

CITY OF UPPER ARLINGTON
FRANKLIN COUNTY
REGULAR AUDIT
JANUARY 1, 2016 – DECEMBER 31, 2016





Dave Yost • Auditor of State

Members of City Council
City of Upper Arlington
3600 Tremont Road
Upper Arlington, Ohio 43221

We have reviewed the *Independent Auditor's Report* of the City of Upper Arlington, Franklin County, prepared by Wilson, Shannon & Snow, Inc., for the audit period January 1, 2016 through December 31, 2016. 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 City of Upper Arlington is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost
Auditor of State

August 15, 2017

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**CITY OF UPPER ARLINGTON
FRANKLIN COUNTY**

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS**

City of Upper Arlington
Franklin County
3600 Tremont Road
Upper Arlington, Ohio 43221

To City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Upper Arlington, Franklin County, (the City) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 23, 2017.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City's financial statements. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Wilson, Shannon & Snow, Inc.

CERTIFIED PUBLIC ACCOUNTANTS
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Newark, Ohio 43055
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FAX (740) 345-5635

City of Upper Arlington
Franklin County
Independent Auditor's Report on Internal Control Over Financial
Reporting and On Compliance and Other
Matters Required By *Government Auditing Standards*

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Wilson, Shuman & Snow, Inc.

Newark, Ohio
June 23, 2017

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CITY OF | **UPPER**
ARLINGTON
OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2016

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CITY OF | **UPPER ARLINGTON**

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**COMPREHENSIVE
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2016**

ISSUED BY:

**CITY OF UPPER ARLINGTON, OHIO
FINANCE DEPARTMENT**

Catherine M. Armstrong, CPA, CGFM*
Director of Finance and Administrative Services

Brent W. Lewis, CPA*
Assistant Finance Director

Jenna M. Miller
Human Resources/Finance Specialist

Bethany D. Staats, CPA
Finance Manager

Christopher D. Brady
Human Resources Manager

Michelle Y. Sexton
Payroll Administrator

Barbara K. Podnar
Purchasing Administrator

Laura A. Lynde
Accounting Assistant

Tammy L. Grandy
Management Assistant

* Catherine M. Armstrong retired 2/2017 and Brent W. Lewis was appointed as Finance Director



CITY OF | **UPPER ARLINGTON**



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**CITY OF UPPER ARLINGTON, OHIO
 BASIC FINANCIAL STATEMENTS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 For The Year Ended December 31, 2016**

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**CITY OF UPPER ARLINGTON, OHIO
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June 23, 2017

To the Honorable Deborah A. Johnson and Members of City Council,
And Citizens of the City of Upper Arlington:

The Comprehensive Annual Financial Report (CAFR) of the City of Upper Arlington, Ohio (City), for the fiscal year ended December 31, 2016, is submitted herewith. The report has a complete set of financial statements presented in accordance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by Wilson, Shannon & Snow, Inc. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report. The MD&A provides a narrative introduction, overview, and analysis of the basic financial statements and complements this letter of transmittal and should be read in conjunction with it.

The City's Finance & Administrative Services Department is responsible for management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal control should not exceed its anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

In developing and revising the City's accounting and reporting control systems, consideration is given to the adequacy of internal controls to provide reasonable but not absolute assurance regarding the safeguarding of assets from loss, theft, or misuse and reliability of financial records for preparing the City's financial statements in conformity with GAAP and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits require estimates and judgments by management.

As management, we believe the data presented is accurate in all material aspects and that all disclosures necessary to enable the reader to acquire the maximum understanding of the City's financial activity have been included.

Profile of the Government

Readying to celebrate its Centennial anniversary, the City's initial beginnings date back to March 20, 1918. On February 8, 1941, the City of Upper Arlington was organized as a home-rule, Municipal Corporation organized under the laws of the State of Ohio. The City covers 9.77 square miles, located just northwest of downtown Columbus. The City operates under a Council-Manager form of government and provides the following services as authorized by its charter: public safety; public service; parks and recreation; and community development.

As required by GAAP, the accompanying financial statements include all the organizations, activities and functions in which the City (primary government) and its component unit exercise financial accountability. The component unit discussed below is included in the City's reporting entity because of the significance of its operations and/or financial relationship with the City.

Discretely Presented Component Unit – A 13-member board governs the Upper Arlington Community Improvement Corporation (UA CIC). For financial reporting purposes, the CIC is reported separately from the City's operations because its purpose is to assist the City as a whole in the revitalization and enhancement of property within the City, and its governing body is not the same as that of the primary government.

The annual budget serves as the foundation for the City's financial planning and control. The City complies with the requirements of the Ohio Revised Code in the adoption of the budget. Appropriations for the operation of various City departments are established through the passage of an ordinance by City Council. Budgetary control is facilitated through the maintenance of an encumbrance system for purchase orders, and through the use of the City's automated financial system. The Council is required to hold public hearings on the proposed budget and to adopt the budget by no later than December 31, the close of the City's fiscal year.

The appropriated budget is prepared by fund, (e.g., General Fund), department (e.g., Police) and line item (e.g., Personal Services). The City Council may pass supplemental appropriations at any time by ordinance. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. The General Fund is presented in the required supplementary section, beginning on page 88. For governmental funds, other than the General Fund, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, which starts on page 102.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

Local Economy

The Bureau of Economic Analysis indicates that Ohio's economy grew more than any other State in the Great Lakes region in 2016 with the exception of Michigan, at a rate of 1.7%. The Ohio economy is currently valued at \$626 billion. Economic growth in the Columbus region has been strong, with the Columbus region ranked as the fastest growing metropolitan area in the Midwest.

Reinvestment in Upper Arlington remained strong in 2016. The City's Community Development Department reviewed and inspected housing and commercial construction projects valued at more than \$111.6 million, the highest level in the City's history and more than \$20 million above the previous year.

Economic development activity remained steady and the Economic Development Office continued its proactive business retention and expansion program in order to help businesses stay and grow here. The City remained focused on efforts to attract and grow a mix of professional office and medical users to strengthen and diversify the overall business base. Some 2016 projects of note include:

- A summer 2016 completion of the OSU Wexner Medical Center’s Outpatient Care Upper Arlington facility at the Kingsdale Shopping Center along Zollinger Road. The facility is comprised of approximately 100,000 square feet of space, with an initial workforce estimate of more than 155 medical professionals. The community now enjoys access to an exceptional range of medical services, and Kingsdale businesses and restaurants are clearly benefitting from an increase in patronage from workers and patients. Additionally, the project is expected to generate more than \$320,000 in income taxes and \$350,000 in local property taxes each year.
- Completion of a 26,000 square foot OhioHealth medical facility that includes neurorehabilitation, family practice and lab services, at 3363 Tremont Road.
- Completion of a 19,400 square foot medical facility that now houses Columbus Aesthetic and Plastic Surgery (CAPS) on Arlington Centre Boulevard off Henderson Road and received approval for the construction of a 19,400 square foot medical facility. This project has allowed the practice to remain and expand in the Upper Arlington community.

Long-term Financial Planning

The City of Upper Arlington’s Master Plan, first adopted in 2001—and updated and re-adopted in 2013—serves as the community’s vision for its future, and comprehensively addresses a wide range of goals and considerations within the areas of land use, housing, community facilities and appearance, economic development, transportation and infrastructure, and implementation. The Master Plan’s ultimate goal is to preserve and enhance the community’s quality of life, while assuring fiscal stability over the long term.

A significant portion of the City’s role in reinvesting in Upper Arlington is to protect and enhance those investments already made as the community grew and took shape over the course of many decades—our underground and surface infrastructure, public facilities and parks. The City remains committed to improving its aging infrastructure through its Capital Improvement Program (CIP). The most recent CIP is a ten-year plan of approximately \$124 million for years 2015 through 2024.

In 2014, Upper Arlington voters supported a 0.5% increase in the income tax rate, with these funds restricted for the City’s capital plan. With this funding source in place, the City is continuing to use the adopted financial and debt policies for capital investments, which call for the CIP plan to be funded using a combination of cash and financing. The City issues general obligation bonds for financing capital improvement projects. The bonds are primarily paid with income tax receipts. In addition to the 0.5%, the City Council approved setting aside an additional 8% of the income tax to retire existing debt.

Relevant Financial Policies

A debt policy was adopted on September 8, 2003 to establish conditions for the use of debt and to create policies that minimize the City’s debt service and issuance costs, retain the highest credit rating and maintain full and complete financial disclosure and reporting.

In addition, City financial policies dictate that a reserve will be maintained in the Unrestricted Fund Balance at a level for meeting the day-to-day obligations of the City equal to 30% of the General Fund operating budget.

Major Initiatives

The City has continued to successfully retain Triple A financial ratings from Moody’s Investors Service, and S&P Global. These are the highest ratings available, and reaffirm that the City takes its fiscal responsibilities

seriously. It also means the City can expect to benefit from the lowest possible interest rates in the marketplace at any given time for future bond sales.

Effective January 2015, the City began collecting an additional 0.5% in income tax resulting from passage of Issue 23 in November of 2014. Per Council directive, 100% of the revenues raised from this increase are being dedicated to funding the City's capital needs, providing a long-term, critical funding source for the 10-year Capital Improvement Program. Approximately \$4.3 million of the 2016 income tax revenues can be attributed to the tax increase.

The third year of the City's 10-year Capital Improvement Program was implemented in 2016, bringing the City's total investment to date to more than \$31 million. Looking ahead to 2017, an additional \$15 million will have been invested. Ongoing proactive efforts to secure supplemental funding through grants and loans have already secured more than \$7.5 million for years 2014-2019, with an additional \$6.6 million in grant requests pending—a combined total of just over \$14 million or 10% of the costs for a typical 10-year plan. The positive results from this significant level of investment are already being realized, with the Engineering Division's 2016 Street Ratings exercise showing a marked improvement in the average condition of the City's streets, curbs and gutters.

A major highlight of the 2016 construction season was completion of a two-phased Tremont Road reconstruction project, transforming one of the community's primary thoroughfares into a "complete street," greatly enhancing pedestrian and bicycle connectivity and safety, and the roadway's aesthetics. Additional projects included waterline replacements on Mountview, Avalon and Ridgeview roads, road reconstruction on sections of Canterbury, Concord, Dorset, Lear and Welsford roads, and bridge replacements on Glenrich Parkway and Bridgeview Road, along with street maintenance work on sections of 21 streets.

Installation of a fiber optic network connecting all City, Schools and Library buildings was completed, at a total cost of approximately \$2.5 million. As part of conditions of a \$500,000 State grant, OSU's Wexner Medical Center facility on Zollinger Road will be provided free fiber access for 20 years. The City also secured a 1.7% interest loan of \$1 million from the Franklin County Infrastructure Loan Program, and agreements are in place with the Schools and Library to pay the equivalent of their current leased broadband lines to the City each year until the City's capital investment in this project is recouped.

A Northam Park Phase II planning project was begun early in 2016. This comprised replacing the Tremont Pool and playground, constructing a park entry area adjacent to the new parking lot, and adding a reading garden by the Tremont Library. The planning process included an extensive community engagement process to ensure the new facilities would best meet the community's needs. These projects are on track for an early summer 2017 completion.

The City finalized an extensive review process relative to options for 911/dispatching operations, concluding it should be consolidated with the Northwest Regional Emergency Communications Center at the City of Dublin. Scheduled to transfer by the close of 2017, this vital component of the community's safety services will benefit from a center that is equipped and ready to address rapid technological advances, to directly receive 911 calls from cell phones, and to provide a level of customer service that is similar in nature to what has been provided in house. The City also stands to benefit from notable cost savings over the long term.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the 29th consecutive Certificate of Achievement for Excellence in Financial Reporting to the City of Upper Arlington for its comprehensive annual report for the fiscal year ended December 31, 2015.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

Additionally, the City received its 11th consecutive Award for Outstanding Achievement in Popular Annual Financial Reporting from GFOA for the 2015 Popular Annual Financial Report, which provides a reader-friendly summary of the City's financial standing from year to year.

The preparation of this report could not have been accomplished without the efficient and dedicated efforts of the entire Staff of the Finance and Administrative Services Department. We wish to express our appreciation to everyone who contributed to its preparation.

Respectfully submitted,



Brent Lewis, CPA
Finance Director



Theodore J. Staton
City Manager



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

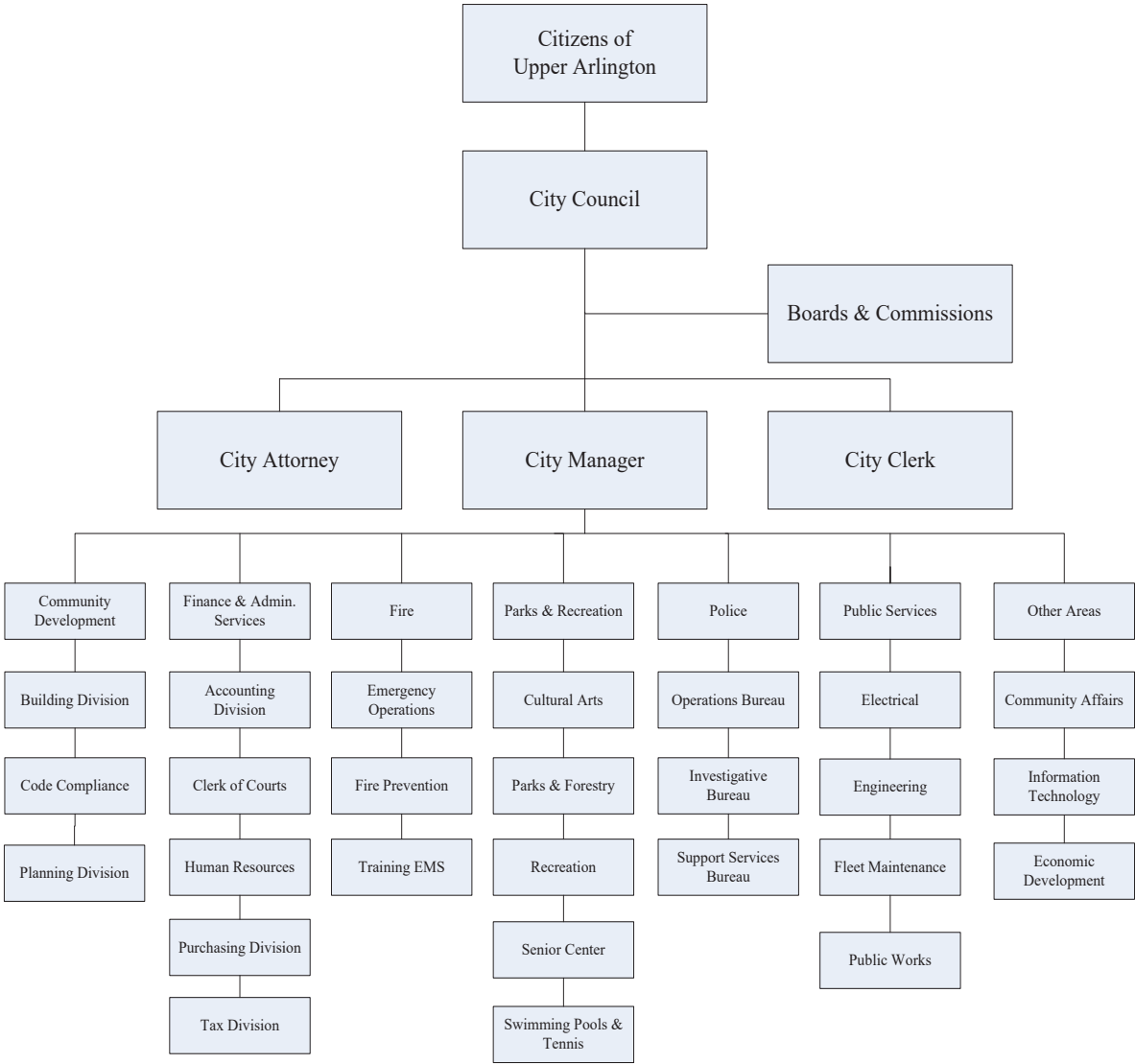
**City of Upper Arlington
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

Executive Director/CEO

**CITY OF UPPER ARLINGTON, OHIO
ORGANIZATIONAL CHART**



CITY OF UPPER ARLINGTON, OHIO
LIST OF CITY OFFICIALS
December 31, 2016

City Council

President/Mayor	Deborah A. Johnson
Vice President/Vice Mayor	Kip Greenhill
Council Member	John C. Adams
Council Member	David E. DeCapua
Council Member	Brendan T. King
Council Member	Carolyn T. Casper
Council Member	Susan M. Ralph

Appointed Officials

City Manager	Theodore J. Staton
City Attorney	Jeanine Hummer
City Clerk	Ashley Ellrod
Clerk of Court	Melissa Kohler

Executive Staff

Assistant City Manager	Dan Ralley
Finance & Administrative Services Director	Catherine M. Armstrong*
Fire Division Interim Chief	Mark Zambito
Parks and Recreation Director	Deborah McLaughlin
Police Division Chief	Tracy Hahn
Public Services Director	Mark Kelsey

* Catherine M. Armstrong retired 2/2017 and Brent W. Lewis was appointed as Finance Director





CITY OF | **UPPER ARLINGTON**

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City of Upper Arlington
Franklin County
3600 Tremont Road
Upper Arlington, Ohio 43221

INDEPENDENT AUDITOR'S REPORT

To the City Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Upper Arlington, Franklin County, Ohio (the City), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Wilson, Shannon & Snow, Inc.

CERTIFIED PUBLIC ACCOUNTANTS

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Upper Arlington, Franklin County, Ohio, as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, the *Required budgetary comparison schedule* and schedules of net pension liabilities and pension contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the City's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2017 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on 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 City's internal control over financial reporting and compliance.

Wilson, Shuman & Snow, Inc.

Newark, Ohio
June 23, 2017



CITY OF | **UPPER ARLINGTON**

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CITY OF UPPER ARLINGTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(UNAUDITED)

As management of the City of Upper Arlington (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Upper Arlington for the year ended December 31, 2016. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found at the front of this report.

Financial Highlights

- The assets and deferred outflow of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent year by \$114.2 million (net position). Of this amount, \$4.2 million (unrestricted net position) may be used to meet the government's ongoing governmental activities obligations and \$4.5 million (unrestricted net position) may be used to meet the business-type activities obligations to citizens and creditors.
- The City's total net position increased by \$5.8 million, or 5%.
- At the end of the current year, the unassigned fund balance for the General Fund was \$17.6 million, or 56% of the total General Fund expenditures.
- As of the close of the current year, the City's governmental funds reported combined ending fund balances of \$67.4 million, an increase of \$2.1 million in comparison with the prior year. Of this total amount:
 - \$3.2 million, or 5%, represents non-spendable balances for inventories and advances.
 - \$31.6 million, or 47%, of the fund balance is categorized as restricted. Restricted fund balances have constraints externally imposed by creditors, grantors, contributors, or laws or regulations of other governments.
 - \$12.6 million, or 19%, of the fund balance is categorized as committed. Committed fund balances have constraints as to use imposed by formal action of the government's highest level of decision-making authority. These constraints can only be removed or changed by taking the same type of action it employed to commit those amounts.
 - \$4.3 million, or 6%, of the fund balance is categorized as assigned. Assigned fund balances are constrained by the government's intent to use the funds for a specific purpose but are neither restricted nor committed.
 - \$15.7 million, or 23%, of the fund balance is categorized as unassigned. The unassigned fund balance represents fund balance that has not been restricted, committed, or assigned.

Overview of the Financial Statements

This management's discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad view of the City's finances, in a manner similar to a private-sector business.

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The *statement of net position* presents information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenue and expenses reported in this statement for some items will only result in cash flows for future periods (e.g., uncollected taxes, and earned-but-unused vacation leave).

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees or charges (business-type activities). The governmental activities of the City include public safety, general government, public services, parks and recreation, and community development. The business-type activities of the City include five enterprise activities: a sanitary sewer system, a stormwater system, a water management system, solid waste collection, and three swimming pool facilities.

The government-wide financial statements can be found on pages 19-21 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for *governmental activities* in the government-wide financial statements.

By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in funds balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of Upper Arlington maintains 27 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances (deficit) for the General Fund, General Obligation Bond Retirement Fund, Bonded Improvement Fund, Estate Tax Capital Projects Fund, and the Community Fiber Optic Fund, all of which are considered major funds. Data from the other 22 governmental funds are combined into a single, aggregated presentation.

Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* in the supplemental section of this report.

The basic governmental fund financial statements can be found on pages 22-29 of this report.

CITY OF UPPER ARLINGTON, OHIO
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Proprietary funds. The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water, sanitary sewer, stormwater, swimming pools, and solid waste collection operations. *Internal service* funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City maintains two internal service funds to recover costs and pay premiums for employee health and dental benefits; and to recover costs and pay premiums for workers' compensation benefits.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Surcharge, Sanitary Sewer Surcharge, Stormwater, Swimming Pools, and Solid Waste Fund, which are considered to be major funds of the City. Additionally, the internal service funds are presented in the proprietary fund financial statements in one column.

The basic proprietary fund financial statements can be found on pages 30-37 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found on page 38 of this report.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 39-85 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City. Required supplementary information can be found on pages 87 – 97 of this report.

Other Supplementary Information, including additional budgetary schedules, the combining statements referred to earlier in connection with non-major governmental funds and major business-type funds, are presented immediately following the other required supplemental information. The additional budgetary schedules, and combining and individual fund statements and schedules can be found on pages 99-168 of this report.

Additionally, the Statistical Section of this report, which can be used to enhance the understanding of the economic condition of the City as a whole, can be found on pages 169-211.

CITY OF UPPER ARLINGTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Government-wide Financial Analysis

	<u>Net Position</u>			
	Governmental Activities		Business-type Activities	
	2016	2015	2016	2015
<u>Assets</u>				
Current and other assets	\$ 89,407,408	\$ 89,224,614	\$ 5,422,648	\$ 4,364,909
Capital assets, net	101,290,891	89,918,207	36,670,158	32,642,394
Net pension asset	4,998	-	442	-
Total assets	<u>190,703,297</u>	<u>179,142,821</u>	<u>42,093,248</u>	<u>37,007,303</u>
<u>Deferred Outflows of Resources</u>	<u>11,769,822</u>	<u>5,553,701</u>	<u>453,084</u>	<u>122,267</u>
<u>Liabilities</u>				
Current and other liabilities	2,909,296	2,537,171	234,931	251,613
Long-term liabilities	<u>111,908,117</u>	<u>96,302,089</u>	<u>3,270,281</u>	<u>1,680,016</u>
Total liabilities	<u>114,817,413</u>	<u>98,839,260</u>	<u>3,505,212</u>	<u>1,931,629</u>
<u>Deferred Inflows of Resources</u>	<u>12,306,923</u>	<u>12,617,652</u>	<u>213,390</u>	<u>13,273</u>
<u>Net Position</u>				
Net investment in capital assets	44,988,680	41,504,828	34,284,074	31,740,212
Restricted	26,133,755	21,250,144	-	-
Unrestricted	<u>4,226,348</u>	<u>10,484,638</u>	<u>4,543,656</u>	<u>3,444,456</u>
Total net position	<u>\$ 75,348,783</u>	<u>\$ 73,239,610</u>	<u>\$ 38,827,730</u>	<u>\$ 35,184,668</u>

For 2015, \$10.1 million has been reclassified from Unrestricted Net Position to Restricted Net Position to correlate with 2016 presentation.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$114.2 million at the close of 2016.

A large portion of the City's net position (69%) reflects its investment in capital assets (e.g. land, construction in progress, buildings, improvements other than buildings, machinery and equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding plus any significant unspent bond proceeds. The City uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, (35%) represents resources that are subject to restrictions on how they may be used. The remaining balance of unrestricted net position (\$8.8 million) may be used to meet the government's on-going obligations to citizens and creditors. It is important to note that although the total unrestricted net position is \$8.8 million, the unrestricted net position of the City's business-type activities, \$4.5 million, may not be used to fund governmental activities.

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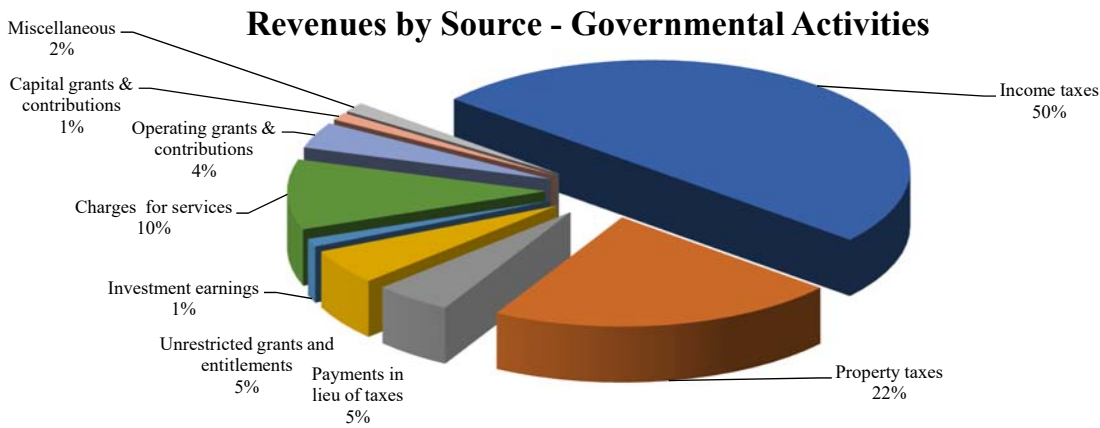
At the end of the current year, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

Overall net position of the City increased \$5.8 million (5%) in 2016. Net position for governmental activities increased \$2.1 million (3%), while the net position for business-type activities increased \$3.6 million (10%).

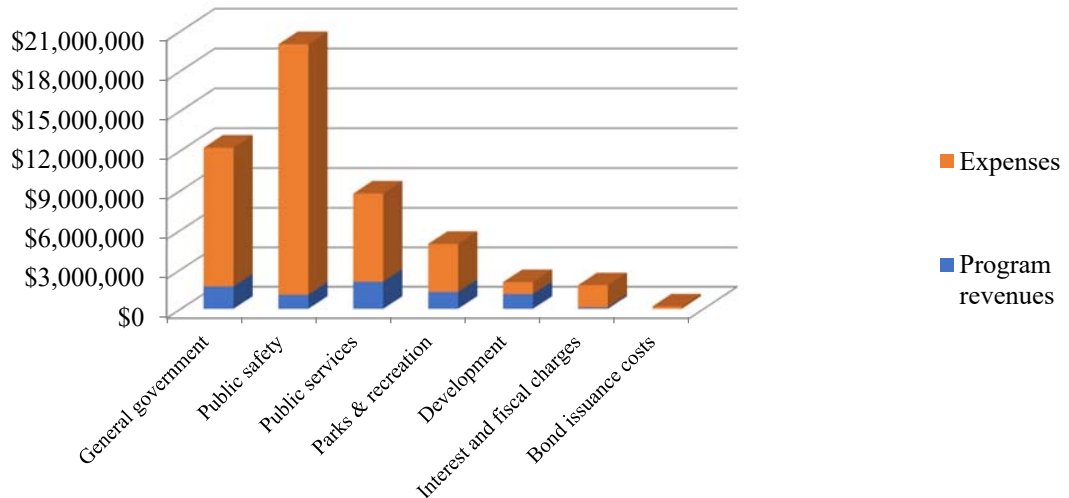
The large increase in overall net position can be primarily attributed to four main factors: (1) income tax revenue increased by \$1 million as a result of the City's residents approved increasing the local income tax rate from 2% to 2.5% in 2015 and 2016 being the first full-year of income tax at the new rate; (2) the City received \$492,500 in grant receipts related to the Fiber Optic project; (3) \$20.3 million in capital asset additions offset by a \$4.9 million in depreciation expense; and (4) total bonded debt increased by \$9.5 million as a result of the issuance of \$13.3 million in various purpose bonds and loans offset by regular debt payments.

Governmental activities. As stated previously, Governmental activities net position increased by \$2.1 million. General revenues increased by \$1.8 million primarily due to a \$1 million increase in income tax revenue along with a general uptick in the economy as the City had a 103,000 square foot OSU Wexner Medical Center open during 2016.

The following charts illustrate both the 2016 revenues and expenses for governmental activities.



Expenses and Program Revenues - Governmental Activities



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Changes in Net Position

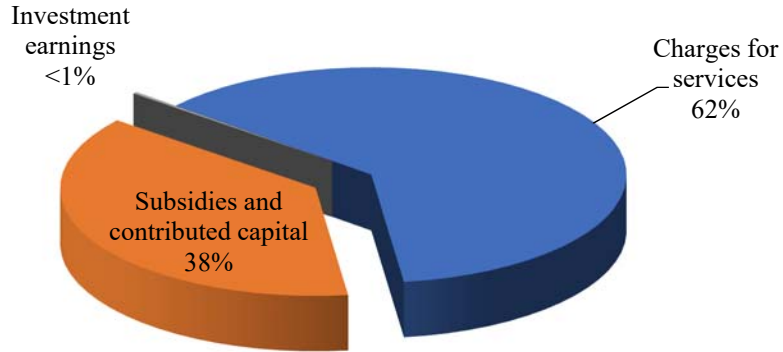
	Governmental Activities		Business-type Activities	
	2016	2015	2016	2015
Revenues:				
<i>Program revenues:</i>				
Charges for services	\$ 4,965,180	\$ 5,335,499	\$ 5,316,425	\$ 4,565,279
Operating grants & contributions	1,847,352	1,904,522	-	-
Capital grants & contributions	535,993	2,085,135	-	-
<i>General revenues:</i>				
Income taxes	23,945,983	22,862,865	-	-
Property taxes	10,503,050	9,818,706	-	-
Payment in lieu of taxes	2,344,330	2,560,001	-	-
Unrestricted grants and entitlements	2,496,543	2,658,809	-	-
Unrestricted investment earnings	563,516	526,158	24,653	19,938
Other miscellaneous revenues	687,265	363,604	-	-
Total revenues	<u>47,889,212</u>	<u>48,115,299</u>	<u>5,341,078</u>	<u>4,585,217</u>
Expenses:				
General government	10,491,306	10,042,503	-	-
Public safety	18,921,660	16,812,310	-	-
Public services	6,688,176	5,523,542	-	-
Parks and recreation	3,657,395	3,232,835	-	-
Community development	912,157	864,403	-	-
Interest and fiscal charges	1,683,423	1,568,674	-	-
Bond issuance costs	170,991	288,072	-	-
Solid waste	-	-	2,152,760	2,063,467
Water surcharge	-	-	881,036	740,734
Sanitary sewer surcharge	-	-	869,315	636,327
Stormwater	-	-	609,546	559,873
Swimming pools	-	-	440,290	774,891
Total expenses	<u>42,525,108</u>	<u>38,332,339</u>	<u>4,952,947</u>	<u>4,775,292</u>
Change in net position				
before transfers	5,364,104	9,782,960	388,131	(190,075)
Transfers	(3,254,931)	(905,400)	3,254,931	905,400
Change in net position	<u>2,109,173</u>	<u>8,877,560</u>	<u>3,643,062</u>	<u>715,325</u>
Net position at beginning of year	73,239,610	64,362,050	35,184,668	34,469,343
Net position at end of year	<u>\$ 75,348,783</u>	<u>\$ 73,239,610</u>	<u>\$ 38,827,730</u>	<u>\$ 35,184,668</u>

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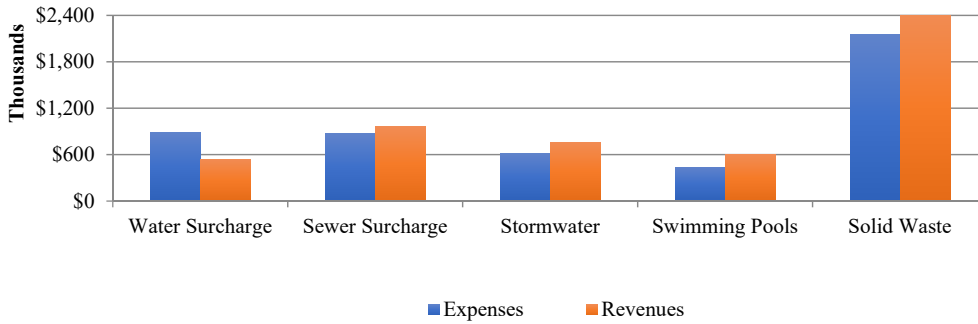
Business-type activities. Business-type activities increased the City's net position by \$3.6 million. The key element of the increase was the current year subsidies and transfers of capital assets from governmental sources of \$3.3 million.

The following charts illustrate 2016 revenues and expenses for the business type activities.

Revenues by Source - Business-type Activities



Expenses and Program Revenues - Business-type Activities



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Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the year.

As of the close of the current year, the City's governmental funds reported combined ending fund balances of \$67.4 million, an increase of \$2.1 million in comparison with the prior year. Of this total amount:

- \$3.2 million, or 5%, represents non-spendable balances for inventories and advances.
- \$31.6 million, or 47%, of the fund balance is categorized as restricted. Restricted fund balances have constraints externally imposed by creditors, grantors, contributors, or laws or regulations of other governments.
- \$12.6 million, or 19%, of the fund balance is categorized as committed. Committed fund balances have constraints as to use imposed by formal action of the government's highest level of decision-making authority. These constraints can only be removed or changed by taking the same type of action it employed to commit those amounts.
- \$4.3 million, or 6%, of the fund balance is categorized as assigned. Assigned fund balances are constrained by the government's intent to use the funds for a specific purpose but are neither restricted nor committed.
- \$15.7 million, or 23%, of the fund balance is categorized as unassigned. The unassigned fund balance represents fund balance that has not been restricted, committed, or assigned.

The General Fund is the chief operating fund of the City. At the end of the current year, the unassigned fund balance of the General Fund was \$17.6 million, while the total fund balance was \$39.5 million. The remaining fund balance consists of \$13.2 million restricted for pension obligations and capital improvements; \$1.3 million committed for capital improvements and/or payment of debt issued for capital improvements and general liability insurance; \$3.1 million in non-spendable balance for inventories and advances not expected to be returned within one year; and, \$4.3 million assigned for future appropriations and expenditures.

During 2016, the City saw fund balance in the Estate Tax Capital Projects Fund decrease by \$5.0 million. This decrease was attributable to the following:

- The decrease in the Estate Tax Capital Projects Fund was the result of spending down existing balances on capital expenditures. The capital expenditures out of this fund were offset by revenues received through the Ohio Public Works Commission as part of a project for the reconstruction of Tremont Road.

Four of the City's major governmental funds had increases in fund balance during 2016. The fund balance in the General Fund, General Obligation Bond Retirement Fund, Bonded Improvement Fund, and Community Fiber Optic Fund increased \$4.6 million, \$58,125, \$179,820, and \$13,056, respectively. The increases were attributable to the following:

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- The increase in the General Fund was primarily the result of increased income tax revenues. In November 2014, the City's residents approved increasing the local income tax rate from 2% to 2.5%, with the additional 0.5% dedicated for capital improvements. The new tax rate went into effect on January 1, 2015 but was not all collected that year. 2016 was the first full-year of income tax at the new rate. The income tax revenues are deposited into a separate account (Capital Asset Management Fund) which is combined with several other accounts and reported as the General Fund for financial reporting purposes.
- The increase in the General Obligation Bond Retirement Fund primarily resulted from the premium on the issuance of new debt during the year.
- The increase in the Bonded Improvement Fund was the result of the issuance of debt for the purpose of capital improvements offset by capital expenditures.
- The increase in the Community Fiber Optic Fund was the result of grants revenue and loan proceeds received offset by capital expenditures.

Proprietary funds. The City's proprietary funds provide the same type of information found in the business-type activities of the government-wide financial statements, with the exception of the allocation of the internal service fund net position and related net income, but in more detail.

As of the close of the current year, the City's propriety funds reported combined ending net position of \$38.8 million, an increase of \$3.6 million in comparison with the prior year. Of this total amount, \$34.3 million represents investment in capital assets (e.g. land, buildings, improvements other than buildings, machinery and equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding plus any significant unspent bond proceeds. The remaining \$4.5 million is unrestricted.

As mentioned above, net position increased \$3.6 million during 2016. All of the enterprise funds saw an increase in net position during 2016. The largest increase in net position occurred in the Stormwater Fund at \$2.6 million. The increase was primarily the result of receiving its portion of capital assets (and related debt) that were completed during 2016 and paid for out of governmental activity funds. While most funds had large increases in net pension liability, a large decrease occurred in the Swimming Pools Fund. This is a result of the City contracting out pool operations during 2015.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2016, amounts to \$138.0 million, net of accumulated depreciation. This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure and construction in progress. The City's overall investment in capital assets, increased \$15.4 million, or 12.5%.

Major capital asset events during the current year included the following:

- **Key construction-in-progress infrastructure projects included:** The City continued its to invest in the 10-year capital improvements plan for its aging infrastructure. Construction, engineering and studies for street, waterline, and stormwater projects that have begun and will continue into future years include: Tremont Pool replacement, Northam Park renovations, street maintenance and street reconstruction programs, and various other street, waterline, bridge, sewer, and stormwater projects.

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- **Key completed construction and infrastructure projects included:** Tremont Road reconstruction, community fiber optic installation, 2016 street maintenance and street reconstruction programs, and 2016 water line replacement projects.

Capital assets, net of accumulated depreciation

	Governmental Activities		Business-type Activities	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Land	\$ 4,456,212	\$ 4,454,512	\$ 1,236,573	\$ 1,236,573
Construction in progress	4,455,120	8,132,192	909,500	943,189
Building	8,451,390	8,310,596	-	-
Improvement	6,854,892	6,692,331	4,091,442	4,194,726
Machinery and equipment	4,265,396	4,052,973	296,773	403,525
Infrastructure	72,807,881	58,275,603	30,135,870	25,864,381
Total	<u>\$ 101,290,891</u>	<u>\$ 89,918,207</u>	<u>\$ 36,670,158</u>	<u>\$ 32,642,394</u>

Additional information on the City's capital assets can be found in Note 4 to the basic financial statements.

Long-term debt. At the end of the current year, the City had total bonded debt outstanding of \$64.8 million. This debt is backed by the full faith and credit of the City. The City does not have any revenue bonds.

