THE PORT

Making Real Estate Work

PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY

HAMILTON COUNTY, OHIO

SINGLE AUDIT
FOR THE YEAR ENDED
DECEMBER 31, 2024

OHIO AUDITOR OF STATE
KEITH FABER

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

Board of Directors
Port of Greater Cincinnati Development Authority
3 East Fourth Street, Suite 300
Cincinnati, Ohio 45202

We have reviewed the *Independent Auditor's Report* of the Port of Greater Cincinnati Development Authority, Hamilton County, prepared by Rea & Associates, Inc., for the audit period January 1, 2024 through December 31, 2024. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

KEITH FABER
Ohio Auditor of State

Tiffany L Ridenbaugh

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

July 22, 2025

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audits of the Financial Statements

Opinion

We have audited the financial statements of the Port of Greater Cincinnati Development Authority, Hamilton County, Ohio (the "Port"), as of and for the years ended December 31, 2024 and 2023 and the related notes to the financial statements, which collectively comprise the Port's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Port of Greater Cincinnati Development Authority, Hamilton County, Ohio, as of December 31, 2024 and 2023, and the changes in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Port's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audits of the Financial Statements

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

In performing audits in accordance with GAAS and *Government Auditing Standards*, we

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Port's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Port's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and pension and other post-employment benefit schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Port's basic financial statements. The Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2025 on our consideration of the Port’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Port’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Port’s internal control over financial reporting and compliance.

Rea & Associates, Inc.

Rea & Associates, Inc.
Dublin, Ohio
June 27, 2025

Our unaudited discussion and analysis of Port of Greater Cincinnati Development Authority's (dba "The Port") financial performance provides an overview of the financial activities for the years ended December 31, 2024, 2023, and 2022. Please read it in conjunction with The Port's audited financial statements and accompanying notes.

Financial Highlights

As discussed in further detail in this discussion and analysis, the following represents the most significant financial highlights for the year ended December 31, 2024:

- Operating revenue of $13.7 million in 2024 was $1.4 million or 11% higher than the prior year due to a $1,287,886 increase in service revenue. The increase in service revenue was led by public finance fees.

- Operating expenses of $11.6 million in 2024 were $.7 million or 6% higher than the prior year primarily due to increases in salaries and benefits expense and property holding costs.

- Capital assets decreased $54.5 million or -61% in 2024, primarily due to the disposal of land and land improvements for the Convention Center Hotel. The Port entered into an agreement with Hamilton County in 2024 to acquire Convention Center Hotel land to facilitate transfer back to the public sector. See Note 5 for additional information regarding capital assets.

- Other noncurrent assets increased $12.6 million or 15 percent in 2024 primarily as a result of an increase in assets held for resale (See Note 14). The Port acquired various properties in Camp Washington in 2023 and in 2024 as part of its industrial strategy to gain control of contiguous parcels and combine project sites to market and incentivize larger-scale redevelopment efforts. The Port intends to decrease development costs for prospective end-users, stimulating Cincinnati's metro industrial market. One large industrial sale occurred in 2024.

- Outstanding debt decreased by $56 million in 2024 primarily due to the early retirement of the Convention Center Hotel revenue refunding bonds. See Note 7 for additional information regarding the Port's outstanding debt.

- Net position increased to $46.5 million by the end of 2024, an increase of $14.2 million or 44 percent from the previous year. The increase is mainly derived from a $12 million increase in unrestricted net position, the part of net position that can be used to finance day-to-day operations.

Using this Annual Report

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

Condensed Financial Information

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

	2022	2023	2024	Change	Percent Change
Assets					
Current Assets	$ 15,416,744	$ 18,486,834	$ 15,346,341	$ (3,140,493)	-17%
Capital Asset, net	90,668,823	89,704,173	35,198,781	(54,505,392)	-61%
Other noncurrent assets	58,726,036	83,263,528	95,905,997	12,642,469	15%
Total Assets	164,811,603	191,454,535	146,451,119	(45,003,416)	-24%
Deferred Outflows of Resources	877,424	2,656,787	2,071,399	(585,388)	-22%
Liabilities					
Current liabilities	9,433,502	11,810,695	12,409,938	599,243	5%
Long-term liabilities					
Due within one year	55,963,652	4,585,889	813,328	(3,772,561)	-82%
Due in more than one year	84,292,123	144,258,128	86,615,330	(57,642,798)	-40%
Total liabilities	149,689,277	160,654,712	99,838,596	(60,816,116)	-38%
Deferred Inflows of Resources	3,002,587	1,137,727	2,142,531	1,004,804	88%
Net Position					
Net investment in capital assets	(2,262,486)	(2,531,770)	(494,535)	2,037,235	-80%
Restricted	5,052,939	7,552,517	7,737,677	185,160	2%
Unrestricted	10,206,710	27,298,136	39,298,250	12,000,114	44%
Total net position	**$ 12,997,163**	**$ 32,318,883**	**$ 46,541,392**	**$ 14,222,509**	44%

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	2022	2023	2024	Change	Percent Change
Operating Revenue					
Public funding	$ 1,500,000	$ 1,500,000	$ 1,600,000	$ 100,000	7%
Charges for services	10,439,543	10,794,020	12,081,906	1,287,886	12%
Total operating revenue	11,939,543	12,294,020	13,681,906	1,387,886	11%
Operating Expenses					
Salaries and benefits	4,026,994	5,782,362	6,399,458	617,096	11%
Professional services	2,512,277	2,242,239	2,043,695	(198,544)	-9%
Occupancy	189,048	277,642	209,311	(68,331)	-25%
Travel and business development	150,355	214,085	171,145	(42,940)	-20%
Equipment and supplies	35,539	33,409	34,597	1,188	4%
Other operating expenses	498,695	504,505	334,849	(169,656)	-34%
Taxes and holding costs	294,721	594,260	1,139,363	545,103	92%
Depreciation and amortization	1,196,128	1,264,759	1,241,303	(23,456)	-2%
Total operating expenses	8,903,757	10,913,261	11,573,721	660,460	6%
Operating income	3,035,786	1,380,759	2,108,185	727,426	53%
Nonoperating Revenue (Expenses)					
Restricted bond revenue	1,892,876	1,121,149	1,666,875	545,726	49%
Investment Income	101,396	1,315,051	987,466	(327,585)	-25%
Interest expense	(3,889,348)	(3,814,887)	(3,998,708)	(183,821)	5%
Gain/(Loss) on sale of property	(35)	-	(3,964,791)	(3,964,791)	100%
Gain/(Loss) on sale of inventory	8,470	(45,659)	(566,904)	(521,245)	1142%
Gain on tax ruling	-	17,747	3,128	(14,619)	-82%
Impairment on asset	-	(126,373)	-	126,373	-100%
Bond administrative expense	(929,303)	(911,323)	(300,398)	610,925	-67%
Grants, net	5,068	(24)	(1,640,434)	(1,640,410)	6835042%
Capital grants and contributions	2,958,150	20,385,280	19,928,090	(457,190)	-2%
Change in Net Position	**$ 3,183,060**	**$ 19,321,720**	**$ 14,222,509**	**$ (5,099,211)**	-26%

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

Net position increased by $14.2 million, or 44 percent, in 2024. In comparison, net position in 2023 increased by $19.3 million, or 149 percent. The increase in 2024 is mainly derived from $20 million in capital grant contributions.

Unrestricted net position, the part of net position that can be used to finance day-to-day operations, increased $12 million, or 44 percent in 2024. In comparison, in 2023 unrestricted net position increased by $17.1 million, or 167 percent. The current level of unrestricted net position stands at $39.3 million, or about 340 percent of annual operating expenditures, excluding depreciation and amortization.

Restricted net position decreased by $.2 million, or 2 percent, in 2024 primarily due to reporting restricted net position for net OPEB assets. In contrast, restricted net position increased by $2.5 million, or 49 percent, in 2023. The prior year increase primarily due to renovations on trust restricted housing inventory.

Net position from The Port's net investment in capital assets is negative $.5 million, which increased from a deficit of $2.5 million from the prior year. In 2023, net investment in capital assets decreased $0.3 million. Loan deferrals and refinancings have contributed towards the negative net position in capital assets.

Operating Revenue

In 2024, public funding in the form of operating grants increased to $1.6 million (See Note 9). In comparison, public funding remained unchanged in 2023. Public grants are appropriated annually to support The Port's economic development and inclusion activities.

Charges for services consist primarily of fees and rents charged for: parking, public finance, real estate leases, mortgage down payment assistance, management of other organizations, and development of projects. Service revenue increased $1.3 million, or 12 percent, in 2024 compared to the prior year. The increase was led by public finance fees. In comparison, service revenue increased $.4 million or 3 percent in 2023 compared to the prior year primarily due to increased development fees on certain capital grant projects.

