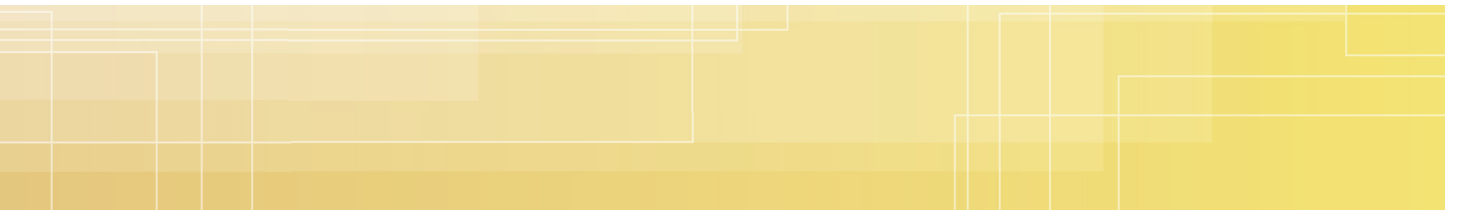


POPULAR ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2022



CITY COUNCIL

Powell City Council is presently led by MAYOR DANIEL SWARTWOUT. A lifelong central Ohio resident, Daniel Swartwout has lived in Golf Village since 2004. He has earned two degrees from The Ohio State University, his Bachelor of Arts Magna Cum Laude in 1996, and his Juris Doctor Summa Cum Laude from the Moritz College of Law in 2000.

Mayor Swartwout was initially elected to City Council in 2015, and was re-elected in 2019. Before his current tenure as Mayor, Swartwout previously served as Vice Mayor for two years.



Daniel Swartwout
MAYOR



Tom Counts
VICE MAYOR

CITY COUNCIL serves as the policy-making body for the City. Its members are elected to represent the community and concentrate on policy issues that are responsive to citizen needs. Council takes a leadership role in interpreting the wishes of the community and providing for its general welfare through programs, services, and activities.



John C. Bennehoof
COUNCILMAN



Christina Drummond
COUNCILWOMAN



Heather Karr
COUNCILWOMAN



Ferzan Ahmed
COUNCILMAN



CONTACT
THE CITY
OF POWELL:

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47 Hall Street
Powell, Ohio 43065

www.cityofpowell.us
614-885-5380

[f](#) [t](#) [i](#) [in](#)
@cityofpowell

DEAR RESIDENTS:

The City of Powell Finance Department is pleased to present the City's Popular Annual Financial Report (PAFR) for fiscal year ended December 31, 2022. This report provides transparency in where City revenues come from and how they are being spent.

The City of Powell Annual Comprehensive Financial Reports for the years ended 2021 and 2020, from which the information on pages 3-7 has been drawn, were awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA). The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to conform to the Certificate of Achievement Program's requirements, and we submitted it to GFOA to determine its eligibility for another Certificate.

The Annual Report was prepared in accordance with Generally Accepted Accounting Principles (GAAP) and audited by the Auditor of the State of Ohio. The City received an unmodified opinion on the audit. The City's Annual Report can be obtained on the City's website at: www.cityofpowell.us.

The City of Powell PAFR is unaudited and presented on a GAAP basis unless otherwise noted. The purpose of the PAFR is to provide summarized financial data as a means of increasing awareness and knowledge of the operations of the City. We believe our citizens deserve transparency when it comes to their tax dollars. This report is designed to help you gain a better understanding of the City's resources and how we put your tax dollars to use.

