

City of Dublin, OH

Issuer: City of Dublin, OH

Assigned	Rating	Outlook
General Obligation (Limited Tax) Various Purpose Improvement and Refunding Bonds, Series 2024	AAA	Stable

Methodology

[U.S. Local Government GO Methodology](#)

[ESG Global Rating Methodology](#)

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Rating Summary: The AAA long-term rating for the City of Dublin, Ohio's (the "City" or "Dublin") General Obligation (Limited Tax) Various Purpose Improvement and Refunding Bonds, Series 2024 (the "Bonds") reflects the City's diverse and growing tax base, characterized by strong wealth and employment levels, conservative City budgeting and financial management practices, with ample liquidity and manageable long-term liabilities.

The Bonds are general obligations of the City, secured by the full faith and credit of the City and an ad valorem property tax pledge, subject to the aggregate ten-mill limitation as imposed by Ohio law. The ad valorem limited tax pledge is applicable to the extent other repayment sources are not sufficient to repay indebtedness. The City anticipates debt payments on the Bonds will be paid largely from municipal income taxes (approximately 75%), followed by tax increment financing service payments in lieu of property taxes (10%), and water and sewer system revenues (15%). Proceeds of the Series 2024 Bonds (\$19.2 million) will economically refund the outstanding Series 2018B parity general obligation bonds, fund a portion of capital improvements, and pay costs of issuance.

The 2024 Bonds are unvoted general obligations of the City for which the State Constitution provides a limited ad valorem tax pledge of 10 mills (the 'ten-mill limitation' ;

equivalent to \$10 per \$1000 taxable assessed value). The ten-mill limitation applies separately in each of the three counties within which the City operates (Franklin, Delaware, and Union) as an aggregate tax cap for all of the respective taxing subdivisions therein. The City's allocation of the ten-mill limitation is 1.75 mills in each county. Ohio law limits the City's ability to increase the property tax levy without voter approval.

The City's largest revenue source is municipal income tax receipts, which accounted for 62.3% of the total Government Funds' revenue, and 87.2% of the General Fund's revenue for FY 2023. The City's income tax rate is 2%, which is midrange for the State, and is applicable to income earned by individuals working in the City and on the net profits of businesses operating in Dublin. The municipal income tax is levied based upon the municipality where you work. Consequently, the City's income tax rolls benefit from residents who have jobs in other jurisdictions but work from home in the City. Conversely, income tax receipts are negatively affected by employees that had commuted into Dublin, but now work remotely outside the City.

Positively, since the advent of the coronavirus in 2020, the City's income tax revenues have risen considerably, averaging 3.4% or higher annual growth, suggesting a manageable net impact from remote workers thus far. Given the potential for income tax revenue variability, the City historically budgets conservatively, such that actual income tax receipts have exceeded budget every year since FY 2012, supporting stable financial performance. The City continues to maintain fiscally conservative budgeting, capital planning, debt management and reserve policies which in aggregate minimize financial performance variability and sustain robust reserve levels. The City's unassigned general fund balance, improved to \$49.9 million in FY 2023, up from \$32.6 million in the prior year, and represented a very strong 56.8% of FY 2023 general fund expenditures including transfers.

The City benefits from a sound and growing tax base as evidenced by employment growth that has outpaced the State and the nation over the past ten years, along with higher educational attainment, and lower poverty and unemployment rates as compared to that of Ohio and the US. The City maintains an extensive long-term capital plan to manage residential and nonresidential growth, and it strives to become the most digitally connected community in the nation. The 5-year capital plan is considerable at \$256.6 million, although anticipated to be funded via income tax revenues (25% of all income tax receipts is directed to the Capital Improvements Fund to cash fund capex and pay associated project debt service), tax increment financing service payments, and water and sewer charges. Debt funded capex is limited, at roughly 13% of total capex through FY 2028.



In FY 2023, the City’s taxable assessed value (TAV) of real property was reassessed, with values rising (+25.8%) to \$3.4 billion from \$2.7 billion in the prior year. TAV value has increased at a 4.1% compound annual growth rate between the 2000 and 2023 tax years, well ahead of the rate of inflation (2.5%). The City’s pro forma direct and overlapping debt for FY 2023 totaled \$363.6 million, which is low relative to the property tax base, representing 2.8% of tax year 2023’s full market value (FMV of approximately \$9.6 billion). Net debt is moderately high at approximately \$5,595 per capita for FY 2023, however KBRA notes that income taxes, the primary source of repayment, are supported by an influx of workers that commute into the City, which KBRA views as a moderating factor.

The Stable Outlook reflects the City’s strong and growing economic and tax base, along with above average wealth and employment demographics, and sound management practices characterized by healthy reserves and elevated, but manageable debt levels.

Key Credit Considerations

The rating was assigned because of the following key credit considerations:

Credit Positives

- Conservative budgetary practices, sound fiscal policies, and strong financial performance which support ample reserves and financial flexibility.
- Main source of repayment for the Bonds is income tax receipts, which have benefitted from a vibrant, strong economic base in Dublin with an above average sociodemographic profile, and close proximity to the State’s capital (Columbus, OH).
- A comprehensive five-year capital plan, with significant reinvestment and development to support tax base growth, with a dedicated capital funding source and modest new debt requirements.

Credit Challenges

- Potential for volatility in income tax receipts as affected by the level of economic and employment growth in the city and the uncertain impact of remote work on commuting employees.
- Elevated debt levels per capita, although somewhat moderated by the higher population of nonresident workers, and solidly growing tax base.

Rating Sensitivities

- No positive rating sensitivities given the highest debt rating level. +
- A significant decline in unrestricted reserves, in particular the Unassigned General Fund Balance relative to General Fund expenditures, to below historic levels. -
- A declining trend in income tax receipts and/or material increase in debt requirements that pressure the ad valorem ten-mill property tax limitation. -

Key Ratios City of Dublin (OH)		
City Population ¹		48,923
Population Growth (CAGR 2010 - 2023)		
City of Dublin		1.23%
Columbus (OH) MSA		1.06%
Ohio		0.16%
United States		0.61%
Unemployment Rate (April 2024) ²		
Dublin (OH)		3.3%
Ohio		4.2%
Tax Base	Full Market Value (FMV) \$000s	% Chg YoY
FY 2022	7,656,396	1.77%
FY 2023 (Unaudited) ³	9,628,547	25.76%
FY 2024 Proforma ³	9,628,547	-
Key FY 2023 Financial Metrics	FY2022	FY2023 (Unaudited)
Net Debt % Full Market Value	3.6%	2.8%
Net Debt per Capita (\$)	5,649	\$5,595
Fixed Costs % of Total Governmental Expenditures	21.7%	15.5%
Unassigned General Fund Balance % GF Expenditures ⁴	42.0%	56.8%

¹ US Census data for 2023.

² Bureau of Labor Statistics data, Local Area Unemployment Statistics for Dublin; not seasonally adjusted.

³ 2023 sexennial revised property taxable assessed value. FY 2024 Proforma is KBRA estimate, based upon City tax policy (TAV equivalent to 35% FMV). FMV held flat for FY 2024 Proforma.

⁴ General Fund Expenditures include Transfers Out.



