ROBERT SPRAGUE

OHIO TREASURER

September 27, 2024

To: Municipal Securities Rulemaking Board
www.emma.msrb.org

RE: Annual Information Filing for the SIB State Transportation Infrastructure Bond Fund Program

In accordance with the continuing disclosure agreement made pursuant to SEC Rule 15c2-12(b), the State of Ohio herein provides annual financial information and operating data regarding the State Economic Development Revenue Bonds (State Bond Fund Program) as of and for the Fiscal Year ended June 30, 2024. This information is based in part on information received from the Ohio Department of Transportation. No representation is made as to the materiality or completeness of that information. Other information relating to Fiscal Year 2024 or to subsequent periods may exist that an investor would consider to be important when making an investment decision. No representation is made that this 2024 Annual Filing is indicative of financial or operating results of the State Bond Fund Program after June 30, 2024, or of future financial or operating results. **Please refer to Appendix I for a list of all the outstanding bonds and CUSIPs associated with this program.**

Any questions concerning this filing should be directed to the Office of Debt Management at (614) 466-7752.

Sincerely,

Robert Cole Sprague
Ohio Treasurer

30 EAST BROAD STREET · 9TH FLOOR · COLUMBUS, OHIO 43215
PHONE: (614) 466-2160 · WWW.OHIOTREASURER.GOV · FAX: (614) 644-7313

OHIO DEPARTMENT OF TRANSPORTATION
STATE TRANSPORATION INFRASTRUCTURE
BOND FUND PROGRAM
STATEMENT OF ANNUAL INFORMATION

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Information included in the Statement of Annual Information has been provided by the Ohio Department of Transportation ("ODOT") from its records, except for information expressly attributed to other sources. The presentation of information is intended to show recent historical information and is not intended to indicate future or continuing trends in the financial position or other affairs of ODOT or the State. No representation is made that past experience, as illustrated by the financial and other information, will necessarily continue to be repeated in the future. Reference should be made to laws, reports or documents referred to for more complete information regarding their contents.

INTRODUCTORY STATEMENT

The Ohio Treasurer (the "Treasurer") of the State of Ohio (the "State") has issued Bonds[1] within the State Transportation Infrastructure Bond Fund Program (the "State Program") identified in Appendix I, pursuant to the Trust Indenture dated as of September 1, 2006, between the State and The Huntington National Bank as Trustee (the "Indenture") as supplemented and amended. In connection with the issuance of the Bonds and pursuant to Securities and Exchange Commission Rule 15c2-12 (the "Rule") and the Indenture, the State agreed to provide or cause to be provided financial information and operating data (the "Annual Information"), audited financial statements and notices in such manner as may be required for purposes of paragraph (b)(5)(i) of the Rule (the "Continuing Disclosure Agreement"). The State has prepared and is providing this Statement of Annual Information in accordance with its Continuing Disclosure Agreement of the type included in the disclosure document relating to each series of the Bonds.

FINANCIAL STATEMENTS OF THE STATE

The audited financial statements for the State for its fiscal year ending June 30, 2023 are publicly available on the Ohio Auditor of State website at https://www.ohioauditor.gov.

[1] Any terms not defined herein have the meaning provided in the General Bond Order.

SUMMARY STATUS OF THE STATE PROGRAM
As of June 30, 2024

Purpose of the Program

The State Program was created to promote the development of roadway, rail, aviation, water, intermodal, transit and other transportation facilities. The State intends to accomplish this goal by enabling borrowers to benefit from the State's access to the national capital markets through the issuance of Bond Fund Bonds. The Bond Fund Bonds provide long-term and fixed-rate financing to the Contracting Parties. As the issuer for the State Program, the Treasurer issues bonds on a project-by-project basis.

Current Rating

The State Program is currently rated "AA+" by Standard & Poor's.

Key Facts

- No Common Fund Bonds are in default.
- No Common Fund Bonds have ever been in default.
- No Program Reserves have ever been accessed to cure a Borrower default.
- Pledge of State Infrastructure Bank – GRF:
    - Encumbered cash of $5,619,472;
    - Unencumbered cash of $14,084,757; and
    - Scheduled GRF Loan Repayments of $34,690,357 over calendar years 2024 through 2044.
- Program Reserve of $5,736,996.[2]
- Total Outstanding Bonds of $54,685,000.
- Bondholders are paid semi-annually.

History of Bond Issues

Since 2006, the State Program has completed thirteen bond issues totaling $86,310,000.

Past Payment Issues

No Contracting Party has ever failed to make their scheduled monthly payments.

[2] Program Reserve investments were marked to market on June 30, 2024.

SUMMARY DESCRIPTION OF SECURITY & RESERVES FOR THE STATE PROGRAM
As of June 30, 2024

State Infrastructure Bank – General Revenue Fund

Amounts in the State Infrastructure Bank ("SIB") General Revenue Fund ("GRF") may be used to pay Bond Service Charges. However, amounts in the SIB GRF may be expended or encumbered for any purpose consistent with and permitted by the Ohio Revised Code and may therefore not be available to pay Bond Service Charges on the Bond Fund Bonds.

Since inception, the SIB GRF Loan Program has made 97 loans totaling $118,646,523. As of June 30, 2024, 39 SIB GRF Loans totaling $28,231,460 of principal were outstanding. The SIB GRF Loan Program Repayments are expected to be used to make future SIB GRF Loans.

As of June 30, 2024, the SIB GRF assets included:

1. Cash balance of $19,704,229, of which approximately $5,619,472 is encumbered to identified borrowers; and,
2. Scheduled loan repayments of $34,690,357 from calendar years 2024 through 2044.

State Program Reserve Fund

The State Program Reserve Fund was initially funded in the amount of $5,000,000 by the State with proceeds from the State of Ohio Taxable Transportation Project Revenue Bonds (State Transportation Infrastructure Bond Fund) Series 2006-1. As a condition to the issuance of any series of Bond Fund Bonds, the Program Reserve Fund balance must be equal to the Program Reserve Requirement. The Program Reserve Requirement is the greater of (a) $5,000,000 or (b) five percent (5%) of the Outstanding Bonds.

State Covenant Relating to the Rating

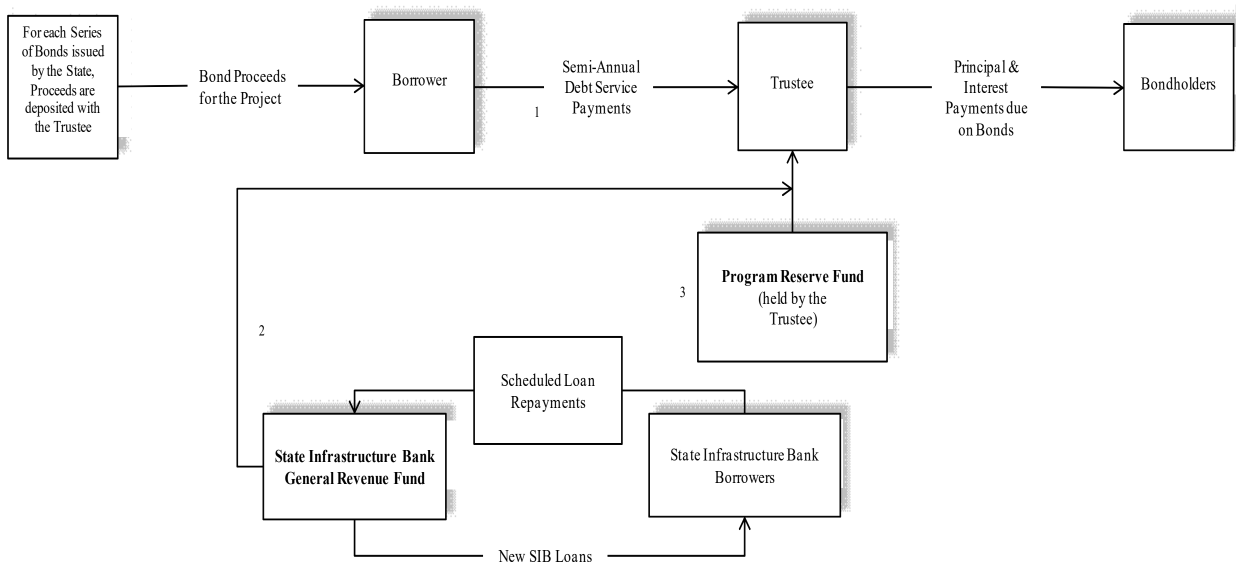
The State has covenanted to maintain a ratio of "Total Annual Cash Flows" to "Total Annual Debt Service" of not less than 1.20:1 while a Rating Service maintains a rating on any series of Bond Fund Bonds.

Covenant Relating to Insufficiency of Pledged Revenues

In the event the Pledged Revenues are insufficient to make payment of any Bond Service Charges when due and payable, or to maintain the Program Reserve Requirement in the Program Reserve Fund, the Director will notify the Governor of the State (the "Governor") of such insufficiency and will determine to what extent, if any, payment of Bond Service Charges may be made, or moneys may be restored to the Program Reserve Fund from lawfully available moneys previously appropriated to ODOT. If payment of Bond Service Charges are not made or the moneys are not immediately and fully restored to the Program Reserve Fund from such moneys, the ODOT Director is required to promptly submit to the Governor and to the Director of the Ohio Department of Budget and Management a written request for either or both of the following: (1) the biennial budget submitted by the Governor to the General Assembly include an amount to be appropriated from lawfully available moneys to ODOT for the purpose of and sufficient for the payment in full of Bond Service Charges previously due and for the full replenishment of the Program Reserve Fund; or (2) the General Assembly be requested to increase appropriations from lawfully available moneys for ODOT in the current biennium sufficient for the purpose of and for the payment in full of Bond Service Charges previously due and to come due in the biennium and for the full replenishment of the Program Reserve Fund.

SIMPLIFIED FLOW OF FUNDS

OHIO DEPARTMENT OF TRANSPORTATION
State Infrastructure Bank
Bond Fund Program



FLOW OF FUNDS

1. Borrower makes semi-annual debt service payments to the Trustee

IF A DEFAULT OCCURS

2. State Infrastructure Bank General Revenue Fund will be utilized.

3. Program Reserve Fund will be utilized.

Note: Collateral Proceeds Account, if any, will be used prior to all other funds.

SCHEDULED STATE TRANSPORTATION INFRASTRUCTURE REPAYMENTS

The SIB GRF Loan Repayments shown below are being generated from SIB GRF Loans made under the SIB GRF Loan Program. This repayment stream is pledged to the State Program.

The following table sets forth the scheduled SIB GRF Loan Repayments expected to be deposited in the State Infrastructure Bank from all loans outstanding under the SIB GRF Loan Program as of June 30, 2024. No assurance is given that all repayments will be received as scheduled.

Scheduled Repayments of the Existing SIB GRF Loan Portfolio[3]
As of June 30, 2024

Calendar Year	Repayments
2024	$ 2,147,397
2025	3,975,383
2026	3,338,401
2027	3,086,685
2028	2,860,141
2029	2,860,141
2030	2,647,634
2031	2,556,363
2032	2,245,554
2033	2,104,167
2034	1,682,233
2035	1,126,753
2036	984,728
2037	739,601
2038	535,874
2039	464,060
2040	323,201
2041	320,503
2042	320,280
2043	231,117
2044	140,140
Total:	**$34,690,357**

[3] Represents principal, interest, and administrative fee repayments from SIB GRF Loans. See Appendix IV – "Ohio Department of Transportation Existing SIB GRF Loan Borrower Description as of June 30, 2024" for further information regarding expected future Program Receipts. Total amount may not foot due to rounding.

APPENDIX I

SUMMARY OF OUTSTANDING BONDS
As of June 30, 2024

Contracting Party	Series	Purpose	CUSIP	Level of Government	Original Principal	Outstanding Principal	% of Bonds Outstanding	% of Total Bond Fund	Primary Reserve[4]	Final Maturity	Net Interest Cost	Maximum Annual Debt Service
City of Dayton	2014-1	Parking Facilities	67759T ER5 67759T ES3 67759T ET1 67759T EU8 67759T EV6 67759T EW4 67759T EX2 67759T EY0	City	$ 3,540,000	$ 2,335,000	65.96%	4.27%	$ -	11/15/2036	3.49%	$ 242,231
City of Cincinnati	2014-2	Road Improvements Parking Facilities	67759TDV7 67759TDW5 67759TDX3 67759TDY1 67759TDZ8	City	$ 2,940,000	$ 2,220,000	75.51%	4.06%	$ -	5/15/2039	3.75%	$ 199,613
City of Lorain	2014-3	Road Improvements	67759TCL0 67759TCM8 67759TCN6 67759TCP1 67759TCQ9 67759TCZ9 67759TDA3 67759TDB1	City	$ 7,165,000	$ 4,230,000	59.04%	7.74%	$ -	11/15/2034	3.40%	$ 492,019

(continued on next page)

[4] Does not include Program Reserve balance of $5,736,996 marked to market as of June 30, 2024.

APPENDIX I

SUMMARY OF OUTSTANDING BONDS
As of June 30, 2024 (continued)

Contracting Party	Series	Purpose	CUSIP	Government	Principal	Principal	Outstanding	Bond Fund	Reserve	Maturity	Cost	Debt Service
City of Ashtabula	2014-4	Road Improvements	67759TDK1 67759TDL9 67759TDM7 67759TDN5 67759TDP0 67759TDQ8	City	$ 4,010,000	$ 1,975,000	49.25%	3.61%	$ -	5/15/2030	3.07%	$ 366,610
City of Columbus	2016-1	Road Improvements	67759TFM5 67759TFN3 67759TFP8 67759TFQ6 67759TFR4	City	$ 7,900,000	$ 5,720,000	72.41%	10.46%	$ -	5/15/2036	2.91%	$ 582,500
Licking County TID	2017-1	Road Improvements	67759TFY9 67759TFZ6 67759TGA0 67759TGB8 67759TGC6 67759TGD4 67759TGE2	Transportation Improvement District	$ 4,745,000	$ 2,530,000	53.32%	4.63%	$ 389,383	11/15/2036	3.57%	$ 284,713

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APPENDIX I

SUMMARY OF OUTSTANDING BONDS
As of June 30, 2024 (continued)

Contracting Party	Series	Purpose	CUSIP	Level of Government	Original Principal	Outstanding Principal	% of Bonds Outstanding	% of Total Bond Fund	Primary Reserve[6]	Final Maturity	Net Interest Cost	Maximum Annual Debt Service
Akron-Canton Regional Airport Authority	2018-1	Airport Gate Expansion	67759TGJ1 67759TGK8 67759TGL6 67759TGM4 67759TGN2 67759TGP7	Regional Airport Authority	$ 15,680,000.00	$ 14,135,000.00	90.15%	25.85%	$ -	5/15/2043	4.07%	$ 1,115,475
Port of Greater Cincinnati Development Authority	2019-1	Parking Facilities	67759THA9 67759THB7 67759THC5 67759THD3 67759THE1 67759THF8 67759THG6 67759THH4 67759THJ0 67759THL5 67759THM3 67759THN1 67759THP6	Port Authority	$ 15,245,000.00	$ 13,165,000.00	86.36%	24.07%	$ -	11/15/2043	3.38%	$ 944,238

(continued on next page)

APPENDIX I

SUMMARY OF OUTSTANDING BONDS
As of June 30, 2024 (continued)

Contracting Party	Series	Purpose	CUSIP	Level of Government	Original Principal	Outstanding Principal	% of Bonds Outstanding	% of Total Bond Fund	Primary Reserve[7]	Final Maturity	Net Interest Cost	Maximum Annual Debt Service
Toledo-Lucas County Port Authority	2019-2	Seaport Foreign Trade Zone Improvement	67759THS0 67759THT8 67759THU5 67759THV3 67759THW1	Port Authority	$ 5,225,000.00	$ 4,275,000.00	81.82%	7.82%	$ -	5/15/2039	3.79%	$ 394,100
Toledo-Lucas County Port Authority	2021-1	Parking Facility	67759TJC3 67759TJD1 67759TJE9 67759TJF6 67759TJG4 67759TJH2 67759TJJ8 67759TJK5 67759TJL3 67759TJM1 67759TJN9 67759TJP4 67759TJQ2 67759TJR0 67759TJS8	Port Authority	$ 5,180,000.00	$ 4,100,000.00	79.15%	7.50%	$ -	11/15/2031	1.50%	$ 663,500
Totals					$ 71,630,000.00	$ 54,685,000.00	76.34%	100.00%	$ 389,383			

APPENDIX II

DEBT SERVICE REQUIREMENTS ON OUTSTANDING BONDS

The total of all Common Fund Bonds currently outstanding is $54,685,000. The following table sets forth the debt service requirements for all outstanding Common Fund Bonds as of June 30, 2024.[5]

Date	Total Principal	Total Interest	Total Debt Service
11/15/2024	$ 1,540,000	$ 1,080,143	$ 2,620,143
5/15/2025	1,570,000	1,052,099	2,622,099
11/15/2025	1,600,000	1,019,484	2,619,484
5/15/2026	1,630,000	986,206	2,616,206
11/15/2026	1,655,000	954,934	2,609,934
5/15/2027	1,700,000	923,128	2,623,128
11/15/2027	1,725,000	885,717	2,610,717
5/15/2028	1,775,000	847,706	2,622,706
11/15/2028	1,805,000	809,025	2,614,025
5/15/2029	1,850,000	769,691	2,619,691
11/15/2029	1,870,000	734,250	2,604,250
5/15/2030	1,935,000	698,428	2,633,428
11/15/2030	1,765,000	663,397	2,428,397
5/15/2031	1,815,000	631,303	2,446,303
11/15/2031	1,825,000	596,481	2,421,481
5/15/2032	1,545,000	561,525	2,106,525
11/15/2032	1,575,000	533,466	2,108,466
5/15/2033	1,595,000	504,825	2,099,825
11/15/2033	1,610,000	475,494	2,085,494
5/15/2034	1,645,000	446,016	2,091,016
11/15/2034	1,670,000	415,831	2,085,831
5/15/2035	1,455,000	385,200	1,840,200
11/15/2035	1,480,000	357,366	1,837,366
5/15/2036	1,510,000	329,047	1,839,047
11/15/2036	1,250,000	300,909	1,550,909
5/15/2037	1,045,000	276,544	1,321,544
11/15/2037	1,060,000	255,925	1,315,925
5/15/2038	1,085,000	235,022	1,320,022
11/15/2038	1,110,000	213,609	1,323,609
5/15/2039	1,125,000	191,678	1,316,678
11/15/2039	855,000	167,238	1,022,238
5/15/2040	875,000	149,113	1,024,113
11/15/2040	895,000	130,313	1,025,313
5/15/2041	915,000	111,050	1,026,050
11/15/2041	935,000	91,363	1,026,363
5/15/2042	955,000	71,213	1,026,213
11/15/2042	975,000	50,638	1,025,638
5/15/2043	995,000	29,600	1,024,600
11/15/2043	465,000	8,138	473,138
Total	**$ 54,685,000**	**$ 18,943,110**	**$ 73,628,110**

[5] Total amount may not foot due to rounding.

APPENDIX III

SUMMARY OF SECURITY AND DESCRIPTION OF PROJECTS

Contracting Party	Reserve[6]	Description of Security and Lien Position	Physical Description of the Project
City of Dayton **2014-1**	-	Pledge Non-Tax revenues Special Assessments payments are not pledged	Acquisition, construction, equipment and installation of a 428-space public parking facility.
City of Cincinnati **2014-2**	-	Pledge of TIF service payments Pledge of Non-Tax revenues of the City of Cincinnati	Acquisition, construction, equipment and installation of street improvements, a 240-space public parking facility and other public infrastructure associated with the Keystone Parke Development.
City of Lorain **2014-3**	-	Pledge of Street Repair Levy fund Other legally available funds will be used in the event of a payment shortfall	Resurfacing and reconstructing roadways as well as adding curbs, sidewalks, and other related improvements to 28 streets that have been graded low by the City of Lorain's engineering department.

(continued on next page)

[6] Does not include Program Reserve balance of $5,736,996 marked to market as of June 30, 2024.

APPENDIX III

SUMMARY OF SECURITY AND DESCRIPTION OF PROJECTS (continued)

Contracting Party	Reserve	Description of Security and Lien Position	Physical Description of the Project
City of Ashtabula **2014-4**	-	Pledge of the City of Ashtabula's Permanent Improvement Fund	Construction, repair, and installation of street improvements on various roadways and alleyways within the City of Ashtabula limits. The project will encompass several streets throughout the entire City of Ashtabula. The project included milling of existing asphalt, repairs to the street base if required, sewer manhole and storm catch basin repairs where required and relaying of asphalt. These streets will also be striped as a part of the Project. Additional curbing and sidewalk apron work will be performed where required.
City of Columbus **2016-1**	-	Pledge of unvoted general obligation and full faith and credit Pledge of TIF Service Payments	Construction of an "S" curve on Hamilton Road. Various improvements to State Route 161 including reconfiguring and improving the exit and entry ramps and relocation a portion of the road.
Licking County Transportation Improvement District **2017-1**	**$389,383**	Pledge of income tax revenues Pledge of the TIF service payments Pledge of Non-Tax revenues from Licking County and Etna Township	Street improvements, including the acquisition, construction, equipping, and installation of road improvements, right-of-way purchases and issuance costs associated with the widening of State Route 310 from Interstate 70 to US 40.

(continued on next page)

APPENDIX III

SUMMARY OF SECURITY AND DESCRIPTION OF PROJECTS (continued)

Contracting Party	Reserve	Description of Security and Lien Position	Physical Description of the Project
Akron-Canton Reginal Airport Authority **2018-1**	-	Pledge of Airport Revenues	Acquisition, construction, improvement, renovation, and equipping of nine boarding gates, passenger boarding bridges, a concrete aircraft parking apron and other airport facilities.
Port of Greater Cincinnati Development Authority **2019-1**	-	Pledge of Plum Street Garage Revenues Pledge of Elm Street Garage Revenues Pledge of Non-Tax Revenues from Port of Greater Cincinnati Development Authority	Acquisition, construction, improvement and installation of two parking facilities with 890 and 680 parking spaces, respectively.
Toledo-Lucas County Port Authority **2019-2**	-	Pledge of Non-Tax revenues of Toledo-Lucas County Port Authority	Construction, renovation, equipping and installation of improvements including replacement of waterlines, hydrants and service connections. Construction, installation and equipping of two buildings located in the Foreign Trade Zone.

(continued on next page)

APPENDIX III

SUMMARY OF SECURITY AND DESCRIPTION OF PROJECTS (continued)

Contracting Party	Reserve	Description of Security and Lien Position	Physical Description of the Project
Toledo-Lucas County Port Authority **2021-1**	-	Pledge of all Net Operating Income generated from the Parking Garage Revenues Pledge of all Net Operating Income generated from the Meter and Violation Revenues Pari Passu First Mortgage Non-Tax Revenues of Port Authority	Proceeds used by the Toledo-Lucas County Port Authority to refund previously issued bonds, the proceeds of which were used to acquire the Parking Facilities from the City of Toledo. The Parking Facilities include: (1) Port Lawrence Parking Garage, which is a 661 space parking garage; (2) Superior Street Parking Garage, which is a 1,030 space parking garage; and (3) Vistula Street Parking Garage, which is a 970 space parking garage. In addition, the Port Authority will purchase approximately 900 metered parking spaces throughout the downtown Toledo area. The Port Authority has engaged Republic Parking System, which is a third party parking consultant, who has recommended various improvements, which should improve the operating efficiencies of the Parking Facilities.

APPENDIX IV
Ohio Department of Transportation
EXISTING SIB GRF LOAN BORROWER DESCRIPTION
As of June 30, 2024

Loan	Borrower	Security or Repayment Sources		Outstanding Principal
1	City of Toledo	Pledge of General Revenues	$	223,575
2	City of Westlake	All TIF revenues, motor vehicle gasoline taxes, registration taxes, permissive taxes		3,860,020
3	Erie Ottawa Regional Airport, Ottawa County	All legally available non-tax revenues		937,881
4	City of Dayton	City non-tax revenues		1,731,491
5	City of Cincinnati	All TIF Revenues, non-tax revenues in the event of a shortfall		2,041,728
6	City of Huber Heights	TIF fund revenues, non-tax revenues in the event of a shortfall		2,388,995
7	Village of Ottawa	Income taxes		9,684
8	City of Warrensville Heights	Hotel/Motel Tax receipts & Motor vehicle gasoline taxes		278,470
9	Village of Hopedale	General obligation, Motor vehicle gasoline taxes & motor vehicle registration taxes		369,695
10	City of Lorain	Motor vehicle registration taxes & Street Levy Fund		270,801
11	Ottawa Village	Income Tax Fund		98,112
12	Twinsburg Township	JEDD Revenue & General Revenue Fund		779,351
13	City of Brookville, Montgomery County TID	Motor vehicle gasoline taxes, TIF revenues, & non-tax revenues in the event of a shortfall		1,528,657
14	City of East Liverpool	Pledge of the Street Capital Improvement Fund Revenues		140,077
15	Toledo-Lucas County Port Authority	Non-tax revenues of the Port Authority		1,406,916
16	City of Munroe Falls	Road and Bridge Fund		148,504
17	City of Lorain	Permissive License Tax and Street Levy Fund		444,610
18	City of New Philadelphia	Hangar Rent Revenues		344,662
19	City of Conneaut	Permit Fees, Street Department's portion of Income Tax, Gas License Tax, and General Fund Transfe		645,309
20	City of Huber Heights	Special Assessments and Non-Tax Revenues		936,746
21	City of Conneaut	Municipal Income Tax		94,431
22	City of Norton	Municipal Income Tax		78,165
23	City of Huber Heights	Special Assessments and Non-Tax Revenues		1,179,555
24	Village of Roseville	Municipal Income Tax		62,206
25	Village of Camden	Municipal Income Tax		261,625
26	Village of New Straitsville	Gas Tax		87,413
27	Twinsburg Township	General Fund		653,874
28	City of Deer Park	Gas Tax		368,437
29	Village Johnstown	Municipal Income Tax		5,744
30	Toledo-Lucas County Port Authority	Non-tax revenues of the Port Authority		1,422,018
31	City of Lorain	Permissive License Tax and Street Levy Tax		867,362
32	City of Forest Park	Gas Tax		2,400,010
33	Village of Hanover	Municipal Income Tax & Gas Tax		376,508
34	Fayette County	County non-tax revenues & TIF		-
35	City of Hillsboro	Municipal Income Tax		24,350
36	City of Toronto	Municipal Income Tax		2,000
37	City of Miamisburg	Gas Tax & Motor Vehicle Registration Receipts		-
38	City of Bedford	Municipal Income Tax		-
39	City of Zanesville	Property Taxes and Storm Water Fund Charges		1,762,477
			$	28,231,460

APPENDIX V
SIB GRF LOAN PORTFOLIO HISTORY
As of June 30, 2024

For the Period:	CY 2024	CY 2023	CY 2022	CY 2021	CY 2020	Total Since Inception (1996)
Principal Collected	$1,634,778	$3,194,338	$3,448,224	$3,170,502	$2,770,862	$71,262,727
Interest Collected	$460,124	$878,150	$957,610	$951,718	$903,512	$15,803,694
Total P & I Collected:	$2,094,902	$4,072,488	$4,405,834	$4,122,220	$3,674,373	$87,066,421
New Loans Originated:						
Number:	2	7	2	5	2	97
Principal Authorized:	$1,502,000	$7,564,741	$2,123,362	$5,221,045	$698,363	$118,646,523
Average Loan Amount:	$751,000	$1,080,677	$1,061,681	$1,044,209	$349,182	$1,223,160
Principal Released - Will not be Drawn: (7)						($12,996,245)
Matured Loans:						
Number:	0	2	2	2	0	30
Original Principal:	$0	$1,678,967	$1,790,739	$595,450	$0	$33,691,054
Prepaid Loans:						
Number:	3	0	0	1	3	26
Original Principal:	$1,817,443	$0	$0	$122,000	$586,327	$24,066,490
Loans Written Off:						
Number:	0	0	0	0	0	2
Principal:	$0	$0	$0	$0	$0	$2,903,555
Total Outstanding Loans:						
Number:	39	40	35	35	33	
Outstanding Principal:	$28,231,460	$28,874,359	$29,234,619	$30,511,711	$32,539,845	
Principal Not Drawn Yet - Active Loans: (8)	$6,156,092					
Current Loans:						
Number:	39	40	35	35	33	
Outstanding Principal:	$28,231,460	$28,874,359	$29,234,619	$30,511,711	$32,539,845	
Delinquent Loans (60-120 days) as of End of Calendar Year:						
Number:	0	0	0	0	0	
Outstanding Principal:	$0	$0	$0	$0	$0	
Delinquent Loans (Over 120 days) as of End of Calendar Year:						
Number:	0	0	0	0	0	
Outstanding Principal:	$0	$0	$0	$0	$0	

(7) Loan Principal on all loans that has been released (cancelled). Will not be drawn.

(8) Loan Principal committed to all outstanding loans that has not been drawn down as of 6/30/2024

APPENDIX VI

AUDITED FINANCIAL STATEMENTS OF SIGNIFICANT OBLIGORS
Available as of June 30, 2024

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AKRON-CANTON REGIONAL AIRPORT AUTHORITY
STARK AND SUMMIT COUNTIES, OHIO

SINGLE AUDIT

FOR THE YEAR ENDED
DECEMBER 31, 2023

Rea & associates

www.reacpa.com

OHIO AUDITOR OF STATE
KEITH FABER

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

Board of Trustees
Akron-Canton Regional Airport Authority
5400 Lauby Rd NW #9
North Canton, OH 44720

We have reviewed the *Independent Auditor's Report* of the Akron-Canton Regional Airport Authority, Stark and Summit Counties County, prepared by Rea & Associates, Inc., for the audit period January 1, 2023 through December 31, 2023. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Keith Faber
Auditor of State
Columbus, Ohio

June 25, 2024

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AKRON-CANTON REGIONAL AIRPORT AUTHORITY
STARK AND SUMMIT COUNTIES, OHIO
December 31, 2023
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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Akron-Canton Regional Airport Authority
Stark and Summit Counties, Ohio
5400 Lauby Rd. NW #9
North Canton, OH 44720

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Akron-Canton Regional Airport Authority (the Airport), Stark and Summit Counties, Ohio, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Airport'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 Akron-Canton Regional Airport Authority, Stark and Summit Counties, Ohio as of December 31, 2023, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Airport'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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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 Airport’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 Airport’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 pension and other post-employment benefit schedules, 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Airport's basic financial statements. The Schedule of Receipts and Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Schedule of Expenditures of Passenger Facility Charges required by the *Passenger Facility Charge Audit Guide for Public Agencies* are presented for purposes of additional analysis and are not a required part of the 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, these schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 11, 2024 on our consideration of the Airport'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 Airport'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 Airport's internal control over financial reporting and compliance.

Rea & Associates, Inc.

Rea & Associates, Inc.
Independence, Ohio
June 11, 2024

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The Airport

The Akron – Canton Regional Airport Authority, (the "Airport") was dedicated in 1946 and commercial air service began in 1948, when the Airport served 43,042 passengers. Today the Airport is the second entry portal to Northeast Ohio for air travelers. In 2023 the Airport continued to see a rebound in the amount of passengers served which had been significantly impacted by the COVID-19 Pandemic. The Airport served just over 686,000 passengers which was a 28% increase from 2022.

Pre-pandemic, the Airport offered 22 daily flights to 10 non-stop destinations and has one stop service to virtually anywhere in the world. The Airport offered an average of 12 daily flights during 2023. The Airport continually updates and improves its facilities to ensure our passengers have a great experience. The Airport recently completed a passenger gate replacement project to modernize our facility by replacing five older gates.

Overview of Financial Statements

The financial statements are presented in accordance with the accounting principles generally accepted in the United States of America, including GASB Statement No. 34. The statements are:

- Statement of Net Position
- Statement of Revenues, Expenses, and Changes in Net Position
- Statement of Cash Flows

The statements are prepared on the accrual basis and present all assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the Airport, both financial and capital, and short and long – term. They also present revenues and expenses of the Airport during the year, regardless of when cash was received or paid. Collectively, the statements provide information regarding the Airport's financial condition as of December 31, 2023 and the results of its operations and cash flows for the year then ended. Accompanying the statements are notes and required supplementary information that are integral parts to understanding the Airport's net position.

Financial Highlights

As of December 31, 2023, Operating Revenues increased 15% from the prior year but remain significantly lower compared to PreCOVID-19 pandemic levels. The Airport had increased revenues in all areas consisting of Charges for Services, Rent, Parking and Other Operating Revenues. Parking revenue, which is one of the airport's single largest revenue sources, increased nearly 38% from the prior year. Despite the continued reduction in revenue levels due to the COVID-19 pandemic, the Airport was able to meet all its debt service and financial obligations. Operating Expenses increased by 17% compared to the prior year in response to returning to more normalized operations. Overall expenses remain less than PreCOVID-19 pandemic amounts.

Statement of Net Position

The Statement of Net Position includes all assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the Airport using the accrual basis of accounting, which is similar to the accounting used by most private – sector institutions. Condensed information from the Airport's statements of net position, including comparative data from 2022 as follows:

(Table 1)
Net Position

	2023	2022
Assets		
Current Assets	$ 9,785,773	$ 7,835,871
Restricted Assets	6,084,602	7,418,260
Noncurrent Assets	191,927,060	202,755,993
Total Assets	207,797,435	218,010,124
Deferred Outflows of Resources		
OPEB	339,288	490
Pension	2,362,891	672,397
Total Deferred Outflow of Resources	2,702,179	672,887
Liabilities		
Current Liabilities	2,262,150	5,184,772
Noncurrent Liabilities	37,896,140	34,736,669
Total Liabilities	40,158,290	39,921,441
Deferred Inflows of Resources		
Leases	31,334,040	31,514,760
OPEB	39,347	578,281
Pension	6,885	2,009,251
Total Deferred Inflows of Resources	31,380,272	34,102,292
Net Position		
Net Investment in Capital Assets	127,381,501	136,635,220
Restricted Net Position	6,084,602	13,887,328
Unrestricted Net Position	5,494,949	(5,863,270)
Total Net Position	$ 138,961,052	$ 144,659,278

An analysis of significant changes in assets, liabilities and net position for the year ended December 31, 2023 is as follows:

Assets

Total assets decreased $10,212,689 from 2022 due primarily to the following factors.