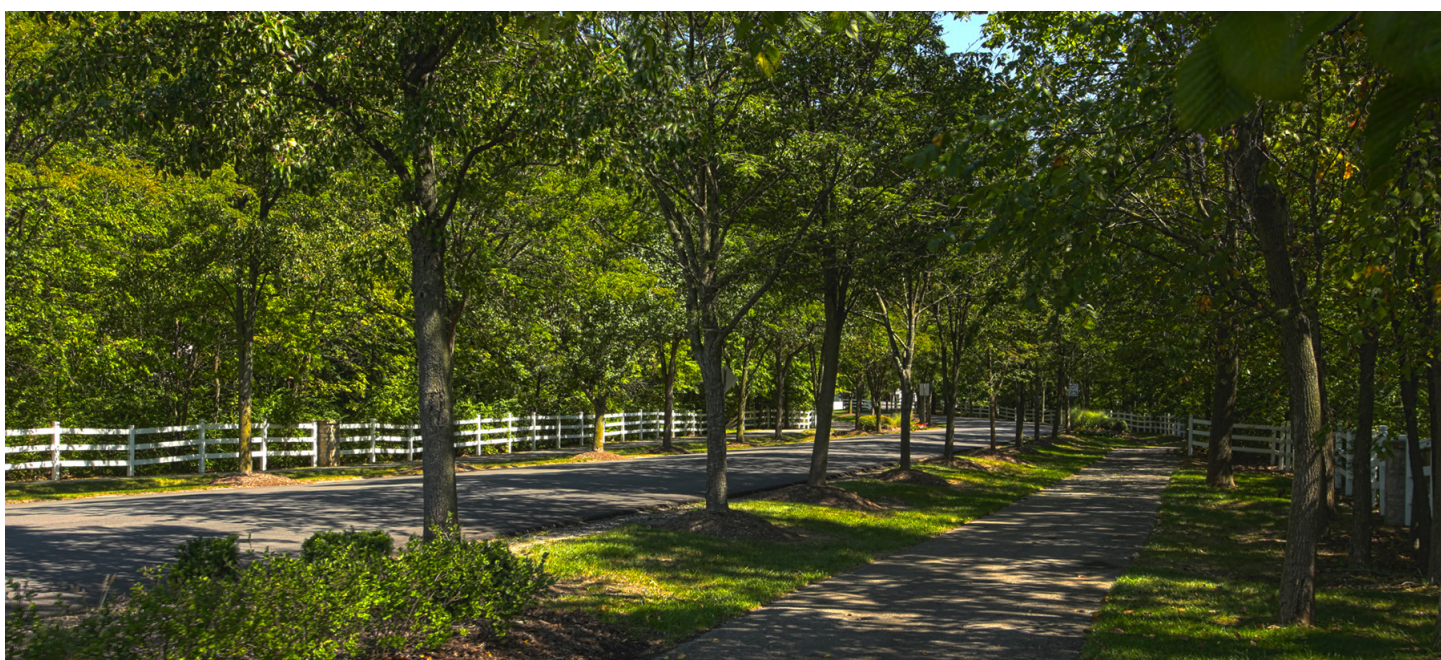
Sincerely,



Andrew White
CITY MANAGER



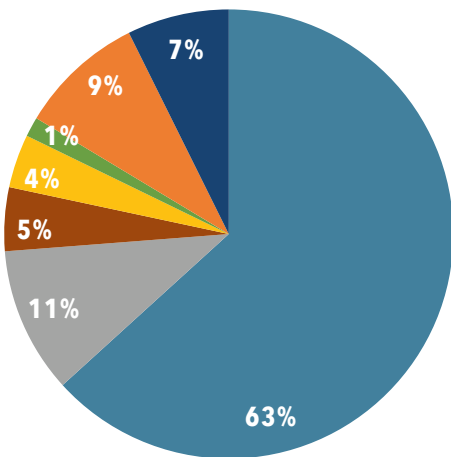
Rosa Ocheltree
FINANCE DIRECTOR
(appointed)



WHERE THE MONEY COMES FROM

REVENUES – GOVERNMENTAL ACTIVITIES

The funding the City receives in order to provide services to citizens and the business community comes from a variety of sources. The chart below presents a summary of governmental activities revenue by type for 2022. The significance of income taxes is clearly evident as it makes up 63% of governmental activities revenue. This reinforces the need for a strong local tax base to keep this revenue source secure. The significant increase in income taxes was the result of the City income tax rate increase from 0.75% to 2.0% effective January 1, 2022. The significant decrease in Development Charges is primarily due to the City receiving less contributions in 2022 as part of the advanced refunding issued in 2021.