Rating Determinants (RD)

1. Management Structure and Policies	AA+
2. Debt and Additional Continuing Obligations	AA
3. Financial Performance and Liquidity Position	AAA
4. Municipal Resource Base	AAA

RD 1: Management Structure and Policies

The City of Dublin maintains sound, fiscally conservative management practices which KBRA views as a credit strength supporting the rating. The City maintains a comprehensive budgeting process, monthly fiscal monitoring, quarterly financial reporting, budgetary controls, multi-year financial and capital plans, and strong reserve and debt management policies. The City has generated general fund surpluses, after transfers, in four of the last five years.

The City is located in central Ohio, 16 miles northwest of Columbus, OH, the State’s capital. The City encompasses a 25-square mile area, and its municipal services include public health and safety, public works, parks and recreation, water and wastewater service, and a broadband fiber optic network. The City’s water and wastewater systems are financially self-supporting enterprise funds. The City maintains and operates the water and sewer distribution lines, with a long-term contract through 2048 for the City of Columbus to provide water and sewer treatment.

The City is a home-ruled municipality operating under its City Charter. Legislative authority is vested by the City Charter, in a council-manager form of government, with a seven-member elected City Council, serving overlapping 4-year terms. The City Mayor and Vice Mayor are members of and elected by the City Council to serve for two-year terms. The City Council’s responsibilities include establishing long-range policies for the City, reviewing, and approving municipal services, tax levies, multi-year financial and capital plans, and the appropriation and/or borrowing of funds.

The City Manager is appointed by the City Council and manages the day-to-day operations of the City. The current City Manager has been in her position for two years, with nearly 11 years of service with the City. Senior management at the City is an experienced team, with an average of approximately 15 years of service with the City, reflecting management stability.

Dublin is an innovative city striving to be the most connected community in the nation, with an ongoing buildout of a 10-gigabyte fiber network, and the addition of smart mobility-transportation plans to attract and retain businesses and employees in the City. The City directs significant effort towards its economic development strategy and Community Plan which are designed to promote and manage the City’s growth in land area, population, residential and commercial infrastructure. The Community Plan is currently being updated (as “Envision Dublin Community Plan”) and is anticipated to be adopted in 2024. It incorporates the development of future residential neighborhoods in the City, identifies mixed-use purposes for the Metro Center Office District, expansion of the Bridge Street and Beta Districts, among other projects, while incorporating access to renewable energy. The City’s diverse and growing economic base is a key credit factor supporting Dublin’s income tax-reliant revenue stream.

Another area for future economic development includes the City’s plan to acquire vacant land on the western edge of the City – the Western Innovation District – which is partially located in adjacent Madison County. Of the total available land area in the City (nearly 16,000 acres), a relatively modest 17% and 20% of that acreage currently remains undeveloped, for residential and nonresidential purposes, respectively.

State Statutory Framework

Pursuant to the Ohio legislation, the limited tax G.O. Bonds are secured by the City’s full faith and credit and general property taxing power, subject to an aggregate ten-mill limitation by all overlapping taxing subdivisions. The ad valorem tax rate is limited to ten mills, or \$10 per \$1000 of taxable assessed valuation. Property assessments are conducted by the County Auditor and subject to the supervision of the State Tax Commissioner. Property taxes are billed and collected by the County. Property is reassessed every six years, the most recent of which occurred in 2023, which increased the total assessed valuation to \$3.4 billion, a significant increase of 25.8% over the prior year, reflecting solid growth and value appreciation in the tax base. The updated TAV is applicable for property tax collections in FY 2024.

While the Bonds are secured by a limited tax G.O. pledge, debt service is anticipated to be paid from income tax revenues, TIF payments and utility revenues. The City’s primary revenue source is income tax revenues, which have historically accounted for more than 50% of the total government revenue, and 80%-90% of general fund revenue. Under the Ohio Revised Code, municipalities have the authority to levy an income tax of up to 1%, without voter approval. The City’s residents voted to approve another 1% income tax increase in 1987, for an aggregate and current City income tax rate of 2%. The City’s income tax is levied upon income earned by individuals working in the City and on the net income of for-profit businesses operating in the City. With the City’s ongoing economic development efforts, income tax revenues have risen an average of 3.4% per annum for the last 10 years.



Income tax revenues are distributed 75% to the General Fund (GF); with the remaining 25% to the Capital Improvements Tax Fund, of which, 60% is used for debt service and 40% for capex. City residents are permitted a credit of up to 100% against their income tax liability for residents who work outside the City limits and pay an income tax to another municipality.

Since the advent of the coronavirus in 2020, remote work has become more normalized, which adds uncertainty to the City's income tax receipts as a portion of its workforce consists of commuters into the City. Conversely, there are also City residents that used to travel outside the city for work, that may be working from home in the City. Based on the uncertainty of the net impact of remote work, the City continues to conservatively budget income tax revenues, with FY24 revenues projected at 1.5% below the prior year receipts. Positively, through mid-year FY2024, income tax receipts are well ahead of budget. Since 2012, the City's actual income tax receipts have exceeded budget, reflecting the City's conservative revenue forecasting. Income tax revenue generated from payroll withholdings from individuals working in the City represent approximately 75% of the City's total income tax revenue.

Implementing a change to the income tax rate would require voter approval. Although, the City could reduce the income tax credit via City Council approval. Given Dublin's sound budgeting practices and ample reserves, neither income tax revision is likely to be utilized for the foreseeable future.

Financial Management Procedures and Policies

The City maintains strong fiscal management practices as supported by Dublin's well-established, conservative financial policies and reserves.

General Fund Balance Policy - The City's GF balance is maintained at a minimum of 50% of GF expenditures, including transfers (cash basis). If the general fund balance exceeds 75% of GF expenditures, 25% of the excess above 75% is transferred to the Capital Improvement Tax Fund (CITF). For FY 2023 (unaudited), the GF balance totaled \$66.9 million, or approximately 76.8% of GF expenditures. The City further sets aside \$150,000 annually in a contingency account in the GF and \$250,000 in a contingency account in the capital improvement fund to provide a modest financial buffer for unanticipated expenditures.

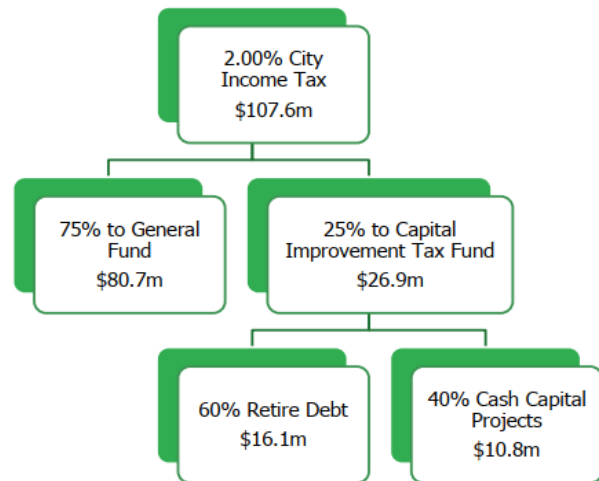
In addition to the above noted surplus GF balance allocable to the CITF, the City maintains a dedicated funding provision for capex, allocating 40% of the income tax receipts that are transferred to the CITF each year (see flow chart right). Income tax revenue projections and estimated fund balances are consequently monitored and maintained to provide sufficient reserves for this pay-go capital.

