



2025 OPERATING & CAPITAL BUDGET



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FRANKLIN COUNTY CONVENTION FACILITIES AUTHORITY 2025 OPERATING and CAPITAL BUDGET

EXECUTIVE SUMMARY

The 2025 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.

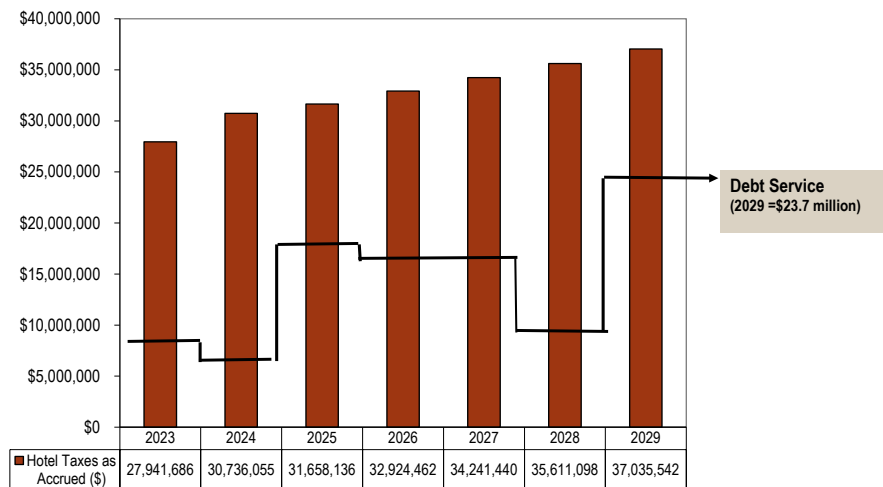


With the achievement of market growth in 2024, the goals of the 2025 budget are based upon the organization's effort to again move forward and plan for the future. Financial investment for the year will focus on renewed commitment to purpose and the development of aspirations. Through funding initiatives included within the budget, the CFA will improve and update all facilities through an aggressive capital improvements program; engage in masterplan development that will align CFA growth with that of the market, community and region; advance diversity, equity and inclusion initiatives; promote sustainability; enhance organizational capacity through investment in staff and professional development; generate additional revenue through asset maximization; and continue to support sales and marketing initiatives to ensure future convention activity within the community. Overall, the long-term forecast as presented is strong as the CFA will maintain financial stability throughout the forecast period. All required reserve funds are and will remain fully funded and all debt obligations will be met. The 2025 CFA budget is summarized in the following:

2025 Budget - Greater Columbus Convention Center

- The 2025 budget assumes that hotel tax revenue will increase in 2025 and will improve through the period. Consistent with patterns of growth proposed by industry experts, the budget assumes tax revenue in 2025 (on an accrual basis) will be 3.0 percent above 2024 collection levels. Given the belief that the local hotel economy will continue to improve and hotel room night bookings remain strong; tax revenues will improve throughout the period. By 2029, hotel tax revenue distributed to the CFA is projected to be approximately \$37.0 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.
- 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 2025 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 and will be available to support the CFA office, convention center operations (as needed), the hotel debt program and the convention center capital improvements program. In 2025, approximately \$22.7 million in hotel tax revenue will be deposited into the operating fund. Deposits will continue throughout the projection period.

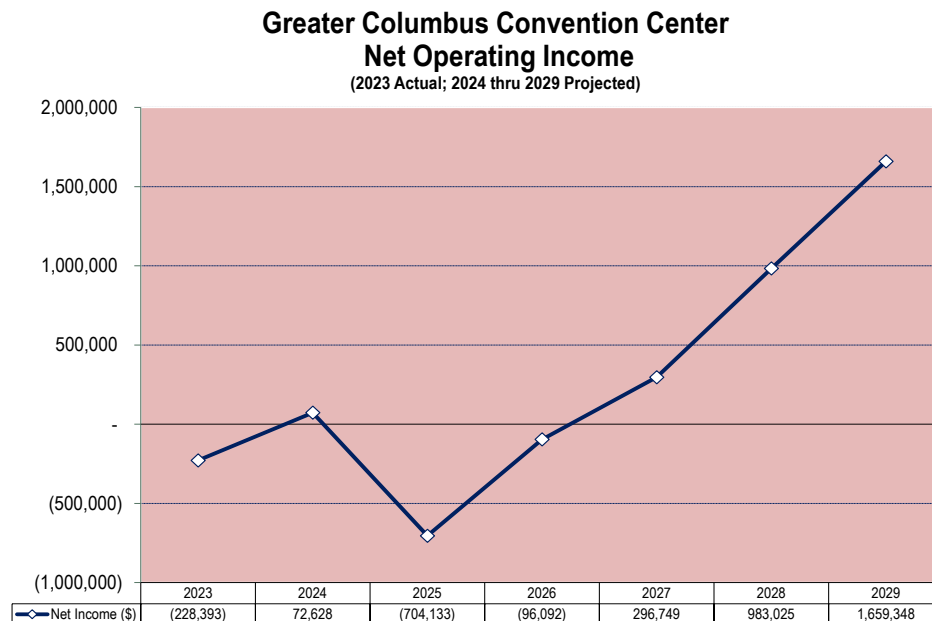
Convention Center Debt Service Coverage Projections



- 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, payment of 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 annual debt obligations will plateau at \$4.9 million.

In 2025, operations of all CFA owned parking facilities will generate over \$11.4 million in parking revenue. Of the revenue generated, \$4.9 million will be used to pay debt service due on the garages leaving a balance of \$6.5 million that will be used to help off-set operating costs of the convention center.

- The center’s operating goal is to be the “best in class”; 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. In 2025, 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, income from convention center operations in the short term has fluctuated due to added facility maintenance costs and increased garage debt service (to make up for reduced debt service payments made during the pandemic). Equity reserves held by both the convention center and CFA covered the reported deficit in 2023 and will cover the deficit planned for 2025. The good news is that convention center operations will begin to experience positive cash flow in 2027 as annual debt service obligations decrease.



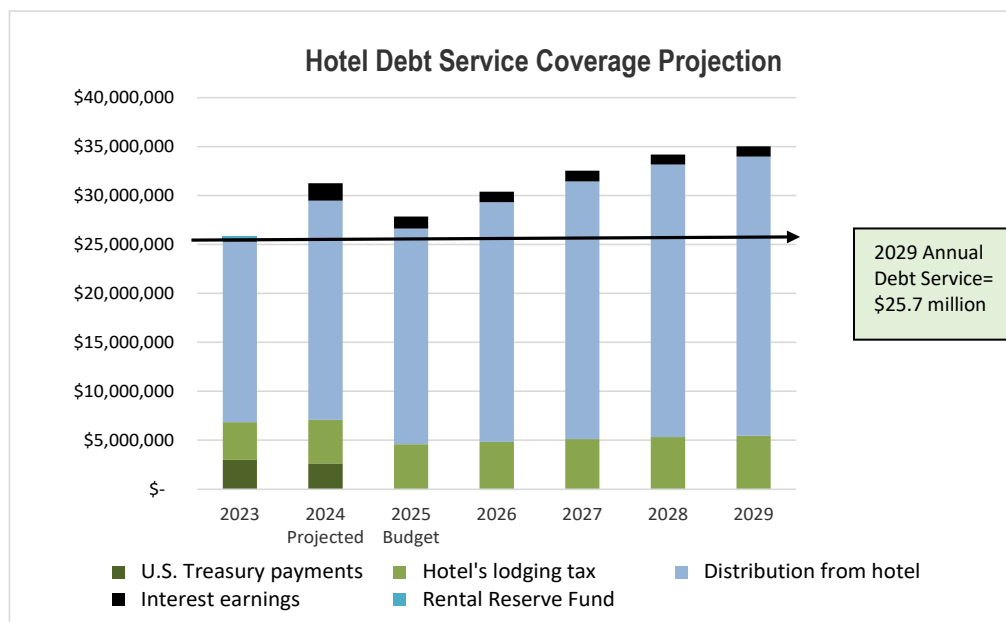
Budget projections assume that, despite added debt service, the center will continue to operate well in 2025. City-wide event bookings for the year are on par with 2024 and the quality of bookings year over year is expected to improve. Currently there are 175 events booked for the year of which 35 are citywide events. Attendance is also consistent with prior year. Moving forward, center operations are positive. Event bookings remain strong in the outer years of the forecast as the community continues to focus on attracting large, national events.

- As the convention center continues to age, the CFA is faced with the on-going challenge of not only updating the facility and related systems therein but improving the building such that the center can sustain its market position as a top-rated facility. To accomplish this goal, the CFA restructured/refinanced the convention center’s debt program in 2024 such that additional resources could be made available for investment in convention center capital improvements. As a result of the 2024 bond issue and positive revenue growth through the projection period, the CFA will now invest over \$73.0 million into the facility during the next five

years. With this investment, the CFA will update all HVAC systems throughout the facility, replace the roof, complete an interior renovation of all spaces within the facility, improve plumbing, electrical, fire protection and safety systems as well as enhance equipment, risers, lighting and storage options within the facility. Currently, the CFA is completing a comprehensive building assessment of the convention center. This assessment, scheduled for completion in early 2025, will help identify capital improvement priorities within the center and establish a capital program for the future that will keep pace with building requirements.

2025 Budget – Hilton Columbus Downtown

- In 2025, the hotel is expected to have a strong year as the convention and hospitality market continues to perform well. Room nights driven by group will be strong; positively impacted by both city-wide and in-house events. Transient business is also expected to do well, although mid-week business still struggles due to reduced business travel. The hotel's continued focus on business diversification and segmentation mix along with strong group business will generate revenue opportunity and growth. Overall, hotel occupancy is projected to be 65.0 percent for the year. Average daily rate will increase by 2.8 percent. Expense growth will be minimal despite added efforts to increase guest experience and improve on exceptional service. As a result, bottom-line income from hotel operations when combined with the hotel's lodging tax will be sufficient enough to cover all hotel debt service obligations. This proves true in 2025 and throughout the projection period.



- At year end 2024 all reserve funds associated with the 2019 and 2024 bond series issued in support of hotel development remain fully funded. These include the 2024 rental reserve fund, 2019 debt service reserve fund, the ground lease fund and the operating reserve fund. In addition, the consolidated bond fund is projected to have a balance of \$26.1 million and the hotel residuals fund is projected to have a balance of \$2.2 million. These balances will be maintained through the projection period. The residual fund balance is expected to increase through the forecast and by December 2029, the fund will have a balance of approximately \$23.6 million.

- In 2025, the CFA will invest \$3.4 million in hotel capital improvement projects. Major projects include upgrade to Hilton 401 elevators, mechanical repairs, furniture replacement, and renovation of the Galleria Bar as well as the hotel pool area. A percentage of hotel revenue is reserved annually for capital improvements. Most monies deposited into the capital improvements program is preserved for future renovation projects.

2025 Budget – Nationwide Arena

- During 2025, the CFA is projected to receive approximately \$7.6 million in casino tax revenue. This revenue will be distributed as follows: \$6.0 million to CAM for arena operations, \$165,000 to the CFA for the land lease, \$408,000 to the CFA to help cover property tax obligations and \$1.1 million to the arena's capital improvements fund.
- The CFA is also projected to receive approximately \$3.7 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. When combining admission tax revenue with casino tax revenue and funds currently held in the arena's capital improvements fund, the CFA will have sufficient funds to transfer over \$13.0 million to the arena for capital improvements in 2025. The CFA will also assist CAM with efforts to develop a plan for the arena that will address long-term capital needs of the facility.

2025 Budget – CFA Office:

- Added investment will be made into the CFA office to enhance strategic direction and better position the organization for the future. Such investment includes added staff who will increase capacity in areas of finance, capital project coordination and implementation as well as overall communication and public outreach. In addition, funding is provided for the development of a masterplan for the CFA that will not only help redefine mission and purpose but will set a vision for future growth opportunities.

2025 Budget – Summary:

- The CFA manages several funds that account for all the financial activity of the Authority. Funds that are established to meet debt service requirements or contractual obligations are considered non-discretionary because resources within these funds can only be used for specified reasons as outlined in bond documents or contract agreements. 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 the expenses of the CFA. At year-end 2025, such funds will equal \$14.1 million. Discretionary funds do decline through the period as an enhanced convention center capital improvements program is fully implemented. A summary of year end balances for all current funds of the CFA is provided in the table on the following page.

Long-term Forecast

Summary of Projected Fund Balances at Year End

	2023	2024	2025	2026	2027	2028	2029
Non-discretionary Funds - Greater Columbus Convention Center:							
Debt Service Fund	\$ 807,094	\$ 8,032,936	\$ 1,352,677	\$ 1,385,715	\$ 713,245	\$ 2,120,766	\$ 2,155,723
Debt Service Reserve Fund	25,425,542	23,746,339	23,746,339	23,746,339	23,746,339	23,746,339	23,746,339
Rental Reserve Fund	12,707,348	11,860,606	11,860,606	11,860,606	11,860,606	11,860,606	11,860,606
Non-discretionary Funds - Parking Facilities:							
Sinking Fund - Parking Facility Development	3,466,019	5,855,719	9,005,891	9,628,067	7,007,609	6,558,537	7,345,992
Non-discretionary Funds - Hilton Columbus Downtown:							
2010 Bond Payment Fund	647,218	2,157,040	3,852,676	6,000,000	6,000,000	6,000,000	6,000,000
2019 Bond Payment Fund	1,196,136	2,054,388	1,226,626	1,253,605	1,318,203	1,284,282	1,279,825
2010 Debt Service Reserve Fund	6,396,354	-	-	-	-	-	-
2019 Debt Service Reserve Fund	16,246,036	15,346,450	15,346,450	15,346,450	15,346,450	15,346,450	15,346,450
2010 Rental Reserve Fund	1,064,191	8,023,744	8,023,744	8,023,744	8,023,744	8,023,744	8,023,744
2010 Ground Lease Rents Fund	1,073,919	1,133,419	1,000,322	1,000,322	1,000,322	1,000,322	1,000,322
Consolidated Hotel Bond Fund	23,391,668	26,121,458	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000
Hotel Residuals Fund	2,055,038	2,160,038	4,691,746	6,776,333	9,065,150	16,197,939	-
Reserve Funds for Operations **	1,931,473	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000
Reserve Fund for FF&E **	3,058,284	3,570,223	3,980,873	2,072,266	6,398,030	9,645,096	1,357,695
** (Funds held by Hotel Manager)							
Non-discretionary Funds - Nationwide Arena:							
Real Estate Reserve Fund	381,684	395,043	408,870	423,180	437,991	453,321	469,187
Capital Improvements Fund	8,020,953	6,246,665	134,324	35,616	674,571	287,757	840,307
Non-Discretionary Funds Total:	\$ 107,868,957	\$119,104,068	\$112,031,144	\$114,952,243	\$118,992,260	\$129,925,159	\$106,826,190
Discretionary Funds:							
Capital Improvements Fund	\$ 1,181,013	\$ 54,292	\$ 8,441,458	\$ 3,099,890	\$ 98,934	\$ 589,051	\$ 676,270
Operating Fund	3,767,983	3,809,263	5,678,343	2,455,802	1,212,233	1,606,976	3,262,122
Discretionary Funds Total:	\$ 4,948,996	\$ 3,863,555	\$ 14,119,801	\$ 5,555,692	\$ 1,311,167	\$ 2,196,027	\$ 3,938,392

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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-six 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.



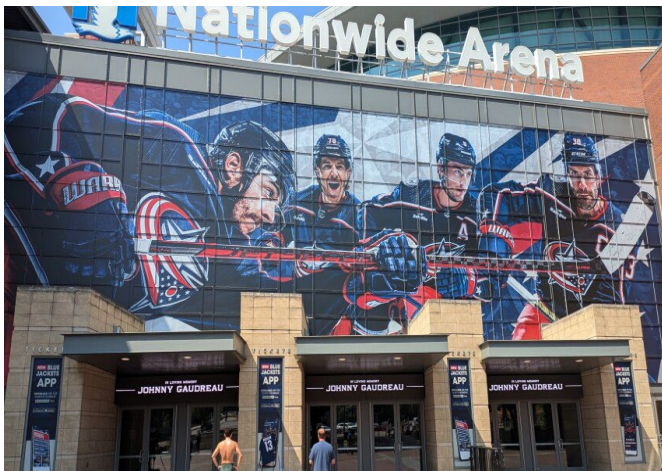
In addition to the convention center, the CFA also owns and operates several parking facilities located near and around the convention center. Parking resources owned by the CFA include four parking facilities and two surface parking lots totaling approximately 4,700 individual parking spaces.



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 2024), 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 five 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 LEED gold certified. 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

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.



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 managing 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 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 funds 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 illustrates the percentage growth in hotel tax revenues received by the CFA over the past ten years. The past decade was a tumultuous one. The period started with a stable hotel market that was experiencing significant growth. Between the years 2014 and 2019, hotel tax growth averaged 5.5 percent a year. and ended with recovery from a world-wide pandemic. 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. Luckily, 2021, 2022 and 2023 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, industry growth continued as tax collections improved by approximately 39.6 percent over 2021 collection levels. By year end, 2022 hotel collections were just 1.0 percent below collection levels experienced prior to the pandemic. In 2023 tax revenues surpassed 2019 tax collection levels with a growth rate of 8.5 percent.