Operating Expenses

Operating expenses increased $.6 million or 6 percent in 2024 compared to the prior year, primarily due to a $.6 million increase in salary and benefits. Additionally, property holding cost increased $0.6 million in 2024 due properties acquired during the year (See Note 14). In 2023, operating expenses increased $2.0 million primarily due to a 1.1 million increase salary and benefits from an adjustment to pension and other postemployment benefits (OPEB) and $0.6 million due to an increase in wages and related benefits

For years 2024, 2023 and 2022, The Port had adequate operating revenue to cover its operating expenses before depreciation and amortization on capital assets.

Nonoperating Revenue (Expenses)

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

Nonoperating revenue (expenses) decreased $5.4 million in 2024 compared to the prior year, primarily due to a $6 million loss on sale of property and a $1.6 million decrease in net grants. In 2023, nonoperating revenue (expenses) increased by $.4 million primarily due to a $1.2 million increase in investment income offset by a $.8 million decrease in restricted bond revenue, specifically hotel tax revenues due to the refinance of the Convention Center Hotel Bonds (see Note 9).

Capital grants and contributions decreased $.5 million in 2024, consisting of $8.7 million from the City of Cincinnati, $8.4 million from the State of Ohio (ODOD), $1.3 million from Hamilton County and $1.5 million from corporate donors. Capital grants received in 2024 funded the acquisition, demolition, remediation, and stabilization of various properties in the City of Cincinnati and Hamilton County. In comparison, capital grants and contributions increased $17.4 million in 2023, consisting of $8.4 million from the City of Cincinnati, $8.4 million from the State of Ohio (ODOD), and $0.5 million from Hamilton County. Capital grants received in 2023 funded the acquisition, demolition, remediation, and stabilization of various properties in the City of Cincinnati and Hamilton County.

Capital Assets

At the end of 2024, The Port had $35.2 million invested in a broad range of capital assets, including public parking facilities, land, leasehold improvements and right of use assets. Capital assets decreased by $54.5 million in 2024, primarily due to transferring the Convention Center Hotel land to Hamilton County. See Note 5 of the financial statements for additional information.

In comparison, in 2023 the Port's additions included $0.1 million of land improvements at the Convention Center Hotel (former Millennium Hotel) and $0.2 million of parking garage and leasehold improvements.

Debt Administration

In support of economic development and other authorized projects within the City of Cincinnati and Hamilton County, The Port considers and, with board approval, issues bonds. In 2024, The Port issued $799 million of bonds, compared to $263 million and $280 million of bonds issued in 2023 and 2022, respectively. The following table summarizes The Port's issuance of bonds and conduit financings in the years 2024, 2023 and 2022.

Issue Date	Project Name	Bond Amount
03/2024	3CDC Master Parking – Fountain Square North *	$ 22,655,000
06/2024	RBM Medpace (CPU Building) *	30,000,000
06/2024	RBM Medpace (new office building) *	250,000,000
08/2024	RBM Medpace TIF Bonds *	43,258,736
05/2024	Duke Energy Convention Center *	317,500,000
10/2024	Lincoln and Gilbert II *	7,000,000
10/2024	Gwynne Building – Nuovo *	70,000,000
06/2024	PLK – Factory 52 Phase 1B *	18,000,000
07/2024	CIG – Paragon Ranch *	40,700,633
	Total 2024	$ 799,114,369

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

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

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

Economic Factors and Next Year's Budgets and Rates

The Port projects 2025 operating revenue of $13.5 million and operating expenses of $11.9 million.

The Port will continue to rely on operating support provided by its public partners. Hamilton County and the City of Cincinnati are expected to make operating grants of $800,000 and $700,000, respectively, in 2025.

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

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

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

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

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

Contacting the Management

This financial report is intended to provide our stakeholders with a general overview of The Port's finances and to show accountability for the money received. If you have questions about this report or need additional information, we welcome you to contact Carson Sawicki, Accounting Manager at 513-632-3831.

Proprietary Funds
Statement of Net Position

December 31, 2024 and 2023

	2024	2023
Assets		
Current assets:		
Cash and cash equivalents (Note 3)	$ 11,165,601	$ 8,231,913
Receivables (Note 4)	4,034,886	10,017,917
Prepaid expenses and other assets	145,855	237,004
Total current assets	15,346,342	18,486,834
Noncurrent assets:		
Restricted cash and investments	10,986,789	12,816,067
Notes and lease receivables (Note 4)	4,292,067	2,660,173
Net OPEB asset (Note 11)	205,604	-
Inventory – Housing	15,809,544	16,989,495
Capital assets: (Note 5)		
Assets not subject to depreciation and amortization	16,777,544	69,952,898
Assets subject to depreciation and amortization	18,421,237	19,751,275
Assets held for resale (Note 14)	64,611,993	50,797,793
Total noncurrent assets	131,104,778	172,967,701
Total assets	146,451,120	191,454,535
Deferred Outflows of Resources		
Pension (Note 10)	1,894,767	2,272,965
OPEB (Note 11)	176,632	383,822
Total deferred outflows of resources	2,071,399	2,656,787
Liabilities		
Current liabilities:		
Accounts payable	2,104,145	6,687,171
Lease liability (Note 8)	40,173	199,437
Accrued liabilities and other	792,203	751,675
Unearned grant revenue	4,768,417	4,172,412
Current portion of long-term debt payable from restricted assets (Note 7)	4,705,000	2,852,497
Total current liabilities	12,409,938	14,663,192
Noncurrent liabilities:		
Accrued interest payable from restricted assets	813,328	1,318,165
Accrued expenses payable from restricted assets	-	415,227
Lease liability (Note 8)	-	102,333
Net pension obligation (Note 10)	4,997,578	4,983,110
Net OPEB obligation (Note 11)	-	128,191
Note Payable	424,415	-
Long-term debt payable from restricted assets (Note 7)	2,500,000	2,500,000
Long-term debt payable from future restricted bond revenue (Note 7)	78,693,337	136,544,494
Total noncurrent liabilities	87,428,658	145,991,520
Total liabilities	99,838,596	160,654,712
Deferred Inflows of Resources		
OPEB (Note 11)	133,001	42,278
Leases (Note 8)	2,009,530	1,095,449
Total deferred inflows of resources	2,142,531	1,137,727
Net Position		
Net investment in capital assets	(494,535)	(2,531,770)
Restricted:		
Grants	6,411,530	5,662,199
Trust assets	1,120,543	1,890,318
OPEB asset	205,604	-
Unrestricted	39,298,250	27,298,136
Total net position	$ 46,541,392	$ 32,318,883

See notes to financial statements.

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

Years Ended December 31, 2024 and 2023

	2024	2023
Operating Revenue		
Public funding (Note 9)	$ 1,600,000	$ 1,500,000
Charges for services	12,081,906	10,794,020
Total operating revenue	13,681,906	12,294,020
Operating Expenses		
Salaries and benefits	6,399,458	5,782,362
Professional services	2,043,695	2,242,239
Occupancy	209,311	277,642
Travel and business development	171,145	214,085
Equipment and supplies	34,597	33,409
Other operating expenses	334,849	504,505
Taxes and holding costs	1,139,363	594,260
Depreciation and amortization	1,241,303	1,264,759
Total operating expenses	11,573,721	10,913,261
Operating Income	2,108,185	1,380,759
Nonoperating Revenue (Expense)		
Restricted bond revenue	1,666,875	1,121,149
Investment income	987,466	1,315,051
Interest expense	(3,998,708)	(3,814,887)
Gain on disposal of capital asset	2,131,363	-
Loss on sale of property	(6,096,154)	-
(Loss) Gain on sale of housing inventory	(566,904)	(45,659)
Gain on tax ruling	3,128	17,747
Impairment on assets	-	(126,373)
Bond administrative expense	(300,398)	(911,323)
Grants	1,168,973	4,941,646
Grant expenditures	(2,809,407)	(4,941,670)
Total nonoperating (expense) revenue	(7,813,766)	(2,444,319)
(Loss) Gain - Before capital grants and contributions	(5,705,581)	(1,063,560)
Capital Grants and Contributions	19,928,090	20,385,280
Increase (Decrease) in Net Position	14,222,509	19,321,720
Net Position - Beginning of year	32,318,883	12,997,163
Net Position - End of year	$ 46,541,392	$ 32,318,883

See notes to financial statements.

