

CITY OF UPPER ARLINGTON
FRANKLIN COUNTY
REGULAR AUDIT
JANUARY 1, 2019 – DECEMBER 31, 2019



OHIO AUDITOR OF STATE
KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
IPARreport@ohioauditor.gov
(800) 282-0370

Members of 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, 2019 through December 31, 2019. 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 black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

August 19, 2020

This page intentionally left blank.

**CITY OF UPPER ARLINGTON
FRANKLIN COUNTY**

TABLE OF CONTENTS

TITLE

PAGE

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY <i>GOVERNMENT AUDITING STANDARDS</i>	1
--	---

This page intentionally left blank.

**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 the City Council and Management:

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, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated July 22, 2020, wherein we noted the City adopted GASB Statement No. 84 "*Fiduciary Activities*" as disclosed in Note 17, and the City's considered the financial impact of COVID-19 as disclosed in Note 18.

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.

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 report is not suitable for any other purpose.

Wilson, Shannon & Snow, Inc.

Newark, Ohio
July 22, 2020

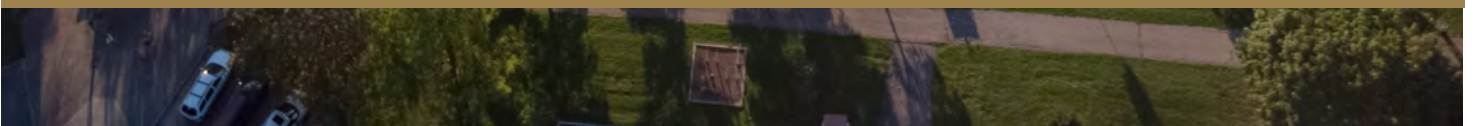


City of
Upper Arlington



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2019





City of **Upper Arlington**[®]

This page left blank intentionally.

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2019**

ISSUED BY:

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

**Brent W. Lewis, CPA
*Finance Director***

**Jonathan M. Lindow, CPA
*Assistant Finance Director***

**Barbara K. Podnar
*Purchasing Administrator***

**Margot L. Sandler, CPA
*Finance Manager***

**Laura A. Lynde
*Accounting Assistant***

**Michelle Y. Sexton
*Payroll Administrator***

**Lana Dennis
*Management Assistant***

**Donald A. Edens
*Examiner***

**Lisa M. Bolt
*Fiscal Technician***

**Melissa K. Kohler
*Clerk of Court***

**Brea L. Frey
*Deputy Clerk of Court***





City of **Upper Arlington**[®]

This page left blank intentionally.

Introductory Section



City of **Upper Arlington**[®]

This page left blank intentionally.

**CITY OF UPPER ARLINGTON, OHIO
 BASIC FINANCIAL STATEMENTS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2019**

TABLE OF CONTENTS

Introductory Section

	<u>Page</u>
Table of Contents	i
Letter of Transmittal	v
Certificate of Achievement for Excellence in Financial Reporting	x
Organizational Chart	xi
List of City Officials	xii

Financial Section

Independent Auditor’s Report	3
------------------------------	---

Required Supplementary Information – MD&A

Management’s Discussion & Analysis	7
------------------------------------	---

Basic Financial Statements

Government-wide Financial Statements:

Statement of Net Position	19
Statement of Activities	20

Fund Financial Statements:

Balance Sheet – Governmental Funds	22
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	25
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	26
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	29
Statement of Net Position – Proprietary Funds	30
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	32
Statement of Cash Flows – Proprietary Funds	34
Statement of Fiduciary Net Position – Fiduciary Funds	38
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	39

Notes to the Basic Financial Statements	41
--	-----------

Required Supplementary Information – Other than MD&A

Schedule of Revenues, Expenditures and Change in Fund Balance	102
Budget and Actual (Non-GAAP Budgetary Basis) – General Fund	
Notes to the Budgetary Schedule	105
Schedule of City's Proportionate Share of Net Pension (Asset)/Liability - Ohio Public Employee's Retirement System	106
Schedule of City's Proportionate Share of Net Pension Liability - Ohio Police and Fire Pension Fund	107
Schedule of City Pension Contributions - Ohio Public Employee's Retirement System	108
Schedule of City Pension Contributions -Ohio Police and Fire Pension Fund	110

**CITY OF UPPER ARLINGTON, OHIO
 BASIC FINANCIAL STATEMENTS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2019**

TABLE OF CONTENTS

Required Supplementary Information – Other than MD&A (continued)

Schedule of City's Proportionate Share of the Net OPEB Liability - Ohio Public Employee's Retirement System	112
Schedule of City's Proportionate Share of the Net OPEB Liability - Ohio Police and Fire Pension Fund	113
Schedule of City OPEB Contributions - Ohio Public Employee's Retirement System	114
Schedule of City OPEB Contributions -Ohio Police and Fire Pension Fund	116
Notes to the Required Supplementary Information	118

Supplementary Information

Fund Descriptions – Major Governmental Funds	120
Schedule of Revenues, Expenditures and Change in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis)	
All Major General Fund Accounts:	
General Operating Account	122
Capital Asset Management Account	124
Police and Fire Pension Account	125
Capital Equipment Account	126
Self-Insured Loss Account	127
Communications and Technology Account	128
Total General Fund Accounts	129
Schedule of Revenues, Expenditures and Change in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis)	
General Obligation Bond Retirement Fund	131
All Major Capital Project Funds:	
Bonded Improvement Fund	132
Infrastructure Improvement Fund	133
Lane Avenue II Tax Improvement Financing Fund	134
Fund Descriptions – Nonmajor Governmental Funds	135
Combining Balance Sheet – Nonmajor Governmental Funds	138
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	139
Combining Balance Sheet – Nonmajor Special Revenue Funds	140
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Revenue Funds	142
Schedule of Revenues, Expenditures and Change in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) –	
Nonmajor Special Revenue Funds:	
Tax Incentive Review Fund	144
Street Maintenance and Repair Fund	145
Law Enforcement Fund	146
Tree Planting Fund	147
Enforcement Education Fund	148
Mayor's Court Computer Fund	149

**CITY OF UPPER ARLINGTON, OHIO
 BASIC FINANCIAL STATEMENTS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2019**

TABLE OF CONTENTS

Supplementary Information (continued)	
Mayor’s Court Special Project Fund	150
Life Long Learning and Leisure Fund	151
FEMA Fund	152
Neighborhood Lighting Fund	153
Clerk of Court Fund	154
Upper Arlington Visitor’s Bureau Fund	155
Emergency Medical Services Fund	156
Civil Service Fund	157
Economic Development Venture Fund	158
Combining Balance Sheet – Nonmajor Capital Projects Funds	160
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit) – Nonmajor Capital Projects Funds	162
Schedule of Revenues, Expenditures and Change in Fund Balance	
Budget and Actual (Non-GAAP Budgetary Basis) – Nonmajor Capital Projects Funds:	
Arlington Centre TIF Fund	164
Tremont Road TIF Fund	165
Lane Avenue Mixed Use TIF Fund	166
Lane Avenue TIF Fund	167
Arlington Crossing TIF Fund	168
Horizon TIF Fund	169
Kingsdale West TIF Fund	170
Kingsdale Core TIF Fund	171
Riverside North TIF Fund	172
Riverside South TIF Fund	173
W. Lane-Northwest TIF Fund	174
Estate Tax Capital Projects Fund	175
Community Fiber Optic Fund	176
Fund Descriptions – Enterprise Funds	177
Schedule of Revenues, Expenses and Change in Fund Equity	
Budget and Actual (Non-GAAP Budgetary Basis) – Enterprise Funds:	
Solid Waste Fund	178
Water Surcharge Fund	179
Sanitary Sewer Surcharge Fund	180
Stormwater Fund	181
Swimming Pools Fund	182
Fund Descriptions – Internal Service Funds	183
Combining Statement of Net Position – Internal Service Funds	184
Combining Statement of Revenues, Expenses, and Changes in Net Position – Internal Service Funds	185
Combining Statement of Cash Flows – Internal Service Funds	186
Schedule of Revenues, Expenses and Change in Fund Equity	
Budget and Actual (Non-GAAP Budgetary Basis) – Internal Service Funds	
Employee Benefits Fund	187

**CITY OF UPPER ARLINGTON, OHIO
 BASIC FINANCIAL STATEMENTS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2019**

TABLE OF CONTENTS

Supplementary Information (continued)	
BWC Administration Fund	188
Fund Descriptions – Fiduciary Funds	189
Combining Statement of Fiduciary Net Position – Fiduciary Funds	190
Combining Statement of Changes in Fiduciary Net Position – Fiduciary Funds	191
Statistical Section	
Description of Contents	195
Financial Trends:	
Net Position by Component – Last Ten Years – Table 1	196
Changes in Net Position – Last Ten Years – Table 2	198
Fund Balances of Governmental Funds – Last Ten Years – Table 3	202
Changes in Fund Balances of Governmental Funds – Last Ten Years – Table 4	204
Revenue Capacity:	
Governmental Activities Tax Revenues by Source – Last Ten Years – Table 5	206
Principal Property Taxpayers – Current and Nine Years Ago – Table 6	207
Property Tax Rates – Direct and Overlapping Governments – Last Ten Years – Table 7	208
Assessed Value and Estimated Actual Value of Taxable Property – Last Ten Years – Table 8	210
Principal Employers – Ranked by Number of Full-time Employees – Last Ten Years – Table 9	212
Income Tax Statistics – Income Averages – Last Ten Years – Table 10	214
Income Tax Statistics – Local Taxes Paid by Residents – Last Ten Years – Table 11	216
Income Tax Revenue Base and Collections (Cash Basis) – Last Ten Years – Table 12	217
Special Assessment Billings and Collections – Last Ten Years – Table 13	218
Property Tax Levies and Collections – Last Ten Years – Table 14	219
Enterprise Funds Summary Data – Last Ten Years – Table 15	220
Debt Capacity:	
Ratios of Outstanding Debt by Type – Last Ten Years – Table 16	224
General Bonded Debt Outstanding as a Percentage of Estimated Actual Taxable Value of Property and per Capita – Last Ten Years – Table 17	226
Direct and Overlapping Governmental Activities Debt – As of December 31, 2019 – Table 18	227
Legal Debt Margin Information – Last Ten Years – Table 19	228
Demographic and Economic Information:	
Demographic and Economic Statistics – Last Ten Years – Table 20	230
Operating Information:	
Full-time Equivalent City Government Employees by Function – Last Ten Years – Table 21	231
Capital Asset Statistics – Last Ten Years – Table 22	232
Operating Indicators by Function – Last Ten Years – Table 23	234

July 22, 2020

To the Honorable Kip Greenhill 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 year ended December 31, 2019, 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 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

Upper Arlington was founded 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 (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 102. 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 144.

Factors Affecting Financial Condition

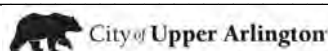
The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

Local Economy

The Bureau of Economic Analysis indicates that Ohio’s economy grew by 1.7%. The Ohio economy is currently valued at \$676.1 billion. Economic growth in the Columbus region has been strong, with the Columbus region continues to be ranked as one of the fastest growing metropolitan areas in the Midwest.

Reinvestment in Upper Arlington remained strong in 2019. Within the business and development arena, the Economic Development Office continued its focus on efforts to attract and grow a mix of professional office and medical users to strengthen and diversify the overall business base. Plans for several significant projects evolved throughout 2019, including:

- The Lane II – this project is comprised of a 116-room hotel, surface parking and housing units, and a five-story mixed-use building with apartments to the east of Westmont, and west of Westmont two restaurants, 20,000 square feet of office, apartments and structured parking wrapped by townhomes to the north that front a new access road between Westmont and Chester. Construction began in the summer of 2019, with the hotel scheduled to open in the fall of 2020, and the mixed-use project scheduled for completion by the spring of 2021.
- Upper Arlington Schools began implementation of its facilities master plan. This entails building a replacement High School, replacing two elementary schools and expanding/renovating the remaining three elementary schools. High School construction began in March of 2019 with completion anticipated by August of 2021 in time for the 2021-22 school year. The new Wickliffe Elementary School is slated for completion in time for the 2020-21 school year. Students from Windermere Elementary will be temporarily relocated to the old Wickliffe building for the 2020-21 school year since the new Windermere building will sit on the site of the previous facility.



- Arlington Gateway – plans for this project, located on the southeast side of Lane Avenue and North Star Road, were expanded to encompass property all the way to the corner of North Star Road. In the summer of 2019, the developer made some updates to the Final Development Plan. This latest version of the project includes 27,000 square feet of ground floor retail and restaurant space, 225 apartments on the 2nd-6th floors that wrap around a seven-story parking garage with 866 spaces, and an additional five stories east of the apartments, with 139,000 square feet of office space. A tentative construction schedule is pending.
- Heartland Bank – a new, two-story bank with offices for financial planning operations at the northwest corner of Lane Avenue and Northwest Boulevard, was completed late Spring 2019.
- First Community Village – a five-story, 70-unit independent living apartment complex, with a 70-space parking garage is under construction, with a 2020 completion date.
- COhatch – the conversion of second floor space at the Shops on Lane Avenue into shared working space was completed in 2019.
- Upper Arlington Veterinary Hospital – this local small animal veterinary practice consolidated its operations by renovating and expanding an office building at 1515 Lane Avenue. This project was completed in the second quarter of 2019.

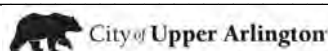
The combined review and inspection of commercial and residential construction projects generated a construction value of \$407.6 million for 2019, approximately four times recent trends which have averaged \$100 million.

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, technology, sustainability 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 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 10-year plan of approximately \$133.7 million for years 2019 through 2029.

In 2014, Upper Arlington voters supported a 0.5% increase in the income tax rate—which went into effect in January 2015—with these funds restricted for the City’s Capital Improvement Program, providing a long-term, critical funding source. 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 Capital Improvement Program 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. For 2019, \$6.7 million of the \$29.7 million in income tax revenues can be attributed to the tax increase, representing a 5% increase from the previous year.



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 successfully maintained Triple A financial ratings from Moody's Investors Service, and S&P Global since 2008. 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.

The sixth year of the City's 10-year Capital Improvement Program was implemented in 2019. This included: full street reconstruction projects on sections of 12 streets; Henderson Road improvements from Sawmill to Riverside, including new curb and gutter, storm sewer and sanitary infrastructure improvements, and bicycle/pedestrian accommodations; waterline replacements on Ainwick and Haviland roads; street resurfacing and spot curb & gutter repairs on sections of nine streets; two storm sewer replacement projects; sanitary sewer improvements on six streets; and two traffic signal replacements.

City Council formed the 2019 Citizen Financial Review Task Force per a recommendation of the 2014 Task Force. The group of nine residents met from April–June, reporting back to Council early in July, with its report accepted by Council in August. The Task Force's charge included reviewing the progress made implementing recommendations from the 2014 Task Force, taking a high-level review of the City's current financial standing and service levels, assessing the status of the Capital Improvement Program, and identifying any program areas that might benefit from a fuller review. The 2019 Task Force concluded that a majority of the 2014 recommendations had been implemented or were ongoing, and the City's financial position remained strong, positioning the City to maintain its 10-year Capital Improvement Program. It was recommended that the City continue to explore partnership and privatization opportunities, and that some programming areas might benefit from a fuller review relative to best practices and efficiencies.

Following an eight-year dispute process, the City prevailed in its efforts to preserve the professional office complex on Arlington Centre Boulevard owned by Tree of Life Christian Schools for commercial use only. This is a significant result for the City, since the site once represented approximately 35% of the City's income tax revenues. As one of the largest parcels of land zoned for office use, it's a critical site from an economic development perspective. The City looks forward to good faith conversations with the current and prospective owners to maximize the site's potential.

The Parks & Recreation Department began implementing recommendations from the 2018 Parks & Recreation Comprehensive Plan. Progress has been made addressing access to and the condition of sports fields—such as securing the use of sports fields at Northcrest Park in Columbus, and expanding the City's turf management program, with plans to begin renovating the Northam Park athletic and tennis facilities in 2020 and 2021. Plans were developed for installing a new playground at Reed Road Park over the winter. A new pool house was unveiled at Devon Pool at the start of the summer swim season. In May, many gathered to celebrate the completion of a privately funded tribute to internationally renowned golfer, Jack Nicklaus, at Jack Nicklaus Park.

A key issue emerging from the Parks & Recreation Comprehensive Plan is residents' desire for the City to revisit the issue of indoor community and recreation space. Most notably, the findings of a statistically valid survey indicated that 81% of respondents supported a feasibility study on a multi-generational indoor recreation facility. In response, in July of 2019 City Council formed a 16-resident-member Community Center Feasibility Task Force to study the issue. The Task Force selected

a consultant team to guide a two-part process designed to include extensive community engagement opportunities. In the first phase of the study, the Task Force has been seeking answers to three core questions: What kind of community center makes sense? Do we want a community center? Do we need a community center? If the answers to the last two questions are yes, the Task Force will transition to the second phase of the study, drilling into details such as what facilities to include, where a community center might be located, and the costs for construction, operations and ongoing maintenance. The work of the Task Force is expected to run through much of 2020.

A related project initiated as the Parks & Recreation Comprehensive Plan process drew to a close in 2018, was to develop an Arts and Culture Master Plan for the City. This year-long process is now nearing its conclusion, with a draft plan emerging that will help guide the future of cultural arts in the community, expand the presence of public art in our parks and public spaces, and support and enhance existing programming such as the Labor Day Arts Festival, Concourse Galley exhibits, summer concerts, arts and theater camps for youth and more.

Another study begun in 2019—which includes several phases of community engagement and is expected to run into 2020—is the Lane Avenue Planning Study. As the City’s most rapidly evolving commercial district, the study was commissioned to better understand the impacts of growth and to put in place a comprehensive framework to guide this growth for the community’s benefit. This was to include a review of commercial streetscape standards, pedestrian and bicycle access, commercial design standards, and a comprehensive traffic and parking evaluation.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the 32nd consecutive Certificate of Achievement for Excellence in Financial Reporting to the City of Upper Arlington for its comprehensive annual report for the year ended December 31, 2018.

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 14th consecutive Award for Outstanding Achievement in Popular Annual Financial Reporting from GFOA for the 2018 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 Department. We wish to express our appreciation to everyone who contributed to its preparation.

Respectfully submitted,



Finance Director



Steven R. Schoeny
City Manager





Government Finance Officers Association

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

Presented to

**City of Upper Arlington
Ohio**

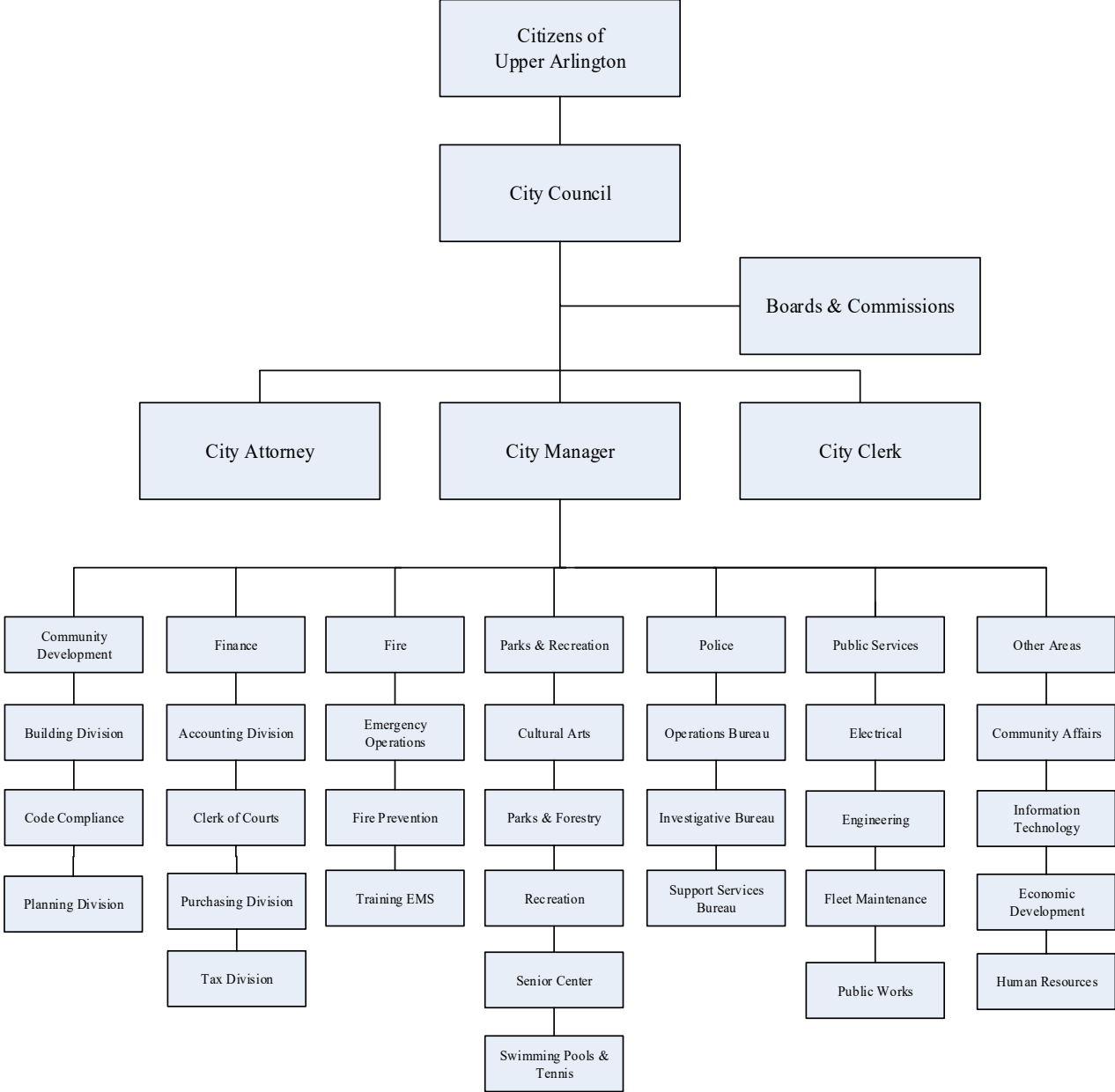
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morill

Executive Director/CEO

**CITY OF UPPER ARLINGTON, OHIO
ORGANIZATIONAL CHART
For the Year Ended December 31 , 2019**



CITY OF UPPER ARLINGTON, OHIO
LIST OF CITY OFFICIALS
December 31, 2019

City Council

President/Mayor	Kip Greenhill
Vice President/Vice Mayor	Brendan T. King
Council Member	Carolyn T. Casper
Council Member	Susan M. Ralph
Council Member	Michele M. Hoyle
Council Member	Brian C. Close
Council Member	Jim Lynch

Appointed Officials

City Manager	Steven R. Schoeny
City Attorney	Jeanine A. Hummer
City Clerk	Ashley M. Ellrod

Executive Staff

Assistant City Manager	Daniel M. Ralley
Finance Director	Brent W. Lewis
Fire Division Chief	Lyndon D. Nofziger
Parks and Recreation Director	Deborah J. McLaughlin
Police Division Chief	Steven C. Farmer
Public Services Director/City Engineer	Jacolyn C. Thiel
Human Resources Director	Abby M. Cochran
Economic Development Director	Joseph P. Henderson
Community Development Director	Chad D. Gibson
Community Affairs Director	Emma J. Speight
Information Technology Director	Granville L. Harris

Financial Section



City of **Upper Arlington**[®]

This page left blank intentionally.

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



INDEPENDENT AUDITOR'S REPORT

To the City Council and Management:

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, 2019, 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 such 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.

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, 2019, 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.

Emphasis of Matter

As discussed in Note 17 to the financial statements, during 2019, the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 84 "*Fiduciary Activities*". As discussed in Note 18 to the financial statements, during 2019, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. We did not modify our opinion regarding these matters.

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, required budgetary comparison schedule*, and schedules of net pension liability/asset and other post-employment benefit liability and pension and other post-employment benefit 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 this information to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information 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, this information is 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.

City of Upper Arlington
Franklin County
Independent Auditor's Report

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 22, 2020, 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
July 22, 2020



City of **Upper Arlington**[®]

This page left blank intentionally.

CITY OF UPPER ARLINGTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019
(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, 2019. 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 outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent year by \$121.2 million (net position).
- The City's total net position increased by \$24.5 million, or 25%.
- At the end of the current year, the unassigned fund balance for the General Fund was \$21.9 million, or 61% 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 \$85.2 million, an increase of \$17.1 million in comparison with the prior year. Of this total amount:
 - \$4.2 million, or 5%, represents non-spendable balances for inventories, advances, unclaimed monies and assets held for resale.
 - \$49.2 million, or 58%, 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.
 - \$10.3 million, or 12%, 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.
 - \$2.0 million, or 2%, 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.
 - \$19.5 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.

CITY OF UPPER ARLINGTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

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.

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*.

CITY OF UPPER ARLINGTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

The City of Upper Arlington maintains 30 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 for the General Fund, General Obligation Bond Retirement Fund, Bonded Improvement Fund, Infrastructure Improvement Fund, and the Lane Avenue II TIF Fund, all of which are considered major funds. Data from the other 25 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.

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 funds, 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 statements can be found on pages 38-39 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 41-99 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 101 – 118 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 119-191 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 193-235.

CITY OF UPPER ARLINGTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

Government-wide Financial Analysis

	<u>Net Position</u>			
	Governmental Activities		Business-type Activities	
	2019	<i>Restated</i> 2018	2019	2018
<u>Assets</u>				
Current and other assets	\$ 109,866,020	\$ 92,923,128	\$ 7,645,600	\$ 6,596,813
Capital assets, net	123,661,754	112,897,773	51,722,218	48,213,587
Net pension asset	13,500	17,304	1,764	2,059
Total assets	<u>233,541,274</u>	<u>205,838,205</u>	<u>59,369,582</u>	<u>54,812,459</u>
<u>Deferred Outflows of Resources</u>	<u>20,457,485</u>	<u>12,479,977</u>	<u>822,820</u>	<u>575,045</u>
<u>Liabilities</u>				
Current and other liabilities	4,140,307	2,837,372	84,760	294,230
Long-term liabilities	168,818,627	152,530,690	4,895,277	3,873,318
Total liabilities	<u>172,958,934</u>	<u>155,368,062</u>	<u>4,980,037</u>	<u>4,167,548</u>
<u>Deferred Inflows of Resources</u>	<u>14,944,564</u>	<u>16,988,641</u>	<u>136,832</u>	<u>505,115</u>
<u>Net Position</u>				
Net investment in capital assets	62,875,298	56,030,022	49,837,992	46,219,776
Restricted	35,232,944	34,267,584	-	-
Unrestricted	(32,012,981)	(44,336,127)	5,236,941	4,495,065
Total net position	<u>\$ 66,095,261</u>	<u>\$ 45,961,479</u>	<u>\$ 55,074,933</u>	<u>\$ 50,714,841</u>

Current and other assets increased significantly in comparison with the prior year-end. This increase is primarily the result of an increase in cash and investments resulting from operations and new bond issuances related to capital projects.

Capital assets, net, also increased significantly. This increase represents the amount in which capital asset acquisitions exceeded current year depreciation expense.

Long-term liabilities also increased significantly. This increase is primarily the result of increases in bonds payable and net pension liability, offset by a significant decrease in the net OPEB liability.

The net pension and net OPEB liabilities and related deferred outflows and inflows of resources all fluctuated significantly in comparison with the prior year. These fluctuations are primarily the result of the lower than expected returns on pension plan investments for both pension systems and changes to postemployment healthcare benefits in the Ohio Police and Fire Pension Fund.

CITY OF UPPER ARLINGTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

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 \$121.2 million at the close of 2019.

A large portion of the City's net position 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, (29.1%) represents resources that are subject to restrictions on how they may be used.

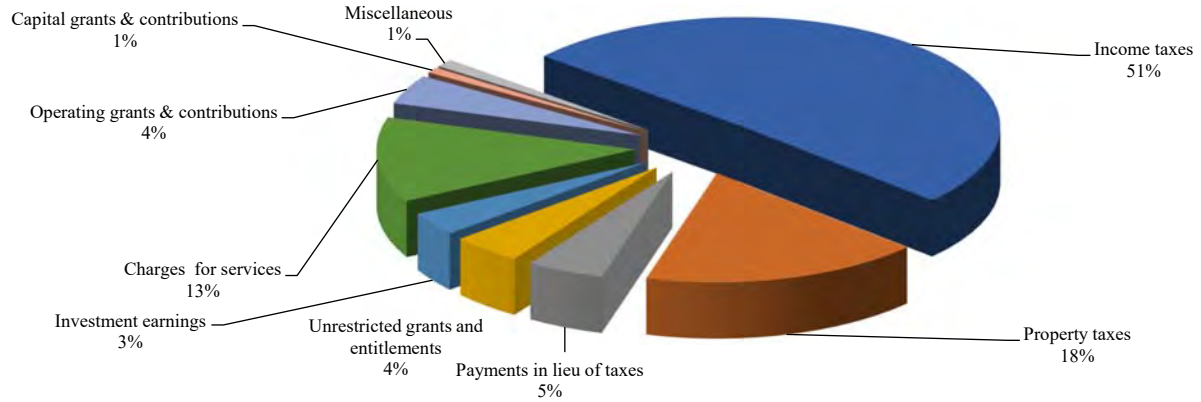
Overall net position of the City increased \$24.5 million (25%) in 2019. Net position for governmental activities increased \$20.1 million (44%), while the net position for business-type activities increased \$4.4 million (9%).

CITY OF UPPER ARLINGTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

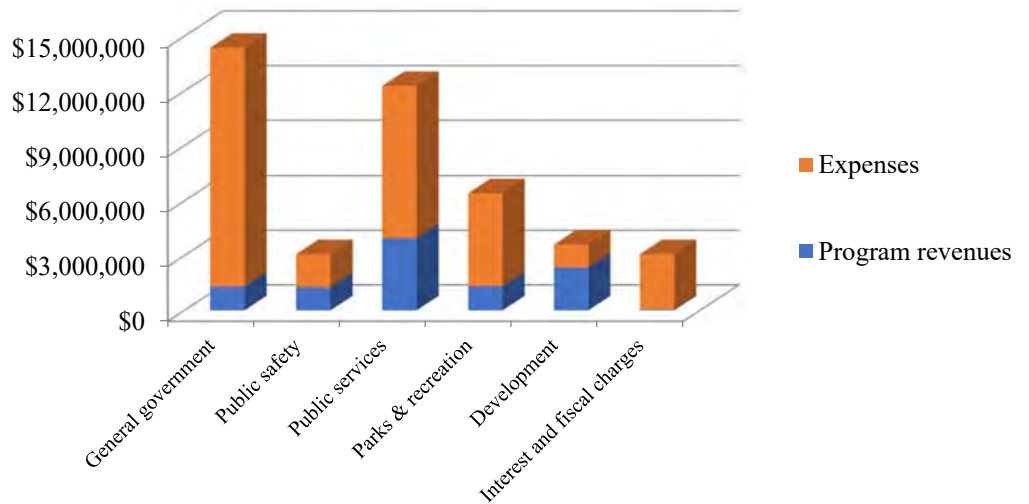
Governmental activities. As stated previously, Governmental activities net position increased by \$20.1 million. General revenues increased by \$720,753 primarily due to a \$786,377 increase in investment earnings due to improved market conditions.

The following charts illustrate both the 2019 revenues and expenses for governmental activities.