Graph 2-1
Hotel Tax Revenue Growth
Percent Change Year over Year

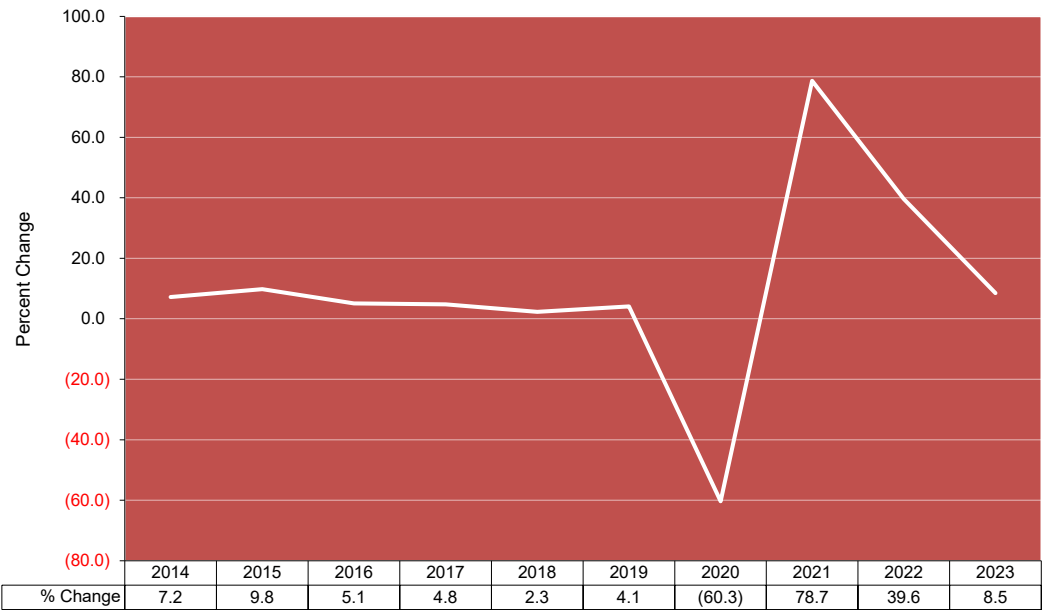
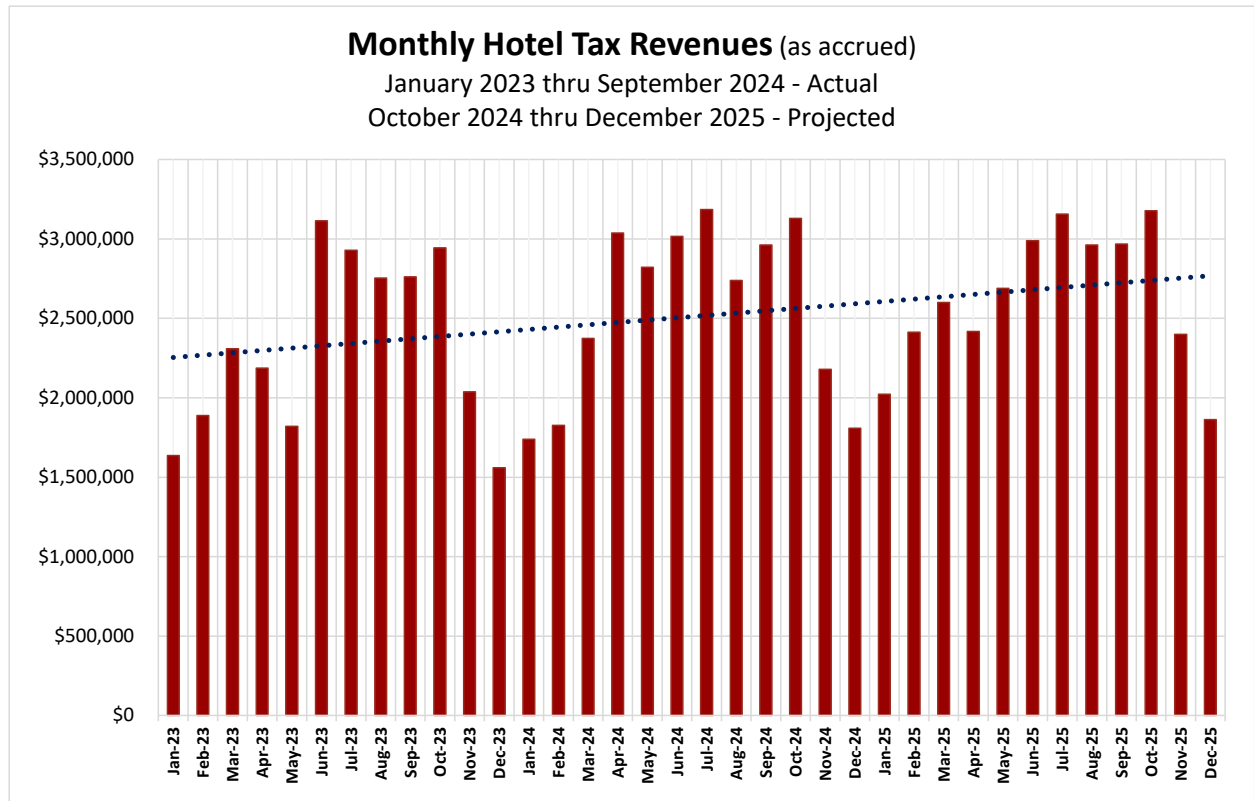


Chart 2-2

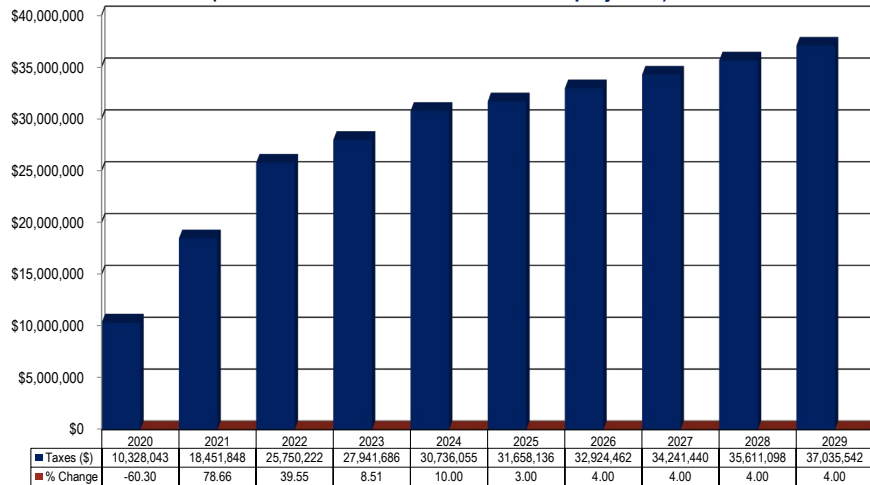


In 2024, tax collection growth remains strong. Through September, taxes are 10.8 percent above 2023 taxes. Overall, hotel occupancy is averaging 64.0 percent within the Columbus market, a 5.7 percent improvement over prior year. Average daily rate is up 1.9 percent when compared to 2023. Supply remains on par with prior year.

While the focus in 2021, 2022 and 2023 was full recovery from the pandemic, the expectation in 2025 is market growth. The 2025 budget has made several assumptions regarding growth not dissimilar to assumptions made by industry experts. Overall, growth will continue but at a slower rate. As in 2024, the expectation is that leisure and group travel will continue to sustain market growth with corporate business travel still lagging behind. The number of large conventions and city-wide events in the Columbus community during 2025 will equal prior year (35 citywide events). In addition, professional and collegiate sporting events, concerts, local festivals and other entertainment options will also continue to drive hotel business. Given the assumption that activity within the community will be on par with prior year, if not slightly better, the overall number of stays within the local hotel market during 2025 is projected to remain fairly equal to prior year with increase in the market driven mostly by rate. The impact of these assumptions on tax revenues in 2025 is that revenues will improve year over year by approximately 3.0 percent. Total collections in 2025 are projected to be \$31.7 million (as accrued). Moving forward, the 2025 budget projects a sustained pattern of growth for hotel tax revenue through the forecast period.

Chart 2-3

Hotel Tax Revenue - as accrued
(2020 thru 2023 actual - 2024 thru 2029 projected)



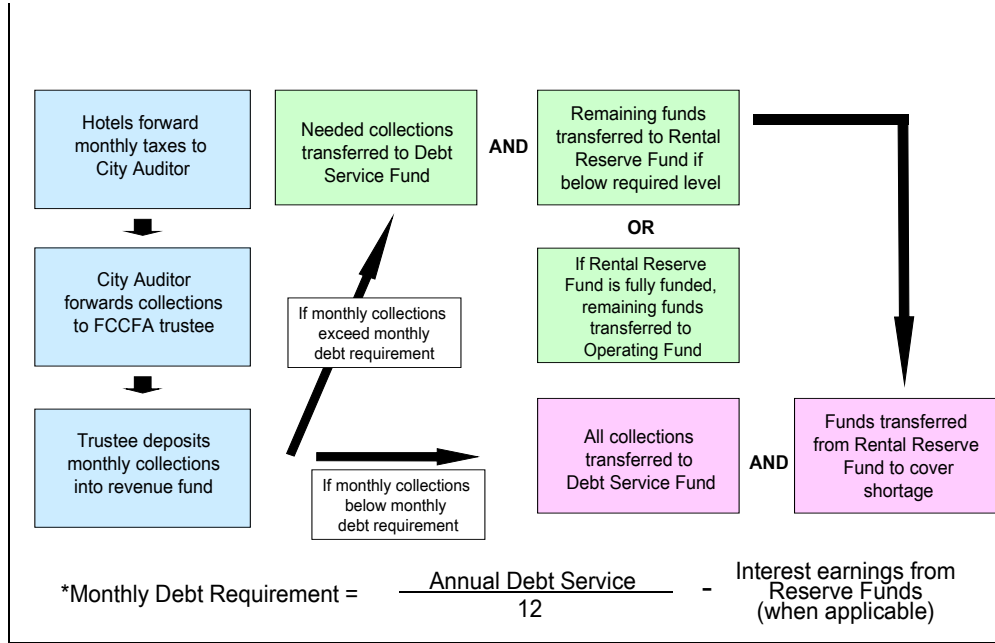
Detailed in Table 2-4 are the 2023 actual, 2024 projected and 2025 budget for the CFA's revenue fund. Hotel tax revenues are deposited into the revenue fund before they are subsequently distributed to the debt service fund, rental reserve fund (when applicable), and the CFA's operating fund. Monies deposited 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, following page, illustrates this flow of funds.

Table 2-4

Revenue Fund			
	2023 Actual	2024 Projected	2025 Budget
Sources of Funds:			
Hotel Taxes (cash basis)	\$ 27,935,659	\$ 30,427,793	\$ 31,303,033
Interest Earnings	69,325	36,000	36,000
Total Sources of Funds	28,004,984	30,463,793	31,339,033
Uses of Funds:			
Transfer To: Debt Service Fund	6,298,726	9,819,020	8,612,562
Transfer To: Operating Fund	21,714,865	20,644,773	22,726,471
Total Use of Funds	28,013,591	30,463,793	31,339,033
Current Year Balance	(8,607)	-	-
Add: prior year balance	15,400	6,793	6,793
Year End Fund Balance:	\$6,793	\$6,793	\$6,793

Chart 2-5

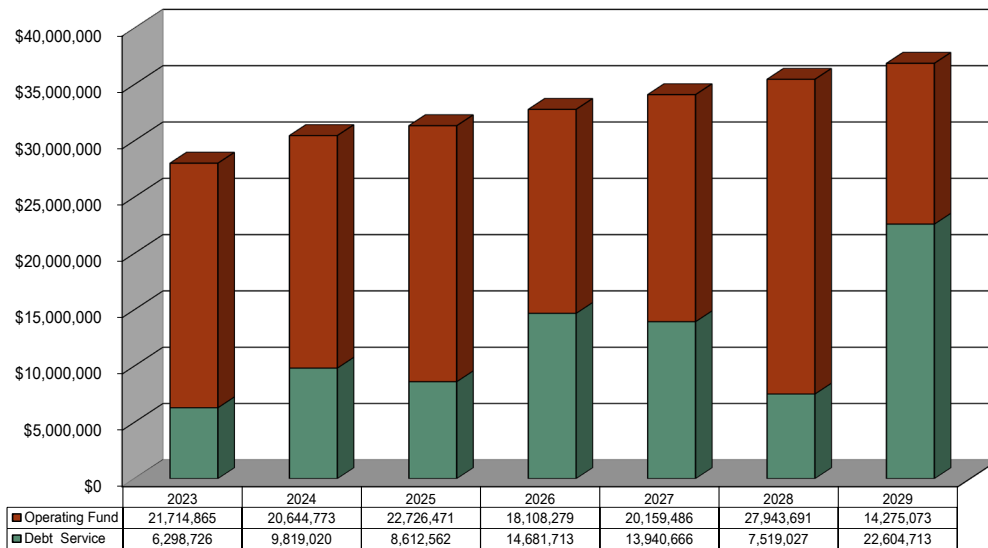
Monthly Flow of Hotel/Motel Tax Collections



Projected distribution of bed tax revenue (on a cash basis) 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 2024 did reduce debt service due in the years 2024 through 2028 to a level well below projected hotel tax revenues thus allowing for substantial deposit of excess tax revenue into the operating fund. This added flow to the operating fund will be used to support an aggressive capital improvements program for the convention center.

Chart 2-6

Distribution of Annual Hotel Tax Revenue



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 not only used to construct the original facility but were used 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, must be exhausted before the City and County would be asked to share in debt expenses.

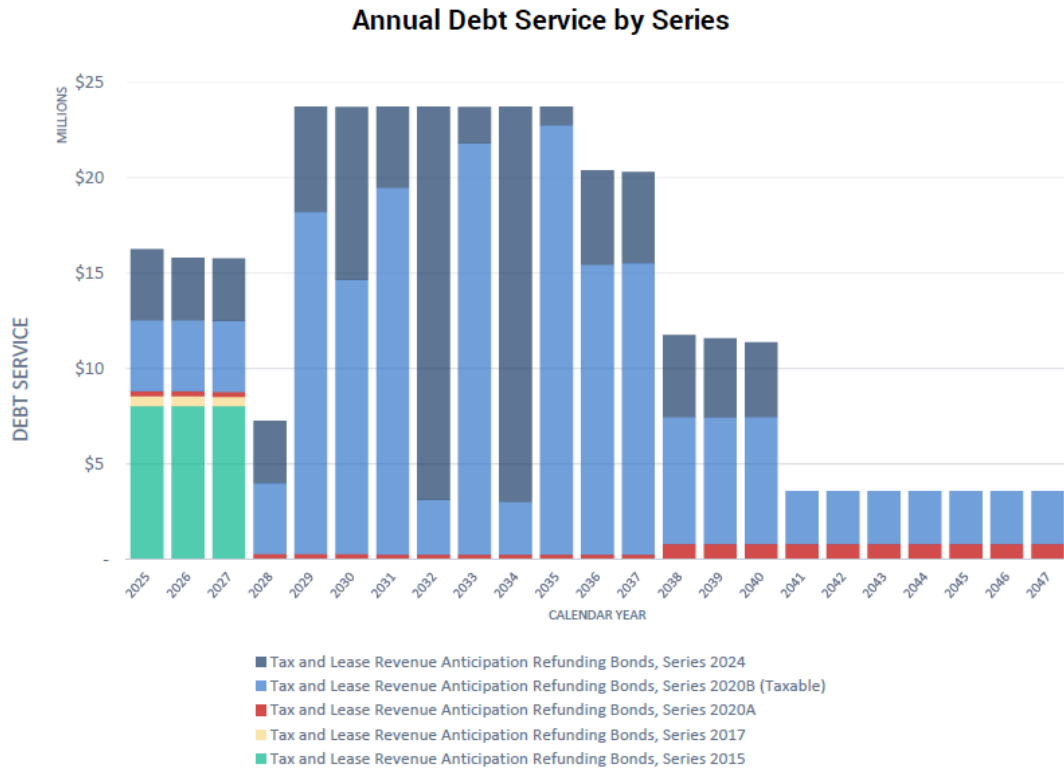
Another requirement of the original debt issue was the creation of a rental reserve fund. Because bond proceeds were used to capitalize first year interest costs, bed tax receipts were available to produce a rental reserve fund equal to one half of the highest annual debt service obligation. Unlike the 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 when tax revenues exceed monthly debt obligations.

During the past 34 years since the original issue, the CFA has completed several bond issues that have restructured, refinanced and added to the convention center debt program. All convention center bond issues completed to date are based upon a financing program identical to the original 1990 bond issue. All issues have been and currently are incorporated into the lease arrangement with the City of Columbus and Franklin County. All issues are secured by the City and County through appropriation. Refinancings completed to date have been done to recognize financial benefits. Restructurings have been done to allow for financial flexibility. Bond issues that have resulted in new money for the CFA have been done to financially support the 1997 and 2017 expansion/renovation of the center as well as the 2007 renovation of Battelle Hall.

Most recently, the CFA sold bonds to restructure the convention center's debt program thereby providing the CFA with the resources to support an aggressive capital improvements program for the convention center. The 2024 bond issue (completed October 2024) consisted of a refunding of 2014 bonds, the purchase pursuant to tender of a portion of the 2020 bonds, series B and the refunding of a portion of 2020 bonds not tendered for purchase. Overall, the issue resulted in net present value savings of \$1.8 million. Furthermore, the CFA was able to shift approximately \$30.0 million in debt service to future years within the current debt program for the convention center without significantly changing debt obligations in outer years, extending the debt program nor impacting the CFA's ability to issue additional bonds. The restructuring also reduced funding requirements for both the rental reserve fund and the debt service reserve fund thereby allowing for the release of approximately \$2.5 million in funds currently held within these reserves.

As of December 31, 2024, the CFA will have a par value of \$238.1 million in convention center bonds outstanding. When combined with interest, total due will be \$321.5 million. The convention center bond program extends through December 1, 2047.

Chart 2-7



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. The CFA, through a bond restructuring completed in 2020, 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 2-8, annual debt service remains below anticipated hotel tax revenue for all years of the projection period. Hotel tax revenue has and will provide resources needed to accommodate annual debt obligations in 2025 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 CFA expenses and provide for additional investment in capital improvement projects for the convention center. 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 2-8

Franklin County Convention Facilities Authority
2025 - 2047 Debt Service Coverage Analysis for Convention Center

Year	REVENUE	DEBT SERVICE PAYMENTS (principal + interest)					Revenue less Debt Service	Coverage Ratio
	Hotel Tax (Estimated -as accrued)	Series 2015	Series 2017	Series 2020	Series 2024	Total Debt Service		
2025	31,658,136	8,026,524	509,329	3,984,461	3,746,053	16,266,367	15,391,769	1.95
2026	32,924,461	8,029,184	504,485	3,993,211	3,273,250	15,800,129	17,124,332	2.08
2027	34,241,440	8,025,342	474,537	3,991,461	3,273,250	15,764,590	18,476,849	2.17
2028	35,611,097	-	-	3,989,711	3,273,250	7,262,961	28,348,136	4.90
2029	37,035,541	-	-	18,192,961	5,528,250	23,721,211	13,314,330	1.56
2030	38,146,608	-	-	14,638,191	9,070,500	23,708,691	14,437,917	1.61
2031	39,291,006	-	-	19,475,537	4,240,000	23,715,537	15,575,469	1.66
2032	40,469,736	-	-	3,107,583	20,611,250	23,718,833	16,750,903	1.71
2033	41,683,828	-	-	21,802,583	1,905,500	23,708,083	17,975,745	1.76
2034	42,934,343	-	-	2,994,137	20,720,500	23,714,637	19,219,706	1.81
2035	44,222,373	-	-	22,750,980	964,750	23,715,730	20,506,643	1.86
2036	45,549,044	-	-	15,429,136	4,964,750	20,393,886	25,155,158	2.23
2037	46,915,516	-	-	15,525,336	4,784,750	20,310,086	26,605,430	2.31
2038	48,322,981	-	-	7,441,002	4,313,750	11,754,752	36,568,229	4.11
2039	49,772,671	-	-	7,431,957	4,151,250	11,583,207	38,189,464	4.30
2040	51,265,851	-	-	7,437,610	3,937,500	11,375,110	39,890,741	4.51
2041	52,803,826	-	-	3,577,390	-	3,577,390	49,226,436	14.76
2042	54,387,941	-	-	3,577,206	-	3,577,206	50,810,735	15.20
2043	56,019,579	-	-	3,573,799	-	3,573,799	52,445,780	15.68
2044	57,700,167	-	-	3,577,210	-	3,577,210	54,122,957	16.13
2045	59,431,172	-	-	3,572,040	-	3,572,040	55,859,132	16.64
2046	61,214,107	-	-	3,573,487	-	3,573,487	57,640,620	17.13
2047	63,050,530	-	-	3,576,193	-	3,576,193	59,474,337	17.63
Total	\$ 1,064,651,955	\$ 24,081,050	\$ 1,488,351	\$ 197,213,182	\$ 98,758,553	\$ 321,541,135	\$ 743,110,820	3.31

Note:

Hotel tax revenues on a cash basis are projected to grow by 3.0 percent in 2025; 4.0 percent in 2027 thru 2029 and 3.0 percent thereafter.

Debt service payments on outstanding bonds related to the convention center are made by the trustee with resources available within the convention center debt service fund. Deposit of revenue into the bond fund are made monthly with monies collected from hotel taxes (via flow through the revenue fund) and with revenues received from interest earnings generated mainly through investment of reserve funds. While interest and principal expenses are accrued monthly, actual interest payments on outstanding bonds are made twice a year and the principal payment is made once a year. The 2025 budget (cash basis) for the convention center debt service fund is provided in Table 2-9.

