Operating & Capital Budget

2023

FCCFA

Operating & Capital Budget 2023

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FRANKLIN COUNTY CONVENTION FACILITIES AUTHORITY
2023 OPERATING and CAPITAL BUDGET

EXECUTIVE SUMMARY

The 2023 operating and capital budget for the Franklin County Convention Facilities Authority (CFA) is presented in the following document. The budget presents financial information for all facilities owned by the CFA including the Greater Columbus Convention Center (convention center), Hilton Columbus Downtown Hotel (hotel), Nationwide Arena (arena), Vine Street Parking Garage, Goodale Street Parking Garage, South Parking Garage, east parking lot and north parking lot.

2020 was a challenging year for the CFA as COVID-19 and resulting health restrictions, travel advisories, stay at home orders and limitations on social gatherings all but shutdown travel, group gatherings, social events, sporting events, conventions and meetings. All revenue sources used by the CFA to support facilities and associated operations, improvements and debt service were significantly impacted and dropped to levels never experienced before nor ever contemplated. Fortunately, the CFA was well positioned to sustain the impact of the pandemic on the financial stability of the organization. The CFA did have significant reserves to cover loss in revenue. In addition, the CFA refinanced/restructured debt programs for both the convention center and parking facilities thereby reducing debt obligations in the short term. This reduction in debt service made available monies that did and will continue to sustain the CFA through the recovery period.

As hoped, 2021 and 2022 have proven to be years of recovery. The local hotel market is rebounding as hotel tax collections are not only approaching but exceeding monthly collection levels experienced prior to the pandemic. Activity within all CFA facilities has increased. Concerts and Blue Jacket hockey games have returned to Nationwide Arena. The Hilton Columbus Downtown Hotel experienced occupancy levels of over 70.0 percent just prior to the opening of the new tower in September 2022 and the Greater Columbus Convention Center has hosted events; the number, size and attendance of which rivaled prior years. Long-term bookings within all facilities are pacing well.

Because 2022 proved to be a strong year of recovery, the 2023 budget continues the optimism and assumes the market has achieved full recovery. The 2023 budget is built upon the belief that the CFA's financial position will continue to improve, albeit at a much slower rate than in 2022. Economic challenges for the year focus on the continued cost of labor and the return or lack thereof of business travel. Given this, the long-term forecast does project that the CFA will maintain financial stability in 2023 and that by the end of the five-year projection period, all reserves depleted during 2020 and 2021 will be fully restored. The forecast also suggests that the CFA will remain self-sustaining, will meet all debt obligations during the period, and will protect and improve all facilities through the continued investment in capital improvements. The 2023 CFA budget is summarized in the following:

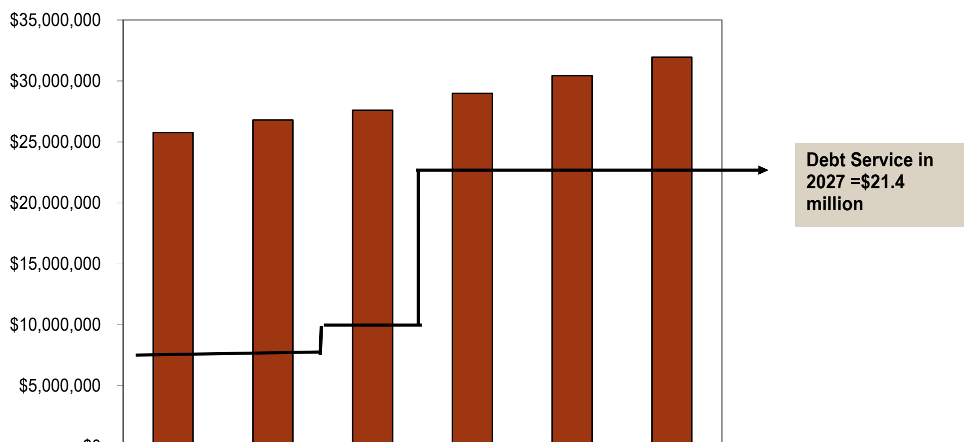
2023 Budget - Greater Columbus Convention Center

- ⇨ The 2023 budget assumes that hotel tax revenue will increase in 2023 and will continue to improve through the period. Consistent with patterns of growth proposed by industry experts, the budget assumes tax revenue in 2023 (on an accrual basis) will be 4.0 percent above 2022 collection levels and will exceed 2019 taxes by 3.0 percent. Assuming the economy continues to move forward; tax revenues will improve throughout the period. By 2027, hotel tax revenue are projected to be approximately $31.9 million.

- ⇨ Consistent with the CFA's investment policy, current debt reserve funds are invested in a series of U.S. agency securities, with varying maturities over a five-year period. The goal of the investment program is to protect principal while maximizing earning potential given the current market. Investments are made consistent with the CFA's investment policy.

- ⇨ As suggested by the current projection for hotel tax collections and interest earnings on reserve funds; tax revenue, when coupled with interest earnings, will meet and exceed convention center debt service obligations in 2023 and will continue to meet and exceed annual debt obligations throughout the projection period. Hotel tax revenue that exceeds debt obligations will be deposited into the CFA operating fund. In 2023, approximately $20.4 million in hotel tax revenue will be deposited into the operating fund. Deposits will continue throughout the projection period.

Convention Center Debt Service Coverage Projections



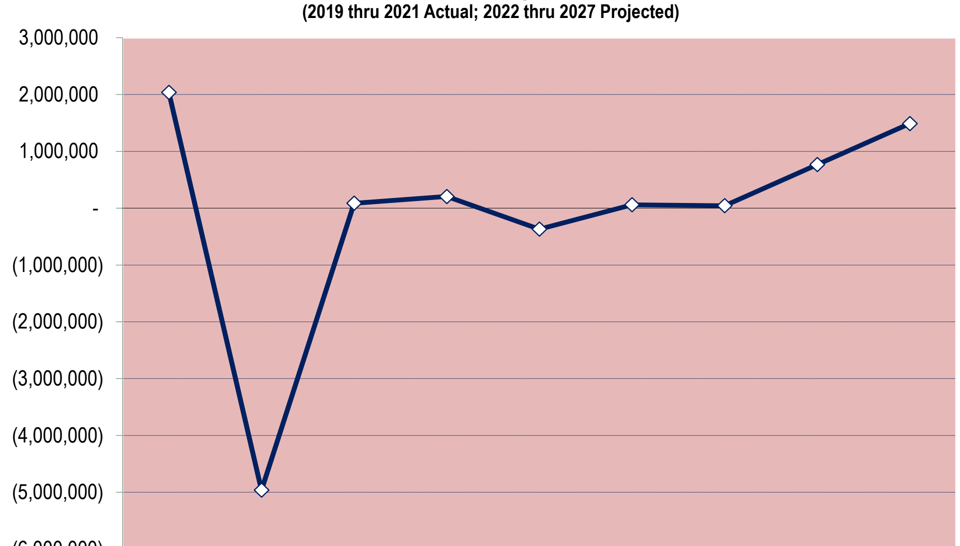
	2022	2023	2024	2025	2026	2027
Hotel Taxes (Accrual)	25,769,053	26,794,123	27,597,947	28,977,844	30,426,737	31,948,073

- ⇨ Parking revenue from the operation of CFA owned parking facilities serves as the funding source for debt service obligations associated with the development of the Ohio Center Garage, the Goodale Parking Garage and the expansion of the Vine Street Parking Garage. As such, annual parking facility debt service is included as an expense within the operating budget of the convention center. In 2020, the debt service program for parking facilities was restructured to provide the CFA with short term debt service relief as the impact of COVID-19 restrictions caused parking revenue to plummet. Because of this restructuring, debt service due in 2020 and 2021 was minimal. However, this reduction was not long term and in 2022, debt service due on parking facilities began to increase and continues to escalate until 2025 where debt obligations plateau at $4.9 million.

- Prior to the pandemic, the operations of the convention center did well. Revenue generated through events in the facility easily covered all operating expenses. In fact, the facility reported positive net income for all years since opening, except for years during center renovation projects where loss in income was planned. The center's operating goal is to be the best operating facility; known for its innovation, use of best practices, exceptional guest services, facility cleanliness, facility safety and progressive food service delivery. The center continues to work towards the achievement of this goal despite challenges posed by COVID-19. In 2023, convention center operations will focus efforts on facility health safety and cleanliness; customer service, staffing and employee development; revenue generation and facility maintenance.

- As shown in the following graph, COVID-19 financially devastated convention center operations. Due to health restrictions almost all events originally scheduled in 2020 cancelled or rescheduled. To manage this loss in revenue, the center reduced expenses as much as possible without completely shutting down the facility. Despite efforts, the center's net operating income for 2020 dropped from a budgeted net income of $1.2 million to a loss in net income of $5.0 million. Equity reserves held by both the convention center and CFA covered this deficit in 2020. The good news is that operations began to improve in 2021 and 2022. While the 2022 budget assumed the center would end the year with a deficit of approximately $900,000; actual performance now indicates the center will end the year with an operating surplus of approximately $205,000.

Greater Columbus Convention Center
Net Operating Income
(2019 thru 2021 Actual; 2022 thru 2027 Projected)



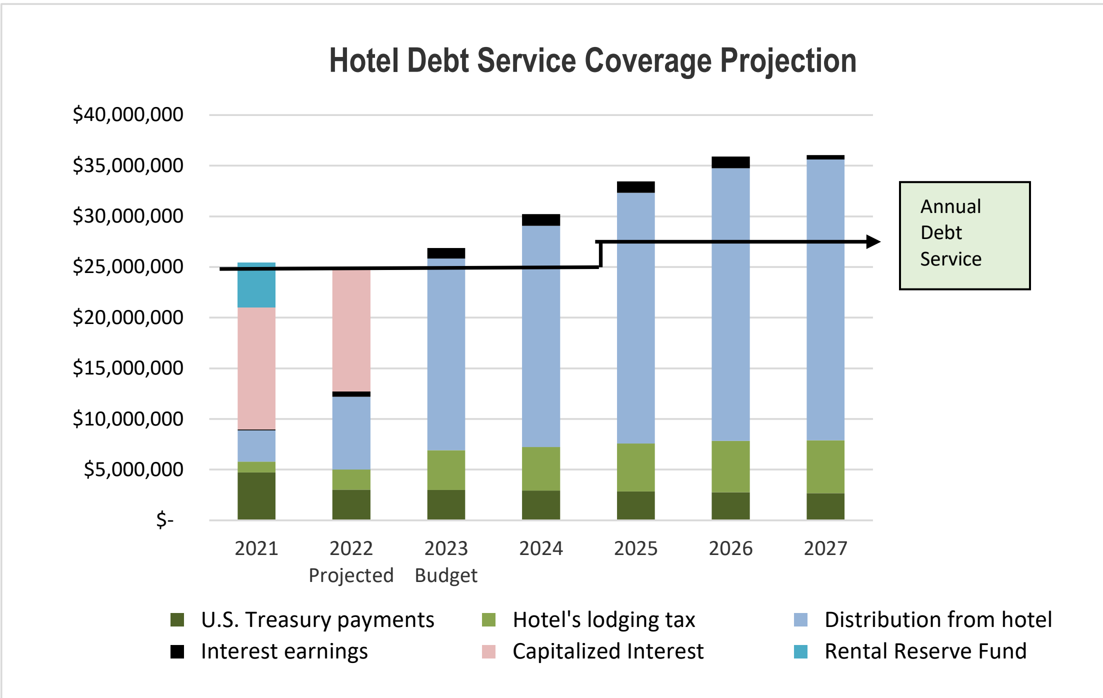
	2019	2020	2021	2022	2023	2024	2025	2026	2027
Net Income ($)	2,037,913	(4,964,557)	86,412	204,961	(368,845)	59,758	43,891	767,725	1,488,635

Budget projections assume that the center will continue to operate well in 2023. Despite the fact that event bookings for the year are lower than 2022, the quality of bookings year over year has improved. Currently there are 121 definite events on the books for the year of which 26 are citywide events. While the center is expecting to operate with a slight deficit in 2023 (convention center equity reserves will cover the deficit), the cause of the deficit is due to added cost of garage debt service. Moving forward, center operations are positive. Event bookings remain strong in outer years of the forecast as the community continues to focus on attracting large, national events. Beginning in 2024, projections assumes that the center will again be self-sustaining.

- In 2023, the CFA will have sufficient equity resources to invest in an aggressive capital improvements program for the convention center. The program will cost approximately $15.4 million. Projects to be accomplished during the year will address major maintenance initiatives such as HVAC system upgrades; indoor air quality improvements; Battelle Hall carpet replacement; south facility electrical, plumbing and fire protection upgrades; elevator/escalator refurbishment; furniture replacement and restroom improvements.

2023 Budget – Hilton Columbus Downtown

⇨ 2023 will be the first full year the Hilton Columbus Downtown will operate as a 1,000 room hotel. Opened in September 2022, the new hotel tower not only increased room inventory but also added substantial meeting room and ballroom space to the campus. A new upscale restaurant as well as a rooftop bar/restaurant are also featured in the new tower. With the addition of a new tower, the hotel is expected to operate at a level that will produce significant net operating income. Such income will cover debt service obligations associated with the construction of the original and expanded hotel. This proves true in 2023 and throughout the projection period. The good news is that net income will be available to not only meet debt obligations during the period but will be available to fully replenish the 2010 rental reserve fund and the 2010 bond fund both depleted as a result of debt service payment difficulties during the pandemic.



⇨ Despite draws on the rental reserve fund, other reserve funds associated with the 2010 and 2019 bond series issued in support of hotel development remain fully funded. This includes the 2010 and 2019 debt service reserve funds and the consolidated bond fund. The hotel also has an operating reserve fund that was drawn upon during 2020 to cover operating deficits due to the pandemic. Gradually, this reserve is being replenished. By year end 2022, the balance in the operating reserve will be $1.9 million. The required balance for this fund is $2.4 million and the fund will be fully replenished by 2024.

2023 Budget – Nationwide Arena

⇨ During 2023, the CFA is projected to receive approximately $7.7 million in casino tax revenue. This revenue will be distributed as follows: $5.6 million to CAM for arena operations, $165,000 to the CFA for the land lease, $382,000 to the CFA to help cover property tax obligations and $1.6 million to the arena's capital improvements fund.

⇨ The CFA is also projected to receive approximately $2.2 million in admission tax revenue. This revenue will be held in the arena capital improvements fund and will be used to support arena capital improvement projects.

2023 Budget – Summary:

⇨ The CFA manages several funds that account for all financial activity of the Authority. Funds that are established to meet debt service requirements are considered non-discretionary because resources within these funds can only be used for specified reasons as outlined in bond and trust indenture documents . Funds that are free from obligation (available) can be used by the CFA in any manner deemed appropriate. Currently, the CFA maintains two such funds; the capital improvements fund and the operating fund. Together resources within these funds are available to cover ordinary and reasonable needs of the CFA. At year-end 2023, such funds will equal $4.5 million. A summary of year end balances for all current funds of the CFA is provided in the following table.

Long-term Forecast
Summary of Projected Fund Balances at Year End

	2021	2022	2023	2024	2025	2026	2027
Non-discretionary Funds - Greater Columbus Convention Center:							
Debt Service Fund	$ 616,315	$ 594,304	$ 806,804	$ 1,737,683	$ 1,787,555	$ 1,797,411	$ 1,797,411
Debt Service Reserve Fund	25,413,230	25,413,230	25,413,230	25,413,230	25,413,230	25,413,230	25,413,230
Rental Reserve Fund	12,742,176	12,742,176	12,742,176	12,742,176	12,742,176	12,742,176	12,742,176
Non-discretionary Funds - Parking Facilities:							
Sinking Fund - Parking Facility Development	2,085,361	1,869,436	3,462,219	5,855,786	9,005,959	9,628,138	7,007,682
Non-discretionary Funds - Hilton Columbus Downtown:							
2010 Bond Payment Fund	775,356	785,242	1,296,070	2,140,097	2,140,097	2,623,539	6,046,420
2019 Bond Payment Fund	12,626,750	662,184	2,297,414	662,184	662,184	662,184	662,184
2010 Debt Service Reserve Fund	6,440,305	6,440,305	6,440,305	6,440,305	6,440,305	6,440,305	6,440,305
2019 Debt Service Reserve Fund	15,521,343	15,786,343	15,786,343	15,786,343	15,786,343	15,786,343	15,786,343
2010 Rental Reserve Fund	1,253,348	1,270,348	1,308,458	2,347,712	5,502,697	9,203,224	9,479,321
2010 Ground Lease Rents Fund	1,002,186	1,016,038	1,046,519	1,006,519	1,006,519	1,006,519	1,006,519
Consolidated Hotel Bond Fund	25,213,049	25,006,746	25,006,746	25,006,746	25,006,746	25,006,746	25,006,746
Hotel Residuals Fund	1,917,782	1,944,782	2,003,126	3,927,693	6,816,220	11,112,761	16,904,204
Hotel Expansion Construction Fund	95,308,788	4,566,268	-	-	-	-	-
Reserve Funds for Operations **	1,931,473	1,931,680	1,931,680	2,400,000	2,400,000	2,400,000	2,400,000
Reserve Fund for FF&E **	4,346,963	374,951	205,957	908,905	2,990,344	6,678,285	10,476,864
** (Funds held by Hotel Manager)							
Non-discretionary Funds - Nationwide Arena:							
Real Estate Reserve Fund	356,306	368,777	381,684	395,043	408,869	423,180	437,991
Capital Improvements Fund	2,352,687	6,777,068	4,361,499	4,066,330	8,138,300	12,435,774	16,967,913
Discretionary Funds:							
Capital Improvements Fund	4,095,260	2,752,402	767,524	157,172	149,553	288,679	82,867
Operating Fund	10,127,879	8,608,699	3,752,811	5,613,360	3,853,808	4,552,441	5,386,941
Total:	**$ 14,223,139**	**$ 11,361,101**	**$ 4,520,335**	**$ 5,770,532**	**$ 4,003,361**	**$ 4,841,120**	**$ 5,469,808**

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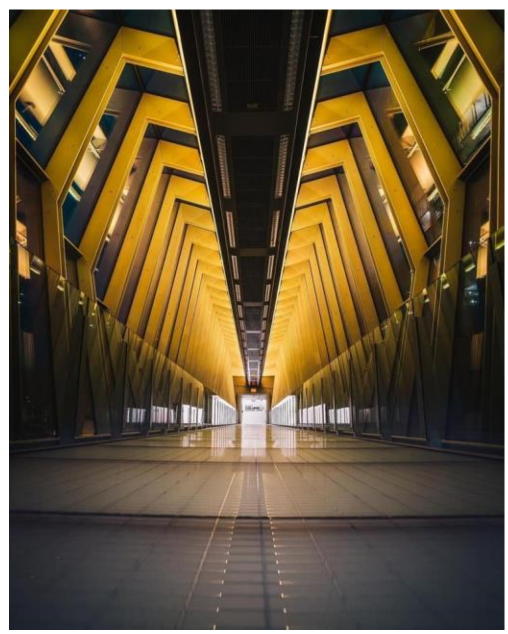
FCCFA 2023

Section 1: OVERVIEW

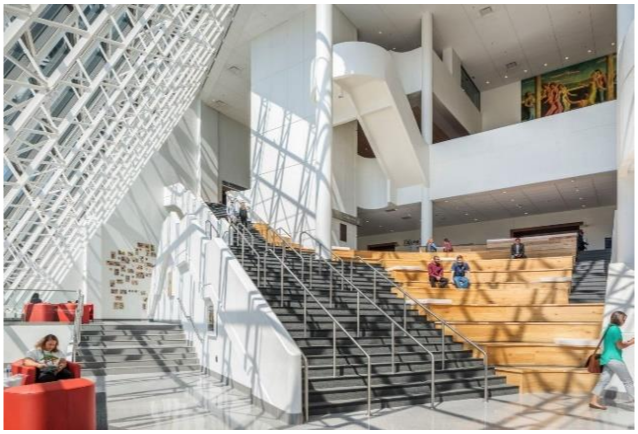
Overview

The CFA is a body corporate and politic in and of the State of Ohio that was formed to, among other things, develop facilities that promote convention activity in the downtown area of the City of Columbus. Established by the Franklin County Commissioners in July 1988 under the authority of Chapter 351 of the Ohio Revised Code, the CFA is a special government unit overseen by an eleven-member board appointed by the Franklin County Commissioners (six members), Mayor of Columbus (three members) and suburban mayors (two members). Over the past thirty-four years the CFA has developed, expanded, improved and operated several such facilities. These facilities include the Greater Columbus Convention Center, the Hilton Columbus Downtown Hotel, and Nationwide Arena as well as the Vine Street, Goodale Street and Ohio Center parking garages.

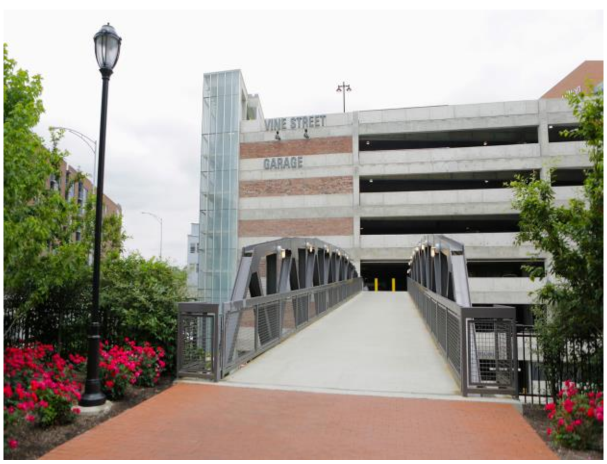
First and foremost, the CFA is the owner and developer of the Greater Columbus Convention Center. As owner/developer of the convention center, the CFA is responsible for the improvement, management and successful operation of the facility. In addition, the CFA is responsible for ensuring the continued success and growth of the convention business within the Greater Columbus community. Both responsibilities are directly linked to the CFA's continued investment in and support of services, resources, facilities and community projects that enhance the use and improvement of the convention center and convention center related services.



Currently consisting of 1.8 million square feet of space, the convention center has been renovated and expanded several times since its original construction in 1980 (south facility) and 1993 (north facility). The most recent expansion and renovation of the convention center was completed in 2017 with over $141.0 million invested in the facility. As a result of this investment, the convention center now has over 372,000 square feet of contiguous exhibit hall space; 114,000 square feet of ballroom space consisting of a 25,000 square foot Union Station Ballroom, a 15,000 square foot Short North Ballroom, and a 74,000 square foot Battelle Grand, the largest multipurpose ballroom in Ohio; 118,000 square feet of meeting room space or 75 meeting rooms; and 10,000 square feet of outdoor event space. The convention center features spacious atriums and pre-function space with decorative lighting and colorful node walls in the concourse. The center also displays local contemporary art throughout the building and is home to “As We Are”, a fourteen-foot-high interactive digital art piece. The convention center’s north facility is LEED Silver certified.



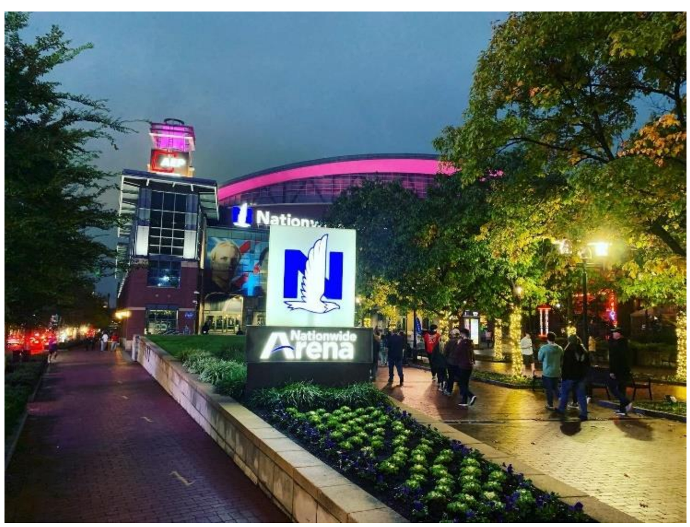
In addition to the convention center, the CFA also owns and operates several parking facilities located near and around the convention center. Parking resources owned by the CFA includes four parking facilities and two surface parking lots totaling approximately 4,700 individual parking spaces.



To further support convention business within the Columbus community; the CFA, in partnership with the County and the City, opened its first full-service convention headquarters hotel in October 2012. Branded as the Hilton Columbus Downtown, the hotel is managed by Hilton Management, LLC (the “Manager”), a subsidiary of Hilton Worldwide Holdings Inc., and is located adjacent to the convention center. The original hotel contains 537 guest rooms (five rooms to be added in 2023), of which 48 are suites, and over 32,000 square feet of meeting space, including 12,000 square feet of ballroom space. The original Hilton Columbus Downtown tower is comprised of 14 floors (excluding mechanical) with over 429,600 square feet of usable space. The hotel’s contemporary design features a central atrium with a 15,000 square foot glass ceiling and an art collection consisting of over 150 original pieces by central Ohio artists. The hotel is LEED gold certified, is rated AAA Four Diamond and has won four Connie Awards (Hilton Worldwide brand’s prestigious recognition for service and quality) since opening in 2012.

Because the original Hilton hotel has done extremely well; the CFA in partnership with the County and City expanded the hotel through the construction of a new 28-story tower. The new tower opened in September 2022 and added 463 guest rooms to the property plus new ballroom space (including a 15,000 square foot grand ballroom and a 10,000 square foot junior ballroom), meeting rooms, a lobby, two restaurants (an up-scale restaurant located on the first floor and a restaurant/bar located on the 28th floor, a lobby bar and lounge, a fitness center and connections to the existing hotel and the convention center. As in the first tower, the new tower includes an extensive collection of local art. The tower is also in the process of seeking LEED gold certification. With the opening of the new tower, the expanded hotel now operates and functions as a single enterprise under common management. The Hilton Columbus Downtown is currently the only 1,000 room hotel in Ohio.

In an effort to build on the productivity and vitality of the Arena District and to ensure the continued success of Nationwide Arena; CFA along with the City of Columbus, Franklin County, Nationwide Realty Investors, The Ohio State University and Columbus Blue Jackets developed and agreed upon a plan for the arena that was originally designed to resolve the financial challenges facing the facility. This plan shifted the ownership of the arena and related facilities to the CFA who purchased the arena with funds borrowed from Nationwide Realty Investors and the State of Ohio. This purchase was completed in 2012. While Nationwide Arena is owned by the CFA, Columbus Arena Management LLC



or "CAM" is responsible for managing the daily operations of the arena and establishing a capital improvements program for the facility. CFA expenses associated with the arena are funded solely through City of Columbus and Franklin County casino tax revenues and admission tax revenue.

Art and the use of art is core to the CFA's approach to facility development and is vital to the CFA's on-going support of the local art community. The CFA has invested over $5.7 million in local art that is displayed throughout the convention center and the Hilton Columbus Downtown Hotel. In fact, the CFA owns the largest contemporary collection of local art in central Ohio. The purpose of the collection is to share with visitors the vibrant, unique, interesting, smart and diverse characteristics of the Columbus community as reflected in the richness of local art.

FCCFA 2023

Section 2:
GREATER COLUMBUS CONVENTION CENTER

Greater Columbus Convention Center

The CFA is a public authority responsible for the development and operation of the Greater Columbus Convention Center in downtown Columbus, Ohio. As owner/developer of the convention center, the CFA is responsible for the improvement, management and successful operation of the facility. Hotel tax collections provide the financial resources to pay for debt service associated with the convention center and capital improvement projects needed to maintain and improve the facility. Revenues collected from events and services within the convention center are used to offset expenses associated with the actual operation of the facility. Such revenues and expenses are managed by ASM Global, operator of the Greater Columbus Convention Center, with final review and approval provided by the CFA Board and staff. Any required support of convention center operations is incorporated into the CFA's operating budget.