Revenues by Source - Governmental Activities



Expenses and Program Revenues - Governmental Activities



CITY OF UPPER ARLINGTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

The table below provides a comparative analysis of changes in net position for 2019 and 2018:

Changes in Net Position

	Governmental Activities		Business-type Activities	
	2019	<i>Restated</i> 2018	2019	2018
Revenues:				
<i>Program revenues:</i>				
Charges for services	\$ 7,254,722	\$ 6,446,026	\$ 6,427,298	\$ 5,845,261
Operating grants & contributions	2,500,784	1,737,016	-	-
Capital grants & contributions	481,495	220,984	-	-
<i>General revenues:</i>				
Income taxes	29,291,541	29,730,445	-	-
Property taxes	10,127,226	10,172,251	-	-
Payment in lieu of taxes	2,802,827	2,769,190	-	-
Unrestricted grants and entitlements	2,562,718	2,539,148	-	-
Unrestricted investment earnings	2,023,069	1,236,692	91,673	57,809
Other miscellaneous revenues	684,204	323,106	-	-
Total revenues	<u>57,728,586</u>	<u>55,174,858</u>	<u>6,518,971</u>	<u>5,903,070</u>
Expenses:				
General government	13,076,554	11,266,953	-	-
Public safety	1,818,847	22,222,757	-	-
Public services	8,322,708	7,399,842	-	-
Parks and recreation	5,101,656	4,345,543	-	-
Community development	1,263,002	1,001,633	-	-
Interest and fiscal charges	3,040,548	2,103,408	-	-
Bond issuance costs	-	-	-	-
Solid waste	-	-	2,861,459	2,852,544
Water surcharge	-	-	804,521	697,378
Sanitary sewer surcharge	-	-	1,279,066	1,288,678
Stormwater	-	-	931,154	723,338
Swimming pools	-	-	1,254,168	1,154,728
Total expenses	<u>32,623,315</u>	<u>48,340,136</u>	<u>7,130,368</u>	<u>6,716,666</u>
Change in net position before transfers	25,105,271	6,834,722	(611,397)	(813,596)
Transfers	(4,971,489)	(4,108,111)	4,971,489	4,108,111
Change in net position	<u>20,133,782</u>	<u>2,726,611</u>	<u>4,360,092</u>	<u>3,294,515</u>
Net position, beginning of year	45,961,479	N/A	50,714,841	47,420,326
Net position, end of year, restated	<u>\$ 66,095,261</u>	<u>\$ 45,961,479</u>	<u>\$ 55,074,933</u>	<u>\$ 50,714,841</u>

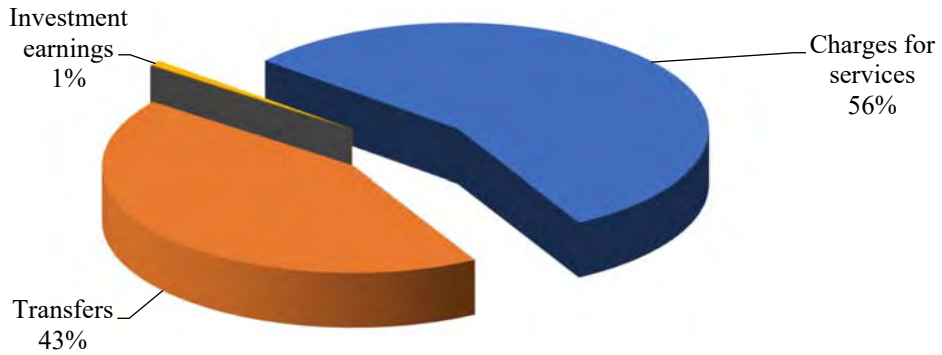
Public safety expenses decreased significantly in comparison with the prior year. This decrease is the result of a decrease in OPEB expense from \$2.8 million in 2018 to negative \$20.3 million in 2019. This decrease is the result of the Ohio Police and Fire Pension Fund changing its retiree health care model from a self-insured model to a stipend-based health care mode.

CITY OF UPPER ARLINGTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

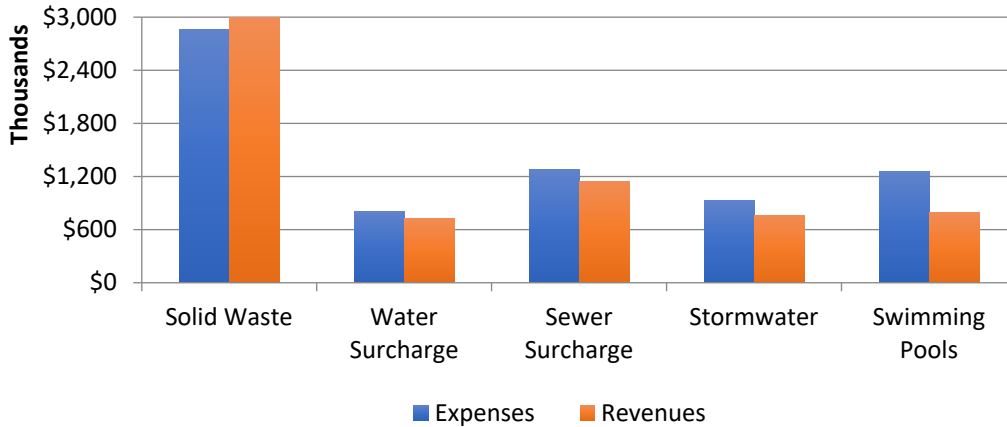
Business-type activities. Business-type activities increased the City's net position by \$4.4 million. The key element of the increase was the current year subsidies and transfers of capital assets from governmental sources of \$5.0 million.

The following charts illustrate 2019 revenues and expenses for the business type activities.

Revenues by Source - Business-type Activities



Expenses and Program Revenues - Business-type Activities



CITY OF UPPER ARLINGTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

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 \$85.2 million, an increase of \$17.1 million in comparison with the prior year. Of this total amount:

- \$4.2 million, or 5%, represents non-spendable balances for inventories, advances, unclaimed monies and assets held for resale.
- \$49.2 million, or 58%, 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.
- \$10.3 million, or 12%, 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.
- \$2.0 million, or 2%, 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.
- \$19.5 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 \$21.9 million, while the total fund balance was \$47.2 million. The remaining fund balance consists of \$17.1 million restricted for pension obligations and capital improvements; \$2.2 million committed for capital improvements and/or payment of debt issued for capital improvements and general liability insurance; \$4.0 million in non-spendable balance for unclaimed funds, inventories, and advances not expected to be returned within one year; and, \$2.0 million assigned for future appropriations and expenditures.

During 2019, the City saw fund balances in the General Fund, General Obligation Bond Retirement Fund, Bonded Improvement Fund, Infrastructure Improvement Fund, and Lane Avenue II TIF Fund increase by \$6.0 million, \$1.5 million, \$1.0 million, \$3,565, and \$11.1 million, respectively. These increases were attributable to the following:

- The increase in the General Fund was primarily the result of increased income tax and licenses and permits revenues.

CITY OF UPPER ARLINGTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

- The increase in the General Obligation Bond Retirement Fund was primarily the result of the issuance of debt for the purpose of capital improvements.
- The increase in the Bonded Improvement Fund was primarily the result decreases in capital outlay expenditures offset by a decrease in bond proceeds.
- The increase in the Infrastructure Improvement Fund was primarily the result of decreases in capital outlay expenditures.
- The increase in the Lane Avenue II TIF Fund was the result of the establishment of the fund and the issuance of debt for the purpose of capital improvements.

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 proprietary funds reported combined ending net position of \$55.1 million, an increase of \$4.4 million in comparison with the prior year. Of this total amount, \$49.8 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 \$5.2 million is unrestricted.

As mentioned above, net position increased \$4.4 million during 2019. During 2019, the Sanitary Sewer Surcharge, and Internal Service funds saw decreases in net position of \$63,697, and \$566,042, respectively. The decrease in the Sanitary Sewer Surcharge Fund was primarily the result of a decrease in the portion of capital assets that were completed during 2019 and paid for out of governmental funds activity funds. The decrease in the Internal Service funds is primarily the result of an increase in self-insurance expenses.

During 2019, the Solid Waste Fund, Water Surcharge Fund, Stormwater Fund, and Swimming Pools Fund saw increases in net position of \$175,709, \$2.8 million, \$212,465, and \$1.3 million, respectively. The large increases in the Water Surcharge Fund and the Swimming Pool Fund were primarily the result of receiving its portion of capital assets that were completed during 2019 and paid for out of governmental activity funds.

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, 2019, amounts to \$175.4 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 \$14.3 million, or 9%.

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

- **Key construction-in-progress infrastructure projects included:** The City continued 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: park improvements, street maintenance and street reconstruction programs, and various other street, waterline, bridge, sewer, and stormwater projects.

CITY OF UPPER ARLINGTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

- **Key completed construction and infrastructure projects included:** park renovations, street maintenance and street reconstruction programs, street light replacements, waterlines projects, and stormwater projects.

Capital assets, net of accumulated depreciation

	Governmental Activities		Business-type Activities	
	2019	2018	2019	2018
Land	\$ 4,461,752	\$ 4,461,752	\$ 1,236,573	\$ 1,236,573
Construction in progress	18,589,070	12,198,688	-	-
Building	8,006,523	8,002,483	1,696,530	-
Improvements	9,242,665	9,084,765	9,732,576	9,960,963
Machinery and equipment	3,886,488	4,053,979	320,714	411,548
Infrastructure	79,475,256	75,096,106	38,735,825	36,604,503
Total	\$ 123,661,754	\$ 112,897,773	\$ 51,722,218	\$ 48,213,587

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 \$95.0 million. The general obligation bonds are backed by the full faith and credit of the City. The City's special obligation bonds are limited special revenue obligations of the City, payable solely from nontax revenues.

Outstanding Bonded General Obligation Debt

	Governmental Activities		Business-type Activities	
	2019	2018	2019	2018
General obligation bonds	\$ 72,801,816	\$ 72,456,100	\$ 1,818,184	\$ 1,908,900
Special obligation bonds	20,340,000	-	-	-
Total	\$ 93,141,816	\$ 72,456,100	\$ 1,818,184	\$ 1,908,900

During the current year, the City's total bonded debt increased by \$20.6 million as a result of the issuance of \$5.4 million in various purpose bonds and \$20.3 million in nontax revenue 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.

CITY OF UPPER ARLINGTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

General Fund Budgetary Highlights

During 2019, the City increased its original General Fund revenues and other financing sources estimates by \$2.5 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 2019, the City increased original appropriations by \$2.1 million highlighted by a \$1.2 million advance to the Horizon TIF Fund. Other increases were made in relation to the higher than expected expenditures. Actual expenditures were \$2.5 million less than final appropriations as a result of conservative budgeting practices.

Economic Factors and Next Year's Budgets and Rates

- ❑ In 2019, Upper Arlington's average unemployment rate was 2.7%, which compares favorably to the state's average unemployment rate of 4.1%.
- ❑ The median household income in Upper Arlington is \$115,093, which is significantly higher the state's average of \$54,533.
- ❑ The Development Department issued 655 residential and commercial permits in 2019. The continued high level of home renovations speaks to business' and residents' continued confidence in the City as a stable and desirable community.
- ❑ During the current year, the unrestricted budgetary fund balance in the General Fund operating account increased \$1.4 million to a fund balance of \$18.2 million. The City has appropriated \$39.8 million for General Fund account operating expenditures in the 2020 year budget, which includes the 2020 budgeted revenues of \$38.8 million.
- ❑ Self-insured workers compensation claims were .25% of payroll. This is lower than the .5% anticipated in 2019. 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 evaluating premium contributions. The City also continued to operate a wellness program in 2019.

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 <https://upperarlingtonoh.gov>.

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

STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2019

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Upper Arlington Community Improvement Corporation
Assets				
Cash, cash equivalents and investments	\$ 83,345,176	\$ 6,876,050	\$ 90,221,226	\$ -
Cash, cash equivalents in segregated accounts	-	-	-	1,932
Receivables (net of allowances for uncollectibles):				
Income taxes	7,386,646	-	7,386,646	-
Property and other taxes	10,426,129	-	10,426,129	-
Special assessments	640,633	-	640,633	-
Payments in lieu of taxes	3,109,405	-	3,109,405	-
Accounts	416,985	749,370	1,166,355	-
Accrued interest	306,428	11,612	318,040	-
Intergovernmental	3,428,866	-	3,428,866	-
Internal balances	(8,568)	8,568	-	-
Materials and supplies inventory	308,595	-	308,595	-
Asset held for resale	505,725	-	505,725	-
Capital assets:				
Non-depreciable	23,050,822	1,236,573	24,287,395	-
Depreciable	100,610,932	50,485,645	151,096,577	-
Net pension asset	13,500	1,764	15,264	-
Total assets	233,541,274	59,369,582	292,910,856	1,932
Deferred Outflows of Resources				
Deferred amount on refunding	711,869	-	711,869	-
Pension	15,641,126	670,371	16,311,497	-
OPEB	4,104,490	151,849	4,256,339	-
Total deferred outflows of resources	20,457,485	822,220	21,279,705	-
Liabilities				
Accounts payable	2,070,677	62,822	2,133,499	-
Retainage Payable	617,072	-	617,072	-
Accrued wages and benefits	531,154	14,171	545,325	-
Due to other governments	623,392	2,190	625,582	-
Accrued interest payable	298,012	5,577	303,589	-
Long-term liabilities:				
Due within one year	6,979,610	150,098	7,129,708	-
Due in more than one year:				
Other amounts due in more than one year	96,176,109	1,783,074	97,959,183	-
Net pension liability	54,118,121	2,017,398	56,135,519	-
Net OPEB liability	11,544,787	944,707	12,489,494	-
Total liabilities	172,958,934	4,980,037	177,938,971	-
Deferred Inflows of Resources				
Property and other local taxes	12,292,979	-	12,292,979	-
Pension	1,155,855	90,517	1,246,372	-
OPEB	1,495,730	46,315	1,542,045	-
Total deferred inflows of resources	14,944,564	136,832	15,081,396	-
Net Position				
Net investment in capital assets	62,875,298	49,837,992	112,713,290	-
Restricted for:				
Capital projects	28,212,555	-	28,212,555	-
Debt service	654,218	-	654,218	-
Street maintenance and repairs	2,255,070	-	2,255,070	-
Law enforcement and education	813,787	-	813,787	-
Pension obligations	2,834,686	-	2,834,686	-
Other purposes	462,628	-	462,628	-
Unrestricted	(32,012,981)	5,236,941	(26,776,040)	1,932
Total net position	\$ 66,095,261	\$ 55,074,933	\$ 121,170,194	\$ 1,932

See accompanying notes to the basic financial statements

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

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

<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	\$ 13,076,554	\$ 1,293,773	\$ -	\$ -
Public safety	1,818,847	1,062,792	205,133	-
Public services	8,322,708	1,226,358	2,248,507	481,495
Parks and recreation	5,101,656	1,320,559	787	-
Community development	1,263,002	2,351,240	-	-
Interest and fiscal charges	3,040,548	-	46,357	-
Total governmental activities	<u>32,623,315</u>	<u>7,254,722</u>	<u>2,500,784</u>	<u>481,495</u>
Business-type activities:				
Solid waste	2,861,459	3,008,380	-	-
Water surcharge	804,521	723,167	-	-
Sanitary sewer surcharge	1,279,066	1,138,418	-	-
Stormwater	931,154	765,542	-	-
Swimming pools	1,254,168	791,791	-	-
Total business-type activities	<u>7,130,368</u>	<u>6,427,298</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 39,753,683</u>	<u>\$ 13,682,020</u>	<u>\$ 2,500,784</u>	<u>\$ 481,495</u>
Component unit:				
Upper Arlington Community Improvement Corporation	<u>\$ 4,024</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, restated

Net position at end of year

Primary Government			Component Unit
Net (Expense) Revenue and Changes in Net Position			Upper Arlington Community Improvement Corporation
Governmental Activities	Business-type Activities	Total	
\$ (11,782,781)	\$ -	\$ (11,782,781)	\$ -
(550,922)	-	(550,922)	-
(4,366,348)	-	(4,366,348)	-
(3,780,310)	-	(3,780,310)	-
1,088,238	-	1,088,238	-
(2,994,191)	-	(2,994,191)	-
<u>(22,386,314)</u>	<u>-</u>	<u>(22,386,314)</u>	<u>-</u>
-	146,921	146,921	-
-	(81,354)	(81,354)	-
-	(140,648)	(140,648)	-
-	(165,612)	(165,612)	-
-	(462,377)	(462,377)	-
<u>-</u>	<u>(703,070)</u>	<u>(703,070)</u>	<u>-</u>
<u>(22,386,314)</u>	<u>(703,070)</u>	<u>(23,089,384)</u>	<u>-</u>
-	-	-	(4,024)
29,291,541	-	29,291,541	-
10,127,226	-	10,127,226	-
2,802,827	-	2,802,827	-
2,562,718	-	2,562,718	-
2,023,069	91,673	2,114,742	4
684,204	-	684,204	12
(4,971,489)	4,971,489	-	-
<u>42,520,096</u>	<u>5,063,162</u>	<u>47,583,258</u>	<u>16</u>
20,133,782	4,360,092	24,493,874	(4,008)
45,961,479	50,714,841	96,676,320	5,940
<u>\$ 66,095,261</u>	<u>\$ 55,074,933</u>	<u>\$ 121,170,194</u>	<u>\$ 1,932</u>

See accompanying notes to the basic financial statements

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

BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF DECEMBER 31, 2019

	General	General Obligation Bond Retirement	Bonded Improvement	Infrastructure Improvement
Assets:				
Cash, cash equivalents and investments	\$ 38,146,351	\$ 2,382,388	\$ 13,867,168	\$ 6,789,554
Receivables (net of allowances):				
Income taxes	7,386,646	-	-	-
Property and other taxes	10,075,835	346,526	-	-
Special assessments	412,789	207	-	227,637
Payments in lieu of taxes	-	-	-	-
Accounts	406,642	-	-	-
Accrued interest	280,690	-	17,377	-
Intergovernmental	1,290,437	23,323	26,291	542,918
Advances to other funds	3,373,335	-	-	-
Due from other funds	1,074,000	-	-	-
Materials and supplies inventory	66,088	-	-	-
Asset held for resale	505,725	-	-	-
Total assets	\$ 63,018,538	\$ 2,752,444	\$ 13,910,836	\$ 7,560,109
Liabilities:				
Accounts payable	\$ 649,517	\$ -	\$ 330,211	\$ 92,287
Retainage payable	56,651	-	188,745	172,501
Accrued wages and benefits	502,508	-	-	-
Due to other governments	618,739	-	-	-
Accrued vacation and sick leave	122,810	-	-	-
Advances from other funds	-	-	-	-
Due to other funds	8,130	-	-	-
Total liabilities	1,958,355	-	518,956	264,788
Deferred Inflows of Resources				
Property and Other Local Taxes	9,213,531	317,226	-	-
Unavailable Revenue	4,665,792	29,756	8,333	525,035
Total deferred inflows of resources	13,879,323	346,982	8,333	525,035
Fund Balances:				
Nonspendable	3,951,424	-	-	-
Restricted	17,135,644	2,405,462	13,383,547	-
Committed	2,226,646	-	-	6,770,286
Assigned	2,007,381	-	-	-
Unassigned (deficit)	21,859,765	-	-	-
Total fund balances	47,180,860	2,405,462	13,383,547	6,770,286
Total liabilities, deferred inflows of resources, and fund balances	\$ 63,018,538	\$ 2,752,444	\$ 13,910,836	\$ 7,560,109

Lane Avenue II TIF	Other Governmental	Total Governmental
\$ 11,443,424	\$ 8,046,322	\$ 80,675,207
-	-	7,386,646
-	3,768	10,426,129
-	-	640,633
-	3,109,405	3,109,405
-	10,343	416,985
-	8,361	306,428
-	1,545,897	3,428,866
-	-	3,373,335
-	-	1,074,000
-	242,507	308,595
-	-	505,725
<u>\$ 11,443,424</u>	<u>\$ 12,966,603</u>	<u>\$ 111,651,954</u>
\$ 380,985	\$ 130,543	\$ 1,583,543
-	199,175	617,072
-	28,646	531,154
-	4,653	623,392
-	-	122,810
-	3,373,335	3,373,335
-	949,372	957,502
<u>380,985</u>	<u>4,685,724</u>	<u>7,808,808</u>
-	2,762,222	12,292,979
-	1,166,709	6,395,625
<u>-</u>	<u>3,928,931</u>	<u>18,688,604</u>
-	242,507	4,193,931
11,062,439	5,202,929	49,190,021
-	1,271,938	10,268,870
-	-	2,007,381
-	(2,365,426)	19,494,339
<u>11,062,439</u>	<u>4,351,948</u>	<u>85,154,542</u>
<u>\$ 11,443,424</u>	<u>\$ 12,966,603</u>	<u>\$ 111,651,954</u>

See accompanying notes to the basic financial statements



City of **Upper Arlington**[®]

This page left blank intentionally.

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

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2019

Total Governmental Fund Balances \$ 85,154,542

Amounts reported for governmental activities in the statement of net position are different due to the following:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 123,661,754

Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.

Income taxes receivable	2,714,357
Property taxes receivable	187,066
Special assessments receivable	493,113
Payments in lieu of taxes receivable	347,183
Intergovernmental receivable	2,346,606
Accounts receivable	196,370
Interest receivable	110,930

In the statement of activities interest is accrued on outstanding loans payable, whereas in governmental funds, interest expenditures are reported when due. (298,012)

The net pension asset, net pension liability and net OPEB liability are not due and payable in the current period; therefore, the asset, liability and related deferred inflows/outflows are not reported in governmental funds.

Net pension asset	13,500
Deferred outflows - pension	15,641,126
Deferred outflows - OPEB	4,104,490
Net pension liability	(54,118,121)
Net OPEB liability	(11,544,787)
Deferred inflows - pension	(1,155,855)
Deferred inflows - OPEB	(1,495,730)

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	(2,635,538)
Bonds and loans payable	(96,073,820)
Deferred outflows - bond refundings, net	711,869
Premium on bonds, net	(4,584,277)
Discount on bonds, net	260,726

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. 2,057,769

Net Position of Governmental Activities \$ 66,095,261

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	General	General Obligation Bond Retirement	Bonded Improvement	Infrastructure Improvement
Revenues:				
Municipal income taxes	\$ 30,494,715	\$ -	\$ -	\$ -
Property and other taxes	9,717,637	327,858	-	-
Special assessments	46,906	1,025	-	323,760
Payments in lieu of taxes	-	-	-	-
Charges for services	1,929,573	-	-	-
Licenses and permits	2,765,289	-	-	-
Fines and forfeitures	307,229	-	-	-
Intergovernmental	2,532,855	46,356	26,291	336,438
Investment earnings	1,510,449	-	427,159	-
Miscellaneous	1,517,392	-	168,330	185,226
Total revenues	<u>50,822,045</u>	<u>375,239</u>	<u>621,780</u>	<u>845,424</u>
Expenditures:				
Current:				
General government	9,890,976	6,610	-	-
Public safety	17,992,548	-	-	-
Public services	2,004,472	-	-	-
Parks and recreation	3,717,447	-	-	-
Community development	977,585	-	-	-
Capital outlay	1,076,051	-	5,033,897	4,091,859
Debt service:				
Principal retirement	-	5,236,178	-	-
Interest and fiscal charges	-	2,494,243	-	-
Bond issuance costs	-	-	75,727	-
Total expenditures	<u>35,659,079</u>	<u>7,737,031</u>	<u>5,109,624</u>	<u>4,091,859</u>
Excess (deficiency) of revenues over (under) expenditures	15,162,966	(7,361,792)	(4,487,844)	(3,246,435)
Other Financing Sources (Uses):				
Sale of capital assets	74,806	-	-	-
Sale of bonds	-	1,781,000	5,370,000	-
Discount on issuance of bonds and notes	-	(177,258)	-	-
Premium on issuance of bonds	-	680,977	84,106	-
Transfers in	-	6,576,921	-	3,250,000
Transfers out	(9,270,642)	-	-	-
Total other financing sources (uses)	<u>(9,195,836)</u>	<u>8,861,640</u>	<u>5,454,106</u>	<u>3,250,000</u>
Net change in fund balances	5,967,130	1,499,848	966,262	3,565
Fund balance at beginning of year, restated	41,213,730	905,614	12,417,285	6,766,721
Fund balance at end of year	<u>\$ 47,180,860</u>	<u>\$ 2,405,462</u>	<u>\$ 13,383,547</u>	<u>\$ 6,770,286</u>

See accompanying notes to the basic financial statements

Lane Avenue II TIF	Other Governmental	Total Governmental
\$ -	\$ -	\$ 30,494,715
-	64,962	10,110,457
-	-	371,691
-	3,044,716	3,044,716
-	199,948	2,129,521
-	-	2,765,289
-	54,922	362,151
-	2,177,349	5,119,289
-	63,304	2,000,912
-	213,744	2,084,692
-	5,818,945	58,483,433
-	1,272,099	11,169,685
-	413,437	18,405,985
-	2,159,589	4,164,061
-	161,502	3,878,949
-	-	977,585
7,496,061	3,820,246	21,518,114
-	-	5,236,178
-	-	2,494,243
582,814	-	658,541
8,078,875	7,826,873	68,503,341
(8,078,875)	(2,007,928)	(10,019,908)
-	119,842	194,648
18,559,000	-	25,710,000
-	-	(177,258)
582,314	-	1,347,397
-	193,400	10,020,321
-	(749,679)	(10,020,321)
19,141,314	(436,437)	27,074,787
11,062,439	(2,444,365)	17,054,879
-	6,796,313	68,099,663
<u>\$ 11,062,439</u>	<u>\$ 4,351,948</u>	<u>\$ 85,154,542</u>



City of **Upper Arlington**[®]

This page left blank intentionally.

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

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

Net Change in Fund Balances - Total Governmental Funds \$ 17,054,879

Amounts reported for governmental activities in the statement of activities are different because:

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.

Capital outlays	20,003,827
Depreciation expense	(4,268,357)

The effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, donations and disposals) is to decrease net position.

Contributions, donations, and transfers of construction in progress	(4,971,489)
---	-------------

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

(949,495)

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amount as deferred outflows.

Pension	3,598,442
OPEB	55,596

Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability/(asset) are reported as pension/OPEB expense on the statement of activities.

Pension	(8,731,419)
OPEB	20,451,064

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.

Repayment of debt	5,236,178
Issuance of debt	(25,710,000)
Premium on issuance of debt	(1,347,397)
Discount on issuance of debt	177,258
Accretion and amortization of premiums and deferred amount on refunding, etc.	232,266

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.

Compensated absences	(44,946)
Accrued interest	(120,030)

The net revenue (expense) of the internal service funds, including the internal balance, is allocated among governmental activities.

(532,595)

Change in Net Position of Governmental Activities

\$ 20,133,782

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

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AS OF DECEMBER 31, 2019

	Business-type Activities - Enterprise Funds				
	Solid Waste	Water Surcharge	Sanitary Sewer Surcharge	Stormwater	Swimming Pools
Assets:					
Current assets:					
Cash, cash equivalents and investments	\$ 766,356	\$ 1,205,866	\$ 1,559,736	\$ 2,790,949	\$ 553,143
Receivables (net of allowances):					
Accounts	309,362	153,664	218,340	68,004	-
Accrued interest	2,550	-	-	9,062	-
Due from other funds	-	-	-	-	-
Total current assets	<u>1,078,268</u>	<u>1,359,530</u>	<u>1,778,076</u>	<u>2,868,015</u>	<u>553,143</u>
Noncurrent assets:					
Nondepreciable capital assets	-	514	-	-	1,236,059
Depreciable capital assets, net	-	18,209,673	8,263,746	13,147,393	10,864,833
Net pension asset	-	130	674	299	661
Total noncurrent assets	<u>-</u>	<u>18,210,317</u>	<u>8,264,420</u>	<u>13,147,692</u>	<u>12,101,553</u>
Total assets	<u>1,078,268</u>	<u>19,569,847</u>	<u>10,042,496</u>	<u>16,015,707</u>	<u>12,654,696</u>
Deferred Outflows of Resources					
Pension	-	44,946	290,243	121,391	213,791
OPEB	-	5,461	72,966	18,747	54,675
Total deferred outflows of resources	<u>-</u>	<u>50,407</u>	<u>363,209</u>	<u>140,138</u>	<u>268,466</u>
Liabilities:					
Current liabilities:					
Accounts payable	9,465	1,473	39,370	11,954	560
Accrued wages and benefits	-	1,400	7,962	4,203	606
Due to other governments	-	216	1,230	649	95
Due to other funds	125,000	18	103	55	8
Accrued vacation and sick leave	-	4,497	25,236	6,657	-
Loans payable	-	18,869	-	-	-
Bonds payable	-	52,750	4,508	37,581	-
Accrued interest payable	-	3,102	265	2,210	-
Total current liabilities	<u>134,465</u>	<u>82,325</u>	<u>78,674</u>	<u>63,309</u>	<u>1,269</u>
Noncurrent liabilities:					
Accrued vacation and sick leave	-	1,552	8,707	2,297	-
Loans payable	-	47,173	-	-	-
Bonds payable	-	958,538	81,904	682,903	-
Net pension liability	-	148,717	771,519	341,528	755,634
Net OPEB liability	-	69,621	361,403	159,841	353,842
Total noncurrent liabilities	<u>-</u>	<u>1,225,601</u>	<u>1,223,533</u>	<u>1,186,569</u>	<u>1,109,476</u>
Total liabilities	<u>134,465</u>	<u>1,307,926</u>	<u>1,302,207</u>	<u>1,249,878</u>	<u>1,110,745</u>
Deferred Inflows of Resources:					
Pension	-	58,949	10,585	4,656	16,327
OPEB	-	38,987	981	434	5,913
Total deferred inflows of resources	<u>-</u>	<u>97,936</u>	<u>11,566</u>	<u>5,090</u>	<u>22,240</u>
Net Position:					
Net investment in capital assets	-	17,132,857	8,177,334	12,426,909	12,100,892
Unrestricted	943,803	1,081,535	914,598	2,473,968	(310,715)
Total net position	<u>\$ 943,803</u>	<u>\$ 18,214,392</u>	<u>\$ 9,091,932</u>	<u>\$ 14,900,877</u>	<u>\$ 11,790,177</u>

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

Total	Governmental Activities - Internal Service
\$ 6,876,050	\$ 2,669,969
749,370	-
11,612	-
-	8,686
<u>7,637,032</u>	<u>2,678,655</u>
1,236,573	-
50,485,645	-
1,764	-
<u>51,723,982</u>	<u>-</u>
<u>59,361,014</u>	<u>2,678,655</u>
670,371	-
151,849	-
<u>822,220</u>	<u>-</u>
62,822	487,134
14,171	-
2,190	-
125,184	-
36,390	-
18,869	-
94,839	-
5,577	-
<u>360,042</u>	<u>487,134</u>
12,556	-
47,173	-
1,723,345	-
2,017,398	-
944,707	-
<u>4,745,179</u>	<u>-</u>
<u>5,105,221</u>	<u>487,134</u>
90,517	-
46,315	-
<u>136,832</u>	<u>-</u>
49,837,992	-
5,103,189	2,191,521
<u>54,941,181</u>	<u>\$ 2,191,521</u>
133,752	
<u>\$ 55,074,933</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, 2019

	Business-type Activities - Enterprise Funds				
	Solid Waste	Water Surcharge	Sanitary Sewer Surcharge	Stormwater	Swimming Pools
Operating Revenues:					
Charges for services	\$ 3,008,380	\$ 723,167	\$ 1,136,487	\$ 765,542	\$ 791,691
Miscellaneous	-	-	1,931	-	100
Total operating revenues	<u>3,008,380</u>	<u>723,167</u>	<u>1,138,418</u>	<u>765,542</u>	<u>791,791</u>
Operating Expenses:					
Personal services	-	98,705	711,466	411,921	782,327
Materials and supplies	873	49,936	64,077	17,828	46,032
Contractual services	2,860,586	83,050	111,309	136,667	185,973
Self-insurance	-	-	-	-	-
Depreciation, net	-	525,445	370,936	331,720	234,757
Miscellaneous	-	54	3,125	-	3,207
Total operating expenses	<u>2,861,459</u>	<u>757,190</u>	<u>1,260,913</u>	<u>898,136</u>	<u>1,252,296</u>
Operating income (loss)	146,921	(34,023)	(122,495)	(132,594)	(460,505)
Nonoperating Revenues (Expenses)					
Investment earnings	28,788	-	-	62,885	-
Interest expense	-	(37,226)	(3,180)	(26,521)	-
Total nonoperating revenues (expenses)	<u>28,788</u>	<u>(37,226)</u>	<u>(3,180)</u>	<u>36,364</u>	<u>-</u>
Income (loss) before contributions	175,709	(71,249)	(125,675)	(96,230)	(460,505)
Capital contributions, net	-	2,886,428	61,978	308,695	1,714,388
Change in net position	175,709	2,815,179	(63,697)	212,465	1,253,883
Net position at beginning of year	768,094	15,399,213	9,155,629	14,688,412	10,536,294
Net position at end of year	<u>\$ 943,803</u>	<u>\$ 18,214,392</u>	<u>\$ 9,091,932</u>	<u>\$ 14,900,877</u>	<u>\$ 11,790,177</u>

