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CITY OF | **UPPER
ARLINGTON**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2017

A GOLDEN FUTURE



CITY OF | **UPPER ARLINGTON**

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**COMPREHENSIVE
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2017**

ISSUED BY:

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

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

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

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*Purchasing Administrator***

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**Laura A. Lynde
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*Payroll Administrator***

**Tammy L. Grandy
*Management Assistant***



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**CITY OF UPPER ARLINGTON, OHIO
BASIC FINANCIAL STATEMENTS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For The Year Ended December 31, 2017**

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 Assets and Liabilities – Fiduciary Funds	38

Notes to the Basic Financial Statements	39
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Required Supplementary Information – Other than MD&A

Schedule of Revenues, Expenditures and Change in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) – General Fund	88
Notes to the Budgetary Schedule	91
Schedule of City's Proportionate Share of Net Pension (Asset)/Liability - Ohio Public Employee's Retirement System	92
Schedule of City's Proportionate Share of Net Pension Liability - Ohio Police and Fire Pension Fund	93
Schedule of City Contributions - Ohio Public Employee's Retirement System	95
Schedule of City Contributions -Ohio Police and Fire Pension Fund	96
Notes to the Required Supplementary Information	98

CITY OF UPPER ARLINGTON, OHIO
BASIC FINANCIAL STATEMENTS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For The Year Ended December 31, 2017

TABLE OF CONTENTS

Supplementary Information

Fund Descriptions – Major Governmental Funds	100
Schedule of Revenues, Expenditures and Change in Fund Balance	
Budget and Actual (Non-GAAP Budgetary Basis)	
All Major General Fund Accounts:	
General Operating Account	102
Capital Asset Management Account	104
Police and Fire Pension Account	105
Capital Equipment Account	106
Self-Insured Loss Account	107
Communications and Technology Account	108
Total General Fund Accounts	110
Schedule of Revenues, Expenditures and Change in Fund Balance	
Budget and Actual (Non-GAAP Budgetary Basis)	
General Obligation Bond Retirement Fund	112
All Major Capital Project Funds:	
Bonded Improvement Fund	113
Infrastructure Improvement Fund	114
Estate Tax Capital Projects Fund	115
Fund Descriptions – Nonmajor Governmental Funds	116
Combining Balance Sheet – Nonmajor Governmental Funds	118
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –	
Nonmajor Governmental Funds	119
Combining Balance Sheet – Nonmajor Special Revenue Funds	120
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –	
Nonmajor Special Revenue Funds	122
Schedule of Revenues, Expenditures and Change in Fund Balance	
Budget and Actual (Non-GAAP Budgetary Basis) –	
Nonmajor Special Revenue Funds:	
Tax Incentive Review Fund	124
Street Maintenance and Repair Fund	125
Law Enforcement Fund	126
Tree Planting Fund	127
Enforcement Education Fund	128
Mayor’s Court Computer Fund	129
Mayor’s Court Special Project Fund	130
Life Long Learning and Leisure Fund	131
Neighborhood Lighting Fund	132
Clerk of Court Fund	133
Upper Arlington Visitor’s Bureau Fund	134
Emergency Medical Services Fund	135
Civil Service Fund	136
Economic Development Venture Fund	137

CITY OF UPPER ARLINGTON, OHIO
BASIC FINANCIAL STATEMENTS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For The Year Ended December 31, 2017

TABLE OF CONTENTS

Supplementary Information (continued)	
Combining Balance Sheet – Nonmajor Capital Projects Funds	138
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit) – Nonmajor Capital Projects Funds	140
Schedule of Revenues, Expenditures and Change in Fund Balance	
Budget and Actual (Non-GAAP Budgetary Basis) – Nonmajor Capital Projects Funds:	
Arlington Centre TIF Fund	142
Tremont Road TIF Fund	143
Lane Avenue Mixed Use TIF Fund	144
Lane Avenue TIF Fund	145
Arlington Crossing TIF Fund	146
Horizon TIF Fund	147
Kingsdale West TIF Fund	148
Kingsdale Core TIF Fund	149
Riverside North TIF Fund	150
Riverside South TIF Fund	151
Community Fiber Optic Fund	152
Fund Descriptions – Enterprise Funds	153
Schedule of Revenues, Expenses and Change in Fund Equity	
Budget and Actual (Non-GAAP Budgetary Basis) – Enterprise Funds:	
Solid Waste Fund	154
Water Surcharge Fund	155
Sanitary Sewer Surcharge Fund	156
Stormwater Fund	157
Swimming Pools Fund	158
Fund Descriptions – Internal Service Funds	159
Combining Statement of Net Position – Internal Service Funds	160
Combining Statement of Revenues, Expenses, and Changes in Net Position – Internal Service Funds	161
Combining Statement of Cash Flows – Internal Service Funds	162
Schedule of Revenues, Expenses and Change in Fund Equity	
Budget and Actual (Non-GAAP Budgetary Basis) – Internal Service Funds	
Employee Benefits Fund	163
BWC Administration Fund	164
Fund Descriptions – Fiduciary Funds	165
Combining Statement of Fiduciary Assets and Liabilities – Fiduciary Funds (Agency Funds Only)	166
Combining Statement of Changes in Fiduciary Assets and Liabilities – Fiduciary Funds (Agency Funds Only)	168

CITY OF UPPER ARLINGTON, OHIO
BASIC FINANCIAL STATEMENTS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For The Year Ended December 31, 2017