Outstanding Bonded General Obligation Debt

	Governmental Activities		Business-type Activities	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
General obligation bonds	\$ 62,248,199	\$ 57,764,605	\$ 2,261,795	\$ 720,389
Special assessment bonds	260,000	380,000	-	-
Total	<u>\$ 62,508,199</u>	<u>\$ 58,144,605</u>	<u>\$ 2,261,795</u>	<u>\$ 720,389</u>

During the current year, the City's total bonded debt increased by \$5.9 million as a result of the issuance of \$9.8 million in various purpose bonds for the purpose of funding capital improvements offset by regular debt payments.

The City has received an "Aaa" rating from Moody's and an "AAA" rating from Standard & Poor's for general obligation debt. These are the highest ratings available, and Upper Arlington is one of a small number of Ohio communities to have achieved this distinction.

Additional information on the City's long-term debt can be found in Note 6 to the basic financial statements.

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General Fund Budgetary Highlights

During 2016, the City increased its original General Fund revenues and other financing sources estimates by \$1.7 million. In addition, actual revenues and other financing sources exceeded the final estimate by \$1.1 million. These variances are both the result of greater than expected income tax receipts.

During 2016, the City increased original appropriations by \$861,300, highlighted by a \$296,135 advance to the Arlington Centre TIF Fund and the Tremont Road TIF Fund. Other increases were made in relation to the higher than expected expenditures. Actual expenditures were \$1.7 million less than final appropriations are a result of conservative budgeting practices.

Economic Factors and Next Year's Budgets and Rates

- ❑ In 2016, Upper Arlington's average unemployment rate was 3.3%, which compares favorably to the state's average unemployment rate of 5.0%.
- ❑ The median household income in Upper Arlington is \$98,618, which is significantly higher the state's average of \$49,429.
- ❑ In 2014, the State of Ohio legislation passed a state-wide revision of the municipal income tax laws based on the concept of uniformity. Many of the provisions of the bill went into effect during tax year 2016; however, the effects on revenue are still unknown.
- ❑ The Development Department issued 596 residential and commercial permits in 2016. The continued high level of home renovations speaks to residents' continued confidence in the City as a stable and desirable residential community.
- ❑ Three major developments were either completed or in the final stages of completion in the City during 2016 that are expected generate increased tax revenue for the City:
 - The Ohio State University Wexner Medical Center Outpatient Care facility was completed in the summer of 2016. At 103,000 square feet, the facility is on target to house 200 employees and generate approximately \$450,000 in income tax revenue for the City once fully occupied.
 - The Columbus Aesthetic & Plastic Surgery (CAPS) facility at 5005 Arlington Centre Boulevard was completed during 2016 and allowed the practice to expand and consolidate various office locations from around Central Ohio. The new facility is expected to generate approximately \$200,000 in income tax revenue for the City,
 - The OhioHealth Neurological Surgery Rehabilitation Center remained under construction at 3363 Tremont Road. At 25,000 square feet, the two story medical office building is expected to house 61 employees and generate approximately \$110,000 in income tax revenue for the City.
- ❑ On November 4, 2016 Upper Arlington voters approved Issue 38, an initiative to renew the existing Police and Fire pension property tax levy. The voters overwhelmingly approved the renewal levy by 76%.

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FOR THE YEAR ENDED DECEMBER 31, 2016
(UNAUDITED)

- ❑ During the current year, the unrestricted budgetary fund balance in the General Fund operating account increased \$2.2 million to a fund balance of \$18.7 million. The City has appropriated \$36.5 million for General Fund account operating expenditures in the 2017 year budget, which includes the 2017 budgeted revenues of \$32 million.
- ❑ Self-insured workers compensation claims were .7% of payroll. This is lower than the 1.3% anticipated in 2016. Health insurance costs remained stable during the current year. The City continues its efforts to contain costs by requiring employed spouses to be secondary on the City's health care plan as well as increased premium contributions. The City also contracted for a wellness program in 2016.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, 3600 Tremont Road, Upper Arlington, Ohio, 43221. This report is also available on the City's website at www.ua-ohio.net.

**CITY OF UPPER ARLINGTON, OHIO
FRANKLIN COUNTY**

STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2016

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Upper Arlington Community Improvement Corporation
Assets				
Cash, cash equivalents and investments	\$ 67,089,172	\$ 4,895,564	\$ 71,984,736	\$ -
Cash, cash equivalents in segregated accounts	-	-	-	3,087
Receivables (net of allowances for uncollectibles):				
Income taxes	7,483,607	-	7,483,607	-
Property and other taxes	9,972,270	-	9,972,270	-
Special assessments	607,035	-	607,035	-
Payments in lieu of taxes	1,564,131	-	1,564,131	-
Accounts	384,023	391,300	775,323	-
Accrued interest	180,061	6,185	186,246	-
Intergovernmental	2,067,120	-	2,067,120	-
Internal balances	(129,599)	129,599	-	-
Materials and supplies inventory	189,588	-	189,588	-
Capital assets:				
Non-depreciable	8,911,332	2,146,073	11,057,405	-
Depreciable	92,379,559	34,524,085	126,903,644	-
Net pension asset	4,998	442	5,440	-
Total assets	190,703,297	42,093,248	232,796,545	3,087
Deferred Outflows of Resources				
Deferred amount on refunding	1,118,472	1,851	1,120,323	-
Pension	10,651,350	451,233	11,102,583	-
Total deferred outflows of resources	11,769,822	453,084	12,222,906	-
Liabilities				
Accounts payable	2,327,807	216,476	2,544,283	-
Accrued wages and benefits	341,409	8,244	349,653	-
Due to other governments	74,661	1,869	76,530	-
Accrued interest payable	165,419	8,342	173,761	-
Long-term liabilities				
Due within one year	5,928,992	299,552	6,228,544	-
Due in more than one year	105,979,125	2,970,729	108,949,854	-
Total liabilities	114,817,413	3,505,212	118,322,625	-
Deferred Inflows of Resources				
Property and other local taxes	11,330,140	-	11,330,140	-
Pension	976,783	213,390	1,190,173	-
Total deferred inflows of resources	12,306,923	213,390	12,520,313	-
Net Position				
Net investment in capital assets	44,988,680	34,284,074	79,272,754	-
Restricted for:				
Capital projects	20,585,357	-	20,585,357	-
Debt service	686,313	-	686,313	-
Street maintenance and repairs	1,814,236	-	1,814,236	-
Law enforcement and education	918,637	-	918,637	-
Pension obligations	1,673,183	-	1,673,183	-
Other purposes	456,029	-	456,029	-
Unrestricted	4,226,348	4,543,656	8,770,004	3,087
Total net position	\$ 75,348,783	\$ 38,827,730	\$ 114,176,513	\$ 3,087

See accompanying notes to the basic financial statements

**CITY OF UPPER ARLINGTON, OHIO
FRANKLIN COUNTY**

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
General government	\$ 10,491,306	\$ 1,213,714	\$ -	\$ 492,500
Public safety	18,921,660	1,021,676	53,099	-
Public services	6,688,176	372,806	1,647,611	43,493
Parks and recreation	3,657,395	1,239,856	39,155	-
Community development	912,157	1,117,128	-	-
Interest and fiscal charges	1,683,423	-	107,487	-
Bond issuance costs	170,991	-	-	-
Total governmental activities	<u>42,525,108</u>	<u>4,965,180</u>	<u>1,847,352</u>	<u>535,993</u>
Business-type activities:				
Solid waste	2,152,760	2,456,935	-	-
Water surcharge	881,036	540,970	-	-
Sanitary sewer surcharge	869,315	958,914	-	-
Stormwater	609,546	759,750	-	-
Swimming pools	440,290	599,856	-	-
Total business-type activities	<u>4,952,947</u>	<u>5,316,425</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 47,478,055</u>	<u>\$ 10,281,605</u>	<u>\$ 1,847,352</u>	<u>\$ 535,993</u>
Component unit:				
Upper Arlington Community Improvement Corporation	<u>\$ 3,670</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

General Revenues:
Income taxes
Property taxes
Payments in lieu of taxes
Unrestricted grants and entitlements
Investment earnings
Miscellaneous
Transfers
Total general revenues and transfers

Change in net position

Net position at beginning of year
Net position at end of year

See accompanying notes to the basic financial statements

Primary Government			Component Unit
Net (Expense) Revenue and Changes in Net Position			Upper Arlington Community Improvement Corporation
Governmental Activities	Business-type Activities	Total	
\$ (8,785,092)	\$ -	\$ (8,785,092)	\$ -
(17,846,885)	-	(17,846,885)	-
(4,624,266)	-	(4,624,266)	-
(2,378,384)	-	(2,378,384)	-
204,971	-	204,971	-
(1,575,936)	-	(1,575,936)	-
(170,991)	-	(170,991)	-
<u>(35,176,583)</u>	<u>-</u>	<u>(35,176,583)</u>	<u>-</u>
-	304,175	304,175	-
-	(340,066)	(340,066)	-
-	89,599	89,599	-
-	150,204	150,204	-
-	159,566	159,566	-
<u>-</u>	<u>363,478</u>	<u>363,478</u>	<u>-</u>
<u>(35,176,583)</u>	<u>363,478</u>	<u>(34,813,105)</u>	<u>-</u>
-	-	-	(3,670)
23,945,983	-	23,945,983	-
10,503,050	-	10,503,050	-
2,344,330	-	2,344,330	-
2,496,543	-	2,496,543	-
563,516	24,653	588,169	8
687,265	-	687,265	-
(3,254,931)	3,254,931	-	-
<u>37,285,756</u>	<u>3,279,584</u>	<u>40,565,340</u>	<u>8</u>
2,109,173	3,643,062	5,752,235	(3,662)
73,239,610	35,184,668	108,424,278	6,749
<u>\$ 75,348,783</u>	<u>\$ 38,827,730</u>	<u>\$ 114,176,513</u>	<u>\$ 3,087</u>

**CITY OF UPPER ARLINGTON, OHIO
FRANKLIN COUNTY**

BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF DECEMBER 31, 2016

	General	General Obligation Bond Retirement	Bonded Improvement	Estate Tax Capital Projects	Community Fiber Optic
Assets:					
Cash, cash equivalents and investments	\$ 32,417,931	\$ 572,112	\$ 12,964,096	\$ 6,517,872	\$ 889,659
Receivables (net of allowances):					
Income taxes	7,483,607	-	-	-	-
Property and other taxes	9,201,679	765,706	-	-	-
Special assessments	423,551	183,484	-	-	-
Payments in lieu of taxes	-	-	-	-	-
Accounts	341,952	-	-	-	-
Accrued interest	157,562	-	-	16,505	-
Intergovernmental	1,162,143	53,134	-	2,067	-
Advances to other funds	3,089,135	-	-	-	-
Due from other funds	225,000	-	-	-	-
Materials and supplies inventory	58,576	-	-	-	-
Total assets	<u>\$ 54,561,136</u>	<u>\$ 1,574,436</u>	<u>\$ 12,964,096</u>	<u>\$ 6,536,444</u>	<u>\$ 889,659</u>
Liabilities:					
Accounts payable	\$ 507,574	\$ -	\$ 925,365	\$ 396,072	\$ 21,987
Accrued wages and benefits	324,004	-	2,969	327	-
Due to other governments	71,753	-	43	5	-
Accrued vacation and sick leave	160,703	-	-	-	-
Advances from other funds	-	-	-	-	1,875,000
Due to other funds	6,301	-	39	4	125,000
Total liabilities	<u>1,070,335</u>	<u>-</u>	<u>928,416</u>	<u>396,408</u>	<u>2,021,987</u>
Deferred Inflows of Resources					
Property and Other Local Taxes	8,877,886	888,123	-	-	-
Unavailable Revenue	5,130,083	69,589	-	6,517	-
Total deferred inflows of resources	<u>14,007,969</u>	<u>957,712</u>	<u>-</u>	<u>6,517</u>	<u>-</u>
Fund Balances:					
Nonspendable:					
Inventory	58,576	-	-	-	-
Advances	3,089,135	-	-	-	-
Restricted:					
Capital projects	11,722,178	-	12,035,680	-	-
Debt service	-	616,724	-	-	-
Street maintenance and repairs	-	-	-	-	-
Pensions	1,450,969	-	-	-	-
Law enforcement and education	-	-	-	-	-
Other purposes	-	-	-	-	-
Committed:					
Capital projects	-	-	-	6,133,519	-
Emergency medical services	330,335	-	-	-	-
Economic development	130,258	-	-	-	-
Civil service	18,923	-	-	-	-
Self insurance	773,549	-	-	-	-
Technology	67,028	-	-	-	-
Parks and recreation	-	-	-	-	-
Assigned:					
Future appropriations	3,707,350	-	-	-	-
General government	472,375	-	-	-	-
Public safety	49,271	-	-	-	-
Parks and recreation	14,567	-	-	-	-
Community development	3,992	-	-	-	-
Public services	33,078	-	-	-	-
Unassigned (deficit)	17,561,248	-	-	-	(1,132,328)
Total fund balances (deficit)	<u>39,482,832</u>	<u>616,724</u>	<u>12,035,680</u>	<u>6,133,519</u>	<u>(1,132,328)</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 54,561,136</u>	<u>\$ 1,574,436</u>	<u>\$ 12,964,096</u>	<u>\$ 6,536,444</u>	<u>\$ 889,659</u>

See accompanying notes to the basic financial statements

Other Governmental	Total Governmental
\$ 11,214,349	\$ 64,576,019
-	7,483,607
4,885	9,972,270
-	607,035
1,564,131	1,564,131
42,071	384,023
5,994	180,061
849,776	2,067,120
-	3,089,135
-	225,000
131,012	189,588
<u>\$ 13,812,218</u>	<u>\$ 90,337,989</u>
\$ 38,870	\$ 1,889,868
14,109	341,409
2,860	74,661
1,649	162,352
1,214,135	3,089,135
100,205	231,549
<u>1,371,828</u>	<u>5,788,974</u>
1,564,131	11,330,140
606,292	5,812,481
<u>2,170,423</u>	<u>17,142,621</u>
131,012	189,588
-	3,089,135
3,256,574	27,014,432
-	616,724
1,142,680	1,142,680
-	1,450,969
1,099,007	1,099,007
274,791	274,791
4,936,370	11,069,889
-	330,335
-	130,258
-	18,923
-	773,549
-	67,028
183,153	183,153
-	3,707,350
-	472,375
-	49,271
-	14,567
-	3,992
-	33,078
(753,620)	15,675,300
<u>10,269,967</u>	<u>67,406,394</u>
<u>\$ 13,812,218</u>	<u>\$ 90,337,989</u>



CITY OF | **UPPER ARLINGTON**

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**CITY OF UPPER ARLINGTON, OHIO
FRANKLIN COUNTY**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES (DEFICIT)
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2016

Total Governmental Fund Balances	\$ 67,406,394
<i>Amounts reported for governmental activities in the statement of net position are different due to the following :</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	101,290,891
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.	
Income taxes receivable	3,749,053
Property taxes receivable	213,878
Intergovernmental receivable	1,597,153
Accounts receivable	166,641
Interest receivable	85,756
In the statement of activities interest is accrued on outstanding loans payable, whereas in governmental funds, interest expenditures are reported when due.	(165,419)
The net pension liability is not due and payable in the current period; therefore, the liability and the related deferred inflows/outflows are not reported in governmental funds.	
Deferred outflows - pension	10,651,350
Deferred inflows - pension	(976,783)
Net pension asset	4,998
Net pension liability	(39,362,917)
Long-Term liabilities, including bonds and loans payable, are not due and payable in the current period and therefore are not reported in the funds:	
Accrued vacation and sick leave	(2,613,288)
Bonds and loans payable	(66,018,218)
Deferred outflows - bond refundings, net	1,118,472
Premium on bonds, net	(3,291,812)
Discount on bonds, net	103,980
Accretion on bonds, net	(376,719)
Capital leases payable	(186,791)
Internal service fund activity is used to account for insurance cost on a reimbursement basis activity by fund and department. The assets and liabilities are recorded in the governmental activities in the statement of net position.	1,952,164
Net Position of Governmental Activities	\$ 75,348,783

See accompanying notes to the basic financial statements

**CITY OF UPPER ARLINGTON, OHIO
FRANKLIN COUNTY**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT)
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	General	General Obligation Bond Retirement	Bonded Improvement	Estate Tax Capital Projects	Community Fiber Optic
Revenues:					
Municipal income taxes	\$ 25,295,141	\$ -	\$ -	\$ -	\$ -
Property and other taxes	9,481,265	772,866	-	-	-
Special assessments	57,217	101,418	-	-	-
Payments in lieu of taxes	-	-	-	-	-
Charges for services	1,775,933	-	-	-	-
Licenses and permits	1,213,273	-	-	-	-
Fines and forfeitures	397,800	-	-	-	-
Intergovernmental	2,397,888	106,079	-	43,493	492,500
Investment earnings	401,101	-	33,081	83,677	-
Miscellaneous	1,068,657	-	-	-	-
Total revenues	<u>42,088,275</u>	<u>980,363</u>	<u>33,081</u>	<u>127,170</u>	<u>492,500</u>
Expenditures:					
Current:					
General government	8,685,091	11,609	-	-	-
Public safety	15,801,737	-	-	-	-
Public services	1,977,959	-	-	-	-
Parks and recreation	3,099,003	-	-	-	-
Community development	814,330	-	-	-	-
Capital outlay	851,340	-	9,678,261	7,596,638	1,479,444
Debt service:					
Principal retirement	183,554	3,626,736	-	-	-
Interest and fiscal charges	6,532	1,713,508	-	-	-
Bond issuance costs	-	170,991	-	-	-
Total expenditures	<u>31,419,546</u>	<u>5,522,844</u>	<u>9,678,261</u>	<u>7,596,638</u>	<u>1,479,444</u>
Excess (deficiency) of revenues over (under) expenditures	10,668,729	(4,542,481)	(9,645,180)	(7,469,468)	(986,944)
Other Financing Sources (Uses):					
Sale of capital assets	514,072	-	-	-	-
Loan proceeds	-	-	-	2,510,019	1,000,000
Sale of bonds	-	-	9,825,000	-	-
Premium on issuance of bonds	-	170,991	-	-	-
Transfers in	-	4,429,615	-	-	-
Transfers out	(6,584,080)	-	-	-	-
Total other financing sources (uses)	<u>(6,070,008)</u>	<u>4,600,606</u>	<u>9,825,000</u>	<u>2,510,019</u>	<u>1,000,000</u>
Net change in fund balances	4,598,721	58,125	179,820	(4,959,449)	13,056
Fund balance (deficit) at beginning of year	34,884,111	558,599	11,855,860	11,092,968	(1,145,384)
Fund balance (deficit) at end of year	<u>\$ 39,482,832</u>	<u>\$ 616,724</u>	<u>\$ 12,035,680</u>	<u>\$ 6,133,519</u>	<u>\$ (1,132,328)</u>

See accompanying notes to the basic financial statements

Other Governmental	Total Governmental
\$ -	\$ 25,295,141
69,372	10,323,503
-	158,635
2,344,330	2,344,330
238,205	2,014,138
-	1,213,273
65,059	462,859
1,847,881	4,887,841
15,152	533,011
15,100	1,083,757
<u>4,595,099</u>	<u>48,316,488</u>
1,122,385	9,819,085
189,547	15,991,284
1,936,689	3,914,648
165,415	3,264,418
-	814,330
1,233,483	20,839,166
-	3,810,290
-	1,720,040
-	170,991
<u>4,647,519</u>	<u>60,344,252</u>
(52,420)	(12,027,764)
99,069	613,141
-	3,510,019
-	9,825,000
-	170,991
2,622,800	7,052,415
(468,335)	(7,052,415)
<u>2,253,534</u>	<u>14,119,151</u>
2,201,114	2,091,387
8,068,853	65,315,007
<u>\$ 10,269,967</u>	<u>\$ 67,406,394</u>



CITY OF | **UPPER ARLINGTON**

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**CITY OF UPPER ARLINGTON, OHIO
FRANKLIN COUNTY**

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT) OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016

Net Change in Fund Balances - Total Governmental Funds	\$ 2,091,387								
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>									
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.									
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%; text-align: right;">Capital outlays</td> <td style="width: 20%; text-align: right;">20,270,300</td> </tr> <tr> <td style="text-align: right;">Depreciation expense</td> <td style="text-align: right;">(3,808,015)</td> </tr> </table>	Capital outlays	20,270,300	Depreciation expense	(3,808,015)				
Capital outlays	20,270,300								
Depreciation expense	(3,808,015)								
The effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, donations and disposals) is to decrease net position.									
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%; text-align: right;">Contributions, donations, and transfers of construction in progress</td> <td style="width: 20%; text-align: right;">(5,089,601)</td> </tr> <tr> <td style="text-align: right;">Contributions, donations, and transfers of capital-related debt</td> <td style="text-align: right;">1,834,670</td> </tr> </table>	Contributions, donations, and transfers of construction in progress	(5,089,601)	Contributions, donations, and transfers of capital-related debt	1,834,670				
Contributions, donations, and transfers of construction in progress	(5,089,601)								
Contributions, donations, and transfers of capital-related debt	1,834,670								
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.									
	(1,040,417)								
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amount as deferred outflows.									
	2,983,248								
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense on the statement of activities.									
	(5,258,000)								
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.									
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%; text-align: right;">Repayment of debt</td> <td style="width: 20%; text-align: right;">3,810,290</td> </tr> <tr> <td style="text-align: right;">Issuance of debt</td> <td style="text-align: right;">(13,335,019)</td> </tr> <tr> <td style="text-align: right;">Premium on issuance of debt</td> <td style="text-align: right;">(170,991)</td> </tr> <tr> <td style="text-align: right;">Accretion and amortization of premiums and deferred amount on refunding, etc.</td> <td style="text-align: right;">57,268</td> </tr> </table>	Repayment of debt	3,810,290	Issuance of debt	(13,335,019)	Premium on issuance of debt	(170,991)	Accretion and amortization of premiums and deferred amount on refunding, etc.	57,268
Repayment of debt	3,810,290								
Issuance of debt	(13,335,019)								
Premium on issuance of debt	(170,991)								
Accretion and amortization of premiums and deferred amount on refunding, etc.	57,268								
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.									
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%; text-align: right;">Compensated absences</td> <td style="width: 20%; text-align: right;">1,909</td> </tr> <tr> <td style="text-align: right;">Accrued interest</td> <td style="text-align: right;">(20,651)</td> </tr> </table>	Compensated absences	1,909	Accrued interest	(20,651)				
Compensated absences	1,909								
Accrued interest	(20,651)								
The net revenue (expense) of the internal service funds, including the internal balance, is allocated among governmental activities.									
	<u>(217,205)</u>								
Change in Net Position of Governmental Activities	<u>\$ 2,109,173</u>								

See accompanying notes to the basic financial statements

**CITY OF UPPER ARLINGTON, OHIO
FRANKLIN COUNTY**

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AS OF DECEMBER 31, 2016

	Business-type Activities - Enterprise Funds				
	Solid Waste	Water Surcharge	Sanitary Sewer Surcharge	Stormwater	Swimming Pools
Assets:					
Current assets:					
Cash, cash equivalents and investments	\$ 489,104	\$ 676,690	\$ 1,266,794	\$ 1,953,318	\$ 509,658
Receivables (net of allowances):					
Accounts	58,845	105,713	181,058	45,684	-
Accrued interest	1,239	-	-	4,946	-
Due from other funds	-	-	-	-	-
Total current assets	<u>549,188</u>	<u>782,403</u>	<u>1,447,852</u>	<u>2,003,948</u>	<u>509,658</u>
Noncurrent assets:					
Nondepreciable capital assets	-	514	32	909,468	1,236,059
Depreciable capital assets, net	-	15,384,666	4,570,919	11,075,407	3,493,093
Net pension asset	-	151	162	93	36
Total noncurrent assets	<u>-</u>	<u>15,385,331</u>	<u>4,571,113</u>	<u>11,984,968</u>	<u>4,729,188</u>
Total assets	<u>549,188</u>	<u>16,167,734</u>	<u>6,018,965</u>	<u>13,988,916</u>	<u>5,238,846</u>
Deferred Outflows of Resources					
Deferred amount on refunding	-	-	-	1,851	-
Pension	-	181,453	144,147	70,658	54,975
Total deferred outflows of resources	<u>-</u>	<u>181,453</u>	<u>144,147</u>	<u>72,509</u>	<u>54,975</u>
Liabilities:					
Current liabilities:					
Accounts payable	173,052	31,621	990	9,760	1,053
Accrued wages and benefits	-	2,527	3,825	1,578	314
Due to other governments	-	601	812	408	48
Due to other funds	-	33	50	20	4
Accrued vacation and sick leave	-	5,132	8,745	3,447	-
Loans payable	-	18,869	-	-	-
Bonds payable	-	49,146	4,200	210,013	-
Accrued interest payable	-	1,967	1,967	4,408	-
Total current liabilities	<u>173,052</u>	<u>109,896</u>	<u>20,589</u>	<u>229,634</u>	<u>1,419</u>
Noncurrent liabilities:					
Accrued vacation and sick leave	-	5,372	9,153	3,608	-
Loans payable	-	103,780	-	-	-
Bonds payable	-	1,111,545	94,980	793,551	-
Net pension liability	-	290,477	310,397	178,755	69,111
Total noncurrent liabilities	<u>-</u>	<u>1,511,174</u>	<u>414,530</u>	<u>975,914</u>	<u>69,111</u>
Total liabilities	<u>173,052</u>	<u>1,621,070</u>	<u>435,119</u>	<u>1,205,548</u>	<u>70,530</u>
Deferred Inflows of Resources:					
Pension	-	5,754	6,142	19,971	181,523
Total deferred inflows of resources	<u>-</u>	<u>5,754</u>	<u>6,142</u>	<u>19,971</u>	<u>181,523</u>
Net Position:					
Net investment in capital assets	-	14,101,840	4,570,951	10,981,311	4,629,972
Unrestricted	376,136	620,523	1,150,900	1,854,595	411,796
Total net position	<u>\$ 376,136</u>	<u>\$ 14,722,363</u>	<u>\$ 5,721,851</u>	<u>\$ 12,835,906</u>	<u>\$ 5,041,768</u>

Adjustment to consolidate the internal service fund activities related to enterprise funds
Net position of business-type activities

<u>Total</u>	<u>Governmental Activities - Internal Service</u>
\$ 4,895,564	\$ 2,513,153
391,300	-
6,185	-
-	6,656
<u>5,293,049</u>	<u>2,519,809</u>
2,146,073	-
34,524,085	-
442	-
<u>36,670,600</u>	<u>-</u>
<u>41,963,649</u>	<u>2,519,809</u>
1,851	-
451,233	-
<u>453,084</u>	<u>-</u>
216,476	437,939
8,244	-
1,869	-
107	-
17,324	-
18,869	-
263,359	-
8,342	-
<u>534,590</u>	<u>437,939</u>
18,133	-
103,780	-
2,000,076	-
848,740	-
<u>2,970,729</u>	<u>-</u>
<u>3,505,319</u>	<u>437,939</u>
213,390	-
<u>213,390</u>	<u>-</u>
34,284,074	-
4,413,950	2,081,870
<u>38,698,024</u>	<u>\$ 2,081,870</u>
129,706	
<u>\$ 38,827,730</u>	

**CITY OF UPPER ARLINGTON, OHIO
FRANKLIN COUNTY**

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Business-type Activities - Enterprise Funds				
	Solid Waste	Water Surcharge	Sanitary Sewer Surcharge	Stormwater	Swimming Pools
Operating Revenues:					
Charges for services	\$ 2,456,768	\$ 540,970	\$ 957,962	\$ 759,750	\$ 599,856
Miscellaneous	167	-	952	-	-
Total operating revenues	<u>2,456,935</u>	<u>540,970</u>	<u>958,914</u>	<u>759,750</u>	<u>599,856</u>
Operating Expenses:					
Personal services	-	235,036	414,410	140,965	235,279
Materials and supplies	-	20,785	47,339	8,347	27,916
Contractual services	2,152,760	147,907	92,594	120,405	84,450
Self-insurance	-	-	-	-	-
Depreciation, net	-	451,819	246,406	276,475	91,989
Miscellaneous	-	-	30	-	332
Total operating expenses	<u>2,152,760</u>	<u>855,547</u>	<u>800,779</u>	<u>546,192</u>	<u>439,966</u>
Operating income (loss)	304,175	(314,577)	158,135	213,558	159,890
Nonoperating Revenues (Expenses)					
Investment earnings	5,370	-	-	19,283	-
Interest expense	-	(23,057)	(26,013)	(61,823)	-
Loss on disposal of assets	-	-	(38,935)	-	-
Total nonoperating revenues (expenses)	<u>5,370</u>	<u>(23,057)</u>	<u>(64,948)</u>	<u>(42,540)</u>	<u>-</u>
Income (loss) before contributions	309,545	(337,634)	93,187	171,018	159,890
Capital contributions, net	-	794,911	-	2,460,020	-
Change in net position	309,545	457,277	93,187	2,631,038	159,890
Net position at beginning of year	66,591	14,265,086	5,628,664	10,204,868	4,881,878
Net position at end of year	<u>\$ 376,136</u>	<u>\$ 14,722,363</u>	<u>\$ 5,721,851</u>	<u>\$ 12,835,906</u>	<u>\$ 5,041,768</u>

Adjustment to consolidate the internal service fund activities related to the enterprise funds.
Change in net position in business-type activities.

<u>Total</u>	<u>Governmental Activities - Internal Service</u>
\$ 5,315,306	\$ 2,811,827
1,119	20,356
<u>5,316,425</u>	<u>2,832,183</u>
1,025,690	-
104,387	-
2,598,116	-
-	3,057,263
1,066,689	-
362	-
<u>4,795,244</u>	<u>3,057,263</u>
521,181	(225,080)
24,653	-
(110,893)	-
(38,935)	-
<u>(125,175)</u>	<u>-</u>
396,006	(225,080)
<u>3,254,931</u>	<u>-</u>
3,650,937	(225,080)
	<u>2,306,950</u>
	<u>\$ 2,081,870</u>
<u>(7,875)</u>	
<u>\$ 3,643,062</u>	

**CITY OF UPPER ARLINGTON, OHIO
FRANKLIN COUNTY**

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Business-type Activities - Enterprise Funds				
	Solid Waste	Water Surcharge	Sanitary Sewer Surcharge	Stormwater	Swimming Pools
Cash flow from Operating Activities					
Receipts from customers and users	\$ 2,433,283	\$ 477,319	\$ 850,626	\$ 758,969	\$ 599,856
Payments to suppliers and contractual services	(2,152,005)	(172,341)	(144,308)	(120,036)	(111,918)
Payments to employees	-	(189,283)	(407,862)	(144,981)	(344,308)
Net cash provided by operating activities	<u>281,278</u>	<u>115,695</u>	<u>298,456</u>	<u>493,952</u>	<u>143,630</u>
Cash flow from Capital and Related Financing Activities					
Purchases of capital assets	-	(12,841)	(13,340)	(17,606)	-
Principal paid on capital debt	-	(83,790)	(29,566)	(234,132)	-
Interest paid on capital debt	-	(25,098)	(24,046)	(59,030)	-
Net cash used by capital and related financing activities	<u>-</u>	<u>(121,729)</u>	<u>(66,952)</u>	<u>(310,768)</u>	<u>-</u>
Cash flow from investing activities					
Interest and dividends received	4,514	-	-	17,638	-
Net cash provided by investing activities	<u>4,514</u>	<u>-</u>	<u>-</u>	<u>17,638</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	285,792	(6,034)	231,504	200,822	143,630
Cash and cash equivalents, January 1	<u>203,312</u>	<u>682,724</u>	<u>1,035,290</u>	<u>1,752,496</u>	<u>366,028</u>
Cash and cash equivalents, December 31	<u>\$ 489,104</u>	<u>\$ 676,690</u>	<u>\$ 1,266,794</u>	<u>\$ 1,953,318</u>	<u>\$ 509,658</u>

See accompanying notes to the basic financial statements

<u>Total</u>	<u>Governmental Activities - Internal Service</u>
\$ 5,120,053	\$ 3,074,465
(2,700,608)	(2,857,627)
<u>(1,086,434)</u>	<u>-</u>
<u>1,333,011</u>	<u>216,838</u>
(43,787)	-
(347,488)	-
<u>(108,174)</u>	<u>-</u>
<u>(499,449)</u>	<u>-</u>
22,152	-
<u>22,152</u>	<u>-</u>
855,714	216,838
<u>4,039,850</u>	<u>2,296,315</u>
<u>\$ 4,895,564</u>	<u>\$ 2,513,153</u>
	(Continued)

**CITY OF UPPER ARLINGTON, OHIO
FRANKLIN COUNTY**

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2016

	Business-type Activities - Enterprise Funds				
	Solid Waste	Water Surcharge	Sanitary Sewer Surcharge	Stormwater	Swimming Pools
Reconciliation of operating income (loss) to net cash provided by operating activities:					
Operating income (loss)	\$ 304,175	\$ (314,577)	\$ 158,135	\$ 213,558	\$ 159,890
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation expense	-	451,819	246,406	276,475	91,989
(Increase) decrease in accounts receivable	(23,652)	(63,651)	(108,288)	(781)	-
Decrease in due from other funds	-	-	-	-	-
Increase in net pension asset and deferred outflows	-	(150,240)	(106,371)	(46,653)	(31,607)
Increase (decrease) in accounts payable	755	(3,128)	(4,345)	8,716	780
Increase (decrease) in accrued payroll liabilities	-	(7,449)	(19,782)	(4,352)	(1,204)
Increase (decrease) in accrued vacation and sick leave	-	5,376	5,883	273	-
Increase (decrease) in net pension liability and deferred inflows	-	197,545	126,818	46,716	(76,218)
Total adjustments	(22,897)	430,272	140,321	280,394	(16,260)
Net cash provided by operating activities	<u>\$ 281,278</u>	<u>\$ 115,695</u>	<u>\$ 298,456</u>	<u>\$ 493,952</u>	<u>\$ 143,630</u>
Non cash investing, capital, and financing activities:					
Contributions of capital assets from governmental activities	<u>\$ -</u>	<u>\$ 1,683,437</u>	<u>\$ 128,746</u>	<u>\$ 3,277,418</u>	<u>\$ -</u>
Contributions of capital-related debt from governmental activities	<u>\$ -</u>	<u>\$ (888,526)</u>	<u>\$ (128,746)</u>	<u>\$ (817,398)</u>	<u>\$ -</u>
Decrease in fair value of investments	<u>\$ (2,222)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,873)</u>	<u>\$ -</u>
Loss on disposal of assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (38,935)</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements

<u>Total</u>	<u>Governmental Activities - Internal Service</u>
\$ 521,181	\$ (225,080)
1,066,689	-
(196,372)	-
-	242,282
(334,871)	-
2,778	199,636
(32,787)	-
11,532	-
294,861	-
<u>811,830</u>	<u>441,918</u>
<u>\$ 1,333,011</u>	<u>\$ 216,838</u>

<u>\$ 5,089,601</u>	<u>\$ -</u>
<u>\$ (1,834,670)</u>	<u>\$ -</u>
<u>\$ (11,095)</u>	<u>\$ -</u>
<u>\$ (38,935)</u>	<u>\$ -</u>

**CITY OF UPPER ARLINGTON, OHIO
FRANKLIN COUNTY**

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
AS OF DECEMBER 31, 2016

	<u>Agency Funds</u>
Assets	
Cash, cash equivalents and investments	\$ 1,619,103
Cash with third-party fiscal agent	1,162
Accounts receivable	<u>82,825</u>
Total assets	<u><u>\$ 1,703,090</u></u>
Liabilities	
Due to others	\$ 1,703,090
Total liabilities	<u><u>\$ 1,703,090</u></u>

See accompanying notes to the basic financial statements

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 1 – Summary of significant accounting policies

(a) Reporting entity

The City of Upper Arlington (City) was organized on February 8, 1941 and is a home-rule, municipal corporation organized under the laws of the State of Ohio. The City operates under the Council-Manager form of government. Elected officials include seven council members.

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City of Upper Arlington this includes the departments that provide the following services as authorized by its charter: public safety, public service, parks and recreation, and community development.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board, and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance deficits of or provide financial support to the organization; or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt, or the levying of taxes. The City has one component unit, the Upper Arlington Community Improvement Corporation (CIC).

The CIC was formed pursuant to Resolution 19-93 passed December 13, 1993. The CIC was designated as a not-for-profit organization of the City to assist in the revitalization and enhancement of property through advancing, encouraging and promoting industrial, economic, commercial and civic development. The CIC is governed by a thirteen-member board. The Code of Regulations for the CIC calls for six members to be appointed by the City, including: the City Manager, the President of City Council or designee, up to two additional City Council members, and the remaining nine seats by citizens recommended by the Mayor and confirmed by City Council. Thus, the City appoints and or approves appointment of 100% of the Board. Additionally, the City has provided 100% of the past financial support of the CIC. The CIC does not operate with substantively the same governing body as the primary government. In addition, the CIC through its economic development activities exists to benefit the citizens of Upper Arlington. The CIC is discretely presented as a component unit of the City. Financial statements can be obtained from Brent Lewis, Finance & Administrative Services Director, 3600 Tremont Road, Upper Arlington, Ohio 43221.

(b) Government-wide and fund financial statements

Beginning January 1, 2003, the City changed its financial reporting to comply with Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. Financial information of the City, including the City's discretely presented component unit, is presented in the accompanying statements in the following format:

- Management's discussion and analysis, a part of the required supplementary information, introduces the basic financial statements and provides analytical overview of the City's financial statements.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 1 – Summary of significant accounting policies (continued)

- Basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The government-wide financial statements report information on all of the nonfiduciary activities of the primary government and its component units.

The statement of net position and statement of activities measure and report all the assets, liabilities, deferred inflows/outflows of resources, revenues and expenses, gains, and losses. Governmental activities are reported separately from the business-type activities. Taxes and intergovernmental revenues support governmental activities while revenues such as fees and charges support business-type activities. Interfund activity has been removed from these statements.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function, and therefore, are clearly identifiable to a particular function.

Program revenues include charges paid by the recipients of goods or services offered by programs and grants and/or contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including taxes, are presented as general revenues.

Fund financial statements consist of a series of statements focusing on information about the City's major governmental funds, enterprise funds, and fiduciary funds.

Notes to the financial statements provide information that is essential to a user's understanding of the basic financial statements.

Required supplementary information (RSI) is comprised of budgetary comparison schedules and pension trend data required by GASB.