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

Total	Governmental Activities - Internal Service
\$ 6,425,267	\$ 3,373,487
2,031	102,892
<u>6,427,298</u>	<u>3,476,379</u>
2,004,419	-
178,746	-
3,377,585	-
-	4,042,421
1,462,858	-
6,386	-
<u>7,029,994</u>	<u>4,042,421</u>
(602,696)	(566,042)
91,673	-
(66,927)	-
<u>24,746</u>	<u>-</u>
(577,950)	(566,042)
<u>4,971,489</u>	<u>-</u>
4,393,539	(566,042)
	2,757,563
	<u>\$ 2,191,521</u>
(33,447)	
<u>\$ 4,360,092</u>	

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

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	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	\$ 3,003,058	\$ 656,119	\$ 1,082,698	\$ 765,847	\$ 791,791
Payments to suppliers and contractual services	(3,091,260)	(131,567)	(148,587)	(163,403)	(235,199)
Payments to employees	-	(162,662)	(466,034)	(338,683)	(522,845)
Net cash provided (used) by operating activities	<u>(88,202)</u>	<u>361,890</u>	<u>468,077</u>	<u>263,761</u>	<u>33,747</u>
Cash flow for Noncapital Financing Activities					
Advances out	(125,000)	-	-	-	-
Net cash used by non-capital financing activities	<u>(125,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flow from Capital and Related Financing					
Principal paid on capital debt	-	(69,325)	(4,313)	(35,947)	-
Interest paid on capital debt	-	(37,226)	(3,180)	(26,521)	-
Net cash used by capital and related financing activities	<u>-</u>	<u>(106,551)</u>	<u>(7,493)</u>	<u>(62,468)</u>	<u>-</u>
Cash flow from investing activities					
Interest and dividends received	29,469	-	-	62,417	-
Net cash provided by investing activities	<u>29,469</u>	<u>-</u>	<u>-</u>	<u>62,417</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(183,733)	255,339	460,584	263,710	33,747
Cash and cash equivalents, January 1	950,089	950,527	1,099,152	2,527,239	519,396
Cash and cash equivalents, December 31	<u>\$ 766,356</u>	<u>\$ 1,205,866</u>	<u>\$ 1,559,736</u>	<u>\$ 2,790,949</u>	<u>\$ 553,143</u>

See accompanying notes to the basic financial statements

	Total	Governmental Activities - Internal Service
\$	6,299,513	\$ 3,476,093
	(3,770,016)	(4,017,961)
	(1,490,224)	-
	<u>1,039,273</u>	<u>(541,868)</u>
	(125,000)	-
	<u>(125,000)</u>	-
	(109,585)	-
	<u>(66,927)</u>	-
	<u>(176,512)</u>	-
	91,886	-
	<u>91,886</u>	-
	829,647	(541,868)
	6,046,403	3,211,837
\$	<u>6,876,050</u>	<u>\$ 2,669,969</u>

(Continued)

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

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2019

	Business-type Activities - Enterprise Funds				
	Solid Waste	Water Surcharge	Sanitary Sewer Surcharge	Stormwater	Swimming Pools
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ 146,921	\$ (34,023)	\$ (122,495)	\$ (132,594)	\$ (460,505)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	-	525,445	370,936	331,720	234,757
(Increase) decrease in accounts receivable	(5,322)	(67,048)	(55,720)	305	-
Increase in due from other funds	-	-	-	-	-
(Increase) decrease in net pension asset and deferred outflows	-	(19,817)	(186,684)	(52,159)	11,780
Increase (decrease) in accounts payable	(229,801)	1,473	29,924	(8,908)	(763)
Increase (decrease) in accrued payroll liabilities	-	64	(2,747)	1,037	236
Increase (decrease) in accrued vacation and sick leave	-	(1,853)	5,930	833	-
Increase (decrease) in net pension/OPEB liability and deferred inflows	-	(42,351)	428,933	123,527	248,242
Total adjustments	(235,123)	395,913	590,572	396,355	494,252
Net cash provided (used) by operating activities	<u>\$ (88,202)</u>	<u>\$ 361,890</u>	<u>\$ 468,077</u>	<u>\$ 263,761</u>	<u>\$ 33,747</u>
Non cash investing, capital, and financing activities:					
Contributions of capital assets from governmental activities	-	2,886,428	61,978	308,695	1,714,388
	<u>\$ -</u>	<u>\$ 2,886,428</u>	<u>\$ 61,978</u>	<u>\$ 308,695</u>	<u>\$ 1,714,388</u>

See accompanying notes to the basic financial statements

<u>Total</u>	<u>Governmental Activities - Internal Service</u>
\$ (602,696)	\$ (566,042)
1,462,858	-
(127,785)	-
-	(286)
(246,880)	-
(208,075)	24,460
(1,410)	-
4,910	-
<u>758,351</u>	<u>-</u>
<u>1,641,969</u>	<u>24,174</u>
<u>\$ 1,039,273</u>	<u>\$ (541,868)</u>
<u>\$ 4,971,489</u>	<u>\$ -</u>

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

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
AS OF DECEMBER 31, 2019

	<u>Custodial Funds</u>
Assets	
Cash, cash equivalents and investments	\$ 148,544
Total assets	<u>148,544</u>
Liabilities	
Due to others	103,465
Total liabilities	<u>103,465</u>
Net Position	
Restricted for individuals and other governments	45,079
Total Net Position	<u>\$ 45,079</u>

See accompanying notes to the basic financial statements

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

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Custodial Funds</u>
Additions	
Fines and forfeitures for other governments	\$ 160,092
Fees for other organizations	298,026
Total additions	<u>458,118</u>
Deductions	
Fines and forfeitures distributions to other governments	157,129
Fees distributions to other organizations	298,026
Total deductions	<u>455,155</u>
Change in fiduciary net position	2,963
Net position at beginning of year, restated	42,116
Net position at end of year	<u>\$ 45,079</u>

See accompanying notes to the basic financial statements.



City of **Upper Arlington**[®]

This page left blank intentionally.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

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.

The City is associated with an organization, which is defined as a Jointly Governed Organization. This organization is presented in Note 14 to the basic financial statements.

(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, 2019

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 and OPEB 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, 2019

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, 2019

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.

Infrastructure Improvement Fund – This fund accounts for a seven-year capital project program. The General Fund provides an annual fund transfer to fund the program.

Lane Avenue II Tax Increment Financing (TIF) Fund – This fund accounts for any incremental increases in value and expenditure related to the redevelopment of several parcels of real property located on the north side of West Lane Avenue, between Chester Road and Westmont Boulevard (known as the Lane II project).

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, 2019

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. The City’s Internal Service funds report on the self-insurance program.

Custodial Funds – These funds are used to report fiduciary activities that are not required to be reported in a trust fund. The City’s custodial funds account for amounts collected and distributed on behalf of another government or organization.

(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 2019, investments were limited to Federal agency securities, municipal securities, U.S. Treasuries, corporate bonds, commercial paper, the State Treasury Asset Reserve of Ohio (STAR Ohio), and money market funds. Federal agency securities, municipal securities, and U.S. Treasuries, corporate bonds, and commercial paper 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 2019, 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 \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 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, 2019

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 2019 represent the collection of 2018 taxes. Real property taxes received in 2019 were levied after October 1, 2018, on the assessed values as of January 1, 2018, 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 2019 represent the collection of 2018 taxes. Public utility real and tangible personal property taxes received in 2018 became a lien on December 31, 2018, were levied after October 1, 2018, 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, 2019, 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 2019 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, 2019 was \$6.17 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2019 property tax receipts were based are as follows:

	<u>Assessed Valuation</u>
Real Property	\$ 1,888,194,220
Public Utility Property	27,231,410
Total	\$ 1,915,425,630

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

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, 2019

Note 1 – Summary of Significant Accounting Policies (continued)

5. Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding, pension and OPEB. 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 or refunding debt. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 10 and 11.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2019, but which were levied to finance 2020 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City unavailable revenue includes delinquent property taxes, income taxes, special assessments and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 10 and 11)

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, 2019

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/OPEB 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/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans 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, 2019

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, 2019

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 2019, 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, 2019 were 55.7 days.

The City purchases investments, except for certificates of deposit, only through its investment advisor, Meeder Investment Management (Meeder). Meeder 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 ORC § 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 (20%) 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, 2019

Note 2 – Deposits and Investments (continued)

- (d) Certificates of deposit issued by institutions whose deposits are insured by the Federal Deposit Insurance Corporation (FDIC). Certificates of deposit shall be collateralized using eligible securities or instruments as defined under ORC § 135.18 or 135.181. The selection of ORC § 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 ORC § 135.03, or any eligible securities dealer pursuant to ORC § 135.14(M). Repurchase agreements transacted with eligible securities dealers shall be executed on a delivery versus payment basis. Eligible repurchase agreement collateral is restricted to securities listed in C.O. § 221.06(A), limited to final maturity dates of ten (10) years. The market value of securities subject to a repurchase agreement must exceed the principal value of the repurchase agreement amount by at least two (2) percent 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 consisting exclusively of obligations described in ORC § 135.14(B)(1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions mentioned in ORC § 135.03.
- (h) Commercial paper notes issued by an entity that is defined in ORC § 1705.01(D) and that has assets exceeding five hundred million dollars (\$500,000,000.00), to which notes all of the following apply:
 - 1. The notes are rated at the time of purchase in the highest classification established by at least two (2) nationally recognized standard rating services.
 - 2. The aggregate value of the notes does not exceed ten (10) percent of the aggregate value of the outstanding commercial paper of the issuing corporation.
 - 3. The notes mature not later than two hundred seventy (270) days after purchase.
 - 4. The investment in commercial paper notes of a single issuer shall not exceed in the aggregate five (5) percent of interim moneys available for investment at the time 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, 2019

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

At December 31, 2019, the carrying value of all the City's cash deposits was \$6,259,672 and the bank balance was \$6,608,341. Of the bank balance, \$250,000 was covered by the Federal Deposit Insurance Corporation (FDIC) and the remaining was uninsured and collateralized. The City's financial institution was approved for a reduced collateral rate of 50 percent through the Ohio Pooled Collateral System.

Custodial credit risk is the risk that, in the event of bank failure, the City's deposits may not be returned. The City has no investment policy dealing with investment custodial risk beyond the requirement in State statute. Ohio law requires that deposits either be insured or be protected by:

1. Eligible securities pledged to the District and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured; or
2. Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 2 – Deposits and Investments (continued)

Investments

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

Investment type	Measurement Value	Investment maturities		
		1 year or less	1 to 3 years	3 to 5 years
STAR Ohio	\$ 13,695,597	\$ 13,695,597	\$ -	\$ -
Commercial Paper	13,387,499	13,387,499	-	-
Money market mutual fund	10,331,278	10,331,278	-	-
Municipal securities	991,736	124,401	-	867,335
FFCB	18,030,029	2,894,669	809,954	14,325,406
FHLB	2,899,593	898,353	2,001,240	-
FHLMC	2,252,853	-	1,001,020	1,251,833
FMAE	3,498,905	-	1,496,625	2,002,280
FMAC	12,177,546	3,500,640	3,502,425	5,174,481
Corporate bonds	2,120,773	1,714,737	406,036	-
US treasuries	4,724,289	3,451,051	-	1,273,238
Total investments	<u>\$ 84,110,098</u>	<u>\$ 49,998,225</u>	<u>\$ 9,217,300</u>	<u>\$ 24,894,573</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). Institutional bond quotes and evaluations based on various market and industry inputs are used in the valuation of the City's level 2 investments

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.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 2 – Deposits and Investments (continued)

The City’s investments in federal agency securities, US treasuries, STAR Ohio, and money market mutual funds were rated AAA. \$867,335 of the City’s investments in municipal securities were rated AAA and \$124,401 were rated AA. Of the City’s investments in commercial paper, \$3,120,280 were rated A1, \$5,170,615 were rated A2, and \$5,096,604 were rated AA. Of the City’s investments in corporate bonds, \$500,035 were rated AAA, \$1,214,702 were rated A2, and \$406,036 were rated P-1.

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.

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, 2019:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 6,259,672
Investments	84,110,098
Total	<u>\$ 90,369,770</u>
 <u>Cash and investments per statements of net position</u>	
Governmental activities	\$ 83,345,176
Business-type activities	6,876,050
Custodial Funds	148,544
Total	<u>\$ 90,369,770</u>

Interest revenue credited to the General Fund as of December 31, 2019 consisted of \$1,366,224 in interest earnings and \$144,225 in unrealized fair value gains. Of the \$1,366,224 in interest earnings credited to the General Fund as of December 31, 2019, \$568,372 represents the amount assigned from other funds not entitled to earn interest per Ohio statute.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 3 – Receivables and Deferred Inflows of Resources

(a) Receivables

Receivables at December 31, 2019 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, 2019. A summary of the items of receivables reported on the statement of net position follows:

	Governmental Activities	Business-type Activities
Income taxes	\$ 7,386,646	\$ -
Property and other taxes	10,426,129	-
Special assessments	640,633	-
Payments in lieu of taxes	3,109,405	-
Accounts	416,985	749,370
Accrued interest	306,428	11,612
Intergovernmental	3,428,866	-

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

(b) Deferred Inflows of Resources

On the statement of net position, deferred inflows of resources include property taxes and payments in lieu of taxes for which there is an enforceable legal claim as of December 31, 2019, which were levied to finance year 2019 operations, pension and OPEB (see Notes 10 and 11).

	Governmental Activities	Business-type Activities
Property and other taxes	\$ 9,530,757	\$ -
Payments in lieu of taxes	2,762,222	-
Pension/OPEB	2,651,585	136,832
	\$ 14,944,564	\$ 136,832

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	Bond	Infrastructure	Other	
	General	Retirement	Improvement	Improvement	Governmental		Total
Income tax	\$ 2,714,357	\$ -	\$ -	\$ -	\$ -		\$ 2,714,357
Property tax	180,840	6,226	-	-	-		187,066
Special assessments	412,789	207	-	80,117	-		493,113
Payments in lieu of taxes	-	-	-	-	347,183		347,183
Intergovernmental	1,067,806	23,323	-	444,918	810,559		2,346,606
Accrued interest	99,632	-	8,333	-	2,965		110,930
Accounts	190,368	-	-	-	6,002		196,370
Total deferred inflows	\$ 4,665,792	\$ 29,756	\$ 8,333	\$ 525,035	\$ 1,166,709		\$ 6,395,625

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 4 – Capital Assets

Capital asset activity for the year ended December 31, 2019 was as follows:

<i>Governmental Activities</i>	Beginning balance	Additions	Deductions	Transfers	Ending balance
Nondepreciable capital assets					
Land	\$ 4,461,752	\$ -	\$ -	\$ -	\$ 4,461,752
Construction in progress	12,198,688	18,619,986	-	(12,229,604)	18,589,070
Total nondepreciable assets	<u>16,660,440</u>	<u>18,619,986</u>	<u>-</u>	<u>(12,229,604)</u>	<u>23,050,822</u>
Depreciable capital assets					
Buildings	18,490,718	275,335	-	-	18,766,053
Improvements other than buildings	12,066,354	-	-	391,908	12,458,262
Machinery and equipment	17,741,738	871,728	(504,903)	-	18,108,563
Infrastructure	109,205,078	236,778	-	6,866,207	116,308,063
Total depreciable assets	<u>157,503,888</u>	<u>1,383,841</u>	<u>(504,903)</u>	<u>7,258,115</u>	<u>165,640,941</u>
Less accumulated depreciation					
Buildings	(10,488,235)	(271,295)	-	-	(10,759,530)
Improvements other than buildings	(2,981,589)	(234,008)	-	-	(3,215,597)
Machinery and equipment	(13,687,759)	(1,039,219)	504,903	-	(14,222,075)
Infrastructure	(34,108,972)	(2,723,835)	-	-	(36,832,807)
Total accumulated depreciation	<u>(61,266,555)</u>	<u>(4,268,357)</u>	<u>504,903</u>	<u>-</u>	<u>(65,030,009)</u>
Depreciable capital assets, net of accumulated depreciation	<u>96,237,333</u>	<u>(2,884,516)</u>	<u>-</u>	<u>7,258,115</u>	<u>100,610,932</u>
Total capital assets, net	<u>\$ 112,897,773</u>	<u>\$ 15,735,470</u>	<u>\$ -</u>	<u>\$ (4,971,489)</u>	<u>\$ 123,661,754</u>

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

Governmental Activities:

General government	\$ 398,938
Public safety	541,146
Public services	2,995,366
Parks and recreation	326,032
Community development	6,875
Total depreciation expense	<u>\$ 4,268,357</u>

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

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
Total nondepreciable assets	<u>1,236,573</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,236,573</u>
Depreciable capital assets					
Buildings	-	-	-	1,714,388	1,714,388
Improvements other than buildings	11,649,747	-	-	-	11,649,747
Machinery and equipment	1,462,942	-	(137,461)	-	1,325,481
Infrastructure	60,917,843	-	-	3,257,101	64,174,944
Total depreciable assets	<u>74,030,532</u>	<u>-</u>	<u>(137,461)</u>	<u>4,971,489</u>	<u>78,864,560</u>
Less accumulated depreciation					
Buildings	-	(17,858)	-	-	(17,858)
Improvements other than buildings	(1,688,784)	(228,387)	-	-	(1,917,171)
Machinery and equipment	(1,051,394)	(90,834)	137,461	-	(1,004,767)
Infrastructure	(24,313,340)	(1,125,779)	-	-	(25,439,119)
Total accumulated depreciation	<u>(27,053,518)</u>	<u>(1,462,858)</u>	<u>137,461</u>	<u>-</u>	<u>(28,378,915)</u>
Depreciable capital assets, net of accumulated depreciation	<u>46,977,014</u>	<u>(1,462,858)</u>	<u>-</u>	<u>4,971,489</u>	<u>50,485,645</u>
Total capital assets, net	<u>\$ 48,213,587</u>	<u>\$ (1,462,858)</u>	<u>\$ -</u>	<u>\$ 4,971,489</u>	<u>\$ 51,722,218</u>

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

Business-type Activities:

Water Surcharge	\$ 525,445
Sanitary Sewer Surcharge	370,936
Stormwater	331,720
Swimming Pools	<u>234,757</u>
Total depreciation expense	<u>\$ 1,462,858</u>

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 4 – Capital Assets (continued)

Construction Commitments - The City has active construction projects as of December 31, 2019. The projects include reconstruction/maintenance of streets, waterlines, sewer lines and stormwater systems, installing fiber optic cable, sidewalks, replacing traffic signals, and various park-related projects. At year-end, the City's commitments with contractors are as follows:

<u>Company</u>	<u>Contract Amount</u>	<u>Amount Remaining on Contract</u>
Arcadis U.S.	\$ 909,906	\$ 302,152
Burgess and Niple	1,881,576	299,511
Decker Construction	2,542,618	177,903
EMH & T	245,640	11,028
Strawser Paving	4,057,218	418,308
U.S. Utility Contractor	439,940	53,799
Performance Pipelining	1,407,541	856,246
Lane Ave Commercial Holdings	19,923,000	12,736,773
Elite Excavating	3,189,035	38,135
United Survey	1,331,946	213,361
DWA Recreation	247,500	75,500
Newcomer Concrete Services	731,082	165,725
Double Z Construction	563,147	10,664
Inland Water Pollution Control	410,158	259,120
EVUnited	415,499	415,499
Korda Nemeth Engineering	195,900	101,089

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, 2019 were as follows:

<u>Fund</u>	<u>Encumbrances, net payables</u>
General	\$ 1,540,039
Bonded Improvement	1,607,631
Infrastructure Improvement	1,350,416
Lane Avenue II TIF	10,945,698
Other Governmental	2,308,386
Total	<u>\$ 17,752,170</u>

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

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, 2019 represent the premium charges payable to the BWC administration fund for the funding of worker’s compensation claims totaling \$8,686. Additionally, the Due from/to other funds” balances in the General, Other Governmental funds and Proprietary funds include \$1,074,000 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, 2019 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	\$ 3,252,335	\$ 1,660,000	\$ (465,000)	\$ 4,447,335	\$ 1,074,000	\$ 3,373,335
Other Governmental:						
Tremont Road TIF	(291,135)	-	40,000	(251,135)	(40,000)	(211,135)
Kingsdale Core TIF	(718,000)	-	200,000	(518,000)	(309,000)	(209,000)
Lane Ave TIF	-	(100,000)	-	(100,000)	(50,000)	(50,000)
Lane Ave Mixed Use TIF	-	(360,000)	-	(360,000)	(60,000)	(300,000)
Horizon TIF	-	(1,200,000)	-	(1,200,000)	(375,000)	(825,000)
W. Lane Northwest TIF	(218,200)	-	-	(218,200)	(15,000)	(203,200)
Community Fiber Optic	(1,775,000)	-	100,000	(1,675,000)	(100,000)	(1,575,000)
Total Other Governmental	(3,002,335)	(1,660,000)	340,000	(4,322,335)	(949,000)	(3,373,335)
Proprietary Funds:						
Solid Waste	(250,000)	-	125,000	(125,000)	(125,000)	-
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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, 2019

Note 5 – Interfund Activity (continued)

(c) Interfund Transfers

Interfund transfers for the year ended December 31, 2019, consisted of the following, as reported in the fund financials:

<u>Transfers from</u>	<u>Transfers to</u>			<u>Total</u>
	<u>General Obligation Bond Retirement</u>	<u>Infrastructure Improvement</u>	<u>Other Governmental</u>	
General	\$ 5,827,242	\$ 3,250,000	\$ 193,400	\$ 9,270,642
Other Governmental	749,679	-	-	749,679
Total	<u>\$ 6,576,921</u>	<u>\$ 3,250,000</u>	<u>\$ 193,400</u>	<u>\$ 10,020,321</u>

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.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 6 – 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, 2019:

Governmental Activities	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<i>General obligation bonds:</i>					
2009A Building renovation refunding bonds 2%-4%	\$ 295,000	\$ -	\$ (145,000)	\$ 150,000	\$ 150,000
2009C Various purpose bonds 2%-4%	725,000	-	(355,000)	370,000	370,000
2011 Refunding bonds 2%-3.5%	3,230,000	-	(620,000)	2,610,000	630,000
2012 Lane Ave mixed use development bonds 2%-3.125%	6,225,000	-	(195,000)	6,030,000	200,000
2012 Various purpose bonds 2%-3%	2,670,000	-	(140,000)	2,530,000	140,000
2013 Refunding bonds 3%-4%	5,975,000	-	(455,000)	5,520,000	470,000
2014 Refunding bonds 1.5%-3.5%	6,220,000	-	(500,000)	5,720,000	500,000
2015 Various purpose bonds 1.5%-4%	14,294,100	-	(679,284)	13,614,816	710,161
2015 Refunding bonds 1.5%-4%	5,927,000	-	(510,000)	5,417,000	525,000
2016 Various purpose bonds 2.45%-3.11%	9,815,000	-	(5,000)	9,810,000	5,000
2017 Various purpose bonds 3%	7,565,000	-	(850,000)	6,715,000	865,000
2018 Various purpose bonds 3%-4%	9,515,000	-	-	9,515,000	5,000
2019 Various Purpose	-	5,370,000	(570,000)	4,800,000	530,000
<i>Total general obligation bonds</i>	<u>72,456,100</u>	<u>5,370,000</u>	<u>(5,024,284)</u>	<u>72,801,816</u>	<u>5,100,161</u>
<i>Special obligation nontax revenue bonds:</i>					
2019 Lane Ave mixed use development bonds II 2%-4%	-	20,340,000	-	20,340,000	-
<i>Loans - Direct Borrowings:</i>					
OPWC Tremont Road 0%	2,353,143	-	(104,584)	2,248,559	104,584
FCIB Community Fiber Network 1.7%	790,755	-	(107,310)	683,445	109,142
<i>Total loans</i>	<u>3,143,898</u>	<u>-</u>	<u>(211,894)</u>	<u>2,932,004</u>	<u>213,726</u>
Unamortized premium on bonds	3,611,995	1,347,397	(375,115)	4,584,277	-
Unamortized discount on bonds	(92,096)	(177,258)	8,628	(260,726)	-
<i>Total bonds and notes payable</i>	<u>79,119,897</u>	<u>26,880,139</u>	<u>(5,602,665)</u>	<u>100,397,371</u>	<u>5,313,887</u>
<i>Net pension liability:</i>					
OPERS	9,149,591	6,288,461	-	15,438,052	-
OP&F	28,721,064	9,959,005	-	38,680,069	-
<i>Total net pension liability:</i>	<u>37,870,655</u>	<u>16,247,466</u>	<u>-</u>	<u>54,118,121</u>	<u>-</u>
<i>Net OPEB Liability</i>					
OPERS	6,268,836	960,665	-	7,229,501	-
OP&F	26,514,185	(22,198,899)	-	4,315,286	-
<i>Total net OPEB liability</i>	<u>32,783,021</u>	<u>(21,238,234)</u>	<u>-</u>	<u>11,544,787</u>	<u>-</u>
Accrued vacation and sick leave	2,757,117	3,640,289	(3,639,058)	2,758,348	1,665,723
Total Governmental Activities long-term liabilities	<u>\$ 152,530,690</u>	<u>\$ 25,529,660</u>	<u>\$ (9,241,723)</u>	<u>\$ 168,818,627</u>	<u>\$ 6,979,610</u>

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

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%	\$ 1,061,744	\$ -	\$ (50,456)	\$ 1,011,288	\$ 52,750
Total general obligation bonds	<u>1,061,744</u>	<u>-</u>	<u>(50,456)</u>	<u>1,011,288</u>	<u>52,750</u>
OPWC loans - Direct Borrowings:					
Arlington Avenue waterline 0%	84,911	-	(18,869)	66,042	18,869
Total OPWC loans	<u>84,911</u>	<u>-</u>	<u>(18,869)</u>	<u>66,042</u>	<u>18,869</u>
Net pension liability - OPERS	91,775	56,942	-	148,717	-
Net OPEB liability - OPERS	62,875	6,746	-	69,621	-
Accrued vacation and sick leave	7,902	21,817	(23,670)	6,049	4,497
<i>Total Water Surcharge Fund</i>	<u>1,309,207</u>	<u>85,505</u>	<u>(92,995)</u>	<u>1,301,717</u>	<u>76,116</u>
<i>Sewer Surcharge Fund</i>					
General obligation bonds:					
2015 Various purpose bonds 1.5%-4%	90,725	-	(4,313)	86,412	4,508
Total general obligation bonds	<u>90,725</u>	<u>-</u>	<u>(4,313)</u>	<u>86,412</u>	<u>4,508</u>
Net pension liability - OPERS	362,865	408,654	-	771,519	-
Net OPEB liability - OPERS	248,677	112,726	-	361,403	-
Accrued vacation and sick leave	28,013	83,050	(77,120)	33,943	25,236
<i>Total Sewer Surcharge Fund</i>	<u>730,280</u>	<u>604,430</u>	<u>(81,433)</u>	<u>1,253,277</u>	<u>29,744</u>
<i>Stormwater Fund</i>					
General obligation bonds:					
2015 Various purpose bonds 1.5%-4%	756,431	-	(35,947)	720,484	37,581
Total general obligation bonds	<u>756,431</u>	<u>-</u>	<u>(35,947)</u>	<u>720,484</u>	<u>37,581</u>
Net pension liability - OPERS	193,591	147,937	-	341,528	-
Net OPEB liability - OPERS	132,592	27,249	-	159,841	-
Accrued vacation and sick leave	8,121	41,911	(41,078)	8,954	6,657
<i>Total Stormwater Fund</i>	<u>1,090,735</u>	<u>217,097</u>	<u>(77,025)</u>	<u>1,230,807</u>	<u>44,238</u>
<i>Swimming Pools Fund</i>					
Net pension liability - OPERS	440,991	314,643	-	755,634	-
Net OPEB liability - OPERS	302,105	51,737	-	353,842	-
<i>Swimming Pools Fund</i>	<u>743,096</u>	<u>366,380</u>	<u>-</u>	<u>1,109,476</u>	<u>-</u>
Total Business-type Activities					
long-term liabilities	<u>\$ 3,873,318</u>	<u>\$ 1,273,412</u>	<u>\$ (251,453)</u>	<u>\$ 4,895,277</u>	<u>\$ 150,098</u>

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 6 – Long-term Liabilities (continued)

The City pays obligations related to employee compensation from the fund benefitting from their service. There is no repayment schedule for the net pension/OPEB liability. However, employer pension/OPEB contributions are made from the following funds; the General Fund, the Bonded Improvement Fund, the Infrastructure Improvement Fund, Other Governmental Funds, and the Water Surcharge Fund, the Sewer Surcharge Fund, the Stormwater Fund, and the Swimming Pools 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 Obligation bonds are limited special revenue obligations of the City, payable solely from Nontax Revenues. Neither the general credit of the City, nor that of the State of Ohio or of any political subdivision thereof, is pledged to the payment of the principal of, or premium, if any, or interest on the Special Obligation Nontax Revenue bonds. Special Obligation bonds have been issued for governmental activities.

General Obligation Bonds:

2019 Various Purpose Bonds

On January 8, 2019, the City issued \$5,370,000 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 bonds, in the amount of \$5,370,000. The bonds were issued for an eight 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.

2018 Various Purpose Bonds

On December 19, 2018, the City issued \$9,515,000 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 \$4,715,000 and \$4,800,000, respectively. The bonds were issued for a twenty year period with final maturity at December 1, 2038. 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 \$4,800,000 term bonds maturing on December 1, 2038, 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	\$ 900,000
2035	925,000
2036	960,000
2037	990,000

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 6 – Long-term Liabilities (continued)

The remaining principal amount of such Series 2018 Bonds (\$1,025,000) will be paid at stated maturity on December 1, 2038.

2017 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 bond issues included serial bonds, in the amounts of \$9,280,000. 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.

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, 2019

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 will be contributed to the appropriate enterprise fund.

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 \$2,235,000, 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 \$2,235,000 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:

<u>Fiscal year</u>	<u>Principal amount to be redeemed</u>
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.

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.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 6 – Long-term Liabilities (continued)

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:

<u>Fiscal year</u>	<u>Principal amount to be redeemed</u>
2031	\$ 470,000

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

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:

<u>Fiscal year</u>	<u>Principal amount to be redeemed</u>
2034	\$ 275,000

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

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 6 – Long-term Liabilities (continued)

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.

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.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 6 – Long-term Liabilities (continued)

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 matured 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 matured December 1, 2017 was \$725,000.

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.

Special Obligation Bonds:

2019 Lane Avenue Mixed-Use Development II Nontax Revenue Bonds

On November 7, 2019, the City issued \$20,340,000 in Lane Avenue Mixed-Use Development II Special Obligation Nontax Revenue Bonds for the purpose of paying costs of constructing the Lane Avenue Mixed-Use Development II Project.

The bond issues included serial and term bonds, in the amounts of \$8,945,000 and \$11,395,000, respectively. The serial bonds were issued for a twenty-one year period with final maturity at December 1, 2040. Term bonds in the amount of \$3,370,000 were issued for a twenty-five year period with final maturity at December 1, 2044. Term bonds in the amount of \$8,025,000 were issued for a thirty-three year period with final maturity at December 1, 2052. 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 \$3,370,000 term bonds maturing on December 1, 2044, 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
2041	\$ 780,000
2042	840,000
2043	860,000

The remaining principal amount of such Series 2019 Bonds (\$890,000) will be paid at stated maturity on December 1, 2044.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 6 – Long-term Liabilities (continued)

The \$8,025,000 term bonds maturing on December 1, 2052, 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
2045	\$ 950,000
2046	980,000
2047	1,005,000
2048	1,075,000
2049	1,110,000
2050	1,135,000
2051	1,210,000

The remaining principal amount of such Series 2019 Bonds (\$560,000) will be paid at stated maturity on December 1, 2052.