In the event that the use of the General Fund balance would result in a balance below the 50% target, City Council must approve a plan for replenishment at the same time the use of the balance is approved. If possible, replenishment of the General Fund balance back to the minimum 50% level occurs within the following fiscal year.

Debt Limits - There are certain statutory direct debt limitations on limited tax (unvoted) GO debt issued by municipalities, however, Dublin maintains its full debt issuance capacity as the City's outstanding debt and Series 2024 Bonds are considered exempt debt under the direct debt limitations of the State Constitution and Ohio Revised Code.

The State also maintains the ten-mill limitation for unvoted limited tax GO Bonds which is the maximum aggregate tax applicable for all purposes on a single piece of property. The millage limitation is allocated pursuant to a statutory formula among the overlapping subdivisions in the County, including the City. For each of three counties in which the City has overlapping taxing subdivisions, Dublin is allocated 1.75 mills (of the 10 mills) per County in taxes that can be levied. The millage allocation is applicable first to pay debt service on the unvoted GO Bonds, unless the debt payments are from other revenues, with the remaining millage balance available for other purposes. The City calculates a theoretical aggregate millage per county required to meet all the unvoted GO debt charges, in the event no other revenue sources are available to pay the debt charges. For each of the three counties, the total millage required to fully meet the debt service is approximately 6.0 - 6.7 mills, or roughly 3.3 to 4.0 mills in available millage or debt capacity for the City and the overlapping municipalities.

Allocation of Income Tax Receipts FY23





City's Debt Policy - Additionally, the City maintains a Debt Limit Policy which restricts the maximum amount of income tax supported debt service (on unvoted GO bonds) to no more than 90% of the estimated income tax receipts allocated to the CITF for debt service obligations. By limiting the debt service to less than what the income tax receipts can cover, the City can sustain a modest shortfall in income tax revenues without affecting payment of debt service. The City generally issues debt with a final maturity of not more than 20 years, with the debt retired within the useful life of the asset being financed.

For debt service funded through the tax increment financing (TIFs) service payments, the City targets maintenance of 1.10x debt service coverage. Any shortfall in TIF service payments is recovered from the CITF income tax allocation. TIFs are an economic development funding mechanism, initially utilized in Ohio by the City of Dublin, to fund public infrastructure improvements, especially for underdeveloped areas. The City has historically funded the TIF capital projects via the issuance of limited tax GO bonds, and then utilizes the incremental property tax revenue associated with the capital improvement to pay debt service, cash fund capital projects, or reimburse the City for TIF investments. Until a stable revenue stream is available from the TIF projects, the City primarily uses the income tax revenues to fund the applicable debt service.

As of Dec. 31, 2023, the City had 42 approved and active TIFs which provided funding for over \$252.2 million in capital improvements. For fiscal 2023, TIF service payments in lieu of property taxes totaled \$19.3 million, with a cumulative total of \$198.5 million provided to the City since TIF inception in 1995 as reimbursement for TIF project investments.

Budget Process and Capital Planning

The City's budgeting and appropriations procedures are pursuant to the State's Revised Code and the City Charter. The City maintains a comprehensive budgeting process, with regular monitoring and reporting, solid controls, and conservative revenue and operating expense forecasts. The anticipated year-end General Fund balance is calculated as part of the operating budget preparation process to review maintenance of the GF reserve policy. The City maintains budgetary controls to ensure compliance with the annual appropriations ordinance approved by the City Council each year.

Given the importance of income tax revenues, the City closely monitors collections. In addition to monthly and quarterly monitoring of the operating budget, the City prepares a monthly Receipts Distribution Summary which details current-year income tax collections by type as compared to the prior year. Based on operating results, the City can make operating budget adjustments and address material changes in projected income tax receipts as needed. Favorably, the City forecasts income tax revenues very conservatively, with actual receipts exceeding budget every year since 2012.

Of note, the City utilizes cash basis of accounting on an operating basis, but GAAP (modified accrual basis) for annual financial statement reporting. As per the cash basis of accounting, the City's GF Balance accounted for 64.7% - 107.9% of the annual GF disbursements since 2014, which is well above the GF reserve policy minimum of 50%.

Capital Planning: The City prepares a five-year capital plan which is updated annually. The City aims to cash fund its capital expenditures, via several funding resources including: the 25% allocation of income tax receipts dedicated to the capital improvements fund, the TIF service payments in lieu of property tax payments; and a portion of the property tax revenue allocated to the City under the ten-mill limitation (or 1.75 mills for the City). For the 2024-2028 CIP period, the City Council approved the property tax millage allocation of 1.4 mills to the CITF, to cash fund capex; and the remaining 0.35 mills to the Parkland Acquisition Fund, to acquire parkland and recreational open spaces.

RD 2: Debt and Additional Continuing Obligations

The City debt profile primarily consists of General Obligation Limited Tax Bonds secured by the City's full faith and credit and general property taxing power, subject to the aggregate ten-mill limitation as provided by Ohio law. The primary source of debt service repayment is income tax revenues, from which 25% of collections is allocated to the Capital Improvements Fund for the retirement of debt (60%) and the cash funding of capital projects (40%).

KBRA views the City's debt and additional continuing obligations profile as moderate but manageable given the City's strong growth and considerable financial flexibility afforded by ample reserves. Debt metrics are expected to remain elevated reflecting the capital-intensive nature of the City's significant growth and development.

Capital Improvement Program

The most recently approved CIP for FY 2024-2028 has an estimated total cost of \$256.5 million across 148 projects, of which the largest portion (32%) is allocated to street and parking maintenance and improvements. Capital funding sources primarily consist of revenues from the Capital Improvements Tax Fund (54%), which consist of 25% of the City's income tax revenue and service payments within TIF districts. The City projects debt will fund approximately 13% of the FY 2024-2028 CIP.

Figure 1

City of Dublin, OH FY 2024 - 2028 CIP Funding Requested by Department							
(in thousands)	2024	2025	2026	2027	2028	Total	% of Total
Streets & Parking	\$ 31,402	\$ 17,674	\$ 10,060	\$ 13,161	\$ 10,419	\$ 82,716	32%
Mobility, Bicycles & Pedestrians	4,251	2,359	1,807	6,117	20,640	35,174	14%
Parks	2,190	7,040	18,675	1,615	1,420	30,940	12%
Bridges & Culverts	3,712	22,176	1,826	986	1,318	30,018	12%
Facilities	7,174	8,790	2,580	480	310	19,334	8%
Sanitary Sewer	2,775	5,840	4,470	640	3,450	17,175	7%
Technology	2,246	2,261	2,345	2,169	2,327	11,348	4%
Administration	1,615	1,645	1,673	1,682	1,685	8,300	3%
Fleet	1,673	1,849	1,581	1,595	1,478	8,176	3%
Stormwater	1,960	585	1,100	600	2,240	6,485	3%
Police	885	1,595	605	700	605	4,390	2%
Water System	860	300	265	1,000	-	2,425	1%
Total	60,743	72,114	46,987	30,745	45,892	256,481	