Hotel Tax Collections

In July 1988, the Franklin County Commissioners established the CFA consistent with requirements provided for within Chapter 351 of the Ohio Revised Code. As a political subdivision of the State of Ohio, the CFA was given the authority to levy excise taxes on lodging transactions to pay for costs associated with constructing, operating, maintaining, expanding and administering a convention center. Two taxes were levied by the CFA. The first excise tax levied by the CFA in October 1988 was a 4.0 percent countywide bed tax on occupied hotel rooms. This bed tax was in addition to other bed taxes levied by municipalities within the county. In addition to this tax, in January 1989 the CFA, with the approval of the City of Columbus, levied a second tax of 0.9 percent on occupied hotel rooms in the City of Columbus. This tax was not an additional tax for hotels within Columbus but was in lieu of taxes already collected for use by the City of Columbus.

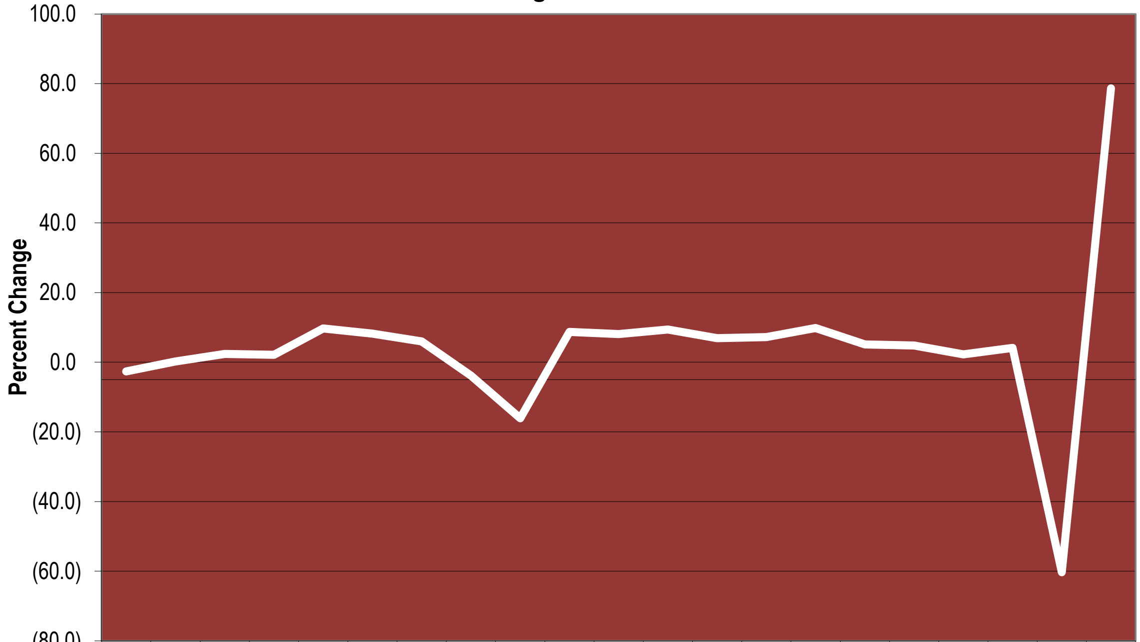
Both taxes collected by the CFA are still in effect. Revenues generated through the bed tax must first be used to pay principal and interest on funds borrowed to construct and improve the Greater Columbus Convention Center. If money is left over after meeting debt obligations, these balances can be used to pay for the operation, maintenance and improvement of the convention center as well as other financing needs of the CFA.

Graph 2-1, following page, illustrates the percentage growth in hotel tax revenues received by the CFA over the past twenty years. During this period, bed tax revenue experienced mostly positive growth with negative growth mainly in years impacted by world events, economic pressures and more recently, COVID-19. The past twenty year period was not an easy one. The period started with the terrorism attacks of September 11th and ended with a world-wide pandemic. Excluding 2020 and 2021, the period did well despite the challenges; with tax revenue growth averaging approximately 3.8 percent a year. In 2001, tax revenue experienced the first true decline in tax growth since the 1991 recession. This decline was due to an overall economy that was showing signs of slowing even prior to September 11th and world events that negatively impacted the hotel industry. After 2001, tax revenues remained sluggish, with minor growth in revenue through 2004. This pattern changed in 2005, when tax growth improved significantly as the travel industry seemed to gain strength after several years of uncertainty. During 2008 and 2009, hotel tax collections again dropped in response to a recessive national economy. Fortunately, this decline in revenues was short term as tax collections improved significantly in 2010 and continued to improve through 2019.

Unfortunately, growth in hotel tax collections altered drastically in 2020 with the on-set of COVID-19 and related restrictions on group gatherings and travel as individuals locally as well as world-wide tried to manage through the pandemic. In 2020, hotel tax revenue (on an accrual basis) dropped by 60.3 percent below 2019 revenue levels. During 2020, tax revenues were only $10.3 million; almost equal to revenue levels experienced in 1997.

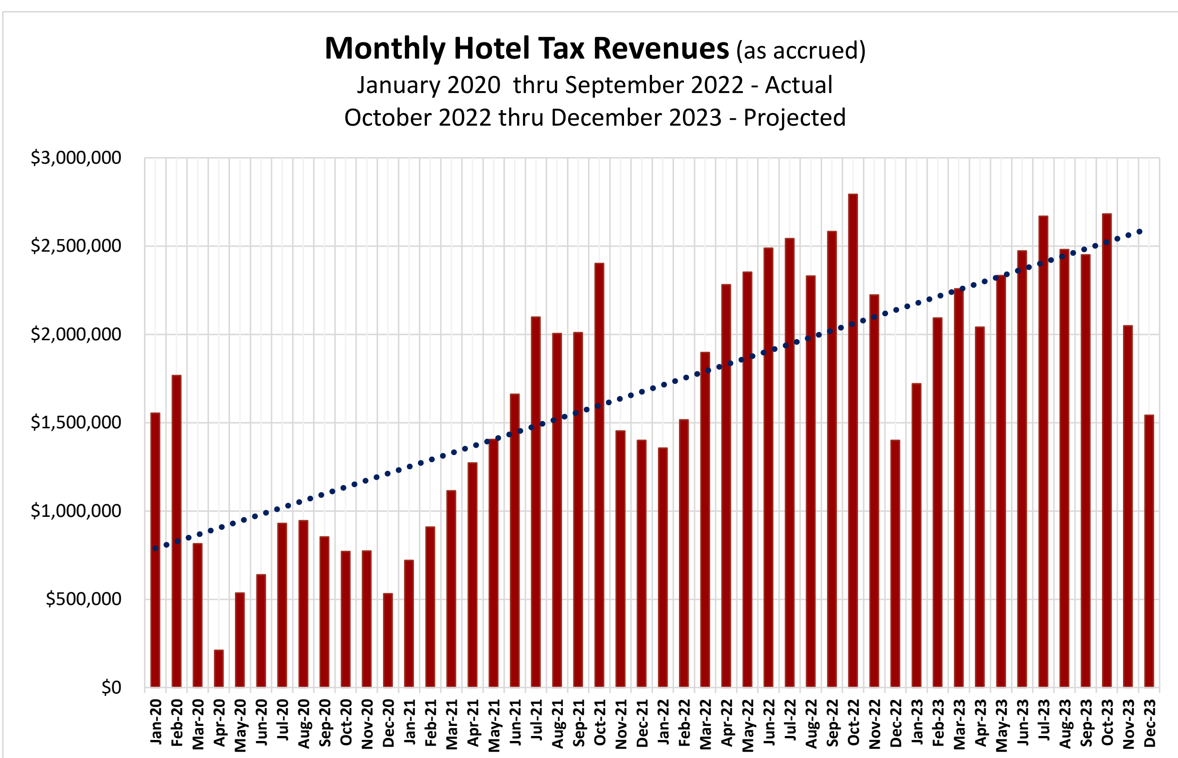
Graph 2-1

Historical Hotel Tax Revenue Growth
Percent Change Year over Year



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
% Change	(2.6)	0.2	2.4	2.2	9.7	8.2	6.0	(3.8)	(16.1)	8.7	8.1	9.4	6.9	7.2	9.8	5.1	4.8	2.3	4.1	(60.3)	78.7

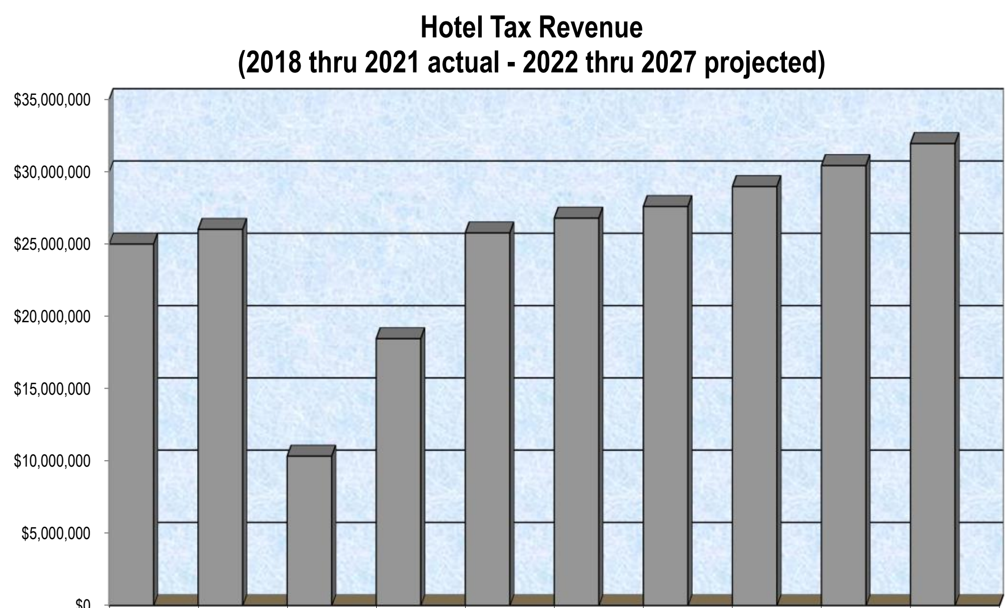
Chart 2-2



2021 and 2022 proved better years for hotel tax revenues as the hotel market began to recover from 2020. While hotel tax revenues in 2021 were almost 79.0 percent above tax revenues in 2020; tax revenues were still 13.8 percent below 2019 levels. In 2022, tax collections are again improving. Year to date, taxes are 46.6 percent above 2021 taxes to date. Compared to 2019, year to date collections are just 2.6 percent below 2019 tax collections for the same time period. Overall, hotel occupancy is averaging 59.6 percent within the Columbus market, a 16.0 percent improvement over prior year.

While the focus in 2021 and 2022 was recovery from the pandemic, the expectation in 2023 is full market recovery and growth. The 2023 budget has made several assumptions regarding growth not dissimilar to assumptions made by industry experts. The core assumption is that recovery from disruption of the pandemic will be achieved by year end 2022. While demand for in person meetings will continue to increase in 2023, growth in the market may be muted as increases in room rates slow due to economic pressure. As in 2022, the expectation is that leisure and group travel will lead market growth with corporate business travel beginning to make an impact as well. The number of large conventions and city-wide events in the Columbus community during 2023 will be less than prior year; although attendance is increasing for those events that will occur. Growth in small to mid-size meetings as well as business demand for in person meetings is expected to increase. In addition, professional and collegiate sporting events, concerts, local festivals and other entertainment options will help drive hotel business. Given the assumption that activity within the community does expand in 2023, the overall number of stays within the local hotel market is projected to correspondingly increase. The impact of these assumptions on tax revenues in 2023 is that revenues will improve year over year by approximately 4.0 percent. Total collections in 2023 are projected to be $26.8 million (as accrued); 3.0 percent above 2019 collection levels. Moving forward, the 2023 budget projects a sustained pattern of growth for hotel tax revenue through the forecast period.

Chart 2-3



	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Taxes ($)	24,998,762	26,013,712	10,328,043	18,451,848	25,769,053	26,794,123	27,597,947	28,977,844	30,426,737	31,948,073
% Change	2.28	4.06	-60.30	78.66	39.66	3.98	3.00	5.00	5.00	5.00

Detailed in Table 2-4 are the 2021 actual, 2022 projected and 2023 budget for the CFA's revenue fund. Hotel tax revenues is deposited within the revenue fund before they are subsequently distributed to the debt service fund, rental reserve fund (when applicable), and the CFA's operating fund. Monies deposited into the revenue fund must first be used to pay principal and interest on funds borrowed for the construction and improvement of the convention center. Remaining balances are available first, to repay any monies previously drawn from the rental reserve fund and, second, to support the operation of the CFA and the improvement of the convention center. Chart 2-5 illustrates this flow of funds.

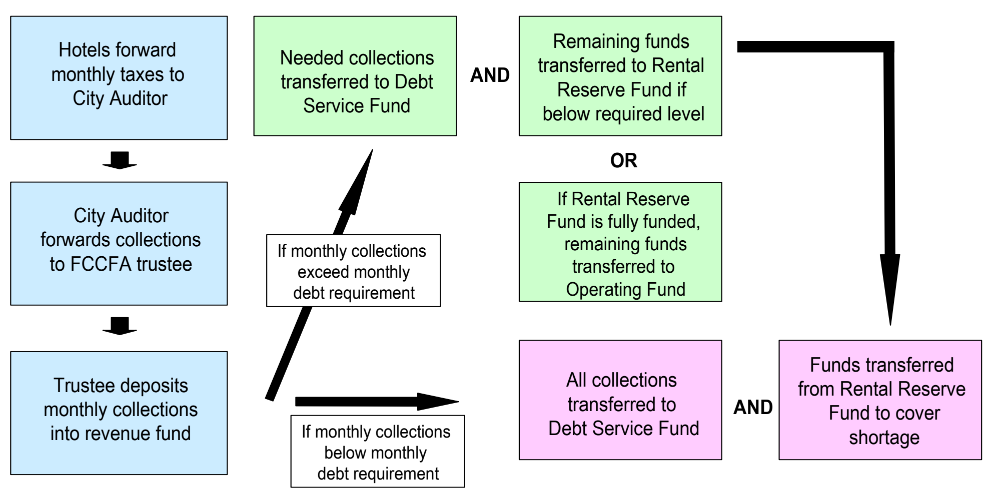
Table 2-4

Revenue Fund

	2021 Actual	2022 Projected	2023 Budget
Sources of Funds:			
Hotel Taxes (cash basis)	$ 16,904,355	$ 24,693,712	$ 26,826,394
Interest Earnings	715	12,000	12,000
Total Sources of Funds	16,905,070	24,705,712	26,838,394
Uses of Funds:			
Debt Service	6,440,841	6,545,169	6,396,138
Rental Reserve Fund	-	-	-
Operating Fund	10,574,349	18,160,543	20,442,256
Total Use of Funds	17,015,190	24,705,712	26,838,394
Current Year Balance	(110,120)	-	-
Add: prior year balance	110,274	154	154
Year End Fund Balance:	**$154**	**$154**	**$154**

Chart 2-5

Monthly Flow of Hotel/Motel Tax Collections

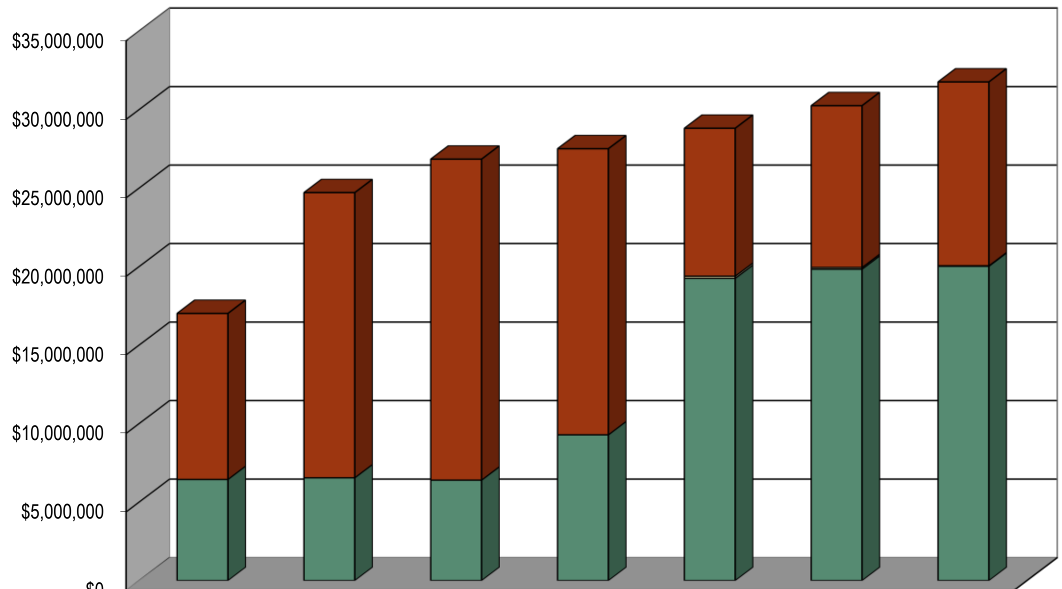


$$\text{*Monthly Debt Requirement} = \frac{\text{Annual Debt Service}}{12} - \begin{array}{c}\text{Interest earnings from} \\ \text{Reserve Funds} \\ \text{(when applicable)}\end{array}$$

Projected distribution of bed tax revenue is illustrated in Chart 2-6. As shown, when coupled with interest earnings from the reserve funds, bed taxes will exceed debt service requirements each year of the projection period. A bond restructuring in 2020 provided the CFA with the ability to cover convention center debt service during low years of tax collections caused by the pandemic. The restructuring also provided the CFA with monies to rebuild equity reserves. As such, the 2020 bond issue restructured existing bond shifting obligations due in the short term to outer years. This shift reduced debt service due in years 2020 through 2024 to a level well below projected hotel tax revenues thus allowing for substantial deposit of excess tax revenue into the operating fund. Deposits into the operating fund will begin to decline in 2025 as annual debt service returns to pre-pandemic levels of payment.

Chart 2-6

Distribution of Annual Hotel Tax Revenue



	2021	2022	2023	2024	2025	2026	2027
Operating Fund	10,574,349	18,160,543	20,442,257	18,218,690	9,422,331	10,303,526	11,706,722
Rental Reserve	0	0	0	0	133,526	106,516	30,418
Debt Service	6,440,841	6,545,169	6,396,138	9,283,510	19,249,022	19,834,481	20,019,010

With respect to the rental reserve fund, minor disbursements shown are repayments to that fund for the months during each calendar year when monthly bed taxes dip below monthly obligations for debt service. The use of rental reserve funds to supplement monthly debt service payments is linked to changes in hotel tax revenue growth. As taxes decrease, the use of rental reserve funds during certain months of the year to cover debt service obligations increases. As tax revenue improves, the reliance on the rental reserve fund to cover monthly shortages declines, as is projected to occur through the projection period. At year-end 2021, the rental reserve fund was fully funded and remains fully funded thereafter.

Debt Service – Convention Center

On June 21, 1990 the CFA sold $98.0 million in serial, term and zero coupon tax and lease revenue anticipation bonds for the construction of a new convention center in downtown Columbus. Those bonds, with a thirty-year term, were issued at an average interest cost of 7.18 percent. In addition to funding the construction of the original facility, the issue set aside $8.5 million, equivalent to the highest annual debt service obligation, to create a debt service reserve fund. Debt service reserve funds are typical of public borrowings and are established for the protection of bondholders should other indentured resources be insufficient to fully pay debt obligations when due.

Structured within the original issue was a lease arrangement with the City of Columbus and Franklin County which provided credit support for the bonds. The city and county agreed to lease the facility from the CFA on an annual basis, subject to appropriation. In turn the CFA established a sublease with the city and county, pledging a payment of hotel tax revenues and corresponding interest earnings equal to annual debt service obligations. Per these lease agreements, the city and county would be asked to cover outstanding debt obligations in equal shares if all indentured lease revenues prove insufficient to cover debt costs. It is essential to note that monies from monthly hotel tax collections, interest earned on debt related funds, and the rental reserve fund (discussed below), must be exhausted before the city and county would be asked to share in debt expenses.

Another requirement of the original debt issue was the creation of a rental reserve fund. Because bond proceeds were used to capitalize first year interest costs, bed tax receipts were available to produce a rental reserve fund equal to one half of the highest annual debt service obligation. Unlike the debt service reserve fund which would be tapped only if tax revenues plummeted for extended periods, the rental reserve fund was expected to cover fluctuations in monthly tax collections. Because debt obligations are paid in equal monthly installments and tax collections follow seasonal patterns of hotel usage, the rental reserve fund was designed to cover monthly debt payments when taxes run below the monthly debt obligation. The fund is then replenished during months where tax revenues exceed monthly debt obligations.

In 1992, the CFA advance refunded $52.15 million in term bonds payable in 2019. Serial and term bonds totaling $59.235 million with a true interest cost of 6.23 percent were sold to accomplish the refunding. The refunding produced an economic gain of $1.2 million.

Given the health of its hotel tax base the CFA was well positioned to issue additional debt in 1997 in response to the apparent need for additional and renovated space within the convention center. The CFA issued $84 million tax and lease revenue anticipation bonds in December 1997. The proceeds of the bonds and interest earned from those bonds contributed $72 million toward the first expansion and renovation of the center and increased the debt service reserve fund balance by $5.1 million to equal the new highest annual debt service payment. In addition, the CFA also advance refunded $8.0 million in bonds from the 1990 issue in order to achieve interest cost savings. Given an interest rate of 5.2 percent, this refunding saved approximately $500,000 over the term of the bonds. As in the original issue, credit support was extended by the city and county through an amendment to the previously established lease agreement. In addition, the initial year's interest obligations were capitalized thereby enabling the CFA to deposit an additional $2.5 million of hotel tax revenues into the rental reserve fund, once again establishing a reserve balance equal to one half of the highest annual debt service obligation.

The CFA took advantage of low interest rates and in the fall of 2002 refunded bonds sold in 1992. The benefits from this refunding were significant with savings exceeding $10.7 million over the term of the bonds. Furthermore, the refunding reduced annual debt service obligations to a level that ensured debt service coverage during 2002 and 2003 despite low growth in hotel tax revenues and interest earnings.

During 2005, market conditions provided an excellent opportunity for the CFA to again complete a refinancing of prior year bonds. This refinancing took advantage of lower interest rates to not only refund a portion of the 1997 bond series but to restructure debt service thus equalizing debt service payments through 2027. This restructuring reduced debt service in the near term and increased slightly debt service in outer years. Short term, the benefits of the refunding were significant. The refunding reduced annual debt service; thus increasing the margin between tax collections, interest earnings and debt service payments. Another impact of the 2005 refunding and the resulting restructuring of debt was the corresponding release of reserve funds due to a decrease in required reserve levels for the rental reserve fund and debt service reserve fund. This reduction in reserve requirements released over $1.1 million in reserve funds at year end 2005. These funds were transferred to the debt service fund and were used to meet debt service obligations for the year.

Taking advantage of the benefits from the 2005 refunding, the CFA was again well positioned to issue additional debt in October 2007 to finance the renovation of the Battelle Grand Hall. The CFA issued $47.5 million in tax and lease revenue anticipation bonds. The proceeds of the bonds contributed $38 million toward the renovation project and increased the debt service reserve fund and the rental reserve fund balances by $1.2 million and $600,000 respectively to equal new reserve requirements. In addition, the CFA placed $9.0 million in a bond retirement fund for the defeasance of outstanding series 1997 bonds (to be called December 1, 2007). With an interest rate of 4.4 percent, this refunding saved approximately $346,000 over the term of the remaining 1997 bonds. As in the original issue, credit support was extended by the city and county through an amendment to the previously established lease agreement.

During May of 2012, the CFA signed a forward purchase agreement to refund remaining bonds associated with the 2002 issue. By entering into a forward purchase agreement, the CFA and participating bank agreed to refund bonds on September 4th (the earliest date that the 2002 bonds could be refunded) at the current market rate as of May 3rd. As a result, the Authority was able to refund the 2002 bonds on September 4th at the "locked in" interest rate of 1.65 percent. This rate compares to the interest rate of 4.18 percent on the original 2002 bond series. The refunding saved the Authority $6.25 million over the remaining term of the bond issue. Annual total debt service for the convention center as a result of this refunding dropped from $14.02 million to $13.13 million; saving approximately $895,000 a year in debt service. This savings began in 2013 and continued through 2019.

During October 2014, the CFA again signed a forward purchase agreement to refund remaining bonds associated with the 2005 issue. By entering into a forward purchase agreement, the CFA and participating bank agreed to refund bonds in October 2015 (the earliest date the 2005 bonds could be refunded) at the current market rate as of October 2nd, 2014. As a result, the FCCFA was able to refund the 2005 bonds in October 2015 at the "locked in" interest rate of 2.95 percent. The refunding saved the FCCFA $9.48 million over twelve years. Annual total debt service for the convention center as a result of this refunding decreased by approximately $800,000 a year.

The CFA signed yet another bank forward purchase agreement in October 2016 to refund remaining bonds associated with the 2007 issue ($4.7 million). Structured almost identical to previous bond purchase agreements, the CFA refunded the 2007 bonds in October 2017 at an interest rate of 2.05 percent. The refunding saved the CFA $777,000 over the remaining term of the bonds. Annual total debt service for the convention center as a result of this refunding decreased by approximately $78,000 a year.

In 2017, the CFA completed the second convention center renovation and expansion project that significantly upgraded the interior of the facility as well as expanded the facility on the north end of the center. To support this project, the CFA issued $184.8 million in tax and lease revenue anticipation bonds in December 2014. The proceeds of the bonds contributed $125.0 million toward the project, capitalized approximately $9.0 million in interest and provided funds to increase reserve fund balances by $9.0 million to equal new funding requirements. In addition, the CFA advance refunded $40.6 million in bonds from the 2007 issue in order to achieve interest cost savings. Given an interest rate of 2.6 percent, this refunding saved approximately $2.8 million over the term of the bonds. As in the original issue, credit support was extended by the city and county through an amendment to the previously established lease agreement.

In September 2020, the CFA sold bonds to restructure the convention center's debt program thereby providing the CFA with the resources to sustain and recover from the drastic impact of COVID-19 on hotel tax collections and the corresponding ability to pay debt service. The 2020 bond issue consisted of a taxable advance refunding of 2014 bonds (with savings of approximately $7.2 million), a tax exempt refunding of all 2020 maturities for the 2014, 2015 and 2017 bonds and a taxable restructuring of 2021 through 2024 maturities for 2014, 2015 and 2017 bonds. Savings from the advance refunding were "front loaded" such that debt service was significantly reduced in the near term. In addition, maturities in the near term were also shifted to outer years through the tax exempt/taxable restructuring process. This shift in maturities added interest and principal to debt service due in outer years beginning in 2025. The 2020 bond issue extended the years of repayment for some bonds from 30 years to 40 years. Previously, the debt program for the convention center ended by 2035. It will now end in 2047. The 2020 bond issue also included new money to fully fund both the rental reserve fund and the debt service reserve fund at new required levels.

As of December 31, 2021, the CFA had $255.4 million in outstanding bonds due on series issued for convention center development. Bonds outstanding will remain the same at year end 2022.