Propriety Funds
Statement of Cash Flows

Years Ended December 31, 2024 and 2023

	2024	2023
Cash Flows from Operating Activities		
Receipts from public funding sources	$ 1,600,000	$ 1,500,000
Receipts from charges for services	11,831,614	10,884,648
Payments to suppliers	(3,874,381)	(3,638,853)
Payments to employees	(6,267,781)	(5,362,776)
Net cash and cash equivalents provided by operating activities	3,289,452	3,383,019
Cash Flows from Noncapital Financing Activities		
Receipts from grants and subsidies	24,231,642	13,136,198
Payment of grant expenses	(2,809,407)	-
Proceeds from the issuance of debt	-	6,300,000
Restricted bond revenue	335,250	328,324
Proceeds from notes payable	1,750,000	-
Principal paid on debt and notes	(2,659,577)	(764,589)
Interest paid	(1,515,805)	(1,331,852)
Bond administrative expenses paid	(83,829)	(366,188)
Proceeds from the sale of housing inventory	2,906,915	878,822
Purchase and development of housing inventory	(2,925,049)	(3,116,330)
Proceeds from the sale of assets held for sale	247,343	-
Purchase and development of assets held for sale	(20,898,537)	(23,456,570)
Net cash and cash equivalents used in noncapital financing activities	(1,421,054)	(8,392,185)
Cash Flows from Capital and Related Financing Activities		
Proceeds from the issuance of debt	-	53,265,000
Proceeds from disposal of capital assets	55,396,363	
Restricted bond revenue	1,334,752	810,572
Purchase and construction of capital assets	(30,830)	(551,391)
Principal paid on debt	(53,014,410)	(53,667,972)
Interest paid	(4,587,376)	(2,678,507)
Bond administrative expenses paid	(266,692)	(595,258)
Net cash and cash equivalents used in capital and related financing activities	(1,168,193)	(3,417,556)
Cash Flows from Investing Activities		
Interest received on investments	987,466	1,318,476
Loans collected	47,739	782,863
Loans provided	(631,000)	(987,860)
Net cash and cash equivalents provided by investing activities	404,205	1,113,479
Net (Decrease) Increase in Cash and Cash Equivalents	1,104,410	(7,313,243)
Cash and Cash Equivalents - Beginning of year	21,047,980	28,361,223
Cash and Cash Equivalents - End of year	**$ 22,152,390**	**$ 21,047,980**
Classification of Cash and Cash Equivalents		
Cash and cash equivalents	$ 11,165,601	$ 8,231,913
Restricted cash and investments	10,986,789	12,816,067
Total cash and cash equivalents	**$ 22,152,390**	**$ 21,047,980**

Continued next page

See notes to financial statements.

Propriety Funds
Statement of Cash Flows (Continued)

Years Ended December 31, 2024 and 2023

	2024	2023
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating income	$ 2,108,185	$ 1,380,759
Adjustments to reconcile operating income to net cash from operating activities:		
Depreciation and amortization	1,241,303	1,264,759
Changes in assets and liabilities:		
Accounts receivable	(250,292)	233,923
Prepaid and other assets	91,149	(1,170,847)
Accounts payable	735,403	(282,186)
Accrued and other liabilities	(636,296)	1,956,611
Net cash and cash equivalents provided by operating activities	**$ 3,289,452**	**$ 3,383,019**

Note 1 - Nature of Business

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

Note 2 - Significant Accounting Policies

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

Reporting Entity

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

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

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

Port Authority Powers

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

Special Financing, Projects, and Programs

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

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

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

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

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

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

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

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

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

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

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

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

Management Agreements

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

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

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

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

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

Assets, Liabilities, and Net Position

Bank Deposits and Investments

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

Restricted Assets

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

Assets Held for Resale

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

Inventory - Housing

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

Capital Assets

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

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

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

Notes Receivable

The Port provided housing loans of $631,000 and $987,860 in the years 2024 and 2023, respectively, from the Greater Cincinnati Neighborhoods Housing Revitalization Loan Fund (see Note 7). All loans were provided to entities managed by The Port, mature in the year 2025, and have an annual interest rate of 2.50 percent. Interest payments are due quarterly.

The Port provided $0 commercial loans in the years 2024 and 2023 from the Cincinnati Neighborhood Commercial Real Estate Loan Fund (see Note 7). All loans mature in the year 2026 and have an annual interest rate of 3.00 percent. Interest payments are due quarterly.

Compensated Absences (Vacation and Sick Leave)

It is The Port's policy to permit employees to accumulate earned but unused paid-time-off benefits (PTO). Employees begin earning PTO on their first day of service and are permitted to carry a maximum of twenty days of unused PTO at any one time. Liabilities should be recognized for unused leave if it is attributable to services already rendered, the leave accumulates, and it is more likely than not that it will be used or paid out in cash.

Liabilities for compensated absences should be recognized in financial statements prepared using the economic resources measurement focus for leave that has not been used and leave that has been used but not yet paid or settled.

A key component in determining the estimate of the amount of accumulated compensated absences that will be used as time off is the flows assumption. The flows assumption determines whether leave used by employees will be attributed first to (a) the recognized liability at the date of the financial statements (a first-in, first-out (FIFO) flows assumption) or (b) the leave earned in the next reporting period (a last-in, first-out (LIFO) flows assumption). The Port uses the LIFO flows assumption.

Long-term Debt

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

Deferred Outflows/Inflows of Resources

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

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

Pension and Other Postemployment Benefit Costs

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

Net Position Flow Assumption

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

Net Position

Net position of The Port is classified in three components:

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

Capital Grants and Contributions

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

Unearned Revenue

Unearned revenue arises when monies are received before revenue recognition criteria have been satisfied. The unearned revenue reported represents grants and service fees received in advance of work being performed.

Proprietary Funds Operating Classification

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

Use of Estimates

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

Implementation of New Accounting Principles

For the year ended December 31, 2024, the Port has implemented certain provisions of GASB Statement No. 99, *Omnibus 2022,* GASB Statement No. 100, *Accounting Changes and Error Corrections-an amendment of GASB Statement No. 62*, and GASB Statement No. 101, *Compensated Absences*.

GASB Statement No. 99 enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of certain provisions of GASB Statement No. 99 that relate to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 did not have an effect on the financial statements of the Port.

GASB Statement No. 100 enhances accounting and financial reporting requirements for accounting changes and error corrections to provide a more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessment accountability. The implementation of GASB Statement No. 100 was incorporated into the financial statements of the Port.

GASB Statement No. 101 updates the recognition and measurement guidance for compensated absences to promote consistency and better meet the information needs of financial statement users. The unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. These changes were incorporated into the Port's financial statements; however, there was no effect on beginning net position.

Note 3 - Deposits and Investments

Deposits

Monies in the funds of The Port, except as otherwise described below with respect to investments controlled by the terms of a bond resolution or trust agreement or indenture, and to the extent in excess of current needs, may be invested in accordance with the Ohio Uniform Depository Act, Revised Code Sections 135.01-135.52 (UDA). At December 31, 2024 and 2023, the aggregate amount of monies in the general operating funds of The Port held in demand deposit and money market accounts was $1,929,762 and $4,102,259, respectively, all of which constituted "active deposits," with qualified banking institutions, deposited in accordance with UDA. At December 31, 2024, approximately $500,000, of these deposits were covered by FDIC insurance and at December 31, 2023, approximately $750,000 of these deposits were covered by FDIC insurance. Of the remaining balances at December 31, 2024 and 2023, approximately $1,492,762 and $3,352,300, respectively, were collateralized with securities by the pledging institution's trust department or agent, but not in The Port's name. The STAR Ohio investments were the only amounts from the unrestricted general operating funds not held in demand deposit or money markets with a qualified banking institution during the two-year period ended December 31, 2024.

Custodial Credit Risk of Bank Deposits

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

Investments

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

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of rising interest rates. The Port held the following investments as of December 31, 2024 and 2023.

2024

		Investment Maturities			
Investment Type	Measurement Value	12 Months or Less	12 to 36 Months	More Than 36 Months	Percent of Total
FHLB	$ 945,480	$ -	$ 945,480	$ -	19.68%
US Treasury Note	3,858,688	-	2,956,162	902,526	80.32%
Total Investments	$ 4,804,168	$ -	$3,901,642	$ 902,526	100.00%

2023

		Investment Maturities			
Investment Type	Measurement Value	12 Months or Less	12 to 36 Months	More Than 36 Months	Percent of Total
FHLB	$ 917,430	$ 917,430	$ -	$ -	33.89%
US Treasury Note	1,790,048	1,790,048	-	-	66.11%
Total Investments	$ 2,707,478	$2,707,478	$ -	$ -	100.00%

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Port has no investment policy that would further limit its investment choices. As of yearend, the S&P credit quality ratings of the money markets held are AAAm for 2024 and 2023.

Note 4 – Receivables

The table below summarizes the Port's receivables as of December 31, 2024 and 2023. Receivables from the state primarily relate to ODOD (Ohio Department of Development) and JobsOhio grant funds due on demolition and remediation work. Receivables from local government primarily relate to City of Cincinnati grant funds and Hamilton County Auditor tax refunds. Other receivables are mainly related to public finance projects and other various reimbursements. Notes receivable from the commercial and housing loan funds are further described in the long-term debt footnote (Note 7). All receivables are expected to be collected, thus no allowance for doubtful accounts is recorded.