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 Capital Asset Management Fund and Water Surcharge Fund. The loan agreements require semi-annual payments based on the actual amount loaned. The 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, 2019

Note 6 – Long-term Liabilities (continued)

Future Debt Service Requirements

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2019 are follows:

	Governmental Activities					
	<i>General Obligation</i>		<i>Special Obligation</i>		<i>Loans</i>	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 5,100,161	\$ 2,367,031	\$ -	\$ 706,080	\$ 213,726	\$ 11,156
2021	4,626,626	2,211,326	-	661,950	215,589	9,293
2022	4,729,861	2,092,479	-	661,950	217,484	7,398
2023	4,827,504	1,968,134	275,000	661,950	219,412	5,471
2024	4,383,381	1,817,207	310,000	653,700	221,372	3,511
2025-2029	23,319,989	6,723,750	1,820,000	3,089,000	641,702	1,517
2030-2034	17,209,294	3,122,681	2,505,000	2,687,200	522,920	-
2035-2039	7,585,000	746,623	3,280,000	2,146,950	522,922	-
2040-2044	1,020,000	64,376	4,125,000	1,585,500	156,877	-
2045-2049	-	-	5,120,000	909,000	-	-
2050-2052	-	-	2,905,000	157,050	-	-
Total	\$ 72,801,816	\$ 21,113,607	\$ 20,340,000	\$ 13,920,330	\$ 2,932,004	\$ 38,346

	Business-type Activities			
	<i>General Obligation</i>		<i>OPWC Loans</i>	
	Principal	Interest	Principal	Interest
2020	\$ 94,839	\$ 63,299	\$ 18,869	\$ -
2021	98,374	59,506	18,869	-
2022	100,139	57,539	18,869	-
2023	102,496	55,535	9,435	-
2024	106,619	51,436	-	-
2025-2029	600,011	189,731	-	-
2030-2034	715,706	73,911	-	-
Total	\$ 1,818,184	\$ 550,957	\$ 66,042	\$ -

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, 2019, the City's total debt limit was \$203.1 million and the unvoted debt limit was \$106.4 million.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

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, Canal Winchester, and Grandview Heights. 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 \$430,228,288 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/\$1,000,000) and automobile liability (\$1,000,000). Pool retentions are \$25,000 per loss for property, \$750,000 for umbrella and \$150,000 for liability. 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.

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.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 7 – Risk Management (continued)

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

	General Liability	Health/Dental/ Workers Compensation
	<u>2018</u>	
Unpaid claims - January 1, 2018	\$ 2,210	\$ 403,147
Incurring claims	29,491	3,492,808
Payment of claims	(31,486)	(3,433,281)
Unpaid claims - December 31, 2018	\$ 215	\$ 462,674
	<u>2019</u>	
Unpaid claims - January 1, 2019	\$ 215	\$ 462,674
Incurring claims	11,723	4,042,421
Payment of claims	(11,938)	(4,017,961)
Unpaid claims - December 31, 2019	\$ -	\$ 487,134

A claims liability of \$487,134 (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, 2019

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, 2019.

(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, 2019.

Note 10 – Defined Benefit 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, 2019

Note 10 – Defined Benefit 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 5 years of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 5 years of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Combined Plan Formula: 1.0% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1.0% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1.0% of FAS multiplied by years of service for the first 35 years and 1.25% 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.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 10 – Defined Benefit Pension Plans (continued)

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. For members retiring under the Combined Plan, an annual COLA will be provided on the defined benefit portion of their benefit. 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.

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

2019 Statutory Maximum Contribution Rates

Employer	14.0 %
Employee	10.0 %

2019 Actual Contribution Rates

Employer:	
Pension	14.0 %
Postemployment Health Care Benefits	0.0 %
Total Employer	<u>14.0 %</u>
Employee	<u>10.0 %</u>

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$1,318,120 for 2019. Of this amount, \$127,077 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.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 10 – Defined Benefit Pension Plans (continued)

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.

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
2019 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
 2019 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Postemployment 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 \$2,374,212 for 2019. Of this amount \$292,410 is reported as due to other governments.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 10 – Defined Benefit Pension Plans (continued)

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, 2018, 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, 2018 and was determined by rolling forward the total pension (asset)/liability as of January 1, 2018, to December 31, 2018. 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:

	OPERS <u>Traditional Plan</u>	OPERS <u>Combined Plan</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the Net Pension Liability/(Asset)				
Current Measurement Date	0.063734%	0.013651%	0.473867%	
Prior Measurement Date	0.065265%	0.014224%	0.467964%	
Change in Proportionate Share	<u>-0.0015310%</u>	<u>-0.0005730%</u>	<u>0.00590300%</u>	
Proportionate Share of the Net Pension Liability/(Asset)	\$ 17,455,450	\$ (15,264)	\$ 38,680,069	\$ 56,120,255
Pension Expense	\$ 4,026,177	\$ 4,186	\$ 5,201,187	\$ 9,231,550

At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS <u>Traditional Plan</u>	OPERS <u>Combined Plan</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources				
Differences between expected and actual experience	\$ 804	\$ -	\$ 1,589,210	\$ 1,590,014
Net difference between projected and actual earnings on pension plan investments	2,369,190	3,285	4,765,352	7,137,827
Changes of assumptions	1,519,531	3,411	1,025,461	2,548,403
Change in proportionate share	185,541	647	1,156,733	1,342,921
City contributions subsequent to the measurement date	1,309,241	8,879	2,374,212	3,692,332
Total Deferred Outflows of Resources	<u>\$ 5,384,307</u>	<u>\$ 16,222</u>	<u>\$ 10,910,968</u>	<u>\$ 16,311,497</u>
Deferred Inflows of Resources				
Differences between expected and actual experience	\$ 229,200	\$ 6,226	\$ 36,119	\$ 271,545
Change in proportionate share	286,303	2,648	685,876	974,827
Total Deferred Inflows of Resources	<u>\$ 515,503</u>	<u>\$ 8,874</u>	<u>\$ 721,995</u>	<u>\$ 1,246,372</u>

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 10 – Defined Benefit Pension Plans (continued)

\$3,692,332 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, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS		OP&F	Total
	Traditional Plan	Combined Plan		
2020	\$ 1,556,393	\$ 133	\$2,335,670	\$ 3,892,196
2021	681,530	(525)	1,293,632	1,974,637
2022	219,789	(456)	1,571,303	1,790,636
2023	1,101,851	577	2,428,501	3,530,929
2024	-	(773)	185,655	184,882
Therafter	-	(487)	-	(487)
Total	\$ 3,559,563	\$ (1,531)	\$7,814,761	\$ 11,372,793

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 was determined by an actuarial valuation as of December 31, 2018, using the following actuarial assumptions and methods applied to all prior periods included in the measurement:

	Traditional Plan	Combined Plan
Wage Inflation	3.25 percent	3.25 percent
Future Salary Increases, Including Inflation	3.25 to 10.75 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA	Pre-1/7/13 Retirees: 3 percent, simple Post-1/7/13 Retirees: 3 percent simple through 2018, then 2.15 percent simple	Pre-1/7/13 Retirees: 3 percent, simple Post-1/7/13 Retirees: 3 percent simple through 2018, then 2.15 percent simple
Investment Rate of Return	7.2 percent	7.2 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 10 – Defined Benefit Pension Plans (continued)

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

Discount Rate The discount rate used to measure the total pension (asset)/liability was 7.2 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 a discount rate of 7.2 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

	1% Decrease (6.2%)	Discount Rate (7.2%)	1% Increase (8.2%)
City's proportionate share of the net pension (asset)/liability			
Traditional Plan	\$ 25,786,776	\$ 17,455,450	\$ 10,532,044
Combined Plan	(5,051)	(15,264)	(22,661)

The allocation of investment assets with the Defined Benefit portfolio is approved by the OPERS 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.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 10 – Defined Benefit Pension Plans (Continued)

The following table displays the OPERS Board-approved asset allocation policy for 2018 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 %	2.79 %
Domestic Equities	19.00	6.21
Real Estate	10.00	4.90
Private Equity	10.00	10.81
International Equities	20.00	7.83
Other investments	18.00	5.50
Total	100.00 %	5.95 %

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.

During 2018, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 2.94% for 2018.

Actuarial Assumptions – OP&F

OPF’s total pension liability as of December 31, 2018 is based on the results of an actuarial valuation date of January 1, 2018 and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF’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, 2019

Note 10 – Defined Benefit Pension Plans (continued)

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2018, are presented below:

Valuation Date	January 1, 2018 with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Actuarial Assumption	
Experience Study Date	5 year period ended December 31, 2016
Investment Rate of Return	8.00 percent
Cost of Living Increases (COLA)	3.00 percent simple; 2.2 percent simple for increases based on the lesser of the increase in CPI and 3.00 percent
Salary Increases	3.75 percent to 10.50 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.50 percent

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates as follows, and projected with the Conduit Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent. For ages 67 or less, rates for police and fire are 77 percent and 68 percent, respectively. For ages 68 to 77, rates for police and fire are 105 percent and 87 percent, respectively. For ages 78 and up, rates for police and fire are 115 percent and 120 percent, respectively. Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the following rates and projected with the Conduit Modified 2016 Improvement Scale. Rates for ages 59 or less for police and fire are 35 percent. Rates for ages 60 to 69 for police and fire are 60 percent and 45 percent, respectively. Rates for ages 70 to 79 for police and fire are 75 percent and 70 percent, respectively. Rates for ages 80 and up for police and fire are 100 percent and 90 percent, respectively.

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.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 10 – Defined Benefit Pension Plans (continued)

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF’s target asset allocation as of December 31, 2018 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	- %	0.80 %
Domestic Equity	16.00	5.50
Non-US Equity	16.00	5.90
Private Markets	8.00	8.40
Core Fixed Income *	23.00	2.60
High Yield Fixed Income	7.00	4.80
Private Credit	5.00	7.50
US Inflation Linked Bonds*	17.00	2.30
Master Limited Partnerships	8.00	6.40
Real Assets	8.00	7.00
Private Real Estate	<u>12.00</u>	6.10
 Total	 <u>120.00 %</u>	

Note: Assumptions are geometric
* levered 2x

OPF’s Board of Trustees has incorporated the “risk parity” concept into OPF’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 1.20 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 8.00 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 8.00 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 8.00 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 (7.00 percent), or one percentage point higher (9.00 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 liability	\$50,842,285	\$38,680,069	\$28,516,781

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 11 – Defined Benefit OPEB Plans

Net OPEB Liability

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

The net OPEB liability represents the City’s proportionate share of each OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan’s fiduciary net position. The net OPEB 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 these estimates annually.

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

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description – The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan—a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan—a defined contribution plan; and the Combined Plan—a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

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. This trust is also used to fund health care for Member-Directed Plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member directed plan participants may be eligible for reimbursement of 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, 2019

Note 11 – Defined Benefit OPEB Plans (continued)

In order to qualify for postemployment health care coverage, age-and-service retirees under the Traditional Pension and Combined plans must have twenty 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. See OPERS' CAFR referenced below for additional information.

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.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, 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 postemployment health care through their contributions to OPERS. When funding is approved by OPERS' Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2019, health care is not being funded.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2019, State and Local employers contributed at a rate of 14.0 percent of earnable salary and Public Safety and Law Enforcement employers contributed at 18.10 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

With the assistance of OPERS' actuary and OPERS Board approval, a portion of each employer contribution to OPERS may be set aside for the funding of post-employment health care coverage. The portion of Traditional Pension Plan and Combined Plan employer contributions allocated to health care was zero for 2019. The employer contribution as a percent of covered payroll deposited for Member-Directed Plan health care accounts for 2019 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$0 for 2019.

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

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 a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. 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 Government Accounting Standards Board (GASB) Statement No. 75.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 11 – Defined Benefit OPEB 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 is 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. The report 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.

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 percent and 24.0 percent of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24.0 percent 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. There is one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefit under IRS Code Section 115 trust. An Internal Revenue Code 401(h) account is maintained for Medicare Part B reimbursements.

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. For 2018, the portion of employer contributions allocated to health care was .50 percent of covered payroll. 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.

Beginning January 1, 2019, OP&F is changing its retiree health care model and the current self-insured health care plan will no longer be offered. In its place is a stipend-based health care model. A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses.

The City's contractually required contribution to OP&F was \$55,596 for 2019.

Net OPEB Liability

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date of December 31, 2018, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2018 and was determined by rolling forward the total OPEB liability as of January 1, 2018, to December 31, 2018. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 11 – Defined Benefit OPEB Plans (continued)

Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the Net OPEB Liability			
Current Measurement Date	0.0626980%	0.47386700%	
Prior Measurement Date	0.0646000%	0.46796400%	
Change in Proportionate Share	<u>-0.0019020%</u>	<u>0.00590300%</u>	
Proportionate Share of the Net OPEB Liability	\$ 8,174,208	\$ 4,315,286	\$ 12,489,494
OPEB Expense	\$ 720,455	\$ (21,066,289)	\$ (20,345,834)

At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$ 2,767	\$ -	\$ 2,767
Net difference between projected and actual earnings on OPEB plan investments	374,739	146,076	520,815
Changes of assumptions	263,546	2,236,836	2,500,382
Change in proportionate share	123,340	1,053,439	1,176,779
City contributions subsequent to the measurement date	-	55,596	55,596
Total Deferred Outflows of Resources	<u>\$ 764,392</u>	<u>\$ 3,491,947</u>	<u>\$ 4,256,339</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$ 22,180	\$ 115,616	\$ 137,796
Changes of assumptions	-	1,194,675	1,194,675
Change in proportionate share	209,574	-	209,574
Total Deferred Inflows of Resources	<u>\$ 231,754</u>	<u>\$ 1,310,291</u>	<u>\$ 1,542,045</u>

\$55,596 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 11 – Defined Benefit OPEB Plans (continued)

	OPERS	OP&F	Total
Year Ending December 31:			
2020	\$ 272,694	\$ 370,308	\$ 643,002
2021	11,523	370,308	381,831
2022	59,644	370,306	429,950
2023	188,777	414,490	603,267
2024	-	344,834	344,834
Therafter	-	255,814	255,814
Total	\$ 532,638	\$ 2,126,060	\$ 2,658,698

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 and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2016, rolled forward to the measurement date of December 31, 2017, rolled forward to the measurement date of December 31, 2018.

The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent (including wage inflation at 3.25 percent)
Single Discount Rate:	
Current measurement date	3.96 percent
Prior Measurement date	3.85 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	3.71 percent
Health Care Cost Trend Rate	10.0 percent, initial 3.25 percent, ultimate in 2029
Actuarial Cost Method	Individual Entry Age Normal

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 11 – Defined Benefit OPEB Plans (continued)

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

The most recent experience study was completed for the five year period ended December 31, 2015.

Discount Rate A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 3.71 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2031. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2031, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City’s Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate The following table presents the City’s proportionate share of the net OPEB liability calculated using the single discount rate of 3.96 percent, as well as what the City’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.96 percent) or one-percentage-point higher (4.96 percent) than the current rate:

	1% Decrease (2.96%)	Discount Rate (3.96%)	1% Increase (4.96%)
City's proportionate share of the net OPEB liability	\$ 10,458,026	\$ 8,174,208	\$ 6,358,204

Sensitivity of the City’s Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 11 – Defined Benefit OPEB Plans (continued)

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2019 is 10.0 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.25 percent in the most recent valuation.

	Current Health Care Trend Rate		
	1% Decrease	Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$ 7,857,313	\$ 8,174,208	\$ 8,539,468

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2018 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	34.00 %	2.42 %
Domestic Equities	21.00	6.21
Real Estate Investment Trust	6.00	5.98
International Equities	22.00	7.83
Other investments	17.00	5.57
Total	100.00 %	5.16 %

The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future 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.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 11 – Defined Benefit OPEB Plans (continued)

During 2018, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio is a loss of 5.6 percent for 2018.

Actuarial Assumptions – OP&F

The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing retirement plan involve estimates of the value 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.

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 and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 11 – Defined Benefit OPEB Plans (continued)

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below.

Valuation Date	January 1, 2018, with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Investment Rate of Return	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent

The most recent experience study was completed for the five-year period ended December 31, 2016.

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates as follows, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

For ages 67 or less, rates for police and fire are 77 percent and 68 percent, respectively. For ages 68 to 77, rates for police and fire are 105 percent and 87 percent, respectively. For ages 78 and up, rates for police and fire are 115 percent and 120 percent, respectively.

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the following rates and projected with the Conduit Modified 2016 Improvement Scale. Rates for ages 59 or less for police and fire are 35 percent. Rates for ages 60 to 69 for police and fire are 60 percent and 45 percent, respectively. Rates for ages 70 to 79 for police and fire are 75 percent and 70 percent, respectively. Rates for ages 80 and up for police and fire are 100 percent and 90 percent, respectively.

The long-term expected rate of return on OPEB 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 expected. 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.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 11 – Defined Benefit OPEB Plans (continued)

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, 2018, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	- %	0.80 %
Domestic Equity	16.00	5.50
Non-US Equity	16.00	5.90
Private Markets	8.00	8.40
Core Fixed Income *	23.00	2.60
High Yield Fixed Income	7.00	4.80
Private Credit	5.00	7.50
US Inflation Linked Bonds*	17.00	2.30
Master Limited Partnerships	8.00	6.40
Real Assets	8.00	7.00
Private Real Estate	<u>12.00</u>	6.10
Total	<u>120.00 %</u>	

Note: Assumptions are geometric
* levered 2x

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 OPEB liability was calculated using the discount rate of 4.66 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8 percent. Based on those assumptions, OP&F’s fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 4.13 percent at December 31, 2018 and 3.16 percent at December 31, 2017, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 4.66 percent.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 11 – Defined Benefit OPEB Plans (continued)

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 4.66 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.66 percent), or one percentage point higher (5.66 percent) than the current rate.

	1% Decrease (3.66%)	Current Discount Rate (4.66%)	1% Increase (5.66%)
City's proportionate share of the net OPEB liability	\$ 5,257,196	\$ 4,315,286	\$ 3,524,633

Changes to Retiree Health Care Model Beginning January 1, 2019, OP&F is changing its retiree health care model and the current self-insured health care plan will no longer be offered. In its place will be a stipend-based health care model. OP&F has contracted with a vendor who will assist eligible retirees in choosing health care plans from their marketplace (both Medicare-eligible and pre-Medicare populations). A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses. As a result of changes from the current health care model to the stipend-based health care model, OP&F expects that it will be able to provide stipends to eligible participants for the next 15 years.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 12 – Fund Balance Classification

Fund balance is classified as nonspendable, restricted, committed, assigned, and unassigned 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. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General	General Obligation Bond Retirement	Bonded Improvement	Infrastructure Improvement	Lane Avenue II TIF	Other Governmental Funds	Total Governmental Funds
Nonspendable:							
Inventory	\$ 66,088	\$ -	\$ -	\$ -	\$ -	\$ 242,507	\$ 308,595
Unclaimed funds	6,276	-	-	-	-	-	6,276
Advances	3,373,335	-	-	-	-	-	3,373,335
Assets held for resale	505,725	-	-	-	-	-	505,725
Total Nonspendable	3,951,424	-	-	-	-	242,507	4,193,931
Restricted:							
Capital projects	14,508,457	-	13,383,547	-	11,062,439	2,727,256	41,681,699
Debt service	-	2,405,462	-	-	-	-	2,405,462
Street maintenance and repairs	-	-	-	-	-	1,212,999	1,212,999
Pensions	2,627,187	-	-	-	-	-	2,627,187
Law enforcement and education	-	-	-	-	-	963,226	963,226
Other purposes	-	-	-	-	-	299,448	299,448
Total Restricted	17,135,644	2,405,462	13,383,547	-	11,062,439	5,202,929	49,190,021
Committed:							
Capital projects	6,606	-	-	6,770,286	-	1,095,520	7,872,412
Emergency medical services	407,121	-	-	-	-	-	407,121
Economic development	653,143	-	-	-	-	-	653,143
Civil service	59,161	-	-	-	-	-	59,161
Self insurance	871,214	-	-	-	-	-	871,214
Technology	229,401	-	-	-	-	-	229,401
Parks and recreation	-	-	-	-	-	176,418	176,418
Total Committed	2,226,646	-	-	6,770,286	-	1,271,938	10,268,870
Assigned:							
Future appropriations	1,027,500	-	-	-	-	-	1,027,500
General government	570,765	-	-	-	-	-	570,765
Public safety	76,885	-	-	-	-	-	76,885
Parks and recreation	218,689	-	-	-	-	-	218,689
Community development	94,912	-	-	-	-	-	94,912
Public services	18,630	-	-	-	-	-	18,630
Total Assigned	2,007,381	-	-	-	-	-	2,007,381
Unassigned (deficit):	21,859,765	-	-	-	-	(2,365,426)	19,494,339
Total Fund Balances	\$ 47,180,860	\$ 2,405,462	\$ 13,383,547	\$ 6,770,286	\$ 11,062,439	\$ 4,351,948	\$ 85,154,542

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 13 – 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 2019 is \$5,426.

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 2019, the City of Upper Arlington had three (3) 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.

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.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 14 – 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.

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 statement presentation follows the recommendations of the Financial Accounting Standards Board ASC 958, Financial Statement for Not-For-Profit Organizations. Under ASC 958, the CIC is required to report information regarding its financial position and activities according to three classes of net assets: assets without donor restrictions and asset with donor restrictions. At December 31, 2019, the net assets of the CIC are without donor restrictions.

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

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, Presentation of Financial Statements for Not-for-Profit Entities (Topic 958). The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Corporation has adjusted the presentation of these statements accordingly.

Restriction of Net Position

The CIC did not have any restrictions on cash as of December 31, 2019.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 14 – City of Upper Arlington Community Improvement Corporation (CIC) (continued)

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 \$2,000,000 in aggregate. Settlements did not exceed insurance coverage in the past three years. There was no reduction in insurance coverage from the prior year.

Functional Expense

The CIC has determined the costs incurred for the year ending December 31, 2019 are all management and general in nature and has been reflected as such on the Statement of Activities.

Note 15 – Jointly Governed Organization

The Central Ohio Interoperable Radio System (COIRS) is a jointly governed organization between the City of Dublin, City of Worthington, Delaware County, and the City of Hilliard (the “members”). The intent of the COIRS is for the members to share in providing the financial resources and infrastructure needed to operate a digital 800MHZ public safety radio system used for dispatching emergency response and law enforcement services across the member jurisdictions. The COIRS is contracted by a Governing Board consisting of the County Administrator and the city managers for each city, or their representative. Each member’s ability to influence the operations of COIRS is limited to its representation on the Governing Board. Appropriations are adopted by the Governing Board who exercised control over the operation and maintenance of COIRS. Each member initially contributed radio system infrastructure assets, and annually, are assessed a required contribution based on its utilization of the system and related operating costs. For 2019, the City contributed \$78,125. The City of Dublin serves as the fiscal agent. Financial information may be obtained from the City of Dublin, 5200 Emerald Parkway, Dublin, Ohio 43017.

Note 16 – Fund Deficit

At December 31, 2019, deficit fund balances were as follows:

Fund	Deficit Fund Balance
Other Governmental:	
Tremont Road TIF	\$ (229,916)
Horizon TIF	(530,798)
Kingsdale CORE TIF	(166,386)
West Lane Northwest TIF	(164,401)
Community Fiber Optic	(1,273,925)

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.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 17 – Changes in Accounting Principles and Restatement of Net Position

For fiscal year 2019, the City implemented GASB Statement No. 83, “*Certain Asset Retirement Obligations*” which enhances comparability of financial statements among governments by establishing uniform criteria for governments to recognize and measure certain asset retirement obligations, including obligations that may not have been previously reported. The implementation of this statements did not have an effect on the financial statements of the City.

For fiscal year 2019, the City implemented GASB Statement No. 88, “*Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*” which improves the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The implementation of this statement did not have a significant effect on the financial statements of the City.

For fiscal year 2019, the City implemented GASB Statement No. 90, “*Majority Equity Interests-an amendment of GASB Statements No. 14, and No. 61*” which improves consistency and comparability of reporting a government’s major equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The implementation of this statement did not have an effect on the financial statements of the City.

For fiscal year 2019, the City implemented GASB Statement No. 84, “*Fiduciary Activities*” which enhances consistency and comparability by establishing specific criteria for identifying activities that should be reported as fiduciary activities and clarifying whether and how business-type activities should report their fiduciary activities. The implementation of this statement required a restatement of the financial statements of the City.

Due to the implementation of GASB Statement No. 84, the City will no longer be reporting agency funds. The City reviewed its agency funds and certain funds will be reported with the new fiduciary fund classification of custodial funds while other funds have been reclassified as governmental funds. These reclassifications had the following effects on beginning fund balance/net position as reported December 31, 2018:

	General Fund	Governmental Activities	Custodial Funds
Fund Balance/Net Position			
December 31, 2018	\$ 41,206,841	\$ 45,954,590	\$ -
GASB Statement No. 84 Adjustments	6,889	6,889	42,116
Restated Net Position December 31, 2018	\$ 41,213,730	\$ 45,961,479	\$ 42,116

Note 18 – Subsequent Event

In March 2020, the United States and the State of Ohio declared a state of emergency due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. The City’s investment portfolio and the investments of the pension and other employee benefit plan in which the City participates have incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the City’s future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.



City of **Upper Arlington**[®]

This page left blank intentionally.

**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, 2019

	GENERAL FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Income tax	\$ 28,043,100	\$ 28,293,100	\$ 29,722,211	\$ 1,429,111
Property and other local taxes	11,051,112	10,021,112	9,908,201	(112,911)
Special assessments	-	-	46,906	46,906
Charges for services	1,200,000	1,200,000	1,281,277	81,277
Licenses and permits	1,200,000	2,800,000	2,735,289	(64,711)
Fines and forfeitures	300,000	300,000	282,830	(17,170)
Intergovernmental	1,355,973	2,385,973	2,501,188	115,215
Investment earnings	608,000	1,008,000	1,109,431	101,431
Miscellaneous	1,755,000	1,973,500	1,431,791	(541,709)
Total revenues	45,513,185	47,981,685	49,019,124	1,037,439
<u>EXPENDITURES:</u>				
Current:				
Police				
Personal services	7,751,800	7,751,800	7,399,630	352,170
Other than personal services	1,490,800	1,525,800	1,315,679	210,121
Capital outlay	132,900	171,700	159,738	11,962
Fire				
Personal services	8,948,200	8,948,200	8,527,844	420,356
Other than personal services	347,000	347,000	327,671	19,329
Capital outlay	47,800	91,900	83,510	8,390
Board of Health				
Other than personal services	303,000	317,150	317,117	33
Parks and recreation				
Personal services	2,619,000	2,619,000	2,543,626	75,374
Other than personal services	1,194,200	1,421,800	1,353,816	67,984
Capital outlay	142,000	146,100	142,348	3,752
Development				
Personal services	868,200	868,200	818,855	49,345
Other than personal services	190,300	286,300	228,141	58,159
Public Service Administration				
Personal services	867,000	867,000	854,920	12,080
Other than personal services	101,500	101,500	91,831	9,669
Capital outlay	180,000	80,000	70,575	9,425
Public Works				
Personal services	970,800	880,800	831,909	48,891
Other than personal services	233,900	233,900	215,003	18,897
Capital outlay	366,000	370,000	369,923	77
City Manager				
Personal services	1,133,300	1,086,000	924,312	161,688
Other than personal services	176,300	176,300	100,926	75,374
City Attorney				
Personal services	610,000	611,020	611,013	7
Other than personal services	146,000	144,980	77,519	67,461

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2019

	GENERAL FUND (Continued)			
	Adopted Budget	Revised Budget	Actual	Variance
City Clerk				
Personal services	214,200	214,200	212,409	1,791
Other than personal services	35,500	35,500	34,354	1,146
City Council				
Personal services	136,400	136,400	119,162	17,238
Other than personal services	10,300	71,650	70,232	1,418
Clerk of Court				
Personal services	180,700	180,700	179,911	789
Other than personal services	297,400	297,400	152,855	144,545
Finance				
Personal services	894,500	894,500	819,120	75,380
Other than personal services	126,100	138,100	125,157	12,943
Facilities Maintenance				
Personal services	91,100	91,100	84,722	6,378
Other than personal services	2,696,600	2,519,150	2,229,801	289,349
Capital outlay	-	6,690	6,690	-
Information Technology				
Personal services	516,800	524,800	524,077	723
Other than personal services	887,500	887,500	857,703	29,797
Capital outlay	478,700	478,700	445,069	33,631
General Government				
Personal services	507,300	507,300	373,048	134,252
Other than personal services	1,852,000	2,308,000	2,253,736	54,264
Total expenditures	<u>37,745,100</u>	<u>38,338,140</u>	<u>35,853,952</u>	<u>2,484,188</u>
Excess (deficiency) of expenditures over (under) revenues	7,768,085	9,643,545	13,165,172	3,521,627
<u>OTHER FINANCING SOURCES (USES):</u>				
Proceeds from sale of capital assets	-	-	74,806	74,806
Transfers out	(9,138,600)	(9,373,600)	(9,354,433)	19,167
Advances in	450,000	465,000	465,000	-
Advances out	(360,000)	(1,660,000)	(1,660,000)	-
Total other financing sources (uses)	<u>(9,048,600)</u>	<u>(10,568,600)</u>	<u>(10,474,627)</u>	<u>93,973</u>
Net change in fund balance	(1,280,515)	(925,055)	2,690,545	3,615,600
Fund balances at beginning of year	31,550,793	31,550,793	31,550,793	-
Lapsed encumbrances	141,857	141,857	141,857	-
Fund balances at end of year	<u>\$ 30,412,135</u>	<u>\$ 30,767,595</u>	<u>\$ 34,383,195</u>	<u>\$ 3,615,600</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 (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2019

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

Net Change in Fund Balance

Budget Basis	\$ 2,690,545
Emergency Medical Services Fund change	71,369
Economic Development Venture Fund change	261,490
Civil Service fund change	13,595
Unclaimed Funds Fund change	183
Flexible Benefits Fund change	(1,277)
Payroll Clearing Account Fund change	6,606
Net Adjustment for Revenue Accruals	1,025,330
Net Adjustment for Expenditure Accruals	(1,289,300)
Net Adjustment for Other Financing Sources (Uses)	1,195,000
Adjustment for Encumbrances	1,993,589
GAAP Basis	<u>\$ 5,967,130</u>

Note: GASB 84 was implemented in 2019. As a result, former Custodial Funds were not required to be budgeted in 2019.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BUDGETARY SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2019

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 2018 - 2019.

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 2019, various transfers of appropriations, supplemental appropriations, and reductions in appropriation were made in the following amounts:

Fund Type	Increase/ (Decrease)
General Fund	\$ 2,128,040
Special Revenue Funds	193,618
Debt Service Fund	704,800
Capital Projects Funds	24,118,208
Enterprise Funds	(151,000)
Internal Service Funds	422,000

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 2019, the City amended its original General Fund revenue estimates by \$2,468,500 and appropriations by \$2,128,040. The revenue estimate increase was highlighted by a \$1.6 million increase in licenses and permits revenues and a \$1.0 million increase in intergovernmental revenues. The increases to the original appropriations were highlighted by a \$1.2 million advance to the Horizon 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 Six Years (1)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's Proportion of the Net Pension (Asset)/Liability						
Traditional Plan	0.063734%	0.065265%	0.064067%	0.060318%	0.064049%	0.064049%
Combined Plan	0.013651%	0.014224%	0.014310%	0.011180%	0.002335%	0.002335%
City's Proportionate Share of the Net Pension (Asset)/Liability						
Traditional Plan	\$ 17,455,450	\$ 10,238,813	\$ 14,548,526	\$ 10,447,838	\$ 7,725,025	\$ 7,550,542
Combined Plan	(15,264)	(19,363)	(7,964)	(5,440)	(899)	(245)
City's Covered Payroll	\$ 9,109,085	\$ 9,155,141	\$ 8,753,602	\$ 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 Payroll	191.46%	111.63%	166.11%	133.10%	98.35%	94.73%
Plan Fiduciary Net Position as a Percentage of the Total Pension						
Traditional Plan	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%
Combined Plan	126.64%	137.28%	116.55%	116.90%	114.83%	104.56%

(1) This schedule is intended to show information for ten years. Information prior to 2014 is not available.

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

See accompanying notes to the required supplementary information.

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 Six Years (1)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's Proportion of the Net Pension Liability	0.473867%	0.467964%	0.445592%	0.462669%	0.4750351%	0.4750351%
City's Proportionate Share of the Net Pension Liability	\$ 38,680,069	\$ 28,721,064	\$ 28,223,350	\$ 29,763,821	\$ 24,608,799	\$ 23,135,700
City's Covered Payroll	\$ 10,644,341	\$ 10,551,438	\$ 9,589,115	\$ 9,338,241	\$ 7,393,927	\$ 7,851,553
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	363.39%	272.20%	294.33%	318.73%	332.82%	294.66%
Plan Fiduciary Net Position as a Percentage of the Total Pension	63.07%	70.91%	68.36%	66.77%	72.20%	73.00%

(1) This schedule is intended to show information for ten years. Information prior to 2014 is not available.

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

See accompanying notes to the required supplementary information.

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

Last Seven Years (1)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually Required Contribution	\$ 1,318,120	\$ 1,275,271	\$ 1,190,168	\$ 1,050,432
Contributions in Relation to the Contractually Required Contribution	<u>\$ 1,318,120</u>	<u>\$ 1,275,271</u>	<u>\$ 1,190,168</u>	<u>\$ 1,050,432</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 9,415,146	\$ 9,109,085	\$ 9,155,141	\$ 8,753,602
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	13.00%	12.00%

(1) This schedule is intended to show information for ten years. Information prior to 2013 is not available.