- Reduction in Net OPEB Asset
- Increase in Accumulated Depreciation due to Capitalization of completed Projects
- Reduction in Long Term Lease Receivable

Liabilities

Total liabilities increased $236,849 due primarily to the following factors

- Addition of subscription obligations associated with GASB 96
- Increase in Net Pension Liability
- Increase was offset by a reduction in Projects Payable

Deferred Inflow of Resources and Deferred Outflows

The net pension liability (NPL) is reported by the Airport at December 31, 2023 and is reported pursuant to GASB Statement No. 68, "Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27." In 2018, the Airport adopted GASB Statement No. 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 Airport'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 the net pension asset and deferred outflows related to pension and OPEB.

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 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.

GASB 68 and 75 require the net pension liability (asset) and the net OPEB liability to equal the Airport'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 pension and OPEB 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 Airport is not responsible for certain key factors affecting the balance of this liability. 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 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 system *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 previously, 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 Airport's statements prepared on an accrual basis of accounting include an annual pension expense and annual OPEB expense for their proportionate share of each plan's *change* in net pension liability (asset) and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

GASB Statement No. 96 improves financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. The statement also enhances the relevance and reliability of the financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and discloses essential information about the arrangement. The note disclosure also allow the users to understand the scale and important aspects of the SBITA activities and evaluate the obligations and asset resulting from the SBITAs. These changes were incorporated into the Airport's 2023 financial statements; however, there was no effect on beginning net position. See Note 10 for further information.

Statement of Revenues, Expenses and Changes in Net Position

The Statement of Revenues, Expenses, and Changes in Net Position presents the operating results of the Airport, as well as the non - operating revenues and expenses. Federal Grant, Car Rental Facility Charge, Passenger Facility Charge and Interest income are considered non – operating revenues. Condensed information from the Airport's Statement of Revenues, Expenses, and Changes in Net Position, including comparative data from 2022 is as follows:

(Table 2)
Change in Net Position

	2023	2022
Operating Revenues	$ 7,877,368	$ 6,820,539
Operating Expenes (Including Depreciation)	22,030,683	18,900,832
Operating Income (Loss)	(14,153,315)	(12,080,293)
Net Non-Operating Revenues (Expenses)	8,455,089	9,829,714
Change in Net Position	(5,698,226)	(2,250,579)
Net Position Beginning of the Year	144,659,278	146,909,857
Net Position End of Year	$ 138,961,052	$ 144,659,278

An analysis of significant changes in revenues and expenses for the year ended December 31, 2023 is as follows:

Operating Revenues

The Airport had an increase in annual passenger traffic of 28% compared to 2022 due to new air service from existing air carriers. As a result, the Airport continued to see recovery in all operating revenue categories impacted by COVID 19. Operating revenues still remain about 15% off pre-pandemic levels which is consistent with passenger levels pre and post-pandemic.

Operating Expenses

Operating expenses less depreciation, OPEB expense and pension expense adjustments increased 3.3% from 2022. The airport has started to normalize its operations, which contributed to the increase in expenses year over year. The Airport continues to make deliberate efforts to reduce expenses within all departments to maintain financial discipline to the extent possible. OPEB expense and pension expense adjustments were very significant during 2022 resulting in a reduction of just over $1,196,759 in operating expenses. In 2023, the OPEB and pension expense adjustments were considerably less resulting in an increase of $188,342 in operating expenses.

Non-Operating Revenues

In 2023, the Airport requested and received less federal funding compared to the previous year. The decrease was due to the type of new construction projects awarded and commencement of construction previously awarded. The Airport however was awarded nearly $12 million in federal funds in 2023 from the Airport Improvement Program (AIP) for construction projects. The Airport was not awarded any additional federal funding related to COVID-19. Passenger Facility Charge (PFC) and Car Rental Facility Charge (CFC) funds increased compared to 2022 due to the increase in passenger levels. With the implementation GASB 87, the airport reported over $651,000 in interest in 2023 pertaining to existing ground and space leases.

Budget Summary

The annual budget is the main document used to estimate revenues and expenses for the year and helps track the actual progress. The Airport is not required to follow the budgetary requirements of the Ohio Revised Code.

Capital Asset and Long-Term Debt Activity

The Airport's capital asset acquisitions during the year were for equipment replacements and facility enhancements. The Airport completed projects associated with taxiway and roadway improvements as well as the construction of a new maintenance storage facility. The Airport's long-term debt was comprised of three revenue bond agreements, one with the Ohio Department of Transportation (ODOT) and two with S & T Bank at the end of the year. The Airport was issued $15,680,000 in debt via Airport Revenue Bonds with the Ohio Department of Transportation (ODOT) and issued $6,184,000 in debt via Airport Revenue Bonds with S&T Bank. These bonds were issued to fund a terminal concourse gate replacement project. Airport also refinanced long-term debt in the amount of $13,155,251 with S&T Bank originally held by the Huntington National Bank. As of December 31, 2023, the Airport had $33,087,231 in Airport Revenue Bonds outstanding. See notes 8 and 12 in the Notes to the Financial Statements for further information related to debt and capital assets, respectively.

The Airport has three equipment leases for equipment to maintain day-to-day operations. The Airport leases copiers, postage equipment and a vehicle. See note 9 in the Notes to the Financial Statements for further information related to these leases.

Current Issues

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Akron – Canton Regional Airport Authority. In addition, the impact on the Akron – Canton Regional Airport Authority's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

Contacting the Airport's Management

This financial report is designed to provide our users, investors and creditors with a general overview of the Airport's finances and to show the Airport's accountability for the money it receives. If you have questions about this report or need additional financial information contact James Krum, Vice President of Finance and Administration, at the Akron Canton Regional Airport, 5400 Lauby Road NW, Box 9, North Canton, OH. 44720.

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AKRON-CANTON REGIONAL AIRPORT AUTHORITY
STARK AND SUMMIT COUNTIES

STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2023

	2023
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	$ 8,134,834
Accounts Receivable	511,343
Accounts Receivable - Short Term Lease (GASB 87)	868,570
Interest Receivable - Leases (GASB 87)	150,134
Prepaid Expenses	120,892
Total Current Assets	9,785,773
Assets Restricted for Airport Improvement Projects:	
Cash and Cash Equivalents	5,859,019
Passenger Facility Charges Receivable	225,583
Total Assets Restricted for Airport Improvement Projects	6,084,602
Noncurrent Assets:	
Net Lease Assets (GASB 87)	12,393
Net SBITA Assets (GASB 96)	42,013
Long Term Lease Receivable (GASB 87)	31,403,922
Capital Assets:	
Airport Improvement Projects-In-Progress	7,411,190
Land and Land Improvements	52,831,216
Paving	134,998,751
Buildings	119,570,677
Vehicles and Equipment	26,129,155
Utility Systems	715,798
Less Accumulated Depreciation	(181,188,055)
Total Noncurrent Assets	191,927,060
TOTAL ASSETS	$ 207,797,435
DEFERRED OUTFLOW OF RESOURCES:	
Total Deferred Outflows of Resources - OPEB	$ 339,288
Total Deferred Outflows of Resources - Pension	2,362,891
Total Deferred Outflow of Resources	2,702,179
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	**$ 210,499,614**

The notes to the financial statements are an integral part of this statement

AKRON-CANTON REGIONAL AIRPORT AUTHORITY
STARK AND SUMMIT COUNTIES

STATEMENT OF NET POSITION (Continued)
AS OF DECEMBER 31, 2023

		2023
LIABILITIES:		
Current Liabilities:		
Accounts Payable	$	248,284
Projects Payable		52,654
Lease Obligations - Short Term (GASB 87)		6,739
SBITA Obligations - Short Term (GASB 96)		42,663
Accrued Payroll Expenses		799,475
Accrued Real Estate Taxes		64,251
Debt Due Within One Year		1,048,084
Total Current Liabilities		2,262,150
Long-Term Liabilities:		
Lease Obligations - Long Term (GASB 87)		14,456
Long-term Bonds Payable		32,039,147
Net Pension Liability		5,728,110
Net OPEB Liability		114,427
Total Long-Term Liabilities		37,896,140
TOTAL LIABILITIES	$	40,158,290
DEFERRED INFLOWS OF RESOURCES:		
Total Deferred Inflow of Resources - Leases (GASB 87)		31,334,040
Total Deferred Inflows of Resources - OPEB		39,347
Total Deferred Inflows of Resources - Pension		6,885
Total Deferred Inflows of Resources		31,380,272
Net Position:		
Net Investment in Capital Assets		127,381,501
Restricted for Airport Improvement Projects		6,084,602
Unrestricted Net Position		5,494,949
TOTAL NET POSITION		138,961,052
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	**$**	**210,499,614**

The notes to the financial statements are an integral part of this statement

AKRON-CANTON REGIONAL AIRPORT AUTHORITY
STARK AND SUMMIT COUNTIES

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023
Operating Revenues:	
Charges for Services	$ 2,819,299
Rent	1,051,696
Parking	2,828,610
Other Operating Revenues	1,177,763
Total Operating Revenues	7,877,368
Operating Expenses:	
Salaries	3,472,103
Payroll Fringe Benefits	1,240,275
Contract Services	1,686,928
Materials and Supplies	568,305
Utilities	805,181
Fuel	64,425
Insurance	130,728
Administrative	1,203,382
Depreciation and Amortization	12,859,356
Total Operating Expenses	22,030,683
Operating (Loss)	(14,153,315)
Nonoperating Revenues (Expenses):	
Non Operating Airport Revenue (Expense)	(45,038)
Federal Funds	7,130,570
Car Rental Facility Charge Revenue	404,257
Passenger Facility Charge Revenue	1,572,975
Interest Earned- (GASB 87)	651,101
Interest Earned	164,739
Interest Expense - (GASB 87)	(678)
Interest Expense - (GASB 96)	(2,084)
Interest Expense	(1,420,753)
Total Net Non-operating Revenues (Expenses)	8,455,089
Change in Net Position	(5,698,226)
Net Position - January 1	144,659,278
Net Postion - December 31	**$ 138,961,052**

The notes to the financial statements are an integral part of this statement

AKRON-CANTON REGIONAL AIRPORT AUTHORITY
STARK AND SUMMIT COUNTIES

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023
Cash Flows from Operating Activities:	
Cash Received from Customers	$ 7,792,374
Cash Payments to Suppliers for Goods and Services	(7,528,262)
Cash Payments to Employees for Services	(4,460,776)
Net Cash Used in by Operations	**(4,196,664)**
Cash Flows from Capital and Related Financing Activities:	
Receipts from Passenger Facility Charge	1,478,448
Receipts from Car Rental Facility Charge	404,257
Grants	3,116,774
Grants - CARES, CRRSA, ARPA	5,742,298
Non Operating Revenue (Expense)	(45,038)
Acquisition of Construction of Capital Assets	(2,359,427)
Debt Principal Paid	(994,141)
Interest Paid	(1,466,409)
Net Cash Used in Capital and Related Financing Activities	5,876,762
Cash Flows from Investing Activities:	
Interest Received	164,739
Net Cash Provided by Investing Activities	164,739
Net Increase (Decrease) in Cash and Cash Equivalents	1,844,837
Cash and Cash Equivalents - January 1	12,149,015
Cash and Cash Equivalents - December 31	**13,993,852**
Statement of Net Position Classification	
Cash and Cash Equivalents	$ 8,221,468
Restricted Cash and Cash Equivalents	5,772,385
Total Cash and Cash Equivalents	**$ 13,993,853**
Reconcilation of Net Operating Loss to Net Cash From Operating Activities	
Cash Flows from Operating Activities:	
Operating (Loss)	(14,153,315)
Adjustments to Reconcile Operating Income to Cash Flows from Operating Activities:	
Depreciation and Amortization	12,859,356
(Increase) Decrease in Accounts Receivable	(84,994)
(Increase) Decrease in Prepaid Assets	(31,003)
(Increase) Decrease in Net OPEB Asset	555,205
(Increase) Decrease in Deferred Outflows Related to Pension	(1,690,494)
(Increase) Decrease in Deferred Outflows Related to OPEB	(338,798)
Increase (Decrease) in Accounts Payable	(1,994,433)
Increase (Decrease) in Project Payable	(1,044,913)
Increase (Decrease) in Payroll related Liabilities	63,260
Increase (Decrease) in Real Estate Taxes	1,036
Increase (Decrease) in Net Pension Liability	4,089,302
Increase (Decrease) in OPEB Liability	114,427
Increase (Decrease) in Deferred Inflows Related to Pension	(2,002,366)
Increase (Decrease) in Deferred Inflows Related to OPEB	(538,934)
Total Adjustments	9,956,651
Net Cash Used in Operating Activities	**$ (4,196,664)**

The notes to the financial statements are an integral part of this statement

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. DESCRIPTION OF THE ENTITY

Akron-Canton Regional Airport (the Airport) was founded in 1946, as a governmental entity, for the purpose of operating an airport facility serving commercial carriers and industrial concerns. The Akron-Canton Regional Airport Authority was created by resolution of the County Commissioners of Stark and Summit Counties of Ohio in 1964. The Airport is governed by a Board of Trustees consisting of representatives from both Stark and Summit Counties.

The Airport's financial reporting entity has been defined in accordance with Governmental Accounting Standards Board (GASB) Statements. The financial statements include all departments and operations for which the Airport is financially accountable. Financial accountability exists if a primary government/component unit appoints a majority of an organization's governing board and is able to impose its will on that organization. Financial accountability may also be deemed to exist if there is a potential for the organization to provide financial benefit to, or impose financial burdens on, the primary government/component unit. On this basis, no governmental organizations other than the Airport itself are included in the financial reporting entity.

B. BASIS OF ACCOUNTING

The Airport uses "fund accounting" 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 Airport 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 Airport has one fund which is categorized as a proprietary fund. Proprietary funds are used to account for the Airport's ongoing activities which are similar to those found in the private sector. The following is the Airport's proprietary fund type:

Enterprise Fund - A fund used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The accounting and financial reporting treatment applied to the Airport's fund is determined by their measurement focus. The Airport's enterprise fund, uses a flow of economic resources measurement focus. This measurement focus emphasizes the determination of net income. The Airport uses the accrual basis of accounting, which records revenue when earned and measurable and expenses when the liability is incurred.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF ACCOUNTING (Continued)

Property and Equipment

Property and Equipment – The Airport's capitalization threshold is $3,000. Substantially all of the Airport's grounds and runways were contributed by the U.S. Government at the time the Airport was founded. These assets were recorded at their estimated fair value as of the date the contributions were made. Property and equipment acquired subsequent to the Airport's inception is carried at cost. Donated capital assets are recorded at their acquisition value as of the date received.

Renewals and betterments are capitalized. The cost of maintenance and repairs are charged to expense accounts as incurred.

Depreciation is computed using the straight-line method over the following estimated useful lives:

Paving	3-30 years
Buildings	10-20 years
Vehicles and equipment	3-15 years
Utility systems	5-20 years

The Airport is reporting intangible right to use assets related to leased equipment and vehicles. These intangible assets are being amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Subscription Liabilities

The Airport has outstanding subscription-based information technology arrangements. Due to the implementation of GASB 96, these arrangements plus prior year subscription-based information technology arrangements have met the criteria of subscription liabilities thus requiring them to be recorded by the Airport. The future subscription payments were discounted based on the interest rate implicit in the agreement or by using the Airport's incremental borrowing rate. This discount is being amortized using straight-line method over the life of the arrangement.

Compensated Absences – The Airport accounts for compensated absences in accordance with GASB Statement No. 16. Sick leave and other compensated absences with similar characteristics are accrued as a liability based on the sick leave accumulated at the Statement of Net Position date by those employees who currently are eligible to receive termination payments. To calculate the liability, those accumulations are reduced to the maximum amount allowed as a termination payment. All employees who meet the termination policy of the Airport for years of service are included in the calculation of the Accrued Payroll Expenses accrual amount.

Vacation leave and other compensated absences with similar characteristics are accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

1. The employees' rights to receive compensation are attributable to services already rendered and are not contingent on a specific event that is outside the control of the employer and employee.
2. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF ACCOUNTING (Continued)

Assets Restricted for Airport Improvement Projects – Cash and cash equivalents, and investments funded by federal grant monies, along with passenger facility charges receivable, are restricted for use in various capital projects. Such deposits, along with passenger facility charges receivable, are not available for use in the general operations of the Airport. When both restricted and unrestricted are available for use, it is the Airport's policy to use restricted resources first, then unrestricted resources as they are needed.

Cash and Cash Equivalents –The Airport considers all highly liquid investments with a maturity of three months or less to be cash equivalents. STAR Ohio (the State Treasury Asset Reserve of 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 Securities and Exchange Commission (SEC) as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, Certain External Investment Pools and Pool Participants. The Airport measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value. For 2023 there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, twenty-four hours advance notice is appreciated for deposits and withdrawals for $100 million or more. STAR Ohio reserves the right to limit the transactions to $250 million per day, requiring the excess amount be transacted the following business day(s), but only to the $250 million limit. All account participants will be combined for these purposes.

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

Accounting and Reporting for Nonexchange Transactions – The Airport accounts for nonexchange transactions in accordance with GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions. Nonexchange transactions occur when the Airport receives (or gives) something of value without giving (or receiving) equal value in return. As such, and in conformity with GASB Statement No. 33, the Airport has recognized grant funds expended for capitalizable property and equipment as revenues and the related depreciation thereon, as expenses in the accompanying financial statements.

Deferred Outflows / Inflows of Resources – In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the Airport, there were no deferred outflows of resources to report other than OPEB and pension deferred outflows. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF ACCOUNTING (Continued)

resources (revenue) until that time. For the Airport, there were no deferred inflows of resources to report other than OPEB, pension and lease deferred inflows.

Operating Revenues and Expenses – Operating revenues are those revenues that are generated directly from primary activities. For the Airport, these revenues are charges for services, lease rents, parking and other operating revenues. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the Airport. Revenues and expenses which do not meet these definitions are reported as non-operating.

Net Position – Net position represents the difference between all other elements of the statement of net position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other Airport Improvement Projects include resources from federal and state grants restricted for specified purposes.

Use of Accounting Estimates – Management uses estimates and assumptions in preparing financial statements in accordance with Generally Accepted Accounting Principles (GAAP). These estimates and assumptions affect the reported amounts in the financial statements and accompanying notes. Actual results could vary from the estimates that were used.

Implementation of New Accounting Principles

GASB Statement No. 94 improves financial reporting by establishing the definitions of public-private partnership arrangements and availability payment arrangements as well as provides uniform guidance on accounting and financial reporting for transactions that meet the definition. The implementation of GASB Statement No. 94 did not have an effect on the financial statements of the Airport.

GASB Statement No. 96 improves financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. The statement also enhances the relevance and reliability of the financial statements by requiring a government to report a subscription asset and subscription liability for SBITA and disclose essential information about the arrangement. The note disclosures also allow the user to understand the scale and important aspects of the SBITA activities and evaluate the obligations and assets resulting from the SBITAs. These changes were incorporated into the Airport's financial statements; however, there was no effect on beginning net position.

2. CASH AND CASH EQUIVALENTS

The investment and deposit of Airport monies are governed by the provisions of the Ohio Revised Code. In accordance with these statutes, only financial institutions located in Ohio and domestic building and loan associations are eligible to hold public deposits. The statutes also permit the Airport to invest its monies in certificates of deposit, commercial paper, savings accounts, money market accounts, the State Treasurer's Asset Reserve investment pool (STAR Ohio) and obligations of the United States government or certain agencies thereof. The Airport may also enter into repurchase agreements with any eligible depository or any eligible dealer who is a member of the National Association of Securities Dealers for a period not exceeding thirty days. The Airport is

2. CASH AND CASH EQUIVALENTS (Continued)

prohibited from investing in any financial instrument, contract, or obligation whose value or return is based upon or linked to another asset or index, or both, separate from the financial instrument, contract, or obligation itself (commonly known as a derivative). The Airport is also prohibited from investing in reverse repurchase agreements.

Deposits with Financial Institutions

At December 31, 2023, the carrying amount of the Airport's deposits was $13,907,518, excluding petty cash deposits of $310. The bank balance was $14,244,057 at December 31, 2023. Deposits with financial institutions were covered by federal depository insurance and/or were collateralized by a pool of securities maintained by the Airport's financial institutions but not in the Airport's name.

Custodial credit risk is the risk that, in the event of bank failure, the Airport will not be able to recover deposits or collateral securities that are in the possession of an outside party. Ohio law requires that deposits either be insured or protected by: (1) eligible securities pledged to the Airport and deposited with a qualified trustee by the financial institution as security for repayment, whose market value at all times shall be at least 105 percent of the deposits being secured; or (2) participation in the OPCS, a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a reduced rate set by the Treasurer of State. The Airport has no deposit policy for custodial credit risk beyond the requirements of the State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the Airport to a successful claim by the FDIC.

The securities must be obligations of or guaranteed by the United States and must mature or be redeemable within five years of the date of the related repurchase agreement. The market value of the securities, subject to a repurchase agreement, must exceed the value of the principal by 2% and be marked to market daily.

Credit Risk: STAR Ohio carries a rating of AAAm by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The Airport's investment policy does not specifically address credit risk beyond requiring the Airport to only invest in securities authorized by State statue.

Concentration of Credit Risk: The Airport'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 class of securities. The following table includes the percentages of each investment held by the Airport at December 31, 2023:

Measurement / Investment Type	Measurement Amount	% of Total
December 31, 2023		
Net Asset Value (NAV) STAR Ohio	$86,025	100%

3. INSURANCE COVERAGES

As of December 31, 2023, the Airport had general liability insurance coverage of $50,000,000 for each occurrence and in the aggregate; director and officer liability coverage of $5,000,000 per loss and in the aggregate; vehicle liability coverage with a combined single limit of $1,000,000; public officials' coverage of $5,000,000 per loss and in the aggregate; environmental impairment coverage of $1,000,000 per loss and in the aggregate and cyber liability insurance coverage of $1,000,000 for each occurrence and in aggregate. The risks of loss exposed to the Airport include theft, fire, errors and omissions, and general liability. There has been no reduction in insurance coverage during the year ending December 31, 2023. Settlement costs have not exceeded coverage in the past three years.

4. VACATION BENEFITS

Employees hired on or before January 1, 1996 earn two weeks of vacation annually during their first five years of service plus an additional week for every five years thereafter, up to a maximum of six weeks. Employees hired after January 1, 1996 can earn a maximum of five weeks of vacation. Vacation leave may, upon approval, be carried over for up to three years. As of December 31, 2023, the accrual for vacation benefits totaled $372,305 and is included in the Accrued Payroll Expense in the accompanying Statement of Net Position.

5. DEFINED BENEFIT PENSION PLAN

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 Airport'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 Airport's obligation for this liability to annually required payments. The Airport cannot control benefit terms or the manner in which pensions are financed; however, the Airport 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.

5. DEFINED BENEFIT PENSION PLAN (Continued)

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 accrued personnel costs on both the accrual and modified accrual bases of accounting.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description – Airport employees, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. Airport employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

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 ACFR referenced above for additional information):

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

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

5. DEFINED BENEFIT PENSION PLAN (Continued)

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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

	2022 State and Local
Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
Actual Contribution Rates	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits	0.0
Total Employer	14.0 %
Employee	10.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Airport’s contractually required contribution for the period ended December 31, 2023 was $420,821. 100% has been contributed for 2023. Of this amount, $0 is reported as accrued salaries payable.

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

The net pension liability for OPERS was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Airport's proportion of the net pension liability was based on the Airport's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	2023
Proportionate Share of the Net Pension Liability	$5,728,110
Proportion of the Net Pension Liability	0.019391%
Pension Expense	$817,259
Change in Proportion from Prior Year	0.000555%

5. DEFINED BENEFIT PENSION PLAN (Continued)

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

	OPERS 2023
Deferred outflow of resources	
Net difference between projected and actual earnings on pension plan investments	$ 1,632,691
Differences between expected and actual experience	190,264
Changes in proportion and differences between Airport contributions and proportionate share of contributions	58,602
Changes in assumptions	60,513
Airport's contributions subsequent to the measurement date	420,821
Total	**$ 2,362,891**
Deferred inflows of resources	
Net difference between projected and actual earnings on pension plan investments	$ -
Differences between expected and actual experience	-
Changes in proportion and differences between Airport contributions and proportionate share of contributions	6,885
Changes in assumptions	-
Airport's contribution subsequent to the measurement date	-
Total	**$ 6,885**

$420,821 reported as deferred outflows of resources related to pension resulting from Airport contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	
2024	$254,462
2025	400,335
2025	480,582
2027	799,806
Total	$1,935,185

Actuarial Assumptions - OPERS

OPERS' total pension asset and liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit

5. DEFINED BENEFIT PENSION PLAN (Continued)

retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disability, retirements, employment termination). 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 employees, 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 calculating the total pension liability in the latest actuarial valuation, prepared as of December 31, 2022, are presented below:

	2022
Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including w age inflation
COLA or Ad Hoc COLA	3.00 percent, simple through 2023 then 2.05 percent
Investment Rate of Return	6.9 percent
Actuarial Cost Method	Individual Entry Age

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

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

The long-term 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 real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

5. DEFINED BENEFIT PENSION PLAN (Continued)

During 2022 OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annualized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 12.1% for 2022.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2022 and the long-term expected real rates of return:

Asset Class	Target Allocation	2022 Long Term Expected Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	22.00 %	2.62 %
Domestic Equities	22.00	4.60
Real Estate	13.00	3.27
Private Equity	15.00	7.53
International Equities	21.00	5.51
Risk Parity	2.00	4.37
Other investments	5.00	3.27
Total	100.00 %	

Discount Rate The discount rate used to measure the total pension liability was 6.9 percent, post experience study results, for the Traditional Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future 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 Airport's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the Airport'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 Airport'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:

5. DEFINED BENEFIT PENSION PLAN (Continued)

		1% Decrease (5.9%)	Current Discount Rate (6.9%)	1% Increase (7.9%)
2023	Airport's proportionate share of the net pension liability	$8,580,518	$5,728,110	$3,355,419

6. DEFINED BENEFIT OPEB PLAN

Pensions/Other Postemployment Benefit (OPEB)

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

Net OPEB Liability/(Asset)

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 net OPEB liability/(asset) represents Akron - Canton Regional Airport Authority'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 Akron – Canton Regional Airport Authority's obligation for this liability/(asset) to annually required payments. The Airport cannot control benefit terms or the manner in which OPEB are financed; however, The Airport does receive the benefit of employees' services in exchange for compensation including OPEB.

GASB 75 assumes the liability/(asset) 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.

6. DEFINED BENEFIT OPEB PLAN (Continued)

Plan Description

The Akron – Canton Regional Airport Authority's employees participate in the Ohio Public Employee Retirement System of Ohio (OPERS), which is a cost-sharing, multiple-employer retirement plan. OPERS maintains one health care trust, the 115 Health Care Trust (115 Trust), which was established in 2014 to initially provide a funding mechanism for a health reimbursement arrangement (HRA), as the prior trust structure could not support the HRA. In March 2016, OPERS received two favorable rulings from the Internal Revenue Service (IRS) allowing OPERS to consolidate health care assets into the 115 Trust. The 401(h) Health Care Trust (401(h) Trust) was a pre-funded trust that provided health care funding for the eligible members of the Traditional Pension Plan and the Combined Plan through December 31, 2015, when plans funded through the 401(h) Trust were terminated. The Voluntary Employees' Beneficiary Association (VEBA Trust) accumulated funding for retiree medical accounts for participants in the Member- Directed Plan through June 30, 2016. The 401(h) Trust and VEBA Trust were closed as of June 30, 2016 and the net position transferred to the 115 Trust on July 1, 2016. Beginning in 2016, the 115 Trust, established under the Internal Revenue Code (IRC) Section 115, is the funding vehicle for all health care plans. The Plan is included in the report of OPERS which can be obtained by visiting www.opers.org or by calling (800) 222-7377.

Funding Policy - The Ohio Revised Code Chapter 145 authorizes OPERS to offer the Plan and gives the OPERS Board of Trustees discretion over how much, if any, of the health care costs will be absorbed by OPERS. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14.00% of covered payroll. For the year ended December 31, 2022, in the Traditional Plan OPERS allocated 0% of employer contributions to post-employment health care.

Net OPEB Liability/ (Asset)

The net OPEB liability/(asset) was measured as of December 31, 2022, and the total OPEB liability/(asset) used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of that date. The Akron – Canton Regional Airport Authority's proportion of the net OPEB liability/(asset) was based on the Akron – Canton Regional Airport Authority's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share:

	2023
Proportionate Share of the Net OPEB Liability (Asset)	$ 114,427
Proportion of the Net OPEB Liability (Asset)	0.018148%
Increase in % from prior proportion measured	0.000422%
OPEB Expense Decrease	$ (208,098)

6. DEFINED BENEFIT OPEB PLAN (Continued)

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

	2023
Deferred outflow of resources	
Net difference between projected and actual earnings on pension plan investments	$ 227,255
Differences between expected and actual experience	-
Changes in proportion and differences between Airport contributions and proportionate share of contributions	270
Changes in assumptions	111,763
Airport's contributions subsequent to measurement date	-
Total	$ 339,288
Deferred inflows of resources	
Net difference between projected and actual earnings on pension plan investments	$ -
Differences between expected and actual experience	28,542
Changes in proportion and differences between Airport contributions and proportionate share of contributions	1,609
Changes in assumptions	9,196
Airport's contributions subsequent to measurement date	-
Total	$ 39,347

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:	
2024	$36,077
2025	83,214
2026	70,867
2027	109,783
Total	$299,941

6. DEFINED BENEFIT OPEB PLAN (Continued)

Actuarial Assumptions - OPERS

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:

Key Methods and Assumptions Used in Valuation of Total OPEB Liability

Actuarial Information	Traditional Pension Plan
Valuation Date	December 31, 2021
Rolled-forward measurement date	December 31, 2022
Experience Study	5 year period ended December 31, 2020
Actuarial Cost Method	Individual Entry age
Actuarial Assumptions	-
current measurement period	6.00%
Investment Rate of Return	6.00%
Single Discount Rate prior measurement period	5.22%
Municipal Bond Rate	4.05%
Wage Inflation	2.75%
Projected Salary Increase	5.5% initial, 3.50% ultimate in 2036

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

A single discount rate of 5.22% as used to measure the OPEB liability on the measurement date of December 31, 2022; however the single discount rate used at the beginning of the year was 6%. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met).

6. DEFINED BENEFIT OPEB PLAN (Continued)

This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 4.05%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2054. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rates was applied to all health care cost after that date.

The following table presents the OPEB liability/(asset) calculated using the single discount rate of 5.22%, and the expected net OPEB liability/(asset) if it were calculated using a discount rate that is 1.0% lower or 1.0% higher than the current rate.

		1% Decrease (4.22%)	Current Discount Rate (5.22%)	1% Increase (6.22%)
2023	Airport's proportionate share of the net OPEB liability/(asset)	$389,456	$114,427	($112,518)

Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability/(asset). The following table presents the net OPEB liability/(asset) calculated using the assumed trend rates, and the expected net OPEB liability/(asset) if it were calculated using a health care cost trend rate that is 1.0% lower or 1.0% higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

	1% Decrease 4.50 % decreasing to 2.50 %	Current Discount 5.50% decreasing to 3.50%	1% Increase 6.5% decreasing to 4.50%
Airport's proportionate share of the net OPEB liability/(asset	$107,255	$114,427	$122,499

6. DEFINED BENEFIT OPEB PLAN (Continued)

The allocation of investment assets within the Health Care portfolio is approved by the Board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. The System's primary goal is to achieve and maintain a fully funded status for benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2022 and the long-term expected real rates of return.

2022 Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00 %	2.56 %
Domestic Equities	26.00	4.60
Real Estate	7.00	4.70
International Equities	25.00	5.51
Risk Parity	2.00	4.37
Other investments	6.00	1.84
Total	100.00 %	

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 real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, 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 15.6% for 2022.

7. DEFERRED EMPLOYEE BENEFITS

Deferred employee benefits consist exclusively of accrued sick leave. Full-time employees accumulate ten hours of sick leave for each completed month in active pay status. Part-time employees accrue sick leave on a proportionate basis. Upon retirement, employees are paid for accrued sick leave, up to a maximum of 960 hours. Employees qualify for this payment upon retirement by having at least five years of service with the Airport and being eligible to receive OPERS retirement benefits.

8. LONG-TERM LIABILITIES

The changes in the Airport's long-term obligations during 2023 were as follows:

Name	Principal Outstanding 12/31/2022	Additions	Deductions	Principal Outstanding 12/31/2023	Due in One Year
S&T Bank Series A 2018	12,573,861	-	382,526	12,191,335	399,422
S&T Bank Series B 2018	5,787,220	-	156,615	5,630,605	163,663
SIB Series A 2018	14,830,000	-	455,000	14,375,000	485,000
SIB Series A 2018 Premium	935,947	-	45,656	890,291	45,656
Lease Obligations	10,630	16,244	5,679	21,195	6,739
Subscription Obligations	-	42,663	-	42,663	42,663
Net OPEB Liability	-	114,427	-	114,427	-
Net Pension Liability	1,638,808	4,089,302	-	5,728,110	-
Totals	**$ 35,776,466**	**$ 4,262,636**	**$ 1,045,476**	**$ 38,993,626**	**$ 1,143,143**

Airport Bonds - During 2010, the Airport along with Huntington Bank reissued the 2007 Airport Revenue Bonds. The Bonds bear interest at a variable rate and mature on January 1, 2031. In 2018 the Airport refinanced these bonds with S & T Bank as part of larger financing deal. These bonds are now S & T Bank Series A 2018. The total amount of Airport Bonds refunded was $13,155,251.

S & T Bank Series A – These bonds were issued in 2018 to refinance the existing Revenue Bonds held by Huntington Bank. The amount of the new bonds issued was $14,027,150. This included the $13,155,251 in Airport Bonds that were refunded. The remainder of the issuance went towards fees associated with the transaction and breakage of an interest rate swap agreement associated with the Airport Bonds. Payments on these bonds are due monthly. Principal payments are due as follows. Interest payments are per current schedule.