	2022	2021	2020
Income Taxes	\$15,483,675	\$7,874,916	\$6,660,016
Property and Other Taxes	2,573,841	2,676,209	2,581,180
Charges for Services	1,121,545	1,278,003	1,186,806
Operating Grants and Contributions	943,150	1,010,061	2,662,046
Capital Grants and Contributions	346,672	19,655	17,048
Development Charges	2,213,614	7,337,398	1,598,015
Other Revenues	1,795,361	971,754	1,315,251
Total Governmental Activities	\$24,477,858	\$21,167,996	\$16,020,362

■ CAPITAL GRANTS AND CONTRIBUTIONS ■ CHARGES FOR SERVICES ■ INCOME TAXES ■ OTHER REVENUES
■ OPERATING GRANTS AND CONTRIBUTIONS ■ PROPERTY AND OTHER TAXES ■ DEVELOPMENT CHARGES

DEFINITIONS

Income Taxes

Revenues received from a 2% income tax levied on substantially all income earned within the City by residents, businesses, and employees of businesses in the City.

Property and Other Taxes

Revenues received from the City's portion of the taxes due on real property and public utilities, Tax Increment Financing (TIF) Districts, and motor vehicle license taxes. The City assessed a property rate of \$10.15 per \$1,000 of assessed valuation. Owners within a TIF District must pay amounts equal to the property taxes that would have been assessed had the TIF District not been established.

Charges for Services

Revenues received related to charges billed to users of various City services. These can include fines and forfeitures, cable franchise fees, building permits and facility rentals.

Operating Grants and Contributions

Revenues received from intergovernmental sources that are restricted for operations. These include amounts received from the State of Ohio related to gas tax and motor vehicle license fees.

Capital Grants and Contributions

Revenues received from various sources that are restricted for capital projects. These include amounts received from the State of Ohio and development partnerships.

Development Charges

Revenues received from community development charges related to residential and nonresidential development within the City.

Other Revenues

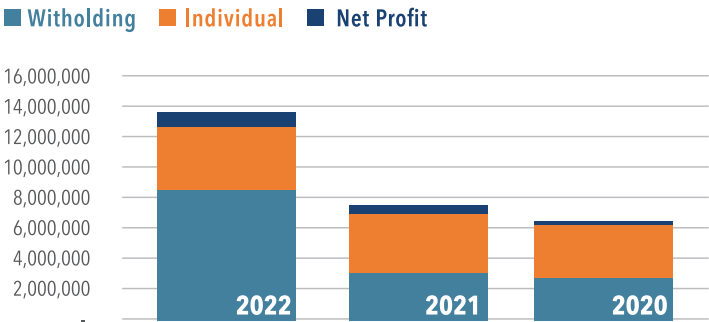
Revenues received such as unrestricted intergovernmental grants for local government support, investment earnings, and other miscellaneous income.

INCOME TAXES

Incomes taxes represent the largest source of revenue for the City. Income tax collections are comprised of three sources: taxes withheld from employees working in the City, taxes from individual residents, and taxes on net profits of businesses operating in the City.

Income taxes are paid first to the municipality where an individual works and then where they live. Although there is no reciprocity between municipalities, the City of Powell provides 100% of credit up to 2.0% for taxes paid to the municipality where you work.

Income Tax Collections



	2022	2021	2020
Withholding	\$8,405,079	\$3,025,579	\$2,701,883
Individual	4,217,209	3,936,887	3,330,831
Net Profit	875,911	556,724	297,676

