid using expendable, available 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, 2024

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/asset, 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, 2024. 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, 2024

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. Assigned amounts represent intended uses established by policies of City Council, including giving the Finance Director the authority to constrain monies for intended purposes. City Council may assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenues and appropriations in the subsequent year’s appropriated budget. Through the City’s purchasing policy, City Council has given the Finance Director the authority to constrain monies for intended purposes, which are also reported as assigned fund balance.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Fund Balances (Continued)

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.

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.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF NET POSITION

For 2024 the City implemented Governmental Accounting Standards Board (GASB) Statement No. 100, “Accounting Changes and Error Corrections” and Statement No. 101, “Compensated Absences.”

GASB Statement No. 100 addresses accounting and financial reporting requirements for accounting changes and error corrections.

GASB Statement No. 101 updates the recognition and measurement guidance for compensated absences.

The implementation of GASB Statement 101 had the following effect on net position as reported December 31, 2023:

	<u>Governmental Activities</u>
Net Position at December 31, 2023, as Reported	\$75,319,497
Adjustments:	
Increase in Compensated Absences	<u>(1,164,781)</u>
Net Position at December 31, 2023, as Restated	<u><u>\$74,154,716</u></u>

This space intentionally left blank.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

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	\$251,150	\$0	\$109,407	\$0	\$360,557
Interfund Loans Receivable	350,000	0	0	0	350,000
Unclaimed Funds	70,142	0	0	0	70,142
Total Nonspendable	671,292	0	109,407	0	780,699
Restricted:					
Street Maintenance and Repair	0	0	0	796,864	796,864
Law Enforcement	0	0	0	2,011,287	2,011,287
Court Improvements	0	0	0	168,707	168,707
Performance Deposits	0	0	0	72,087	72,087
Building Code Inspection	0	0	0	15,043	15,043
Debt Retirement	0	0	0	2,430,734	2,430,734
Addiction Treatment	0	0	0	104,547	104,547
Capital Improvements	0	3,620,726	0	375,149	3,995,875
Total Restricted	0	3,620,726	0	5,974,418	9,595,144
Committed:					
Economic Development	977,629	0	0	0	977,629
Parks and Recreation	0	0	0	81,359	81,359
Water Public Works	0	0	0	122,370	122,370
Sewer Public Works	0	0	0	94,929	94,929
Bicentennial Celebration	0	0	0	83,024	83,024
Convention and Visitor's Bureau	0	0	0	1,850	1,850
Capital Improvements	0	0	17,785,320	0	17,785,320
Total Committed	977,629	0	17,785,320	383,532	19,146,481
Assigned:					
Materials and Supplies	3,940,617	0	0	0	3,940,617
Subsequent Year Appropriations	6,225,971	0	0	0	6,225,971
Total Assigned	10,166,588	0	0	0	10,166,588
Unassigned (Deficits):	23,720,071	0	0	0	23,720,071
Total Fund Balances	\$35,535,580	\$3,620,726	\$17,894,727	\$6,357,950	\$63,408,983

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 2024.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

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, 2024

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, 2024, the carrying amount of the City's deposits, including segregated accounts, was \$11,601,541 and the bank balance was \$11,732,209. Of the bank balance, \$10,300,087 was covered by federal depository insurance and \$1,432,122 was exposed to custodial risk and was collateralized with securities held in the Ohio Pooled Collateral System.

The City had \$212,266 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, 2024 were as follows:

	Measurement Value	Credit Rating	Fair Value Hierarchy	Concentration of Credit Risk	Investment Maturities (in Years)		
					less than 1	1-3	3-5
STAR Ohio ³	\$20,574,614	AAAm ¹	NA	41.96%	\$20,574,614	\$0	\$0
Repurchase Agreement	7,561,565	*	Level 2	15.42%	7,561,565	0	0
Government Money Market	636,053	AA+ ¹	Level 1	1.30%	636,053	0	0
U.S. Treasuries	10,863,161	AA+ ¹	Level 1	22.15%	0	4,113,189	6,749,972
FHLB	2,223,693	AA+ ¹	Level 2	4.54%	0	2,223,693	0
FHLMC	960,760	AA+ ¹	Level 2	1.96%	0	0	960,760
Negotiable CD's	6,213,377	AAA ²	Level 2	12.67%	977,204	4,235,438	1,000,735
Total Investments	<u>\$49,033,223</u>			<u>100.00%</u>	<u>\$29,749,436</u>	<u>\$10,572,320</u>	<u>\$8,711,467</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, 2024

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, 2024

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 2024 were levied after October 1, 2023 on assessed values as of January 1, 2023, 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, 2024, 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 2024 property tax receipts were based are as follows:

<u>Category</u>	<u>Amount</u>
Real Property Tax	\$960,071,600
Public Utility Tangible Personal	<u>22,556,880</u>
Total Assessed Valuation	<u>\$982,628,480</u>

Property taxes receivable represent real and public utility taxes and outstanding delinquencies which are measurable as of December 31, 2024. 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 2024 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, 2024

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, 2024.

	<u>Total Amount of Taxes Abated For the year 2024</u>
<i>Community Reinvestment Area (CRA)</i>	
FC Bank	\$45,315
	<u>\$45,315</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, 2024

NOTE 6 - RECEIVABLES

Receivables at December 31, 2024 consisted of taxes, intergovernmental receivables arising from shared revenues, settlements, 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 2024:

Fund	Transfers In	Transfers Out
General Fund	\$0	\$3,074,531
Capital Improvement Fund	1,925,000	1,348,339
Nonmajor Governmental Funds	2,647,870	150,000
Total All Funds	<u>\$4,572,870</u>	<u>\$4,572,870</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, 2024 were as follows:

	Interfund Loans Receivable	Interfund Loans Payable
General Fund	\$350,000	\$0
Tax Increment Financing Fund	0	350,000
Capital Improvement Fund	153,738	0
Nonmajor Governmental Funds	0	153,738
Totals	<u>\$503,738</u>	<u>\$503,738</u>

Interfund loan balances represent special assessment collections receipted 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, 2024

NOTE 8 - CAPITAL ASSETS

Summary by category of changes in governmental activities capital assets at December 31, 2024:

<i>Historical Cost:</i>				
Class	December 31, 2023	Additions	Deletions	December 31, 2024
<i>Capital assets not being depreciated:</i>				
Land	\$9,216,299	\$0	\$0	\$9,216,299
Construction in Progress	22,150,956	3,291,560	(8,771,937)	16,670,579
	31,367,255	3,291,560	(8,771,937)	25,886,878
<i>Capital assets being depreciated:</i>				
Land Improvements	2,732,441	2,344,372	(345,896)	4,730,917
Buildings	23,058,033	659,914	(10,684)	23,707,263
Infrastructure	52,333,429	3,286,931	0	55,620,360
Equipment and Furniture	10,559,560	3,224,419	(356,033)	13,427,946
Vehicles	7,326,956	839,141	(188,754)	7,977,343
Total Cost	\$127,377,674	\$13,646,337	(\$9,673,304)	\$131,350,707
<i>Accumulated Depreciation:</i>				
Class	December 31, 2023	Additions	Deletions	December 31, 2024
Land Improvements	(\$2,031,139)	(\$148,659)	\$345,896	(\$1,833,902)
Buildings	(15,733,438)	(534,053)	10,684	(16,256,807)
Infrastructure	(35,066,550)	(1,459,048)	0	(36,525,598)
Machinery and Equipment	(4,257,369)	(855,077)	306,454	(4,805,992)
Vehicles	(4,314,938)	(483,329)	172,315	(4,625,952)
Total Depreciation	(\$61,403,434)	(\$3,480,166) *	\$835,349	(\$64,048,251)
<i>Net Value:</i>	\$65,974,240			\$67,302,456

* Depreciation was charged to governmental functions as follows:

Security of Persons and Property	\$695,067
Leisure Time Activities	960,724
Transportation	1,764,519
General Government	59,856
Total Depreciation Expense	\$3,480,166

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

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 is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan, and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Effective January 1, 2022, new members may no longer select the Combined Plan, and current members may no longer make a plan change to this plan. In October 2023, the legislature approved House Bill (HB) 33 which allows for the consolidation of the combined plan with the traditional plan with the timing of the consolidation at the discretion of OPERS. As of December 31, 2023, the consolidation has not been executed.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

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

Traditional plan state and local members who retire before meeting the age-and-years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member’s pension benefit vests at retirement. Law enforcement and public safety members who retire before meeting the age-and-years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. Combined plan members retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit.

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

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the member’s original base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

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

	<u>State and Local</u>
2024 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
2024 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 \$1,074,392 for 2024. Of this amount, \$96,706 is reported as an intergovernmental payable.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

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 OP&F 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, surviving beneficiaries under optional plans, and statutory survivors. Members participating in the DROP program have separate eligibility requirements related to COLA.

The COLA amount for members who have 15 or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3.0 percent of the member's base pension or disability benefit.

The COLA amount for members who have less than 15 years of service credit as of July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will be equal to a percentage of the member's base pension benefit where the percentage is the lesser of 3.0 percent or the percentage increase in the consumer price index, if any, over the twelve-month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

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>
2024 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25
2024 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
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 \$1,785,382 for 2024. Of this amount, \$199,954 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, 2023, 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, 2023, and was determined by rolling forward the total pension liability as of January 1, 2023, to December 31, 2023. 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:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$11,614,415	\$26,639,168	\$38,253,583
Proportion of the Net Pension Liability-2024	0.044363%	0.275728%	
Proportion of the Net Pension Liability-2023	<u>0.044038%</u>	<u>0.285350%</u>	
Percentage Change	<u>0.000325%</u>	<u>(0.009622%)</u>	
Pension Expense	\$1,308,931	\$2,354,337	\$3,663,268

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

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

	OPERS	OP&F	Total
Deferred Outflows of Resources			
Changes in assumptions	\$0	\$1,683,566	\$1,683,566
Differences between expected and actual experience	189,829	855,197	1,045,026
Net difference between projected and actual earnings on pension plan investments	2,344,283	3,018,779	5,363,062
Change in proportionate share	57,415	130,501	187,916
City contributions subsequent to the measurement date	1,074,392	1,785,382	2,859,774
Total Deferred Outflows of Resources	<u>\$3,665,919</u>	<u>\$7,473,425</u>	<u>\$11,139,344</u>
Deferred Inflows of Resources			
Changes in assumptions	\$0	\$404,547	\$404,547
Differences between expected and actual experience	0	297,928	297,928
Change in proportionate share	0	1,273,111	1,273,111
Total Deferred Inflows of Resources	<u>\$0</u>	<u>\$1,975,586</u>	<u>\$1,975,586</u>

\$2,859,774 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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS	OP&F	Total
Year Ending December 31:			
2025	\$631,691	\$983,780	\$1,615,471
2026	797,669	1,113,404	1,911,073
2027	1,495,989	1,856,940	3,352,929
2028	(333,822)	(242,458)	(576,280)
2029	0	764	764
2030	0	27	27
Total	<u>\$2,591,527</u>	<u>\$3,712,457</u>	<u>\$6,303,984</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, 2024

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

The total pension liability in the December 31, 2023 and December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	December 31, 2023
Wage Inflation	2.75 percent
Future Salary Increases, including inflation COLA or Ad Hoc COLA:	2.75 to 10.75 percent including wage inflation
Pre-January 7, 2013 Retirees	3.0 percent, simple
Post-January 7, 2013 Retirees	2.3 percent, simple through 2024, then 2.05 percent, simple
Investment Rate of Return	6.9 percent
Actuarial Cost Method	Individual Entry Age
	December 31, 2022
Wage Inflation	2.75 percent
Future Salary Increases, including inflation COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	2.75 to 10.75 percent including wage inflation 3.0 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

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

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

During 2023, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Defined Contribution portfolio and the Health Care portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a gain of 11.2 percent for 2023.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board’s investment consultant. For each major asset class that is included in the Defined Benefit portfolio’s target asset allocation as of December 31, 2023, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	24.00%	2.85%
Domestic Equities	21.00	4.27
Real Estate	13.00	4.46
Private Equity	15.00	7.52
International Equities	20.00	5.16
Risk Parity	2.00	4.38
Other investments	5.00	3.46
Total	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	\$18,284,210	\$11,614,415	\$6,067,084

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions – OPF

OPF's total pension liability as of December 31, 2023 is based on the results of an actuarial valuation date of January 1, 2023, 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, 2023, compared with January 1, 2022, are presented below.

	January 1, 2023	January 1, 2022
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	3.25 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

Mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2 percent for males and 98.7 percent for females. All rates are projected using the MP-2021 Improvement Scale.

Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent for females. All rates are projected using the MP-2021 Improvement Scale.

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 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale.

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, 2024

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 real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2023, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	18.60 %	4.10 %
Non-US Equity	12.40	4.90
Private Markets	10.00	7.30
Core Fixed Income *	25.00	2.40
High Yield Fixed Income	7.00	4.10
Private Credit	5.00	6.80
U.S. Inflation Linked Bonds*	15.00	2.10
Midstream Energy Infrastructure	5.00	5.80
Real Assets	8.00	6.00
Gold	5.00	3.50
Private Real Estate	12.00	5.40
Commodities	2.00	3.50
Total	<u>125.00 %</u>	

Note: Assumptions are geometric.

* levered 2.0x

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 the 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, 2024

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

Discount Rate For 2023, the total pension liability was calculated using the discount rate of 7.50 percent. The discount rate used for 2022 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	\$35,285,563	\$26,639,168	\$19,448,851

This Space Intentionally Left Blank

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

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, 2024

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

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

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

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

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

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

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

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

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

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

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

Group A 30 years of qualified health care service credit;

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

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

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

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

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

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

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

The base allowance is determined by OPERS and is currently \$1,200 per month for non-Medicare retirees and \$350 per month for Medicare retirees. The retiree receives a percentage of the base allowance, calculated based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51 percent and 90 percent of the base allowance for both non-Medicare and Medicare retirees.

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

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

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50 percent of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

Participants in the Member-Directed Plan have access to the Connector and have a separate health care funding mechanism. A portion of employer contributions for these participants is allocated to a retiree medical account (RMA). Members who elect the Member-Directed Plan after July 1, 2015, will vest in the RMA over 15 years at a rate of 10 percent each year starting with the sixth year of participation. Members who elected the Member-Directed Plan prior to July 1, 2015, vest in the RMA over a five-year period at a rate of 20 percent per year. Upon separation or retirement, participants may use vested RMA funds for reimbursement of qualified medical expenses.

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. For fiscal year 2024, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2024, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan. Beginning July 1, 2022, there was a two percent allocation to health care for the Combined Plan which has continued through 2024. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2024 was 4.0 percent. Effective July 1, 2022, a portion of the health care rate was funded with reserves which has continued through 2024.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$0 for 2024.

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

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. Once OP&F receives the necessary documentation, a monthly reimbursement is included as part of the recipient's next benefit payment. 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, 2024

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2024, 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.

The City's contractually required contribution to OP&F was \$41,567 for 2024. Of this amount, \$4,671 is reported as an intergovernmental payable.

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

The net OPEB liability (asset) and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2023, and was determined by rolling forward the total OPEB liability as of January 1, 2023, to December 31, 2023. The City's proportion of the net OPEB liability (asset) 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:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net OPEB Liability (Asset)	(\$407,357)	\$2,013,177	\$1,605,820
Proportion of the Net OPEB Liability (Asset) -2024	0.045135%	0.275728%	
Proportion of the Net OPEB Liability (Asset) -2023	<u>0.044543%</u>	<u>0.285350%</u>	
Percentage Change	<u>0.000592%</u>	<u>(0.009622%)</u>	
OPEB Expense	(\$78,228)	\$2,036	(\$76,192)

This Space Intentionally Left Blank

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

At December 31, 2024, 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	\$104,873	\$692,756	\$797,629
Differences between expected and actual experience	0	96,807	96,807
Net difference between projected and actual earnings on OPEB plan investments	244,640	148,657	393,297
Change in proportionate share	0	64,887	64,887
City contributions subsequent to the measurement date	0	41,567	41,567
Total Deferred Outflows of Resources	<u>\$349,513</u>	<u>\$1,044,674</u>	<u>\$1,394,187</u>
Deferred Inflows of Resources			
Changes in assumptions	\$175,108	\$1,296,438	\$1,471,546
Differences between expected and actual experience	57,979	369,966	427,945
Change in proportionate share	0	319,477	319,477
Total Deferred Inflows of Resources	<u>\$233,087</u>	<u>\$1,985,881</u>	<u>\$2,218,968</u>

\$41,567 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 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2025	(\$10,338)	(\$122,321)	(\$132,659)
2026	18,938	(127,316)	(108,378)
2027	190,430	(81,177)	109,253
2028	(82,604)	(200,659)	(283,263)
2029	0	(207,709)	(207,709)
2030	0	(219,900)	(219,900)
2031	0	(19,800)	(19,800)
2032	0	(3,892)	(3,892)
Total	<u>\$116,426</u>	<u>(\$982,774)</u>	<u>(\$866,348)</u>

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

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, 2022, rolled forward to the measurement date of December 31, 2023. 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	5.70 percent
Prior measurement date	5.22 percent
Investment Rate of Return:	
Current measurement date	6.00 percent
Prior measurement date	6.00 percent
Municipal Bond Rate:	
Current measurement date	3.77 percent
Prior measurement date	4.05 percent
Health Care Cost Trend Rate:	
Current measurement date	5.5 percent initial, 3.5 percent ultimate in 2038
Prior measurement date	5.5 percent initial, 3.5 percent ultimate in 2036
Actuarial Cost Method	Individual Entry Age Normal

Pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent 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 percent 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, 2024

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

During 2023, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Defined Contribution portfolio and the Health Care portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a gain of 14.0 percent for 2023.

The allocation of investment assets within the Health Care portfolio is approved by the Board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for benefits provided through the defined benefit pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care portfolio's target asset allocation as of December 31, 2023, these best estimates are summarized in the following table:

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

Discount Rate A single discount rate of 5.70 percent was used to measure the total OPEB liability on the measurement date of December 31, 2023; however, the single discount rate used at the beginning of the year was 5.22 percent. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 3.77 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, 2024

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 the year 2070. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2070, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the 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 5.70 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 (4.70 percent) or one-percentage-point higher (6.70 percent) than the current rate:

	1% Decrease (4.70%)	Current Discount Rate (5.70%)	1% Increase (6.70%)
City's proportionate share of the net OPEB liability (asset)	\$223,870	(\$407,357)	(\$930,232)

Sensitivity of the City's Proportionate Share of the Net OPEB Liability 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 or asset. The following table presents the net OPEB liability or asset calculated using the assumed trend rates, and the expected net OPEB liability or 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 with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2024 is 5.50 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 the health care cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 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)	(\$424,269)	(\$407,357)	(\$388,161)

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

Actuarial Assumptions – OP&F

OP&F's total OPEB liability as of December 31, 2023, is based on the results of an actuarial valuation date of January 1, 2023, 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.