TABLE OF CONTENTS

Statistical Section

Description of Contents	171
Financial Trends:	
Net Position by Component – Last Ten Years – Table 1	172
Changes in Net Position – Last Ten Years – Table 2	174
Fund Balances of Governmental Funds – Last Ten Years – Table 3	178
Changes in Fund Balances of Governmental Funds – Last Ten Years – Table 4	180
Revenue Capacity:	
Governmental Activities Tax Revenues by Source – Last Ten Years – Table 5	182
Principal Property Taxpayers – Current and Nine Years Ago – Table 6	183
Property Tax Rates – Direct and Overlapping Governments – Last Ten Years – Table 7	184
Assessed Value and Estimated Actual Value of Taxable Property – Last Ten Years – Table 8	186
Principal Employers – Ranked by Number of Full-time Employees – Last Ten Years – Table 9	188
Income Tax Statistics – Income Averages – Last Ten Years – Table 10	190
Income Tax Statistics – Local Taxes Paid by Residents – Last Ten Years – Table 11	192
Income Tax Revenue Base and Collections (Cash Basis) – Last Ten Years – Table 12	193
Special Assessment Billings and Collections – Last Ten Years – Table 13	194
Property Tax Levies and Collections – Last Ten Years – Table 14	195
Enterprise Funds Summary Data – Last Ten Years – Table 15	196
Debt Capacity:	
Ratios of Outstanding Debt by Type – Last Ten Years – Table 16	200
General Bonded Debt Outstanding as a Percentage of Estimated Actual Taxable Value of Property and per Capita – Last Ten Years – Table 17	202
Direct and Overlapping Governmental Activities Debt – As of December 31, 2017 – Table 18	203
Legal Debt Margin Information – Last Ten Years – Table 19	204
Demographic and Economic Information:	
Demographic and Economic Statistics – Last Ten Years – Table 20	206
Operating Information:	
Full-time Equivalent City Government Employees by Function – Last Ten Years – Table 21	207
Capital Asset Statistics – Last Ten Years – Table 22	208
Operating Indicators by Function – Last Ten Years – Table 23	210



June 25, 2018

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 fiscal year ended December 31, 2017, 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

Now celebrating its Centennial anniversary, 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 88. For governmental funds, other than the General Fund, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, which starts on page 102.

Factors Affecting Financial Condition

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

Local Economy

The Bureau of Economic Analysis indicates that Ohio’s economy grew by 1.8%. The Ohio economy is currently valued at \$649 billion. Economic growth in the Columbus region has been strong, with the Columbus region ranked as the fastest growing metropolitan area in the country.

Reinvestment in Upper Arlington remained strong in 2017. The City’s Community Development Department reviewed and inspected housing and commercial construction projects valued at more than \$92 million.

Economic development activity remained steady with the Economic Development Office continuing 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 2017 and into 2018, and the coming year could mark the start of or significant progress on several significant projects. They include:

- Lane Avenue Development - a project previously led by Shanghai Enterprises (J. Liu) has been revised and expanded by Crawford Hoying to include property on the west side of Westmont Boulevard. The east side phase proposes a 116-room hotel and housing units to provide a better neighborhood transition. The west side proposes apartments, first floor retail, 20,000 square feet of office and structured parking. Pending the necessary approvals and a successful rezoning process, construction is tentatively scheduled to begin in the fall of 2018, with completion of the hotel by early fall 2019, and the second phase by the spring of 2020.
- Arlington Gateway – plans for this project, located on the southeast side of Lane Avenue and North Star Road, have been greatly expanded to encompass property all the way to the corner of North Star. The significantly expanded footprint proposes 27,000 square feet of ground floor retail, restaurant and bank uses, 218 apartments on the 2nd-6th floors that wrap around a seven-story, 843 space parking garage, and

133,000 square feet of office space on the 7th-11th floors. The review and approval process is set for spring/summer 2018, with no timeline for construction if approved known at this time.

- Heartland Bank – a new, two-story bank with offices for some of the company’s financial planning operations has begun construction at the northwest corner of Lane Avenue and Northwest Boulevard, replacing the old Sunoco gas station.
- First Community Village has announced its plans to construct a five-story, 70-unit independent living apartment complex, with a 70-space parking garage.
- The former Trek store on Lane Avenue will transform into a Brassica Restaurant, with offices for its parent company—owners of the Northstar restaurants and Third and Hollywood in Grandview.
- Orthopedic One – this busy medical facility at Sawmill Road and Henderson Road has plans to expand its surgery facilities at the rear of the facility.
- The Upper Arlington Veterinary Hospital is in the process of renovating and expanding an office building at 1515 Lane Avenue.

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 \$118 million for years 2018 through 2027.

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

Relevant Financial Policies

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

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

Major Initiatives

The City has 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.

Effective January 2015, the City began collecting an additional 0.5% in income tax resulting from passage of Issue 23 in November of 2014. Per Council directive, 100% of the revenues raised from this increase are being dedicated to funding the City's capital needs, providing a long-term, critical funding source for the 10-year Capital Improvement Program. With tax reporting for the previous year occurring each April, 2016 represents the first full year income tax receipts reflecting approximately \$6.5 million of the \$26 million in income tax revenues received in 2017 can be attributed to the tax increase.

The fourth year of the City's 10-year Capital Improvement Program was implemented in 2017, bringing the City's total investment to date to approximately \$45 million. Sections of 19 streets were completely reconstructed, sections of 22 streets were resurfaced and received spot curb and gutter repairs, three bridges were replaced or improved, three waterlines replaced, and work began on sanitary sewer improvements as part of a 10-year project that will fulfill an EPA-mandate for studying and remediating faults in the system that allow rainwater to enter sanitary sewers.

By the close of 2018, an additional \$16 million will have been invested. Proactive efforts to secure supplemental funding continue to be successful, with the current 10-year plan including a projection of approximately \$11 million in alternate funding sources. Projects include full reconstruction on sections of 14 streets, resurfacing and sport curb and gutter repairs on sections of 15 streets, six waterline replacement projects, one bridge replacement, two storm drainage replacement projects and implementation of year two for the sanitary sewer remediation project.

Following an extensive community engagement and planning process, the Northam Park Phase II project transitioned from planning to construction late in 2016, with completion in the summer of 2017. The new Tremont Pool successfully incorporates an impressive list of features requested by the community and complementing facilities at the City's other two outdoor pools. The new playground has quickly become a destination spot for families whose children love the combination of natural and traditional play features situated in a beautiful grove of mature trees. Other components of this project included construction of a park entry and drop-off area adjacent to the new parking lot, and a reading garden by the Tremont Library.

Following an extensive review process relative to options for 911/dispatching operations, the City began preparations for transition this critical component of our safety services to the Northwest Regional Emergency Communications Center (NRECC) at the City of Dublin. The Fire Division successfully transferred to NRECC in the fall of 2017, with Police following suit early in 2018. Today, residents see no difference in how their emergency calls for help are received and dispatched, since calls are connected directly to professional dispatchers that have been given hands-on training on Upper Arlington's geography and service needs. Behind the scenes, technological advances available through NRECC have streamlined procedures and promise to stay apace with future regulation changes and the continuing increase in cell phone usage.