(c) Measurement focus and basis of accounting

The accounting policies and financial reporting practices of the City conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred outflows/inflows of resources and disclose contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The accounts of the City are organized on the basis of funds where each is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred outflows/inflows of resources, fund equity, revenues and expenditures or expenses, as appropriate. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The basis of accounting refers to when revenues and expenditures (expenses) are recognized in the accounts of the financial statements and relates to the timing of the measurements made.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 1 – Summary of significant accounting policies (continued)

The government-wide and the proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the time of related cash flows.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, compensated absences, and net pension liability which are recognized as expenditures when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

Non-exchange transactions, where the City receives value without directly giving equal value in return, include taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from income tax is recognized in the fiscal year for which the taxes are earned. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Intergovernmental revenue is also recognized in the fiscal year in which all eligibility requirements have been satisfied.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's water, sewer, solid waste and stormwater functions and other various functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: charges to customers or applicants for goods, services, or privileges provided, operating grants and contributions, and capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes and unrestricted intergovernmental revenues. Unrestricted intergovernmental revenues primarily include Homestead and Rollback taxes related to the collection of property taxes in Ohio.

Amounts reported as operating revenues and operating expenses in proprietary funds generally result from providing services and producing and delivering goods in connection with the principal ongoing operations. The principal operating revenues of the City's proprietary funds are charges for services. Operating expenses for proprietary funds include the cost of commodities, and operating and administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and nonoperating expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then unrestricted resources as they are needed.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 1 – Summary of significant accounting policies (continued)

The City reports the following major governmental funds:

General Fund – This fund accounts for all financial resources of the general government, except those required to be accounted for in another fund.

General Obligation Bond Retirement Fund – This fund accounts for the accumulation of resources for the payment of general obligation long-term debt principal, interest and related costs.

Bonded Improvement Fund – This fund accounts for issuance of bonds for the purchase of significant capital projects with useful lives of more than five years.

Estate Tax Capital Projects Fund – This fund accounts for remaining estate tax revenues dedicated for capital improvements with an emphasis on infrastructure.

Community Fiber Optic Fund – This fund accounts for the installation and repayment of the construction for the Upper Arlington fiber optic network. The fiber optic network will serve the Upper Arlington School District, the Upper Arlington Libraries and the City government as well as provide fiber to the Ohio State University Medical building. The network will also provide accessibility to fiber for local businesses.

The City reports the following major proprietary funds:

Solid Waste Fund – This fund accounts for the receipts generated from the refuse collection fees charged to the City's residents. Disbursements are for operating costs.

Water Surcharge Fund – This fund accounts for the surcharge applied to the consumption of water by all users within the City for the purpose of paying the cost of maintaining the City's water distribution system. These monies may be used for the construction and reconstruction of the water distribution system, including the repair/replacement of fire hydrants.

Sanitary Sewer Surcharge Fund – This fund accounts for the surcharge applied to the consumption of water by all users within the City for the purpose of paying the cost of maintaining the City's sanitary sewer system. These monies may be used for enlargement or replacement of the system and construction and reconstruction of main and interceptor sewers.

Stormwater Fund – This fund accounts for all receipts from stormwater drainage service charges, permit and inspection fees, direct charges and investment earnings for the purpose of paying the cost of operating the stormwater management utility. These monies may be used for the purchase of capital equipment and capital improvements, including the payment of principal and interest on debt issued for such purposes.

Swimming Pools Fund – This fund accounts for all receipts generated from admission to the City's two pools and the related disbursements associated with operating these pools.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 1 – Summary of significant accounting policies (continued)

Additionally, the City reports the following fund types:

Other Special Revenue Funds – These funds are used to account for revenues derived from specific taxes, grants, or other restricted or committed revenue sources. The use and limitation of the special revenue funds are specified by City ordinance or federal and state statutes.

Other Capital Project Funds – These funds are used to account for financial resources that are restricted, committed, or assigned and used for acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Internal Service Funds – These funds are used to account for financing services provided by one department to other departments of the City generally on a cost-reimbursement basis.

Agency Funds – These funds are used to account for assets held by the City as an agent for individuals, private organizations, other governments, and/or other funds. Agency Funds are custodial in nature and do not involve measurement of results of operations.

(d) Assets, liabilities, deferred outflows/inflows of resources, and net position or fund balance

1. Deposits and investments

City funds are pooled and invested to improve cash management. The City's cash and cash equivalents are considered to be cash on hand and demand deposits. The proprietary funds consider all highly liquid investments to be cash equivalents when purchased.

During 2016, investments were limited to federal agency securities, municipal securities, U.S. Treasuries, the State Treasury Asset Reserve of Ohio (STAR Ohio) and money market funds. Federal agency securities, municipal securities, and U.S. Treasuries are reported at fair value which is based on quoted market prices. STAR Ohio and money market accounts are reported at the net asset value (NAV) per share. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." For the fiscal year 2016, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 1 – Summary of significant accounting policies (continued)

2. Receivables and payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” for the current portion of the interfund activity or “advances to/from other funds” for the non-current portion of the interfund activity. Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

Property taxes include amounts levied against all real, public utility and tangible (used in business) property located in the City. Real property tax revenues received in 2016 represent the collection of 2015 taxes. Real property taxes received in 2016 were levied after October 1, 2015, on the assessed values as of January 1, 2015, the lien date. Assessed values for real property taxes are taxes established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due January 20th; if paid semiannually, the first payment is due January 20th, with the remainder payable by June 20th.

Public utility property tax revenues received in 2016 represent the collection of 2015 taxes. Public utility real and tangible personal property taxes received in 2015 became a lien on December 31, 2015, were levied after October 1, 2015, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The Franklin County Treasurer collects property taxes on behalf of all taxing districts within the County, including the City of Upper Arlington. The County Auditor periodically remits to the City its portion of the taxes collected.

Accrued property taxes receivable represents real property and public utility property taxes which were measurable as of December 31, 2016, and for which there was an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31 and are not intended to finance 2016 operations.

Collectible delinquent real property taxes have been recorded as a receivable and revenue on the full accrual basis. On the modified accrual basis, the entire receivable is deferred.

The full tax rate for all City operations for the year ended December 31, 2016 was \$6.58 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2016 property tax receipts were based are as follows:

	Assessed Valuation
Real Property	\$ 1,686,495,830
Public Utility Property	24,528,820
Total	\$ 1,711,024,650

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 1 – Summary of significant accounting policies (continued)

The City levies an income tax of 2.5% on substantially all income earned within the City. In addition, residents of the City are required to pay City income tax on income they earn outside the City. However, a credit is allowed for income taxes paid to other municipalities. Employers within the City are required to withhold income tax on employee compensation and remit this tax at least quarterly. Corporation and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. The City utilizes the Regional Income Tax Agency (RITA) to administer and collect taxes for the City with the guidance of the City’s finance department. The income tax receivable includes both balances already filed by taxpayers and tax estimates, net of non-collectible taxes and refunds.

3. Inventories

Inventories are valued at cost using the first in/first out (FIFO) method. The costs of governmental fund-types inventories are recorded as expenditures when consumed rather than when purchased.

4. Capital assets

Capital assets, which include property, plant equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements and proprietary fund statements. The City defines capital assets as assets with an estimated useful life in excess of five years and an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Pursuant to the implementation of GASB Statement 34, the historical costs of governmental infrastructure assets (retroactive to January 1, 1980) are included as part of the governmental capital assets reported in the government-wide statements. Donated capital assets are recorded at estimated acquisition value at the time of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities and proprietary funds are included as part of the capitalized value of the assets constructed.

Capital assets of the primary government, as well as the component units, are depreciated using the straight line method over the following estimated useful lives:

<u>Asset description</u>	<u>Estimated useful life (years)</u>
Machinery and equipment	
(Autos and trucks, computer equipment)	5 – 8
(Other equipment, furniture & fixtures)	10 – 25
Buildings	40
Infrastructure (water/sewer/stormwater lines)	50
Infrastructure (streets, lights)	15 – 30
Improvements	8 – 50

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 1 – Summary of significant accounting policies (continued)

5. 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, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflow of resources reported on the government-wide statement of net position include pension and a deferred amount on refunding of bonds. The deferred outflows of resources on the proprietary fund statement of net position also include pension. The deferred outflows of resources related to pension are explained in Note 10. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or refunding debt.

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, deferred inflows of resources, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources on the government-wide statement of net position include property taxes, special assessments, and payments in lieu of taxes levied but unavailable for use until a future period and pension. The deferred inflows of resources on the proprietary fund statement of net position also include pension. The deferred inflows of resources related to pension are explained in Note 10. On the modified accrual basis of accounting, unavailable revenue related to certain receivables of income taxes, property taxes, payments in lieu of taxes, intergovernmental, grants, interest and charges for services are also reported as deferred inflows of resources on the governmental funds balance sheet.

6. Compensated absences

City employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation at varying rates. In the event of retirement, an employee is reimbursed for accumulated vacation in full and sick leave at varying levels.

Vacation and sick leave accumulated by governmental fund type and proprietary fund type employees is recorded as an expense when incurred in the government-wide financial statements and the proprietary fund types. Vacation and sick leave accumulated by governmental fund type employees are recorded as expenditures when due in the governmental fund financial statements. When paid, compensated absences for governmental activities are paid from the fund to which the employee's payroll is charged.

The City uses the vesting method in determining the liability of sick leave recorded. The timing of future payments for vacation and sick leave is dependent on many factors and therefore not readily determinable. However, management believes that sufficient resources will be made available for the payment of vacation and sick leave when such payments become due.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 1 – Summary of significant accounting policies (continued)

7. Long-term obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable unamortized bond premium or discount. Net pension liability is also included in the long-term obligations and recalculated on an annual basis.

In the governmental fund financial statements, bond premiums and discounts, as well as bond issuance costs, are recognized during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

8. Pensions

For purposes of measuring the net pension liability, deferred outflows and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

9. Fund balance

Fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is “bound to honor constraints on specific purposes for which amounts in the fund can be spent” in accordance with GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. The five fund classifications are as follows:

Nonspendable – The nonspendable classification includes amounts that cannot be spent because they are not in a spendable form or are legally or contractually required to be maintained intact. The “not in spendable form” includes items that are not expected to be converted to cash.

Restricted – Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or are imposed by law through constitutional provisions.

Committed – The committed classification includes amounts that can be used only for the specific purposes imposed by a formal action (passage of an ordinance) of the City Council. The committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (passage of a new ordinance) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 1 – Summary of significant accounting policies (continued)

Assigned – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. City Council has established fund balance policies that allow the Director of Finance to assign fund balance for specific purposes. Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's budget.

Unassigned – Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report the deficit fund balance resulting from overspending for specific purposes for which amounts have been restricted, committed, or assigned.

The City first applies restricted resources when expenditure is incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used.

10. Net position

Net position represents the difference between assets, liabilities, and deferred inflows/outflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes primarily include resources restricted for recreation and various mayor's court activities.

The City applies restricted resources first, when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 2 – Deposits and investments

Deposit and investment policies

The City pools its cash, except for that held by trustees, and fiscal and escrow agents, for maximum investing efficiency. Earnings on the pool are allocated to individual funds according to Chapter 221 of the Upper Arlington City Code. In management's opinion, all statutory requirements were met in distributing earnings of the pool to various funds.

The City Code, Chapter 221, Depositories and Investments, provides the City with its authorized investment instruments, which do not include derivatives. In addition, the City is prohibited from using reverse repurchase agreements and does not leverage its investment portfolio in any manner. During 2016, the City invested in STAR Ohio. Management of STAR Ohio states that its policy also prohibits investing in derivatives and/or engaging in the use of reverse repurchase agreements. Average days to maturity of the STAR Ohio portfolio at December 31, 2016 were 51.6 days.

The City purchases investments, except for certificates of deposit, only through its investment advisor, New Albany Capital Partners, LLC (NAC). NAC is contracted by the City to make investment recommendations and must acknowledge in writing their comprehension and receipt of the City policies.

The City's investment code and practices have consistently protected the portfolio from unnecessary credit risk (safety) and market risks (liquidity) while providing a competitive yield. The investments permitted by the City Code as well as limitations on investments are described in detail below.

Investments as permitted by Chapter 221 of the Upper Arlington City Code are as follows:

- (A) U.S. Treasury Bills, Notes, and Bonds; various federal agency securities including issues of Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corp. (FHLMC), Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB), Government National Mortgage Association (GNMA), Tennessee Valley Authority (TVA) and other agencies or instrumentalities of the United States. GNMA mortgage-backed, pass-through securities are considered as eligible investments of the City and are not derivative securities, as defined under Ohio Revised Code § 135.14(C). Eligible investments include securities that may be "called", by the issuer, prior to the final maturity date. Any eligible investment may be purchased at a premium or a discount. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities.
- (B) General obligations of the State of Ohio.
- (C) General obligations of any county, township, school district, municipal corporation, or other legally constituted taxing subdivision of Ohio, which is not at the time of such investment, in default in the payment of principal on any of its obligations, provided that all of the following apply:
 - (1) The debt is payable from the general revenues and backed by the full faith and credit of the political subdivision,
 - (2) The debt is rated at the time of purchase in the three highest classifications of at least one nationally recognized rating agency and purchased through a registered securities broker or dealer,
 - (3) The aggregate value of the bonds/obligations does not exceed twenty percent of the portfolio, and
 - (4) The City is not the sole buyer of the issue.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 2 – Deposits and investments (continued)

- (D) Certificates of Deposit issued by institutions whose deposits are insured by the Federal Deposit Insurance Corporation (FDIC), provided that such institutions maintain banking operations within the State of Ohio. Certificates of deposit shall be collateralized using eligible securities or instruments as defined under Ohio Revised Code § 135.18 or 135.181. The selection of Ohio Revised Code § 135.18 or 135.181 for purposes of collateralization, shall be determined by the Finance Director. Under either method, the Finance Director may require an additional percentage of eligible collateral to compensate for any depreciation of market value of such pledged collateral, less any portion insured by the FDIC.
- (E) Repurchase Agreements with any eligible institution mentioned in Ohio Revised Code § 135.03, or any eligible securities dealer pursuant to (M) of Ohio Revised Code § 135.14. Repurchase agreements transacted with eligible securities dealers shall be executed on a delivery vs. payment basis. Eligible repurchase agreement collateral is restricted to securities listed in C.O. § 221.06(A). The market value of securities subject to a repurchase agreement must exceed the principal value of the repurchase agreement amount by at least two percent (2%) and marked to market daily. Term repurchase agreements shall be limited to a maximum of thirty (30) days.
- (F) Banker's acceptances issued by any domestic bank rated in the highest category by one of two nationally recognized rating agencies.
- (G) No-load money market mutual funds, as defined in Ohio Revised Code § 135.14(B)(5), rated in the highest category by at least one nationally recognized rating agency, investing exclusively in the same types of eligible securities as defined in Division B(1) or B(2) under Ohio Revised Code § 135.14, and repurchase agreements secured by such obligations. Eligible money market funds shall comply with Ohio Revised Code § 135.01, regarding limitations and restrictions.
- (H) Commercial paper issues of companies incorporated under the laws of the United States, rated A1+, A1 by Standard & Poor's and P1 by Moody's. The maximum maturity of commercial paper shall be two hundred and seventy (270) days from the date of purchase.
- (I) Medium term notes issued by a corporation, domiciled within the United States and having assets in excess of \$500 million, provided that such medium term notes have a maximum maturity of five (5) years and are highly rated, at the time of purchase, by Standard & Poor's, Moody's, or Fitch.

If a security has a split rating, the higher of the two ratings shall be used to determine the eligibility for investment purposes. In no event shall a corporate security, at the time of purchase, be rated less than A- by Standard & Poor's or less than an A3 by Moody's.
- (J) The State Treasurer's investment pool (STAR OHIO), pursuant to Ohio Revised Code § 135.45.

Limitations on Investments by Chapter 221 of the Upper Arlington City Code are as follows:

- (A) Limitations on investments of any single institution or issuer:
 - (1) The City's investment with any individual issuer shall not constitute more than five percent (5%) of such issuer's total outstanding issue in banker's acceptances, commercial paper or corporate medium term notes.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 2 – Deposits and investments (continued)

- (2) The total value of certificates of deposit, purchased from any individual financial institution, shall not exceed three percent (3%) of that institution's total time deposits, provided that such total deposits do not exceed five percent (5%) of the City's average portfolio at the time of purchase.

(B) Limitations on the investment of interim funds:

The aggregate investments in banker's acceptances and commercial paper shall not exceed twenty five percent (25%) of the City's average portfolio, at the time of purchase.

- (1) The aggregate total of all corporate medium term notes shall not exceed fifteen percent (15%) of the average portfolio, based upon purchase cost or book value, at the time of purchase. Commercial paper and bankers' acceptances shall not be considered when calculating the maximum holdings in any single issuer.
- (2) The use of derivative securities, as defined in Ohio Revised Code §135.14(C), is expressly prohibited.
- (3) Collateralized mortgage obligations (CMOs) of any kind are expressly prohibited.

- (C) All eligible investments will mature within five (5) years from the date of settlement, unless the investment is matched to a specific obligation or debt of the City and the investment is specifically approved by the Finance Director.

All of the City's deposits and investments comply with State statutes, City ordinances, and applicable bond indentures.

Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned. The City's policy is that any financial institution located within the City of Upper Arlington is an institution which is eligible to become a public depository for active deposits (as defined by Chapter 221.02 of the City Code). All deposits, except for deposits held by fiscal and escrow agents or trustees, are collateralized with eligible securities in amounts equal to at least 105% of the total amount of all public moneys on deposit with the institutions. Such collateral, as permitted by Chapter 135 of the ORC and Chapter 221 of the City of Upper Arlington City Code, is held with the qualified trustee approved by the Finance Director.

At December 31, 2016, the carrying value of all the City's cash deposits was \$1,571,172, including \$500,000 of non-negotiable certificates of deposit, and the bank balance was \$1,742,631. Of the bank balance, \$500,000 was covered by federal depository insurance and \$1,242,631 was collateralized with securities held by the financial institution or by its trust department or agent, but not in the City's name as defined by GASB Statement No. 40, *Deposits and*

Investment Risk Disclosures.

Additionally, within its agency funds, the City had cash on hand with a third-party fiscal agent in the amount of \$1,162.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 2 – Deposits and investments (continued)

Investments

At year-end, the City had investments with maturities as follows:

Investment type	Value	Investment maturities		
		1 year or less	1 to 3 years	3 to 5 years
STAR Ohio	\$ 12,249,577	\$ 12,249,577	\$ -	\$ -
Money market mutual fund	1,942,831	1,942,831	-	-
Municipal securities	744,786	500,300	122,624	121,862
FFCB	10,435,965	1,999,180	6,472,145	1,964,640
FHLB	5,231,505	-	3,741,165	1,490,340
FHLMC	2,739,647	-	2,739,647	-
FNMA	13,372,481	998,540	10,166,226	2,207,715
FMAC	22,820,065	3,747,848	13,664,282	5,407,935
US treasuries	2,495,810	1,998,955	496,855	-
Total investments	<u>\$ 72,032,667</u>	<u>\$ 23,437,231</u>	<u>\$ 37,402,944</u>	<u>\$ 11,192,492</u>

STAR Ohio and money market accounts are reported at the net asset value (NAV) per share. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value. All other investments are reported at fair value. The City 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 asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the City's investments, with the exception of STAR Ohio and money market mutual funds, are reported at fair value and are valued using significant other observable inputs (Level 2 inputs).

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy generally limits investment portfolio maturities to five years or less.

Credit Risk. The City's investment policy limits investments held to those issued by the U.S. Government or any of its agencies; STAR Ohio, and only very highly-rated money market funds, commercial paper, banker's acceptances, repurchase agreements, bonds and other obligations of the State of Ohio, bonds and other obligations of any county, township, school district, municipal corporation, or other legally constituted taxing subdivision of Ohio, which is not at the time of such investment, in default in the payment of principal on any of its obligations. Additionally, the City may invest in medium term notes issued by a corporation, domiciled within the United States and having assets in excess of \$500 million provided that they are highly rated by Standard & Poor's, Moody's, or Fitch.

The City's investments in federal agency securities, US treasuries and municipal securities were rated AA and STAR Ohio was rated AAAM. The City's money market mutual fund was not rated.

Concentration of Credit Risk. The City through its investment policy limits investments with any individual issuer to 5% of such issuer's total outstanding issue in banker's acceptances, commercial paper, or corporate medium notes, and limits the value of certificates of deposits to 3% of that institution's total time deposits, provided that such total deposits do not exceed 5% of the City's average portfolio at the time of purchase.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 2 – Deposits and investments (continued)

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The City’s investments are not exposed to custodial credit risk, as defined by GASB Statement No. 40 as they are either insured, registered, held by the City, or held by an agent in the name of the City.

Reconciliation of cash and investments to the statement of net position: The following is a reconciliation of cash and investments to the statement of net position as of December 31, 2016:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 1,571,172
Cash held by third party agent	1,162
Investments	72,032,667
Total	\$ 73,605,001
<u>Cash and investments per statements of net position</u>	
Governmental activities	\$ 67,089,172
Business-type activities	4,895,564
Agency Fund	1,620,265
Total	\$ 73,605,001

Interest revenue credited to the General Fund as of December 31, 2016 consisted of \$683,733 in interest earnings and \$282,632 in unrealized fair value losses. Of the \$683,733 in interest earnings credited to the General Fund as of December 31, 2016, \$319,920 represents the amount assigned from other funds not entitled to earn interest per Ohio statute.

Note 3 – Receivables and deferred inflows of resources

(a) Receivables

Receivables at December 31, 2016 consisted of income taxes, property and other taxes, special assessments, payments in lieu of taxes, accounts (billings for user charged services), accrued interest and intergovernmental receivables arising from grants, entitlements, and shared revenue. Receivables have been recorded to the extent that they are measurable at December 31, 2016. A summary of the items of receivables reported on the statement of net position follows:

	Governmental Activities	Business-type Activities
Income taxes	\$ 7,483,607	\$ -
Property and other taxes	9,972,270	-
Special assessments	607,035	-
Payments in lieu of taxes	1,564,131	-
Accounts	384,023	391,300
Accrued interest	180,061	6,185
Intergovernmental	2,067,120	-

Receivables have been separately identified on the face of the basic financial statements. All receivables are expected to be collected within the subsequent year.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 3 – Receivables and deferred inflows of resources (continued)

(b) Deferred inflows of resources

On the statement of net position, deferred inflows of resources include property taxes, special assessments, and payments in lieu of taxes for which there is an enforceable legal claim as of December 31, 2016, which were levied to finance year 2016 operations and pension (see Note 10).

	Governmental Activities	Business-type Activities
Property and other taxes	\$ 9,158,974	\$ -
Special assessments	607,035	-
Payments in lieu of taxes	1,564,131	-
Pension	976,783	213,390
	\$ 12,306,923	\$ 213,390

On the modified accrual basis of accounting, the City has recorded certain receivables where the related revenue is unavailable. Unavailable revenues have been reported as deferred inflows of resources on the governmental fund balance sheet for the following:

		General Obligation Bond Retirement	Estate Tax Capital Projects	Other Governmental	Total
Deferred inflows:	General	General	Estate Tax	Other	Total
Income tax	\$ 3,749,053	\$ -	\$ -	\$ -	\$ 3,749,053
Property tax	8,651,758	721,094	-	-	9,372,852
Special assessments	423,551	183,484	-	-	607,035
Payments in lieu of taxes	-	-	-	1,564,131	1,564,131
Intergovernmental	977,601	53,134	-	566,418	1,597,153
Accrued interest	76,970	-	6,517	2,269	85,756
Accounts	129,036	-	-	37,605	166,641
Total deferred inflows	\$ 14,007,969	\$ 957,712	\$ 6,517	\$ 2,170,423	\$ 17,142,621

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 4 – Capital assets

Capital asset activity for the year ended December 31, 2016 was as follows:

<i>Governmental Activities</i>	Beginning balance	Additions	Deductions	Transfers	Ending balance
Nondepreciable capital assets					
Land	\$ 4,454,512	\$ 1,700	\$ -	\$ -	\$ 4,456,212
Construction in progress	8,132,192	19,268,134	-	(22,945,206)	4,455,120
Total nondepreciable assets	12,586,704	19,269,834	-	(22,945,206)	8,911,332
Depreciable capital assets					
Buildings	17,999,904	-	-	402,813	18,402,717
Improvements other than buildings	9,077,614	126,244	-	210,945	9,414,803
Machinery and equipment	16,184,627	519,170	(517,363)	754,332	16,940,766
Infrastructure	84,796,679	355,052	-	16,487,515	101,639,246
Total depreciable assets	128,058,824	1,000,466	(517,363)	17,855,605	146,397,532
Less accumulated depreciation					
Buildings	(9,689,308)	(262,019)	-	-	(9,951,327)
Improvements other than buildings	(2,385,283)	(174,628)	-	-	(2,559,911)
Machinery and equipment	(12,131,654)	(1,061,079)	517,363	-	(12,675,370)
Infrastructure	(26,521,076)	(2,310,289)	-	-	(28,831,365)
Total accumulated depreciation	(50,727,321)	(3,808,015)	517,363	-	(54,017,973)
Depreciable capital assets, net of accumulated depreciation	77,331,503	(2,807,549)	-	17,855,605	92,379,559
Total capital assets, net	\$ 89,918,207	\$ 16,462,285	\$ -	\$ (5,089,601)	\$ 101,290,891

Depreciation expense was charged to functions/programs of governmental activities as follows:

Governmental Activities:

General government	\$ 284,570
Public safety	652,755
Public services	2,625,233
Parks and recreation	242,863
Community development	2,594
Total depreciation expense	\$ 3,808,015

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 4 – Capital assets (continued)

<i>Business-type Activities</i>	Beginning balance	Additions	Deductions	Transfers	Ending balance
Nondepreciable capital assets					
Land	\$ 1,236,573	\$ -	\$ -	\$ -	\$ 1,236,573
Construction in progress	943,189	17,606	-	(51,295)	909,500
Total nondepreciable assets	2,179,762	17,606	-	(51,295)	2,146,073
Depreciable capital assets					
Improvements other than buildings	5,396,631	-	-	-	5,396,631
Machinery and equipment	1,240,912	26,181	(70,451)	-	1,196,642
Infrastructure	47,310,078	-	-	5,140,896	52,450,974
Total depreciable assets	53,947,621	26,181	(70,451)	5,140,896	59,044,247
Less accumulated depreciation					
Improvements other than buildings	(1,201,902)	(103,287)	-	-	(1,305,189)
Machinery and equipment	(837,387)	(93,998)	31,516	-	(899,869)
Infrastructure	(21,445,700)	(869,404)	-	-	(22,315,104)
Total accumulated depreciation	(23,484,989)	(1,066,689)	31,516	-	(24,520,162)
Depreciable capital assets, net of accumulated depreciation	30,462,632	(1,040,508)	(38,935)	5,140,896	34,524,085
Total capital assets, net	\$ 32,642,394	\$ (1,022,902)	\$ (38,935)	\$ 5,089,601	\$ 36,670,158

Depreciation expense was charged to functions/programs of business-type activities as follows:

Business-type Activities:

Water Surcharge	\$ 451,819
Sanitary Sewer Surcharge	246,406
Stormwater	276,475
Swimming Pools	91,989
Total depreciation expense	\$ 1,066,689

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 4 – Capital assets (continued)

Construction commitments - The City has active construction projects as of December 31, 2016. The projects include rebuilding streets and waterlines, installing fiber optic cable, replacing street light poles and traffic signals, stream stabilization, etc. At year-end, the City's commitments with contractors are as follows:

Company	Contract Amount	Amount Remaining on Contract
AEP Ohio	\$ 133,246	\$ 133,246
American Structurepoint	47,501	1,990
Builderscape	25,080	25,080
Burgess and Niple	1,632,093	471,259
Charter Hill Construction	404,367	36,760
DHDC	36,000	32,135
DLZ Ohio	24,495	22,295
Double Z Construction	7,614,930	338,114
E.P. Ferris and Associates	157,571	149,632
EMH&T	26,000	8,267
GPD Group	325,703	76,690
HNTB Ohio	72,336	57,950
H.R. Gray and Associates	548,873	399,386
John Eramo & Sons	728,988	37,145
Jones-Stuckey	105,004	94,485
MS Consultants	52,359	9,931
OHM Advisors	752,500	150,622
Park Enterprise Construction	67,675	67,675
Perram Electric	99,319	99,319
Ronco Communications and Electronics	772,308	17,976
Shelly & Sands	358,624	70,495
Stantec Consulting	64,365	10,592
Steven W. Carter	34,000	3,950
Strand Associates	139,535	45,006
Strawser Paving	2,255,844	704,885
Thayer Power and Communication Line	1,678,758	293,604
Thomas & Marker Construction	6,015,124	5,078,791
United Survey	134,290	134,290
Upper Arlington City Schools	133,559	63,465

Encumbrances - Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed by all funds on a budgetary basis of accounting. On the GAAP basis of accounting, encumbrances do not constitute expenditures or liabilities. Outstanding encumbrances, net of related payables, in the governmental funds at December 31, 2016 were as follows:

Fund	Encumbrances, net payables
General	\$ 870,203
Bonded Improvement	1,973,161
Estate Tax Capital Projects	4,535,487
Community Fiber Optic	523,194
Other Governmental	330,031
Total	<u>\$ 8,232,076</u>

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 5 – Interfund activity

(a) Due from/to other funds

During the course of operations, transactions occur between individual funds for goods provided or services and to cover costs in specific funds where revenues were not received in the fund financial statements, these receivables and payables are reported as “due from other funds” or “due to other funds” on the balance sheet, and are normally expected to be liquidated in a year or less.

“Due from/to other funds” balances at December 31, 2016 represent the premium charges payable to the BWC administration fund for the funding of worker’s compensation claims totaling \$6,656. Additionally, the Due from/to other funds” balances in the General and Other Governmental funds include \$225,000 in interfund balances that are expected to be repaid within one year. See the table in 5(b) for further detail.

(b) Interfund balances

During the course of operations advances are made from the General Fund to cover costs in specific funds where revenues were not received by December 31. As mentioned in note 5(a) above, the portion of the advances expected to be repaid within a year or less are reported as “Due from/to other funds” on the balance sheet. The portion of the advances expected to be repaid in more than one year are reported as “advances from other funds” or “advances to other funds” on the balance sheet. Accordingly, a nonspendable fund balance has been established in the General Fund

Interfund balances at December 31, 2016 as reported on the Governmental Funds Balance Sheet, consist of the following individual interfund advances:

Fund	Beginning balance	New advances	Advance repayments	Ending balance	Balance Sheet	
					Due from/to other funds *	Advances from/to
General	\$ 4,397,000	\$ 296,135	\$ (1,379,000)	\$ 3,314,135	\$ 225,000	\$ 3,089,135
Community Fiber Optic	(2,500,000)	-	500,000	(2,000,000)	(125,000)	(1,875,000)
Other Governmental:						
Arlington Centre TIF	-	(5,000)	-	(5,000)	-	(5,000)
Tremont Road TIF	-	(291,135)	-	(291,135)	-	(291,135)
Kingsdale Core TIF	(1,018,000)	-	-	(1,018,000)	(100,000)	(918,000)
Lane Avenue TIF	(400,000)	-	400,000	-	-	-
Lane Avenue Mixed Use TIF	(479,000)	-	479,000	-	-	-
Total Other Governmental	<u>(1,897,000)</u>	<u>(296,135)</u>	<u>879,000</u>	<u>(1,314,135)</u>	<u>(100,000)</u>	<u>(1,214,135)</u>
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Interfund balances between governmental funds are eliminated on the government-wide financial statements.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 5 – Interfund transactions (continued)

(c) Interfund transfers

Interfund transfers for the year ended December 31, 2016, consisted of the following, as reported in the fund financials:

<u>Transfers from</u>	Transfers to		
	General Obligation Bond Retirement	Other Governmental	Total
General	\$ 3,961,280	\$ 2,622,800	6,584,080
Other Governmental	468,335	-	468,335
Total	\$ 4,429,615	\$ 2,622,800	\$ 7,052,415

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted for debt service from the funds collecting the receipts to the General Obligation Bond Retirement Fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

All transfers were made in accordance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16 and the City's Charter.

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CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 6 – Long-term liabilities

(a) Changes in long-term liabilities

The following is a summary of changes in long-term liabilities of the Governmental and Business-type Activities for the year ended December 31, 2016:

Governmental Activities	Beginning balance	Additions	Reductions	Ending balance	Due within one year
Bonds Payable					
<i>General obligation bonds:</i>					
2008 Fire station bonds 2.875%-4.375%	\$ 830,326	\$ -	\$ (270,758)	\$ 559,568	\$ 273,767
2008 Infrastructure bonds 2.875%-4.375%	549,674	-	(179,242)	370,432	181,233
2009 Various purpose bonds 2%-3%	425,000	-	(425,000)	-	-
2009A Building renovation refunding bonds 2%-4%	695,000	-	(130,000)	565,000	135,000
2009C Issue 4 refunding bonds 2%-3%	619,997	-	(380,000)	239,997	239,997
2009C Various purpose bonds 2%-4%	1,419,997	-	(330,000)	1,089,997	24,997
2011 Refunding bonds 2%-3.5%	5,010,000	-	(575,000)	4,435,000	595,000
2012 Lane Ave mixed used development bonds 2%-3.125%	6,635,000	-	(25,000)	6,610,000	190,000
2012 Various purpose bonds 2%-3%	3,065,000	-	(130,000)	2,935,000	130,000
2013 Refunding bonds 3%-4%	8,235,000	-	(425,000)	7,810,000	905,000
2014 Refunding bonds 1.5%-3.5%	6,220,000	-	-	6,220,000	-
2015 Various purpose bonds 1.5%-4%	18,082,611	-	(2,456,406)	15,626,205	661,641
2015 Refunding bonds 1.5%-4%	5,977,000	-	(15,000)	5,962,000	15,000
2016 Various purpose bonds 2.45%-3.11%	-	9,825,000	-	9,825,000	5,000
<i>Total general obligation bonds</i>	<u>57,764,605</u>	<u>9,825,000</u>	<u>(5,341,406)</u>	<u>62,248,199</u>	<u>3,356,635</u>
<i>Special assessment bonds:</i>					
1998 Neighborhood lighting bonds 4.85%	380,000	-	(120,000)	260,000	125,000
<i>Loans:</i>					
OPWC Tremont Road 0%	-	2,510,019	-	2,510,019	104,584
FCIB Community Fiber Network 1.7%	-	1,000,000	-	1,000,000	103,737
<i>Total loans</i>	<u>-</u>	<u>3,510,019</u>	<u>-</u>	<u>3,510,019</u>	<u>208,321</u>
Unamortized premium on bonds	3,399,848	170,991	(279,027)	3,291,812	-
Unamortized discount on bonds	(109,922)	-	5,942	(103,980)	-
Accretion	303,000	73,719	-	376,719	376,719
<i>Total bonds and notes payable</i>	<u>61,737,531</u>	<u>13,579,729</u>	<u>(5,734,491)</u>	<u>69,582,769</u>	<u>4,066,675</u>
<i>Net pension liability</i>					
OPERS	6,970,217	2,628,879	-	9,599,096	-
OP&FP	24,608,799	5,155,022	-	29,763,821	-
<i>Total net pension liability</i>	<u>31,579,016</u>	<u>7,783,901</u>	<u>-</u>	<u>39,362,917</u>	<u>-</u>
Accrued vacation and sick leave	2,615,197	3,546,957	(3,386,514)	2,775,640	1,675,526
Capital lease obligation	370,345	-	(183,554)	186,791	186,791
<i>Total Governmental Activities long-term liabilities</i>	<u>\$ 96,302,089</u>	<u>\$24,910,587</u>	<u>\$ (9,304,559)</u>	<u>\$ 111,908,117</u>	<u>\$ 5,928,992</u>

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 6 – Long-term liabilities (continued)

<i>Business-type Activities</i>	Beginning balance	Additions	Reductions	Ending balance	Due within one year
<i>Water Surcharge Fund</i>					
General obligation bonds:					
2015 Various purpose bonds 1.5%-4%	\$ 301,731	\$ 888,526	\$ (29,566)	\$ 1,160,691	\$ 49,146
Total general obligation bonds	<u>301,731</u>	<u>888,526</u>	<u>(29,566)</u>	<u>1,160,691</u>	<u>49,146</u>
OPWC loans:					
Western Fire Loop transmission line 3%	35,355	-	(35,355)	-	-
Arlington Avenue waterline 0%	141,518	-	(18,869)	122,649	18,869
Total OPWC loans	<u>176,873</u>	<u>-</u>	<u>(54,224)</u>	<u>122,649</u>	<u>18,869</u>
Net pension liability - OPERS	96,968	193,509	-	290,477	-
Accrued vacation and sick leave	5,128	28,757	(23,381)	10,504	5,132
<i>Total Water Surcharge Fund</i>	<u>580,700</u>	<u>1,110,792</u>	<u>(107,171)</u>	<u>1,584,321</u>	<u>73,147</u>
<i>Sewer Surcharge Fund</i>					
General obligation bonds:					
2015 Various purpose bonds 1.5%-4%	\$ -	\$ 128,746	\$ (29,566)	\$ 99,180	\$ 4,200
Total general obligation bonds	<u>-</u>	<u>128,746</u>	<u>(29,566)</u>	<u>99,180</u>	<u>4,200</u>
Net pension liability - OPERS	186,417	123,980	-	310,397	-
Accrued vacation and sick leave	12,015	60,774	(54,891)	17,898	8,745
<i>Total Sewer Surcharge Fund</i>	<u>198,432</u>	<u>313,500</u>	<u>(84,457)</u>	<u>427,475</u>	<u>12,945</u>
<i>Stormwater Fund</i>					
General obligation bonds:					
2009 Turkey Run stormwater refunding bonds 2%-3.25%	350,000	-	(175,000)	175,000	175,000
2015 Various purpose bonds 1.5%-4%	68,658	817,398	(59,132)	826,924	35,013
Total general obligation bonds	<u>418,658</u>	<u>817,398</u>	<u>(234,132)</u>	<u>1,001,924</u>	<u>210,013</u>
Unamortized premium on bonds	4,920	-	(3,280)	1,640	-
Total bonds payable	<u>423,578</u>	<u>817,398</u>	<u>(237,412)</u>	<u>1,003,564</u>	<u>210,013</u>
Net pension liability - OPERS	149,363	29,392	-	178,755	-
Accrued vacation and sick leave	6,782	15,045	(14,772)	7,055	3,447
<i>Total Stormwater Fund</i>	<u>579,723</u>	<u>861,835</u>	<u>(252,184)</u>	<u>1,189,374</u>	<u>213,460</u>
<i>Swimming Pools Fund</i>					
Net pension liability - OPERS	321,161	-	(252,050)	69,111	-
<i>Swimming Pools Fund</i>	<u>321,161</u>	<u>-</u>	<u>(252,050)</u>	<u>69,111</u>	<u>-</u>
Total Business-type Activities long-term liabilities	<u>\$ 1,680,016</u>	<u>\$ 2,286,127</u>	<u>\$ (695,862)</u>	<u>\$ 3,270,281</u>	<u>\$ 299,552</u>

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 6 – Long-term liabilities (continued)

Accrued vacation and sick leave will be paid with available resources with the appropriate fund that relates to each particular employee. The funds include the General Fund, the Street Maintenance and Repair Fund, the Water Surcharge Fund, the Sewer Surcharge Fund, and the Stormwater Fund.