	January 1, 2023	January 1, 2022
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	7.5 percent	7.5 percent
Projected Salary Increases	3.50 percent to 10.5 percent	3.25 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
Single discount rate	4.07 percent	4.27 percent
Cost of Living Adjustments	2.2 percent simple	2.2 percent simple
Projected Depletion Year of OPEB Assets	2038	2036

Mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2 percent for males and 98.7 percent for females. All rates are projected using the MP-2021 Improvement Scale.

Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent 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, 2024

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

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 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale.

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 real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2023, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	18.60 %	4.10 %
Non-US Equity	12.40	4.90
Private Markets	10.00	7.30
Core Fixed Income *	25.00	2.40
High Yield Fixed Income	7.00	4.10
Private Credit	5.00	6.80
U.S. Inflation Linked Bonds*	15.00	2.10
Midstream Energy Infrastructure	5.00	5.80
Real Assets	8.00	6.00
Gold	5.00	3.50
Private Real Estate	12.00	5.40
Commodities	2.00	3.50
Total	<u>125.00 %</u>	

Note: Assumptions are geometric.

* levered 2.0x

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

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 the 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 2023, the total OPEB liability was calculated using the discount rate of 4.07 percent. The projection of cash flows used to determine the discount rate assumed the contributions 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 7.5 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payment of current plan members. Therefore, the long-term assumed rate of return on investments of 7.5 percent was applied to periods before December 31, 2037, and the Municipal Bond Index Rate of 3.38 percent was applied to periods on and after December 31, 2037, resulting in a discount rate of 4.07 percent.

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 4.07 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 (3.07 percent), or one percentage point higher (5.07 percent) than the current rate.

	1% Decrease (3.07%)	Current Discount Rate (4.07%)	1% Increase (5.07%)
City's proportionate share of the net OPEB liability	\$2,479,677	\$2,013,177	\$1,620,294

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.

This Space Intentionally Left Blank

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 11 - 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 2024, 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	78,326,425	5,000
Boiler and Machinery	78,326,425	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, 2024

NOTE 11 - 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 2024 was \$2,735,671. 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.

This Space Intentionally Left Blank

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 12 - 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, 2024, was as follows:

	Restated			Balance	Amount
	Balance			December 31,	Due Within
	December 31,	Issued	(Retired)	December 31,	One Year
	2023			2024	
Governmental Activities Debt:					
General Obligation Bonds:					
2017 2.21% Various Purpose	\$2,310,000	\$0	(\$260,000)	\$2,050,000	\$270,000
2021 2.0-5.0% Various Purpose	9,135,000	0	(450,000)	8,685,000	465,000
2023 4.0-5.0% Various Purpose	4,400,000	0	(135,000)	4,265,000	140,000
Premium	1,534,731	0	(83,998)	1,450,733	0
Total General Obligation Bonds	17,379,731	0	(928,998)	16,450,733	875,000
OPWC Loans:					
0.00% Old Worthington ADA Ramps	35,145	0	(7,810)	27,335	7,810
0.00% Kenyonbrook Sanitary Sewer	439,186	0	(20,427)	418,759	20,427
Total OPWC Loans	474,331	0	(28,237)	446,094	28,237
Governmental Activities Other Long-Term Liabilities:					
Compensated Absences	3,216,181	143,706	0	3,359,887	1,707,022
Total Governmental Activities Long-Term Debt and Other Long-Term Liabilities	\$21,070,243	\$143,706	(\$957,235)	\$20,256,714	\$2,610,259

The change in compensated absences is a net change for the year. The Ohio Public Works Commission 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, 2024

NOTE 12 - 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, 2024, follows:

Years	General Obligation Bonds		OPWC Loans	
	Principal	Interest	Principal	Interest
2025	\$875,000	\$506,256	\$28,237	\$0
2026	910,000	474,688	28,237	0
2027	955,000	441,710	28,237	0
2028	985,000	407,062	24,333	0
2029	1,025,000	365,904	20,428	0
2030-2034	4,615,000	1,250,046	102,135	0
2035-2039	3,805,000	622,650	102,135	0
2040-2044	1,830,000	141,800	102,135	0
2045	0	0	10,217	0
Totals	<u>\$15,000,000</u>	<u>\$4,210,116</u>	<u>\$446,094</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, 2024

NOTE 13 - SIGNIFICANT COMMITMENTS

The City had the following contractual commitments at December 31, 2024:

<u>Project</u>	<u>Amount</u>
Selby Bridge Replacement	\$2,121,589
NE Gateway Wilson Bridge/Huntley/WG Intersection Study	2,052,187
Fire Dept Ladder Truck	1,650,000
Northbrook Relief Sewer Phase II	888,598
Fire Dept Engine Rescue	850,000
HVAC Improvement Program	613,748
2024 New & Replacement Equipment	387,278
Fiber Connectivity Project	245,000
Fire Station HVAC Program	225,000
2024 Street Improvement Program	196,406
Bicycle and Pedestrian Imp Program	138,016
Park Overlook Dr Waterline	128,336
Arterial Improvement Design-Linworth,Snouffer and Godown	127,580
2023 Street Improvement Program	113,895
Fire Station Bathroom	100,000
2021 Bicycle and Pedestrian Improvement	90,515
Kenyonbrook Sanitary Sewer	75,134
Griswold Center Kitchen, RR and 2nd Floor Renovations	75,000
Waterline Improvements, Old Wilson Bridge to Worthington Mall	74,905
Kenyonbrook Trunk Sewer Improvement	69,596
2022 New and Replacement Equipment	60,631
Streetscape Improvements - High and North	45,525
2021 Building Improvement Program	39,942
Contingencies	38,000
2024 Building Improvement Program	34,899
Bicyce Blvd Pilot Project	32,042
Community Wayfinding Signage Project	31,551
Park Facility and Amenity Replacement and Improvements	25,000
	<u>\$10,530,373</u>

At December 31, 2024 the City had encumbrance commitments in the Governmental Funds as follows:

<u>Fund</u>	<u>Encumbrances</u>
General Fund	\$4,743,345
Tax Increment Financing Fund	1,798,156
Capital Improvement Fund	11,628,815
Other Governmental Funds	236,237
Total Governmental Funds	<u>\$18,406,553</u>

CITY OF WORTHINGTON

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 14 - 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, 2024, to December 31, 2024, 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 15 – 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 16 – 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, 2024

NOTE 17 – 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, 2024, the carrying amount of the CIC's deposits was in the amount of \$100,678. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosure", as of December 31, 2024 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, 2024 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 2024.

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>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
City's proportion of the net pension liability (asset)	0.052367%	0.051182%	0.049793%	0.051531%
City's proportionate share of the net pension liability (asset)	\$6,316,045	\$8,865,381	\$11,307,168	\$8,084,188
City's covered payroll	\$6,439,617	\$6,393,258	\$6,484,525	\$6,835,277
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	98.08%	138.67%	174.37%	118.27%
Plan fiduciary net position as a percentage of the total pension liability	86.45%	81.08%	77.25%	84.66%

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

Ohio Police and Fire Pension Fund

Year	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
City's proportion of the net pension liability (asset)	0.320344%	0.321738%	0.310223%	0.322982%
City's proportionate share of the net pension liability (asset)	\$16,595,134	\$20,697,616	\$19,649,242	\$19,822,876
City's covered payroll	\$6,315,026	\$6,460,034	\$6,620,503	\$6,990,813
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	262.79%	320.39%	296.79%	283.56%
Plan fiduciary net position as a percentage of the total pension liability	72.20%	66.77%	68.36%	70.91%

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

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>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
0.052514%	0.052154%	0.045381%	0.043468%	0.044038%	0.044363%
\$14,382,520	\$10,308,590	\$6,719,937	\$3,781,891	\$13,008,844	\$11,614,415
\$7,131,850	\$7,281,807	\$6,317,093	\$6,031,921	\$6,849,993	\$7,322,436
201.67%	141.57%	106.38%	62.70%	189.91%	158.61%
74.70%	82.17%	86.88%	92.62%	75.74%	79.01%

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
0.304814%	0.297303%	0.302380%	0.288780%	0.285350%	0.275728%
\$24,880,876	\$20,027,911	\$20,613,522	\$18,041,291	\$27,105,511	\$26,639,168
\$6,847,709	\$7,002,528	\$7,103,344	\$7,321,238	\$7,669,583	\$7,798,337
363.35%	286.01%	290.19%	246.42%	353.42%	341.60%
63.07%	69.89%	70.65%	75.03%	62.90%	63.63%

CITY OF WORTHINGTON

Schedule of City Pension Contributions Last Ten Years

Ohio Public Employees Retirement System

Year	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Contractually required contribution	\$767,191	\$778,143	\$888,586	\$998,459
Contributions in relation to the contractually required contribution	<u>767,191</u>	<u>778,143</u>	<u>888,586</u>	<u>998,459</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$6,393,258	\$6,484,525	\$6,835,277	\$7,131,850
Contributions as a percentage of covered payroll	12.00%	12.00%	13.00%	14.00%

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

Ohio Police and Fire Pension Fund

Year	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Contractually required contribution	\$1,383,353	\$1,420,678	\$1,497,060	\$1,464,952
Contributions in relation to the contractually required contribution	<u>1,383,353</u>	<u>1,420,678</u>	<u>1,497,060</u>	<u>1,464,952</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$6,460,034	\$6,620,503	\$6,990,813	\$6,847,709
Contributions as a percentage of covered payroll	21.41%	21.46%	21.41%	21.39%

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

See notes to the required supplementary information

CITY OF WORTHINGTON

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$1,019,453	\$884,393	\$844,469	\$958,999	\$1,025,141	\$1,074,392
<u>1,019,453</u>	<u>884,393</u>	<u>844,469</u>	<u>958,999</u>	<u>1,025,141</u>	<u>1,074,392</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$7,281,807	\$6,317,093	\$6,031,921	\$6,849,993	\$7,322,436	\$7,674,229
14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$1,503,453	\$1,518,554	\$1,572,781	\$1,644,498	\$1,671,909	\$1,785,382
<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>1,785,382</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$7,002,528	\$7,103,344	\$7,321,238	\$7,669,583	\$7,798,337	\$8,313,465
21.47%	21.38%	21.48%	21.44%	21.44%	21.48%

CITY OF WORTHINGTON

Schedule of the City's Proportionate Share of the Net Other Postemployment Benefits (OPEB) Liability (Asset) Last Eight 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>	<u>2024</u>
0.052920%	0.046387%	0.044130%	0.044543%	0.045135%
\$7,309,625	(\$826,424)	(\$1,382,223)	\$280,849	(\$407,357)
\$7,281,807	\$6,317,093	\$6,031,921	\$6,849,993	\$7,322,436
100.38%	(13.08%)	(22.92%)	4.10%	(5.56%)
47.80%	115.57%	128.23%	94.79%	107.76%

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
0.297303%	0.302380%	0.288780%	0.285350%	0.275728%
\$2,936,677	\$3,203,766	\$3,165,274	\$2,031,611	\$2,013,177
\$7,002,528	\$7,103,344	\$7,321,238	\$7,669,583	\$7,798,337
41.94%	45.10%	43.23%	26.49%	25.82%
47.08%	45.42%	46.86%	52.59%	51.89%

CITY OF WORTHINGTON

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

Ohio Public Employees Retirement System

Year	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Contractually required contribution	\$127,865	\$129,691	\$68,353	\$0
Contributions in relation to the contractually required contribution	<u>127,865</u>	<u>129,691</u>	<u>68,353</u>	<u>0</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$6,393,258	\$6,484,525	\$6,835,277	\$7,131,850
Contributions as a percentage of covered payroll	2.00%	2.00%	1.00%	0.00%

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

Ohio Police and Fire Pension Fund

Year	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Contractually required contribution	\$32,300	\$33,103	\$34,954	\$34,239
Contributions in relation to the contractually required contribution	<u>32,300</u>	<u>33,103</u>	<u>34,954</u>	<u>34,239</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$6,460,034	\$6,620,503	\$6,990,813	\$6,847,709
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>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</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>
\$7,281,807	\$6,317,093	\$6,031,921	\$6,849,993	\$7,322,436	\$7,674,229
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$35,013	\$35,517	\$36,606	\$38,348	\$38,992	\$41,567
<u>35,013</u>	<u>35,517</u>	<u>36,606</u>	<u>38,348</u>	<u>38,992</u>	<u>41,567</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$7,002,528	\$7,103,344	\$7,321,238	\$7,669,583	\$7,798,337	\$8,313,465
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, 2024

NET PENSION LIABILITY

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms: There were no changes in benefit terms for the period 2015-2024.

Changes in assumptions:

2015-2016: 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.

2023-2024: 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, 2024

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 2015-2024.

Changes in assumptions:

2015-2017: 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

2024: 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, 2024

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 2023-2024.

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, 2024

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%.

2024: 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 4.05% to 3.77%
- The single discount rate changed from 5.22% to 5.70%.

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 - 2024: 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, 2024

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

2024: 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 4.27% to 4.07%.

This Space Intentionally Left Blank

***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 Visitor's 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.

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, 2024

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets:				
Pooled Cash and Cash Equivalents	\$ 3,386,345	\$ 2,584,472	\$ 375,149	\$ 6,345,966
Cash and Cash Equivalents in Segregated Accounts	87,640	0	0	87,640
Receivables:				
Taxes	273,666	154,836	0	428,502
Accounts	7,555	0	0	7,555
Intergovernmental	738,411	9,003	0	747,414
Settlement	152,676	0	0	152,676
Total Assets	\$ 4,646,293	\$ 2,748,311	\$ 375,149	\$ 7,769,753
Liabilities:				
Accounts Payable	\$ 7,804	\$ 0	\$ 0	\$ 7,804
Accrued Wages and Benefits Payable	16,344	0	0	16,344
Intergovernmental Payable	112,990	0	0	112,990
Interfund Loans Payable	0	153,738	0	153,738
Unearned Revenue	118,621	0	0	118,621
Total Liabilities	255,759	153,738	0	409,497
Deferred Inflows of Resources:				
Unavailable Amounts	573,327	13,593	0	586,920
Property Tax Levy for Next Fiscal Year	265,140	150,246	0	415,386
Total Deferred Inflows of Resources	838,467	163,839	0	1,002,306
Fund Balances:				
Restricted	3,168,535	2,430,734	375,149	5,974,418
Committed	383,532	0	0	383,532
Total Fund Balances	3,552,067	2,430,734	375,149	6,357,950
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 4,646,293	\$ 2,748,311	\$ 375,149	\$ 7,769,753

CITY OF WORTHINGTON

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds For the Year Ended December 31, 2024

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues:				
Property Taxes	\$ 261,531	\$ 148,201	\$ 0	\$ 409,732
Other Local Taxes	7,187	0	0	7,187
Intergovernmental Revenues	1,551,089	17,668	0	1,568,757
Charges for Services	83,919	0	0	83,919
Investment Earnings	3,590	0	0	3,590
Fines and Forfeitures	6,665	0	0	6,665
All Other Revenues	100,560	0	0	100,560
Total Revenue	2,014,541	165,869	0	2,180,410
Expenditures:				
Current:				
Security of Persons and Property	908,680	0	0	908,680
Leisure Time Activities	136,268	0	0	136,268
Basic Utility Services	167,221	0	0	167,221
Transportation	970,356	0	0	970,356
General Government	101,460	0	0	101,460
Debt Service:				
Principal Retirement	0	845,000	0	845,000
Interest & Fiscal Charges	0	536,544	0	536,544
Total Expenditures	2,283,985	1,381,544	0	3,665,529
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(269,444)	(1,215,675)	0	(1,485,119)
Other Financing Sources (Uses):				
Transfers In	1,299,531	1,348,339	0	2,647,870
Transfers Out	(150,000)	0	0	(150,000)
Total Other Financing Sources (Uses)	1,149,531	1,348,339	0	2,497,870
Net Change in Fund Balances	880,087	132,664	0	1,012,751
Fund Balances at Beginning of Year	2,671,980	2,298,070	375,149	5,345,199
Fund Balances End of Year	\$ 3,552,067	\$ 2,430,734	\$ 375,149	\$ 6,357,950

CITY OF WORTHINGTON

Combining Balance Sheet Nonmajor Special Revenue Funds December 31, 2024

	Street Construction Maintenance and Repair	State Highway	Water	Sanitary Sewer
Assets:				
Pooled Cash and Investments	\$ 473,541	\$ 87,710	\$ 119,800	\$ 94,039
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	4,014	3,541
Intergovernmental	456,183	36,990	0	0
Settlement	0	0	0	0
Total Assets	\$ 929,724	\$ 124,700	\$ 123,814	\$ 97,580
Liabilities:				
Accounts Payable	\$ 2,734	\$ 147	\$ 11	\$ 1,218
Accrued Wages and Benefits Payable	12,557	2,037	875	875
Intergovernmental Payable	8,011	1,298	558	558
Unearned Revenue	0	0	0	0
Total Liabilities	23,302	3,482	1,444	2,651
Deferred Inflows of Resources:				
Unavailable Amounts	304,122	24,660	0	0
Property Tax Levy for Next Fiscal Year	0	0	0	0
Total Deferred Inflows of Resources	304,122	24,660	0	0
Fund Balances:				
Restricted	602,300	96,558	0	0
Committed	0	0	122,370	94,929
Total Fund Balances	602,300	96,558	122,370	94,929
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 929,724	\$ 124,700	\$ 123,814	\$ 97,580

(Continued)