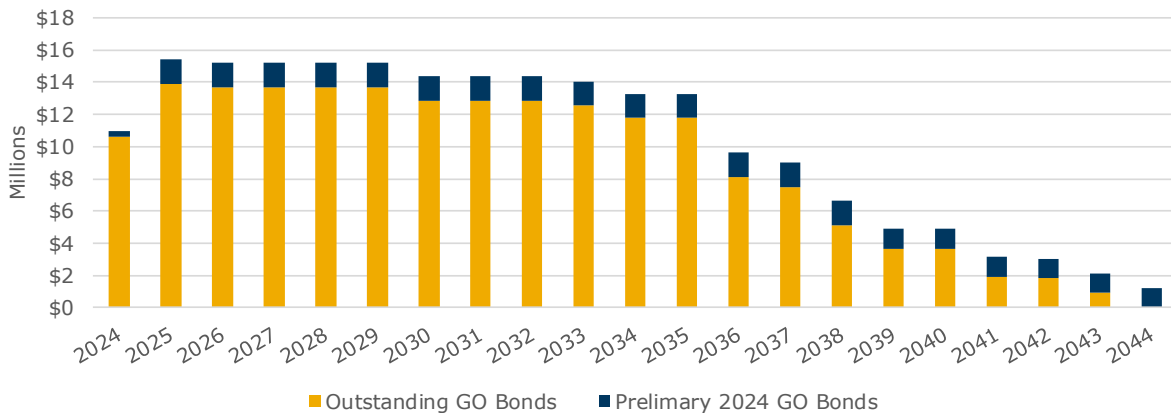
Source: City of Dublin (OH) 2024 Operating and Capital Improvements Budget.

Direct and Indirect Debt

Pro forma direct GO limited tax debt outstanding totals \$177.6 million, net of refunded portions. The Bonds have an expected par amount of \$19.2 million with debt service payments made from a combination of income tax revenues, TIF service payments, sewer fund revenues, and water fund revenues. The City is also issuing approximately \$12.7 million of Limited Tax General Obligations Capital Facilities Notes (not rated by KBRA), which the City anticipates will be paid off and not rolled into a long-term GO borrowing, and as such the debt service payments are excluded from Figure 2. Inclusive of the current offerings, approximately 65% of principal will be retired over the next decade, with final maturity in 2044.

Figure 2

Pro Forma General Obligation Debt Service



Source: City of Dublin, OH Series 2024 Preliminary Official Statement

* Preliminary, subject to change. Assuming the 2024 Bonds have estimates interest rates ranging from 4.00% to 5.00% per year.

The City’s FY 2024 pro forma direct and overlapping debt, totaling approximately \$359.8 million, is low relative to the property tax base at 3.7% of Tax Year 2023 full market value (FMV). The pro forma combined direct and overlapping debt is moderately high at approximately \$7,359 per capita, however KBRA notes that income taxes, the primary source of repayment, are supported by an influx of workers that commute into the City, which KBRA views as a moderating factor. Overlapping debt estimated as of June 2024 at \$186 million reflects the allocable shares of three school districts, a joint vocational school district, a community college, Central Ohio Transit Authority, Solid Waste Authority of Central Ohio, as well as Union, Franklin, and Delaware Counties.

Pension Obligations & Other Post-Employment Benefits (OPEB)

The City provides pension and OPEB (health insurance) benefits through its participation in the Statewide cost-sharing, multiple-employer defined benefit pension plans administered by the Ohio Public Employees Retirement System (OPERS) and the Ohio Police and Fire Pension Fund (OP&F). The City’s annual pension contribution rates are set by State statute at a fixed percentage of payroll of 14.0% for OPERS and OP&F rates of 19.5% for police and 24.0% for firefighters. As of the December 31, 2022 measurement date, the City’s proportionate share of the net pension liability of the OPERS and OP&F were \$52.6 million and \$26.2 million respectively, which combined favorably represent less than 1% of FMV. The plan fiduciary net position as a percentage of the total pension liability was 75.7% and 62.9% for OPERS and OP&F, respectively.

The City's pension contributions represent a modest expenditure burden, and the City annually contributes the full contractually required amount as determined by the State. The FY 2023 combined pension contributions of \$5.4 million represented 3.3% of total governmental expenditures.

Fixed Costs Burden

The City's FY 2023 fixed costs burden is moderate and includes debt service on direct debt, pension, and OPEB contributions which total \$25.4 million, or 15.5% of governmental expenditures, with the majority composed of debt service costs of \$20.0 million.

RD 3: Financial Performance and Liquidity Position

The City has maintained a consistently strong financial position, frequently outperforming budget, with conservative reserve policies and solid tax base growth supporting ample liquidity and financial flexibility. Income taxes, the largest contributor to GF revenues, accounted for 93% and 87% of GF revenues for FY22 and FY23 (unaudited). For the past five years, pursuant to the City's reserve policy (cash basis), the GF balance has accounted for an average of 77% of GF expenditures (including transfers), which is well above the City's 50% GF reserve policy.

FY 2023 Operating Results (Unaudited)

In FY 2023, the City's total income tax revenues grew to \$104.7 million, or 6.3% increase YoY for all governmental funds, largely reflecting the stronger employment and economic base within the City. General fund revenues, in particular, strengthened to nearly \$89 million, increasing 14.9% over the prior year, driven by higher income tax revenues and investment earnings. GF expenditures declined in FY 2023 by approximately \$6.5 million (-10.6%), primarily due to lower general government expenditures and capital outlay, as less capital assets were purchased from the GF than in the prior year. As a result, the City's GF operating surplus rose to \$34.0 million – more than double YoY – allowing the City to transfer out \$9.6 million more than in FY 2023. The unassigned GF balance improved as well to \$45.9 million in FY 2023, from \$32.6 million in FY22 (+40.6% YoY).

Figure 3

City of Dublin

Statement of Revenues, Expenditures and Changes in General Fund Balance

FYE December 31st (GAAP Basis; \$000)	2018	2019	2020	2021	2022	Unaudited 2023
Revenues						
Income taxes	\$ 63,185	\$ 68,130	\$ 67,327	\$ 71,164	\$ 72,163	\$ 77,548
Intergovernmental	368	448	597	729	789	803
Charges/Fees/Fines	5,393	5,630	4,590	5,044	5,314	5,089
Investment Income and Other	1,519	2,550	2,432	(116)	(811)	5,528
General Fund Revenue	70,465	76,759	74,946	76,822	77,455	88,967
<i>YOY % Chg.</i>	-	8.9%	-2.4%	2.5%	0.8%	14.9%
Expenditures						
General government	26,199	26,977	24,608	27,568	30,125	27,183
Community environment	7,424	7,328	7,242	6,365	7,233	8,017
Public Health and Safety	680	762	741	769	630	382
Leisure related activity	7,570	7,883	7,695	7,378	8,319	9,311
Capital Outlay	5,210	224	209	15,068	7,987	1,082
Debt Charges	1,285	1,285	1,285	-	-	717
Other ¹	3,275	3,565	3,841	5,481	7,151	8,256
General Fund Expenditures	51,643	48,023	45,621	62,629	61,445	54,947
<i>YOY % Chg.</i>	-	-7.0%	-5.0%	37.3%	-1.9%	-10.6%
General Fund Surplus (Deficiency)	18,821	28,736	29,325	14,193	16,010	34,020
Transfers Out	(23,193)	(18,715)	(23,345)	(24,119)	(16,160)	(25,750)
Other financing sources (uses)	248	112	3,380	172	212	285
Net Change in Fund Balance	(4,124)	10,133	9,360	(9,754)	62	8,556
Ending Fund Balance	100,292	110,426	119,785	110,031	110,093	118,649
Income Tax Revenue YoY % Change	-	7.8%	-1.2%	5.7%	1.4%	7.5%
Income Tax Revenue % GF Revenues	89.7%	88.8%	89.8%	92.6%	93.2%	87.2%
Unassigned Fund Balance	50,515	35,978	53,244	42,057	32,628	45,871
Unassigned Fund Balance % of GF Expenditures	97.8%	74.9%	116.7%	67.2%	53.1%	83.5%
Unassigned Fund Balance % GF Exps and Transfers Out	67.5%	53.9%	77.2%	48.5%	42.0%	56.8%

¹ Includes basic utility service and transportation expenditures.