General obligation bonds and notes are direct obligations and pledge the full faith and credit of the City. The City issues general obligation bonds and notes to provide funds for acquisition and construction of major capital equipment, infrastructure and facilities. General obligation bonds have been issued for both governmental and business-type activities.

Special assessment bonds are backed by full faith and credit of the City. If unpaid from other sources, the outstanding debt will be met by the City levying an ad valorem property tax within the ten-mill limit imposed by the Ohio Revised Code.

General obligation bonds:

2016 Various purpose bonds

On December 15, 2016, the City issued \$9,825,000 in Various Purpose Limited Tax Bonds for the purpose of acquiring, constructing, installing, and equipping capital projects and public infrastructure with related equipment.

The bond issues included serial and term bonds, in the amounts of \$5,520,000 and \$4,305,000, respectively. The bonds were issued for a twenty year period with final maturity at December 1, 2036. Interest payments on the current interest bonds are due on June 1 and December 1 of each year. Payments of principal and interest are recorded as disbursements of the General Obligation Bond Retirement Fund.

The \$530,000 term bonds maturing on December 1, 2027, are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 in the years and in the respective principal amounts as follows:

Fiscal year	Principal amount to be redeemed
2026	\$ 50,000

The remaining principal amount of such Series 2015 Bonds (\$480,000) will be paid at stated maturity on December 1, 2027.

The \$3,775,000 term bonds maturing on December 1, 2036, are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 in the years and in the respective principal amounts as follows:

Fiscal year	Principal amount to be redeemed
2033	\$ 540,000
2034	1,060,000
2035	1,080,000

The remaining principal amount of such Series 2015 Bonds (\$1,095,000) will be paid at stated maturity on December 1, 2036.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 6 – Long-term liabilities (continued)

2015 Various purpose and refunding bonds

On April 14, 2015, the City issued \$24,995,000 in Various Purpose Limited Tax Bonds. The bonds were broken into the following two components based on the intended use of the proceeds: (1) 2015 Various Purpose Bonds (\$18,913,000) were issued for the purpose of retiring the Land Acquisition Bond Anticipation Notes and for acquiring, constructing, installing, and equipping capital projects and public infrastructure with related equipment, and; (2) 2015 Refunding Bonds (\$6,082,000) were issued to advance refund the callable portion of the City’s outstanding 2008 Fire Station and Infrastructure Bonds. The advance refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position.

As mentioned above, the 2015 Various Purpose Bonds (\$18,913,000) were issued for the purpose of financing various capital improvements. These could include improvements to streets, parks, water lines, sewer lines, stormwater lines, etc. Due to the broadness in scope of the potential projects, the proceeds were deposited into the Bonded Improvement Fund. However, it is the intent of the City to repay the portion of the debt used to improve enterprise fund related assets (water lines, sewer lines, storm water line, etc.) out of the corresponding enterprise fund. Therefore, once the enterprise-related asset is completed, the capital asset and a corresponding portion of debt will be contributed to the appropriate enterprise fund. During 2016, capital assets and related debt associated with the 2015 Various Purpose Bonds were contributed to the Water Surcharge Fund, the Sanitary Sewer Surcharge Fund and the Stormwater Surcharge Fund in the amounts of \$888,526, \$128,746 and \$817,398, respectively.

The reacquisition price of the 2015 Refunding Bonds exceeded the net carrying amount of the old debt by \$736,297 for governmental-type activities. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which equal to the life of the 2015 Refunding Bonds issued. This refunding was undertaken to reduce the combined total debt service payments by \$349,571 and resulted in an economic gain of \$299,949.

The bond issues included serial and term bonds, in the amounts of \$22,760,000 and \$2,335,000, respectively. The bonds were issued for a twenty year period with final maturity at December 1, 2034. Interest payments on the current interest bonds are due on June 1 and December 1 of each year. Payments of principal and interest are recorded as disbursements of the General Obligation Bond Retirement Fund.

The \$2,335,000 term bonds maturing on December 1, 2030, are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 in the years and in the respective principal amounts as follows:

Fiscal year	Principal amount to be redeemed
2029	\$ 1,100,000

The remaining principal amount of such Series 2015 Bonds (\$1,135,000) will be paid at stated maturity on December 1, 2030.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 6 – Long-term liabilities (continued)

2014 Refunding bonds

On July 22, 2014, the City issued \$6,265,000 in Various Purpose Limited Tax Refunding Bonds for the purpose of currently refunding the remaining maturities of the Series 2010B Various Purpose Build America bonds.

The reacquisition price exceeded the net carrying amount of the old debt by \$48,263. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the Series 2013 bonds issued. This current refunding was undertaken to reduce the combined total debt service payments by \$48,487 and resulted in an economic gain of \$44,186.

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2030. Payments of principal and interest are recorded as disbursements of the general obligation bond retirement fund.

2013 Refunding bonds

On June 12, 2013, the City issued \$8,640,000 in Various Purpose Limited Tax Refunding Bonds for the purpose of currently refunding the Series 2009 Various Purpose Build America bonds (\$7,320,000) and a portion (\$1,900,000) of the Series 2010B Various Purpose Build America bonds.

The reacquisition price exceeded the net carrying amount of the old debt by \$53,050. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the Series 2013 bonds issued. This current refunding was undertaken to reduce the combined total debt service payments by \$509,691 and resulted in an economic gain of \$413,839.

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2029. Payments of principal and interest are recorded as disbursements of the general obligation bond retirement fund.

2012 Various purpose and Lane Ave mixed use development bonds

On November 20, 2012, the City issued \$10,000,000 in Various Purpose Bonds for infrastructure improvements in the Lane Avenue Mixed Use Development district (\$6,685,000) and for various infrastructure improvements (\$3,315,000).

The bond issue included serial and term bonds, in the amounts of \$6,240,000 and \$3,760,000, respectively. The bonds were issued for a thirty year period with final maturity at December 1, 2042.

The term bonds were issued at \$3,760,000 in total. \$955,000 of the term bonds maturing on December 1, 2032, are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 in the years and in the respective principal amounts as follows:

Fiscal year	Principal amount to be redeemed
2031	\$ 470,000

The remaining principal amount of such bonds (\$485,000) will be paid at stated maturity on December 1, 2032.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 6 – Long-term liabilities (continued)

The \$560,000 term bonds maturing on December 1, 2035, are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 in the years and in the respective principal amounts as follows:

Fiscal year	Principal amount to be redeemed
2034	\$ 275,000

The remaining principal amount of such bonds (\$285,000) will be paid at stated maturity on December 1, 2035.

The \$2,245,000 term bonds maturing on December 1, 2042, are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 in the years and in the respective principal amounts as follows:

Fiscal year	Principal amount to be redeemed
2036	\$ 295,000
2037	300,000
2038	310,000
2039	320,000
2040	330,000
2041	340,000

The remaining principal amount of such bonds (\$350,000) will be paid at stated maturity on December 1, 2042.

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2042. Payments of principal and interest are recorded as disbursements of the general obligation bond retirement fund.

2011 Refunding bonds

On December 21, 2011, the City issued \$6,000,000 in Capital Improvement Refunding Bonds for the purpose of advance refunding the callable portion of the Series 2003 Various Purpose Bonds (principal \$5,905,000). The refunded debt is fully defeased.

The reacquisition price exceeded the net carrying amount of the old debt by \$451,391. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which equal to the life of the Series 2011 issued. This advance refunding was undertaken to reduce the combined total debt service payments by \$531,503 and resulted in an economic gain of \$480,017.

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2023. Payments of principal and interest are recorded as disbursements of the general obligation bond retirement fund.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 6 – Long-term liabilities (continued)

2009 Various purpose, Build America and refunding bonds

On December 1, 2009, the City issued \$5,295,000 (Series 2009A) in Various Purpose General Obligation Bonds, \$7,320,000 (Series 2009B) in Various Purpose Build America Bonds and \$5,489,994 (Series 2009C) in Refunding Bonds. Series 2009A was issued for the purpose of currently refunding the 1998 Turkey Run Bonds (\$1,275,000), advance refunding the 2001 Building Renovation Bonds (\$1,135,000) and for capital improvements (\$2,785,000). Series 2009B was issued for infrastructure and capital improvements. Series 2009C was issued for the purpose of currently refunding the 1998 Voted Issue 4 Bonds (\$2,715,000) and advance refunding the 2001 Voted Issue 4 Bonds (\$2,775,000). The refunded debt is fully defeased.

The reacquisition price exceeded the net carrying amount of the old debt by \$433,023 and \$29,595 for governmental-type and business-type activities, respectively. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which equal to the life of the Series 2009 issued. This refunding was undertaken to reduce the combined total debt service payments by \$435,175 and \$126,777 for Governmental and Business-type Activities, respectively and resulted in an economic gain of \$517,793.

The bond issue included serial, term and capital appreciation bonds, in the amounts of \$12,485,000, \$5,385,000 and \$264,994, respectively. The bonds were issued for a twenty year period with final maturity at December 1, 2030. The Capital appreciation bonds mature on December 1, 2017 (approximate initial offering yield to maturity of 3.5%) at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bonds maturing December 1, 2017 is \$725,000. Accreted interest totaled \$376,719 as of December 31, 2016.

The term bonds were issued at \$5,385,000 and were currently refunded with the issuance of the 2013 Refunding bonds.

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2020. Payments of principal and interest are recorded as disbursements of the General Obligation Bond Retirement Fund and the Stormwater Fund.

2008 Fire Station and infrastructure bonds

On September 11, 2008, the City issued \$9,972,000 in Various Purpose General Obligation Bonds for retiring notes outstanding previously issued for various capital improvements and for demolishing the Reed Road Fire Station, and constructing, furnishing and equipping a new Reed Road fire station.

Interest payments on the bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2028. Payments of principal and interest are recorded as disbursements of the General Obligation Bond Retirement Fund.

On April 14, 2015, \$5,965,000 was advance refunded through the issuance of the 2015 Refunding Bonds leaving an outstanding balance of \$1,380,000 as of December 31, 2015. The advance refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The final maturity of the remaining bonds is December 1, 2018.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 6 – Long-term liabilities (continued)

Special Assessment bonds:

1998 Neighborhood lighting special assessment bonds

On September 1, 1998, the City issued \$1,790,000 in Street Light General Obligation Bonds in anticipation of the collection of special assessments levied for the purpose of renovating and improving existing and installing new street lights and retiring notes previously issued for such purpose.

The bond issue included serial and term bonds, in the amounts of \$1,185,000 and \$605,000, respectively. The bonds were issued for a twenty year period with final maturity at December 1, 2018.

The \$600,000 term bonds maturing on December 1, 2018, are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 in the years and in the respective principal amounts as follows:

Fiscal year	Principal amount to be redeemed
2017	\$ 125,000

The remaining principal amount of such bonds (\$135,000) will be paid at stated maturity on December 1, 2018.

Interest payments on the remaining portion of the bonds are due on June 1 and December 1 of each year. The final maturity is December 1, 2018. Payments of principal and interest are recorded as disbursements of the General Obligation Bond Retirement Fund.

OPWC loans:

The City has entered into three debt financing arrangements through the Ohio Public Works Commission (OPWC) to finance road, water and sewer infrastructure improvement projects. The amounts due to the OPWC are payable solely from general revenues. The loan agreements function similar to a line-of-credit agreement. The OPWC loans are being repaid from the Estate Tax Capital Projects Fund and Water Surcharge Fund. The loan agreements require semi-annual payments based on the actual amount loaned. One of the OPWC loans, Western Fire Loop, fully matured during 2016. The remaining two loans are scheduled to fully mature: January 1, 2023 (Arlington Avenue); and January 1, 2041 (Tremont Road).

Franklin County Infrastructure Bank loan:

The City has entered into a debt financing arrangements through the Franklin County Infrastructure Bank (FCIB) to finance a community fiber network improvement project. The amount due to FCIB is payable solely from general revenues. The loan agreement function similar to a line-of-credit agreement. The loan is being repaid from the Community Fiber Optic Fund. The loan agreements require semi-annual payments with an interest rate of 1.7 percent. The loan is scheduled to fully mature October 1, 2025.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 6 – Long-term liabilities (continued)

Future debt service requirements

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2016 are follows:

	Governmental Activities					
	<i>General obligation</i>		<i>Special assessment</i>		<i>Loans</i>	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$ 3,356,635	\$ 2,362,595	\$ 125,000	\$ 12,610	\$ 208,321	\$ 16,561
2018	3,515,463	1,836,394	135,000	6,548	210,092	14,790
2019	3,604,285	1,743,349	-	-	211,894	12,988
2020	3,700,161	1,631,064	-	-	213,726	11,156
2021	3,196,626	1,510,633	-	-	215,589	9,293
2022-2026	15,519,550	6,220,609	-	-	986,218	17,897
2027-2031	17,165,218	3,245,612	-	-	522,920	-
2032-2036	10,240,261	1,117,835	-	-	522,920	-
2037-2041	1,600,000	207,814	-	-	418,339	-
2042	350,000	10,938	-	-	-	-
Total	\$ 62,248,199	\$ 19,886,843	\$ 260,000	\$ 19,158	\$ 3,510,019	\$ 82,685

	Business-type Activities			
	<i>General obligation</i>		<i>OPWC loans</i>	
	Principal	Interest	Principal	Interest
2017	\$ 263,359	\$ 75,285	\$ 18,869	\$ -
2018	89,537	68,271	18,869	-
2019	90,715	66,928	18,869	-
2020	94,839	63,299	18,869	-
2021	98,374	59,506	18,869	-
2022-2026	535,450	254,422	28,304	-
2026-2030	644,782	144,740	-	-
2031-2035	444,739	28,990	-	-
Total	\$ 2,261,795	\$ 761,441	\$ 122,649	\$ -

Debt limitation

The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The assessed valuation used in determining the City's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in calculating the City's legal debt margin calculation excludes tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2016, the City's total debt limit was \$179.7 million and the unvoted debt limit was \$94.1 million.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 6 – Long-term liabilities (continued)

(b) Capital lease payable

During 2013, the City entered into a capital lease agreement for a fire truck originally purchased with City funds during 2012. The proceeds of the lease were used to reimburse the City.

The lease meets the criteria of a capital lease which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee at the conclusion of the lease term. Capital lease payments have been reflected as debt service expenditures in the General Fund in the fund financial statements. Capital assets, acquired by lease, have been capitalized in the amount of \$919,196. This amount is equal to the present value of the future minimum lease payments at the time of acquisition (\$918,049) plus an additional \$1,147 in ancillary costs not included in the lease. A corresponding liability was recorded. As of December 31, 2016, accumulated depreciation on the machinery and equipment totaled \$579,969 leaving the current book value of \$339,227. Principal payments in 2016 totaled \$183,554.

The following is a schedule of the future minimum lease payments required under the capital lease and the present value of the minimum lease payments as of December 31, 2016:

Year ending December 31, 2017	190,086
Less: amount representing interest	<u>(3,295)</u>
Present value of future minimum lease payments	<u><u>\$ 186,791</u></u>

Note 7 – Risk management

On October 1, 1997, the City established membership in the Central Ohio Risk Management Agency (CORMA) Self-Insurance Pool, Inc. CORMA was formed pursuant to ORC Section 2744.081. Members consist of the cities of Upper Arlington, Westerville, Pickerington, Dublin, Powell, Grove City, Groveport, and Canal Winchester. Each member has two representatives on the Board of Trustees. This Board establishes its own budget, hires and fires personnel and determines annual rates for its members. Membership in CORMA enables the City to take advantage of any economies to be realized from an insurance pool with other cities and also provides the City with more control over claims than what is normally available with traditional insurance coverage.

As part of participating in CORMA, coverage is provided for up to \$15,000,000 per occurrence and \$20,000,000 annual aggregate umbrella/excess liability for all liability claims and \$447,190,930 limit for property claims for the pool. Coverage is provided for general liability (\$1,000,000/\$2,000,000), law enforcement liability (\$1,000,000/\$1,000,000), public official liability (\$1,000,000/\$1,000,000), employment practices liability (\$1,000,000/\$2,000,000) and automobile liability (\$1,000,000). Pool retentions are \$25,000 per loss for property and \$630,000 aggregate for liability, with a \$100,000 per loss self-insurance retention. A third-party broker, with expertise in public entity pools, markets the program, identifies coverage lines and limits, and recommends the best insurer and insurance for procurement.

The City self-administers deductible amounts and any other amounts not covered by CORMA. Claims liabilities and expenses are estimated through a case by case review of all claims.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 7 – Risk management (continued)

Settled claims have not exceeded insurance coverage in the past three years. There were no significant reductions in insurance coverage for the prior year.

The City is self-insured for the employees' health care, dental, and worker's compensation claims. To account for and finance its health, dental, and worker's compensation claims, the City established the Employee Benefit Fund and the BWC Administration Fund (internal service funds). Operating funds of the City participate in the program and make payments to the Employee Benefit Fund and BWC Administration Fund based on actuarial estimates of the amounts needed to pay prior and current year claims. The City purchases specific stop loss insurance for health care claims, which exceed \$90,000 per covered individual in one year and aggregate stop loss coverage at 125% of annual expected claims. The City purchases stop loss insurance for worker's compensation claims, which exceeds \$350,000 per occurrence.

Changes in the balances of claims liabilities during the past two years are as follows:

	General liability	Health/dental/ workers compensation
	<u>2015</u>	
Unpaid claims - January 1, 2015	\$ 5,592	\$ 294,388
Incurred claims	12,394	2,543,733
Payment of claims	(17,986)	(2,601,382)
Unpaid claims - December 31, 2015	\$ -	\$ 236,739
	<u>2016</u>	
Unpaid claims - January 1, 2016	\$ -	\$ 236,739
Incurred claims	20,029	3,058,827
Payment of claims	(17,285)	(2,857,627)
Unpaid claims - December 31, 2016	\$ 2,744	\$ 437,939

A claims liability of \$437,939 (health/dental/workers compensation) in the Internal Service Fund accounts payable balance represents an estimate for incurred but unpaid claims liabilities and incurred but not reported claims liabilities.

Note 8 – Joint operating agreement

In 2003, the City of Upper Arlington and the Upper Arlington City School District (District) entered into a joint operating agreement to provide recreational facilities at Burbank Park for the benefit of the residents of the City. Whereas, pursuant to Ohio Revised Code Section 755.16, this agreement shall establish the working partnership between the City and the District regarding joint acquisition and construction of the project, as well as its shared operation and maintenance. The agreement establishes a four (4) member operations committee consisting of the Superintendent of the School District, the City Manager, the School District's Athletic Director, and the Parks and Recreation Director of the City.

The Agreement shall exist until: One year from date of certificate of establishment (July 11, 2003), and shall automatically renew for consecutive periods of one (1) year each for so long as the project is used for public athletic and recreational uses for the benefit of the residents of the City.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 9 – Contingent liabilities

(a) Grants

The City receives financial assistance from federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2016.

(b) Litigation

The City is a defendant in a number of lawsuits pertaining to matters, which are incidental to performing routine governmental functions. City management is of the opinion that ultimate settlement of such claims will not result in a material adverse effect on the City's financial position as of December 31, 2016.

Note 10 – Pension plans

Net Pension (Asset)/Liability

The net pension (asset)/liability reported on the statement of net position represents a (asset)/liability to employees for pensions. Pensions 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 obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension (asset)/liability represents the City's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension (asset)/liability 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 City's obligation for this (asset)/liability to annually required payments. The City cannot control benefit terms or the manner in which pensions are financed; however, the City does receive the benefit of employees' services in exchange for compensation including pension.

GASB 68 assumes the (asset)/liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded (assets)/liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension (asset)/liability. Resulting adjustments to the net pension (asset)/liability would be effective when the changes are legally enforceable.

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension (asset)/liability on the accrual basis of accounting. Any (asset)/liability for the contractually-required pension contribution outstanding at the end of the year is included in due to other governments on both the accrual and modified accrual bases of accounting.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 10 – Pension plans (continued)

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS 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 cost-sharing, multiple-employer defined benefit pension plan with defined contribution features.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. 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 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 plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

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
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	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	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

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.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 10 – Pension plans (continued)

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

	State and Local
2016 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
 2016 Actual Contribution Rates	
Employer:	
Pension	12.0 %
Post-employment Health Care Benefits	2.0
Total Employer	14.0 %
 Employee	 10.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$1,050,432 for 2016. Of this amount, \$18,335 is reported as due to other governments.

Plan Description – Ohio Police & Fire Pension Fund (OP&F)

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OP&F fiduciary net position. The report that may be obtained by visiting the OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Upon attaining a qualifying age with sufficient years of service, a member of OP&F may retire and receive a lifetime monthly pension. OP&F offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member’s average annual salary. The following discussion of the pension formula relates to normal service retirement.

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 10 – Pension plans (continued)

Under normal service retirement, retired members who are at least 55 years old and have been receiving OP&F benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit and statutory survivors.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either three percent or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to three percent of their base pension or disability benefit.

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

	Police	Firefighters
2016 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25
 2016 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
 Total Employer	 19.50 %	 24.00 %
 Employee	 12.25 %	 12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution to OP&F was \$2,045,318 for 2016. Of this amount \$42,206 is reported as due to other governments.

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

The net pension (asset)/liability for OPERS was measured as of December 31, 2015, and the total pension (asset)/liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF’s total pension (asset)/liability was measured as of December 31, 2015, and was determined by rolling forward the total pension (asset)/liability as of January 1, 2015, to December 31, 2015. The City's proportion of the net pension (asset)/liability was based on the City'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:

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 10 – Pension plans (continued)

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Proportionate Share of the Net Pension Liability/(Asset)	\$10,447,836	(\$5,440)	\$29,763,821	\$40,206,217
Proportion of the Net Pension Liability/(Asset)	0.060318%	0.011180%	0.462669%	
Pension Expense	\$1,368,504	(\$2,327)	\$3,964,315	\$5,330,492

At December 31, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Deferred Outflows of Resources				
Net difference between projected and actual earnings on pension plan investments	\$ 3,071,011	\$ 2,349	\$ 4,844,409	\$ 7,917,769
Change in proportionate share	89,058	6	-	89,064
City contributions subsequent to the measurement date	1,044,769	5,663	2,045,318	3,095,750
Total Deferred Outflows of Resources	<u>\$ 4,204,838</u>	<u>\$ 8,018</u>	<u>\$ 6,889,727</u>	<u>\$ 11,102,583</u>

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Deferred Inflows of Resources				
Differences between expected and actual experience	\$ 201,872	\$ 2,483	\$ 83,576	\$ 287,931
Change in proportionate share	385,963	2,305	513,974	902,242
Total Deferred Inflows of Resources	<u>\$ 587,835</u>	<u>\$ 4,788</u>	<u>\$ 597,550</u>	<u>\$ 1,190,173</u>

\$3,095,750 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Year Ending December 31:				
2017	\$ 534,667	\$ 14	\$ 1,160,530	\$ 1,695,211
2018	583,771	14	1,160,530	1,744,315
2019	758,826	17	1,160,529	1,919,372
2020	694,970	(51)	902,280	1,597,199
2021	-	(589)	(115,135)	(115,724)
2022-2025	-	(1,838)	(21,875)	(23,713)
Total	<u>\$ 2,572,234</u>	<u>\$ (2,433)</u>	<u>\$ 4,246,859</u>	<u>\$ 6,816,660</u>

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 10 – Pension plans (continued)

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 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 in the December 31, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.75 percent
Future Salary Increases, including inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA	3 percent, simple
Investment Rate of Return	8 percent
Actuarial Cost Method	Individual Entry Age

Mortality rates were based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

The most recent experience study was completed for the five year period ended December 31, 2010.

The long-term 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.

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust.

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 money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 0.40 percent for 2015.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 10 – Pension plans (continued)

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 table below displays the Board-approved asset allocation policy for 2015 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.31 %
Domestic Equities	19.90	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	19.10	7.40
Other investments	18.00	4.59
Total	100.00 %	5.28 %

Discount Rate The discount rate used to measure the total pension (asset)/liability was 8 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 statutorily required rates. 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 (asset)/liability.

Sensitivity of the City’s Proportionate Share of the Net Pension (Asset)/Liability to Changes in the Discount Rate

The following table presents the City’s proportionate share of the net pension (asset)/liability calculated using the current period discount rate assumption of 8 percent, as well as what the City’s proportionate share of the net pension (asset)/liability would be if it were calculated using a discount rate that is one-percentage-point lower (7 percent) or one-percentage-point higher (9 percent) than the current rate:

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension (asset)/liability			
Traditional Plan	\$ 16,645,958	\$ 10,447,838	\$ 5,219,920
Combined Plan	(112)	(5,440)	(9,727)

Actuarial Assumptions – OP&F

OP&F’s total pension liability as of December 31, 2015 is based on the results of an actuarial valuation date of January 1, 2015, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 10 – Pension plans (continued)

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2015, are presented below:

Valuation Date	January 1, 2014
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25 percent
Projected Salary Increases	4.25 percent to 11 percent
Payroll Increases	3.75 percent
Inflation Assumptions	3.25 percent
Cost of Living Adjustments	2.60 percent and 3.00 percent

Rates of death are based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

The most recent experience study was completed January 1, 2012.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2015 are summarized below:

Asset Class	Target Allocation	10 Year Expected Real Rate of Return **	30 Year Expected Real Rate of Return **
Cash and Cash Equivalents	- %		
Domestic Equity	16.00	4.47 %	7.80 %
Non-US Equity	16.00	4.47	8.00
Core Fixed Income *	20.00	1.62	5.35
Global Inflation			
Protected Securities *	20.00	1.33	4.73
High Yield	15.00	3.39	7.21
Real Estate	12.00	3.93	7.43
Private Markets	8.00	6.98	10.73
Timber	5.00	4.92	7.35
Master Limited Partnerships	8.00	7.03	10.75
Total	120.00 %		

* levered 2x

** numbers include inflation

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 10 – Pension plans (continued)

OP&F’s Board of Trustees has incorporated the “risk parity” concept into OP&F’s asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

Discount Rate The total pension liability was calculated using the discount rate of 8.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.25 percent. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.25 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.25 percent), or one percentage point higher (9.25 percent) than the current rate.

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability	\$39,254,493	\$29,763,821	\$21,724,288

Note 11 – Post retirement benefit plans

(a) Ohio Public Employees Retirement System

Plan Description - 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.

In March 2016, OPERS received two favorable rulings from the Internal Revenue Service (IRS) allowing OPERS to consolidate all health care assets into the OPERS 115 Health Care Trust. Transition to the new health care trust structure was completed July 1, 2016. As of December 31, 2016, OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the Traditional Pension and the Combined plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage. OPERS funds a Retiree Medical Account (RMA) for participants can be reimbursed for qualified medical expenses for qualified medical expenses from their vested RMA balance.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 11 – Post retirement benefit plans (continued)

In order to qualify for health care coverage, age-and-service retirees under the Traditional Pension and Combined plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. Please see the Plan Statement in the OPERS 2015 CAFR for details.

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.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml#CAFR>, by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2016, State and Local employers contributed at a rate of 14.0% of earnable salary and Public Safety and Law Enforcement employers contributed at 18.1%. 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 of Trustees determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members of the Traditional Pension Plan and Combined Plan was 2.0% during calendar year 2016. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2017 decreased to 1.0% for both plans. The 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 to the VEBA for participants in the Member-Direction Plan for 2016 was 4.0%.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2016, 2015, and 2014 were \$175,072, \$156,909, and \$157,080, respectively; 98% has been contributed for 2016 and 100% has been contributed for 2015 and 2014. The remaining 2016 post-employment health care benefits liability has been reported as due to other governments on the basic financial statements.

(b) Ohio Police and Fire Pension Fund

Plan Description - The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OP&F. OP&F provides healthcare benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 11 – Post retirement benefit plans (continued)

The Ohio Revised Code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits are codified in Chapter 742 of the Ohio Revised Code.

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OP&F's website at www.op-f.org.

Funding Policy - The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5% and 24% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B reimbursements administrated as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to health care was .5% of covered payroll from January 1, 2016 thru December 31, 2016. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions to OP&F which were allocated to fund post-employment healthcare benefits for police officers and firefighters for the years ending December 31, 2016, 2015, and 2014 were \$47,946, \$46,691, and \$47,069, respectively. 98% has been contributed for 2016 and 100% has been contributed for 2015 and 2014. The remaining 2016 post-employment health care benefits liability has been reported as due to other governments on the basic financial statements

Note 12 – City of Upper Arlington Community Improvement Corporation (CIC)

Summary of Significant Accounting Policies

Organization

The City of Upper Arlington CIC was formed pursuant to Resolution 19-93 passed on December 13, 1993 and incorporated as a corporation not-for-profit under Section 1702 and 1724 of the Ohio Revised Code. The CIC was created to assist the City in the revitalization and enhancement of property, and to advance, encourage, and promote industrial, economic, commercial and civic development of the City of Upper Arlington. The CIC has been designated as the City of Upper Arlington's agent for economic development.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 12 – City of Upper Arlington CIC (continued)

Basis of Accounting.

The accounts are maintained and these financial statements are presented on the accrual basis and in conformity with accounting principles generally accepted in the United States of America.

Basis of Presentation

The financial statements presentation follows the recommendations of the Financial Accounting Standards Board in FASB Codification ASC 958-210. Under FASB ASC 958-210, the Corporation is required to report information regarding its financial position and activities according to three classes of net position: unrestricted net position, temporarily restricted net position, and permanently restricted net position. At December 31, 2016, the net position of the CIC is unrestricted.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows and for presentation of the Statement of Financial Position, all cash in checking accounts is considered to be cash and cash equivalents.

Concentration of Credit Risk

The CIC maintains its cash account in one commercial bank in Ohio. The cash balance is fully insured within the limits guaranteed by the Federal Deposit Insurance Corporation.

Use of Estimates.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Tax Exempt Status

The CIC is exempt from federal income tax under Section 501 (c) (6) of the Internal Revenue Code.

Restriction of Net Position

The CIC did not have any restrictions on cash as of December 31, 2016.

Contingent Liabilities

Management believes there are no pending claims or lawsuits.

Risk Management

The CIC is subjected to certain types of risk related to torts and errors and omissions in the performance of its normal functions. The CIC has in place Director's and Officers' liability insurance coverage of up to \$1,000,000 per occurrence and \$1,000,000 in aggregate with a \$2,500 deductible. Settlements did not exceed insurance coverage in the past three years. There was no reduction in insurance coverage from the prior year.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 13 – Fund deficit

At December 31, 2016, deficit fund balances were as follows:

Fund	Deficit Fund Balance
Community Fiber Optic	\$ (1,132,328)
Other Governmental:	
Arlington Centre TIF	(4,820)
Tremont Road TIF	(286,047)
Kingsdale CORE TIF	(462,753)

These funds complied with Ohio State law, which does not permit a cash basis deficit at year end. The deficit fund balance in these funds resulted from an adjustment for accrued liabilities. The General Fund is responsible for any deficits in these funds and provides transfers when cash is required, rather than when accruals occur.

Note 14 – Tax abatements

Northwest CRA

Description – The City of Upper Arlington by Ordinance No. 127-99 adopted June 14, 1999, designated a portion of the City as a Community Reinvestment Area (CRA) pursuant to chapter 3735 of the Ohio Revised Code. The Director of Development for the State of Ohio determined that the area designated in that ordinance contains the characteristics set forth in Section 3735.66 of the Ohio Revised Code and confirmed the area as a CRA.

The City’s CRA, “Northwest CRA” is approximately 50.84 acres north of Henderson Road, between SR 33 to the west and Sawmill Road to the east. The legislation creating the CRA was done to permit only commercial office projects as applicable uses for the CRA, and would not permit single family residential, multi-family residential, or retail commercial uses as projects which would qualify for the City’s CRA incentive program.

The specific tax being abated is the property tax. The taxes are abated through a reduction in assessed value. For the “Northwest CRA”, each exemption is done on a case-by-case basis in advance of construction or remodeling. Existing Commercial and industrial facilities shall not exceed twelve (12) years while new commercial and industrial facilities shall not exceed fifteen (15) years.

The City of Upper Arlington does have a revenue sharing agreement with the Dublin City School District as outlined in Ordinance No. 129-99.

The gross dollar amount for the total abated value of the parcels for the tax year 2016 is \$22,173.

The City of Upper Arlington will not be disclosing these abatement agreements individually. The City will also not be disclosing the individual company tax incentive payments pursuant to ORC 718.13.

In tax year 2016, the City of Upper Arlington had five (5) active CRA agreements in the Northwest CRA. City Staff found all active CRA agreements to be in compliance. The active CRA agreements are viewed by the Tax Incentive Review Council on an annual basis. Since the creation of the Northwest CRA there have been ten (10) CRA agreements.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 14 – Tax abatements (continued)

Recipient Commitment – The company is committed to purchasing, remodeling, and/or constructing properties within the CRA that will improve property value and bring jobs to the City.

Provisions for recapturing abated taxes – There are no provisions for recapturing abated taxes as each abatement is reviewed by the Tax Incentive Review Council on an annual basis. Abatements may be cancelled if property owners are not in compliance with their Reinvestment Area Agreement.

Note 15 – Changes in accounting principles

For fiscal year 2016, the City implemented GASB Statement No. 72 *“Fair Value Measurement and Application”* which enhances comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and acceptor valuation techniques. This statement also enhances fair value application guidance and related disclosures in order to provide information to financial statement users about the impact of fair value measurements on a government’s financial position. The implementation of this statement did not have a significant effect on the financial statements of the City.

For fiscal year 2016, the City implemented GASB Statement No. 76 *“The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments”* which improves financial reporting by (1) raising the category of GASB Implementation Guides in the GAAP hierarchy, thus providing for broader public input on implementation guidance; (2) emphasizing the importance of analogies to authoritative literature when the accounting treatment for an event is not specified in authoritative GAAP; and (3) requiring the consideration of consistency with the GASB Concepts Statements when evaluating accounting treatments specified in non-authoritative literature. The implementation of this statement did not have an effect on the financial statements of the City.

For fiscal year 2016, the City implemented GASB Statement No. 77 *“Tax Abatement Disclosures”* which improves disclosure of tax abatement information, such as how the tax abatements affect their financial statements and operations and the government’s ability to raise resources in the future, by reporting (1) the government’s own tax abatement agreements; and (2) those that are entered into by other governments and that reduce the reporting government’s tax revenues. The implementation of this statement did not have an effect on the financial statements of the City.

For fiscal year 2016, the City implemented GASB Statement No. 78 *“Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans”*, which amended the scope and applicability of GASB Statement No. 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer. The implementation of this statement did not have an effect on the financial statements of the City.

For fiscal year 2016, the City implemented GASB Statement No. 79 *“Certain External Investment Pools and Pool Participants”* which establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The implementation of this statement did not have a significant effect on the financial statements of the City.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 16 – Subsequent events

2016 Various purpose bonds

On January 10, 2017, the City issued \$9,280,000 in Various Purpose Limited Tax Bonds for the purpose of acquiring, constructing, installing, and equipping capital projects and public infrastructure with related equipment. The bonds were issued for an eleven-year period with final maturity at December 1, 2027. Interest payments on the current interest bonds are due on June 1 and December 1 of each year. Payments of principal and interest are recorded as disbursements of the General Obligation Bond Retirement Fund.