8. LONG-TERM LIABILITIES (Continued)

Year Ending December 31,	Principal Payment	Interest Payment
2024	$ 399,422	$ 520,020
2025	417,064	502,377
2026	435,486	483,956
2027	454,721	464,721
2028	474,806	444,636
2029-2033	2,707,763	1,889,446
2034-2038	3,360,981	1,236,227
2039-2043	3,941,092	426,255
Total	**$ 12,191,335**	**$ 5,967,638**

S &T Bank Series B 2018 – These bonds were issued in 2018 on behalf of the Airport to help fund the passenger gate replacement project that commenced in late 2018. The total amount of bonds issued was $6,184,000. Payments on these bonds will be due monthly starting in April 2020. The Airport will make monthly interest payments based on the amount of funds drawdown at the end of each month.

Year Ending December 31,	Principal Payment	Interest Payment
2024	$ 163,663	$ 245,028
2025	171,028	237,663
2026	178,724	229,966
2027	186,797	221,923
2028	195,172	213,518
2029-2033	1,115,787	927,665
2034-2038	1,390,490	652,963
2039-2043	1,732,823	310,630
2044-2045	496,121	14,712
Total	**$ 5,630,605**	**$ 3,054,068**

State of Ohio Infrastructure Bank Series A 2018 - These bonds were issued in 2018 on behalf of the Airport to help fund the passenger gate replacement project that commenced in late 2018. Payments on these bonds will be due semi - annually starting in May 2021. The Airport will make interest only payments on a semi – annual basis until May 2021 per schedule. The $16,798,571 balance associated with these bonds is comprised of two parts. The principal amount of these Revenue Bonds is $15,680,000. The remaining $1,118,571 is for the Bond Premium Payable associated with this borrowing. The Bond Premium Payable will be amortized over the life of the borrowing.

8. LONG-TERM LIABILITIES (Continued)

Year Ending December 31,	Principal Payment	Interest Payment
2024	$ 485,000	$ 630,475
2025	505,000	605,975
2026	530,000	580,475
2027	555,000	553,600
2028	585,000	525,475
2029-2033	3,295,000	2,265,638
2034-2038	3,995,000	1,559,050
2039-2043	4,425,000	571,375
Total	**$ 14,375,000**	**$ 7,292,063**

Year Ending December 31,	Reduction of Bond Premium Payable
2024	$ 45,656
2025	45,656
2026	45,656
2027	45,656
2028	45,656
2029-2033	228,280
2034-2038	228,280
2039-2043	205,451
Total	**$ 890,291**

Debt Service Covenants – Both the S&T Bank and the State Infrastructure Bank bonds have covenants that are required to be maintained during the life of the bonds. The Airport is required to have not less than $100,000,000 in Tangible Net Assets and maintain a Debt Coverage Ratio of no less than 1.25:1.00. The Airport submits compliance reports on a quarterly basis.

9. LEASES

In 2017, the Governmental Accounting Standards Board issued Statement No. 87, Leases, which improves accounting and financial reporting for leases by governments. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The implementation of this statement is effective January 1, 2022.

As Lessor – The Airport leases land as well as retail and office space at its facility to others. The leases have variable terms with payments required monthly or quarterly. The Airport also receives

9. LEASES (Continued)

variable payments for concession revenue, landing fees and utility reimbursements with spaces that are not included in the measurement of the lease receivable.

The total amount of inflows of resources for the period ending December 31, 2023 is as follows:

Inflows:

Interest revenue leases	$	651,101
Lease revenue		1,248,536
	$	1,899,637

Lease Balance Summary:

Lease receivable	$	32,272,492
Accrued interest receivable		150,134
Deferred inflow leases		31,334,040
	$	63,756,666

9. LEASES (Continued)

Below is a schedule of future payments that are included in the measurement of the leases receivable:

As of December 1, 2023	Principal	Interest	Total
2024	868,570	587,458	1,456,028
2025	793,431	570,629	1,364,060
2026	774,591	575,998	1,350,589
2027	481,967	565,563	1,047,530
2028	387,931	556,988	944,919
2029-2033	2,159,551	2,660,536	4,820,087
2034-2038	2,080,979	2,524,655	4,605,634
2039-2043	2,015,646	2,382,826	4,398,472
2044-2048	1,859,768	2,278,723	4,138,491
2049-2053	1,550,405	2,188,727	3,739,132
2054-2058	1,731,202	2,142,915	3,874,117
2059-2063	2,058,912	1,860,901	3,919,813
2064-2068	2,263,677	1,440,344	3,704,021
2069-2073	1,672,112	1,240,478	2,912,590
2074-2078	1,944,292	1,066,925	3,011,217
2079-2083	2,282,516	852,622	3,135,138
2084-2088	2,648,803	608,969	3,257,772
2089-2093	2,975,842	325,420	3,301,262
2094-2098	1,642,101	57,296	1,699,397
2099-2103	66,536	4,804	71,340
2103-2108	13,660	173	13,833
Total Future Receipts	32,272,492	24,492,950	56,765,442

Regulated Leases – The Airport leases certain assets to various third parties as regulated leases, as defined by GASB Statement No. 87. The leased assets, include jet bridges, ticket counters, passenger hold rooms, operations space, baggage service areas and land and are regulated under the FAA Rates and Charges Policy and Grant Assurance 22. Certain assets are subject to preferential or exclusive use by the counterparties to these agreements.

During the year ended December 31, 2023, the Airport recognized the following from regulated leases: Regulated Lease Revenue $3,823,242.

These regulated leases included air carrier use and lease agreements, concession agreements, and fixed base operator leases.

9. LEASES (Continued)

As Lessee – The Airport leases office equipment and a vehicle from others. These leases have variable terms and require monthly or quarterly payments.

As of December 31, 2023 the total amount of Right to Use lease assets by major class, and the related accumulated amortization, is as follows:

	January 1, 2023 Beginning Balance	Additions	Deductions	December 31, 2023 Ending Balance
Leased-Equipment	$ 9,229	$ -	$ -	$ 9,229
Leased-Vehicles	6,047	11,599	(5,680)	11,966
Total Right to Use Assets	15,276	11,599	(5,680)	21,195
Less accumlated amortization				
Leased-Equipment	(3,760)	(3,760)	-	(7,520
Leased-Vehicles	(4,535)	(4,804)	5,680	(3,659
Total accumulated amortization	(8,295)	(8,564)	5,680	(11,179
Total RTU assets, net of amortization	$ 6,981	$ 3,035	$ -	$ 10,016

The total amount of cash lease payments for the period ending December 31, 2023 is as follows:

Cash lease payments	
Leased-Equipment	$ 3,760
Leased-Vehicle	4,804
	$ 8,564

Lease balance summary	
Lease payable	$ 21,195
Accrued interest payable	678
	$ 21,873

9. LEASES (Continued)

Below is a schedule of future payments that are included in the measurement of leases payable:

As of December 1, 2023	Principal	Interest	Total
2024	11,532	715	12,247
2025	7,508	240	7,748
2026	2,155	11	2,166
	21,195	966	22,161

GASB Statement No. 96 improves financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. The statement also enhances the relevance and reliability of the financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and discloses essential information about the arrangement. The note disclosures also allow the user to understand the scale and important aspects of the SBITA activities and evaluate the obligations and assets resulting from the SBITAs. These changes were incorporated into the Airport’s fiscal year 2023 financial statements; however, there was no effect on beginning net position.

10. SUBSCRIPTIONS

In May 2020, the Governmental Accounting Standards Board issued Statement No. 96, Subscription-Based Information Technology Arrangements, which improves accounting and financial reporting for subscriptions by governments. This statement requires recognition of certain subscription assets and liabilities for subscriptions that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for subscription accounting based on the foundational principle that subscriptions are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a subscription liability and an intangible right-to-use subscription asset. The implementation of this statement is effective January 01, 2023.

The Airport leases IT software from others. These subscriptions have variable terms and require annual and monthly payments.

10. SUBSCRIPTIONS (Continued)

As of January 01, 2023 the total amount of Subscription assets, and related accumulated amortization, is as follows:

	January 1, 2023 Beginning Balance	Additions	Deductions	December 31, 2023 Ending Balance
Subscriptions	$ -	$ 240,034	$ (92,872)	$ 147,162
Total Subscriptions	-	240,034	(92,872)	147,162
Less accumlated amortization				
Subscriptions	-	(198,021)	92,872	(105,149)
Total accumulated amortization	-	(198,021)	92,872	(105,149)
Total Subscriptions assets, net of amortization	$ -	$ 42,013	$ -	$ 42,013

The total amount of cash subscription payments for the period ending December 31, 2023 is as follows:

Cash subscription payments	
Subscriptions	$ 198,021
Lease balance summary	
Subscription payable	$ 46,663
Accrued interest payable	-
	$ 46,663

10. SUBSCRIPTIONS (Continued)

Below is a schedule of future payments that are included in the measurement of subscription payable:

As of December 1, 2023	Principal	Interest	Total
2024	42,663	205	42,868
2025	-	-	-
2026	-	-	-
2027	-	-	-
2028	-	-	-
2029-2039	-	-	-
Thereafter	-	-	-
	42,663	205	42,868

11. AIRPORT IMPROVEMENT PROJECTS-IN-PROGRESS

Airport Improvement Projects-in-Progress consists of expenses for capitalized improvements or additions to the facilities. The cost of completed projects is transferred to property and equipment accounts and depreciated over the estimated useful lives of the projects as of the date of completion. Airport Improvement Projects-in-Progress consist of the following at December 31, 2023:

	Source of Funding		
Description of Project	Federal Grants	State/Local	Total Cost of Projects-In-Progress
AIP #6720	$ 695,128	$ 77,236	$ 772,364
AIP #6921	5,041,493	-	5,041,493
AIP #7622	486,033	54,003	540,036
AIP #7723	6,368	707	7,075
AIP #7823	240,981	26,776	267,757
AIP #7923	193,248	21,472	214,720
AIP #8023	72,186	8,021	80,207
Various Projects	-	487,538	487,538
Total	$ 6,735,437	$ 675,753	$ 7,411,190

12. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023:

	12/31/2022 Balance	Additions	Deletions	12/31/2023 Balance
Capital assets non-depreciable:				
Airport Improvement Projects in Progress	$ 6,505,412	$ 2,099,394	$ (1,193,616)	$ 7,411,190
Land	12,542,983	-	-	12,542,983
Land Improvements	40,278,733	9,500	-	40,288,233
Total non-depreciable capital assets	59,327,128	2,108,894	(1,193,616)	60,242,406
Capital assets being depreciated:				
Buildings	118,568,160	1,002,517	-	119,570,677
Paving	134,882,357	116,394	-	134,998,751
Vehicles and Equipment	25,900,036	229,119	-	26,129,155
Utility Systems	619,678	96,120	-	715,798
Total capital assets being depreciated	279,970,231	1,444,150	-	281,414,381
Less accumulated depreciation				
Buildings	(70,591,924)	(5,913,708)	-	(76,505,632)
Paving	(75,736,048)	(5,920,758)	-	(81,656,806)
Vehicles and Equipment	(21,653,971)	(786,121)	-	(22,440,092)
Utility Systems	(553,341)	(32,184)	-	(585,525)
Total accumulated depreciation	(168,535,284)	(12,652,771)	-	(181,188,055)
Capital assets, net of depreciation	$ 170,762,075	$ (9,099,727)	$ (1,193,616)	$ 160,468,732

13. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, particularly the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed, by the grantor cannot be determined at this time although the Airport expects such amounts, if any, to be immaterial.

Management believes there are no pending claims or lawsuits that would have a material, if any, effect on the financial condition of the Airport.

14. COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Akron – Canton Regional Airport Authority. In addition, the impact on the Akron – Canton Regional Airport Authority's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

15. SERVICE CONCESSION ARRANGEMENT

The Airport has a concession agreement with SP Plus Corporation to manage the day-to-day operations of the Airport's short and long-term parking lots. The current agreement went into effect April 2012 and runs through May 2027. The Airport owns the parking lots, the parking structures, and equipment. SP Plus Corporation remits a tiered percentage of gross proceeds to the Airport on a monthly basis. The remaining percentage of gross proceeds goes to SP Plus Corporation to fund their operation. The current agreement has a minimum annual guarantee (MAG) of $3.6 million, which has been waived through June 30, 2024.

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AKRON-CANTON REGIONAL AIRPORT AUTHORITY
STARK AND SUMMIT COUNTIES
Required Supplementary Information on GASB 68 Pension Liabilities
For the Year Ended December 31, 2023

Schedule of the Airport's Proportionate Share of OPERS Net Pension Liability:

	2023*	2022*	2021*	2020*	2019*	2018*	2017*	2016*	2015*	2014*
Airport's proportion of the net pension liability (asset) (percentage) - Traditional Plan	0.019391%	0.018836%	0.019030%	0.019004%	0.019686%	0.019403%	0.203700%	0.021326%	0.021587%	0.021587%
Airport's proportionate share of the net pension liability (asset) - Traditional Plan	$ 5,728,110	$ 1,638,808	$ 2,817,929	$ 3,756,270	$ 5,391,596	$ 3,043,955	$ 4,625,681	$ 3,693,932	$ 2,603,633	$ 2,544,826
Airport's covered payroll	$ 2,733,687	$ 2,764,114	$ 2,728,044	$ 2,673,790	$ 2,795,754	$ 2,607,208	$ 2,675,890	$ 2,669,464	$ 2,660,511	$ 2,774,597
Airport's pension liability (asset) as a percentage of its covered payroll	209.54%	59.29%	103.29%	140.48%	192.85%	116.75%	172.87%	138.38%	97.86%	91.72%
Plan fiduciary net position as a percentage of the total pension liability (Traditional Plan)	75.74%	92.62%	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

Schedule of the Airport's Contributions to OPERS Pension:

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	$ 420,821	$ 382,716	$ 386,976	$ 381,926	$ 374,331	$ 391,406	$ 338,937	$ 321,107	$ 318,659	$ 317,590
Contributions in relation to contractually required contribution	(420,821)	(382,716)	(386,976)	(381,926)	(374,331)	(391,406)	(338,937)	(321,107)	(318,659)	(317,590)
Contribution deficit (surplus)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Airport's covered payroll	$ 3,005,866	$ 2,733,687	$ 2,764,114	$ 2,728,044	$ 2,673,790	$ 2,795,754	$ 2,607,208	$ 2,675,890	$ 2,669,464	$ 2,660,511
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	13.00%	12.00%	11.94%	11.94%

* Amounts presented for each year were determined as of the Airport's measurement date, which is the prior year end.
See accompanying nores to the required supplementary information.

AKRON-CANTON REGIONAL AIRPORT AUTHORITY
STARK AND SUMMIT COUNTIES
Required Supplementary Information on GASB 75 OPEB Liabilities / Assets
For the Year Ended December 31, 2023

Schedule of the Airport's Proportionate Share of OPERS Net OPEB Liability / Assets:

	2023*	2022*	2021*	2020*	2019*	2018*	2017*
Airport's proportion of the net OPEB liability (asset) (percentage) - Traditional Plan	0.018148%	0.017726%	0.018004%	0.017989%	0.018612%	0.018400%	0.019363%
Airport's proportionate share of the net OPEB liability (asset)	$ 114,427	$ (555,205)	$ (320,756)	$ 2,484,748	$ 2,426,565	$ 1,988,104	$ 1,955,731
Airport's covered payroll	$ 2,733,687	$ 2,764,114	$ 2,728,044	$ 2,717,741	$ 2,795,754	$ 2,607,208	$ 2,675,890
Airport's pension liability (asset) as a percentage of its covered payroll	4.19%	-20.09%	-11.76%	91.43%	86.79%	76.25%	73.09%
Plan fiduciary net position as a percentage of the total OPEB liability	94.79%	128.23%	115.57%	47.80%	46.33%	54.14%	54.05%

Information prior to 2017 is not available.

Schedule of the Airport's Contributions to OPERS OPEB:

	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	$ -	$ -	$ -	$ -	$ 1,758	$ -	$ 26,759
Contributions in relation to contractually required contribution	-	-	-	-	(1,758)	-	(26,759)
Contribution deficit (surplus)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Airport's covered payroll	$ 3,005,866	$ 2,733,687	$ 2,764,114	$ 2,728,044	$ 2,717,741	$ 2,795,754	$ 2,607,208
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.06%	0.00%	1.03%

Information prior to 2017 is not available.

* Amounts presented for each year were determined as of the Airport's measurement date, which is the prior year end.
See accompanying nores to the required supplementary information.

Note 1 - Changes in Assumptions – OPERS Pension

Amounts reported for fiscal year 2017 (Measurement Period 2016) incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal year 2016 (Measurement Period 2015) and prior are presented below:

Changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2015. Significant changes included a reduction of the discount rate from 8.0% to 7.5%, a reduction in the wage inflation rate from 3.75% to 3.25%, and transition from RP-2000 mortality tables to the RP-2014 mortality tables.

There are no changes in actuarial valuation for measurement period 2017 versus measurement period 2016.

Valuation Date	December 31, 2018	December 31, 2017
Experience Study	5 Year Period Ended December 31, 2015	5 Year Period Ended December 31, 2015
Actuarial Cost Method	Individual entry age	Individual entry age
Actuarial Assumptions:		
Investment Rate of Return	7.20%	7.50%
Wage Inflation	3.25%	3.25%
Projected Salary Increases	3.25% to 10.75% (includes wage inflation of 3.25%)	3.25% to 10.75% (includes wage inflation of 3.25%)
Cost of Living Adjustments	Pre - 1/7/2013 Retirees: 3.00% Simple Post - 1/7/2013 Retirees: 3.00% Simple through 2018, then 2.15% Simple	Pre - 1/7/2013 Retirees: 3.00% Simple Post - 1/7/2013 Retirees: 3.00% Simple through 2018, then 2.15% Simple

Changes for the period 2018 versus the measurement period 2017 included a reduction of the discount rate from 7.5% to 7.2.

There were no signification changes for the measurement period 2019 versus the measurement period 2018.

There were no signification changes for the measurement period 2020 versus the measurement period 2019.

Amounts reported for fiscal year 2022 (Measurement Period 2021) incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions comparted with those used in fiscal year 2021 (Measurement Period 2020) are presented below:

Note 1 - Changes in Assumptions – OPERS Pension (Continued)

Actuarial Information	Traditional Pension Plan	Traditional Pension Plan
Valuation Date	December 31, 2021	December 31, 2020
Experience Study	5 Year Period Ended December 31, 2020	5 Year Period Ended December 31, 2015
Actuarial Cost Method	Individual entry age	Individual entry age
Actuarial Assumptions:		
Investment Rate of Return	6.90%	7.20%
Wage Inflation	2.75%	3.25%
Projected Salary Increases	2.75% to 10.75% (includes wage inflation of 3.25%)	3.25% to 10.75% (includes wage inflation of 3.25%)
Cost of Living Adjustments	Pre - 1/7/2013 Retirees: 3.00% Simple Post - 1/7/2013 Retirees: 3.00% Simple through 2022, then 2.05% Simple	Pre - 1/7/2013 Retirees: 3.00% Simple Post - 1/7/2013 Retirees: 0.50% Simple through 2021, then 2.15% Simple

Changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2020. Significant changes included a reduction of the discount rate from 7.2% to 6.9%, a reduction in wage inflation from 3.25% to 2.75%, and transition from RP-2014 mortality tables to the Pub-2010 mortality tables.

Amounts reported for fiscal year 2023 (Measurement Period 2022) reported no changes in assumptions.

Note 2 - Changes in Assumptions – OPERS OPEB

Amounts reported for fiscal year 2019 (Measurement Period 2018) incorporate changes in assumptions used by OPERS in calculating the total OPEB liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal year 2018 (Measurement Period 2017) are presented below:

Key Methods and Assumptions Used in Valuation of Total OPEB Liability		
Actuarial Information	Traditional Pension Plan	Traditonal Pension Plan
Valuation Date	December 31, 2017	December 31, 2016
Rolled-Forward measurement date	December 31, 2018	December 31, 2017
Experience Study	5 Year Period Ended December 31, 2015	5 Year Period Ended December 31, 2015
Actuarial Cost Method	Individual entry age	Individual entry age
Actuarial Assumptions:		
Single Discount Rate	3.96%	3.85%
Investment Rate of Return	6.00%	6.50%
Municipal Bond Rate	3.71%	3.31%
Wage Inflation	3.25%	3.25%
Projected Salary Increases	3.25% to 10.75% (includes wage inflation of 3.25%)	3.25% to 10.75% (includes wage inflation of 3.25%)
Health Care Cost Trend Rate	10% intial, 3.25% ultimate in 2029	10% intial, 3.25% ultimate in 2029

Note 2 - Changes in Assumptions – OPERS OPEB (Continued)

Changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2015. Significant changes included a increase of the discount rate from 3.85% to 3.96%, a reduction in the investment rate of return 6.50% to 6.00%, and an increase in bond rate from 3.31% to 3.71%.

Amounts reported for fiscal year 2020 (Measurement Period 2019) incorporate changes in assumptions used by OPERS in calculating the total OPEB liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal year 2019 (Measurement Period 2018) are presented below:

Actuarial Information	Traditional Pension Plan	Traditonal Pension Plan
Valuation Date	December 31, 2018	December 31, 2017
Rolled-Forward measurement date	December 31, 2019	December 31, 2018
Experience Study	5 Year Period Ended December 31, 2015	5 Year Period Ended December 31, 2015
Actuarial Cost Method	Individual entry age	Individual entry age
Actuarial Assumptions:		
Single Discount Rate	3.16%	3.96%
Investment Rate of Return	6.00%	6.00%
Municipal Bond Rate	2.75%	3.71%
Wage Inflation	3.25%	3.25%
Projected Salary Increases	3.25% to 10.75% (includes wage inflation of 3.25%)	3.25% to 10.75% (includes wage inflation of 3.25%)
Health Care Cost Trend Rate	10.5% intial, 3.50% ultimate in 2030	10% intial, 3.25% ultimate in 2029

Changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2015. Significant changes included a decrease of the discount rate from 3.96% to 3.16% and an decrease in bond rate from 3.71% to 3.25%. There is also a change to the Health Care Cost Trend Rates.

Amounts reported for fiscal year 2021 (Measurement Period 2020) incorporate changes in assumptions use by OPERS in calculating the total OPEB liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal year 2020 (Measurement Period 2019) are presented below.

Note 2 - Changes in Assumptions – OPERS OPEB (Continued)

Actuarial Information	Traditional Pension Plan	Traditional Pension Plan
Valuation Date	December 31, 2019	December 31, 2018
Rolled-forward measurment date	December 31, 2020	December 31, 2019
Experience Study	5 Year Period Ended December 31, 2015	5 Year Period Ended December 31, 2015
Actuarial Cost Method	Individual entry age normal	Individual entry age normal
Actuarial Assumptions:		
Single Discount Rate	6.00%	3.16%
Investment Rate of Return	6.00%	6.00%
Municipal Bond Rate	2.00%	2.75%
Wage Inflation	3.25%	3.25%
Projected Salary Increases	3.25% to 10.75% (Includes wage inflation of 3.25%)	3.25% to 10.75% (Includes wage inflation of 3.25%)
Health Care Cost Trend Rate	8.50% initial, 3.50% ultimate in 2035	10.5% initial, 3.50% ultimate in 2030

Changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2015. Significant changes included an increase of the discount rate from 3.16% to 6.00%, and a decrease in bond rate from 3.25% to 2.00%. There is also a change to the Health Care Cost Trend Rates.

Amounts reported for fiscal year 2022 (Measurement Period 2021) incorporate changes in assumptions used by OPERS in calculating the total OPEB liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal year 2021 (Measurement Period 2020) are presented below:

Actuarial Information	Traditional Pension Plan	Traditional Pension Plan
Valuation Date	December 31, 2020	December 31, 2019
Rolled-forward measurment date	December 31, 2021	December 31, 2020
Experience Study	5 Year Period Ended December 31, 2020	5 Year Period Ended December 31, 2015
Actuarial Cost Method	Individual entry age normal	Individual entry age normal
Actuarial Assumptions:		
Single Discount Rate	6.00%	6.00%
Investment Rate of Return	6.00%	6.00%
Municipal Bond Rate	1.84%	2.00%
Wage Inflation	3.25%	3.25%
Projected Salary Increases	2.75% to 10.75% (Includes wage inflation of 2.75%)	3.25% to 10.75% (Includes wage inflation of 3.25%)
Health Care Cost Trend Rate	5.50% initial, 3.50% ultimate in 2034	8.50% initial, 3.50% ultimate in 2035

Changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2020. Significant changes included a decrease of the municipal bond rate from 2.00% to 1.84%, and a decrease in the minimum projected salary increases from 3.25% to 2.75%. There is also a change to the Health Care Cost Trend Rates.

Note 2 - Changes in Assumptions – OPERS OPEB (Continued)

Amounts reported for fiscal year 2023 (Measurement Period 2022) incorporate changes in assumptions used by OPERS in calculating the total OPEB liability in the latest actuarial valuation. These new assumptions compared with those used in the fiscal year 2022 (Measurement 2021) are presented below:

Actuarial Information	Traditional Pension Plan	Traditional Pension Plan
Valuation Date	December 31, 2021	December 31, 2020
Rolled-forward measurment date	December 31, 2022	December 31, 2021
Experience Study	5 Year Period Ended December 31, 2020	5 Year Period Ended December 31, 2020
Actuarial Cost Method	Individual entry age	Individual entry age
Actuarial Assumptions:		
Single Discount Rate	5.22%	6.00%
Investment Rate of Return	6.00%	6.00%
Municipal Bond Rate	4.05%	1.84%
Wage Inflation	2.75%	2.75%
Projected Salary Increases	2.75% to 10.75% (Includes wage inflation of 3.25%)	2.75% to 10.75% (Includes wage inflation of 3.25%)
Health Care Cost Trend Rate	5.50% initial, 3.50% ultimate in 2036	5.5% initial, 3.50% ultimate in 2034

Changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2020. The significant change includes a decrease in the Single Discount Rate from 6.00% to 5.22%.

Rea & associates a brighter way

Independent Auditor's 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 Board of Trustees
Akron-Canton Regional Airport Authority
Stark and Summit Counties, Ohio
5400 Lauby Rd. NW #9
North Canton, OH 44720

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 Akron-Canton Regional Airport Authority, Stark and Summit Counties, Ohio (the Airport) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Airport's basic financial statements, and have issued our report thereon dated June 11, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Airport's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Airport's internal control. Accordingly, we do not express an opinion on the effectiveness of the Airport'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2023-001, 2023-002, and 2023-003 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Airport'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*.

The Airport’s Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Airport’s response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The Airport’s responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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

Rea & Associates, Inc.

Rea & Associates, Inc.
Independence, Ohio
June 11, 2024

Independent Auditor's Report on Compliance for Each Major Federal Program and Passenger Facility Charge Program and Report on Internal Control Over Compliance Required by the Uniform Guidance and the Passenger Facility Charge Audit Guide for Public Agencies

To the Board of Trustees
Akron-Canton Regional Airport Authority
Stark and Summit Counties, Ohio
5400 Lauby Rd. NW #9
North Canton, OH 44720

Report on Compliance for Each Major Federal Program and the Passenger Facility Charge Program

Opinion on Each Major Federal Program and the Passenger Facility Charge Program

We have audited Akron-Canton Regional Airport Authority's, Stark and Summit Counties, Ohio (the Airport) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Airport's major federal programs for the year ended December 31, 2023. The Airport's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. In addition, we audited compliance with the applicable requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, and the requirements in 14 CFR 158.63 for the year ended December 31, 2023. The passenger facility charge program is identified in the schedule of expenditures of passenger facility charges.

In our opinion, the Airport complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and the passenger facility charge program for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the applicable requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, and the requirements in 14 CFR 158.63 (collectively, the "Guide"). Our responsibilities under those standards, the Uniform Guidance, and the Guide are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Airport and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program and the passenger facility charge program. Our audit does not provide a legal determination of the Airport's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Airport's federal programs and the passenger facility charge program.

Auditor's Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Airport's compliance based on our audit. 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, *Government Auditing Standards*, the Uniform Guidance, and the Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Airport's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the Guide, we

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material noncompliance, 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 Airport's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- obtain an understanding of the Airport's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the Guide, but not for the purpose of expressing an opinion on the effectiveness of the Airport's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2023-004. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the Airport's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Airport's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-004 to be a material weakness.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the Airport's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Airport's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the Guide. Accordingly, this report is not suitable for any other purpose.

Rea & Associates, Inc.

Rea & Associates, Inc.
Independence, Ohio
June 11, 2024

AKRON-CANTON REGIONAL AIRPORT AUTHORITY
STARK AND SUMMIT COUNTIES
Schedule of Receipts and Expenditures of Federal Awards
FOR THE YEAR ENDED DECEMBER 31, 2023

	Federal Grantor/ Program Title	Grant Number	Federal Assistance Listing Number	Receipts	Expenditures	Total Amount Provided to Sub Recipients
U.S. DEPARTMENT OF TRANSPORTATION						
Direct Funding:						
	Airport Improvement Program:					
	Airport Improvement Project No. 69	3-39-0001-6921	20.106	78,523	767,196	-
COVID -19	Airport Improvement Project No. 71	3-39-0001-7121	20.106	1,432,969	1,432,969	-
COVID -19	Airport Improvement Project No. 73	3-39-0001-7322	20.106	4,309,329	4,309,329	-
	Airport Improvement Project No. 76	3-39-0001-7622	20.106	875,520	409,057	-
	Airport Improvement Project No. 77	3-39-0001-7723	20.106	-	6,368	-
	Airport Improvement Project No. 78	3-39-0001-7823	20.106	240,981	239,631	-
	Airport Improvement Project No. 79	3-39-0001-7923	20.106	193,248	193,248	-
	Airport Improvement Project No. 80	3-39-0001-8023	20.106	-	72,186	-
	Total -- U.S. Department of Transportation			7,130,570	7,429,984	-
Total Federal Financial Assistance				$ 7,130,570	$ 7,429,984	$ -

The accompanying notes to this schedule are an integral part of this schedule.

Akron - Canton Regional Airport Authority
Schedule of Expenditures of Passenger Facility Charges
For Year ended December 31, 2023

		Approved for Collection	Approved for Use	Cumulative Total December 31, 2022	1st Qtr. 2023	2nd Qtr. 2023	3rd Qtr. 2023	4th Qtr. 2023	Year ended December 31, 2023	Cumulative Total December 31, 2023
Collections:										
Passenger Facility Charge Collections				$ 62,261,919	$ 287,611	$ 371,330	$ 379,380	$ 398,431	$ 1,436,752	$ 63,698,671
Interest Earned, Net of Fees				328,359	11,017	10,125	10,633	9,921	41,696	370,055
Total Passenger Facility Charge Collections Received				$ 62,590,278	$ 298,628	$ 381,455	$ 390,013	$ 408,352	$ 1,478,448	$ 64,068,726
Expenditures:										
92-01	**X**	$ 1,959,155	$ 1,959,155	$ (1,959,155)					$ -	$ (1,959,155)
96-02	**X**	1,681,807	1,681,807	(1,681,807)					-	(1,681,807)
98-03	**X**	1,748,697	1,748,697	(1,748,697)					-	(1,748,697)
99-04	**X**	3,522,990	1,749,589	(1,749,589)					-	(1,749,589)
02-05	**X**	9,665,854	11,439,255	(11,439,255)					-	(11,439,255)
05-06		27,737,085	27,737,085	(24,016,806)	(151,708)	(151,708)	(151,708)	(151,708)	(606,832)	(24,623,638)
10-07		7,221,614	7,221,614	(7,002,552)	-	-	-	-	-	(7,002,552)
17-08		5,271,842	5,271,842	(5,114,646)	-	-	-	-	-	(5,114,646)
18-09		30,065,661	30,065,661	(5,671,210)	(70,540)	(460,739)	(70,540)	(460,197)	(1,062,016)	(6,733,226)
Total Passenger Facility Charge Collections Expended		$ 88,874,705	$ 88,874,705	$ (60,383,717)	$ (222,248)	$ (612,447)	$ (222,248)	$ (611,905)	$ (1,668,848)	$ (62,052,565)
Cumulative Collections Received Less Collections Expended				$ 2,206,561						$ 2,016,161

X Closed Applications

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Receipts and Expenditures of Federal Awards include the federal award activity of the Akron – Canton Regional Airport Authority (the Airport) under programs of the federal government for the year ended December 31, 2023. The information on the Schedule of Expenditures and Receipts of Federal Awards is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements*, *Cost Principles*, and *Audit Requirements for Federal Awards* (Uniform Guidance). The information on the Schedule of Expenditures of Passenger Facility Charges is prepared in accordance with the requirements of the *Audit Requirements for Federal Awards*, and the *Passenger Facility Charge Audit Guide for Public Agencies* (the “Guide”). Because the Schedules present only a selected portion of the operations of the Airport, they are not intended to and do not present the financial position, changes in net position, or cash flows of the Airport.

The Airport is currently authorized to collect PFCs in the amount of $4.50 per enplaned passenger.

The Akron – Canton Regional Airport Authority has nine approved applications. The most recent application was approved during the 2018 calendar year and resulted in slightly more than $30 million of collection authority from the Federal Aviation Administration (FAA). As of December 31, 2023, the Airport has received over $63 million in PFC revenue and $370 thousand in interest, net of fees. The Airport has expended over $60 million on approved projects. As of December 31, 2023, the Airport has a collection authority of approximately $29 million.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Schedule of Receipts and Expenditures of Federal Awards has been prepared on the accrual basis of accounting. Expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The Schedule of Expenditures of Passenger Facility Charges has been prepared on the cash basis of accounting. Consequently, certain revenues are recognized when received rather than when earned and certain expenditures are recognized when paid rather than when the obligation is incurred.