	2024	2023
Receivables - current		
State of Ohio and state agencies	$ 1,341,397	$ 7,780,544
Local government	1,037,205	705,134
Other	1,049,584	799,291
Notes receivable – commercial loan fund	142,529	432,760
Lease receivable – GASB 87	464,171	300.188
Total	4,034,886	10,017,917
Receivables – noncurrent		
Notes receivable – commercial loan fund	1,127,848	877,051
Notes receivable – housing loan fund	1,618,860	987,860
Lease receivable – GASB 87	1,545,359	795,262
Total	4,292,067	2,660,173

Note 5 - Capital Assets

Capital asset activity of The Port was as follows for 2024:

	Balance January 1, 2024	Additions	Disposals & Transfers	Balance December 31, 2024
Capital assets not being depreciated:				
Land - Fifth & Plum Parking Lot	$ 11,920,221	$ -	$ -	$ 11,920,221
Land - Convention Center Garages	4,857,323	-	-	4,857,323
Land - Convention Center Hotel	38,561,497	-	(38,561,497)	-
Land improvements - Conv Ctr Hotel	14,613,857	-	(14,613,857)	-
Subtotal	69,952,898	-	(53,175,354)	16,777,544
Capital assets being depreciated/amortized:				
Buildings - Convention Center Garages	22,222,093	-	-	22,222,093
Parking equipment	176,578		-	176,578
Office equipment	2,757	-	-	2,757
Furniture and fixtures	122,051	-	-	122,051
Vehicles	42,567	-	-	42,567
Leasehold improvements - Garage	2,037,238	27,170	-	2,064,408
Leasehold improvements - Office	120,879	3,660	-	124,539
Right of use lease assets – Land	593,228	-	(593,228)	-
Right of use lease assets – Facilities	334,566	-	-	334,566
Right of use lease assets – Equipment	63,502	-	-	63,502
Subtotal	25,715,459	30,832	(593,228)	25,153,061
Accumulated depreciation and amortization:				
Buildings - Convention Center Garages	4,026,266	909,791	-	4,936,057
Parking equipment	132,262	20,527	-	152,789
Office equipment	2,757	-	-	2,757
Furniture and fixtures	89,930	7,918	-	97,848
Vehicles	8,791	6,083	-	14,874
Leasehold improvements - Garage	929,664	138,274	-	1,067,938
Leasehold improvements - Office	57,181	40,309	-	97,490
Right of use lease assets – Land	427,676	45,987	(473,663)	-
Right of use lease assets – Facilities	239,689	59,922	-	299,611
Right of use lease assets – Equipment	49,968	12,492	-	62,460
Subtotal	5,964,184	1,241,303	(473,663)	6,731,824
Net capital assets being depreciated	19,751,275	(1,210,471)	(119,565)	18,421,237
Net capital assets	$ 89,704,173	$ (1,210,471)	$ (53,294,919)	$ 35,198,781

Capital asset activity of The Port was as follows for 2023:

	Balance January 1, 2023	Additions	Disposals & Transfers	Balance December 31, 2023
Capital assets not being depreciated:				
Land - Fifth & Plum Parking Lot	$ 11,920,221	-	-	$ 11,920,221
Land - Convention Center Garages	4,857,323	-	-	4,857,323
Land - Convention Center Hotel	38,561,497	-	-	38,561,497
Land improvements - Conv Ctr Hotel	14,491,074	122,783	-	14,613,857
Subtotal	69,830,115	122,783	-	69,952,898
Capital assets being depreciated/amortized:				
Buildings - Convention Center Garages	22,222,093	-	-	22,222,093
Parking equipment	130,966	45,612	-	176,578
Office equipment	2,757	-	-	2,757
Furniture and fixtures	122,051	-	-	122,051
Vehicles	42,567	-	-	42,567
Leasehold improvements - Garage	1,905,524	131,714	-	2,037,238
Leasehold improvements - Office	120,879	-	-	120,879
Right of use lease assets – Land	593,228	-	-	593,228
Right of use lease assets – Facilities	334,566	-	-	334,566
Right of use lease assets – Equipment	63,502	-	-	63,502
Subtotal	25,538,133	177,326	-	25715,459
Accumulated depreciation and amortization:				
Buildings - Convention Center Garages	3,116,475	909,791	-	4,026,266
Parking equipment	120,333	11,929	-	132,262
Office equipment	2,757	-	-	2,757
Furniture and fixtures	80,203	9,727	-	89,930
Vehicles	2,708	6,083	-	8,791
Leasehold improvements - Garage	825,526	104,138	-	929,664
Leasehold improvements - Office	16,872	40,309	-	57,181
Right of use lease assets – Land	317,308	110,368	-	427,676
Right of use lease assets – Facilities	179,767	59,922	-	239,689
Right of use lease assets – Equipment	37,476	12,492	-	49,968
Subtotal	4,699,425	1,264,759	-	5,964,184
Net capital assets being depreciated	20,838,708	(1,087,433)	-	19,751,275
Net capital assets	$ 90,668,823	$ (964,650)	$ -	$ 89,704,173

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

Construction Commitments

The Port commitments as of December 31, 2024 and 2023 were approximately $0 and $3,826,000, respectively.

Note 6 - Fair Value Measurements

The Port categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets and liabilities. Level 1 inputs are quoted prices in active markets for identical assets and liabilities; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

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

The Port has the following recurring fair value measurements as of December 31, 2024 and 2023:

- U.S. Treasury securities of $3,858,688 and $1,790,048, respectively, are valued using quoted market prices (Level 1 inputs).
- Federal Home Loan Bank securities of $945,480 and $917,430, respectively, are valued using quoted market prices (Level 1 inputs).
- Money market funds of $3,792,487 and $5,291,345, respectively, are valued using quoted market prices (Level 1 inputs).

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

The Port held no investments using Level 3 inputs for fair value measurement, nor investments measured at the net asset value per share as of December 31, 2024 and 2023.

Note 7 - Long-term Debt

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

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

A detailed description of each bond issue as of December 31, 2024 follows:

Description	Amount
Revenue bonds:	
2015 Southwest Ohio Regional Bond Fund - State Loan Revenue Bonds, bearing interest at 0.00 percent, maturing in 2055	$ 2,500,000
2017 Cincinnati Neighborhood Commercial Real Estate Loan Fund - Economic and Community Development Revenue Bonds, bearing interest at 0.00 percent through January 25, 2019 and 2.00 percent thereafter, maturing in 2026	3,500,000
2018 Fifth & Plum Project - Development Revenue Bonds, bearing interest at 4.95 percent through June 1, 2028 and 6.75 percent thereafter, maturing in 2043	12,365,000
2018 Greater Cincinnati Neighborhoods Housing Revitalization Loan Fund - Housing and Community Development Revenue Bond and 2020 Additional Bond, bearing interest at 0.00 percent through March 31, 2019 and 2.00 and 2.22 percent thereafter, maturing in 2025	2,000,000
2019 Fountain Square South Garage - Parking Facility Refunding Revenue Bonds, bearing interest at 4.65 percent and 5.00 percent, maturing in 2043	9,990,000
2019 Convention Center Garages - Parking Facility Revenue Bonds, bearing interest ranging from 0.00 percent to 5.00 percent, maturing in 2043	23,602,022
2021 Patient Capital Fund Economic Development Mortgage Revenue Bond Anticipation Notes, bearing interest at 0.15 percent, maturing in 2026	10,320,000
2022 Home Portfolio Non-Tax Revenue Bonds, bearing interest at 3.49 percent and 3.94 percent, maturing in 2046	15,420,000
2023 Industrial Property Acquisition Project Taxable Development Revenue Bonds, bearing interest at 5.375 percent and 6.00 percent, maturing in 2048	6,155,000
Total	$ 85,852,022

Changes in Long-term Debt

The following is a summary of long-term debt transactions (excluding unamortized bond premiums and discounts in the amount of $46,315 and $52,218 of The Port for the years ended December 31, 2024 and 2023, respectively):

	2024				
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue bonds	$ 141,844,773	$ -	$(55,992,751)	$85,852,022	$ 4,705,000

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

Debt Service Requirements to Maturity

The annual total principal and interest requirements to service all debt outstanding at December 31, 2024 are as follows:

Years Ending December 31	Principal	Interest	Total
2025	$ 4,705,000	$ 2,741,827	$ 7,446,827
2026	14,914,585	2,821,902	17,736,487
2027	2,213,745	2,674,313	4,888,058
2028	2,243,206	2,675,177	4,918,383
2029	2,297,976	2,674,115	4,972,091
2030-2034	13,693,015	11,726,155	25,419,170
2035-2039	18,260,020	8,255,686	26,515,706
2040-2044	21,069,475	3,399,367	24,468,842
2045-2049	3,955,000	388,592	4,343,592
2050-2054	-	-	-
2055	2,500,000	-	2,500,000
Total	$ 85,852,022	$ 37,357,134	$ 123,209,156

Southwest Ohio Regional Bond Fund (Reserve)

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

The state loan revenue bonds consist of term bonds maturing on April 29, 2055 in a lump sum. Interest (if any) is payable semiannually and is based upon the net investment earnings from the $2.5 million held by the trustee. The net investment earnings were $72,748 and $67,265 for the years 2024 and 2023. Interest payable to the State of Ohio by the trustee as of December 31, 2024 and 2023 was $72,748 and $87,686, respectively, and included in accrued expenses payable from restricted assets.