Historically, the CFA has easily met its convention center annual debt obligations. In fact, tax revenues and interest earned on debt related funds exceeded debt requirements each year since the December 1997 bonds were issued. This proved true even during 2001 and 2002 when revenue from hotel taxes and interest earnings dipped amid a weakening economy and the events of September 11, 2001. This also proved true during 2008 and 2009 when hotel tax revenues declined due to a decimated economy and struggling travel and tourism market. Given the 2020 bond refunding; the CFA was also well positioned to cover debt service through historic lows in hotel tax collections caused by the disruption of the pandemic.

As indicated in Table 2-7, annual debt service remains below anticipated hotel tax revenue and interest earnings for all years of the projection period as well. Hotel tax revenue plus interest earnings will provide resources that can accommodate annual debt obligations in 2022 and beyond. After such obligations are met and any funds borrowed from the rental reserve fund are wholly replenished, excess funds will be deposited into the CFA's operating fund and will be used to support the CFA office, finance capital improvement projects for the convention center and in 2023 pay for the CFA's equity contribution towards the Hilton Columbus Downtown hotel expansion project. Given current projections of revenue from hotel taxes and interest earnings, deposits to the operating fund are expected in all years of the forecast period.

Table 2-7

2022 - 2047 Debt Service Coverage Analysis for Convention Center

	REVENUE	DEBT SERVICE PAYMENTS						
Year	Hotel Tax Collections (cash basis)	Series 2014	Series 2015	Series 2017	Series 2020	Total Debt Service	Revenue less Debt Service	Coverage Ratio
2022	24,693,712	1,145,650	671,524	29,329	5,111,147	6,957,650	17,736,062	3.55
2023	26,826,394	1,145,650	671,524	29,329	5,111,147	6,957,650	19,868,744	3.86
2024	27,490,200	1,145,650	671,524	29,329	7,661,147	9,507,650	17,982,550	2.89
2025	28,792,879	4,995,650	8,026,524	509,329	7,146,695	20,678,198	8,114,681	1.39
2026	30,232,523	4,998,150	8,029,184	504,485	7,744,843	21,276,661	8,955,862	1.42
2027	31,744,149	5,030,900	8,025,342	474,537	7,864,171	21,394,950	10,349,199	1.48
2028	32,696,473	13,752,500	-	-	7,896,930	21,649,430	11,047,043	1.51
2029	33,677,368	-	-	-	22,037,433	22,037,433	11,639,935	1.53
2030	34,687,689	-	-	-	23,252,213	23,252,213	11,435,476	1.49
2031	35,728,319	-	-	-	23,723,664	23,723,664	12,004,655	1.51
2032	36,800,169	-	-	-	3,779,689	3,779,689	33,020,480	9.74
2033	37,904,174	-	-	-	25,194,689	25,194,689	12,709,485	1.50
2034	39,041,299	-	-	-	25,371,725	25,371,725	13,669,574	1.54
2035	40,212,538	-	-	-	25,400,413	25,400,413	14,812,125	1.58
2036	41,418,914	-	-	-	15,532,212	15,532,212	25,886,702	2.67
2037	42,661,482	-			15,525,336	15,525,336	27,136,146	2.75
2038	43,941,326	-			7,441,002	7,441,002	36,500,324	5.91
2039	45,259,566	-			7,431,956	7,431,956	37,827,610	6.09
2040	46,617,353	-			7,437,610	7,437,610	39,179,743	6.27
2041	48,015,874	-			3,577,390	3,577,390	44,438,484	13.42
2042	49,456,350	-			3,577,206	3,577,206	45,879,144	13.83
2043	50,940,040	-			3,573,799	3,573,799	47,366,241	14.25
2044	52,468,242	-			3,577,210	3,577,210	48,891,032	14.67
2045	54,042,289	-			3,572,040	3,572,040	50,470,249	15.13
2046	55,663,557	-			3,573,487	3,573,487	52,090,070	15.58
2047	57,333,464	-			3,576,193	3,576,193	53,757,271	16.03

Note:

Hotel tax revenues on a cash basis are projected to grow by 31.5 percent in 2022; 8.0 percent in 2023; 2.4 percent in 2024; 4.5 percent in 2025; 4.8 percent in 2026 and 2027; and 3.0 percent growth thereafter.

Debt service payments on outstanding bonds related to the convention center are made through the convention center debt service fund. Payments are made with revenues collected from hotel taxes and with revenues received from interest earnings generated mainly through investment of reserve funds. While interest and principal expenses are accrued on a monthly basis, actual interest payments on outstanding bonds are made twice a year and the principal payment is made once a year. The 2023 budget (cash basis) for the convention center debt service fund is provided in Table 2-8.

Table 2-8

Debt Service Fund

	2021 Actual	2022 Projected	2023 Budget
Sources of Funds			
Hotel/Motel Taxes	$ 6,440,841	$ 6,545,169	$ 6,396,138
Interest Earnings/Other	1,643	16,000	12,000
Transfers from Debt Reserve/Revenue (earnings)	449,609	250,000	508,008
Transfers from Rental Reserve (earnings)	131,558	124,470	254,004
Total Sources of Funds	7,023,651	6,935,639	7,170,150
Uses of Funds:			
Series 2014	1,145,650	1,145,650	1,145,650
Series 2015	671,524	671,524	671,524
Series 2017	29,329	29,329	29,329
Series 2020	6,090,784	5,111,147	5,111,147
Total Use of Funds	7,937,287	6,957,650	6,957,650
Current Year Balance	(913,636)	(22,011)	212,500
Add: prior year balance	1,529,951	616,315	594,304
Year End Fund Balance:	**$ 616,315**	**$ 594,304**	**$ 806,804**

A standard requirement of public borrowing is the establishment and preservation of a debt service reserve fund. This fund reserves monies for the payment of principal and interest in the event that the borrower is unable to do so. Requirements for the debt service reserve fund are established in the bond documents. For debt series associated with the construction, renovation and expansion of the convention center; debt service reserve requirements mandate that the debt service reserve fund balance equals or exceeds the highest outstanding annual principal and interest payment. The current reserve requirement for the debt service reserve fund is $25.4 million. The debt service reserve fund has been and remains fully funded.

The 2023 budget for the convention center debt service reserve fund is provided in Table 2-9. Shown is a balance equal to the reserve requirement. Also shown is the annual transfer out of interest earnings. Since the debt service reserve fund is fully funded, all interest earnings are transferred from the reserve fund to the debt service fund for payment of debt obligations. Interest earning projections for 2023 are based upon yields provided for in the investments listed in Table 2-11.

Table 2-9

Debt Service Reserve Fund			
	2021 Actual	**2022 Projected**	**2023 Budget**
Sources of Funds:			
Interest Earnings	$ 298,425	$ 250,000	$ 508,008
	-	-	-
Total Sources of Funds	298,425	250,000	508,008
Uses of Funds:			
Transfer to Debt Service - Earnings	449,609	250,000	508,008
Total Use of Funds	449,609	250,000	508,008
Current Year Balance	(151,184)	-	-
Add: prior year balance	25,564,414	25,413,230	25,413,230
Year End Fund Balance:	**$ 25,413,230**	**$ 25,413,230**	**$ 25,413,230**
Required Balance:	$ 25,400,413	$ 25,400,413	$ 25,400,413

In addition to the debt service reserve fund which is in place to protect bond holders, a rental reserve fund has also been established as additional reserve protection. The reserve fund is the first source of funding for CFA lease payments when hotel tax revenues and bond related investment earnings are below what is needed to cover monthly debt service fund deposits. Prior to 2020, the reserve fund was most commonly used in the early months of the year to complete the monthly principal and interest deposits to the debt service fund. Later in the year when bed taxes increase, these funds were replaced if the rental reserve fund fell below the required reserve level. During 2020 and for the first time since the original convention center bonds were issued, rental reserve funds were used to cover actual debt service as tax collections were well below monthly debt obligation requirements. Significant withdrawals from the rental reserve fund occurred during the initial months of the pandemic. The good news is that with the 2020 bond refunding/restructuring issue, funds withdrawn from the rental reserve fund during the year were replaced and additional deposits were made with bond proceeds such that the rental reserve fund balance at year end 2020 was fully replenished. Projections suggest that despite minor withdrawals as occurred prior to 2020, the rental reserve will remain fully funded in 2023 and throughout the projection period.

The 2023 budget for the convention center rental reserve fund is provided in Table 2-10. As in the debt service reserve fund, interest earnings in the fund are annually transferred to the debt service fund to meet annual debt service obligations. Notwithstanding temporary advances to the debt service fund (which are completely replenished), the rental reserve is fully funded at $12.7 million.

Table 2-10

Rental Reserve Fund	2021 Actual	2022 Projected	2023 Budget
Sources of Funds			
Hotel/Motel Taxes	$ -	$ -	$ -
Interest Earnings	127,328	124,470	254,004
Total Sources of Funds	127,328	124,470	254,004
Uses of Funds:			
Transfer to Debt Service/coverage	-	-	-
Transfer to Debt Service/interest	131,558	124,470	254,004
Total Use of Funds	131,558	124,470	254,004
Current Year Balance	(4,230)	-	-
Add: prior year balance	12,746,406	12,742,176	12,742,176
Year End Fund Balance:	**$ 12,742,176**	**$ 12,742,176**	**$ 12,742,176**
Required Balance	$12,700,207	$12,700,207	$12,700,207

Pursuant to requirements detailed in the trust agreement and supporting documentation associated with each bond issue, the CFA is required to prepare an arbitrage rebate calculation report to determine if the particular bonds in review have earned more in interest earnings than allowed under the yield established at the time of the bond sale. Any earnings above and beyond what is allowable (rebate liability) must be paid to the United States government. The report has to be completed every five years and, if a rebate liability is determined by the calculations in the report, payment is due to the Internal Revenue Service (IRS) sixty days after the completion of the five-year period. This report must be prepared by a "rebate analyst" such as bond counsel or nationally recognized accounting firm.

The CFA has no outstanding liabilities as they relate to arbitrage rebate calculations. A rebate calculation for the 2017 bond series was completed in 2022. All rebate calculations are up to date.

Currently the CFA has invested most fund reserves in five-year U.S. Agency Securities or Treasuries. Investments are staggered throughout the five-year investment period such that interest earnings can be maximized given the current market. As investments mature, principal will be re-invested per requirements of the investment policy. Table 2-11 summarizes held investments for the debt service and rental reserve funds as of October 2022. Current average yield to maturity on the investment portfolio for the debt service reserve fund is 1.01 percent and the rental reserve fund is .62 percent. Most debt service reserves and rental reserves are invested. Funds not invested are held in STAR Ohio.

Table 2-11

Current Investment Portfolio for Convention Center Reserve Funds

Investment	Amount Invested Debt Reserve	Amount Invested Rental Reserve	Yield to Maturity	Maturity
To invest/cash	$ 2,054,855	$ 1,738,440	2.06	
Star Ohio	125,881	81,115	3.13	
Federal Home Loan Bank	299,714	-	3.81	2/28/2023
US Treasury Note	498,613	-	0.33	3/31/2023
Freddie Mac	375,000	-	0.40	6/30/2023
Fannie Mae	-	1,225,000	0.25	7/10/2023
Fannie Mae	291,551	-	4.13	7/10/2023
Freddie Mac	289,795	-	4.25	8/24/2023
US Treasury Note	998,906	499,453	0.30	9/30/2023
Federal Farm Credit Bank	998,190	998,190	0.26	10/2/2023
US Treasury Bond	-	499,297	0.45	10/31/2023
Freddie Mac	1,348,988	-	0.33	11/13/2023
Federal Farm Credit Bank	999,000	949,050	0.24	12/21/2023
Federal Home Loan Bank	998,850	998,850	0.42	9/23/2024
US Treasury Note	990,625	-	1.71	9/30/2024
US Treasury Note	1,199,156	-	0.65	10/15/2024
Federal Farm Credit Bank	2,686,392	1,226,786	1.76	11/1/2024
US Treasury Note	492,539	-	0.95	3/31/2025
Federal Farm Credit Bank	1,173,531	-	0.76	5/29/2025
CD	247,755	-	0.82	6/10/2025
Federal Farm Credit Bank	1,623,375	-	0.59	8/12/2025
Federal Farm Credit Bank	998,750	1,498,125	0.55	10/14/2025
Fannie Mae	592,050	444,038	0.92	10/20/2025
Freddie Mac	594,000	371,250	0.90	10/22/2025
Freddie Mac	1,499,850	-	0.62	12/1/2025
US Treasury Note	466,780	-	1.16	3/31/2026
US Treasury Note	-	493,398	1.05	5/31/2026
Federal Home Loan Bank	149,868	-	0.77	6/12/2026
US Treasury Note	1,490,098	993,398	1.01	9/30/2026
Federal Home Loan Bank	1,196,760	822,772	1.16	10/13/2026
US Treasury Note	232,934	-	4.05	2/15/2027
Federal Home Loan Bank	216,631	-	4.32	2/26/2027
US Treasury Note	244,215	-	3.99	6/30/2027
US Treasury Note	252,055	-	3.96	9/30/2027
Total Invested	**$ 25,626,708**	**$ 12,839,162**		

Debt Service – Parking Facilities

In December 2011, the CFA issued $16.0 million in parking garage improvement revenue bonds to finance the expansion of the Vine Street parking facility. These bonds were purchased by the Franklin County Treasurer. Bonds were issued as taxable revenue bonds at a negotiated rate of approximately 200 basis points over the corresponding treasury bond or note maturities. Payments were extended over a thirty-year period, with principal payments due every five years and interest paid annually. Revenue to meet debt service obligations is generated through a long-term agreement with Nationwide Realty Investors (NRI) for a license to use parking spaces within the expanded garage. Annual payments from NRI will cover the majority of annual debt. The remaining portion of annual debt service not covered through this license agreement will be paid for from daily parking revenue received through the operation of the Vine Street garage. At year-end 2022, the CFA will have $14.6 million in bonds outstanding for the Vine Street Garage.

In July 2014, May 2018 and again in July 2019, the CFA issued $18.0 million in parking garage improvement revenue bonds (July 2014) to finance the construction of the Goodale Street parking facility and $24.0 million parking garage improvement revenue bonds ($18.0 million in 2018 and $6.0 million in 2019) for the new Ohio Center parking facility. These bonds were also purchased by the Franklin County Treasurer. Structured almost identically to the 2011 series, debt service associated with these bonds is paid through parking revenue from garage operations. At year-end 2022, the CFA will have $15.0 million in Goodale Garage bonds outstanding and all $24.0 million in Ohio Center garage bonds outstanding.

Table 2-12 provides the 2023 budget for the parking facility debt service fund. Parking revenue from the operation of all CFA owned parking facilities is the funding source for payment of debt service due on the parking garages. Transfers into the sinking fund from convention operations are made quarterly and when combined are equal to total debt service due for the year. In regards to principal and interest, actual principal payments are made every five years with interest payments made every year. Deposits into the fund from convention center operations are equal to interest for the year plus the value of the principal payment annualized over the five-year period. Cash accumulates in the debt service fund until the actual principal payment is made.

Table 2-12

Debt Service (Sinking) Fund - Parking Facility Development

	2021 Actual	2022 Projected	2023 Budget
Sources of Funds			
Parking Revenue - Convention Center	$ -	$ 1,611,457	$ 3,442,882
Transfer in: CFA Equity Contribution	263,250	-	-
Remaining Funds - Ohio Center Garage Project	723,541	-	-
Interest Earnings	99,925	50,000	56,083
Total Sources of Funds	1,086,716	1,661,457	3,498,965
Uses of Funds:			
Principal Payment - Vine Street Garage	-	-	-
Interest Expense - Vine Street Garage	443,380	515,082	515,082
Principal Payment - Goodale Street Garage	-		-
Interest Expense - Goodale Street Garage	520,500	520,500	520,500
Principal Payment - Ohio Center Garage	-	-	-
Interest Expense - Ohio Center Garage	841,800	841,800	870,600
Total Use of Funds	1,805,680	1,877,382	1,906,182
Current Year Balance	(718,964)	(215,925)	1,592,783
Add: prior year balance	2,804,325	2,085,361	1,869,436
Year End Fund Balance:	**$ 2,085,361**	**$ 1,869,436**	**$ 3,462,219**

As with all activity in and around the convention center, COVID-19 and related restrictions on public gatherings as well as social distancing requirements impact parking usage in 2020. Because of these restrictions, use or visits to the convention center as well as to surrounding destinations such as Nationwide Arena, Short North District and Arena District, dropped significantly. So too, many businesses within the community were quiet as employers required or allowed employees to work from home. 2022 is proving to be a better year for parking although levels still remain below parking levels experienced prior to the pandemic. With the return of hockey games and concerts within the arena, meetings and conventions within the convention center and the opening of the new Hilton Columbus Downtown tower, growth in parking revenue is expected to accelerate in 2023.

To mitigate the impact of the pandemic on debt service obligations for the garages, the CFA along with the Franklin County Treasurer restructured the garage debt program in 2020. The restructuring allowed the CFA to use sinking fund monies already on deposit to pay debt obligations in 2020 and 2021 thereby reducing required CFA payments during those two years. Moving into 2023 and beyond, CFA payments into the sinking fund will increase thus replenishing the fund back up to required levels.

All parking revenue is pledged towards the payment of debt service associated with the garages. The following table provides information on revenues, operating expenses and the required sinking fund deposit for each of the facilities as well as all facilities combined. In 2022, the sinking fund deposit for the year will be met through a combination of operating income and CFA equity reserves Parking revenues in 2022 not used for debt service coverage will help off-set convention center operating expenses.

Table 2-13

Total Net Parking Income

		2022 Projected					2023 Budget				
	Parking Spaces	Revenue	Operating Expenses	Sinking Fund Deposit	Net Parking Income	Net Parking Income per Space	Revenue	Operating Expenses	Sinking Fund Deposit	Net Operating Income	Net Operating Net Income per Space
South Garage	549	$ 1,177,875	$ 122,852	$ -	$ 1,055,023	$ 1,922	$ 1,405,187	$ 165,370	$ -	$ 1,239,817	$ 2,258
Vine St. Garage	1778	3,520,678	397,870	1,039,582	2,083,226	1,172	4,200,117	535,571	1,039,582	2,624,963	1,476
Goodale Garage	800	1,677,617	179,019	517,500	981,097	1,226	2,001,371	240,977	517,500	1,242,895	1,554
East Lot	875	377,353	195,802	-	181,551	207	450,177	263,568	-	186,608	213
North Lot	61	258,722	13,650	-	245,072	4,018	308,652	18,374	-	290,277	4,759
Ohio Center Garage	650	366,336	145,453	54,375	166,508	256	437,034	195,794	1,885,800	(1,644,560)	(2,530)
All Facilities	4713	$ 7,378,582	$ 1,054,647	$ 1,611,457	**$ 4,712,478**	$ 1,160	$ 8,802,537	$ 1,419,655	$ 3,442,882	**$ 3,940,000**	$ 970
Coverage Ratio (%)					4.58					2.56	

Operations - Convention Center

With respect to convention center operations, revenues collected from events within the convention center are used to offset expenses associated with the actual operation of the facility. These resources are managed by ASM Global, operator of the Greater Columbus Convention Center, with final review and approval provided by the CFA staff and Board. Any required support of convention center operations is incorporated into the CFA's operating budget.

Historically, financial results from convention center operations have been positive. In most years since the opening of the north facility of the convention center, the operation of the center has been self-sustaining. While there are a few years when the CFA has had to subsidize operations (all during years of renovation and expansion), most years the convention center has been self-sustaining with positive net income. In recent years prior to 2020, the convention center was doing extremely well. The successful performance of the center was predicated upon enhanced city-wide event bookings, active short-term business, strong ancillary income and added revenue from parking due to the expansion of the Vine Street garage and the opening of the Goodale Street garage. Unfortunately, this all changed drastically with the outbreak and spread of COVID-19 in 2020. Because of the pandemic, the center suspended its operations on March 16th, furloughed and laid off over 200 employees and remained under public health order restrictions until June 2021. Almost all events scheduled during the months of March 2020 through mid-year 2021 either cancelled or moved to future years.

During 2021, the convention center explored alternative uses for the center as the ability to host mass gatherings remain limited, at least during the first half of the year. The center remained the site for a potential surge hospital although fortunately such resource was not needed. The center also served as home to the Franklin County municipal and traffic courts. So too, several sporting events did occur during the first half of the year although attendance was limited due to health restrictions. With the lifting of restrictions and the roll-out of COVID-19 vaccines, the center did see activity increase. While several events rescheduled, some did occur during the second half of the year such as Cultivate, the National Emergency Number Association and Ohio Healthcare Association to name a few. Revenue from held events plus well managed spending resulted in the center reporting positive net income for the year.

The ability to successfully maneuver through the unknowns of recovering from the pandemic continued to be the focus of convention center operations in 2022. Overall, the center is doing extremely well. Event activity is rebounding as the center has hosted twenty-three citywide events during the year. Short term business for the year also is proving to be strong as pent-up demand for meetings and conferences is driving added activity to the center. Income from food/beverage services, parking and ancillary services are also helping drive resources to the bottom line. Overall, the center is expected to end 2022 with net income of approximately $200,000; an income number that is approximately $1.0 million better than budget.

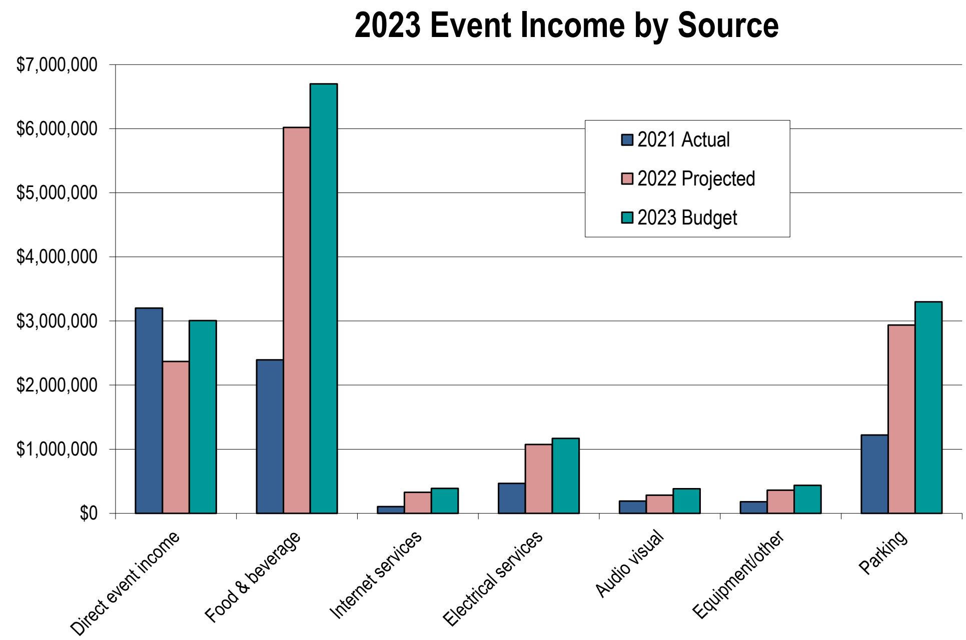
2023 will be a continuation of business return for the convention center. In 2023, the number and size of events is expected to reflect performance levels experienced prior to pandemic (see Table 2-14 for additional information on 2023 events). As the world seems to be moving forward through the aftermath of the pandemic, challenges remain and are reflected in the 2023 budget. While events are expected to return to normal levels; the economic climate may dictate the extent to which businesses are able to invest in events via food/beverage and ancillary services. So too, the cost of operations will go up in 2023 as the building adjusts to higher cost of utilities and labor.

Table 2-14

Greater Columbus Convention Center Summary of 2023 Events (as booked November 2022)	
Total Confirmed Events	121
Total Attendance	520,575
Total Room Nights	257,827
Total Citywide Events	26
Total New Events	29
Total Events with 5,000+ in Attendance	26
Total Events with 1,000+ Room Nights	53
Percent of Event Income that is based on Short-term Business (yet to be booked)	22%

Income from events consists of both direct event income and ancillary income. Direct event income includes rental income or payment for actual space used and net service income i.e., payment for direct event services such as security, rigging, traffic control/police, and changeover labor less the cost of providing those services. In 2023, direct event income will increase, not because the number of events is increasing, but because the center is expected to better control the cost of labor providing direct event services. Regarding ancillary income which includes income from catering, food and beverage, technical services, booth cleaning, parking, equipment rental, and concessions; the budget assumes that this income will increase in 2023 mostly due to increases in revenue from food/beverage services and parking. Combined, total event income in 2023 is projected to be $15.4 million; a $2.0 million increase over 2022 event income. Total event income is generated from a variety of revenue sources as illustrated in Chart 2-15.

Chart 2-15



As expected, the largest source of event income to the center is from food and beverage services. Levy Premium Foodservice Limited Partnership is the food service provider for the center. Under Levy's management, emphasis has been placed on providing a hotel level of food quality and service in the convention center. This is being accomplished through implementation of new creative menus, the addition of in-house pastry services, improved food presentation and better use of local food sources. In 2023, income from food services is expected to increase significantly as the opportunity for banquet/catering services improve. As food and beverage services are used more during the course of the year, expenses will also increase as staff continue to be re-hired and food inventory expenses are impacted by market cots. As a result, the profit margin for food services in 2023 will be 30.0 percent; below the 32.0 percent profit margin experienced during 2022 but below the 33.0 percent margin experienced prior to the pandemic. Overall, food and beverage net revenue in 2023 will equal $6.7 million. Net income which is net revenue less indirect expenses will equal approximately $3.7 million; on par with net income expected in 2022.

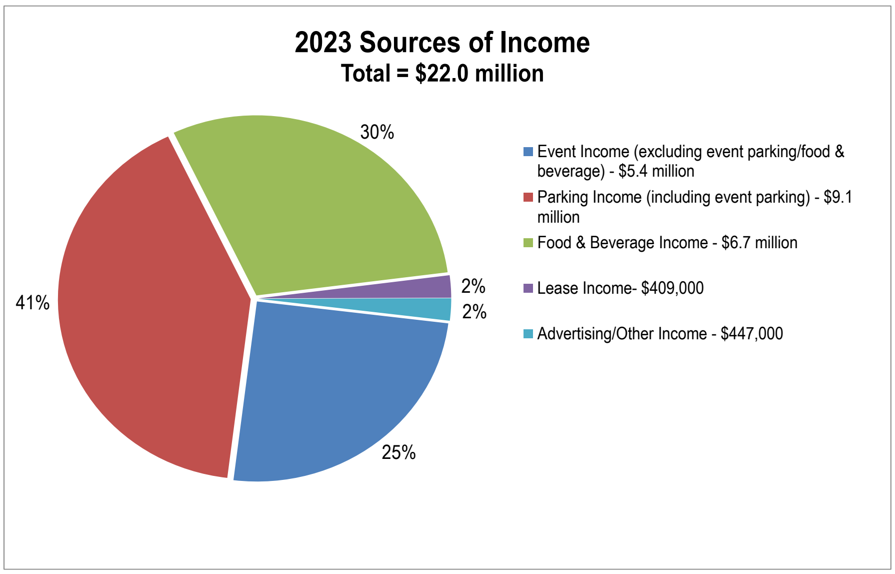
Income received from parking is another important source of revenue for the convention center. The center operates several parking facilities to include the South parking garage with approximately 550 spaces, the Vine Street parking garage with approximately 1800 spaces, the Goodale Street parking garage with 800 parking spaces, the Ohio Center parking garage with 650 parking spaces, an east parking lot with approximately 875 spaces and a north parking lot with approximately 61 spaces. Overall, the CFA has available over 4700 parking spaces in facilities located around the convention center.