CITY OF WORTHINGTON

Combining Balance Sheet Nonmajor Special Revenue Funds December 31, 2024

	Police Pension	Law Enforcement	Municipal Motor Vehicle License Tax	Enforcement and Education
Assets:				
Pooled Cash and Investments	\$ 1,973,526	\$ 9,615	\$ 64,065	\$ 50,735
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0
Receivables:				
Taxes	273,240	0	0	0
Accounts	0	0	0	0
Intergovernmental	15,887	0	101,823	0
Settlement	0	0	0	0
Total Assets	\$ 2,262,653	\$ 9,615	\$ 165,888	\$ 50,735
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits Payable	0	0	0	0
Intergovernmental Payable	102,565	0	0	0
Unearned Revenue	0	0	0	0
Total Liabilities	102,565	0	0	0
Deferred Inflows of Resources:				
Unavailable Amounts	23,987	0	67,882	0
Property Tax Levy for Next Fiscal Year	265,140	0	0	0
Total Deferred Inflows of Resources	289,127	0	67,882	0
Fund Balances:				
Restricted	1,870,961	9,615	98,006	50,735
Committed	0	0	0	0
Total Fund Balances	1,870,961	9,615	98,006	50,735
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,262,653	\$ 9,615	\$ 165,888	\$ 50,735

CITY OF WORTHINGTON

Ohio Opioid Settlement	Court Clerk Computer	Convention and Visitor's Bureau	Law Enforcement Continuing Education	FEMA	Special Parks
\$ 104,547	\$ 168,384	\$ 4,931	\$ 71,069	\$ 0	\$ 81,359
0	510	0	0	0	0
0	0	426	0	0	0
0	0	0	0	0	0
0	0	0	8,907	118,621	0
152,676	0	0	0	0	0
<u>\$ 257,223</u>	<u>\$ 168,894</u>	<u>\$ 5,357</u>	<u>\$ 79,976</u>	<u>\$ 118,621</u>	<u>\$ 81,359</u>
\$ 0	\$ 187	\$ 3,507	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	118,621	0
<u>0</u>	<u>187</u>	<u>3,507</u>	<u>0</u>	<u>118,621</u>	<u>0</u>
152,676	0	0	0	0	0
0	0	0	0	0	0
<u>152,676</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
104,547	168,707	0	79,976	0	0
0	0	1,850	0	0	81,359
<u>104,547</u>	<u>168,707</u>	<u>1,850</u>	<u>79,976</u>	<u>0</u>	<u>81,359</u>
<u>\$ 257,223</u>	<u>\$ 168,894</u>	<u>\$ 5,357</u>	<u>\$ 79,976</u>	<u>\$ 118,621</u>	<u>\$ 81,359</u>

(Continued)

CITY OF WORTHINGTON

Combining Balance Sheet Nonmajor Special Revenue Funds December 31, 2024

	Bicentennial Trust	Subdivision Trust	Performance Trust	Total Nonmajor Special Revenue Funds
Assets:				
Pooled Cash and Investments	\$ 83,024	\$ 0	\$ 0	\$ 3,386,345
Cash and Cash Equivalents in Segregated Accounts	0	15,043	72,087	87,640
Receivables:				
Taxes	0	0	0	273,666
Accounts	0	0	0	7,555
Intergovernmental	0	0	0	738,411
Settlement	0	0	0	152,676
Total Assets	\$ 83,024	\$ 15,043	\$ 72,087	\$ 4,646,293
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 7,804
Accrued Wages and Benefits Payable	0	0	0	16,344
Intergovernmental Payable	0	0	0	112,990
Unearned Revenue	0	0	0	118,621
Total Liabilities	0	0	0	255,759
Deferred Inflows of Resources:				
Unavailable Amounts	0	0	0	573,327
Property Tax Levy for Next Fiscal Year	0	0	0	265,140
Total Deferred Inflows of Resources	0	0	0	838,467
Fund Balances:				
Restricted	0	15,043	72,087	3,168,535
Committed	83,024	0	0	383,532
Total Fund Balances	83,024	15,043	72,087	3,552,067
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 83,024	\$ 15,043	\$ 72,087	\$ 4,646,293

CITY OF WORTHINGTON

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024**

	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	925,665	75,055	0	0
Charges for Services	0	0	42,893	39,156
Investment Earnings	0	0	0	0
Fines and Forfeitures	0	0	0	0
All Other Revenue	0	0	0	0
Total Revenues	925,665	75,055	42,893	39,156
Expenditures:				
Current:				
Security of Persons and Property	0	0	0	0
Leisure Time Activities	0	0	0	0
Basic Utility Services	0	0	103,652	63,569
Transportation	874,314	96,042	0	0
General Government	0	0	0	0
Total Expenditures	874,314	96,042	103,652	63,569
Excess (Deficiency) of Revenues Over (Under) Expenditures	51,351	(20,987)	(60,759)	(24,413)
Other Financing Sources (Uses):				
Transfers In	0	30,000	75,000	35,000
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	0	30,000	75,000	35,000
Net Change in Fund Balances	51,351	9,013	14,241	10,587
Fund Balances at Beginning of Year	550,949	87,545	108,129	84,342
Fund Balances End of Year	\$ 602,300	\$ 96,558	\$ 122,370	\$ 94,929

(Continued)

CITY OF WORTHINGTON

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Special Revenue Funds For the Year Ended December 31, 2024

	Police Pension	Law Enforcement	Municipal Motor Vehicle License Tax	Enforcement and Education
Revenues:				
Property Taxes	\$ 261,531	\$ 0	\$ 0	\$ 0
Other Local Taxes	0	0	0	0
Intergovernmental Revenues	31,180	0	201,103	0
Charges for Services	0	0	0	0
Investment Earnings	0	0	0	0
Fines and Forfeitures	0	0	0	635
All Other Revenue	0	112	0	0
Total Revenues	292,711	112	201,103	635
Expenditures:				
Current:				
Security of Persons and Property	746,847	0	0	4,349
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	746,847	0	0	4,349
Excess (Deficiency) of Revenues Over (Under) Expenditures	(454,136)	112	201,103	(3,714)
Other Financing Sources (Uses):				
Transfers In	1,094,531	0	0	0
Transfers Out	0	0	(150,000)	0
Total Other Financing Sources (Uses)	1,094,531	0	(150,000)	0
Net Change in Fund Balances	640,395	112	51,103	(3,714)
Fund Balances at Beginning of Year	1,230,566	9,503	46,903	54,449
Fund Balances End of Year	\$ 1,870,961	\$ 9,615	\$ 98,006	\$ 50,735

CITY OF WORTHINGTON

Ohio Opioid Settlement	Court Clerk Computer	Convention and Visitor's Bureau	Law Enforcement Continuing Education	FEMA	Special Parks
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	7,187	0	0	0
0	0	0	68,352	249,734	0
0	0	0	0	0	1,870
0	0	0	0	0	0
0	6,030	0	0	0	0
65,675	0	0	0	0	12,030
<u>65,675</u>	<u>6,030</u>	<u>7,187</u>	<u>68,352</u>	<u>249,734</u>	<u>13,900</u>
0	0	0	34,041	123,443	0
0	0	0	0	126,291	9,977
0	0	0	0	0	0
0	0	0	0	0	0
0	19,829	73,231	0	0	0
<u>0</u>	<u>19,829</u>	<u>73,231</u>	<u>34,041</u>	<u>249,734</u>	<u>9,977</u>
65,675	(13,799)	(66,044)	34,311	0	3,923
0	0	65,000	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>65,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
65,675	(13,799)	(1,044)	34,311	0	3,923
38,872	182,506	2,894	45,665	0	77,436
<u>\$ 104,547</u>	<u>\$ 168,707</u>	<u>\$ 1,850</u>	<u>\$ 79,976</u>	<u>\$ 0</u>	<u>\$ 81,359</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, 2024

	Bicentennial Trust	Subdivision Trust	Performance Trust	Total Nonmajor Special Revenue Funds
Revenues:				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 261,531
Other Local Taxes	0	0	0	7,187
Intergovernmental Revenues	0	0	0	1,551,089
Charges for Services	0	0	0	83,919
Investment Earnings	3,590	0	0	3,590
Fines and Forfeitures	0	0	0	6,665
All Other Revenue	0	43	22,700	100,560
Total Revenues	3,590	43	22,700	2,014,541
Expenditures:				
Current:				
Security of Persons and Property	0	0	0	908,680
Leisure Time Activities	0	0	0	136,268
Basic Utility Services	0	0	0	167,221
Transportation	0	0	0	970,356
General Government	0	0	8,400	101,460
Total Expenditures	0	0	8,400	2,283,985
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,590	43	14,300	(269,444)
Other Financing Sources (Uses):				
Transfers In	0	0	0	1,299,531
Transfers Out	0	0	0	(150,000)
Total Other Financing Sources (Uses)	0	0	0	1,149,531
Net Change in Fund Balances	3,590	43	14,300	880,087
Fund Balances at Beginning of Year	79,434	15,000	57,787	2,671,980
Fund Balances End of Year	\$ 83,024	\$ 15,043	\$ 72,087	\$ 3,552,067

CITY OF WORTHINGTON

Combining Balance Sheet Nonmajor Debt Service Funds December 31, 2024

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Service Funds
Assets:			
Pooled Cash and Investments	\$ 2,306,024	\$ 278,448	\$ 2,584,472
Receivables:			
Taxes	154,836	0	154,836
Intergovernmental	9,003	0	9,003
Total Assets	<u>\$ 2,469,863</u>	<u>\$ 278,448</u>	<u>\$ 2,748,311</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	13,593	0	13,593
Property Tax Levy for Next Fiscal Year	150,246	0	150,246
Total Deferred Inflows of Resources	<u>163,839</u>	<u>0</u>	<u>163,839</u>
Fund Balances:			
Restricted	2,306,024	124,710	2,430,734
Total Fund Balances	<u>2,306,024</u>	<u>124,710</u>	<u>2,430,734</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,469,863</u>	<u>\$ 278,448</u>	<u>\$ 2,748,311</u>

CITY OF WORTHINGTON

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Debt Service Funds For the Year Ended December 31, 2024

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Service Funds
Revenues:			
Property Taxes	\$ 148,201	\$ 0	\$ 148,201
Intergovernmental Revenues	17,668	0	17,668
Total Revenues	165,869	0	165,869
Expenditures:			
Debt Service:			
Principal Retirement	845,000	0	845,000
Interest and Fiscal Charges	536,544	0	536,544
Total Expenditures	1,381,544	0	1,381,544
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,215,675)	0	(1,215,675)
Other Financing Sources (Uses):			
Transfers In	1,348,339	0	1,348,339
Total Other Financing Sources (Uses)	1,348,339	0	1,348,339
Net Change in Fund Balances	132,664	0	132,664
Fund Balances at Beginning of Year	2,173,360	124,710	2,298,070
Fund Balances End of Year	\$ 2,306,024	\$ 124,710	\$ 2,430,734

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, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 3,087,829	\$ 3,968,735	\$ 3,948,574	\$ (20,161)
Municipal Income Taxes	24,365,145	24,365,145	28,139,103	3,773,958
Other Local Taxes	2,720	2,720	3,646	926
Intergovernmental Revenues	795,311	895,362	972,599	77,237
Charges for Services	2,966,391	2,966,391	4,703,517	1,737,126
Licenses, Permits and Fees	421,500	421,500	354,832	(66,668)
Investment Earnings	400,000	400,000	2,142,821	1,742,821
Fines and Forfeitures	75,000	75,000	69,524	(5,476)
All Other Revenues	250,750	241,421	218,191	(23,230)
Total Revenues	32,364,646	33,336,274	40,552,807	7,216,533
Expenditures:				
Security of Persons and Property:				
Police - Administration:				
Personal Services	692,195	711,695	520,081	191,614
Nonpersonnel	304,133	307,130	278,014	29,116
Total Police - Administration	996,328	1,018,825	798,095	220,730
Police - Community Service:				
Personal Services	5,202,348	5,182,848	4,644,659	538,189
Nonpersonnel	101,907	101,907	92,408	9,499
Total Police - Community Service	5,304,255	5,284,755	4,737,067	547,688
Police - Support Service:				
Personal Services	499,883	499,883	417,444	82,439
Total Police - Support Service	499,883	499,883	417,444	82,439
Fire - Administration:				
Personal Services	335,096	335,096	314,628	20,468
Nonpersonnel	207,303	218,503	210,257	8,246
Total Fire - Administration	542,399	553,599	524,885	28,714
Fire - Operations:				
Personal Services	6,678,605	6,881,605	6,522,319	359,286
Nonpersonnel	462,055	468,163	451,834	16,329
Total Fire - Operations	7,140,660	7,349,768	6,974,153	375,615

(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, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Fire - Training and Prevention:				
Personal Services	325,396	357,196	299,638	57,558
Nonpersonnel	59,596	59,596	52,042	7,554
Total Fire - Training and Prevention	384,992	416,792	351,680	65,112
911 Dispatch:				
Nonpersonnel	985,000	985,000	958,397	26,603
Total 911 Dispatch	985,000	985,000	958,397	26,603
Total Security of Persons and Property	15,853,517	16,108,622	14,761,721	1,346,901
Public Health and Welfare Services:				
Board of Health:				
Nonpersonnel	105,506	105,506	105,427	79
Total Public Health and Welfare Services	105,506	105,506	105,427	79
Leisure Time Activities:				
Parks and Recreation - Administration:				
Personal Services	276,756	230,157	184,991	45,166
Nonpersonnel	88,789	89,432	88,450	982
Total Parks and Recreation - Administration	365,545	319,589	273,441	46,148
Parks Maintenance:				
Personal Services	1,012,684	991,284	950,093	41,191
Nonpersonnel	408,729	421,249	418,499	2,750
Total Parks Maintenance	1,421,413	1,412,533	1,368,592	43,941
Community Center Programs:				
Personal Services	2,554,191	2,638,691	2,521,822	116,869
Nonpersonnel	1,052,321	1,096,321	1,065,898	30,423
Total Community Center Programs	3,606,512	3,735,012	3,587,720	147,292
Recreation Programs:				
Personal Services	746,425	711,992	662,976	49,016
Nonpersonnel	311,137	350,137	328,144	21,993
Total Recreation Programs	1,057,562	1,062,129	991,120	71,009
Senior Citizen Programs:				
Personal Services	321,350	243,282	215,222	28,060
Nonpersonnel	2,474	2,474	2,147	327
Total Senior Citizen Programs	323,824	245,756	217,369	28,387
Total Leisure Time Activities	6,774,856	6,775,019	6,438,242	336,777

(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, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Community Environment:				
Planning and Building:				
Personal Services	883,792	883,792	818,324	65,468
Nonpersonnel	799,711	799,210	785,611	13,599
Total Community Environment	<u>1,683,503</u>	<u>1,683,002</u>	<u>1,603,935</u>	<u>79,067</u>
Basic Utility Services:				
Refuse:				
Nonpersonnel	1,309,345	1,267,345	1,243,811	23,534
Total Basic Utility Services	<u>1,309,345</u>	<u>1,267,345</u>	<u>1,243,811</u>	<u>23,534</u>
General Government:				
Personnel:				
Personal Services	602,127	602,127	431,297	170,830
Nonpersonnel	96,614	126,614	123,415	3,199
Total Personnel	<u>698,741</u>	<u>728,741</u>	<u>554,712</u>	<u>174,029</u>
Finance and Taxation:				
Personal Services	598,927	594,927	577,885	17,042
Nonpersonnel	1,553,089	1,667,089	1,495,122	171,967
Total Finance and Taxation	<u>2,152,016</u>	<u>2,262,016</u>	<u>2,073,007</u>	<u>189,009</u>
Legislative and Clerk:				
Personal Services	85,136	85,136	79,567	5,569
Nonpersonnel	211,067	211,067	199,638	11,429
Total Legislative and Clerk	<u>296,203</u>	<u>296,203</u>	<u>279,205</u>	<u>16,998</u>
Law:				
Personal Services	376,171	376,171	228,740	147,431
Nonpersonnel	662,153	662,153	633,090	29,063
Total Law	<u>1,038,324</u>	<u>1,038,324</u>	<u>861,830</u>	<u>176,494</u>
Mayor and Mayors Court:				
Personal Services	168,096	168,096	160,477	7,619
Nonpersonnel	18,008	18,008	10,809	7,199
Total Mayor and Mayors Court	<u>186,104</u>	<u>186,104</u>	<u>171,286</u>	<u>14,818</u>
Economic Development:				
Personal Services	202,668	202,668	104,091	98,577
Nonpersonnel	48,350	49,150	49,150	0
Total Economic Development	<u>251,018</u>	<u>251,818</u>	<u>153,241</u>	<u>98,577</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, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Management Information Systems:				
Personal Services	590,665	590,665	570,892	19,773
Nonpersonnel	386,367	386,367	377,754	8,613
Total Management Information Systems	977,032	977,032	948,646	28,386
Service/Engineering - Administration:				
Personal Services	1,154,864	1,154,864	996,583	158,281
Nonpersonnel	553,499	547,199	540,357	6,842
Total Service/Engineering - Administration	1,708,363	1,702,063	1,536,940	165,123
Service/Engineering - Buildings and Structures:				
Personal Services	362,648	362,648	352,399	10,249
Nonpersonnel	386,585	454,585	454,388	197
Total Service/Engineering - Buildings and Structures	749,233	817,233	806,787	10,446
Service/Engineering - Grounds Maintenance:				
Personal Services	660,728	660,728	564,836	95,892
Nonpersonnel	345,684	319,684	223,414	96,270
Total Service/Engineering - Grounds Maintenance	1,006,412	980,412	788,250	192,162
Service/Engineering - Sanitation:				
Nonpersonnel	27,180	27,180	27,000	180
Total Service/Engineering - Sanitation	27,180	27,180	27,000	180
Service/Engineering - Fleet Maintenance:				
Personal Services	167,816	167,816	163,264	4,552
Nonpersonnel	177,903	183,103	176,054	7,049
Total Service/Engineering - Fleet Maintenance	345,719	350,919	339,318	11,601
Cultural Arts Center:				
Nonpersonnel	293,044	293,044	292,319	725
Total Cultural Arts Center	293,044	293,044	292,319	725
Administration:				
Personal Services	905,902	905,102	704,276	200,826
Nonpersonnel	209,852	208,185	193,489	14,696
Total Administration	1,115,754	1,113,287	897,765	215,522
General Miscellaneous:				
Nonpersonnel	487,485	507,485	486,320	21,165
Total General Miscellaneous	487,485	507,485	486,320	21,165
Total General Government	11,332,628	11,531,861	10,216,626	1,315,235
Total Expenditures	37,059,355	37,471,355	34,369,762	3,101,593