CITY OF | **UPPER ARLINGTON**

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**REQUIRED SUPPLEMENTARY INFORMATION –
OTHER THAN MD&A**

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	GENERAL FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Income tax	\$ 22,667,000	\$ 24,667,000	\$ 25,262,301	\$ 595,301
Property and other local taxes	9,129,488	9,129,488	9,097,372	(32,116)
Special assessments	150,000	150,000	57,217	(92,783)
Charges for services	1,000,000	1,000,000	1,084,001	84,001
Licenses and permits	1,000,000	1,000,000	1,213,323	213,323
Fines and forfeitures	325,000	325,000	368,921	43,921
Intergovernmental	2,455,392	2,455,392	2,438,361	(17,031)
Investment earnings	421,000	421,000	521,186	100,186
Miscellaneous	1,098,500	1,128,500	1,320,017	191,517
Total revenues	38,246,380	40,276,380	41,362,699	1,086,319
<u>EXPENDITURES:</u>				
Current:				
Police				
Personal services	7,511,700	7,511,700	7,469,814	41,886
Other than personal services	611,300	611,300	287,667	323,633
Capital outlay	-	71,200	71,017	183
Fire				
Personal services	8,215,400	8,190,400	7,747,298	443,102
Other than personal services	246,500	271,500	271,148	352
Capital outlay	-	5,050	5,029	21
Board of Health				
Other than personal services	265,222	266,322	266,315	7
Parks and recreation				
Personal services	2,392,700	2,346,200	2,267,288	78,912
Other than personal services	884,350	950,850	909,778	41,072
Capital outlay	14,000	21,650	21,649	1
Development				
Personal services	687,900	697,900	697,766	134
Other than personal services	147,500	152,500	124,261	28,239
Capital outlay	-	1,500	1,482	18
Public Service Administration				
Personal services	804,500	803,250	774,913	28,337
Other than personal services	64,100	77,350	74,537	2,813
Capital outlay	191,900	160,200	159,808	392
Public Works				
Personal services	905,500	905,500	892,567	12,933
Other than personal services	222,950	222,950	213,343	9,607
Capital outlay	467,500	484,800	484,754	46
City Manager				
Personal services	876,500	876,500	841,737	34,763
Other than personal services	190,650	190,650	126,779	63,871
City Attorney				
Personal services	620,400	638,100	637,994	106
Other than personal services	120,500	137,800	137,267	533

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016, CONTINUED

	GENERAL FUND			
	Adopted Budget	Revised Budget	Actual	Variance
City Clerk				
Personal services	263,800	256,800	226,682	30,118
Other than personal services	21,300	28,300	26,830	1,470
City Council				
Personal services	133,600	133,600	112,138	21,462
Other than personal services	6,000	6,000	4,976	1,024
Clerk of Court				
Personal services	168,700	168,450	160,131	8,319
Other than personal services	247,450	305,200	304,802	398
Finance				
Personal services	977,400	977,400	971,252	6,148
Other than personal services	216,000	183,200	89,996	93,204
Facilities Maintenance				
Other than personal services	1,497,000	1,497,000	1,451,002	45,998
Information Technology				
Personal services	423,300	423,300	413,164	10,136
Other than personal services	719,600	738,600	651,953	86,647
Capital outlay	159,400	248,400	237,472	10,928
General Government				
Personal services	583,300	448,300	396,899	51,401
Other than personal services	1,661,000	1,867,400	1,686,918	180,482
Capital outlay	-	3,100	3,094	6
Total expenditures	<u>32,518,922</u>	<u>32,880,222</u>	<u>31,221,520</u>	<u>1,658,702</u>
Excess (deficiency) of expenditures over (under) revenues	5,727,458	7,396,158	10,141,179	2,745,021
<u>OTHER FINANCING SOURCES (USES):</u>				
Proceeds from sale of capital assets	-	500,000	514,072	14,072
Transfers out	(6,632,868)	(6,836,733)	(6,824,545)	12,188
Advances in	2,179,000	1,379,000	1,379,000	-
Advances out	-	(296,135)	(296,135)	-
Total other financing sources (uses)	<u>(4,453,868)</u>	<u>(5,253,868)</u>	<u>(5,227,608)</u>	<u>26,260</u>
Net change in fund balance	1,273,590	2,142,290	4,913,571	2,771,281
Fund balances at beginning of year	26,244,106	26,244,106	26,244,106	-
Lapsed encumbrances	26,673	26,673	26,673	-
Fund balances at end of year	<u>\$ 27,544,369</u>	<u>\$ 28,413,069</u>	<u>\$ 31,184,350</u>	<u>\$ 2,771,281</u>

(Continued)

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

Reconciliation of the major differences between the budget basis and GAAP basis are as follows:

Net Change in Fund Balance

Budget Basis	\$ 4,913,571
Emergency Medical Services Fund change	(52,406)
Economic Development Venture Fund change	(378,603)
Civil Service fund change	(8,275)
Net Adjustment for Revenue Accruals	39,662
Net Adjustment for Expenditure Accruals	42,934
Net Adjustment for Other Financing Sources (Uses)	(1,082,865)
Adjustment for Encumbrances	1,124,703
GAAP Basis	<u>\$ 4,598,721</u>

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BUDGETARY SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2016

Note (1) – Budgetary process

The City adopts annual expenditure budgets for all governmental, proprietary, and agency fund types, with the exception of the Flexible Benefits Fund. The CIC, a component unit of the City, does not adopt an annual expenditure budget. The City Council follows procedures outlined below in establishing the expenditure budget data reported in the Municipal Program of Services Adopted Budget for 2016 - 2017.

In October, the City Manager submits to City Council an estimate of the expenditures necessary to conduct the affairs of the City for the fiscal year commencing the following January 1. Budget estimates are distributed throughout the City including newspapers and libraries. Public hearings are held to obtain taxpayers’ comments.

Subsequent to January 1, and after publication of the proposed budget ordinance, the budget is legally enacted through passage of the ordinance. The budget specifies expenditure amounts by character for each activity within each fund.

No transfer of appropriations can be made without City Council action, with the exception of certain transfers within a department’s appropriation, within a fund, if the amounts are less than \$10,000. Expenditures cannot legally exceed appropriations at the character level. During 2016, various transfers of appropriations, supplemental appropriations, and reductions in appropriation were made in the following amounts:

<u>Fund Type</u>	<u>Increase/ (Decrease)</u>
General Fund	\$ 861,300
Special Revenue Funds	485,700
Debt Service Fund	200,000
Capital Projects Funds	662,829

Unencumbered appropriations lapse at year-end and encumbered appropriations are carried forward to the next fiscal year.

The City’s budgetary process is based upon accounting for certain transactions on a basis other than accounting principles generally accepted in the United States of America (GAAP).

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as commitments or assignments of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

Note (2) – General fund budgetary highlights

During 2016, the City amended its original General Fund revenue estimates by \$1.7 million and appropriations by \$861,300. The revenue estimate increase was highlighted by a \$2 million increase in income tax revenues. The increases to the original appropriations were highlighted by a \$296,135 advance to the Arlington Centre TIF Fund and the Tremont Road TIF Fund. Other increases were made in relation to the higher than expected expenditures.

CITY OF UPPER ARLINGTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY'S PROPORTIONATE SHARE OF THE NET PENSION (ASSET)/LIABILITY
OHIO PUBLIC EMPLOYEE'S RETIREMENT SYSTEM

Last Three Years (1)

	<u>2015</u>	<u>2014</u>	<u>2013</u>
City's Proportion of the Net Pension (Asset)/Liability			
Traditional Plan	0.060318%	0.064049%	0.064049%
Combined Plan	0.011180%	0.002335%	0.002335%
City's Proportionate Share of the Net Pension (Asset)/Liability			
Traditional Plan	\$ 10,447,838	\$ 7,725,025	\$ 7,550,542
Combined Plan	(5,440)	(899)	(245)
City's Covered-Employee Payroll	\$ 7,845,468	\$ 7,854,017	\$ 7,970,038
City's Proportionate Share of the Net Pension (Asset)/Liability as a Percentage of its Covered-Employee Payroll	133.10%	98.35%	94.73%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability			
Traditional Plan	81.08%	86.45%	86.36%
Combined Plan	116.90%	114.83%	104.56%

(1) Information prior to 2013 is not available.

Amounts presented as of the City's measurement date, which is the prior fiscal year-end.

CITY OF UPPER ARLINGTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
OHIO POLICE AND FIRE PENSION FUND

Last Three Years (1)

	<u>2015</u>	<u>2014</u>	<u>2013</u>
City's Proportion of the Net Pension Liability	0.4626690%	0.4750351%	0.4750351%
City's Proportionate Share of the Net Pension Liability	\$ 29,763,821	\$ 24,608,799	\$ 23,135,700
City's Covered-Employee Payroll	\$ 9,338,241	\$ 7,393,927	\$ 7,851,553
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	318.73%	332.82%	294.66%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.77%	72.20%	73.00%

(1) Information prior to 2013 is not available.

Amounts presented as of the City's measurement date, which is the prior fiscal year-end.



CITY OF | **UPPER ARLINGTON**

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CITY OF UPPER ARLINGTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS
OHIO PUBLIC EMPLOYEE'S RETIREMENT SYSTEM

Last Four Years (1)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 1,050,432	\$ 941,457	\$ 942,482	\$ 1,036,105
Contributions in relation to the contractually required contribution	<u>\$ 1,050,432</u>	<u>\$ 941,457</u>	<u>\$ 942,482</u>	<u>\$ 1,036,105</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 8,753,602	\$ 7,845,468	\$ 7,854,017	\$ 7,970,038
Contributions as a percentage of covered-employee payroll	12.00%	12.00%	12.00%	13.00%

(1) Information prior to 2013 is not available.

CITY OF UPPER ARLINGTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS
OHIO POLICE AND FIRE PENSION FUND

Last Six Years (1)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 2,045,318	\$ 1,995,536	\$ 1,607,027	\$ 1,714,578
Contributions in relation to the contractually required contribution	<u>\$ 2,045,318</u>	<u>\$ 1,995,536</u>	<u>\$ 1,607,027</u>	<u>\$ 1,714,578</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 9,589,115	\$ 9,338,241	\$ 7,393,927	\$ 7,851,553
Contributions as a percentage of covered-employee payroll	21.33%	21.37%	21.73%	21.84%

(1) Information prior to 2011 is not available.

<u>2012</u>	<u>2011</u>
\$ 1,991,719	\$ 1,996,404
<u>\$ 1,991,719</u>	<u>\$ 1,996,404</u>
<u>\$ -</u>	<u>\$ -</u>
\$ 9,128,185	\$ 9,155,982
21.82%	21.80%



CITY OF | **UPPER ARLINGTON**

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OTHER SUPPLEMENTARY INFORMATION

CITY OF UPPER ARLINGTON, OHIO

FUND DESCRIPTIONS – MAJOR GOVERNMENTAL FUNDS

General Fund

The General Fund receives funds, which are not accounted for in any other fund of the City. The revenues are used to finance the general operations of the City. Due to legal requirements, activities of the General Fund are accounted for in the following accounts:

General Operating Account - This account is used for revenues that are not restricted as to use, and funds the general operations of the City.

Capital Asset Management Account - Codified Ordinance Section 211.01 provides that 13 1/3% of net income tax collections are to be used only for the payment of obligations incurred in connection with the City's capital improvements program or for the payment of interest and principal of bonds and notes issued by the City.

Police and Fire Pension Account - One and six-tenths of a mill of the property tax has been set aside for the purpose of paying police and fire pensions. In accordance with state law, the funds are required to be placed in a separate account. Transfers are made to the General Operating Account to pay the cost of pensions.

Capital Equipment Account - The City's Charter provides that one-half mill of the property tax be used for the City's capital outlay program.

Self-Insured Loss Account - By ordinance, City Council has established this account in order to provide for a reserve to fund losses as a result of assuming the risk for general liabilities. Transfers are periodically made to the account from the General Operating Account.

Communications and Technology Account - By ordinance, City Council has established this account in order to provide for the maintenance and upgrade of the City's communication and technology equipment and software.

Emergency Medical Services (EMS) Account – By ordinance, City Council has established this account in order to pay the cost of activities for emergency medical service supplies and capital needs for the Fire Division. The fees received are from insurance companies and Medicare for providing emergency medical services to the Community. The EMS account is shown as a special revenue fund in the budgetary statements but as a general fund account in the GAAP statements.

Civil Service Account – Established in 1995 pursuant to C.O. Section 225.04, this Fund is used to pay the expenses associated with the Civil Service Commission. The money is transferred from the General Fund and used to pay the Civil Service Commission Secretary and the cost of tests that are required for promotional examinations. For financial reporting purposes, other than budgetary, this fund is reported within the General Fund. The Civil Service account is shown as a special revenue fund in the budgetary statements but as a general fund account in the GAAP statements.

Economic Development Venture Account – Established by C.O. 225.06 the fund commenced in January 1999 to stimulate investment in Upper Arlington by providing incentives and maintaining an attractive economic climate for business and expansion and new business recruitment. The Economic Development Venture account is shown as a special revenue fund in the budgetary statements but as a general fund account in the GAAP statements.

General Obligation Bond Retirement Fund

The fund, a debt service fund, receives property taxes and other receipts for the retirement of debt issued by the City. The funds are used for the payment of interest and principal on outstanding debt.

CITY OF UPPER ARLINGTON, OHIO

FUND DESCRIPTIONS – MAJOR GOVERNMENTAL FUNDS

Capital Projects Funds

Bonded Improvement Fund

Sources of revenue are the proceeds of bonds and notes issued for the purpose of undertaking the construction and repair of capital facilities including infrastructure. Funds are used to pay the cost of the improvements.

Estate Tax Capital Projects Fund

Created by C.O. 137.12, this fund is used to account for estate tax revenues in excess of \$2.1 million for the purpose of capital needs.

Community Fiber Optic Fund

This fund was established in 2015 and accounts for the installation and repayment of the construction for the Upper Arlington fiber optic network. The fiber optic network will serve the Upper Arlington School District, the Upper Arlington Libraries and the City government as well as provide fiber to the Ohio State University Medical building. The network will also provide accessibility to fiber for local businesses.

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL OPERATING ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2016

	GENERAL OPERATING ACCOUNT			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Income tax	\$ 16,320,000	\$ 17,760,000	\$ 18,325,701	\$ 565,701
Property and other local taxes	5,960,160	5,960,160	5,985,599	25,439
Special assessments	150,000	150,000	57,217	(92,783)
Charges for services	1,000,000	1,000,000	1,084,001	84,001
Licenses and permits	1,000,000	1,000,000	1,213,323	213,323
Fines and forfeitures	325,000	325,000	368,921	43,921
Intergovernmental	2,005,720	2,005,720	1,993,749	(11,971)
Investment earnings	415,000	415,000	513,603	98,603
Miscellaneous	1,003,500	1,003,500	1,195,328	191,828
Total revenues	<u>28,179,380</u>	<u>29,619,380</u>	<u>30,737,442</u>	<u>1,118,062</u>
<u>EXPENDITURES:</u>				
Current:				
Police				
Personal services	7,511,700	7,511,700	7,469,814	41,886
Other than personal services	611,300	611,300	287,667	323,633
Fire				
Personal services	8,215,400	8,190,400	7,747,298	443,102
Other than personal services	246,500	271,500	271,148	352
Board of Health				
Other than personal services	265,222	266,322	266,315	7
Parks and recreation				
Personal services	2,392,700	2,346,200	2,267,288	78,912
Other than personal services	884,350	950,850	909,778	41,072
Development				
Personal services	687,900	697,900	697,766	134
Other than personal services	147,500	152,500	124,261	28,239
Public Service Administration				
Personal services	804,500	803,250	774,913	28,337
Other than personal services	64,100	77,350	74,537	2,813
Public Works Division				
Personal services	905,500	905,500	892,567	12,933
Other than personal services	222,950	222,950	213,343	9,607
City Manager				
Personal services	876,500	876,500	841,737	34,763
Other than personal services	190,650	190,650	126,779	63,871
City Attorney				
Personal services	620,400	638,100	637,994	106
Other than personal services	120,500	137,800	137,267	533
City Clerk				
Personal services	263,800	256,800	226,682	30,118
Other than personal services	21,300	28,300	26,830	1,470

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL OPERATING ACCOUNT (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2016

	GENERAL OPERATING ACCOUNT (Continued)			
	Adopted Budget	Revised Budget	Actual	Variance
City Council				
Personal services	133,600	133,600	112,138	21,462
Other than personal services	6,000	6,000	4,976	1,024
Clerk of Court				
Personal services	168,700	168,450	160,131	8,319
Other than personal services	247,450	305,200	304,802	398
Finance				
Personal services	977,400	977,400	971,252	6,148
Other than personal services	168,000	168,000	89,996	78,004
Facilities Maintenance				
Other than personal services	1,497,000	1,497,000	1,451,002	45,998
Information Technology				
Personal services	423,300	423,300	413,164	10,136
Other than personal services	626,000	646,000	624,223	21,777
General Government				
Personal services	583,300	448,300	396,899	51,401
Other than personal services	1,611,000	1,817,400	1,669,633	147,767
Total expenditures	<u>31,494,522</u>	<u>31,726,522</u>	<u>30,192,200</u>	<u>1,534,322</u>
Excess (deficiency) of expenditures over revenues	(3,315,142)	(2,107,142)	545,242	2,652,384
<u>OTHER FINANCING SOURCES (USES):</u>				
Proceeds from sale of capital assets	-	500,000	514,072	14,072
Transfers out	(2,111,268)	(2,315,133)	(2,302,968)	12,165
Advances in	2,179,000	1,379,000	1,379,000	-
Advances out	-	(296,135)	(296,135)	-
Interaccount transfers in	2,756,000	2,756,000	2,329,445	(426,555)
Total other financing sources (uses)	<u>2,823,732</u>	<u>2,023,732</u>	<u>1,623,414</u>	<u>(400,318)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(491,410)	(83,410)	2,168,656	2,252,066
Fund balances at beginning of year	16,480,051	16,480,051	16,480,051	-
Lapsed encumbrances	26,673	26,673	26,673	-
Fund balances at end of year	<u>\$ 16,015,314</u>	<u>\$ 16,423,314</u>	<u>\$ 18,675,380</u>	<u>\$ 2,252,066</u>

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL ASSET MANAGEMENT ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2016

	CAPITAL ASSET MANAGEMENT ACCOUNT			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Income tax	\$ 6,347,000	\$ 6,907,000	\$ 6,936,600	\$ 29,600
Total revenues	<u>6,347,000</u>	<u>6,907,000</u>	<u>6,936,600</u>	<u>29,600</u>
<u>EXPENDITURES:</u>				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of expenditures over revenues	6,347,000	6,907,000	6,936,600	29,600
<u>OTHER FINANCING (USES):</u>				
Transfers out	<u>(4,521,600)</u>	<u>(4,521,600)</u>	<u>(4,521,577)</u>	<u>23</u>
Total other financing (uses)	<u>(4,521,600)</u>	<u>(4,521,600)</u>	<u>(4,521,577)</u>	<u>23</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	1,825,400	2,385,400	2,415,023	29,623
Fund balances at beginning of year	7,591,801	7,591,801	7,591,801	-
Fund balances at end of year	<u>\$ 9,417,201</u>	<u>\$ 9,977,201</u>	<u>\$ 10,006,824</u>	<u>\$ 29,623</u>

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE AND FIRE PENSION ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2016

	POLICE AND FIRE PENSION ACCOUNT			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Property and other local taxes	\$ 2,413,828	\$ 2,413,828	\$ 2,370,721	\$ (43,107)
Intergovernmental	342,172	342,172	338,533	(3,639)
Total revenues	2,756,000	2,756,000	2,709,254	(46,746)
<u>EXPENDITURES:</u>				
Total expenditures	-	-	-	-
Excess (deficiency) of expenditures over revenues	2,756,000	2,756,000	2,709,254	(46,746)
<u>OTHER FINANCING (USES):</u>				
Interaccount transfers out	(2,756,000)	(2,756,000)	(2,329,445)	426,555
Total other financing (uses)	(2,756,000)	(2,756,000)	(2,329,445)	426,555
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	-	-	379,809	379,809
Fund balances at beginning of year	928,424	928,424	928,424	-
Fund balances at end of year	\$ 928,424	\$ 928,424	\$ 1,308,233	\$ 379,809

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL EQUIPMENT ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2016

	CAPITAL EQUIPMENT ACCOUNT			
	Adopted Budget	Revised Budget	Actual	Variance
REVENUES:				
Property and other local taxes	\$ 755,500	\$ 755,500	\$ 741,052	\$ (14,448)
Intergovernmental	107,500	107,500	106,079	(1,421)
Total revenues	<u>863,000</u>	<u>863,000</u>	<u>847,131</u>	<u>(15,869)</u>
EXPENDITURES:				
Current:				
Police				
Capital outlay	-	71,200	71,017	183
Fire				
Capital outlay	-	5,050	5,029	21
Parks and recreation				
Capital outlay	14,000	21,650	21,649	1
Development				
Capital outlay	-	1,500	1,482	18
Public Service Administration				
Capital outlay	191,900	160,200	159,808	392
Public Works Division				
Capital outlay	467,500	484,800	484,754	46
Finance				
Other than personal services	48,000	15,200	-	15,200
Information Technology				
Capital outlay	159,400	247,400	236,686	10,714
General Government				
Capital outlay	-	3,100	3,094	6
Total expenditures	<u>880,800</u>	<u>1,010,100</u>	<u>983,519</u>	<u>26,581</u>
Excess (deficiency) of expenditures over revenues	(17,800)	(147,100)	(136,388)	10,712
Fund balances at beginning of year	490,600	490,600	490,600	-
Fund balances at end of year	<u>\$ 472,800</u>	<u>\$ 343,500</u>	<u>\$ 354,212</u>	<u>\$ 10,712</u>

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SELF-INSURED LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2016

	SELF-INSURED LOSS ACCOUNT			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Investment earnings	\$ 6,000	\$ 6,000	\$ 7,583	\$ 1,583
Miscellaneous	10,000	40,000	53,829	13,829
Total revenues	16,000	46,000	61,412	15,412
<u>EXPENDITURES:</u>				
Current:				
General Government				
Other than personal services	50,000	50,000	17,285	32,715
Total expenditures	50,000	50,000	17,285	32,715
Excess (deficiency) of expenditures over revenues	(34,000)	(4,000)	44,127	48,127
Fund balances at beginning of year	728,546	728,546	728,546	-
Fund balances at end of year	\$ 694,546	\$ 724,546	\$ 772,673	\$ 48,127

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNICATIONS AND TECHNOLOGY ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2016

	COMMUNICATIONS AND TECHNOLOGY ACCOUNT			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Miscellaneous	\$ 85,000	\$ 85,000	\$ 70,860	\$ (14,140)
Total revenues	<u>85,000</u>	<u>85,000</u>	<u>70,860</u>	<u>(14,140)</u>
<u>EXPENDITURES:</u>				
Current:				
Information Technology				
Other than personal services	93,600	92,600	27,730	64,870
Capital outlay	-	1,000	786	214
Total expenditures	<u>93,600</u>	<u>93,600</u>	<u>28,516</u>	<u>65,084</u>
Excess (deficiency) of expenditures over revenues	(8,600)	(8,600)	42,344	50,944
Fund balances at beginning of year	24,684	24,684	24,684	-
Fund balances at end of year	<u>\$ 16,084</u>	<u>\$ 16,084</u>	<u>\$ 67,028</u>	<u>\$ 50,944</u>



CITY OF | **UPPER ARLINGTON**

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CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TOTAL GENERAL FUND ACCOUNTS
FOR THE YEAR ENDED DECEMBER 31, 2016

	TOTAL GENERAL FUND ACCOUNTS			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Income tax	\$ 22,667,000	\$ 24,667,000	\$ 25,262,301	\$ 595,301
Property and other local taxes	9,129,488	9,129,488	9,097,372	(32,116)
Special assessments	150,000	150,000	57,217	(92,783)
Charges for services	1,000,000	1,000,000	1,084,001	84,001
Licenses and permits	1,000,000	1,000,000	1,213,323	213,323
Fines and forfeitures	325,000	325,000	368,921	43,921
Intergovernmental	2,455,392	2,455,392	2,438,361	(17,031)
Investment earnings	421,000	421,000	521,186	100,186
Miscellaneous	1,098,500	1,128,500	1,320,017	191,517
Total revenues	<u>38,246,380</u>	<u>40,276,380</u>	<u>41,362,699</u>	<u>1,086,319</u>
<u>EXPENDITURES:</u>				
Current:				
Police				
Personal services	7,511,700	7,511,700	7,469,814	41,886
Other than personal services	611,300	611,300	287,667	323,633
Capital outlay	-	71,200	71,017	183
Fire				
Personal services	8,215,400	8,190,400	7,747,298	443,102
Other than personal services	246,500	271,500	271,148	352
Capital outlay	-	5,050	5,029	21
Board of Health				
Other than personal services	265,222	266,322	266,315	7
Parks and recreation				
Personal services	2,392,700	2,346,200	2,267,288	78,912
Other than personal services	884,350	950,850	909,778	41,072
Capital outlay	14,000	21,650	21,649	1
Development				
Personal services	687,900	697,900	697,766	134
Other than personal services	147,500	152,500	124,261	28,239
Capital outlay	-	1,500	1,482	18
Public Service Administration				
Personal services	804,500	803,250	774,913	28,337
Other than personal services	64,100	77,350	74,537	2,813
Capital outlay	191,900	160,200	159,808	392
Public Works Division				
Personal services	905,500	905,500	892,567	12,933
Other than personal services	222,950	222,950	213,343	9,607
Capital outlay	467,500	484,800	484,754	46
City Manager				
Personal services	876,500	876,500	841,737	34,763
Other than personal services	190,650	190,650	126,779	63,871
City Attorney				
Personal services	620,400	638,100	637,994	106
Other than personal services	120,500	137,800	137,267	533
City Clerk				
Personal services	263,800	256,800	226,682	30,118
Other than personal services	21,300	28,300	26,830	1,470

(Continued)

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TOTAL GENERAL FUND ACCOUNTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2016

	TOTAL GENERAL FUND ACCOUNTS			
	Adopted Budget	Revised Budget	Actual	Variance
City Council				
Personal services	133,600	133,600	112,138	21,462
Other than personal services	6,000	6,000	4,976	1,024
Clerk of Court				
Personal services	168,700	168,450	160,131	8,319
Other than personal services	247,450	305,200	304,802	398
Finance				
Personal services	977,400	977,400	971,252	6,148
Other than personal services	216,000	183,200	89,996	93,204
Facilities Maintenance				
Other than personal services	1,497,000	1,497,000	1,451,002	45,998
Information Technology				
Personal services	423,300	423,300	413,164	10,136
Other than personal services	719,600	738,600	651,953	86,647
Capital outlay	159,400	248,400	237,472	10,928
General Government				
Personal services	583,300	448,300	396,899	51,401
Other than personal services	1,661,000	1,867,400	1,686,918	180,482
Capital outlay	-	3,100	3,094	6
Total expenditures	<u>32,518,922</u>	<u>32,880,222</u>	<u>31,221,520</u>	<u>1,658,702</u>
Excess (deficiency) of expenditures over revenues	5,727,458	7,396,158	10,141,179	2,745,021
<u>OTHER FINANCING SOURCES (USES):</u>				
Proceeds from sale of capital assets	-	500,000	514,072	14,072
Transfers out	(6,632,868)	(6,836,733)	(6,824,545)	12,188
Advances in	2,179,000	1,379,000	1,379,000	-
Advances out	-	(296,135)	(296,135)	-
Interaccount transfers in	2,756,000	2,756,000	2,329,445	(426,555)
Interaccount transfers out	(2,756,000)	(2,756,000)	(2,329,445)	426,555
Total other financing sources (uses)	<u>(4,453,868)</u>	<u>(5,253,868)</u>	<u>(5,227,608)</u>	<u>26,260</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	1,273,590	2,142,290	4,913,571	2,771,281
Fund balances at beginning of year	26,244,106	26,244,106	26,244,106	-
Lapsed encumbrances	26,673	26,673	26,673	-
Fund balances at end of year	<u>\$ 27,544,369</u>	<u>\$ 28,413,069</u>	<u>\$ 31,184,350</u>	<u>\$ 2,771,281</u>

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL OBLIGATION BOND RETIREMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	GENERAL OBLIGATION BOND RETIREMENT FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Property and other local taxes	\$ 658,848	\$ 658,848	\$ 741,052	\$ 82,204
Special assessments	100,000	100,000	101,418	1,418
Intergovernmental	103,452	103,452	106,079	2,627
Total revenues	<u>862,300</u>	<u>862,300</u>	<u>948,549</u>	<u>86,249</u>
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	5,817,400	6,017,400	5,522,846	494,554
Total expenditures	<u>5,817,400</u>	<u>6,017,400</u>	<u>5,522,846</u>	<u>494,554</u>
Excess (deficiency) of expenditures over revenues	(4,955,100)	(5,155,100)	(4,574,297)	580,803
<u>OTHER FINANCING SOURCES (USES):</u>				
Premium on issuance of bonds	-	1,105,000	170,991	(934,009)
Transfers in	4,891,700	4,891,700	4,429,615	(462,085)
Total other financing sources (uses)	<u>4,891,700</u>	<u>5,996,700</u>	<u>4,600,606</u>	<u>(1,396,094)</u>
Excess (deficiency) of revenues and other financing sources over expenditures	(63,400)	841,600	26,309	(815,291)
Fund balances at beginning of year	545,803	545,803	545,803	-
Fund balances at end of year	<u>\$ 482,403</u>	<u>\$ 1,387,403</u>	<u>\$ 572,112</u>	<u>\$ (815,291)</u>

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BONDED IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	BONDED IMPROVEMENT FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Investment Earnings	\$ 15,000	\$ 15,000	\$ 31,931	\$ 16,931
Total revenues	<u>15,000</u>	<u>15,000</u>	<u>31,931</u>	<u>16,931</u>
<u>EXPENDITURES:</u>				
Current:				
Parks and recreation				
Personal services	-	500	111	389
Capital outlay	4,289,757	3,181,257	3,179,850	1,407
Public Works Division				
Personal services	200,000	335,000	334,507	493
Capital outlay	5,505,423	6,838,423	6,811,178	27,245
Finance				
Other than personal services	-	86,900	86,854	46
Total expenditures	<u>9,995,180</u>	<u>10,442,080</u>	<u>10,412,500</u>	<u>29,580</u>
Excess (deficiency) of expenditures over revenues	(9,980,180)	(10,427,080)	(10,380,569)	46,511
<u>OTHER FINANCING SOURCES (USES):</u>				
Sale of bonds	-	8,890,000	9,825,000	935,000
Total other financing sources (uses)	<u>-</u>	<u>8,890,000</u>	<u>9,825,000</u>	<u>935,000</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(9,980,180)	(1,537,080)	(555,569)	981,511
Fund balances at beginning of year	10,338,124	10,338,124	10,338,124	-
Lapsed encumbrances	296,117	296,117	296,117	-
Fund balances at end of year	<u>\$ 654,061</u>	<u>\$ 9,097,161</u>	<u>\$ 10,078,672</u>	<u>\$ 981,511</u>

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ESTATE TAX CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	ESTATE TAX CAPITAL PROJECTS FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Intergovernmental	\$ 3,472,216	\$ 1,422,216	\$ 655,060	\$ (767,156)
Investment Earnings	50,000	50,000	89,640	39,640
Total revenues	3,522,216	1,472,216	744,700	(727,516)
<u>EXPENDITURES:</u>				
Current:				
Parks and recreation				
Personal services	-	10,000	2,346	7,654
Capital outlay	5,772,847	5,337,847	4,758,377	579,470
Public Works Division				
Personal services	108,039	108,039	40,478	67,561
Capital outlay	3,924,936	4,109,506	3,893,331	216,175
Total expenditures	9,805,822	9,565,392	8,694,532	870,860
Excess (deficiency) of expenditures over revenues	(6,283,606)	(8,093,176)	(7,949,832)	143,344
<u>OTHER FINANCING SOURCES (USES):</u>				
Proceeds from loan	-	1,750,000	2,510,019	760,019
Total other financing sources (uses)	-	1,750,000	2,510,019	760,019
Excess (deficiency) of revenues and other financing sources over expenditures	(6,283,606)	(6,343,176)	(5,439,813)	903,363
Fund balances at beginning of year	6,938,825	6,938,825	6,938,825	-
Lapsed encumbrances	119,153	119,153	119,153	-
Fund balances at end of year	\$ 774,372	\$ 714,802	\$ 1,618,165	\$ 903,363

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY FIBER OPTIC FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	COMMUNITY FIBER OPTIC FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Intergovernmental	\$ 131,550	\$ 131,550	\$ 492,500	\$ 360,950
Total revenues	<u>131,550</u>	<u>131,550</u>	<u>492,500</u>	<u>360,950</u>
<u>EXPENDITURES:</u>				
Current:				
Information Technology				
Capital outlay	250,000	1,050,000	709,417	340,583
Total expenditures	<u>250,000</u>	<u>1,050,000</u>	<u>709,417</u>	<u>340,583</u>
Excess (deficiency) of expenditures over revenues	(118,450)	(918,450)	(216,917)	701,533
<u>OTHER FINANCING SOURCES (USES):</u>				
Proceeds from loan	1,500,000	1,500,000	1,000,000	(500,000)
Advances out	(1,361,200)	(500,000)	(500,000)	-
Total other financing sources (uses)	<u>138,800</u>	<u>1,000,000</u>	<u>500,000</u>	<u>(500,000)</u>
Excess (deficiency) of revenues and other financing sources over expenditures	20,350	81,550	283,083	201,533
Fund balances at beginning of year	60,154	60,154	60,154	-
Lapsed encumbrances	1,241	1,241	1,241	-
Fund balances at end of year	<u>\$ 81,745</u>	<u>\$ 142,945</u>	<u>\$ 344,478</u>	<u>\$ 201,533</u>

CITY OF UPPER ARLINGTON, OHIO

FUND DESCRIPTIONS – NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds

Tax Incentive Review Fund

Created by C.O. 225.07, the fund receives deposits of fees required when agreements are entered into under Section 3735 of the Ohio Revised Code. These fees are used exclusively for the purpose of performing the duties of the Tax Incentive Review Board.

Street Maintenance and Repair Fund

The Ohio Revised Code Sections 4501.04 and 5735.27 requires this separate fund to account for receipts from the licensing of motor vehicles and receipts from fuel taxes. The funds are used for the construction, maintenance and repair of the City's streets.

Law Enforcement Fund

Established pursuant to Ohio Revised Section 2981.13, the fund accounts for the deposit of monies received from the seizure of tangible property relinquished in accordance with the Contraband Seizure Forfeiture Act. Funds are used solely for law enforcement purposes.

Tree Planting Fund

Established pursuant to C.O. Section 158.05 to receive money given to the Tree Commission, the fund's expenditures are to be made for the furtherance of tree planting and care and related arboricultural activities, subject to appropriations made by City Council.

Enforcement Education Fund

Established in 1995 pursuant to C.O. Section 225.03, the revenue of this fund derived from Operating a Motor Vehicle Intoxicated (OVI) convictions, is used to pay the costs incurred in both enforcing and informing the public of the laws governing operation of a motor vehicle while under the influence of alcohol.

Mayor's Court Computer Fund

Established in 1995 pursuant to C.O. Section 171.05, the Mayor's Court collects a \$3.00 fee on each case. Revenues are to be used to pay the cost of computerization of the Mayor's Court and for computerized legal research services.

Mayor's Court Special Project Fund

Established in 2013 pursuant to C.O. Section 171.08, the Mayor's Court collects a \$10.00 fee on each case as allowed by Ohio Revised Code 1901.26(B)(1). Revenues are to be used to pay the cost of special projects of the court including, but not limited to, the acquisition of additional facilities or rehabilitation of existing facilities, the acquisition of equipment, the hiring and training of staff, community service programs, mediation or dispute resolution services, the employment of magistrates, the training and education of magistrates, and other related services.

CITY OF UPPER ARLINGTON, OHIO

FUND DESCRIPTIONS – NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds (continued)

Life Long Learning and Leisure Fund

The Life Long Learning and Leisure Fund created by C.O. Section 225.02, accounts for the operations of continuing education classes.

Neighborhood Lighting Fund

This fund is used to account for the maintenance of neighborhood lights of which a yearly maintenance fee is charged.

Clerk of Court Fund

Enacted by C.O. 171.06, the Clerk of Court Fund was created to account for fees established by the Rules of Court. The revenue is to be used to pay the cost of computerization of the Clerk of Court's office. The current fee is \$3.00.

Upper Arlington Visitor's Bureau Fund

Established in 2013 pursuant to C. O. Section 202, this fund collects 50% of the 3% hotel/motel excise tax levied in accordance with Ohio Revised Code Section 5379.09. Revenues are to be used solely to make contributions to convention and visitors' bureaus operating within Franklin County as directed by City Council.

Nonmajor Capital Project Funds

Tax Increment Financing (TIF) Districts

The City, pursuant to the Ohio Revised Code and City ordinances, has established nine tax increment financing (TIF) districts. A TIF represents a geographic area wherein property values created after the commencement date of the TIF are exempt, in whole or in part, from property taxes. Owner of such property, however, must pay amounts equal to the property taxes, known as "service fees," as though the TIF had not been established. These "service fees" will then repay the City for capital outlay expenditures relating to public improvements within or adjacent to the TIF area. Property values existing before the commencement date of a TIF continue to be subjected to property taxes. The City has created the following capital project funds to account for its ten TIFs: Arlington Centre TIF, Tremont Road TIF, Lane Avenue Mixed Use TIF Fund, Lane Avenue TIF Fund, Arlington Crossing TIF Fund, Horizon TIF Fund, Kingsdale West TIF Fund, Kingsdale Core TIF Fund, Riverside North TIF Fund, and Riverside South TIF Fund.

Infrastructure Improvement Fund

Created by C.O. 137.10, the Infrastructure Improvement Fund was created to account for a seven- year capital project program. The General Fund provides an annual fund transfer to fund the program.