NOTE C – INDIRECT COST RATE

The Airport has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D – MATCHING REQUIREMENTS

Certain federal programs require that the Airport contribute non-federal funds (matching funds) to support the federally-funded programs. The Airport has met its matching requirements. The expenditures of non-federal funds are not included on these schedules**.**

AKRON-CANTON REGIONAL AIRPORT AUTHORITY
STARK AND SUMMIT COUNTIES, OHIO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
2 CFR §200.515
December 31, 2023

1. SUMMARY OF AUDITOR'S RESULTS

(d) (1) (i)	Type of Financial Statement Opinion	Unmodified
(d) (1) (ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d) (1) (ii)	Were there any significant deficiencies conditions reported at the financial statement level (GAGAS)?	Yes
(d) (1) (iii)	Were there any reported material non-compliance at the financial statement level (GAGAS)?	No
(d) (1) (iv)	Were there any material internal control weakness conditions reported for major federal programs?	Yes
(d) (1) (iv)	Were there any significant deficiencies reported for major federal programs?	None Reported
(d) (1) (v)	Type of Major Programs' Compliance Opinion	Unmodified
(d) (1) (vi)	Are there any reportable findings under 2 CFR 200.516(a)?	Yes
(d) (1) (vii)	Major Programs (list): COVID-19 – Airport Improvement Program	AL #20.106
(d) (1) (viii)	Dollar Threshold: Type A/B Programs	Type A: $750,000 Type B: all others
(d) (1) (ix)	Low Risk Auditee under 2 CFR 200.520?	No

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2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

Finding Number: 2023-001
Significant Deficiency – SEFA Reporting

Criteria: A non-Federal entity that expends $750,000 or more during its fiscal year in federal awards must prepare a schedule of expenditures of federal awards (SEFA) for the period covered by the auditee's financial statements, which must include the total federal awards expended as determined in accordance with 2 CFR §200.502. (2 CFR §200.510)

Condition: The SEFA prepared by the Airport included its matching, non-federal portion of $100,777 as expenditures of federal awards. The Airport subsequently corrected the SEFA to exclude these amounts.

Context: When testing the matching portion of federal grants for Airport Improvement Project No. 76, 77, 78, 79 and 80, we identified the Airport's required matching funds (non-federal) in the amount of $100,777 were included on the SEFA.

Cause and Effect: The Airport did not have procedures in place to ensure that only federal funds were reported on the SEFA.

Recommendation: We recommend the Airport implement processes and procedures to review funding sources and annual expenditures to determine which expenditures should be included on the SEFA.

Views of Responsible Officials and Corrective Action Plan: See Corrective Action Plan.

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2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)

Finding Number: 2023-002
Significant Deficiency – Accounting for Leases

Criteria: The AICPA establishes auditing standards generally accepted in the United States that certified public accountants and government auditors must follow in conducting audits of state and local governments. AU-C 265 establishes standards, responsibilities and guidance for auditors during a financial statement audit engagement for identifying and evaluating a client's internal control over financial reporting. This standard requires the audit to report in writing to management and the governing body any control deficiencies found during the audit that are considered significant deficiencies and/or material weaknesses. To this end, AU-C 265 lists specific control deficiencies that should be regarded as at least a significant deficiency and a strong indicator of a material weakness in internal control.

Condition: Adjustments were required to amounts presented in the 2022 financial statements in order for them to conform to accounting principles generally accepted in the United States (U.S. GAAP). These adjustments were made after the Airport filed its financial statements in the Auditor of State's Hinkle System. The adjustments related to the recording of leases in accordance with GASB Statement No. 87, *Leases*.

Context: When reviewing the originally recorded lease receivable and deferred inflow of resources, the auditors identified the lease receivable was understated by $1,181,157, lease revenue was overstated by $367,095, and deferred inflows of resources were understated by $1,548,252. The Airport had originally included leases that met the criteria for regulated leases in these amounts. The Airport adjusted its financial statements as of December 31, 2023 to reflect these adjustments.

Cause and Effect: As a result of improperly accounting for regulated leases, the financial statements filed in the Hinkle System required a significant adjustment to be in accordance with U.S. GAAP.

Recommendation: We recommend the Airport implement accounting processes and procedures when adopting new accounting standards to ensure that the financial statements accurately reflect the effects of the standards.

Views of Responsible Officials and Corrective Action Plan: See Corrective Action Plan.

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2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)

Finding Number: 2023-003
Significant Deficiency – Financial Reporting

Criteria: In our audit engagement letter, as required by AU-C Section 210, Terms of Engagement, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16. Governmental Accounting Standards Board (GASB) Cod. 1100 paragraph .101 states a governmental accounting system must make it possible both: (a) to present fairly and with full disclosure the funds and activities of the governmental unit in conformity with generally accepted accounting principles, and (b) to determine and demonstrate compliance with finance-related legal and contractual provisions.

Context: In testing, it was noted that restricted cash and investments was overstated by $8,013,760. Several unrestricted cash and investment accounts were improperly classified as restricted on the financial statements although there were no restrictions from external sources.

Cause and Effect: As a result of improperly accounting for restricted cash and investments, the financial statements filed in the Hinkle System required a significant adjustment to be in accordance with U.S. GAAP.

Recommendation: We recommend the Airport implement controls and processes to review cash and other assets to ensure that amounts are properly classified between restricted and unrestricted.

Views of Responsible Officials and Corrective Action Plan: See Corrective Action Plan.

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3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

Finding Number: 2023-004

Federal Program: Airport Improvement Program
Federal Award Identification Number and Year: All Airport Improvement Program awards, 2020, 2021, 2022, 2023
Assistance Listing Number (ALN): 20.106
Federal Awarding Agency: U.S. Department of Transportation
Pass-through Entity: None
Repeat Finding: No

Material Weakness and Noncompliance – Reporting

Criteria: Unless otherwise approved by OMB, the Federal awarding agency must solicit only the OMB-approved governmentwide data elements for collection of financial information (at time of publication the Federal Financial Report or such future, OMB-approved, governmentwide data elements available from the OMB-designated standards lead. This information must be collected with the frequency required by the terms and conditions of the Federal award, but no less frequently than annually nor more frequently than quarterly except in unusual circumstances. (2 CFR 200.328).

Until the grant is completed and closed, recipients are responsible for submitting formal reports as follows: A signed/dated SF-270 (non-construction projects) or SF-271 or equivalent (construction projects) and SF-425 annually, due 90 days after the end of each federal fiscal year in which this grant is open (due December 31 of each year this grant is open).

Condition: The Airport did not file the required reports within the timeframes above.

Questioned Costs: None.

Identification of How Questioned Costs Were Computed: N/A

Context: Standard Forms 425 and Standard Forms 271 for the reporting period ended September 30, 2023 were filed on January 19, 2024.

Cause and Effect: The Airport did not prepare or submit the required forms by December 31, 2023. The SF-425 and SF-271 reports for the period ending September 30, 2023 were submitted 19 days after the due date.

Recommendation: The Airport should implement controls and processes to ensure that the required reports are submitted timely.

Views of Responsible Officials and Corrective Action Plan: See Corrective Action Plan.

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North Canton. OH 44720

Akron-Canton Regional Airport Authority
Stark and Summit Counties, Ohio
Corrective Action Plan
2 CFR Section 200.511(c)
For the Fiscal Year Ended December 31, 2023

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2023-001	The Airport has amended and revised the Expenditure section on its 2023 SEFA Report to conform with the issues stated in this finding.	Completed June of2024	James Krum, VP of Finance and Administration
2023-002	The Airport adjusted and revised its GASB Statement No. 87 calculations for the removal of the regulated leases.	Completed June of2024	James Krum, VP of Finance and Administration
2023-003	The Airport has reclassified the Restricted Cash and Cash Equivalent section of its Statement of Net Position by removing Airport Improvement Funds that do not have any restrictions from external sources. These funds are now included in the Unrestricted Cash and Cash Equivalent section of the Statement of Net Position.	Completed June of2024	James Krum, VP of Finance and Administration
2023-004	The Airport has created additional internal notifications to prevent late submittals of annual Federal Aviation Administration **SF** 425 and SF 271 Reporting Forms.	Completed June of2024	James Krum, VP of Finance and Administration

AKRON-CANTON
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Akron-Canton Regional Airport Authority
Stark and Summit Counties, Ohio
Summary Schedule of Prior Audit Findings
December 31, 2023

Findin2 Numher	Findin2 Summary	Fully Corrected	Not Corrected, Partially Corrected Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2022-001	Material weakness - SEFA Reporting	Not Corrected	SEFA adjustments were still required to report total federal awards expended as determined in accordance with 2 CFR &200.502. (2 CFR &200.510)
2022-002	Significant Deficiency - Accounting for Leases	Not Corrected	Audit adjustments were still required to properly record leases in accordance with GASB Statement No. 87, *Leases.*

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OHIO AUDITOR OF STATE
KEITH FABER

AKRON CANTON REGIONAL AIRPORT AUTHORITY

SUMMIT COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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

Certified for Release 7/9/2024

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

THE PORT

Making Real Estate Work

PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY

HAMILTON COUNTY, OHIO

SINGLE AUDIT
FOR THE YEAR ENDED
DECEMBER 31, 2023

OHIO AUDITOR OF STATE
KEITH FABER

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

Board Members
Port of Greater Cincinnati Development Authority
3 East Fourth Street
Cincinnati, Ohio 45202

We have reviewed the *Independent Auditor's Report* of the Port of Greater Cincinnati Development Authority, Hamilton County, prepared by Rea & Associates, Inc., for the audit period January 1, 2023 through December 31, 2023. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Keith Faber
Auditor of State
Columbus, Ohio

August 27, 2024

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Contents

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Rea & associates a brighter way

INDEPENDENT AUDITOR'S REPORT

Port of Greater Cincinnati Development Authority
Hamilton County, Ohio
3 East Fourth Street, Suite 300
Cincinnati, Ohio 45202

Report on the Audits of the Financial Statements

Opinion

We have audited the financial statements of the Port of Greater Cincinnati Development Authority, Hamilton County, Ohio (the "Port"), as of and for the years ended December 31, 2023 and 2022 and the related notes to the financial statements, which collectively comprise the Port's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Port of Greater Cincinnati Development Authority, Hamilton County, Ohio, as of December 31, 2023 and 2022, and the changes in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Port, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Port'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.

Auditor's Responsibilities for the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that audits 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 audits in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audits.

- 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 audits 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 Port'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 Port'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 audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, and pension and other post-employment benefit schedules, 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 audits 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 audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Port's basic financial statements. The Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for the purpose of additional analysis and is 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 audits 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 auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2024 on our consideration of the Port'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 Port'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 Port's internal control over financial reporting and compliance.

Rea & Associates, Inc.

Rea & Associates, Inc.
Dublin, Ohio
June 27, 2024

Our unaudited discussion and analysis of Port of Greater Cincinnati Development Authority's (dba "The Port") financial performance provides an overview of the financial activities for the years ended December 31, 2023, 2022, and 2021. Please read it in conjunction with The Port's audited financial statements and accompanying notes.

Financial Highlights

As discussed in further detail in this discussion and analysis, the following represents the most significant financial highlights for the year ended December 31, 2023:

- Operating revenue of $12.3 million in 2023 was $0.4 million or 3% higher than the prior year due to a $354,477 increase in service revenue. The increase in service revenue was led by real estate development fees included in certain capital grant projects.

- Operating expense of $10.9 million in 2023 was $2.0 million or 23% higher than the prior year primarily due to a $1.7 million increase in salary and benefits. In 2023, salary and benefits increased $1.1 million from an adjustment to pension and other postemployment benefits (OPEB) (See Notes 10 & 11), and $0.6 million due to an increase in wages and related benefits. Additionally, property holding cost increased $0.3 million in 2023 due to properties acquired during the year (See Note 14).

- Capital assets decreased $1.0 million or -1% in 2023 due to additions of $122,783 of land improvements at the Convention Center Hotel site and $177,326 of parking facility and leasehold improvements, offset by $1.3 million of depreciation and amortization.

- Other noncurrent assets increased $24.5 million or 42 percent in 2023 primarily as a result of a $25.2 million increase in assets held for resale (See Note 14). The Port acquired various properties in Camp Washington in 2023 as part of its industrial strategy to gain control of contiguous parcels and combine project sites to market and incentivize larger-scale redevelopment efforts. The Port intends to decrease development costs for prospective end-users, stimulating Cincinnati's metro industrial market.

- Net position increased to $32.3 million by the end of 2023, an increase of $19.3 million or 149 percent from the previous year. The increase is mainly derived from a $2.5 million increase in trust and grant restricted net position and a $17.1 million increase in unrestricted net position, the part of net position that can be used to finance day-to-day operations.

Using this Annual Report

This annual report consists of a series of financial statements. The statement of net position and the statement of revenues, expenses, and changes in net position provide information about the activities of The Port as a whole and present a longer-term view of its finances. These are followed by the statement of cash flows, which presents detailed information about the changes in The Port's cash position during the year.

Condensed Financial Information

The following table shows, in a condensed format, the current year's net position and changes in net position, compared to the prior two years:

	2021	2022	2023	Change	Percent Change
Assets					
Current assets	$ 10,613,386	$ 15,416,744	$ 18,486,834	$ 3,070,090	20%
Capital assets, net	87,818,232	90,668,823	89,704,173	(964,650)	-1%
Other noncurrent assets	44,336,728	58,726,036	83,263,528	24,537,492	42%
Total assets	142,768,346	164,811,603	191,454,535	26,642,932	16%
Deferred Outflows of Resources	951,478	877,424	2,656,787	1,779,363	203%
Liabilities					
Current liabilities	2,507,098	9,433,502	11,810,695	2,377,193	25%
Long-term liabilities:					
Due within one year	4,440,726	55,963,652	4,585,889	(51,377,763)	-92%
Due in more than one year	124,550,858	84,292,123	144,258,128	59,966,005	71%
Total liabilities	131,498,682	149,689,277	160,654,712	10,965,435	7%
Deferred Inflows of Resources	2,407,039	3,002,587	1,137,727	(1,864,860)	-62%
Net Position					
Net investment in capital assets	(2,156,371)	(2,262,486)	(2,531,770)	(269,284)	12%
Restricted	5,894,560	5,052,939	7,552,517	2,499,578	49%
Unrestricted	6,075,914	10,206,710	27,298,136	17,091,426	167%
Total net position	**$ 9,814,103**	**$ 12,997,163**	**$ 32,318,883**	**$ 19,321,720**	149%

	2021	2022	2023	Change	Percent Change
Operating Revenue					
Public funding	$ 2,100,000	$ 1,500,000	$ 1,500,000	$ -	0%
Charges for services	9,069,386	10,439,543	10,794,020	354,477	3%
Total operating revenue	11,169,386	11,939,543	12,294,020	354,477	3%
Operating Expenses					
Salaries and benefits	1,871,973	4,026,994	5,782,362	1,755,368	44%
Professional services	1,941,413	2,512,277	2,242,239	(270,038)	-11%
Occupancy	101,506	189,048	277,642	88,594	47%
Travel and business development	88,513	150,355	214,085	63,730	42%
Equipment and supplies	36,612	35,539	33,409	(2,130)	-6%
Other operating expenses	370,674	498,695	504,505	5,810	1%
Taxes and holding costs	226,940	294,721	594,260	299,539	102%
Depreciation and amortization	1,237,439	1,196,128	1,264,759	68,631	6%
Total operating expense	5,875,070	8,903,757	10,913,261	2,009,504	23%
Operating Income	5,294,316	3,035,786	1,380,759	(1,655,027)	-55%
Nonoperating Revenue (Expenses)					
Restricted bond revenue	1,808,387	1,892,876	1,121,149	(771,727)	-41%
Interest expense	(3,421,241)	(3,889,348)	(3,814,887)	74,461	-2%
Gain/(Loss) on sale of property	116,556	(35)	-	35	-100%
Gain/(Loss) on sale of inventory	-	8,470	(45,659)	(54,129)	-639%
Gain on tax ruling	911,052	-	17,747	17,747	N/A
Impairment on asset	-	-	(126,373)	(126,373)	N/A
Investment income	99,580	101,396	1,315,051	1,213,655	1197%
Bond administrative expense	(227,443)	(929,303)	(911,323)	17,980	-2%
Grants, net	(34,973)	5,068	(24)	(5,092)	-100%
Capital grants and contributions	1,677,085	2,958,150	20,385,280	17,427,130	589%
Change in Net Position	**$ 6,223,319**	**$ 3,183,060**	**$19,321,720**	**$16,138,660**	507%

The Port uses a broad range of tools to assist with economic development projects within the City of Cincinnati, Ohio and Hamilton County, Ohio, as described further in Note 1 to the financial statements.

The net position of all business-type activities increased by $19.3 million, or 149 percent, in 2023. In comparison, net position in 2022 increased by $3.2 million, or 32 percent. The increase in 2023 is mainly derived from $20.4 million in capital grant contributions.

Unrestricted net position, the part of net position that can be used to finance day-to-day operations, increased $17.1 million, or 167 percent in 2023. In comparison, in 2022 unrestricted net position increased by $4.1 million, or 68 percent. The current level of unrestricted net position stands at $27.3 million, or about 283 percent of annual operating expenditures, excluding depreciation and amortization.

Restricted net position increased by $2.5 million, or 49 percent, in 2023 primarily due to renovations on trust restricted housing inventory. In contrast, restricted net position decreased by $0.8 million, or 14 percent, in 2022. The prior year decrease resulted primarily from spending restricted grants and trust restricted funds.

Net position from The Port's net investment in capital assets is negative $2.5 million, which declined $0.3 million from the prior year. In 2022, net investment in capital assets decreased $0.1 million. Loan deferrals and refinancings have contributed towards the negative net position in capital assets.

Operating Revenue

In 2023, public funding in the form of operating grants remained unchanged at $1.5 million (See Note 9). In comparison, public funding decreased $0.6 million in 2022 due to a reduction in operating support from Hamilton County. Public grants are appropriated annually to support The Port's economic development and inclusion activities.

Charges for services consist primarily of fees and rents charged for: parking, public finance, real estate leases, mortgage down payment assistance, management of other organizations, and development of projects. Service revenue increased $354,477, or 3 percent, in 2023 compared to the prior year. The increase was led by development fees on certain capital grant projects. In comparison, service revenue increased $1.4 million or 15 percent in 2022 compared to the prior year mainly due to rents from The Port's home portfolio acquired in 2022 (See Note 7).

Operating Expenses

Operating expenses increased $2.0 million or 23 percent in 2023 compared to the prior year, primarily due to a $1.7 million increase in salary and benefits. In 2023, salary and benefits increased $1.1 million from an adjustment to pension and other postemployment benefits (OPEB) (See Notes 10 & 11), and $0.6 million due to an increase in wages and related benefits. Additionally, property holding cost increased $0.3 million in 2023 due properties acquired during the year (See Note 14). In 2022, operating expenses increased $3.0 million mainly due to a $2.0 million OPEB adjustment and $0.6 million increase in professional services, specifically property management.

For years 2023, 2022 and 2021, The Port had adequate operating revenue to cover its operating expenses before depreciation and amortization on capital assets.

Nonoperating Revenue (Expenses)

Nonoperating revenue consists of grant revenues received under reimbursement-type grants and subsequently passed through to third parties, service payments, special assessments, or other revenues assigned by and received from other public bodies to support The Port's revenue bonds, nonoperating contributions to The Port's projects, gains and losses on the sale of properties, and certain post-closing bond reserves established for future debt service.

Nonoperating revenue (expenses) increased $0.4 million in 2023 compared to the prior year, primarily due to a $1.2 million increase in investment income offset by an $0.8 million decrease in restricted bond revenue, specifically hotel tax revenues due to the refinance of the Convention Center Hotel bonds (See Note 9). In 2022, nonoperating revenue (expenses) decreased $2.1 million compared to the prior year, due to a $1.2 million increase in bond interest and administration expense led by the 2022 Home Portfolio bonds (See Note 9), and prior year 2021 reflecting a $0.9 million favorable tax ruling on Fountain Square South Garage.

Capital grants and contributions increased $17.4 million in 2023, consisting of $8.4 million from the City of Cincinnati, $8.4 million from the State of Ohio (ODOD), and $0.5 million from Hamilton County. Capital grants received in 2023 funded the acquisition, demolition, remediation, and stabilization of various properties in the City of Cincinnati and Hamilton County. In comparison, capital grants and contributions increased $1.3 million in 2022 mainly due to grant funding from the City of Cincinnati for the acquisition of blighted industrial properties on Spring Grove Avenue in Camp Washington.

Capital Assets

At the end of 2023, The Port had $89.7 million invested in a broad range of capital assets, including public parking facilities, land, leasehold improvements and right of use assets. During the year, The Port's additions included $0.1 million of land improvements at the Convention Center Hotel (former Millennium Hotel) and $0.2 million of parking garage and leasehold improvements. This activity was offset by additional depreciation and amortization on capital assets in the amount of $1.3 million.

In comparison, in 2022 The Port's major capital additions included $3.6 million of land improvements at the Convention Center Hotel site and $0.4 million of parking garage and leasehold improvements. This activity was offset by additional depreciation and amortization on capital assets in the amount of $1.2 million.

Debt Administration

In support of economic development and other authorized projects within the City of Cincinnati and Hamilton County, The Port considers and, with board approval, issues bonds. In 2023, The Port issued $263.0 million of bonds, compared to $280.3 million and $269.7 million of bonds issued in 2022 and 2021, respectively. The following table summarizes The Port's issuance of bonds and conduit financings in the years 2023, 2022 and 2021.

Issue Date	Project Name	Bond Amount
04/2023	Convention Center Hotel Acquisition and Demolition Project - Refinance	$ 53,265,000
05/2023	Mercantile Library *	6,300,000
06/2023	Delhi Towne Square *	21,900,000
06/2023	Oakley Lodging Project *	12,834,596
06/2023	237 William Howard Taft Project *	23,517,625
06/2023	Gateway Lofts Project *	37,000,000
06/2023	Industrial Property Acquisition Project	6,300,000
07/2023	Montgomery Quarter Hotel *	27,500,000
07/2023	Victory Vistas *	8,650,000
09/2023	Vandalia Point *	8,775,000
11/2023	7 West 7th St Redevelopment Project *	57,000,000
	Total 2023	$ 263,042,221

Issue Date	Project Name	Bond Amount
01/2022	11911 Sheraton Lane Milhaus Project *	$ 30,000,000
01/2022	Hyde Park Hotel Project *	15,412,500
01/2022	Home Portfolio	15,865,000
02/2022	US Playing Card Redevelopment Project **	6,610,000
02/2022	11911 Sheraton Lane Project **	5,425,000
06/2022	The Foundry Project **	8,000,000
07/2022	District at Clifton Heights – Tribute Hotel Project *	38,559,300
07/2022	The District at Clifton Heights Project – Phase I *	39,850,000
08/2022	The Barrister Project *	7,500,000
08/2022	Three Oaks Project – Phase I *	11,855,000
09/2022	Central Trust Tower Project *	76,500,000
12/2022	Lester and Montgomery Apartments Project *	22,095,840
12/2022	The Lincoln & Gilbert Family Project *	2,591,280
	Total 2022	$ 280,263,920

Issue Date	Project Name	Bond Amount
02/2021	Summit Park Area Public Improvements *	$17,810,000
03/2021	FC Cincinnati Public Improvements *	18,445,000
06/2021	Patient Capital Fund (refinance)	10,475,000
06/2021	Cornerstone **	9,240,000
06/2021	Bigelow Street *	37,774,015
06/2021	Montgomery Quarter – Office *	10,031,250
07/2021	Walworth Junction *	12,600,000
07/2021	Blair Lofts *	10,250,000
07/2021	Montgomery Quarter – Apartments *	29,400,000
08/2021	Linden Pointe **	7,095,000
09/2021	Court & Walnut Development *	7,444,000
09/2021	Colonial Village Apartments *	6,000,000
12/2021	IDEA Public School *	28,100,000
12/2021	US Playing Cards (Factory 52) *	65,000,000
	Total 2021	$ 269,664,265

** Conduit revenue bond obligations issued by The Port*
*** Conduit revenue bond obligations issued by Southwest Ohio Regional Bond Fund (Note 7)*
Bond amounts reflect the maximum authorized principal amount.

Economic Factors and Next Year's Budgets and Rates

The Port projects 2024 operating revenue of $12.6 million and operating expenses of $9.7 million.

The Port will continue to rely on operating support provided by its public partners. Hamilton County and the City of Cincinnati are expected to make operating grants of $800,000 and $700,000, respectively, in 2024.

The Port operates four public parking facilities in Cincinnati's central business district providing 2,230 total parking spaces. Parking demand is dependent upon Cincinnati's downtown workforce and special events, including the Convention Center, professional sports, and Fountain Square events. In June 2024, the Duke Energy Convention Center is expected to close for renovations and reopen in early 2026.

Lease revenue from The Port's single-family housing portfolio, business districts, industrial warehouses and parking lots may vary due to the demand for rental units, vacancy rate, and nonpayment of rent.

The Port actively manages a pipeline of potential public financings that could result in the issuance of bonds or project leases generating recurring and non-recurring public finance fees, some of which could be significant.

Revenues from The Port's mortgage down payment assistance program are correlated with the demand for mortgage loans, which can fluctuate due to economic factors such as mortgage interest rates and the supply of housing inventory.

Development fees are derived from certain capital grant agreements, which are dependent upon the availability of grant funds.

Contacting the Management

This financial report is intended to provide our stakeholders with a general overview of The Port's finances and to show accountability for the money received. If you have questions about this report or need additional information, we welcome you to contact Rick Hudson, Chief Financial Officer at 513-621-3000.

Proprietary Funds
Statement of Net Position

December 31, 2023 and 2022

	2023	2022
Assets		
Current assets:		
Cash and cash equivalents (Note 3)	$ 8,231,913	$ 13,200,690
Receivables (Note 4)	10,017,917	2,035,973
Prepaid expenses and other assets	237,004	180,081
Total current assets	18,486,834	15,416,744
Noncurrent assets:		
Restricted cash and investments	12,816,067	15,160,533
Notes and lease receivables (Note 4)	2,660,173	2,582,448
Net OPEB asset (Note 11)	-	607,982
Inventory – Housing	16,989,495	14,763,169
Capital assets: (Note 5)		
Assets not subject to depreciation and amortization	69,952,898	69,830,115
Assets subject to depreciation and amortization	19,751,275	20,838,708
Assets held for resale (Note 14)	50,797,793	25,611,904
Total noncurrent assets	172,967,701	149,394,859
Total assets	191,454,535	164,811,603
Deferred Outflows of Resources		
Pension (Note 10)	2,272,965	867,446
OPEB (Note 11)	383,822	9,978
Total deferred outflows of resources	2,656,787	877,424
Liabilities		
Current liabilities:		
Accounts payable	6,687,171	2,028,220
Lease liability (Note 8)	199,437	192,589
Accrued liabilities and other	751,675	349,213
Unearned grant revenue	4,172,412	6,863,480
Total current liabilities	11,810,695	9,433,502
Noncurrent liabilities:		
Accrued interest payable from restricted assets	1,318,165	1,051,075
Accrued expenses payable from restricted assets	415,227	520,016
Lease liability (Note 8)	102,333	301,770
Net pension obligation (Note 10)	4,983,110	1,343,429
Net OPEB obligation (Note 11)	128,191	-
Current portion of long-term debt payable from restricted assets (Note 7)	2,852,497	54,392,561
Long-term debt payable from restricted assets (Note 7)	2,500,000	2,500,000
Long-term debt payable from future restricted bond revenue (Note 7)	136,544,494	80,146,924
Total noncurrent liabilities	148,844,017	140,255,775
Total liabilities	160,654,712	149,689,277
Deferred Inflows of Resources		
Pension (Note 10)	-	1,627,427
OPEB (Note 11)	42,278	629,612
Leases (Note 8)	1,095,449	745,548
Total deferred inflows of resources	1,137,727	3,002,587
Net Position		
Net investment in capital assets	(2,531,770)	(2,262,486)
Restricted:		
Grants	5,662,199	4,200,675
Trust assets	1,890,318	852,264
Unrestricted	27,298,136	10,206,710
Total net position	**$ 32,318,883**	**$ 12,997,163**

See notes to financial statements.

Proprietary Funds
Statement of Revenue, Expenses, and Changes in Net Position

Years Ended December 31, 2023 and 2022

	2023	2022
Operating Revenue		
Public funding (Note 9)	$ 1,500,000	$ 1,500,000
Charges for services	10,794,020	10,439,543
Total operating revenue	12,294,020	11,939,543
Operating Expenses		
Salaries and benefits	5,782,362	4,026,994
Professional services	2,242,239	2,512,277
Occupancy	277,642	189,048
Travel and business development	214,085	150,355
Equipment and supplies	33,409	35,539
Other operating expenses	504,505	498,695
Taxes and holding costs	594,260	294,721
Depreciation and amortization	1,264,759	1,196,128
Total operating expenses	10,913,261	8,903,757
Operating Income	1,380,759	3,035,786
Nonoperating Revenue (Expense)		
Restricted bond revenue	1,121,149	1,892,876
Investment income	1,315,051	101,396
Interest expense	(3,814,887)	(3,889,348)
Loss on sale of property	-	(35)
(Loss) Gain on sale of housing inventory	(45,659)	8,470
Gain on tax ruling	17,747	-
Impairment on assets	(126,373)	-
Bond administrative expense	(911,323)	(929,303)
Grants	4,941,646	7,564,249
Grant expenditures	(4,941,670)	(7,559,181)
Total nonoperating (expense) revenue	(2,444,319)	(2,810,876)
(Loss) Gain - Before capital grants and contributions	(1,063,560)	224,910
Capital Grants and Contributions	20,385,280	2,958,150
Increase in Net Position	19,321,720	3,183,060
Net Position - Beginning of year	12,997,163	9,814,103
Net Position - End of year	$ 32,318,883	$ 12,997,163

See notes to financial statements.

Propriety Funds
Statement of Cash Flows

Years Ended December 31, 2023 and 2022

	2023	2022
Cash Flows from Operating Activities		
Receipts from public funding sources	$ 1,500,000	$ 1,500,000
Receipts from charges for services	10,884,648	10,180,942
Payments to suppliers	(3,638,853)	(2,639,171)
Payments to employees	(5,362,776)	(4,614,372)
Net cash and cash equivalents provided by operating activities	3,383,019	4,427,399
Cash Flows from Noncapital Financing Activities		
Receipts from grants and subsidies	13,136,198	8,807,374
Proceeds from the issuance of debt	6,300,000	15,865,000
Restricted bond revenue	328,324	307,226
Principal paid on debt	(764,589)	(361,974)
Interest paid	(1,331,852)	(1,104,840)
Bond administrative expenses paid	(366,188)	(406,709)
Proceeds from the sale of housing inventory	878,822	72,470
Purchase and development of housing inventory	(3,116,330)	(14,793,419)
Proceeds from the sale of assets held for sale	-	617,264
Purchase and development of assets held for sale	(23,456,570)	(3,934,364)
Net cash and cash equivalents (used in) provided by noncapital financing activities	(8,392,185)	5,068,028
Cash Flows from Capital and Related Financing Activities		
Proceeds from the issuance of debt	53,265,000	-
Restricted bond revenue	810,572	1,585,650
Purchase and construction of capital assets	(551,391)	(6,664,063)
Principal paid on debt	(53,667,972)	(757,570)
Interest paid	(2,678,507)	(3,394,788)
Bond administrative expenses paid	(595,258)	(155,094)
Net cash and cash equivalents used in capital and related financing activities	(3,417,556)	(9,385,865)
Cash Flows from Investing Activities		
Interest received on investments	1,318,476	78,182
Loans collected	782,863	1,025,885
Loans provided	(987,860)	-
Net cash and cash equivalents provided by investing activities	1,113,479	1,104,067
Net (Decrease) Increase in Cash and Cash Equivalents	(7,313,243)	1,213,629
Cash and Cash Equivalents - Beginning of year	28,361,223	27,147,594
Cash and Cash Equivalents - End of year	$ 21,047,980	$ 28,361,223
Classification of Cash and Cash Equivalents		
Cash and investments	$ 8,231,913	$ 13,200,690
Restricted cash	12,816,067	15,160,533
Total cash and cash equivalents	$ 21,047,980	$ 28,361,223

Continued next page

Propriety Funds
Statement of Cash Flows (Continued)

Years Ended December 31, 2023 and 2022

	2023	2022
Reconciliation of Operating Income to Net Cash from Operating Activities		
Operating income	$ 1,380,759	$ 3,035,786
Adjustments to reconcile operating income to net cash from operating activities:		
Depreciation and amortization	1,264,759	1,196,128
Changes in assets and liabilities:		
Accounts receivable	233,923	346,981
Prepaid and other assets	(1,170,847)	(147,603)
Accounts payable	(282,186)	612,691
Accrued and other liabilities	1,956,611	(616,584)
Net cash and cash equivalents provided by operating activities	**$ 3,383,019**	**$ 4,427,399**

See notes to financial statements.

Note 1 - Nature of Business

Port of Greater Cincinnati Development Authority (dba, "The Port") is a port authority that uses a broad range of tools to assist with economic development projects within the City of Cincinnati, Ohio and Hamilton County, Ohio.

Note 2 - Significant Accounting Policies

The Port follows accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board. The following is a summary of the significant accounting policies used by The Port:

Reporting Entity

The Port is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Port was formed under Ohio Revised Code Section 4582.22 by the City of Cincinnati, Ohio (the "City") and Hamilton County, Ohio (the "County") on December 7, 2000. In August 2008, the City and County amended the original agreement by expanding The Port's geographical jurisdiction to include all of Hamilton County, Ohio and the City of Cincinnati, Ohio, streamlining the size of the board of directors and committing to a specific funding plan. The City and County also removed substantially all of the restrictions that had initially been imposed to permit The Port to use all powers available to Ohio port authorities.

The Port primarily seeks to identify, restore, and redevelop properties and land in Hamilton County, Ohio; to provide development financing through the issuance of revenue bonds; expand home ownership; and to identify and pursue other opportunities to promote economic development, transportation, and other statutorily authorized purposes of The Port.

The Port's management believes these financial statements present all activities for which The Port is financially accountable.

Port Authority Powers

Historically, port authorities were created to conduct maritime activities and, later, airport activities. However, port authorities in Ohio have evolved as an economic development tool. As independent units of government, Ohio port authorities may conduct traditional waterborne and air transportation activities, as well as own property and provide financing for local economic development initiatives. Ohio law defines the "authorized purposes" of a port authority as "activities that enhance, foster, aid, provide, or promote transportation, economic development, housing, recreation, education, governmental operations, culture, or research within the jurisdiction of the port authority" and "activities authorized by Sections 13 and 16 of Article VIII, Ohio Constitution." These broad powers are complemented by expansive authority to enter into cooperative relationships with one or more other political subdivisions to undertake major development projects jointly.