(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, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,694,709)	(4,135,081)	6,183,045	10,318,126
Other Financing Sources (Uses):				
Transfers In	59,329	59,329	352,011	292,682
Transfers Out	(5,927,531)	(5,927,531)	(5,924,531)	3,000
Total Other Financing Sources (Uses)	<u>(5,868,202)</u>	<u>(5,868,202)</u>	<u>(5,572,520)</u>	<u>295,682</u>
Net Change in Fund Balance	(10,562,911)	(10,003,283)	610,525	10,613,808
Fund Balance at Beginning of Year	22,056,128	22,056,128	22,056,128	0
Prior Year Encumbrances	<u>4,177,238</u>	<u>4,177,238</u>	<u>4,177,238</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 15,670,455</u>	<u>\$ 16,230,083</u>	<u>\$ 26,843,891</u>	<u>\$ 10,613,808</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, 2024**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$ 733,500	\$ 1,230,474	\$ 496,974
All Other Revenues	0	1,867	1,867
Total Revenues	<u>733,500</u>	<u>1,232,341</u>	<u>498,841</u>
Expenditures:			
General Government:			
Nonpersonnel	<u>2,973,856</u>	<u>2,785,166</u>	<u>188,690</u>
Total Expenditures	<u>2,973,856</u>	<u>2,785,166</u>	<u>188,690</u>
Net Change in Fund Balance	(2,240,356)	(1,552,825)	687,531
Fund Balance at Beginning of Year	1,961,239	1,961,239	0
Prior Year Encumbrances	<u>1,798,156</u>	<u>1,798,156</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 1,519,039</u></u>	<u><u>\$ 2,206,570</u></u>	<u><u>\$ 687,531</u></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, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Municipal Income Taxes	\$ 6,286,286	\$ 7,025,439	\$ 739,153
Other Local Taxes	0	447,383	447,383
Intergovernmental Revenues	0	17,742	17,742
Special Assessments	25,000	56,750	31,750
All Other Revenues	150,000	1,973,640	1,823,640
Total Revenues	6,461,286	9,520,954	3,059,668
Expenditures:			
General Government:			
Nonpersonnel	573,112	564,189	8,923
Capital Outlay:			
Nonpersonnel	20,421,419	20,212,484	208,935
Debt Service:			
Principal Retirement	134,689	134,626	63
Total Expenditures	21,129,220	20,911,299	217,921
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,667,934)	(11,390,345)	3,277,589
Other Financing Sources (Uses):			
Transfers Out	(1,386,751)	(1,381,751)	5,000
Total Other Financing Sources (Uses)	(1,386,751)	(1,381,751)	5,000
Net Change in Fund Balance	(16,054,685)	(12,772,096)	3,282,589
Fund Balance at Beginning of Year	7,223,230	7,223,230	0
Prior Year Encumbrances	11,442,820	11,442,820	0
Fund Balance at End of Year	\$ 2,611,365	\$ 5,893,954	\$ 3,282,589

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, 2024***

PROPERTY ASSESSED CLEAN ENERGY FUND			
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
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	<u>33,000</u>	<u>32,977</u>	<u>23</u>
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	<u>0</u>	<u>0</u>	<u>0</u>
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, 2024**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Other Financing Sources (Uses):			
Transfers In	50,000	50,000	0
Total Other Financing Sources (Uses)	50,000	50,000	0
Net Change in Fund Balance	50,000	50,000	0
Fund Balance at Beginning of Year	100,000	100,000	0
Fund Balance at End of Year	\$ 150,000	\$ 150,000	\$ 0

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, 2024*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 990,000	\$ 929,280	\$ (60,720)
Total Revenues	<u>990,000</u>	<u>929,280</u>	<u>(60,720)</u>
Expenditures:			
Transportation:			
Personal Services	727,314	687,240	40,074
Nonpersonnel	190,947	190,945	2
Total Expenditures	<u>918,261</u>	<u>878,185</u>	<u>40,076</u>
Net Change in Fund Balance	71,739	51,095	(20,644)
Fund Balance at Beginning of Year	396,909	396,909	0
Prior Year Encumbrances	17,194	17,194	0
Fund Balance at End of Year	<u>\$ 485,842</u>	<u>\$ 465,198</u>	<u>\$ (20,644)</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, 2024

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
STATE HIGHWAY FUND			
Revenues:			
Intergovernmental Revenues	\$ 85,000	\$ 75,347	\$ (9,653)
Total Revenues	85,000	75,347	(9,653)
Expenditures:			
Transportation:			
Personal Services	107,678	102,169	5,509
Nonpersonnel	25,000	0	25,000
Total Expenditures	132,678	102,169	30,509
Excess (Deficiency) of Revenues Over (Under) Expenditures	(47,678)	(26,822)	20,856
Other Financing Sources (Uses):			
Transfers In	25,000	30,000	5,000
Total Other Financing Sources (Uses)	25,000	30,000	5,000
Net Change in Fund Balance	(22,678)	3,178	25,856
Fund Balance at Beginning of Year	77,567	77,567	0
Prior Year Encumbrances	22	22	0
Fund Balance at End of Year	\$ 54,911	\$ 80,767	\$ 25,856

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, 2024**

WATER FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$ 45,000	\$ 43,266	\$ (1,734)
Total Revenues	<u>45,000</u>	<u>43,266</u>	<u>(1,734)</u>
Expenditures:			
Basic Utility Services:			
Personal Services	57,678	40,836	16,842
Nonpersonnel	62,678	62,677	1
Total Expenditures	<u>120,356</u>	<u>103,513</u>	<u>16,843</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(75,356)	(60,247)	15,109
Other Financing Sources (Uses):			
Transfers In	75,000	75,000	0
Total Other Financing Sources (Uses)	<u>75,000</u>	<u>75,000</u>	<u>0</u>
Net Change in Fund Balance	(356)	14,753	15,109
Fund Balance at Beginning of Year	104,618	104,618	0
Prior Year Encumbrances	178	178	0
Fund Balance at End of Year	<u>\$ 104,440</u>	<u>\$ 119,549</u>	<u>\$ 15,109</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, 2024**

SANITARY SEWER FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$ 45,500	\$ 39,498	\$ (6,002)
Total Revenues	<u>45,500</u>	<u>39,498</u>	<u>(6,002)</u>
Expenditures:			
Basic Utility Services:			
Personal Services	60,902	43,334	17,568
Nonpersonnel	42,341	42,341	0
Total Expenditures	<u>103,243</u>	<u>85,675</u>	<u>17,568</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(57,743)	(46,177)	11,566
Other Financing Sources (Uses):			
Transfers In	35,000	35,000	0
Total Other Financing Sources (Uses)	<u>35,000</u>	<u>35,000</u>	<u>0</u>
Net Change in Fund Balance	(22,743)	(11,177)	11,566
Fund Balance at Beginning of Year	81,513	81,513	0
Prior Year Encumbrances	15,065	15,065	0
Fund Balance at End of Year	<u>\$ 73,835</u>	<u>\$ 85,401</u>	<u>\$ 11,566</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, 2024**

	POLICE PENSION FUND		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Property Taxes	\$ 262,867	\$ 261,531	\$ (1,336)
Intergovernmental Revenues	31,210	31,180	(30)
Total Revenues	<u>294,077</u>	<u>292,711</u>	<u>(1,366)</u>
Expenditures:			
Security of Persons and Property:			
Personal Services	1,100,000	713,766	386,234
Total Expenditures	<u>1,100,000</u>	<u>713,766</u>	<u>386,234</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(805,923)	(421,055)	384,868
Other Financing Sources (Uses):			
Transfers In	809,312	1,094,531	285,219
Total Other Financing Sources (Uses)	<u>809,312</u>	<u>1,094,531</u>	<u>285,219</u>
Net Change in Fund Balance	3,389	673,476	670,087
Fund Balance at Beginning of Year	<u>1,300,050</u>	<u>1,300,050</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1,303,439</u>	<u>\$ 1,973,526</u>	<u>\$ 670,087</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, 2024

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
All Other Revenues	\$ 2,500	\$ 112	\$ (2,388)
Total Revenues	<u>2,500</u>	<u>112</u>	<u>(2,388)</u>
Expenditures:			
Security of Persons and Property:			
Nonpersonnel	<u>1,989</u>	<u>0</u>	<u>1,989</u>
Total Expenditures	<u>1,989</u>	<u>0</u>	<u>1,989</u>
Net Change in Fund Balance	511	112	(399)
Fund Balance at Beginning of Year	7,514	7,514	0
Prior Year Encumbrances	<u>1,989</u>	<u>1,989</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 10,014</u>	<u>\$ 9,615</u>	<u>\$ (399)</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, 2024**

MUNICIPAL MOTOR VEHICLE LICENSE TAX FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 185,000	\$ 197,675	\$ 12,675
Total Revenues	<u>185,000</u>	<u>197,675</u>	<u>12,675</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	185,000	197,675	12,675
Other Financing Sources (Uses):			
Transfers Out	<u>(150,000)</u>	<u>(150,000)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(150,000)</u>	<u>(150,000)</u>	<u>0</u>
Net Change in Fund Balance	35,000	47,675	12,675
Fund Balance at Beginning of Year	<u>16,390</u>	<u>16,390</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 51,390</u>	<u>\$ 64,065</u>	<u>\$ 12,675</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, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 2,500	\$ 635	\$ (1,865)
Total Revenues	<u>2,500</u>	<u>635</u>	<u>(1,865)</u>
Expenditures:			
Security of Persons and Property:			
Nonpersonnel	15,000	5,000	10,000
Total Expenditures	<u>15,000</u>	<u>5,000</u>	<u>10,000</u>
Net Change in Fund Balance	(12,500)	(4,365)	8,135
Fund Balance at Beginning of Year	54,449	54,449	0
Fund Balance at End of Year	<u>\$ 41,949</u>	<u>\$ 50,084</u>	<u>\$ 8,135</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, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
All Other Revenues	\$ 0	\$ 65,675	\$ 65,675
Total Revenues	<u>0</u>	<u>65,675</u>	<u>65,675</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	0	65,675	65,675
Fund Balance at Beginning of Year	<u>38,872</u>	<u>38,872</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 38,872</u>	<u>\$ 104,547</u>	<u>\$ 65,675</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, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 10,000	\$ 5,862	\$ (4,138)
Total Revenues	<u>10,000</u>	<u>5,862</u>	<u>(4,138)</u>
Expenditures:			
General Government:			
Nonpersonnel	86,576	70,683	15,893
Total Expenditures	<u>86,576</u>	<u>70,683</u>	<u>15,893</u>
Net Change in Fund Balance	(76,576)	(64,821)	11,755
Fund Balance at Beginning of Year	180,288	180,288	0
Prior Year Encumbrances	1,876	1,876	0
Fund Balance at End of Year	<u>\$ 105,588</u>	<u>\$ 117,343</u>	<u>\$ 11,755</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, 2024**

ECONOMIC DEVELOPMENT FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
All Other Revenues	\$ 10,000	\$ 9,095	\$ (905)
Total Revenues	<u>10,000</u>	<u>9,095</u>	<u>(905)</u>
Expenditures:			
Community Environment:			
Nonpersonnel	492,881	283,596	209,285
Total Expenditures	<u>492,881</u>	<u>283,596</u>	<u>209,285</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(482,881)	(274,501)	208,380
Other Financing Sources (Uses):			
Transfers In	300,000	300,000	0
Total Other Financing Sources (Uses)	<u>300,000</u>	<u>300,000</u>	<u>0</u>
Net Change in Fund Balance	(182,881)	25,499	208,380
Fund Balance at Beginning of Year	564,355	564,355	0
Prior Year Encumbrances	124,881	124,881	0
Fund Balance at End of Year	<u>\$ 506,355</u>	<u>\$ 714,735</u>	<u>\$ 208,380</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, 2024**

CONVENTION AND VISITOR'S BUREAU FUND			
	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Other Local Taxes	\$ 10,280	\$ 7,078	\$ (3,202)
Total Revenues	<u>10,280</u>	<u>7,078</u>	<u>(3,202)</u>
Expenditures:			
General Government:			
Nonpersonnel	76,851	76,262	589
Total Expenditures	<u>76,851</u>	<u>76,262</u>	<u>589</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(66,571)	(69,184)	(2,613)
Other Financing Sources (Uses):			
Transfers In	65,000	65,000	0
Total Other Financing Sources (Uses)	<u>65,000</u>	<u>65,000</u>	<u>0</u>
Net Change in Fund Balance	(1,571)	(4,184)	(2,613)
Fund Balance at Beginning of Year	2,333	2,333	0
Prior Year Encumbrances	1,851	1,851	0
Fund Balance at End of Year	<u>\$ 2,613</u>	<u>\$ 0</u>	<u>\$ (2,613)</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, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 20,000	\$ 87,080	\$ 67,080
Total Revenues	<u>20,000</u>	<u>87,080</u>	<u>67,080</u>
Expenditures:			
Security of Persons and Property:			
Personal Services	34,200	34,041	159
Total Expenditures	<u>34,200</u>	<u>34,041</u>	<u>159</u>
Net Change in Fund Balance	(14,200)	53,039	67,239
Fund Balance at Beginning of Year	18,030	18,030	0
Fund Balance at End of Year	<u>\$ 3,830</u>	<u>\$ 71,069</u>	<u>\$ 67,239</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, 2024**

	FEMA FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u></u>
Revenues:			
Intergovernmental Revenues	\$ 450,000	\$ 249,734	\$ (200,266)
Total Revenues	<u>450,000</u>	<u>249,734</u>	<u>(200,266)</u>
Expenditures:			
Security of Persons and Property:			
Personal Services	320,000	123,443	196,557
Nonpersonnel	130,000	126,291	3,709
Total Expenditures	<u>450,000</u>	<u>249,734</u>	<u>200,266</u>
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
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, 2024**

SPECIAL PARKS FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$ 5,000	\$ 1,870	\$ (3,130)
All Other Revenues	0	12,030	12,030
Total Revenues	<u>5,000</u>	<u>13,900</u>	<u>8,900</u>
Expenditures:			
Leisure Time Activities:			
Nonpersonnel	26,743	26,742	1
Total Expenditures	<u>26,743</u>	<u>26,742</u>	<u>1</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(21,743)	(12,842)	8,901
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	(16,743)	(12,842)	3,901
Fund Balance at Beginning of Year	70,131	70,131	0
Prior Year Encumbrances	11,743	11,743	0
Fund Balance at End of Year	<u>\$ 65,131</u>	<u>\$ 69,032</u>	<u>\$ 3,901</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, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Investment Earnings	\$ 250	\$ 3,590	\$ 3,340
Total Revenues	<u>250</u>	<u>3,590</u>	<u>3,340</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	250	3,590	3,340
Fund Balance at Beginning of Year	<u>79,434</u>	<u>79,434</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 79,684</u>	<u>\$ 83,024</u>	<u>\$ 3,340</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, 2024**

GENERAL OBLIGATION BOND RETIREMENT FUND			Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Property Taxes	\$ 148,958	\$ 148,201	\$ (757)
Intergovernmental Revenues	17,686	17,668	(18)
Total Revenues	<u>166,644</u>	<u>165,869</u>	<u>(775)</u>
Expenditures:			
Debt Service:			
Principal Retirement	845,000	845,000	0
Interest and Fiscal Charges	542,671	536,544	6,127
Total Expenditures	<u>1,387,671</u>	<u>1,381,544</u>	<u>6,127</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,221,027)	(1,215,675)	5,352
Other Financing Sources (Uses):			
Transfers In	1,319,137	1,348,339	29,202
Total Other Financing Sources (Uses)	<u>1,319,137</u>	<u>1,348,339</u>	<u>29,202</u>
Net Change in Fund Balance	98,110	132,664	34,554
Fund Balance at Beginning of Year	2,167,444	2,167,444	0
Prior Year Encumbrances	5,916	5,916	0
Fund Balance at End of Year	<u>\$ 2,271,470</u>	<u>\$ 2,306,024</u>	<u>\$ 34,554</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, 2024***

	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, 2024***

	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	<u>\$ 375,149</u>	<u>\$ 375,149</u>	<u>\$ 0</u>

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, 2024

	Mayor's Court	Accrued Acreage Benefit	OBBS
Assets:			
Pooled Cash and Investments	\$ 0	\$ 35,463	\$ 1,567
Cash and Cash Equivalents in Segregated Accounts	3,047	0	0
Receivables:			
Property Taxes	0	0	0
Total Assets	<u>3,047</u>	<u>35,463</u>	<u>1,567</u>
Liabilities:			
Intergovernmental Payable	3,047	30,441	139
Total Liabilities	<u>3,047</u>	<u>30,441</u>	<u>139</u>
Net Position:			
Restricted For:			
Permits and Fees	0	5,022	1,428
Total Net Position	<u>\$ 0</u>	<u>\$ 5,022</u>	<u>\$ 1,428</u>

CITY OF WORTHINGTON

<u>Sharon Township</u> <u>JEDD</u>	<u>Total Custodial</u> <u>Funds</u>
\$ 36,752	\$ 73,782
0	3,047
19,569	19,569
<u>56,321</u>	<u>96,398</u>
56,321	89,948
<u>56,321</u>	<u>89,948</u>
0	6,450
<u>\$ 0</u>	<u>\$ 6,450</u>

CITY OF WORTHINGTON

Combining Statement of Changes in Net Position Custodial Funds For the Year Ended December 31, 2024

	Mayor's Court	Accrued Acreage Benefit	OBBS
Additions:			
Fines and Forfeiture Collections for other Governments	\$ 33,472	\$ 0	\$ 0
Fee Collections for other Governments	0	33,485	2,915
Income Tax Collections for other Governments	0	0	0
Total Additions	<u>33,472</u>	<u>33,485</u>	<u>2,915</u>
Deductions:			
Distribution of Fines and Forfeitures to other Governments	33,472	0	0
Distribution of Fees to other Governments	0	28,463	1,487
Distribution of Income Taxes to other Governments	0	0	0
Total Deductions	<u>33,472</u>	<u>28,463</u>	<u>1,487</u>
Change in Net Position	0	5,022	1,428
Net Position at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Net Position End of Year	<u>\$ 0</u>	<u>\$ 5,022</u>	<u>\$ 1,428</u>

CITY OF WORTHINGTON

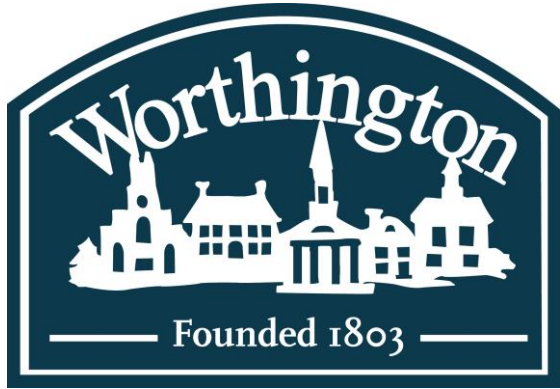
Sharon Township JEDD	Total Custodial Funds
\$ 0	\$ 33,472
0	36,400
167,161	167,161
<u>167,161</u>	<u>237,033</u>
0	33,472
0	29,950
167,161	167,161
<u>167,161</u>	<u>230,583</u>
0	6,450
0	0
<u>\$ 0</u>	<u>\$ 6,450</u>