**CITY OF UPPER ARLINGTON, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2016**

	Nonmajor Special Revenue	Nonmajor Capital Projects	Total Nonmajor Governmental
Assets:			
Cash, cash equivalents and investments	\$ 3,021,966	\$ 8,192,383	\$ 11,214,349
Receivables (net of allowances):			
Property and other taxes	4,885	-	4,885
Payments in lieu of taxes	-	1,564,131	1,564,131
Accounts	7,858	34,213	42,071
Accrued interest	5,994	-	5,994
Intergovernmental	823,060	26,716	849,776
Materials and supplies inventory	131,012	-	131,012
Total assets	\$ 3,994,775	\$ 9,817,443	\$ 13,812,218
Liabilities:			
Accounts payable	\$ 26,406	\$ 12,464	\$ 38,870
Accrued wages and benefits	14,109	-	14,109
Due to other governments	2,860	-	2,860
Accrued vacation and sick leave	1,649	-	1,649
Advances from other funds	-	1,214,135	1,214,135
Due to other funds	205	100,000	100,205
Total liabilities	45,229	1,326,599	1,371,828
Deferred Inflows of Resources			
Property and Other Local Taxes	-	1,564,131	1,564,131
Unavailable Revenue	545,363	60,929	606,292
Total deferred inflows of resources	545,363	1,625,060	2,170,423
Fund Balance:			
Nonspendable:			
Inventory	131,012	-	131,012
Restricted:			
Capital projects	-	3,256,574	3,256,574
Street construction, maintenance and repairs	1,142,680	-	1,142,680
Law enforcement and education	1,099,007	-	1,099,007
Other purposes	274,791	-	274,791
Committed:			
Capital projects	573,540	4,362,830	4,936,370
Parks and recreation	183,153	-	183,153
Unassigned (deficit)	-	(753,620)	(753,620)
Total fund balance	3,404,183	6,865,784	10,269,967
Total liabilities, deferred inflows of resources, and fund balances	\$ 3,994,775	\$ 9,817,443	\$ 13,812,218

CITY OF UPPER ARLINGTON, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Nonmajor Special Revenue	Nonmajor Capital Projects	Total Nonmajor Governmental
Revenues:			
Property and other taxes	\$ 69,372	\$ -	\$ 69,372
Payments in lieu of taxes	-	2,344,330	2,344,330
Charges for services	238,205	-	238,205
Fines and forfeitures	65,059	-	65,059
Intergovernmental	1,684,806	163,075	1,847,881
Investment earnings	15,152	-	15,152
Miscellaneous	15,100	-	15,100
Total revenues	<u>2,087,694</u>	<u>2,507,405</u>	<u>4,595,099</u>
Expenditures:			
Current:			
General government	5,000	1,117,385	1,122,385
Public safety	189,547	-	189,547
Public services	1,936,689	-	1,936,689
Parks and recreation	165,415	-	165,415
Capital outlay	4,446	1,229,037	1,233,483
Total expenditures	<u>2,301,097</u>	<u>2,346,422</u>	<u>4,647,519</u>
Excess (deficiency) of revenues over (under) expenditures	(213,403)	160,983	(52,420)
Other Financing Sources (Uses):			
Sale of capital assets	99,069	-	99,069
Transfers in	872,800	1,750,000	2,622,800
Transfers out	-	(468,335)	(468,335)
Total other financing sources (uses)	<u>971,869</u>	<u>1,281,665</u>	<u>2,253,534</u>
Net change in fund balances	758,466	1,442,648	2,201,114
Fund balance at beginning of year	2,645,717	5,423,136	8,068,853
Fund balance at end of year	<u>\$ 3,404,183</u>	<u>\$ 6,865,784</u>	<u>\$ 10,269,967</u>

**CITY OF UPPER ARLINGTON, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2016**

	Tax Incentive Review	Street Maintenance and Repair	Law Enforcement	Tree Planting	Enforcement Education
Assets:					
Cash, cash equivalents and investments	\$ 25,363	\$ 899,924	\$ 893,749	\$ 75,913	\$ 15,770
Receivables (net of allowances):					
Property and other taxes	-	-	-	-	-
Accounts	-	-	-	-	290
Accrued interest	-	2,279	2,263	-	-
Intergovernmental	-	812,500	10,560	-	-
Materials and supplies inventory	-	131,012	-	-	-
Total assets	<u>\$ 25,363</u>	<u>\$ 1,845,715</u>	<u>\$ 906,572</u>	<u>\$ 75,913</u>	<u>\$ 16,060</u>
Liabilities:					
Accounts payable	\$ -	\$ 17,637	\$ -	\$ 494	\$ -
Accrued wages and benefits	-	11,367	1,882	-	-
Due to other governments	-	2,327	418	-	-
Accrued vacation and sick leave	-	-	1,649	-	-
Due to other funds	-	148	46	-	-
Total liabilities	<u>-</u>	<u>31,479</u>	<u>3,995</u>	<u>494</u>	<u>-</u>
Deferred Inflows of Resources					
Unavailable Revenue	-	540,544	868	-	-
Total deferred inflows of resources	<u>-</u>	<u>540,544</u>	<u>868</u>	<u>-</u>	<u>-</u>
Fund Balance:					
Nonspendable:					
Inventory	-	131,012	-	-	-
Restricted:					
Street construction, maintenance and repairs	-	1,142,680	-	-	-
Law enforcement and education	-	-	901,709	-	16,060
Other purposes	25,363	-	-	-	-
Committed:					
Capital projects	-	-	-	-	-
Parks and recreation	-	-	-	75,419	-
Total fund balances (deficit)	<u>25,363</u>	<u>1,273,692</u>	<u>901,709</u>	<u>75,419</u>	<u>16,060</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 25,363</u>	<u>\$ 1,845,715</u>	<u>\$ 906,572</u>	<u>\$ 75,913</u>	<u>\$ 16,060</u>

Mayor's Court Computer	Mayor's Court Special Project	Life Long Learning and Leisure	Neighborhood Lighting	Clerk of Court	Upper Arlington Visitor's Bureau	Total Nonmajor Special Revenue Funds
\$ 66,280	\$ 109,233	\$ 112,700	\$ 573,333	\$ 47,827	\$ 201,874	\$ 3,021,966
-	-	-	-	-	4,885	4,885
783	2,610	-	3,392	783	-	7,858
-	-	-	1,452	-	-	5,994
-	-	-	-	-	-	823,060
-	-	-	-	-	-	131,012
<u>\$ 67,063</u>	<u>\$ 111,843</u>	<u>\$ 112,700</u>	<u>\$ 578,177</u>	<u>\$ 48,610</u>	<u>\$ 206,759</u>	<u>\$ 3,994,775</u>
\$ 3,377	\$ 207	\$ 4,117	\$ 549	\$ 25	\$ -	\$ 26,406
-	-	727	133	-	-	14,109
-	-	113	2	-	-	2,860
-	-	-	-	-	-	1,649
-	-	9	2	-	-	205
<u>3,377</u>	<u>207</u>	<u>4,966</u>	<u>686</u>	<u>25</u>	<u>-</u>	<u>45,229</u>
-	-	-	3,951	-	-	545,363
-	-	-	3,951	-	-	545,363
-	-	-	-	-	-	131,012
-	-	-	-	-	-	1,142,680
63,686	68,967	-	-	48,585	-	1,099,007
-	42,669	-	-	-	206,759	274,791
-	-	-	573,540	-	-	573,540
-	-	107,734	-	-	-	183,153
<u>63,686</u>	<u>111,636</u>	<u>107,734</u>	<u>573,540</u>	<u>48,585</u>	<u>206,759</u>	<u>3,404,183</u>
<u>\$ 67,063</u>	<u>\$ 111,843</u>	<u>\$ 112,700</u>	<u>\$ 578,177</u>	<u>\$ 48,610</u>	<u>\$ 206,759</u>	<u>\$ 3,994,775</u>

CITY OF UPPER ARLINGTON, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Tax Incentive Review	Street Maintenance and Repair	Law Enforcement	Tree Planting	Enforcement Education
Revenues:					
Property and other taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	15,136	-
Fines and forfeitures	-	-	-	-	2,776
Intergovernmental	-	1,652,674	32,132	-	-
Investment earnings	-	2,918	7,429	-	-
Miscellaneous	4,426	2,600	7,149	925	-
Total revenues	<u>4,426</u>	<u>1,658,192</u>	<u>46,710</u>	<u>16,061</u>	<u>2,776</u>
Expenditures:					
Current:					
General government	5,000	-	-	-	-
Public safety	-	-	147,050	-	627
Public services	-	1,905,935	-	-	-
Parks and recreation	-	-	-	14,253	-
Capital outlay	-	-	4,446	-	-
Total expenditures	<u>5,000</u>	<u>1,905,935</u>	<u>151,496</u>	<u>14,253</u>	<u>627</u>
Excess (deficiency) of revenues over (under) expenditures	(574)	(247,743)	(104,786)	1,808	2,149
Other Financing Sources:					
Sale of capital assets	-	-	99,069	-	-
Transfers in	-	872,800	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>872,800</u>	<u>99,069</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(574)	625,057	(5,717)	1,808	2,149
Fund balance at beginning of year	25,937	648,635	907,426	73,611	13,911
Fund balance at end of year	<u>\$ 25,363</u>	<u>\$ 1,273,692</u>	<u>\$ 901,709</u>	<u>\$ 75,419</u>	<u>\$ 16,060</u>

Mayor's Court Computer	Mayor's Court Special Project	Life Long Learning and Leisure	Neighborhood Lighting	Clerk of Court	Upper Arlington Visitor's Bureau	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 69,372	\$ 69,372
-	-	159,357	63,712	-	-	238,205
11,741	38,800	-	-	11,742	-	65,059
-	-	-	-	-	-	1,684,806
-	-	-	4,805	-	-	15,152
-	-	-	-	-	-	15,100
<u>11,741</u>	<u>38,800</u>	<u>159,357</u>	<u>68,517</u>	<u>11,742</u>	<u>69,372</u>	<u>2,087,694</u>
-	-	-	-	-	-	5,000
21,685	3,267	-	-	16,918	-	189,547
-	-	-	30,754	-	-	1,936,689
-	-	151,162	-	-	-	165,415
-	-	-	-	-	-	4,446
<u>21,685</u>	<u>3,267</u>	<u>151,162</u>	<u>30,754</u>	<u>16,918</u>	<u>-</u>	<u>2,301,097</u>
(9,944)	35,533	8,195	37,763	(5,176)	69,372	(213,403)
-	-	-	-	-	-	99,069
-	-	-	-	-	-	872,800
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>971,869</u>
(9,944)	35,533	8,195	37,763	(5,176)	69,372	758,466
73,630	76,103	99,539	535,777	53,761	137,387	2,645,717
<u>\$ 63,686</u>	<u>\$ 111,636</u>	<u>\$ 107,734</u>	<u>\$ 573,540</u>	<u>\$ 48,585</u>	<u>\$ 206,759</u>	<u>\$ 3,404,183</u>

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TAX INCENTIVE REVIEW FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	TAX INCENTIVE REVIEW FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Miscellaneous	\$ 5,000	\$ 5,500	\$ 4,426	\$ (1,074)
Total revenues	5,000	5,500	4,426	(1,074)
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	5,000	5,000	5,000	-
Total expenditures	5,000	5,000	5,000	-
Excess (deficiency) of expenditures over revenues	-	500	(574)	(1,074)
Fund balances at beginning of year	25,937	25,937	25,937	-
Fund balances at end of year	\$ 25,937	\$ 26,437	\$ 25,363	\$ (1,074)

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET MAINTENANCE AND REPAIR FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	STREET MAINTENANCE AND REPAIR FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Intergovernmental	\$ 1,625,000	\$ 1,625,000	\$ 1,647,611	\$ 22,611
Investment Earnings	500	500	5,036	4,536
Miscellaneous	12,000	12,000	2,600	(9,400)
Total revenues	<u>1,637,500</u>	<u>1,637,500</u>	<u>1,655,247</u>	<u>17,747</u>
<u>EXPENDITURES:</u>				
Current:				
Public Works Division				
Personal services	796,200	796,200	732,638	63,562
Other than personal services	608,500	608,500	381,557	226,943
Capital outlay	500,000	500,000	422,166	77,834
Public Service Administration				
Personal services	405,300	405,300	371,020	34,280
Other than personal services	201,000	201,000	146,987	54,013
Total expenditures	<u>2,511,000</u>	<u>2,511,000</u>	<u>2,054,368</u>	<u>456,632</u>
Excess (deficiency) of expenditures over revenues	(873,500)	(873,500)	(399,121)	474,379
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers-in	872,800	872,800	872,800	-
Total other financing sources (uses)	<u>872,800</u>	<u>872,800</u>	<u>872,800</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures	(700)	(700)	473,679	474,379
Fund balances at beginning of year	390,385	390,385	390,385	-
Lapsed encumbrances	1,064	1,064	1,064	-
Fund balances at end of year	<u>\$ 390,749</u>	<u>\$ 390,749</u>	<u>\$ 865,128</u>	<u>\$ 474,379</u>

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LAW ENFORCEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	LAW ENFORCEMENT FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Intergovernmental	\$ -	\$ -	\$ 23,308	\$ 23,308
Investment Earnings	11,000	11,000	8,946	(2,054)
Miscellaneous	7,500	7,500	7,149	(351)
Total revenues	<u>18,500</u>	<u>18,500</u>	<u>39,403</u>	<u>20,903</u>
<u>EXPENDITURES:</u>				
Current:				
Police				
Personal services	248,000	248,000	138,402	109,598
Other than personal services	40,000	40,000	10,861	29,139
Capital outlay	106,000	38,000	4,446	33,554
Total expenditures	<u>394,000</u>	<u>326,000</u>	<u>153,709</u>	<u>172,291</u>
Excess (deficiency) of expenditures over revenues	(375,500)	(307,500)	(114,306)	193,194
<u>OTHER FINANCING SOURCES (USES):</u>				
Proceeds from sale of capital assets	100,000	100,000	99,069	(931)
Total other financing sources (uses)	<u>100,000</u>	<u>100,000</u>	<u>99,069</u>	<u>(931)</u>
Excess (deficiency) of revenues and other financing sources over expenditures	(275,500)	(207,500)	(15,237)	192,263
Fund balances at beginning of year	913,046	913,046	913,046	-
Fund balances at end of year	<u>\$ 637,546</u>	<u>\$ 705,546</u>	<u>\$ 897,809</u>	<u>\$ 192,263</u>

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TREE PLANTING FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	TREE PLANTING FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Charges for services	\$ 13,500	\$ 13,500	\$ 15,136	\$ 1,636
Miscellaneous	-	-	925	925
Total revenues	13,500	13,500	16,061	2,561
<u>EXPENDITURES:</u>				
Current:				
Parks and recreation				
Other than personal services	20,000	20,000	13,759	6,241
Total expenditures	20,000	20,000	13,759	6,241
Excess (deficiency) of expenditures over revenues	(6,500)	(6,500)	2,302	8,802
Fund balances at beginning of year	73,611	73,611	73,611	-
Fund balances at end of year	\$ 67,111	\$ 67,111	\$ 75,913	\$ 8,802

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ENFORCEMENT EDUCATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	ENFORCEMENT EDUCATION FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Fines and forfeitures	\$ 3,000	\$ 3,000	\$ 2,486	\$ (514)
Total revenues	3,000	3,000	2,486	(514)
<u>EXPENDITURES:</u>				
Current:				
Police				
Other than personal services	2,500	2,500	627	1,873
Total expenditures	2,500	2,500	627	1,873
Excess (deficiency) of expenditures over revenues	500	500	1,859	1,359
Fund balances at beginning of year	13,911	13,911	13,911	-
Fund balances at end of year	\$ 14,411	\$ 14,411	\$ 15,770	\$ 1,359

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MAYOR'S COURT COMPUTER FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	MAYOR'S COURT COMPUTER FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Fines and forfeitures	\$ 10,000	\$ 10,000	\$ 10,958	\$ 958
Total revenues	10,000	10,000	10,958	958
<u>EXPENDITURES:</u>				
Current:				
Clerk of Court				
Other than personal services	17,700	17,200	11,053	6,147
Capital outlay	7,200	7,700	7,469	231
Total expenditures	24,900	24,900	18,522	6,378
Excess (deficiency) of expenditures over revenues	(14,900)	(14,900)	(7,564)	7,336
Fund balances at beginning of year	73,844	73,844	73,844	-
Fund balances at end of year	\$ 58,944	\$ 58,944	\$ 66,280	\$ 7,336

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MAYOR'S COURT SPECIAL PROJECT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	MAYOR'S COURT SPECIAL PROJECT FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Fines and forfeitures	\$ 30,000	\$ 30,000	\$ 36,190	\$ 6,190
Total revenues	30,000	30,000	36,190	6,190
<u>EXPENDITURES:</u>				
Current:				
Clerk of Court				
Other than personal services	15,000	15,000	3,060	11,940
Total expenditures	15,000	15,000	3,060	11,940
Excess (deficiency) of expenditures over revenues	15,000	15,000	33,130	18,130
Fund balances at beginning of year	76,103	76,103	76,103	-
Fund balances at end of year	\$ 91,103	\$ 91,103	\$ 109,233	\$ 18,130

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LIFE LONG LEARNING AND LEISURE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	LIFE LONG LEARNING AND LEISURE FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Charges for services	\$ 180,000	\$ 150,000	\$ 159,357	\$ 9,357
Total revenues	180,000	150,000	159,357	9,357
<u>EXPENDITURES:</u>				
Current:				
Parks and recreation				
Personal services	61,700	63,700	63,617	83
Other than personal services	107,200	105,200	93,525	11,675
Total expenditures	168,900	168,900	157,142	11,758
Excess (deficiency) of expenditures over revenues	11,100	(18,900)	2,215	21,115
Fund balances at beginning of year	109,656	109,656	109,656	-
Fund balances at end of year	\$ 120,756	\$ 90,756	\$ 111,871	\$ 21,115

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NEIGHBORHOOD LIGHTING FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	NEIGHBORHOOD LIGHTING FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Charges for services	\$ 62,500	\$ 62,500	\$ 63,712	\$ 1,212
Investment Earnings	5,000	5,000	5,839	839
Total revenues	67,500	67,500	69,551	2,051
<u>EXPENDITURES:</u>				
Current:				
Public Service Administration				
Personal services	38,800	38,800	14,487	24,313
Other than personal services	47,100	75,800	17,119	58,681
Total expenditures	85,900	114,600	31,606	82,994
Excess (deficiency) of expenditures over revenues	(18,400)	(47,100)	37,945	85,045
Fund balances at beginning of year	537,992	537,992	537,992	-
Fund balances at end of year	\$ 519,592	\$ 490,892	\$ 575,937	\$ 85,045

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CLERK OF COURT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	CLERK OF COURT FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Fines and forfeitures	\$ 10,000	\$ 10,000	\$ 10,959	\$ 959
Total revenues	10,000	10,000	10,959	959
<u>EXPENDITURES:</u>				
Current:				
Clerk of Court				
Other than personal services	17,000	19,500	9,545	9,955
Capital outlay	-	7,500	7,468	32
Total expenditures	17,000	27,000	17,013	9,987
Excess (deficiency) of expenditures over revenues	(7,000)	(17,000)	(6,054)	10,946
Fund balances at beginning of year	53,881	53,881	53,881	-
Fund balances at end of year	\$ 46,881	\$ 36,881	\$ 47,827	\$ 10,946

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
UPPER ARLINGTON VISITOR'S BUREAU FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	UPPER ARLINGTON VISITOR'S BUREAU FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Property and other local taxes	\$ 60,000	\$ 60,000	\$ 68,625	\$ 8,625
Total revenues	60,000	60,000	68,625	8,625
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	60,000	60,000	-	60,000
Total expenditures	60,000	60,000	-	60,000
Excess (deficiency) of expenditures over revenues	-	-	68,625	68,625
Fund balances at beginning of year	133,249	133,249	133,249	-
Fund balances at end of year	\$ 133,249	\$ 133,249	\$ 201,874	\$ 68,625

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EMERGENCY MEDICAL SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	EMERGENCY MEDICAL SERVICES FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Charges for services	\$ 725,000	\$ 660,000	\$ 685,146	\$ 25,146
Total revenues	725,000	660,000	685,146	25,146
<u>EXPENDITURES:</u>				
Current:				
Fire				
Other than personal services	140,000	140,000	113,658	26,342
Capital outlay	30,000	30,000	25,524	4,476
Finance				
Other than personal services	275,086	275,086	190,086	85,000
Total expenditures	445,086	445,086	329,268	115,818
Excess (deficiency) of expenditures over revenues	279,914	214,914	355,878	140,964
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers-out	(439,800)	(439,800)	(439,703)	97
Total other financing sources (uses)	(439,800)	(439,800)	(439,703)	97
Excess (deficiency) of revenues and other financing over expenditures and other uses	(159,886)	(224,886)	(83,825)	141,061
Fund balances at beginning of year	300,571	300,571	300,571	-
Fund balances at end of year	\$ 140,685	\$ 75,685	\$ 216,746	\$ 141,061

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CIVIL SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	CIVIL SERVICE FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES:</u>				
Current:				
City Manager				
Other than personal services	10,000	25,000	18,276	6,724
Total expenditures	<u>10,000</u>	<u>25,000</u>	<u>18,276</u>	<u>6,724</u>
Excess (deficiency) of expenditures over revenues	(10,000)	(25,000)	(18,276)	6,724
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers-in	10,000	10,000	10,000	-
Total other financing sources (uses)	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures	-	(15,000)	(8,276)	6,724
Fund balances at beginning of year	27,199	27,199	27,199	-
Fund balances at end of year	<u>\$ 27,199</u>	<u>\$ 12,199</u>	<u>\$ 18,923</u>	<u>\$ 6,724</u>

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ECONOMIC DEVELOPMENT VENTURE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	ECONOMIC DEVELOPMENT VENTURE FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES:</u>				
Current:				
City Manager				
Other than personal services	653,023	1,153,023	1,088,828	64,195
Total expenditures	653,023	1,153,023	1,088,828	64,195
Excess (deficiency) of expenditures over revenues	(653,023)	(1,153,023)	(1,088,828)	64,195
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers-in	170,168	670,168	670,168	-
Total other financing sources (uses)	170,168	670,168	670,168	-
Excess (deficiency) of revenues and other financing sources over expenditures	(482,855)	(482,855)	(418,660)	64,195
Fund balances at beginning of year	508,918	508,918	508,918	-
Fund balances at end of year	\$ 26,063	\$ 26,063	\$ 90,258	\$ 64,195

**CITY OF UPPER ARLINGTON, OHIO
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2016**

	Arlington Centre TIF	Tremont Road TIF	Lane Avenue Mixed Use TIF	Lane Avenue TIF	Arlington Crossing TIF
Assets:					
Cash, cash equivalents and investments	\$ 180	\$ 5,088	\$ 1,196,891	\$ 190,595	\$ 305,516
Receivables (net of allowances):					
Payments in lieu of taxes	-	-	450,486	78,458	141,946
Accounts	-	-	34,213	-	-
Intergovernmental	-	-	-	-	16,124
Total assets	<u>\$ 180</u>	<u>\$ 5,088</u>	<u>\$ 1,681,590</u>	<u>\$ 269,053</u>	<u>\$ 463,586</u>
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Advances from other funds	5,000	291,135	-	-	-
Due to other funds	-	-	-	-	-
Total liabilities	<u>5,000</u>	<u>291,135</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
Property and Other Local Taxes	-	-	450,486	78,458	141,946
Unavailable Revenue	-	-	34,213	-	16,124
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>484,699</u>	<u>78,458</u>	<u>158,070</u>
Fund Balance:					
Restricted:					
Capital projects	-	-	1,196,891	190,595	305,516
Committed:					
Capital projects	-	-	-	-	-
Unassigned (deficit)	(4,820)	(286,047)	-	-	-
Total fund balances (deficit)	<u>(4,820)</u>	<u>(286,047)</u>	<u>1,196,891</u>	<u>190,595</u>	<u>305,516</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 180</u>	<u>\$ 5,088</u>	<u>\$ 1,681,590</u>	<u>\$ 269,053</u>	<u>\$ 463,586</u>

Horizon TIF	Kingsdale West TIF	Kingsdale Core TIF	Riverside North TIF	Riverside South TIF	Infrastructure Improvement	Total Nonmajor Capital Projects
\$ 1,425,671	\$ 113,512	\$ 555,247	\$ 7,488	\$ 16,901	\$ 4,375,294	\$ 8,192,383
346,856	42,110	492,326	1,528	10,421	-	1,564,131
-	-	-	-	-	-	34,213
-	446	-	-	-	10,146	26,716
<u>\$ 1,772,527</u>	<u>\$ 156,068</u>	<u>\$ 1,047,573</u>	<u>\$ 9,016</u>	<u>\$ 27,322</u>	<u>\$ 4,385,440</u>	<u>\$ 9,817,443</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,464	\$ 12,464
-	-	918,000	-	-	-	1,214,135
-	-	100,000	-	-	-	100,000
-	-	<u>1,018,000</u>	-	-	<u>12,464</u>	<u>1,326,599</u>
346,856	42,110	492,326	1,528	10,421	-	1,564,131
-	446	-	-	-	10,146	60,929
<u>346,856</u>	<u>42,556</u>	<u>492,326</u>	<u>1,528</u>	<u>10,421</u>	<u>10,146</u>	<u>1,625,060</u>
1,425,671	113,512	-	7,488	16,901	-	3,256,574
-	-	-	-	-	4,362,830	4,362,830
-	-	(462,753)	-	-	-	(753,620)
<u>1,425,671</u>	<u>113,512</u>	<u>(462,753)</u>	<u>7,488</u>	<u>16,901</u>	<u>4,362,830</u>	<u>6,865,784</u>
<u>\$ 1,772,527</u>	<u>\$ 156,068</u>	<u>\$ 1,047,573</u>	<u>\$ 9,016</u>	<u>\$ 27,322</u>	<u>\$ 4,385,440</u>	<u>\$ 9,817,443</u>

CITY OF UPPER ARLINGTON, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT)
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Arlington Centre TIF	Tremont Road TIF	Lane Avenue Mixed Use TIF	Lane Avenue TIF	Arlington Crossing TIF
Revenues:					
Payments in lieu of taxes	\$ -	\$ -	\$ 1,260,480	\$ 78,451	\$ 131,050
Intergovernmental	-	-	-	-	21,672
Total revenues	<u>-</u>	<u>-</u>	<u>1,260,480</u>	<u>78,451</u>	<u>152,722</u>
Expenditures:					
Current:					
General government	4,820	286,047	577,037	887	2,895
Capital outlay	-	-	-	-	-
Total expenditures	<u>4,820</u>	<u>286,047</u>	<u>577,037</u>	<u>887</u>	<u>2,895</u>
Excess (deficiency) of revenues over (under) expenditures	(4,820)	(286,047)	683,443	77,564	149,827
Other Financing Sources (Uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	(198,731)	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(198,731)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(4,820)	(286,047)	484,712	77,564	149,827
Fund balance (deficit) at beginning of year	-	-	712,179	113,031	155,689
Fund balance (deficit) at end of year	<u>\$ (4,820)</u>	<u>\$ (286,047)</u>	<u>\$ 1,196,891</u>	<u>\$ 190,595</u>	<u>\$ 305,516</u>

Horizon TIF	Kingsdale West TIF	Kingsdale Core TIF	Riverside North TIF	Riverside South TIF	Infrastructure Improvement	Total Nonmajor Capital Projects
\$ 334,588	\$ 42,108	\$ 492,014	\$ 1,528	\$ 4,111	\$ -	\$ 2,344,330
-	875	-	-	-	140,528	163,075
<u>334,588</u>	<u>42,983</u>	<u>492,014</u>	<u>1,528</u>	<u>4,111</u>	<u>140,528</u>	<u>2,507,405</u>
5,977	491	239,168	17	46	-	1,117,385
-	-	-	-	-	1,229,037	1,229,037
<u>5,977</u>	<u>491</u>	<u>239,168</u>	<u>17</u>	<u>46</u>	<u>1,229,037</u>	<u>2,346,422</u>
328,611	42,492	252,846	1,511	4,065	(1,088,509)	160,983
-	-	-	-	-	1,750,000	1,750,000
-	-	(269,604)	-	-	-	(468,335)
<u>-</u>	<u>-</u>	<u>(269,604)</u>	<u>-</u>	<u>-</u>	<u>1,750,000</u>	<u>1,281,665</u>
328,611	42,492	(16,758)	1,511	4,065	661,491	1,442,648
1,097,060	71,020	(445,995)	5,977	12,836	3,701,339	5,423,136
<u>\$ 1,425,671</u>	<u>\$ 113,512</u>	<u>\$ (462,753)</u>	<u>\$ 7,488</u>	<u>\$ 16,901</u>	<u>\$ 4,362,830</u>	<u>\$ 6,865,784</u>

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ARLINGTON CENTRE TIF FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	ARLINGTON CENTRE TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	-	5,000	4,820	180
Total expenditures	-	5,000	4,820	180
Excess (deficiency) of expenditures over revenues	-	(5,000)	(4,820)	180
<u>OTHER FINANCING SOURCES (USES):</u>				
Advances in	-	5,000	5,000	-
Total other financing sources (uses)	-	5,000	5,000	-
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	-	-	180	180
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	\$ -	\$ -	\$ 180	\$ 180

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TREMONT ROAD TIF FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	TREMONT ROAD TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	-	291,135	286,047	5,088
Total expenditures	-	291,135	286,047	5,088
Excess (deficiency) of expenditures over revenues	-	(291,135)	(286,047)	5,088
<u>OTHER FINANCING SOURCES (USES):</u>				
Advances in	-	291,135	291,135	-
Total other financing sources (uses)	-	291,135	291,135	-
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	-	-	5,088	5,088
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	\$ -	\$ -	\$ 5,088	\$ 5,088

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LANE AVENUE MIXED USE TIF FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	LANE AVENUE MIXED USE TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 864,000	\$ 1,259,000	\$ 1,260,480	\$ 1,480
Total revenues	864,000	1,259,000	1,260,480	1,480
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	391,000	591,000	577,036	13,964
Total expenditures	391,000	591,000	577,036	13,964
Excess (deficiency) of expenditures over revenues	473,000	668,000	683,444	15,444
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers-out	(198,800)	(198,800)	(198,731)	69
Advances out	(479,000)	(479,000)	(479,000)	-
Total other financing sources (uses)	(677,800)	(677,800)	(677,731)	69
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(204,800)	(9,800)	5,713	15,513
Fund balances at beginning of year	1,191,178	1,191,178	1,191,178	-
Fund balances at end of year	\$ 986,378	\$ 1,181,378	\$ 1,196,891	\$ 15,513

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LANE AVENUE TIF FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	LANE AVENUE TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 78,000	\$ 78,000	\$ 78,451	\$ 451
Total revenues	78,000	78,000	78,451	451
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	2,500	2,500	887	1,613
Total expenditures	2,500	2,500	887	1,613
Excess (deficiency) of expenditures over revenues	75,500	75,500	77,564	2,064
<u>OTHER FINANCING SOURCES (USES):</u>				
Advances out	(400,000)	(400,000)	(400,000)	-
Total other financing sources (uses)	(400,000)	(400,000)	(400,000)	-
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(324,500)	(324,500)	(322,436)	2,064
Fund balances at beginning of year	513,031	513,031	513,031	-
Fund balances at end of year	\$ 188,531	\$ 188,531	\$ 190,595	\$ 2,064

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ARLINGTON CROSSING TIF FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	ARLINGTON CROSSING TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 195,000	\$ 150,000	\$ 131,050	\$ (18,950)
Intergovernmental	-	-	21,672	21,672
Total revenues	195,000	150,000	152,722	2,722
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	6,000	6,000	2,895	3,105
Total expenditures	6,000	6,000	2,895	3,105
Excess (deficiency) of expenditures over revenues	189,000	144,000	149,827	5,827
Fund balances at beginning of year	155,689	155,689	155,689	-
Fund balances at end of year	\$ 344,689	\$ 299,689	\$ 305,516	\$ 5,827

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
HORIZON TIF FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	HORIZON TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 382,000	\$ 335,000	\$ 334,588	\$ (412)
Total revenues	<u>382,000</u>	<u>335,000</u>	<u>334,588</u>	<u>(412)</u>
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	5,000	5,977	5,977	-
Total expenditures	<u>5,000</u>	<u>5,977</u>	<u>5,977</u>	<u>-</u>
Excess (deficiency) of expenditures over revenues	377,000	329,023	328,611	(412)
Fund balances at beginning of year	1,097,060	1,097,060	1,097,060	-
Fund balances at end of year	<u>\$ 1,474,060</u>	<u>\$ 1,426,083</u>	<u>\$ 1,425,671</u>	<u>\$ (412)</u>

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
KINGSDALE WEST TIF FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	KINGSDALE WEST TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 42,000	\$ 42,000	\$ 42,108	\$ 108
Intergovernmental	-	-	875	875
Total revenues	42,000	42,000	42,983	983
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	2,000	2,000	491	1,509
Total expenditures	2,000	2,000	491	1,509
Excess (deficiency) of expenditures over revenues	40,000	40,000	42,492	2,492
Fund balances at beginning of year	71,020	71,020	71,020	-
Fund balances at end of year	\$ 111,020	\$ 111,020	\$ 113,512	\$ 2,492

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
KINGSDALE CORE TIF FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	KINGSDALE CORE TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 488,000	\$ 488,000	\$ 492,014	\$ 4,014
Total revenues	488,000	488,000	492,014	4,014
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	283,000	283,000	239,168	43,832
Total expenditures	283,000	283,000	239,168	43,832
Excess (deficiency) of expenditures over revenues	205,000	205,000	252,846	47,846
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers-out	(269,700)	(269,700)	(269,604)	96
Total other financing sources (uses)	(269,700)	(269,700)	(269,604)	96
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(64,700)	(64,700)	(16,758)	47,942
Fund balances at beginning of year	572,005	572,005	572,005	-
Fund balances at end of year	\$ 507,305	\$ 507,305	\$ 555,247	\$ 47,942

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
RIVERSIDE NORTH TIF FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	RIVERSIDE NORTH TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 1,600	\$ 1,600	\$ 1,528	\$ (72)
Total revenues	1,600	1,600	1,528	(72)
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	100	100	17	83
Total expenditures	100	100	17	83
Excess (deficiency) of expenditures over revenues	1,500	1,500	1,511	11
Fund balances at beginning of year	5,977	5,977	5,977	-
Fund balances at end of year	\$ 7,477	\$ 7,477	\$ 7,488	\$ 11

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
RIVERSIDE SOUTH TIF FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	RIVERSIDE SOUTH TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 4,200	\$ 4,200	\$ 4,111	\$ (89)
Total revenues	4,200	4,200	4,111	(89)
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	100	100	46	54
Total expenditures	100	100	46	54
Excess (deficiency) of expenditures over revenues	4,100	4,100	4,065	(35)
Fund balances at beginning of year	12,836	12,836	12,836	-
Fund balances at end of year	\$ 16,936	\$ 16,936	\$ 16,901	\$ (35)

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INFRASTRUCTURE IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	INFRASTRUCTURE IMPROVEMENT FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Intergovernmental	\$ 507,588	\$ 290,000	\$ 290,000	\$ -
Total revenues	<u>507,588</u>	<u>290,000</u>	<u>290,000</u>	<u>-</u>
<u>EXPENDITURES:</u>				
Current:				
Parks and recreation				
Capital outlay	35,000	35,000	-	35,000
Public Service Administration				
Personal services	-	4,000	3,517	483
Capital outlay	832,735	849,183	123,814	725,369
Public Works Division				
Personal services	50,000	41,500	-	41,500
Capital outlay	817,774	826,274	697,432	128,842
Total expenditures	<u>1,735,509</u>	<u>1,755,957</u>	<u>824,763</u>	<u>931,194</u>
Excess (deficiency) of expenditures over revenues	(1,227,921)	(1,465,957)	(534,763)	931,194
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers-in	1,750,000	1,750,000	1,750,000	-
Total other financing sources (uses)	<u>1,750,000</u>	<u>1,750,000</u>	<u>1,750,000</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures	522,079	284,043	1,215,237	931,194
Fund balances at beginning of year	2,551,422	2,551,422	2,551,422	-
Lapsed encumbrances	341,450	341,450	341,450	-
Fund balances at end of year	<u>\$ 3,414,951</u>	<u>\$ 3,176,915</u>	<u>\$ 4,108,109</u>	<u>\$ 931,194</u>

CITY OF UPPER ARLINGTON, OHIO
FUND DESCRIPTIONS – ENTERPRISE FUNDS

Solid Waste Fund

Revenues are generated from the refuse collection fees charged to the City's residents. Expenses are for operating costs.

Water Surcharge Fund

For the purpose of paying the cost of maintaining the City's water distribution system, a surcharge is applied to the consumption of water by all users within the City. Established pursuant to C.O. Section 137.07, funds may be used for the construction and reconstruction of the water distribution system, including the repair/replacement of fire hydrants.

Sanitary Sewer Surcharge Fund

For the purpose of paying the cost of maintaining the City's sanitary sewer system, a surcharge is applied to the consumption of water by all users within the City. Established pursuant to C.O. Section 137.06, funds may be used for enlargement or replacement of the system and construction and reconstruction of main and interceptor sewers.

Stormwater Fund

Pursuant to C.O. Section 937.13, all revenues from stormwater drainage service charges, permit and inspection fees, direct charges and investment earnings are deposited into this fund. Funds are used to pay the operating expenses of the stormwater management utility, including the purchase of capital equipment, and capital improvements, including the payment of principal and interest on debt issued for such purposes.

Swimming Pools Fund

Pursuant to C.O. Section 225.01, the fund was established by a management agreement between the City and the Upper Arlington Board of Education (Board). Revenues are generated from admission to the Pool. Expenses are for operating costs and capital equipment.