Table 2-9

Debt Service Fund			
	2023 Actual	2024 Projected	2025 Budget
Sources of Funds			
Hotel Taxes	\$ 6,298,726	\$ 9,819,020	\$ 8,612,562
Interest Earnings/Other	160,845	126,000	84,000
Transfers In: Debt Reserve	527,255	2,079,203	593,030
Transfers In: Rental Reserve	271,659	1,010,601	296,515
Total Sources of Funds	7,258,485	13,034,824	9,586,107
Uses of Funds:			
Debt Service Series 2014	1,145,650	1,145,650	-
Debt Service Series 2015	671,524	671,524	8,026,524
Debt Service Series 2017	29,329	29,329	509,329
Debt Service Series 2020	5,111,147	7,661,147	3,984,461
Debt Service Series 2024	-	(3,698,668)	3,746,053
Total Use of Funds	6,957,650	5,808,982	16,266,367
Current Year Balance	300,835	7,225,842	(6,680,260)
Add: prior year balance	506,259	807,094	8,032,936
Year End Fund Balance:	\$ 807,094	\$ 8,032,936	\$ 1,352,676

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 if the borrower is unable to do so. Requirements for the debt service reserve fund are established in the bond documents. The debt service reserve fund is in place to protect bond holders. Use of the debt service reserve fund would occur only if the City or County do not meet their funding obligation. 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 \$23.7 million. The debt service reserve fund has been and remains fully funded.

The 2025 budget for the convention center debt service reserve fund is provided in Table 2-10 (following page). 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.

Table 2-10

Debt Service Reserve Fund			
	2023 Actual	2024 Projected	2025 Budget
Sources of Funds:			
Interest Earnings	\$ 316,590	\$ 400,000	\$ 593,030
	-	-	-
Total Sources of Funds	316,590	400,000	593,030
Uses of Funds:			
Transfer to: Debt Service (Release of Funds)	-	1,679,203	-
Transfer to: Debt Service (Earnings)	527,255	400,000	593,030
Total Use of Funds	527,255	2,079,203	593,030
Current Year Balance	(210,665)	(1,679,203)	-
Add: prior year balance	25,636,207	25,425,542	23,746,339
Year End Fund Balance:	\$ 25,425,542	\$ 23,746,339	\$ 23,746,339
Required Balance:	\$ 25,400,413	\$ 23,721,211	\$ 23,721,211

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. Funds withdrawn from the rental reserve fund were replenished with proceeds from the 2020 bond proceeds such that the rental reserve fund balance at year end 2020 was fully replenished. Since 2020, the rental reserve has remained fully funded and will to be fully funded in 2025 and through the projection period.

The 2025 budget for the convention center rental reserve fund is provided in Table 2-11. 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 \$11.9 million.

Table 2-11

Rental Reserve Fund			
	2023 Actual	2024 Projected	2025 Budget
Sources of Funds			
Hotel Taxes	\$ -	\$ -	\$ -
Interest Earnings	157,863	171,000	296,515
Total Sources of Funds	157,863	171,000	296,515
Uses of Funds:			
Transfer to: Debt Service Fund (Release of Funds)	-	839,601	0
Transfer to: Debt Service Fund	271,659	171,000	296,515
Total Use of Funds	271,659	1,010,601	296,515
Current Year Balance	(113,796)	(839,601)	-
Add: prior year balance	12,821,144	12,707,348	11,867,747
Year End Fund Balance:	\$ 12,707,348	\$ 11,867,747	\$ 11,867,747
Required Balance	\$12,700,207	\$11,860,606	\$11,860,606

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 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 must be completed every five years and, if 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. The rebate calculation 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 2014 bond series was completed in 2024. A rebate calculation for the 2015 and 2020 bond series will be completed in 2025. All rebate calculations are up to date.

Currently the CFA has invested most fund reserves in five-year U.S. Agency Securities or Treasuries. Funds not invested are held either in the trustee's short term investment account or in STAR Ohio. Investments are staggered throughout the five-year investment period such that interest earnings can be maximized given the current market. As investments mature, principal is re-invested per requirements of the investment policy. The current average yield to maturity on the investment portfolio for the debt service reserve fund is 2.6 percent and the rental reserve fund is 2.9 percent.

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 most of the 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 2024, 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 2024, 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 2025 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. Regarding 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 Fund - Parking Facility Development			
	2023 Actual	2024 Projected	2025 Budget
Sources of Funds:			
Transfer in: Convention Center Operations	\$ 3,442,882	\$ 4,246,882	\$ 4,943,082
Interest Earnings	73,695	100,000	175,672
Total Sources of Funds	3,516,577	4,346,882	5,118,754
Uses of Funds:			
Debt Service Payments - Vine Street Garage	515,082	515,082	515,082
Debt Service Payments - Goodale Street Garage	520,500	571,500	571,500
Debt Service Payments - Ohio Center Garage	870,600	870,600	882,000
Use of Funds	1,906,182	1,957,182	1,968,582
Current Year Balance	1,610,395	2,389,700	3,150,172
Add: prior year balance	1,855,624	3,466,019	5,855,719
Year End Fund Balance:	\$ 3,466,019	\$ 5,855,719	\$ 9,005,891

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. Parking revenues that exceed debt service obligations will help off-set convention center operating expenses.

Table 2-13

Total Net Parking Income											
	Parking Spaces	2024 Projected				2025 Budget					
		Revenue	Operating Expenses	Debt Service	Net Parking Income	Net Parking Income per Space	Revenue	Operating Expenses	Debt Service	Net Parking Income	Net Parking Income per Space
South Garage	549	\$ 1,519,657	\$ 184,166	\$ -	\$ 1,335,491	\$ 2,433	\$ 1,566,792	\$ 220,261	\$ -	\$ 1,346,531	\$ 2,453
Vine St. Garage	1778	5,870,326	596,443	1,039,582	4,234,301	2,381	6,052,405	713,340	1,039,582	4,299,483	2,418
Goodale Garage	800	2,254,547	268,366	1,321,500	664,681	831	2,324,475	320,963	1,321,500	682,012	853
East Lot	875	622,585	293,525	-	329,060	376	641,895	351,053	-	290,842	332
North Lot	61	370,929	20,463	-	350,466	5,745	382,434	24,473	-	357,961	5,868
Ohio Center Garage	650	483,554	218,047	1,885,800	(1,620,293)	(2,493)	498,552	260,782	2,582,000	(2,344,230)	(3,607)
All Facilities	4713	\$ 11,121,598	\$ 1,581,010	\$ 4,246,882	\$ 5,293,706	\$ 1,303	\$ 11,466,553	\$ 1,890,872	\$ 4,943,082	\$ 4,632,599	\$ 1,140
Coverage Ratio (%)					2.62					2.32	

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 equity 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 ended the year 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. With the outbreak and spread of COVID-19 in 2020 the financial position of the convention center changed drastically. Because of the pandemic, the center suspended its operations on March 16th and remained under public health order restrictions until June 2021. Almost all events scheduled during the months of March 2020 through mid-year 2021 were either cancelled or moved to future years.

After successfully maneuvering through the unknowns of the pandemic, convention center operations returned to normal in 2023 and is continuing to do well in 2024. Event activity has rebounded as the center will host 35 citywide events during the year. Short-term business for the year is also proving to be strong and event attendance is up. Through September the center has hosted 189 events within the center, 47 events above budget. Attendance is approximately 51,000 above budget. Income from food/beverage services and ancillary services are helping drive resources to the bottom line. Unfortunately, while revenues are doing well, operating

expenses are proving to be a challenge as labor, utilities and maintenance costs are above budget. Overall, the center is expected to end 2024 with net operating income of approximately \$67,000.

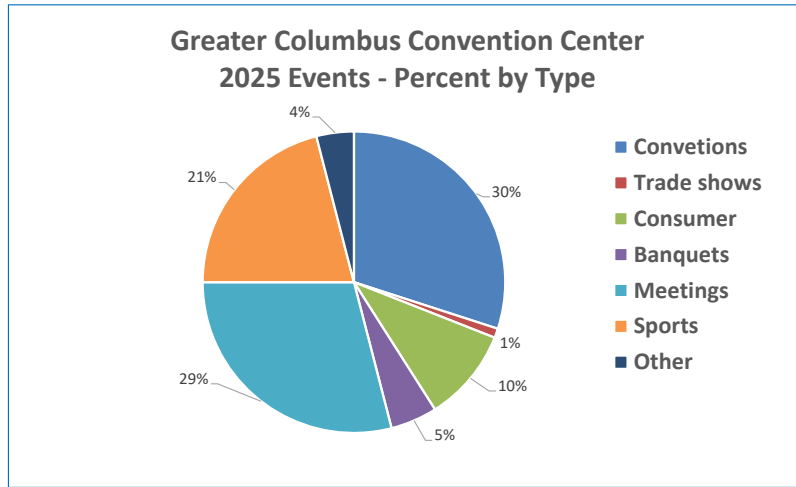
2025 will be another good year for the center, with an event schedule comparable to prior year. The convention center will enter the year with 146 contracted event bookings: 7 more than 2024. Currently there are 35 citywide events in 2025; including notational events as Society for Science, National Head Start Association, Veterans of Foreign Wars and Best Buy (see Table 2-14 for comparison of 2024 and 2025 events). While revenue generation and growth will be the focus of operating efforts in 2025, the center will also strive to improve overall visitor and guest experience, enhance operating efficiencies, increase investment in facility maintenance efforts and improve workforce efficiencies, retention and development.

Table 2-14

Greater Columbus Convention Center Summary of 2024 Events (as booked November 2023)		Greater Columbus Convention Center Summary of 2025 Events (as booked November 2024)	
Total Confirmed Events (now includes tentative)	139	Total Confirmed Events (now includes tentative)	175
Total Attendance	744,805	Total Attendance	732,255
Total Room Nights	298,912	Total Room Nights	290,664
Total Citywide Events	35	Total Citywide Events	35
Total New Events	40	Total New Events	41
Total Events with 5,000+ in Attendance	37	Total Events with 5,000+ in Attendance	38
Total Events with 1,000+ Room Nights	57	Total Events with 1,000+ Room Nights	62
Percent of Event Income that is based on Short-term Business (yet to be booked)	13%	Percent of Event Income that is based on Short-term Business (yet to be booked)	10%

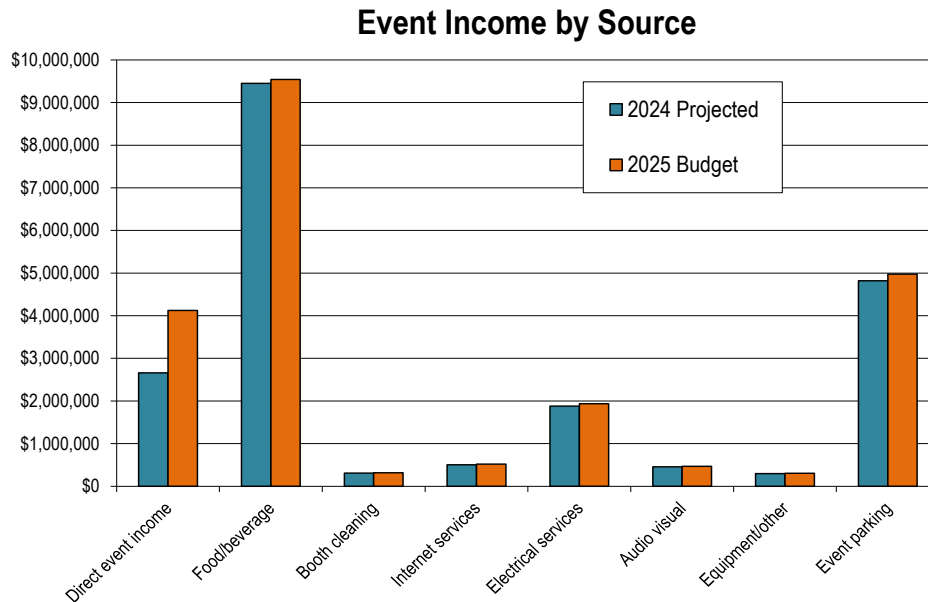
Graph 2-15 provides a further breakdown of events currently booked for 2025. Conventions and meetings produce the most activity within the center; with sporting events also adding to the bottom line. Of total events, sporting events have the highest attendance while conventions result in the highest event income. While the goal for the center is to maintain a strong and diverse event mix; the focus for the future is to host larger events that drive revenue opportunity through increased attendance and/or additional spend.

Chart 2-15



Income from events consists of both direct event income and ancillary income. Direct event income includes rental income 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 2025, direct event income will increase due to added events, event mix and improved use of contracted labor. Because attendance is projected to remain consistent with 2024, growth in ancillary income including income from catering, food and beverage, technical services, booth cleaning, parking, equipment rental, and concessions, will remain minor. Despite conservative growth in ancillary income, total event income in 2025 is projected to be \$22.2 million; a \$1.8 million increase over 2024 event income.

Chart 2-16



Total event income is generated from a variety of revenue sources as illustrated in Chart 2-16. As expected, the largest source of event income for 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 the implementation of new creative menus, improved food presentation, more focus on outlets as well as

concessions and better use of local food sources. In 2025, income from food services is expected to remain stable and will sustain high income levels experienced in 2024. Unfortunately, growth in expenses will continue to negatively impact the bottom line. Overall, the profit margin from food service operations is expected to be 32.0 percent for the year; below the 34.0 percent margin experienced in 2024. Food and beverage net revenue in 2025 will equal \$9.5 million. Net income (net revenue less indirect expenses) will equal \$5.7 million; approximately \$300,000 below net income expected in 2024.

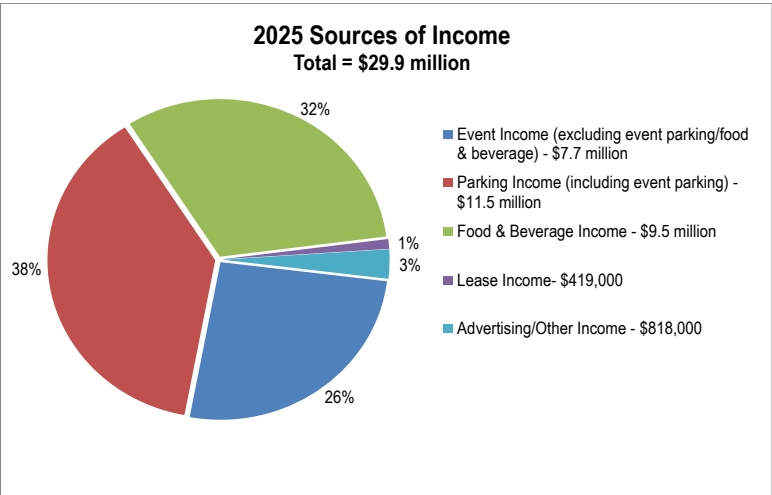
Income received from parking is another important source of revenue for the convention center. The center operates several parking facilities to include the South parking garage with approximately 550 spaces, the Vine Street parking garage with approximately 1800 spaces, the Goodale Street parking garage 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), non-event parking or general parking and parking revenue from monthly parkers. During the past few years, use of parking has fluctuated as monthly parkers have diminished due to a decline in the local workforce as more individuals work from home. Parking use also is impacted by the type and number of events held in the convention center and in Nationwide Arena. In 2025, parking facility operations will focus on increasing demand for non-event related parking through development of incentive programs. Overall, 2025 is expected to be another growth year for parking revenue as activity within the convention center and surrounding community remains strong. In 2025, parking revenue is projected to be \$11.5 million, \$345,000 above prior year. Of parking revenue earned during the year, \$4.9 million will be used to pay garage debt service in 2025.

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/marketing opportunities develop. Sponsorship and advertising will be another focus of revenue generation in 2025. 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.

2025 convention center income is illustrated in Chart 2-17. Total income for the year is projected to be \$29.9 million, 7.9 percent above prior year.

Chart 2-17



Convention center operations in 2025 will continue to invest in initiatives that further the center's goal to be the best-in-class. Efforts in 2025 will focus on improving the visitor/guest experience; reducing contracted labor through employee recruitment, training and retention; added guest service support, additional investment in operations with the focus on center improvement and cleanliness; food service innovation as it related to catering and venue outlets; and event generation. To accomplish these goals, the budget includes funding for 117 full-time ASM Global staff members (four to be added in 2025) and 24 Levy full-time staff members (three to be added in 2025). In 2025, 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 \$350,000 to the Greater Columbus Sports Commission for marketing. The budget also provides for a contribution of \$360,000 to the business development fund. Convention center revenue and expenses for 2024 and 2025 are summarized in Table 2-18.

Table 2-18

Greater Columbus Convention Center Revenues and Expenses				
	2024 Projected	2025 Budget	Variance	% Change
Sources of Income				
Direct Event Income	\$ 2,660,809	\$ 4,123,868	\$ 1,463,059	54.99
Food and Beverage	9,448,795	9,543,252	94,457	1.00
Parking (event + non-event)	11,121,598	11,466,553	344,955	3.10
Ancillary Income	3,445,494	3,551,011	105,517	3.06
Lease Income	400,614	419,384	18,770	4.69
Other	651,797	817,800	166,003	25.47
Total Sources of Income	\$ 27,729,107	\$ 29,921,868	\$ 2,192,761	7.91
Less: Uses of Income				
Employee Wages/Benefits	10,342,618	12,126,005	1,783,387	17.24
Operations/Repair/Maintenance	1,862,235	2,269,874	407,639	21.89
Utilities	4,447,037	4,650,056	203,019	4.57
Services (Professional/Other)	1,593,981	1,616,624	22,643	1.42
Supplies	666,495	620,080	(46,415)	(6.96)
Insurance	906,741	1,048,224	141,483	15.60
Management Fees	1,034,507	1,104,620	70,113	6.78
Staff Related Costs/Travel/Training	380,263	362,146	(18,117)	(4.76)
IT/Computer	306,381	264,600	(41,781)	(13.64)
Other	1,875,441	1,620,690	(254,751)	(13.58)
Total Uses of Income	\$ 23,415,699	\$ 25,682,919	\$ 2,267,220	9.68
Net Income from Operations	\$ 4,313,408	\$ 4,238,949	\$ (74,459)	(1.73)
Less: Garage Debt Service Payment	\$ 4,246,882	\$ 4,943,082	696,200	16.39
Total Net Income	\$ 66,526	\$ (704,133)	\$ (770,659)	

While the center is expected to drive revenues during the year with a growth rate of 8.0 percent; added expenses due to wages and new staff, enhanced maintenance and increased garage debt service will negatively impact the bottom line. Overall, the convention center is expected to end the year with a negative net income of approximately \$704,000. CFA equity reserves will be used to cover the planned deficit.

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 the needs of the facility. During 2025, the capital improvements program for the convention center will accelerate with significant investment of resources. Of focus will be the on-going improvement of HVAC systems throughout the facility, renovation of Battelle Grand and store front space in the Vine Street Garage, Hyatt Regency Ballroom bathroom expansion, and restoration of the west connector. In 2025, the CFA will also prepare for the north building roof replacement which will occur in 2026 and 2027. A complete list of facility improvements and capital expenditures planned for 2025 is provided in Table 2-19. The total cost of capital improvements for the convention center in 2025 will be \$11.0 million.