Source: City of Dublin (OH) Annual Comprehensive Financial Reports.

As shown in the table above, the City's unassigned GF balance remains robust, at 56.8% of FY 2023 GF expenditures, including transfers, providing financial flexibility to manage unanticipated cash flow challenges. For the past six years, the unassigned GF balance has remained strong, ranging from 42% (FY22) to 77% (FY20) of GF expenditures. In FY

2022, while the City generated a GF operating surplus of \$16.0 million, after transfers to other governmental funds, the GF ending balance was relatively flat YoY, and the unassigned GF balance declined as a larger portion was allocated to the Assigned Fund balance.

Figure 4

City of Dublin General Fund Balance Sheet						
FYE December 31st (\$000)	2018	2019	2020	2021	2022	2023
Assets						
Cash & Investments	\$ 57,251	\$ 50,256	\$ 72,743	\$ 57,638	\$ 60,914	\$ 66,405
Receivables - Income Taxes	9,733	11,654	13,318	15,790	16,041	16,777
Other Receivables	1,335	1,552	1,520	1,525	2,377	2,206
Materials/Supplies/Prepayments	1,114	1,200	1,224	1,293	1,432	1,635
Due from Other Funds	301	295	312	382	518	545
Advances Due to Other Funds	45,301	61,216	46,916	54,133	49,601	51,607
Total Assets	115,034	126,173	136,033	130,760	130,884	139,176
Liabilities						
Accounts Payable and Accrued Liabilities	6,129	5,953	6,148	8,335	7,378	7,052
Due to Other Funds	124	22	49	148	61	250
Accrued Wages/Benefits/Compensated Absences	1,249	1,372	808	876	950	969
Deferred Inflows of Resources	7,239	8,402	9,243	11,370	12,401	12,256
Total Liabilities	14,742	15,748	16,248	20,729	20,790	20,527
Fund Balance						
Committed/Nonspendable	46,844	62,539	48,710	55,943	51,731	55,067
Assigned	2,933	11,910	17,831	12,031	25,734	17,711
Unassigned	50,515	35,978	53,244	42,057	32,628	45,871
Total Fund Balance	100,292	110,426	119,785	110,031	110,093	118,649

Source: City of Dublin (OH) Annual Comprehensive Financial Reports; results for FY 2023 are unaudited.

Liquidity

The City's liquidity levels have been very strong for the past five years. The total Government Funds' cash and investments have remained in excess of \$154 million since FY 2018, providing a substantial average annual liquidity cushion of approximately 385 days operating cash. For FY 2023, cash and investments rose to \$170.6 million, from \$155.0 million in the prior year (+10.1% YoY), improving days cash on hand to 379 days from 348 days.

Figure 5

City of Dublin - Liquidity						
FYE Dec. 31st (\$000s)	2018	2019	2020	2021	2022	2023
Government Funds						
Cash and Investments	\$ 154,255	\$ 155,055	\$ 179,576	\$ 156,906	\$ 154,992	\$ 170,579
Expenditures	156,762	131,730	138,910	177,962	162,565	164,286
Days Cash on Hand (Total Governmental Funds)	359	430	472	322	348	379
General Fund (GF)						
Cash and Investments	57,251	50,256	72,743	57,638	60,914	66,405
Expenditures	51,643	48,023	45,621	62,629	61,445	54,947
Transfers Out	(23,193)	(18,715)	(23,345)	(24,119)	(16,160)	(25,750)
GF Expenditures including transfers out	74,836	66,738	68,966	86,748	77,605	80,697
Days Cash of Hand (GF)	405	382	582	336	362	441
Days Cash of Hand (GF expts and transfers out)	279	275	385	243	286	300

Source: City of Dublin (OH) Annual Comprehensive Financial Reports.

FY 2024 Budget

In concert with the City's conservative fiscal practices, the FY 2024 Revised Operating Budget (as of May 2024) incorporates a decline in the total Governmental Funds' income tax revenues of -1.5% YoY, to \$106 million (cash basis) from \$107.4 million. The projected lower income tax revenue for fiscal 2024 takes into consideration the uncertain impact of commuters working remotely and conservative economic growth. As per the Revised FY 2024 Budget, GF income tax receipts which were budgeted at \$79.5 million are currently \$2.2 million ahead of budget (+4.6%) through May 2024. Similar to the City's historical results over the past decade, the actual income tax collections tend to outperform budget.



FY 2024 budgeted expenditures are assumed to rise to \$98.1 million, or 12.6% over FY 2023 GF expenditures (with transfers) incorporating projected increases in personnel, contractual services, supplies, and other charges. GF cash and investments, which stood at \$66.4 million at FYE 2023, have increased to \$72.3 as of the end of May 2024, or approximately \$20 million above the City's 50% GF reserve policy. The City is projected to modestly grow its GF ending balance 5.9% in aggregate over the five-year forecast period (FY24 - FY28), as compared to the five-year historic total growth of 35%.

RD 4: Municipal Resource Base

The City of Dublin is a residential and commercial community located 16 miles northwest of downtown Columbus. It is an affluent suburb with a substantial commercial core comprised of seven economic development districts which support a mix of commercial activity. The City is home to the headquarters of both Cardinal Health (ranked 14th among the Fortune 500) and Wendy's Corporation. It is also home to a diversity of technology, health and innovation companies benefitting from its location 8 miles from Ohio State University's main campus (60,000 students) and a location along the U.S. Route 33 "Smart Corridor" connecting Honda's Marysville Auto Plant to downtown Columbus, which is home to more than 60 automotive suppliers.

Population Trend

The City's population has grown rapidly since 1980 supported by extensive commercial and residential development. Growth moderated in more recent decades but continued to exceed that of the Columbus MSA, State, and Nation. City management estimates a daytime working population that is 1.5x the resident population, reflecting the importance of its commercial core to the regional workforce. The City's population, like numerous other relatively urbanized centers across the County, is estimated to have declined slightly since the pandemic as the increased prevalence of work from home reduced the priority of living close to work for some individuals. KBRA views the City's prospects for a return to growth as favorable given the strength of the regional economy, vibrance of the local commercial base, and ongoing economic development efforts.