Another critical service transitioned from a detailed two-year study and community engagement process to preparations for significant change early in 2018—the City's Solid Waste Program. A new contract was secured with Local Waste Services—which took effect in February of 2018—transforming an outdated, cumbersome approach to one that features a simplified payment structure to recoup the costs for this Enterprise Fund-run service, with uniform trash and recycling containers with lids. The transformation of the community on trash days has been

significant, virtually eliminating blowing recyclables on windy days, with an efficient collection process that residents have welcomed with open arms.

The City began a Parks & Recreation Comprehensive Plan process in the summer of 2017, considered a vital step toward guiding future decision-making to get the most value from the community's limited parks and the facilities within them. Expected to conclude by the third quarter of 2018, the process has been extensive. A community engagement process has included interviews, focus groups, public meetings and various surveying tools, with more than 2,400 points of feedback received. The project consultant has also taken a detailed look at existing conditions, compared Upper Arlington to other similar communities and researched recreation trends that will all be combined to develop a set of recommendations and implementation strategies in its final report to City Council.

Another important study that was deeply reliant on resident participation began in late fall. The River Ridge/Kingsdale West Study was conducted to consider the specific needs, challenges and opportunities facing this important residential district. The study considered housing trends, neighborhood connectivity, pedestrian access, safety, traffic and other items brought forward by residents. The resulting report and recommendations are before City Council currently, and include recommendations such as allowing the enclosure of carports, reducing building heights, and installing sidewalks on key streets.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the 30th consecutive Certificate of Achievement for Excellence in Financial Reporting to the City of Upper Arlington for its comprehensive annual report for the fiscal year ended December 31, 2016.

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 12th consecutive Award for Outstanding Achievement in Popular Annual Financial Reporting from GFOA for the 2016 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,



Brent Lewis, CPA
Finance Director



Theodore J. Staton
City Manager



Government Finance Officers Association

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

Presented to

**City of Upper Arlington
Ohio**

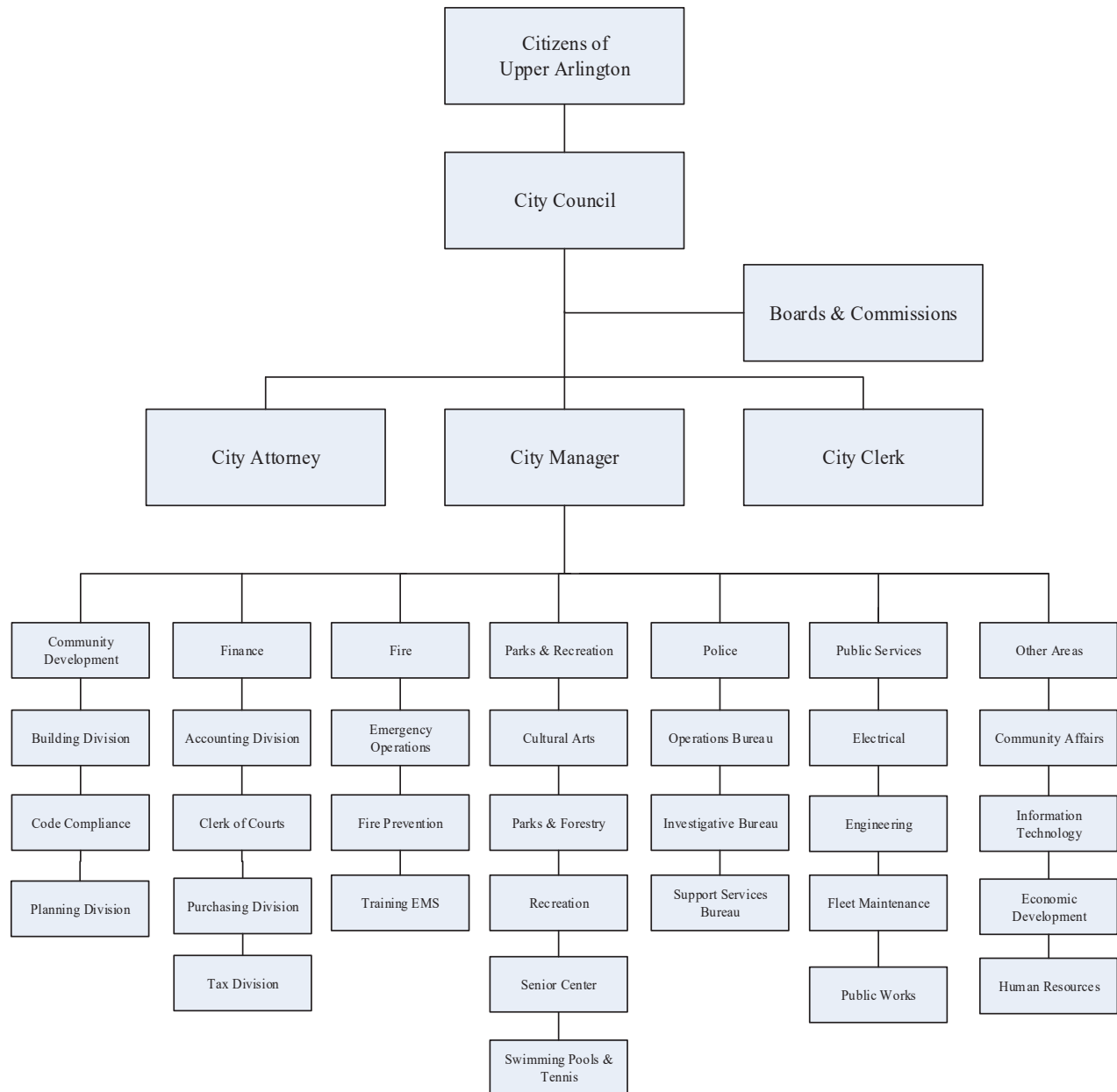
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morill

Executive Director/CEO

CITY OF UPPER ARLINGTON, OHIO
ORGANIZATIONAL CHART
For the Year Ended December 31 , 2017



CITY OF UPPER ARLINGTON, OHIO
LIST OF CITY OFFICIALS
December 31, 2017

City Council

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

Appointed Officials

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

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	Tracy L. Hahn
Public Services Director	Mark G. Kelsey





CITY OF | **UPPER ARLINGTON**

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

INDEPENDENT AUDITOR'S REPORT

To the City Council 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, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2018 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 & Son, Inc.

Newark, Ohio
June 25, 2018



CITY OF | **UPPER ARLINGTON**

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CITY OF UPPER ARLINGTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(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, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found at the front of this report.