Special Financing, Projects, and Programs

Under Ohio law, a port authority has a broad range of project management and funding capabilities that enable it to participate in a variety of ways in economic development projects:

Conduit Revenue Bond Financings - Port authorities may provide assistance through conduit revenue bond financing. These revenue bond financings are based on the creditworthiness of the borrower and may include some form of credit enhancement. The issuing port authority has no obligation with respect to the bonds except to the extent of loan payments payable solely from pledged receipts and, unless issued as part of a capital lease financing, would have no interest in the property financed (see Note 13). The Port has several conduit revenue bond issues outstanding and provides such assistance upon request.

Note 2 - Significant Accounting Policies (Continued)

The Port issues conduit debt on behalf of third parties. The Port classifies debt as conduit debt when all of the following characteristics exist: at least three party involvement: (1) issuer, (2) third-party obligor, and (3) debt holder or debt trustee; the issuer and third-party obligor are not within the same financial reporting entity; debt obligation is not a parity bond of the issuance, nor is it cross-collateralized with other debt of the issuer; third-party obligor or its agent, not the issuer, ultimately receives the proceeds from the debt issuance; and the third party-obligor, not the issuer, is primarily obligated for the payment of all debt service.

Cooperative Public Infrastructure Financings - The proceeds of port authority revenue bonds may be used to finance public facilities or properties to be owned by the port authority. Often these projects are undertaken in cooperation with one or more overlapping political subdivisions and supported by tax increment financing service payments, special assessments, or both, assigned by the political subdivision to the port. The bonds would be secured by the assignment of that revenue and would be non-recourse to the general revenue and assets of the port. The Port has issued such bonds in the past and expects to continue to do so.

Project Incentives - Port authorities may act as the central point of contact for investigating and procuring local, state, and federal business retention and expansion incentives.

Grant Programs - Ohio port authorities may apply for local, state, and federal grant funds, which generally are used for public infrastructure improvements made in support of local economic development efforts.

Common Bond Fund Programs - Common bond funds are a tool that supplements the financing options available to small- and medium-sized companies within the community. These programs provide credit enhancements and long-term, fixed-rate loans that make it possible for companies to access capital markets that might otherwise be unavailable.

In April 2015, The Port became an eligible issuer of economic development revenue bonds for the Southwest Ohio Regional Bond Fund, created from the expansion of the Dayton-region Port Authority Bond Fund. The expanded bond fund serves growing companies in the Dayton and Cincinnati regions. The Port also issues bond fund debt repayable from tax increment financing and special assessments. See Note 7 for additional details regarding bond fund activity.

Property Ownership - Ohio port authorities have broad powers to acquire, construct, and own real or personal property, or any combination of real and personal property, to further any authorized purpose. This includes the power to own and improve property if doing so helps to create or preserve jobs and economic or business development opportunities. This is especially helpful when a property has negative value, as in the case of a Brownfield site where barriers such as liens and environmental issues are impediments to redevelopment. Furthermore, port authorities may sell, lease (to or from others and with or without purchase options), and convey other interests in real or personal property, improved or unimproved, as well. The Port has owned and improved property as part of its Brownfield development and economic redevelopment financing activities.

Structured Lease Projects - Under this structure, the port authority owns the real estate assets and leases it to a private entity on a long-term basis. The port authority may also issue revenue bonds to finance the acquisition, construction, and leasing of a project. The lease structure has been used to convey a variety of incentives, such as sales tax exemption on building materials incorporated into buildings owned by a port authority, and accounting advantages to the lessee/user of the project. The Port has provided capital lease structures and lease financing.

Down Payment Assistance Programs - Ohio port authorities may provide grants, loans, guarantees, and other means to enhance the availability of adequate housing for individuals and families in Ohio. In November 2014, The Port established a market rate government-insured mortgage and down payment assistance homeownership program for qualified borrowers of single-family residential properties. In July 2015, the program expanded to include conventional mortgages.

Note 2 - Significant Accounting Policies (Continued)

Project Coordination - Ohio port authorities can facilitate and coordinate the various regulatory approvals needed from multiple agencies or jurisdictions. This is particularly helpful for assisting with complicated, large-scale projects. As a result, the development process is streamlined, and projects can move forward more quickly and efficiently.

Management Agreements

The Port has management agreements to operate other entities aligned with The Port's mission. These entities include:

- Hamilton County Land Reutilization Corporation (Hamilton County Landbank)
- Homesteading and Urban Redevelopment Corporation (HURC)
- Greater Cincinnati and Northern Kentucky Foreign Trade Zones (agreement terminated 6/30/2023)

Each entity has its own board of directors and no employees. Management fee revenue from the entities above is reflected in charges for services.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The financial statements consist of a single-purpose business-type activity, which is reported on the accrual basis of accounting, using the economic resources measurement focus.

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

The Port maintains budgetary control by not permitting total expenses and amounts charged to individual expense categories to exceed respective appropriations without amendment of appropriations by the board of directors. Unencumbered appropriations lapse at year end; but to the extent that unencumbered general operating monies remain at year end, an amount equal to 10 percent of that year's appropriation is appropriated for successive months' expenses until the next year's appropriation is approved by the board.

The Port follows the GASB guidance as applicable to proprietary funds. Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. Proprietary funds use the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

When an expense is incurred for the purpose for which both restricted and unrestricted net position are available, The Port's policy is to first apply restricted resources.

Assets, Liabilities, and Net Position

Bank Deposits and Investments

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value.

Restricted Assets

The revenue bonds of the enterprise funds require amounts to be set aside for construction, debt service principal and interest, operations and maintenance, and a bond reserve. These amounts have been classified as restricted assets. Unspent bond proceeds are required to be set aside for construction. These amounts have also been classified as restricted assets.

Note 2 – Significant Accounting Policies (Continued)

Assets Held for Resale

Assets held for resale consist of land and real estate held for resale and are valued at the lower of cost or market.

Inventory - Housing

Inventory consists of residential homes transitioning to home ownership opportunities and are valued at cost. Prior to their sale, homes may be leased to tenants and renovated.

Capital Assets

Capital assets are stated at historical cost and depreciated using the straight-line method over the estimated useful life of each asset. Leasehold improvements and right of use lease assets are amortized over the shorter of the lease term or the estimated useful lives. Property held for redevelopment that is environmentally contaminated, or perceived to be contaminated, is not depreciated until redevelopment is completed. Donated capital assets are recorded at their acquisition value at the date of donation. Bond-financed assets are depreciated over the life of the bond, or a lesser useful life when appropriate. Capital assets in excess of $2,500 are capitalized. Any interest cost incurred before the end of construction is expensed in the period incurred, in accordance with GASB 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*.

The following estimated useful lives are being used by The Port:

	Depreciable Life Years
Land improvements	30 to 45
Buildings and leasehold improvements	3 to 45
Equipment and furnishings	3 to 7

Notes Receivable

The Port provided housing loans of $987,860 and $0 in the years 2023 and 2022, respectively, from the Greater Cincinnati Neighborhoods Housing Revitalization Loan Fund (see Note 7). All loans were provided to entities managed by The Port, mature in the year 2025, and have an annual interest rate of 2.50 percent. Interest payments are due quarterly.

The Port provided $0 commercial loans in the years 2023 and 2022 from the Cincinnati Neighborhood Commercial Real Estate Loan Fund (see Note 7). All loans mature in the year 2026 and have an annual interest rate of 3.00 percent. Interest payments are due quarterly.

Compensated Absences (Vacation and Sick Leave)

It is The Port’s policy to permit employees to accumulate earned but unused paid-time-off benefits (PTO). Employees begin earning PTO on their first day of service and are permitted to carry a maximum of twenty days of unused PTO at any one time. Accumulated paid-time-off balances are accrued when incurred in the financial statements.

Note 2 – Significant Accounting Policies (Continued)

Long-term Debt

In the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the proprietary fund-type statement of net position. The Port records debt when The Port has legal title over the capital assets purchased, has ultimate control over the capital asset and its use, and the capital assets resulting from the expenditure of bond proceeds are for public use or support The Port's governmental purpose by fostering continued opportunity for economic or business development.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense) until then. The Port reports deferred outflows related to pensions and OPEB (other post-employment benefits) (Notes 10 & 11).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The Port reports deferred inflows related to pensions and OPEB (Notes 10 & 11), and leases (Note 8).

Pension and Other Postemployment Benefit Costs

For the purposes of measuring the net pension and OPEB liability/(asset), deferred outflows and inflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the fiduciary net position of the Ohio Public Employees Retirement System Pension Plan (OPERS) and additions to/deductions from OPERS' fiduciary net position have been determined on the same basis as they are reported by OPERS. OPERS uses the economic resources measurement focus and the full accrual basis of accounting. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments (including refunds of employee contributions) are recognized as expense when due and payable in accordance with benefit terms. OPERS reports investments at fair value (see Notes 10 & 11).

Net Position Flow Assumption

The Port will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position, a flow assumption must be made about the order in which the resources are considered to be applied. It is The Port's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Net Position

Net position of The Port is classified in three components:

- Net Investment in Capital Assets - Consists of capital assets net of accumulated depreciation and amortization and reduced by the outstanding balances of borrowings used to finance the purchase or construction of those assets.
- Restricted Net Position - Consists of cash and investments held by trusts to secure revenue bonds reduced by liabilities payable from the trusts, and the remaining balance of purpose-restricted grants.
- Unrestricted Net Position - Equals the remaining net position that does not meet the definition of invested in capital assets or restricted net position.

Note 2 – Significant Accounting Policies (Continued)

Capital Grants and Contributions

Grants for the acquisition and construction of land and property are reported in the statement of revenue, expenses, and changes in net position under the classification of capital grants and contributions.

Proprietary Funds Operating Classification

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of proprietary funds is charges to customers for sales or services. Operating expenses for these funds include the cost of sales or services, administrative expenses, and may include depreciation and amortization on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Upcoming Accounting Pronouncements

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections*, which enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this statement are effective for the Port's financial statements for the year ending December 31, 2024.

In June 2022, GASB issued Statement No. 101, *Compensated Absences*, which 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. This statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences and requires that a liability for specific types of compensated absences not be recognized until the leave is used. In addition, the statement establishes guidance for measuring a liability for leave that has not been used. The requirements of this statement are effective for the Port's financial statements for the year ending December 31, 2024.

Note 2 – Significant Accounting Policies (Continued)

The Port adopted the following accounting pronouncements in 2023 and 2022:

- GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements (PPPs); Adopted in 2023.
- GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs); Adopted in 2023.
- GASB Statement No. 87, *Leases* (See Note 8); Adopted in 2022.

Note 3 - Deposits and Investments

Deposits

Monies in the funds of The Port, except as otherwise described below with respect to investments controlled by the terms of a bond resolution or trust agreement or indenture, and to the extent in excess of current needs, may be invested in accordance with the Ohio Uniform Depository Act, Revised Code Sections 135.01-135.52 (UDA). At December 31, 2023 and 2022, the aggregate amount of monies in the general operating funds of The Port held in demand deposit and money market accounts was $4,102,259 and $2,328,480, respectively, all of which constituted "active deposits," with three qualified banking institutions, deposited in accordance with UDA. At December 31, 2023 and 2022, approximately $750,000 of these deposits were covered by FDIC insurance. Of the remaining balances at December 31, 2023 and 2022, approximately $3,352,300 and $1,578,500, respectively, were collateralized with securities by the pledging institution's trust department or agent, but not in The Port's name. In 2022, The Port established investment accounts with STAR Ohio (State Treasury Asset Reserve of Ohio) for interim deposits. The STAR Ohio investments were the only amounts from the unrestricted general operating funds not held in demand deposit or money markets with a qualified banking institution during the two-year period ended December 31, 2023.

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, The Port's deposits may not be returned to it. Operating (non-trustee) investments of The Port are insured, registered in the name of the government, and/or collateralized with securities by the pledging institution's trust department or agent; therefore, there is no custodial credit risk exposure.

Investments

Investments represent trusteed funds securing revenue bonds. Funds held by a corporate trustee on behalf of The Port may be legally invested in accordance with the bond-authorizing resolution of The Port's board of directors or the trust indenture or agreement securing those revenue bonds.

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of rising interest rates. The Port held the following investments as of December 31, 2023 and 2022.

- U.S. Treasury securities with a market value of $1,790,048 and $3,103,931 having a maximum of 365 days remaining until maturity for the year ended December 31, 2023 and 2022.
- Federal Home Loan Bank securities with a market value of $917,430 and $888,520 having a maximum of 365 days remaining until maturity for the years ended December 31, 2023 and 2022, respectively.

Note 3 - Deposits and Investments (Continued)

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Port has no investment policy that would further limit its investment choices. As of yearend, the S&P credit quality ratings of the money markets held are AAAm for 2023 and 2022.

Note 4 – Receivables

The table below summarizes the Port's receivables as of December 31, 2023 and 2022. Receivables from the state primarily relate to ODOD (Ohio Department of Development) and JobsOhio grant funds due on demolition and remediation work. Receivables from local government primarily relate to City of Cincinnati grant funds and Hamilton County Auditor tax refunds. Other receivables are mainly related to public finance projects and other various reimbursements. Notes receivable from the commercial and housing loan funds are further described in the long-term debt footnote (Note 7). All receivables are expected to be collected, thus no allowance for doubtful accounts is recorded.

	2023	2022
Receivables - current		
State of Ohio and state agencies	$ 7,780,544	$ 624,746
Local government	705,134	498,200
Other	799,291	653,827
Notes receivable – commercial loan fund	432,760	106,080
Notes receivable – housing loan fund	-	5,672
Lease receivable – GASB 87	300,188	147,448
Total	10,017,917	2,035,973
Receivables - noncurrent		
Notes receivable – commercial loan fund	877,051	1,644,348
Notes receivable – housing loan fund	987,860	340,000
Lease receivable – GASB 87	795,262	598,100
Total	2,660,173	2,582,448

Note 5 - Capital Assets

Capital asset activity of The Port was as follows:

	Balance January 1, 2023	Additions	Disposals & Transfers	Balance December 31, 2023
Capital assets not being depreciated:				
Land - Fifth & Plum Parking Lot	$ 11,920,221	-	-	$ 11,920,221
Land - Convention Center Garages	4,857,323	-	-	4,857,323
Land - Convention Center Hotel	38,561,497	-	-	38,561,497
Land improvements - Conv Ctr Hotel	14,491,074	122,783	-	14,613,857
Subtotal	69,830,115	122,783	-	69,952,898
Capital assets being depreciated:				
Buildings - Convention Center Garages	22,222,093	-	-	22,222,093
Parking equipment	130,966	45,612	-	176,578
Office equipment	2,757	-	-	2,757
Furniture and fixtures	122,051	-	-	122,051
Vehicles	42,567	-	-	42,567
Leasehold improvements - Garage	1,905,524	131,714	-	2,037,238
Leasehold improvements - Office	120,879	-	-	120,879
Right of use lease assets – Land	593,228	-	-	593,228
Right of use lease assets – Facilities	334,566	-	-	334,566
Right of use lease assets – Equipment	63,502	-	-	63,502
Subtotal	25,538,133	177,326	-	25,715,459
Accumulated depreciation and amortization:				
Buildings - Convention Center Garages	3,116,475	909,791	-	4,026,266
Parking equipment	120,333	11,929	-	132,262
Office equipment	2,757	-	-	2,757
Furniture and fixtures	80,203	9,727	-	89,930
Vehicles	2,708	6,083	-	8,791
Leasehold improvements - Garage	825,526	104,138	-	929,664
Leasehold improvements - Office	16,872	40,309	-	57,181
Right of use lease assets – Land	317,308	110,368	-	427,676
Right of use lease assets – Facilities	179,767	59,922	-	239,689
Right of use lease assets – Equipment	37,476	12,492	-	49,968
Subtotal	4,699,425	1,264,759	-	5,964,184
Net capital assets being depreciated	20,838,708	(1,087,433)	-	19,751,275
Net capital assets	$ 90,668,823	$ (964,650)	$ -	$ 89,704,173

Note 5 – Capital Assets (Continued)

	Balance January 1, 2022	Additions	Disposals & Transfers	Balance December 31, 2022
Capital assets not being depreciated:				
Land - Fifth & Plum Parking Lot	$ 11,920,221	-	-	$ 11,920,221
Land - Convention Center Garages	4,857,323	-	-	4,857,323
Land - Convention Center Hotel	38,561,497	-	-	38,561,497
Land improvements - Conv Ctr Hotel	10,883,043	3,608,031	-	14,491,074
Construction in progress - Conv Ctr Garages	1,130,200	211,505	(1,341,705)	-
Subtotal	67,352,284	3,819,536	(1,341,705)	69,830,115
Capital assets being depreciated:				
Buildings - Convention Center Garages	20,880,388	1,341,705	-	22,222,093
Parking equipment	130,966	-	-	130,966
Office equipment	2,757	-	-	2,757
Furniture and fixtures	91,800	30,251	-	122,051
Vehicles	-	42,567	-	42,567
Leasehold improvements - Garage	1,856,691	48,833	-	1,905,524
Leasehold improvements - Office	15,347	105,532	-	120,879
Right of use lease assets – Land	593,228	-	-	593,228
Right of use lease assets – Facilities	334,566	-	-	334,566
Right of use lease assets – Equipment	63,502	-	-	63,502
Subtotal	23,969,245	1,568,888	-	25,538,133
Accumulated depreciation and amortization:				
Buildings - Convention Center Garages	2,285,415	831,060	-	3,116,475
Parking equipment	93,402	26,931	-	120,333
Office equipment	2,756	1	-	2,757
Furniture and fixtures	74,078	6,125	-	80,203
Vehicles	-	2,708	-	2,708
Leasehold improvements - Garage	687,398	138,128	-	825,526
Leasehold improvements - Office	8,479	8,393	-	16,872
Right of use lease assets – Land	206,940	110,368	-	317,308
Right of use lease assets – Facilities	119,845	59,922	-	179,767
Right of use lease assets – Equipment	24,984	12,492	-	37,476
Subtotal	3,503,297	1,196,128	-	4,699,425
Net capital assets being depreciated	20,465,948	372,760	-	20,838,708
Net capital assets	$ 87,818,232	$ 4,192,296	$ (1,341,705)	$ 90,668,823

It is The Port's practice to engage a third-party management company to manage the public-use facilities owned by The Port. The contracts generally require the management company to pay costs of operation, including but not limited to insurance, maintenance, and repairs.

Construction in Progress

At the end of December 2022, land improvements at the Convention Center Hotel site and garage improvements at the Convention Center Garages were both completed.

Construction Commitments

The Port commitments as of December 31, 2023 and 2022 were approximately $3,826,000 and $0, respectively.

Note 6 - Fair Value Measurements

The Port 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 assets and liabilities. Level 1 inputs are quoted prices in active markets for identical assets and liabilities; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

In instances whereby inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Port's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The Port has the following recurring fair value measurements as of December 31, 2023 and 2022:

- U.S. Treasury securities of $1,790,048 and $3,103,931, respectively, are valued using quoted market prices (Level 1 inputs).
- Federal Home Loan Bank securities of $917,430 and $888,520, respectively, are valued using quoted market prices (Level 1 inputs).
- Money market funds of $5,291,345 and $7,117,732, respectively, are valued using quoted market prices (Level 1 inputs).

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities.

The Port held no investments using Level 3 inputs for fair value measurement, nor investments measured at the net asset value per share as of December 31, 2023 and 2022.

Note 7 - Long-term Debt

The bonds are special limited obligations of The Port payable only from the funds established with and revenue assigned to the bond trustee under the trust indenture and treated as nonoperating revenue of The Port, except for parking revenues included in operating revenue as charges for services. All bonds are issued as direct placement bonds. The bondholders have no recourse to any other revenue or assets of The Port, except for bondholders of the: 2021 Patient Capital Fund, 2018 Fifth and Plum Project, 2019 Convention Center Garages, 2022 Home Portfolio and the 2023 Industrial Acquisition Project.

Costs of The Port, including legal costs, are generally considered to be administrative expenses under the bond documents and are eligible for payment or reimbursement from the trust if, and when, amounts are available in the trust for such purposes. The Port is also specifically indemnified by various parties including private developers. This indemnification includes all costs of The Port, including legal costs.

Note 7 - Long-term Debt (Continued)

A detailed description of each bond issue as of December 31, 2023 follows:

Description	Amount
Revenue bonds:	
2015 Southwest Ohio Regional Bond Fund - State Loan Revenue Bonds, bearing interest at 0.00 percent, maturing in 2055	$ 2,500,000
2017 Cincinnati Neighborhood Commercial Real Estate Loan Fund - Economic and Community Development Revenue Bonds, bearing interest at 0.00 percent through January 25, 2019 and 2.00 percent thereafter, maturing in 2026	4,500,000
2018 Fifth & Plum Project - Development Revenue Bonds, bearing interest at 4.95 percent through June 1, 2028 and 6.75 percent thereafter, maturing in 2043	12,590,000
2018 Greater Cincinnati Neighborhoods Housing Revitalization Loan Fund - Housing and Community Development Revenue Bond and 2020 Additional Bond, bearing interest at 0.00 percent through March 31, 2019 and 2.00 and 2.22 percent thereafter, maturing in 2025	2,000,000
2019 Fountain Square South Garage - Parking Facility Refunding Revenue Bonds, bearing interest at 4.65 percent and 5.00 percent, maturing in 2043	10,250,000
2019 Convention Center Garages - Parking Facility Revenue Bonds, bearing interest ranging from 0.00 percent to 5.00 percent, maturing in 2043	24,294,773
2021 Patient Capital Fund Economic Development Mortgage Revenue Bond Anticipation Notes, bearing interest at 0.15 percent, maturing in 2026	10,320,000
2022 Home Portfolio Non-Tax Revenue Bonds, bearing interest at 3.49 percent and 3.94 percent, maturing in 2046	15,865,000
2023 Convention Center Hotel Acquisition and Demolition Project – Refunding Revenue Bonds, bearing interest at 5.00 percent, maturing in 2025	53,265,000
2023 Industrial Property Acquisition Project Taxable Development Revenue Bonds, bearing interest at 5.375 percent and 6.00 percent, maturing in 2048	6,260,000
Total	$ 141,844,773

Changes in Long-term Debt

The following is a summary of long-term debt transactions (excluding unamortized bond premiums and discounts in the amount of $52,218 and $327,151 of The Port for the years ended December 31, 2023 and 2022, respectively):

	2023				
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue bonds	$ 136,712,334	$59,565,000	$(54,432,561)	$141,844,773	$ 2,852,497

	2022				
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue bonds	$ 121,966,878	$15,865,000	$(1,119,544)	$136,712,334	$ 54,392,561

Note 7 - Long-term Debt (Continued)

Debt Service Requirements to Maturity

The annual total principal and interest requirements to service all debt outstanding at December 31, 2023 are as follows:

Years Ending December 31	Principal	Interest	Total
2024	$ 2,852,497	$ 5,716,098	$ 8,568,595
2025	58,225,566	4,269,341	62,494,907
2026	14,898,981	2,810,780	17,709,761
2027	2,197,630	2,663,663	4,861,293
2028	2,226,562	2,665,014	4,891,576
2029-2033	12,832,385	12,252,083	25,084,468
2034-2038	17,121,916	9,019,348	26,141,264
2039-2043	23,769,236	4,473,906	28,243,142
2044-2048	5,220,000	616,840	5,836,840
2049-2053	-	-	-
2054-2055	2,500,000	-	2,500,000
Total	$ 141,844,773	$ 44,487,073	$ 186,331,846

Southwest Ohio Regional Bond Fund (Reserve)

In April 2015, The Port issued $2,500,000 principal amount State Loan Revenue Bonds (Series 2015) to establish its bond fund program. The Southwest Ohio Regional Bond Fund was created from the expansion of the Dayton-region Port Authority Bond Fund. The Port's participation in the bond fund was made available by a $3.5 million deposit into the common fund (reserve), of which $2.5 million was loaned by the State of Ohio and $1.0 million was granted by Hamilton County, Ohio. Combined with Dayton's $4.3 million in reserves, a $15.0 million letter of credit, $10.0 million in reserves through Jobs Ohio, and interest earnings, the bond fund has approximately $32.9 million in total program reserves and capacity to issue approximately $80 million in bonds. The expanded bond fund serves growing companies in 14 counties by providing access to project capital at terms and rates not available through traditional lending channels.

The state loan revenue bonds consist of term bonds maturing on April 29, 2055 in a lump sum. Interest (if any) is payable semiannually and is based upon the net investment earnings from the $2.5 million held by the trustee. The net investment earnings were $67,265 and $30,006 for the years 2023 and 2022. Interest payable to the State of Ohio by the trustee as of December 31, 2023 and 2022 was $87,686 and $20,421, respectively, and included in accrued expenses payable from restricted assets.

Assuming an interest rate of 0.0 percent per year to the maturity of the bonds, debt service as of December 31, 2023 is estimated as a lump-sum principal payment of $2.5 million in the year 2055. Total pledged revenues on the bonds for the years ended December 31, 2023 and 2022 were approximately $67,000 and $30,000, respectively, compared to net debt service (principal and interest) of approximately $67,000 and $30,000, respectively.

Note 7 - Long-term Debt (Continued)

Cincinnati Neighborhood Commercial Real Estate Loan Fund

In 2017, The Port issued two tranches of Economic and Community Development Revenue Bonds totaling $2,000,000 to establish its Commercial Real Estate Loan Fund (the "Loan Fund") that will focus on rebuilding commercial districts in targeted Cincinnati neighborhoods. The Port issued a third tranche in the amount of $500,000 in 2018, and a final tranche of $2,500,000 in 2019, bringing the total Loan Fund issue to $5,000,000 at December 31, 2019.

The Kresge Foundation, a private, national foundation based in Detroit, Michigan, provided initial capital to seed the Loan Fund up to $5,000,000. The Port administers the Loan Fund and develops the program.

The Loan Fund is part of a program aligned with The Port's strategic initiative to comprehensively revitalize disinvested target neighborhoods through acquisition and rehab of blighted residential properties and development of commercial districts with place-based, neighborhood-serving retail, arts and culture, and microenterprise. Among the program goals are to help lower the barrier for local business formation by providing available space for target tenants; stabilizing neighborhoods through the support of entrepreneurship; and restoring vibrant retail and commerce with a focus on inclusivity and engagement of neighborhood-based enterprise.

The Port provided loans from the Commercial Real Estate Loan Fund totaling: $1,035,000 in 2017; $1,937,000 in 2019; $25,094 in 2020; $960,385 in 2021; and $0 in 2022 and 2023 (see Notes 2 & 4).

The bonds bear interest at 0.00 percent per year through January 25, 2019, and 2.00 percent thereafter through the bond maturity date of December 31, 2026. Interest payments are quarterly in arrears, starting with the initial interest payment date of March 31, 2019. The bonds constitute special obligations of The Port, and the bond payments due are payable solely from pledged revenue, including the Loan Fund and liens against mortgaged properties. Total pledged revenues on the bonds for the years ended December 31, 2023 and 2022 were approximately $211,000 and $93,000, respectively, compared to net debt service (principal and interest) of approximately $600,000 and $100,000, respectively.

Assuming an interest rate of 2.00 percent, debt service is estimated as follows as of December 31, 2023:

Years Ending December 31	Principal	Interest	Total
2024	$ 1,000,000	$ 90,000	$ 1,090,000
2025	1,000,000	70,000	1,070,000
2026	2,500,000	50,000	2,550,000
Total	$ 4,500,000	$ 210,000	$ 4,710,000

Fifth and Plum Project

In June 2018, The Port issued $12,590,000 principal amount Development Revenue Bonds (Series 2018) for the purpose of acquiring real and personal property comprising the project and paying bond issuance costs. The 1.7 acre property is a 250-space parking lot located south of the Duke Energy Convention Center in the southwest corner of Cincinnati's central business district. The Port will continue to operate the property as a surface parking lot in the short term, while exploring development options for the best long-term benefit to the region.

Note 7 - Long-term Debt (Continued)

The term bonds have an initial interest rate of 4.95 percent. On June 2, 2028, the interest rate resets through maturity at a rate equal to the 10-year U.S. Treasury Securities rate on this date plus 2.12 percent, with a minimum calculated rate of 5.03 percent and a maximum calculated rate of 6.75 percent. The bonds have a maturity date of June 1, 2043 with semiannual payments of interest and principal on the bonds (principal payments commence June 1, 2024). Total pledged revenues on the bonds for the years ended December 31, 2023 and 2022 were approximately $1,063,000 and $967,000, respectively, compared to net debt service (principal and interest) of approximately $623,000 and $623,000, respectively. Additionally, The Port's nontax revenue is pledged to support the principal and interest payment if other funds held in the trust are not available.

Assuming a constant interest rate of 4.95 percent per year through June 1, 2028, and 6.75 percent (the maximum rate on the reset date) thereafter to the maturity of the bonds, debt service is estimated as follows as of December 31, 2023:

Years Ending December 31	Principal	Interest	Total
2024	$ 225,000	$ 620,483	$ 845,483
2025	265,000	608,850	873,850
2026	305,000	595,238	900,238
2027	355,000	579,521	934,521
2028	305,000	662,490	967,490
2029-2033	1,825,000	3,520,631	5,345,631
2034-2038	3,660,000	2,647,856	6,307,856
2039-2043	5,650,000	1,020,262	6,670,262
Total	$ 12,590,000	$ 10,255,331	$ 22,845,331

Greater Cincinnati Neighborhoods Housing Revitalization Loan Fund

In August 2018, The Port issued an initial $1,000,000 Housing and Community Development Revenue Bond to establish its Greater Cincinnati Neighborhoods Housing Revitalization Loan Fund (the "Program Fund") to rehab foreclosed, vacant residential properties into homes ready for sale in targeted Cincinnati neighborhoods. In May 2020, The Port issued an additional $1,000,000 Housing and Community Development Revenue Bond for the Program Fund.

The Greater Cincinnati Foundation provided the initial and additional capital to seed the Program Fund. The Port administers the Program Fund and develops the program.

The Program Fund is part of The Port's strategic initiative to comprehensively revitalize disinvested target neighborhoods through acquisition and rehabilitation of blighted residential properties. This strategy has increasingly focused on barriers to opportunity, including the growing housing affordability crisis in Hamilton County and concern over displacement of legacy residents in neighborhoods undergoing revitalization.

During 2023 and 2022, The Port provided project loans from the Program Fund totaling $987,860 and $0, respectively (see Notes 2 & 4). Two non-profit organizations managed by The Port are eligible borrowers, namely the Hamilton County Land Reutilization Corporation and Homesteading & Urban Redevelopment Corporation.

Note 7 - Long-term Debt (Continued)

The initial bond bears interest at 0.00 percent per year through March 31, 2019 and 2.2213 percent thereafter through the bond maturity date of April 1, 2025. The additional bond bears interest at 2.00 percent through the bond maturity date of April 1, 2025. Interest payments are quarterly in arrears, commencing on July 1, 2019. The bonds constitute special obligations of The Port, and the bond payments due are payable solely from pledged revenue, including the Program Fund and liens against mortgaged properties. Total pledged revenues on the bonds for the years ended December 31, 2023 and 2022 were approximately $79,000 and $40,000, respectively, compared to net debt service (principal and interest) of approximately $42,000 and $42,000, respectively.

Assuming interest rates of 2.22 percent on the initial bond and 2.00 percent on the additional bond, debt service is estimated as follows as of December 31, 2023:

Years Ending December 31	Principal	Interest	Total
2024	$ -	$ 42,213	$ 42,213
2025	2,000,000	21,106	2,021,106
Total	$ 2,000,000	$ 63,319	$ 2,063,319

Fountain Square South Garage - Parking Facility

In March 2019, The Port refinanced and consolidated debt for Fountain Square South Garage and Amberley Site bonds. The $11,325,000 principal debt issued consists of: $4,025,000 of bonds from the Southwest Ohio Regional Bond Fund issued by The Port at a fixed interest rate of 5.00 percent, and $7,300,000 from the Central Ohio Regional Bond Fund issued by the Columbus-Franklin County Finance Authority at a fixed interest rate of 4.65 percent. The cross collateralized bonds have a final maturity date in the year 2043. The refinance eliminated the interest rate swap on the 2015 Fountain Square South Garage bonds and removed The Port's nontax revenue pledge assigned under the Amberley Site bonds.

The 2016 Amberley Site development bonds were issued to assist with financing the acquisition of 56 acres at 2100 Section Rd. in Amberley Village (the former headquarters of Gibson Greetings). The other source of funds to acquire the property was the Patient Capital Fund. The principal balance of these bonds on the refinance date was $1,980,000.

The 2015 Parking Facility Revenue Bonds were issued for the purpose of acquiring a leasehold interest in, improving, furnishing, and equipping The Port's facilities, which includes Fountain Square South Garage (an underground parking garage located in downtown Cincinnati, Ohio), or financing other facilities approved by its board of directors. The principal balance of these bonds at refinancing was $8,064,100.

A long-term lease agreement for Fountain Square South Garage is with the City of Cincinnati, Ohio whereby The Port has agreed to operate, maintain, and rehabilitate the garage and use garage revenue to pay annual debt service on the bonds and other certain payments (see Note 8). Total pledged revenues on the bonds for the years ended December 31, 2023 and 2022 were approximately $1,804,000 and $1,784,000, respectively, compared to net debt service (principal and interest) of approximately $754,000 and $745,000, respectively.

Note 7 - Long-term Debt (Continued)

The debt service requirements for the bonds are as follows as of December 31, 2023:

Years Ending December 31	Principal	Interest	Total
2024	$ 260,000	$ 486,316	$ 746,316
2025	280,000	473,670	753,670
2026	290,000	460,184	750,184
2027	310,000	446,108	756,108
2028	325,000	431,191	756,191
2029-2033	1,915,000	1,901,398	3,816,398
2034-2038	2,490,000	1,385,400	3,875,400
2039-2043	4,380,000	713,156	5,093,156
Total	$ 10,250,000	$ 6,297,423	$ 16,547,423

Convention Center Garages - Parking Facilities

In April 2019, The Port acquired two parking facilities located at 605 Plum and 609 Elm, directly north of the Duke Energy Convention Center in Cincinnati's central business district. The 605 Plum parking facility has approximately 280,000 square feet, with 5 levels, 890 parking spaces and 7,800 square feet of retail on the street level. The 609 Elm parking facility has approximately 240,000 square feet with 5 levels and 680 parking spaces.