Figure 6

Population								
	City of Dublin, OH	Δ (%)	Columbus, OH MSA	Δ (%)	State of Ohio	Δ (%)	United States	Δ (%)
1980	3,855		1,270,313		10,797,630		227,224,719	
1990	16,366	324.5%	1,405,168	10.6%	10,847,115	0.5%	249,622,814	9.9%
2000	31,392	91.8%	1,612,694	14.8%	11,353,140	4.7%	282,162,411	13.0%
2010	41,751	33.0%	1,901,974	17.9%	11,536,504	1.6%	309,378,433	9.6%
2020	49,328	18.1%	2,138,926	12.5%	11,799,448	2.3%	331,526,933	7.2%
2023	48,923	-0.8%	2,180,271	1.9%	11,785,935	-0.1%	334,914,895	1.0%
CAGR 2010 to 2023	1.23%		1.06%		0.16%		0.61%	

Source: U.S. Census

Educational Attainment, Poverty, and Per Capita Income

The City is characterized by exceptionally high educational attainment and a very low incidence of poverty. Per capita personal income at \$71,551 in 2022 is 189% of the State average.

Figure 7

Educational Attainment
Portion of Population 25 and Older w/Bachelor's Degree+ (2022)

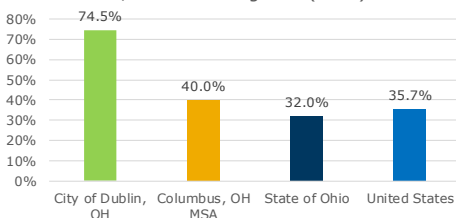


Figure 8

Poverty Level
All People (2022)

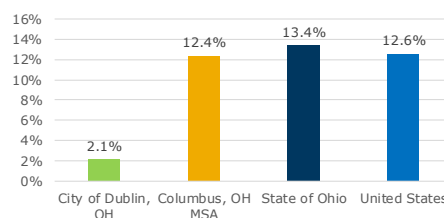
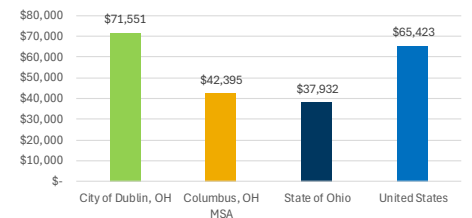


Figure 9

Per Capita Income
In Dollars (2022)



	2010	2022	Δ 2010 to 2022
City of Dublin, OH	70.8%	74.5%	3.7%
Columbus, OH MSA	32.5%	40.0%	7.5%
State of Ohio	24.6%	32.0%	7.4%
United States	28.2%	35.7%	7.5%

Source: U.S. Census

	2010	2022	Δ 2010 to 2022
City of Dublin, OH	2.9%	2.1%	-0.8%
Columbus, OH MSA	15.7%	12.4%	-3.3%
State of Ohio	15.8%	13.4%	-2.4%
United States	15.3%	12.6%	-2.7%

Source: U.S. Census

	2010	2022	Δ 2010 to 2022
City of Dublin, OH	\$49,939	\$71,551	43.3%
Columbus, OH MSA	\$26,527	\$42,395	59.8%
State of Ohio	\$23,975	\$37,932	58.2%
United States	\$40,683	\$65,423	60.8%

Source: U.S. Census

Employment

The City unemployment rate was low at 3.3% in April 2024 and has historically been lower than the Columbus MSA, State, and National averages. Employment growth significantly outpaced the MSA, State, and Nation over the last

economic cycle. April 2024 employment is 1.8% above the pre-pandemic level, a recovery in line with the Columbus MSA and notably better than the State, but weaker than that of the U.S. overall.

Figure 10

Unemployment Rate, Not Seasonally Adjusted (%)

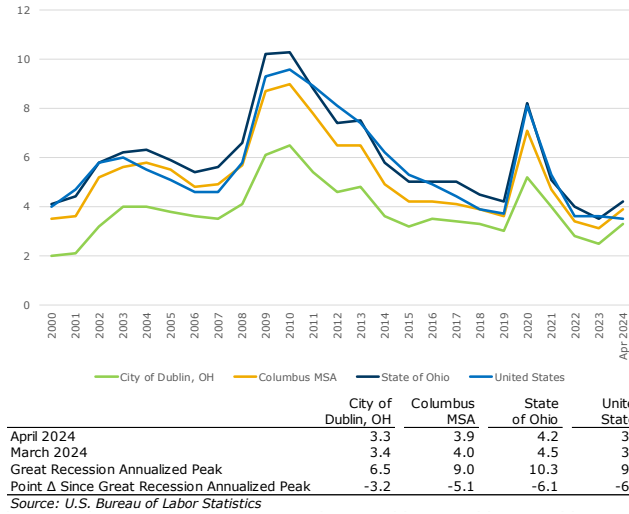


Figure 11

Total Employment (Not Seasonally Adjusted) (in thousands)								
	City of Dublin, OH	Δ(%)	Columbus MSA	Δ(%)	State of Ohio	Δ(%)	United States	Δ(%)
2000	17		876		5,544		136,891	
2001	17	1.9%	892	1.7%	5,566	0.4%	136,933	0.0%
2002	17	-0.8%	883	-1.0%	5,490	-1.4%	136,485	-0.3%
2003	17	1.3%	886	0.4%	5,499	0.2%	137,736	0.9%
2004	17	1.3%	888	0.2%	5,487	-0.2%	139,252	1.1%
2005	18	2.3%	901	1.4%	5,531	0.8%	141,730	1.8%
2006	19	6.7%	930	3.2%	5,636	1.9%	144,427	1.9%
2007	20	4.3%	949	2.1%	5,679	0.8%	146,047	1.1%
2008	20	0.2%	947	-0.3%	5,609	-1.2%	145,362	-0.5%
2009	19	-3.9%	907	-4.2%	5,305	-5.4%	139,877	-3.8%
2010	21	11.4%	915	0.9%	5,267	-0.7%	139,064	-0.6%
2011	21	1.1%	923	0.8%	5,264	-0.1%	139,869	0.6%
2012	22	2.9%	940	1.9%	5,290	0.5%	142,469	1.9%
2013	22	1.6%	950	1.1%	5,281	-0.2%	143,929	1.0%
2014	23	3.2%	980	3.2%	5,382	1.9%	146,305	1.7%
2015	23	2.5%	998	1.9%	5,428	0.9%	148,834	1.7%
2016	24	1.7%	1,015	1.7%	5,464	0.7%	151,436	1.7%
2017	25	5.0%	1,039	2.3%	5,529	1.2%	153,337	1.3%
2018	25	1.9%	1,050	1.1%	5,558	0.5%	155,761	1.6%
2019	26	2.1%	1,071	2.1%	5,635	1.4%	157,538	1.1%
2020	25	-4.6%	1,024	-4.5%	5,267	-6.5%	147,795	-6.2%
2021	26	3.4%	1,059	3.4%	5,416	2.8%	152,581	3.2%
2022	26	1.9%	1,079	1.9%	5,503	1.6%	158,291	3.7%
2023	27	1.4%	1,094	1.4%	5,582	1.4%	161,037	1.7%
April 2024	26	-0.1%	1,092	-0.2%	5,569	-0.2%	161,590	0.3%
Δ Great Recession Trough to 2019		38.4%	18.1%	7.1%	13.3%			
Δ 2019 Avg (Pre-COVID) to Apr 2024		1.8%	1.9%	-1.2%	2.6%			

Source: U.S. Bureau of Labor Statistics

The City's three largest private employers are in healthcare related businesses. Cardinal Health, the largest private employer employs 1,921 people which is equivalent to 7.2% of total City employment. The number of individuals employed by the City's ten largest private employers is equivalent to 37.2% of total City employment.