Financial Highlights

- The assets and deferred outflow of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent year by \$118.0 million (net position).
- The City's total net position increased by \$3.9 million, or 3%.
- At the end of the current year, the unassigned fund balance for the General Fund was \$17.4 million, or 51% 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 \$65.1 million, a decrease of \$2.3 million in comparison with the prior year. Of this total amount:
 - \$3.4 million, or 5%, represents non-spendable balances for inventories and advances.
 - \$33.7 million, or 52%, 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.
 - \$10.6 million, or 16%, 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 3%, of the fund balance is categorized as assigned. Assigned fund balances are constrained by the government's intent to use the funds for a specific purpose but are neither restricted nor committed.
 - \$15.4 million, or 24%, of the fund balance is categorized as unassigned. The unassigned fund balance represents fund balance that has not been restricted, committed, or assigned.

Overview of the Financial Statements

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

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

CITY OF UPPER ARLINGTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)

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

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

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

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

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

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

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

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

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

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

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

CITY OF UPPER ARLINGTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)

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

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

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

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

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

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

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City. Required supplementary information can be found on pages 87 – 98 of this report.

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

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

CITY OF UPPER ARLINGTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)

Government-wide Financial Analysis

	<u>Net Position</u>			
	Governmental Activities		Business-type Activities	
	2017	2016	2017	2016
<u>Assets</u>				
Current and other assets	\$ 88,143,049	\$ 89,407,408	\$ 6,149,552	\$ 5,422,648
Capital assets, net	105,806,836	101,290,891	45,165,768	36,670,158
Net pension asset	7,121	4,998	843	442
Total assets	<u>193,957,006</u>	<u>190,703,297</u>	<u>51,316,163</u>	<u>42,093,248</u>
<u>Deferred Outflows of Resources</u>	<u>11,241,529</u>	<u>11,769,822</u>	<u>817,086</u>	<u>453,084</u>
<u>Liabilities</u>				
Current and other liabilities	3,904,910	2,909,296	238,753	234,931
Long-term liabilities	<u>118,156,433</u>	<u>111,908,117</u>	<u>3,686,392</u>	<u>3,270,281</u>
Total liabilities	<u>122,061,343</u>	<u>114,817,413</u>	<u>3,925,145</u>	<u>3,505,212</u>
<u>Deferred Inflows of Resources</u>	<u>13,190,871</u>	<u>12,306,923</u>	<u>122,612</u>	<u>213,390</u>
<u>Net Position</u>				
Net investment in capital assets	50,937,534	44,988,680	43,063,552	34,284,074
Restricted	32,083,943	26,133,755	-	-
Unrestricted	<u>(13,075,156)</u>	<u>4,226,348</u>	<u>5,021,940</u>	<u>4,543,656</u>
Total net position	<u>\$ 69,946,321</u>	<u>\$ 75,348,783</u>	<u>\$ 48,085,492</u>	<u>\$ 38,827,730</u>

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 \$118.0 million at the close of 2017.

A large portion of the City's net position (80%) 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, (27%) represents resources that are subject to restrictions on how they may be used.

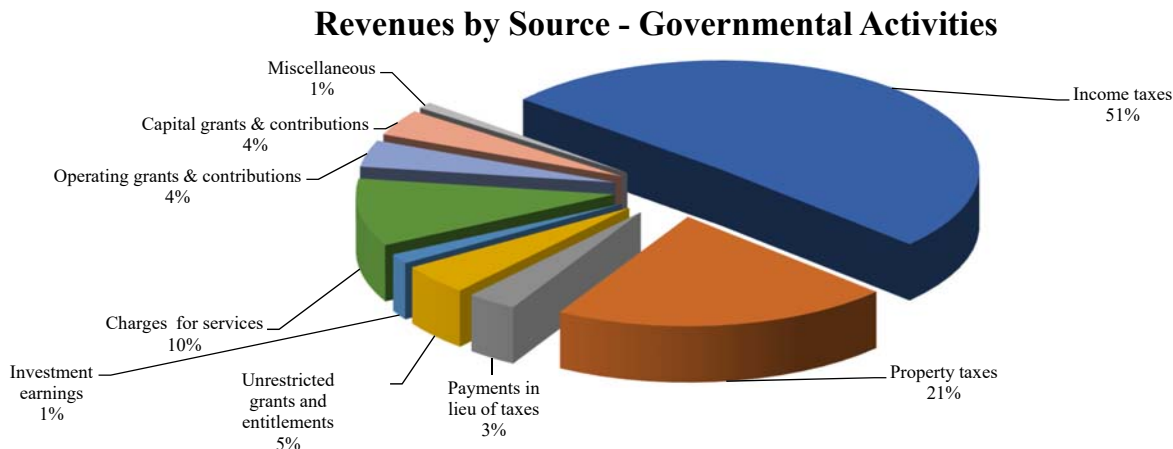
CITY OF UPPER ARLINGTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)

Overall net position of the City increased \$3.9 million (3%) in 2017. Net position for governmental activities decreased \$5.4 million (7%), while the net position for business-type activities increased \$9.3 million (24%).

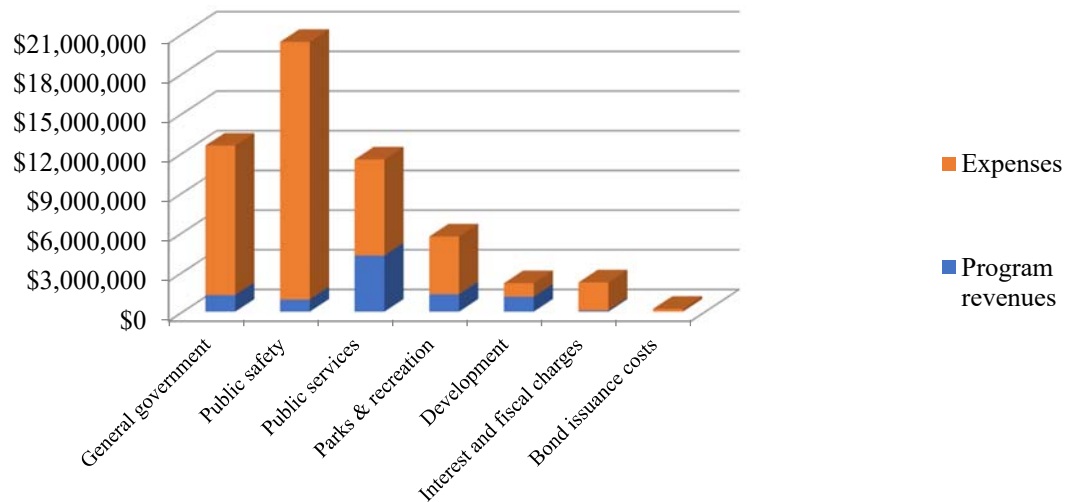
The large increase in overall net position can be primarily attributed to four main factors: (1) income tax revenue increased by \$1.5 million as a result of a general uptick in the economy; (2) the City received \$1.8 million in grant receipts related to infrastructure improvement; (3) \$18.3 million in capital asset additions offset by a \$5.3 million in depreciation expense; and (4) total bonded debt increased by \$4.7 million as a result of the issuance of \$9.3 million in various purpose bonds and loans offset by regular debt payments.