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)*

	2015	*	*	*
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Governmental Activities:				
Net Investment in Capital Assets	\$36,040,343	\$35,066,291	\$35,853,600	\$35,598,171
Restricted	2,737,671	3,738,858	3,882,091	4,193,594
Unrestricted	905,477	(43,393)	(18,845,342)	(19,184,400)
Total Primary Government Net Position	<u>\$39,683,491</u>	<u>\$38,761,756</u>	<u>\$20,890,349</u>	<u>\$20,607,365</u>

Source: City Finance Director's Office

* As Restated

CITY OF WORTHINGTON

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$40,987,801	\$43,582,235	\$42,224,296	\$42,309,190	\$45,534,824	\$49,628,283
4,466,757	6,240,586	7,735,188	7,354,826	9,205,197	10,868,906
<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>23,289,773</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>	<u>\$83,786,962</u>

CITY OF WORTHINGTON

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

	2015	2016	2017
Expenses			
Governmental Activities:			
Security of Persons and Property	\$12,601,769	\$13,827,841	\$14,453,396
Public Health and Welfare Services	54,045	42,559	73,770
Leisure Time Activities	5,681,219	6,019,675	6,474,760
Community Environment	844,283	1,098,121	1,028,043
Basic Utility Services	1,109,835	1,079,883	1,379,682
Transportation	2,075,204	2,457,842	2,709,083
General Government	7,068,167	7,620,278	8,187,827
Interest on Long Term Debt	227,741	147,987	199,009
<i>Total Primary Government Expenses</i>	<u>\$29,662,263</u>	<u>\$32,294,186</u>	<u>\$34,505,570</u>
Program Revenues			
Governmental Activities:			
Charges for Services			
Security of Persons and Property	\$1,327,412	\$1,354,344	\$1,358,886
Public Health and Welfare Services	0	0	0
Leisure Time Activities	2,172,924	2,211,620	2,283,207
Community Environment	222,788	243,883	245,942
Basic Utility Services	89,176	90,730	90,196
Transportation	5,085	0	251
General Government	0	2	2
Operating Grants and Contributions	1,261,922	1,202,627	934,301
Capital Grants and Contributions	0	0	0
<i>Total Primary Government Program Revenues</i>	<u>5,079,307</u>	<u>5,103,206</u>	<u>4,912,785</u>

CITY OF WORTHINGTON

2018	2019	2020	2021	2022	2023	2024
\$16,168,159	\$2,035,677	\$17,242,042	\$14,606,693	\$14,131,522	\$16,107,373	\$17,116,887
63,000	66,153	70,000	73,500	77,175	81,035	85,083
6,814,845	7,152,692	5,741,663	2,739,808	4,522,433	6,455,020	7,629,153
1,281,355	1,250,129	1,416,432	1,146,825	798,112	1,238,630	1,323,349
1,343,620	1,220,625	1,449,751	1,191,753	1,542,317	1,400,742	1,419,890
2,505,597	2,468,187	2,518,695	1,896,851	2,242,682	2,771,109	2,811,130
9,716,823	10,307,088	9,944,001	6,593,619	8,936,089	10,783,431	11,026,162
211,215	307,499	251,019	479,024	313,333	559,543	450,005
<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>	<u>\$41,861,659</u>
\$1,348,441	\$1,252,362	\$1,289,186	\$1,285,974	\$1,084,356	\$1,367,775	\$1,855,332
0	0	0	0	0	0	218,351
2,336,946	2,419,580	947,495	1,090,551	1,607,263	2,195,366	2,739,975
274,635	320,305	242,354	296,274	240,995	370,752	211,120
80,161	80,997	82,826	79,633	79,839	83,220	82,049
56	0	70,807	0	0	0	0
40,329	47,225	43,407	53,426	66,544	144,078	60,405
900,969	1,199,369	2,461,136	1,173,570	2,647,343	1,377,276	1,400,990
612,321	2,889,715	772,295	1,173,144	818,192	0	17,742
<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>	<u>6,585,964</u>

(continued)

CITY OF WORTHINGTON

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

	2015	2016	2017
Net (Expense)/Revenue			
Governmental Activities	(24,582,956)	(27,190,980)	(29,592,785)
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(24,582,956)</u>	<u>(27,190,980)</u>	<u>(29,592,785)</u>
General Revenues and Other Changes in Net Position			
Governmental Activities:			
Property Taxes	\$2,503,244	\$2,758,956	\$2,800,084
Municipal Income Taxes	23,428,075	25,006,898	27,009,943
Other Local Taxes	233,061	217,345	185,435
Intergovernmental Revenue, Unrestricted	788,376	771,640	722,404
Investment Earnings	203,962	170,700	119,705
Miscellaneous	342,043	382,161	581,837
<i>Total Primary Government</i>	<u>\$27,498,761</u>	<u>\$29,307,700</u>	<u>\$31,419,408</u>
Change in Net Position			
Governmental Activities	\$2,915,805	\$2,116,720	\$1,826,623
<i>Total Primary Government Change in Net Position</i>	<u>\$2,915,805</u>	<u>\$2,116,720</u>	<u>\$1,826,623</u>

Source: City Finance Director's Office

CITY OF WORTHINGTON

2018	2019	2020	2021	2022	2023	2024
(32,510,756)	(16,598,497)	(32,724,097)	(23,575,501)	(26,019,131)	(33,858,416)	(35,275,695)
<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>(35,275,695)</u>
\$3,441,389	\$3,487,243	\$3,639,209	\$4,252,861	\$4,420,313	\$4,913,609	\$5,620,897
26,986,800	26,745,221	26,770,166	31,731,764	33,760,465	34,541,958	35,352,944
97,172	15,587	73,905	83,170	81,306	79,361	82,040
724,696	872,887	785,472	943,170	917,986	950,800	1,048,817
365,681	767,218	459,424	(10,604)	(20,870)	2,158,147	2,380,019
548,212	543,201	2,850,778	439,389	590,999	643,639	423,224
<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>	<u>\$44,907,941</u>
(\$346,806)	\$15,832,860	\$1,854,857	\$13,864,249	\$13,731,068	\$9,429,098	\$9,632,246
<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>	<u>\$9,632,246</u>

CITY OF WORTHINGTON

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

	2015	2016	2017	*
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General Fund				
Nonspendable	\$32,704	\$34,855	\$34,398	\$96,443
Restricted	0	0	0	0
Committed	504,457	540,221	587,181	569,887
Assigned	826,160	947,624	1,463,862	2,521,541
Unassigned	11,614,096	12,425,887	14,042,149	13,668,594
<i>Total General Fund</i>	<u>12,977,417</u>	<u>13,948,587</u>	<u>16,127,590</u>	<u>16,856,465</u>
All Other Governmental Funds				
Nonspendable	58,609	57,314	64,131	59,897
Restricted	2,584,213	3,023,840	3,052,161	5,601,770
Committed	7,153,824	7,970,436	9,443,727	5,137,576
Assigned	0	0	0	0
Unassigned	0	0	0	0
<i>Total All Other Governmental Funds</i>	<u>9,796,646</u>	<u>11,051,590</u>	<u>12,560,019</u>	<u>10,799,243</u>
<i>Total Governmental Funds</i>	<u>\$22,774,063</u>	<u>\$25,000,177</u>	<u>\$28,687,609</u>	<u>\$27,655,708</u>

Source: City Finance Director's Office

* As Restated

CITY OF WORTHINGTON

2019	2020	2021	2022	2023	2024
\$84,753	\$103,272	\$1,000,184	\$830,769	\$912,202	\$671,292
0	0	0	0	0	0
703,685	706,580	431,364	611,646	815,430	977,629
3,382,414	3,538,550	3,166,205	6,472,165	8,791,742	10,166,588
14,218,139	16,511,559	19,137,062	19,287,621	19,880,737	23,720,071
<u>18,388,991</u>	<u>20,859,961</u>	<u>23,734,815</u>	<u>27,202,201</u>	<u>30,400,111</u>	<u>35,535,580</u>
59,158	67,083	75,060	81,744	72,423	109,407
3,747,734	5,424,954	6,915,456	6,497,079	8,513,004	9,595,144
4,206,241	2,572,217	12,110,986	16,567,928	16,133,105	18,168,852
0	0	0	0	0	0
0	0	0	0	0	0
<u>8,013,133</u>	<u>8,064,254</u>	<u>19,101,502</u>	<u>23,146,751</u>	<u>24,718,532</u>	<u>27,873,403</u>
<u>\$26,402,124</u>	<u>\$28,924,215</u>	<u>\$42,836,317</u>	<u>\$50,348,952</u>	<u>\$55,118,643</u>	<u>\$63,408,983</u>

CITY OF WORTHINGTON

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

	2015	2016	2017	2018
Revenues:				
Property Taxes	\$2,533,210	\$2,712,413	\$2,787,849	\$3,424,243
Municipal Income Taxes	23,573,223	25,181,744	27,310,948	25,368,712
Other Local Taxes	233,061	217,345	185,435	97,172
Intergovernmental Revenues	1,638,930	1,914,292	1,578,200	2,399,337
Charges for Services	3,305,918	3,376,707	3,526,529	3,653,599
Licenses, Permits and Fees	453,276	519,593	466,285	507,901
Investment Earnings	203,962	170,700	113,804	356,120
Special Assessments	17,946	22,569	55,749	71,069
Fines and Forfeitures	192,953	168,407	172,714	164,488
All Other Revenue	137,832	109,590	359,220	268,073
Total Revenue	32,290,311	34,393,360	36,556,733	36,310,714
Expenditures:				
Current:				
Security of Persons and Property	11,862,349	11,870,390	12,632,285	12,624,584
Public Health and Welfare Services	54,045	42,559	73,770	63,000
Leisure Time Activities	5,194,138	5,303,025	5,263,937	5,458,303
Community Environment	818,167	1,046,297	870,069	1,027,970
Basic Utility Services	1,109,619	1,076,461	1,297,233	1,149,678
Transportation	905,003	1,046,176	1,101,114	955,364
General Government	6,929,128	7,465,688	7,429,858	8,324,660
Capital Outlay	3,435,649	3,368,398	5,609,059	6,734,263
Debt Service:				
Principal Retirement	6,949,119	2,418,237	2,602,950	1,038,639
Interest and Fiscal Charges	278,853	90,015	159,343	204,340
Total Expenditures	37,536,070	33,727,246	37,039,618	37,580,801
Excess (Deficiency) of Revenues Over Expenditures	(5,245,759)	666,114	(482,885)	(1,270,087)

CITY OF WORTHINGTON

2019	2020	2021	2022	2023	2024
\$3,534,141	\$3,635,106	\$4,231,022	\$4,424,433	\$4,899,441	\$5,588,780
26,717,808	26,757,531	31,268,523	33,294,382	34,308,326	35,153,171
15,587	6,381	12,027	11,005	10,008	10,890
4,904,706	3,965,219	3,263,228	4,383,670	2,133,382	3,015,863
3,665,959	2,141,270	2,290,346	2,797,768	3,460,696	4,631,024
504,161	446,072	458,531	411,015	478,483	353,512
759,179	466,355	(8,517)	(62,505)	2,187,712	2,359,272
85,963	60,413	75,642	58,062	90,621	54,394
133,882	57,281	40,093	60,912	63,696	78,984
338,378	2,710,416	347,855	449,366	626,624	364,660
<u>40,659,764</u>	<u>40,246,044</u>	<u>41,978,750</u>	<u>45,828,108</u>	<u>48,258,989</u>	<u>51,610,550</u>
13,261,938	14,589,957	13,644,289	13,848,489	14,060,203	15,278,935
66,153	70,000	73,500	77,175	81,035	85,083
5,529,247	4,446,915	4,438,689	5,256,252	5,893,255	6,415,239
1,078,509	1,237,042	1,521,237	1,010,210	1,256,527	1,285,815
1,194,753	1,369,712	1,204,224	1,513,665	1,402,305	1,378,316
929,710	922,649	957,490	943,550	925,464	970,356
8,939,437	8,464,213	8,837,578	9,734,929	10,711,441	10,483,459
9,935,584	5,155,972	6,902,128	4,829,669	12,665,729	6,013,226
1,236,308	1,269,174	1,296,680	725,470	720,281	873,237
298,392	198,319	400,250	376,064	628,591	536,544
<u>42,470,031</u>	<u>37,723,953</u>	<u>39,276,065</u>	<u>38,315,473</u>	<u>48,344,831</u>	<u>43,320,210</u>
(1,810,267)	2,522,091	2,702,685	7,512,635	(85,842)	8,290,340

(continued)

CITY OF WORTHINGTON

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Other Financing Sources (Uses):				
Capital Lease Issuance	0	0	210,317	128,471
Bond Issuance	0	0	3,960,000	0
Premium on Debt Issuance	0	0	0	45,893
Sale of Notes	1,660,000	1,560,000	0	0
Insurance Proceeds	375,000	0	0	0
Refunding Bonds Issued	4,590,000	0	0	0
Transfers In	1,945,201	2,177,193	1,820,246	1,976,230
Transfers Out	(1,945,201)	(2,177,193)	(1,820,246)	(1,976,230)
Total Other Financing Sources (Uses)	<u>6,625,000</u>	<u>1,560,000</u>	<u>4,170,317</u>	<u>174,364</u>
Net Change in Fund Balance	<u>\$1,379,241</u>	<u>\$2,226,114</u>	<u>\$3,687,432</u>	<u>(\$1,095,723)</u>
Debt Service as a Percentage of Noncapital Expenditures	21.14%	8.27%	8.67%	3.84%

Source: City Finance Director's Office

CITY OF WORTHINGTON

2019	2020	2021	2022	2023	2024
513,054	0	0	0	0	0
0	0	9,985,000	0	4,400,000	0
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
2,309,117	2,503,144	3,201,662	3,781,181	4,703,000	4,572,870
(2,309,117)	(2,503,144)	(3,201,662)	(3,781,181)	(4,703,000)	(4,572,870)
556,683	0	11,209,417	0	4,855,533	0
(\$1,253,584)	\$2,522,091	\$13,912,102	\$7,512,635	\$4,769,691	\$8,290,340
4.80%	4.32%	5.03%	3.16%	3.80%	3.67%

CITY OF WORTHINGTON

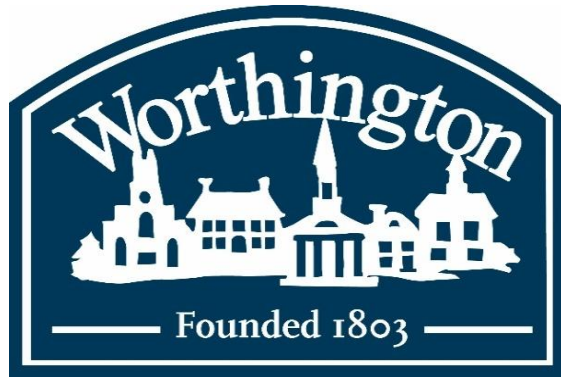
*Income Tax Revenues by Source, Governmental Funds
Last Ten Years*

Tax year	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Income Tax Rate	2.50%	2.50%	2.50%	2.50%
Total Personal Income	\$540,626,455	\$540,926,478	\$530,503,028	\$414,607,177
Total Tax Collected	\$23,741,881	\$24,883,975	\$26,258,201	\$26,065,130
Income Tax Receipts				
Withholding	17,925,917	19,358,989	20,444,183	20,508,647
Percentage	75.5%	77.8%	77.9%	78.7%
Corporate	2,960,948	2,623,030	3,056,963	2,662,644
Percentage	12.5%	10.5%	11.6%	10.2%
Individuals	2,855,016	2,901,956	2,757,055	2,893,839
Percentage	12.0%	11.7%	10.5%	11.1%

Source: City Finance Department

CITY OF WORTHINGTON

2019	2020	2021	2022	2023	2024
2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
\$545,997,584	\$550,050,411	\$528,825,626	\$531,795,109	\$551,940,031	\$554,324,739
\$26,426,895	\$26,498,678	\$30,736,965	\$33,198,547	\$34,219,050	\$35,127,184
20,764,225	20,820,728	23,119,571	24,836,420	26,424,752	27,632,183
78.6%	78.6%	75.2%	74.8%	77.2%	78.7%
2,828,732	2,763,783	4,605,795	5,124,707	4,265,631	4,293,473
10.7%	10.4%	15.0%	15.4%	12.5%	12.2%
2,833,938	2,914,167	3,011,599	3,237,420	3,528,667	3,201,528
10.7%	11.0%	9.8%	9.8%	10.3%	9.1%



CITY OF WORTHINGTON

Income Tax Statistics Current Year and Nine Years Ago

Calendar Year 2024				
Income Level	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$19,999	849	19.02%	\$6,366,932	1.15%
20,000 - 49,999	604	13.53%	21,031,074	3.79%
50,000 - 74,999	515	11.54%	32,092,430	5.79%
75,000 - 99,999	485	10.86%	42,409,329	7.65%
Over 100,000	2,011	45.05%	452,424,973	81.62%
Total	4,464	100.00%	\$554,324,738	100.00%

Calendar Year 2015				
Income Level	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$19,999	1,285	23.07%	\$9,986,869	1.82%
20,000 - 49,999	751	13.49%	24,033,866	4.38%
50,000 - 74,999	842	15.12%	49,720,177	9.07%
75,000 - 99,999	641	11.51%	55,798,470	10.18%
Over 100,000	2,050	36.81%	408,782,555	74.55%
Total	5,569	100.00%	\$548,321,937	100.00%

Source: City Finance Director's Office

CITY OF WORTHINGTON

Ratios of Outstanding Debt By Type Last Ten Years

	2015	2016	2017	2018
Governmental Activities				
General Obligation Bonds	\$4,510,000	\$3,780,000	\$6,785,000	\$5,825,000
Ohio Public Works Commission Loans	700,228	671,991	629,635	601,398
Installment Loan	0	0	164,723	242,792
Total Primary Government	<u>\$5,210,228</u>	<u>\$4,451,991</u>	<u>\$7,579,358</u>	<u>\$6,669,190</u>
Population (1)				
City of Worthington	13,629	13,596	13,650	14,285
Outstanding Debt Per Capita	\$382	\$327	\$555	\$467
Income (2)				
Personal Income	\$540,626,455	\$540,926,478	\$530,503,028	\$414,607,177
Percentage of Personal Income	0.96%	0.82%	1.43%	1.61%

Sources:

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

CITY OF WORTHINGTON

2019	2020	2021	2022	2023	2024
\$4,845,000	\$3,840,000	\$14,029,417	\$13,298,196	\$17,379,731	\$16,450,733
573,161	544,924	516,687	488,450	474,331	446,094
527,775	291,838	43,395	16,162	0	0
<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>	<u>\$16,896,827</u>
14,442	14,692	14,786	14,786	14,786	14,786
\$412	\$318	\$987	\$934	\$1,207	\$1,143
\$545,997,584	\$550,050,411	\$528,825,626	\$531,795,109	\$551,940,031	\$554,324,739
1.09%	0.85%	2.76%	2.60%	3.23%	3.05%

CITY OF WORTHINGTON

Ratios of General Bonded Debt Outstanding Last Ten Years

Year	2015	2016	2017	2018
Population (1)	13,629	13,596	13,650	14,285
Personal Income (2)	\$540,626,455	\$540,926,478	\$530,503,028	\$414,607,177
General Bonded Debt (3)				
General Obligation Bonds	\$4,510,000	\$3,780,000	\$6,785,000	\$5,825,000
Resources Available to Pay Principal	\$1,213,529	\$1,348,040	\$1,063,222	\$1,191,326
Net General Bonded Debt	\$3,296,471	\$2,431,960	\$5,721,778	\$4,633,674
Ratio of Net Bonded Debt to Personal Income	0.61%	0.45%	1.08%	1.12%
Net Bonded Debt per Capita	\$241.87	\$178.87	\$419.18	\$324.37

Source:

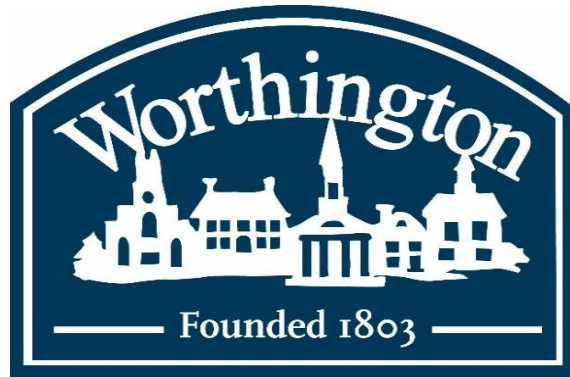
(1) MORPC Population Estimates

(2) Regional Income Tax Agency

(3) Includes all general obligation bonded debt supported by property taxes.