See accompanying notes to the required supplementary information.

<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 941,457	\$ 942,482	\$ 1,036,105
<u>\$ 941,457</u>	<u>\$ 942,482</u>	<u>\$ 1,036,105</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 7,845,468	\$ 7,854,017	\$ 7,970,038
12.00%	12.00%	13.00%

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

Last Nine Years (1)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually Required Contribution	\$ 2,374,212	\$ 2,274,593	\$ 2,264,705	\$ 2,045,318
Contributions in Relation to the Contractually Required Contribution	<u>\$ 2,374,212</u>	<u>\$ 2,274,593</u>	<u>\$ 2,264,705</u>	<u>\$ 2,045,318</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 11,119,173	\$ 10,644,341	\$ 10,551,438	\$ 9,589,115
Contributions as a Percentage of Covered Payroll	21.35%	21.37%	21.46%	21.33%

(1) This schedule is intended to show information for ten years. Information prior to 2011 is not available.

See accompanying notes to the required supplementary information.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 1,995,536	\$ 1,607,027	\$ 1,714,578	\$ 1,991,719	\$ 1,996,404
<u>\$ 1,995,536</u>	<u>\$ 1,607,027</u>	<u>\$ 1,714,578</u>	<u>\$ 1,991,719</u>	<u>\$ 1,996,404</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 9,338,241	\$ 7,393,927	\$ 7,851,553	\$ 9,128,185	\$ 9,155,982
21.37%	21.73%	21.84%	21.82%	21.80%

CITY OF UPPER ARLINGTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
OHIO PUBLIC EMPLOYEE'S RETIREMENT SYSTEM

Last Three Years (1)

	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's Proportion of the Net OPEB Liability	0.062698%	0.064600%	0.063132%
City's Proportionate Share of the Net OPEB Liability	\$ 8,174,208	\$ 7,015,085	\$ 6,376,547
City's Covered Payroll	\$ 9,109,085	\$ 9,155,141	\$ 8,753,602
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	89.74%	76.62%	72.84%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.33%	54.14%	54.05%

(1) This schedule is intended to show information for ten years. Information prior to 2017 is not available.

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

See accompanying notes to the required supplementary information.

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

Last Three Years (1)

	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's Proportion of the Net OPEB Liability	0.473867%	0.467964%	0.445592%
City's Proportionate Share of the Net OPEB Liability	\$ 4,315,286	\$ 26,514,185	\$ 21,151,269
City's Covered Payroll	\$ 10,644,341	\$ 10,551,438	\$ 9,589,115
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	40.54%	251.29%	220.58%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.57%	14.13%	18.96%

(1) This schedule is intended to show information for ten years. Information prior to 2017 is not available.

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

See accompanying notes to the required supplementary information.

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

Last Seven Years (1)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually Required Contribution	\$ -	\$ -	\$ 91,551	\$ 175,072
Contributions in Relation to the Contractually Required Contribution	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 91,551</u>	<u>\$ 175,072</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 9,415,146	\$ 9,109,085	\$ 9,155,141	\$ 8,753,602
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	1.00%	2.00%

(1) This schedule is intended to show information for ten years. Information prior to 2013 is not available.

See accompanying notes to the required supplementary information.

<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 156,909	\$ 157,080	\$ 79,666
<u>\$ 156,909</u>	<u>\$ 157,080</u>	<u>\$ 79,666</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 7,845,468	\$ 7,854,017	\$ 7,970,038
2.00%	2.00%	1.00%

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

Last Nine Years (1)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually Required Contribution	\$ 55,596	\$ 53,222	\$ 52,757	\$ 47,946
Contributions in Relation to the Contractually Required Contribution	<u>\$ 55,596</u>	<u>\$ 53,222</u>	<u>\$ 52,757</u>	<u>\$ 47,946</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 11,119,173	\$ 10,644,341	\$ 10,551,438	\$ 9,589,115
Contributions as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.50%

(1) This schedule is intended to show information for ten years. Information prior to 2011 is not available.

See accompanying notes to the required supplementary information.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 46,691	\$ 36,970	\$ 283,441	\$ 616,152	\$ 618,029
<u>\$ 46,691</u>	<u>\$ 36,970</u>	<u>\$ 283,441</u>	<u>\$ 616,152</u>	<u>\$ 618,029</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 9,338,241	\$ 7,393,927	\$ 7,851,553	\$ 9,128,185	\$ 9,155,982
0.50%	0.50%	3.61%	6.75%	6.75%

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2019

Ohio Public Employees Retirement System

Net Pension Liability

Changes of benefit terms. There were no significant changes of benefit terms in 2019.

Changes of assumptions. Amounts reported in 2019 reflect changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 7.5% down to 7.2%, for the defined benefit investments.

Net OPEB Liability

Changes of benefit terms. There were no significant changes of benefit terms in 2019.

Changes of assumptions. For 2019, the single discount rate changed from 3.85 percent to 3.96 percent and the municipal bond rate changed from 3.31 percent to 3.71 percent. There was also a reduction in the actuarial assumed rate of return from 6.50 percent down to 6.00 percent.

Ohio Police and Fire Pension System

Net Pension Liability

Changes of benefit terms. There were no significant changes of benefit terms in 2019.

Changes of assumptions. There were no significant changes of assumptions in 2019.

Net OPEB Liability

Changes of benefit terms. There were no significant changes of benefit terms in 2019.

Changes of assumptions. For 2019, the single discount rate changed from 3.24 percent to 4.66 percent.

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.

Unclaimed Funds Fund - The fund accounts for monies owed to citizens that cannot be immediately located.

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.

CITY OF UPPER ARLINGTON, OHIO

FUND DESCRIPTIONS – MAJOR GOVERNMENTAL FUNDS

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.

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.

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.

Lane Avenue II Tax Increment Financing Fund

The Lane Avenue II Tax Increment Financing Fund was created to account for incremental increases in value and expenditure related to the redevelopment of several parcels of real property located on the north side of West Lane Avenue, between Chester Road and Westmont Boulevard (known as the Lane II project).

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, 2019

	GENERAL OPERATING ACCOUNT			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Income tax	\$ 20,191,000	\$ 20,371,000	\$ 21,415,351	\$ 1,044,351
Property and other local taxes	7,715,584	6,802,584	6,714,780	(87,804)
Special assessments	-	-	46,906	46,906
Charges for services	1,200,000	1,200,000	1,281,277	81,277
Licenses and permits	1,200,000	2,800,000	2,735,289	(64,711)
Fines and forfeitures	300,000	300,000	282,830	(17,170)
Intergovernmental	1,029,000	1,942,000	2,050,253	108,253
Investment earnings	600,000	1,000,000	1,094,423	94,423
Miscellaneous	1,541,000	1,641,000	1,226,744	(414,256)
Total revenues	<u>33,776,584</u>	<u>36,056,584</u>	<u>36,847,853</u>	<u>791,269</u>
<u>EXPENDITURES:</u>				
Current:				
Police				
Personal services	7,751,800	7,751,800	7,399,630	352,170
Other than personal services	1,490,800	1,525,800	1,315,679	210,121
Fire				
Personal services	8,948,200	8,948,200	8,527,844	420,356
Other than personal services	347,000	347,000	327,671	19,329
Board of Health				
Other than personal services	303,000	317,150	317,117	33
Parks and recreation				
Personal services	2,619,000	2,619,000	2,543,626	75,374
Other than personal services	1,194,200	1,421,800	1,353,816	67,984
Development				
Personal services	868,200	868,200	818,855	49,345
Other than personal services	190,300	286,300	228,141	58,159
Public Service Administration				
Personal services	867,000	867,000	854,920	12,080
Other than personal services	101,500	101,500	91,831	9,669
Public Works Division				
Personal services	970,800	880,800	831,909	48,891
Other than personal services	233,900	233,900	215,003	18,897
City Manager				
Personal services	1,133,300	1,086,000	924,312	161,688
Other than personal services	176,300	176,300	100,926	75,374
City Attorney				
Personal services	610,000	611,020	611,013	7
Other than personal services	146,000	144,980	77,519	67,461
City Clerk				
Personal services	214,200	214,200	212,409	1,791
Other than personal services	35,500	35,500	34,354	1,146

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, 2019

	GENERAL OPERATING ACCOUNT (Continued)			
	Adopted Budget	Revised Budget	Actual	Variance
City Council				
Personal services	136,400	136,400	119,162	17,238
Other than personal services	10,300	71,650	70,232	1,418
Clerk of Court				
Personal services	180,700	180,700	179,911	789
Other than personal services	297,400	297,400	152,855	144,545
Finance				
Personal services	894,500	894,500	819,120	75,380
Other than personal services	126,100	138,100	125,157	12,943
Facilities Maintenance				
Personal services	91,100	91,100	84,722	6,378
Other than personal services	2,696,600	2,519,150	2,229,801	289,349
Information Technology				
Personal services	516,800	524,800	524,077	723
Other than personal services	796,500	796,500	787,278	9,222
General Government				
Personal services	507,300	507,300	373,048	134,252
Other than personal services	1,802,000	2,258,000	2,241,798	16,202
Total expenditures	<u>36,256,700</u>	<u>36,852,050</u>	<u>34,493,736</u>	<u>2,358,314</u>
Excess (deficiency) of expenditures over revenues	(2,480,116)	(795,466)	2,354,117	3,149,583
<u>OTHER FINANCING SOURCES (USES):</u>				
Proceeds from sale of capital assets	-	-	74,806	74,806
Transfers out	(1,728,400)	(1,963,400)	(1,963,400)	-
Advances in	450,000	465,000	465,000	-
Advances out	(360,000)	(1,660,000)	(1,660,000)	-
Interaccount transfers in	2,800,000	2,800,000	2,427,468	(372,532)
Interaccount transfers-out	(315,000)	(315,000)	(315,000)	-
Total other financing sources (uses)	<u>846,600</u>	<u>(673,400)</u>	<u>(971,126)</u>	<u>(297,726)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(1,633,516)	(1,468,866)	1,382,991	2,851,857
Fund balances at beginning of year	16,724,553	16,724,553	16,724,553	-
Lapsed encumbrances	133,596	133,596	133,596	-
Fund balances at end of year	<u>\$ 15,224,633</u>	<u>\$ 15,389,283</u>	<u>\$ 18,241,140</u>	<u>\$ 2,851,857</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, 2019

	CAPITAL ASSET MANAGEMENT ACCOUNT			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Income tax	\$ 7,852,100	\$ 7,922,100	\$ 8,306,860	\$ 384,760
Total revenues	7,852,100	7,922,100	8,306,860	384,760
<u>EXPENDITURES:</u>				
Total expenditures	-	-	-	-
Excess (deficiency) of expenditures over revenues	7,852,100	7,922,100	8,306,860	384,760
<u>OTHER FINANCING (USES):</u>				
Transfers out	(7,410,200)	(7,410,200)	(7,391,033)	19,167
Total other financing (uses)	(7,410,200)	(7,410,200)	(7,391,033)	19,167
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	441,900	511,900	915,827	403,927
Fund balances at beginning of year	10,975,172	10,975,172	10,975,172	-
Fund balances at end of year	\$ 11,417,072	\$ 11,487,072	\$ 11,890,999	\$ 403,927

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, 2019

	POLICE AND FIRE PENSION ACCOUNT			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Property and other local taxes	\$ 2,376,137	\$ 2,376,137	\$ 2,357,257	\$ (18,880)
Intergovernmental	326,973	326,973	325,022	(1,951)
Total revenues	2,703,110	2,703,110	2,682,279	(20,831)
<u>EXPENDITURES:</u>				
Total expenditures	-	-	-	-
Excess (deficiency) of expenditures over revenues	2,703,110	2,703,110	2,682,279	(20,831)
<u>OTHER FINANCING (USES):</u>				
Interaccount transfers out	(2,800,000)	(2,800,000)	(2,427,468)	372,532
Total other financing (uses)	(2,800,000)	(2,800,000)	(2,427,468)	372,532
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(96,890)	(96,890)	254,811	351,701
Fund balances at beginning of year	2,209,628	2,209,628	2,209,628	-
Fund balances at end of year	\$ 2,112,738	\$ 2,112,738	\$ 2,464,439	\$ 351,701

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, 2019

	CAPITAL EQUIPMENT ACCOUNT			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Property and other local taxes	\$ 959,391	\$ 842,391	\$ 836,164	\$ (6,227)
Intergovernmental	-	117,000	125,913	8,913
Miscellaneous	109,000	157,500	29,167	(128,333)
Total revenues	<u>1,068,391</u>	<u>1,116,891</u>	<u>991,244</u>	<u>(125,647)</u>
<u>EXPENDITURES:</u>				
Current:				
Police				
Capital outlay	132,900	171,700	159,738	11,962
Fire				
Capital outlay	47,800	91,900	83,510	8,390
Parks and recreation				
Capital outlay	142,000	146,100	142,348	3,752
Public Service Administration				
Capital outlay	180,000	80,000	70,575	9,425
Public Works Division				
Capital outlay	366,000	370,000	369,923	77
Facilities Maintenance				
Capital outlay	-	6,690	6,690	-
Information Technology				
Capital outlay	390,700	390,700	371,775	18,925
Total expenditures	<u>1,259,400</u>	<u>1,257,090</u>	<u>1,204,559</u>	<u>52,531</u>
Excess (deficiency) of expenditures over revenues	(191,009)	(140,199)	(213,315)	(73,116)
<u>OTHER FINANCING SOURCES (USES):</u>				
Interaccount transfers-in	240,000	240,000	240,000	-
Total other financing sources (uses)	<u>240,000</u>	<u>240,000</u>	<u>240,000</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	48,991	99,801	26,685	(73,116)
Fund balances at beginning of year	656,995	656,995	656,995	-
Lapsed encumbrances	8,261	8,261	8,261	-
Fund balances at end of year	<u>\$ 714,247</u>	<u>\$ 765,057</u>	<u>\$ 691,941</u>	<u>\$ (73,116)</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, 2019

	SELF-INSURED LOSS ACCOUNT			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Investment earnings	\$ 8,000	\$ 8,000	\$ 15,008	\$ 7,008
Miscellaneous	10,000	10,000	9,836	(164)
Total revenues	18,000	18,000	24,844	6,844
<u>EXPENDITURES:</u>				
Current:				
General Government				
Other than personal services	50,000	50,000	11,938	38,062
Total expenditures	50,000	50,000	11,938	38,062
Excess (deficiency) of expenditures over revenues	(32,000)	(32,000)	12,906	44,906
Fund balances at beginning of year	845,184	845,184	845,184	-
Fund balances at end of year	\$ 813,184	\$ 813,184	\$ 858,090	\$ 44,906

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, 2019

	COMMUNICATIONS AND TECHNOLOGY ACCOUNT			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Miscellaneous	\$ 95,000	\$ 165,000	\$ 166,044	\$ 1,044
Total revenues	<u>95,000</u>	<u>165,000</u>	<u>166,044</u>	<u>1,044</u>
<u>EXPENDITURES:</u>				
Current:				
Information Technology				
Other than personal services	91,000	91,000	70,425	20,575
Capital outlay	88,000	88,000	73,294	14,706
Total expenditures	<u>179,000</u>	<u>179,000</u>	<u>143,719</u>	<u>35,281</u>
Excess (deficiency) of expenditures over revenues	(84,000)	(14,000)	22,325	36,325
<u>OTHER FINANCING SOURCES (USES):</u>				
Interaccount transfers-in	75,000	75,000	75,000	-
Total other financing sources (uses)	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(9,000)	61,000	97,325	36,325
Fund balances at beginning of year	139,261	139,261	139,261	-
Fund balances at end of year	<u>\$ 130,261</u>	<u>\$ 200,261</u>	<u>\$ 236,586</u>	<u>\$ 36,325</u>

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, 2019

	TOTAL GENERAL FUND ACCOUNTS			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Income tax	\$ 28,043,100	\$ 28,293,100	\$ 29,722,211	\$ 1,429,111
Property and other local taxes	11,051,112	10,021,112	9,908,201	(112,911)
Special assessments	-	-	46,906	46,906
Charges for services	1,200,000	1,200,000	1,281,277	81,277
Licenses and permits	1,200,000	2,800,000	2,735,289	(64,711)
Fines and forfeitures	300,000	300,000	282,830	(17,170)
Intergovernmental	1,355,973	2,385,973	2,501,188	115,215
Investment earnings	608,000	1,008,000	1,109,431	101,431
Miscellaneous	1,755,000	1,973,500	1,431,791	(541,709)
Total revenues	<u>45,513,185</u>	<u>47,981,685</u>	<u>49,019,124</u>	<u>1,037,439</u>
<u>EXPENDITURES:</u>				
Current:				
Police				
Personal services	7,751,800	7,751,800	7,399,630	352,170
Other than personal services	1,490,800	1,525,800	1,315,679	210,121
Capital outlay	132,900	171,700	159,738	11,962
Fire				
Personal services	8,948,200	8,948,200	8,527,844	420,356
Other than personal services	347,000	347,000	327,671	19,329
Capital outlay	47,800	91,900	83,510	8,390
Board of Health				
Other than personal services	303,000	317,150	317,117	33
Parks and recreation				
Personal services	2,619,000	2,619,000	2,543,626	75,374
Other than personal services	1,194,200	1,421,800	1,353,816	67,984
Capital outlay	142,000	146,100	142,348	3,752
Development				
Personal services	868,200	868,200	818,855	49,345
Other than personal services	190,300	286,300	228,141	58,159
Public Service Administration				
Personal services	867,000	867,000	854,920	12,080
Other than personal services	101,500	101,500	91,831	9,669
Capital outlay	180,000	80,000	70,575	9,425
Public Works Division				
Personal services	970,800	880,800	831,909	48,891
Other than personal services	233,900	233,900	215,003	18,897
Capital outlay	366,000	370,000	369,923	77
City Manager				
Personal services	1,133,300	1,086,000	924,312	161,688
Other than personal services	176,300	176,300	100,926	75,374
City Attorney				
Personal services	610,000	611,020	611,013	7
Other than personal services	146,000	144,980	77,519	67,461

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, 2019

	TOTAL GENERAL FUND ACCOUNTS (Continued)			
	Adopted Budget	Revised Budget	Actual	Variance
City Clerk				
Personal services	214,200	214,200	212,409	1,791
Other than personal services	35,500	35,500	34,354	1,146
City Council				
Personal services	136,400	136,400	119,162	17,238
Other than personal services	10,300	71,650	70,232	1,418
Clerk of Court				
Personal services	180,700	180,700	179,911	789
Other than personal services	297,400	297,400	152,855	144,545
Finance				
Personal services	894,500	894,500	819,120	75,380
Other than personal services	126,100	138,100	125,157	12,943
Facilities Maintenance				
Personal services	91,100	91,100	84,722	6,378
Other than personal services	2,696,600	2,519,150	2,229,801	289,349
Capital outlay	-	6,690	6,690	-
Information Technology				
Personal services	516,800	524,800	524,077	723
Other than personal services	887,500	887,500	857,703	29,797
Capital outlay	478,700	478,700	445,069	33,631
General Government				
Personal services	507,300	507,300	373,048	134,252
Other than personal services	1,852,000	2,308,000	2,253,736	54,264
Total expenditures	<u>37,745,100</u>	<u>38,338,140</u>	<u>35,853,952</u>	<u>2,484,188</u>
Excess (deficiency) of expenditures over revenues	7,768,085	9,643,545	13,165,172	3,521,627
<u>OTHER FINANCING SOURCES (USES):</u>				
Proceeds from sale of capital assets	-	-	74,806	74,806
Transfers out	(9,138,600)	(9,373,600)	(9,354,433)	19,167
Advances in	450,000	465,000	465,000	-
Advances out	(360,000)	(1,660,000)	(1,660,000)	-
Interaccount transfers in	3,115,000	3,115,000	2,742,468	(372,532)
Interaccount transfers out	(3,115,000)	(3,115,000)	(2,742,468)	372,532
Total other financing sources (uses)	<u>(9,048,600)</u>	<u>(10,568,600)</u>	<u>(10,474,627)</u>	<u>93,973</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(1,280,515)	(925,055)	2,690,545	3,615,600
Fund balances at beginning of year	31,550,793	31,550,793	31,550,793	-
Lapsed encumbrances	141,857	141,857	141,857	-
Fund balances at end of year	<u>\$ 30,412,135</u>	<u>\$ 30,767,595</u>	<u>\$ 34,383,195</u>	<u>\$ 3,615,600</u>

Note: GASB 84 was implemented in 2019. As a result, former Custodial Funds were not required to be budgeted in 2019.

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, 2019

	GENERAL OBLIGATION BOND RETIREMENT FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Property and other local taxes	\$ 383,755	\$ 325,255	\$ 334,400	\$ 9,145
Special assessments	-	-	1,024	1,024
Intergovernmental	-	58,500	46,356	(12,144)
Total revenues	<u>383,755</u>	<u>383,755</u>	<u>381,780</u>	<u>(1,975)</u>
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	8,192,500	8,897,300	7,894,674	1,002,626
Total expenditures	<u>8,192,500</u>	<u>8,897,300</u>	<u>7,894,674</u>	<u>1,002,626</u>
Excess (deficiency) of expenditures over revenues	(7,808,745)	(8,513,545)	(7,512,894)	1,000,651
<u>OTHER FINANCING SOURCES (USES):</u>				
Sale of bonds	-	-	1,781,000	1,781,000
Premium on issuance of bonds	-	-	680,977	680,977
Discount issuance of bonds and notes	-	-	(177,258)	(177,258)
Transfers in	8,864,500	11,919,265	6,734,566	(5,184,699)
Total other financing sources (uses)	<u>8,864,500</u>	<u>11,919,265</u>	<u>9,019,285</u>	<u>(2,899,980)</u>
Excess (deficiency) of revenues and other financing sources over expenditures	1,055,755	3,405,720	1,506,391	(1,899,329)
Fund balances at beginning of year	875,997	875,997	875,997	-
Fund balances at end of year	<u>\$ 1,931,752</u>	<u>\$ 4,281,717</u>	<u>\$ 2,382,388</u>	<u>\$ (1,899,329)</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, 2019

	BONDED IMPROVEMENT FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Investment Earnings	\$ 85,000	\$ 300,000	\$ 398,561	\$ 98,561
Miscellaneous	-	-	168,330	168,330
Total revenues	<u>85,000</u>	<u>300,000</u>	<u>566,891</u>	<u>266,891</u>
<u>EXPENDITURES:</u>				
Current:				
Parks and recreation				
Personal services	25,000	25,000	4,634	20,366
Capital outlay	1,143,400	1,143,400	-	1,143,400
Public Service Administration				
Personal services	318,900	318,900	190,191	128,709
Public Works Division				
Capital outlay	6,059,100	6,249,600	5,380,618	868,982
Finance				
Other than personal services	-	84,200	75,727	8,473
Total expenditures	<u>7,546,400</u>	<u>7,821,100</u>	<u>5,651,170</u>	<u>2,169,930</u>
Excess (deficiency) of expenditures over revenues	(7,461,400)	(7,521,100)	(5,084,279)	2,436,821
<u>OTHER FINANCING SOURCES (USES):</u>				
Sale of bonds	5,948,000	5,454,200	5,370,000	(84,200)
Premium on issuance of bonds	-	-	84,106	-
Total other financing sources (uses)	<u>5,948,000</u>	<u>5,454,200</u>	<u>5,454,106</u>	<u>(84,200)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(1,513,400)	(2,066,900)	369,827	2,436,727
Fund balances at beginning of year	10,821,394	10,821,394	10,821,394	-
Lapsed encumbrances	529,805	529,805	529,805	-
Fund balances at end of year	<u>\$ 9,837,799</u>	<u>\$ 9,284,299</u>	<u>\$ 11,721,026</u>	<u>\$ 2,436,727</u>

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, 2019

	INFRASTRUCTURE IMPROVEMENT FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Intergovernmental	\$ 150,000	\$ 150,000	\$ 306,069	\$ 156,069
Miscellaneous	-	180,000	365,596	185,596
Total revenues	<u>150,000</u>	<u>330,000</u>	<u>671,665</u>	<u>341,665</u>
<u>EXPENDITURES:</u>				
Current:				
Parks and recreation				
Personal services	91,100	66,100	19,029	47,071
Capital outlay	731,900	877,000	381,024	495,976
Public Service Administration				
Personal services	124,000	149,525	149,522	3
Public Works Division				
Capital outlay	2,377,100	3,130,075	3,069,043	61,032
Total expenditures	<u>3,324,100</u>	<u>4,222,700</u>	<u>3,618,618</u>	<u>604,082</u>
Excess (deficiency) of expenditures over revenues	(3,174,100)	(3,892,700)	(2,946,953)	945,747
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers-in	3,250,000	3,250,000	3,250,000	-
Total other financing sources (uses)	<u>3,250,000</u>	<u>3,250,000</u>	<u>3,250,000</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures	75,900	(642,700)	303,047	945,747
Fund balances at beginning of year	4,544,280	4,544,280	4,544,280	-
Lapsed encumbrances	327,023	327,023	327,023	-
Fund balances at end of year	<u>\$ 4,947,203</u>	<u>\$ 4,228,603</u>	<u>\$ 5,174,350</u>	<u>\$ 945,747</u>

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LANE AVENUE II TIF FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	LANE AVENUE II TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES:</u>				
Current:				
Public Works Division				
Capital outlay	-	18,443,000	18,441,760	1,240
Finance				
Capital outlay	-	615,800	582,814	32,986
Total expenditures	-	19,058,800	19,024,574	34,226
Excess (deficiency) of expenditures over revenues	-	(19,058,800)	(19,024,574)	34,226
<u>OTHER FINANCING SOURCES (USES):</u>				
Sale of Bonds	-	19,174,300	18,559,000	(615,300)
Premium on issuance of bonds	-	-	582,314	582,314
Total other financing sources (uses)	-	19,174,300	19,141,314	(32,986)
Excess (deficiency) of revenues and other financing sources over expenditures	-	115,500	116,740	1,240
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	\$ -	\$ 115,500	\$ 116,740	\$ 1,240

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

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.

FEMA Fund

This fund was established to account for public assistance grant revenues from the Federal Emergency Management Agency.

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.

CITY OF UPPER ARLINGTON, OHIO

FUND DESCRIPTIONS – NONMAJOR GOVERNMENTAL FUNDS

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 eleven 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, Riverside South TIF Fund, and West Lane Northwest TIF Fund.

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
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF DECEMBER 31, 2019**

	Nonmajor Special Revenue	Nonmajor Capital Projects	Total Nonmajor Governmental
Assets:			
Cash, cash equivalents and investments	\$ 2,684,138	\$ 5,362,184	\$ 8,046,322
Receivables (net of allowances):			
Property and other taxes	3,768	-	3,768
Payments in lieu of taxes	-	3,109,405	3,109,405
Accounts	10,343	-	10,343
Accrued interest	6,777	1,584	8,361
Intergovernmental	1,282,413	263,484	1,545,897
Materials and supplies inventory	242,507	-	242,507
Total assets	\$ 4,229,946	\$ 8,736,657	\$ 12,966,603
Liabilities:			
Accounts payable	\$ 50,314	\$ 80,229	\$ 130,543
Retainage payable	-	199,175	199,175
Accrued wages and benefits	28,646	-	28,646
Due to other governments	4,653	-	4,653
Advances from other funds	-	3,373,335	3,373,335
Due to other funds	372	949,000	949,372
Total liabilities	83,985	4,601,739	4,685,724
Deferred Inflows of Resources			
Property and Other Local Taxes	-	2,762,222	2,762,222
Unavailable Revenue	806,949	359,760	1,166,709
Total deferred inflows of resources	806,949	3,121,982	3,928,931
Fund Balance:			
Nonspendable			
Inventory	242,507	-	242,507
Restricted			
Capital projects	-	2,727,256	2,727,256
Street maintenance and repairs	1,212,999	-	1,212,999
Law enforcement and education	963,226	-	963,226
Other purposes	299,448	-	299,448
Committed			
Capital projects	444,414	651,106	1,095,520
Parks and recreation	176,418	-	176,418
Unassigned (deficit)	-	(2,365,426)	(2,365,426)
Total fund balance	3,339,012	1,012,936	4,351,948
 Total liabilities, deferred inflows of resources, and fund balances	 \$ 4,229,946	 \$ 8,736,657	 \$ 12,966,603

CITY OF UPPER ARLINGTON, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Nonmajor Special Revenue	Nonmajor Capital Projects	Total Nonmajor Governmental
	<u> </u>	<u> </u>	<u> </u>
Revenues:			
Property and other taxes	\$ 64,962	\$ -	\$ 64,962
Payments in lieu of taxes	-	3,044,716	3,044,716
Charges for services	199,948	-	199,948
Fines and forfeitures	54,922	-	54,922
Intergovernmental	2,158,291	19,058	2,177,349
Investment earnings	47,845	15,459	63,304
Miscellaneous	17,899	195,845	213,744
Total revenues	<u>2,543,867</u>	<u>3,275,078</u>	<u>5,818,945</u>
Expenditures:			
Current:			
General government	33,528	1,238,571	1,272,099
Public safety	413,437	-	413,437
Public services	2,159,589	-	2,159,589
Parks and recreation	161,502	-	161,502
Capital outlay	-	3,820,246	3,820,246
Total expenditures	<u>2,768,056</u>	<u>5,058,817</u>	<u>7,826,873</u>
Excess (deficiency) of revenues over (under) expenditures	(224,189)	(1,783,739)	(2,007,928)
Other Financing Sources (Uses):			
Sale of capital assets	119,842	-	119,842
Transfers in	125,000	68,400	193,400
Transfers out	-	(749,679)	(749,679)
Total other financing sources (uses)	<u>244,842</u>	<u>(681,279)</u>	<u>(436,437)</u>
Net change in fund balances	20,653	(2,465,018)	(2,444,365)
Fund balance at beginning of year	3,318,359	3,477,954	6,796,313
Fund balance at end of year	<u>\$ 3,339,012</u>	<u>\$ 1,012,936</u>	<u>\$ 4,351,948</u>

**CITY OF UPPER ARLINGTON, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2019**

	Tax Incentive Review	Street Maintenance and Repair	Law Enforcement	Tree Planting	Enforcement Education
Assets:					
Cash, cash equivalents and investments	\$ 20,270	\$ 864,299	\$ 728,220	\$ 96,637	\$ 18,364
Receivables (net of allowances):					
Property and other taxes	-	-	-	-	-
Accounts	-	-	-	-	150
Accrued interest	-	2,876	2,423	-	-
Intergovernmental	-	1,180,370	102,043	-	-
Materials and supplies inventory	-	242,507	-	-	-
Total assets	<u>\$ 20,270</u>	<u>\$ 2,290,052</u>	<u>\$ 832,686</u>	<u>\$ 96,637</u>	<u>\$ 18,514</u>
Liabilities:					
Accounts payable	\$ -	\$ 8,683	\$ 32,390	\$ -	\$ -
Accrued wages and benefits	-	22,525	4,109	-	-
Due to other governments	-	3,481	861	-	-
Due to other funds	-	293	53	-	-
Total liabilities	<u>-</u>	<u>34,982</u>	<u>37,413</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
Unavailable Revenue	-	799,564	859	-	-
Total deferred inflows of resources	<u>-</u>	<u>799,564</u>	<u>859</u>	<u>-</u>	<u>-</u>
Fund Balance:					
Nonspendable					
Inventory	-	242,507	-	-	-
Restricted					
Street maintenance and repairs	-	1,212,999	-	-	-
Law enforcement and education	-	-	794,414	-	18,514
Other purposes	20,270	-	-	-	-
Committed					
Capital projects	-	-	-	-	-
Parks and recreation	-	-	-	96,637	-
Total fund balances	<u>20,270</u>	<u>1,455,506</u>	<u>794,414</u>	<u>96,637</u>	<u>18,514</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 20,270</u>	<u>\$ 2,290,052</u>	<u>\$ 832,686</u>	<u>\$ 96,637</u>	<u>\$ 18,514</u>