Governmental activities. As stated previously, Governmental activities net position decreased by \$5.4 million. General revenues increased by \$2.3 million primarily due to a \$1.5 million increase in income tax revenue along with a general uptick in the economy.

The following charts illustrate both the 2017 revenues and expenses for governmental activities.



Expenses and Program Revenues - Governmental Activities



CITY OF UPPER ARLINGTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)

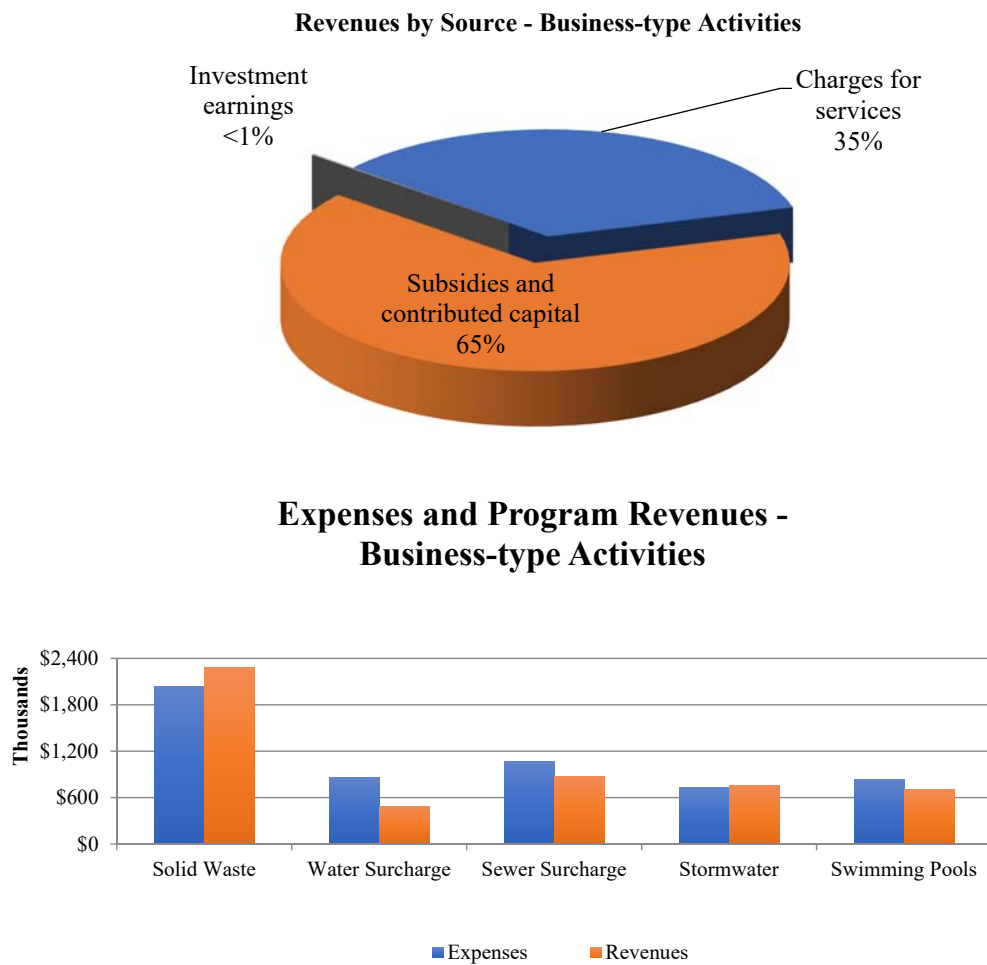
Changes in Net Position

	Governmental Activities		Business-type Activities	
	2017	2016	2017	2016
Revenues:				
<i>Program revenues:</i>				
Charges for services	\$ 5,012,301	\$ 4,965,180	\$ 5,101,735	\$ 5,316,425
Operating grants & contributions	1,975,585	1,847,352	-	-
Capital grants & contributions	1,944,289	535,993	-	-
<i>General revenues:</i>				
Income taxes	25,447,687	23,945,983	-	-
Property taxes	10,601,746	10,503,050	-	-
Payment in lieu of taxes	1,568,406	2,344,330	-	-
Unrestricted grants and entitlements	2,244,939	2,496,543	-	-
Unrestricted investment earnings	735,072	563,516	28,199	24,653
Other miscellaneous revenues	470,460	687,265	-	-
Total revenues	<u>50,000,485</u>	<u>47,889,212</u>	<u>5,129,934</u>	<u>5,341,078</u>
Expenses:				
General government	11,299,346	10,491,306	-	-
Public safety	19,471,869	18,921,660	-	-
Public services	7,264,870	6,688,176	-	-
Parks and recreation	4,362,705	3,657,395	-	-
Community development	1,015,559	912,157	-	-
Interest and fiscal charges	2,122,773	1,683,423	-	-
Bond issuance costs	211,737	170,991	-	-
Solid waste	-	-	2,041,993	2,152,760
Water surcharge	-	-	854,750	881,036
Sanitary sewer surcharge	-	-	1,068,934	869,315
Stormwater	-	-	725,795	609,546
Swimming pools	-	-	834,788	440,290
Total expenses	<u>45,748,859</u>	<u>42,525,108</u>	<u>5,526,260</u>	<u>4,952,947</u>
Change in net position before transfers	4,251,626	5,364,104	(396,326)	388,131
Transfers	<u>(9,654,088)</u>	<u>(3,254,931)</u>	<u>9,654,088</u>	<u>3,254,931</u>
Change in net position	<u>(5,402,462)</u>	<u>2,109,173</u>	<u>9,257,762</u>	<u>3,643,062</u>
Net position at beginning of year	75,348,783	73,239,610	38,827,730	35,184,668
Net position at end of year	<u>\$ 69,946,321</u>	<u>\$ 75,348,783</u>	<u>\$ 48,085,492</u>	<u>\$ 38,827,730</u>

CITY OF UPPER ARLINGTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)

Business-type activities. Business-type activities increased the City's net position by \$9.3 million. The key element of the increase was the current year subsidies and transfers of capital assets from governmental sources of \$9.7 million.