Table 2-19

2025 Capital Improvements Program Greater Columbus Convention Center & Related Projects

North Building Air Handler Fan Upgrades	\$ 1,400,000
South Building Boiler Replacement	1,500,000
West Connector Joint Restoration	1,500,000
Ohio Center Garage Media Screen	750,000
Security Upgrades	970,000
Battelle Grand Renovation	1,200,000
Operable Partitions	330,000
Door Replacement	100,000
Replacement FF&E	150,000
Hyatt Regency Ballroom Restroom Expansion	1,000,000
Parking Shelter Replacement	900,000
Hot Water Heater Replacement	350,000
Center Roof Engineering/Design Services	100,000
Miscellaneous	250,000
Long-term Lease Payments	42,941
Vine Street Garage Storefront Renovation	500,000
Total: 2025 Capital Projects	\$ 11,042,941

SECTION 3

HILTON COLUMBUS DOWNTOWN



Hilton Columbus Downtown Hotel

In answer to market demand for convention quality hotel rooms near the Greater Columbus Convention 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 537 guest rooms 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. The 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 \$291.2 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 \$345.5 million. With the opening of the new tower, the hotel now operates and functions as a single enterprise with 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 coupled with hotel generated lodging tax has been used to meet annual debt service obligations. Prior to the 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.

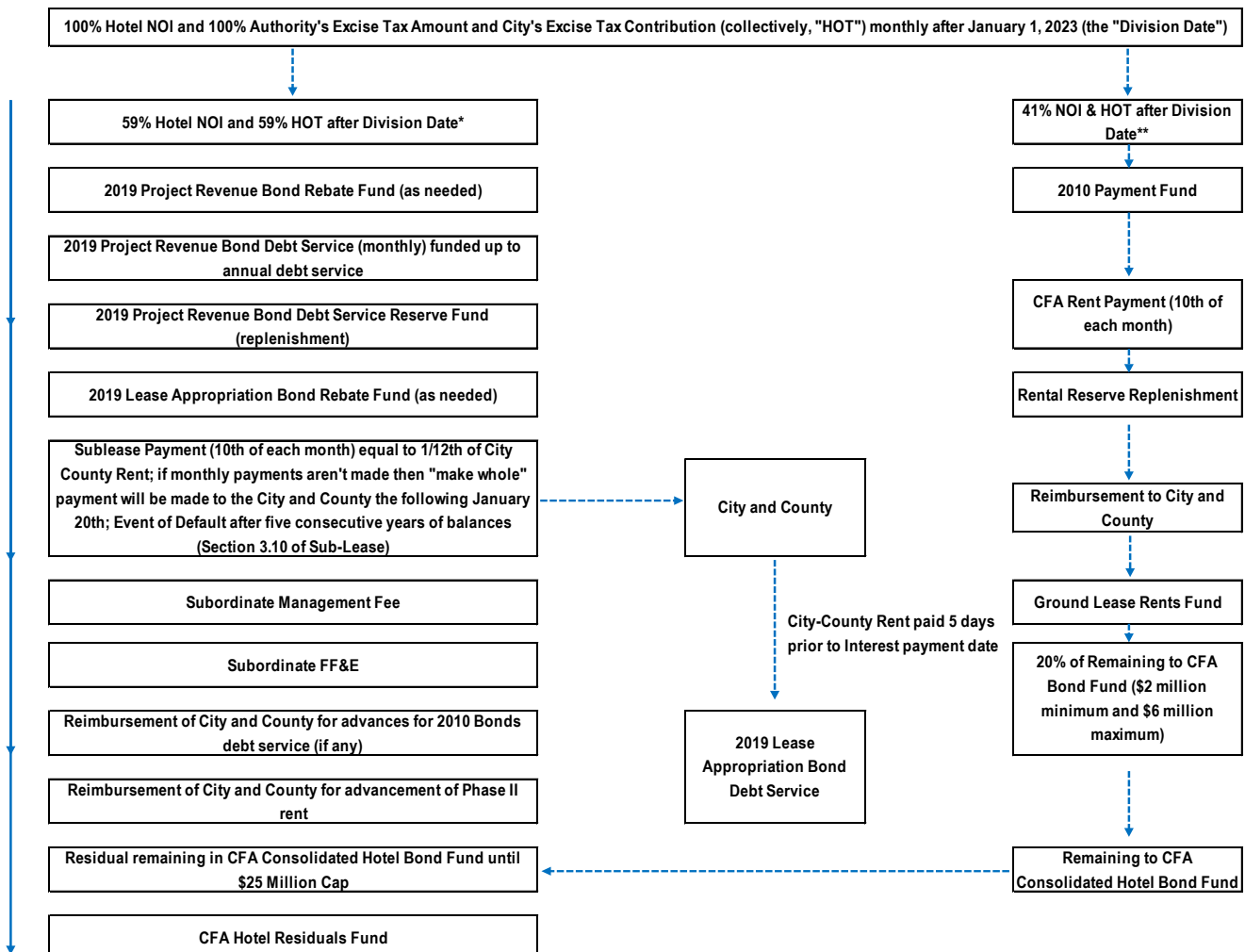
In October 2024, the CFA refinanced the original 2010 hotel bonds to streamline the hotel debt program and to better position the hotel for the future. Through the refinancing, the CFA reduced risk through the elimination of Build America Bonds and restructured reserve funds thereby fully funding the rental reserve fund; a fund that was depleted during the pandemic. To eliminate Build America Bonds, the 2024 bond restructuring used market savings to replace the loss in payments from the U.S. Treasury. Since market savings did not completely eliminate all payments, the value of payments not eliminated by the market or "dissaving" was shifted to out years of the debt program. The intent is that future market will provide the opportunity to refinance the 2024 bonds such that this "dissaving" is eliminated. Except for the removal of the 2010 debt service reserve fund (as discussed later in this section), the 2024 bond issue did not change any other financing terms of the 2010 issue or the cooperative agreement nor did the restructuring extend the term of the debt program.

To provide the financing structure for the development of the hotel's new tower, the City, County and CFA amended the original cooperative agreement with a revised financing plan for the hotel. Per the new plan, the hotel expansion was financed through the issue of two series of bonds, both issued in 2019. Series A bonds are project revenue bonds backed only by the Hilton's net income and lodging tax revenue. Series B bonds are 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 are now 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. At the time of the 2019 issue, the CFA used funds within the 2010 bond payment fund to fully fund (\$25.0 million) a new hotel consolidated bond fund to serve as security for the new bonds. 2019 bonds were sold on December 4, 2019.



The below diagram illustrates the flow of funds and the corresponding payment of debt service under the current structure for hotel bonds. This new flow began in January 2023 and was not impacted by the 2024 hotel bond refinancing. 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



Since opening the original tower of the Hilton Columbus Downtown in 2012, the hotel has been very successful. Strong occupancy and high average daily rates have provided the CFA with the resources needed to cover annual debt service and to build up healthy operating and debt-related reserves. Except for years of the pandemic (2020 and 2021 specifically), the CFA has not had to draw on any reserves to meet debt obligations. However, during the pandemic with related health restrictions and stay-at-home orders, operations were significantly impacted by low travel thus limiting flow to the bottom-line. As a result, the CFA for the first time, had to draw on rental reserve funds to cover annual debt obligations associated with the 2010 bond issue.

Fortunately, travel and group business began to rebound in 2022 and continued to improve through 2023; growing hotel occupancy back to levels experienced prior to the pandemic despite the added room inventory of the new tower. As a result of this growth, net operating income, hotel lodging tax revenue and US Treasury payments covered most debt obligations during those years and the CFA only had to draw slightly on rental reserve funds during 2023 due to added expenses associated with the opening of the new tower.

2024 is also proving to be an exceptional year for the hotel as the convention and hospitality market has paced well. Group bookings within the hotel have been strong as the Columbus community has hosted a significantly high number of city-wide events and community concerts, sporting events and other activities throughout the year. Occupancy within the Hilton Columbus Downtown Hotel is projected to be 65.3 percent for the year; approximately 6.0 percentage points above the prior year. Strong room rates as well as income from the food/beverage outlets have increased net income to a level that now fully covers debt service for both towers. Moving forward, this trend is expected to continue as hotel operations are expected to produce enough income to fully cover debt service. In fact, by the end of the five-year projection period, the CFA will have net income to not only cover all debt obligations but will have sufficient resources to ensure that all related debt reserve funds are fully funded, and additional deposits of excess income are made to the residuals fund.



Chart 3-1 (following page) illustrates the sources of funds used to cover debt service for the years 2023, 2024 and 2025. Because net operating income from hotel operations in 2023 were slightly below levels needed to cover debt service due on the 2010 bonds, the CFA used rental reserve funds to cover the projected shortfall. Beginning in 2024 and continuing into 2025, the hotel is expected to generate net operating income sufficient enough to cover all debt service due for the year.

Chart 3-1

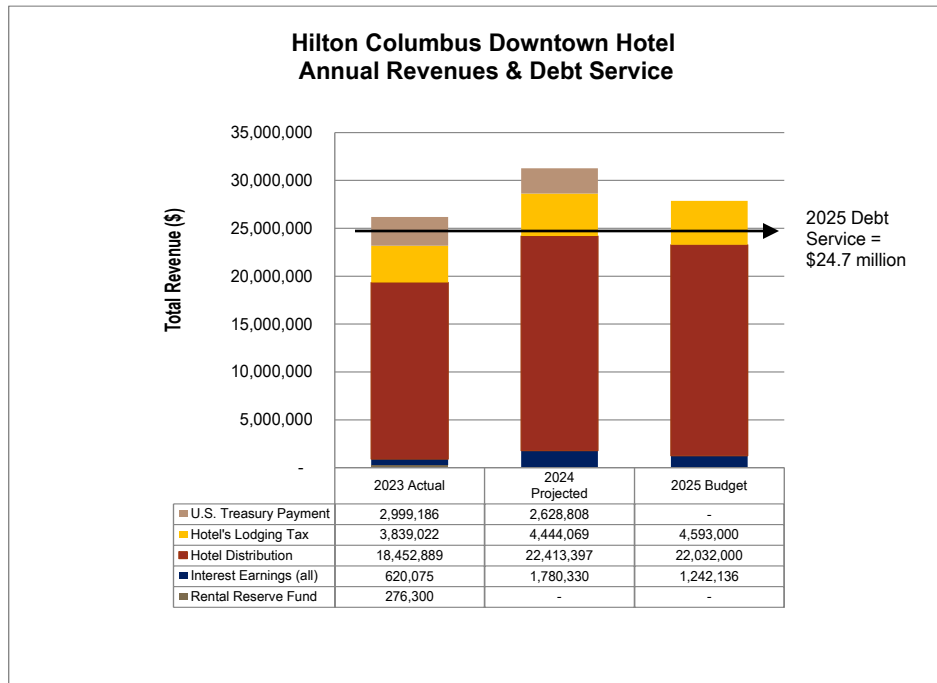


Table 3-2

Hotel - 2010/2024 Bond Payment Fund			
	2023 Actual	2024 Projected	2025 Budget
Sources of Funds			
Distribution from Hotel	\$ 7,565,684	\$ 9,189,493	\$ 9,033,120
U.S. Treasury Payments	2,999,186	2,628,808	-
Hotel Lodging Tax	1,573,999	1,822,070	1,883,130
Interest Earnings	281,655	321,857	107,852
Transfer In: Rental Reserve Fund (Earnings)	-	-	401,187
Transfer In: Ground Lease Fund (Earnings)	-	-	183,097
Transfer In: Rental Reserve Fund	276,300	-	-
Total Sources of Funds	12,696,824	13,962,228	11,608,386
Uses of Funds:			
Principal Payment	3,670,000	4,140,000	3,245,000
Interest Expense	9,051,713	5,112,407	6,667,750
Transfer Out: 2024 Bond Issue	-	3,200,000	-
Total Use of Funds	12,721,713	12,452,407	9,912,750
Current Year Balance	(24,889)	1,509,821	1,695,636
Add: prior year balance	672,107	647,218	2,157,039
Year End Fund Balance:	\$ 647,218	\$ 2,157,039	\$ 3,852,675
Required Minimum Balance:			\$ 2,000,000

Table 3-2 (previous page) provides information on the 2010 and now 2024 hotel debt service or bond payment fund. Beginning in 2023, distribution of hotel income as well as the hotel's lodging tax was split between the 2010/2024 and 2019 bond funds to pay for debt service due on both issues. Because 2023 was the first year of such split and because 2023 was also the first year of the hotel operating as one 1,000 room property, actual revenue flow into the 2010 bond fund proved to be slightly less than needed to cover debt service. This was short term. Hotel operations in 2024 and in 2025 are expected to improve as hotel occupancy continues to increase and as operations become more efficient. As a result, debt service due on 201/2024 bonds will be paid in full during 2024 and during 2025.

Per terms of the 2019 bond issue; the 2010/2024 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 2010/2024 debt service coverage. Because of the challenges posed by the pandemic, the balance in the 2010 bond fund at year 2023 was less than the required minimum balance. However, given the success of hotel operations during 2024, the required balance within the 2010/2024 bond fund will meet the minimum balance requirement at year end 2024. The balance within the bond fund is expected to increase to \$6.0 million during the next five years.

Table 3-3 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 the 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 has been deposited into the fund to cover 2019 debt service costs. Such costs were fully covered in 2023 and remain fully covered through the projection period.

Table 3-3

Hotel - 2019 Bond Payment Fund			
	2023 Actual	2024 Projected	2025 Budget
Sources of Funds			
Distribution from Hotel	\$ 10,887,205	\$ 13,223,904	\$ 12,998,880
Hotel Lodging Tax	2,265,023	2,621,999	2,709,870
Transfer From: Consolidated Bond Fund	2,046,790	2,228,600	3,088,600
Transfer From: Debt Reserve Fund Earnings	299,388	1,229,586	300,000
Interest Earnings	39,032	228,887	250,000
Total Sources of Funds	15,537,438	19,532,976	19,347,350
Uses of Funds:			
Debt Service: Project Revenue Bonds	7,590,750	7,590,750	8,655,750
Debt Service: Lease Appropriation Bonds	4,457,200	4,457,200	6,177,200
Transfer To: Consolidated Bond Fund	-	4,275,390	3,688,600
Transfer To: Hotel (management fee/FF&E)	2,626,039	2,351,384	1,653,562
Total Use of Funds	14,673,989	18,674,724	20,175,112
Current Year Balance	863,449	858,252	(827,762)
Add: prior year balance	332,687	1,196,136	2,054,388
Year End Fund Balance:	\$ 1,196,136	\$ 2,054,388	\$ 1,226,626

The hotel consolidated bond fund serves as an additional source of monies available for debt service coverage related to 2019 hotel bonds. Because revenues into the 2019 bond fund must first be used to pay all debt service due on the project revenue bonds prior to being used to pay debt service due on the lease appropriation bonds, monies available to meet debt service payment due on June 1st are not sufficient enough to cover all of the annual debt service due on the project revenue bonds plus the first semester payment of debt service due on the lease appropriation bonds. As a result, consolidated bond funds are used to cover the shortfall. However, this use is temporary as the consolidated bond fund is subsequently replenished prior to year end when there are sufficient monies within the bond fund to cover debt service due on both series.

Per terms of the 2019 bond indenture, net operating income from hotel operations must first be available for payment of debt service prior to payment of the subordinate management fee and the secondary deposit in the hotel's FF&E fund. Net operating income flows to the trustee monthly whereby it is held in the bond payment fund until payment of debt service is made. Upon full payment of debt service at year end, any remaining funds are transferred back to the hotel for payment of the subordinate management fee and for deposit of monies into the FF&E reserve. Once this commitment is met, the remaining monies in the bond fund are transferred to the consolidated bond fund. The consolidated bond fund does not have a required minimum balance but does have a maximum balance requirement of \$25.0 million. Table 3-4 provides information on the budget for the consolidated bond fund.

Table 3-4

Hotel Consolidated Bond Fund			
	2023 Actual	2024 Projected	2025 Budget
Sources of Funds:			
Transfer in: 2019 Bond Fund	\$ -	\$ 4,275,390	\$ 3,688,600
Transfer in: 2010/2024 Bond Fund	-	-	
Interest Earnings	441,118	683,000	700,000
Total Sources of Funds	441,118	4,958,390	4,388,600
Uses of Funds:			
Transfer out: 2019 Debt Reserve Fund	232,365	-	-
Transfer out: 2019 Bond Fund	2,046,790	2,228,600	3,088,600
Transfer out: Residuals Fund	-	-	2,421,458
Total Uses of Funds	2,279,155	2,228,600	5,510,058
Current Year Balance	(1,838,037)	2,729,790	(1,121,458)
Add: prior year balance	25,229,705	23,391,668	26,121,458
Year End Fund Balance:	\$ 23,391,668	\$ 26,121,458	\$ 25,000,000
Maximum Balance:			<u>\$25,000,000</u>

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 2025. By 2029, the residuals fund is projected to have a balance of approximately \$23.6 million; all of which will be used to pay the outstanding Nationwide Arena loan.

Table 3-5

Hotel Residuals Fund			
	2023 Actual	2024 Projected	2025 Budget
Sources of Funds:			
Transfer in: Consolidated Bond Fund	\$ -	\$ -	\$ 2,421,458
Interest Earnings	104,446	105,000	110,250
Total Sources of Funds	104,446	105,000	2,531,708
Use of Funds	-	-	-
Current Year Balance	104,446	105,000	2,531,708
Add: prior year balance	1,917,782	2,022,228	2,127,228
Year End Fund Balance:	\$ 2,022,228	\$ 2,127,228	\$ 4,658,936

A standard requirement of public borrowing is that debt reserve funds 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. These reserve funds are in place to protect bond holders and in the case of the 2010/2024 bond issue are in place to also protect the County. Consistent with this requirement, the 2019 bond issue set aside \$15.2 million in bond proceeds in a debt service reserve fund for protection of bond holders associated with the 2019 project revenue bonds (Series A). This debt service reserve fund is in addition to coverage provided by the consolidated bond fund. Since establishment, this debt service reserve fund has remained fully funded and will remain fully funded through the projection period. Funds are invested, mostly in U.S. agency securities. Interest earnings from these investments are transferred to the bond payment fund to help pay for annual debt obligations.

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 2010/2024 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 (\$8.0 million) with future hotel income. Money in excess of the required balance is transferred to the 2010 hotel bond fund.

The 2010 hotel bond issue originally had a debt service reserve fund established as protection of bond holders only if the County did not meet its obligation to fully back 2010 hotel debt service through appropriation authority. Because it is extremely unlikely that Franklin County would not meet this obligation, the debt service reserve fund was deemed unnecessary and was eliminated through the 2024 bond restructuring process. Funding previously held in the 2010 debt service reserve fund was used to replenish the rental reserve fund which was almost depleted during the pandemic. The rental reserve fund is now fully funded at \$8.0 million and is available for debt service coverage if hotel operating income is not sufficient. Use of the rental reserve fund can occur prior to the County's payment and as such the rental reserve fund is now in place to protect both the County and bondholders.

Balances within the hotel 2019 debt service reserve fund and the 2010/2024 rental reserve fund are summarized in Tables 3-6 and 3-7.