Total parking revenue is comprised of parking revenue from events held within the convention center (considered ancillary income, unless otherwise noted), non-event parking or general parking and parking revenue from monthly parkers. Overall, 2023 is expected to be another growth year for parking revenue as activity within the community continues to improve, hotel business increases with the opening of the new Hilton Columbus Downtown tower and local workers return to surrounding offices. In 2023, parking revenue is projected to be $9.1 million, $1.7 million above prior year. In 2019, total parking revenue was $9.0 million.

Incorporated into the recent renovation of the convention center was the installation of several new resources for events to use as platforms for marketing and promotion. The new large LED screen in the convention center connector and updated directories throughout the facility now provide the center with modern venues that can be used for sponsorship and advertising. While still a minor source of income to the center, the hope is that advertising income will continue to increase as new advertising opportunities develop. In addition to advertising, the center also receives lease revenue from tenants located on the first floor of the convention center's south facility. These tenants are mainly food service vendors but also include some retail tenants as well.

2023 convention center income is illustrated in Chart 2-16. Total income for the year is projected to be $22.0 million, 14.9 percent above prior year. For comparison, total income in 2019 prior to the pandemic was $25.8 million.

Chart 2-16



Convention center operations in 2023 will continue to invest in initiatives that further center cleanliness and health safety. In addition, efforts in 2023 will focus on reducing contracted labor through employee recruitment, training and retention; food service innovation; and event generation. To accomplish these goals, the budget includes funding for 105 full-time ASM Global staff members and 35 Levy full-time staff members (a 16 position increase over currently filled positions). In 2023, the budget provides monies for maintenance services needed to support an aggressive cleaning program and additional funding for utility expenses reflective of an active center. Also included within the budget is the annual contribution of $300,000 to the Greater Columbus Sports Commission for marketing. The budget also provides for a contribution of $360,000 to the business development fund.

Overall, the center is projected to do slightly better in 2022 than it will in 2023. While the center is expected to drive revenues during the year; expense increases due to staffing improvements and garage debt service will negatively impact the bottom line. Net income from center operations in prior years (especially 2022) will cover the projected 2023 deficit. Convention center revenue and expenses for 2022 and 2023 are summarized in Table 2-17.

Table 2-17

Greater Columbus Convention Center
Revenues and Expenses

		2022 Projected		2023 Budget		Variance	% Change
Sources of Income							
Direct Event Income	$	2,367,984	$	3,007,708	$	639,724	27.02
Food and Beverage		6,019,466		6,699,351		679,885	11.29
Parking (event + non-event)		7,399,104		9,053,190		1,654,086	22.36
Ancillary Income		2,043,142		2,376,677		333,535	16.32
Lease Income		913,449		408,896		(504,553)	(55.24)
Other		396,353		446,500		50,147	12.65
Total Source of Income	**$**	**19,139,498**	**$**	**21,992,322**	**$**	**2,852,824**	**14.91**
Uses of Income							
Employee Wages/Benefits		5,473,828		7,424,252		1,950,424	35.63
Contracted Labor		827,171		1,975		(825,196)	(99.76)
Food Service Expenses		2,409,302		2,996,056		586,754	24.35
General and Administrative		2,211,404		2,573,624		362,220	16.38
Operations/Repairs/Supplies		2,950,451		2,277,623		(672,828)	(22.80)
Utilities/Utility Recovery		3,062,596		3,087,109		24,513	0.80
Insurance/Other		388,328		557,646		169,318	43.60
Total Uses of Income	**$**	**17,323,080**	**$**	**18,918,285**	**$**	**1,595,205**	**9.21**
Net Income from Operations	**$**	**1,816,418**	**$**	**3,074,037**	**$**	**1,257,619**	**69.24**
Less: Garage Debt Service Payment	$	(1,611,457)	$	(3,442,882)		(1,831,425)	**113.65**
Total Net Income	**$**	**204,961**	**$**	**(368,845)**	**$**	**(573,806)**	**(279.96)**

Capital Improvements - Convention Center

In addition to operating the convention center the CFA is also responsible for managing an on-going capital improvement program for the facility. Every year, CFA and ASM Global staff members review and develop a five-year capital improvement program for the center based upon needs of the facility. During 2023, the capital improvements program for the convention center will accelerate with significant investment of resources. Of focus will be improvement of HVAC systems throughout the facility. In 2023, the CFA will also prepare for the north building roof replacement which will occur in 2024. A complete list of facility improvements and capital expenditures planned for 2023 is provided in Table 2-19. The total cost of capital improvements for the convention center in 2023 will be $15.38 million.

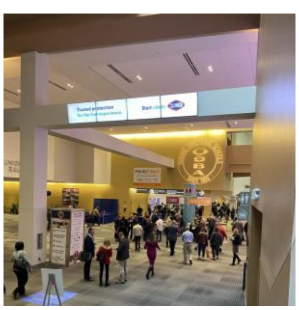
Table 2-18

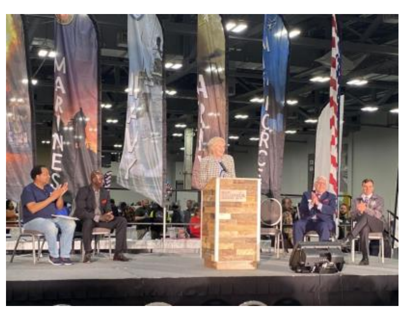
2023 Capital Improvements Program

Greater Columbus Convention Center

North Building Chiller Replacement	$	2,500,000
North Building Air Handler Fan Upgrades		350,000
North Cooling Tower Improvement		90,000
North Building Roof		100,000
South Building Boiler Replacement		1,500,000
South Building Electical, Plumbing, and Fire Protection		500,000
South Building Restroom Improvement		400,000
Elevator/Escalator Refurbishment		500,000
Back of House Restrooms and Service Hall		300,000
Operable Partitions Renovation		500,000
West Connector Joint Restoration		750,000
Phone System Replacement		250,000
HVAC Control Upgrade		1,000,000
Security Upgrades		900,000
Battelle Grand Carpet/Airwall/Telescopic Seating		1,400,000
Connector Improvements		500,000
High Speed Door Replacement North Dock		250,000
Tables, Stages, Cleaning Equipment		370,000
Waste and Recycling Equipment		300,000
Ohio Center Garage Media Screen		750,000
Vine Street Garage Rooftop HVAC Units		90,000
Miscellaneous		200,000
Starbucks Renovation		150,000
HVAC Upgrades: American Rescue Plan Grant		1,725,000
Total: 2023 Capital Projects	**$**	**15,375,000**

In 2021, the CFA was the beneficiary of a $1.25 million American Rescue Plan grant from the County for continued improvement of air quality within the convention center ($950,000) and purchase of health supplies for Nationwide Arena ($300,000). The CFA is expected to receive a similar grant in 2022 from the City for convention center air quality improvements as well. Overall, with proceeds from these grants, the CFA will invest $1.9 million into new air handling units for Battelle Hall. While engineering services for this investment was completed in 2022, actual replacement of the units will be completed in 2023.





FCCFA 2023

Section 3:
HILTON COLUMBUS DOWNTOWN

Hilton Columbus Downtown Hotel

In answer to market demand for convention quality hotel rooms near the center; the CFA in partnership with the City of Columbus and Franklin County opened the Hilton Columbus Downtown in October 2012. Located on property adjacent to the convention center, the original hotel includes 532 guest rooms (five more rooms will be added in 2023 with the renovation of the executive suite) of which 48 are suites. The hotel has 12,000 square feet of ballroom space, 10,800 square feet of meeting/banquet rooms, lobby, a three-meal bistro restaurant, bar/lounge area, coffee bar and "grab-n-go", indoor pool and whirlpool, fitness center and walkway to the convention center. Parking for the hotel is provided by the Vine Street parking garage located next to the hotel site. The hotel has 14 floors with over 429,600 square feet of usable space. The hotel's overall design is contemporary and features an atrium with a 15,000 square foot glass ceiling. The hotel includes an art collection of over 150 original pieces by central Ohio artists. Development cost of the hotel was $142.0 million and, after adding in reserve funds, issuance cost, and capitalized interest, the total cost of the project was $180 million. The hotel is branded and managed by Hilton Worldwide.

Because the hotel has been well received within the community and has been very successful; the CFA again in partnership with the City and County, expanded and improved the Hilton Columbus Downtown. In September 2022, the CFA opened a new 28 floor tower for the hotel. The new tower is 461,529 square feet in size and includes 463 new rooms, two restaurants (one located on the top floor of the tower, the other located on street level); approximately 70,000 square feet of meeting room space, a 15,000 square foot grand ballroom, a junior ballroom, and a new lobby. As with the original tower, art is a prominent feature of the new tower. The new tower cost approximately $269.0 million and, after adding in reserve funds, issuance cost, underwriter's discount, and capitalized interest, the total cost of the hotel expansion project was approximately $323.3 million. With the opening of the new tower, the hotel now operates and functions as a single enterprise of 1,000 rooms under common management. As such, the Hilton Columbus Downtown is the only 1,000 room hotel in Ohio.

Debt Service – Hilton Columbus Downtown Hotel

On February 10, 2010 the CFA sold $160.0 million in lease revenue anticipation bonds to finance the construction of the original Hilton Columbus Downtown Hotel. Bonds issued were Build America Bonds, with a thirty-year term, and escalating net debt service beginning with the start of principal payments in 2016. Bonds are backed by Franklin County, subject to appropriation. Beginning in 2013, revenue from the operation of the hotel has been used to meet annual debt service obligations. Prior to hotel opening, interest was capitalized and bond proceeds were used to pay debt service.

Structured similar to the original debt issue completed for the convention center, the 2010 hotel bond issue was based upon a cooperative agreement between the CFA, the City of Columbus and Franklin County. Within this agreement, the County agreed to lease the facility from the CFA on an annual basis, subject to appropriation. In turn the CFA established a sublease with the County, pledging to meet debt service obligations for the hotel through use of proceeds from hotel operating income as well as other sources identified in the agreement. In addition to owning, constructing and managing the hotel; the CFA also agreed to provide $15 million in equity towards the project, contribute the CFA's portion of annual hotel tax revenue received from the hotel towards the payment of debt service and provide revenue from land leases as added coverage for debt service if other income sources prove to be insufficient. The City of Columbus agreed to contribute the City's portion of annual hotel tax revenue received from the new hotel towards the payment of debt service as well as agreed to provide $1.4 million in parking meter revenue as an added reserve to cover debt service obligations if other sources should prove to be insufficient.

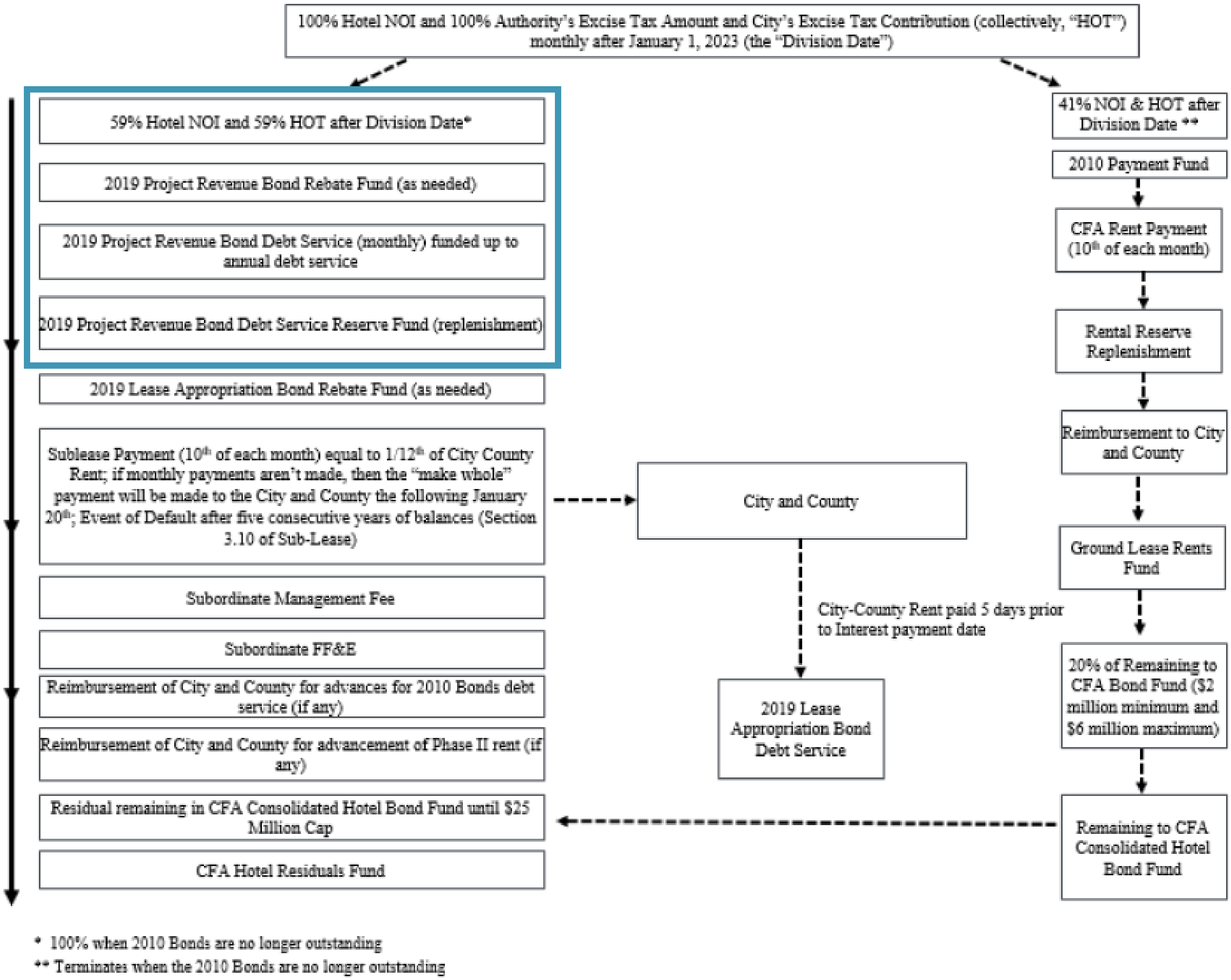
Upon issuance, bond proceeds were distributed into several accounts per indenture requirements. Of the $160 million received, $1.4 million covered costs associated with issuance and underwriter's discount, $6.4 million was deposited into a debt service reserve fund, $16.1 million was placed in a capitalized interest fund and $136.1 was deposited into a construction fund to support project development and construction.

Issued as Build American Bonds (BABs), the CFA receives subsidy payments from the U.S. Treasury for support of annual debt service pursuant to BABs funding requirements. This subsidy support coupled with hotel net income and hotel generated lodging taxes provide the revenue support needed to cover on-going debt obligations.

To provide the financing structure for the development of the hotel's new tower; the City, County and CFA agreed to amend the original cooperative agreement. Through this amendment, it was determined that the new tower would be financed through the issue of two series of bonds. Series A bonds were project revenue bonds backed only by the Hilton's net income and lodging tax revenue. Series B bonds were lease appropriation bonds backed equally by the appropriation of the City and County. Series B bonds are subordinate to Series A. Total net operating income from hotel operations plus hotel tax revenue generated from the hotel itself will be split; with 41.0 percent of such revenues used to pay debt service on the 2010 bonds and 59.0 percent of revenues used to pay debt service (both series) on the new 2019 bonds. Bond proceeds from the sale financed the project ($233.50 million) as well as provided for a new debt service reserve fund, paid issuance costs and capitalized interest through opening of the hotel addition. The CFA used the available balance in the current 2010 bond payment fund to fully fund ($25.0 million) a new hotel consolidated bond fund which serves as security first for the 2019 bonds and second for the 2010 bonds. 2019 bonds were sold on December 4, 2019.

The diagram on the following page illustrates the flow of funds and the corresponding payment of debt service under the new structure for hotel bonds. This new flow will begin January 2023. For the years prior to 2023, capitalized interest was used to pay for debt service due on the 2019 bond issue. Hotel net operating income, lodging tax from the hotel itself and US Treasury subsidy payments were used to debt service due on the 2010 bonds.

Flow of Funds – Hotel Project Revenue Bonds



Preliminary, subject to change

* 100% when 2010 Bonds no longer outstanding

** Terminates when the 2010 Bonds are no longer outstanding

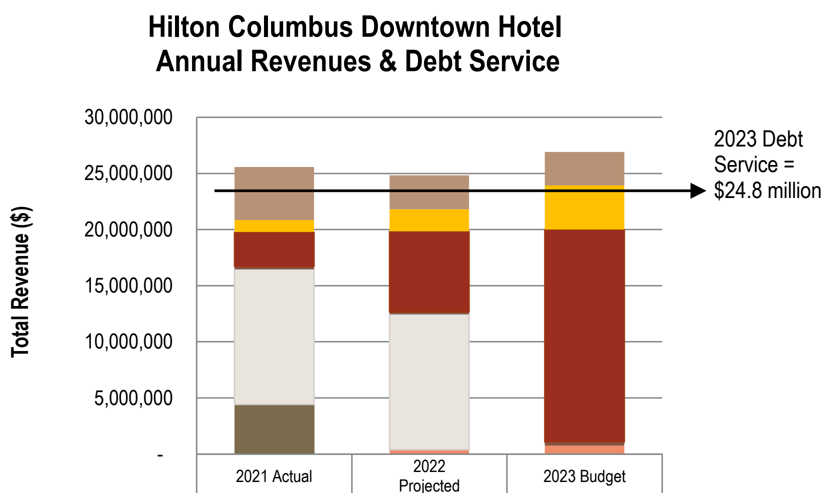
Prior to 2020, the hotel had been very successful. Since opening, strong occupancy and high average daily rates have provided the CFA with the resources needed to cover annual debt service obligations and to build up healthy operating and debt related reserves. This all changed in 2020. With the on-set of COVID-19, the hotel experienced a draconian decline in hotel occupancy. With health restrictions and stay-at-home orders limiting travel and group gatherings, the hotel experienced over 60.0 percent in room cancellations for the year. Overall REVPar in 2020 dropped by approximately 67.0 percent below 2019. Because hotel operations were significantly reduced during the year with little revenue flowing to the bottom-line, net operating income available in 2020 for debt service was negligible. As a result, the CFA for the first time, had to draw on reserve funds to cover annual debt obligations associated with the 2010 bond issue.

Hotel operations in 2021 showed improvement in net operating income although the year remained challenging. Similar to patterns experienced in the hotel market overall, hotel operations during the first half of the year were low as health restrictions due to COVID continued. Second half of the year proved different, as hotel occupancy began to climb as travel returned; although returned travel was still below levels experienced prior to the pandemic. While operations in 2021 did result in some net operating income flowing to the CFA for debt coverage, the amount received was still below operating income needed to cover all debt obligations for the year. As a result, the CFA again drew from the 2010 rental reserve fund to cover debt service.

Fortunately, travel and group business continued to rebound in 2022 resulting in positive growth in hotel income and flow to the bottom-line. As a result of this growth, 2022 net operating income, hotel tax revenue and US Treasury payments will fully cover debt obligations for the year and the CFA will not draw on the rental reserve fund in 2022. Moving forward, hotel operations should continue to produce enough income to cover debt service for both the 2010 and 2019 bond issues. In fact, by the end of the five year projection period, the CFA will not only cover all debt obligations with hotel net operating income but will have replenished all rental reserve funds used to cover debt service during 2020 and 2021. It is important to note that while rental reserve funds were used during the pandemic for debt service; the CFA did not draw on any funds reserved in the 2010 debt service reserve fund. In fact, throughout the term of the pandemic the debt service reserve fund for both the 2010 bond issue and the 2019 bond issue remained fully funded.

Chart 3-1 illustrates the sources of funds used to cover debt service for the years 2021, 2022 and 2023. Because net operating income from hotel operations in 2021 were below levels needed to cover debt service, the CFA did use rental reserve funds to cover the projected shortfall. Beginning in 2022, the hotel is expected to generate net operating income sufficient enough to cover all debt service due for the year.

Chart 3-1



	2021 Actual	2022 Projected	2023 Budget
U.S. Treasury Payment	4,727,869	3,025,288	2,988,518
Hotel's Lodging Tax	1,055,178	1,976,000	3,926,000
Hotel Distribution	3,087,893	7,185,610	18,926,000
Interest Earnings	232,970	201,384	324,500
Capitalized Interest	12,047,950	12,047,950	-
Rental Reserve Fund	4,415,000	-	-
Consolidated Bond Fund	-	400,000	750,202

Table 3-2 provides information on the 2010 hotel debt service or bond payment fund. Again, the table shows the reliance on the rental reserve funds in 2021 to provide resources needed to cover debt service obligations as the hotel continued to recover from the pandemic. This reliance on the rental reserve fund ends in 2021 as the hotel is operating much better in 2022. In addition to income from hotel operations, the CFA receives a payment from the US Treasury to help off-set debt service costs. This payment was unusually high in 2021 as distribution of the second 2020 semester payment from the IRS was not made until 2021. Interest earnings from the consolidated bond fund are also transferred into the 2010 bond fund to help cover costs.

Per terms of the 2019 bond issue; the 2010 bond fund is required to maintain a minimum balance of $2.0 million and/or a maximum balance of $6.0 million as added security for 2010 debt service coverage. Because of the challenges posed by the pandemic, the balance in the 2010 bond fund at year 2022 will be much less than the required minimum balance. However, the five year projection for the fund does suggest that although the balance will be below required levels during the short term; such balance will increase over the period and by 2027, the bond payment fund will have reached the maximum required balance of $6.0 million.

Table 3-2

Hotel - 2010 Bond Payment Fund

	2021 Actual	2022 Projected	2023 Budget
Sources of Funds			
Distribution from Hotel	$ 3,087,893	$ 7,185,610	$ 7,759,660
U.S. Treasury Payments	4,727,869	3,025,288	2,988,518
Hotel Lodging Tax	1,055,178	1,976,000	1,609,660
Interest Earnings	101,170	118,000	124,500
Transfer In: Rental Reserve Fund	4,415,000	-	-
Transfer In: Consolidated Bond Fund	-	400,000	750,202
Total Sources of Funds	13,387,110	12,704,898	13,232,540
Uses of Funds:			
Principal Payment	3,250,000	3,455,000	3,670,000
Interest Expense	9,413,886	9,240,011	9,051,713
Total Use of Funds	12,663,886	12,695,011	12,721,713
Current Year Balance	723,224	9,887	510,827
Add: prior year balance	52,132	775,356	785,243
Year End Fund Balance:	$ 775,356	$ 785,243	$ 1,296,070
Required Minimum Balance:			**$ 2,000,000**

Table 3-3 (following page) summarizes the financial position of the 2019 hotel debt service or bond payment fund. Initially, interest on the 2019 bonds was capitalized through to 2023. As such, funds from the 2019 bond issue equal to the value of debt service due for years 2020 through 2022 were deposited into the 2019 bond payment fund where they were subsequently used by the trustee to pay debt service through 2022. Beginning in 2023, 59.0 percent of the hotel's net operating income and lodging tax will be deposited into the fund to cover 2019 debt service costs. Such costs will be fully covered in 2023.

The hotel consolidated bond fund serves as an additional source of monies available for debt service coverage related to 2019 hotel bonds. Monies flow into the consolidated bond fund annually only after all debt obligations have been met and other reserve funds have been fully funded. Because the consolidated bond fund is fully funded, additional monies earned through investment of monies within the consolidated bond fund are currently being used to help off-set 2010 bond obligations. Most funds within the consolidated bond fund are invested. Table 3-4 (following page) provides information on the budget for the consolidated bond fund.

Table 3-3

Hotel - 2019 Bond Payment Fund	2021 Actual	2022 Projected	2023 Budget
Sources of Funds			
Distribution from Hotel	$ -	$ -	$ 11,166,340
Hotel Lodging Tax	-	-	2,316,340
Interest Earnings	131,800	83,384	200,000
Total Sources of Funds	131,800	83,384	13,682,680
Uses of Funds:			
Debt Service: Project Revenue Bonds	7,590,750	7,590,750	7,590,250
Debt Service: Lease Appropriation Bonds	4,457,200	4,457,200	4,457,200
Total Use of Funds	12,047,950	12,047,950	12,047,450
Current Year Balance	(11,916,150)	(11,964,566)	1,635,230
Add: prior year balance	24,542,900	12,626,750	662,184
Year End Fund Balance:	$ 12,626,750	$ 662,184	$ 2,297,414

Table 3-4

Hotel Consolidated Bond Fund	2021 Actual	2022 Projected	2023 Budget
Sources of Funds:			
Interest Earnings	$ 152,009	$ 193,697	$ 750,202
Total Sources of Funds	152,009	193,697	750,202
Uses of Funds:			
Transfer to 2010 Bond Fund	-	400,000	750,202
Total Uses of Funds	-	400,000	750,202
Current Year Balance	152,009	(206,303)	-
Add: prior year balance	25,061,040	25,213,049	25,006,746
Year End Fund Balance:	$ 25,213,049	$ 25,006,746	$ 25,006,746
Required Balance:			$25,000,000

The hotel residuals fund serves as the depository for excess hotel monies available after all hotel debt obligations have been met and all reserve funds are fully funded; to include the hotel consolidated bond fund. Monies within the residuals fund are currently earmarked for payment of Nationwide Arena debt due in 2029. Until that time, monies within the residual fund will remain in the fund as required. While the pandemic impacted flow of funds into the residual fund during the past few years, the long term forecast does anticipate that monies will be deposited into the fund beginning in 2024. By 2027, the residuals fund is projected to have a balance of approximately $17.0 million.

Table 3-5

Hotel Residuals Fund

	2021 Actual	2022 Projected	2023 Budget
Sources of Funds:			
Transfer in from Consolidated Bond Fund	$ -	$ -	$ -
Interest Earnings	1,567	27,000	58,343
Total Sources of Funds	1,567	27,000	58,343
Use of Funds	-	-	-
Current Year Balance	1,567	27,000	58,343
Add: prior year balance	1,916,215	1,917,782	1,944,782
Year End Fund Balance:	$ 1,917,782	$ 1,944,782	$ 2,003,125

Table 3-6

Hotel - 2010 Debt Service Reserve Fund

	2021 Actual	2022 Projected	2023 Budget
Sources of Funds:			
Interest Earnings	$ 89,217	$ 90,000	$ 94,500
Total Sources of Funds	89,217	90,000	94,500
Uses of Funds:			
Transfer to Bond Payment Fund - Earnings	86,733	90,000	94,500
Total Use of Funds	86,733	90,000	94,500
Current Year Balance	2,484	-	-
Add: prior year balance	6,437,821	6,440,305	6,440,305
Year End Fund Balance:	$ 6,440,305	$ 6,440,305	$ 6,440,305
Required Balance:			$6,391,264

A standard requirement of public borrowing is that a debt service reserve fund equal to maximum annual debt service be established to reserve monies for the payment of principal and interest in the event that all other resources have been depleted. This reserve fund is in place to protect the bond holders. Consistent with this requirement, $6.4 million in bond proceeds were set aside in a debt service reserve fund in support of the 2010 hotel bond issue and $15.2 million in bond proceeds were set aside in a debt service reserve fund for the 2019 bond issue. Since establishment, both debt service reserve funds have remained fully funded and will remain fully funded through the projection period. Both funds are fully invested, mostly in U.S. agency securities. Interest earnings from these investments are transferred to the corresponding bond payment fund to help pay for annual debt obligations. Balances within the hotel debt service reserve funds are summarized in Table 3-6 (previous page) and Table 3-7 (below).