The following charts illustrate 2017 revenues and expenses for the business type activities.



CITY OF UPPER ARLINGTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(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 \$65.1 million, a decrease of \$2.3 million in comparison with the prior year. Of this total amount:

- \$3.4 million, or 5%, represents non-spendable balances for inventories and advances.
- \$33.7 million, or 52%, 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.
- \$10.6 million, or 16%, 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 3%, of the fund balance is categorized as assigned. Assigned fund balances are constrained by the government's intent to use the funds for a specific purpose but are neither restricted nor committed.
- \$15.4 million, or 24%, of the fund balance is categorized as unassigned. The unassigned fund balance represents fund balance that has not been restricted, committed, or assigned.

The General Fund is the chief operating fund of the City. At the end of the current year, the unassigned fund balance of the General Fund was \$17.4 million, while the total fund balance was \$38.8 million. The remaining fund balance consists of \$14.6 million restricted for pension obligations and capital improvements; \$1.5 million committed for capital improvements and/or payment of debt issued for capital improvements and general liability insurance; \$3.3 million in non-spendable balance for inventories and advances not expected to be returned within one year; and, \$2.0 million assigned for future appropriations and expenditures.

During 2017, the City saw fund balance in the General Fund, General Obligation Bond Retirement Fund, and Estate Tax Capital Projects Fund decrease by \$713,016, \$64,071 and \$5.7 million, respectively. These decreases were attributable to the following:

- The decrease in the General Fund was primarily the result of increased expenditures and a \$5.7 million transfer to the Infrastructure Improvement Fund.
- The decrease in the General Obligation Bond Retirement Fund primarily resulted from debt service payments during the year offset by transfer in.
- The decrease in the Estate Tax Capital Projects Fund was the result of spending down existing balances on capital expenditures. The capital expenditures out of this fund were offset by revenues received through the Ohio Public Works Commission as part of a project for the reconstruction of Tremont Road.

CITY OF UPPER ARLINGTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)

Two of the City's major governmental funds had increases in fund balance during 2017. The fund balance in the Bonded Improvement Fund and Infrastructure Improvement Fund increased \$249,927 and \$3.7 million, respectively. The increases were attributable to the following:

- The increase in the Bonded Improvement Fund was the result of the issuance of debt for the purpose of capital improvements and interest offset by capital expenditures.
- The increase in the Infrastructure Fund was the result of grants revenue and transfers in from the General Fund offset by capital expenditures.

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

As of the close of the current year, the City's proprietary funds reported combined ending net position of \$50.4 million, an increase of \$9.6 million in comparison with the prior year. Of this total amount, \$43.1 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 \$7.3 million is unrestricted.

As mentioned above, net position increased \$9.6 million during 2017. All of the enterprise funds saw an increase in net position during 2017 except for the Sanitary Sewer Surcharge Fund which had an increase in contractual services during 2017 resulting in a decrease in net position. The largest increase in net position occurred in the Swimming Pools Fund at \$6.1 million. The increase was primarily the result of receiving its portion of capital assets that were completed during 2017 and paid for out of governmental activity funds. While all funds had large increases in net pension liability, the largest increase occurred in the Swimming Pools Fund. This is a result of bringing pool operations back into the City during 2017.

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, 2017, amounts to \$151.0 million, net of accumulated depreciation. This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure and construction in progress. The City's overall investment in capital assets, increased \$13.0 million, or 9.4%.

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

- ❑ **Key construction-in-progress infrastructure projects included:** The City continued its to invest in the 10-year capital improvements plan for its aging infrastructure. Construction, engineering and studies for street, waterline, and stormwater projects that have begun and will continue into future years include: Tremont Pool replacement, Northam Park renovations, street maintenance and street reconstruction programs, and various other street, waterline, bridge, sewer, and stormwater projects.
- ❑ **Key completed construction and infrastructure projects included:** Tremont Road reconstruction, community fiber optic installation, 2017 street maintenance and street reconstruction programs, and 2017 water line replacement projects.

CITY OF UPPER ARLINGTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)

Capital assets, net of accumulated depreciation

	Governmental Activities		Business-type Activities	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Land	\$ 4,456,212	\$ 4,456,212	\$ 1,236,573	\$ 1,236,573
Construction in progress	2,704,123	4,455,120	918,970	909,500
Building	8,251,197	8,451,390	-	-
Improvement	8,821,985	6,854,892	10,181,234	4,091,442
Machinery and equipment	4,316,123	4,265,396	212,895	296,773
Infrastructure	77,257,196	72,807,881	32,616,096	30,135,870
Total	<u>\$ 105,806,836</u>	<u>\$ 101,290,891</u>	<u>\$ 45,165,768</u>	<u>\$ 36,670,158</u>

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

Long-term debt. At the end of the current year, the City had total bonded debt outstanding of \$69.4 million. This debt is backed by the full faith and credit of the City. The City does not have any revenue bonds.

Outstanding Bonded General Obligation Debt

	Governmental Activities		Business-type Activities	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
General obligation bonds	\$ 67,296,564	\$ 62,248,199	\$ 1,998,436	\$ 2,261,795
Special assessment bonds	135,000	260,000	-	-
Total	<u>\$ 67,431,564</u>	<u>\$ 62,508,199</u>	<u>\$ 1,998,436</u>	<u>\$ 2,261,795</u>

During the current year, the City's total bonded debt increased by \$4.7 million as a result of the issuance of \$9.3 million in various purpose bonds for the purpose of funding capital improvements offset by regular debt payments.

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

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

CITY OF UPPER ARLINGTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)

General Fund Budgetary Highlights

During 2017, the City increased its original General Fund revenues and other financing sources estimates by \$797,000. 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 2017, the City increased original appropriations by \$2.0 million, highlighted by a \$260,000 transfer to the EMS Billing Fund. Other increases were made in relation to the higher than expected expenditures. Actual expenditures were \$1.5 million less than final appropriations are a result of conservative budgeting practices.