CITY OF WORTHINGTON

2019	2020	2021	2022	2023	2024
14,442	14,692	14,786	14,786	14,786	14,786
\$545,997,584	\$550,050,411	\$528,825,626	\$531,795,109	\$551,940,031	\$554,324,739
\$4,845,000	\$3,840,000	\$14,029,417	\$13,298,196	\$17,379,731	\$16,450,733
\$1,183,122	\$1,206,300	\$2,042,079	\$1,858,758	\$2,173,360	\$2,306,024
\$3,661,878	\$2,633,700	\$11,987,338	\$11,439,438	\$15,206,371	\$14,144,709
0.67%	0.48%	2.27%	2.15%	2.76%	2.55%
\$253.56	\$179.26	\$810.72	\$773.67	\$1,028.43	\$956.63



CITY OF WORTHINGTON

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2024*

<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	\$16,896,827	100.00%	\$16,896,827
Overlapping:			
Franklin County	81,223,216	1.95%	1,583,853
Worthington City Schools	319,774,000	30.59%	97,818,867
Columbus State Community College	178,035,000	1.95%	3,471,683
Solid Waste Authority of Central Ohio	45,065,000	1.86%	838,209
		Subtotal	<u>103,712,612</u>
		Total	<u><u>\$120,609,439</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

	2015	2016	2017	2018
<u>Total Debt</u>				
Net Assessed Valuation	\$582,555,670	\$584,612,080	\$650,365,580	\$650,262,970
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	61,168,345	61,384,268	68,288,386	68,277,612
City Debt Outstanding (2)	4,510,000	3,780,000	6,785,000	5,825,000
Less: Applicable Debt Service Fund Amounts	(1,213,529)	(1,348,040)	(1,063,222)	(1,191,326)
Net Indebtedness Subject to Limitation	3,296,471	2,431,960	5,721,778	4,633,674
Overall Legal Debt Margin	<u>\$57,871,874</u>	<u>\$58,952,308</u>	<u>\$62,566,608</u>	<u>\$63,643,938</u>
Debt Margin as a Percentage of Debt Limit	94.61%	96.04%	91.62%	93.21%
<u>Unvoted Debt</u>				
Net Assessed Valuation	\$582,555,670	\$584,612,080	\$650,365,580	\$650,262,970
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	32,040,562	32,153,664	35,770,107	35,764,463
City Debt Outstanding (2)	4,510,000	3,780,000	6,785,000	5,825,000
Less: Applicable Debt Service Fund Amounts	(1,213,529)	(1,348,040)	(1,063,222)	(1,191,326)
Net Indebtedness Subject to Limitation	3,296,471	2,431,960	5,721,778	4,633,674
Overall Legal Debt Margin	<u>\$28,744,091</u>	<u>\$29,721,704</u>	<u>\$30,048,329</u>	<u>\$31,130,789</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

2019	2020	2021	2022	2023	2024
\$657,692,980	\$754,629,800	\$760,080,460	\$763,334,190	\$982,628,480	\$989,537,640
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
69,057,763	79,236,129	79,808,448	80,150,090	103,175,990	103,901,452
4,845,000	3,840,000	14,029,417	13,298,196	17,379,731	16,450,733
(1,183,122)	(1,206,300)	(2,042,079)	(1,858,758)	(2,173,360)	(2,306,024)
3,661,878	2,633,700	11,987,338	11,439,438	15,206,371	14,144,709
\$65,395,885	\$76,602,429	\$67,821,110	\$68,710,652	\$87,969,619	\$89,756,743
94.70%	96.68%	84.98%	85.73%	85.26%	86.39%
\$657,692,980	\$754,629,800	\$760,080,460	\$763,334,190	\$982,628,480	\$989,537,640
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
36,173,114	41,504,639	41,804,425	41,983,380	54,044,566	54,424,570
4,845,000	3,840,000	14,029,417	13,298,196	17,379,731	16,450,733
(1,183,122)	(1,206,300)	(2,042,079)	(1,858,758)	(2,173,360)	(2,306,024)
3,661,878	2,633,700	11,987,338	11,439,438	15,206,371	14,144,709
\$32,511,236	\$38,870,939	\$29,817,087	\$30,543,942	\$38,838,195	\$40,279,861

CITY OF WORTHINGTON

Demographic and Economic Statistics Last Ten Years

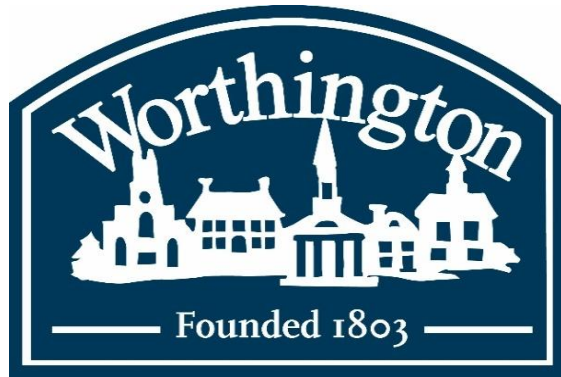
Calendar Year	2015	2016	2017	2018
Population (1)				
City of Worthington	13,629	13,596	13,650	14,285
Income				
Total Personal Income (2)	\$540,626,455	\$540,926,478	\$530,503,028	\$414,607,177
Per Capita Personal Income	39,667	39,786	38,865	29,024
Median Household Income (3)	90,445	91,075	98,784	102,731
Unemployment Rate (4)				
Federal	5.3%	4.9%	3.9%	3.9%
State	4.9%	5.0%	4.5%	4.6%
Franklin County	4.1%	6.1%	3.6%	3.5%

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

2019	2020	2021	2022	2023	2024
14,442	14,692	14,786	14,786	14,786	14,786
\$545,997,584	\$550,050,411	\$528,825,626	\$531,795,109	\$551,940,031	\$554,324,739
37,806	37,439	35,765	35,966	37,329	37,490
104,362	N/A	N/A	N/A	N/A	N/A
3.5%	6.7%	3.9%	3.4%	3.7%	4.2%
4.1%	5.5%	4.5%	4.0%	3.6%	4.8%
4.0%	5.7%	2.9%	3.4%	2.7%	4.9%



CITY OF WORTHINGTON

Principal Employers Current Year and Nine Years Ago

		<u>2024</u>
<u>Employer</u>	<u>Nature of Business</u>	<u>Rank (1)</u>
Worthington Enterprises Inc	Manufacturing	1
Worthington City Schools	Education	2
Worthington Steel Company	Manufacturing	3
Worthington Cylinder Corp	Manufacturing	4
MedVet Associates	Animal Care	5
Diamond Innovations	Manufacturing	6
DLZ Corporation	Professional Services	7
AAA Club Alliance	Automotive	8
The Ohio State University	Health Care	9
Centric HC, Inc	Professional Services	10

		<u>2015</u>
<u>Employer</u>	<u>Nature of Business</u>	<u>Rank (1)</u>
Worthington City Schools	Education	1
MedVet Associates	Animal Care	2
Diamond Innovations	Manufacturing	3
Step by Step Academy	Health Care	4
Ohio Automobile Club	Automotive	5
The Association for the Developmentally Disabled	Health Care	6
Jack Maxton Chevrolet Inc	Automotive	7
Worthington Industries	Manufacturing	8
Homereach Homecare	Health Care	9
Worthington Steel Company	Manufacturing	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>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</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	10.25	10.25	11.25	11.25
Public Safety					
Police	47.00	47.00	47.00	47.00	48.00
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	57.75	57.75	57.75	58.75	58.75
Community Environment					
Planning & Building	5.50	5.50	5.50	5.50	5.50
Total Employees	<u>192.75</u>	<u>193.00</u>	<u>193.00</u>	<u>195.00</u>	<u>196.00</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>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</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	12.25	13.25	12.50
48.00	40.50	40.50	40.50	40.50
41.00	41.00	42.50	42.50	46.50
24.00	24.00	25.00	25.00	25.50
58.75	59.25	40.50	40.50	50.20
<u>5.50</u>	<u>5.50</u>	<u>5.50</u>	<u>6.50</u>	<u>6.50</u>
<u>196.00</u>	<u>189.00</u>	<u>173.75</u>	<u>175.75</u>	<u>189.20</u>

CITY OF WORTHINGTON

Operating Indicators by Function Last Ten Years

	2015	2016	2017	2018
Governmental Activities				
General Government				
Court				
Number of Mayor's Court Cases	2,462	2,018	2,291	2,169
Licenses and Permits				
Number of Building Permits	1,542	1,277	1,161	1,210
Number of Building Inspections	3,396	3,733	3,747	3,453
Information Technology				
Number of Website Visitors	302,867	340,191	328,421	331,868
Public Safety				
Police				
Number of Moving Citations Issued	1,977	2,005	2,145	2,029
Number of Non-moving Citations Issued	273	226	343	383
Number of Felony Arrests	28	54	60	33
Number of Misdemeanor Arrests	234	216	253	285
Number of Juvenile Arrests	36	43	20	22
Number of DUI/OVI Arrests	107	100	114	155
Number of Auto Accident Reports	448	458	469	463
Fire				
Number of Fire Calls	N/A	1,200	1,202	1,145
Number of EMS Runs	N/A	3,083	3,149	3,199
Number of Social Resident Checks	N/A	N/A	N/A	N/A
Number of Inspections	N/A	946	398	349
Public Works				
Street				
Centerline Miles of Streets Resurfaced	1.40	2.00	3.50	3.60
Number of Public Trees Trimmed	600	620	1,300	530
Curbside Leaf Pickup (# of households)	5,200	5,200	5,200	5,200
Curbside Leaf Pickup (#of Leaf Loads)	460	458	480	496
Sidewalk Repair Locations (# properties)	51	51	106	82
Snow and Ice Events	N/A	N/A	N/A	N/A
Fleet Work Orders	N/A	N/A	N/A	N/A
Utility Locations Marked	N/A	N/A	N/A	N/A
Parks and Recreation				
Parks and Recreation*				
Number of Classes / Events (Community Center)	1,651	1,728	1,769	1,462
Number of Classes / Events (Griswold Center)	453	404	374	368
Number of Community Center Memberships	N/A	7,661	8,908	5,838
Number of Community Center Day Passes Sold	19,884	32,204	34,561	38,621
Number of Griswold Memberships	1,030	799	789	625

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

Source: City Finance Director's Office

CITY OF WORTHINGTON

2019	2020	2021	2022	2023	2024
1,537	635	446	800	844	1,110
1,164	1,079	1,170	1,156	1,228	1,108
3,528	2,878	3,134	3,879	4,135	3,688
394,155	389,429	387,712	738,998	460,367	890,562
1,665	766	533	950	1,061	1,042
289	130	28	123	204	279
75	52	60	114	59	110
254	103	93	191	184	235
27	10	15	13	33	16
116	62	63	77	99	91
444	241	320	380	359	421
1,051	903	1,319	1,186	1,332	1,232
3,271	3,179	3,318	3,024	2,842	2,945
N/A	N/A	N/A	N/A	N/A	117
422	527	727	1,123	1,364	2,033
4.20	3.26	3.42	2.90	2.97	1.95
1,055	2,200	1,150	558	2,275	1,264
5,200	5,200	5,200	5,200	5,200	5,200
384	400	356	394	394	319
76	71	107	64	133	20
N/A	N/A	21	11	8	9
N/A	N/A	N/A	823	839	732
N/A	N/A	3,770	3,538	1,866	2,621
1,585	651	1,330	1,226	1,230	1,906
656	329	446	425	446	585
5,612	2,713	3,056	9,133	11,810	14,364
35,369	12,437	2,781	12,564	27,719	29,011
596	180	131	251	192	230

CITY OF WORTHINGTON

Capital Asset Statistics by Function Last Seven Years

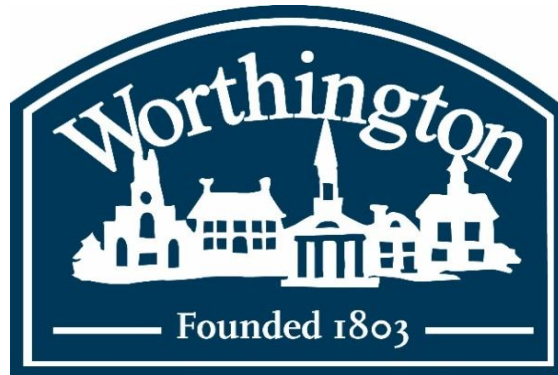
	2018	2019	2020	2021
Governmental Activities				
General Government				
Public Land and Buildings				
ROW Land (acres)	650	650	650	650
Buildings	3	3	3	3
Public Safety				
Police				
Stations	1	1	1	1
Vehicles	15	19	19	19
Fire				
Stations	1	1	1	1
Vehicles	14	15	15	15
Public Works				
Street				
Streets (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>	<u>2024</u>
650	650	650
3	3	3
1	1	1
20	20	20
1	1	1
15	15	15
130	130	130
170	170	170
28	28	28
221	221	221
8	8	8
20	20	20
8	8	8
10	10	10
5	5	5
9	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 8/28/2025

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

THIS PAGE INTENTIONALLY LEFT BLANK

**FORM OF APPROVING LEGAL OPINION
OF BRICKER GRAYDON WYATT LLP**

We have acted as bond counsel to the City of Worthington, Ohio (the “City”) in connection with the issuance by the City of its \$4,350,000* Various Purpose Bonds, Series 2026, dated June 24, 2026* (the “Bonds”). In such capacity, we have examined such law and such certified proceedings, certifications, and other documents as we have deemed necessary to give the opinions below.

Regarding questions of fact material to the opinions below, we have relied on the certified proceedings and other certifications of representatives of the City and certifications of others furnished to us without undertaking to verify them by independent investigation.

Based on the foregoing, we are of the opinion that:

1. The Bonds have been duly authorized and executed by the City and are valid and binding general obligations of the City.

2. All taxable property in the territory of the City is subject to ad valorem taxation within the limits prescribed by law to pay the principal of and interest on the Bonds. The City is required by law to provide for the annual levy and collection of taxes in an amount sufficient to pay the principal and interest coming due on the Bonds to the extent that necessary funds are not provided from other sources.

3. Interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and is not an item of tax preference for purposes of the alternative minimum tax imposed on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes under Section 103 of the Code. Failure to comply with certain of such requirements may cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

4. Interest on the Bonds, the transfer thereof, and any profit made on their sale, exchange or other disposition, are exempt from the Ohio personal income tax, the Ohio commercial activity tax, the net income base of the Ohio corporate franchise tax, and municipal, school district, and joint economic development district income taxes in Ohio.

The City has designated the Bonds as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Official Statement dated June 11, 2026* relating to the Bonds. Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

* Preliminary, subject to change

The rights of owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights and remedies of creditors, and by equitable principles, whether considered at law or in equity.

The opinions given in this opinion letter are given as of the date set forth above, and we assume no obligation to revise or supplement them to reflect any facts or circumstances that may later come to our attention, or any changes in law that may later occur. We bring to your attention the fact that our legal opinions are an expression of our professional judgment and are not a guarantee of a result. Our engagement as bond counsel in connection with the original issuance and delivery of the Bonds is concluded upon delivery of this opinion letter.

\$4,350,000*
City of Worthington, Ohio
Various Purpose Bonds, Series 2026
(General Obligation - Limited Tax)

FORM OF CLOSING CERTIFICATE

To: _____

It is my understanding that, in considering whether to purchase the above-captioned obligations, you have relied on the Official Statement for such obligations dated June 11, 2026* (the "Official Statement"), which Official Statement was prepared and executed by and for the City of Worthington, Ohio (the "City") under the direction of its City Council.