Table 3-7

Hotel - 2019 Debt Service Reserve Fund

	2021 Actual	2022 Projected	2023 Budget
Sources of Funds:			
Interest Earnings	$ 164,383	$ 140,000	$ 150,000
Tranfer in: CFA Oprating Fund	-	125,000	-
Total Sources of Funds	164,383	265,000	150,000
Uses of Funds:			
Transfer to 2019 Bond Payment Fund	22,513	-	150,000
Total Use of Funds	22,513	-	150,000
Current Year Balance	141,870	265,000	-
Add: prior year balance	15,379,473	15,521,343	15,786,343
Year End Fund Balance:	$ 15,521,343	$ 15,786,343	$ 15,786,343
Required Balance:			$15,181,500

Pursuant to the original cooperative agreement (and unchanged in the amended agreement), the CFA has established and will continue to maintain a rental reserve fund for the 2010 debt service associated with the hotel. This fund is the first source of reserve monies used to meet 2010 debt service obligations if net income from the hotel and related bed taxes proves to be less than annual debt requirements. If money within the rental reserve fund is used to meet debt service obligations, the rental reserve fund will subsequently be replenished up to the required reserve balance with future hotel income as well as with funds from the ground lease rent fund and the City of Columbus (if needed). Money in excess of the required balance is transferred to the 2010 hotel bond fund. Table 3-8 summarizes the 2023 budget for the hotel rental reserve fund.

In 2020 and 2021, funds from the rental reserve fund were used to help pay for debt service due on the 2010 bonds. While the rental reserve fund was nearly depleted by year end 2021, projections suggest that as hotel performance rebounds from the pandemic, sufficient revenues will be available to replenish the rental reserve fund by year end 2026.

Table 3-8

Hotel - 2010 Rental Reserve Fund	2021 Actual	2022 Projected	2023 Budget
Sources of Funds			
Interest Earnings	$ 33,486	$ 17,000	$ 38,110
Total Sources of Funds	33,486	17,000	38,110
Uses of Funds:			
Transfer to Bond Payment Fund - coverage	4,381,514	-	-
Transfer to Bond Payment Fund - interest	33,486	-	-
Total Use of Funds	4,415,000	-	-
Current Year Balance	(4,381,514)	17,000	38,110
Add: prior year balance	5,634,862	1,253,348	1,270,348
Year End Fund Balance:	$ 1,253,348	$ 1,270,348	$ 1,308,458
Required Balance			$8,000,000

As also required in the original cooperative agreement, the CFA established a ground lease rents fund to serve as an additional reserve fund for 2010 debt service. Historically, the balance in the ground lease rents fund was equal to the value of lease revenue received by the CFA for use of property during the preceding calendar year. However, the amended cooperative agreement changed this requirement such that the fund is only required to keep a balance of $1.0 million. Currently, the ground lease fund is fully funded.

Table 3-9

Hotel - Ground Lease Rents Fund	2021 Actual	2022 Projected	2023 Budget
Sources of Funds:			
Transfer In: CFA Capital Improvements Fund	$ 1,000,000	$ -	$ -
Interest Earnings	40	13,852	30,481
Total Sources of Funds	1,000,040	13,852	30,481
Uses of Funds:			
Transfer to 2010 Bond Fund	-	-	-
Total Use of Funds	-	-	-
Current Year Balance	1,000,040	13,852	30,481
Add: prior year balance	2,146	1,002,186	1,016,038
Year End Fund Balance:	$ 1,002,186	$ 1,016,038	$ 1,046,519
Required Balance			$ 1,000,000

Consistent with requirements detailed in the trust agreement and supporting documentation associated with each bond issue, the CFA periodically prepares an arbitrage rebate calculation report to determine if particular bonds in review have earned more in interest earnings than allowed under the yield established at the time of the bond sale. Any earnings above and beyond what is allowable (rebate liability) must be paid to the United States government. The report has to be completed every five years and, if a rebate liability is determined by the calculations in the report, payment is due to the Internal Revenue Service (IRS) sixty days after the completion of the five year period. This report must be prepared by a "rebate analyst" such as bond counsel or nationally recognized accounting firm.

Currently, the Authority has no outstanding liabilities as they relate to arbitrage rebate calculations for hotel related bonds. Rebate calculations for the 2010 bond series were completed in 2020. Rebate calculations for the 2019 bond series will be completed in 2024.

Operations and Capital Improvements – Hilton Columbus Downtown Hotel

The Hilton Columbus Downtown Hotel is branded, managed and operated by Hilton Management, LLC per terms of a management agreement entered into July, 2010 and amended/ restated on December 4, 2019. As manager of the hotel, Hilton is responsible for booking room nights for both group and transient business in the long and short term, establishing rates, developing and implementing sales/marketing initiatives, providing restaurant, guest and housekeeping services, maintaining building systems and resources, and coordinating banquet and catering events. Hilton is also responsible for managing and implementing a capital improvements program for the hotel per review of the CFA board.

Operationally, the hotel has exceeded expectations. Not only has the hotel been well received by the community but response and input from guests suggest that most are pleased with the accommodations of the hotel as well as the services provided by staff of the hotel. This positive response to the hotel has impacted financial performance. Since opening, the hotel has been able to achieve and maintain an average daily room rate that is well above market. Room rates when coupled with strong occupancy, has resulted in very positive revenues for the hotel through 2019.

2020 proved to be a completely different year for the hotel. With the convention and travel industry brought to a complete standstill as the world dealt with COVID-19 through travel restrictions, stay at home orders, and gathering limitations; occupancy within the hotel dropped from 75.0 percent in 2019 to 24.0 percent in 2020. Corresponding hotel revenue declined sharply from $36.8 million in 2019 to $10.2 million in 2020. To control and protect the bottom line, 2020 expenses were severely reduced with most staff being either laid off or furloughed. Services within the hotel were also limited as restaurant hours were significantly reduced and valet support limited. During 2020, room revenue was derived mainly from transient guests with added revenue from airlines and college/professional sport teams. Very little if any room revenue came from group business.

During 2021, the hotel began to recover from the pandemic. As expected, the first couple of months of the year were difficult as health restrictions were still in place and COVID-19 vaccination programs were just getting started. But as the year progressed and COVID infections dropped, travel improved. Hotel occupancy in January was 16.8 percent but escalated quickly and by September 2021 hotel occupancy was 65.0 percent. Average daily rate also rebounded. As expected, leisure business pushed the recovery with added business from contracted accounts, sport teams and a few meetings/conventions that began to occur during the third quarter of the year.

Post pandemic recovery continued into 2022 as the hotel surpassed the market in occupancy and room revenue. Surprisingly, major group events and citywide conventions returned to the market and the hotel resumed more normal levels of business. Transient business positively impacted the bottom line with the return of OSU Football, NHL Hockey, MLS Soccer, Nationwide Arena concerts and other community events. Banquet events also rebounded during the year with the return of weddings and corporate meetings. Hotel occupancy during 2022 escalated with occupancy rates exceeding 70.0 percent in August prior to the opening of the new tower in September.

2023 is expected to be a year of continued growth for the hotel. With the opening of the new tower in 2022; the hotel will focus marketing efforts on ramping up group/transient business and improving food and beverage sales through the new hotel restaurant (Fyr) and the launch of the new roof-top bar (Stories on High). Occupancy for the year is projected to be approximately 60.0 percent; an impressive occupancy rate given the fact that the hotel is now selling

1,000 rooms. Currently, the hotel has more definite room nights on the books than 2019 finished and is 58.0 percent ahead of historical booking position. Average daily rate is 16.0 percent higher than the historical average as well. Regarding expenses, the hotel will continue to increase staffing to support the expanded property. Table 3-10 summarized the operating budget for the hotel.

Table 3-10

Hilton Columbus Downtown Hotel
Revenues and Expenses

	2022 Projected	2023 Budget	Variance	% Change
Departmental Revenues				
Gross Revenues	$ 33,737,858	$ 67,240,253	$ 33,502,395	99.30
Less: Departmental Expenses	14,534,309	27,602,112	13,067,803	89.91
Total Department Revenue	**19,203,549**	**39,638,141**	**20,434,592**	**106.41**
Undistributed Expenses				
General & Administrative	3,359,996	5,044,283	1,684,287	50.13
Sales & Marketing	3,996,214	6,814,281	2,818,067	70.52
Property Operations	1,506,522	2,640,437	1,133,915	75.27
IT	615,085	1,065,237	450,152	73.19
Utilities	657,000	1,056,242	399,242	60.77
Subtotal - Undistributed Expenses	**10,134,817**	**16,620,480**	**6,485,663**	**63.99**
Fixed Charges				
Other Non-operating Expense	479,163	729,979	250,816	52.34
FF&E Reserve Deposit	2,024,271	2,353,409	329,138	16.26
Management Fee	1,349,514	2,017,208	667,694	49.48
Subtotal - Fixed Charges	**3,852,948**	**5,100,596**	**1,247,648**	**32.38**
Net Operating Income (as accrued)	**$ 5,215,784**	**$ 17,917,065**	**$ 12,701,281**	**243.52**
Distribution to Owner (cash basis - less subordinate fee/FF&E distribution)	**$ 7,185,610**	**$ 18,926,000**	**$ 11,740,390**	**163.39**

In addition to direct expenses and revenues associated with the actual operation of the hotel, the budget includes fixed charges that are part of the calculation of net operating income. The first fixed charge is the management fee as established in the management agreement. The management fee is comprised of a base fee (2.5 percent of gross revenue in 2023) and a subordinate fee (.5 percent of gross revenue in 2023). The subordinate fee is paid after debt service obligations for the year have been met. The second fixed charge is the annual deposit into the primary/secondary FF&E reserve account that is used to support the capital improvements program for the hotel. Deposits into the FF&E fund are based upon a percentage of gross revenue from hotel operations as defined in the management agreement. As with the management fee, the FF&E reserve fund deposit is split between a base deposit (2.5 percent of gross revenue in 2023) and subordinate deposit (currently 1.0 percent of gross revenue). The subordinate deposit is made after debt service obligations have been met and the subordinate fee has been paid.

The hotel manager on behalf of the CFA is responsible for maintaining two reserve funds for operations. The first is a working capital fund of $1.5 million. This reserve is used to manage cash flow and replenished on a monthly basis as monies are used. The second is an operating reserve fund of $2.4 million. This fund was established as part of the original hotel development project and is used as a reserve to help meet operating expenses if revenues should prove to be insufficient. At year-end 2022, the hotel is projected to have approximately $1.5 million in the working capital fund and $1.9 million in the operating reserve. By year end 2024, both funds will be fully replenished as the hotel recovers from the pandemic.

The capital reserve or primary/secondary FF&E reserve is established as a funding source to pay for capital improvements and FF&E purchases needed to support the hotel. During 2023, approximately $1.7 million will be deposited into the reserve account. These funds along with monies already in the account will be used to finance improvement projects for the year. Table 3-11 lists the capital projects planned for 2023. The major project to be completed in 2023 will be renovation of the executive and presidential suites in the original tower.

Table 3-11

2023 Capital Improvement Projects - Hotel	
Hilton 401 execuitve/presidentail suite renovation	$ 1,000,000
Stories on High deck bar	200,000
Furniture (banquet chairs, tables, carts, banquet bars)	300,000
Equipment (IT , vacuum cleaner, snow removal)	122,500
Discretionary/miscellaneous	227,500
Total: 2023 Capital Projects	$ 1,850,000

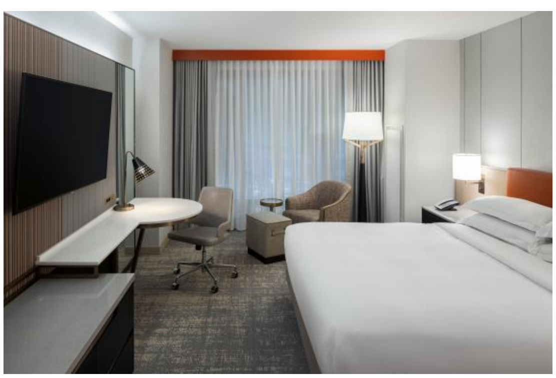
Table 3-12 provides a summary of the capital reserve fund. At year-end 2023, the capital improvements fund will have a balance of approximately $206,000.

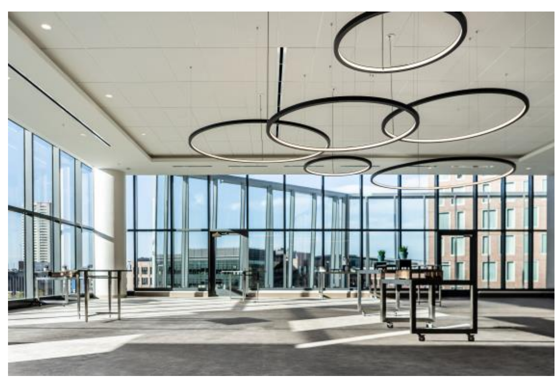
Table 3-12

Hotel Capital or FF&E Reserve Fund

	2021 Actual	2022 Projected	2023 Budget
Sources of Funds:			
Transfer in: Hotel Operations	$ 728,234	$ 1,320,999	$ 1,681,006
Total Sources of Funds	728,234	1,320,999	1,681,006
Uses of Funds:			
Capital project expenses	3,422,248	5,293,011	1,850,000
Total Use of Funds	3,422,248	5,293,011	1,850,000
Current Year Balance	(2,694,014)	(3,972,012)	(168,994)
Add: prior year balance	7,040,977	4,346,963	374,951
Year End Fund Balance:	$ 4,346,963	$ 374,951	$ 205,957


Hilton
Hilton





FCCFA 2023

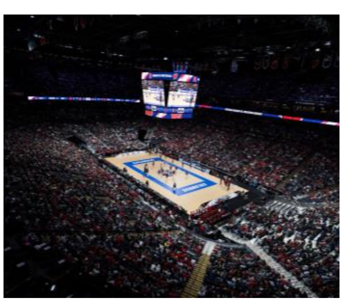
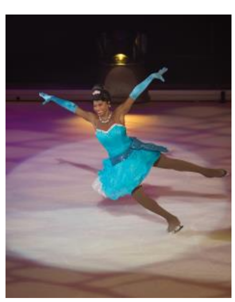
Section 4:
NATIONWIDE ARENA

Nationwide Arena

In March 2012, the City of Columbus, Franklin County, Nationwide Realty Investors, Columbus Blue Jackets, The Ohio State University (OSU) and the CFA agreed upon a plan for Nationwide Arena that was designed to strengthen the facility's financial position thus ensuring that the building remained a valuable asset within the community for years to come. Key terms of this agreement were as follows:

- Since the CFA already owned the land under Nationwide Arena, it was determined that the CFA was in the best position to purchase the physical facilities of the arena including the Ice Haus, parking garage, restaurant space and offices for $42.5 million. To do so, the CFA borrowed $32.5 million from Nationwide Insurance and $10 million from the State of Ohio. The CFA also borrowed an additional $11.7 million from Nationwide to support an initial capital improvements program for the arena and pay for arena operations in 2012.
- The Columbus Blue Jackets agreed to make Nationwide Arena their home until September 15, 2039. Should the Columbus Blue Jackets breach this home ice covenant then the team would be liable for liquidated damages. When not in use by the Columbus Blue Jackets, the arena can be used for concerts, family shows, conventions and other events.
- The arena is managed by Columbus Arena Management LLC or CAM. CAM consists of representatives from the CFA, Columbus Blue Jackets, OSU and Nationwide. Under terms of the agreement, CAM approves the operating and capital budgets for the facility and provides oversight of arena operations. CFA administers the capital improvements program and OSU provides day to day management services for the arena.
- Beginning in 2013 and continue through to today, the city and county forwards to the CFA a portion of casino tax collections as lease/sublease payments for the arena. These payments are used to cover the arena's operating, capital, debt service and related expenses.
- Casino tax revenue received by the CFA is first used to pay for operating, land lease, real estate tax obligations and capital expenses associated with the arena (in that order). If casino revenues should exceed operating, land lease, real estate and capital expenses, excess revenues are used to cover debt service obligations in any given year.
- If casino lease/sublease payments prove to be less than what may be needed to cover the operating and capital programs for the arena; Nationwide, the Columbus Blue Jackets and OSU have agreed to cover operating and capital shortfalls per a funding process outlined in the transaction documents. OSU has a $7.0 million cap on its funding obligation. Should OSU reach this cap, the CFA will be required to step in and help cover shortfalls.

Currently Nationwide Arena is operating under the terms of this agreement. Despite the fact that casino tax revenues have proven to be much less than originally anticipated, the arena has been very successful from an operational standpoint. The venue hosts many concerts and supports a professional hockey team. As a result, the venue has ended each fiscal year with a positive balance that has been used to finance the implementation of much needed capital improvement projects.


Casino Tax Collections

In 2009, Ohio voters approved the operation of four Ohio casino facilities located in Cincinnati, Cleveland, Toledo and Columbus. Along with this approval, the State of Ohio levied a thirty-three percent tax on all gross casino revenue received by the casino operators of these four facilities. Such taxes are administered and collected by the State of Ohio and are distributed quarterly as follows: 51.0 percent to all counties based upon respective populations with 50.0 percent of such distribution going to a county's most populated city (the city must exceed population by 80,000); 34.0 percent to all public school districts in support of primary and secondary education; 5.0 percent to host cities (i.e., Cleveland, Toledo, Cincinnati and Columbus); 3.0 percent to the Ohio state racing commission; 2.0 percent to the Ohio law enforcement training fund; 2.0 percent to casino gambling and addictions fund and 3.0 percent to the casino control commission fund.

As part of the Nationwide Arena transaction, the City of Columbus and Franklin County through a lease/sublease agreement with the CFA, agreed to provide a certain percentage of casino tax revenue as received from the State of Ohio to the CFA for support of the arena. Beginning in 2013 and continuing through 2015, such payment was equal to 25.0 percent of casino tax revenue received by the county and the city. In 2016, this payment increased by one percent and continued to increase by one percent annually until 2022 when the payment reached 32.0 percent of City/County casino tax collection revenues. The lease/sublease payment will remain at 32.0 percent moving forward. Casino tax revenue is distributed from the City and County to the CFA on a quarterly basis. Revenue received during a quarter is based upon casino activity of the prior three months. For example, casino taxes received by the CFA during the first quarter of the year are based upon actual gaming activity during October, November and December of the prior year.

Since inception, growth in casino tax revenue as received by the CFA has been minor when excluding the planned one percent annual increase in casino tax distribution from the City and County that began in 2016. In fact, growth in revenue from 2013 when the tax was implemented through 2015 was virtually non-existent. Beginning In 2016 and continuing through 2019, tax revenues received by the CFA did begin to improve due to the annual one percent increase in the casino tax payment from the City and the County and increased casino activity within the market. In 2020 collections declined as casinos were shut down during the second quarter of the year due to COVID-19 restrictions. Interestingly, when casinos did open after initial shut down, revenues jumped back up to pre-pandemic levels despite continued health limitations on operations. This rebound in casino activity continued through 2022. In 2023, while revenue growth is expected to continue, the rate of growth is projected to be moderate as the percent distribution of taxes from the City and County has now plateaued at 32.0 percent. Casino tax revenue for 2023 is projected to be approximately $7.7 million. Table 4-1 provides a summary of casino tax revenue distributions to the CFA over the past five year period.

Table 4-1

Casino Tax Revenue

	Actual Distribution to CFA					Estimate
	2018	2019	2020	2021	2022	2023
City (county fund)	2,151,400	2,305,306	1,878,605	2,773,705	3,035,545	3,126,611
City (host city fund)	1,033,395	1,093,534	844,276	1,275,377	1,374,454	1,415,688
Total City	3,184,795	3,398,840	2,722,881	4,049,082	4,409,999	4,542,299
County (county fund)	2,151,400	2,305,306	1,878,605	2,773,705	3,035,545	3,126,611
Total	$ 5,336,195	$ 5,704,145	$ 4,601,486	$ 6,822,786	$ 7,445,543	**$ 7,668,910**
Change over Prior Year		6.90%	-19.33%	48.27%	9.13%	3.00%

The following table (Table 4-2) provides the 2023 budget for the arena lease payments fund. Revenues into the fund equal casino tax payments from both the City and County. **All 2023 expenses for which the CFA is responsible with respect to Nationwide Arena, except for real estate taxes and some State of Ohio loan requirements, are funded solely from, and only to the extent of, the CFA's receipt of casino tax revenue from the City and County.** Since County casino tax money cannot be used to fund operating expenses, monies from the CFA operating fund will be transferred into the lease payments fund during 2023 to help cover operating obligations for the arena. In reimbursement, casino tax revenue received from the County will be transferred to the CFA's capital improvements fund in an amount equal to the transfer made from the operating fund.

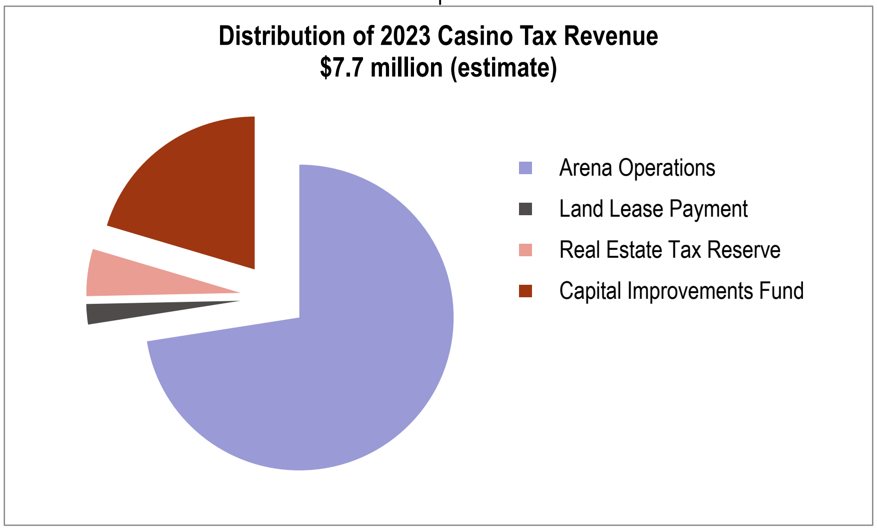
Table 4-2

Arena Lease Payments Fund

	2021 Actual	2022 Projected	2023 Budget
Sources of Funds			
Casino Tax Revenue: City	$ 4,049,082	$ 4,409,999	$ 4,542,299
Casino Tax Revenue: County	2,773,705	3,035,545	3,126,611
Transfer In: FCCFA Operating Fund	2,773,705	3,035,545	3,126,611
Total Sources of Funds	9,596,492	10,481,089	10,795,521
Uses of Funds:			
Arena Operations	5,190,955	5,372,638	5,560,681
Land Lease Payment	165,000	165,000	165,000
Real Estate Tax Reserve	356,306	368,777	381,684
Arena Capital Improvements	1,110,526	1,539,129	1,561,545
Transfer Out: FCCFA Cap Ex. Fund	2,773,705	3,035,545	3,126,611
Transfer Out: Debt Service	-	-	-
Total Use of Funds	9,596,492	10,481,089	10,795,521
Year End Fund Balance:	**$ -**	**$ -**	**$ -**

Revenues into the arena lease payment fund must first be used to pay for arena operations. Funding for this line item was pre-determined as part of the arena transaction process. In 2023, the funding commitment for arena operations is $5,560,681. Funding for operations will be forwarded to CAM and disbursed per CAM approved operating budget. In addition to operating expenses, funds will also be used to make a land lease payment (per terms of the original arena lease agreement between the CFA and Nationwide) and will also be reserved for the real estate property tax obligations (as defined in the transaction document). Remaining funds after all operating, land lease and real property tax commitments have been met, will be deposited into a capital improvements fund for support of capital improvement projects as determined by CAM. 2023 casino tax revenue projections suggest that deposit into the capital improvements fund could equal $1.6 million (see Graph 4-3).

Graph 4-3



Debt Service – Nationwide Arena

In March of 2012, the CFA received a loan from the State of Ohio, Department of Development to finance a portion of the purchase of Nationwide Arena. The loan equaled $10.0 million; $5.0 million forgiven over a ten year period if certain economic development incentive targets are met. The original loan was for a ten year period with interest rate of 1.0 percent. The obligation to pay interest and principal on the State of Ohio loan is contingent on casino tax revenues exceeding annual operating, land lease and capital improvement funding requirements. There is no obligation on the part of the CFA to cover outstanding interest and principal on the original State of Ohio loan if casino tax revenues prove to be inadequate. Per terms of the loan, the State of Ohio has forgiven $5.0 million of total principal due based upon the CFA's achievement of economic development incentive targets as established in 2012.

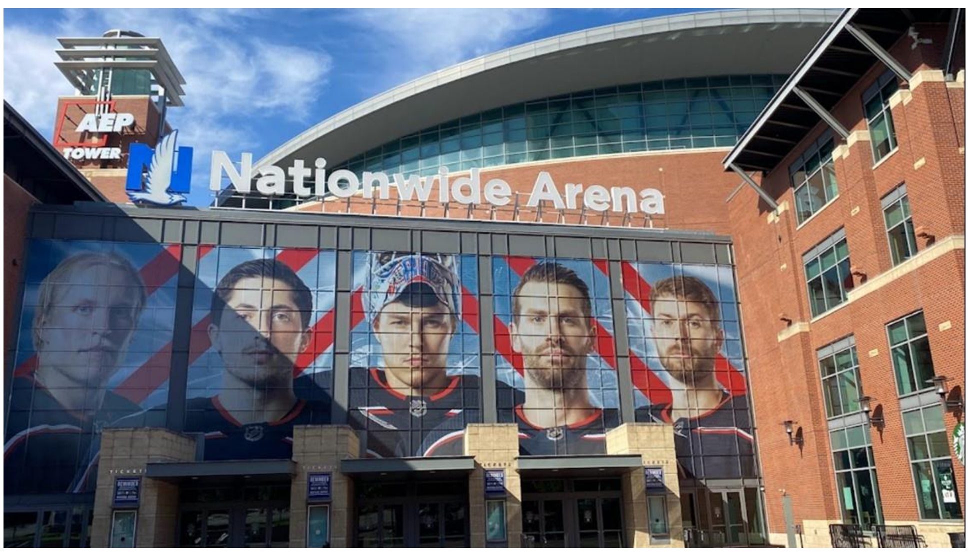
In 2018, the CFA and State of Ohio amended the loan agreement to change payment terms. Under the new amendment, the CFA has granted the State of Ohio advertising rights within the convention center and the new Ohio Center Garage. In addition, the CFA agreed to pay the State of Ohio $1.0 million; $200,000 a year beginning in 2017 and extending through 2021. This payment (paid in full), coupled with the value of advertising rights, has and will be used to off-set outstanding principal due on the loan. In return, the State of Ohio agreed to forgive all interest due on the loan and agreed to terminate the loan ten years after the installation of a new exterior sign on the Ohio Center Garage (to be installed in 2023) or when the loan is paid in full; whichever happens first.

The estimated balance due on the State of Ohio loan as of December 31, 2022 is $3.7 million.

In addition to the State of Ohio loan, the CFA issued $44.2 million in second lien arena lease revenue bonds to finance the remaining portion needed for the purchase of Nationwide Arena and to finance other related capital and operating activity. The original arena lease revenue bonds were purchased by Nationwide Arena LLC. As with the State of Ohio loan, the obligation to pay interest and principal on the arena lease revenue bonds only became relevant if casino tax revenues exceeded annual operating, land lease, real property tax and capital improvement funding requirements. Because casino tax collections have not exceeded these expenses since inception, the CFA has not made any payment on the Nationwide loan. Since the CFA has not made any payment on the loan and because casino tax revenue projection suggested that it was very unlikely that the CFA would be in a position to make payments on the loan in the future; the CFA and Nationwide Arena LLC agreed to restructure the original loan. Such restructuring was completed in January 2020. Through the restructuring, the original bonds and interest accrued to date were paid off through the issue of $51,500,000 in non-interest bearing bonds purchased by Nationwide. The 2020 bonds are payable in one lump sum payment due on December 15, 2029. Any amount not paid in 2029 will accrue with an interest rate of 4.0 percent thereafter. The CFA pledged monies held in the hotel residual fund as the source of payment for these bonds. To date, the hotel residual fund has a balance of approximately $1.9 million.