Figure 12

Largest Employers in the City of Dublin, OH as of December 31, 2023		
Employer	Business	# Employees
Dublin City Schools	Education	2,238
Cardinal Health, Inc.	Pharmaceuticals	1,921
Quantum Health	Medical/Insurance	1,900
OhioHealth Corporation	Medical and Administration	1,592
Univar Solutions	Chemical Distribution	780
Online Computer Library Center	Computer Library	752
United Healthcare Group	Insurance & Financial	700
The Wendy's Company	Food and Beverage	650
Sedgwick	Insurance and Financial	545
ViaQuest	Healthcare	519
Laboratory Corporation of America	Medical and Lab Testing	500
City of Dublin	Government	423
Equip	Legal Claims Administration	295
IGS	Energy/Natural Gas Retailer	244
Ease Logistics	Logistics	200
Stanley Steemer International	Cleaning Services	150

Source: POS

Municipal Income Tax Base

Municipal income tax comprised 62.3% of governmental revenues in FY 2023 and is derived from a 2.0% tax applied to the gross salaries, wages, and other personal service compensation. The tax, which has been in place since 1987, also applies to the net income of for-profit organizations conducting business in the City. Residents of Dublin are required to pay income tax on income earned outside the City, however, a credit is allowed for taxes paid to other municipalities.

Withholding taxes have generally comprised about 80% of total municipal income tax receipts. Taxpayer concentration is moderate according to management with municipal income tax withholdings for the top 50 payers accounting for 39.7% of withholding receipts in 2023 and the City's top ten employers contributing approximately 20% of the City's total municipal income tax revenues that year.

Total receipts increased at a 4.1% compound annual growth rate between 2000 and 2023, which is faster than inflation at 2.5%. Downside volatility has been moderate with receipts having declined in four of the last 23 years. The most significant declines were in 2009 (6.1%) and 2017 (2.7%). The most recent decline occurred in 2020 (1.2%) with the onset of the pandemic. Subsequent growth has been positive with growth of 9.6% in 2021, 3.7% in 2022, and 2.7% in 2023.

Figure 13

City of Dublin, OH Income Tax by Payer Type												
FYE 12/31	Receipts						Percent Total					
	Withholding	Δ YoY	Individual	Δ YoY	Net Profit	Δ YoY	Total	Δ YoY	Withholding	Individual	Net Profit	
2000	\$35,794,665		\$2,718,327		\$4,182,640		\$42,695,632		83.8%	6.4%	9.8%	
2001	39,512,279	10.4%	3,292,491	21.1%	4,968,164	18.8%	47,772,934	11.9%	82.7%	6.9%	10.4%	
2002	41,459,530	4.9%	3,679,382	11.8%	4,229,771	-14.9%	49,368,683	3.3%	84.0%	7.5%	8.6%	
2003	42,778,979	3.2%	3,847,941	4.6%	4,818,438	13.9%	51,445,358	4.2%	83.2%	7.5%	9.4%	
2004	42,614,590	-0.4%	4,705,919	22.3%	5,786,469	20.1%	53,106,978	3.2%	80.2%	8.9%	10.9%	
2005	45,599,687	7.0%	4,878,645	3.7%	7,509,548	29.8%	57,987,880	9.2%	78.6%	8.4%	13.0%	
2006	50,667,685	11.1%	5,201,625	6.6%	8,348,288	11.2%	64,217,598	10.7%	78.9%	8.1%	13.0%	
2007	54,525,780	7.6%	5,513,088	6.0%	7,193,907	-13.8%	67,232,775	4.7%	81.1%	8.2%	10.7%	
2008	55,685,048	2.1%	5,874,606	6.6%	8,659,385	20.4%	70,219,039	4.4%	79.3%	8.4%	12.3%	
2009	53,945,886	-3.1%	5,321,847	-9.4%	6,639,860	-23.3%	65,907,593	-6.1%	81.9%	8.1%	10.1%	
2010	55,603,298	3.1%	5,349,288	0.5%	7,895,940	18.9%	68,848,526	4.5%	80.8%	7.8%	11.5%	
2011	59,097,906	6.3%	5,588,741	4.5%	6,932,610	-12.2%	71,619,257	4.0%	82.5%	7.8%	9.7%	
2012	61,583,681	4.2%	6,036,001	8.0%	7,810,831	12.7%	75,430,513	5.3%	81.6%	8.0%	10.4%	
2013	63,359,303	2.9%	6,664,825	10.4%	12,081,242	54.7%	82,105,370	8.8%	77.2%	8.1%	14.7%	
2014	69,205,049	9.2%	6,303,759	-5.4%	12,559,722	4.0%	88,068,530	7.3%	78.6%	7.2%	14.3%	
2015	70,182,570	1.4%	6,893,604	9.4%	10,708,688	-14.7%	87,784,862	-0.3%	79.9%	7.9%	12.2%	
2016	71,676,523	2.1%	7,566,983	9.8%	10,736,791	0.3%	89,980,297	2.5%	79.7%	8.4%	11.9%	
2017	70,077,579	-2.2%	7,489,039	-1.0%	9,940,250	-7.4%	87,506,868	-2.7%	80.1%	8.6%	11.4%	
2018	71,733,164	2.4%	6,831,320	-8.8%	9,556,140	-3.9%	88,120,624	0.7%	81.4%	7.8%	10.8%	
2019	72,724,538	1.4%	7,590,426	11.1%	13,071,275	36.8%	93,386,239	6.0%	77.9%	8.1%	14.0%	
2020	74,919,369	3.0%	7,366,620	-2.9%	9,953,869	-23.8%	92,239,858	-1.2%	81.2%	8.0%	10.8%	
2021	79,033,473	5.5%	7,903,499	7.3%	14,141,768	42.1%	101,078,740	9.6%	78.2%	7.8%	14.0%	
2022	78,651,211	-0.5%	9,099,119	15.1%	17,052,649	20.6%	104,802,979	3.7%	75.0%	8.7%	16.3%	
2023	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	107,624,432	2.7%	n.a.	n.a.	n.a.	
2024 Budget	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	106,000,000	-1.5%	n.a.	n.a.	n.a.	

Source: City of Dublin, OH

Property Tax Base

Property taxes comprised a relatively minor 2.8% of total Governmental Fund revenues in FY 2023 and were comprised entirely from receipts collected within the City’s 1.75 mill allocation for unvoted debt and operations within the constitutional overlapping 10 mill limit available for such purposes. The property tax base is diverse with the ten largest taxpayers, excluding utilities, comprising 3.3% of taxable assessed value in the 2024 collection year. As of the 2023 assessment, residential property comprises 81.5% of real property followed by commercial/industrial at 18.3%. Taxable assessed value increased at a 4.3% compound annual growth rate between the 2000 and 2023 tax years, well faster than the rate of inflation. Full market value per capita is strong at \$196,577.