In connection with your reliance as stated above, I hereby certify that:

1. I have reviewed the Official Statement and have made such investigation and inquiries as I deemed necessary in the circumstances;
2. The statements and information contained in the Official Statement are correct and complete in all material respects, and they do not omit any statement or information necessary in order to make the statements and information therein, in light of the circumstances under which they were made, not misleading or incomplete in any material respect; and
3. To the best of my knowledge, since the date of the Official Statement, nothing has occurred which has caused, or which might reasonably be expected to cause, a material adverse change in the condition or prospects of the City.

Date: June 24, 2026*

Finance Director
City of Worthington, Ohio

* Preliminary, subject to change

\$4,350,000*
City of Worthington, Ohio
Various Purpose Bonds, Series 2026
(General Obligation - Limited Tax)

FORM OF CLOSING CERTIFICATE

To: _____

It is my understanding that, in considering whether to purchase the above-captioned issue, you have relied on the Official Statement for such issue dated June 11, 2026* (the "Official Statement"), which Official Statement was prepared and executed by and for the City of Worthington, Ohio (the "City") under the direction of its City Council.

In connection with your reliance as stated above, I hereby certify that:

1. I have reviewed the section of the Official Statement captioned "LITIGATION" and have made such investigation and inquiries as I deemed necessary in the circumstances;
2. The statements and information contained in the section of the Official Statement captioned "LITIGATION" are correct and complete in all material respects, and they do not omit any statement or information necessary in order to make the statements and information therein, in light of the circumstances under which they were made, not misleading or incomplete in any material respect; and
3. To the best of my knowledge, since the date of the Official Statement, nothing has occurred which has caused, or which might reasonably be expected to cause, a material adverse change in the condition or prospects of the City.

Date: June 24, 2026*

Law Director
City of Worthington, Ohio

* Preliminary, subject to change

\$4,350,000*
City of Worthington, Ohio
Various Purpose Bonds, Series 2026
(General Obligation - Limited Tax)

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the Finance Director of the City of Worthington, Ohio (the “City”) pursuant to an ordinance of the City Council of the City authorizing the issuance and sale of the above-captioned bonds (the “Bonds”). The City covenants and agrees as follows:

Section 1. Definitions. The following capitalized terms shall have the following meanings:

“Annual Report” means any annual financial information report provided by the City pursuant to Sections 3 and 4 of this Disclosure Certificate.

“EMMA” shall mean the Electronic Municipal Market Access system of the MSRB for use in the collection and dissemination of information pursuant to the Rule. The current website address for EMMA is <http://emma.msrb.org>.

“Filing Date” means the last day of the ninth month following the end of each Fiscal Year (or the next succeeding business day if that day is not a business day), beginning September 30, 2027.

“Financial Obligation” or “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Fiscal Year” means the 12-month period beginning on January 1 that ends on December 31 of the same calendar year, or such other 12-month period as the City shall subsequently adopt as its fiscal year.

“Listed Events” shall mean any of the events listed in Section 5 of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board (www.msrb.org).

“Official Statement” shall mean the Official Statement prepared in connection with the sale of the Bonds.

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

“Rule” shall mean Rule 15c2-12, and particularly Section (b)(5) therein, adopted by the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

* Preliminary, subject to change.

“State Auditor” means the Auditor of the State of Ohio.

Section 2. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule.

Section 3. Provision of Annual Reports.

- (a) The City shall provide to the MSRB, not later than the Filing Date, an Annual Report for the immediately preceding Fiscal Year, which Annual Report shall be consistent with the requirements of Section 4 of this Disclosure Certificate.
- (b) If the City fails to provide an Annual Report to the MSRB by the date set forth in subsection (a) of this Section 3, the City shall send in a timely manner to the MSRB notice of such failure, which shall include a statement as to the date by which the City anticipates that the Annual Report will be provided to the MSRB.

Section 4. Contents of the Annual Report.

- (a) The Annual Report shall contain or incorporate by reference the following:
 - (1) Audited financial statements of the City.
 - (2) Fiscal Year data for the table entitled “Historical Income Tax Revenues” and contained in APPENDIX A to the Official Statement under the caption “CITY TAX BASE – Income Tax Revenues.”
 - (3) Fiscal Year data for the table entitled “Assessed Valuation” (Property Classification and Amount only) and contained in APPENDIX A to the Official Statement under the caption “CITY TAX BASE – Assessed Valuation.”
 - (4) Fiscal Year data for the table entitled “Largest Taxpayers” and contained in APPENDIX A to the Official Statement under the caption “CITY TAX BASE – Largest Taxpayers in the City.”
 - (5) Fiscal Year data for the table entitled “Historical Property Tax Collections” and contained in APPENDIX A to the Official Statement under the caption “CITY TAX BASE – Property Tax Revenues.”
 - (6) Fiscal Year end data for the table entitled “General Fund – Major Tax Revenue Sources” contained in APPENDIX A to the Official Statement under the caption “FINANCES OF THE CITY – General Fund Revenue Sources.”

All or any of the items listed above may be included by specific reference from other documents which have previously been provided to the MSRB. If the document included by reference is a final official statement, it must be available from the MSRB. If the City prepares an Annual Comprehensive Financial Report (“ACFR”) that includes each of the items listed above, the City may designate the ACFR as its Annual Report for any Fiscal Year.

- (b) The audited financial statements of the City to be included in the Annual Report shall be initially prepared in accordance with generally accepted accounting principles (provided, however, that if the City shall subsequently change its accounting method, the audited

financial statements shall indicate the accounting method then in use) and shall be accompanied by a report of the State Auditor, or, if applicable, the independent certified public accountants who audited the financial statements; provided, however, if such audited financial statements are not available to the City at the time of providing the Annual Report to the MSRB as provided in Section 3 of this Disclosure Certificate, the City will provide such audited financial statements to the MSRB as provided in Section 3 of this Disclosure Certificate as soon as they are available.

Section 5. Reporting of Significant Events. The City shall provide to the MSRB, in a timely manner not in excess of ten business days after the occurrence of the event, notice of any of the following events with respect to the Bonds:

- (a) Principal and interest payment delinquencies;
- (b) Non-payment related defaults, if material;
- (c) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) Substitution of credit or liquidity providers, or their failure to perform;
- (f) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (g) Modifications to rights of holders of the Bonds, if material;
- (h) (1) Calls for redemption of the Bonds, if material, other than calls pursuant to the mandatory sinking fund provisions of the Bonds, if any, and (2) tender offers;
- (i) Defeasances;
- (j) Release, substitution or sale of property securing repayment of the Bonds, if material;
- (k) Rating changes;
- (l) Bankruptcy, insolvency, receivership or similar event of the City;
- (m) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (n) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (o) Incurrence of a financial obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect holders of the Bonds, if material; and

- (p) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties.

For the purposes of subsection (l), above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

Section 6. Means of Reporting Information. The City shall provide information to the MSRB according to the MSRB's prescribed reporting requirements, as the same may be amended from time to time. The MSRB currently requires that all filings made pursuant to the Rule be submitted through the MSRB's EMMA system. As of the date hereof, submissions to EMMA must be by electronic submission in an electronic portable document format ("PDF") that shall have a word-search function permitting a user to search the document. The City is authorized to transmit information to the MSRB by whatever means are mutually acceptable to the City and the MSRB.

Section 7. Termination of Reporting Obligation. The City's obligation under this Disclosure Certificate shall terminate upon the defeasance, redemption or payment in full of all of the Bonds.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if the City has received an opinion of counsel knowledgeable in federal securities laws to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information (using the means of dissemination set forth in this Disclosure Certificate or any other means of communication) or including any other information in any Annual Report or providing notice of occurrence of events, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in an Annual Report or provide notice of occurrence of events which are not Listed Events in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default; Remedies. Failure of the City to perform any of its undertakings contained in this Disclosure Certificate shall not constitute an event of default with respect to the Bonds. The exclusive remedy for any such failure shall be enforcement of the City's obligations to so perform by actions or proceedings taken in accordance with Ohio Revised Code Section 133.25(B)(4)(b) or Section 133.25(C)(1).

Section 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Participating Underwriter and the holders of the Bonds, and shall create no rights in any other person or entity.

Date: June 24, 2026*

CITY OF WORTHINGTON, OHIO

By: _____
Finance Director

* Preliminary, subject to change.

THIS PAGE INTENTIONALLY LEFT BLANK

FORM OF NOTICE OF SALE

\$4,350,000*

CITY OF WORTHINGTON, OHIO
Various Purpose Bonds, Series 2026
(General Obligation – Limited Tax)

OFFICIAL NOTICE OF SALE

Notice is given that the above-captioned bonds (the “*Bonds*”) are being offered for sale in accordance with this Official Notice of Sale. The City of Worthington, Ohio (the “*City*”), will accept electronic bids (via PARITY®) as described below, for the purchase of all, but not less than all, of the principal amount of the Bonds until 10:45 a.m. (Ohio time) on June 11, 2026. No other form of bid (electronic or otherwise) or provider of electronic bidding services will be accepted or used.

INITIAL DISCLOSURE; OFFICIAL STATEMENT

This Official Notice of Sale is not intended as a disclosure document and bidders are required to obtain and carefully review the Preliminary Official Statement relating to the Bonds dated June 2, 2026 (the “*Preliminary Official Statement*”), before submitting a bid. The inclusion of this Official Notice of Sale as an Appendix to the Preliminary Official Statement is for purposes of convenience only. Copies of the Preliminary Official Statement, “deemed final” by the City as of its date for purposes of, and except for certain omissions as permitted by, SEC Rule 15c2-12 (the “*Rule*”), may be obtained in electronic format at www.digitalmuni.com.

Following the award of the Bonds, the Finance Director of the City (the “*Finance Director*”), in cooperation with the successful bidder, will complete the Official Statement to indicate the principal amounts and dates of maturity, serial bonds and term bonds (if any), mandatory sinking fund redemption requirements (if any), offering prices or yields and CUSIP numbers (the accuracy of which the City will not take responsibility for), and interest rates, and the identity of the successful bidder, and provide any other information required for a final Official Statement for the purposes of the successful bidder’s compliance with SEC Rule 15c2-12(b)(3) and (4). The successful bidder will, within seven business days after the date of award, be furnished with an electronic file of the final Official Statement for purposes of the successful bidder’s compliance with the SEC Rule and will be authorized by the City to reproduce and circulate at the successful bidder’s expense hard copies of the Preliminary Official Statement (until the final Official Statement is available) and final Official Statement for use by the successful bidder in its marketing efforts and in providing electronic copies thereof to its customers. The City contemplates that the final Official Statement, among other changes, will not include this Official Notice of Sale. At the delivery of the Bonds, the successful bidder will be furnished with a certificate of the Finance Director relating to the accuracy and completeness of the Preliminary Official Statement and final Official Statement.

CONTINUING DISCLOSURE

The City is the only “obligated person” under the Rule. In order to assist bidders in complying with the Rule, the City will undertake to provide, or cause to be provided, certain financial information and operating data and to provide notices of certain events, if material. Such information and notices of material events will be filed with the Municipal Securities Rulemaking Board (“*MSRB*”). A summary of such undertaking is contained in the Preliminary Official Statement. A copy of the undertaking is attached to

* Preliminary, subject to change.

the Preliminary Official Statement as Appendix E and will be included in the transcript of proceedings relating to the issuance of the Bonds.

AUTHORITY AND PURPOSE OF THE BONDS

The Bonds will be issued pursuant to an ordinance (the “*Authorizing Legislation*”) passed on May 18, 2026 by the City Council (the “Council”) of the City. The Bonds are to be issued pursuant to Chapter 133 of the Ohio Revised Code for the purposes of (i) constructing, improving, furnishing, and equipping a new outdoor swim facility, with related site improvements and appurtenances thereto, (ii) designing, engineering, and constructing sewer improvements, with related site improvements and appurtenances thereto, and (iii) designing, engineering, and constructing water improvements, with related site improvements and appurtenances thereto.

SECURITY AND SOURCES OF PAYMENT

The Bonds are unvoted general obligation debt of the City, payable from the sources described herein, subject to Chapter 9 of the Bankruptcy Code and other laws affecting creditors’ rights. The basic security for payment of the Bonds is the requirement that the City levy ad valorem property taxes within the City’s charter millage limitation which taxes are limited as to rate and amount, to the extent necessary to pay the anticipated debt service on the Bonds as the same becomes due, and to the extent that such debt service on the Bonds is not paid from other sources.

The Bonds are also secured by a pledge of the full faith and credit of the City. This pledge includes all of the funds of the City, except those prohibited from use by the Ohio Constitution, State or federal law or specifically limited to another use, such as tax levies specifically voted for another purpose and certain utility revenues. A similar pledge is made in each ordinance authorizing the City’s voted and unvoted general obligation bonds and notes.

In addition to the full faith and credit pledge discussed above, the Bond Legislation contains a covenant, pursuant to Section 133.05(B)(7) of the Revised Code, to appropriate annually from lawfully available municipal income taxes the amounts necessary to meet the annual debt service charges on the Bonds.

BIDDING PROCEDURES

Electronic Bidding Procedures

Electronic bids must be submitted via PARITY® and in accordance with the provisions of this Official Notice of Sale. No other form of bid (electronic or otherwise) or provider of electronic bidding services will be accepted. For purposes of the electronic bidding process, the time as maintained by PARITY® shall constitute the official time with respect to all bids submitted electronically. To the extent any instructions or directions set forth in PARITY® conflict with this Official Notice of Sale, the terms of this Official Notice of Sale shall control. Each bidder submitting an electronic bid agrees that: (i) it is solely responsible for all arrangements with PARITY®; (ii) PARITY® is not acting as the agent of the City; and (iii) the City is not responsible for ensuring or verifying bidder compliance with any of the procedures of PARITY®. The City assumes no responsibility for, and each bidder expressly assumes the risks of and responsibility for, any incomplete, inaccurate or untimely bid submitted by the bidder through PARITY®. Each bidder shall be solely responsible for making necessary arrangements to access the PARITY® system for the purpose of submitting its bid in a timely manner and in compliance with the requirements of this Official Notice of Sale. The City shall not: (i) have any duty or obligation to provide

or assure such access to PARITY® to any bidder; or (ii) be responsible for the proper operation of, or have any liability for, any delays or interruptions of, or any damages caused by, PARITY®.

Prospective bidders who intend to submit their bid electronically must be contracted customers of i-Deal LLC's PARITY® Competitive Bidding System. If a bidder does not have a contract with, PARITY® call (212) 849-5021. By submitting a bid for the Bonds, a prospective bidder represents and warrants to the City that such bidder's bid for the purchase of the Bonds (if a bid is submitted in connection with the sale) is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder to a legal, valid, binding and enforceable contract for the purchase of the Bonds. By contracting with PARITY®, a prospective bidder is not obligated to submit a bid in connection with the sale.

Potential for Change in Principal Payment Schedule of Bonds

As described above under **AUTHORITY AND PURPOSE OF THE BONDS**, the Bonds are being issued for various purposes. See the Preliminary Official Statement's discussion under **THE BONDS – AUTHORIZATION AND PURPOSE**), the City may find it necessary to adjust the aggregate principal payment schedule of the issue as described below. The City's objective is to obtain substantially level net debt service.

After the winning bidder has been determined, the City reserves the right, in its sole discretion, to change the maturity schedule set forth below under **FORM, MATURITY AND PAYMENT OF BONDS** by increasing or decreasing the principal amount of Bonds of any maturity as may be necessary, in its judgment, to provide most effectively and efficiently for the production of substantially level net debt service. However, if such adjustments are made, the purchase price for each maturity (as a percent of each principal amount) paid by the successful bidder shall be exactly the same as shown on the successful bid.

Should the City deem a change in the principal amount of the Bonds of any maturity to be necessary, the winning bidder will be notified of the change by 1:00 p.m. (Ohio time) on the date bids are taken. The dollar amount bid by the successful bidder will then be adjusted to reflect the actual principal amount of Bonds to be issued. Any change to the bid price will reflect adjustments to the dollar amount of original issue premium/discount and underwriter's discount, as applicable and appropriate. There will be no change to the underwriter's discount on a "per bond" basis. A change in the principal amount of Bonds within the parameters described above will ***not*** permit the winning bidder to withdraw or change its bid.

ALL-OR-NONE BIDS ONLY

Bidders may bid only to purchase all Bond maturities. A bid that does not offer to purchase all of the Bonds will not be considered. Each bid must specify an annual rate of interest for each maturity of the Bonds and a dollar purchase price for the entire issue of the Bonds.

GOOD FAITH DEPOSIT

A good faith deposit is **not** required.

INTEREST RATES

The Bonds will bear interest (computed on the basis of a 360-day year consisting of twelve 30-day months) at a rate or rates not exceeding six percent (6.00%) per annum, payable on June 1 and December

1 of each year, commencing December 1, 2026* (the “*Interest Payment Dates*”). Bids shall specify the interest rate or rates (multiples of 1/20 or 1/100 of 1%) that the Bonds are to bear. Each annual maturity must bear a single rate of interest from the dated date of the Bonds to the date of maturity. The reoffering price for each maturity may not be less than 97% of the par amount.

FORM, MATURITY AND PAYMENT OF BONDS¹

The Bonds shall be issued in fully registered form in the denominations of \$5,000 or any integral multiple thereof; shall be dated the date of issuance (June 24, 2026*); will bear interest from their dated date, payable on June 1 and December 1 of each year, commencing December 1, 2026* and shall mature on December 1 in the years 2027* through 2046*) in the following principal amounts:

Year*	Principal Amount*	Year*	Principal Amount*
2027	\$130,000	2037	\$220,000
2028	140,000	2038	230,000
2029	145,000	2039	240,000
2030	160,000	2040	255,000
2031	165,000	2041	260,000
2032	170,000	2042	270,000
2033	175,000	2043	280,000
2034	190,000	2044	295,000
2035	200,000	2045	305,000
2036	205,000	2046	315,000

TERM BONDS OPTIONS

Any bidder may, at its option, specify that particular maturities of the Bonds for which the same rate of interest is specified in its bid shall be issued as term bonds subject to mandatory sinking fund redemption by the City in consecutive years immediately preceding the maturity thereof (a “*Term Bond*”). In the event that the successful bidder specifies that any maturity of the Bonds shall be issued as a Term Bond, that Term Bond shall be subject to mandatory sinking fund redemption on December 1, in each applicable year, in the principal amount for such year as set forth above under **FORM, MATURITY AND PAYMENT OF BONDS**, at a redemption price equal to the principal amount to be redeemed, plus interest accrued thereon to the redemption date, without premium.