Admissions Tax

Effective July 1, 2019, the City of Columbus imposed a 5.0 percent tax on ticketed admission to any venue in the city. Revenue generated from this admissions tax supports the arts community. Regarding Nationwide Arena, revenue generated from admission tax on arena events is split with 80.0 percent of the revenue going back to the arena for capital improvements and 20.0 percent of the revenue going to the arts community. The City of Columbus is responsible for the collection of the tax revenue and distributes collections to the CFA whereby such revenue is deposited into the arena's capital improvements fund. The CFA forwards this revenue to the arena for capital improvement projects as requested by CAM. While implementation of the admissions tax began in 2019, the City of Columbus did not begin distribution of the tax proceeds until 2020. Just as the program started, distributions to the arena stopped as ticketed events were canceled due to COVID-19 and the related health restrictions of public/social gatherings. During 2021, ticketed events within the arena were limited at year start but increased in number during the 3rd and 4th quarters of the year with the start of the 2021- 2022 NHL hockey season. This year, arena activity is back to levels experienced prior to the pandemic. As a result, admission tax revenue deposits into the capex fund are now tracking at levels originally projected when the tax was implemented. In 2023, approximately $2.2 million in admission tax revenue will be deposited into the capex fund for arena capital improvement projects.



Capital Improvements – Nationwide Arena

The capital improvements program for Nationwide Arena is prepared and established by Columbus Arena Management LLC (CAM) per terms of the arena management agreement and CAM operating agreement. Funding for the capital improvements program comes from casino tax and admission tax revenues. Because casino tax revenues historically have been low, very little funding from tax revenue has been available for improvements. As a result, CAM has used operating reserves to pay for much needed improvements. While the capital improvements program for the arena is designed to stay within available funds received from casino tax revenues and operating reserves: if CAM should choose to support projects that exceed available resources, funding parties of CAM would be required to provide monies to cover the difference. Contributions for capital improvements are capped at $250,000 a year per funding party. Current funding parties or funding managers of CAM include the Columbus Blue Jackets, Nationwide Realty Investors and OSU. While the CFA is a manager of CAM, the CFA is not a current funding party or funding manager of CAM.

In 2021 the CFA was awarded a Shuttered Venue Operators Grant (SVOG) for the arena. The grant, totaling $10.0 million, was used to reimburse the arena for ticket revenue lost during 2020 due to COVID-19 and the corresponding shutdown of the arena due to health regulations. Funds were also be used to reimburse the CFA for 2020 and 2021 depreciation costs, insurance and utility expenses and State of Ohio loan payment. In turn, the CFA forwarded proceeds from these reimbursements to the arena in 2022 to further support the arena's capital improvements program.

Table 4-4

Arena Capital Improvements Fund	2021 Actual	2022 Projected	2023 Budget
Sources of Funds			
Transfer In: Arena Lease Payment Fund	$ 1,110,526	$ 1,539,128	$ 1,561,545
Transfer In: CFA Payment (SVOG)	-	3,361,032	-
Admission Fee	786,673	2,125,000	2,188,750
Interest Earnings	794	56,000	169,427
Total Sources of Funds	1,897,993	7,081,160	3,919,722
Uses of Funds:			
Payment to CAM: Arena CapEx	153,953	2,656,779	6,335,291
Total Use of Funds	153,953	2,656,779	6,335,291
Current Year Balance	1,744,040	4,424,381	(2,415,569)
Add; prior year balance	608,647	2,352,687	6,777,068
Year End Fund Balance:	**$ 2,352,687**	**$ 6,777,068**	**$ 4,361,499**

With the increase in resources available for capital improvements, the arena will have resources in 2023 to implement several projects that will update and improve the facility. Table 4-5 provides a list of planned projects. All projects have been approved by the CAM Board.

Table 4-5

2023 Capital Improvement Projects	
Club level renovation	$ 2,500,000
Event projection equipment	1,172,943
Ice plant and cooling tower renovation - phase 1	1,000,000
Exterior door replacement	817,848
Domestic water boiler replacement	425,000
Air handler replacement	225,000
Digital displays for entrances	194,500
Total: 2023 Capital Projects	**$ 6,335,291**

Real Estate Tax Reserve Fund

Beginning in 2016, casino tax revenues remaining after funding arena operations and the land lease obligation are deposited into a real estate tax reserve fund that is used to help pay for arena property taxes. Annual deposits into the fund are set per the 2012 transaction documents.

Prior to the CFA's acquisition of Nationwide Arena, the arena received a fifteen year property tax abatement per terms of a Community Reinvestment Agreement established at the time the arena was constructed. This abatement expired December 31, 2015. With the expiration, the CFA as owner of the arena became responsible for property taxes; however, because the arena was the only publicly owned arena in the State of Ohio that was not already tax-exempt, the Ohio General Assembly granted property tax exemption for Nationwide Arena in 2016. As part of the exemption process and in an effort to be fair to the Columbus City Schools, the CFA entered into a payment in lieu of tax agreement with the schools whereby the CFA agreed to pay $586,000 to the schools per year as long as the arena remained tax exempt. Funds within the real estate tax reserve fund (to the extent they are available) are transferred to the CFA's operating fund to help pay for this tax obligation. In years where no funds are available, the CFA is obligated to pay the property tax obligation with CFA equity reserves.

Table 4-6

Real Estate Tax Reserve Fund

	2021 Actual	2022 Projected	2023 Budget
Sources of Funds			
Transfer In: Arena Lease Payment Fund	$ 356,306	$ 368,777	$ 381,684
Total Sources of Funds	356,306	368,777	381,684
Uses of Funds:			
Transfer to: Operating Fund	-	356,306	368,777
Total Use of Funds	-	356,306	368,777
Current Year Balance	356,306	12,471	12,907
Add; prior year balance	-	356,306	368,777
Year End Fund Balance:	**$ 356,306**	**$ 368,777**	**$ 381,684**

FCCFA 2023

Section 5:
CFA OFFICE

CFA Office

Established by the Franklin County Commissioners in July 1988 pursuant to Chapter 351 of the Ohio Revised Code, the CFA is a public authority governed by an eleven-member board whose main responsibility is to construct, manage and operate a convention center and related facilities for the Columbus community. The eleven member board consists of six members appointed by the Board of County Commissioners, three members appointed by the Mayor of Columbus (subject to the approval of a majority of City Council), and two members appointed by agreement of the mayors of the remaining municipal corporations in the county. As owner/developer of the Greater Columbus Convention Center, the Hilton Columbus Downtown, Nationwide Arena and several parking facilities; the CFA is responsible for the improvement, management and successful operation of all owned facilities. In addition, the CFA is responsible for ensuring the continued success and growth of the convention business within the Greater Columbus community.

To assist with the implementation of its mission, the CFA Board operates and staffs an office that serves as the conduit through which the Board directs, manages and implements activities and functions associated with the management, development and improvement of owned facilities. The office is financially supported through equity funds of the CFA. Equity monies of the CFA reside in two funds; the CFA operating fund and CFA capital improvements fund. Through the use of such monies, the CFA sets priorities and financially supports projects and initiatives deemed critical to the mission of the Board.

CFA Operating Fund

The CFA operating fund is the primary equity fund of the Authority. The major revenue source into the operating fund is revenue received from hotel tax collections. Deposit of this revenue is made into the operating fund on a monthly basis only after all convention center debt service obligations are met. In 2023, hotel tax revenues deposited into the fund are projected to be $20.4 million.

In addition to hotel tax revenue, the CFA receives reimbursement from Nationwide Arena operations and Hilton Columbus Downtown Hotel operations for the payment of property insurance. As owner, the CFA is responsible for purchasing property insurance for both facilities. Such reimbursement is deposited into the operating fund.

Historically, the CFA has received net operating income from convention center operations. This payment or transfer is made only when income from center activity exceeds all convention center funding obligations. Prior to the pandemic, transfers from convention center operations had exceeded $1.0 million. Unfortunately, this pattern of positive cash flow was disrupted in 2020. For the first time in its history, the convention center required subsidy support due to loss in revenue from event cancellations and center non-performance due to health restrictions related to COVID-19. In 2020 and 2021, the CFA transferred $2.0 million and $1.0 million respectively to the center to help with cash flow. In 2022 such support will no longer be needed as the convention center is once again profitable due to the return of events and public gatherings. The convention center is not expected to need subsidy support in 2023 as well.

Uses of funds within the operating fund include costs associated with operating the CFA office. Such costs include personnel expenses; insurances; legal, public relations, audit, asset management, credit ratings, trustee and accounting services; and basic office support services. In 2023 such costs are expected to increase due to added property insurance from inclusion of the new Hilton Columbus Downtown tower, added legal services and professional services due to costs associated with naming rights, grant writing and hotel expansion project contract closeout and the inclusion of a new staff position within the finance office. Table 5-1 (following page) provides information on the CFA's office budget.

Table 5-1

Franklin County Convention Facilities Authority
2022 - 2023 Operating Budget

	2022 Projected	2023 Budget	2022-2023 Variance	% Change
FCCFA Office Expenses:				
Personnel	1,270,286	1,485,184	214,898	16.92
Materials and Supplies	25,000	25,000	-	0.00
Legal Services	116,526	250,000	133,474	114.54
Financial Services (accounting, audit, trustee,advisory)	216,382	244,000	27,618	12.76
Professional Services	468,000	615,000	147,000	31.41
Experience Columbus (PCMA)	650,000	-	(650,000)	(100.00)
General Services	129,645	160,000	30,355	23.41
Total FCCFA Office Expenses	**2,875,839**	**2,779,184**	**(96,655)**	**(3.36)**
Other Operating Expenses (Support of Facilities):				
Insurance	869,106	1,062,561	193,455	22.26
Property Tax - SID Payments	225,857	225,857	-	-
Arena: Property Tax in Lieu of Payment	586,000	586,000	-	-
Maintenance & Repair	53,437	100,000	46,563	87.14
Total Support of Facilities	1,734,400	1,974,418	240,018	13.84
Total Operating Expenses	**$4,610,239**	**$4,753,602**	**$143,363**	**3.11**

Prior to the CFA's acquisition of Nationwide Arena, the arena received a fifteen year property tax abatement per terms of a Community Reinvestment Agreement established at the time the arena was constructed. This abatement expired December 31, 2015. With the expiration, the CFA, as the current owner of the arena, assumed responsibility for the facility's property taxes. Because the arena was the only publicly owned arena in the State of Ohio that paid property tax, the Ohio General Assembly granted property tax exemption for Nationwide Arena in 2016. As part of the exemption process and to be fair to the Columbus City Schools, the CFA entered into a payment in lieu of tax agreement with the schools whereby the CFA agreed to pay $586,000 to the schools per year as long as the arena remained tax exempt. In turn, the schools agreed to support the arena's tax exemption. The CFA is required to meet the arena's property tax obligation regardless of the availability of casino tax revenues. As a result, the property tax in lieu of payment to the schools is now part of the CFA's annual budget. Available monies from casino tax revenues up to the amount provided for in the arena transaction documents, are transferred from the real estate tax reserve fund to the operating fund as partial reimbursement for this payment.

In 2018, the CFA and State of Ohio reached an agreement that amended payment terms for the State of Ohio loan associated with CFA's purchase of Nationwide Arena. Under the new amendment, the CFA provided the State of Ohio advertising rights within the convention center and the new Ohio Center Garage. The CFA also agreed to pay the State of Ohio $1.0 million; $200,000 a year beginning in 2017 (with actual payment in 2018) and extending through 2021. Such payment was made from CFA equity reserves and was included within the CFA operating budget.

In addition to funding the CFA operating budget, monies in the operating fund will be transferred in 2023 to several funds in support of CFA Board initiatives. The first transfer will occur between the operating fund and the hotel bond payment fund to pay for debt service associated with the development of the Hilton Columbus Downtown Hotel. As part of the financing program for the hotel, the CFA agreed to use the CFA's allocation of lodging taxes from the Hilton as a resource to help pay for annual debt service associated with the hotel. These funds are transferred monthly to the hotel's bond payment fund per requirements of the indenture.

The second transfer will occur between the operating fund and the arena lease payment fund to help cover expenses associated with the operations of the arena. These funds will be reimbursed back to the CFA with a transfer from the arena lease payment fund to the capital improvements fund. Because casino tax revenue from the County cannot be used to pay for operating costs of the arena; the CFA must use its resources to pay for this obligation. In turn, the County's casino tax revenue is used to help support the CFA's capital improvement program; thus off-setting this contribution.

Finally, the last transfer will occur between the operating fund and the capital improvements fund. Most of the funds included in the transfer will be used to support the CFA's equity contribution towards completion of the Hilton Columbus Downtown new tower development project and to support capital improvement projects within the convention center.

Table 5-2

Operating Fund

	2021 Actual	2022 Projected	2023 Budget
Sources of Funds:			
Hotel taxes	$10,574,349	$ 18,160,543	$ 20,442,257
Arena state loan reimbursement (SVOG)	-	200,000	-
Transfer from arena real estate tax reserve	-	356,306	368,777
Reimbursement: property insurance	262,568	290,722	405,258
Interest earnings/misc.	4,947	192,513	192,513
Total Sources of Funds:	10,841,864	19,200,084	21,408,805
Uses of Funds:			
FCCFA office	1,873,743	3,155,133	3,105,041
Support of facilities - insurances	940,256	869,106	1,062,561
Arena in lieu of payment	586,000	586,000	586,000
Arena State of Ohio loan payment	400,000	-	-
Transfer to Hotel Bond Payment Fund	517,391	948,480	1,884,480
Transfer to Arena Lease Payment Fund	2,773,705	3,035,545	3,126,611
Transfer to 2019 Hotel Debt Service Reserve Fund	-	125,000	
Transfer to convention center for operations	1,000,000	-	-
Transfer to Capital Improvements Fund	-	12,000,000	16,500,000
Total Uses of Funds:	8,091,095	20,719,264	26,264,693
Current Year Balance	2,750,769	(1,519,180)	(4,855,888)
Add; prior year balance	7,377,110	10,127,879	8,608,699
Year End Fund Balance:	**$10,127,879**	**$ 8,608,699**	**$ 3,752,811**

CFA Capital Improvements Fund

The capital improvements program for the CFA includes all initiatives associated with the development and improvement of facilities owned and managed by the CFA. Such programs may include the improvement and renovation of current facilities as well as the development of new facilities that support convention business within the community. Currently, most on-going capital improvement projects for the convention center are financed through the CFA's capital improvements fund. Arena capital expenses are funded through the arena capital improvement fund as discussed in section four. Capital improvements for the hotel are funded through revenues set-aside from hotel operations (as referenced in section three). The capital improvements program for the hotel is managed through the hotel manager and is not included within the CFA's capital improvements fund.

Table 5-3 delineates the expenses and revenues associated with the capital improvements fund. As in prior years, the CFA will continue to invest in capital improvement and development projects that extend the useful life of facilities, improve efficiency within those facilities, and enhance revenue opportunity from the facilities.

Table 5-3

Capital Improvements Fund

	2021 Actual	2022 Projected	2023 Budget
Sources of Funds:			
Transfer in: Arena Lease Payment Fund	$ 2,773,705	$ 3,035,545	$ 3,126,611
Transfer in: Operating Fund	-	12,000,000	16,500,000
Hyatt lease revenue	125,000	2,200,000	500,000
Arena lease revenue	165,000	165,000	165,000
Reimbursement: lease of RR property	17,500	19,000	19,000
Reimbursement: permit/RR fees	-	46,217	200,000
Reimbursement: insurance claims	-	75,093	1,074,907
Recovery Act Funding	625,000	625,000	900,000
Release of escrow - hotel project	-	-	1,500,000
Drury Inn lease	103,292	153,000	175,000
Interest earnings/misc.	3,006	140,000	75,000
Total Sources of Funds:	3,812,503	18,458,855	24,235,518
Uses of Funds:			
Facility improvements: convention center + Starbucks	1,193,392	4,662,000	13,650,000
Facility improvements: convention center air filtration	-	125,000	1,725,000
Vehicle collision costs	-	78,652	421,348
High Street traffic signal	-	-	350,000
Garage debt service payment	263,250	-	-
Lease of RR property	35,000	38,000	38,000
Hotel expansion project: equity contribution	930,400	13,759,000	10,036,048
Hotel soft goods renovation	-	839,060	-
Transfer to Arena: Recovery Act Funding	-	300,000	-
Transfer out: Hotel Ground Lease Fund	1,000,000	-	-
Total Uses of Funds:	3,422,042	19,801,712	26,220,396
Current Year Balance	390,461	(1,342,857)	(1,984,878)
Add; prior year balance	3,704,799	4,095,260	2,752,403
Year End Fund Balance:	**$ 4,095,260**	**$ 2,752,403**	**$ 767,525**

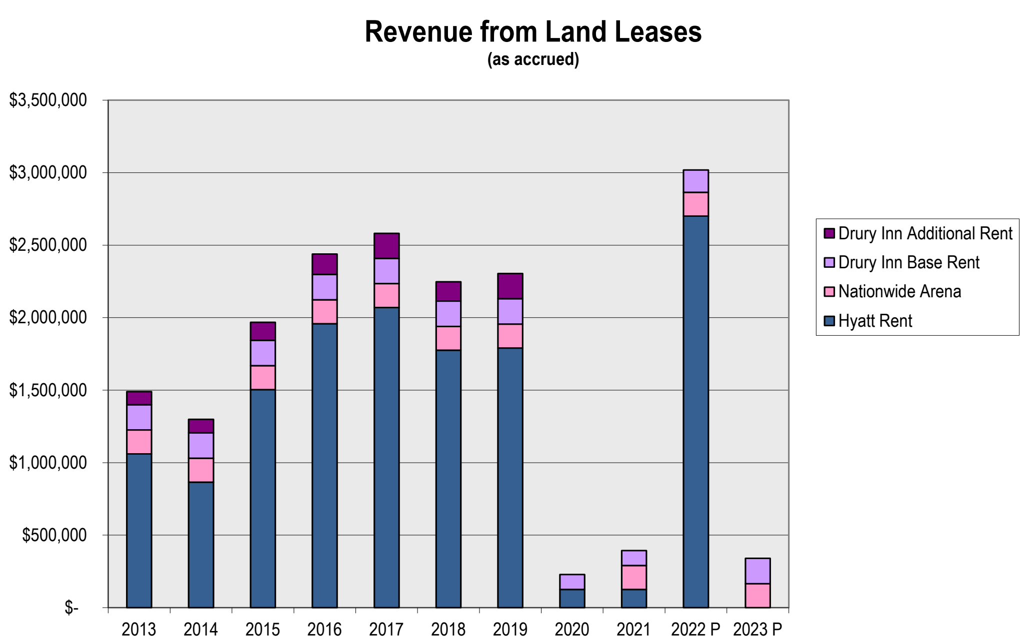
Revenue for the capital improvements fund is generated through interest earnings; property lease payments from the Hyatt Regency Hotel, Drury Inn, and Nationwide Arena; and, if necessary, an annual transfer of cash from the operating fund as will occur in 2022 and 2023. Projects requiring more substantial resources, such as the Hilton Columbus Downtown expansion project, are financed in the capital markets through the issuance of bonds.

In 1997 the former Greater Columbus Convention Center for Community Urban Redevelopment transferred the south portion of the facility, formerly known as the Ohio Center, to the CFA. That facility sits upon land that is owned by the City of Columbus and leased to the CFA. Certain property interests of the south facility are licensed to the Hyatt Regency Hotel. Such license includes the priority use of the second floor meeting rooms and the third floor ballroom. In 2021, the original Hyatt Regency Hotel license agreement was amended and restated to update license terms and to extend the license period. Under the new agreement, the Hyatt will make an annual lease payment of $2.19 million for space leased within the convention center. Such payment will increase by 1.75 percent a year thereafter. While the new payment structure was to begin in 2023; per terms of a short term early payment agreement between Hyatt and CFA, the Hyatt did forward the 2023 payment to the CFA in 2022. The Hyatt will resume contractual payments in 2024. The annual lease payment from the Hyatt is deposited into the capital improvements fund and is used for the maintenance and improvement of the convention center.

Currently, the CFA receives payments for two property leases that are in addition to the Hyatt lease. The first is associated with Nationwide Arena. Prior to the CFA owning the arena, Nationwide leased from the CFA property upon which the arena was constructed for an annual payment of $165,000. While the original lease between the CFA and Nationwide was dissolved when the arena was purchased by the CFA; the payment terms of the original lease remain. The second lease payment is associated with Drury Inns, Inc. for property just east of the convention center. Drury Inn lease payments consist of an annual base fee payment of $175,000 and a variable payment based upon hotel performance.

Chart 5-4 summarizes these lease payments and illustrates the change in lease revenue experienced by the CFA during the past several years. Because historically these payments have been based upon hotel performance, lease revenue has been impacted by market conditions and, as a result, was sensitive to economic trends. This especially proved true in 2020 and 2021 as land lease revenue experienced a drastic decline due to the pandemic's impact on the travel industry. With the revision to the Hyatt agreement in 2021; annual lease payments from the Hyatt will not be impacted by market conditions in the future as payments are now guaranteed. The Hyatt lease payment for 2022 is unusually high as the amount reflects both the 2022 and 2023 payments.

Chart 5-4



As part of the financing plan for the Hilton Columbus Downtown expansion project, the CFA was required to set aside $1.5 million in an equity reserve for the project. This reserve was held by the trustee and was to be used only if the project needed additional funds due to a delay in schedule. Because the reserve was held by the trustee through project completion, monies in reserve will be returned to the CFA in 2023. In addition to the equity reserve, the CFA capital improvements budget includes additional funds in 2023 for support of the project. Such funds will be used to close out the project. These monies, when added to what has already been spent on the project from equity reserves will increase the CFA's contribution towards the hotel development project to $25.3 million.

In 2012, the CFA entered a 40-year lease agreement with Norfolk Southern Railroad Company for property just south of the Hilton Columbus Downtown Hotel. The CFA also entered a cost sharing arrangement with Nationwide Realty Investors for this same property. Nationwide agreed to pay the costs of developing the property into a plaza/park, to maintain the property and to pay half of the lease cost. This payment from Nationwide is included as revenue to the capital improvements fund.

In 2021 and 2022, the CFA was the beneficiary of American Rescue Plan grant funds from the City and County equaling $2.2 million. These funds were used to purchase additional health safety equipment for the arena ($300,000) and will be used to upgrade indoor air quality within the convention center ($1.9 million). Engineering work on the upgrade of air quality in center was completed during 2022. Actual system improvements will be accomplished in 2023.

FCCFA 2023

Section 6: LONG-TERM FORECAST

Long-Term Forecast

The following long-term financial forecast has been developed to effectively analyze and project the on-going financial strength of the CFA. The forecast incorporates projections for all categories of funding with all anticipated expenses (to include operations, planned capital improvement projects, and debt service) into a forecast of CFA's on-going financial position. Designed as a tool to help with financial planning, the forecast does identify potential flow of funds and the impact of given revenue and expenditure assumptions on equity reserves.

As in all financial forecasts, the first twelve to eighteen months of projections have the highest probability of accuracy. Outer years typically have reduced accuracy but should reflect trends and planned financial and operational activities. The following pro forma remains conservative.

The 2021 to 2027 Long-term Forecast is presented in several sections:

Summary Information provides a quick look at the long-range forecast for all financial activity of the CFA including all revenue funds, debt service funds, debt reserve funds, capital improvements funds and operating funds.

Section One provides a detailed long-term forecast of all financial activity associated with the convention center to include a projection of hotel tax revenues, debt service activity and convention center operations.

Section Two projects the financial status of funds associated with the Hilton Columbus Downtown. Included are all debt service funds as required by the 2010 and the 2019 bond issues.

Section Three provides information on the financial status of funds associated with Nationwide Arena. Included is a projection of casino tax revenues and an estimate of resource distribution.