The $27,170,000 principal debt issued for The Port's acquisition of the garages includes: $4,500,000 of bonds from the Southwest Ohio Regional Bond Fund issued by The Port at a fixed interest rate of 4.65 percent, $15,245,000 of bonds issued by the State of Ohio (ODOT) with fixed interest rates ranging between 2.00 and 5.00 percent, and a $7,425,000 loan from the Ohio Development Services Agency (ODSA) with an initial interest rate of 0.00 percent later increasing to 3.00 percent. All debt related to the garages is cross collateralized and matures in the year 2043. Interest and principal on the bonds are paid semiannually, however The Port funds debt service to the trustee monthly from parking operations.

A long-term ground lease agreement for the 605 Plum garage is with the City of Cincinnati, Ohio whereby The Port has agreed to pay a percentage of garage operating revenues to the City. This accrued ground lease liability is netted from parking revenue.

Total pledged revenues on the bonds for the years ended December 31, 2023 and 2022 were approximately $1,623,000 and $1,288,000, respectively, compared to net debt service (principal and interest) of approximately $1,637,000 and $1,516,000, respectively. The Port's non-tax revenue is pledged to support the principal and interest payment if other funds held in the trust are not available.

The debt service requirements for the bonds are as follows as of December 31, 2023:

Years Ending December 31	Principal	Interest	Total
2024	$ 817,497	$ 858,562	$ 1,676,059
2025	840,566	832,324	1,672,890
2026	878,981	798,578	1,677,559
2027	907,630	769,917	1,677,547
2028	946,562	729,868	1,676,430
2029-2033	5,357,385	3,068,902	8,426,287
2034-2038	6,406,916	2,091,008	8,497,924
2039-2043	8,139,236	875,756	9,014,992
Total	$ 24,294,773	$ 10,024,915	$ 34,319,688

Note 7 - Long-term Debt (Continued)

Patient Capital Fund

In June 2016, The Port issued $7,325,000 principal amount Economic Development Mortgage Revenue Bond Anticipation Notes to establish its Patient Capital Fund. In 2017, The Port issued an additional $3,500,000 principal amount bringing the total original issue to $10,825,000 as of December 31, 2017. The original notes reached their 5-year maturity date in June 2021 and noteholders were presented with the option to redeem or rollover their notes into the 2021 Patient Capital Fund. Of the original $10,825,000 issue, $350,000 was redeemed upon maturity and $10,475,000 was rolled into the 2021 Patient Capital Fund for another 5-year term maturing in June 2026.

The proceeds raised from social impact investment will be used to fund the acquisition of underutilized urban industrial sites and to reposition them for advanced manufacturing. The maximum amount of Patient Capital Fund funds used cannot exceed the expected land sale proceeds. Thus, funding for these industrial projects will likely require a combination of various funding sources. The Port developed this program for community-minded private investors, providing them with a transformational way to invest for economic development and social impact.

During 2016, The Port utilized Patient Capital Fund funds in the amounts of $6,383,788 to acquire 56 acres at 2100 Section Rd. in Amberley Village (the former headquarters of Gibson Greetings Cards) and $841,320 to acquire 19 acres at 2250 Seymour Avenue in Bond Hill (the former Cincinnati Gardens arena). In subsequent years, The Port utilized Patient Capital Fund funds in the amounts of: $497,559 in year 2017 for redevelopment of the Amberley Site; $691,387 in year 2019 to acquire 25 acres at 2000 West Street in Reading, Ohio (a former Dow Chemical site); $2,312,537 in year 2020 to acquire 42 acres on Reading Road in Evandale, Ohio (formerly Formica Corporation); $427,235 in year 2021 to acquire 8 acres on Reading Road in Reading, Ohio (formerly GE Aviation land); and $1,143,613 in year 2023 to acquire 27 acres on Estecreek Drive in Winton Hills, Ohio.

The 2021 Patient Capital Fund has two tranches consisting of $9,480,000 of bonds that pay interest semi-annually and $995,000 of notes that pay interest in lump sum upon final maturity in June 2026. The bonds and notes bear interest at 0.15 percent per year. The Port's nontax revenue is pledged to support the interest payment if other funds held in trust are not available. The notes and bonds constitute special obligations of The Port, issued under and secured by the trust agreement and payable solely from the pledged revenue and secured mortgages authorized by the trust agreement. Total pledged revenues on the bonds for the year ended December 31, 2023 and 2022 were approximately $34,000 and $634,000, with net debt service (principal and interest) payments of $14,000 and $169,000, respectively.

Assuming a constant interest rate of 0.15 percent per year to the maturity of the notes, debt service is estimated as follows as of December 31, 2023:

Years Ending December 31	Principal	Interest	Total
2024	$ -	$ 13,328	$ 13,328
2025	-	13,328	13,328
2026	10,320,000	12,907	10,332,907
Total	$ 10,320,000	$ 39,563	$ 10,359,563

Note 7 - Long-term Debt (Continued)

Home Portfolio

In January 2022, The Port issued $15,865,000 principal amount of Non-Tax Revenue Bonds for the acquisition and improvement of a rental portfolio consisting of 194 single family homes in Hamilton County. The portfolio was acquired through an auction to settle the foreclosure of an out-of-town investor. The Port plans to transition the rental portfolio to owner-occupied housing in an effort to increase home ownership. The issued bonds include $9,860,000 at a fixed interest rate of 3.49 percent maturing in 2046, and $6,005,000 at a fixed interest rate of 3.94 percent maturing in 2034.

Interest on the bonds is paid semiannually beginning June 1, 2022. Bond debt service is payable solely from pledged revenues, including home lease receipts, home sale receipts, and a non-tax revenue pledge of The Port. Total pledged revenues on the bonds for the years ended December 31, 2023 and 2022 were approximately $2,197,000 and $1,532,000, with net debt service (principal and interest) of approximately $581,000 and $497,000, respectively. The Port's non-tax revenue is pledged to support the principal and interest payment if other funds held in the trust are not available.

The debt service requirements for the bonds are as follows as of December 31, 2023:

Years Ending December 31	Principal	Interest	Total
2024	$ 445,000	$ 576,377	$ 1,021,377
2025	465,000	558,647	1,023,647
2026	485,000	540,129	1,025,129
2027	500,000	520,823	1,020,823
2028	520,000	501,025	1,021,025
2029-2033	2,935,000	2,176,527	5,111,527
2034-2038	3,495,000	1,570,884	5,065,884
2039-2043	4,155,000	909,232	5,064,232
2044-2046	2,865,000	177,640	3,042,640
Total	$ 15,865,000	$ 7,531,284	$ 23,396,284

Convention Center Hotel

In April 2023, The Port issued $53,265,000 principal amount of Refunding Revenue Bonds for the purpose of refinancing the 2020 Convention Center Hotel bonds. The original bonds were issued for the purpose of financing the acquisition and demolition of the 872-room former Millennium Hotel and certain other buildings located directly east of the Duke Energy Convention Center in Cincinnati's central business district. Approximately $13.7 million of bond proceeds funded demolition work, which began in 2020 and completed at year end 2022.

The refinanced term bonds have a fixed interest rate at 5.00 percent and a lump sum principal payment due on the bond maturity date of May 1, 2025. The bond payments due are payable solely from pledged revenues, including a portion of Hamilton County's Transient Occupancy Tax. Total pledged revenues on the bonds for the years ended December 31, 2023 and 2022 were approximately $831,000 and $1,593,000 compared to net debt service (principal and interest) of approximately $793,000 and $1,586,000, respectively.

Note 7 - Long-term Debt (Continued)

The debt service requirements for the bonds are as follows as of December 31, 2023:

Years Ending December 31	Principal	Interest	Total
2024	$ -	$ 2,663,250	$ 2,663,250
2025	$ 53,265,000	$ 1,331,625	$ 54,596,625
Total	$ 53,265,000	$ 3,994,875	$ 57,259,875

Industrial Property Acquisition Project

In June 2023, The Port issued $6,300,000 principal amount of Taxable Development Revenue Bonds for the purpose of acquiring industrial warehouses and vacant land in Camp Washington, a neighborhood in Cincinnati. As part of its Vision 2022 industrial strategy, the Port purchased these properties to gain control of contiguous parcels and combine project sites to market and incentivize larger-scale redevelopment efforts. The Port intends to decrease development costs for prospective end-users, stimulating Cincinnati's metro industrial market.

The bonds were issued from the Southwest Ohio Regional Bond Fund and include $1,430,000 at a fixed interest rate of 5.375 percent maturing in 2033, and $4,870,000 at a fixed interest rate of 6.00 percent maturing in 2048. Interest on the bonds is paid semiannually beginning November 15, 2023. The bond payments due are payable solely from pledged revenues, including industrial property lease receipts and a non-tax revenue pledge of The Port. Total pledged revenues on the bonds for the year ended December 31, 2023 were approximately $295,000 compared to net debt service (principal and interest) of approximately $196,000.

The debt service requirements for the bonds are as follows as of December 31, 2023:

Years Ending December 31	Principal	Interest	Total
2024	$ 105,000	$ 365,569	$ 470,569
2025	110,000	359,791	469,791
2026	120,000	353,744	473,744
2027	125,000	347,294	472,294
2028	130,000	340,440	470,440
2029-2033	800,000	1,584,625	2,384,625
2034-2038	1,070,000	1,324,200	2,394,200
2039-2043	1,445,000	955,500	2,400,500
2044-2048	2,355,000	439,200	2,794,200
Total	$ 6,260,000	$ 6,070,363	$ 12,330,363

Note 8 – Leases

Lessee Activity

The Port leases various facilities, land, and equipment under lease agreements which have been recorded according to the GASB 87 standard. The future principal and interest payments as of December 31, 2023 for the lease liability are as follows:

Years Ending December 31	Principal	Interest	Total
2024	$ 199,437	$ 6,632	$ 206,069
2025	102,333	1,095	103,428
Total	$ 301,770	$ 7,727	$ 309,497

In February 2020, The Port acquired the former Millennium Hotel at 150 W. Fifth Street, directly east of the Convention Center in Cincinnati's central business district (see Note 7). The acquisition included the transfer of a ground lease covering a portion of the demolition project site. The 99-year ground lease is dated November 1975 and expires in November 2074. Rent is paid quarterly and subject to an increase based upon a CPI (Consumer Price Index) calculation every five years. Nonoperating rents during the year of acquisition were $100,032 and increased to $125,888 in 2022 after updating based upon the CPI calculation. The Port's lease liability includes these ground lease payments through the term of the refinanced Convention Center Hotel bonds (Note 16).

In April 2019, The Port acquired the 605 Plum Street garage adjacent to the Convention Center in Cincinnati's central business district (see Note 7). The acquisition included the transfer of a ground lease with the City of Cincinnati, the owner of title to the property. The ground lease is dated March 22, 1985 and has a term expiring on March 31, 2055. Basic rent, as defined by the lease, is $1 payable annually plus a percentage of garage operating revenues, which were not included in the calculation of the lease liability. The amount of outflows of resources for these variable payments are $50,518 and $44,675 for the years ended December 31, 2023 and 2022, respectively.

In January 2015, the City of Cincinnati leased a city-owned parking garage (Fountain Square South Garage) to The Port for $100 for a 30-year term, which is not included in the calculation of the lease liability. The purpose of the lease is to modernize and improve the garage and provide funds to The Port for economic development within the city limits. In accordance with the agreement, The Port issued bonds to make improvements to the garage (see Note 7). The improvements are capitalized as leasehold improvements (see Note 5) and are amortized over the life of the lease.

Lessor Activity

The Port leases various facilities and land to others under lease agreements which have been recorded according to the GASB 87 standard. The Port recognized $35,158 and $14,782 in interest revenue and $203,643 and $38,462 in lease revenue for the years ended December 31, 2023 and 2022, respectively.

In January 2022, The Port acquired a portfolio of 194 single family rental properties, most of which are leased to tenants. The lease agreements have a maximum one-year term and convert to month-to-month leases thereafter. Since the term for these agreements is less than one year, they're excluded from The Port's lease receivable for GASB 87 (Note 4).

Note 9 - Public Funding

For the years ended December 31, 2023 and 2022, public funding for The Port came from the following sources:

	2023	2022
Hamilton County, Ohio	$ 800,000	$ 800,000
City of Cincinnati, Ohio	700,000	700,000
Total	$ 1,500,000	$ 1,500,000

Note 10 – Defined Benefit Pension Plans

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

Net Pension Liability/Net OPEB Liability (Asset)

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

The net pension/OPEB liability (asset) represents the Port's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/OPEB liability (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 this estimate annually.

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

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

The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension liability* and *net OPEB liability (asset)*. Any liability for the contractually required pension/OPEB contributions outstanding at the end of the year is included in accrued liabilities and other.

The remainder of this note includes the pension disclosures. See Note 11 for the OPEB disclosures.

Note 10 – Defined Benefit Pension Plans (Continued)

Plan Description – Ohio Public Employees Retirement System (OPERS)

Port employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan, and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Effective January 1, 2022, the Combined Plan is no longer available for member selection. Substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

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

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	**Group B** 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	**Group C** 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
Traditional Plan 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	**Traditional Plan 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	**Traditional Plan Formula:** 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests upon receipt of the initial benefit payment.

When a 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 base retirement benefit at the date of retirement and is not compounded. 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.

Note 10 – Defined Benefit Pension Plans (Continued)

The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows for both fiscal years ending December 31, 2023 and 2022:

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Port's contractually required contribution was $439,881 for 2023. Of this amount, $64,444 is reported as an accrued liabilities and other.

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

The net pension liability for OPERS was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Port's proportion of the net pension liability was based on the Port's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	2023 OPERS	2022 OPERS
Proportion of the Net Pension Liability:		
Current Measurement Period	0.016869%	0.015441%
Prior Measurement Period	0.015441%	0.014207%
Change in Proportion	0.001428%	0.001234%
Proportionate Share of the Net Pension Liability	$ 4,983,110	$ 1,343,429
Pension Expense	$ 1,046,616	$ 183,034

Other than contributions made subsequent to the measurement date and differences between projected and actual earnings on investments; deferred inflows/outflows of resources are recognized in pension expense beginning in the current period, using a straight-line method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions, determined as of the beginning of the measurement period. Net deferred inflows/outflows of resources pertaining to the differences between projected and actual investment earnings are similarly recognized over a closed five year period.

Note 10 – Defined Benefit Pension Plans (Continued)

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

	2023 OPERS	2022 OPERS
Deferred Outflows of Resources		
Net Difference between Projected and Actual Earnings on Pension Plan Investments	$ 1,420,342	$ -
Differences between Expected and Actual Experience	165,518	68,486
Changes of Assumptions	52,642	167,994
Changes in Proportionate Share and Differences in Contributions	194,582	264,890
Port Contributions Subsequent to the Measurement Date	439,881	366,076
Total Deferred Outflows of Resources	$ 2,272,965	$ 867,446
Deferred Inflows of Resources		
Differences between Expected and Actual Experience	$ -	$ 29,465
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	1,597,962
Total Deferred Inflows of Resources	$ -	$ 1,627,427

$439,881 reported as deferred outflows of resources related to pension resulting from Port contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS
2024	$ 338,729
2025	380,496
2026	418,076
2027	695,783
Total	$ 1,833,084

Actuarial Assumptions – OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2022, using the following key actuarial assumptions and methods applied to all periods included in the measurement in accordance with the requirements of GASB 67:

Note 10 – Defined Benefit Pension Plans (Continued)

	OPERS Traditional Plan
Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA:	
Pre-January 7, 2013 Retirees	3.00 percent, simple
Post-January 7, 2013 Retirees	3.00 percent, simple through 2023, then 2.05 percent, simple
Investment Rate of Return	6.90 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. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females). Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females). 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 ending December 31, 2020.

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 12.10 percent for 2022.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real 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 rates of return were provided by the Board's investment consultant. For each major class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized below:

Note 10 – Defined Benefit Pension Plans (Continued)

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

Discount Rate

The discount rate used to measure the total pension liability for the current year was 6.9 percent. The discount rate for the prior year was 7.2 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 contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future 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 Port's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following table presents the Port'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 Port'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	Current Discount Rate	1% Increase
Port's Proportionate Share of the Net Pension Liability (Asset)			
Calendar Year 2023	$ 7,464,533	$ 4,983,110	$ 2,919,012
Calendar Year 2022	$ 3,542,011	$ 1,343,429	$ (486,083)

Note 11 - Defined Benefit OPEB Plans

Net OPEB Liability (Asset)

See Note 10 for a description of the net OPEB liability (asset).

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description – The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan;

Note 11 – Defined Benefit OPEB Plans (Continued)

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. Substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care. Medicare-enrolled retirees may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice selected with the assistance of an OPERS vendor. Non-Medicare retirees have converted to an arrangement similar to the Medicare-enrolled retirees, and are no longer participating in OPERS provided self-insured group plans.

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 retiring with an effective date of January 1, 2022, or after must meet the following health care eligibility requirements to receive an HRA allowance:

Medicare Retirees Medicare-eligible with a minimum of 20 years of qualifying service credit

Non-Medicare Retirees Non-Medicare retirees qualify based on the following age-and-service criteria:

Group A 30 years of qualifying service credit at any age;

Group B 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;

Group C 32 years of qualifying service credit and minimum age 55; or, A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit.

Retirees who don't 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.

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.

Note 11 – Defined Benefit OPEB Plans (Continued)

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.

The Ohio Revised Code permits but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

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

Funding Policy - The Ohio Revised Code provides the statutory authority 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.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2023, OPERS did not allocate any employer contribution to health care for members. 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.

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

Net OPEB Liability (Asset), OPEB Expense, and Deferred Outflows/Inflows of Resources Related to OPEB

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The Port's proportion of the net OPEB liability was based on the Port's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

Note 11 – Defined Benefit OPEB Plans (Continued)

	2023 OPERS	2022 OPERS
Proportion of the Net OPEB Liability (Asset):		
Current Measurement Period	0.020331%	0.019411%
Prior Measurement Period	0.019411%	0.018818%
Change in Proportion	0.000920%	0.000593%
Proportionate Share of the Net OPEB Liability (Asset)	$ 128,191	$ (607,982)
OPEB Expense	$ (225,005)	$ (521,236)

At December 31, 2023 and 2022, the Port reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2023 OPERS	2022 OPERS
Deferred Outflows of Resources		
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	$ 254,592	$ -
Changes of Assumptions	125,207	-
Changes in Proportionate Share and Differences in Contributions	4,023	9,978
Total Deferred Outflows of Resources	$ 383,822	$ 9,978
Deferred Inflows of Resources		
Differences between Expected and Actual Experience	$ 31,976	$ 92,222
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	-	289,845
Changes of Assumptions	10,302	246,104
Changes in Proportionate Share and Differences in Contributions	-	1,441
Total Deferred Inflows of Resources	$ 42,278	$ 629,612

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
2024	$ 45,834
2025	93,331
2026	79,391
2027	122,988
Total	$ 341,544

Note 11 – 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 health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022. The actuarial valuation used the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

	December 31, 2022
Wage Inflation	2.75 percent
Projected Salary Increases,	2.75 to 10.75 percent including wage inflation
Single Discount Rate	5.22 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	4.05 percent
Health Care Cost Trend Rate	5.50 percent, initial 3.50 percent, ultimate in 2036
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. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females). Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females). For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

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

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for eligible members. Within the Health Care portfolio, if any contributions are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a loss of 15.6 percent for 2022.

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care

Note 11 – Defined Benefit OPEB Plans (Continued)

investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2022, 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	34.00%	2.56%
Domestic Equities	26.00	4.60
Real Estate Investment Trust	7.00	4.70
International Equities	25.00	5.51
Risk Parity	2.00	4.37
Other investments	6.00	1.84
Total	100.00%	

Discount Rate

A single discount rate of 5.22 percent was used to measure the OPEB liability on the measurement date of December 31, 2022; however, the single discount rate used at the beginning of the year was 6 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) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 4.05 percent (Fidelity Index's "20-Year Municipal GO AA Index"). The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2054. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the Port's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following table presents the Port's proportionate share of the net OPEB liability calculated using the single discount rate of 5.22 percent, as well as what the Port's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (4.22 percent) or one-percentage-point higher (6.22 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Port's Proportionate Share of the Net OPEB Liability (Asset)			
Calendar Year 2023	$ 436,303	$ 128,191	$ (126,052)
Calendar Year 2022	$ (357,551)	$ (607,982)	$ (815,844)

Note 11 – Defined Benefit OPEB Plans (Continued)

Sensitivity of the Port's Proportionate Share of the Net OPEB (Asset) to Changes in the Health Care Cost Trend Rate

Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability or asset. The following table presents the net 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 that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Trend Rate	1% Increase
Port's Proportionate Share of the Net OPEB Liability (Asset)			
Calendar Year 2023	$ 120,156	$ 128,191	$ 137,234
Calendar Year 2022	$ (614,552)	$ (607,982)	$ (326,116)

Note 12 - Risk Management

The Port is exposed to various risks of loss related to torts-theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, natural disasters, and medical benefits provided to employees. These risks are covered by commercial insurance purchased from independent third parties.

The Port pays into the State of Ohio Bureau of Workers' Compensation System. Workers' compensation claims are submitted to the State of Ohio for authorization and payment to the injured employee. The Port has no further risk. The State of Ohio establishes employer payments, employee payments, and reserves.

In February 2020, a developer sued The Port for $5 million in fees tied to the redevelopment of the former Millennium Hotel in Cincinnati's central business district. (*Vandercar LLC v. Port of Greater Cincinnati Development Authority*; Hamilton County Court of Common Pleas Case# A2000900). In November 2021, a Hamilton County judge ruled in favor of the developer and in November 2022 the $5 million settlement plus post judgement interest was paid. Hamilton County provided The Port with funding for this settlement, which is reflected in nonoperating grants and grant expenditures for the year 2022. Subsequently, the developer sued The Port for pre-judgement interest on the $5 million settlement, which the Supreme Court of Ohio ruled in the developer's favor in April 2024. The Port accrued a liability for this payment in 2022 and 2023, which is reflected under bond administration expense.

In 2023, The Port was involved in a real property dispute regarding the remaining legal interests, if any, in a terminated leasehold interest in a structure owned by the Port at 435 Elm Street in Cincinnati (*435 Elm Investment LLC V. CED Investments Limited Partnership One, et al.*; Hamilton County Court of Common Pleas, Case# A1603148). The matter continues to be in active litigation and, if unresolved, may go to trial in 2024. The outcome and liability (if any) cannot be determined at the time of this report.

Settled claims have not exceeded The Port's commercial insurance coverage for any of the past three years.

Note 13 – Conduit Revenue Bond Obligations

The Port has outstanding aggregate conduit revenue bond obligations of approximately $1,424,371,000 and $1,319,106,000 at December 31, 2023 and 2022, respectively. The conduit revenue bonds issued provide third parties with financing to support their economic development projects and are payable solely from the net revenue derived from the respective agreements and are not a general obligation of The Port. After these bonds are issued, all financial activity is administered by the paying agent. The bonds and related lease contracts are not reflected in The Port's financial statements. Information regarding the status of each bond issue, including possible default, must be obtained from the paying agent or other knowledgeable source. The Port provides a limited commitment to maintain an issue's tax-exempt status and to facilitate payments through an agent but does not extend additional or voluntary commitments for these conduit debt obligations.

Note 14 - Assets Held for Resale

The Port's assets held for resale consist of approximately 210 acres as of December 31, 2023, compared to 170 acres at the prior year end. All properties owned by The Port are in Hamilton County, Ohio. A summary of real estate held for redevelopment follows:

	2023	2022
2100 Section Rd (Amberley Village)	$ 7,167,758	$ 7,162,913
MidPointe Crossing (Bond Hill)	1,163,497	958,108
Bond Hill and Roselawn Business Districts	5,048,765	5,028,798
Hudepohl (Queensgate)	721,795	721,795
2000 West Street - Dow (Reading)	6,137,875	1,435,924
10155 Reading Rd – Formica (Evendale)	2,367,609	2,364,053
Reading Rd – GE (Evendale)	572,296	565,397
8001-8109 Reading Rd (Sycamore Twp)	3,367,002	1,535,549
West End properties	4,892,141	2,240,500
Evanston properties	432,472	432,472
Price Hill properties	138,807	125,746
Camp Washington properties	13,921,921	1,946,143
435 Elm (Convention Ctr Business District)	2,961,222	1,094,506
5051 Estecreek Dr (Winton Hills)	1,121,400	-
Kennedy Heights properties	460,223	-
South Cumminsville properties	323,010	-
Total	$ 50,797,793	$ 25,611,904

Assets held for resale are recorded at the lower of cost or market value. Management estimates net realizable value based upon the list prices used by commercial real estate brokers less selling costs. In 2023 and 2022, no cost-to-market adjustment was required to assets held for resale.

The Port funds its acquisition and redevelopment of real estate primarily from local and state redevelopment awards and the issuance of bonds and bond anticipation notes.

- The Port's Patient Capital Fund (See Note 7) funded the acquisition, or portions thereof, for the following properties: 2100 Section Road, 2250 Seymour Avenue, 2000 West Street, 10155 Reading Road, certain other Reading Road properties in Evendale and 5051 Estecreek Drive in Winton Hills.

- The Port's real estate development fund, created by the issuance of Fountain Square South Garage parking revenue bonds (See Note 7) is used solely within the City of Cincinnati, and is primarily supporting West End, Price Hill, and Evanston properties, and 435 Elm.

Note 14 - Assets Held for Resale (Continued)

- The City of Cincinnati provided grants supporting MidPointe Crossing, 2250 Seymour Ave, Bond Hill and Roselawn Business Districts, Hudepohl in Queensgate, 435 Elm in the Central Business District, 2452 Beekman in South Cumminsville, 6545 Montgomery Rd in Kennedy Heights, and various properties in the West End and Camp Washington.

- Hamilton County provided grants supporting 2100 Section Road, and 8001-8109 Reading Road (former Carrousel Inn and Drake Motel).

- The State of Ohio (Jobs Ohio, ODSA and Ohio Brownfield) has provided grants to support 2100 Section Road, 2000 West Street (former Dow site), 8001-8109 Reading Road (former Carrousel Inn and Drake Motel), 435 Elm in the Central Business District, and various properties in Camp Washington.

Certain redevelopment agreements disburse funds to The Port in advance of the redevelopment services being performed. These agreements require The Port to return any unused redevelopment funds. As a result, The Port records the unused portion as a liability, unearned grant revenue, in the statement of net position.

Note 15 – Subsequent Events

In May 2024, The Port issued $317.5 million of conduit debt for the purpose of redeeming the Port's $53.3 million of debt outstanding on the Convention Center Hotel and financing the costs of the Convention Center renovation project, which is being led by 3CDC (Cincinnati Center City Development Corp.) as Project Developer. Additionally, as part of this transaction, the Convention Center Hotel land was sold to Hamilton County for $1.

Required Supplementary Information

Required Supplementary Information
Schedule of The Port's Pension Contributions
OPERS Traditional Plan

Last Ten Years

Years Ended December 31

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	$ 439,881	$ 366,076	$ 311,684	$ 273,617	$ 283,801	$ 265,822	$ 218,792	$ 130,688	$ 103,833	$ 105,605
Contributions in relation to the contractually required contribution	439,881	366,076	311,684	273,617	283,801	265,822	218,792	130,688	103,833	105,605
Contribution Deficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
The Port's Covered Payroll	$ 3,142,007	$ 2,614,829	$ 2,226,316	$ 1,954,408	$ 2,027,149	$ 1,898,732	$ 1,683,015	$ 1,089,067	$ 865,273	$ 880,038
Contributions as a Percentage of Covered Payroll	14.00 %	14.00 %	14.00 %	14.00 %	14.00 %	14.00 %	13.00 %	12.00 %	12.00 %	12.00 %

Required Supplementary Information
Schedule of The Port's OPEB Contributions
OPERS Health Care Plan

Last Seven Years

Years Ended December 31

	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	$ -	$ -	$ -	$ -	$ -	$ -	$ 16,830
Contributions in relation to the contractually required contribution							16,830
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered Employee Payroll (1)	**$ 3,142,007**	**$ 2,614,829**	**$ 2,226,316**	**$ 1,954,408**	**$ 2,027,149**	**$ 1,898,732**	**$ 1,683,015**
Contributions as a Percentage of Covered Payroll	**- %**	**- %**	**- %**	**- %**	**- %**	**- %**	**1.00 %**

Note: OPEB data prior to 2017 is not available.

Required Supplementary Information
Schedule of The Port's Proportionate Share of Net Pension Liability
OPERS - Traditional Plan

Last Ten Plan Years

For the Plan Years Ended December 31

	2023	2022	2021	2020	2019
The Port's proportion of the net pension liability	0. 01687 %	0. 01544 %	0. 01421 %	0. 01179 %	0.01342 %
The Port's proportionate share of the net pension liability	$ 4,983,110	$ 1,343,429	$ 2,078,102	$ 2,322,206	$ 3,670,558
The Port's Covered Payroll	$ 2,614,829	$ 2,226,316	$ 1,954,408	$ 2,027,149	$ 1,898,732
The Port's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	190.57 %	60.34 %	106.33 %	114.55 %	193.32 %
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	75.74 %	92.62 %	86.88 %	82.17 %	74.70 %

	2018	2017	2016	2015	2014
The Port's proportion of the net pension liability	0.01274 %	0.00843 %	0.00695 %	0.00718 %	0.00718 %
The Port's proportionate share of the net pension liability	$ 1,993,142	$ 1,912,511	$ 1,203,569	$ 865,747	$ 846,193
The Port's Covered Payroll	$ 1,683,015	$ 1,089,067	$ 865,273	$ 880,038	$ 765,372
The Port's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	118.43 %	175.61 %	139.10 %	98.38 %	110.56 %
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	84.66 %	77.30 %	81.20 %	86.50 %	86.40 %

Required Supplementary Information
Schedule of The Port's Proportionate Share of the Net OPEB Liability
OPERS - Health Care Plan

Last Six Plan Years

For the Plan Year Ended December 31

	2023	2022	2021	2020	2019
The Port's proportion of the net OPEB liability (asset)	0.02033 %	0.01941 %	0.01882 %	0.01886 %	0.01909 %
The Port's proportionate share of the net OPEB liability (asset)	$ 128,191	$ (607,982)	$ (335,258)	$ 2,605,332	$ 2,488,494
The Port's Covered Payroll	$ 2,614,829	$ 2,226,316	$ 1,954,408	$ 2,027,149	$ 1,898,732
The Port's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	4.90 %	-27.31 %	-17.15%	128.52 %	131.06 %
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability (Asset)	94.79 %	128.23 %	115.57 %	47.80 %	46.33 %

	2018
The Port's proportion of the net OPEB liability	0.01722 %
The Port's proportionate share of the net OPEB liability (asset)	$ 1,870,194
The Port's Covered Payroll	$ 1,683,015
The Port's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	111.12 %
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	54.14 %

Note: OPEB data prior to 2018 is not available.

Note A – Net Pension Liability

Changes in Assumptions – OPERS

Amounts reported beginning in 2022 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in prior years are presented below:

	2022	2019	2018 and 2017	2016 and prior
Wage Inflation	2.75%	3.25%	2.75%	2.75%
Future Salary Increases, including wage inflation	2.75% to 10.75%	3.25% to 10.75%	3.25% to 10.75%	4.25% to 10.05%
COLA or Ad Hoc COLA				
Pre-January 7, 2013 Retirees	3.00%, simple	3.00%, simple	3.00%, simple	3.00%, simple
Post-January 7, 2013 Retirees	see below	see below	see below	see below
Investment Rate of Return	6.90%	7.20%	7.50%	8.00%
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age

The assumptions related to COLA or Ad Hoc COLA for Post-January 7, 2013, retirees are as follows:

2022	3.00%, simple through 2022, then 2.05%, simple
2021	0.50%, simple through 2021, then 2.15%, simple
2020	1.40%, simple through 2020, then 2.15%, simple
2017-2019	3.00%, simple through 2018, then 2.15%, simple
2016 and prior	3.00%, simple through 2018, then 2.80%, simple 5.50% to 5.00%

Changes in Benefit Terms – OPERS

There were no significant changes in benefit terms.

Note B – OPEB Liability (Asset)

Changes in Assumptions - OPERS

Amounts reported incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented as follows:

Assumption	2023	2022	2021	2020	2019	2018
Wage Inflation	2.75%	2.75%	3.25%	3.25%	3.25%	3.25%
Discount Rate	5.22%	6.00%	6.00%	3.16%	3.96%	3.85%
Municipal Bond Rate	4.05%	1.84%	2.00%	2.75%	3.71%	3.31%
Health Care Cost Trend Rate	5.50%	5.50%	8.50%	10.50%	10.00%	7.50%

For calendar year 2019, the investment rate of return decreased from 6.50 percent to 6.00 percent.

Changes in Benefit Terms – OPERS

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in 2021.

INDEPENDENT AUDITOR'S 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*

Port of Greater Cincinnati Development Authority
Hamilton County, Ohio
3 East Fourth Street, Suite 300
Cincinnati, Ohio 45202

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 Port of Greater Cincinnati Development Authority (Port), Hamilton County, Ohio, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Port's basic financial statements, and have issued our report thereon dated June 27, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Port'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 an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Port's internal control. Accordingly, we do not express an opinion on the effectiveness of the Port'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 Port'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 Port'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 Port'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 Port's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rea & Associates, Inc.

Rea & Associates, Inc.
Dublin, Ohio
June 27, 2024

Independent Auditor's Report on Compliance for Each Major Federal Program; and Report on Internal Control Over Compliance Required by the Uniform Guidance

Port of Greater Cincinnati Development Authority
Hamilton County, Ohio
3 East Fourth Street, Suite 300
Cincinnati, Ohio 45202

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Port of Greater Cincinnati Development Authority's, Hamilton County, Ohio (the "Port"), compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Port's major federal programs for the year ended December 31, 2023. The Port's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Port complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Port and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Port's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Port's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Port's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Port's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material noncompliance, 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 Port's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- obtain an understanding of the Port's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Port's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Rea & Associates, Inc.