Mayor's Court Computer	Mayor's Court Special Project	Life Long Learning and Leisure	FEMA	Neighborhood Lighting	Clerk of Court	Upper Arlington Visitor's Bureau	Total Nonmajor Special Revenue Funds
\$ 51,832	\$ 106,842	\$ 88,821	\$ -	\$ 444,231	\$ 31,346	\$ 233,276	\$ 2,684,138
-	-	-	-	-	-	3,768	3,768
783	2,625	-	-	6,002	783	-	10,343
-	-	-	-	1,478	-	-	6,777
-	-	-	-	-	-	-	1,282,413
-	-	-	-	-	-	-	242,507
<u>\$ 52,615</u>	<u>\$ 109,467</u>	<u>\$ 88,821</u>	<u>\$ -</u>	<u>\$ 451,711</u>	<u>\$ 32,129</u>	<u>\$ 237,044</u>	<u>\$ 4,229,946</u>
\$ 49	\$ 1,120	\$ 7,226	\$ -	\$ 771	\$ 75	\$ -	\$ 50,314
-	-	1,554	-	-	-	458	28,646
-	-	240	-	-	-	71	4,653
-	-	20	-	-	-	6	372
<u>49</u>	<u>1,120</u>	<u>9,040</u>	<u>-</u>	<u>771</u>	<u>75</u>	<u>535</u>	<u>83,985</u>
-	-	-	-	6,526	-	-	806,949
-	-	-	-	6,526	-	-	806,949
-	-	-	-	-	-	-	242,507
-	-	-	-	-	-	-	1,212,999
52,566	65,678	-	-	-	32,054	-	963,226
-	42,669	-	-	-	-	236,509	299,448
-	-	-	-	444,414	-	-	444,414
-	-	79,781	-	-	-	-	176,418
<u>52,566</u>	<u>108,347</u>	<u>79,781</u>	<u>-</u>	<u>444,414</u>	<u>32,054</u>	<u>236,509</u>	<u>3,339,012</u>
<u>\$ 52,615</u>	<u>\$ 109,467</u>	<u>\$ 88,821</u>	<u>\$ -</u>	<u>\$ 451,711</u>	<u>\$ 32,129</u>	<u>\$ 237,044</u>	<u>\$ 4,229,946</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, 2019

	Tax Incentive Review	Street Maintenance and Repair	Law Enforcement	Tree Planting	Enforcement Education
Revenues:					
Property and other taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	23,897	-
Fines and forfeitures	-	-	-	-	2,033
Intergovernmental	-	1,972,382	129,081	-	-
Investment earnings	-	18,518	17,611	-	-
Miscellaneous	1,500	16,149	-	250	-
Total revenues	<u>1,500</u>	<u>2,007,049</u>	<u>146,692</u>	<u>24,147</u>	<u>2,033</u>
Expenditures:					
Current:					
General government	5,000	-	-	-	-
Public safety	-	-	252,203	-	1,067
Public services	-	2,020,528	-	-	-
Parks and recreation	-	-	-	23,458	-
Total expenditures	<u>5,000</u>	<u>2,020,528</u>	<u>252,203</u>	<u>23,458</u>	<u>1,067</u>
Excess (deficiency) of revenues over (under) expenditures	(3,500)	(13,479)	(105,511)	689	966
Other Financing Sources:					
Sale of capital assets	-	-	119,842	-	-
Transfers in	-	125,000	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>125,000</u>	<u>119,842</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(3,500)	111,521	14,331	689	966
Fund balance at beginning of year	23,770	1,343,985	780,083	95,948	17,548
Fund balance at end of year	<u>\$ 20,270</u>	<u>\$ 1,455,506</u>	<u>\$ 794,414</u>	<u>\$ 96,637</u>	<u>\$ 18,514</u>

Mayor's Court Computer	Mayor's Court Special Project	Life Long Learning and Leisure	FEMA	Neighborhood Lighting	Clerk of Court	Upper Arlington Visitor's Bureau	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 64,962	\$ 64,962
-	-	112,134	-	63,917	-	-	199,948
9,900	33,088	-	-	-	9,901	-	54,922
-	10,000	-	46,828	-	-	-	2,158,291
-	-	-	-	11,716	-	-	47,845
-	-	-	-	-	-	-	17,899
<u>9,900</u>	<u>43,088</u>	<u>112,134</u>	<u>46,828</u>	<u>75,633</u>	<u>9,901</u>	<u>64,962</u>	<u>2,543,867</u>
-	-	-	-	-	-	28,528	33,528
23,501	63,655	-	46,828	-	26,183	-	413,437
-	-	-	-	139,061	-	-	2,159,589
-	-	138,044	-	-	-	-	161,502
<u>23,501</u>	<u>63,655</u>	<u>138,044</u>	<u>46,828</u>	<u>139,061</u>	<u>26,183</u>	<u>28,528</u>	<u>2,768,056</u>
(13,601)	(20,567)	(25,910)	-	(63,428)	(16,282)	36,434	(224,189)
-	-	-	-	-	-	-	119,842
-	-	-	-	-	-	-	125,000
-	-	-	-	-	-	-	244,842
(13,601)	(20,567)	(25,910)	-	(63,428)	(16,282)	36,434	20,653
66,167	128,914	105,691	-	507,842	48,336	200,075	3,318,359
<u>\$ 52,566</u>	<u>\$ 108,347</u>	<u>\$ 79,781</u>	<u>\$ -</u>	<u>\$ 444,414</u>	<u>\$ 32,054</u>	<u>\$ 236,509</u>	<u>\$ 3,339,012</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, 2019

	TAX INCENTIVE REVIEW FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Miscellaneous	\$ 1,500	\$ 1,500	\$ 1,500	\$ -
Total revenues	1,500	1,500	1,500	-
<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	(3,500)	(3,500)	(3,500)	-
Fund balances at beginning of year	23,770	23,770	23,770	-
Fund balances at end of year	\$ 20,270	\$ 20,270	\$ 20,270	\$ -

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, 2019

	STREET MAINTENANCE AND REPAIR FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Intergovernmental	\$ 1,625,000	\$ 1,800,000	\$ 1,854,346	\$ 54,346
Investment Earnings	7,000	7,000	14,111	7,111
Miscellaneous	8,000	8,000	16,149	8,149
Total revenues	<u>1,640,000</u>	<u>1,815,000</u>	<u>1,884,606</u>	<u>69,606</u>
<u>EXPENDITURES:</u>				
Current:				
Public Service Administration				
Personal services	429,800	439,355	439,354	1
Other than personal services	335,950	298,690	224,803	73,887
Public Works Division				
Personal services	800,000	912,705	912,702	3
Other than personal services	507,000	507,000	486,423	20,577
Total expenditures	<u>2,072,750</u>	<u>2,157,750</u>	<u>2,063,282</u>	<u>94,468</u>
Excess (deficiency) of expenditures over revenues	(432,750)	(342,750)	(178,676)	164,074
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers-in	250,000	250,000	125,000	(125,000)
Total other financing sources (uses)	<u>250,000</u>	<u>250,000</u>	<u>125,000</u>	<u>(125,000)</u>
Excess (deficiency) of revenues and other financing sources over expenditures	(182,750)	(92,750)	(53,676)	39,074
Fund balances at beginning of year	886,446	886,446	886,446	-
Lapsed encumbrances	2,611	2,611	2,611	-
Fund balances at end of year	<u>\$ 706,307</u>	<u>\$ 796,307</u>	<u>\$ 835,381</u>	<u>\$ 39,074</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, 2019

	LAW ENFORCEMENT FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Intergovernmental	\$ -	\$ -	\$ 27,038	\$ 27,038
Investment Earnings	9,000	9,000	13,925	4,925
Miscellaneous	115,000	115,000	-	(115,000)
Total revenues	<u>124,000</u>	<u>124,000</u>	<u>40,963</u>	<u>(83,037)</u>
<u>EXPENDITURES:</u>				
Current:				
Police				
Personal services	207,300	207,300	206,863	437
Other than personal services	74,300	74,300	59,832	14,468
Total expenditures	<u>281,600</u>	<u>281,600</u>	<u>266,695</u>	<u>14,905</u>
Excess (deficiency) of expenditures over revenues	(157,600)	(157,600)	(225,732)	(68,132)
<u>OTHER FINANCING SOURCES (USES):</u>				
Proceeds from sale of capital assets	-	-	119,842	119,842
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>119,842</u>	<u>119,842</u>
Excess (deficiency) of revenues and other financing sources over expenditures	(157,600)	(157,600)	(105,890)	51,710
Fund balances at beginning of year	786,278	786,278	786,278	-
Fund balances at end of year	<u>\$ 628,678</u>	<u>\$ 628,678</u>	<u>\$ 680,388</u>	<u>\$ 51,710</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, 2019

	TREE PLANTING FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Charges for services	\$ 20,000	\$ 20,000	\$ 23,897	\$ 3,897
Miscellaneous	-	-	250	250
Total revenues	20,000	20,000	24,147	4,147
<u>EXPENDITURES:</u>				
Current:				
Parks and recreation				
Other than personal services	20,000	27,500	23,458	4,042
Total expenditures	20,000	27,500	23,458	4,042
Excess (deficiency) of expenditures over revenues	-	(7,500)	689	8,189
Fund balances at beginning of year	95,948	95,948	95,948	-
Fund balances at end of year	\$ 95,948	\$ 88,448	\$ 96,637	\$ 8,189

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, 2019

	ENFORCEMENT EDUCATION FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Fines and forfeitures	\$ 2,500	\$ 2,500	\$ 1,883	\$ (617)
Total revenues	2,500	2,500	1,883	(617)
<u>EXPENDITURES:</u>				
Current:				
Police				
Other than personal services	2,500	2,500	1,097	1,403
Total expenditures	2,500	2,500	1,097	1,403
Excess (deficiency) of expenditures over revenues	-	-	786	786
Fund balances at beginning of year	17,578	17,578	17,578	-
Fund balances at end of year	\$ 17,578	\$ 17,578	\$ 18,364	\$ 786

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, 2019

	MAYOR'S COURT COMPUTER FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Fines and forfeitures	\$ 10,000	\$ 10,000	\$ 9,117	\$ (883)
Total revenues	10,000	10,000	9,117	(883)
<u>EXPENDITURES:</u>				
Current:				
Clerk of Court				
Other than personal services	11,850	17,580	16,635	945
Total expenditures	11,850	17,580	16,635	945
Excess (deficiency) of expenditures over revenues	(1,850)	(7,580)	(7,518)	62
Fund balances at beginning of year	53,620	53,620	53,620	-
Fund balances at end of year	\$ 51,770	\$ 46,040	\$ 46,102	\$ 62

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, 2019

	MAYOR'S COURT SPECIAL PROJECT FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Fines and forfeitures	\$ 30,000	\$ 30,000	\$ 30,463	\$ 463
Intergovernmental	-	-	10,000	10,000
Total revenues	30,000	30,000	40,463	10,463
<u>EXPENDITURES:</u>				
Current:				
Clerk of Court				
Other than personal services	18,750	74,580	71,721	2,859
Total expenditures	18,750	74,580	71,721	2,859
Excess (deficiency) of expenditures over revenues	11,250	(44,580)	(31,258)	13,322
Fund balances at beginning of year	129,304	129,304	129,304	-
Fund balances at end of year	\$ 140,554	\$ 84,724	\$ 98,046	\$ 13,322

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, 2019

	LIFE LONG LEARNING AND LEISURE FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Charges for services	\$ 145,000	\$ 145,000	\$ 112,134	\$ (32,866)
Total revenues	145,000	145,000	112,134	(32,866)
<u>EXPENDITURES:</u>				
Current:				
Parks and recreation				
Personal services	72,900	75,900	74,462	1,438
Other than personal services	83,900	80,900	60,543	20,357
Total expenditures	156,800	156,800	135,005	21,795
Excess (deficiency) of expenditures over revenues	(11,800)	(11,800)	(22,871)	(11,071)
Fund balances at beginning of year	111,692	111,692	111,692	-
Fund balances at end of year	\$ 99,892	\$ 99,892	\$ 88,821	\$ (11,071)

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FEMA FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	FEMA FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Intergovernmental	\$ -	\$ 46,828	\$ 46,828	\$ -
Total revenues	-	46,828	46,828	-
<u>EXPENDITURES:</u>				
Current:				
Public Works Division				
Other than personal services	-	46,828	46,828	-
Total expenditures	-	46,828	46,828	-
Excess (deficiency) of expenditures over revenues	-	-	-	-
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	\$ -	\$ -	\$ -	\$ -

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, 2019

	NEIGHBORHOOD LIGHTING FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Charges for services	\$ 63,000	\$ 63,000	\$ 63,917	\$ 917
Investment Earnings	5,000	5,000	9,435	4,435
Total revenues	68,000	68,000	73,352	5,352
<u>EXPENDITURES:</u>				
Current:				
Public Service Administration				
Personal services	30,900	30,900	10,194	20,706
Other than personal services	160,100	160,100	123,467	36,633
Total expenditures	191,000	191,000	133,661	57,339
Excess (deficiency) of expenditures over revenues	(123,000)	(123,000)	(60,309)	62,691
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(123,000)	(123,000)	(60,309)	62,691
Fund balances at beginning of year	503,780	503,780	503,780	-
Fund balances at end of year	\$ 380,780	\$ 380,780	\$ 443,471	\$ 62,691

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, 2019

	CLERK OF COURT FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Fines and forfeitures	\$ 10,000	\$ 10,000	\$ 9,118	\$ (882)
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>9,118</u>	<u>(882)</u>
<u>EXPENDITURES:</u>				
Current:				
Clerk of Court				
Other than personal services	17,000	22,730	22,009	721
Total expenditures	<u>17,000</u>	<u>22,730</u>	<u>22,009</u>	<u>721</u>
Excess (deficiency) of expenditures over revenues	(7,000)	(12,730)	(12,891)	(161)
Fund balances at beginning of year	32,064	32,064	32,064	-
Lapsed encumbrances	1,843	1,843	1,843	-
Fund balances at end of year	<u>\$ 26,907</u>	<u>\$ 21,177</u>	<u>\$ 21,016</u>	<u>\$ (161)</u>

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, 2019

	UPPER ARLINGTON VISITOR'S BUREAU FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Property and other local taxes	\$ 62,000	\$ 62,000	\$ 65,177	\$ 3,177
Total revenues	62,000	62,000	65,177	3,177
<u>EXPENDITURES:</u>				
Current:				
City Manager				
Other than personal services	35,000	35,000	4,984	30,016
Information Technology				
Personal services	24,200	24,200	23,455	745
Total expenditures	59,200	59,200	28,439	30,761
Excess (deficiency) of expenditures over revenues	2,800	2,800	36,738	33,938
Fund balances at beginning of year	196,538	196,538	196,538	-
Fund balances at end of year	\$ 199,338	\$ 199,338	\$ 233,276	\$ 33,938

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, 2019

	EMERGENCY MEDICAL SERVICES FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Charges for services	\$ 600,000	\$ 600,000	\$ 692,623	\$ 92,623
Intergovernmental	-	-	787	787
Total revenues	<u>600,000</u>	<u>600,000</u>	<u>693,410</u>	<u>93,410</u>
<u>EXPENDITURES:</u>				
Current:				
Fire				
Other than personal services	213,500	213,500	175,440	38,060
Total expenditures	<u>213,500</u>	<u>213,500</u>	<u>175,440</u>	<u>38,060</u>
Excess (deficiency) of expenditures over revenues	386,500	386,500	517,970	131,470
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers-out	<u>(436,300)</u>	<u>(436,300)</u>	<u>(436,209)</u>	91
Total other financing sources (uses)	<u>(436,300)</u>	<u>(436,300)</u>	<u>(436,209)</u>	91
Excess (deficiency) of revenues and other financing over expenditures and other uses	(49,800)	(49,800)	81,761	131,561
Fund balances at beginning of year	242,379	242,379	242,379	-
Lapsed encumbrances	2	2	2	-
Fund balances at end of year	<u>\$ 192,581</u>	<u>\$ 192,581</u>	<u>\$ 324,142</u>	<u>\$ 131,561</u>

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, 2019

	CIVIL SERVICE FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES:</u>				
Current:				
General Government				
Other than personal services	20,000	20,000	4,455	15,545
Total expenditures	20,000	20,000	4,455	15,545
Excess (deficiency) of expenditures over revenues	(20,000)	(20,000)	(4,455)	15,545
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers-in	20,000	20,000	20,000	-
Total other financing sources (uses)	20,000	20,000	20,000	-
Excess (deficiency) of revenues and other financing sources over expenditures	-	-	15,545	15,545
Fund balances at beginning of year	45,566	45,566	45,566	-
Fund balances at end of year	\$ 45,566	\$ 45,566	\$ 61,111	\$ 15,545

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, 2019

	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	500,000	487,000	238,869	248,131
Total expenditures	500,000	487,000	238,869	248,131
Excess (deficiency) of expenditures over revenues	(500,000)	(487,000)	(238,869)	248,131
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers-in	500,000	500,000	500,000	-
Total other financing sources (uses)	500,000	500,000	500,000	-
Excess (deficiency) of revenues and other financing sources over expenditures	-	13,000	261,131	248,131
Fund balances at beginning of year	392,028	392,028	392,028	-
Fund balances at end of year	<u>\$ 392,028</u>	<u>\$ 405,028</u>	<u>\$ 653,159</u>	<u>\$ 248,131</u>



City of **Upper Arlington**[®]

This page left blank intentionally.

**CITY OF UPPER ARLINGTON, OHIO
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
AS OF DECEMBER 31, 2019**

	Arlington Centre TIF	Tremont Road TIF	Lane Avenue Mixed Use TIF	Lane Avenue TIF	Arlington Crossing TIF	Horizon TIF
Assets:						
Cash, cash equivalents and investments	\$ 30,983	\$ 21,219	\$ 1,482,074	\$ 585,936	\$ 758,632	\$ 837,644
Receivables (net of allowances):						
Payments in lieu of taxes	36,312	34,394	948,198	112,180	120,634	483,382
Accrued interest	-	-	-	-	-	-
Intergovernmental	-	-	-	-	11,586	-
Total assets	<u>\$ 67,295</u>	<u>\$ 55,613</u>	<u>\$ 2,430,272</u>	<u>\$ 698,116</u>	<u>\$ 890,852</u>	<u>\$ 1,321,026</u>
Liabilities:						
Accounts payable	\$ -	\$ -	\$ 2,356	\$ -	\$ -	\$ -
Retainage payable	-	-	-	-	-	168,442
Advances from other funds	-	211,135	300,000	50,000	-	825,000
Due to other funds	-	40,000	60,000	50,000	-	375,000
Total liabilities	<u>-</u>	<u>251,135</u>	<u>362,356</u>	<u>100,000</u>	<u>-</u>	<u>1,368,442</u>
Deferred Inflows of Resources						
Property and Other Local Taxes	24,289	34,394	948,198	112,180	116,739	413,966
Unavailable Revenue	12,023	-	-	-	15,481	69,416
Total deferred inflows of resources	<u>36,312</u>	<u>34,394</u>	<u>948,198</u>	<u>112,180</u>	<u>132,220</u>	<u>483,382</u>
Fund Balance:						
Restricted						
Capital projects	30,983	-	1,119,718	485,936	758,632	-
Committed						
Capital projects	-	-	-	-	-	-
Unassigned (deficit)	-	(229,916)	-	-	-	(530,798)
Total fund balances	<u>30,983</u>	<u>(229,916)</u>	<u>1,119,718</u>	<u>485,936</u>	<u>758,632</u>	<u>(530,798)</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 67,295</u>	<u>\$ 55,613</u>	<u>\$ 2,430,272</u>	<u>\$ 698,116</u>	<u>\$ 890,852</u>	<u>\$ 1,321,026</u>

<u>Kingsdale West TIF</u>	<u>Kingsdale Core TIF</u>	<u>Riverside North TIF</u>	<u>Riverside South TIF</u>	<u>W. Lane Northwest TIF</u>	<u>Estate Tax Capital Projects</u>	<u>Community Fiber Optic</u>	<u>Total Nonmajor Capital Projects</u>
\$ 243,002	\$ 351,614	\$ 11,876	\$ 77,109	\$ 70,154	\$ 490,339	\$ 401,602	\$ 5,362,184
43,274	1,307,338	1,465	22,228	-	-	-	3,109,405
-	-	-	-	-	1,584	-	1,584
429	-	-	-	-	251,469	-	263,484
<u>\$ 286,705</u>	<u>\$ 1,658,952</u>	<u>\$ 13,341</u>	<u>\$ 99,337</u>	<u>\$ 70,154</u>	<u>\$ 743,392</u>	<u>\$ 401,602</u>	<u>\$ 8,736,657</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 77,346	\$ 527	\$ 80,229
-	-	-	-	16,355	14,378	-	199,175
-	209,000	-	-	203,200	-	1,575,000	3,373,335
-	309,000	-	-	15,000	-	100,000	949,000
-	<u>518,000</u>	-	-	<u>234,555</u>	<u>91,724</u>	<u>1,675,527</u>	<u>4,601,739</u>
43,274	1,045,489	1,465	22,228	-	-	-	2,762,222
429	261,849	-	-	-	562	-	359,760
<u>43,703</u>	<u>1,307,338</u>	<u>1,465</u>	<u>22,228</u>	<u>-</u>	<u>562</u>	<u>-</u>	<u>3,121,982</u>
243,002	-	11,876	77,109	-	-	-	2,727,256
-	-	-	-	-	651,106	-	651,106
-	(166,386)	-	-	(164,401)	-	(1,273,925)	(2,365,426)
<u>243,002</u>	<u>(166,386)</u>	<u>11,876</u>	<u>77,109</u>	<u>(164,401)</u>	<u>651,106</u>	<u>(1,273,925)</u>	<u>1,012,936</u>
<u>\$ 286,705</u>	<u>\$ 1,658,952</u>	<u>\$ 13,341</u>	<u>\$ 99,337</u>	<u>\$ 70,154</u>	<u>\$ 743,392</u>	<u>\$ 401,602</u>	<u>\$ 8,736,657</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, 2019

	Arlington Centre TIF	Tremont Road TIF	Lane Avenue Mixed Use TIF	Lane Avenue TIF	Arlington Crossing TIF	Horizon TIF
Revenues:						
Payments in lieu of taxes	\$ 12,048	\$ 56,772	\$ 950,377	\$ 110,660	\$ 127,420	\$ 346,423
Intergovernmental	-	-	-	-	18,205	-
Investment earnings	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total revenues	<u>12,048</u>	<u>56,772</u>	<u>950,377</u>	<u>110,660</u>	<u>145,625</u>	<u>346,423</u>
Expenditures:						
Current:						
General government	136	641	425,434	1,248	2,192	63,279
Capital outlay	-	-	330,499	-	-	2,928,026
Total expenditures	<u>136</u>	<u>641</u>	<u>755,933</u>	<u>1,248</u>	<u>2,192</u>	<u>2,991,305</u>
Excess (deficiency) of revenues over (under) expenditures	11,912	56,131	194,444	109,412	143,433	(2,644,882)
Other Financing Sources (Uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(360,531)	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(360,531)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	11,912	56,131	(166,087)	109,412	143,433	(2,644,882)
Fund balance (deficit) at beginning of year	19,071	(286,047)	1,285,805	376,524	615,199	2,114,084
Fund balance (deficit) at end of year	<u>\$ 30,983</u>	<u>\$ (229,916)</u>	<u>\$ 1,119,718</u>	<u>\$ 485,936</u>	<u>\$ 758,632</u>	<u>\$ (530,798)</u>

Kingsdale West TIF	Kingsdale Core TIF	Riverside North TIF	Riverside South TIF	W. Lane Northwest TIF	Estate Tax Capital Projects	Community Fiber Optic	Total Nonmajor Capital Projects
\$ 43,090	\$ 1,374,422	\$ 1,453	\$ 22,051	\$ -	\$ -	\$ -	\$ 3,044,716
853	-	-	-	-	-	-	19,058
-	-	-	-	-	15,459	-	15,459
-	-	-	-	-	329	195,516	195,845
<u>43,943</u>	<u>1,374,422</u>	<u>1,453</u>	<u>22,051</u>	<u>-</u>	<u>15,788</u>	<u>195,516</u>	<u>3,275,078</u>
496	744,880	16	249	-	-	-	1,238,571
-	-	-	-	164,401	195,069	202,251	3,820,246
<u>496</u>	<u>744,880</u>	<u>16</u>	<u>249</u>	<u>164,401</u>	<u>195,069</u>	<u>202,251</u>	<u>5,058,817</u>
43,447	629,542	1,437	21,802	(164,401)	(179,281)	(6,735)	(1,783,739)
-	-	-	-	-	-	68,400	68,400
-	(268,850)	-	-	-	-	(120,298)	(749,679)
<u>-</u>	<u>(268,850)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(51,898)</u>	<u>(681,279)</u>
43,447	360,692	1,437	21,802	(164,401)	(179,281)	(58,633)	(2,465,018)
199,555	(527,078)	10,439	55,307	-	830,387	(1,215,292)	3,477,954
<u>\$ 243,002</u>	<u>\$ (166,386)</u>	<u>\$ 11,876</u>	<u>\$ 77,109</u>	<u>\$ (164,401)</u>	<u>\$ 651,106</u>	<u>\$ (1,273,925)</u>	<u>\$ 1,012,936</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, 2019

	ARLINGTON CENTRE TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 24,100	\$ 24,100	\$ 12,048	\$ (12,052)
Total revenues	24,100	24,100	12,048	(12,052)
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	700	700	136	564
Total expenditures	700	700	136	564
Excess (deficiency) of expenditures over revenues	23,400	23,400	11,912	(11,488)
Fund balances at beginning of year	19,071	19,071	19,071	-
Fund balances at end of year	\$ 42,471	\$ 42,471	\$ 30,983	\$ (11,488)

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, 2019

	TREMONT ROAD TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 26,000	\$ 56,500	\$ 56,772	\$ 272
Total revenues	26,000	56,500	56,772	272
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	800	800	641	159
Total expenditures	800	800	641	159
Excess (deficiency) of expenditures over revenues	25,200	55,700	56,131	431
<u>OTHER FINANCING SOURCES (USES):</u>				
Advances out	(25,000)	(40,000)	(40,000)	-
Total other financing sources (uses)	(25,000)	(40,000)	(40,000)	-
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	200	15,700	16,131	431
Fund balances at beginning of year	5,088	5,088	5,088	-
Fund balances at end of year	\$ 5,288	\$ 20,788	\$ 21,219	\$ 431

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, 2019

	LANE AVENUE MIXED USE TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 974,800	\$ 974,800	\$ 950,377	\$ (24,423)
Total revenues	974,800	974,800	950,377	(24,423)
<u>EXPENDITURES:</u>				
Current:				
Public Works Division				
Capital outlay	-	1,195,000	1,163,233	31,767
Finance				
Other than personal services	435,000	435,000	425,434	9,566
Total expenditures	435,000	1,630,000	1,588,667	41,333
Excess (deficiency) of expenditures over revenues	539,800	(655,200)	(638,290)	16,910
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers-out	(360,600)	(360,600)	(360,531)	69
Advances in	-	360,000	360,000	-
Total other financing sources (uses)	(360,600)	(600)	(531)	69
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	179,200	(655,800)	(638,821)	16,979
Fund balances at beginning of year	1,285,805	1,285,805	1,285,805	-
Fund balances at end of year	\$ 1,465,005	\$ 630,005	\$ 646,984	\$ 16,979

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, 2019

	LANE AVENUE TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 110,000	\$ 110,000	\$ 110,660	\$ 660
Total revenues	<u>110,000</u>	<u>110,000</u>	<u>110,660</u>	<u>660</u>
<u>EXPENDITURES:</u>				
Current:				
Public Works Division				
Capital outlay	-	575,000	575,000	-
Finance				
Other than personal services	2,000	2,000	1,249	751
Total expenditures	<u>2,000</u>	<u>577,000</u>	<u>576,249</u>	<u>751</u>
Excess (deficiency) of expenditures over revenues	108,000	(467,000)	(465,589)	1,411
<u>OTHER FINANCING SOURCES (USES):</u>				
Advances in	-	100,000	100,000	-
Total other financing sources (uses)	<u>-</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	108,000	(367,000)	(365,589)	1,411
Fund balances at beginning of year	376,524	376,524	376,524	-
Fund balances at end of year	<u>\$ 484,524</u>	<u>\$ 9,524</u>	<u>\$ 10,935</u>	<u>\$ 1,411</u>

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, 2019

	ARLINGTON CROSSING TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 157,500	\$ 157,500	\$ 127,420	\$ (30,080)
Intergovernmental	-	-	18,205	18,205
Total revenues	157,500	157,500	145,625	(11,875)
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	4,000	4,000	2,192	1,808
Total expenditures	4,000	4,000	2,192	1,808
Excess (deficiency) of expenditures over revenues	153,500	153,500	143,433	(10,067)
Fund balances at beginning of year	615,199	615,199	615,199	-
Fund balances at end of year	\$ 768,699	\$ 768,699	\$ 758,632	\$ (10,067)

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, 2019

	HORIZON TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 333,000	\$ 345,000	\$ 346,423	\$ 1,423
Total revenues	<u>333,000</u>	<u>345,000</u>	<u>346,423</u>	<u>1,423</u>
<u>EXPENDITURES:</u>				
Current:				
Public Service Administration				
Personal services	-	65,000	56,646	8,354
Public Works Division				
Capital outlay	2,172,400	3,335,000	3,309,161	25,839
Finance				
Other than personal services	10,000	7,000	6,633	367
Total expenditures	<u>2,182,400</u>	<u>3,407,000</u>	<u>3,372,440</u>	<u>34,560</u>
Excess (deficiency) of expenditures over revenues	(1,849,400)	(3,062,000)	(3,026,017)	35,983
<u>OTHER FINANCING SOURCES (USES):</u>				
Advances in	-	1,200,000	1,200,000	-
Total other financing sources (uses)	<u>-</u>	<u>1,200,000</u>	<u>1,200,000</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(1,849,400)	(1,862,000)	(1,826,017)	35,983
Fund balances at beginning of year	2,114,084	2,114,084	2,114,084	-
Fund balances at end of year	<u>\$ 264,684</u>	<u>\$ 252,084</u>	<u>\$ 288,067</u>	<u>\$ 35,983</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, 2019

	KINGSDALE WEST TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 42,900	\$ 42,900	\$ 43,090	\$ 190
Intergovernmental	-	-	853	853
Total revenues	42,900	42,900	43,943	1,043
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	600	600	496	104
Total expenditures	600	600	496	104
Excess (deficiency) of expenditures over revenues	42,300	42,300	43,447	1,147
Fund balances at beginning of year	199,555	199,555	199,555	-
Fund balances at end of year	\$ 241,855	\$ 241,855	\$ 243,002	\$ 1,147

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, 2019

	KINGSDALE CORE TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 1,051,000	\$ 1,371,000	\$ 1,374,422	\$ 3,422
Total revenues	1,051,000	1,371,000	1,374,422	3,422
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	573,000	745,000	744,880	120
Total expenditures	573,000	745,000	744,880	120
Excess (deficiency) of expenditures over revenues	478,000	626,000	629,542	3,542
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers-out	(468,900)	(468,900)	(268,850)	200,050
Advances out	(200,000)	(200,000)	(200,000)	-
Total other financing sources (uses)	(668,900)	(668,900)	(468,850)	200,050
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(190,900)	(42,900)	160,692	203,592
Fund balances at beginning of year	190,922	190,922	190,922	-
Fund balances at end of year	\$ 22	\$ 148,022	\$ 351,614	\$ 203,592

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, 2019

	RIVERSIDE NORTH TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 1,450	\$ 1,450	\$ 1,453	\$ 3
Total revenues	1,450	1,450	1,453	3
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	50	50	16	34
Total expenditures	50	50	16	34
Excess (deficiency) of expenditures over revenues	1,400	1,400	1,437	37
Fund balances at beginning of year	10,439	10,439	10,439	-
Fund balances at end of year	\$ 11,839	\$ 11,839	\$ 11,876	\$ 37

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, 2019

	RIVERSIDE SOUTH TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 22,050	\$ 22,050	\$ 22,051	\$ 1
Total revenues	22,050	22,050	22,051	1
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	300	300	249	51
Total expenditures	300	300	249	51
Excess (deficiency) of expenditures over revenues	21,750	21,750	21,802	52
Fund balances at beginning of year	55,307	55,307	55,307	-
Fund balances at end of year	\$ 77,057	\$ 77,057	\$ 77,109	\$ 52

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
W. LANE - NORTHWEST TIF FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	W. LANE - NORTHWEST TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES:</u>				
Total expenditures	-	-	-	-
Excess (deficiency) of expenditures over revenues	-	-	-	-
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	\$ -	\$ -	\$ -	\$ -