PROPERTY TAXES

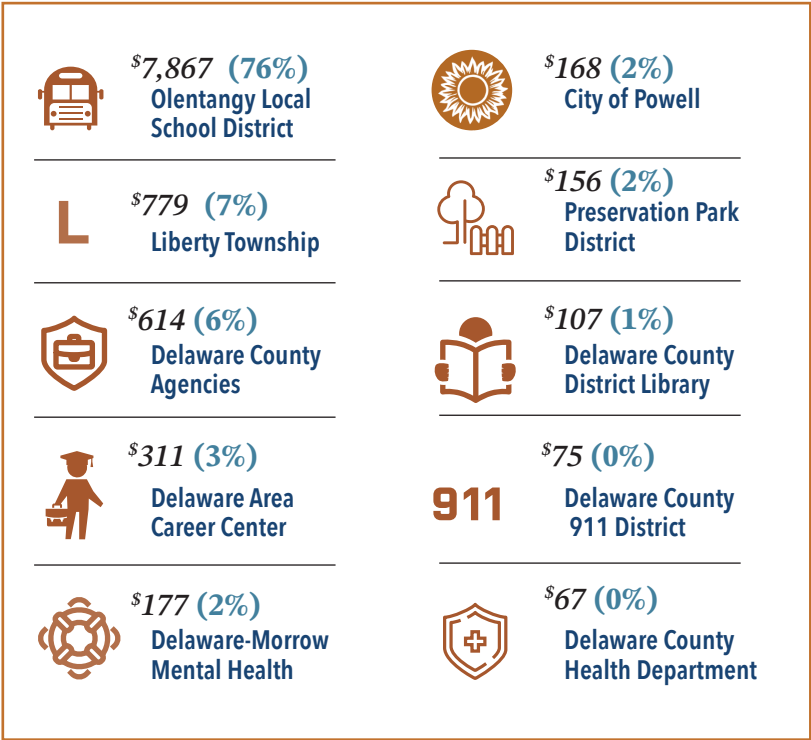
Less than \$0.16 of every dollar of property tax paid supports City operations. The numbers to the right depict the annual tax impact on the owner of a \$400,000 home in the City of Powell. By far, the school district receives the largest portion of the taxes paid by City of Powell residents, along with several other smaller entities.

UNDERSTANDING
PROPERTY TAXES

Property tax is based on the amount charged per \$1,000 worth of taxable property value, also known as millage. Amounts collected for levies, other than general operating levies, must be used for those specific purposes. The County Treasurer’s office collects property taxes and the County Auditor’s office distributes those taxes to the appropriate jurisdiction.

Property Taxes

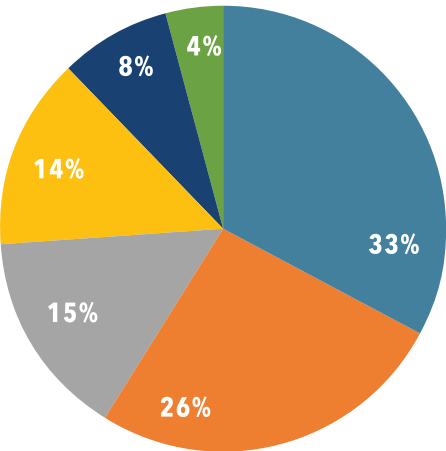
\$10,326 (100%)



WHERE THE MONEY GOES

EXPENSES – GOVERNMENTAL ACTIVITIES

The City’s governmental activities account for most of the basic services provided by the City’s various departments. The City’s expenses are reported at the function level which describes the primary purpose of the expense. Within each function, the expenses of one or more City departments are reported. Total expenses reported for governmental activities in 2022 increased only slightly in comparison with 2021. All 2022 expenses were fairly consistent with 2021.



	2022	2021	2020
Public Safety	\$3,433,889	\$3,392,191	\$3,714,118
General Government	2,734,683	3,008,022	2,729,870
Public Services	1,569,182	1,663,392	1,706,731
Parks and Recreation	1,454,268	1,017,655	1,188,281
Community Development	791,912	542,641	1,504,895
Interest and Fiscal Charges	443,011	656,219	750,068
Total Governmental Activities	\$10,426,945	\$10,280,120	\$11,593,963

■ PUBLIC SAFETY ■ GENERAL GOVERNMENT ■ PUBLIC SERVICES
■ PARKS AND RECREATION ■ COMMUNITY DEVELOPMENT ■ INTEREST AND FISCAL CHARGES

DEFINITIONS

Public Safety
The operations of the City’s Fire/EMS and Police departments.

General Government
The operations of City Council, the Mayor’s Office, Finance, Technology, Civil Service, Mayor’s Court, and Legal.

Public Services
Public services operations in maintaining the City’s roads, traffic signals, storm sewers, bike paths, sidewalks, and snow removal.