Rea & Associates, Inc.
Dublin, Ohio
June 27, 2024

Schedule of Expenditures of Federal Awards

Year Ended December 31, 2023

Federal Grantor Pass-through Grantor Program/Cluster Title	Assistance Listing Number	Pass-through Grant Number	Total Amount Provided to Subrecipients	Total Federal Expenditures
U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT				
Passed-through City of Cincinnati				
CDBG - Entitlements Grant Cluster				
Community Development Block Grant (CDBG)	14.218	35x2023-012	$ -	$ 829,870
Community Development Block Grant (CDBG)	14.218	45x2024-002	-	339,536
COVID-19 CDBG CARES Act (CDBG-CV)	14.218	35x2023-048	-	1,032,672
Community Development Block Grant (CDBG)	14.218	35x2023-047	-	1,440,400
COVID-19 CDBG CARES Act (CDBG-CV)	14.218	35x2023-047	-	100,000
Community Development Block Grant (CDBG)	14.218	35x2023-010	-	1,812,089
TOTAL U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT			$ -	**$ 5,554,567**
U.S. ENVIRONMENTAL PROTECTION AGENCY				
Direct Program				
Brownfields Multipurpose Assessment Revolving Loan Fund and Cleanup Cooperative Agreements	66.818		$ -	$ 121,778
TOTAL U.S. ENVIRONMENTAL PROTECTION AGENCY			$ -	**$ 121,778**
U.S. DEPARTMENT OF TREASURY				
Passed Through City of Cincinnati				
COVID-19 ARPA - Local Fiscal Recovery Fund	21.027	25x2022-249	$ 175,000	$ 175,000
TOTAL U.S. DEPARTMENT OF TREASURY			**$ 175,000**	**$ 175,000**
TOTAL EXPENDITURES OF FEDERAL AWARDS			**$ 175,000**	**$ 5,851,345**

See Notes to Schedule of Expenditures of Federal Awards

Note A – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the Port of Greater Cincinnati Development Authority (the Port) under programs of the federal government for the year ended December 31, 2023. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Port, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Port.

Note B – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. Pass-through numbers are presented where available.

The Port has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Port of Greater Cincinnati Development Authority
Hamilton County, Ohio
Schedule of Findings and Questioned Costs
2 CFR Section 200.515
December 31, 2023

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	None Reported
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	None Reported
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list): COVID-19 CDBG - Entitlement Grants Cluster	Assistance Listing # 14.218
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > $750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR §200.520?	No

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

None were noted.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None were noted.

OHIO AUDITOR OF STATE
KEITH FABER

PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY

HAMILTON 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 9/10/2024

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

APPENDIX VII

ODOT-STATE INFRASTRUCTURE BANK ANNUAL FINANCIAL REPORT
Available as of June 30, 2024

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STATE INFRASTRUCTURE BANK
ANNUAL FINANCIAL REPORT

Federal Fiscal Year 2023
(October 2022 – September 2023)

Mike DeWine, Ohio Governor
Jack Marchbanks, Ph.D., ODOT Director

Ohio Department of Transportation

State Infrastructure Bank
Annual Financial Report

The Ohio Department of Transportation is pleased to present the Federal Fiscal Year (FFY) 2023 State Infrastructure Bank (SIB) Annual Financial Report.

This report contains a financial statement of the SIB and summaries for loans and bonds that were approved by the loan committee during the Federal Fiscal Year (October 2022-September 2023).

The FFY 2023 portfolio of the SIB includes sixteen loans totaling $30m. Since the inception of the program, the Ohio SIB has issued 283 loans and 12 bonds totaling $839.4m.

The Ohio SIB has been audited for State Fiscal Year 2022 by the State of Ohio Auditor’s office and complies with the Single Audit Act.

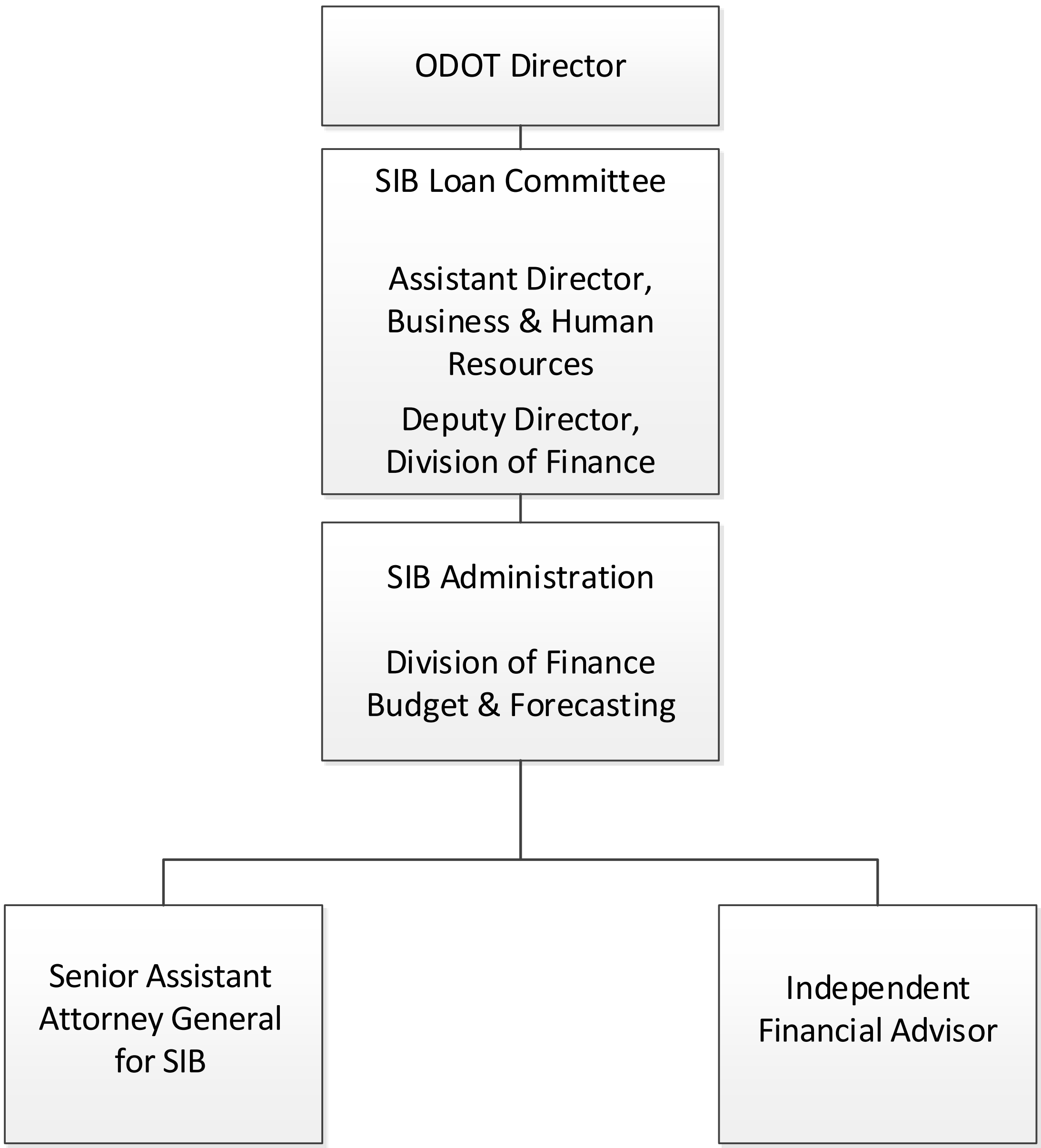
To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position of the Ohio State Infrastructure Bank.

Cover Photos: City of Newark, Thornwood Crossing Bridge & Roundabout
City of Elyria, LOR-658-0.00 Cleveland Street
Village of Gnadenhutten, Walnut & East Main Street Streetscape
Perry Township, 2023 Road Paving

Ohio Department of Transportation

State Infrastructure Bank

Organizational Chart



OHIO DEPARTMENT OF TRANSPORTATION
STATE INFRASTRUCTURE BANK
FUNDS 2120 AND 2130
COMBINED STATEMENT OF REVENUES AND EXPENDITURES IN FUND BALANCES
FOR FEDERAL YEAR ENDING SEPTEMBER 30, 2023

Beginning Cash Balance	117,555,173
Revenues	
Investment Earnings	2,625,641
Principal Loan Repayment (FHWA)	3,271,385
Interest Payment on Loan (FHWA)	896,768
Principal Loan Repayment (GRF)	11,859,137
Interest Payment on Loan (GRF)	365,177
Principal Loan Repayment (2nd Generation)	6,865,156
Interest Payment on Loan (2nd Generation)	2,254,086
Principal Loan Repayment (State Motor Fuel)	1,813,492
Interest Payment on Loan (State Motor Fuel)	197,399
Administrative Fees	38,137
Total Revenues	30,186,378
Expenditures	
Federal Highway Funds	1,100,495
General Revenue Funds	2,591,384
Motor Fuel Tax Funds	2,333,124
Second Generation/Title 23 Funds	9,058,835
Total Expenditures	15,083,837
Ending Cash Balance	132,657,713

STATE INFRASTRUCTURE BANK
BALANCE SHEET FOR FUNDS 2120 AND 2130
FOR FEDERAL YEAR ENDING SEPTEMBER 30, 2023

Assets and Other Debits	
Assets	
Uncommitted Cash	77,702,726
Cash Reserve for Approved Loans Already Encumbered	30,940,616
Cash Reserve for Approved Loans Not Yet Encumbered	24,014,372
Total Cash on Hand:	132,657,713
Receivables	
Loans Already Disbursed	
Principal Due	122,621,688
Interest Due	23,282,585
Administrative Fees	1,021
Total:	145,905,293
Total Assets	278,563,007
Equity	
Original Seed Money	
Federal	87,000,000
GRF	40,000,000
Motor Fuel Tax	15,000,000
Total:	142,000,000
Investment Earnings	66,090,367
Interest from Loans	70,472,639
Total Equity:	278,563,007

LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project:	US 52 Revitalization

This SIB loan is to finance the conversion of a portion of US 52 from four (4) lanes to two (2) lanes with a bike and pedestrian path on the former southbound lanes. Conversions of the intersections at Front, Sycamore, Walnut, and Augusta Streets into roundabouts are included.

Borrower:	Village of New Richmond
Project Cost:	$9,060,145
Expected Construction Date:	March 2024
Estimated Project Completion Date:	November 2025
PID Identification:	114042
STIP Identification:	SLI 24-27
SIB Identification:	231003

LOAN CHARACTERISTICS

Date of Loan:	October 26, 2022
Amount of Loan:	$130,400
Interest Rate:	3%
Term:	5 years
Purpose of Loan:	Preliminary Engineering
Primary Repayment Source:	Gas Tax Receipts
SIB Funding Source:	Title 23 Fund

TOTAL FUNDING SOURCES

SIB Loan	$130,400
Congestion Mitigation & Air Quality (CMAQ) Grant	$6,000,000
2022 Federal Omnibus Appropriations Bill	$2,929,745

LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: Waycross Development Public Roadway & Utility Improvements

This project is for public roadway and utility improvements to the Waycross Development. This includes 3,000 feet of linear road, water, sewer, and storm drainage lines located within the right of way. The project is located approximately 15 miles north of downtown Cincinnati, it will include 64 new single-family homes on about 35 acres of land with plans to have access to walking and bike trails.

Borrower:	City of Forest Park
Total Project Cost:	$4,378,954
Expected Construction/Procurement Date:	September 2022
Estimated Project Completion Date:	February 2023
PID Identification:	117821
STIP Identification:	N/A
SIB Identification:	231005

LOAN CHARACTERISTICS

Date of Loan:	April 25, 2023
Amount of Loan:	$4,328,954
Interest Rate:	3%
Term:	20 years
Purpose of Loan:	Construction
Primary Repayment Source:	Gas Tax Receipts
SIB Funding Source:	General Revenue Fund

TOTAL FUNDING SOURCES

SIB Loan	$4,328,954
Waycross, LLC	$50,000

LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project:	Thornwood Crossing Bridge & Roundabout

This SIB loan is to finance the completion of the construction of the Thornwood Crossing bridge and roundabout. The project will replace the failing stone arch bridge on Cherry Valley Road over Raccoon Creek.

Borrower:	City of Newark
Project Cost:	$17,010,000
Expected Construction Date:	May 2023
Estimated Project Completion Date:	June 2025
PID Identification:	87642
STIP Identification:	2018stipID0267FDCO
SIB Identification:	231A06 (LCATS portion) 231B06 (Newark portion)

LOAN CHARACTERISTICS

Date of Loan:	December 8, 2022
Amount of Loan:	$5,010,000
Interest Rate:	3%
Term:	10 years
Purpose of Loan:	Construction
Primary Repayment Source:	LCATS: MPO Allocations Newark: Gas Tax Receipts
SIB Funding Source:	Federal, Title 23 Fund

TOTAL FUNDING SOURCES

SIB Loan	$5,010,000
ODOT Municipal Bridge Grant	$2,500,000
Transportation Review Advisory Council (TRAC)	$9,500,000

LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: CUY-77-4.79/Wallings Road Rehabilitation

This project encompasses approximately 2,170 feet of road rehabilitation and the widening of bridge no. CUY-77-4.79. Rehabilitation of the project includes full-depth pavement, road resurfacing and widening, curb and gutter improvements, drainage, sanitary sewer, and the installments of traffic signals.

Borrower:	City of Broadview Heights
Total Project Cost:	$3,785,541
Expected Construction/Procurement Date:	March 2023
Estimated Project Completion Date:	June 2025
PID Identification:	106239
STIP Identification:	SLI 21-24
SIB Identification:	231007

LOAN CHARACTERISTICS

Date of Loan:	December 8, 2022
Amount of Loan:	$3,785,541
Interest Rate:	3%
Term:	20 years
Purpose of Loan:	Construction Gas
Primary Repayment Source:	Tax Receipts Title
SIB Funding Source:	23

TOTAL FUNDING SOURCES

SIB Loan	$3,785,541

LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: Heights Allotment Road Reconstruction, Phases XIX & XX

This SIB loan is to finance a portion of a road reconstruction project. Work consists of replacing roadways that currently have improper drainage and no pedestrian flow, with new roads that agree to current design standards. This includes curb, gutter, storm sewers, and sidewalks on both sides of all streets. This is for phases XIX and XX of a multi-phase project.

Borrower:	Twinsburg Township
Total Project Cost:	$2,115,516
Expected Construction/Procurement Date:	March 2023
Estimated Project Completion Date:	December 2024
PID Identification:	118350
STIP Identification:	N/A
SIB Identification:	230008

LOAN CHARACTERISTICS

Date of Loan:	January 27, 2023
Amount of Loan:	$1,412,223
Interest Rate:	3%
Term:	10 years
Purpose of Loan:	Construction
Primary Repayment Source:	General Revenue Fund
SIB Funding Source:	MFT Funds

TOTAL FUNDING SOURCES

SIB Loan	$1,412,223
Oho Public Works (OPWC) Funds	$703,293

LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: West Union Street Improvements

This SIB loan is to finance the completion of the West Union Street improvement project. The work will include 0.9 miles of widening, milling and overlay, and full-depth reconstruction of West Union Street and Herrold Avenue. Additionally, the project will include a new storm sewer, waterline, sanitary sewer force main, curb-and gutter, sidewalk, multi-use path, and lighting.

Borrower:	City of Athens
Total Project Cost:	$8,465,936
Expected Construction/Procurement Date:	March 2023
Estimated Project Completion Date:	June 2024
PID Identification:	108672
STIP Identification:	SLI 21-24
SIB Identification:	231010

LOAN CHARACTERISTICS

Date of Loan:	February 14, 2023
Amount of Loan:	$5,088,973
Loan Interest Rate:	3%
Term:	20 years
Purpose of Loan:	Construction
Primary Repayment Source:	State Gas Tax Revenues
SIB Funding Source:	Title 23 Fund

TOTAL FUNDING SOURCES

SIB Loan	$5,088,973
Small Cities/Safety Funds	$2,476,963
Appalachian Regional Commission Funds	$500,000
Ohio Public Works (OPWC) Funds	$400,000

LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project:	LOR-658-0.00 Cleveland Street

This SIB loan is to finance a portion of improvements along Cleveland Street. This includes converting four (4) existing lanes to three (3) lanes, add bicycle lanes, replace traffic control signals with vehicle detection and preemption, and add new pavement markings and signage. Project limits are Cleveland Street from Hawthorne Street to Gulf Road, E. Bridge Street from Gulf Road to Broad Street, and Broad Street from E. Bridge Street to Cedar Street.

Borrower:	City of Elyria
Total Project Cost:	$7,425,590
Expected Construction/Procurement Date:	July 2023
Estimated Project Completion Date:	November 2024
PID Identification:	110986
STIP Identification:	SLI 21-24
SIB Identification:	231011

LOAN CHARACTERISTICS

Date of Loan:	March 27, 2023
Amount of Loan:	$2,008,000
Interest Rate:	3%
Term:	15 years
Purpose of Loan:	Construction
Primary Repayment Source:	Motor Vehicle Tax Fund
SIB Funding Source:	Title 23 Fund

TOTAL FUNDING SOURCES

SIB Loan	$2,008,000
NOACA	$3,329,686
ODOT Safety Funds	$2,000,000
Local Funds	$87,904

LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project:	LOR-CR-623-0.00 East Broad Street

This project is to expand East Broad Street from two (2) existing lanes to three (3) lanes. Work includes replacing traffic control signals to accommodate the new traffic patterns and add new pavement markings and signage. Project limits for East Broad Street extend from Abbe Road to the Black River Bridge.

Borrower:	City of Elyria
Total Project Cost:	$9,353,042
Expected Construction/Procurement Date:	May 2023
Estimated Project Completion Date:	November 2024
PID Identification:	111568
STIP Identification:	SLI 21-24
SIB Identification:	231012

LOAN CHARACTERISTICS

Date of Loan:	March 28, 2023
Amount of Loan:	$1,006,000
Interest Rate:	3%
Term:	15 years
Purpose of Loan:	Construction
Primary Repayment Source:	Motor Vehicle Tax Fund
SIB Funding Source:	Title 23 Fund

TOTAL FUNDING SOURCES

SIB Loan	$1,006,000
NOACA	$3,847,042
ODOT Safety Funds	$4,500,000

LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: Walnut & East Main Street Streetscape

This project is to finance the construction of curb ramps and a sidewalk along Walnut Street from Southern Gateway Drive to Meadows Drive and along Main Street to Zimmerman Road. As required by the project design, drainage structures will need replacements. The project will also include pedestrian improvements to the village square, providing one block lighting in each direction to promote safety.

Borrower:	Village of Gnadenhutten
Total Project Cost:	$1,566,300
Expected Construction/Procurement Date:	June 2025
Estimated Project Completion Date:	September 2025
PID Identification:	115611
STIP Identification:	SLI 24-27
SIB Identification:	231013

LOAN CHARACTERISTICS

Date of Loan:	April 25, 2023
Amount of Loan:	$616,300
Interest Rate:	3%
Term:	15 years
Purpose of Loan:	Preliminary Engineering & Construction
Primary Repayment Source:	Permissive Sales Tax, Gas Tax, License Tax, & Municipal Income Tax Receipts
SIB Funding Source:	Title 23 Fund

TOTAL FUNDING SOURCES

SIB Loan	$616,300
ODOT Transportation Alternative (TAP) Funds	$950,000

LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project:	West High Street Sidewalk Improvements

This SIB loan partially financed the installation of approximately 2,200 feet of a new sidewalk along the north side of West High Street near an existing right-of-way to provide a buffer against existing vehicular traffic. Work includes minor drainage improvements, driveway repairs, and relocation of minor utility poles.

Borrower:	Village of Hanover
Total Project Cost:	$423,408
Expected Construction/Procurement Date:	July 2023
Estimated Project Completion Date:	October 2023
PID Identification:	119140
STIP Identification:	N/A
SIB Identification:	231014

LOAN CHARACTERISTICS

Date of Loan:	April 24, 2023
Amount of Loan:	$376,508
Interest Rate:	3%
Term:	10 years
Purpose of Loan:	Construction
Primary Repayment Source:	Municipal Income Tax & Gas Tax Receipts
SIB Funding Source:	General Revenue Fund

TOTAL FUNDING SOURCES

SIB Loan	$423,408
Village Funds	$46,900

LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: Woodland Drive Widening

This SIB loan partially financed roadwork consisting of the widening of Woodland Drive. Widening the intersection of Woodland Drive and Sugar Mill Drive, and the north side of Woodland Drive at Oak Street, will allow the addition of left and right turn lanes.

Borrower:	Village of Ottawa
Total Project Cost:	$609,443
Expected Construction/Procurement Date:	August 2023
Estimated Project Completion Date:	October 2023
PID Identification:	116004
STIP Identification:	SLI 21-24
SIB Identification:	231016

LOAN CHARACTERISTICS

Date of Loan:	May 3, 2023
Amount of Loan:	$259,443
Interest Rate:	3%
Term:	7 years
Purpose of Loan:	Construction
Primary Repayment Source:	Municipal Income Tax Fund
SIB Funding Source:	General Revenue Fund

TOTAL FUNDING SOURCES

SIB Loan	$259,443
ODOT Jobs & Commerce Funds	$150,000
2022 Federal Omnibus	$200,000

LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project:	Oak Hill & Oldman Roundabout

This SIB loan helped to finance the construction of a roundabout at the intersection of Oak Hill Road and Oldman Road.

Borrower:	City of Wooster
Total Project Cost:	$1,431,000
Expected Construction/Procurement Date:	May 2023
Estimated Project Completion Date:	September 2023
PID Identification:	119478
STIP Identification:	N/A
SIB Identification:	231018

LOAN CHARACTERISTICS

Date of Loan:	May 22, 2023
Amount of Loan:	$1,406,000
Interest Rate:	3%
Term:	20 years
Purpose of Loan:	Construction
Primary Repayment Source:	Gas Tax Receipts
SIB Funding Source:	MFT Funds

TOTAL FUNDING SOURCES

SIB Loan	$1,406,000
City Contribution	$25,000

LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: Bluegrass Boulevard Phase II Roadway Improvements

This project is for the extension of North Bluegrass Boulevard for 2,400 feet and construct an additional 2,400 feet of a new east/west intersecting road. The project will also include a 60 foot span bridge over the Missouri Ditch, 4,500 feet of water main, 3,300 feet of sewer main, and all necessary stripping, signing, lighting, curbing, drainage and restoration.

Borrower:	Fayette County
Total Project Cost:	$8,295,000
Expected Construction/Procurement Date:	May 2023
Estimated Project Completion Date:	December 2024
PID Identification:	119479
STIP Identification:	N/A
SIB Identification:	231019

LOAN CHARACTERISTICS

Date of Loan:	May 22, 2023
Amount of Loan:	$2,095,000
Interest Rate:	3%
Term:	20 years
Purpose of Loan:	Construction
Primary Repayment Source:	Non-Tax Revenues, TIF Revenues
SIB Funding Source:	General Revenue Fund & MFT Funds

TOTAL FUNDING SOURCES

SIB Loan	$2,095,000
ODOT Grant	$6,200,000

LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project:	Local Road Paving

This project is to finance road paving of Larchview Drive, Turnbury Drive, Casa Bella Drive and Vitia Place. The respective roads will be milled, areas of partial depth pavement distress will be repaired, and an overlay complete with paving fabric, will be installed. All utility valves and manholes within the pavement will be adjusted to the final grade.

Borrower:	Perry Township
Total Project Cost:	$629,000
Expected Construction/Procurement Date:	May 2023
Estimated Project Completion Date:	September 2023
PID Identification:	119510
STIP Identification:	N/A
SIB Identification:	231020

LOAN CHARACTERISTICS

Date of Loan:	June 20, 2023
Amount of Loan:	$629,000
Interest Rate:	3%
Term:	10 years
Purpose of Loan:	Construction
Primary Repayment Source:	Gas Tax Receipts
SIB Funding Source:	MFT Funds

TOTAL FUNDING SOURCES

SIB Loan	$629,000

LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project:	Fredericktown Streetscape

This project is to finance the widening of sidewalks, streets, and modify the parking along Sandusky Street to Mill Street from angled to parallel. Overhead utility lines will be placed underground. The project also involves the removal of traffic signals and posts from three major intersections, adding four way stops to provide greater public safety within the downtown business district.

Borrower:	Village of Fredericktown
Total Project Cost:	$2,108,483
Expected Construction/Procurement Date:	September 2023
Estimated Project Completion Date:	January 2025
PID Identification:	111269
STIP Identification:	SLI 21-24
SIB Identification:	231021

LOAN CHARACTERISTICS

Date of Loan:	June 2, 2023
Amount of Loan:	$200,466
Interest Rate:	3%
Term:	20 years
Purpose of Loan:	Construction
Primary Repayment Source:	Municipal Income Tax Receipts
SIB Funding Source:	Title 23 Fund

TOTAL FUNDING SOURCES

SIB Loan	$200,466
ODOT Transportation Alternatives Program (TAP) Funds	$1,392,000
Village Contribution	$516,017

LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project:	Roberts Lane Extension

This SIB loan will partially finance the construction of approximately 1.5 miles of new asphalt roadway as well as the extension to Roberts Lane and two additional roads. The City will construct all necessary water, sewer, storm-water, curbs, lighting, and landscaping related to the project.

Borrower:	City of Hillsboro
Total Project Cost:	$10,654,326
Expected Construction/Procurement Date:	September 2023
Estimated Project Completion Date:	October 2024
PID Identification:	119792
STIP Identification:	N/A
SIB Identification:	231022

LOAN CHARACTERISTICS

Date of Loan:	September 21, 2023
Amount of Loan:	$1,654,326
Interest Rate:	3%
Term:	20 years
Purpose of Loan:	Construction
Primary Repayment Source:	Municipal Income Tax Revenue
SIB Funding Source:	General Revenue Fund & MFT Funds

TOTAL FUNDING SOURCES

SIB Loan	$1,654,326
ODOD Grant	$2,367,522
City, American Rescue Plan Act (ARPA)	$712,837
Highland County, American Rescue Plan Act (ARPA)	$750,000
Water Pollution Control Loan Fund (WPCLF)	$3,766,218
Water Supply Revolving Loan Fund (WSRLF)	$1,199,105

Ohio Department of Transportation
State Infrastructure Bank
Active Project List ending September 30, 2023

Borrower	Project	Loan Amount	Loan Disbursements	Funds Available	Interest Rate	Term	Loan Number
ASHTABULA, CITY OF	LOCAL ROAD PAVING PROJECTS	$942,000.00	$942,000.00	$0.00	3.00%	15	140021
ASHTABULA, CITY OF	US 20 REHABILITATION	$302,000.00	$249,206.32	$52,793.68	3.00%	10	160008
ATHENS, CITY OF	STIMSON AVENUE	$5,010,000.00	$4,108,614.47	$901,385.53	3.00%	20	200010
ATHENS, CITY OF	W. UNION ST. IMPROVEMENTS	$5,088,973.00	$10,000.00	$5,078,973.00	3.00%	20	231010
BAY VILLAGE, CITY OF	COLUMBIA ROAD CULVERT	$835,940.00	$762,124.58	$73,815.42	3.00%	10	190011
BELOMAR INTERSTATE PLANNING COMMISSION	I-70/SR40/SR331 INTERCHANGE MOD	$2,708,000.00	$2,070,009.90	$637,990.10	3.00%	10	150009
BROADVIEW HEIGHTS, CITY OF	IR 77 4.79/WALLINGS RD	$3,785,541.11	$8,000.00	$3,777,541.11	3.00%	20	231007
BRUNSWICK, CITY OF	BRUNSWICK-NORTH CARPENTER ROAD	$2,000.00	$2,000.00	$0.00	3.00%	10	170B08
CAMDEN, VILLAGE OF	STREET RESURFACING	$525,000.00	$511,821.83	$13,178.17	3.00%	5	210000
CANTON, CITY OF	12TH ST. N CORRIDOR SAFETY	$2,308,000.00	$2,303,603.02	$4,396.98	3.00%	10	140016
CHARDON TOWNSHIP	ROAD RECONSTRUCTION	$222,000.00	$222,000.00	$0.00	3.00%	10	180013
CINCINNATI, CITY OF	MLK INTERCHANGE	$25,000,000.00	$12,528,796.71	$12,471,203.29	3.00%	25	140009
CINCINNATI, CITY OF	KEYSTONE PARK	$2,500,000.00	$2,500,000.00	$0.00	3.00%	29	140013
CLEVELAND, CITY OF	W. 150TH AND HARVARD	$1,600.00	$1,600.00	$0.00	3.00%	10	160B10
CLEVELAND, CITY OF	TOWER CITY BRIDGES PROJECT	$2,000.00	$2,000.00	$0.00	3.00%	10	170B09
CONNEAUT, CITY OF	CHESTNUT STREET	$100,000.00	$100,000.00	$0.00	3.00%	10	180009
CONNEAUT, CITY OF	US20 RESURFACING	$187,416.00	$114,908.30	$72,507.70	3.00%	10	190001
CONNEAUT, CITY OF	CHAMBERLAIN REHAB	$804,300.00	$804,300.00	$0.00	3.00%	15	190004
CONNEAUT, CITY OF	SR7/SR351 RESURFACING	$387,000.00	$266,349.84	$120,650.16	3.00%	10	200001
CONNEAUT, CITY OF	LAKE ROAD STORM SEWER	$132,500.00	$132,500.00	$0.00	3.00%	10	200002
COSHOCTON, CITY OF	CHESTNUT STREET REPAVING	$202,000.00	$202,000.00	$0.00	3.00%	12	130010
DAYTON, CITY OF	WATER STREET PARKING GARAGE	$2,500,000.00	$2,500,000.00	$0.00	3.00%	22	140012
DEER PARK, CITY OF	BIKE/PED CONNECTOR	$402,000.00	$302,024.33	$99,975.67	3.00%	10	210003
DELAWARE COUNTY/MORPC	RESURFACING PROJECT	$3,382,400.00	$2,428,673.59	$953,726.41	3.00%	6	190020
DUBLIN, CITY OF / MORPC	US33/I270 INTERCHANGE DUBLIN PORTION	$25,000,000.00	$21,185,074.62	$3,814,925.38	3.00%	20	150A03
DUBLIN, CITY OF / MORPC	US33/I-270 INTERCHANGE MORPC PORTION	$10,010,000.00	$7,873,802.09	$2,136,197.91	3.00%	20	150B03
EAST LIVERPOOL, CITY OF	RIVER ROAD	$1,256,000.00	$1,116,032.50	$139,967.50	3.00%	15	150007
EAST LIVERPOOL, CITY OF	GARFIELD ST/ST. CLAIR RETAI	$302,000.00	$300,000.00	$2,000.00	3.00%	10	170012
EAST LIVERPOOL, CITY OF	US30/SR39 IMPROVEMENTS	$173,775.04	$173,775.04	$0.00	3.00%	10	190016
ELYRIA, CITY OF	STATE ROUTE 20 PAVING	$420,200.00	$192,734.94	$227,465.06	3.00%	10	190006
ELYRIA, CITY OF	STATE ROUTE 113 PAVING	$690,699.00	$669,658.06	$21,040.94	3.00%	10	190007
ELYRIA, CITY OF	CLEVELAND ST. PROJECT	$2,008,000.00	$8,000.00	$2,000,000.00	3.00%	15	231011
ELYRIA, CITY OF	EAST BROAD ST. PROJECT	$1,006,000.00	$24,634.55	$981,365.45	3.00%	15	231012
ERIE-OTTAWA REGIONAL AIRPORT	4 AIRPORT HANGAR PROJECTS	$1,297,750.00	$1,297,750.00	$0.00	3.00%	20	140002
FAYETTE COUNTY	BLUEGRASS BLVD PROJECT	$2,095,000.00	$8,000.00	$2,087,000.00	3.00%	20	231019
FOREST PARK, CITY OF	ROAD & UTILITY PROJECT	$4,328,954.00	$8,000.00	$4,320,954.00	3.00%	20	231005
FREDERICKTOWN, VILLAGE OF	STREETSCAPE PROJECT	$200,466.00	$0.00	$200,466.00	3.00%	20	231021
GNADENHUTTEN, VILLAGE OF	STREETSCAPE PROJECT	$616,300.00	$29,727.63	$586,572.37	3.00%	15	231013
GREAT LAKES SCIENCE CENTER	GREAT LAKES INTERMODAL FAC	$7,825,000.00	$7,616,977.01	$208,022.99	3.00%	20	SB9703
HANOVER, VILLAGE OF	SIDEWALK IMPROVEMENTS	$376,508.00	$28,388.57	$348,119.43	3.00%	10	231014
HILLSBORO, CITY OF	ROBERTS LN EXTENSION PROJECT	$1,654,326.00	$6,000.00	$1,648,326.00	3.00%	20	231022

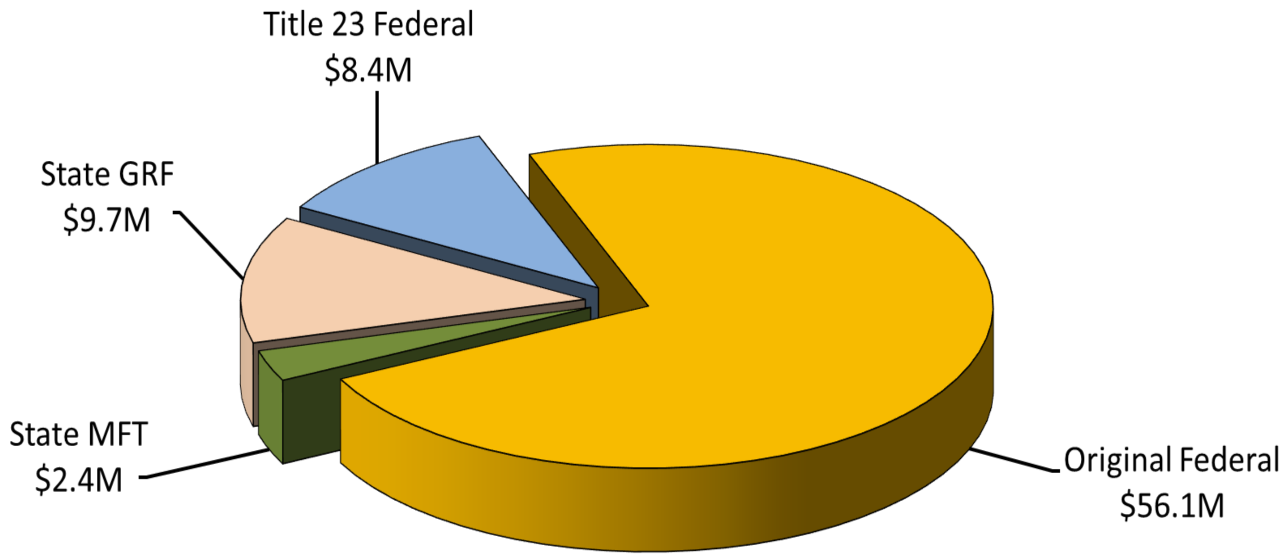
Ohio Department of Transportation
State Infrastructure Bank
Active Project List ending September 30, 2023