Assuming an interest rate of 0.0 percent per year to the maturity of the bonds, debt service as of December 31, 2024 is estimated as a lump-sum principal payment of $2.5 million in the year 2055. Total pledged revenues on the bonds for the years ended December 31, 2024 and 2023 were approximately $72,000 and $67,000, respectively, compared to net debt service (principal and interest) of approximately $72,000 and $60,000, respectively.

Cincinnati Neighborhood Commercial Real Estate Loan Fund

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

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

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

The Port provided loans from the Commercial Real Estate Loan Fund totaling: $1,035,000 in 2017; $1,937,000 in 2019; $25,094 in 2020; $960,385 in 2021; and $0 in 2022, 2023 and 2024 (see Notes 2 & 4).

The bonds bear interest at 0.00 percent per year through January 25, 2019, and 2.00 percent thereafter through the bond maturity date of December 31, 2026. Interest payments are quarterly in arrears, starting with the initial interest payment date of March 31, 2019. The bonds constitute special obligations of The Port, and the bond payments due are payable solely from pledged revenue, including the Loan Fund and liens against mortgaged properties. Total pledged revenues on the bonds for the years ended December 31, 2024 and 2023 were approximately $254,000 and $211,000, respectively, compared to net debt service (principal and interest) of approximately $1,100,000 and $600,000, respectively.

Assuming an interest rate of 2.00 percent, debt service is estimated as follows as of December 31, 2024:

Years Ending December 31	Principal	Interest	Total
2025	$ 1,000,000	$ 70,000	$ 1,070,000
2026	2,500,000	50,000	2,550,000
Total	$ 3,500,000	$ 120,000	$ 3,620,000

Fifth and Plum Project

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

The term bonds have an initial interest rate of 4.95 percent. On June 2, 2028, the interest rate resets through maturity at a rate equal to the 10-year U.S. Treasury Securities rate on this date plus 2.12 percent, with a minimum calculated rate of 5.03 percent and a maximum calculated rate of 6.75 percent. The bonds have a maturity date of June 1, 2043 with semiannual payments of interest and principal on the bonds (principal payments commence June 1, 2024). Total pledged revenues on the bonds for the years ended December 31, 2024 and 2023 were approximately $862,000 and $1,063,000, respectively, compared to net debt service (principal and interest) of approximately $845,000 and $623,000, respectively. Additionally, The Port’s nontax revenue is pledged to support the principal and interest payment if other funds held in the trust are not available.

Assuming a constant interest rate of 4.95 percent per year through June 1, 2028, and 6.75 percent (the maximum rate on the reset date) thereafter to the maturity of the bonds, debt service is estimated as follows as of December 31, 2024:

Years Ending December 31	Principal	Interest	Total
2025	$ 265,000	$ 608,850	$ 873,850
2026	305,000	595,238	900,238
2027	355,000	579,521	934,521
2028	305,000	662,490	967,490
2029	255,000	747,394	1,002,394
2030-2034	2,130,000	3,392,381	5,522,381
2035-2039	4,130,000	2,393,044	6,523,044
2040-2043	4,620,000	655,931	5,275,931
Total	$ 12,365,000	$ 9,634,849	$ 21,999,849

Greater Cincinnati Neighborhoods Housing Revitalization Loan Fund

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

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

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

During 2024 and 2023, The Port provided project loans from the Program Fund totaling $631,000 and $987,860, respectively (see Notes 2 & 4). Two non-profit organizations managed by The Port are eligible borrowers, namely the Hamilton County Land Reutilization Corporation and Homesteading & Urban Redevelopment Corporation.

The initial bond bears interest at 0.00 percent per year through March 31, 2019 and 2.2213 percent thereafter through the bond maturity date of April 1, 2025. The additional bond bears interest at 2.00 percent through the bond maturity date of April 1, 2025. Interest payments are quarterly in arrears, commencing on July 1, 2019. The bonds constitute special obligations of The Port, and the bond payments due are payable solely from pledged revenue, including the Program Fund and liens against mortgaged properties. Total pledged revenues on the bonds for the years ended December 31, 2024 and 2023 were approximately $66,000 and $79,000, respectively, compared to net debt service (principal and interest) of approximately $42,000 and $42,000, respectively.

Assuming interest rates of 2.22 percent on the initial bond and 2.00 percent on the additional bond, debt service is estimated as follows as of December 31, 2024:

Years Ending December 31	Principal	Interest	Total
2025	$ 2,000,000	$ 21,106	$ 2,021,106
Total	$ 2,000,000	$ 21,106	$ 2,021,106

Fountain Square South Garage - Parking Facility

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

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

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

A long-term lease agreement for Fountain Square South Garage is with the City of Cincinnati, Ohio whereby The Port has agreed to operate, maintain, and rehabilitate the garage and use garage revenue to pay annual debt service on the bonds and other certain payments (see Note 8). Total pledged revenues on the bonds for the years ended December 31, 2024 and 2023 were approximately $1,785,000 and $1,804,000, respectively, compared to net debt service (principal and interest) of approximately $746,000 and $754,000, respectively.

The debt service requirements for the bonds are as follows as of December 31, 2024:

Years Ending December 31	Principal	Interest	Total
2025	$ 280,000	$ 473,670	$ 753,670
2026	290,000	460,184	750,184
2027	310,000	446,108	756,108
2028	325,000	431,191	756,191
2029	345,000	415,435	760,435
2030-2034	2,015,000	1,808,790	3,823,790
2035-2039	2,630,000	1,264,829	3,894,829
2040-2044	3,795,000	510,900	4,305,900
Total	$ 9,990,000	$ 5,811,107	$ 15,801,107

Convention Center Garages - Parking Facilities

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

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

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

Total pledged revenues on the bonds for the years ended December 31, 2024 and 2023 were approximately $1,456,000 and $1,623,000, respectively, compared to net debt service (principal and interest) of approximately $1,451,000 and $1,637,000, respectively. The Port's non-tax revenue is pledged to support the principal and interest payment if other funds held in the trust are not available.

The debt service requirements for the bonds are as follows as of December 31, 2024:

Years Ending December 31	Principal	Interest	Total
2025	$ 585,000	$ 636,435	$ 1,221,435
2026	894,585	809,700	1,704,285
2027	923,745	780,567	1,704,312
2028	963,206	740,031	1,703,237
2029	1,012,976	697,726	1,710,702
2030-2034	5,653,015	2,924,524	8,577,539
2035-2039	6,750,020	1,893,068	8,643,088
2040-2043	6,819,475	602,085	7,421,560
Total	$ 23,602,022	$ 9,084,136	$ 32,686,158

Patient Capital Fund

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

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

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

The 2021 Patient Capital Fund has two tranches consisting of $9,480,000 of bonds that pay interest semi-annually and $995,000 of notes that pay interest in lump sum upon final maturity in June 2026. The bonds and notes bear interest at 0.15 percent per year. The Port's nontax revenue is pledged to support the interest payment if other funds held in trust are not available. The notes and bonds constitute special obligations of The Port, issued under and secured by the trust agreement and payable solely from the pledged revenue and secured mortgages authorized by the trust agreement. Total pledged revenues on the bonds for the year ended December 31, 2024 and 2023 were approximately $875,000 and $34,000, with net debt service (principal and interest) payments of $13,000 and $14,000, respectively.

Assuming a constant interest rate of 0.15 percent per year to the maturity of the notes, debt service is estimated as follows as of December 31, 2024:

Years Ending December 31	Principal	Interest	Total
2025	$ -	$ 13,328	$ 13,328
2026	10,320,000	12,907	10,332,907
Total	$ 10,320,000	$ 26,535	$ 10,346,235

Home Portfolio

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

Interest on the bonds is paid semiannually beginning June 1, 2022. Bond debt service is payable solely from pledged revenues, including home lease receipts, home sale receipts, and a non-tax revenue pledge of The Port. Total pledged revenues on the bonds for the years ended December 31, 2024 and 2023 were approximately $5,172,140 and $2,197,000, with net debt service (principal and interest) of approximately $1,021,000 and $581,000, respectively. The Port's non-tax revenue is pledged to support the principal and interest payment if other funds held in the trust are not available.

The debt service requirements for the bonds are as follows as of December 31, 2024:

Years Ending December 31	Principal	Interest	Total
2025	$ 465,000	$ 558,647	$ 1,023,647
2026	485,000	540,129	1,025,129
2027	500,000	520,823	1,020,823
2028	520,000	501,025	1,021,025
2029	545,000	480,241	1,025,241
2030-2034	3,045,000	2,059,804	5,104,804
2035-2039	3,615,000	1,445,645	5,060,645
2040-2044	4,300,000	763,001	5,063,001
2045-2046	1,945,000	85,592	2,030,592
Total	$ 15,420,000	$ 6,954,907	$ 22,374,907

Convention Center Hotel

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

The refinanced term bonds had a fixed interest rate at 5.00 percent and a lump sum principal payment due on the bond maturity date of May 1, 2025. The bond payments due were payable solely from pledged revenues, including a portion of Hamilton County's Transient Occupancy Tax.