Economic Factors and Next Year's Budgets and Rates

- ❑ In 2017, Upper Arlington's average unemployment rate was 4.0%, which compares favorably to the state's average unemployment rate of 4.9%.
- ❑ The median household income in Upper Arlington is \$102,094, which is significantly higher the state's average of \$50,674.
- ❑ In 2014, the State of Ohio legislation passed a state-wide revision of the municipal income tax laws based on the concept of uniformity. Many of the provisions of the bill went into effect during tax year 2016; however, the effects on revenue are still being determined.
- ❑ The Development Department issued 724 residential and commercial permits in 2017. 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 decreased \$3.3 million to a fund balance of \$15.4 million. The City has appropriated \$36.7 million for General Fund account operating expenditures in the 2018 year budget, which includes the 2018 budgeted revenues of \$35.2 million.
- ❑ Self-insured workers compensation claims were .4% of payroll. This is lower than the 1.3% anticipated in 2014. 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 2017.

Requests for Information

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



CITY OF | **UPPER ARLINGTON**

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

**STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2017**

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Upper Arlington Community Improvement Corporation
Assets				
Cash, cash equivalents and investments	\$ 63,182,786	\$ 5,606,718	\$ 68,789,504	\$ -
Cash, cash equivalents in segregated accounts	-	-	-	9,303
Receivables (net of allowances for uncollectibles):				
Income taxes	6,823,627	-	6,823,627	-
Property and other taxes	10,445,374	-	10,445,374	-
Special assessments	452,208	-	452,208	-
Payments in lieu of taxes	2,225,271	-	2,225,271	-
Accounts	287,585	385,441	673,026	-
Accrued interest	235,696	8,071	243,767	-
Intergovernmental	3,949,277	-	3,949,277	-
Internal balances	(149,322)	149,322	-	-
Materials and supplies inventory	184,822	-	184,822	-
Asset held for resale	505,725	-	505,725	-
Capital assets:				
Non-depreciable	7,160,335	2,155,543	9,315,878	-
Depreciable	98,646,501	43,010,225	141,656,726	-
Net pension asset	7,121	843	7,964	-
Total assets	193,957,006	51,316,163	245,273,169	9,303
Deferred Outflows of Resources				
Deferred amount on refunding	980,311	-	980,311	-
Pension	10,261,218	817,086	11,078,304	-
Total deferred outflows of resources	11,241,529	817,086	12,058,615	-
Liabilities				
Accounts payable	3,226,276	219,450	3,445,726	-
Accrued wages and benefits	410,824	11,793	422,617	-
Due to other governments	85,674	1,822	87,496	-
Accrued interest payable	182,136	5,688	187,824	-
Long-term liabilities				
Due within one year	6,383,984	139,663	6,523,647	-
Due in more than one year:				
Other amounts due in more than one year	70,540,423	2,006,879	72,547,302	-
Net pension liability	41,232,026	1,539,850	42,771,876	-
Total liabilities	122,061,343	3,925,145	125,986,488	-
Deferred Inflows of Resources				
Property and other local taxes	11,753,394	-	11,753,394	-
Pension	1,437,477	122,612	1,560,089	-
Total deferred inflows of resources	13,190,871	122,612	13,313,483	-
Net Position				
Net investment in capital assets	50,937,534	43,063,552	94,001,086	-
Restricted for:				
Capital projects	26,143,591	-	26,143,591	-
Debt service	597,080	-	597,080	-
Street maintenance and repairs	1,795,905	-	1,795,905	-
Law enforcement and education	800,761	-	800,761	-
Pension obligations	2,214,533	-	2,214,533	-
Other purposes	532,073	-	532,073	-
Unrestricted	(13,075,156)	5,021,940	(8,053,216)	9,303
Total net position	\$ 69,946,321	\$ 48,085,492	\$ 118,031,813	\$ 9,303

See accompanying notes to the basic financial statements

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

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017**

<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	\$ 11,299,346	\$ 1,250,640	\$ -	\$ -
Public safety	19,471,869	814,958	101,288	-
Public services	7,264,870	528,363	1,764,215	1,944,289
Parks and recreation	4,362,705	1,287,810	27,935	-
Community development	1,015,559	1,130,530	-	-
Interest and fiscal charges	2,122,773	-	82,147	-
Bond issuance costs	211,737	-	-	-
Total governmental activities	<u>45,748,859</u>	<u>5,012,301</u>	<u>1,975,585</u>	<u>1,944,289</u>
Business-type activities:				
Solid waste	2,041,993	2,275,927	-	-
Water surcharge	854,750	483,690	-	-
Sanitary sewer surcharge	1,068,934	875,138	-	-
Stormwater	725,795	755,102	-	-
Swimming pools	834,788	711,878	-	-
Total business-type activities	<u>5,526,260</u>	<u>5,101,735</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 51,275,119</u>	<u>\$ 10,114,036</u>	<u>\$ 1,975,585</u>	<u>\$ 1,944,289</u>
Component unit:				
Upper Arlington Community Improvement Corporation	<u>\$ 3,793</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ -</u>

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

Change in net position

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

See accompanying notes to the basic financial statements

Primary Government			Component Unit
Net (Expense) Revenue and Changes in Net Position			Upper Arlington Community Improvement Corporation
Governmental Activities	Business-type Activities	Total	
\$ (10,048,706)	\$ -	\$ (10,048,706)	\$ -
(18,555,623)	-	(18,555,623)	-
(3,028,003)	-	(3,028,003)	-
(3,046,960)	-	(3,046,960)	-
114,971	-	114,971	-
(2,040,626)	-	(2,040,626)	-
(211,737)	-	(211,737)	-
(36,816,684)	-	(36,816,684)	-
-	233,934	233,934	-
-	(371,060)	(371,060)	-
-	(193,796)	(193,796)	-
-	29,307	29,307	-
-	(122,910)	(122,910)	-
-	(424,525)	(424,525)	-
(36,816,684)	(424,525)	(37,241,209)	-
-	-	-	6,207
25,447,687	-	25,447,687	-
10,601,746	-	10,601,746	-
1,568,406	-	1,568,406	-
2,244,939	-	2,244,939	-
735,072	28,199	763,271	9
470,460	-	470,460	-
(9,654,088)	9,654,088	-	-
31,414,222	9,682,287	41,096,509	9
(5,402,462)	9,257,762	3,855,300	6,216
75,348,783	38,827,730	114,176,513	3,087
\$ 69,946,321	\$ 48,085,492	\$ 118,031,813	\$ 9,303