Borrower	Project	Loan Amount	Loan Disbursements	Funds Available	Interest Rate	Term	Loan Number
HOLMES COUNTY	CR23 BRIDGE REPLACEMENT	$4,008,000.00	$1,370,621.10	$2,637,378.90	3.00%	20	230004
HOPEDALE, VILLAGE OF	LOCAL ROAD (6) REPAVING PROGRAM	$529,000.00	$529,000.00	$0.00	3.00%	20	160005
HUBER HEIGHTS, CITY OF	MUSIC CENTER PARKING	$4,008,000.00	$3,691,660.90	$316,339.10	3.00%	20	140017
HUBER HEIGHTS, CITY OF	CARRIAGE TRAIL	$1,107,000.00	$1,107,000.00	$0.00	3.00%	20	190017
HUBER HEIGHTS, CITY OF	CARRIAGE TRAILS/WINDBROOKE	$1,286,000.00	$1,235,785.28	$50,214.72	3.00%	20	200007
HUBER HEIGHTS, CITY OF	I70/SR202 INTERCHANGE	$2,059,000.00	$2,059,000.00	$0.00	3.00%	27	SB0410
HUBER HEIGHTS, CITY OF	SR 201/I70 INTERCHANGE	$1,504,000.00	$807,775.29	$696,224.71	3.00%	25	SB0510
JOHNSTOWN, VILLAGE OF	SPORTSMAN CLUB ROAD	$2,006,000.00	$6,000.00	$2,000,000.00	3.00%	20	210004
LAKE TOWNSHIP	SR619 PHASE 1	$2,006,000.00	$2,006,000.00	$0.00	3.00%	10	130002
LANCASTER, CITY OF	TRANSPORTATION SYSTEM SYSTEM UPGRADE	$227,000.00	$217,587.00	$9,413.00	3.00%	10	190009
LEWISBURG, VILLAGE OF	STREET RESURFACING	$850,000.00	$850,000.00	$0.00	3.00%	20	190012
LICKING COUNTY AREA TRANSPORTATION STUDY	THORNWOOD CROSSING	$2,434,837.00	$0.00	$2,434,837.00	3.00%	10	231A06
LICKING COUNTY TID	REFUGEE RD PROJECT	$7,000,000.00	$10,000.00	$6,990,000.00	3.00%	20	231001
LICKING TOWNSHIP	ROAD REPAVING	$675,000.00	$668,867.72	$6,132.28	3.00%	20	210005
LISBON, VILLAGE OF	MARKET ST BRIDGE PROJECT	$127,000.00	$126,999.99	$0.01	3.00%	20	230003
LORAIN, CITY OF	5 ROAD REHAB/REPAIR IN CITY	$2,458,000.00	$1,928,397.01	$529,602.99	3.00%	15	130009
LORAIN, CITY OF	SR 57 AND 7 LOCAL ROADS	$1,633,000.00	$1,620,230.70	$12,769.30	3.00%	10	160012
LORAIN, CITY OF	12 LOCAL ROADWAY REHABILITATION	$1,547,329.00	$1,415,848.40	$131,480.60	3.00%	10	170010
LORAIN, CITY OF	LOCAL ROAD REHAB	$1,822,688.00	$1,822,688.00	$0.00	3.00%	7	180014
LORAIN, CITY OF	LOCAL ROADWAY REHAB	$867,362.00	$867,362.00	$0.00	3.00%	7	230005
LUCAS COUNTY TRANSPORTATION IMPROVEMENT	I-475/20A INTERCHANGE	$8,000,000.00	$8,000,000.00	$0.00	3.00%	20	190003
MACEDONIA, CITY OF	IR271 RAMP RELOCATION	$502,000.00	$502,000.00	$0.00	3.00%	10	140010
MARIETTA, CITY OF	WALKING TRAIL SLIP REPAIR	$1,256,000.00	$6,000.00	$1,250,000.00	3.00%	15	231002
MARTINS FERRY, CITY OF	8TH ST. SLIP REPAIR	$392,000.00	$291,039.98	$100,960.02	3.00%	20	170005
MCCOMB, VILLAGE OF	OLIVER STREET RECONSTRUCTION	$642,000.00	$540,230.05	$101,769.95	3.00%	15	140003
MENTOR ON THE LAKE, CITY OF / NOACA	SR 283 CITY PORTION	$1,209,042.56	$1,209,042.56	$0.00	3.00%	20	070B10
MONTGOMERY COUNTY TID	DOG LEG RD. IMPROVE	$13,369,518.00	$13,369,517.61	$0.39	3.00%	12	140001
MONTGOMERY COUNTY TID	MARKET ST. EXTENSION	$1,976,000.00	$1,976,000.00	$0.00	3.00%	20	170002
MONTGOMERY COUNTY TID	MIAMI-LYONS ROAD	$584,180.00	$392,389.95	$191,790.05	3.00%	10	180017
MONTGOMERY COUNTY TID	MIAMISBURG ROAD	$1,005,564.00	$1,005,564.00	$0.00	3.00%	10	190014
MONTGOMERY COUNTY TID	MIAMI TOWNSHIP	$1,960,589.00	$1,854,311.91	$106,277.09	3.00%	10	190015
MONTGOMERY COUNTY TID	I-70/75 AIRPORT LOGISTICS ACCESS	$2,708,000.00	$1,617,201.14	$1,090,798.86	3.00%	10	200005
MONTGOMERY COUNTY TID	PHASE I - IR675/WILMINGTON PROJECT	$619,000.00	$573,243.70	$45,756.30	3.00%	10	210006
MONTGOMERY COUNTY TID	PHASE II - IR675/WILMINGTON PROJECT	$427,000.00	$72,209.40	$354,790.60	3.00%	10	230006
MUNROE FALLS, CITY OF	LOCAL ROAD REHAB	$1,100,000.00	$1,100,000.00	$0.00	3.00%	9	180011
MUSKINGUM COUNTY	PHILO-DUNCAN BRIDGE	$1,092,598.00	$829,632.59	$262,965.41	3.00%	20	180002
MUSKINGUM COUNTY	GAYSPORT BRIDGE PROJECT	$2,537,402.00	$1,088,665.75	$1,448,736.25	3.00%	20	230001
NEW PHILADELPHIA, CITY OF	AIRPORT HANGAR	$504,000.00	$503,990.00	$10.00	3.00%	20	180018
NEW RICHMOND, VILLAGE OF	US 52 PROJECT	$169,984.00	$149,277.20	$20,706.80	3.00%	5	231003
NEW STRAITSVILLE, VILLAGE OF	VILLAGE ENHANCEMENTS	$131,643.00	$94,305.06	$37,337.94	3.00%	10	210001
NEWARK, CITY OF	MOUNT VERNON ROAD IMPROVEMENTS	$6,630,000.00	$6,068,170.36	$561,829.64	3.00%	20	150013

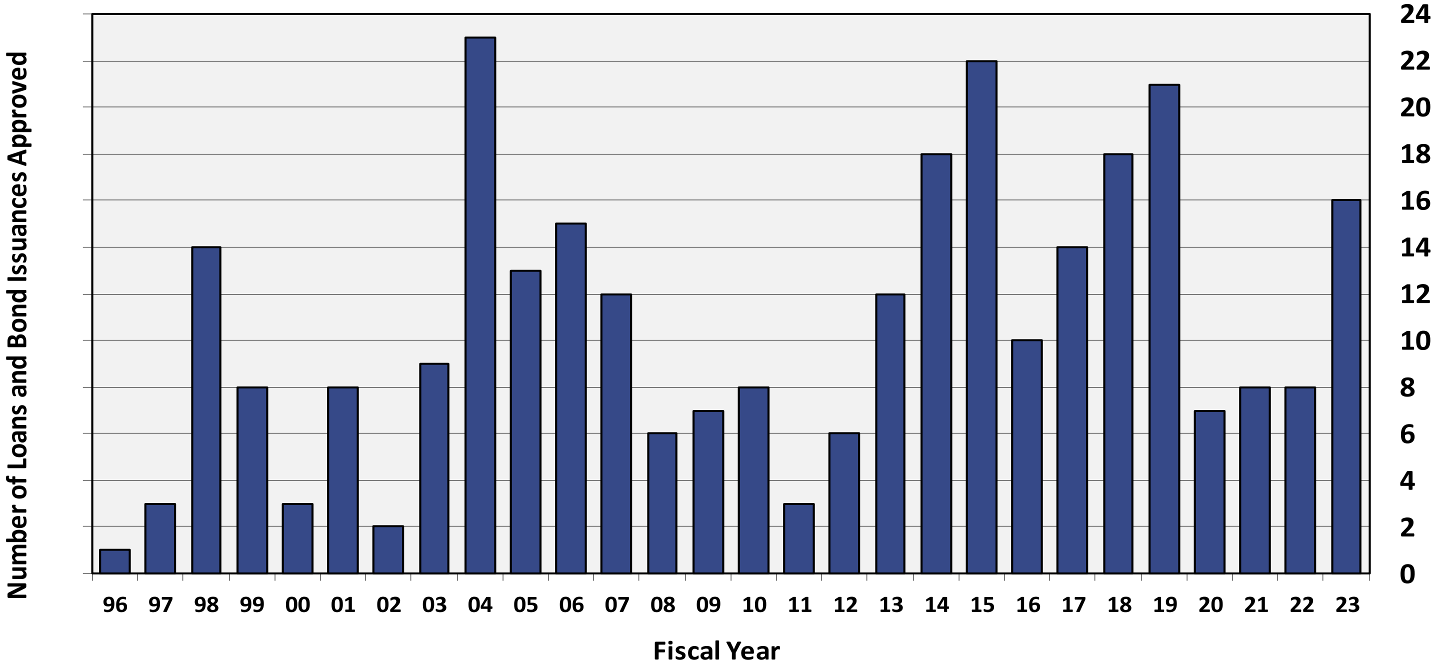
Ohio Department of Transportation
State Infrastructure Bank
Active Project List ending September 30, 2023

Borrower	Project	Loan Amount	Loan Disbursements	Funds Available	Interest Rate	Term	Loan Number
NEWARK, CITY OF	OHIO & MANNING BRIDGES	$2,717,728.00	$1,711,474.28	$1,006,253.72	3.00%	10	180008
NEWARK, CITY OF	THORNWOOD CROSSING	$2,575,163.00	$10,000.00	$2,565,163.00	3.00%	10	231B06
NORTH RIDGEVILLE, CITY OF	LEAR NAGLE ROAD	$2,000.00	$2,000.00	$0.00	3.00%	10	160B07
NORTHEAST OHIO AREAWIDE COORDINATING AGENCY	NOACA/CUYAHOGA-ROYALTON ROAD WIDENING	$10,358,800.00	$10,279,981.34	$78,818.66	3.00%	10	180007
NORTHEAST OHIO AREAWIDE COORDINATING AGENCY	LEAR NAGLE ROAD-NOACA PORTION	$5,304,000.00	$5,242,256.34	$61,743.66	3.00%	10	160A07
NORTHEAST OHIO AREAWIDE COORDINATING AGENCY	W.150TH & HARVARD	$4,006,400.00	$3,635,083.22	$371,316.78	3.00%	10	160A10
NORTHEAST OHIO AREAWIDE COORDINATING AGENCY	NORTH CARPENTER ROAD	$9,710,000.00	$8,404,171.37	$1,305,828.63	3.00%	10	170A08
NORTHEAST OHIO AREAWIDE COORDINATING AGENCY	TOWER CITY BRIDGE PROJEC	$8,298,000.00	$8,298,000.00	$0.00	3.00%	10	170A09
NORTON, CITY OF	CLEVELAND-MASSILLON ROAD WIDENING	$3,158,000.00	$2,984,056.77	$173,943.23	3.00%	10	190008
NORTON, CITY OF	NEWPARK DRIVE RECONSTRUCTION	$452,000.00	$452,000.00	$0.00	3.00%	5	200006
OTTAWA, VILLAGE OF	WILLIAMSTOWN RD PROFILING	$211,000.00	$138,903.54	$72,096.46	3.00%	10	140020
OTTAWA, VILLAGE OF	WOODLAND DR PROJECT	$259,443.17	$2,000.00	$257,443.17	3.00%	7	231016
OTTAWA, VILLAGE OF	PUTNAM PKWY EXTENSION	$272,725.00	$191,964.49	$80,760.51	3.00%	10	140019
OTTAWA, VILLAGE OF	VILLA DRIVE RECONSTRUCT	$614,700.00	$289,891.97	$324,808.03	3.00%	10	160013
PERRY TOWNSHIP	2023 ROAD REPAVING PROJECT	$629,000.00	$629,000.00	$0.00	3.00%	10	231020
ROSEVILLE, VILLAGE OF	POTTERS LANE	$173,363.00	$68,098.52	$105,264.48	3.00%	20	200008
ROSS COUNTY	SR207 & HOSPITAL ROAD	$2,006,000.00	$692,194.16	$1,313,805.84	3.00%	20	190010
SOUTHWEST LICKING COMM WATER & SEWER DISTRICT	I70&SR 310 INTERCHANGE	$314,722.00	$276,203.89	$38,518.11	3.00%	10	160009
SPRINGFIELD TOWNSHIP	LIGHTING, CANTON/WATERLOO	$227,000.00	$105,294.58	$121,705.42	3.00%	10	190005
STEUBENVILLE, CITY OF	SR43 WIDENING	$2,282,292.00	$2,257,851.16	$24,440.84	3.25%	25	SB9809
TOLEDO LUCAS CO PORT AUTHORITY	AIRPORT IMPROVEMENTS	$1,761,000.00	$1,758,070.01	$2,929.99	3.00%	20	180003
TOLEDO LUCAS CO PORT AUTHORITY	ADMINISTRATION BUILDING	$1,506,000.00	$1,506,000.00	$0.00	3.00%	10	220001
TOLEDO, CITY OF	MARINA DISTRICT; RIVERSIDE DRIVE	$5,010,000.00	$4,044,735.86	$965,264.14	3.00%	15	080002
TUSCARAWAS, VILLAGE OF	MAIN ST. SIDEWALK REP	$110,446.00	$105,939.47	$4,506.53	3.00%	10	170004
TWINSBURG TOWNSHIP	MARWELL ESTATES ROAD REC	$2,040,698.00	$1,912,463.37	$128,234.63	3.00%	10	170001
TWINSBURG TOWNSHIP	HEIGHTS ALLOTMENT RD RECON	$1,582,019.00	$1,022,581.06	$559,437.94	3.00%	15	180006
TWINSBURG TOWNSHIP	HEIGHTS ALLOTMENT XVI-XVII	$1,175,402.00	$736,648.60	$438,753.40	3.00%	10	210002
TWINSBURG TOWNSHIP	HEIGHTS ALLOTMENT XIX-XX	$1,412,223.00	$250,500.53	$1,161,722.47	3.00%	10	231008
UNION, CITY OF	JACKSON AND MARTINDALE PROJECT	$5,020,000.00	$5,020,000.00	$0.00	3.00%	20	220002
UNION, CITY OF	DOG LEG RD. EXPANSION PROJECT	$13,510,000.00	$9,147,979.97	$4,362,020.03	3.00%	20	230002
VANDALIA, CITY OF	SOUTH DIXIE PHASE 3 WIDENING	$1,776,000.00	$1,652,214.99	$123,785.01	3.00%	10	140015
WARRENSVILLE HEIGHTS, CITY OF	3 LOCAL ROADS REHAB	$2,797,205.00	$2,797,205.00	$0.00	3.00%	10	150014
WEST FARMINGTON, VILLAGE OF	2 BRIDGES/WATERLINE RELO	$12,600.00	$11,958.41	$641.59	3.00%	10	150010
WEST JEFFERSON, VILLAGE OF	SR29/US40 EXT AND UPGRADES	$1,006,000.00	$1,006,000.00	$0.00	3.00%	20	180012
WESTLAKE, CITY OF	SR254/CROCKER ROAD IMPROVEMENTS	$8,510,000.00	$8,510,000.00	$0.00	3.00%	20	130003
WHITEHOUSE, VILLAGE OF	SR64/FINZEL RD ROUNDABOUT	$1,004,000.00	$1,390,910.25	($386,910.25)	3.00%	20	150006
WOOSTER, CITY OF	OAK HILL & OLDMAN ROUNDABOUT	$1,406,000.00	$6,000.00	$1,400,000.00	3.00%	20	231018
YOUNGSTOWN, CITY OF	SR60 IMPROVEMENTS	$5,000,000.00	$1,550,045.54	$3,449,954.46	3.00%	8	200009
ZANESVILLE, CITY OF	SR60 IMPROVEMENTS	$754,000.00	$725,110.09	$28,889.91	3.00%	10	200003
ZANESVILLE, CITY OF	SR146/60 CONNECTOR	$5,010,000.00	$4,641,113.28	$368,886.72	3.00%	27	SB0423
		$315,539,313.88	$230,660,604.61	$84,878,709.27			

SIB Balances Available
as of September 30, 2023
Total Available to Lend: $76.6M



State Infrastructure Bank Loans and Bonds



Federal Fiscal Year	1996-2013*	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total **
# of Loans	150	17	19	9	13	17	19	7	8	8	16	283
$ of Approved Loans (in millions)	$432.63	$56.9	$65.1	$10.1	$28.3	$46.2	$19.4	$15.2	$11.5	$29.7	$30.0	$745.0
# of Bonds	3	1	3	1	1	1	2					12
$ of Approved Bonds (in millions)	$28.0	$7.2	$10.5	$7.9	$4.7	$15.7	$20.5					$94.4

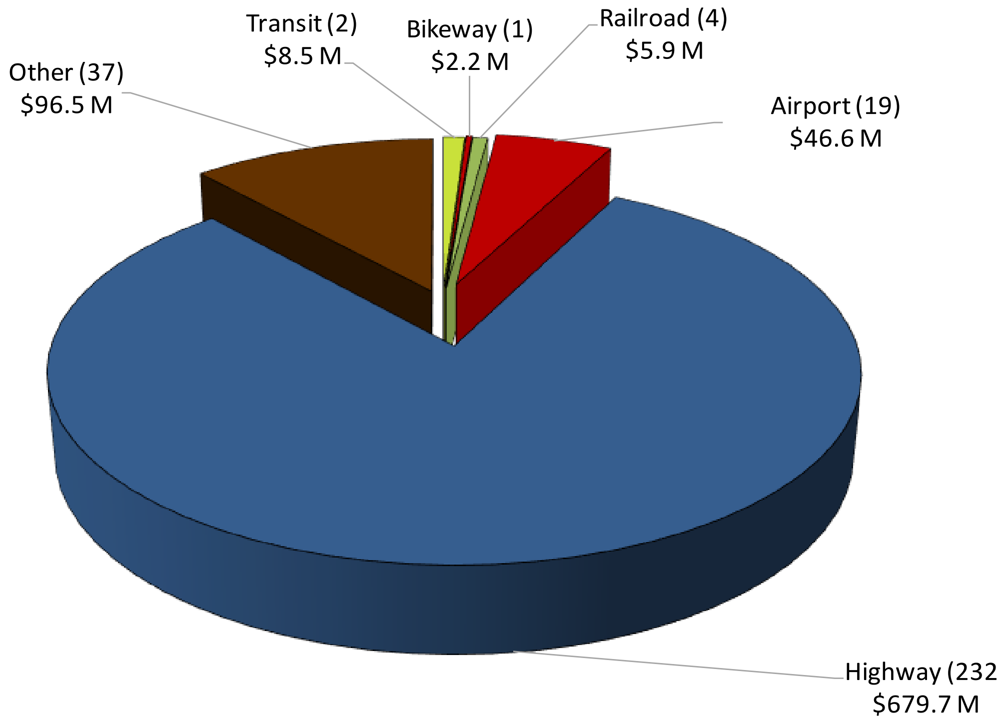
Number of Loans:	283		Amount of Approved Loans:	$745.0
Number of Bonds:	12		Amount of Approved Bonds:	$94.4
Total:	295		Total:	$839.4

* Refunding of Toledo Lucas County Port Authority bond issuance from FFY12 (2011-1) completed FFY21 (2021-1).

** Annual amounts may not equal to total due to rounding. Excludes loans that were approved, but cancelled prior to closing on the loan.

Modes of SIB Loans and Bonds

approved as of September 30, 2023
Total $839.4 M



STATE INFRASTRUCTURE BANK (SIB) PROJECTS UPDATE

SIB projects include those found below and are depicted on the next page.

Village of Gnadenhutten, Walnut & East Main Street Streetscape Project

With a SIB loan the Village of Gnadenhutten in Tuscarawas County, Ohio, will construct curb ramps and a sidewalk along Walnut Street from Southern Gateway Drive to Meadows Drive and along Main Street to Zimmerman Road. The project also includes pedestrian improvements to the village square, providing one block lighting in each direction to promote safety, and drainage structure replacements.

Total Project Costs: $1,566,300 SIB Loan Amount: $616,300

City of Elyria, Cleveland Street Improvements Project

This SIB loan was used to finance a portion of a project that consists of converting four (4) existing lanes of Cleveland Street to three (3) lanes, add bicycle lanes, replace traffic control signals with vehicle detection and preemption, and add pavement markings and signage. The project limits are Cleveland Street from Hawthorne Street to Gulf Road, E. Bridge Street from Gulf Road to Broad Street, and Broad Street from E. Bridge Street to Cedar Street. The City of Elyria is located in Lorain County, Ohio.

Total Project Costs: $7,425,590 SIB Loan Amount: $2,008,000

Perry Township, Local Road Repaving Project

This SIB loan is for a project located in Perry Township, Lake County, Ohio. This road repaving project includes Larchview Drive, Turnbury Drive, Casa Bella Drive and Villa Place. These roads will be milled, areas of partial depth pavement distress will be repaired, and an overlay complete with paving fabric will be installed. All utility valves and manholes within the pavement will be adjusted to the final grade.

Total Project Costs: $629,000 SIB Loan Amount: $629,000

City of Newark/Licking County Area Transportation Study (LCATS), Thornwood Crossing Bridge & Roundabout Project

This SIB loan is part of the construction of the Thornwood Crossing bridge & roundabout within the City of Newark, in Licking County, Ohio. The project will replace the failing stone arch bridge on Cherry Valley Road over Raccoon Creek. The new bridge will be built with added capacity on a new alignment that will connect the Thornwood Crossing & State Rt.16 Interchange to Thornwood Drive. A roundabout will be constructed at its intersection with Reddington Road and River Road.

Total Project Costs: $17,010,000 SIB Loan Amount: $5,010,000

City of Athens, West Union Street Improvements Project

With this SIB loan the City of Athens, in Athens County, Ohio, will construct improvements needed along West Union Street. It will include 0.9 miles of widening, milling and overlay, and full-depth reconstruction of West Union Street and Herrold Avenue. The project will also include a new storm sewer, waterline, sanitary sewer force main, curb and gutter, sidewalk, multi-use path, and lighting.

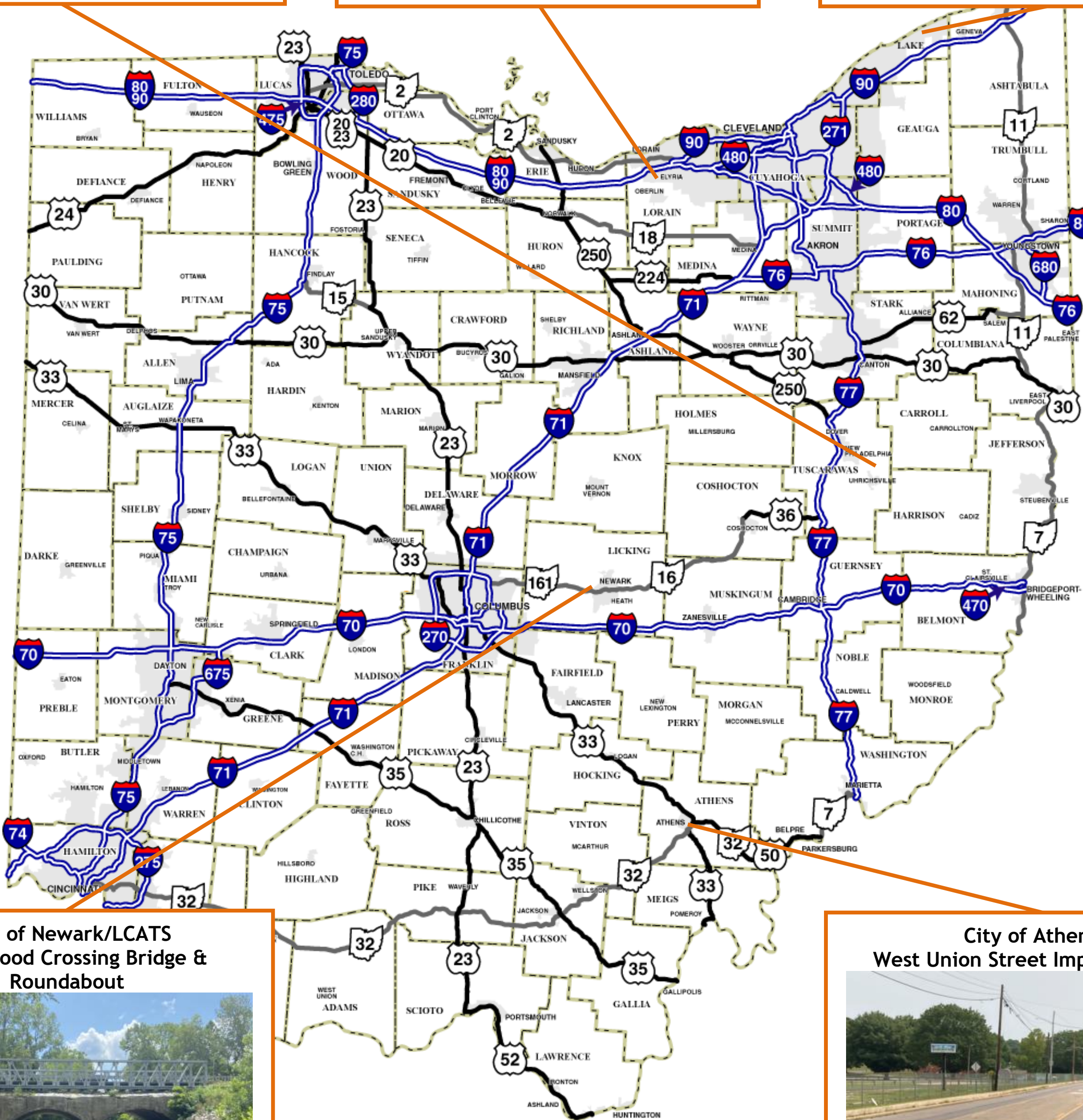
Total Project Costs: $8,465,936 SIB Loan Amount: $5,088,973

STATE INFRASTRUCTURE BANK PROJECTS

Gnadenhutten Village
Walnut & East Main St. Streetscape

City of Elyria
Cleveland Street Improvements

Perry Township
Local Road Repaving



City of Newark/LCATS
Thornwood Crossing Bridge &
Roundabout

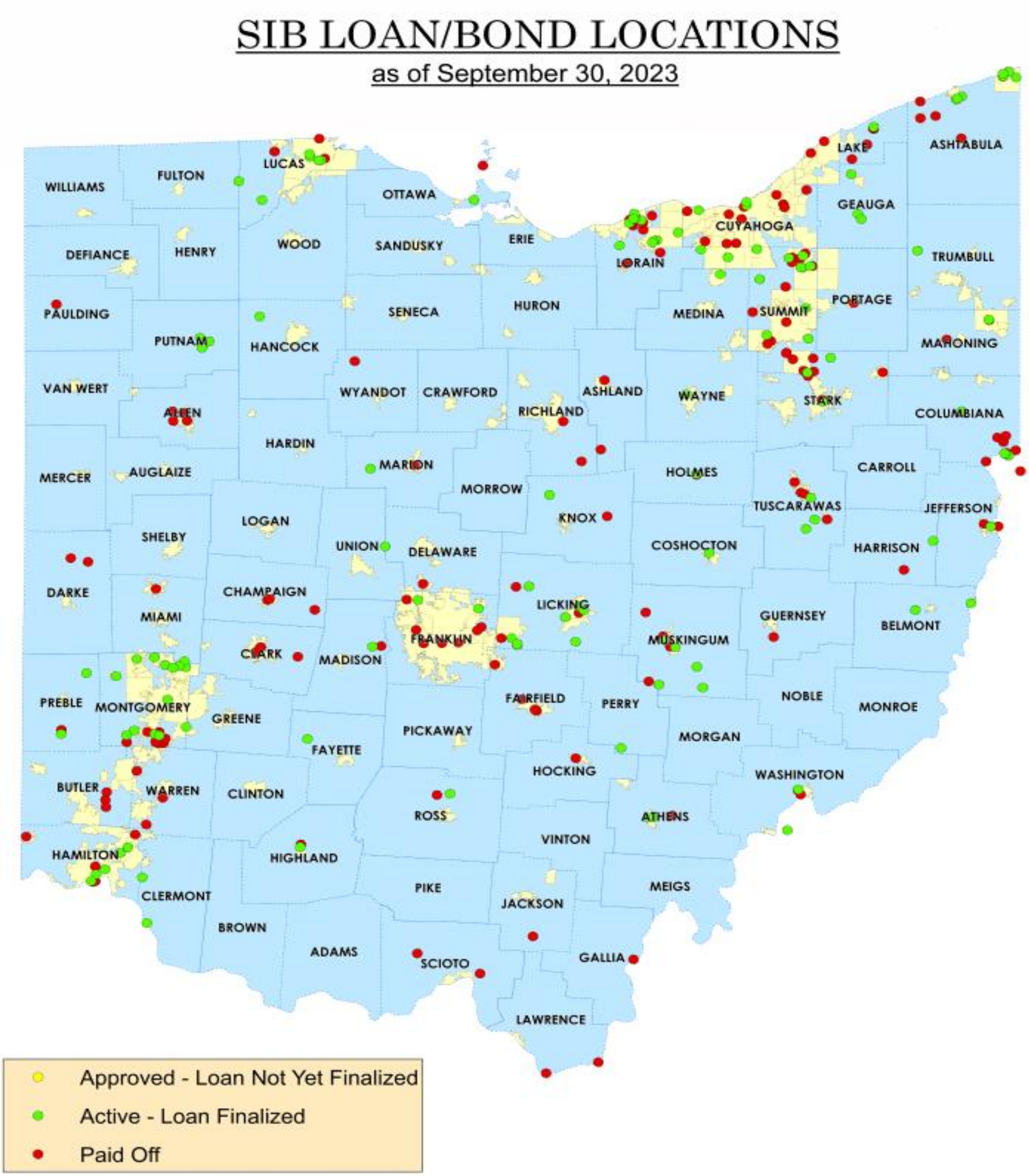
City of Athens
West Union Street Improvements

SIB LOANS AND BONDS ISSUED SINCE PROGRAM INCEPTION
APPROVED, ACTIVE AND PAID OFF LOANS AND BONDS
as of September 30, 2023

ODOT District	District Location	Loans	Bonds	Authorized Amount	% of Funds loaned/bonded	Approved * Loans	Active Loans	Paid off Loans	Approved * Bonds	Active Bonds	Paid off Bonds
1	Lima	11		$8,256,782	0.98%		5	6			
2	Bowling Green	15	2	$51,881,050	6.18%		6	9		1	1
3	Ashland	27	1	$38,635,394	4.60%		12	15		1	
4	Akron/Canton	50	3	$111,509,364	13.28%		21	29		2	1
5	Jacksontown	30	1	$75,015,538	8.94%		17	13		1	
6	Columbus	15	1	$95,253,486	11.35%		5	10		1	
7	Dayton	32	1	$84,927,189	10.12%		15	17		1	
8	Cincinnati	21	3	$132,584,183	15.79%		8	13		2	1
9	Chillicothe	10		$14,014,096	1.67%		2	8			
10	Marietta	10		$18,490,843	2.20%		3	7			
11	New Philadelphia	27		$26,270,147	3.13%		12	15			
12	Cleveland	35		$182,602,023	21.75%		12	23			
		283	12	$839,440,095	100.00%	0	118	165	0	9	3

Average loan amount is $2,632,615
Average bond amount is $7,867,500

*Approved loans or bonds means the SIB loan committee has approved but closing documents have not been executed.


SIB LOAN/BOND LOCATIONS
as of September 30, 2023
WILLIAMS
FULTON
LUCAS
OTTAWA
DEFIANCE
HENRY
WOOD
SANDUSKY
ERIE
LORAIN
CUYAHOGA
LAKE
ASHTABULA
GEAUGA
TRUMBULL
PAULDING
PUTNAM
HANCOCK
SENECA
HURON
MEDINA
SUMMIT
PORTAGE
MAHONING
VAN WERT
ALLEN
WYANDOT
CRAWFORD
RICHLAND
ASHLAND
WAYNE
STARK
COLUMBIANA
HARDIN
MERCER
AUGLAIZE
MARION
MORROW
HOLMES
CARROLL
TUSCARAWAS
JEFFERSON
LOGAN
SHELBY
KNOX
UNION
DELAWARE
COSHOCTON
HARRISON
DARKE
CHAMPAIGN
MIAMI
LICKING
GUERNSEY
BELMONT
CLARK
MADISON
FRANKLIN
MUSKINGUM
PREBLE
MONTGOMERY
GREENE
FAIRFIELD
PERRY
NOBLE
MONROE
PICKAWAY
FAYETTE
MORGAN
BUTLER
WARREN
CLINTON
HOCKING
WASHINGTON
ROSS
ATHENS
VINTON
HAMILTON
HIGHLAND
PIKE
MEIGS
CLERMONT
JACKSON
BROWN
ADAMS
SCIOTO
GALLIA
LAWRENCE
Approved - Loan Not Yet Finalized
Active - Loan Finalized
Paid Off

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