Parks and Recreation
The operations of the City’s Parks and Recreation department

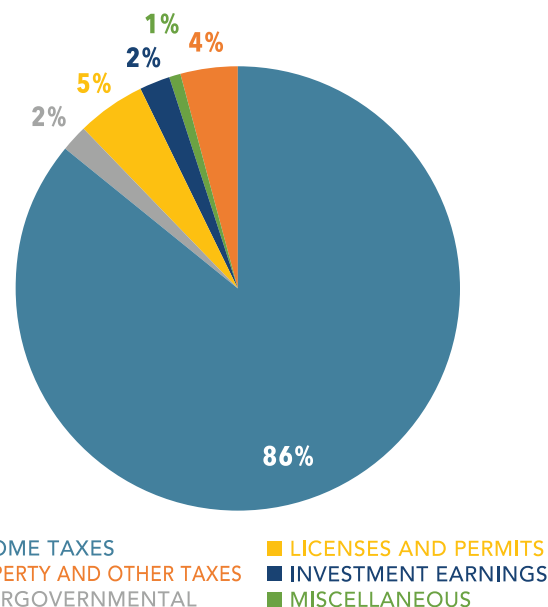
Community Development
The operations of the City’s Building and Zoning and Development and Community Planning

Interest and Fiscal Charges
Interest and other fees charged on City’s debt.

GENERAL FUND ANALYSIS

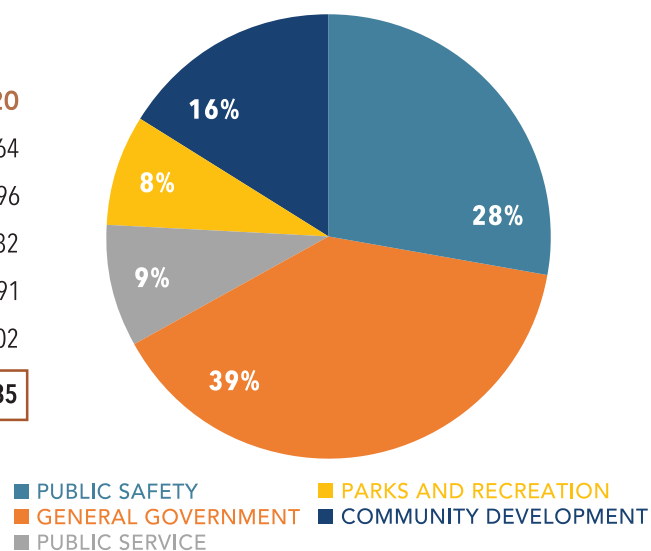
Revenues by Category

	2022	2021	2020
Property and Other Taxes	\$688,823	\$715,746	\$685,788
Income Taxes	14,473,256	7,796,395	6,521,991
Intergovernmental	411,637	377,312	478,393
Licenses and Permits	754,726	780,800	568,246
Investment Earnings	(396,807)	19,113	217,337
Miscellaneous	87,270	67,108	345,654
Total Governmental Activities	\$16,018,905	\$10,280,120	\$8,817,409



Expenditures by Function

	2022	2021	2020
Public Safety	\$1,897,371	\$3,221,425	\$2,445,764
General Government	2,697,192	2,943,445	2,411,096
Public Services	622,815	590,389	724,232
Parks and Recreation	560,816	412,051	556,491
Community Development	1,100,501	1,213,008	1,257,202
Total Governmental Activities	\$6,878,695	\$8,380,318	\$7,394,785



The General Fund is the City's primary operating fund. It accounts for the majority of all financial activity of the City and pays almost all personnel costs of City Employees, as well as day-to-day operating expenditures with the exception of those associated with street maintenance and repair. In 2022, the General Fund accounted for approximately 68% of the total government fund revenue and approximately 46% of governmental fund expenditures. These numbers are presented using the modified accrual basis of accounting, which means that revenues are only accrued when measurable and available, in this case, within 31 days of year-end. Approximately 97% of the City's General Fund revenue is derived from three sources: Income Taxes, Property and Other Taxes, and Intergovernmental. The charts on this page show the classifications of revenues and expenditures in the General Fund.