Table 3-6

Hotel - 2019 Debt Service Reserve Fund			
	2023 Actual	2024 Projected	2025 Budget
Sources of Funds:			
Interest Earnings	\$ 129,278	\$ 330,000	\$ 300,000
Transfer in: Consolidated Bond Fund	232,365	-	-
Total Sources of Funds	361,643	330,000	300,000
Uses of Funds:			
Transfer to: 2019 Bond Payment Fund	299,388	1,229,586	300,000
Total Use of Funds	299,388	1,229,586	300,000
Current Year Balance	62,255	(899,586)	-
Add: prior year balance	16,183,781	16,246,036	15,346,450
Year End Fund Balance:	\$ 16,246,036	\$ 15,346,450	\$ 15,346,450
Required Balance:			<u>\$15,181,500</u>

Table 3-7

Hotel - 2010/2024 Rental Reserve Fund			
	2023 Actual	2024 Projected	2025 Budget
Sources of Funds			
Interest Earnings	\$ 66,265	\$ 63,000	\$ 401,187
2024 Bond Proceeds	-	471,344	-
Transfer in: Debt Service Reserve Fund	-	6,425,209	-
Total Sources of Funds	66,265	6,959,553	401,187
Uses of Funds:			
Transfer Out: 2010 Bond Fund	276,300	-	401,187
Total Use of Funds	276,300	-	401,187
Current Year Balance	(210,035)	6,959,553	-
Add: prior year balance	1,274,226	1,064,191	8,023,744
Year End Fund Balance:	\$ 1,064,191	\$ 8,023,744	\$ 8,023,744
Required Balance			<u>\$8,000,000</u>

As also required in the original cooperative agreement, the CFA established a ground lease rents fund to serve as an additional reserve fund for payment of 2010/2024 debt service. The required balance for this fund is \$1.0 million. Currently, the ground lease fund is fully funded. Monies in excess of the reserve balance are transferred to the 2010/2024 bond fund.

Table 3-8

Hotel - Ground Lease Rents Fund			
	2023 Actual	2024 Projected	2025 Budget
Sources of Funds:			
Interest Earnings	\$ 54,597	\$ 59,500	\$ 50,000
Total Sources of Funds	54,597	59,500	50,000
Uses of Funds:			
Transfer Out: 2010 Bond Fund	-	-	183,097
Total Use of Funds	-	-	183,097
Current Year Balance	54,597	59,500	(133,097)
Add: prior year balance	1,019,322	1,073,919	1,133,419
Year End Fund Balance:	\$ 1,073,919	\$ 1,133,419	\$ 1,000,322
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 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 just completed in 2024. Rebate calculations for the 2019 bond series will be completed by year end 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 group, transient and 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 the response and input from guests suggest that most are pleased with the accommodation at the hotel as well as the services provided by the 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 (2020 and 2021 being the exception due to COVID and related travel restrictions, stay at home orders and gathering limitations).

2025 is expected to be a year of strong performance as well. With the opening of the new tower in September 2022; the hotel has focused efforts on increasing group/transient business and improving food and beverage sales through the hotel restaurant (Fyr) and roof-top bar (Stories on High). While market demand for group rooms was the strongest ever in 2024, the challenge remains with transient as mid-week transient demand struggles due to limited demand generators and change in work environment limiting business travel. In 2025, room nights in the hotel from group business will decrease slightly; however, the hotel's own group demand as well as the hotel's permanent business will fill the gap. So too, in-house group and transient business does help drive daily rate along with banquet activity which supports revenue growth. As a result, banquet revenue is expected to grow significantly in 2025. Overall, occupancy for the year is projected to be approximately 65.0 percent; on par with 2024. Average daily rate will increase by 2.8 percent in 2025, accounting for almost all of the growth in RevPAR. Regarding food and beverage, revenue from banquets is increasing by 8.7 percent. Revenues from outlets are projected to increase by 3.5 percent. In total, gross revenues are expected to increase by approximately 4.1 percent in 2025.

Although projected growth in revenues for 2025 remains strong, flow to the bottom line will be impacted by growth in expenses. While hotel operations will continue to improve operating efficiencies in 2025; expense growth in labor costs and utilities will off-set some of these savings. Overall, expenses are expected to increase by only 2.3 percent in 2025. Table 3-9 (following page) provides a summary of the operating budget for the hotel.

Table 3-9

Hilton Columbus Downtown Hotel Revenues and Expenses				
	2024 Projected	2025 Budget	Variance	% Change
Departmental Revenues				
Gross Revenues	\$ 79,403,000	\$ 82,656,000	\$ 3,253,000	4.10
Less: Departmental Expenses	32,311,000	34,990,000	2,679,000	8.29
Total Department Revenue	47,092,000	47,666,000	574,000	1.22
Undistributed Expenses				
General & Administrative	8,292,000	8,466,000	174,000	2.10
Sales & Marketing	4,504,000	4,548,000	44,000	0.98
Property Operations	3,199,000	3,360,000	161,000	5.03
IT	1,067,000	1,080,000	13,000	1.22
Utilities	1,789,000	1,835,000	46,000	2.57
Subtotal - Undistributed Expenses	18,851,000	19,289,000	438,000	2.32
Fixed Charges				
Other Non-operating Expense	936,000	972,000	36,000	3.85
FF&E Reserve Deposit	2,382,000	2,893,000	511,000	21.45
Management Fee	2,184,000	2,480,000	296,000	13.55
Subtotal - Fixed Charges	5,502,000	6,345,000	843,000	15.32
Net Operating Income (as accrued)	\$ 22,739,000	\$ 22,032,000	\$ (707,000)	(3.11)
Distribution to Owner (cash basis - excluding subordinate fee/FF&E distribution)	\$ 22,413,397	\$ 22,032,000	\$ (381,397)	(1.70)

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 (3.0 percent of gross revenue) and a subordinate fee (1.0 percent of gross revenue). The subordinate fee is paid after debt service obligations for the year have been met. The second fixed fee 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 (3.5 percent of gross revenue in 2025) 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 2025, the hotel is projected to have approximately \$2.0 million in the working capital fund and \$2.4 million in the operating reserve.

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 2025, approximately \$3.7 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 3-10 lists the capital projects planned for 2025. The major projects to be completed in 2025 will be renovation of the 401 elevators as well as the renovation of the pool area and health club and Galleria Bar soft goods all within the original tower.

Table 3-10

2025 Capital Improvement Projects - Hotel		
Hilton 401 elevator system upgrade	\$	895,708
Mechanical repairs/improvements		530,000
Galleria Bar - soft goods		216,908
401 pool area renovation		250,000
401 Health club		118,496
General renovation/repair projects		588,110
Furniture (chairs, tables, kitchen equipment, espresso machine)		265,000
Safety and security projects		86,900
IT projects		146,489
Discretionary/miscellaneous		275,900
Total: 2025 Capital Projects	\$	3,373,511

Table 3-11 provides a summary of the capital reserve fund. At year-end 2025, the capital improvements fund will have a balance of approximately \$4.0 million. While monies within the fund will be used for on-going capital improvements, most deposits into the fund will be reserved for future hotel renovation projects.

Table 3-11

Hotel Capital or FF&E Reserve Fund			
	2023 Actual	2024 Projected	2025 Budget
Sources of Funds:			
Primary reserve deposit	\$ 1,713,347	\$ 2,382,099	\$ 2,892,967
Secondary reserve deposit	1,964,390	794,033	826,562
Interest earnings	34,958	99,000	64,632
Total Sources of Funds	3,712,695	3,275,132	3,784,161
Uses of Funds:			
Capital project expenses	1,474,865	2,763,193	3,373,511
Total Use of Funds	1,474,865	2,763,193	3,373,511
Current Year Balance	2,237,830	511,939	410,650
Add: prior year balance	820,454	3,058,284	3,570,223
Year End Fund Balance:	\$ 3,058,284	\$ 3,570,223	\$ 3,980,873

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 to ensure 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 continuing 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 have a population of at least 80,000); 34.0 percent to all public school districts in support of primary and secondary education; 5.0 percent to casino 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 remains 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 the 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 and again in 2024, revenue growth has been minor reflecting very little market growth. Revenue growth in 2025 is expected to be minor as well. Casino tax revenue for 2025 is projected to be approximately \$7.6 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
	2020	2021	2022	2023	2024	2025
City (county fund)	1,878,605	2,773,705	3,035,545	3,041,826	3,036,596	3,066,962
City (host city fund)	844,276	1,275,377	1,374,454	1,427,491	1,445,515	1,459,971
Total City	2,722,881	4,049,082	4,409,999	4,469,317	4,482,112	4,526,933
County (county fund)	1,878,605	2,773,705	3,035,545	3,041,826	3,036,596	3,066,962
Total	\$ 4,601,486	\$ 6,822,786	\$ 7,445,543	\$ 7,511,144	\$ 7,518,708	\$ 7,593,896
Change over Prior Year	-19.33%	48.27%	9.13%	0.88%	0.10%	1.00%

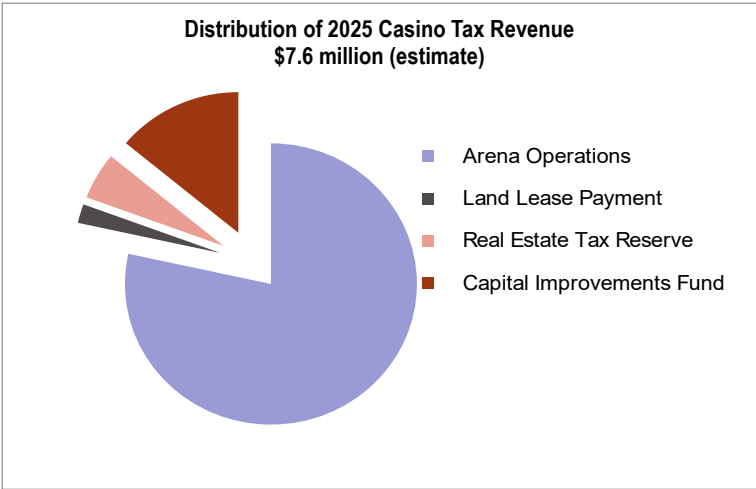
The following table (Table 4-2) provides the 2025 budget for the arena lease payments fund. Revenues into the fund equal casino tax payments from both the City and County. **All 2025 expenses for which the CFA is responsible with respect to Nationwide Arena, except for real estate taxes, Nationwide loan repayment 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 2025 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			
	2023 Actual	2024 Projected	2025 Budget
Sources of Funds			
Casino Tax Revenue: City	\$ 4,469,318	\$ 4,482,112	\$ 4,526,933
Casino Tax Revenue: County	3,041,826	3,036,596	3,066,962
Transfer From: FCCFA Operating Fund	3,041,826	3,036,596	3,066,962
Total Sources of Funds	10,552,970	10,555,304	10,660,857
Uses of Funds:			
Arena Operations	5,560,680	5,755,305	5,956,741
Land Lease Payment	165,000	165,000	165,000
Real Estate Tax Reserve	381,684	395,042	408,870
Arena Capital Improvements	1,403,780	1,203,361	1,063,284
Transfer To: FCCFA Cap Ex. Fund	3,041,826	3,036,596	3,066,962
Transfer To: Debt Service	-	-	-
Total Use of Funds	10,552,970	10,555,304	10,660,857
Year End Fund Balance:	\$ -	\$ -	\$ -

Revenues from 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 2025, the funding commitment for arena operations is \$5,956,741. Funding for operations will be forwarded to CAM and disbursed per CAM approved operating budget. In addition to operating expenses, casino tax revenue funds in 2025 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. 2025 casino tax revenue projections suggest that deposit into the capital improvements fund will equal approximately \$1.1 million (see Graph 4-3).

Graph 4-3



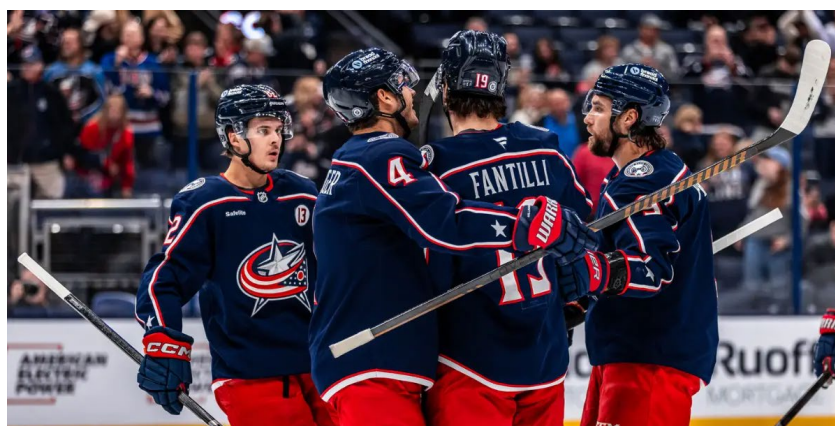
Debt Service – Nationwide Arena

In March of 2012, the CFA received a loan from the State of Ohio, Department of Development to partially finance 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 an 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 2025) 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, 2024 is \$3.3 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 \$2.2 million.

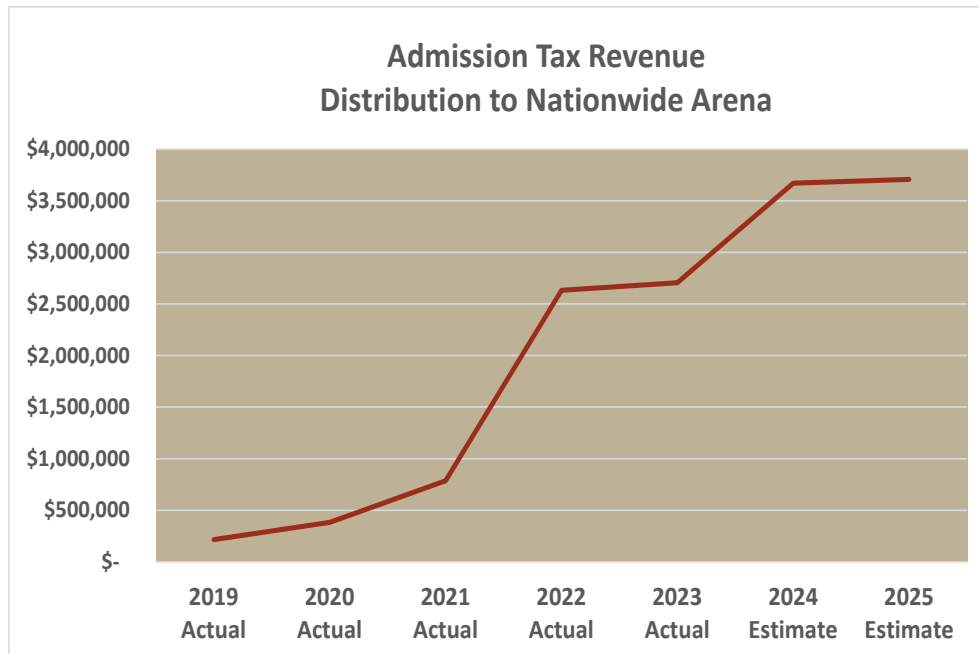


Admissions Tax

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.

Graph 4-4 provides information on the historical distribution of admission tax to the CFA since inception. Just as Implementation of the admissions tax began in 2019, distributions of the tax were placed on hold in 2020 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 second half of the year with the start of the 2021- 2022 NHL hockey season. In 2022 and 2023, admissions tax revenue really began to excel as NHL Hockey and concerts again filled the arena with attendees. This year, arena activity is significant as the arena has hosted numerous concerts and sporting events. Because of this volume of activity, the admission tax distribution to the CFA in 2024 is expected to increase by 35.7 percent over prior year. Because 2024 was such a strong year for the arena, growth in arena admission tax revenue is projected to be minor in 2025. Currently, the number of ticketed events scheduled in the arena for 2025 are below 2024 levels, although the expectation is that the arena will host the number of events in 2025 on par with prior year. In 2025, approximately \$3.7 million in admission tax revenue will be deposited into the capex fund for arena capital improvement projects.

Graph 4-4



Capital Improvements – Nationwide Arena

The capital improvements program for Nationwide Arena is determined 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. Operating reserves have also been used to support the arena's capital improvements program. While the capital improvements program for the arena is designed to stay within available funds received from casino taxes, admission tax 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.

With the increase in funding available for capital improvements in recent years, the arena has been investing resources into the upgrade of the facility. During 2024, capital investment in the arena included ice plant and boiler replacement, event production equipment upgrade, exterior door replacement and parking garage upgrades. Such investment in projects will continue in 2025. Table 4-6 provides a list of planned projects for the year. All projects have been approved by the CAM Board.

Table 4-5

Arena Capital Improvements Fund			
	2023 Actual	2024 Projected	2025 Budget
Sources of Funds			
Transfer In: Arena Lease Payment Fund	\$ 1,403,779	\$ 1,203,361	\$ 1,063,286
State of Ohio Grant	-	-	2,000,000
Admission Fee	2,704,872	3,670,000	3,706,700
Interest Earnings	353,177	325,000	187,400
Total Sources of Funds	4,461,828	5,198,361	6,957,386
Uses of Funds:			
Payment to CAM: Arena CapEx	4,654,510	6,972,649	13,069,726
Total Use of Funds	4,654,510	6,972,649	13,069,726
Current Year Balance	(192,682)	(1,774,288)	(6,112,340)
Add; prior year balance	8,213,635	8,020,953	6,246,665
Year End Fund Balance:	\$ 8,020,953	\$ 6,246,665	\$ 134,325

Table 4-6

Nationwide Arena 2025 Capital Improvements Program	
Arena roof	\$ 6,000,000
Event production equipment	737,130
Cooling tower	2,351,393
Fire alarm system replacement	2,155,400
Gas chiller	1,825,803
Total: 2025 Capital Projects	\$ 13,069,726

During 2024, the CFA and CAM have begun to explore funding options to reinvest and modernize the venue. While the capital improvements program for the facility under the current funding structure has been able to address critical needs of the facility, on-going capital investment in the arena has been limited. Just to maintain the facility, the arena now has a capital improvements list of projects that total approximately \$60.0 million. While some of the projects on this list will be addressed through the current capital improvements program, additional resources will need to be identified within the community to address the list in its entirety. To begin to address capital needs of the arena, the State of Ohio as part of their capital budget this year did allocate \$2.0 million to the arena. Such funds are included within the arena's 2025 capital budget and will be used to help off-set costs associated with the roof replacement project.

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. 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 support 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 4-7

Real Estate Tax Reserve Fund			
	2023 Actual	2024 Projected	2025 Budget
Sources of Funds			
Transfer In: Arena Lease Payment Fund	\$ 381,684	\$ 395,043	\$ 408,870
Total Sources of Funds	381,684	395,043	408,870
Uses of Funds:			
Transfer to: Operating Fund	356,306	381,684	395,043
Total Use of Funds	356,306	381,684	395,043
Current Year Balance	25,378	13,359	13,827
Add: prior year balance	356,306	381,684	395,043
Year End Fund Balance:	\$ 381,684	\$ 395,043	\$ 408,870

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 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 or working capital of the CFA. Equity monies of the CFA reside in two funds: the CFA operating fund and the CFA capital improvements fund. Using 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 supporting the operating fund is 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 2025, hotel tax revenues deposited into the fund are projected to be \$22.7 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.

Uses of funds within the operating fund include support of costs associated with operating the CFA office. Such costs include personnel expenses, insurance, legal, public relations, audit, asset management, credit ratings, trustee services, accounting services and basic office support services. In 2025 such expenses are expected to increase as the CFA will enhance organizational capacity through the addition of three staff members and will invest resources into the development of a master plan. Costs associated with the insurance program are also expected to increase due to market pressures. All other costs are expected to remain on par with 2024 expenses. Table 5-1 provides information on the CFA's office budget.