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, 2019

	ESTATE TAX CAPITAL PROJECTS FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Investment Earnings	\$ -	\$ 11,910	\$ 12,680	\$ 770
Miscellaneous	-	-	329	329
Total revenues	-	11,910	13,009	1,099
<u>EXPENDITURES:</u>				
Current:				
Parks and recreation				
Capital outlay	-	333,053	333,053	-
Public Service Administration				
Personal services	-	300	23	277
Public Works Division				
Capital outlay	143,500	400,655	373,474	27,181
Total expenditures	143,500	734,008	706,550	27,458
Excess (deficiency) of expenditures over revenues	(143,500)	(722,098)	(693,541)	28,557
Fund balances at beginning of year	725,298	725,298	725,298	-
Lapsed encumbrances	22,164	22,164	22,164	-
Fund balances at end of year	\$ 603,962	\$ 25,364	\$ 53,921	\$ 28,557

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, 2019

	COMMUNITY FIBER OPTIC FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Miscellaneous	\$ 194,700	\$ 194,700	\$ 195,516	\$ 816
Total revenues	<u>194,700</u>	<u>194,700</u>	<u>195,516</u>	<u>816</u>
<u>EXPENDITURES:</u>				
Current:				
Information Technology				
Other than personal services	25,000	37,000	31,680	5,320
Capital outlay	-	102,000	101,652	348
Total expenditures	<u>25,000</u>	<u>139,000</u>	<u>133,332</u>	<u>5,668</u>
Excess (deficiency) of expenditures over revenues	169,700	55,700	62,184	6,484
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers-in	68,400	68,400	68,400	-
Operating transfers-out	(120,300)	(120,300)	(120,298)	2
Advances out	(100,000)	(100,000)	(100,000)	-
Total other financing sources (uses)	<u>(151,900)</u>	<u>(151,900)</u>	<u>(151,898)</u>	<u>2</u>
Excess (deficiency) of revenues and other financing sources over expenditures	17,800	(96,200)	(89,714)	6,486
Fund balances at beginning of year	423,758	423,758	423,758	-
Lapsed encumbrances	11,323	11,323	11,323	-
Fund balances at end of year	<u>\$ 452,881</u>	<u>\$ 338,881</u>	<u>\$ 345,367</u>	<u>\$ 6,486</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, 2019

	SOLID WASTE FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>OPERATING REVENUES:</u>				
Charges for services	\$ 3,000,000	\$ 3,000,000	\$ 3,003,058	\$ 3,058
Total operating revenues	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,003,058</u>	<u>3,058</u>
<u>OPERATING EXPENSES:</u>				
Current:				
Solid Waste				
Other than personal services	2,987,000	2,987,000	2,876,235	110,765
Total operating expenses	<u>2,987,000</u>	<u>2,987,000</u>	<u>2,876,235</u>	<u>110,765</u>
Excess (deficiency) of operating expenses over (under) operating revenues	13,000	13,000	126,823	113,823
<u>NONOPERATING REVENUES:</u>				
Investment earnings	8,000	8,000	25,056	17,056
Advances out	(125,000)	(125,000)	(125,000)	-
Total nonoperating revenues	<u>(117,000)</u>	<u>(117,000)</u>	<u>(99,944)</u>	<u>17,056</u>
Net change in fund equity	(104,000)	(104,000)	26,879	130,879
Fund equity at beginning of year	718,901	718,901	718,901	-
Lapsed encumbrances	3,272	3,272	3,272	-
Fund equity at end of year	<u>\$ 618,173</u>	<u>\$ 618,173</u>	<u>\$ 749,052</u>	<u>\$ 130,879</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, 2019

	WATER SURCHARGE FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>OPERATING REVENUES:</u>				
Charges for services	\$ 735,000	\$ 660,000	\$ 656,120	\$ (3,880)
Total operating revenues	<u>735,000</u>	<u>660,000</u>	<u>656,120</u>	<u>(3,880)</u>
<u>OPERATING EXPENSES:</u>				
Current:				
Public Works Division				
Personal services	164,700	169,700	162,662	7,038
Other than personal services	268,800	168,800	131,567	37,233
Finance				
Other than personal services	18,900	18,900	18,869	31
Total expenses	<u>452,400</u>	<u>357,400</u>	<u>313,098</u>	<u>44,302</u>
Excess (deficiency) of operating expenses over (under) operating revenues	282,600	302,600	343,022	40,422
<u>NONOPERATING REVENUES:</u>				
Transfers out	<u>(432,500)</u>	<u>(432,500)</u>	<u>(87,682)</u>	<u>344,818</u>
Total nonoperating (expenses)	<u>(432,500)</u>	<u>(432,500)</u>	<u>(87,682)</u>	<u>344,818</u>
Net change in fund equity	(149,900)	(129,900)	255,340	385,240
Fund equity at beginning of year	950,527	950,527	950,527	-
Fund equity at end of year	<u>\$ 800,627</u>	<u>\$ 820,627</u>	<u>\$ 1,205,867</u>	<u>\$ 385,240</u>

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, 2019

	SANITARY SEWER SURCHARGE FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>OPERATING REVENUES:</u>				
Charges for services	\$ 1,118,000	\$ 1,050,000	\$ 1,080,767	\$ 30,767
Miscellaneous	1,500	1,500	1,931	431
Total operating revenues	1,119,500	1,051,500	1,082,698	31,198
<u>OPERATING EXPENSES:</u>				
Current:				
Public Works Division				
Personal services	503,400	503,400	466,034	37,366
Other than personal services	367,100	279,100	266,696	12,404
Total expenses	870,500	782,500	732,730	49,770
Excess (deficiency) of operating expenses over (under) operating revenues	249,000	269,000	349,968	80,968
<u>NONOPERATING REVENUES:</u>				
Transfers out	(364,700)	(364,700)	(7,493)	357,207
Total nonoperating (expenses)	(364,700)	(364,700)	(7,493)	357,207
Net change in fund equity	(115,700)	(95,700)	342,475	438,175
Fund equity at beginning of year	1,079,346	1,079,346	1,079,346	-
Fund equity at end of year	\$ 963,646	\$ 983,646	\$ 1,421,821	\$ 438,175

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, 2019

	STORMWATER FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>OPERATING REVENUES:</u>				
Charges for services	\$ 753,000	\$ 753,000	\$ 765,847	\$ 12,847
Total revenues	<u>753,000</u>	<u>753,000</u>	<u>765,847</u>	<u>12,847</u>
<u>OPERATING EXPENSES:</u>				
Current:				
Public Works Division				
Personal services	317,800	338,685	338,683	2
Other than personal services	248,700	247,815	159,815	88,000
Total expenses	<u>566,500</u>	<u>586,500</u>	<u>498,498</u>	<u>88,002</u>
Excess (deficiency) of operating expenses over (under) operating revenues	186,500	166,500	267,349	100,849
<u>NONOPERATING REVENUES (EXPENSES):</u>				
Investment earnings	25,000	25,000	49,506	24,506
Transfers out	(230,000)	(130,000)	(62,468)	67,532
Total nonoperating revenues (expenses)	<u>(205,000)</u>	<u>(105,000)</u>	<u>(12,962)</u>	<u>92,038</u>
Net change in fund equity	(18,500)	61,500	254,387	192,887
Fund equity at beginning of year, restated	2,505,768	2,505,768	2,505,768	-
Lapsed encumbrances	8,597	8,597	8,597	-
Fund equity at end of year	<u>\$ 2,495,865</u>	<u>\$ 2,575,865</u>	<u>\$ 2,768,752</u>	<u>\$ 192,887</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, 2019

	SWIMMING POOLS FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>OPERATING REVENUES:</u>				
Charges for services	\$ 722,000	\$ 789,000	\$ 791,691	\$ 2,691
Miscellaneous	-	-	100	100
Total operating revenues	<u>722,000</u>	<u>789,000</u>	<u>791,791</u>	<u>2,791</u>
<u>OPERATING EXPENSES:</u>				
Current:				
Parks and recreation				
Personal services	495,100	525,100	522,845	2,255
Other than personal services	177,800	259,800	236,654	23,146
Total expenses	<u>672,900</u>	<u>784,900</u>	<u>759,499</u>	<u>25,401</u>
Net change in fund equity	49,100	4,100	32,292	28,192
Fund equity at beginning of year	513,046	513,046	513,046	-
Fund equity at end of year	<u>\$ 562,146</u>	<u>\$ 517,146</u>	<u>\$ 545,338</u>	<u>\$ 28,192</u>

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, 2019

	Employee Benefits Fund	BWC Administration Fund	Total
Assets:			
Current assets:			
Cash, cash equivalents and investments	\$ 1,866,186	\$ 803,783	\$ 2,669,969
Receivables (net of allowances):			
Due from other funds	-	8,686	8,686
Total current assets	1,866,186	812,469	2,678,655
Total assets	1,866,186	812,469	2,678,655
Liabilities:			
Current liabilities:			
Accounts payable	299,192	187,942	487,134
Total current liabilities	299,192	187,942	487,134
Total liabilities	299,192	187,942	487,134
Net Position:			
Unrestricted	1,566,994	624,527	2,191,521
Total net position	\$ 1,566,994	\$ 624,527	\$ 2,191,521

**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, 2019

	Employee Benefits Fund	BWC Administration Fund	Total
Operating Revenues:			
Charges for services	\$ 3,095,014	\$ 278,473	\$ 3,373,487
Miscellaneous	102,892	-	102,892
Total operating revenues	<u>3,197,906</u>	<u>278,473</u>	<u>3,476,379</u>
Operating Expenses:			
Self-insurance	<u>3,912,887</u>	<u>129,534</u>	<u>4,042,421</u>
Total operating expenses	<u>3,912,887</u>	<u>129,534</u>	<u>4,042,421</u>
Operating income (loss)	(714,981)	148,939	(566,042)
Change in net position	(714,981)	148,939	(566,042)
Net position at beginning of year	<u>2,281,975</u>	<u>475,588</u>	<u>2,757,563</u>
Net position at end of year	<u>\$ 1,566,994</u>	<u>\$ 624,527</u>	<u>\$ 2,191,521</u>

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

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Employee Benefits Fund	BWC Administration Fund	Total
Cash Flows from Operating Activities			
Receipts from customers and users	\$ 3,197,906	\$ 278,187	\$ 3,476,093
Payments to suppliers and contractual services	(3,858,235)	(159,726)	(4,017,961)
Payments to employees	-	-	-
Net cash provided (used) by operating activities	(660,329)	118,461	(541,868)
Net increase (decrease) in cash and cash equivalents	(660,329)	118,461	(541,868)
Cash and cash equivalents, January 1	2,526,515	685,322	3,211,837
Cash and cash equivalents, December 31	\$ 1,866,186	\$ 803,783	\$ 2,669,969
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (714,981)	\$ 148,939	\$ (566,042)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Increase in due from other funds	-	(286)	(286)
Increase in accounts payable	54,652	(30,192)	24,460
Total adjustments	54,652	(30,478)	24,174
Net cash provided (used) by operating activities	\$ (660,329)	\$ 118,461	\$ (541,868)

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, 2019

	EMPLOYEE BENEFITS FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>OPERATING REVENUES:</u>				
Charges for services	\$ 3,390,000	\$ 3,390,000	\$ 3,095,014	\$ (294,986)
Miscellaneous	100,000	100,000	102,892	2,892
Total operating revenues	<u>3,490,000</u>	<u>3,490,000</u>	<u>3,197,906</u>	<u>(292,094)</u>
<u>OPERATING EXPENSES:</u>				
Current:				
Finance				
Personal services	2,920,000	3,320,000	3,176,002	143,998
Other than personal services	700,000	722,000	716,071	5,929
Total expenses	<u>3,620,000</u>	<u>4,042,000</u>	<u>3,892,073</u>	<u>149,927</u>
Net change in fund equity	(130,000)	(552,000)	(694,167)	(142,167)
Fund equity at beginning of year	2,496,797	2,496,797	2,496,797	-
Lapsed encumbrances	25,721	25,721	25,721	-
Fund equity at end of year	<u>\$ 2,392,518</u>	<u>\$ 1,970,518</u>	<u>\$ 1,828,351</u>	<u>\$ (142,167)</u>

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, 2019

	BWC ADMINISTRATION FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>OPERATING REVENUES:</u>				
Charges for services	\$ 270,000	\$ 270,000	\$ 278,187	\$ 8,187
Total operating revenues	270,000	270,000	278,187	8,187
<u>OPERATING EXPENSES:</u>				
Current:				
Finance				
Personal services	100,000	100,000	52,871	47,129
Other than personal services	156,000	156,000	122,262	33,738
Total expenses	256,000	256,000	175,133	80,867
Net change in fund equity	14,000	14,000	103,054	89,054
Fund equity at beginning of year	675,873	675,873	675,873	-
Lapsed encumbrances	9,449	9,449	9,449	-
Fund equity at end of year	\$ 699,322	\$ 699,322	\$ 788,376	\$ 89,054

CITY OF UPPER ARLINGTON, OHIO
FUND DESCRIPTIONS – FIDUCIARY FUNDS

Custodial Funds

Mayor’s Court Fund

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

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 NET POSITION
FIDUCIARY FUNDS
AS OF DECEMBER 31, 2019

	Mayor's Court Fund	Revolving Fund	Totals
<u>ASSETS</u>			
Cash, cash equivalents and investments	\$ 45,079	\$ 103,465	\$ 148,544
Total assets	<u>45,079</u>	<u>103,465</u>	<u>148,544</u>
<u>LIABILITIES</u>			
Due to others	-	103,465	103,465
Total liabilities	<u>-</u>	<u>103,465</u>	<u>103,465</u>
<u>NET POSITION</u>			
Restricted for individuals and other governments	45,079	-	45,079
Total net position	<u>45,079</u>	<u>-</u>	<u>45,079</u>
Total Liabilities and Net Position	<u>\$ 45,079</u>	<u>\$ 103,465</u>	<u>\$ 148,544</u>

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

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Mayor's Court Fund	Revolving Fund	Totals
Additions			
Fines and forfeitures for other governments	\$ 160,092	\$ -	\$ 160,092
Fees for other organizations	-	298,026	298,026
Total additions	<u>160,092</u>	<u>298,026</u>	<u>458,118</u>
Deductions			
Fines and forfeitures distributions to other governments	157,129	-	157,129
Fees distributions to other organizations	-	298,026	298,026
Total deductions	<u>157,129</u>	<u>298,026</u>	<u>455,155</u>
Change in fiduciary net position	2,963	-	2,963
Net position at beginning of year, restated	42,116	-	42,116
Net position at end of year	<u>\$ 45,079</u>	<u>\$ -</u>	<u>\$ 45,079</u>



City of **Upper Arlington**[®]

This page left blank intentionally.



City of **Upper Arlington**[®]

This page left blank intentionally.

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*.

Contents

Tables

Financial Trends

These schedules contain trend information to help understand how the City’s financial performance and wellbeing has changed over time.

1-4

Revenue Capacity

These schedules contain information to help assess the City’s most significant revenue sources.

5-15

Debt Capacity

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

Demographic and Economic Information

This schedule contains service and infrastructure data to help the reader understand how the information in the City’s financial activities take place.

20

Operating Information

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>2019</u>	<i>Restated</i> <u>2018</u>	<i>Restated</i> <u>2017</u>	<u>2016</u>
Governmental Activities				
Net investment in capital assets	\$ 62,875	\$ 56,030	\$ 50,937	\$ 44,989
Restricted for:				
Capital projects	28,212	27,543	26,143	20,585
Debt service	654	935	597	686
Street construction, maintenance & repair	2,255	1,894	1,796	1,814
Law enforcement (public safety)	814	799	801	919
Economic development	-	-	-	-
Pension obligations	2,835	2,622	2,215	1,673
Other purposes	463	474	532	456
Unrestricted	(32,013)	(44,336)	(39,793)	4,227
<i>Total Governmental Activities Net Position</i>	<u>\$ 66,095</u>	<u>\$ 45,961</u>	<u>\$ 43,228</u>	<u>\$ 75,349</u>
Business-type activities				
Net investment in capital assets	\$ 49,838	\$ 46,220	\$ 43,064	\$ 34,284
Unrestricted	5,237	4,495	4,356	4,544
<i>Total Business-Type Activities Net Position</i>	<u>\$ 55,075</u>	<u>\$ 50,715</u>	<u>\$ 47,420</u>	<u>\$ 38,828</u>
Primary Government				
Net investment in capital assets	\$ 112,713	\$ 102,250	\$ 94,001	\$ 79,273
Restricted				
Capital projects	28,212	27,543	26,143	20,585
Debt service	654	935	597	686
Street construction, maintenance & repair	2,255	1,894	1,796	1,814
Law enforcement and education	814	799	801	919
Economic development	-	-	-	-
Pension obligations	2,835	2,622	2,215	1,673
Other purposes	463	474	532	456
Unrestricted	(26,776)	(39,841)	(35,437)	8,771
<i>Total Primary Government Net Position</i>	<u>\$ 121,170</u>	<u>\$ 96,676</u>	<u>\$ 90,648</u>	<u>\$ 114,177</u>

Source:

City of Upper Arlington Finance Department

Note:

GASB 68 was implemented in 2015 and the 2014 amounts have been restated. Effects of this implementation can not fully be shown for prior years.

GASB 75 was implemented in 2018 and the 2017 amounts have been restated. Effects of this implementation can not fully be shown for prior years.

GASB 84 was implemented in 2019 and the 2018 amounts have been restated. Effects of this implementation can not fully be shown for prior years.

Table 1

Year						
<u>2015</u>	<i>Restated</i> <u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	
\$ 41,505	\$ 38,329	\$ 37,816	\$ 40,921	\$ 33,668	\$ 35,574	
5,882	4,759	3,057	976	5,216	3,817	
466	496	468	365	284	222	
1,733	1,497	1,371	1,365	1,478	1,565	
922	1,105	1,099	1,426	1,115	1,062	
509	528	62	639	403	353	
1,143	739	532	253	316	322	
540	427	319	184	65	47	
20,540	16,482	50,027	48,603	43,720	37,753	
<u>\$ 73,240</u>	<u>\$ 64,362</u>	<u>\$ 94,751</u>	<u>\$ 94,732</u>	<u>\$ 86,265</u>	<u>\$ 80,715</u>	
\$ 31,740	\$ 31,672	\$ 27,573	\$ 22,426	\$ 20,905	\$ 19,329	
3,444	2,797	3,477	3,573	3,529	3,458	
<u>\$ 35,184</u>	<u>\$ 34,469</u>	<u>\$ 31,050</u>	<u>\$ 25,999</u>	<u>\$ 24,434</u>	<u>\$ 22,787</u>	
\$ 73,245	\$ 70,001	\$ 65,389	\$ 63,347	\$ 54,573	\$ 54,903	
5,882	4,759	3,057	976	5,216	3,817	
466	496	468	365	284	222	
1,733	1,497	1,371	1,365	1,478	1,565	
922	1,105	1,099	1,426	1,115	1,062	
509	528	62	639	403	353	
1,143	739	532	253	316	322	
540	427	319	184	65	47	
23,984	19,279	53,504	52,176	47,249	41,211	
<u>\$ 108,424</u>	<u>\$ 98,831</u>	<u>\$ 125,801</u>	<u>\$ 120,731</u>	<u>\$ 110,699</u>	<u>\$ 103,502</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>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Expenses				
Governmental Activities:				
General Government	\$ 13,076	\$ 11,267	\$ 11,299	\$ 10,491
Public Safety	1,819	22,223	19,472	18,922
Public Services	8,323	7,400	7,265	6,688
Parks and Recreation	5,102	4,345	4,363	3,657
Community Development	1,263	1,002	1,015	912
Interest on long-term debt	3,040	2,103	2,335	1,855
<i>Total Governmental Activities Expenses</i>	<u>32,623</u>	<u>48,340</u>	<u>45,749</u>	<u>42,525</u>
Business-Type activities:				
Solid Waste	2,862	2,852	2,042	2,153
Water	804	697	854	881
Sewer	1,279	1,289	1,069	869
Stormwater	931	723	726	610
Swimming pool	1,254	1,155	835	440
<i>Total Business-Type Activities Expenses</i>	<u>7,130</u>	<u>6,716</u>	<u>5,526</u>	<u>4,953</u>
<i>Total Primary Government Expenses</i>	<u>\$ 39,753</u>	<u>\$ 55,056</u>	<u>\$ 51,275</u>	<u>\$ 47,478</u>
Program Revenues				
Governmental Activities:				
Charges for services:				
General Government	\$ 1,294	\$ 1,231	\$ 1,251	\$ 1,214
Public Safety	1,063	1,129	815	1,021
Public Services	1,226	1,630	528	373
Parks and Recreation	1,321	1,283	1,288	1,240
Community Development	2,351	1,173	1,130	1,117
Operating grants and contributions	2,501	1,737	1,976	1,847
Capital grants and contributions	481	221	1,944	536
<i>Total Governmental Activities Program Revenues</i>	<u>10,237</u>	<u>8,404</u>	<u>8,932</u>	<u>7,348</u>
Business-Type Activities:				
Charges for services:				
Solid Waste	3,008	2,985	2,276	2,457
Water	723	466	484	541
Sewer	1,138	869	875	959
Stormwater	766	767	755	759
Swimming pools	792	758	712	600
<i>Total Business-Type Activities Program Revenues</i>	<u>6,427</u>	<u>5,845</u>	<u>5,102</u>	<u>5,316</u>
<i>Total Primary Government Program Revenues</i>	<u>\$ 16,664</u>	<u>\$ 14,249</u>	<u>\$ 14,034</u>	<u>\$ 12,664</u>

Table 2

Year					
<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 10,043	\$ 11,744	\$ 8,333	\$ 7,492	\$ 7,981	\$ 7,903
16,812	16,206	16,031	16,570	15,973	15,724
5,524	4,977	5,561	4,996	4,649	5,159
3,233	3,143	3,085	3,137	3,147	3,052
864	892	1,005	1,045	935	953
1,857	1,666	1,814	2,108	1,822	1,464
<u>38,333</u>	<u>38,628</u>	<u>35,829</u>	<u>35,348</u>	<u>34,507</u>	<u>34,255</u>
2,063	2,109	2,077	2,051	2,041	2,009
741	656	527	481	567	453
636	632	579	701	676	651
560	487	494	587	1,027	1,069
775	673	694	708	658	667
4,775	4,557	4,371	4,528	4,969	4,849
<u>\$ 43,108</u>	<u>\$ 43,185</u>	<u>\$ 40,200</u>	<u>\$ 39,876</u>	<u>\$ 39,476</u>	<u>\$ 39,104</u>
\$ 1,256	\$ 1,092	\$ 1,131	\$ 652	\$ 793	\$ 818
1,169	1,178	1,066	1,347	1,507	1,391
556	162	267	124	2,340	80
1,308	1,208	1,196	1,068	1,983	879
1,047	1,100	923	797	762	1,053
1,905	2,032	1,941	2,177	410	2,060
2,085	-	-	388	-	-
<u>9,326</u>	<u>6,772</u>	<u>6,524</u>	<u>6,553</u>	<u>7,795</u>	<u>6,281</u>
2,006	1,917	1,961	1,986	1,954	1,685
447	431	454	484	415	400
834	788	818	850	791	774
737	758	748	752	761	548
541	566	588	646	638	628
4,565	4,460	4,569	4,718	4,559	4,035
<u>\$ 13,891</u>	<u>\$ 11,232</u>	<u>\$ 11,093</u>	<u>\$ 11,271</u>	<u>\$ 12,354</u>	<u>\$ 10,316</u>

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

	<u>Year</u>			
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Net(Expense)Revenue				
Governmental Activities	\$ (22,386)	\$ (39,936)	\$ (36,817)	\$ (35,177)
Business-Type Activities	(703)	(871)	(424)	363
<i>Total Primary Government Net Expense</i>	<u>\$ (23,089)</u>	<u>\$ (40,807)</u>	<u>\$ (37,241)</u>	<u>\$ (34,814)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes				
Income taxes	29,292	29,730	25,448	23,946
Property taxes	10,127	10,172	10,602	10,503
Intergovernmental (1)	5,365	5,308	3,813	4,841
Unrestricted investment earnings	2,023	1,237	735	564
Miscellaneous	684	323	470	687
Transfers	(4,971)	(4,108)	(9,654)	(3,255)
Total governmental activities	<u>42,520</u>	<u>42,662</u>	<u>31,414</u>	<u>37,286</u>
Business-type activities:				
Investment earnings	92	58	28	25
Miscellaneous	-	-	-	-
Transfers	4,971	4,108	9,654	3,255
<i>Total Business-Type Activities</i>	<u>5,063</u>	<u>4,166</u>	<u>9,682</u>	<u>3,280</u>
<i>Total Primary Government</i>	<u>\$ 47,583</u>	<u>\$ 46,828</u>	<u>\$ 41,096</u>	<u>\$ 40,566</u>
Change in Net Position				
Governmental activities	20,134	2,726	(5,403)	2,109
Business-type activities	4,360	3,295	9,258	3,643
<i>Total Primary Government Change in Net Position</i>	<u>\$ 24,494</u>	<u>\$ 6,021</u>	<u>\$ 3,855</u>	<u>\$ 5,752</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>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ (29,007)	\$ (31,856)	\$ (29,305)	\$ (28,795)	\$ (26,712)	\$ (27,974)
(210)	(97)	198	190	(410)	(814)
<u>\$ (29,217)</u>	<u>\$ (31,953)</u>	<u>\$ (29,107)</u>	<u>\$ (28,605)</u>	<u>\$ (27,122)</u>	<u>\$ (28,788)</u>
22,863	16,830	18,474	15,663	16,045	13,165
9,819	9,294	9,245	8,936	9,043	9,122
5,219	5,260	5,824	12,195	8,245	8,879
526	922	(90)	703	609	866
363	400	723	1,117	355	293
(905)	(4,132)	(4,852)	(1,352)	(2,035)	(1,365)
<u>37,885</u>	<u>28,574</u>	<u>29,324</u>	<u>37,262</u>	<u>32,262</u>	<u>30,960</u>
20	29	-	23	22	51
-	-	1	-	-	-
905	4,132	4,852	1,352	2,036	1,365
<u>925</u>	<u>4,161</u>	<u>4,853</u>	<u>1,375</u>	<u>2,058</u>	<u>1,416</u>
<u>\$ 38,810</u>	<u>\$ 32,735</u>	<u>\$ 34,177</u>	<u>\$ 38,637</u>	<u>\$ 34,320</u>	<u>\$ 32,376</u>
8,878	(3,282)	19	8,467	5,550	2,986
715	4,064	5,051	1,565	1,648	602
<u>\$ 9,593</u>	<u>\$ 782</u>	<u>\$ 5,070</u>	<u>\$ 10,032</u>	<u>\$ 7,198</u>	<u>\$ 3,588</u>

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

	Year			
	<u>2019</u>	<i>Restated</i> <u>2018</u>	<u>2017</u>	<u>2016</u>
General fund				
Reserved	N/A	N/A	N/A	N/A
Unreserved	N/A	N/A	N/A	N/A
Nonspendable	\$ 3,951	\$ 3,378	\$ 3,324	\$ 3,148
Restricted	17,136	15,512	14,524	13,173
Committed	2,227	1,778	1,489	1,320
Assigned	2,007	2,286	2,023	4,281
Unassigned (deficit)	21,860	18,260	17,410	17,561
<i>Total General Fund</i>	<u>\$ 47,181</u>	<u>\$ 41,214</u>	<u>\$ 38,770</u>	<u>\$ 39,483</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	\$ 242	\$ 151	\$ 126	\$ 131
Restricted	32,054	20,456	19,115	18,426
Committed	8,042	8,307	9,152	11,253
Assigned	-	-	-	-
Unassigned	(2,365)	(2,028)	(2,026)	(1,886)
<i>Total All Other Governmental Funds</i>	<u>\$ 37,973</u>	<u>\$ 26,886</u>	<u>\$ 26,367</u>	<u>\$ 27,924</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.

GASB 84 was implemented in 2019 and the 2018 amounts have been restated. Effects of this implementation can not fully be shown for prior years.