The bonds were fully retired in 2024.

Industrial Property Acquisition Project

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

The bonds were issued from the Southwest Ohio Regional Bond Fund and include $1,430,000 at a fixed interest rate of 5.375 percent maturing in 2033, and $4,870,000 at a fixed interest rate of 6.00 percent maturing in 2048. Interest on the bonds is paid semiannually beginning November 15, 2023. The bond payments due are payable solely from pledged revenues, including industrial property lease receipts and a non-tax revenue pledge of The Port. Total pledged revenues on the bonds for the year ended December 31, 2024 and 2023 were approximately $389,000 and $295,000 compared to net debt service (principal and interest) of approximately $474,000 and $196,000 respectively.

The debt service requirements for the bonds are as follows as of December 31, 2024:

Years Ending December 31	Principal	Interest	Total
2025	$ 110,000	$ 359,791	$ 469,791
2026	120,000	353,744	473,744
2027	125,000	347,294	472,294
2028	130,000	340,440	470,440
2029	140,000	333,319	473,319
2030-2034	850,000	1,540,656	2,390,656
2035-2039	1,135,000	1,259,100	2,394,100
2040-2044	1,535,000	867,450	2,402,450
2045-2048	2,010,000	303,000	2,313,000
Total	$ 6,155,000	$ 5,704,794	$ 11,859,794

Note 8 – Leases

Lessee Activity

The Port leases various facilities, land, and equipment under lease agreements which have been recorded according to the GASB 87 standard. The future principal and interest payments as of December 31, 2024 for the lease liability are as follows:

Years Ending December 31	Principal	Interest	Total
2025	$ 40,173	$ 801	$ 40,974

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

In April 2019, The Port acquired the 605 Plum Street garage adjacent to the Convention Center in Cincinnati's central business district (see Note 7). The acquisition included the transfer of a ground lease with the City of Cincinnati, the owner of title to the property. The ground lease is dated March 22, 1985 and has a term expiring on March 31, 2055. Basic rent, as defined by the lease, is $1 payable annually plus a percentage of garage operating revenues, which were not included in the calculation of the lease liability.

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

Lessor Activity

The Port leases various facilities and land to others under lease agreements which have been recorded according to the GASB 87 standard. The Port recognized $99,254 and $35,158 in interest revenue and $425,844 and $203,643 in lease revenue for the years ended December 31, 2024 and 2023, respectively.

A summary of future payments to be received is as follows:

Years Ending December 31	Principal	Interest	Total
2025	$ 464,171	$ 88,374	$ 552,545
2026	427,070	67,169	494,239
2027	463,844	45,242	509,086
2028	367,801	23,100	390,901
2029	286,644	7,822	294,466
Total	$ 2,009,530	$ 231,707	$ 2,241,237

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

Note 9 - Public Funding

For the years ended December 31, 2024 and 2023, public funding for The Port came from the following sources:

	2024	2023
Hamilton County, Ohio	$ 800,000	$ 800,000
City of Cincinnati, Ohio	800,000	700,000
Total	$ 1,600,000	$ 1,500,000

Note 10 – Defined Benefit Pension Plans

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

Net Pension Liability/Net OPEB Liability (Asset)

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

The net pension/OPEB liability (asset) represents the Port's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/OPEB liability (asset) calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description – Port employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Effective January 1, 2022, new members may no longer select the Combined Plan, and current members may no longer make a plan change to this plan. In October 2023, the legislature approved House Bill (HB) 33 which allows for the consolidation of the combined plan with the traditional plan with the timing of the consolidation at the discretion of OPERS. As of December 31, 2023, the consolidation has not been executed. (The latest information available.) Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan. Substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

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

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

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

State and local members who retire before meeting the age-and-years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests at retirement.

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

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

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

	State and Local
2024 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
2024 Actual Contribution Rates	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits	0.0
Total Employer	14.0 %
Employee	10.0 %

Employer contribution rates are actuarially determined within the constraints of statutory limits for each division and expressed as a percentage of covered payroll. The Port's contractually required contribution was $496,231 for 2024. Of this amount, $138,768 is reported as an accrued liabilities and other.

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

The net pension liability for OPERS was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2023, and was determined by rolling forward the total pension liability as of January 1, 2023, to December 31, 2023. The Port's proportion of the net pension liability was based on the Port's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	2024 OPERS	2023 OPERS
Proportion of the Net Pension Liability:		
Current Measurement Period	0.019089%	0.016869%
Prior Measurement Period	0.016869%	0.015441%
Change in Proportion	0.002220%	0.001428%
Proportionate Share of the Net Pension Liability	$ 4,997,578	$ 4,983,110
Pension Expense	$ 888,897	$ 1,046,616

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

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

	2024 OPERS	2023 OPERS
Deferred Outflows of Resources		
Net Difference between Projected and Actual Earnings on Pension Plan Investments	$ 1,008,727	$ 1,420,342
Differences between Expected and Actual Experience	81,681	165,518
Changes of Assumptions	-	52,642
Changes in Proportionate Share and Differences in Contributions	308,128	194,582
Port Contributions Subsequent to the Measurement Date	496,231	439,881
Total Deferred Outflows of Resources	$ 1,894,767	$ 2,272,965

$496,231 reported as deferred outflows of resources related to pension resulting from Port contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS
2025	$ 481,472
2026	416,991
2027	643,710
2028	(143,637)
Total	$ 1,398,536

Actuarial Assumptions – OPERS

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

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

	OPERS Traditional Plan
Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA:	
Pre-January 7, 2013 Retirees	3.0 percent, simple
Post-January 7, 2013 Retirees (Current Year)	2.3 percent, simple through 2024, then 2.05 percent, simple
Post-January 7, 2013 Retirees (Prior Year)	3.0 percent, simple through 2023, then 2.05 percent, simple
Investment Rate of Return	6.9 percent
Actuarial Cost Method	Individual Entry Age

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

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

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

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

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	24.00%	2.85%
Domestic Equities	21.00	4.27
Real Estate	13.00	4.46
Private Equity	15.00	7.52
International Equities	20.00	5.16
Risk Parity	2.00	4.38
Other investments	5.00	3.46
Total	100.00%	

Discount Rate

The discount rate used to measure the total pension liability for the current year was 6.9 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following table presents the Port's proportionate share of the net pension liability calculated using the current period discount rate assumption of 6.9 percent, as well as what the Port's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (5.9 percent) or one-percentage-point higher (7.9 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Port's Proportionate Share of the Net Pension Liability			
Calendar Year 2024	$ 7,867,531	$ 4,997,578	$ 2,610,612
Calendar Year 2023	$ 7,464,533	$ 4,983,110	$ 2,919,012

Note 11 - Defined Benefit OPEB Plans

Net OPEB Liability

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

Ohio Public Employees Retirement System (OPERS)

Plan Description – The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan. Substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

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

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

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

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

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

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

> ***Group A*** 30 years of total service with at least 20 years of qualified health care service credit;
>
> ***Group B*** 31 years of total service credit with at least 20 years of qualified health care service credit; or
>
> ***Group C*** 32 years of total service cred with at least 20 years of qualified health care service credit.

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

> ***Group A*** 30 years of qualified health care service credit;

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

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

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

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

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

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

See the Age and Service Retirement section of the OPERS ACFR for a description of Groups A, B and C.

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

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

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

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

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

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

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

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

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

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

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

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2022, and was determined by rolling forward the total OPEB liability as of January 1, 2023, to December 31, 2023. The Port's proportion of the net OPEB liability was based on the Port's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	2024 OPERS	2023 OPERS
Proportion of the Net OPEB Liability (Asset):		
Current Measurement Period	0.022781%	0.020331%
Prior Measurement Period	0.020331%	0.019411%
Change in Proportion	0.002450%	0.000920%
Proportionate Share of the Net OPEB Liability (Asset)	$ (205,604)	$ 128,191
OPEB Expense	$ (35,882)	$ (225,005)

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

	2024 OPERS	2023 OPERS
Deferred Outflows of Resources		
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	$ 123,476	$ 254,592
Changes of Assumptions	52,933	125,207
Changes in Proportionate Share and Differences in Contributions	223	4,023
Total Deferred Outflows of Resources	$ 176,632	$ 383,822
Deferred Inflows of Resources		
Differences between Expected and Actual Experience	$ 29,264	$ 31,976
Changes of Assumptions	88,383	10,302
Changes in Proportionate Share and Differences in Contributions	15,354	-
Total Deferred Inflows of Resources	$ 133,001	$ 42,278

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS
2025	$ (14,865)
2026	4,075
2027	96,114
2028	(41,693)
Total	$ 43,631

Actuarial Assumptions – OPERS

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

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The actuarial valuation used the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	2.75 percent
Projected Salary Increases,	2.75 to 10.75 percent including wage inflation
Single Discount Rate	5.70 percent
Prior Year Single Discount Rate	5.22 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	3.77 percent
Prior Year Municipal Bond Rate	4.05 percent
Health Care Cost Trend Rate	5.5 percent, initial 3.50 percent, ultimate in 2038
Actuarial Cost Method	Individual Entry Age

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

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

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

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

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

Discount Rate

A single discount rate of 5.70 percent was used to measure the OPEB liability on the measurement date of December 31, 2023; however, the single discount rate used at the beginning of the year was 5.22 percent. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 3.77 percent (Fidelity Index's "20-Year Municipal GO AA Index"). The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2070. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2070, and the municipal bond rate was applied to all health care costs after that date.