Table 5-1

**Franklin County Convention Facilities Authority
2024 - 2025 Operating Budget**

	<u>2024 Projected</u>	<u>2025 Budget</u>	<u>2024-2025 Variance</u>	<u>% Change</u>
FCCFA Office Expenses:				
Personnel	1,346,581	1,702,792	356,211	26.45
Materials and Supplies	100,000	100,000	-	0.00
Legal Services	150,000	200,000	50,000	33.33
Financial Services (accounting, audit, trustee, advisory)	264,518	314,000	49,482	18.71
Professional Services	315,000	350,000	35,000	11.11
Building Assessment/Master Plan	200,000	790,000	590,000	100.00
General Services	<u>282,500</u>	<u>157,500</u>	<u>(125,000)</u>	<u>(44.25)</u>
Total FCCFA Office Expenses	2,658,599	3,614,292	955,693	35.95
Other Operating Expenses (Support of Facilities):				
Insurance	1,542,266	1,665,647	123,381	8.00
Property Tax - SID Payments	272,062	319,673	47,611	17.50
Arena: Property Tax in Lieu of Payment	586,000	586,000	-	0.00
Maintenance & Repair	<u>150,000</u>	<u>200,000</u>	<u>50,000</u>	<u>33.33</u>
Total Support of Facilities	2,550,328	2,771,320	220,992	8.67
Total Operating Expenses	\$5,208,927	\$6,385,612	\$1,176,685	22.59

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 addition to funding the CFA operating budget, monies in the operating fund will be transferred in 2025 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 capital improvement projects within the convention center. In 2024 and continuing through the projection period, the CFA will invest significant resources into the continual improvement of the convention center. Most investment will be used to upgrade and replace several building systems that are beginning to reach the end of useful life, especially systems within the original north and south facilities of the convention center. Such investment includes improvement to HVAC systems, replacement of the convention center roof and enhancement of electrical, plumbing, and fire protection mechanical systems.

Table 5-2

Operating Fund			
	2023 Actual	2024 Projected	2025 Budget
Sources of Funds:			
Hotel taxes	\$21,714,865	\$ 20,644,773	\$ 22,726,471
Transfer In: Arena real estate tax reserve	368,777	381,684	395,043
Reimbursement: property insurance	665,769	699,059	754,984
Interest earnings/other	1,146,924	150,000	308,000
Total Sources of Funds:	23,896,335	21,875,516	24,184,498
Uses of Funds:			
CFA office	2,743,790	3,080,661	4,133,965
Support of facilities - insurances	1,478,850	1,542,266	1,665,647
Arena in lieu of payment	586,000	586,000	586,000
Transfer To: Hotel Bond Payment Fund	1,804,340	2,088,712	2,158,710
Transfer To: Arena Lease Payment Fund	2,293,399	3,036,596	3,066,962
Transfer To: Convention Center Operations	-	-	704,133
Transfer To: Capital Improvements Fund	22,220,000	11,500,000	10,000,000
Total Uses of Funds:	31,126,379	21,834,235	22,315,417
Current Year Balance	(7,230,044)	41,281	1,869,081
Add; prior year balance	10,998,027	3,767,983	3,809,264
Year End Fund Balance:	\$ 3,767,983	\$ 3,809,264	\$ 5,678,345

In 2025, the CFA will use available equity to support convention center operations. The center is projecting a loss in operating income for the year due to additional investment in facility maintenance efforts i.e., carpet cleaning, painting and window washing. Garage debt service is also impacting operations as debt service, reduced during

years of the pandemic, is now returning to normal levels of payment. Such operating support is expected to be short term and revenue from center operations is expected to fully cover operating expenses in the future.

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			
	2023 Actual	2024 Projected	2025 Budget
Sources of Funds:			
Transfer In: Arena Lease Payment Fund	\$ 2,293,399	\$ 3,036,596	\$ 3,066,962
Transfer In: Operating Fund	22,220,000	11,500,000	10,000,000
Hyatt lease revenue	908,645	2,223,238	2,262,145
Arena lease revenue	165,000	165,000	165,000
Reimbursement: lease of RR property	19,000	19,000	19,000
Reimbursement: insurance claims	1,800,524	520,000	-
Reimbursement: Levy equipment	550,026	-	-
Federal/State/City grant funding	125,000	-	3,575,000
Release of escrow - hotel project	1,556,349	-	-
Drury Inn lease	292,231	175,000	267,000
Interest earnings/misc.	133,338	75,000	75,000
Total Sources of Funds:	30,063,512	17,713,834	19,430,107
Uses of Funds:			
Facility improvements: convention center	2,415,772	12,730,586	11,000,000
Facility improvements: convention center air filtration	68,880	1,716,120	-
Vehicle/center collision costs	526,240	-	-
Lease of RR/State property	42,941	42,942	42,941
Hotel expansion project: equity contribution	33,357,982	4,350,908	-
Total Uses of Funds:	36,411,815	18,840,556	11,042,941
Current Year Balance	(6,348,303)	(1,126,722)	8,387,166
Add: prior year balance	7,529,316	1,181,013	54,291
Year End Fund Balance:	\$ 1,181,013	\$ 54,291	\$ 8,441,457

Revenue for the capital improvements program 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. 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 on 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, Hyatt will make an annual lease payment for space leased within the convention center. The first of such payments equaled \$2.19 million and increases 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 forwarded the 2023 payment to the CFA in 2022. 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

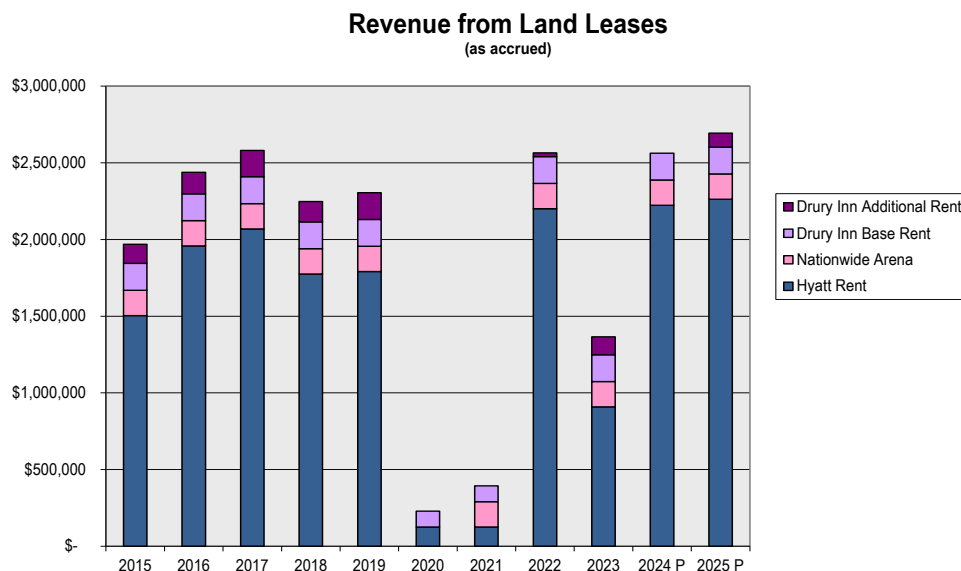


Chart 5-4 summarizes CFA lease payments and illustrates the change in lease revenue experienced by the CFA during the past several years. Because historically these payments have been based upon hotel performance, lease revenue has been impacted by market conditions and, as a result, was sensitive to 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 are not impacted by market conditions as payments are now guaranteed.

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 into 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 in the capital improvements fund.

In 2024, the CFA was the beneficiary of capital improvement funds from the City of Columbus equaling \$2.5 million. These funds are to be used to help off-set costs associated with the convention center capital improvements program. Such funds will actually be forwarded to the CFA from the City in 2025.

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 2023 to 2029 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 2010/2024 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/admission tax revenues and an estimate of resource distribution.

OVERVIEW LONG-TERM FORECAST
as of November 2024

Summary Information - Debt Obligations & Related Information

	2023	2024 Projected	2025 Budget	2026	2027	2028	2029
Greater Columbus Convention Center Debt Obligations							
Hotel/Motel Taxes: (accrual basis)	\$27,941,686	\$30,736,055	\$31,658,136	\$32,924,462	\$34,241,440	\$35,611,098	\$37,035,542
Increase over Prior Year		10.00%	3.00%	4.00%	4.00%	4.00%	4.00%
Interest Earnings (Debt Service, Debt Reserve & Rental Reserve):	635,298	697,000	973,545	1,151,454	1,151,454	1,151,454	1,151,454
Debt Service Obligation:	6,957,650	5,808,982	16,266,367	15,800,130	15,764,590	7,262,961	23,721,211
Debt Service Coverage Ratio: with earnings	4.11	5.41	2.01	2.16	2.25	5.06	1.61
Parking Facilities Debt Obligation							
Parking Revenue in Sinking Fund	5,372,201	7,812,901	10,974,473	14,219,149	14,906,699	11,983,827	11,405,407
Debt Service Obligation	1,906,182	1,957,182	1,968,582	4,591,082	7,899,090	5,425,290	4,059,415
Hilton Columbus Downtown Debt Obligations							
Hilton Distribution from Operations	18,452,889	22,413,397	22,032,000	24,485,000	26,346,000	27,829,000	28,524,725
Increase over Prior Year		21.46%	-1.70%	11.13%	7.60%	5.63%	2.50%
Hilton Hotel Taxes	3,839,022	4,444,069	4,593,000	4,836,000	5,106,000	5,328,000	5,461,200
Debt Service Obligation (less BABS)	21,770,477	21,871,549	24,745,700	24,999,200	25,224,950	25,452,950	25,681,700
Debt Service Coverage Ratio: with Hilton hotel taxes	1.02	1.23	1.08	1.17	1.25	1.30	1.32
Nationwide Arena Obligations							
Casino Tax Revenue	7,511,144	7,518,708	7,593,896	7,669,834	7,746,533	7,823,998	7,902,238
		0.10%	1.00%	1.00%	1.00%	1.00%	1.00%
Admission Tax Revenue	2,704,872	3,670,000	3,706,700	3,780,834	3,875,355	3,991,615	4,111,364
		35.68%	1.00%	2.00%	2.50%	3.00%	3.00%
Distribution to CAM - Operating Expenses	5,560,681	5,755,305	5,956,741	6,165,226	6,381,009	6,604,345	6,835,497
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 Reser	381,684	395,043	408,870	423,180	437,991	453,321	469,187
Distribution to CFA - Capital Improvements	4,108,651	4,873,361	4,769,986	4,697,262	4,637,887	4,592,948	4,543,918
Total Distribution	10,216,016	11,188,708	11,300,596	11,450,668	11,621,888	11,815,614	12,013,602

Summary Information - Fund Balances @ Year End

	2023	2024	2025	2026	2027	2028	2029
Non-discretionary Funds - Greater Columbus Convention Center:							
Debt Service Fund	\$ 807,094	\$ 8,032,936	\$ 1,352,677	\$ 1,385,715	\$ 713,245	\$ 2,120,766	\$ 2,155,723
Debt Service Reserve Fund	25,425,542	23,746,339	23,746,339	23,746,339	23,746,339	23,746,339	23,746,339
Rental Reserve Fund	12,707,348	11,867,747	11,867,747	11,867,747	11,867,747	11,867,747	11,867,747
Non-discretionary Funds - Parking Facilities:							
Sinking Fund - Parking Facilities	3,466,019	5,855,719	9,005,891	9,628,067	7,007,609	6,558,537	7,345,992
Non-discretionary Funds - Nationwide Arena:							
Real Estate Tax Reserve Fund	381,684	395,043	408,870	423,180	437,991	453,321	469,187
Capital Improvements Fund	8,020,953	6,246,665	134,324	35,616	674,571	287,757	840,307
Non-discretionary Funds - Hilton Columbus Downtown:							
2010 Bond Fund	647,218	2,157,040	3,852,676	6,000,000	5,999,999	6,000,000	5,999,999
2010 Debt Service Reserve Fund	6,396,354	-	-	-	-	-	-
2010 Rental Reserve Fund	1,064,191	8,023,744	8,023,744	8,023,744	8,023,744	8,023,744	8,023,744
2010 Ground Lease Fund	1,073,919	1,133,419	1,000,322	1,000,322	1,000,322	1,000,322	1,000,322
2019 Debt Service Reserve Fund	16,246,036	15,346,450	15,346,450	15,346,450	15,346,450	15,346,450	15,346,450
2019 Bond Fund	1,196,136	2,054,388	1,226,626	1,253,605	1,318,203	1,284,282	1,279,825
Consolidated Hotel Bond Fund	23,391,668	26,121,458	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000
Hotel Residuals Fund	2,055,038	2,160,038	4,691,746	6,776,333	9,065,150	16,197,939	(0)
Reserve Fund for Operations ***	1,931,473	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000
Reserve Fund for FF&E ***	3,058,284	3,570,223	3,980,873	2,072,266	6,398,030	9,645,096	1,357,695
*** (Funds held by Hotel Manager)							
Total: Non-discretionary Funds	\$ 107,868,957	\$ 119,111,208	\$ 112,038,284	\$ 114,959,384	\$ 118,999,401	\$ 129,932,299	\$ 106,833,330
Discretionary Funds							
	2023	2024	2025	2026	2027	2028	2029
Capital Improvements Fund	\$ 1,181,013	\$ 54,292	\$ 8,441,458	\$ 3,099,890	\$ 98,934	\$ 589,051	\$ 676,270
Operating Fund	3,767,983	3,809,263	5,678,343	2,455,802	1,212,233	1,606,976	3,262,122
Total: Discretionary Funds	\$ 4,948,996	\$ 3,863,556	\$ 14,119,802	\$ 5,555,691	\$ 1,311,167	\$ 2,196,028	\$ 3,938,392

CFA Operating Fund

	2023	2024 Projected	2025 Budget	2026	2027	2028	2029
Sources of Funds:							
Transfer in: Revenue Fund	\$ 21,714,865	\$ 20,644,773	\$ 22,726,471	\$ 18,108,279	\$ 20,159,486	\$ 27,943,691	\$ 14,275,073
Reimbursements from arena/hotel - insurance	665,769	699,059	754,984	792,733	832,370	873,988	917,687
Transfer in: convention center operations	-	-	-	-	296,749	983,025	1,659,348
Transfer in: Arena Real Estate Reserve Fund	368,777	381,684	395,043	408,870	423,180	437,991	453,321
Hilton reimbursements	839,060	-	-	-	-	-	-
Interest earnings + misc.	307,864	150,000	308,000	277,134	123,674	86,367	98,209
Total Sources of Funds:	23,896,335	21,875,516	24,184,497	19,587,015	21,835,459	30,325,062	17,403,640
Uses of Funds:							
1. CFA Expenses							
Insurances	1,478,850	1,542,266	1,665,647	1,748,930	1,836,376	1,928,195	2,024,605
Arena - in lieu of payment for property tax	586,000	586,000	586,000	586,000	586,000	586,000	586,000
CFA Office	2,743,790	3,080,661	4,133,965	4,007,984	4,128,223	4,252,070	4,379,632
Total FCCFA Expenses	4,808,640	5,208,927	6,385,612	6,342,913	6,550,599	6,766,265	6,990,237
2. Transfer to Capital Improvements Fund	22,220,000	11,500,000	10,000,000	11,000,000	11,000,000	17,500,000	3,000,000
3. Transfer to Hotel Bond Payment Fund	1,804,340	2,088,712	2,158,710	2,272,920	2,399,820	2,504,160	2,566,764
4. Transfer to Arena Lease Payment Fund	2,293,399	3,036,596	3,066,962	3,097,632	3,128,608	3,159,894	3,191,493
4. Transfer to Convention Center Operations	-	-	704,133	96,092	-	-	-
Total Uses of Funds:	31,126,379	21,834,236	22,315,417	22,809,557	23,079,028	29,930,319	15,748,494
Current Year Balance:	(7,230,044)	41,280	1,869,080	(3,222,542)	(1,243,569)	394,743	1,655,146
Add: prior year balance	10,998,027	3,767,983	3,809,263	5,678,343	2,455,802	1,212,233	1,606,976
Total Fund Balance @ Year-end:	\$ 3,767,983	\$ 3,809,263	\$ 5,678,343	\$ 2,455,802	\$ 1,212,233	\$ 1,606,976	\$ 3,262,122

Capital Improvements Fund

	2023	2024 Projected	2025 Budget	2026	2027	2028	2029
Sources of Funds:							
Transfer in: Operating Fund	\$ 22,220,000	\$ 11,500,000	\$ 10,000,000	\$ 11,000,000	\$ 11,000,000	\$ 17,500,000	\$ 3,000,000
Transfer in: Arena Lease Payment Fund	2,293,399	3,036,596	3,066,962	3,097,632	3,128,608	3,159,894	3,191,493
City/County Funding	125,000	-	3,575,000	-	-	-	-
Hyatt lease revenue	908,645	2,223,238	2,262,145	2,301,732	2,342,013	2,382,998	2,424,700
Arena lease revenue	165,000	165,000	165,000	165,000	165,000	165,000	165,000
NRI lease payment - RR property	19,000	19,000	19,000	19,000	19,000	19,000	19,000
Reimbursement: Insurance claims	1,800,524	520,000	-	-	-	-	-
Reimbursement: Levy equipment	550,026	-	-	-	-	-	-
Release of escrow - Hotel project	1,556,349	-	-	-	-	-	-
Drury Inn lease payment	292,231	175,000	267,000	280,350	294,368	303,199	312,294
Interest earnings/misc.	133,338	75,000	75,000	337,658	92,997	2,968	17,672
Total Sources of Funds	30,063,512	17,713,834	19,430,107	17,201,372	17,041,985	23,533,059	9,130,159
Uses of Funds:							
Facility improvements - convention center	2,415,772	12,730,586	10,500,000	7,500,000	4,500,000	11,000,000	9,000,000
Convention center roof replacement	-	-	-	15,000,000	15,000,000	-	-
Convention center interior renovation	-	-	-	-	-	12,000,000	-
Vine Street garage renovation	-	-	500,000	-	-	-	-
High Street traffic signal	-	-	-	-	500,000	-	-
Vehicle collision repair	526,240	-	-	-	-	-	-
Convention center air quality improvement (Recovery	68,880	1,716,120	-	-	-	-	-
Lease of RR/state property	42,941	42,941	42,941	42,941	42,941	42,941	42,941
Hotel 2.0 - Equity contribution	33,357,982	4,350,908	-	-	-	-	-
Total Use of Funds	36,411,815	18,840,555	11,042,941	22,542,941	20,042,941	23,042,941	9,042,941
Current Year Balance:	(6,348,303)	(1,126,721)	8,387,166	(5,341,569)	(3,000,956)	490,118	87,218
Add: prior year fund balance	7,529,316	1,181,013	54,292	8,441,458	3,099,890	98,934	589,051
Accumulated Fund Balance @ Year End:	\$ 1,181,013	\$ 54,292	\$ 8,441,458	\$ 3,099,890	\$ 98,934	\$ 589,051	\$ 676,270

SECTION ONE
CONVENTION CENTER LONG-TERM FORECAST
as of November 2024

Convention Center - Summary Information

	2023	2024 Projected	2025 Budget	2025	2026	2027	2028
Hotel/Motel Taxes: (cash basis)	\$ 27,935,659	\$ 30,427,793	\$ 31,303,033	\$ 32,753,992	\$ 34,064,152	\$ 35,426,718	\$ 36,843,787
Increase over Prior Year		8.92%	2.88%	4.64%	4.00%	4.00%	4.00%
Interest Earnings (Debt Service, Debt Reserve & Rental Reserve):	959,759	697,000	973,545	1,151,454	1,151,454	1,151,454	1,151,454
Debt Service Obligation:	6,957,650	5,808,982	16,266,367	15,800,130	15,764,590	7,262,961	23,721,211
Debt Service Coverage Ratios:							
with earnings	4.15	5.36	1.98	2.15	2.23	5.04	1.60
without earnings	4.02	5.24	1.92	2.07	2.16	4.88	1.55
	2023	2024 Projected	2025 Budget	2025	2026	2027	2028
Fund Balances @ Year End:							
Revenue Fund	6,793	6,793	6,793	6,793	6,793	6,793	6,793
Debt Service Fund	807,094	8,032,936	1,352,677	1,385,715	713,245	2,120,766	2,155,723
Debt Service Reserve Fund	25,425,542	23,746,339	23,746,339	23,746,339	23,746,339	23,746,339	23,746,339
Rental Reserve Fund	12,707,348	11,867,747	11,867,747	11,867,747	11,867,747	11,867,747	11,867,747
Sinking Fund - Garage Development	3,466,019	5,855,719	9,005,891	9,628,067	7,007,609	6,558,537	7,345,992
Convention Center Operations (NOI):		\$66,526	(\$704,133)	(\$96,092)	\$296,749	\$983,025	\$1,659,348

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 2024 are based upon the operator's (ASM Global) financial projections.