OPTIONAL REDEMPTION PROVISIONS

The Bonds maturing on or after December 1, 2035* are subject to redemption at the option of the City, either in whole or in part, in such order as the City shall determine (in whole multiples of \$5,000), on any date on or after June 1, 2035*, at a redemption price equal to 100% of the principal amount redeemed, plus, in each case, accrued interest to the date fixed for redemption.

MINIMUM AND MAXIMUM BID PRICE

Bidders must specify a purchase price of not less than **103.500%** nor greater than **115.000%** of the aggregate principal amount of the Bonds, plus accrued interest (none is anticipated) to the date of delivery.

* Preliminary, subject to change.

¹ See **Bidding Procedures – Potential for Change in Principal Amount of Bonds** in this Official Notice of Sale.

BASIS OF AWARD

Bidders must specify a purchase price of not less than 103.500% of the aggregate principal amount of the Bonds, plus accrued interest (if any) to the date of delivery. Purchasers must pay accrued interest (if any), computed on the basis of a 360-day year consisting of twelve 30-day months, from the date of the Bonds to their date of delivery.

The Bonds will be awarded by the Finance Director to the best bidder whose bid produces the lowest overall true interest cost (“*TIC*”) for the City.

TIC for the Bonds (expressed as an annual interest rate) will be that annual interest rate equal to twice the discount rate, compounded semiannually, that when applied to the aggregate semiannual debt service payment (interest, or principal and interest, as due) for the Bonds will cause the sum of those discounted semiannual payments to equal the aggregate bid price (exclusive of accrued interest). Semiannual debt service payments begin on December 1, 2026*. The *TIC* shall be calculated from the proposed dated date of the Bonds (June 24, 2026*) and shall be based upon the aggregate principal amount of Bonds and maturities thereof set forth above in this Official Notice of Sale, and the interest rates for the Bonds and bid price submitted in accordance with this Official Notice of Sale. If two (2) or more bids offer the same *TIC*, the Bonds will be awarded to the bidder whose bid was first received.

Any informality or failure to conform to the instructions contained in this Official Notice of Sale may be waived by the Finance Director, and the Finance Director may reject any or all of the bids submitted. All determinations and the award by the Finance Director shall be final.

RATING

The Bonds have been rated “AAA” by S&P Global Ratings. No application for a rating on the Bonds has been made by the City to any other rating agency.

BOND REGISTRAR

The Bond Registrar for the Bonds will be Argent Institutional Trust Company.

BOOK-ENTRY-ONLY SYSTEM

The Bonds will be initially registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York (“*DTC*”) under *DTC*’s Book-Entry-Only system of registration. Purchasers of interests in the Bonds (the “*Beneficial Owners*”) will not receive physical delivery of bond certificates and ownership by the Beneficial Owners of the Bonds will be evidenced by book-entry-only. As long as Cede & Co. is the registered owner of the Bonds as nominee of *DTC*, payments of principal and interest will be made directly to such registered owner which in turn will remit, according to *DTC*’s rules and regulations, such payments to the *DTC* participants for subsequent disbursement to the Beneficial Owners.

CUSIP NUMBERS AND DTC ELIGIBILITY

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such number on any Bonds nor any error with respect thereto shall constitute cause for failure or refusal by the successful bidder to accept delivery of and pay for the Bonds in accordance with its agreement to purchase the Bonds. It shall be the responsibility of the Municipal Advisor to timely obtain

such CUSIP numbers. The successful bidder will be responsible for the costs of obtaining such CUSIP numbers, as described below under **COSTS OF ISSUANCE**.

It is anticipated that the Bonds will be issued in book-entry only form and eligible for custodial deposit with The Depository Trust Company (DTC), New York, New York; however, it will be the responsibility of the successful bidder to obtain such eligibility. Failure of the successful bidder to obtain DTC eligibility shall not constitute cause for failure or refusal by the successful bidder to accept delivery of and pay for the Bonds in accordance with its agreement to purchase the Bonds.

ESTABLISHMENT OF ISSUE PRICE

(a) The winning bidder shall assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City at Closing an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as **Attachment 1**, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the City and Bond Counsel. All actions to be taken by the City under this Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the City by the City’s Municipal Advisor identified herein and any notice or report to be provided to the City may be provided to the City’s Municipal Advisor.

(b) The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “competitive sale requirements”) because:

- (1) the City shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the City anticipates receiving bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the City anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid. **As described in more detail in the following paragraphs, if the competitive sale requirements are not satisfied AND the City determines to apply the hold-the-offering-price rule (as described in the following paragraph) to any maturity of the Bonds, all bids shall be cancelled and deemed withdrawn, UNLESS the prospective winning bidder affirmatively confirms its bid and agrees to comply with the hold-the-offering-price rule, in the manner described below.**

Bidders should prepare their bids on the assumption that the City will determine the issue price of the Bonds either based on the reasonably expected initial offering price to the public or by application of the 10% test. No bidder will be required to comply with the hold-the-offering-price rule in connection with the initial sale of the Bonds to the public unless the bidder has confirmed its bid and agreed to comply with the hold-the-offering-price rule, as described below.

Paragraphs (c) through (g) below shall apply only in the event that the competitive sale requirements are not satisfied.

(c) In the event that the competitive sale requirements are not satisfied, the City shall so advise the prospective winning bidder prior to awarding the Bonds. The City may determine to treat (i) the first price at which 10% of each maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The prospective winning bidder shall advise the City if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The City shall promptly advise the prospective winning bidder, at or before the time of award of the Bonds, which maturities (and if different interest rates apply within a maturity, which separate CUSIP number within that maturity) of the Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule.

(d) If the City has determined to apply the hold-the-offering-price rule to any maturity of the Bonds, no award shall be made to the prospective winning bidder and all bids shall be cancelled and deemed withdrawn unless and until the prospective winning bidder has affirmatively confirmed its bid and agreed to comply with the hold-the-offering-price rule. The prospective winning bidder must provide that confirmation to the City no later than 90 (ninety) minutes after receiving notification that the City has determined to apply the hold-the-offering-price rule to any maturity of the Bonds. Such confirmation may be provided orally, but must be promptly confirmed in writing.

If the prospective winning bidder does not provide its confirmation within the required time period, the prospective winning bidder’s bid shall be cancelled and deemed to be withdrawn. The City thereupon may award the Bonds to another bidder, provided that the new prospective winning bidder confirms its bid and agrees to comply with the hold-the-offering-price rule, or the City may cancel the sale of the Bonds, as set forth in this Notice of Sale. **If the City has determined to apply the 10% test to all maturities of the Bonds, no bids shall be cancelled or deemed withdrawn and the City shall award the Bonds in accordance with this Notice of Sale.**

(e) If the City has determined to apply the hold-the-offering-price rule to any maturity of the Bonds and the winning bidder has confirmed its bid and its agreement to comply with the hold-the-offering-price rule, the winning bidder shall also confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder. The winning bidder further shall agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder shall promptly advise the City when the underwriters have sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

(f) Until the 10% test has been satisfied as to each maturity of the Bonds, the winning bidder agrees to promptly report to the City the prices at which the unsold Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold to the public.

(g) The City acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

(h) By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder or such underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

(i) Sales of any Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (1) “public” means any person other than an underwriter or a related party,
- (2) “underwriter” means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including

a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),

- (3) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

- (4) “sale date” means the date that the Bonds are awarded by the City to the winning bidder.

(j) Any “underwriter” (as defined in subsection (i)(2) above), by making a bid pursuant to this Notice of Sale, represents to the City, Bond Counsel and the Municipal Advisor that it has an established industry reputation for underwriting new issuances of municipal bonds.

COSTS OF ISSUANCE

Responsibility for payment of the costs of issuance of the Bonds will be as follows:

Responsibility of the successful bidder: Payment of the fees of CUSIP, DTC, the Ohio Municipal Advisory Council (“OMAC”) and any other industry assessments pertaining to the Bonds. For information concerning OMAC, please call OMAC at (330) 963-7444 or visit <http://www.ohiomac.com>. The estimated OMAC fee is \$4,350.00. The successful bidder will be responsible for any legal expenses incurred as a result of legal counsel retained by the successful bidder. The City will not be responsible for such costs and expenses. All costs and expenses incurred by prospective bidders in connection with their registration and submission of bids via PARITY[®] are the sole responsibility of the bidders, and the City is not responsible, directly or indirectly, for any of such costs or expenses.

Responsibility of the City: Payment of all other costs of issuance, including the fees and expenses of the Municipal Advisor, Bond Counsel, Bond Registrar, the fees of S&P Global Ratings, and electronic distribution costs of the Preliminary Official Statement and final Official Statement. The City will not be responsible for or pay any other fees and expenses associated with the delivery of the Bonds. The successful bidder shall be responsible for all other fees and expenses not specifically included in this paragraph as being the responsibility of the City.

DELIVERY OF BONDS; LEGAL OPINION

The City will pay the cost of preparing the Bonds. The Bonds will be delivered to DTC or its agent on June 24, 2026*, or at such other time and to such other place as may be mutually acceptable to the successful bidder and the City. Payment of the full purchase price, plus accrued interest, shall be made to the City or at its direction on the date of delivery, in lawful money of the United States of America, by wire transfer or transfers not later than 10:00 a.m. (Ohio time) to a bank account or accounts to be designated by

* Preliminary, subject to change.

the City, without cost to the City. **By submitting a bid, the bidder acknowledges that the City may request payment of the purchase price in multiple wire transfers.**

The opinion of Bricker Graydon Wyatt LLP, Bond Counsel to the City, will be furnished to the successful bidder at the time of delivery of the Bonds. The text of the proposed form of that opinion is attached as Appendix D to the Preliminary Official Statement. See also the Preliminary Official Statement’s discussion of **TAX MATTERS**.

A complete transcript of proceedings and a certificate (described in the Preliminary Official Statement under **LITIGATION**) relating to litigation will be delivered by the City when the Bonds are delivered by the City to the successful bidder. The City at that time will also provide to the successful bidder a certificate, signed by the City officials who sign the Official Statement and addressed to the successful bidder, relating to the accuracy and completeness of the Official Statement and to its being a “final official statement” in the judgment of the City for purposes of the Rule.

The successful bidder, by submitting its bid, agrees to furnish to the City and Bond Counsel, a certificate in the form attached as **Attachment 1** to this Official Notice of Sale, verifying information as to the bona fide initial offering prices of the Bonds to the public and sales of the Bonds appropriate for determination of the issue price of, and the yield on, the Bonds under the Internal Revenue Code of 1986, as amended, and such other documentation as and at the time requested by Bond Counsel.

LIMITED ROLE OF MUNICIPAL ADVISOR

The City has retained Baker Tilly Municipal Advisors, LLC, Columbus, Ohio (the “*Municipal Advisor*”), to provide financial advice in connection with the City’s issuance of the Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in the Preliminary Official Statement and final Official Statement. The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

QUESTIONS

Any questions concerning the Bonds should be addressed to the Finance Director of the City, whose contact information is listed below, or to the City’s Municipal Advisor, Baker Tilly Municipal Advisors, LLC (Brian Cooper – (614) 987-1681) or the City’s Bond Counsel, Bricker Graydon Wyatt LLP (Matt Stout – (614) 227-8861).

Dated: _____, 2026

Scott Bartter
Finance Director
City of Worthington, Ohio
6550 N. High St.
Worthington, Ohio 43085
Telephone: (614) 786-7352
E-Mail: Scott.Bartter@worthington.org

Attachment 1 to Official Notice of Sale

UNDERWRITER'S CERTIFICATE

\$4,350,000*

**CITY OF WORTHINGTON, OHIO
Various Purpose Bonds, Series 2026
(General Obligation – Limited Tax)**

Dated June 24, 2026*

CERTIFICATE OF ORIGINAL PURCHASER

[Competitive Sale Requirement Satisfied]

_____, [name of lead underwriter] [as Underwriter] [for itself and as representative of the Underwriters] for the bond identified above (the “Issue”), issued by the City of Worthington, Ohio (the “City”), based on its knowledge regarding the sale of the Issue, certifies as of this date as follows:

(1) **Issue Price.**

(A) As of the Sale Date, the reasonably expected initial offering price of the Issue to the Public by [name of underwriter] is the price listed in the Bid Form, dated [____], 2026, for the Issue (the “Offering Price”). The Offering Price is the price for the Issue used by [name of underwriter] in formulating its bid to purchase the Issue. Attached as Schedule A is a true and correct copy of the bid provided by [name of underwriter] to purchase the Issue.

(B) [name of underwriter] was not given the opportunity to review other bids prior to submitting its bid.

(C) The bid submitted by [name of underwriter] constituted a firm offer to purchase the Issue.

(D) The Offering Price of the Issue is \$[_____] (the “Issue Price”).

(E) Definitions.

“Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

“Sale Date” means the first day on which there is a binding contract in writing for the sale of the Issue. The Sale Date of the Issue is [____], 2026.

“Underwriter” means (i) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Issue to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Issue to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Issue to the Public).

* Preliminary, subject to change.

All capitalized terms not defined in this Certificate have the meaning set forth in the City's Tax Compliance Certificate or in Attachment A to it.

(2) **Information Return.** For purposes of the Information Return required by Section 149(e) to be filed in connection with the Issue, the Issue matures on December 1, 2046 and the CUSIP number of the Issue is _____.

The signer is an officer of [name of underwriter] and duly authorized to execute and deliver this Certificate of [name of underwriter]. The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [name of underwriter]'s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the City with respect to certain of the representations set forth in the Tax Compliance Certificate and with respect to compliance with the federal income tax rules affecting the Issue, and by Bricker Graydon Wyatt LLP, as bond counsel, in connection with rendering its opinion that the interest on the Issue is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the City from time to time relating to the Issue.

Dated: [___], 2026

[NAME OF UNDERWRITER]

By: _____

Title: _____

Attachment 1-II to Official Notice of Sale

\$4,350,000*

**CITY OF WORTHINGTON, OHIO
Various Purpose Bonds, Series 2026
(General Obligation – Limited Tax)**

Dated as of June 24, 2026*

CERTIFICATE OF ORIGINAL PURCHASER
[Competitive Sale Requirement Not Satisfied]

_____ (“[name of underwriter]”), [as Underwriter] for the bonds identified above (the “Issue”), issued by the City of Worthington, Ohio (the “City”), based on its knowledge regarding the sale of the Issue, certifies as of this date as follows:

(1) Issue Price.

[If the issue price is determined using only the general rule (actual sales of at least 10%) in Regulations § 1.148-1(f)(2)(i):

- (A) As of the date of this certificate, for the Issue, the first price at which at least 10% of the Issue was sold to the Public is the price listed in the Bid Form, dated [____], 2026, for the Issue (the “Issue Price”) at attached as Schedule A.
- (B) [Name of underwriter] was not given the opportunity to review other bids prior to submitting its bid.
- (C) The bid submitted by [name of underwriter] constituted a firm offer to purchase the Issue.

[If the issue price is determined using a combination of actual sales (Regulations § 1.148-1(f)(2)(i)) and hold-the-offering-price (Regulations § 1.148-1(f)(2)(ii)):

(A) As of the date of this certificate, for each portion of the Issue listed on Schedule A as the “General Rule Portion,” the first price at which at least 10% of such portion was sold to the Public is the respective price listed in Schedule A (the “Sale Price” as applicable to the General Rule Portion).

(B) On or before the Sale Date, [name of underwriter] offered the portion listed on Schedule A as the “Hold-the-Offering-Price Portion” to the Public for purchase at the initial offering price listed in the Bid Form, dated [____], 2026, for the Issue (the “Initial Offering Price” as applicable to the Hold-the-Offering-Price Portion). A copy of the pricing wire or equivalent communication for the Issue is attached to this certificate as Schedule B.

(C) As set forth in the Notice of Sale and bid award, [Name of underwriter] has agreed in writing that, (i) for the Hold-the-Offering-Price Portion, it would neither offer nor sell such portion to any person at a price that is higher than the Initial Offering Price for such portion during the Holding Period for such portion (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply

* Preliminary, subject to change.

with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter has offered or sold the Hold-the-Offering-Price Portion at a price that is higher than the respective Initial Offering Price for that portion of the Issue during the Holding Period.

(D) The Sale Price of the General Rule Portion and the Initial Offering Price of the Hold-the-Offering-Price Portion is \$[_____] (the “Issue Price”).]

[If the issue price is determined using only the hold-the-offering-price rule in Regulations § 1.148-1(f)(2)(ii):

(A) [Name of underwriter] offered, on or before the Sale Date, the Issue to the Public for purchase at the initial offering price listed in the Bid Form, dated [____], 2026, for the Issue (the “Initial Offering Price”). A copy of the pricing wire or equivalent communication for the Issue is attached to this certificate as Schedule B. The Initial Offering Price of the Issue is \$[_____] (the “Issue Price”).

(B) As set forth in the Notice of Sale and bid award, [Name of underwriter] has agreed in writing that, (i) for the Issue, it would neither offer nor sell any portion of the Issue to any person at a price that is higher than the Initial Offering Price for such portion during the Holding Period for such portion (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter has offered or sold any portion of the Issue at a price that is higher than the Initial Offering Price for that portion of the Issue during the Holding Period.

[(B),(E), or (C)] Definitions.

[Delete if general rule is used] – “Holding Period” means, for each Hold-the-Offering-Price Portion of the Issue, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date of [____], 2026, or (ii) the date on which [Name of underwriter] has sold at least 10% of the Issue to the Public at a price that is no higher than the Initial Offering Price.]

“Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

[Delete if general rule is used] – “Sale Date” means the first day on which there is a binding contract in writing for the sale of the Issue. The Sale Date of the Issue is [____], 2026.]

“Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Issue to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Issue to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Issue to the Public).

All capitalized terms not defined in this Certificate have the meaning set forth in the Issuer’s Tax Compliance Certificate or in Attachment A to it.

(2) **Information Return.** For purposes of the Information Return required by Section 149(e) to be filed in connection with the Issue, the Issue matures on December 1, 20__ and the CUSIP number of the Issue is _____.

The signer is an officer of [name of underwriter] and duly authorized to execute and deliver this Certificate of [name of underwriter]. The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [Name of underwriter]'s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Compliance Certificate and with respect to compliance with the federal income tax rules affecting the Issue, and by Bricker Graydon Wyatt LLP, as bond counsel, in connection with rendering its opinion that the interest on the Issue is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Issue.

Dated: [___], 2026

[UNDERWRITER]

By: _____

Title: _____

OFFICIAL STATEMENT
\$4,350,000*
CITY OF WORTHINGTON, OHIO
Various Purpose Bonds, Series 2026
(General Obligation - Limited Tax)



* Preliminary subject to change