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGE IN FUND EQUITY
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SOLID WASTE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	SOLID WASTE FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>OPERATING REVENUES:</u>				
Charges for services	\$ 1,918,000	\$ 2,226,300	\$ 2,433,116	\$ 206,816
Miscellaneous	-	-	167	167
Total operating revenues	<u>1,918,000</u>	<u>2,226,300</u>	<u>2,433,283</u>	<u>206,983</u>
<u>OPERATING EXPENSES:</u>				
Current:				
Solid Waste				
Other than personal services	<u>2,240,500</u>	<u>2,240,500</u>	<u>2,177,395</u>	<u>63,105</u>
Total operating expenses	<u>2,240,500</u>	<u>2,240,500</u>	<u>2,177,395</u>	<u>63,105</u>
Excess (deficiency) of operating expenses over (under) operating revenues	(322,500)	(14,200)	255,888	270,088
<u>NONOPERATING REVENUES:</u>				
Investment earnings	1,000	1,000	6,206	5,206
Transfers in	<u>308,300</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total nonoperating revenues	<u>309,300</u>	<u>1,000</u>	<u>6,206</u>	<u>5,206</u>
Net change in fund equity	(13,200)	(13,200)	262,094	275,294
Fund equity at beginning of year	174,781	174,781	174,781	-
Fund equity at end of year	<u>\$ 161,581</u>	<u>\$ 161,581</u>	<u>\$ 436,875</u>	<u>\$ 275,294</u>

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGE IN FUND EQUITY
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WATER SURCHARGE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	WATER SURCHARGE FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>OPERATING REVENUES:</u>				
Charges for services	\$ 474,000	\$ 474,000	\$ 477,319	\$ 3,319
Total operating revenues	474,000	474,000	477,319	3,319
<u>OPERATING EXPENSES:</u>				
Current:				
Public Works Division				
Personal services	198,300	198,300	189,804	8,496
Other than personal services	147,000	145,700	106,061	39,639
Capital outlay	-	700	664	36
Finance				
Other than personal services	108,455	109,055	108,888	167
Total expenses	453,755	453,755	405,417	48,338
Net change in fund equity	20,245	20,245	71,902	51,657
Fund equity at beginning of year	598,952	598,952	598,952	-
Lapsed encumbrances	5,672	5,672	5,672	-
Fund equity at end of year	\$ 624,869	\$ 624,869	\$ 676,526	\$ 51,657

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGE IN FUND EQUITY
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SANITARY SEWER SURCHARGE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	SANITARY SEWER SURCHARGE FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>OPERATING REVENUES:</u>				
Charges for services	\$ 855,000	\$ 855,000	\$ 849,674	\$ (5,326)
Miscellaneous	1,500	1,500	952	(548)
Total operating revenues	856,500	856,500	850,626	(5,874)
<u>OPERATING EXPENSES:</u>				
Current:				
Public Works Division				
Personal services	266,800	407,900	407,862	38
Other than personal services	226,500	200,400	112,682	87,718
Capital outlay	15,000	15,000	664	14,336
Finance				
Other than personal services	53,700	53,700	53,612	88
Total expenses	562,000	677,000	574,820	102,180
Net change in fund equity	294,500	179,500	275,806	96,306
Fund equity at beginning of year	989,438	989,438	989,438	-
Lapsed encumbrances	663	663	663	-
Fund equity at end of year	\$ 1,284,601	\$ 1,169,601	\$ 1,265,907	\$ 96,306

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGE IN FUND EQUITY
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STORMWATER FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	STORMWATER FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>OPERATING REVENUES:</u>				
Charges for services	\$ 744,000	\$ 744,000	\$ 758,969	\$ 14,969
Total revenues	<u>744,000</u>	<u>744,000</u>	<u>758,969</u>	<u>14,969</u>
<u>OPERATING EXPENSES:</u>				
Current:				
Public Works Division				
Personal services	318,100	183,100	144,981	38,119
Other than personal services	149,800	169,800	123,631	46,169
Finance				
Other than personal services	<u>293,200</u>	<u>293,200</u>	<u>293,162</u>	<u>38</u>
Total expenses	<u>761,100</u>	<u>646,100</u>	<u>561,774</u>	<u>84,326</u>
Excess (deficiency) of operating expenses over (under) operating revenues	(17,100)	97,900	197,195	99,295
<u>NONOPERATING REVENUES (EXPENSES):</u>				
Investment earnings	<u>20,000</u>	<u>20,000</u>	<u>21,946</u>	<u>1,946</u>
Total nonoperating revenues (expenses)	<u>20,000</u>	<u>20,000</u>	<u>21,946</u>	<u>1,946</u>
Net change in fund equity	2,900	117,900	219,141	101,241
Fund equity at beginning of year, restated	<u>1,716,902</u>	<u>1,716,902</u>	<u>1,716,902</u>	<u>-</u>
Fund equity at end of year	<u>\$ 1,719,802</u>	<u>\$ 1,834,802</u>	<u>\$ 1,936,043</u>	<u>\$ 101,241</u>

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGE IN FUND EQUITY
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SWIMMING POOLS FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	SWIMMING POOLS FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>OPERATING REVENUES:</u>				
Charges for services	\$ 540,000	\$ 600,000	\$ 599,856	\$ (144)
Total operating revenues	540,000	600,000	599,856	(144)
<u>OPERATING EXPENSES:</u>				
Current:				
Parks and recreation				
Personal services	421,300	421,300	344,308	76,992
Other than personal services	183,500	183,500	112,681	70,819
Total expenses	604,800	604,800	456,989	147,811
Net change in fund equity	(64,800)	(4,800)	142,867	147,667
Fund equity at beginning of year	366,029	366,029	366,029	-
Fund equity at end of year	\$ 301,229	\$ 361,229	\$ 508,896	\$ 147,667

CITY OF UPPER ARLINGTON, OHIO

FUND DESCRIPTIONS – INTERNAL SERVICE FUNDS

Employee Benefits Fund

Pursuant to Codified Ordinances Section 137.05, monies are deposited into the fund for the purpose of paying the cost of employee benefits, including but not limited to health care, prescriptions, dental care, life insurance, and long and short-term disability benefits. Revenues come from the proportionate cost of employee benefits contained in the operating budgets of departments of other funds, third party reimbursements and refunds for employee benefits.

BWC Administration Fund

Pursuant to Codified Ordinances Section 137.05, monies are deposited into the fund for the purpose of paying the cost of and pay claims for workers' compensation benefits of the employees of the City. Revenues come from the proportionate cost of employee benefits contained in the operating budgets of departments of other funds, third party reimbursements and refunds for employee benefits.

**CITY OF UPPER ARLINGTON, OHIO
FRANKLIN COUNTY**

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
AS OF DECEMBER 31, 2016

	<u>Employee Benefits Fund</u>	<u>BWC Administration Fund</u>	<u>Total</u>
Assets:			
Current assets:			
Cash, cash equivalents and investments	\$ 2,025,051	\$ 488,102	\$ 2,513,153
Receivables (net of allowances):			
Due from other funds	-	6,656	6,656
Total assets	<u>2,025,051</u>	<u>494,758</u>	<u>2,519,809</u>
Liabilities:			
Current liabilities:			
Accounts payable	<u>218,146</u>	<u>219,793</u>	<u>437,939</u>
Total liabilities	<u>218,146</u>	<u>219,793</u>	<u>437,939</u>
Net Position:			
Unrestricted	<u>1,806,905</u>	<u>274,965</u>	<u>2,081,870</u>
Total net position	<u><u>\$ 1,806,905</u></u>	<u><u>\$ 274,965</u></u>	<u><u>\$ 2,081,870</u></u>

**CITY OF UPPER ARLINGTON, OHIO
FRANKLIN COUNTY**

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Employee Benefits Fund	BWC Administration Fund	Total
Operating Revenues:			
Charges for services	\$ 2,605,184	\$ 206,643	\$ 2,811,827
Miscellaneous	20,060	296	20,356
Total operating revenues	<u>2,625,244</u>	<u>206,939</u>	<u>2,832,183</u>
Operating Expenses:			
Self-insurance	<u>2,694,825</u>	<u>362,438</u>	<u>3,057,263</u>
Total operating expenses	<u>2,694,825</u>	<u>362,438</u>	<u>3,057,263</u>
Change in net position	(69,581)	(155,499)	(225,080)
Net position at beginning of year	<u>1,876,486</u>	<u>430,464</u>	<u>2,306,950</u>
Net position at end of year	<u><u>\$ 1,806,905</u></u>	<u><u>\$ 274,965</u></u>	<u><u>\$ 2,081,870</u></u>

**CITY OF UPPER ARLINGTON, OHIO
FRANKLIN COUNTY**

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Employee Benefits Fund	BWC Administration Fund	Total
Cash Flows from Operating Activities			
Receipts from customers and users	\$ 2,818,343	\$ 256,122	\$ 3,074,465
Payments to suppliers and contractual services	(2,670,369)	(187,258)	(2,857,627)
Net cash provided by operating activities	147,974	68,864	216,838
Net increase in cash and cash equivalents	147,974	68,864	216,838
Cash and cash equivalents, January 1	1,877,077	419,238	2,296,315
Cash and cash equivalents, December 31	\$ 2,025,051	\$ 488,102	\$ 2,513,153
Reconciliation of operating loss to net cash provided by operating activities:			
Operating loss	\$ (69,581)	\$ (155,499)	\$ (225,080)
Adjustments to reconcile operating loss to net cash provided by operating activities:			
Decrease in due from other funds	193,099	49,183	242,282
Increase in accounts payable	24,456	175,180	199,636
Total adjustments	217,555	224,363	441,918
Net cash provided by operating activities	\$ 147,974	\$ 68,864	\$ 216,838

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGE IN FUND EQUITY
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EMPLOYEE BENEFITS FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	EMPLOYEE BENEFITS FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>OPERATING REVENUES:</u>				
Charges for services	\$ 3,430,000	\$ 2,830,000	\$ 2,798,283	\$ (31,717)
Miscellaneous	278,000	278,000	20,060	(257,940)
Total operating revenues	3,708,000	3,108,000	2,818,343	(289,657)
<u>OPERATING EXPENSES:</u>				
Current:				
Finance				
Personal services	3,237,000	3,237,000	2,068,364	1,168,636
Other than personal services	620,000	620,000	614,241	5,759
Total expenses	3,857,000	3,857,000	2,682,605	1,174,395
Net change in fund equity	(149,000)	(749,000)	135,738	884,738
Fund equity at beginning of year	1,877,076	1,877,076	1,877,076	-
Fund equity at end of year	\$ 1,728,076	\$ 1,128,076	\$ 2,012,814	\$ 884,738

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGE IN FUND EQUITY
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BWC ADMINISTRATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	BWC ADMINISTRATION FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>OPERATING REVENUES:</u>				
Charges for services	\$ 250,000	\$ 250,000	\$ 256,122	\$ 6,122
Total operating revenues	250,000	250,000	256,122	6,122
<u>OPERATING EXPENSES:</u>				
Current:				
Finance				
Personal services	150,000	150,000	89,479	60,521
Other than personal services	160,000	160,000	97,778	62,222
Total expenses	310,000	310,000	187,257	122,743
Net change in fund equity	(60,000)	(60,000)	68,865	128,865
Fund equity at beginning of year	419,237	419,237	419,237	-
Fund equity at end of year	\$ 359,237	\$ 359,237	\$ 488,102	\$ 128,865

CITY OF UPPER ARLINGTON, OHIO
FUND DESCRIPTIONS – FIDUCIARY FUNDS

Agency Funds

Unclaimed Funds Fund

The fund accounts for monies owed to citizens that cannot be immediately located.

Construction Withholding Fund

The fund holds the ten percent withholding required by construction contracts until acceptance of the project.

Mayor's Court Fund

The fund receives fines and forfeitures from citizens as a result of violating City laws.

Flexible Benefits Fund

The Flexible Benefits Fund accounts for funds on deposits for payment of Employee's health care claims by a third party administrator.

Payroll Clearing Fund

The fund accounts for payroll and deduction checks of employees.

Revolving Fund

The fund accounts for miscellaneous deposits of funds collected by the City and due to other governments.

**CITY OF UPPER ARLINGTON, OHIO
FRANKLIN COUNTY**

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS (AGENCY FUNDS ONLY)
AS OF DECEMBER 31, 2016

	Agency Funds			
	Unclaimed Funds Fund	Construction Withholding Fund	Mayor's Court Fund	Flexible Benefits Fund
<u>ASSETS</u>				
Cash, cash equivalents and investments	\$ 3,205	\$ 1,083,553	\$ 55,503	\$ -
Cash with third-party fiscal agent	-	-	-	1,162
Accounts receivable	-	82,825	-	-
Total assets	<u>\$ 3,205</u>	<u>\$ 1,166,378</u>	<u>\$ 55,503</u>	<u>\$ 1,162</u>
<u>LIABILITIES</u>				
Due to others	\$ 3,205	\$ 1,166,378	\$ 55,503	\$ 1,162
Total liabilities	<u>\$ 3,205</u>	<u>\$ 1,166,378</u>	<u>\$ 55,503</u>	<u>\$ 1,162</u>

Agency Funds

<u>Payroll Clearing Fund</u>	<u>Revolving Fund</u>	<u>Totals</u>
\$ 444,026	\$ 32,816	\$ 1,619,103
-	-	1,162
-	-	82,825
<u>\$ 444,026</u>	<u>\$ 32,816</u>	<u>\$ 1,703,090</u>
<u>\$ 444,026</u>	<u>\$ 32,816</u>	<u>\$ 1,703,090</u>
<u>\$ 444,026</u>	<u>\$ 32,816</u>	<u>\$ 1,703,090</u>

**CITY OF UPPER ARLINGTON, OHIO
FRANKLIN COUNTY**

COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS (AGENCY FUNDS ONLY)
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Balances</u> <u>Jan. 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances</u> <u>Dec. 31, 2016</u>
UNCLAIMED FUNDS				
Assets				
Cash and investments	\$ 3,205	\$ -	\$ -	\$ 3,205
Liabilities				
Due to others	\$ 3,205	\$ -	\$ -	\$ 3,205
CONSTRUCTION WITHHOLDING FUND				
Assets				
Cash and investments	\$ 607,609	\$ 1,502,546	\$ 1,026,602	\$ 1,083,553
Accounts receivable	54,355	82,825	54,355	82,825
Total assets	<u>\$ 661,964</u>	<u>\$ 1,585,371</u>	<u>\$ 1,080,957</u>	<u>\$ 1,166,378</u>
Liabilities				
Due to others	<u>\$ 661,964</u>	<u>\$ 1,585,371</u>	<u>\$ 1,080,957</u>	<u>\$ 1,166,378</u>
MAYOR'S COURT FUND				
Assets				
Cash and investments	\$ 51,114	\$ 626,022	\$ 621,633	\$ 55,503
Liabilities				
Due to others	<u>\$ 51,114</u>	<u>\$ 626,022</u>	<u>\$ 621,633</u>	<u>\$ 55,503</u>
FLEXIBLE BENEFITS FUND				
Assets				
Cash with third party fiscal agent	<u>\$ 20,328</u>	<u>\$ 114,549</u>	<u>\$ 133,715</u>	<u>\$ 1,162</u>
Liabilities				
Due to others	<u>\$ 20,328</u>	<u>\$ 114,549</u>	<u>\$ 133,715</u>	<u>\$ 1,162</u>
PAYROLL CLEARING FUND				
Assets				
Cash and investments	<u>\$ 241,727</u>	<u>\$ 24,452,022</u>	<u>\$ 24,249,723</u>	<u>\$ 444,026</u>
Liabilities				
Due to others	<u>\$ 241,727</u>	<u>\$ 24,452,022</u>	<u>\$ 24,249,723</u>	<u>\$ 444,026</u>
REVOLVING FUND				
Assets				
Cash and investments	<u>\$ 32,950</u>	<u>\$ 138,544</u>	<u>\$ 138,678</u>	<u>\$ 32,816</u>
Liabilities				
Due to others	<u>\$ 32,950</u>	<u>\$ 138,544</u>	<u>\$ 138,678</u>	<u>\$ 32,816</u>
TOTAL AGENCY FUNDS				
Assets				
Cash and investments	\$ 936,605	\$ 26,719,134	\$ 26,036,636	\$ 1,619,103
Cash with third party fiscal agent	20,328	114,549	133,715	1,162
Accounts receivable	54,355	82,825	54,355	82,825
Total assets	<u>\$ 1,011,288</u>	<u>\$ 26,916,508</u>	<u>\$ 26,224,706</u>	<u>\$ 1,703,090</u>
Liabilities				
Due to others	<u>\$ 1,011,288</u>	<u>\$ 26,916,508</u>	<u>\$ 26,224,706</u>	<u>\$ 1,703,090</u>





CITY OF | **UPPER ARLINGTON**

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CITY OF UPPER ARLINGTON
STATISTICAL SECTION

This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health. These tables are presented in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 44, *Economic Condition Reporting: The Statistical Section*.

<u>Contents</u>	<u>Tables</u>
<i>Financial Trends</i> These schedules contain trend information to help understand how the City's financial performance and wellbeing has changed over time.	1-4
<i>Revenue Capacity</i> These schedules contain information to help assess the City's most significant revenue sources.	5-15
<i>Debt Capacity</i> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	16-19
<i>Demographic and Economic Information</i> This schedule contains service and infrastructure data to help the reader understand how the information in the City's financial activities take place.	20
<i>Operating Information</i> These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	21-23

City of Upper Arlington, Ohio
Net Position by Component
Last Ten Years
(accrual basis of accounting)
(amounts expressed in thousands)

	Year			
	<u>2016</u>	<u>2015</u>	<i>Restated</i> <u>2014</u>	<u>2013</u>
Governmental Activities				
Net investment in capital assets	\$ 44,989	\$ 41,505	\$ 38,329	\$ 37,816
Restricted for:				
Capital projects	20,585	5,882	4,759	3,057
Debt service	686	466	496	468
Street construction, maintenance & repair	1,814	1,733	1,497	1,371
Law enforcement (public safety)	919	922	1,105	1,099
Economic development	-	509	528	62
Pension obligations	1,673	1,143	739	532
Other purposes	456	540	427	319
Unrestricted	4,227	20,540	16,482	50,027
<i>Total Governmental Activities Net Position</i>	<u>\$ 75,349</u>	<u>\$ 73,240</u>	<u>\$ 64,362</u>	<u>\$ 94,751</u>
Business-type activities				
Net investment in capital assets	\$ 34,284	\$ 31,740	\$ 31,672	\$ 27,573
Unrestricted	4,544	3,444	2,797	3,477
<i>Total Business-Type Activities Net Position</i>	<u>\$ 38,828</u>	<u>\$ 35,184</u>	<u>\$ 34,469</u>	<u>\$ 31,050</u>
Primary Government				
Net investment in capital assets	\$ 79,273	\$ 73,245	\$ 70,001	\$ 65,389
Restricted				
Capital projects	20,585	5,882	4,759	3,057
Debt service	686	466	496	468
Street construction, maintenance & repair	1,814	1,733	1,497	1,371
Law enforcement and education	919	922	1,105	1,099
Economic development	-	509	528	62
Pension obligations	1,673	1,143	739	532
Other purposes	456	540	427	319
Unrestricted	8,771	23,984	19,279	53,504
<i>Total Primary Government Net Position</i>	<u>\$ 114,177</u>	<u>\$ 108,424</u>	<u>\$ 98,831</u>	<u>\$ 125,801</u>

Source:

City of Upper Arlington Finance Department

Table 1

<u>Year</u>						
<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	
\$ 40,921	\$ 33,668	\$ 35,574	\$ 32,666	\$ 29,923	\$ 26,458	
976	5,216	3,817	3,219	2,956	2,491	
365	284	222	186	137	527	
1,365	1,478	1,565	1,735	2,026	1,172	
1,426	1,115	1,062	823	973	1,396	
639	403	353	536	355	533	
253	316	322	386	365	314	
184	65	47	62	67	470	
48,603	43,720	37,753	38,116	40,506	40,708	
<u>\$ 94,732</u>	<u>\$ 86,265</u>	<u>\$ 80,715</u>	<u>\$ 77,729</u>	<u>\$ 77,308</u>	<u>\$ 74,069</u>	
\$ 22,426	\$ 20,905	\$ 19,329	\$ 18,599	\$ 18,025	\$ 17,613	
3,573	3,529	3,458	3,585	3,858	3,603	
<u>\$ 25,999</u>	<u>\$ 24,434</u>	<u>\$ 22,787</u>	<u>\$ 22,184</u>	<u>\$ 21,883</u>	<u>\$ 21,216</u>	
\$ 63,347	\$ 54,573	\$ 54,903	\$ 51,265	\$ 47,948	\$ 44,071	
976	5,216	3,817	3,219	2,956	2,491	
365	284	222	186	137	527	
1,365	1,478	1,565	1,735	2,026	1,172	
1,426	1,115	1,062	823	973	1,396	
639	403	353	536	355	533	
253	316	322	386	365	314	
184	65	47	62	67	470	
52,176	47,249	41,211	41,701	44,364	44,311	
<u>\$ 120,731</u>	<u>\$ 110,699</u>	<u>\$ 103,502</u>	<u>\$ 99,913</u>	<u>\$ 99,191</u>	<u>\$ 95,285</u>	

City of Upper Arlington, Ohio
Changes in Net Position, Last Ten Years
(accrual basis of accounting)
(amounts expressed in thousands)

	<u>Year</u>			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Expenses				
Governmental Activities:				
General Government	\$ 10,491	\$ 10,043	\$ 11,744	\$ 8,333
Public Safety	18,922	16,812	16,206	16,031
Public Services	6,688	5,524	4,977	5,561
Parks and Recreation	3,657	3,233	3,143	3,085
Community Development	912	864	892	1,005
Interest on long-term debt	1,684	1,569	1,514	1,660
Bond issuance costs	171	288	152	154
<i>Total Governmental Activities Expenses</i>	<u>42,525</u>	<u>38,333</u>	<u>38,628</u>	<u>35,829</u>
Business-Type activities:				
Solid Waste	2,153	2,063	2,109	2,077
Water	881	741	656	527
Sewer	869	636	632	579
Stormwater	610	560	487	494
Swimming pool	440	775	673	694
<i>Total Business-Type Activities Expenses</i>	<u>4,953</u>	<u>4,775</u>	<u>4,557</u>	<u>4,371</u>
<i>Total Primary Government Expenses</i>	<u>\$ 47,478</u>	<u>\$ 43,108</u>	<u>\$ 43,185</u>	<u>\$ 40,200</u>
Program Revenues				
Governmental Activities:				
Charges for services:				
General Government	\$ 1,214	\$ 1,256	\$ 1,092	\$ 1,131
Public Safety	1,021	1,169	1,178	1,066
Public Services	373	556	162	267
Parks and Recreation	1,240	1,308	1,208	1,196
Community Development	1,117	1,047	1,100	923
Operating grants and contributions	1,847	1,905	2,032	1,941
Capital grants and contributions	536	2,085	-	-
<i>Total Governmental Activities Program Revenues</i>	<u>7,348</u>	<u>9,326</u>	<u>6,772</u>	<u>6,524</u>
Business-Type Activities:				
Charges for services:				
Solid Waste	2,457	2,006	1,917	1,961
Water	541	447	431	454
Sewer	959	834	788	818
Stormwater	759	737	758	748
Swimming pools	600	541	566	588
Operating grants and contributions	-	-	-	-
Capital grants and contributions	-	-	-	-
<i>Total Business-Type Activities Program Revenues</i>	<u>5,316</u>	<u>4,565</u>	<u>4,460</u>	<u>4,569</u>
<i>Total Primary Government Program Revenues</i>	<u>\$ 12,664</u>	<u>\$ 13,891</u>	<u>\$ 11,232</u>	<u>\$ 11,093</u>

Table 2

<u>Year</u>					
<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ 7,492	\$ 7,981	\$ 7,903	\$ 8,189	\$ 8,851	\$ 7,154
16,570	15,973	15,724	16,110	15,776	15,082
4,996	4,649	5,159	4,709	4,889	5,679
3,137	3,147	3,052	3,346	3,331	3,269
1,045	935	953	984	991	944
2,108	1,822	1,464	1,205	996	958
-	-	-	-	-	-
<u>35,348</u>	<u>34,507</u>	<u>34,255</u>	<u>34,543</u>	<u>34,834</u>	<u>33,086</u>
2,051	2,041	2,009	1,952	2,334	1,949
481	567	453	400	564	318
701	676	651	794	736	700
587	1,027	1,069	858	683	704
708	658	667	736	686	626
<u>4,528</u>	<u>4,969</u>	<u>4,849</u>	<u>4,740</u>	<u>5,003</u>	<u>4,297</u>
<u>\$ 39,876</u>	<u>\$ 39,476</u>	<u>\$ 39,104</u>	<u>\$ 39,283</u>	<u>\$ 39,837</u>	<u>\$ 37,383</u>
\$ 652	\$ 793	\$ 818	\$ 971	\$ 698	\$ 616
1,347	1,507	1,391	1,370	493	1,297
124	2,340	80	76	79	106
1,068	1,983	879	848	860	805
797	762	1,053	677	760	781
2,177	410	2,060	1,813	1,632	1,703
388	-	-	80	195	248
<u>6,553</u>	<u>7,795</u>	<u>6,281</u>	<u>5,835</u>	<u>4,717</u>	<u>5,556</u>
1,986	1,954	1,685	1,664	2,052	1,872
484	415	400	378	338	332
850	791	774	771	734	708
752	761	548	537	542	552
646	638	628	608	640	658
-	-	-	-	32	5
-	-	-	-	14	6
<u>4,718</u>	<u>4,559</u>	<u>4,035</u>	<u>3,958</u>	<u>4,352</u>	<u>4,133</u>
<u>\$ 11,271</u>	<u>\$ 12,354</u>	<u>\$ 10,316</u>	<u>\$ 9,793</u>	<u>\$ 9,069</u>	<u>\$ 9,689</u>

City of Upper Arlington, Ohio
Changes in Net Position, Last Ten Years - (Continued)
 (accrual basis of accounting)
 (amounts expressed in thousands)

	Year			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Net(Expense)Revenue				
Governmental Activities	\$ (35,177)	\$ (29,007)	\$ (31,856)	\$ (29,305)
Business-Type Activities	363	(210)	(97)	198
<i>Total Primary Government Net Expense</i>	<u>\$ (34,814)</u>	<u>\$ (29,217)</u>	<u>\$ (31,953)</u>	<u>\$ (29,107)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes				
Income taxes	23,946	22,863	16,830	18,474
Property taxes	10,503	9,819	9,294	9,245
Intergovernmental (1)	4,841	5,219	5,260	5,824
Unrestricted investment earnings	564	526	922	(90)
Miscellaneous	687	363	400	723
Transfers	(3,255)	(905)	(4,132)	(4,852)
Total governmental activities	<u>37,286</u>	<u>37,885</u>	<u>28,574</u>	<u>29,324</u>
Business-type activities:				
Investment earnings	25	20	29	-
Miscellaneous	-	-	-	1
Transfers	3,255	905	4,132	4,852
<i>Total Business-Type Activities</i>	<u>3,280</u>	<u>925</u>	<u>4,161</u>	<u>4,853</u>
<i>Total Primary Government</i>	<u>\$ 40,566</u>	<u>\$ 38,810</u>	<u>\$ 32,735</u>	<u>\$ 34,177</u>
Change in Net Position				
Governmental activities	2,109	8,878	(3,282)	19
Business-type activities	3,643	715	4,064	5,051
<i>Total Primary Government Change in Net Position</i>	<u>\$ 5,752</u>	<u>\$ 9,593</u>	<u>\$ 782</u>	<u>\$ 5,070</u>

Note:

(1) For comparison purposes, payments in lieu of taxes (current year) and estate tax revenue (prior years) have been included with intergovernmental revenue.

Sources:

City of Upper Arlington Finance Department

Table 2

<u>Year</u>					
<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ (28,795)	\$ (26,712)	\$ (27,974)	\$ (28,708)	\$ (30,117)	\$ (27,530)
190	(410)	(814)	(782)	(651)	(164)
<u>\$ (28,605)</u>	<u>\$ (27,122)</u>	<u>\$ (28,788)</u>	<u>\$ (29,490)</u>	<u>\$ (30,768)</u>	<u>\$ (27,694)</u>
15,663	16,045	13,165	12,173	13,627	14,615
8,936	9,043	9,122	9,109	8,847	8,826
12,195	8,245	8,879	7,676	9,368	5,876
703	609	866	887	2,562	2,693
1,117	355	293	332	1,289	1,556
(1,352)	(2,035)	(1,365)	(1,048)	(895)	-
<u>37,262</u>	<u>32,262</u>	<u>30,960</u>	<u>29,129</u>	<u>34,798</u>	<u>33,566</u>
23	22	51	35	185	276
-	-	-	-	239	-
1,352	2,036	1,365	1,048	895	-
<u>1,375</u>	<u>2,058</u>	<u>1,416</u>	<u>1,083</u>	<u>1,319</u>	<u>276</u>
<u>\$ 38,637</u>	<u>\$ 34,320</u>	<u>\$ 32,376</u>	<u>\$ 30,212</u>	<u>\$ 36,117</u>	<u>\$ 33,842</u>
8,467	5,550	2,986	421	4,681	6,036
1,565	1,648	602	301	668	112
<u>\$ 10,032</u>	<u>\$ 7,198</u>	<u>\$ 3,588</u>	<u>\$ 722</u>	<u>\$ 5,349</u>	<u>\$ 6,148</u>

City of Upper Arlington, Ohio
Fund Balances of Governmental Funds
Last Ten Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	<u>Year</u>			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General fund				
Reserved	N/A	N/A	N/A	N/A
Unreserved	N/A	N/A	N/A	N/A
Nonspendable	\$ 3,148	\$ 3,586	\$ 1,962	\$ 2,023
Restricted	13,173	1,568	959	1,021
Committed	1,320	10,314	8,465	8,788
Assigned	4,281	617	491	3,468
Unassigned (deficit)	17,561	18,799	18,586	16,594
<i>Total General Fund</i>	<u>\$ 39,483</u>	<u>\$ 34,884</u>	<u>\$ 30,463</u>	<u>\$ 31,894</u>
All other governmental funds				
Reserved	N/A	N/A	N/A	N/A
Unreserved, reported in:				
Special revenue funds	N/A	N/A	N/A	N/A
Capital projects funds	N/A	N/A	N/A	N/A
Debt service funds	N/A	N/A	N/A	N/A
Nonspendable	\$ 131	\$ 67	\$ 114	\$ 34
Restricted	18,426	16,452	4,295	9,247
Committed	11,253	15,504	15,960	16,600
Assigned	-	-	-	-
Unassigned	(1,886)	(1,592)	(270)	(801)
<i>Total All Other Governmental Funds</i>	<u>\$ 27,924</u>	<u>\$ 30,431</u>	<u>\$ 20,099</u>	<u>\$ 25,080</u>

Sources:

City of Upper Arlington Finance Department

Note: The City implemented Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. As a result fund balance classifications were changed as of December 31, 2011.

Table 3

<u>Year</u>						
<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	
N/A	N/A	\$ 1,817	\$ 1,248	\$ 1,302	\$ 878	
N/A	N/A	26,258	25,506	28,671	27,554	
\$ 2,559	\$ 2,832	N/A	N/A	N/A	N/A	
1,026	861	N/A	N/A	N/A	N/A	
8,877	9,809	N/A	N/A	N/A	N/A	
-	-	N/A	N/A	N/A	N/A	
21,867	17,621	N/A	N/A	N/A	N/A	
<u>\$ 34,329</u>	<u>\$ 31,123</u>	<u>\$ 28,075</u>	<u>\$ 26,754</u>	<u>\$ 29,973</u>	<u>\$ 28,432</u>	
N/A	N/A	\$ 3,181	\$ 4,239	\$ 7,251	\$ 2,087	
N/A	N/A	2,196	2,536	2,628	2,723	
N/A	N/A	19,506	14,476	9,279	10,879	
N/A	N/A	358	294	229	685	
\$ 4,925	\$ 4,922	N/A	N/A	N/A	N/A	
11,108	9,403	N/A	N/A	N/A	N/A	
12,617	9,192	N/A	N/A	N/A	N/A	
-	-	N/A	N/A	N/A	N/A	
(5,723)	(4,749)	N/A	N/A	N/A	N/A	
<u>\$ 22,927</u>	<u>\$ 18,768</u>	<u>\$ 25,241</u>	<u>\$ 21,545</u>	<u>\$ 19,387</u>	<u>\$ 16,374</u>	

City of Upper Arlington, Ohio
Changes in Fund Balances of Governmental Funds
Last Ten Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Year					
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Revenues						
Taxes	\$ 35,778	\$ 31,989	\$ 26,710	\$ 26,131	\$ 33,890	\$ 28,344
Intergovernmental (1)	7,232	10,425	7,200	7,831	5,450	5,624
Licenses and permits	1,213	1,181	1,115	1,066	877	945
Charges for services	2,014	2,102	2,004	1,994	2,014	1,899
Fines and forfeits	463	398	373	345	362	430
Investment earnings	533	510	899	(106)	703	609
Miscellaneous	1,083	1,561	1,299	1,683	1,660	1,493
<i>Total Revenues</i>	<u>48,316</u>	<u>48,166</u>	<u>39,600</u>	<u>38,944</u>	<u>44,956</u>	<u>39,344</u>
Expenditures						
General Government	9,819	9,637	11,359	6,532	7,332	7,557
Public Safety	15,991	15,547	15,646	15,930	15,527	15,784
Public Services	3,915	2,788	2,697	4,081	3,135	2,913
Parks and Recreation	3,265	2,963	2,925	2,866	3,008	3,017
Community Development	814	844	958	994	994	956
Health Services	-	-	-	-	-	-
Capital outlay	20,839	12,562	10,763	5,272	10,830	16,095
Debt services						
Principal	3,810	7,375	3,092	2,850	2,595	2,480
Interest	1,720	1,577	1,530	1,735	1,819	1,743
Other charges	171	288	152	154	151	131
<i>Total Expenditures</i>	<u>60,344</u>	<u>53,581</u>	<u>49,122</u>	<u>40,414</u>	<u>45,391</u>	<u>50,676</u>
<i>Excess of Revenues Over(Under) Expenditures</i>	(12,028)	(5,415)	(9,522)	(1,470)	(435)	(11,332)
Other Financing Sources (Uses)						
Transfers in	7,052	5,053	4,919	9,851	7,285	5,036
Transfers out	(7,052)	(5,292)	(6,058)	(9,861)	(7,297)	(5,036)
Bonds/Notes issued	13,335	18,800	3,800	-	10,000	6,000
Refunding bonds and escrow transfer	-	6,082	6,265	8,640	-	-
Premium on bonds/notes issued	171	2,064	217	775	247	284
Payment of refunding notes	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	(6,760)	(6,348)	(9,273)	-	(6,151)
Installment loan issued	-	-	-	-	-	-
Capital lease proceeds	-	-	-	918	-	-
Sale of capital assets	613	221	315	138	333	208
<i>Total Other Financing Sources (Uses)</i>	<u>14,119</u>	<u>20,168</u>	<u>3,110</u>	<u>1,188</u>	<u>10,568</u>	<u>341</u>
<i>Net Change in Fund Balances</i>	<u>\$ 2,091</u>	<u>\$ 14,753</u>	<u>\$ (6,412)</u>	<u>\$ (282)</u>	<u>\$ 10,133</u>	<u>\$ (10,991)</u>
Debt Service as a Percentage of						
Noncapital Expenditures	13.80%	21.82%	12.05%	13.05%	12.77%	12.21%
Sources:						
City of Upper Arlington Finance Department						
Note:						
(1) For comparison purposes, payments in lieu of taxes is included with intergovernmental revenue						

Table 4

<u>Year</u>			
<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ 28,433	\$ 27,322	\$ 27,576	\$ 27,261
4,632	4,208	4,372	4,295
922	819	862	917
1,891	1,913	1,911	1,812
416	388	362	362
866	887	1,997	2,218
1,128	896	1,569	2,051
<u>38,288</u>	<u>36,433</u>	<u>38,649</u>	<u>38,916</u>
7,880	7,939	8,510	6,909
15,651	16,252	15,188	14,677
3,190	2,892	2,998	3,875
3,040	3,149	3,147	3,025
991	975	968	936
-	-	-	-
8,923	13,601	7,114	6,686
1,985	1,487	4,964	1,195
1,393	1,177	1,227	972
148	235	120	
<u>43,201</u>	<u>47,707</u>	<u>44,236</u>	<u>38,275</u>
(4,913)	(11,274)	(5,587)	641
6,661	5,605	3,348	5,826
(7,111)	(5,801)	(3,396)	(5,826)
10,000	10,090	9,972	3,972
-	6,715	-	-
25	488	123	40
-	-	-	(3,972)
-	(7,058)	-	-
-	-	-	-
-	-	-	-
381	174	94	530
<u>9,956</u>	<u>10,213</u>	<u>10,141</u>	<u>570</u>
<u>\$ 5,043</u>	<u>\$ (1,061)</u>	<u>\$ 4,554</u>	<u>\$ 1,211</u>
9.85%	7.81%	16.68%	6.86%

City of Upper Arlington, Ohio
Governmental Activities Tax Revenues by Source
Last Ten Years
(accrual basis of accounting)
(amounts expressed in thousands)

<u>Year</u>	<u>Income Tax</u>	<u>Property Tax</u>	<u>Estate Tax</u>	<u>Motor Fuel Tax</u>	<u>Total</u>
2016	\$ 23,946	\$ 10,503	\$ -	\$ 1,177	\$ 35,626
2015	22,863	9,818	65	1,215	33,961
2014	16,830	9,294	216	1,172	27,512
2013	18,474	9,245	2,430	1,152	31,301
2012	15,663	8,936	8,235	1,146	33,980
2011	16,045	9,044	3,652	1,134	29,875
2010	13,165	9,122	4,462	1,141	27,890
2009	12,173	9,109	4,192	1,018	26,492
2008	13,627	8,847	3,743	1,139	27,356
2007	14,616	8,826	2,282	1,131	26,855

Source:

City of Upper Arlington Finance Department

**City of Upper Arlington, Ohio
Principal Property Taxpayers
Current and Nine Years Ago
(amounts expressed in thousands)**

	2016		2007	
	Assessed Valuation (1)	% of Total Assessed Valuation	Assessed Valuation	% of Total Assessed Valuation
<u>Public Utilities</u>				
Columbus Southern Power Co.	\$ 12,451,670	0.73%	\$ 9,217,850	0.60%
AEP Ohio Transmission	7,603,270	0.44%		
Columbia Gas of Ohio Inc.	4,539,840	0.27%	1,220,550	0.08%
Ohio Bell Telephone				
<u>Real Estate</u>				
First Community Village	8,675,000	0.51%	3,578,190	0.23%
Lane Avenue 450 LLC	5,542,710	0.32%	7,497,480	0.48%
GGRE Son Central II Arlington LLC	4,116,010	0.24%		
Scioto Country Club Inc.	3,873,100	0.23%	4,052,230	0.26%
Echo Contentental	3,609,240	0.21%		
Centro NP Greentree SC	3,176,260	0.19%		
Kenbrook Village Company	3,043,600	0.18%	2,310,000	0.15%
Orthopaedic Medical	2,669,980	0.16%		
National Church Residences	2,540,670	0.15%		
Berkley House LLC	2,530,220	0.15%		
Tremont Center Company	2,290,230	0.13%		
Lane Avenue Office Building LLC	2,121,490	0.12%	1,960,000	0.13%
Kroger Co.	1,855,000	0.11%		
Arlington Court Nursing Home	1,820,000	0.11%		
Huntington National Bank	1,795,480	0.10%	1,892,170	0.12%
Tree of Life Christian Ministries LLC	1,716,040	0.10%		
Upper Arlington Medical LP	1,575,010	0.09%		
Investment Land Holdings II	1,477,010	0.09%		
DO-AN Investments LTD	1,470,000	0.09%		
CBC Companies Inc.	1,456,030	0.09%		
GB One LLC	1,446,560	0.08%		
Medstone Realty Company LLC	1,327,030	0.08%		
RRC Acquisitions Inc.			7,315,010	0.47%
New Plan Financing I Inc.			3,487,760	0.23%
Time Warner Entertainment Company LP			8,050,040	0.52%
Kimco Development Corp.			3,500,570	0.23%
<u>Tangible Personal Property</u>				
Ohio Bell Telephone			1,068,250	0.07%
CBC Companies Inc.			525,735	0.03%
America Online Inc.			493,680	0.03%
Time Warner Entertainment Company LP			492,125	0.03%
Honeywell International Inc.			459,955	0.03%
Kroger Company			236,155	0.02%
Tamarkin Company			163,520	0.01%
Ohio Orthopedic Center of Excellence Inc.			146,945	0.01%
New Par			103,555	0.01%
Federated Retail Holdings, Inc.			103,000	0.01%
ALL OTHERS	<u>\$ 1,626,303,200</u>	<u>95.05%</u>	<u>1,490,534,471</u>	<u>96.26%</u>
TOTAL ASSESSED VALUATION	<u>\$ 1,711,024,650</u>	<u>100.00%</u>	<u>\$ 1,548,409,241</u>	<u>100.00%</u>

Notes:

(1) Amounts for 2016 excludes any abated values or any values included with in a tax increment financing district.