Revenue Fund

	2023	2024 Projection	2025 Budget	2026	2027	2028	2029
Sources of Funds:							
Hotel/Motel Taxes (cash basis)	\$ 27,935,659	\$ 30,427,793	\$ 31,303,033	\$ 32,753,992	\$ 34,064,152	\$ 35,426,718	\$ 36,843,787
Interest Earnings	69,325	36,000	36,000	36,000	36,000	36,000	36,000
Total Sources of Funds	28,004,984	30,463,793	31,339,033	32,789,992	34,100,152	35,462,718	36,879,787
Distribution of Funds:							
Debt Service	6,298,726	9,819,020	8,612,562	14,681,713	13,940,666	7,519,027	22,604,713
Rental Reserve	-	-	-	-	-	-	-
Operating Fund	21,714,865	20,644,773	22,726,471	18,108,279	20,159,486	27,943,691	14,275,073
Total Use of Funds	28,013,591	30,463,793	31,339,033	32,789,992	34,100,152	35,462,718	36,879,787
Current Year Balance:	(8,607)	-	-	-	-	-	-
Add: prior year balance	15,400	6,793	6,793	6,793	6,793	6,793	6,793
Total Fund Balance @ Year End:	\$ 6,793	\$ 6,793	\$ 6,793	\$ 6,793	\$ 6,793	\$ 6,793	\$ 6,793

Notes:

- 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.
- To more accurately calculate the flow of funds, hotel tax collections are recorded on a cash basis.

Debt Service Fund

	2023	2024 Projected	2025 Budget	2026	2027	2028	2029
Sources of Funds:							
Hotel Taxes	6,298,726	9,819,020	8,612,562	14,681,713	13,940,666	7,519,027	22,604,713
Interest Earnings	160,845	126,000	84,000	84,000	84,000	84,000	84,000
Transfers-Debt Reserve	527,255	2,079,203	593,030	711,636	711,636	711,636	711,636
Transfer-Rental Reserve	271,659	1,010,601	296,515	355,818	355,818	355,818	355,818
Total Sources of Funds:	7,258,485	13,034,824	9,586,108	15,833,167	15,092,120	8,670,482	23,756,168
Use of Funds:							
Debt Service - Series 2014	1,145,650	1,145,650	-	-	-	-	-
Debt Service - Series 2015	671,524	671,524	8,026,524	8,029,184	8,025,342	-	-
Debt Service - Series 2017	29,329	29,329	509,329	504,485	474,537	-	-
Debt Service - Series 2020	5,111,147	7,661,147	3,984,461	3,993,211	3,991,461	3,273,250	18,192,961
Debt Service - Series 2024	-	(3,698,668)	3,746,053	3,273,250	3,273,250	3,989,711	5,528,250
Total Use of Funds:	6,957,650	5,808,982	16,266,367	15,800,130	15,764,590	7,262,961	23,721,211
Current Year Balance:	\$ 300,835	\$ 7,225,842	\$ (6,680,259)	\$ 33,038	\$ (672,469)	\$ 1,407,521	\$ 34,957
Add: prior year balance	506,259	807,094	8,032,936	1,352,677	1,385,715	713,245	2,120,766
Total Fund Balance @ Year End:	\$ 807,094	\$ 8,032,936	\$ 1,352,677	\$ 1,385,715	\$ 713,245	\$ 2,120,766	\$ 2,155,723
Required Balance:	484,082	1,355,531	1,316,677	1,313,716	605,247	1,976,768	1,836,453
Notes:		6,677,406					

1. Interest earnings are based upon current investment rates achieved through purchase of agency securities through 2023.
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

	2023	2024 Projected	2025 Budget	2026	2027	2028	2029
Sources of Funds:							
Interest Earnings/misc.	\$ 316,590	\$ 400,000	\$ 593,030	\$ 711,636	\$ 711,636	\$ 711,636	\$ 711,636
Total Sources of Funds	<u>316,590</u>	<u>400,000</u>	<u>593,030</u>	<u>711,636</u>	<u>711,636</u>	<u>711,636</u>	<u>711,636</u>
Uses of Funds:							
Transfer to Debt Service - Earnings	527,255	400,000	593,030	711,636	711,636	711,636	711,636
2024 Bond Issue: Release of Funds	-	1,679,203	-	-	-	-	-
Total Use of Funds	<u>527,255</u>	<u>2,079,203</u>	<u>593,030</u>	<u>711,636</u>	<u>711,636</u>	<u>711,636</u>	<u>711,636</u>
Current Year Balance:	\$ (210,665)	\$ (1,679,203)	\$ -	\$ -	\$ -	\$ -	\$ -
Add: prior year balance	<u>25,636,207</u>	<u>25,425,542</u>	<u>23,746,339</u>	<u>23,746,339</u>	<u>23,746,339</u>	<u>23,746,339</u>	<u>23,746,339</u>
Total Fund Balance @ Year End:	<u>\$ 25,425,542</u>	<u>\$ 23,746,339</u>	<u>\$ 23,746,339</u>	<u>\$ 23,746,339</u>	<u>\$ 23,746,339</u>	<u>\$ 23,746,339</u>	<u>\$ 23,746,339</u>
Required Balance:	<u>\$ 25,400,413</u>	<u>\$ 23,721,211</u>	<u>\$ 23,721,211</u>	<u>\$ 23,721,211</u>	<u>\$ 23,721,211</u>	<u>\$ 23,721,211</u>	<u>\$ 23,721,211</u>

Notes:

- Interest earnings are based upon current investment rates achieved through purchase of agency securities through 2024.
- Year end balances are in line with bond indenture requirements.
- Debt service reserve funds are fully invested.

Rental Reserve Fund

	2023	2024 Projected	2025 Budget	2026	2027	2028	2029
Sources of Funds:							
Hotel Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Earnings/misc.	157,863	171,000	296,515	355,818	355,818	355,818	355,818
Total Sources of Funds	<u>157,863</u>	<u>171,000</u>	<u>296,515</u>	<u>355,818</u>	<u>355,818</u>	<u>355,818</u>	<u>355,818</u>
Uses of Funds:							
Transfer to Debt Service/coverage	-	-	-	-	-	-	-
Transfer to Debt Service/interest	271,659	171,000	296,515	355,818	355,818	355,818	355,818
2024 Bond Issue: Release of Funds	-	839,601					
Total Use of Funds	<u>271,659</u>	<u>1,010,601</u>	<u>296,515</u>	<u>355,818</u>	<u>355,818</u>	<u>355,818</u>	<u>355,818</u>
Current Year Balance:	\$ (113,796)	\$ (839,601)	\$ -	\$ -	\$ -	\$ -	\$ -
Add: prior year balance	<u>12,821,144</u>	<u>12,707,348</u>	<u>11,867,747</u>	<u>11,867,747</u>	<u>11,867,747</u>	<u>11,867,747</u>	<u>11,867,747</u>
Total Fund Balance @ Year End:	<u>\$ 12,707,348</u>	<u>\$ 11,867,747</u>	<u>\$ 11,867,747</u>	<u>\$ 11,867,747</u>	<u>\$ 11,867,747</u>	<u>\$ 11,867,747</u>	<u>\$ 11,867,747</u>
Required Balance	<u>\$12,700,207</u>	<u>\$11,860,606</u>	<u>\$11,860,606</u>	<u>\$11,860,606</u>	<u>\$11,860,606</u>	<u>\$11,860,606</u>	<u>\$11,860,606</u>

Notes:

- Interest earnings are based upon current investment rates achieved through purchase of agency securities through 2024.
- Year end balances are in line with bond indenture requirements.
- Rental reserve funds are fully invested.

Sinking (Debt Service) Fund - Parking Facility Development Projects

	2023	2024 Projected	2025 Budget	2026	2027	2028	2029
Sources of Funds:							
Transfer In - Convention Ctr Operations	\$ 3,442,882	\$ 4,246,882	\$ 4,943,082	\$ 4,943,082	\$ 4,989,790	\$ 4,765,990	\$ 4,650,115
Transfer In - CFA Equity	-	-	-	-	-	-	-
Interest Earnings/misc.	73,695	100,000	175,672	270,177	288,842	210,228	196,756
Total Sources of Funds:	3,516,577	4,346,882	5,118,754	5,213,259	5,278,632	4,976,218	4,846,871
Uses of Funds:							
Principal Payments - Vine Garage	-	-	-	2,622,500	-	-	-
Interest Expenses - Vine Garage	515,082	515,082	515,082	515,082	445,590	445,590	445,590
Principal Payments - Goodale Garage	-	-	-	-	-	3,750,000	-
Interest Expenses - Goodale Garage	520,500	571,500	571,500	571,500	571,500	571,500	455,625
Principal Payments - Ohio Center Garage	-	-	-	-	6,000,000	-	2,500,000
Interest Expenses - Ohio Center Garage	870,600	870,600	882,000	882,000	882,000	658,200	658,200
Total Use of Funds:	1,906,182	1,957,182	1,968,582	4,591,082	7,899,090	5,425,290	4,059,415
Current Year Balance:	\$ 1,610,395	\$ 2,389,700	\$ 3,150,172	\$ 622,177	\$ (2,620,458)	\$ (449,072)	\$ 787,456
Add: prior year balance	1,855,624	3,466,019	5,855,719	9,005,891	9,628,067	7,007,609	6,558,537
Total Fund Balance @ Year End:	\$ 3,466,019	\$ 5,855,719	\$ 9,005,891	\$ 9,628,067	\$ 7,007,609	\$ 6,558,537	\$ 7,345,992

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 facility and 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

	2024 Projected	2025 Budget	2026	2027	2028	2029
Operating Revenue						
Direct Event Income	\$ 2,660,809	\$ 4,123,868	\$ 4,130,342	\$ 4,133,146	\$ 4,132,015	\$ 4,197,320
Food and Beverage (net)	9,448,795	9,543,252	10,020,415	10,521,435	11,047,507	11,599,882
Parking (event + non-event)	11,121,598	11,466,553	12,039,881	12,641,875	13,273,968	13,937,666
Ancillary Income	3,445,494	3,551,011	3,728,563	3,914,991	4,110,741	4,316,278
Lease/rental Income	400,614	419,384	440,353	462,371	485,489	509,766
Other	651,797	817,800	858,690	901,625	946,706	994,041
Total Revenue:	27,729,107	29,921,868	31,218,244	32,575,443	33,996,426	35,554,953
% change year over year		7.91	4.33	4.35	4.36	4.58
Less: Operating Expenses						
Employee Wages/Benefits	10,342,618	12,126,005	12,732,305	13,368,921	14,037,367	14,739,235
Fixed Costs/Admin Taxes	984,928	638,528	651,299	664,325	677,611	691,163
Operations	906,250	1,342,874	1,369,731	1,397,126	1,425,069	1,453,570
Utilities	4,447,037	4,650,056	4,743,057	4,837,918	4,934,677	5,033,370
Repair & Maintenance	955,985	927,000	945,540	964,451	983,740	1,003,415
IT/Computer	306,381	264,600	269,892	275,290	280,796	286,412
Staff Related Costs/Training/Travel	380,263	362,146	169,237	169,501	172,831	176,227
Professional Services	1,036,916	1,153,624	1,176,696	1,200,230	1,224,235	1,248,720
Service Charges & Fees	557,065	463,000	472,260	481,705	491,339	501,166
Supplies	666,495	620,080	632,482	645,131	658,034	671,195
Insurance	906,741	1,048,224	1,069,188	1,090,572	1,112,384	1,134,631
Venue Management Fee	1,034,507	1,104,620	1,137,759	1,171,891	1,207,048	1,243,260
Depreciation/Amortization	150,140	210,927	215,146	219,448	223,837	228,314
Other	740,373	771,235	786,662	802,395	818,443	834,812
Total Expenses:	23,415,699	25,682,919	26,371,254	27,288,904	28,247,411	29,245,490
% change year over year		9.68	2.68	3.48	3.51	3.53
Net Income from Operations	\$ 4,313,408	\$ 4,238,949	\$ 4,846,990	\$ 5,286,539	\$ 5,749,015	\$ 6,309,463
Less: Garage Debt Service Payment	(4,246,882)	(4,943,082)	(4,943,082)	(4,989,790)	(4,765,990)	(4,650,115)
Net Income	\$ 66,526	\$ (704,133)	\$ (96,092)	\$ 296,749	\$ 983,025	\$ 1,659,348

Notes:

- 2025 expenses and revenues are based upon ASM Global's budget as submitted November 2024.
- 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. Debt payments return to normal in 2023.
- During 2025, the convention center is expected to end the year with net income below break even. Revenues are projected to increase due to an active event schedule; however expenses are increasing as well due to added positions, labor expenses, enhanced maintenance activities and garage debt service.

SECTION TWO
HILTON COLUMBUS DOWNTOWN HOTEL LONG-TERM FORECAST
as of November 2024

Summary Information

	2023	2024 Projected	2025 Budget	2026	2027	2028	2029
Hotel Net Cash Flow	\$ 18,452,889	\$ 22,413,397	\$ 22,032,000	\$ 24,485,000	\$ 26,346,000	\$ 27,829,000	\$ 28,524,725
Increase over Prior Year		21.46%	-1.70%	11.13%	7.60%	5.63%	2.50%
Hilton Hotel Taxes	3,839,022	4,444,069	4,593,000	4,836,000	5,106,000	5,328,000	5,461,200
Debt Service Obligation (less BABS)	21,770,477	21,871,549	24,745,700	24,999,200	25,224,950	25,452,950	25,681,700
Debt Service Coverage Ratio:	1.02	1.23	1.08	1.17	1.25	1.30	1.32

	2023	2024 Projected	2025 Budget	2026	2027	2028	2029
Fund Balances @ Year End:							
Non-discretionary Funds:							
2010 Bond Fund	647,218	2,157,040	3,852,676	6,000,000	5,999,999	6,000,000	5,999,999
2010 Debt Service Reserve Fund	6,396,354	-	-	-	-	-	-
2010 Rental Reserve Fund	1,064,191	8,023,744	8,023,744	8,023,744	8,023,744	8,023,744	8,023,744
2010 Ground Lease Rents Fund	1,073,919	1,133,419	1,000,322	1,000,322	1,000,322	1,000,322	1,000,322
2019 Debt Service Reserve Fund	16,246,036	15,346,450	15,346,450	15,346,450	15,346,450	15,346,450	15,346,450
2019 Bond Fund	1,196,136	2,054,388	1,226,626	1,253,605	1,318,203	1,284,282	1,279,825
Consolidated Hotel Bond Fund	23,391,668	26,121,458	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000
Hotel Residuals Fund	2,055,038	2,160,038	4,691,746	6,776,333	9,065,150	16,197,939	(0)
Reserve Fund for Operations ***	1,931,473	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000
Reserve Fund for FF&E ***	3,058,284	3,570,223	3,980,873	2,072,266	6,398,030	9,645,096	1,357,695
*** (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 537 rooms, a 12,000 square foot ballroom, banquet 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 Downtown 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; 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.

2010/2024 Bond Payment (Debt Service) Fund

	2023	2024 Projected	2025 Budget	2026	2027	2028	2029
Sources of Funds:							
Distribution from Hotel	\$ 7,565,684	\$ 9,189,493	\$ 9,033,120	\$ 10,038,850	\$ 10,801,860	\$ 11,409,890	\$ 11,695,137
U.S. Treasury Payments	2,999,186	2,628,808	-	-	-	-	-
Hotel related hotel taxes - city	834,219	965,697	998,059	1,050,863	1,109,534	1,157,774	1,186,719
Hotel related hotel taxes - CFA	739,780	856,373	885,071	931,897	983,926	1,026,706	1,052,373
Interest earnings/Misc.	281,655	321,857	107,852	154,107	154,107	180,000	180,000
Transfer In: Consolidated Bond Fund	-	-	-	-	-	-	-
Transfer In: Ground Lease Fund	-	-	183,097	40,000	40,000	40,000	40,000
Transfer In: Rental Reserve Fund	276,300	-	401,187	320,950	320,950	240,712	240,712
Total Sources of Funds:	12,696,824	13,962,228	11,608,386	12,536,667	13,410,377	14,055,082	14,394,942
Uses of Funds:							
Debt Service - Principal payments	3,670,000	4,140,000	3,245,000	3,500,000	3,770,000	4,050,000	4,345,000
Debt Service - Interest expenses	9,051,713	5,112,407	6,667,750	6,505,500	6,330,500	6,142,000	5,939,500
Transfer Out: 2024 Bond Issue	-	3,200,000	-	-	-	-	-
Transfer Out: Consolidated Fund	-	-	-	383,843	3,309,877	3,863,082	4,110,442
Total Use of Funds:	12,721,713	12,452,407	9,912,750	10,389,343	13,410,377	14,055,082	14,394,942
Current Year Balance:	(24,889)	1,509,822	1,695,636	2,147,324	(0)	0	(0)
Add: prior year balance	672,107	647,218	2,157,040	3,852,676	6,000,000	5,999,999	6,000,000
Fund Balance @ Year End:	\$ 647,218	\$ 2,157,040	\$ 3,852,676	\$ 6,000,000	\$ 5,999,999	\$ 6,000,000	\$ 5,999,999
Required Minimum Balance:	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000

Notes:

- 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. In 2024, the CFA refinanced the 2010 bonds to reduce risk through the elimination of Build America Bonds. Market savings realized through the issue were used to partially off-set costs associated with eliminating the US Treasury subsidy payment. Costs not eliminated through the market were shifted to outer years of the debt program.
- With the 2019 bond issue and related changes to the cooperative agreement; the 2010 bond fund now operates differently. Beginning in 2023 with the opening of the new tower, hotel operating income and hotel taxes are now split with 41.0 percent of such monies being deposited into the 2010 bond fund for payment of debt service due on 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

	2023	2024 Projected	2025 Budget	2026	2027	2028	2029
Sources of Funds:							
Distribution from Hotel	\$ 10,887,205	\$ 13,223,904	\$ 12,998,880	\$ 14,446,150	\$ 15,544,140	\$ 16,419,110	\$ 16,829,588
Hotel related hotel/motel taxes - city	1,200,462	1,389,659	1,436,231	1,512,217	1,596,646	1,666,066	1,707,717
Hotel related hotel/motel taxes - CFA	1,064,561	1,232,340	1,273,639	1,341,023	1,415,894	1,477,454	1,514,391
Interest earnings/Misc.	39,032	228,887	250,000	250,000	250,000	250,000	250,000
Transfer In: Consolidated Bond Fund	2,046,790	2,228,600	3,088,600	3,088,100	3,087,975	3,088,100	3,088,350
Transfer In: 2019 Debt Reserve Earnings	299,388	1,229,586	300,000	306,929	316,137	325,621	335,390
Total Sources of Funds:	15,537,438	19,532,976	19,347,350	20,944,419	22,210,792	23,226,351	23,725,435
Uses of Funds:							
Debt Service - Project Revenue	7,590,750	7,590,750	8,655,750	8,817,500	8,948,500	9,084,750	9,220,500
Debt Service - Lease Appropriation	4,457,200	4,457,200	6,177,200	6,176,200	6,175,950	6,176,200	6,176,700
Transfer Out: Hotel subordinate mgmt. fee	661,649	1,557,351	827,000	868,000	911,000	948,000	971,700
Transfer Out: Hotel secondary FF&E deposit	1,964,390	794,033	826,562	867,640	1,822,769	1,896,772	1,972,643
Transfer Out: Consolidated Bond Fund	-	4,275,390	3,688,600	4,188,100	4,287,975	5,154,550	5,388,350
Total Use of Funds:	14,673,989	18,674,724	20,175,112	20,917,440	22,146,194	23,260,272	23,729,893
Current Year Balance:	863,449	858,252	(827,762)	26,979	64,598	(33,921)	(4,458)
Add: prior year balance	332,687	1,196,136	2,054,388	1,226,626	1,253,605	1,318,203	1,284,282
Fund Balance @ Year End:	\$ 1,196,136	\$ 2,054,388	\$ 1,226,626	\$ 1,253,605	\$ 1,318,203	\$ 1,284,282	\$ 1,279,825

Notes:

- Financing for the development of Hilton Columbus Downtown 402 was acquired through the issue of bonds 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 was capitalized through 2022. Payment of debt service with hotel operating income began in 2023.
- Hotel operating income and the hotel's tax payment are now split with 59.0 percent deposited into the 2019 bond fund for payment of debt service.
- 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 the consolidated hotel bond fund.