The most significant change in General Fund revenues between 2022 and 2021 was a \$6.7 million increase in Income Taxes. This increase was the result of the City income tax rate increase from 0.75% to 2% effective January 1, 2022.

Total General Fund expenditures decreased \$1.5 million in 2022 in comparison with 2021. This decrease can be attributed to the use of federal American Recovery Plan Act funds to subsidize public safety expenditures typically borne by the General Fund.

OUTSTANDING DEBT

The repayment of debt is primarily funded using Property and Other Taxes that have been set aside for capital investments or its related debt, and Development Charges. Ohio Law limits the amount of outstanding debt allowed to 10.5% of the taxable value of property. In 2022, the assessed value of the City of Powell property was \$674,785,330.

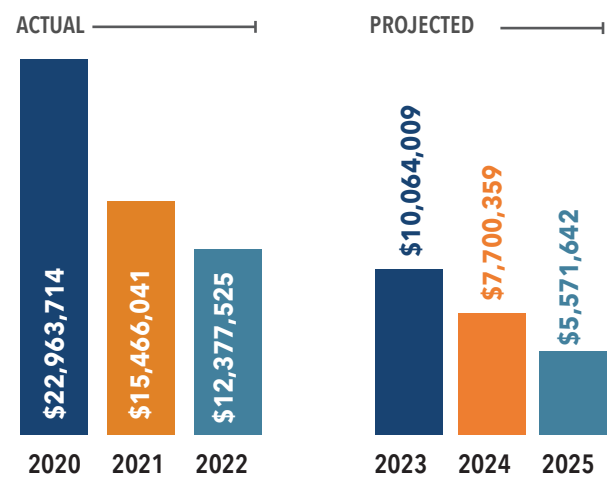
The City's general obligation debt, less amounts set aside for debt repayment, represents just 1.70% of the assessed taxable value of property. The table below provides a summary of the type (including definitions) and amount of debt outstanding. The chart below provides the balance of bonds and loans payable outstanding.

OUTSTANDING DEBT - Actual			
	2020	2021	2022
General Obligation Bonds	\$21,463,714	\$14,641,041	\$12,377,525
Direct Borrowings	1,500,000	825,000	-
Total Debt	22,963,714	15,466,041	12,377,525

OUTSTANDING DEBT - Projected			
	2023	2024	2025
General Obligation Bonds	\$10,064,009	\$7,700,359	\$5,571,642
Direct Borrowings	-	-	-
Total Debt	10,064,009	7,700,359	5,571,642

General Obligation Bonds – Long-term debts that are repaid from the City's available resources.

Direct Borrowings – Low-interest bank loan to refinance note related to constructing, improving and repairing City infrastructure, bike paths and parks.



The City is AAA rated by Standard and Poor's. This is the highest rating issued by Standard and Poor's and allows the City to borrow at the best rate.

WHAT'S NEW IN THE CITY?

The City welcomed several new businesses and many commercial and residential developments during 2022. Notable projects include Ivybrook Academy, Liberty Reserve, and Lily Reserve.

Ivybrook Academy includes a $\pm 6,920$ -square-foot daycare building and $\pm 2,885$ -square-foot playground at the southwest corner of Sawmill Drive and Bunker Lane. Two separate parcels were approved with the daycare on one parcel and a 5,750-square-foot retail building, with patio space, on the other. The daycare is under construction.



Liberty Reserve is a residential development on ± 8.601 acres with 42 twin-single residential units in 21 buildings. A singular access point is located off Home Road with all internal streets being private. A 10-foot multi-use path will be included along the Home Road frontage. The proposal includes approximately 43% open space. Construction has started for this development.

Lily Reserve is a $\pm 13,020$ -square-foot building commercial retail center located at the southeast corner of West Olentangy Street and Murphy Parkway with 72 parking spaces, patio space and paths. The project is to include a yoga studio, barber shop and golf simulator. The project is also under construction.

We have also appropriated funds for the largest street and path maintenance program in the city's history, and continue to improve roads and pathways for residents to enjoy.