Source: Franklin County, Ohio; County Auditor

**City of Upper Arlington, Ohio
Property Tax Rates
Direct and Overlapping Governments
Last Ten Years**

<u>Year</u>	<u>City of Upper Arlington</u>					<u>Overlapping Rates Franklin County</u>			
	<u>Operating Millage</u>	<u>Debt Service Millage</u>	<u>Police & Fire Pension Millage</u>	<u>Capital Equipment Millage</u>	<u>Total City Millage</u>	<u>Operating Millage</u>	<u>Specialty Service Millage</u>	<u>Metro Parks Millage</u>	<u>Total County Millage</u>
2016	3.90	0.50	1.68	0.50	6.58	1.47	16.25	0.75	18.47
2015	3.90	0.50	1.68	0.50	6.58	1.47	16.25	0.75	18.47
2014	3.90	0.50	1.68	0.50	6.58	1.47	16.25	0.75	18.47
2013	3.90	0.54	1.68	0.50	6.62	1.47	16.25	0.75	18.47
2012	3.90	0.54	1.68	0.50	6.62	1.47	16.25	0.75	18.47
2011	3.90	0.54	1.54	0.50	6.48	1.47	15.85	0.75	18.07
2010	3.90	0.54	1.54	0.50	6.48	1.47	15.85	0.75	18.07
2009	3.90	0.54	1.54	0.50	6.48	1.47	15.85	0.75	18.07
2008	3.90	0.52	1.54	0.50	6.46	1.47	15.90	0.65	18.02
2007	3.90	0.44	1.54	0.50	6.38	1.47	16.37	0.65	18.49

Notes:

(1) Specialty service includes: Children Services, ADAMH Board, MR & DD, Zoological Park, Office on Aging

Source: Franklin County, Ohio; County Auditor

Overlapping Rates					
Upper Arlington Schools			Library		Total Direct & Overlapping Rates
Operating Millage	Debt Service Millage	Total School Millage	Operating Millage	Total Library Millage	
104.11	1.90	106.01	2.00	2.00	133.06
104.11	1.85	105.96	2.00	2.00	133.01
104.11	1.97	106.08	2.00	2.00	133.13
104.11	1.97	106.08	2.00	2.00	133.17
100.11	1.97	102.08	2.00	2.00	129.17
100.11	1.97	102.08	2.00	2.00	128.63
100.11	1.97	102.08	2.00	2.00	128.63
100.11	1.97	102.08	2.00	2.00	128.63
94.46	1.97	96.43	2.00	2.00	122.91
93.91	1.97	95.88	2.00	2.00	122.75

City of Upper Arlington, Ohio
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Years

Year Ended <u>December 31</u>	Real Property			Personal Property	Total Taxable Assessed Value	Total Direct Tax Rate
	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Public Utility Property</u>	<u>General</u>		
2016	\$ 1,546,531,670	\$ 139,964,160	\$ 24,528,820	\$ -	\$ 1,711,024,650	6.58
2015	1,539,456,620	139,457,060	24,165,400	-	1,703,079,080	6.58
2014	1,533,958,110	149,341,880	23,905,680	-	1,707,205,670	6.58
2013	1,405,652,200	133,744,520	22,872,510	-	1,562,269,230	6.62
2012	1,405,147,490	137,151,530	21,922,850	-	1,564,221,870	6.62
2011	1,410,425,940	149,473,060	14,095,190	-	1,573,994,190	6.48
2010	1,432,981,270	135,734,450	12,720,930	-	1,581,436,650	6.48
2009	1,429,916,090	139,163,160	11,480,320	698,120	1,581,257,690	6.48
2008	1,419,959,820	140,637,860	10,791,660	1,396,240	1,572,785,580	6.46
2007	1,403,290,100	128,782,010	10,411,260	5,925,871	1,548,409,241	6.38

Source: Franklin County, Ohio; County Auditor

Estimated Actual Taxable Value	Assessed Value as a Percentage of <u>Actual Value</u>
\$ 4,888,641,857	35.00%
4,865,940,229	35.00%
4,877,730,486	35.00%
4,463,626,371	35.00%
4,469,205,343	35.00%
4,497,126,257	35.00%
4,518,390,429	35.00%
4,518,676,966	35.00%
4,495,268,789	35.00%
4,430,798,827	35.00%

**City of Upper Arlington, Ohio
Principal Employers
Ranked by Number of Full-time Employees
Last Ten Years**

Employer	2016		2015		2014		2013		2012	
	Employees	Percentage of Total City	Employees	Percentage of Total City	Employees	Percentage of Total City	Employees	Percentage of Total City	Employees	Percentage of Total City
		Employment		Employment		Employment		Employment		Employment
UA Board of Education	852	4.9%	849	4.9%	838	4.8%	812	4.7%	850	5.0%
AOL Midwest	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
First Community Village	239	1.4%	231	1.3%	225	1.3%	225	1.3%	378	2.2%
City of Upper Arlington	220	1.3%	216	1.2%	216	1.2%	218	1.3%	224	1.3%
Kroger	107	0.6%	99	0.6%	99	0.6%	94	0.5%	107	0.6%
Giant Eagle	143	0.8%	143	0.8%	128	0.7%	175	1.0%	200	1.2%
Scioto Country Club	228	1.3%	200	1.1%	200	1.1%	200	1.2%	200	1.2%
Wellington School	124	0.7%	130	0.7%	160	0.9%	160	0.9%	160	0.9%
National Church Residences	454	2.6%	232	1.3%	211	1.2%	174	1.0%	184	1.1%
Willis HRH	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Ohio State University	525	3.0%	325	1.9%	325	1.9%	325	1.9%	325	1.9%
CBC Companies	200	1.1%	202	1.2%	203	1.2%	170	1.0%	198	1.2%
Ohio Orthopaedic Center	172	1.0%	186	1.1%	175	1.0%	243	1.4%	214	1.3%
Total	3,264	18.70%	2,813	16.10%	2,780	15.90%	2,796	16.20%	3,040	17.90%
Total City Employees			17,489 (1)		17,489		17,378		17,018	

Employer	2011		2010		2009		2008		2007	
	Employees	Percentage of Total City	Employees	Percentage of Total City	Employees	Percentage of Total City	Employees	Percentage of Total City	Employees	Percentage of Total City
		Employment		Employment		Employment		Employment		Employment
UA Board of Education	860	5.1%	880	5.0%	880	5.2%	880	4.7%	890	5.0%
AOL Midwest	-	0.0%	-	0.0%	-	0.0%	-	0.0%	107	0.6%
First Community Village	352	2.1%	360	2.1%	370	2.2%	410	2.2%	384	2.2%
City of Upper Arlington	241	1.4%	246	1.4%	243	1.4%	245	1.3%	263	1.5%
Kroger	107	0.6%	107	0.6%	143	0.8%	-	0.0%	113	0.6%
Giant Eagle	201	1.2%	201	1.1%	197	1.2%	200	1.1%	160	0.9%
Scioto Country Club	173	1.0%	173	1.0%	-	0.0%	-	0.0%	157	0.9%
Wellington School	160	0.9%	160	0.9%	170	1.0%	170	0.9%	170	1.0%
National Church Residences	194	1.1%	177	1.0%	173	1.0%	210	1.1%	173	1.0%
Willis HRH	-	0.0%	106	0.6%	132	0.8%	125	0.7%	130	0.7%
Ohio State University	325	1.9%	290	1.7%	285	1.7%	300	1.6%	309	1.7%
CBC Companies	175	1.0%	175	1.0%	175	1.0%	170	0.9%	157	0.9%
Ohio Orthopaedic Center	158	0.9%	185	1.1%	170	1.0%	170	0.9%		
Total	2,946	17.20%	3,060	17.50%	2,938	17.30%	2,880	15.40%	3,013	17.00%
Total City Employees	17,018		17,552		17,076		18,773		17,851	

Sources: City of Upper Arlington Finance Department
Regional Income Tax Authority

Notes:

(1) Total City Employees data for 2015 was used as data from 2014 was not yet available.



CITY OF | **UPPER ARLINGTON**

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City of Upper Arlington, Ohio
Income Tax Statistics
Last Ten Years

Income Averages for Upper Arlington Tax Years 2015-2006

Tax Year	Income Range Tax Year	Individual Resident Filers	Percent of Filers	Local Taxable Income	Percent of Taxable Income
2015	0-19,999	2,756	22.1%	\$ 20,555,204	1.2%
2015	20,000-49,999	1,761	14.1%	61,052,036	3.7%
2015	50,000-74,999	1,195	9.6%	74,422,516	4.5%
2015	75,000-99,999	1,201	9.6%	104,291,144	6.3%
2015	Over 100,000	<u>5,400</u>	43.3%	<u>1,518,995,981</u>	92.4%
	Total	12,313		\$ 1,779,316,881	
2014	0-19,999	2,884	23.1%	\$ 21,594,351	1.3%
2014	20,000-49,999	1,876	15.1%	64,481,885	3.9%
2014	50,000-74,999	1,268	10.2%	78,878,817	4.8%
2014	75,000-99,999	1,235	9.9%	107,265,158	6.5%
2014	Over 100,000	<u>5,200</u>	41.7%	<u>1,372,204,630</u>	83.4%
	Total	12,463		\$ 1,644,424,841	
2013	0-19,999	2,971	24.2%	\$ 22,095,174	1.4%
2013	20,000-49,999	1,849	15.1%	64,080,477	4.1%
2013	50,000-74,999	1,282	10.4%	79,711,821	5.2%
2013	75,000-99,999	1,259	10.3%	109,807,642	7.1%
2013	Over 100,000	<u>4,914</u>	40.0%	<u>1,272,099,979</u>	82.2%
	Total	12,275		\$ 1,547,795,093	
2012	0-19,999	2,961	24.1%	\$ 21,196,023	1.4%
2012	20,000-49,999	1,964	16.0%	68,089,408	4.5%
2012	50,000-74,999	1,370	11.1%	85,085,775	5.6%
2012	75,000-99,999	1,212	9.9%	105,334,609	6.9%
2012	Over 100,000	<u>4,789</u>	38.9%	<u>1,249,530,060</u>	81.7%
	Total	12,296		\$ 1,529,235,875	
2011	0-19,999	2,910	24.7%	\$ 21,326,493	1.5%
2011	20,000-49,999	1,897	16.1%	65,075,294	4.6%
2011	50,000-74,999	1,285	10.9%	79,842,261	5.6%
2011	75,000-99,999	1,237	10.5%	107,598,014	7.6%
2011	Over 100,000	<u>4,463</u>	37.8%	<u>1,139,965,891</u>	80.6%
	Total	11,792		\$ 1,413,807,953	

Sources: Regional Income Tax Authority

Table 10

<u>Tax Year</u>	<u>Income Range Tax Year</u>	<u>Individual Resident Filers</u>	<u>Percent of Filers</u>	<u>Local Taxable Income</u>	<u>Percent of Taxable Income</u>
2010	0-19,999	3,167	25.7%	\$ 22,421,688	1.6%
2010	20,000-49,999	2,063	16.7%	71,104,776	5.1%
2010	50,000-74,999	1,448	11.7%	90,036,981	6.5%
2010	75,000-99,999	1,274	10.3%	110,848,623	8.0%
2010	Over 100,000	4,389	35.6%	1,094,467,390	78.8%
	Total	12,341		\$ 1,388,879,458	
2009	0-19,999	3,557	26.4%	\$ 24,452,373	1.8%
2009	20,000-49,999	2,348	17.4%	80,775,621	5.8%
2009	50,000-74,999	1,610	12.0%	99,913,085	7.2%
2009	75,000-99,999	1,407	10.4%	122,308,215	8.8%
2009	Over 100,000	4,547	33.8%	1,063,175,559	76.5%
	Total	13,469		\$ 1,390,624,853	
2008	0-19,999	3,502	26.4%	\$ 23,754,404	1.7%
2008	20,000-49,999	2,271	17.1%	79,149,064	5.6%
2008	50,000-74,999	1,515	11.4%	94,207,245	6.6%
2008	75,000-99,999	1,411	10.6%	122,833,691	8.6%
2008	Over 100,000	4,591	34.5%	1,103,314,611	77.5%
	Total	13,290		\$ 1,423,259,015	
2007	0-19,999	3,664	30.1%	\$ 26,359,565	2.4%
2007	20,000-49,999	1,637	13.5%	54,251,610	4.9%
2007	50,000-74,999	1,407	11.6%	79,693,160	7.2%
2007	75,000-99,999	1,245	10.2%	100,589,849	9.1%
2007	Over 100,000	4,216	34.6%	849,276,468	76.5%
	Total	12,169		\$ 1,110,170,652	
2006	0-19,999	3,695	30.3%	\$ 26,984,865	2.5%
2006	20,000-49,999	1,672	13.7%	55,616,909	5.2%
2006	50,000-74,999	1,451	11.9%	82,344,261	7.7%
2006	75,000-99,999	1,267	10.4%	100,839,642	9.4%
2006	Over 100,000	4,114	33.7%	803,216,492	75.1%
	Total	12,199		\$ 1,069,002,169	

City of Upper Arlington, Ohio
Income Tax Statistics
Last Ten Years

Local Taxes Paid by Upper Arlington Residents for Tax Years 2015 -2006

Tax Year	Taxes Paid by Upper Arlington Residents	%	Taxes credited to other municipalities	%	Total Local Income tax Paid by Residents
2015	6,775,590	17.9%	31,016,747	82.1%	37,792,337
2014	4,317,783	15.7%	23,231,790	84.3%	27,549,573
2013	4,247,356	16.6%	21,354,249	83.4%	25,601,605
2012	4,187,114	16.6%	21,038,943	83.4%	25,226,057
2011	3,971,038	16.5%	20,086,924	83.5%	24,057,962
2010	3,608,055	15.6%	19,450,755	84.4%	23,058,810
2009	3,455,776	15.0%	19,413,911	85.0%	22,819,687
2008	3,600,753	15.4%	19,827,002	84.6%	23,427,755
2007	3,368,303	14.8%	19,335,641	85.2%	22,703,944
2006	3,093,888	14.2%	18,743,528	85.8%	21,837,416

Source: Regional Income Tax Agency, Brecksville, Ohio

Notes:

- (1) Income reported represents income taxable at the local level. Local taxable income excludes some revenue sources taxable at the federal level, such as pensions, investment earnings, and capital gains.
- (2) While the City imposes a 2.5% income tax on its residents (effective January 1, 2015), a credit of up to 2.5% is allowed for income earned outside the City. Thus, the City's actual income tax collections are substantially less than 2.5% of local taxable income. In addition local taxable income includes income tax received from non-resident individuals who work within the jurisdiction, and are not required to file an annual return.
- (3) Differences in amounts reported as local tax collected by Upper Arlington residents and "Taxes from Individuals" amounts reported in Table 11 result from timing differences in collection and distribution of tax by the Regional Income Tax Agency (RITA), along with payments by non-resident individuals who remit payments for taxes from work performed inside the City.
- (4) Information for 2016 was not available.

City of Upper Arlington, Ohio
Income Tax Revenue Base and Collections (Cash Basis)
Last Ten Years
(amounts expressed in thousands)

Tax Year	Tax Rate	Total Tax Collected	Taxes From Withholding	Percentage of Taxes From Withholding	Taxes From Net Profits	Percentage of Taxes From Net Profits	Taxes From Individuals	Percentage of Taxes From Individuals
2016	2.5%	\$ 25,262	\$ 15,275	60%	\$ 2,957	12%	\$ 7,030	28%
2015	2.5%	21,491	13,644	63%	2,108	10%	5,739	27%
2014	2.0%	16,907	10,668	63%	1,844	11%	4,395	26%
2013	2.0%	16,789	10,210	61%	2,064	12%	4,515	27%
2012	2.0%	15,253	10,043	66%	1,587	10%	3,623	24%
2011	2.0%	14,662	9,485	65%	1,706	12%	3,471	23%
2010	2.0%	13,595	8,823	65%	1,654	12%	3,118	23%
2009	2.0%	12,856	8,470	66%	1,368	11%	3,018	23%
2008	2.0%	13,459	8,861	66%	1,199	9%	3,399	25%
2007	2.0%	13,725	8,976	65%	1,590	12%	3,159	23%

Sources:

1. City of Upper Arlington Finance Department

City of Upper Arlington, Ohio
Special Assessment Billings and Collections
Last Ten Years

Year	Assessment Billings	Assessment Collections
2016	\$ 257,677	\$ 247,258
2015	263,168	250,319
2014	256,684	248,133
2013	264,847	256,662
2012	264,759	258,840
2011	227,378	221,385
2010	227,806	221,426
2009	191,228	183,462
2008	164,544	158,503
2007	176,749	170,283

Source: Franklin County, Ohio; County Auditor

City of Upper Arlington, Ohio
Property Tax Levies and Collections
Last Ten Years
(amounts expressed in thousands)

Year Ended <u>December 31</u>	Total Tax Levy for <u>Year</u>	Collected within the Year of the Levy		Total Collections to Date			Outstanding Delinquent Taxes
		<u>Amount</u>	<u>Percentage of Levy</u>	<u>Delinquent Amount</u>	<u>Total Collected</u>	<u>Percentage of Levy</u>	
2016	\$ 11,068	\$ 10,819	97.8%	\$ 215	\$ 11,034	99.7%	\$ 193
2015	11,092	10,659	96.1%	335	10,994	99.1%	201
2014	10,628	10,114	95.2%	218	10,332	97.2%	225
2013	10,539	9,873	93.7%	212	10,085	95.7%	306
2012	10,263	9,814	95.6%	201	10,015	97.6%	331
2011	10,331	9,959	96.4%	139	10,098	97.7%	297
2010	10,319	10,039	97.3%	280	10,039	97.3%	280
2009	10,227	9,789	95.7%	182	9,971	97.5%	256
2008	9,956	9,629	96.7%	156	9,785	98.3%	171
2007	9,825	9,607	97.8%	216	9,823	100.0%	2

Sources:

1. Franklin County, Ohio Auditor's Office

City of Upper Arlington, Ohio
Enterprise Funds Summary Data
Last Ten Years
(accrual basis of accounting)
(amounts expressed in thousands)

	Year				
	<u>2016</u>	<u>2015</u>	<i>Restated</i> <u>2014</u>	<u>2013</u>	<u>2012</u>
Water Surcharge Fund					
Assets	\$ 16,168	\$ 14,865	\$ 14,977	\$ 13,078	\$ 8,467
Net Position	14,722	14,265	14,441	12,683	7,959
Operating Revenue	541	447	431	454	484
Operating (Expense)	(856)	(718)	(650)	(518)	(470)
Non-operating					
Interest expense	(23)	(22)	(5)	(9)	(12)
Capital contributions	795	117	1,149	4,798	438
Transfers in	-	-	916	-	-
Changes in net position	457	(176)	1,841	4,725	440
Rate per 1000 cubic feet (MCF)	-	-	-	-	-
Surcharge rate on commodity	10%	10%	10%	10%	10%
Sewer Surcharge Fund					
Assets	\$ 6,019	\$ 5,822	\$ 5,694	\$ 5,697	\$ 5,883
Net Position	5,722	5,629	5,430	5,432	5,192
Operating Revenues	959	834	788	818	850
Operating (Expense)	(801)	(634)	(625)	(567)	(687)
Non-operating					
Investment income	-	-	-	-	-
Interest expense	(26)	(1)	(6)	(12)	(17)
Other, net	(39)	-	-	1	1
Capital contributions	-	-	-	-	242
Transfers in	-	-	-	-	-
Changes in net position	93	199	157	240	389
Rate per 1000 cubic feet (MCF)	n/a	n/a	n/a	n/a	n/a
Surcharge rate on commodity	0%	0%	18%	18%	18%
Stormwater Fund					
Assets	\$ 13,989	\$ 10,767	\$ 10,189	\$ 8,187	\$ 8,104
Net Position	12,836	10,205	9,462	7,448	7,151
Operating Revenue	760	737	758	748	753
Operating (Expense)	(546)	(498)	(467)	(471)	(753)
Non-operating					
Investment income	19	17	28	(1)	20
Interest expense	(62)	(49)	(20)	(23)	(26)
Other, net	-	(13)	-	-	-
Capital contributions	2,460	549	1,843	44	658
Changes in net position	2,631	743	2,142	297	652
Annual residential rate	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45

Table 15

		<u>Year</u>				
		<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$	7,946	\$ 7,411	\$ 7,231	\$ 6,502	\$ 6,360	
	7,518	6,882	6,600	5,775	5,542	
	415	401	378	338	332	
	(553)	(441)	(379)	(539)	(292)	
	(15)	(19)	(22)	(25)	(28)	
	790	341	847	458	1	
	-	-	-	-	-	
	637	282	824	232	13	
	-	-	-	-	n/a	
	10%	10%	10%	10%	10%	
\$	5,361	\$ 4,733	\$ 4,856	\$ 4,856	\$ 5,002	
	4,803	3,992	3,865	3,847	3,804	
	792	774	771	734	708	
	(656)	(640)	(768)	(695)	(667)	
	-	2	-	-	-	
	(23)	(28)	(32)	(40)	(47)	
	(2)	-	-	-	-	
	699	20	5	44	4	
	-	-	42	-	-	
	810	128	18	43	(2)	
	n/a	n/a	n/a	n/a	n/a	
	18%	18%	18%	18%	18%	
\$	7,451	\$ 7,244	\$ 7,365	\$ 7,703	\$ 7,286	
	6,300	6,008	5,944	6,235	5,690	
	760	547	536	541	552	
	(1,000)	(1,049)	(784)	(611)	(640)	
	17	45	36	158	270	
	(29)	(32)	(74)	(71)	(76)	
	-	(1)	(5)	-	-	
	-	554	-	528	-	
	(252)	64	(291)	545	106	
\$	45	\$ 33	\$ 33	\$ 33	\$ 33	

City of Upper Arlington, Ohio
Enterprise Funds Summary Data - Continued
Last Ten Years
(accrual basis of accounting)

	Year				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Swimming Pools Fund					
Assets	\$ 5,239	\$ 5,187	\$ 5,396	\$ 5,500	\$ 5,608
Net Position	5,042	4,882	5,116	5,498	5,606
Operating Income	600	541	566	588	646
Operating (Expense)	(440)	(720)	(673)	(693)	(711)
Non-operating					
Other, net	-	(55)	-	-	(1)
Transfers in	-	-	-	-	-
Capital contributions	-	-	-	-	2
Changes in net position	160	(234)	(107)	(105)	(64)
Cost of a resident family membership (family of four)	\$ 220.00	\$ 220.00	\$ 210.00	\$ 210.00	\$ 210.00
Solid Waste Fund					
Assets	\$ 549	\$ 239	\$ 56	\$ 39	\$ 123
Net Position	376	67	(119)	(152)	(47)
Operating Income	2,457	2,006	1,917	1,961	1,986
Operating (Expense)	(2,153)	(2,063)	(2,109)	(2,077)	(2,052)
Non-operating					
Investment income	5	3	1	1	3
Other, net	-	-	-	-	-
Transfers in	-	240	-	10	12
Transfers out	-	-	224	-	-
Changes in net position	309	186	33	(105)	(51)
Cost of a single trash sticker	\$ 2.90	\$ 2.90	\$ 2.90	\$ 2.90	\$ 2.90

Source: City of Upper Arlington Finance Department

Table 15

		Year							
		<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>			
\$	5,673	\$	5,692	\$	5,733	\$	5,863	\$	5,892
	5,670		5,688		5,731		5,858		5,891
	638		628		608		640		658
	(657)		(666)		(736)		(686)		(626)
	-		(5)		-		-		-
	-		-		-		-		-
	-		-		-		14		-
	(19)		(43)		(128)		(32)		32
\$	200.00	\$	200.00	\$	200.00	\$	200.00	\$	200.00
\$	174	\$	255	\$	122	\$	235	\$	439
	4		86		(44)		91		207
	1,954		1,685		1,664		2,052		1,872
	(2,041)		(2,009)		(1,946)		(2,362)		(2,001)
	5		4		-		27		6
	-		-		(6)		303		5
	-		450		153		48		1
	-		-		-		(183)		-
	(82)		130		(135)		(115)		(117)
\$	2.90	\$	2.40	\$	2.40	\$	2.40	\$	3.10

City of Upper Arlington, Ohio
Ratios of Outstanding Debt by Type
Last Ten Years
(amounts expressed in thousands, except percentage of personal income and per capita amount)

<u>Year</u>	<u>General Bonded Debt Outstanding</u>			<u>Other Governmental Activities Debt</u>			
	<u>General Obligation Bonds</u>	<u>Build America & Recovery Zone Bonds</u>	<u>Total</u>	<u>Special Assessment Bonds</u>	<u>Bond Anticipation Note</u>	<u>Capital Leases</u>	<u>Loans</u>
2016	\$ 62,248	\$ -	\$ 62,248	\$ 260	\$ -	\$ 187	\$ 3,510
2015	61,358	-	61,358	380	-	370	-
2014	44,288	-	44,288	495	4,800	551	-
2013	38,980	6,300	45,280	605	4,800	728	-
2012	32,895	15,520	48,415	710	4,800	-	-
2011	25,390	15,520	40,910	810	4,800	-	-
2010	27,475	15,520	42,995	905	-	-	-
2009	27,570	7,320	34,890	995	-	-	-
2008	26,002	-	26,002	1,085	105	-	105
2007	20,807	-	20,807	1,170	207	-	207

Notes:

(1) See the Schedule of Demographic and Economic Statistics on page 184 for personal income and population data.

Sources:

City of Upper Arlington Finance Department

<u>Business-Type Activities</u>				
General Obligation Bonds	Loans	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
\$ 2,262	\$ 123	\$ 68,590	3.61%	\$ 1,990
726	177	63,011	3.41%	1,843
528	332	50,994	2.89%	1,499
680	590	52,683	2.88%	1,556
840	872	55,637	3.13%	1,647
1,000	947	48,467	2.81%	1,435
1,150	1,201	46,251	2.67%	1,370
1,300	1,448	38,633	2.29%	1,195
1,405	1,686	30,388	1.76%	893
1,575	1,916	25,882	1.83%	768

City of Upper Arlington, Ohio
General Bonded Debt Outstanding as a Percentage of
Estimated Actual Taxable Value of Property and per Capita
Last Ten Years
(amounts expressed in thousands, except per capita amount)

Year	General Bonded Debt Outstanding	Less: Amounts Available in Debt Service Fund Restricted only for Principal Payments	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2016	\$ 64,510	\$ -	\$ 64,510	3.77%	\$ 1,872
2015	62,084	-	62,084	3.65%	\$ 1,816
2014	44,816	-	44,816	2.63%	1,318
2013	45,960	-	45,960	2.94%	1,358
2012	49,255	-	49,255	3.15%	1,458
2011	41,910	-	41,910	2.66%	1,240
2010	44,145	-	44,145	2.79%	1,307
2009	36,190	-	36,190	2.29%	1,120
2008	27,407	-	27,407	1.74%	806
2007	22,382	-	22,382	1.45%	664

Source: City of Upper Arlington Finance Department

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(2) See Table 8 for taxable property value data.

(3) Population and personal income data can be found in Table 20.

(4) General bonded debt outstanding Includes general obligation bonds and notes, Build America and Recovery Zone bonds, and business-type activities general obligation bonds.

City of Upper Arlington, Ohio
Direct and Overlapping Governmental Activities Debt
As of December 31, 2016

<u>Governmental Unit</u>	<u>Assessed Valuation</u>	<u>Gross General Obligation</u>	<u>Estimated Percentage Applicable to Upper Arlington¹</u>	<u>Estimated Share of Overlapping Debt</u>
Direct				
City of Upper Arlington	\$ 1,711,024,650	\$ 66,205,009	100.00%	\$ 66,205,009
Overlapping				
Franklin County	27,067,822,750	212,975,000	6.32%	13,462,681
Columbus City School District	9,086,479,020	388,258,891	0.03%	125,534
Dublin City School District	3,104,413,430	126,335,939	0.21%	262,064
Upper Arlington City School District	1,728,251,930	16,144,927	98.31%	15,871,394
Central Ohio JVS	4,913,336,040	<u>710,000</u>	0.13%	<u>931</u>
Subtotal, overlapping debt		744,424,757		29,722,604
Total direct and overlapping debt		<u>\$ 810,629,766</u>		<u>\$ 95,927,613</u>

Source: Auditor, Franklin County; Settlement Division

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Upper Arlington. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

¹ For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

City of Upper Arlington, Ohio
Legal Debt Margin Information, Last Ten Years
(accrual basis of accounting)
(amounts expressed in thousands)

	Year			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Overall debt limit	\$ 178,823	\$ 178,823	\$ 179,257	\$ 164,038
Total net debt applicable to limit	39,080	39,080	43,902	43,931
Legal debt margin	139,743	139,743	135,355	120,107
Total net debt applicable to the limit as a percentage of debt limit	21.85%	21.85%	24.49%	26.78%
Unvoted Debt limit	\$ 93,669	\$ 93,669	\$ 93,896	\$ 85,925
Total net debt applicable to limit	37,620	37,620	41,730	37,066
Legal debt margin	56,629	56,629	52,724	48,859
Total net debt applicable to the limit as a percentage of debt limit	40.16%	40.16%	44.44%	43.14%
<u>Overall (Voted and Unvoted) Debt Limitation:</u>				
Total assessed value	\$1,711,025			
Debt limit (10 1/2% of total assessed value)	179,658			
Debt applicable to limit:				
General obligation bonds and notes	64,510	(1)		
Less: Amount set aside for repayment of general obligation debt	617			
Total net debt applicable to limit	<u>63,893</u>			
Legal debt margin	<u>\$ 115,765</u>			

Source: City of Upper Arlington Finance Department

Notes:

(1) Excludes accretion on deep discount debt per state law.

		<u>Year</u>									
		<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>				
\$	164,243	\$	165,269	\$	166,051	\$	166,032	\$	165,143	\$	162,583
	54,764		46,750		43,542		38,339		28,263		23,552
	109,479		118,519		122,509		127,693		136,880		139,031
	33.34%		28.29%		26.22%		23.09%		17.11%		14.49%
\$	86,032	\$	86,570	\$	86,979	\$	86,969	\$	86,503	\$	85,162
	47,589		42,025		38,187		32,849		21,793		15,917
	38,443		44,545		48,792		54,120		64,710		69,245
	55.32%		48.54%		43.90%		37.77%		25.19%		18.69%

Unvoted Debt Limitation:

Total assessed value	\$ 1,711,025
Debt limit (5 1/2% of total assessed value)	94,106
Debt applicable to limit:	
General obligation bonds and notes	64,510
Less: Debt outside limitations	1,330
Debt within limitation	<u>63,180</u>
Less: Amount set aside for repayment of general obligation debt	<u>617</u>
Total net debt applicable to limit	<u>62,563</u>
Legal debt margin for unvoted debt	<u>\$ 31,543</u>

City of Upper Arlington, Ohio
Demographic and Economic Statistics
Last Ten Years
(amounts expressed in thousands)

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (amounts expressed in thousands)</u>	<u>Per Capita Personal Income (1)</u>	<u>Median Age (1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment</u>	
						<u>Local Rate (3)</u>	<u>State Rate (4)</u>
2016	34,465	\$ 1,897,850	\$ 55,066	42.2	5,935	3.3%	5.0%
2015	34,191	1,845,288	53,970	42.8	5,894	4.4%	5.2%
2014	34,008	1,766,103	51,932	41.8	5,786	4.8%	5.7%
2013	33,848	1,830,229	54,072	42.9	5,812	6.2%	7.1%
2012	33,785	1,776,787	52,591	42.8	5,847	6.1%	7.2%
2011	33,785	1,724,690	51,049	42.8	5,521	7.5%	8.6%
2010	33,771	1,735,289	51,384	41.8	5,521	7.7%	9.5%
2009	32,321	1,808,910	52,145	42.2	5,415	9.8%	10.2%
2008	34,023	1,726,701	50,751	42.1	5,438	5.3%	6.5%
2007	33,686	1,415,654	42,025	42.6	5,492	4.9%	5.8%

Sources:

1. U.S. Census Bureau, American Fact Finder.
2. Ohio Department of Education, Enrollment by District.
3. U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics
4. U.S. Bureau of Labor Statistics, State and Local Unemployment Rates

City of Upper Arlington, Ohio
Full-time Equivalent City Government Employees by Function
Last Ten Years

Function	Full-time Equivalent Employees as of December 31				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Public Safety					
Police	63.0	63.0	63.0	63.0	65.0
Fire	57.0	57.0	60.0	60.0	60.0
General Government	37.7	36.5	35.8	36.6	40.1
Public Services (3)	42.2	41.2	41.9	44.4	33.0
Parks and Recreation (2)	55.1	54.4	55.1	52.2	56.3
Community Development	7.8	8.8	8.8	9.8	9.8
Utilities (1)	0.0	0.0	0.0	0.0	9.8
Total	262.8	260.8	264.5	266.0	274.1

Function	Full-time Equivalent Employees as of December 31				
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Public Safety					
Police	65.0	65.0	65.0	65.0	65.0
Fire	64.0	64.0	64.0	64.0	64.0
General Government	40.1	46.5	47.6	47.6	47.6
Public Services	33.3	34.2	34.2	34.2	34.2
Parks and Recreation (2)	56.3	50.8	50.8	51.5	50.8
Community Development	9.3	10.0	10.0	10.0	10.0
Utilities (1)	9.8	12.2	12.2	12.2	12.2
Sanitation	0.0	0.0	0.0	23.2	23.2
Total	277.8	282.7	283.8	307.7	307.0

Notes:

- (1) Includes water, sewer and stormwater
- (2) Includes seasonal employees for parks and recreation programs and swimming pools
- (3) Public services and utilities functions combined during 2013.

Source:

City of Upper Arlington Finance Department

City of Upper Arlington, Ohio
Capital Asset Statistics
Last Ten Years

Function	Year			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<i>Public Safety - Police</i>				
Number of police stations	1	1	1	1
Number of police cruisers	15	15	15	15
Number of pieces of equipment	304	257	257	257
<i>Public Safety - Fire</i>				
Number of fire stations	2	2	2	2
Number of fire engines	3	3	3	3
Number of medics	3	3	3	3
Number of pieces of equipment	252	264	253	275
<i>Public Services</i>				
Miles of roads	346	356	204	
Number of traffic signals	52	51	51	52
Number of streetlights	1,581	1,491	1,491	1,491
<i>Parks and Recreation</i>				
Number of parks	26	28	28	28
Acres of parkland	186	170	170	170
Number of swimming pools	2	2	2	3
Number of tennis courts	21	21	21	21
Number of senior centers	1	1	1	1
<i>Utilities</i>				
Number of fire hydrants	1,958	1,958	1,958	1,958
Number of catch basins	3,400	3,400	3,400	3,400
Miles of sanitary sewer	145	145	145	145
<i>Solid Waste</i>				
Number of packer trucks	-	-	-	-
Number of satellite vehicles	-	-	-	-
Roll-Off Truck	-	-	-	-
Stake Bed Truck	-	-	-	-
Pick-up Trucks	-	-	-	-

Sources:

1. City of Upper Arlington departments

<u>Year</u>					
<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
1	1	1	1	1	1
15	15	15	15	15	13
257	257	257	257	255	255
2	2	3	3	3	3
3	3	3	3	3	3
3	3	4	4	3	3
298	288	272	272	295	306
204	204	204	204	154	154
52	52	52	52	52	52
1,497	1,497	1,427	1,427	1,427	809
28	28	28	28	25	25
170	170	180	180	180	180
3	3	3	3	3	3
21	20	20	20	23	23
1	1	1	1	1	1
1,958	1,958	1,958	1,958	1,958	1,958
3,400	3,400	3,400	3,400	3,400	3,400
145	145	145	145	145	145
-	-	-	-	-	10
-	-	-	-	7	21
-	-	-	-	-	1
-	-	-	-	-	1
-	-	-	-	3	4

**City of Upper Arlington, Ohio
Operating Indicators by Function
Last Ten Years**

Operating Indicators by Function				
Function	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<i>General Government</i>				
Number of probation cases (Adults)	368	291	270	293
Number of traffic cases	3,151	2,802	2,728	2,560
Number of fleet management repairs	1,158	1,182	1,795	1,667
<i>Public Services</i>				
Roadway repairs-surface (sq. ft.)	23,558	25,312	13,861	2,955
Street cleaning-leaf collection (cu. Yds.)	22,053	20,838	21,819	20,946
Street cleaning-snow removal (hours)	772	2,997	2,741	2,462
<i>Parks and Recreation</i>				
Number of registrations for programs	20,411	13,551	18,906	14,330
Number of programs/classes	1,672	966	2,039	1,996
Number of trees planted (less removed trees)	194	123	210	80
<i>Community Development</i>				
Number of building permits issued	596	514	624	521
Number of building inspections conducted	3,039	2,374	3,050	2,249
Number of code investigations	691	735	627	827
<i>Utilities</i>				
Number of fire hydrant repairs (water)	66	154	107	77
Number of catch basin repairs (stormwater)	114	195	170	50
Number of manhole repairs (sewer)	3	2	5	16
<i>Solid Waste</i>				
Number of refuse collected (tons)	5,570	5,526	6,459	5,945
Number of yard waste collected (tons)	306	100	1,185	298
Number of recyclables collected (tons)	4,747	4,652	4,608	4,615

Sources:

1. City of Upper Arlington departments

Operating Indicators by Function

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
251	269	289	302	269	216
2,900	2,977	3,459	3,253	3,200	2,939
2,034	2,210	2,328	2,370	2,407	2,898
23,110	21,051	35,336	86,425	116,686	109,082
16,123	17,503	18,312	21,178	22,669	21,668
519	1,207	2,787	823	1,168	2,002
11,806	16,415	67,628	12,173	8,999	11,406
1,918	1,934	5,183	1,461	1,383	802
221	194	210	215	275	306
426	463	370	378	383	376
2,645	5,069	3,210	3,014	2,259	2,455
894	817	1,121	924	1,017	934
60	57	92	86	97	75
92	108	200	195	225	244
45	64	-	28	54	42
6,116	6,618	6,209	6,400	6,700	6,814
182	205	282	384	300	391
4,662	4,956	4,805	5,600	4,400	4,362



CITY OF | **UPPER**
ARLINGTON

Finance Department

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Upper Arlington, Ohio 43221

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www.uaoh.net

 CityofUA | @CityofUA 



Dave Yost • Auditor of State

CITY OF UPPER ARLINGTON

FRANKLIN COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
AUGUST 29, 2017