2010 Debt Service Reserve Fund

	2023	2024 Projected	2025 Budget	2026	2027	2028	2029
Sources of Funds:							
Interest Earnings	\$ 75,174	\$ 28,855	\$ -	\$ -	\$ -	\$ -	\$ -
Total Sources of Funds	<u>75,174</u>	<u>28,855</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Uses of Funds:							
Transfer to Debt Service - Earnings	199,256	0	-	-	-	-	-
Transfer to Rental Reserve Fund per 2024 Issu	-	6,425,209					
Total Use of Funds	<u>199,256</u>	<u>6,425,209</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Current Year Balance:	(124,082)	(6,396,354)	-	-	-	-	-
Add: prior year balance	<u>6,520,436</u>	<u>6,396,354</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance @ Year End:	<u>\$ 6,396,354</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Required Balance:	<u>\$ 6,391,264</u>	<u>\$ 6,391,264</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	6,396,354						

Note:

The 2010 debt service reserve fund was eliminated as part of the 2010 bond refinancing program. Available funds within the reserve were transferred to the rental reserve fur

2019 Debt Service Reserve Fund

	2023	2024 Projected	2025 Budget	2026	2027	2028	2029
Sources of Funds:							
Interest Earnings	\$ 129,278	\$ 330,000	\$ 300,000	\$ 306,929	\$ 316,137	\$ 325,621	\$ 335,390
Transfer in: Consolidated Bond Fund	232,365	-	-	-	-	-	-
Total Sources of Funds	<u>361,643</u>	<u>330,000</u>	<u>300,000</u>	<u>306,929</u>	<u>316,137</u>	<u>325,621</u>	<u>335,390</u>
Uses of Funds:							
Transfer to 2019 Bond Fund	299,388	1,229,586	300,000	306,929	316,137	325,621	335,390
Total Use of Funds	<u>299,388</u>	<u>1,229,586</u>	<u>300,000</u>	<u>306,929</u>	<u>316,137</u>	<u>325,621</u>	<u>335,390</u>
Current Year Balance:	62,255	(899,586)	-	-	-	-	-
Add: prior year balance	16,183,781	16,246,036	15,346,450	15,346,450	15,346,450	15,346,450	15,346,450
Fund Balance @ Year End:	<u>\$ 16,246,036</u>	<u>\$ 15,346,450</u>	<u>\$ 15,346,450</u>	<u>\$ 15,346,450</u>	<u>\$ 15,346,450</u>	<u>\$ 15,346,450</u>	<u>\$ 15,346,450</u>
Required Balance:	<u>\$ 15,181,500</u>	<u>\$ 15,181,500</u>	<u>\$ 15,181,500</u>	<u>\$ 15,181,500</u>	<u>\$ 15,181,500</u>	<u>\$ 15,181,500</u>	<u>\$ 15,181,500</u>

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.

2010/2024 Rental Reserve Fund

	2023	2024 Projected	2025 Budget	2025	2026	2027	2028
Sources of Funds:							
2010/2024 Debt Service Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfer in: Debt Service Reserve Fund	-	6,425,209					
2024 Bond Proceeds	-	471,344					
Interest Earnings	66,265	63,000	401,187	320,950	320,950	240,712	240,712
Total Sources of Funds	<u>66,265</u>	<u>6,959,553</u>	<u>\$ 401,187</u>	<u>320,950</u>	<u>320,950</u>	<u>240,712</u>	<u>240,712</u>
Uses of Funds:							
Transfer Out: 2010 Bond Fund	276,300	-	401,187	320,950	320,950	240,712	240,712
Total Use of Funds	<u>276,300</u>	<u>-</u>	<u>401,187</u>	<u>320,950</u>	<u>320,950</u>	<u>240,712</u>	<u>240,712</u>
Current Year Balance:	(210,035)	6,959,553	-	-	-	-	-
Add: prior year balance	<u>1,274,226</u>	<u>1,064,191</u>	<u>8,023,744</u>	<u>8,023,744</u>	<u>8,023,744</u>	<u>8,023,744</u>	<u>8,023,744</u>
Fund Balance @ Year End:	<u>\$ 1,064,191</u>	<u>\$ 8,023,744</u>	<u>\$ 8,023,744</u>	<u>\$ 8,023,744</u>	<u>\$ 8,023,744</u>	<u>\$ 8,023,744</u>	<u>\$ 8,023,744</u>
Required Balance:	<u>\$ 8,000,000</u>	<u>\$ 8,000,000</u>	<u>\$ 8,000,000</u>	<u>\$ 8,000,000</u>	<u>\$ 8,000,000</u>	<u>\$ 8,000,000</u>	<u>\$ 8,000,000</u>

Notes:

- Pursuant 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.
- During years impacted by COVID-19, funds within the rental reserve fund were used to cover debt service obligations. Hence the low balance in 2023. Funds within the rental reserve fund were fully replenished in 2024 - one result of the 2010/2024 bond restructuring completed that year. 2024 bond proceeds along with monies previously held in the 2010 bond reserve fund were used to increase the rental reserve balance up to the required \$8.0 million.

Ground Lease Rents Fund

	2023	2024 Projected	2025 Budget	2025	2026	2027	2028
Sources of Funds:							
Transfer In: CFA CapEx Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Earnings	54,597	59,500	50,000	40,000	40,000	40,000	40,000
Total Sources of Funds	<u>54,597</u>	<u>59,500</u>	<u>50,000</u>	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>
Uses of Funds:							
Transfer Out: 2010 Bond Fund	-	-	183,097	40,000	40,000	40,000	40,000
Total Use of Funds	<u>-</u>	<u>-</u>	<u>183,097</u>	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>
Current Year Balance:	54,597	59,500	(133,097)	-	-	-	-
Add: prior year balance	<u>1,019,322</u>	<u>1,073,919</u>	<u>1,133,419</u>	<u>1,000,322</u>	<u>1,000,322</u>	<u>1,000,322</u>	<u>1,000,322</u>
Fund Balance @ Year End:	<u>\$ 1,073,919</u>	<u>\$ 1,133,419</u>	<u>\$ 1,000,322</u>	<u>\$ 1,000,322</u>	<u>\$ 1,000,322</u>	<u>\$ 1,000,322</u>	<u>\$ 1,000,322</u>
Required Balance:	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>

Notes:

- Pursuant 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 calendar year. Such funds are reserved for the payment of debt service if rental reserve funds should be depleted or replenish the rental reserve fund as required.
- Per 2019 amendment to the cooperative agreement, the required balance in the ground lease fund is \$1.0 million.

CFA Hotel Consolidated Bond Fund

	2023	2024 Projected	2025 Budget	2026	2027	2028	2029
Sources of Funds:							
Transfer in: 2019 Bond Fund	\$ -	\$ 4,275,390	\$ 3,688,600	\$ 4,188,100	\$ 4,287,975	\$ 5,154,550	\$ 5,388,350
Transfer in: 2010 Bond Fund	-	-	-	383,843	3,309,877	3,863,082	4,110,442
Interest Earnings	441,118	683,000	700,000	750,000	750,000	750,000	750,000
Total Sources of Funds:	441,118	4,958,390	4,388,600	4,938,100	5,037,975	9,767,632	10,248,792
Uses of Funds:							
Transfer Out: 2019 Debt Reserve Fund	232,365	-	-	-	-	-	-
Transfer Out: 2019 Bond Fund	2,046,790	2,228,600	3,088,600	3,088,100	3,087,975	3,088,100	3,088,350
Transfer Out: Residuals Fund	-	-	2,421,458	1,850,000	1,950,000	6,679,532	7,160,442
Total Use of Funds:	2,279,155	2,228,600	5,510,058	4,938,100	5,037,975	9,767,632	10,248,792
Current Year Balance:	(1,838,037)	2,729,790	(1,121,458)	-	-	-	-
Add: prior year balance	25,229,705	23,391,668	26,121,458	25,000,000	25,000,000	25,000,000	25,000,000
Fund Balance @ Year End:	\$ 23,391,668	\$ 26,121,458	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000
Maximum Balance (no minimum required)	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000

CFA Residuals Fund

	2023	2024 Projected	2025 Budget	2026	2027	2028	2029
Sources of Funds:							
Transfer in: Consolidated Bond Fund	\$ -	\$ -	\$ 2,421,458	\$ 1,850,000	\$ 1,950,000	\$ 6,679,532	\$ 7,160,442
Interest Earnings	104,446	105,000	110,250	234,587	338,817	453,257	214,813
Total Sources of Funds:	104,446	105,000	2,531,708	2,084,587	2,288,817	7,132,789	7,375,255
Uses of Funds:							
Transfer Out: Nationwide Loan Payment	-	-	-	-	-	-	23,573,195
Total Use of Funds:	-	-	-	-	-	-	23,573,195
Current Year Balance:	104,446	105,000	2,531,708	2,084,587	2,288,817	7,132,789	(16,197,940)
Add: prior year balance	1,950,592	2,055,038	2,160,038	4,691,746	6,776,333	9,065,150	16,197,939
Fund Balance @ Year End:	\$ 2,055,038	\$ 2,160,038	\$ 4,691,746	\$ 6,776,333	\$ 9,065,150	\$ 16,197,939	\$ (0)

Notes:

- 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 maximum balance for the fund is \$25.0 million.
- Funds that exceed the maximum balance in the consolidated bond fund are deposited into the hotel residual fund.
Monies within the residual reserve fund will accumulate until 2029 at which time they will be used to pay the Nationwide Arena loan as due.

Capital Improvements and FF&E Reserve

	2023	2024 Projected	2025 Budget	2026	2027	2028	2029
Sources of Funds:							
Primary Reserve Deposit	\$ 1,713,347	\$ 2,382,099	\$ 2,892,967	\$ 3,470,559	\$ 3,645,537	\$ 3,793,543	\$ 3,945,285
Secondary Reserve Deposit	1,964,390	794,033	826,562	867,640	1,822,769	1,896,772	1,972,643
Interest Earned	34,958	99,000	64,632	55,886	34,307	50,958	81,564
Total Sources of Funds	3,712,695	3,275,132	3,784,161	4,394,085	5,502,613	5,741,273	5,999,492
Uses of Funds:							
Capital Project Expenses	1,474,865	2,763,193	3,373,511	6,302,692	1,176,849	2,494,207	14,286,893
Total Use of Funds	1,474,865	2,763,193	3,373,511	6,302,692	1,176,849	2,494,207	14,286,893
Current Year Balance:	2,237,830	511,939	410,650	(1,908,607)	4,325,764	3,247,066	(8,287,401)
Add: prior year balance	820,454	3,058,284	3,570,223	3,980,873	2,072,266	6,398,030	9,645,096
Fund Balance @ Year End:	\$ 3,058,284	\$ 3,570,223	\$ 3,980,873	\$ 2,072,266	\$ 6,398,030	\$ 9,645,096	\$ 1,357,695

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 fund used to support capital improvements and FF&E purchases for the hotel.
2. Funds remaining after payment of annual capital expenses must remain in the fund. These funds will accumulate over time and will be used to support significant hotel refurbish/refresh projects in the future.
3. The FF& E reserve fund is managed by the hotel operator.

SECTION THREE
NATIONWIDE ARENA LONG-TERM FORECAST
as of November 2024

Summary Information

	2023	2024 Projected	2025 Budget	2026	2027	2028	2029
Casino Tax Revenue	\$ 7,511,144	\$ 7,518,708	\$ 7,593,896	\$ 7,669,834	\$ 7,746,533	\$ 7,823,998	\$ 7,902,238
Increase over Prior Year		0.10%	1.00%	1.00%	1.00%	1.00%	1.00%
Distribution of Casino Tax Revenue							
Arena Operating Expenses	5,560,681	5,755,305	5,956,741	6,165,226	6,381,009	6,604,345	6,835,497
Land Lease Payment	165,000	165,000	165,000	165,000	165,000	165,000	165,000
Real Estate Tax Provision	381,684	395,043	408,870	423,180	437,991	453,321	469,187
Arena Capital Improvements	1,403,779	1,203,361	1,063,286	916,428	762,532	601,333	432,554
State of Ohio Loan	-	-	-	-	-	-	-
Total Distribution	7,511,144	7,518,708	7,593,896	7,669,834	7,746,533	7,823,998	7,902,238
Admissions Fee Revenue	2,704,872	3,670,000	3,706,700	3,780,834	3,875,355	3,991,615	4,111,364
Increase over Prior Year		35.68%	1.00%	2.00%	2.50%	3.00%	3.00%

	2023	2024 Projected	2025 Budget	2026	2027	2028	2029
Fund Balances @ Year End:							
Lease Payment Fund	-	-	-	-	-	-	-
Real Estate Tax Reserve Fund	381,684	395,043	408,870	423,180	437,991	453,321	469,187
Capital Improvements Fund	8,020,953	6,246,665	134,324	35,616	674,571	287,757	840,307

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 used to support arts within the community. In regards to the admissions fee on events within the arena; 80.0 percent of revenues collected from this fee are returned to the arena for capital improvements.

ARENA LEASE PAYMENT FUNDS

	2023 Actual	2024 Projected	2025 Budget	2026	2027	2028	2029
Sources of Funds:							
Casino Tax Revenue: City	\$ 4,469,317	\$ 4,482,112	\$ 4,526,933	\$ 4,572,203	\$ 4,617,925	\$ 4,664,104	\$ 4,710,745
Casino Tax Revenue: County	3,041,826	3,036,596	3,066,962	3,097,632	3,128,608	3,159,894	3,191,493
Transfer In: CFA Operating Fund	3,041,826	3,036,596	3,066,962	3,097,632	3,128,608	3,159,894	3,191,493
Interest Earnings	-	-	-	-	-	-	-
Total Sources of Funds	10,552,970	10,555,305	10,660,858	10,767,466	10,875,141	10,983,892	11,093,731
Uses of Funds:							
Arena Operations	5,560,681	5,755,305	5,956,741	6,165,226	6,381,009	6,604,345	6,835,497
Land Lease Payment	165,000	165,000	165,000	165,000	165,000	165,000	165,000
Real Estate Tax	381,684	395,043	408,870	423,180	437,991	453,321	469,187
Arena Capital Improvements	1,403,779	1,203,361	1,063,286	916,428	762,532	601,333	432,554
Transfer Out: CFA Cap Ex. Fund	3,041,826	3,036,596	3,066,962	3,097,632	3,128,608	3,159,894	3,191,493
Total Use of Funds	10,552,970	10,555,305	10,660,858	10,767,466	10,875,141	10,983,892	11,093,731
Current Year Balance:	-	-	-	-	-	-	-
Add: prior year balance	-	-	-	-	-	-	-
Fund Balance @ Year End:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes:

The CFA receives 32.0 percent of casino tax revenue collected by the city and county for payment of obligations associated with Nationwide Arena. The 2025 projection assumes casino taxes will increase by 1.0 percent over collections received in 2024. In 2024 such collections were almost equal to prior year collections.

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 2025, 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 to 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 2025 will not completely cover required operating expenses, the CFA will transfer available operating 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

	2023	2024 Projected	2025 Budget	2026	2027	2028	2029
Sources of Funds:							
Transfer in: Arena Lease Payment Fund	\$ 1,403,779	\$ 1,203,361	\$ 1,063,286	\$ 916,428	\$ 762,532	\$ 601,333	\$ 432,554
Admissions Tax	2,704,872	3,670,000	3,706,700	3,780,834	3,875,355	3,991,615	4,111,364
State of Ohio Grant	-	-	2,000,000	-	-	-	-
Interest Earnings	353,177	325,000	187,400	4,030	1,068	20,237	8,633
	<u>4,461,828</u>	<u>5,198,361</u>	<u>6,957,385</u>	<u>4,701,292</u>	<u>4,638,956</u>	<u>4,613,185</u>	<u>4,552,551</u>
Total Sources of Funds							
Uses of Funds:							
	4,654,510	6,972,649	13,069,726	4,800,000	4,000,000	5,000,000	4,000,000
Payment to CAM - Arena CapEx							
	<u>4,654,510</u>	<u>6,972,649</u>	<u>13,069,726</u>	<u>4,800,000</u>	<u>4,000,000</u>	<u>5,000,000</u>	<u>4,000,000</u>
Total Use of Funds							
	(192,682)	(1,774,288)	(6,112,341)	(98,708)	638,956	(386,815)	552,551
Current Year Balance:	8,213,635	8,020,953	6,246,665	134,324	35,616	674,571	287,757
Add: prior year balance							
	<u>\$ 8,020,953</u>	<u>\$ 6,246,665</u>	<u>\$ 134,324</u>	<u>\$ 35,616</u>	<u>\$ 674,571</u>	<u>\$ 287,757</u>	<u>\$ 840,307</u>
Fund Balance @ Year End:							

Note:

Casino tax revenue deposited into the arena capital improvements 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 is deposited into the arena CapEx fund to support the arena's capital improvements program.

ARENA REAL ESTATE TAX RESERVE FUND

	2023 Actual	2024 Projected	2025 Budget	2026	2027	2028	2029
Sources of Funds:							
Transfer: Arena Lease Payment Fund	\$ 381,684	\$ 395,043	\$ 408,870	\$ 423,180	\$ 437,991	\$ 453,321	\$ 469,187
Interest Earnings	-	-	-	-	-	-	-
Total Sources of Funds	381,684	395,043	408,870	423,180	437,991	453,321	469,187
Uses of Funds:							
Transfer to Operating Fund	356,306	381,684	395,043	408,870	423,180	437,991	453,321
Total Use of Funds	356,306	381,684	395,043	408,870	423,180	437,991	453,321
Current Year Balance:	25,378	13,359	13,827	14,310	14,811	15,330	15,866
Add: prior year balance	356,306	381,684	395,043	408,870	423,180	437,991	453,321
Fund Balance @ Year End:	\$ 381,684	\$ 395,043	\$ 408,870	\$ 423,180	\$ 437,991	\$ 453,321	\$ 469,187

Note:

Per transaction documents, casino tax revenue received by the CFA is reserved for 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 are used to make up the difference between casino tax revenues available for real estate payments and the amount due.