Table 3

<u>Year</u>						
<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	
						\$ 1,817
						26,258
\$ 3,586	\$ 1,962	\$ 2,023	\$ 2,559	\$ 2,832		N/A
1,568	959	1,021	1,026	\$ 861		N/A
10,314	8,465	8,788	8,877	\$ 9,809		N/A
617	491	3,468	-	\$ -		N/A
18,799	18,586	16,594	21,867	\$ 17,621		N/A
<u>\$ 34,884</u>	<u>\$ 30,463</u>	<u>\$ 31,894</u>	<u>\$ 34,329</u>	<u>\$ 31,123</u>	<u>\$ 28,075</u>	
						\$ 3,181
						2,196
						19,506
						358
\$ 67	\$ 114	\$ 34	\$ 4,925	\$ 4,922		N/A
16,452	4,295	9,247	11,108	\$ 9,403		N/A
15,504	15,960	16,600	12,617	\$ 9,192		N/A
-	-	-	-	\$ -		N/A
(1,592)	(270)	(801)	(5,723)	\$ (4,749)		N/A
<u>\$ 30,431</u>	<u>\$ 20,099</u>	<u>\$ 25,080</u>	<u>\$ 22,927</u>	<u>\$ 18,768</u>	<u>\$ 25,241</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>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Revenues				
Taxes	\$ 40,977	\$ 38,563	\$ 37,563	\$ 35,778
Intergovernmental (1)	8,164	7,092	6,990	7,232
Licenses and permits	2,765	1,360	1,244	1,213
Charges for services	2,129	2,063	1,930	2,014
Fines and forfeits	362	328	362	463
Investment earnings	2,001	1,190	779	533
Miscellaneous	2,085	2,133	1,729	1,083
<i>Total Revenues</i>	<u>58,483</u>	<u>52,729</u>	<u>50,597</u>	<u>48,316</u>
Expenditures				
General Government	11,170	10,210	9,940	9,819
Public Safety	18,406	17,688	17,010	15,991
Public Services	4,164	3,857	3,756	3,915
Parks and Recreation	3,879	3,708	3,539	3,265
Community Development	977	898	867	814
Capital outlay	21,518	16,622	20,054	20,839
Debt services				
Principal	5,236	4,701	5,159	3,810
Interest	2,494	2,122	2,194	1,720
Other charges	659	152	212	171
<i>Total Expenditures</i>	<u>68,503</u>	<u>59,958</u>	<u>62,731</u>	<u>60,344</u>
<i>Excess of Revenues Over(Under)</i> <i>Expenditures</i>	(10,020)	(7,229)	(12,134)	(12,028)
Other Financing Sources (Uses)				
Transfers in	10,020	10,343	11,749	7,052
Transfers out	(10,020)	(10,343)	(11,749)	(7,052)
Bonds/Notes issued	25,710	9,515	9,280	13,335
Refunding bonds and escrow transfer	-	-	-	-
Premium on bonds/notes issued	1,347	484	458	171
Discount on bonds/notes issued	(177)	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Sale of capital assets	195	186	126	613
<i>Total Other Financing Sources (Uses)</i>	<u>27,075</u>	<u>10,185</u>	<u>9,864</u>	<u>14,119</u>
<i>Net Change in Fund Balances</i>	<u>\$ 17,055</u>	<u>\$ 2,956</u>	<u>\$ (2,270)</u>	<u>\$ 2,091</u>
Debt Service as a Percentage of Noncapital Expenditures	15.94%	15.36%	16.55%	13.80%

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>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$	31,989	\$ 26,710	\$ 26,131	\$ 33,890	\$ 28,344	\$ 28,433
	10,425	7,200	7,831	5,450	5,624	4,632
	1,181	1,115	1,066	877	945	922
	2,102	2,004	1,994	2,014	1,899	1,891
	398	373	345	362	430	416
	510	899	(106)	703	609	866
	1,561	1,299	1,683	1,660	1,493	1,128
	<u>48,166</u>	<u>39,600</u>	<u>38,944</u>	<u>44,956</u>	<u>39,344</u>	<u>38,288</u>
	9,637	11,359	6,532	7,332	7,557	7,880
	15,547	15,646	15,930	15,527	15,784	15,651
	2,788	2,697	4,081	3,135	2,913	3,190
	2,963	2,925	2,866	3,008	3,017	3,040
	844	958	994	994	956	991
	12,562	10,763	5,272	10,830	16,095	8,923
	7,375	3,092	2,850	2,595	2,480	1,985
	1,577	1,530	1,735	1,819	1,743	1,393
	288	152	154	151	131	148
	<u>53,581</u>	<u>49,122</u>	<u>40,414</u>	<u>45,391</u>	<u>50,676</u>	<u>43,201</u>
	(5,415)	(9,522)	(1,470)	(435)	(11,332)	(4,913)
	5,053	4,919	9,851	7,285	5,036	6,661
	(5,292)	(6,058)	(9,861)	(7,297)	(5,036)	(7,111)
	18,800	3,800	-	10,000	6,000	10,000
	6,082	6,265	8,640	-	-	-
	2,064	217	775	247	284	25
	-	-	-	-	-	-
	(6,760)	(6,348)	(9,273)	-	(6,151)	-
	221	315	138	333	208	381
	<u>20,168</u>	<u>3,110</u>	<u>1,188</u>	<u>10,568</u>	<u>341</u>	<u>9,956</u>
\$	<u>14,753</u>	<u>\$ (6,412)</u>	<u>\$ (282)</u>	<u>\$ 10,133</u>	<u>\$ (10,991)</u>	<u>\$ 5,043</u>
	21.82%	12.05%	13.05%	12.77%	12.21%	9.85%

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>
2019	\$ 29,292	\$ 10,127	\$ -	1,414	\$ 40,833
2018	29,730	10,172	1	1,173	41,076
2017	25,448	10,602	3	1,204	37,257
2016	23,946	10,503	8	1,177	35,634
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

Source:
City of Upper Arlington Finance Department

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

	2019		2010	
	Assessed Valuation (1)	% of Total Assessed Valuation	Assessed Valuation	% of Total Assessed Valuation
<u>Public Utilities</u>				
Columbus Southern Power Co.	\$ 14,546,850	0.75%	\$ 10,172,660	0.64%
AEP Ohio Transmission	7,156,790	0.37%		
Columbia Gas of Ohio Inc.	6,988,200	0.36%	1,371,400	0.09%
<u>Real Estate</u>				
First Community Village	8,154,830	0.42%	2,143,960	0.14%
Berkley House LLC	8,400,000	0.43%		
Lane Avenue 450 LLC	5,526,720	0.29%	7,509,380	0.47%
Orthopaedic Medical Properties LLC	5,075,010	0.26%		
GGRE Son Central II Arlington LLC	4,753,010	0.25%		
Scioto Country Club Inc.	3,873,100	0.20%	3,872,680	0.24%
Echo/Contentental Kingsdale LLC	3,609,240	0.19%	7,746,100	0.49%
Centro NP Greentree SC LLC	3,447,510	0.18%		
Kenbrook Village Company	3,405,500	0.18%	2,541,000	0.16%
National Church Residences	2,681,850	0.14%		
Tremont Center Company	2,336,540	0.12%		
Lane Avenue Office Building LLC	2,153,340	0.11%	2,156,000	0.14%
Arlington Court Nursing Home	1,995,000	0.10%		
Kroger Co.	1,910,650	0.10%		
Investment Land Holdings II	1,739,120	0.09%		
F9 UA LLC	1,675,800	0.09%		
Upper Arlington Medical LP	1,645,010	0.09%		
CBC Companies Inc.	1,603,030	0.08%		
DO-AN Investments LTD	1,505,000	0.08%		
GB One LLC	1,502,000	0.08%		
Festival Partners LLC	1,433,390	0.07%		
Hamilton Square Limited Partnership	1,379,000	0.07%		
Time Warner Entertainment Company LP			8,050,040	0.51%
Kingsdale Condominiums			3,977,210	0.25%
New Plan Financing I Inc.			3,903,760	0.25%
Kimco Development Corp.			3,850,640	0.24%
<u>Tangible Personal Property</u>				
Ohio Bell Telephone			1,037,810	0.07%
New Par			138,670	0.01%
Sprintcom Inc.			54,190	0.00%
Time Warner Entertainment Company LP			27,210	0.00%
TWC Digital Telephone LLC			21,330	0.00%
T Mobile Central LLC			14,700	0.00%
Sprint Nextel Cop.			14,360	0.00%
Cincinnati SMSA Ltd Partnership			13,830	0.00%
Dieca Communications Inc.			7,570	0.00%
Choice One Communications of Ohio Inc.			5,510	0.00%
XO Communications Services Inc.			3,410	0.00%
ALL OTHERS	\$ 1,836,233,950	94.90%	1,522,803,230	96.30%
TOTAL ASSESSED VALUATION	<u>\$ 1,934,730,440</u>	<u>100.00%</u>	<u>\$ 1,581,436,650</u>	<u>100.00%</u>

Notes:

(1) Amounts for 2019 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>
2019	3.90	0.20	1.57	0.50	6.17	1.47	16.70	0.95	19.12
2018	3.90	0.20	1.57	0.50	6.17	1.47	16.70	0.75	18.92
2017	3.90	0.25	1.57	0.50	6.22	1.47	16.70	0.75	18.92
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

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	
107.86	6.90	114.76	2.00	2.00	142.05
107.86	6.90	114.76	2.00	2.00	141.85
107.86	6.90	114.76	2.00	2.00	141.90
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

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

Year Ended December 31	Real Property			Personal Property	Total Taxable Assessed Value
	Residential Property	Commercial Property	Public Utility Property	General	
2019	\$ 1,750,096,450	\$ 156,007,890	\$ 28,626,100	\$ -	\$ 1,934,730,440
2018	1,739,970,960	156,768,900	27,231,410	\$ -	1,923,971,270
2017	1,740,706,620	161,580,020	25,185,610	-	1,927,472,250
2016	1,546,531,670	139,964,160	24,528,820	-	1,711,024,650
2015	1,539,456,620	139,457,060	24,165,400	-	1,703,079,080
2014	1,533,958,110	149,341,880	23,905,680	-	1,707,205,670
2013	1,405,652,200	133,744,520	22,872,510	-	1,562,269,230
2012	1,405,147,490	137,151,530	21,922,850	-	1,564,221,870
2011	1,410,425,940	149,473,060	14,095,190	-	1,573,994,190
2010	1,432,981,270	135,734,450	12,720,930	-	1,581,436,650
2009	1,429,916,090	139,163,160	11,480,320	698,120	1,581,257,690

Source: Franklin County, Ohio; County Auditor

Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of <u>Actual Value</u>
6.17	\$ 5,527,801,257	35.00%
6.17	5,497,060,771	35.00%
6.22	5,507,063,571	35.00%
6.58	4,888,641,857	35.00%
6.58	4,865,940,229	35.00%
6.58	4,877,730,486	35.00%
6.62	4,463,626,371	35.00%
6.62	4,469,205,343	35.00%
6.48	4,497,126,257	35.00%
6.48	4,518,390,429	35.00%
6.48	4,518,676,966	35.00%

Table 9

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

Employer	2019		2018		2017		2016		2015	
	Employees	Percentage of Total City Employment	Employees	Percentage of Total City Employment	Employees	Percentage of Total City Employment	Employees	Percentage of Total City Employment	Employees	Percentage of Total City Employment
UA Board of Education	795	4.5%	809	4.6%	854	4.9%	852	4.6%	849	5.0%
AOL Midwest	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
First Community Village	166	0.9%	173	1.0%	176	1.0%	239	1.3%	231	1.4%
City of Upper Arlington	227	1.3%	227	1.3%	221	1.3%	220	1.2%	216	1.3%
Kroger	114	0.6%	108	0.6%	112	0.6%	107	0.6%	99	0.6%
Giant Eagle	149	0.8%	115	0.7%	143	0.8%	143	0.8%	143	0.9%
Scioto Country Club	94	0.5%	250	1.4%	206	1.2%	228	1.2%	200	1.2%
Wellington School	132	0.8%	125	0.7%	124	0.7%	124	0.7%	130	0.8%
National Church Residences	405	2.3%	409	2.3%	396	2.3%	454	2.5%	232	1.4%
Willis HRH	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Ohio State University	544	3.1%	497	2.8%	472	2.7%	525	2.8%	325	1.9%
CBC Companies	216	1.2%	215	1.2%	212	1.2%	200	1.1%	202	1.2%
Ohio Orthopaedic Center	161	0.9%	180	1.0%	177	1.0%	172	0.9%	186	1.1%
Total	3,003	16.90%	3,108	17.60%	3,093	17.70%	3,264	17.70%	2,813	16.80%
Total City Employees	17,567 (1)		17,567 (1)		17,567		18,423		16,823	

Employer	2014		2013		2012		2011		2010	
	Employees	Percentage of Total City Employment	Employees	Percentage of Total City Employment	Employees	Percentage of Total City Employment	Employees	Percentage of Total City Employment	Employees	Percentage of Total City Employment
UA Board of Education	838	4.8%	812	4.7%	850	5.0%	860	5.1%	880	5.0%
AOL Midwest	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
First Community Village	225	1.3%	225	1.3%	378	2.2%	352	2.1%	360	2.1%
City of Upper Arlington	216	1.2%	218	1.3%	224	1.3%	241	1.4%	246	1.4%
Kroger	99	0.6%	94	0.5%	107	0.6%	107	0.6%	107	0.6%
Giant Eagle	128	0.7%	175	1.0%	200	1.2%	201	1.2%	201	1.1%
Scioto Country Club	200	1.1%	200	1.2%	200	1.2%	173	1.0%	173	1.0%
Wellington School	160	0.9%	160	0.9%	160	0.9%	160	0.9%	160	0.9%
National Church Residences	211	1.2%	174	1.0%	184	1.1%	194	1.1%	177	1.0%
Willis HRH	-	0.0%	-	0.0%	-	0.0%	-	0.0%	106	0.6%
Ohio State University	325	1.9%	325	1.9%	325	1.9%	325	1.9%	290	1.7%
CBC Companies	203	1.2%	170	1.0%	198	1.2%	175	1.0%	175	1.0%
Ohio Orthopaedic Center	175	1.0%	243	1.4%	214	1.3%	158	0.9%	185	1.1%
Total	2,780	15.90%	2,796	16.20%	3,040	17.90%	2,946	17.20%	3,060	17.50%
Total City Employees	17,489		17,378		17,018		17,018		17,552	

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

Notes:

(1) Total City Employees data for 2018 was used as data for 2019 was not yet available.



City of **Upper Arlington**[®]

This page left blank intentionally.

City of Upper Arlington, Ohio
Income Tax Statistics
Income Averages for Upper Arlington Tax Years 2019-2010
Last Ten Years

Tax Year	Income Range Tax Year	Individual Resident Filers	Percent of Filers	Local Taxable Income	Percent of Taxable Income
2019	0-19,999	2,689	21.0%	\$ 19,276,369	1.0%
2019	20,000-49,999	1,694	13.3%	58,619,445	3.0%
2019	50,000-74,999	1,264	9.9%	78,391,660	4.0%
2019	75,000-99,999	1,108	8.7%	96,909,039	5.0%
2019	Over 100,000	6,023	47.1%	1,699,126,330	87.0%
	Total	12,778		\$ 1,952,322,843	
2018	0-19,999	2,986	22.4%	\$ 21,017,521	1.1%
2018	20,000-49,999	1,858	14.0%	63,682,573	3.3%
2018	50,000-74,999	1,307	9.8%	81,083,773	4.2%
2018	75,000-99,999	1,210	9.1%	105,040,606	5.5%
2018	Over 100,000	5,940	44.7%	1,651,689,904	85.9%
	Total	13,301		\$ 1,922,514,377	
2017	0-19,999	3,188	23.4%	\$ 23,500,651	1.2%
2017	20,000-49,999	1,985	14.6%	68,620,900	3.6%
2017	50,000-74,999	1,350	9.9%	83,844,581	4.4%
2017	75,000-99,999	1,230	9.0%	106,799,533	5.7%
2017	Over 100,000	5,855	43.0%	1,607,422,427	85.0%
	Total	13,608		\$ 1,890,188,092	
2016	0-19,999	2,756	22.4%	\$ 20,555,204	1.2%
2016	20,000-49,999	1,761	14.3%	61,052,036	3.4%
2016	50,000-74,999	1,195	9.7%	74,422,516	4.2%
2016	75,000-99,999	1,201	9.8%	104,291,144	5.9%
2016	Over 100,000	5,400	43.9%	1,518,995,981	85.4%
	Total	12,313		\$ 1,779,316,881	
2015	0-19,999	2,884	23.1%	\$ 21,594,351	1.3%
2015	20,000-49,999	1,876	15.1%	64,481,885	3.9%
2015	50,000-74,999	1,268	10.2%	78,878,817	4.8%
2015	75,000-99,999	1,235	9.9%	107,265,158	6.5%
2015	Over 100,000	5,200	41.7%	1,372,204,630	83.4%
	Total	12,463		\$ 1,644,424,841	

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>
2014	0-19,999	2,971	24.2%	\$ 22,095,174	1.4%
2014	20,000-49,999	1,849	15.1%	64,080,477	4.1%
2014	50,000-74,999	1,282	10.4%	79,711,821	5.2%
2014	75,000-99,999	1,259	10.3%	109,807,642	7.1%
2014	Over 100,000	4,914	40.0%	1,272,099,979	82.2%
	Total	12,275		\$ 1,547,795,093	
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	4,914	40.0%	1,272,099,979	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	4,789	38.9%	1,249,530,060	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	4,463	37.8%	1,139,965,891	80.6%
	Total	11,792		\$ 1,413,807,953	
2010	0-19,999	3,167	23.5%	\$ 22,421,688	1.6%
2010	20,000-49,999	2,063	15.3%	71,104,776	5.1%
2010	50,000-74,999	1,448	10.8%	90,036,981	6.5%
2010	75,000-99,999	1,274	9.5%	110,848,623	8.0%
2010	Over 100,000	4,389	32.6%	1,094,467,390	78.8%
	Total	13,469		\$ 1,388,879,458	

City of Upper Arlington, Ohio
Income Tax Statistics
Local Taxes Paid by Upper Arlington Residents for Tax Years 2018 -2009
Last Ten Years

Tax Year	Taxes Paid by Upper Arlington Residents	%	Taxes credited to other municipalities	%	Total Local Income tax Paid by Residents
2018	7,967,418	19.1%	33,775,836	80.9%	41,743,254
2017	5,720,716	12.2%	41,300,186	87.8%	47,020,902
2016	7,657,599	15.9%	40,507,619	84.1%	48,165,218
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	15.1%	19,413,911	84.9%	22,869,687

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 2019 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
2019	2.5%	\$ 29,722	\$ 17,885	60%	\$ 3,883	13%	\$ 7,954	27%
2018	2.5%	28,737	17,047	59%	3,835	13%	7,855	27%
2017	2.5%	26,108	16,136	62%	3,209	12%	6,763	26%
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	24%
2010	2.0%	13,595	8,823	65%	1,654	12%	3,118	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
2019	\$ 416,807	\$ 393,088
2018	274,537	262,354
2017	269,049	257,173
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

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 December 31	Total Tax Levy for Year	Collected within the Year of the Levy		Total Collections to Date			Outstanding Delinquent Taxes
		Amount	Percentage of Levy	Delinquent Amount	Total Collected	Percentage of Levy	
2019	\$ 11,558	\$ 11,227	97.1%	\$ 182	\$ 11,409	98.7%	\$ 175
2018	11,670	11,473	98.3%	226	11,699	100.2%	167
2017	10,926	10,084	92.3%	243	10,327	94.5%	599
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

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>2019</u>	<u>2018</u>	<i>Restated</i> <u>2017</u>	<u>2016</u>	<u>2015</u>
Water Surcharge Fund					
Assets	\$ 19,570	\$ 16,887	\$ 17,232	\$ 16,168	\$ 14,865
Net Position	18,214	15,399	15,632	14,722	14,265
Operating Revenue	723	465	484	541	447
Operating (Expense)	(757)	(665)	(821)	(856)	(718)
Non-operating					
Interest expense	(37)	(38)	(40)	(23)	(22)
Capital contributions	2,886	5	1,445	795	117
Transfers in	-	-	-	-	-
Changes in net position	2,815	(233)	1,068	457	(176)
Rate per 1000 cubic feet (MCF)	-	-	-	-	-
Surcharge rate on commodity	10%	10%	10%	10%	10%
Sewer Surcharge Fund					
Assets	\$ 10,042	\$ 9,835	\$ 5,932	\$ 6,019	\$ 5,822
Net Position	9,092	9,156	5,318	5,722	5,629
Operating Revenues	1,138	869	875	959	834
Operating (Expense)	(1,261)	(1,294)	(1,076)	(801)	(634)
Non-operating					
Investment income	-	-	-	-	-
Interest expense	(3)	(3)	(2)	(26)	(1)
Other, net	-	-	-	(39)	-
Capital contributions	62	4,266	-	-	-
Transfers in	-	-	-	-	-
Changes in net position	(64)	3,838	(203)	93	199
Rate per 1000 cubic feet (MCF)	n/a	n/a	n/a	n/a	n/a
Surcharge rate on commodity	18%	18%	18%	18%	18%
Stormwater Fund					
Assets	\$ 16,016	\$ 15,775	\$ 15,836	\$ 13,989	\$ 10,767
Net Position	14,901	14,688	14,769	12,836	10,205
Operating Revenue	765	767	755	760	737
Operating (Expense)	(898)	(699)	(698)	(546)	(498)
Non-operating					
Investment income	63	41	20	19	17
Interest expense	(27)	(27)	(31)	(62)	(49)
Other, net	-	-	-	-	(13)
Capital contributions	309	(163)	1,993	2,460	549
Changes in net position	212	(81)	2,039	2,631	743
Annual residential rate	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45

Table 15

		Year				
<i>Restated</i>						
<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>		
\$ 14,977	\$ 13,078	\$ 8,467	\$ 7,946	\$ 7,411		
14,441	12,683	7,959	7,518	6,882		
431	454	484	415	401		
(650)	(518)	(470)	(553)	(441)		
(5)	(9)	(12)	(15)	(19)		
1,149	4,798	438	790	341		
916	-	-	-	-		
1,841	4,725	440	637	282		
-	-	-	-	-		
10%	10%	10%	10%	10%		
\$ 5,694	\$ 5,697	\$ 5,883	\$ 5,361	\$ 4,733		
5,430	5,432	5,192	4,803	3,992		
788	818	850	792	774		
(625)	(567)	(687)	(656)	(640)		
-	-	-	-	2		
(6)	(12)	(17)	(23)	(28)		
-	1	1	(2)	-		
-	-	242	699	20		
-	-	-	-	-		
157	240	389	810	128		
n/a	n/a	n/a	n/a	n/a		
18%	18%	18%	18%	18%		
\$ 10,189	\$ 8,187	\$ 8,104	\$ 7,451	\$ 7,244		
9,462	7,448	7,151	6,300	6,008		
758	748	753	760	547		
(467)	(471)	(753)	(1,000)	(1,049)		
28	(1)	20	17	45		
(20)	(23)	(26)	(29)	(32)		
-	-	-	-	(1)		
1,843	44	658	-	554		
2,142	297	652	(252)	64		
\$ 45	\$ 45	\$ 45	\$ 45	\$ 33		

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

	<u>Year</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Swimming Pools Fund					
Assets	\$ 12,655	\$ 11,141	\$ 11,365	\$ 5,239	\$ 5,187
Net Position	11,790	10,536	10,934	5,042	4,882
Operating Income	792	758	712	600	541
Operating (Expense)	(1,252)	(1,156)	(836)	(440)	(720)
Non-operating					
Other, net	-	-	-	-	(55)
Capital contributions	1,714	-	-	-	-
Changes in net position	1,254	(398)	(124)	160	(234)
Cost of a resident family membership (family of four)	\$ 260.00	\$ 260.00	\$ 220.00	\$ 220.00	\$ 220.00
Solid Waste Fund					
Assets	\$ 1,078	\$ 1,257	\$ 802	\$ 549	\$ 239
Net Position	944	768	618	376	67
Operating Income	3,008	2,985	2,276	2,457	2,006
Operating (Expense)	(2,861)	(2,852)	(2,042)	(2,153)	(2,063)
Non-operating					
Investment income	29	17	8	5	3
Other, net	-	-	-	-	-
Transfers in	-	-	-	-	240
Transfers out	-	-	-	-	-
Changes in net position	176	150	242	309	186
Cost of a single trash sticker	\$ -	\$ -	\$ 2.90	\$ 2.90	\$ 2.90
Annual base charge per unit	\$ 227.00	\$ 227.00	\$ 64.00	\$ 64.00	\$ 40.00

Source: City of Upper Arlington Finance Department

Note:

GASB 68 was implemented in 2015 and the 2014 amounts have been restated. Effects of this implementation can not fully be shown for prior years.

GASB 75 was implemented in 2018 and the 2017 amounts have been restated. Effects of this implementation can not fully be shown for prior years.

Table 15

		<u>Year</u>							
		<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>			
\$	5,396	\$	5,500	\$	5,608	\$	5,673	\$	5,692
	5,116		5,498		5,606		5,670		5,688
	566		588		646		638		628
	(673)		(693)		(711)		(657)		(666)
	-		-		(1)		-		(5)
	-		-		2		-		-
	(107)		(105)		(64)		(19)		(43)
\$	210.00	\$	210.00	\$	210.00	\$	200.00	\$	200.00
\$	56	\$	39	\$	123	\$	174	\$	255
	(119)		(152)		(47)		4		86
	1,917		1,961		1,986		1,954		1,685
	(2,109)		(2,077)		(2,052)		(2,041)		(2,009)
	1		1		3		5		4
	-		-		-		-		-
	-		10		12		-		450
	224		-		-		-		-
	33		(105)		(51)		(82)		130
\$	2.90	\$	2.90	\$	2.90	\$	2.90	\$	2.40
\$	40.00	\$	40.00	\$	40.00	\$	40.00	\$	30.00

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>Non-Tax Revenue Bonds</u>	<u>Capital Leases</u>	<u>Loans</u>
2019	\$ 72,802	\$ -	\$ 72,802	\$ -	\$ -	\$ 20,340	\$ -	\$ 2,932
2018	75,976	-	75,976	-	-	-	-	3,144
2017	70,634	-	70,634	135	-	-	-	3,354
2016	65,813	-	65,813	260	-	-	187	3,510
2015	61,358	-	61,358	380	-	-	370	-
2014	44,288	-	44,288	495	4,800	-	551	-
2013	40,698	6,300	46,998	605	4,800	-	728	-
2012	33,908	15,520	49,428	710	4,800	-	-	-
2011	26,244	15,520	41,764	810	4,800	-	-	-
2010	28,047	15,520	43,567	905	-	-	-	-

Notes:

(1) See the Schedule of Demographic and Economic Statistics on table 20 for personal income and population data.

Sources:

City of Upper Arlington Finance Department

<u>Business-Type Activities</u>				
<u>General</u>		<u>Total</u>	<u>Percentage</u>	<u>Per</u>
<u>Obligation</u>	<u>Loans</u>	<u>Primary</u>	<u>of Personal</u>	<u>Capita (1)</u>
<u>Bonds</u>		<u>Government</u>	<u>Income (1)</u>	
\$ 1,818	\$ 66	\$ 97,958	4.26%	\$ 2,781
1,909	85	81,114	3.84%	2,321
1,998	104	76,225	3.83%	2,198
2,264	123	72,157	3.80%	2,094
726	177	63,011	3.41%	1,843
528	332	50,994	2.89%	1,499
691	590	54,412	2.97%	1,608
855	872	56,665	3.19%	1,677
1,018	947	49,339	2.86%	1,460
1,171	1,201	46,844	2.70%	1,387

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)

<u>Year</u>	<u>General Bonded Debt Outstanding</u>	<u>Less: Amounts Available in Debt Service Fund Restricted only for Principal Payments</u>	<u>Total</u>	<u>Percentage of Estimated Actual Taxable Value of Property</u>	<u>Per Capita</u>
2019	\$ 94,960	\$ -	\$ 94,960	4.94%	\$ 2,696
2018	77,885	-	77,885	4.05%	2,229
2017	72,632	-	72,632	3.77%	2,095
2016	68,077	-	68,077	3.98%	1,975
2015	62,084	-	62,084	3.65%	1,816
2014	44,816	-	44,816	2.63%	1,318
2013	47,689	-	47,689	3.05%	1,409
2012	50,283	-	50,283	3.21%	1,488
2011	42,782	-	42,782	2.72%	1,266
2010	44,738	-	44,738	2.83%	1,325

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, 2019

<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	\$ 1,934,730,440	\$ 100,397,371	100.00%	\$ 100,397,371
Overlapping				
Franklin County	30,882,217,570	187,355,000	6.26%	11,737,545
Columbus City School District	10,405,117,890	439,879,896	0.03%	145,235
Dublin City School District	3,551,711,040	198,035,587	0.49%	979,614
Upper Arlington City School District	1,948,243,810	223,345,000	98.23%	219,387,896
	8,073,095,220	1,534,928	0.22%	3,340
Solid Waste Authority of Central Ohio	32,467,293,290	63,005,000	5.96%	3,754,477
Subtotal, overlapping debt		1,113,155,411		236,008,107
Total direct and overlapping debt		<u>\$1,213,552,782</u>		<u>\$ 336,405,478</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)

	<u>Year</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Overall debt limit	\$ 203,147	\$ 202,017	\$ 202,385	\$ 179,658	\$ 178,823
Total net debt applicable to limit	72,215	73,459	68,742	63,893	39,080
Legal debt margin	130,932	128,558	133,643	115,765	139,743
Total net debt applicable to the limit as a percentage of debt limit	35.55%	36.36%	33.97%	35.56%	21.85%
Unvoted Debt limit	\$ 106,410	\$ 105,818	\$ 106,011	\$ 94,106	\$ 93,669
Total net debt applicable to limit	92,185	72,734	67,677	62,563	37,620
Legal debt margin	14,225	33,084	38,334	31,543	56,049
Total net debt applicable to the limit as a percentage of debt limit	86.63%	68.73%	63.84%	66.48%	40.16%
<u>Overall (Voted and Unvoted) Debt Limitation:</u>					
Total assessed value	\$1,934,730				
Debt limit (10 1/2% of total assessed value)	203,147				
Debt applicable to limit:					
General obligation bonds and notes	74,620	(1)			
Less: Amount set aside for repayment of general obligation debt	2,405				
Total net debt applicable to limit	<u>72,215</u>				
Legal debt margin	<u>\$ 130,932</u>				

Source: City of Upper Arlington Finance Department

Notes:

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

		<u>Year</u>							
		<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>			
\$	179,257	\$	164,038	\$	164,243	\$	165,269	\$	166,051
	43,902		43,931		54,764		46,750		43,542
	135,355		120,107		109,479		118,519		122,509
	24.49%		26.78%		33.34%		28.29%		26.22%
\$	93,896	\$	85,925	\$	86,032	\$	86,570	\$	86,979
	41,730		37,066		47,589		42,025		38,187
	52,166		48,859		38,443		44,545		48,792
	44.44%		43.14%		55.32%		48.54%		43.90%

Unvoted Debt Limitation:

Total assessed value	\$ 1,934,730
Debt limit (5 1/2% of total assessed value)	106,410
Debt applicable to limit:	
General obligation bonds and notes	74,620
Special obligation bonds	20,340
Less: Debt outside limitations	370
Debt within limitation	<u>94,590</u>
Less: Amount set aside for repayment of general obligation debt	<u>2,405</u>
Total net debt applicable to limit	<u>92,185</u>
Legal debt margin for unvoted debt	<u><u>\$ 14,225</u></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>
2019	35,223	\$ 2,298,266	\$ 65,249	40.9	6,174	2.7%	4.1%
2018	34,943	2,111,431	60,425	41.4	6,134	3.1%	4.6%
2017	34,675	1,987,952	57,331	42.1	6,093	4.0%	4.9%
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%

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>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Public Safety					
Police	58.2	55.8	63.0	63.0	63.0
Fire	58.0	57.0	57.0	57.0	57.0
General Government	33.5	33.7	38.1	37.7	36.5
Public Services (3)	51.4	50.9	43.8	42.2	41.2
Parks and Recreation (2)	59.2	59.0	55.4	55.1	54.4
Community Development	8.8	7.8	7.8	7.8	8.8
Utilities (1)	0.0	0.0	0.0	0.0	0.0
Total	269.1	264.1	265.1	262.8	260.8

Function	Full-time Equivalent Employees as of December 31				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Public Safety					
Police	63.0	63.0	65.0	65.0	65.0
Fire	60.0	60.0	60.0	64.0	64.0
General Government	35.8	36.6	40.1	40.1	46.5
Public Services	41.9	44.4	33.0	33.3	34.2
Parks and Recreation (2)	55.1	52.2	56.3	56.3	50.8
Community Development	8.8	9.8	9.8	9.3	10.0
Utilities (1)	0.0	0.0	9.8	9.8	12.2
Total	264.5	266.0	274.1	277.8	282.7

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>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<i>Public Safety - Police</i>				
Number of police stations	1	1	1	1
Number of police cruisers	18	15	15	15
Number of pieces of equipment	256	302	304	304
<i>Public Safety - Fire</i>				
Number of fire stations	2	2	2	2
Number of fire engines	3	3	2	3
Number of medics	4	4	4	3
Number of pieces of equipment	240	287	285	252
<i>Public Services</i>				
Miles of roads	346	346	346	346
Number of traffic signals	51	51	52	52
Number of streetlights	1,811	1,811	1,727	1,581
<i>Parks and Recreation</i>				
Number of parks	23	23	23	26
Acres of parkland	183	183	183	186
Number of swimming pools	3	3	3	2
Number of tennis courts	21	21	21	21
Number of senior centers	1	1	1	1
<i>Utilities</i>				
Number of fire hydrants	1,979	1,979	1,965	1,958
Number of catch basins	3,416	3,416	3,416	3,400
Miles of sanitary sewer	162	162	146	145

Sources:

1. City of Upper Arlington departments

Table 22

Year						
<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	
1	1	1	1	1	1	
15	15	15	15	15	15	
257	257	257	257	257	257	
2	2	2	2	2	3	
3	3	3	3	3	3	
3	3	3	3	3	4	
264	253	275	298	288	272	
356	204		204	204	204	
51	51	52	52	52	52	
1,491	1,491	1,491	1,497	1,497	1,427	
28	28	28	28	28	28	
170	170	170	170	170	180	
2	2	3	3	3	3	
21	21	21	21	20	20	
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	

City of Upper Arlington, Ohio
Operating Indicators by Function
Last Ten Years

Function	Operating Indicators by Function			
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
General Government				
Number of probation cases (Adults)	167	199	271	368
Number of traffic cases	2,782	2,697	2,711	3,151
Number of fleet management repairs	1,277	1,310	1,172	1,158
Public Services				
Roadway repairs-surface (sq. ft.)	53,503	47,277	35,448	23,558
Street cleaning-leaf collection (cu. Yds.)	20,539	23,792	17,765	22,053
Street cleaning-snow removal (hours)	2,730	2,642	2,400	772
Parks and Recreation				
Number of registrations for programs	28,778	25,690	22,263	20,411
Number of programs/classes	1,930	1,721	1,770	1,672
Number of trees planted (less removed trees)	199	305	274	194
Community Development				
Number of building permits issued	655	650	724	596
Number of building inspections conducted	6,113	5,868	5,100	3,039
Number of code investigations	825	647	658	691
Utilities				
Number of fire hydrant repairs (water)	167	81	179	66
Number of catch basin repairs (stormwater)	260	119	299	114
Number of manhole repairs (sewer)	3	4	0	3
Solid Waste				
Number of refuse collected (tons)	9,970	9,013	4,547	5,570
Number of yard waste collected (tons)	2,537	1,964	119	306
Number of recyclables collected (tons)	4,255	4,531	4,143	4,747

Sources:

1. City of Upper Arlington departments

Operating Indicators by Function

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
291	270	293	251	269	289
2,802	2,728	2,560	2,900	2,977	3,459
1,182	1,795	1,667	2,034	2,210	2,328
25,312	13,861	2,955	23,110	21,051	35,336
20,838	21,819	20,946	16,123	17,503	18,312
2,997	2,741	2,462	519	1,207	2,787
13,551	18,906	14,330	11,806	16,415	67,628
966	2,039	1,996	1,918	1,934	5,183
123	210	80	221	194	210
514	624	521	426	463	370
2,374	3,050	2,249	2,645	5,069	3,210
735	627	827	894	817	1,121
154	107	77	60	57	92
195	170	50	92	108	200
2	5	16	45	64	-
5,526	6,459	5,945	6,116	6,618	6,209
100	1,185	298	182	205	282
4,652	4,608	4,615	4,662	4,956	4,805



FINANCE DEPARTMENT
3600 Tremont Road, Upper Arlington, OH 43221
614-583-5921 | upperarlingtonoh.gov

    @CityofUA

OHIO AUDITOR OF STATE KEITH FABER



CITY OF UPPER ARLINGTON

FRANKLIN COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 9/1/2020

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

This report is a matter of public record and is available online at
www.ohioauditor.gov