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

The following table presents the Port's proportionate share of the net OPEB liability calculated using the single discount rate of 5.70 percent, as well as what the Port's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (4.70 percent) or one-percentage-point higher (6.70 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Port's Proportionate Share of the Net OPEB Liability (Asset)			
Calendar Year 2024	$ 112,994	$ (205,604)	$ (469,516)
Calendar Year 2023	$ 436,303	$ 128,191	$ (126,052)

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

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

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2024 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Trend Rate	1% Increase
Port's Proportionate Share of the Net OPEB Liability (Asset)			
Calendar Year 2024	$ (214,141)	$ (205,604)	$ (195,917)
Calendar Year 2023	$ 120,156	$ 128,191	$ 137,234

Note 12 - Risk Management

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

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

In February 2020, a developer sued The Port for $5 million in fees tied to the redevelopment of the former Millennium Hotel in Cincinnati's central business district. (*Vandercar LLC v. Port of Greater Cincinnati Development Authority*; Hamilton County Court of Common Pleas Case# A2000900). In November 2021, a Hamilton County judge ruled in favor of the developer and in November 2022 the $5 million settlement plus post judgement interest was paid. Hamilton County provided The Port with funding for this settlement, which is reflected in nonoperating grants and grant expenditures for the year 2022. Subsequently, the developer sued The Port for pre-judgement interest on the $5 million settlement, which the Supreme Court of Ohio ruled in the developer's favor in April 2024. The Port accrued a liability for this payment in 2022 and 2023, which is reflected under bond administration expense. In December 2024, the Ohio Court of Common Pleas decided the final remaining issue in favor of the Port (no damages). Plaintiff has appealed this decision. The risk of Port liability on this remaining claim is low.

In 2023, The Port was involved in a real property dispute regarding the remaining legal interests, if any, in a terminated leasehold interest in a structure owned by the Port at 435 Elm Street in Cincinnati (*435 Elm Investment LLC V. CED Investments Limited Partnership One, et al.*; Hamilton County Court of Common Pleas, Case# A1603148). The matter continues to be in active litigation and, if unresolved, may go to trial in 2025. The outcome and liability (if any) cannot be determined at the time of this report.

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

Note 13 – Conduit Revenue Bond Obligations

The Port has outstanding aggregate conduit revenue bond obligations of approximately $2,090,311,109 and $1,424,371,000 at December 31, 2024 and 2023, respectively. The conduit revenue bonds issued provide third parties with financing to support their economic development projects and are payable solely from the net revenue derived from the respective agreements and are not a general obligation of The Port. After these bonds are issued, all financial activity is administered by the paying agent. The bonds and related lease contracts are not reflected in The Port's financial statements. Information regarding the status of each bond issue, including possible default, must be obtained from the paying agent or other knowledgeable source. The Port provides a limited commitment to maintain an issue's tax-exempt status and to facilitate payments through an agent but does not extend additional or voluntary commitments for these conduit debt obligations.

Note 14 - Assets Held for Resale

The Port's assets held for resale consist of approximately 189 acres as of December 31, 2024, which is consistent to prior year end. All properties owned by The Port are in Hamilton County, Ohio. A summary of real estate held for redevelopment follows:

	2024	2023
2100 Section Rd (Amberly Village)	$ 7,167,758	$ 7,167,758
MidPointe Crossing (Bond Hill)	1,173,765	1,163,497
Bond Hill and Roselawn Business Districts	5,217,532	5,048,765
Hudepohl (Queensgate)	721,795	721,795
2000 West Street - Dow (Reading)	-	6,137,875
10155 Reading Rd – Formica (Evendale)	2,686,649	2,367,609
Reading Rd – GE (Evendale)	574,825	572,296
8001-8109 Reading Rd (Sycamore Twp)	5,138,262	3,367,002
West End properties	6,368,730	4,892,141
Evanston properties	432,472	432,472
Price Hill properties	138,807	138,807
Camp Washington properties	23,594,181	13,921,921
435 Elm (Convention Ctr Business District)	5,470,932	2,961,222
5051 Estecreek Dr (Winton Hills)	1,459,876	1,121,400
Kennedy Heights properties	460,223	460,223
South Cumminsville properties	343,681	323,010
Northside properties	3,631,849	-
Mount Washington properties	30,656	-
Total	$ 64,611,993	$ 50,797,793

Assets held for resale are recorded at the lower of cost or market value. Management estimates net realizable value based upon the list prices used by commercial real estate brokers less selling costs. In 2024 and 2023, no cost-to-market adjustment was required to assets held for resale.

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

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

- The Port's real estate development fund, created by the issuance of Fountain Square South Garage parking revenue bonds (See Note 7) is used solely within the City of Cincinnati.

- The City of Cincinnati provided grants supporting Bond Hill, South Cumminsville, Kennedy Heights, West End, Camp Washington and Northside.

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

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

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

Note 15 – Notes Payable

In 2024 the Port issued a note payable for the acquisition of property. The note was issued on October 25, 2024 in the amount of $1,750,000. Principal payments of $1,325,585 were made in 2024, leaving an outstanding amount as of December 31, 2024 of $424,115. The note bears an interest rate of 6.5% and fully matures on November 15, 2026.

Required Supplementary Information

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

Last Ten Years

Years Ended December 31

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 496,231	$ 439,881	$ 366,076	$ 311,684	$ 273,617	$ 283,801	$ 265,822	$ 218,792	$ 130,688	$ 103,833
Contributions in relation to the contractually required contribution	496,231	439,881	366,076	311,684	273,617	283,801	265,822	218,792	130,688	103,833
Contribution Deficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
The Port's Covered Payroll	$ 3,544,507	$ 3,142,007	$ 2,614,829	$ 2,226,316	$ 1,954,408	$ 2,027,149	$ 1,898,732	$ 1,683,015	$ 1,089,067	$ 865,273
Contributions as a Percentage of Covered Payroll	14.00 %	14.00 %	14.00 %	14.00 %	14.00 %	14.00 %	14.00 %	13.00 %	12.00 %	12.00 %

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

Last Seven Years

Years Ended December 31

	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 16,830
Contributions in relation to the contractually required contribution	-	-	-	-	-	-	-	16,830
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered Employee Payroll (1)	**$ 3,544,507**	**$ 3,142,007**	**$ 2,614,829**	**$ 2,226,316**	**$ 1,954,408**	**$ 2,027,149**	**$ 1,898,732**	**$ 1,683,015**
Contributions as a Percentage of Covered Payroll	**- %**	**- %**	**- %**	**- %**	**- %**	**- %**	**- %**	**1.00 %**

Note: OPEB data prior to 2017 is not available.

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

Last Ten Plan Years

For the Plan Years Ended December 31

	2024	2023	2022	2021	2020
The Port's proportion of the net pension liability	0. 019089 %	0. 01687 %	0. 01544 %	0. 01421 %	0. 01179 %
The Port's proportionate share of the net pension liability	$ 4,997,578	$ 4,983,110	$ 1,343,429	$ 2,078,102	$ 2,322,206
The Port's Covered Payroll	$ 3,142,007	$ 2,614,829	$ 2,226,316	$ 1,954,408	$ 2,027,149
The Port's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	159.06 %	190.57 %	60.34 %	106.33 %	114.55 %
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	79.01 %	75.74 %	92.62 %	86.88 %	82.17 %

	2019	2018	2017	2016	2015
The Port's proportion of the net pension liability	0.01342 %	0.01274 %	0.00843 %	0.00695 %	0.00718 %
The Port's proportionate share of the net pension liability	$ 3,670,558	$ 1,993,142	$ 1,912,511	$ 1,203,569	$ 865,747
The Port's Covered Payroll	$ 1,898,732	$ 1,683,015	$ 1,089,067	$ 865,273	$ 880,038
The Port's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	193.32 %	118.43 %	175.61 %	139.10 %	98.38 %
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	74.70 %	84.66 %	77.30 %	81.20 %	86.50 %

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

Last Six Plan Years

For the Plan Year Ended December 31

	2024	2023	2022	2021	2020
The Port's proportion of the net OPEB liability (asset)	0.022781 %	0.02033 %	0.01941 %	0.01882 %	0.01886 %
The Port's proportionate share of the net OPEB liability (asset)	$ (205,604)	$ 128,191	$(607,982)	$(335,258)	$ 2,605,332
The Port's Covered Payroll	$ 3,142,007	$ 2,614,829	2,226,316	$ 1,954,408	$ 2,027,149
The Port's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	-6.54 %	4.90 %	-27.31 %	-17.15%	128.52 %
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability (Asset)	107.76 %	94.79 %	128.23 %	115.57 %	47.80 %

	2019	2018
The Port's proportion of the net OPEB liability	0.01909 %	0.01722 %
The Port's proportionate share of the net OPEB liability (asset)	$ 2,488,494	$ 1,870,194
The Port's Covered Payroll	$ 1,898,732	$ 1,683,015
The Port's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	131.06 %	111.12 %
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	46.33 %	54.14 %

Note: OPEB data prior to 2018 is not available.