OVERVIEW LONG-TERM FORECAST

as of November 2022

Summary Information - Debt Obligations & Related Information

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Greater Columbus Convention Center Debt Obligations							
Hotel/Motel Taxes: (cash basis)	$16,904,355	$24,693,712	$26,826,394	$27,490,200	$28,792,879	$30,232,523	$31,744,149
Increase over Prior Year		46.08%	8.64%	2.47%	4.74%	5.00%	5.00%
Interest Earnings (Debt Service, Debt Reserve & Rental Reserve):	427,396	390,470	774,012	1,155,019	1,345,522	1,345,522	1,345,522
Debt Service Obligation:	7,937,287	6,957,650	6,957,650	9,507,650	20,678,198	21,276,662	21,394,949
Debt Service Coverage Ratio: with earnings	2.18	3.61	3.97	3.01	1.46	1.48	1.55
Parking Facilities Debt Obligation							
Parking Revenue in Sinking Fund	3,891,041	3,746,818	5,368,401	7,812,968	10,974,541	14,219,220	14,906,772
Debt Service Obligation	1,805,680	1,877,382	1,906,182	1,957,182	1,968,582	4,591,082	7,899,090
Hilton Columbus Downtown Debt Obligations							
Hilton Distribution from Operations	3,087,893	7,185,610	18,926,000	21,819,000	24,743,000	26,904,000	27,711,120
Increase over Prior Year		132.70%	163.39%	15.29%	13.40%	8.73%	3.00%
Hilton Hotel Taxes	1,055,178	1,976,000	3,926,000	4,318,000	4,728,000	5,065,000	5,216,950
Debt Service Obligation (less BABS)	9,369,026	9,669,723	21,780,645	21,870,416	24,746,091	25,001,895	25,225,138
(2019 debt service paid for with capitalized interest thru 2022)							
Debt Service Coverage Ratio: with Hilton hotel taxes	0.44	0.95	1.05	1.20	1.19	1.28	1.31
Nationwide Arena Debt Obligations							
Casino Tax Revenue	6,822,787	7,445,543	7,668,910	7,898,977	8,135,946	8,380,025	8,631,425
		9.13%	3.00%	3.00%	3.00%	3.00%	3.00%
Distribution to Operating Expenses	5,190,955	5,372,638	5,560,681	5,755,305	5,956,740	6,165,226	6,381,009
Distribution to CFA - Land Lease	165,000	165,000	165,000	165,000	165,000	165,000	165,000
Distribution to CFA - Real Estate Tax Rese	356,306	368,777	381,684	395,043	408,869	423,180	437,991
Distribution to CFA - Capital Improvements	1,110,526	1,539,128	1,561,545	1,583,629	1,605,337	1,626,618	1,647,425
Distribtuion: State of Ohio Loan	-	-	-	-	-	-	-
Total Distribution	6,822,787	7,445,543	7,668,910	7,898,977	8,135,946	8,380,025	8,631,425

Summary Information - Fund Balances @ Year End

	2021	2022	2023	2024	2025	2026	2027
Non-discretionary Funds - Greater Columbus Convention Center:							
Debt Service Fund	$ 616,315	$ 594,304	$ 806,804	$ 1,737,683	$ 1,787,555	$ 1,797,411	$ 1,797,411
Debt Service Reserve Fund	25,413,230	25,413,230	25,413,230	25,413,230	25,413,230	25,413,230	25,413,230
Rental Reserve Fund	12,742,176	12,742,176	12,742,176	12,742,176	12,742,176	12,742,176	12,742,176
Non-discretionary Funds - Parking Facilities:							
Sinking Fund - Parking Facilities	2,085,361	1,869,436	3,462,219	5,855,786	9,005,959	9,628,138	7,007,682
Non-discretionary Funds - Nationwide Arena:							
Real Estate Tax Reserve Fund	356,306	368,777	381,684	395,043	408,869	423,180	437,991
Capital Improvements Fund	2,352,687	6,777,068	4,361,499	4,066,330	8,138,300	12,435,774	16,967,913
Non-discretionary Funds - Hilton Columbus Downtown:							
2010 Bond Fund	775,356	785,242	1,296,070	2,140,097	2,140,097	2,623,539	6,046,420
2010 Debt Service Reserve Fund	6,440,305	6,440,305	6,440,305	6,440,305	6,440,305	6,440,305	6,440,305
2010 Rental Reserve Fund	1,253,348	1,270,348	1,308,458	2,347,712	5,502,697	9,203,224	9,479,321
2010 Ground Lease Fund	1,002,186	1,016,038	1,046,519	1,006,519	1,006,519	1,006,519	1,006,519
2019 Debt Service Reserve Fund	15,521,343	15,786,343	15,786,343	15,786,343	15,786,343	15,786,343	15,786,343
2019 Bond Fund	12,626,750	662,184	2,297,414	662,184	662,184	662,184	662,184
Consolidated Hotel Bond Fund	25,213,049	25,006,746	25,006,746	25,006,746	25,006,746	25,006,746	25,006,746
Hotel Residuals Fund	1,917,782	1,944,782	2,003,126	3,927,693	6,816,220	11,112,761	16,904,204
Hotel Construction Fund	95,308,788	4,566,268	-	-	-	-	-
Reserve Fund for Operations ***	1,931,473	1,936,569	1,936,569	2,400,000	2,400,000	2,400,000	2,400,000
Reserve Fund for FF&E ***	4,346,963	374,951	205,957	908,905	2,990,344	6,678,285	10,476,864
***(Funds held by Hotel Manager)							
Discretionary Funds							
Capital Improvements Fund	$ 4,095,260	$ 2,752,402	$ 767,524	$ 157,172	$ 149,553	$ 288,679	$ 82,867
Operating Fund	$ 10,127,879	$ 8,608,699	$ 3,752,811	$ 5,613,360	$ 3,853,808	$ 4,552,441	$ 5,386,941
Total:	**$ 14,223,139**	**$ 11,361,102**	**$ 4,520,335**	**$ 5,770,531**	**$ 4,003,361**	**$ 4,841,121**	**$ 5,469,807**

FCCFA Operating Fund

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Sources of Funds:							
Transfer in: Revenue Fund	$ 10,574,349	$ 18,160,543	$ 20,442,257	$ 18,218,690	$ 9,422,331	$ 10,303,526	$ 11,706,722
Arena state loan reimbursement (SVOG)	-	200,000	-	-	-	-	-
Reimbursements from arena/hotel - insurance	262,568	290,722	405,258	425,521	496,797	571,637	600,219
Transfer in: Convention center operations	-	-	-	-	-	1,000,000	1,500,000
Transfer in: Arena Real Estate Reserve Fund	-	356,306	368,777	381,684	395,043	408,869	423,180
Interest earnings + misc.	4,947	192,513	192,513	162,584	218,401	165,614	186,573
Total Sources of Funds:	**10,841,864**	**19,200,084**	**21,408,805**	**19,188,479**	**10,532,572**	**12,449,646**	**14,416,694**
Uses of Funds:							
1. CFA Expenses							
Insurances	940,256	869,106	1,062,561	1,115,689	1,201,474	1,311,547	1,377,125
Arena - in lieu of payment for property tax	586,000	586,000	586,000	586,000	586,000	586,000	586,000
Arena - State loan settlement	400,000	-	-	-	-	-	-
Experience Columbus - PCMA support	-	650,000	-	-	-	-	-
CFA Office	1,873,743	2,505,133	3,105,041	2,833,192	2,918,188	3,005,734	3,095,906
Total FCCFA Expenses	3,799,999	4,610,239	4,753,602	4,534,881	4,705,661	4,903,281	5,059,030
2. Transfer to Capital Improvements Fund	-	12,000,000	16,500,000	7,500,000	2,000,000	1,000,000	2,500,000
3. Transfer to Hotel Bond Payment Fund	517,391	948,480	1,884,480	2,072,640	2,269,440	2,431,200	2,504,136
4. Transfer to 2019 Hotel Debt Service Reserve Fund	-	125,000	-	-	-	-	-
4. Transfer to Arena Lease Payment Fund	2,773,705	3,035,545	3,126,611	3,220,409	3,317,022	3,416,532	3,519,028
5. Transfer to convention center for operations	1,000,000	-	-	-	-	-	-
Total Uses of Funds:	**8,091,095**	**20,719,264**	**26,264,693**	**17,327,931**	**12,292,123**	**11,751,013**	**13,582,194**
Current Year Balance:	**2,750,769**	**(1,519,180)**	**(4,855,888)**	**1,860,548**	**(1,759,552)**	**698,633**	**834,499**
Add: prior year balance	7,377,110	10,127,879	8,608,699	3,752,811	5,613,360	3,853,808	4,552,441
Total Fund Balance @ Year-end:	**$ 10,127,879**	**$ 8,608,699**	**$ 3,752,811**	**$ 5,613,360**	**$ 3,853,808**	**$ 4,552,441**	**$ 5,386,941**

Capital Improvements Fund

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Sources of Funds:							
Transfer in: Operating Fund	$ -	$ 12,000,000	$ 16,500,000	$ 7,500,000	$ 2,000,000	$ 1,000,000	$ 2,500,000
Transfer in: Arena Lease Payment Fund	2,773,705	3,035,545	3,126,611	3,220,409	3,317,022	3,416,532	3,519,028
Cares Act Funding	-	-	-	-	-	-	-
Recovery Act Funding (from city/county)	625,000	625,000	900,000	-	-	-	-
Hyatt lease revenue	125,000	2,200,000	500,000	2,223,238	2,262,145	2,301,732	2,342,013
Arena lease revenue	165,000	165,000	165,000	165,000	165,000	165,000	165,000
Reimbursement : Lease of RR property	17,500	19,000	19,000	19,000	19,000	19,000	19,000
Reimbursement: Insurance Claims		75,093	1,074,907	-	-	-	-
Reimbursement: Project permit/RR fees		46,217	200,000	-	-	-	-
Release of escrow - Hotel Project	-	-	1,500,000	-	-	-	-
Drury Inns lease	103,292	153,000	175,000	250,000	262,500	270,375	278,486
Interest earnings/misc.	3,006	140,000	75,000	50,000	4,715	4,487	8,660
Total Sources of Funds	3,812,503	18,458,855	24,235,518	13,427,647	8,030,381	7,177,126	8,832,187
Uses of Funds:							
Facility improvements - convention center	1,193,392	4,662,000	13,500,000	14,000,000	8,000,000	7,000,000	9,000,000
High Street traffic signal	-	-	350,000	-	-	-	-
Starbucks renovation			150,000				
Vehicle collision costs	-	78,652	421,348	-	-	-	-
Convention center air quality improvement (Recovery	-	125,000	1,725,000	-	-	-	-
Payment to arena: (Recovery Act)	-	300,000	-	-	-	-	-
Garage debt service payments	263,250	-	-	-	-	-	-
Lease of RR property	35,000	38,000	38,000	38,000	38,000	38,000	38,000
Hotel 2.0 - Equity contribution	930,400	13,759,000	10,036,048	-	-	-	-
Transfer: Ground Lease Fund (hotel)	1,000,000	-	-	-	-	-	-
Transfer: Hotel soft goods renovation	-	839,060	-	-	-	-	-
Total Use of Funds	3,422,042	19,801,712	26,220,396	14,038,000	8,038,000	7,038,000	9,038,000
Current Year Balance:	**390,461**	**(1,342,857)**	**(1,984,878)**	**(610,353)**	**(7,619)**	**139,126**	**(205,813)**
Add: prior year fund balance	3,704,799	4,095,260	2,752,402	767,524	157,172	149,553	288,679
Accumulated Fund Balance @ Year End:	**$ 4,095,260**	**$ 2,752,402**	**$ 767,524**	**$ 157,172**	**$ 149,553**	**$ 288,679**	**$ 82,867**

SECTION ONE

CONVENTION CENTER LONG-TERM FORECAST

as of November 2022

Convention Center - Summary Information

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Hotel/Motel Taxes: (cash basis)	$ 16,904,355	$ 24,693,712	$ 26,826,394	$ 27,490,200	$ 28,792,879	$ 30,232,523	$ 31,744,149
Increase over Prior Year		46.08%	8.64%	2.47%	4.74%	5.00%	5.00%
Interest Earnings (Debt Service, Debt Reserve & Rental Reserve):	582,810	390,470	774,012	1,155,019	1,345,522	1,345,522	1,345,522
Debt Service Obligation:	7,937,287	6,957,650	6,957,650	9,507,650	20,678,198	21,276,662	21,394,949
Debt Service Coverage Ratios:							
with earnings	2.20	3.61	3.97	3.01	1.46	1.48	1.55
without earnings	2.13	3.55	3.86	2.89	1.39	1.42	1.48

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Fund Balances @ Year End:							
Revenue Fund	154	154	154	154	154	154	154
Debt Service Fund	616,315	594,304	806,804	1,737,683	1,787,555	1,797,411	1,797,411
Debt Service Reserve Fund	25,413,230	25,413,230	25,413,230	25,413,230	25,413,230	25,413,230	25,413,230
Rental Reserve Fund	12,742,176	12,742,176	12,742,176	12,742,176	12,742,176	12,742,176	12,742,176
Sinking Fund - Garage Development	2,085,361	1,869,436	3,462,219	5,855,786	9,005,959	9,628,138	7,007,682
Convention Center Operations (NOI):	$86,412	$125,037	($368,845)	$48,061	$155,330	$1,012,116	$1,876,398

Notes:

1. Hotel tax revenue and interest revenues are conservatively estimated.
2. Projections for interest earnings are based upon yields achieved through current investments.
3. Convention center operations for 2022 are based upon the operator's (ASM Global) financial projections.

Revenue Fund

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Sources of Funds:							
Hotel/Motel Taxes (cash basis)	$ 16,904,355	$ 24,693,712	$ 26,826,394	$ 27,490,200	$ 28,792,879	$ 30,232,523	$ 31,744,149
Interest Earnings	715	12,000	12,000	12,000	12,000	12,000	12,000
Total Sources of Funds	16,905,070	24,705,712	26,838,394	27,502,200	28,804,879	30,244,523	31,756,149
Distribution of Funds:							
Debt Service	6,440,841	6,545,169	6,396,138	9,283,510	19,249,022	19,834,481	20,019,010
Rental Reserve	-	-	-	-	133,526	106,516	30,418
Operating Fund	10,574,349	18,160,543	20,442,257	18,218,690	9,422,331	10,303,526	11,706,722
Total Use of Funds	17,015,190	24,705,712	26,838,394	27,502,200	28,804,879	30,244,523	31,756,149
Current Year Balance:	(110,120)	-	-	-	-	-	-
Add: prior year balance	110,274	154	154	154	154	154	154
Total Fund Balance @ Year End:	**$ 154**	**$ 154**	**$ 154**	**$ 154**	**$ 154**	**$ 154**	**$ 154**

Notes:

1. Hotel tax revenue is collected and initially deposited into the revenue fund. Funds are disbursed on a monthly basis from the revenue fund to the debt service fund to meet debt service obligations. If debt service obligations are met and funds are available, revenue is deposited into the rental reserve fund to replace any funds transferred earlier in the year to the debt service fund to help meet debt service monthly obligations when tax revenue was not sufficient. If hotel tax revenue is still available after all debt service obligations are met, available funds are deposited into the operating fund.
2. To more accurately calculate the flow of funds, hotel tax collections are recorded on a cash basis.

Debt Service Fund

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Sources of Funds:							
Hotel Taxes	6,440,841	6,545,169	6,396,138	9,283,510	19,249,022	19,834,481	20,019,010
Interest Earnings/Revenue Fund Earnir	1,643	16,000	12,000	12,000	12,000	12,000	12,000
Transfers-Debt Reserve	449,609	250,000	508,008	762,012	889,014	889,014	889,014
Transfer-Rental Reserve	131,558	124,470	254,004	381,006	578,033	551,023	474,925
Total Sources of Funds:	7,023,651	6,935,639	7,170,150	10,438,529	20,728,070	21,286,518	21,394,949
Use of Funds:							
Debt Service - Series 2014	1,145,650	1,145,650	1,145,650	1,145,650	4,995,650	4,998,150	5,030,900
Debt Service - Series 2015	671,524	671,524	671,524	671,524	8,026,524	8,029,184	8,025,342
Debt Servoce - Series 2017	29,329	29,329	29,329	29,329	509,329	504,485	474,537
Debt Service - Series 2020	6,090,784	5,111,147	5,111,147	7,661,147	7,146,695	7,744,843	7,864,170
Total Use of Funds:	7,937,287	6,957,650	6,957,650	9,507,650	20,678,198	21,276,662	21,394,949
Current Year Balance:	$ (913,636)	$ (22,011)	$ 212,500	$ 930,879	$ 49,872	$ 9,856	$ -
Add: prior year balance	1,529,951	616,315	594,304	806,804	1,737,683	1,787,555	1,797,411
Total Fund Balance @ Year End:	**$ 616,315**	**$ 594,304**	**$ 806,804**	**$ 1,737,683**	**$ 1,787,555**	**$ 1,797,411**	**$ 1,797,411**
Required Balance:	579,804	579,804	792,304	1,723,183	1,773,055	1,782,912	1,782,912

Notes:

1. Interest earnings are based upon current investment rates achieved through purchase of agency securies through 2022.
2. Rental reserve funds are used to meet debt service obligations when hotel tax collections are not sufficient on a monthly basis to meet debt obligations.
3. Principal/interest payments reflect outstanding debt service for all series. Bonds were refinanced/restructured in 2020.
4. On a cash basis the fund will have sufficient resources at each year's end to cover debt service obligations for the subsequent month.

Debt Service Reserve Fund

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Sources of Funds:							
Interest Earnings/misc.	$ 298,425	$ 250,000	$ 508,008	$ 762,012	$ 889,014	$ 889,014	$ 889,014
Deposit: 2020 Bond Issue	-	-	-	-		-	-
Total Sources of Funds	298,425	250,000	508,008	762,012	889,014	889,014	889,014
Uses of Funds:							
Transfer to Debt Service - Earnings	449,609	250,000	508,008	762,012	889,014	889,014	889,014
Total Use of Funds	449,609	250,000	508,008	762,012	889,014	889,014	889,014
Current Year Balance:	$ (151,184)	$ -	$ -	$ -	$ -	$ -	$ -
Add: prior year balance	25,564,414	25,413,230	25,413,230	25,413,230	25,413,230	25,413,230	25,413,230
Total Fund Balance @ Year End:	**$ 25,413,230**	**$ 25,413,230**	**$ 25,413,230**	**$ 25,413,230**	**$ 25,413,230**	**$ 25,413,230**	**$ 25,413,230**
Required Balance:	$ 25,400,413	$ 25,400,413	$ 25,400,413	$ 25,400,413	$ 25,400,413	$ 25,400,413	$ 25,400,413

Notes:

1. Interest earnings are based upon current investment rates achieved through purchase of agency securies through 2022.
2. Year end balances are in line with bond indenture requirements.
3. Debt service reserve funds are fully invested.

Rental Reserve Fund

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Sources of Funds:							
Hotel Taxes	$ -	$ -	$ -	$ -	$ 133,526	$ 106,516	$ 30,418
Interest Earnings/misc.	127,328	124,470	254,004	381,006	444,507	444,507	444,507
Total Sources of Funds	127,328	124,470	254,004	381,006	578,033	551,023	474,925
Uses of Funds:							
Transfer to Debt Service/coverage	-	-	-	-	133,526	106,516	30,418
Transfer to Debt Service/interest	131,558	124,470	254,004	381,006	444,507	444,507	444,507
Total Use of Funds	131,558	124,470	254,004	381,006	578,033	551,023	474,925
Current Year Balance:	$ (4,230)	$ -	$ -	$ -	$ -	$ -	$ -
Add: prior year balance	12,746,406	12,742,176	12,742,176	12,742,176	12,742,176	12,742,176	12,742,176
Total Fund Balance @ Year End:	**$ 12,742,176**	**$ 12,742,176**	**$ 12,742,176**	**$ 12,742,176**	**$ 12,742,176**	**$12,742,176**	**$ 12,742,176**
Required Balance	$12,700,207	$12,700,207	$12,700,207	$12,700,207	$12,700,207	$12,700,207	$12,700,207
	12,742,176						
Notes:	0						

1. Interest earnings are based upon current investment rates achieved through purchase of agency securies through 2022.
2. Year end balances are in line with bond indenture requirements.
3. Rental reserve funds are fully invested.

Sinking (Debt Service) Fund - Parking Facility Development Projects

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Sources of Funds:							
Transfer In - Convention Ctr Operations	$ -	$ 1,611,457	$ 3,442,882	$ 4,246,882	$ 4,943,082	$ 4,943,082	$ 4,989,790
Remaining Funds - Ohio Center Garage Proj	723,541	-	-	-	-	-	-
Transfer In - CFA Equity	263,250	-	-	-	-	-	-
Interest Earnings/misc.	99,925	50,000	56,083	103,867	175,674	270,179	288,844
Total Sources of Funds:	1,086,716	1,661,457	3,498,965	4,350,749	5,118,756	5,213,261	5,278,634
Uses of Funds:							
Principal Payments - Vine Garage	-	-	-	-	-	2,622,500	-
Interest Expenses - Vine Garage	443,380	515,082	515,082	515,082	515,082	515,082	445,590
Principal Payments - Goodale Garage	-	-	-	-	-	-	-
Interest Expenses - Goodale Garage	520,500	520,500	520,500	571,500	571,500	571,500	571,500
Principal Payments - Ohio Center Garage	-	-	-	-	-	-	6,000,000
Interest Expenses - Ohio Center Garage	841,800	841,800	870,600	870,600	882,000	882,000	882,000
Total Use of Funds:	1,805,680	1,877,382	1,906,182	1,957,182	1,968,582	4,591,082	7,899,090
Current Year Balance:	$ (718,964)	$ (215,925)	$ 1,592,783	$ 2,393,567	$ 3,150,174	$ 622,179	$ (2,620,456)
Add: prior year balance	2,804,325	2,085,361	1,869,436	3,462,219	5,855,786	9,005,959	9,628,138
Total Fund Balance @ Year End:	**$ 2,085,361**	**$ 1,869,436**	**$ 3,462,219**	**$ 5,855,786**	**$ 9,005,959**	**$ 9,628,138**	**$ 7,007,682**

Notes:

The CFA issued parking garage improvement revenue bonds in December 2011 to finance the expansion of the Vine Street parking garage. This expansion added approximately 900 spaces to the current parking facility. The CFA also entered into an agreement with Nationwide for a license to use these spaces. Revenue received from this agreement is used as the main revenue source for payment of debt associated with this issue. The remaining funds needed to support debt service comes from parking revenue received through the operation of the garage. Interest payments on debt will be made every year with principal payments due every five years. However, actual annual deposits made into the sinking fund equal annual interest and principal payments.

The CFA again issued additional parking garage improvement revenue bonds during 2014, 2018 and 2019 to finance the construction of the Goodale Garage parking facili the new Ohio Center Garage. The bonds issued to support these project are similar in structure to the 2011 issue. Revenue received from parking garage operations is used to pay for debt service due on all parking garage obligations.

Convention Center Operations

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Operating Revenue							
Direct Event Income	$ 3,201,470	$ 2,367,984	$ 3,007,708	$ 3,239,027	$ 3,363,436	$ 3,492,939	$ 3,627,758
Food and Beverage	2,393,984	6,019,466	6,699,351	7,034,319	7,386,034	7,755,336	8,143,103
Parking (event + non-event)	4,223,811	7,399,104	9,053,190	10,016,049	10,516,851	11,042,694	11,594,828
Ancillary Income	944,059	2,043,142	2,376,677	2,495,510	2,620,287	2,751,301	2,888,866
Lease/rental Income	714,390	913,449	408,896	429,341	450,808	473,348	497,016
Other	217,427	396,353	446,500	468,825	492,266	516,880	542,723
Total Revenue:	11,695,141	19,139,498	21,992,322	23,683,071	24,829,682	26,032,498	27,294,294
% change year over year		63.65	14.91	7.69	4.84	4.84	4.85
Operating Expenses:							
Employee Wages/Benefits	4,128,883	5,473,828	7,424,252	7,646,980	7,876,389	8,112,681	8,356,061
Contracted Services	358,021	827,171	1,975	2,015	2,055	2,096	2,138
Utilities/Utility Recovery	2,112,256	3,062,596	3,087,109	3,148,851	3,211,828	3,276,065	3,341,586
Food Service Expenses	1,533,262	2,409,302	2,996,056	3,055,977	3,117,097	3,179,439	3,243,027
Operations/Maintenance/Supplies	1,537,381	2,950,451	2,277,623	2,323,176	2,369,640	2,417,031	2,465,373
General Admin/Fee	1,693,459	2,211,404	2,573,624	2,631,153	2,690,015	2,750,241	2,811,864
Insurance/Other	245,467	388,328	557,646	568,279	575,685	584,138	595,820
Total Expenses:	11,608,729	17,323,080	18,918,285	19,376,431	19,842,709	20,321,691	20,815,869
% change year over year		49.22	9.21	2.42	2.41	2.41	2.43
Net Income from Operations	**$ 86,412**	**$ 1,816,418**	**$ 3,074,037**	**$ 4,306,640**	**$ 4,986,973**	**$ 5,710,807**	**$ 6,478,425**
Less: Garage Debt Service Payment	-	(1,611,457)	(3,442,882)	(4,246,882)	(4,943,082)	(4,943,082)	(4,989,790)
Net Income	**$ 86,412**	**$ 204,961**	**$ (368,845)**	**$ 59,758**	**$ 43,891**	**$ 767,725**	**$ 1,488,635**

Notes:

1. 2023 expenses and revenues are based upon ASM Global's budget as submitted November 2022.
2. The CFA restructured garage debt service such that debt payments during 2020, 2021 and 2022 were reduced and shifted to outer years thereby providing the convention center with some financial relief during the pandemic and the subsequent recovery period.
3. During 2023, the convention center is expected to return to normal levels of operation. The reported deficit for the year is due to the loss in Hyatt lease revenue that will now be paid directly to the CFA. The loss will be covered through equity reserves from prior years.

SECTION TWO

HILTON COLUMBUS DOWNTOWN HOTEL LONG-TERM FORECAST

as of November 2022

Summary Information

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Hotel Net Cash Flow	$ 3,087,893	$ 7,185,610	$ 18,926,000	$ 21,819,000	$ 24,743,000	$ 26,904,000	$ 27,711,120
Increase over Prior Year		132.70%	163.39%	15.29%	13.40%	8.73%	3.00%
Hilton Hotel Taxes	1,055,178	1,976,000	3,926,000	4,318,000	4,728,000	5,065,000	5,216,950
Debt Service Obligation (less BABS)	9,369,026	9,669,723	21,780,645	21,870,416	24,746,091	25,001,895	25,225,138
Debt Service Coverage Ratio:	0.44	0.95	1.05	1.20	1.19	1.28	1.31

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Fund Balances @ Year End:							
Non-discretionary Funds:							
2010 Bond Fund	775,356	785,242	1,296,070	2,140,097	2,140,097	2,623,539	6,046,420
2010 Debt Service Reserve Fund	6,440,305	6,440,305	6,440,305	6,440,305	6,440,305	6,440,305	6,440,305
2010 Rental Reserve Fund	1,253,348	1,270,348	1,308,458	2,347,712	5,502,697	9,203,224	9,479,321
2010 Ground Lease Rents Fund	1,002,186	1,016,038	1,046,519	1,006,519	1,006,519	1,006,519	1,006,519
2019 Debt Service Reserve Fund	15,521,343	15,786,343	15,786,343	15,786,343	15,786,343	15,786,343	15,786,343
2019 Bond Fund	12,626,750	662,184	2,297,414	662,184	662,184	662,184	662,184
Consolidated Hotel Bond Fund	25,213,049	25,006,746	25,006,746	25,006,746	25,006,746	25,006,746	25,006,746
Hotel Residuals Fund	1,917,782	1,944,782	2,003,126	3,927,693	6,816,220	11,112,761	16,904,204
Hotel Construction Fund	95,308,788	4,566,268	-	-	-	-	-
Reserve Fund for Operations ***	1,931,473	1,936,569	1,936,569	2,400,000	2,400,000	2,400,000	2,400,000
Reserve Fund for FF&E ***	4,346,963	374,951	205,957	908,905	2,990,344	6,678,285	10,476,864
***(Funds held by Hotel Manager)							

Notes:

In February 2010, the FCCFA issued $160 million in Lease Revenue Anticipation Bonds to finance the construction of the Hilton Columbus Downtown Hotel. These bonds were issued as Build America Bonds. Income from the hotel as well as revenue equivalent to the hotel's lodging tax covers annual debt service obligations. Payments from the US Treasury are also used to cover debt service.

Based upon a design developed by HOK Architects, the existing hotel consists of 532 rooms with 5 addiitonal rooms to be added in 2023, a 12,000 square foot ballroom and meeting rooms, lounge and coffee shop. The hotel is located on property owned by the FCCFA and is connected to the convention center via walkway over High Street. Opened in October 2012, the hotel is branded and managed by Hilton Worldwide.

In September 2022, the CFA completed an expansion project that added a new tower to the original hotel. Designed by Cooper Carry, the new tower consists of 463 new rooms, three ballrooms, meeting rooms, a restaurant on ground level, new lounge and a rooftop restaurant/bar. With the new tower, the Hilton Columbus Downtonw is the only 1,000 room hotel in Ohio. Financing for the project was acquired through bonds issued in December 2019. Bonds were issued in two series with series A bonds issued as project revenue bonds and series B bonds issued as lease appropriation bonds. Series A bonds are priority.
As with the original issue; income from the hotel as well as the hotel's lodging taxes will be used to cover debt service.