Figure 14

Largest Taxpayers in City of Dublin, OH in 2024 Collection Year				
Name	Business	Taxable Assessed Valuation	% Total	
Public Utility				
Ohio Power Company	Electric	\$ 54,924,210	1.63%	
AEP Ohio Transmission Company Inc	Electric	21,631,220	0.64%	
Real Estate				
DPC1 LP	Commercial Real Estate	\$ 16,734,960	0.50%	
DPC3 LP	Commercial Real Estate	12,947,480	0.38%	
Muirfield Village Golf Club	Golf Course	11,499,630	0.34%	
Brandway LTD	Real Estate Developer	11,424,490	0.34%	
Sycamore TIC LLC @(4)	Commercial Real Estate	11,340,010	0.34%	
OCLC Online Computer Library	Computer Library	10,832,510	0.32%	
Dublin Oaks Limited	Commercial Real Estate	10,622,260	0.32%	
CP Dublin LLC	Commercial Real Estate	9,590,010	0.28%	
Britton Woods LLC	Commercial Real Estate	7,974,240	0.24%	
Rock Hill Admin Ltd	Commercial Real Estate	7,315,000	0.22%	
Hawthorne CommonsPlus LLC	Apartments	7,218,020	0.21%	
Residence at Scioto Crossing LLC	Apartments	6,595,580	0.20%	
Dublin York Properties LLC @(3)	Commercial Real Estate	5,671,600	0.20%	

Source: POS

Figure 15

Taxable Assessed Value in City of Dublin, OH			
Tax Year	Collection Year	Taxable Assessed Value	Δ YoY
2000	2001	\$1,269,123,543	
2001	2002	1,321,735,954	4.1%
2002	2003	1,534,114,268	16.1%
2003	2004	1,548,916,193	1.0%
2004	2005	1,622,347,573	4.7%
2005	2006	1,863,282,274	14.9%
2006	2007	1,920,898,766	3.1%
2007	2008	1,967,777,365	2.4%
2008	2009	1,987,926,480	1.0%
2009	2010	2,010,361,695	1.1%
2010	2011	2,043,502,740	1.6%
2011	2012	1,953,334,600	-4.4%
2012	2013	1,952,420,530	0.0%
2013	2014	1,934,716,900	-0.9%
2014	2015	2,003,415,640	3.6%
2015	2016	2,039,280,850	1.8%
2016	2017	2,063,082,680	1.2%
2017	2018	2,237,304,370	8.4%
2018	2019	2,282,801,810	2.0%
2019	2020	2,315,451,770	1.4%
2020	2021	2,634,867,930	13.8%
2021	2022	2,633,075,920	-0.1%
2022	2023	2,679,738,520	1.8%
2023	2024	3,369,991,450	25.8%

Source: City of Dublin, OH

Note: Taxable assessed value is 35% of estimated full market value. The County Auditor is required to adjust taxable real property value triennially to reflect true values. Individual property reappraisals are in contrast required sexennially. Both of these most recently occurred in the 2023 tax year / 2024 collection year.



Bankruptcy Assessment

KBRA has consulted outside counsel on bankruptcy matters and the following represents our understanding of the material bankruptcy issues relevant to the Bonds and the City.

Eligibility to be a Debtor

To be a debtor under the municipal bankruptcy provisions of the U.S. Bankruptcy Code (Chapter 9), a local governmental entity must, among other things, qualify under the definition of “municipality” in the Bankruptcy Code and must be authorized to file a bankruptcy petition by the state in which it is located. KBRA understands that the City meets the definition of a municipality.

As to authorization, KBRA understands that the State of Ohio currently permits local government entities in the State to file for Chapter 9 relief with the permission of the State Tax Commissioner. KBRA also is informed that Ohio state law provides for a fiscal emergency program for municipal corporations, counties, and townships, under which a commission is appointed to develop a plan to remedy a municipality's fiscal distress, and the commission oversees the financial activity of the government until the emergency is terminated.

Pledged Revenues as Special Revenues

Chapter 9 provides for post-petition recognition of (i) security interests represented by a pledge of specific tax revenues or municipal enterprise revenues (each “special revenues”), and (ii) liens automatically imposed by statute (each a “statutory lien”) on revenues pledged for municipal obligations. In contrast, the pledge by the City to pay the Bonds from *ad valorem* taxes on all taxable real property within the City is not recognized as a security interest or statutory lien that survives the filing of a petition under Chapter 9 because (a) the funds pledged to pay the Bonds are not from a separate, dedicated source of revenues that meets the definition of “special revenues” under Chapter 9, and (b) there is no statutory lien imposed on the revenues pledged to pay the Bonds. Accordingly, if the City were to file for relief under Chapter 9, the holders of the Bonds should be treated as unsecured creditors of the City.

ESG Management

KBRA typically analyzes Environmental, Social, and Governance (ESG) factors through the lens of how issuers plan for and manage relevant ESG risks and opportunities. More information on KBRA's approach to ESG risk management in public finance ratings can be found [here](#). Over the medium-term, public finance issuers will likely need to prioritize ESG risk management and disclosure with the likelihood of expansions in ESG-related regulation and rising investor focus on ESG issues.

KBRA analyzes many sector- and issuer-specific ESG issues but our analysis is often anchored around three core topics: climate change, with particular focus on greenhouse gas emissions; stakeholder preferences; and cybersecurity. Under environmental, as the effects of climate change evolve and become more severe, issuers are increasingly facing an emerging array of challenges and potential opportunities that can influence financial assets, operations, and capital planning. Under social, the effects of stakeholder preferences on ESG issues can impact the demand for an issuer's product and services, the strength of its global reputation and branding, its relationship with employees, consumers, regulators, and lawmakers, and, importantly, its cost of and access to capital. Under governance, as issuers continue to become more reliant on technology, cybersecurity planning and information management are necessary for most issuers, regardless of size and industry.



Environmental Factors

Green Space: The City maintains more than 1,522 acres of parks and open space including 64 developed parks. The City leverages these resources, which include nature preserves, natural springs, wetlands, and more than 140 miles of bike trails to benefit its citizens.

Green Fleet: The City was recognized for its efforts to minimize the environmental impact of its City service vehicle fleet when it earned the No. 3 ranking on the 100 Best Green Fleets list in the 2022 National Fleet Management Association Awards and was awarded eight in the Top 50 Leading Fleets from Governmental Fleet.



Social Factors

Community and Economic Development Planning: The City has achieved rapid growth over the last five decades due in part to a focus on managed growth and community planning. Comprehensive community plans completed in 1988, 1997, 2007 as well as various special area plans periodically updated in subsequent years have served as templates for continuing orderly development, as have Comprehensive Economic Development Strategy Plans compiled in 1994, 2004, and revised economic development goals identified in 2019. The City updated its approach to various initiatives since the pandemic with an emphasis on mixed-use development within its revised Corporate Area Plan in 2021. That same



year, the City began an initiative called Dublin 2035 Framework that will put additional emphasis on connectivity, education, culture, recreation, and mobility in future development, with a goal of driving sustainability, connectivity, and resilience. A housing Study and Strategy Plan was additionally adopted in April 2023 focusing on the future of residential development in the City. Management estimates that approximately 75% of the City's land area has been developed.



Governance Factors

Cybersecurity: The City has been the subject of cyber-attacks on its computer and digital networks and systems. As noted by the City, Dublin has not had a major cyber breach that resulted in financial loss. The City maintains cyber insurance which provided financial coverage for a recent cyber breach. The City has implemented stronger security measures, in accordance with the U.S Department of Commerce's National Institute of Standards and Technology, which includes intrusion detection and prevention systems, next generation firewalls, continuous cyber monitoring, multi-factor authentication, as well as routine cybersecurity training and testing for all its employees.

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