Note A – Net Pension Liability

Changes in Assumptions – OPERS

No changes to the assumptions below since 2022. Amounts reported beginning in 2022 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in prior years are presented below:

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

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

2024	2.30%, simple through 2024, then 2.05% simple
2022	3.00%, simple through 2022, then 2.05% simple
2021	0.50%, simple through 2021, then 2.15% simple
2020	1.40%, simple through 2020, then 2.15% simple
2017-2019	3.00%, simple through 2018, then 2.15% simple
2016 and prior	3.00%, simple through 2018, then 2.80% simple

Changes in Benefit Terms – OPERS

There were no significant changes in benefit terms.

Note B – OPEB Liability (Asset)

Changes in Assumptions - OPERS

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

Assumption	2024	2023	2022	2021	2020	2019	2018
Wage Inflation	2.75%	2.75%	2.75%	3.25%	3.25%	3.25%	3.25%
Single Discount Rate	5.70%	5.22%	6.00%	6.00%	3.16%	3.96%	3.85%
Municipal Bond Rate	3.77%	4.05%	1.84%	2.00%	2.75%	3.71%	3.31%
Health Care Cost Trend Rate	5.50%	5.50%	5.50%	8.50%	10.50%	10.00%	7.50%

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

Changes in Benefit Terms – OPERS

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

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the Port of Greater Cincinnati Development Authority (Port), Hamilton County, Ohio, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Port's basic financial statements, and have issued our report thereon dated June 27, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Port's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Port's internal control. Accordingly, we do not express an opinion on the effectiveness of the Port's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying *Schedule of Findings and Questioned Costs*, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs as item 2024-001 to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs as item 2024-002 to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Port's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Port’s Response to Findings

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Port’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Port's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rea & Associates, Inc.

Rea & Associates, Inc.
Dublin, Ohio
June 27, 2025

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Port of Greater Cincinnati Development Authority's, Hamilton County, Ohio (the "Port"), compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Port's major federal programs for the year ended December 31, 2024. The Port's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Port complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of the Port and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Port's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Port's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

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

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

Report on Internal Control Over Compliance

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

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

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

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

Rea & Associates, Inc.

Rea & Associates, Inc.
Dublin, Ohio
June 27, 2025

PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY
HAMILTON COUNTY, OHIO

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024

Federal Grantor Pass-through Grantor Program/Cluster Title	Assistance Listing Number	Pass-through Grant Number	Total Amount Provided to Subrecipients	Total Federal Expenditures
U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT				
Passed-through City of Cincinnati				
CDBG - Entitlements Grant Cluster				
Community Development Block Grant (CDBG)	14.218	35x2023-012	$ -	$ 229,130
Community Development Block Grant (CDBG)	14.218	45x2024-002	-	44,475
Community Development Block Grant (CDBG)	14.218	35x2023-010	-	447,251
TOTAL U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT			$ -	**$ 720,856**
U.S. ENVIRONMENTAL PROTECTION AGENCY				
Direct Program				
Brownfields Multipurpose Assessment Revolving Loan Fund and Cleanup Cooperative Agreements	66.818		$ -	$ 97,686
TOTAL U.S. ENVIRONMENTAL PROTECTION AGENCY			$ -	**$ 97,686**
U.S. DEPARTMENT OF TREASURY				
Passed Through City of Cincinnati				
COVID-19 ARPA - Local Fiscal Recovery Fund	21.027	25x2022-249	$ 170,000	$ 215,000
TOTAL U.S. DEPARTMENT OF TREASURY			**$ 170,000**	**$ 215,000**
U.S . DEPARTMENT OF TRANSPORTATION				
Passed-through Ohio Department of Transportation				
Ped/Bike Non-Infrastructure (ODOT Bike Share)	20.205	119067	$ 521,724	$ 521,724
TOTAL U.S DEPARTMENT OF TRANSPORTATION			**$ 521,724**	**$ 521,724**
TOTAL EXPENDITURES OF FEDERAL AWARDS			**$ 691,724**	**$ 1,555,266**

See Notes to Schedule of Expenditures of Federal Awards

Note A – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the Port of Greater Cincinnati Development Authority (the Port) under programs of the federal government for the year ended December 31, 2024. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Port, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Port.

Note B – Summary of Significant Accounting Policies

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

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

Note C – Subrecipients

The Port passes certain federal awards received from the U.S Department of Transportation and the U.S. Department of Treasury to other governments or not-for-profit agencies (subrecipients). As Note B describes, the Port reports expenditures of Federal awards to subrecipients on an accrual basis of accounting.

As a pass-through the Port, the Port has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

Note D – Matching Requirements

Certain Federal programs require the Port to contribute non-Federal funds (matching funds) to support the Federally funded programs. The Port has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

Port of Greater Cincinnati Development Authority
Hamilton County, Ohio
Schedule of Findings and Questioned Costs
2 CFR Section 200.515
December 31, 2024

1. SUMMARY OF AUDITOR'S RESULTS

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

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

Finding Number: 2024-001
Material Weakness – Financial Reporting

Criteria: An auditee must prepare appropriate financial statements, including the schedule of expenditures of federal awards (the "Schedule"). The Schedule should be for the period covered by the auditee's financial statements, which must include the total federal awards expended.

Condition: The controls in place were not adequate to ensure the Schedule was complete and accurate.

Context: The Schedule was initially understated by approximately $522,000 due to amounts paid to subrecipients directly by the state not being included on the Schedule. These errors were corrected by management in the Schedule at year-end.

Cause and Effect: Although the Port has processes in place to prepare the Schedule, there were additional grant awards received and expended that were not recorded due to being paid directly to the subrecipients and not through the Port. The Schedule was initially understated by approximately $522,000. Without proper processes and controls to determine the completeness and accuracy of the Schedule, the Port risks noncompliance with federal requirements and, potentially, loss of funding.

Recommendation: The Port should implement controls to ensure the completeness and accuracy of the Schedule.

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

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

Finding Number: 2024-002
Significant Deficiency – Bank Reconciliations

Criteria: Sound accounting practices require that when designing the entity's system of internal control and the specific control activities, management should ensure adequate security of assets and records, and verify the existence and valuation of assets and liabilities and periodically reconcile them to the accounting records. The reconciliation of cash (bank) balances to accounting system records (book) is the most basic and primary control process performed. Lack of completing an accurate and timely reconciliation may allow for accounting errors to occur.

Context: The general ledger was not properly updated to reflect ending bank balances for the trust accounts.

Context: There were five trust accounts that were understated in total for restricted cash by the amount of approximately $125,000 due to the Port not recording interest income.

Cause and Effect: The Port did not properly record interest expense earned on its trust accounts in the general ledger, thereby understating cash and interest revenue.

Recommendation: The Port should ensure that all cash accounts are reconciled and that the general ledger is updated for the ending reconciled cash balances.

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

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None were noted.

CORRECTIVE ACTION PLAN
2 CFR § 200.511(c)
December 31, 2024

Finding Number:	2024-001
Planned Corrective Action:	The Port hired a Director of Contract Compliance in 2024. One of the primary responsibilities of this position is to maintain a complete and accurate list of awarded grants. The Accounting team and Director of Contract Compliance will work in conjunction to update the Schedule of Expenditures of Federal Awards (Schedule).
Anticipated Completion Date:	June 30, 2025
Responsible Contact Person:	Elissa Morsch, Vice President of Finance and Accounting

Finding Number:	2024-002
Planned Corrective Action:	We will begin reconciling all trust accounts in the accounting system as part of the month-end close process.
Anticipated Completion Date:	August 31, 2025
Responsible Contact Person:	Elissa Morsch, Vice President of Finance and Accounting

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OHIO AUDITOR OF STATE
KEITH FABER

PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY

HAMILTON COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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

Certified for Release 8/5/2025

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