2010 Bond Payment (Debt Service) Fund

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Sources of Funds:							
Distribution from Hotel	$ 3,087,893	$ 7,185,610	$ 7,759,660	$ 8,945,790	$ 10,144,630	$ 11,030,640	$ 11,361,559
U.S. Treasury Payments	4,727,869	3,025,288	2,988,518	2,921,897	2,850,550	2,774,216	2,681,841
Hotel related hotel taxes - city	537,787	1,027,520	837,023	920,598	1,008,010	1,079,858	1,112,254
Hotel related hotel taxes - CFA	517,391	948,480	772,637	849,782	930,470	996,792	1,026,696
Interest earnings/Misc.	14,437	28,000	30,000	30,000	30,000	30,000	50,000
Transfer In: Debt Reserve Earnings	86,733	90,000	94,500	99,225	104,186	109,396	114,865
Transfer In: Consolidated Bond Fund	-	400,000	750,202	750,202	750,202	750,202	-
Transfer In: Ground Lease Fund	-	-	-	71,396	30,196	30,196	30,196
Transfer In: Rental Reserve Fund	4,415,000	-	-	-	-	-	-
Total Sources of Funds:	13,387,110	12,704,898	13,232,541	14,588,890	15,848,244	16,801,299	16,377,410
Uses of Funds:							
Debt Service - Principal payments	3,250,000	3,455,000	3,670,000	3,895,000	4,130,000	4,380,000	4,660,000
Debt Service - Interest expenses	9,413,886	9,240,011	9,051,713	8,849,863	8,633,691	8,402,411	8,122,529
Transfer Out: Rental Reserve Fund	-	-	-	1,000,000	3,084,553	3,535,447	-
Transfer Out: Consolidated/Residuals Func	-	-	-	-	-	-	172,000
Total Use of Funds:	12,663,886	12,695,011	12,721,713	13,744,863	15,848,244	16,317,858	12,954,529
Current Year Balance:	723,224	9,887	510,828	844,027	-	483,441	3,422,881
Add: prior year balance	52,132	775,356	785,242	1,296,070	2,140,097	2,140,097	2,623,539
Fund Balance @ Year End:	**$ 775,356**	**$ 785,242**	**$ 1,296,070**	**$ 2,140,097**	**$ 2,140,097**	**$ 2,623,539**	**$ 6,046,420**
Required Balance	$ 6,000,000	$ 6,000,000	$ 6,000,000	$ 6,000,000	$ 6,000,000	$ 6,000,000	$ 6,000,000

Notes:

1. In February 2010, the CFA issued Lease Revenue Anticipation Bonds to finance the construction of a new hotel. Bonds were issued as Build America Bonds backed by Franklin County. Interest payments for the hotel were capitalized through construction of the hotel. Principal payments began in 2016; with net debt service escalating one percent annually after that point in time through 2042 when the last debt service payment is due. Originally, 100.0 percent of income from the hotel as well as revenue equivalent to the hotel's hotel taxes covered debt service. Monies exceeding debt service remained in the fund and were available for future debt service needs.
2. With the 2019 bond issue and related changes to the cooperative agreement; the 2010 bond fund will operate differently. In 2023 after the opening of the new tower; hotel operating income and hotel taxes will be split with 41.0 percent of such monies being deposited into the 2010 bond fund for payment of debt service related to the 2010 issue. The 2010 bond fund is now required to maintain a minimum balance of $2.0 million. Monies exceeding the minimum balance will first be used to replenish funds within the rental reserve fund and/or ground fund if such funds should be below required funding levels. Upon replenishment of reserve funds and when the bond fund balance reaches $6.0 million, excess revenue exceeding debt service will be deposited into the consolidated bond fund and/or the hotel residuals fund.

2019 Bond Payment Fund

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Sources of Funds:							
Distribution from Hotel	$ -	$ -	$ 11,166,340	$ 12,873,210	$ 14,598,370	$ 15,873,360	$ 16,349,561
Hotel related hotel/motel taxes - city	-	-	1,204,497	1,324,762	1,450,550	1,553,942	1,600,560
Hotel related hotel/motel taxes - CFA	-	-	1,111,843	1,222,858	1,338,970	1,434,408	1,477,440
Interest earnings/Misc.	109,287	83,384	50,000	50,000	50,000	50,000	50,000
Transfer In: 2019 Debt Reserve Earnings	22,513	-	150,000	157,863	165,757	174,044	182,747
Total Sources of Funds:	131,800	83,384	13,682,680	15,628,693	17,603,647	19,085,754	19,660,308
Uses of Funds:							
Debt Service - Project Revenue	7,590,750	7,590,750	7,590,250	7,590,250	8,655,750	8,817,500	8,948,500
Debt Service - Lease Appropriation	4,457,200	4,457,200	4,457,200	4,457,200	6,177,200	6,176,200	6,175,950
Transfer Out: Hotel (subordinate mgmt. fee/FF&	-	-	-	3,352,000	-	-	-
Transfer Out: Consolidated Bond Fund	-	-	-	-	-	-	-
Transfer Out: Residuals Fund	-	-	-	1,864,473	2,770,697	4,092,054	4,535,858
Total Use of Funds:	12,047,950	12,047,950	12,047,450	17,263,923	17,603,647	19,085,754	19,660,308
Current Year Balance:	(11,916,150)	(11,964,566)	1,635,230	(1,635,230)	-	-	-
Add: prior year balance	24,542,900	12,626,750	662,184	2,297,414	662,184	662,184	662,184
Fund Balance @ Year End:	**$ 12,626,750**	**$ 662,184**	**$ 2,297,414**	**$ 662,184**	**$ 662,184**	**$ 662,184**	**$ 662,184**

Notes:

1. Financing for the development of a new tower for the Hilton Columbus Downtown was acquired in December 2019. The bond issue was completed in two series with the first series issued as project revenue bonds and the second series issued as lease appropriation bonds. As with the 2010 issue; net operating income and the hotel's lodging tax revenue will be used to cover debt service. Interest for the issue will be capitalized through 2022. Payment of debt service with hotel operating income will begin in 2023.
2. Hotel operating income and the hotel's tax payment will be split with 59.0 percent deposited into the 2019 bond fund for payment of debt service.
3. Funds remaining after debt service will be first used to pay the subordinate management fee and the FF&E payment. Upon payment of these obligations, remaining funds will be transferred to either the consolidated hote bond fund (if balance is below $25.0 mill) or the hotel residuals fund.

2010 Debt Service Reserve Fund

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Sources of Funds:							
Interest Earnings	$ 89,217	$ 90,000	$ 94,500	$ 99,225	$ 104,186	$ 109,396	$ 114,865
Total Sources of Funds	89,217	90,000	94,500	99,225	104,186	109,396	114,865
Uses of Funds:							
Transfer to Debt Service - Earnings	86,733	90,000	94,500	99,225	104,186	109,396	114,865
Total Use of Funds	86,733	90,000	94,500	99,225	104,186	109,396	114,865
Current Year Balance:	2,484	-	-	-	-	-	-
Add: prior year balance	6,437,821	6,440,305	6,440,305	6,440,305	6,440,305	6,440,305	6,440,305
Fund Balance @ Year End:	$ 6,440,305	$ 6,440,305	$ 6,440,305	$ 6,440,305	$ 6,440,305	$ 6,440,305	$ 6,440,305
Required Balance:	$ 6,391,264	$ 6,391,264	$ 6,391,264	$ 6,391,264	$ 6,391,264	$ 6,391,264	$ 6,391,264

Notes:

1. Upon issue of the 2010 Lease Revenue Anticipation Bonds, proceeds were deposited into a debt service reserve fund per indenture requirements.
2. Year end balances are in line with reserve requirements.
3. Debt service reserve funds are fully invested.

2019 Debt Service Reserve Fund

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Sources of Funds:							
Interest Earnings	$ 164,383	$ 140,000	$ 150,000	$ 157,863	$ 165,757	$ 174,044	$ 182,747
Transfer in:		125,000	-	-	-	-	-
Total Sources of Funds	164,383	265,000	150,000	157,863	165,757	174,044	182,747
Uses of Funds:							
Transfer to 2019 Bond Fund	22,513	-	150,000	157,863	165,757	174,044	182,747
Total Use of Funds	22,513	-	150,000	157,863	165,757	174,044	182,747
Current Year Balance:	141,870	265,000	-	-	-	-	-
Add: prior year balance	15,379,473	15,521,343	15,786,343	15,786,343	15,786,343	15,786,343	15,786,343
Fund Balance @ Year End:	$ 15,521,343	$ 15,786,343	$ 15,786,343	$ 15,786,343	$ 15,786,343	$ 15,786,343	$ 15,786,343
Required Balance:	$ 15,181,500	$ 15,181,500	$ 15,181,500	$ 15,181,500	$ 15,181,500	$ 15,181,500	$ 15,181,500

Notes:

1. Upon issue of the 2019 bonds , proceeds from the sale were deposited into a debt service reserve to provide security for series A project revenue bonds.
2. The reserve fund will remain fully funded as required through the projection period.
3. Monies in the fund are invested as provided for in the bond indenture. Revenue from earnings will be transferred to the 2019 bond fund as required.

2010 Rental Reserve Fund

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Sources of Funds:							
2010 Debt Service Fund	$ -	$ -	$ -	$ 1,000,000	$ 3,084,553	$ 3,535,447	$ -
Interest Earnings	33,486	17,000	38,110	39,254	70,431	165,081	276,097
Total Sources of Funds	33,486	17,000	$ 38,110	1,039,254	3,154,984	3,700,528	276,097
Uses of Funds:							
Transfer Out: 2010 Bond Fund	4,415,000	-	-	-	-	-	-
Total Use of Funds	4,415,000	-	-	-	-	-	-
Current Year Balance:	(4,381,514)	17,000	38,110	1,039,254	3,154,984	3,700,528	276,097
Add: prior year balance	5,634,862	1,253,348	1,270,348	1,308,458	2,347,712	5,502,697	9,203,224
Fund Balance @ Year End:	$ 1,253,348	$ 1,270,348	$ 1,308,458	$ 2,347,712	$ 5,502,697	$ 9,203,224	$ 9,479,321
Required Balance	$ 8,000,000	$ 8,000,000	$ 8,000,000	$ 8,000,000	$ 8,000,000	$ 8,000,000	$ 8,000,000

Notes:

1. Pursuent to the 2010 cooperative agreement between the City of Columbus, Franklin County and the CFA, the CFA has established a rental reserve fund to off-set any shortages in hotel net income should hotel income prove to be less than required debt service obligations. If funds within the rental reserve fund are used to meet debt service obligations, the rental reserve fund will subsequently be replenished up to the required reserve balance with future hotel income as well as funds from the ground lease rent fund and the City of Columbus.
2. During years impacted by COVID-19, funds within the rental reserve fund were used to cover debt service obligations. As the economy recovers and hotel operations improve, the rental reserve fund will be replenished back to the required reserve balance. Such replenishment will occur during the proforma period.

Ground Lease Rents Fund

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Sources of Funds:							
Transfer In: CFA CapEx Fund	$ 1,000,000	$ -	$ -	$ -	$ -	$ -	$ -
Interest Earnings	40	13,852	30,481	31,396	30,196	30,196	30,196
Total Sources of Funds	1,000,040	13,852	30,481	31,396	30,196	30,196	30,196
Uses of Funds:							
Transfer Out: 2010 Bond Fund	-	-	-	71,396	30,196	30,196	30,196
Total Use of Funds	-	-	-	71,396	30,196	30,196	30,196
Current Year Balance:	1,000,040	13,852	30,481	(40,000)	-	-	-
Add: prior year balance	2,146	1,002,186	1,016,038	1,046,519	1,006,519	1,006,519	1,006,519
Fund Balance @ Year End:	$ 1,002,186	$ 1,016,038	$ 1,046,519	$ 1,006,519	$ 1,006,519	$ 1,006,519	$ 1,006,519
Required Balance:	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000

Notes:

1. Pursuent to the 2010 cooperative agreement between the City of Columbus, Franklin County and the CFA, the CFA established a ground lease rents fund to serve as an additional reserve fund for debt service. The balance of this fund equals the value of lease revenue received by the CFA for use of property during the preceding calandar year. Such funds will be reserved for the payment of debt service if rental reserve funds should be depleted or will be used to replenish the rental reserve fund as required.
2. Per 2019 amendment to the cooperative agreement, the required balance in the ground lease fund is $1.0 million.

CFA Hotel Consolidated Bond Fund

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Sources of Funds:							
Transfer in: 2010/2019 Bond Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest Earnings	152,009	193,697	750,202	750,202	750,202	750,202	750,202
Total Sources of Funds:	152,009	193,697	750,202	750,202	750,202	750,202	750,202
Uses of Funds:							
Transfer Out: 2010 Bond Fund	-	400,000	750,202	750,202	750,202	750,202	-
Transfer Out: Residuals Fund	-	-	-	-	-	-	750,202
Total Use of Funds:	-	400,000	750,202	750,202	750,202	750,202	750,202
Current Year Balance:	152,009	(206,303)	-	-	-	-	0
Add: prior year balance	25,061,040	25,213,049	25,006,746	25,006,746	25,006,746	25,006,746	25,006,746
Fund Balance @ Year End:	**$ 25,213,049**	**$ 25,006,746**	**$ 25,006,746**	**$ 25,006,746**	**$ 25,006,746**	**$ 25,006,746**	**$ 25,006,746**
Required Balance	$ 25,000,000	$ 25,000,000	$ 25,000,000	$ 25,000,000	$ 25,000,000	$ 25,000,000	$ 25,000,000

CFA Hotel Residuals Fund

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Sources of Funds:							
Transfer in: 2019 Bond Fund	$ -	$ -	$ -	$ 1,864,473	$ 2,770,697	$ 4,092,054	$ 4,535,858
Transfer in: 2010 Bond Fund	-	-	-	-	-	-	172,000
Transfer in: Consolidated Bond Fund	-	-	-	-	-	-	750,202
Interest Earnings	1,567	27,000	58,343	60,094	117,831	204,487	333,383
Total Sources of Funds:	1,567	27,000	58,343	1,924,567	2,888,527	4,296,541	5,791,443
Uses of Funds:							
Transfer Out (per approval)	-	-	-	-	-	-	-
Total Use of Funds:	-	-	-	-	-	-	-
Current Year Balance:	1,567	27,000	58,343	1,924,567	2,888,527	4,296,541	5,791,443
Add: prior year balance	1,916,215	1,917,782	1,944,782	2,003,126	3,927,693	6,816,220	11,112,761
Fund Balance @ Year End:	**$ 1,917,782**	**$ 1,944,782**	**$ 2,003,126**	**$ 3,927,693**	**$ 6,816,220**	**$ 11,112,761**	**$ 16,904,204**

Notes:

1. As part of the 2019 bond issue, the CFA reserved $25.0 million in a consolidated bond fund that serves as security for the 2019 bond issue. The required balance for the fund is $25.0 million.
2. Any funds remaining are to be deposited into the hotel residual fund after all debt service obligations are met, subordinate costs have been paid and all reserve funds are fully funded. Monies within the residual reserve fund will accumulate in the fund untill 2029 at which time they will be used to pay the Nationwide Arena loan as due.

BABS Payment Fund

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Sources of Funds:							
U.S. Treasury Payment	$ 4,726,702	$ 3,024,833	$ 2,987,518	$ 2,920,897	$ 2,849,550	$ 2,773,216	$ 2,680,841
Interest Earnings	1,167	455	1,000	1,000	1,000	1,000	1,000
Total Sources of Funds	4,727,869	3,025,288	2,988,518	2,921,897	2,850,550	2,774,216	2,681,841
Distribution of Funds:							
2010 Debt Service	4,727,869	3,025,288	2,988,518	2,921,897	2,850,550	2,774,216	2,681,841
Total Use of Funds	4,727,869	3,025,288	2,988,518	2,921,897	2,850,550	2,774,216	2,681,841
Current Year Balance:	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Add: prior year balance	-	-	-	-	-	-	-
Fund Balance @ Year End:	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

1. The CFA receives funds twice a year from the US Treasury for debt service associated with the 2010 bond series for the hotel.
   All funds received from the US Treasury are transferred to the bond payment fund to cover the cost of annual debt service.
2. Due to sequestration, funds received during 2021, 2022 and 2023 have and will be less than original amounts established at the time of the bond issue.
   US Treasury payments in 2020 were delayed due to COVID-19. Such payment was received in 2021.

Capital Improvements and FF&E Reserve

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Sources of Funds:							
Reserve Deposit (% of hotel revenue	$ 728,234	$ 1,320,999	$ 1,681,006	$ 4,942,948	$ 3,701,439	$ 4,365,941	$ 4,496,919
Total Sources of Funds	728,234	1,320,999	1,681,006	4,942,948	3,701,439	4,365,941	4,496,919
Uses of Funds:							
Capital Project Expenses	3,422,248	5,293,011	1,850,000	4,240,000	1,620,000	678,000	698,340
Total Use of Funds	3,422,248	5,293,011	1,850,000	4,240,000	1,620,000	678,000	698,340
Current Year Balance:	(2,694,014)	(3,972,012)	(168,994)	702,948	2,081,439	3,687,941	3,798,579
Add: prior year balance	7,040,977	4,346,963	374,951	205,957	908,905	2,990,344	6,678,285
Fund Balance @ Year End:	$ 4,346,963	$ 374,951	$ 205,957	$ 908,905	$ 2,990,344	$ 6,678,285	$ 10,476,864

Notes:

1. A percentage of gross revenues (as defined in the management agreement) from hotel operations is deposited annually into a FF&E Primary/Secondary reserve funded used to support capital improvements and FF&E purchases for the hotel, both existing and expanded.
2. Residual funds remaining after payment of annual expenses must remain in the fund. These funds will accummulate over time and will be used to support significant hotel refurbish/refresh projects in the future; as is being done in 2022 and 2023 with the renovation of 401+A3.
3. The FF& E reserve fund is managed by the hotel operator.

Hotel Construction Fund

	2019	2020	2021	2022 Projected	2023 Budget	Total
Sources of Funds:						
2019 Bond Proceeds	$ 233,500,000	$ -	$ -	$ -	$ -	$ 233,500,000
Hotel Key Money	-	-	2,500,000	2,500,000	-	5,000,000
CFA Equity - contribution	212,702	397,847	930,400	13,759,000	10,036,048	25,335,997
Interest Earnings	-	2,935,412	2,098,612	65,172	-	5,099,196
Total Sources of Funds	233,712,702	3,333,259	5,529,012	16,324,172	10,036,048	268,935,193
Use of Funds						
Construction Costs	1,420,678	37,135,402	86,640,059	90,000,000	14,352,316	229,548,455
FF&E/OS&E/Equipment/Art	30,011	120,543	7,609,002	11,294,739	-	19,054,295
Design	6,562,078	1,340,953	1,392,693	503,219	250,000	10,048,943
Other Costs	2,488,368	955,942	1,570,456	5,268,734	-	10,283,500
Owner's Contingency	-	-	-	-	-	-
Total Use of Funds	10,501,135	39,552,840	97,212,210	107,066,692	14,602,316	268,935,193
Current Year Balance:	223,211,567	(36,219,581)	(91,683,198)	(90,742,520)	(4,566,268)	-
Add: prior year balance	-	223,211,567	186,991,986	95,308,788	4,566,268	-
Fund Balance @ Year End:	**$ 223,211,567**	**$ 186,991,986**	**$ 95,308,788**	**$ 4,566,268**	**$ -**	**$ -**

Notes:

1. Proceeds from the 2019 bond issue (both series) were deposited into a construction fund for use in the expansion of the Hilton Columbus Downtown Hotel. Hilton key money, CFA equity as well as interest earnings are also available to fund the project.
2. Use of funds are based upon the current project budget.
3. The tower was opened in September 2022.

SECTION THREE

NATIONWIDE ARENA LONG-TERM FORECAST

as of November 2022

Summary Information

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Casino Tax Revenue	**$ 6,822,787**	**$ 7,445,543**	**$ 7,668,910**	**$ 7,898,977**	**$ 8,135,946**	**$ 8,380,025**	**$ 8,631,425**
Increase over Prior Year		9.13%	**3.00%**	3.00%	3.00%	3.00%	3.00%
Distribution of Casino Tax Revenue							
Arena Operating Expenses	5,190,955	5,372,638	**5,560,681**	5,755,305	5,956,740	6,165,226	6,381,009
Land Lease Payment	165,000	165,000	**165,000**	165,000	165,000	165,000	165,000
Real Estate Tax Provision	356,306	368,777	**381,684**	395,043	408,869	423,180	437,991
Arena Capital Improvements	1,110,526	1,539,128	**1,561,545**	1,583,629	1,605,337	1,626,618	1,647,425
Nationwide Loan	-	-	**-**	-	-	-	-
Total Distribution	**6,822,787**	**7,445,543**	**7,668,910**	**7,898,977**	**8,135,946**	**8,380,025**	**8,631,425**
Admissions Fee Revenue	**786,673**	**2,125,000**	**2,188,750**	**2,265,356**	**2,344,644**	**2,426,706**	**2,511,641**
Increase over Prior Year		170.12%	3.00%	3.50%	3.50%	3.50%	3.50%

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Fund Balances @ Year End:							
Lease Payment Fund	-	-	**-**	-	-	-	-
Real Estate Tax Reserve Fund	356,306	368,777	**381,684**	395,043	408,869	423,180	437,991
Capital Improvements Fund	2,352,687	6,777,068	**4,361,499**	4,066,330	8,138,300	12,435,774	16,967,913

Notes:

In March 2012, the CFA purchased Nationwide Arena and related buildings/facilities. To facilitate this purchase, the CFA borrowed $32.5 million from Nationwide Arena LLC and $10 million from the State of Ohio with the understanding that repayment of such loans is contingent upon the availability of casino tax revenue.

As part of the acquisition process, the City of Columbus and Franklin County agreed to forward a percent of casino tax revenue to the CFA to cover costs associated with operating and maintaining the arena. Once capital and operating expenses have been met, casino tax revenue exceeding such expenses can be used to pay outstanding debt service.

Since 2012 changes have been made to both the State of Ohio and Nationwide loans. The original arena lease revenue bonds purchased by Nationwide have been restructured as non-interest bearing bonds due in 2029. Payment of the bonds is no longer contingent upon casino tax revenues. Instead, revenues available within the hotel residuals fund will be used to pay the bonds in 2029. The State of Ohio loan has also been modified to provide additional loan re-payment options.

In 2019, the City of Columbus imposed an admission fee on entertainment/sporting venues within the city. Revenues from this fee are use to support arts within the community. In regards to the admisssions fee on events within the arena; 80.0 percent of revenues collected from this fee are returned to the arean for capital improvements.

ARENA LEASE PAYMENT FUNDS

	2021 Actual	2022 Projected	2023 Budget	2024	2025	2026	2027
Sources of Funds:							
Casino Tax Revenue: City	$ 4,049,082	$ 4,409,999	**$ 4,542,299**	$ 4,678,568	$ 4,818,925	$ 4,963,492	$ 5,112,397
Casino Tax Revenue: County	2,773,705	3,035,545	**3,126,611**	3,220,409	3,317,022	3,416,532	3,519,028
Transfer In: CFA Operating Fund	2,773,705	3,035,545	**3,126,611**	3,220,409	3,317,022	3,416,532	3,519,028
Interest Earnings	-	-	**-**	-	-	-	-
Total Sources of Funds	9,596,492	10,481,088	**10,795,521**	11,119,386	11,452,968	11,796,557	12,150,454
Uses of Funds:							
Arena Operations	5,190,955	5,372,638	**5,560,681**	5,755,305	5,956,740	6,165,226	6,381,009
Land Lease Payment	165,000	165,000	**165,000**	165,000	165,000	165,000	165,000
Real Estate Tax	356,306	368,777	**381,684**	395,043	408,869	423,180	437,991
Arena Capital Improvements	1,110,526	1,539,128	**1,561,545**	1,583,629	1,605,337	1,626,618	1,647,425
Transfer Out: CFA Cap Ex. Fund	2,773,705	3,035,545	**3,126,611**	3,220,409	3,317,022	3,416,532	3,519,028
Total Use of Funds	9,596,492	10,481,088	**10,795,521**	11,119,386	11,452,968	11,796,557	12,150,454
Current Year Balance:	-	-	**-**	-	-	-	-
Add: prior year balance	-	-	**-**	-	-	-	-
	-	-	**-**	-	-	-	-
Fund Balance @ Year End:	$ -	$ -	**$ -**	$ -	$ -	$ -	$ -

Notes:

The CFA receives a percentage of casino tax revenue from the city and county to cover obligations associated with Nationwide Arena. During 2023, tax revenue will be equal to 32.0 percent of taxes collected by the city and county and will remain at 32.0 percent moving forward. The 2023 projection assumes casino taxes will increase by 3.0 percent over collections received in 2022. Growth in collections is all due to anticipated increase in casino activity.

Upon receipt of the casino taxes, the CFA allocates funds according to a predetermined and agreed upon formula established and outlined in the arena transaction documents. In 2023, funds from casino taxes will first be distributed to CAM for operations, second to the CFA for the land lease payment, third to a reserve for payment of real estate taxes and fourth the the arena CapEx fund.

Maximum funding levels for operations and capital improvements are based upon levels established at the time of the arena acquisition.

Casino tax revenue from the county cannot be used to cover operating expenses. Because city casino tax revenue during 2023 will not completely cover required operating expenses, the CFA will transfer available equity into the fund to make up the difference. Such payment from the CFA will be reimbursed with casino tax revenue received from the county which will be used to support other CFA capital improvement projects.

ARENA CAPITAL IMPROVEMENTS FUND

	2021	2022 Projected	2023 Budget	2024	2025	2026	2027
Sources of Funds:							
Transfer in: Aena Lease Payment Fund	$ 1,110,526	$ 1,539,128	**$ 1,561,545**	$ 1,583,629	$ 1,605,337	$ 1,626,618	$ 1,647,425
Transfer in : CFA payment (SVOG)	-	3,361,032	**-**	-	-	-	-
Admissions Tax	786,673	2,125,000	**2,188,750**	2,265,356	2,344,644	2,426,706	2,511,641
Interest Earnings	795	56,000	**169,427**	130,845	121,990	244,149	373,073
Total Sources of Funds	1,897,994	7,081,160	**3,919,722**	3,979,831	4,071,971	4,297,474	4,532,139
Uses of Funds:							
Payment to CAM - Arena CapEx	153,953	2,656,779	**6,335,291**	4,275,000	-	-	-
Total Use of Funds	153,953	2,656,779	**6,335,291**	4,275,000	-	-	-
Current Year Balance:	1,744,040	4,424,381	**(2,415,569)**	(295,169)	4,071,971	4,297,474	4,532,139
Add: prior year balance	608,647	2,352,687	**6,777,068**	4,361,499	4,066,330	8,138,300	12,435,774
Fund Balance @ Year End:	$ 2,352,687	$ 6,777,068	**$ 4,361,499**	$ 4,066,330	$ 8,138,300	$12,435,774	$ 16,967,913

Note:

Casino tax revenue deposited into the arena capital improvementsts fund is based upon a funding plan agreed to as part of the 2012 arena transaction. Tax revenue is deposited into the fund only to the extent arena OpEx, land lease and real estate tax funding requirements are met.

The City of Columbus began distribution of admission fee revenue in 2020. Such distribution occurs monthly and is based upon 80.0 percent admission fee imposed on ticket sales at the arena. Revenues received as a result of this distribution will supprt the arena's capital improvements program.

ARENA REAL ESTATE TAX RESERVE FUND

	2021 Actual	2022 Projected	2023 Budget	2024	2025	2026	2027
Sources of Funds:							
Transfer: Arena Lease Payment Fund	$ 356,306	$ 368,777	**$ 381,684**	$ 395,043	$ 408,869	$ 423,180	$ 437,991
Interest Earnings	-	-	**-**	-	-	-	-
Total Sources of Funds	356,306	368,777	**381,684**	395,043	408,869	423,180	437,991
Uses of Funds:							
Transfer to Operating Fund	-	356,306	**368,777**	381,684	395,043	408,869	423,180
Total Use of Funds	-	356,306	**368,777**	381,684	395,043	408,869	423,180
Current Year Balance:	356,306	12,471	**12,907**	13,359	13,826	14,311	14,811
Add: prior year balance	-	356,306	**368,777**	381,684	395,043	408,869	423,180
Fund Balance @ Year End:	$ 356,306	$ 368,777	**$ 381,684**	$ 395,043	$ 408,869	$ 423,180	$ 437,991

Note:

Beginning in 2016, funds are reserved for the payment of real estate taxes or payments in lieu of taxes due on property associated with the arena. Amount of funds deposited into this reserve fund were established at the time of the original transaction. Deposits are made to the extent casino tax revenues are available. CFA operating funds will be used to make up the difference between casino tax revenues available for real estate payments and the amount due.