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

BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF DECEMBER 31, 2017

	General	General Obligation Bond Retirement	Bonded Improvement	Infrastructure Improvement	Estate Tax Capital Projects
Assets:					
Cash, cash equivalents and investments	\$ 30,045,696	\$ 504,215	\$ 13,398,182	\$ 8,056,114	\$ 480,000
Receivables (net of allowances):					
Income taxes	6,823,627	-	-	-	-
Property and other taxes	10,011,388	430,688	-	-	-
Special assessments	361,737	90,471	-	-	-
Payments in lieu of taxes	-	-	-	-	-
Accounts	279,735	-	-	-	-
Accrued interest	182,594	-	45,314	-	1,354
Intergovernmental	1,114,565	29,358	110,117	1,706,144	163,132
Advances to other funds	2,759,135	-	-	-	-
Due from other funds	230,000	-	-	-	-
Materials and supplies inventory	58,794	-	-	-	-
Asset held for resale	505,725	-	-	-	-
Total assets	<u>\$ 52,372,996</u>	<u>\$ 1,054,732</u>	<u>\$ 13,553,613</u>	<u>\$ 9,762,258</u>	<u>\$ 644,486</u>
Liabilities:					
Accounts payable	\$ 275,104	\$ 15	\$ 1,167,611	\$ 1,047,010	\$ 168,312
Accrued wages and benefits	382,621	-	-	-	-
Due to other governments	81,153	-	-	-	-
Accrued vacation and sick leave	145,463	-	-	-	-
Advances from other funds	-	-	-	-	-
Due to other funds	6,865	-	-	-	-
Total liabilities	<u>891,206</u>	<u>15</u>	<u>1,167,611</u>	<u>1,047,010</u>	<u>168,312</u>
Deferred Inflows of Resources					
Property and Other Local Taxes	9,070,486	457,637	-	-	-
Unavailable Revenue	<u>3,641,488</u>	<u>44,427</u>	<u>100,395</u>	<u>673,702</u>	<u>72,892</u>
Total deferred inflows of resources	<u>12,711,974</u>	<u>502,064</u>	<u>100,395</u>	<u>673,702</u>	<u>72,892</u>
Fund Balances:					
Nonspendable:					
Inventory	58,794	-	-	-	-
Advances	2,759,135	-	-	-	-
Assets held for resale	505,725	-	-	-	-
Restricted:					
Capital projects	12,422,460	-	12,285,607	-	-
Debt service	-	552,653	-	-	-
Street maintenance and repairs	-	-	-	-	-
Pensions	2,101,579	-	-	-	-
Law enforcement and education	-	-	-	-	-
Other purposes	-	-	-	-	-
Committed:					
Capital projects	-	-	-	8,041,546	403,282
Emergency medical services	293,557	-	-	-	-
Economic development	275,618	-	-	-	-
Civil service	37,318	-	-	-	-
Self insurance	811,781	-	-	-	-
Technology	70,755	-	-	-	-
Parks and recreation	-	-	-	-	-
Assigned:					
Future appropriations	1,494,000	-	-	-	-
General government	413,385	-	-	-	-
Public safety	29,236	-	-	-	-
Parks and recreation	41,531	-	-	-	-
Community development	27,700	-	-	-	-
Public services	17,206	-	-	-	-
Unassigned (deficit)	<u>17,410,036</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>38,769,816</u>	<u>552,653</u>	<u>12,285,607</u>	<u>8,041,546</u>	<u>403,282</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 52,372,996</u>	<u>\$ 1,054,732</u>	<u>\$ 13,553,613</u>	<u>\$ 9,762,258</u>	<u>\$ 644,486</u>

See accompanying notes to the basic financial statements

Other Governmental	Total Governmental
\$ 7,858,664	\$ 60,342,871
-	6,823,627
3,298	10,445,374
-	452,208
2,225,271	2,225,271
7,850	287,585
6,434	235,696
825,961	3,949,277
-	2,759,135
-	230,000
126,028	184,822
-	505,725
<u>\$ 11,053,506</u>	<u>\$ 88,441,591</u>
\$ 165,077	\$ 2,823,129
28,203	410,824
4,521	85,674
-	145,463
2,759,135	2,759,135
230,367	237,232
<u>3,187,303</u>	<u>6,461,457</u>
2,225,271	11,753,394
<u>557,075</u>	<u>5,089,979</u>
<u>2,782,346</u>	<u>16,843,373</u>
126,028	184,822
-	2,759,135
-	505,725
3,814,204	28,522,271
-	552,653
1,130,242	1,130,242
-	2,101,579
1,003,844	1,003,844
328,860	328,860
502,049	8,946,877
-	293,557
-	275,618
-	37,318
-	811,781
-	70,755
204,963	204,963
-	1,494,000
-	413,385
-	29,236
-	41,531
-	27,700
-	17,206
(2,026,333)	15,383,703
<u>5,083,857</u>	<u>65,136,761</u>
<u>\$ 11,053,506</u>	<u>\$ 88,441,591</u>



CITY OF | **UPPER ARLINGTON**

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

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2017**

Total Governmental Fund Balances	\$ 65,136,761
<i>Amounts reported for governmental activities in the statement of net position are different due to the following :</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	105,806,836
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.	
Income taxes receivable	2,419,242
Property taxes receivable	182,641
Intergovernmental receivable	2,340,647
Accounts receivable	105,317
Interest receivable	42,132
In the statement of activities interest is accrued on outstanding loans payable, whereas in governmental funds, interest expenditures are reported when due.	(182,136)
The net pension liability is not due and payable in the current period; therefore, the liability and the related deferred inflows/outflows are not reported in governmental funds.	
Deferred outflows - pension	10,261,218
Deferred inflows - pension	(1,437,477)
Net pension asset	7,121
Net pension liability	(41,232,026)
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	(2,656,824)
Bonds and loans payable	(70,785,554)
Deferred outflows - bond refundings, net	980,311
Premium on bonds, net	(3,434,604)
Discount on bonds, net	98,038
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.	2,294,678
Net Position of Governmental Activities	<u><u>\$ 69,946,321</u></u>

See accompanying notes to the basic financial statements

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	General	General Obligation Bond Retirement	Bonded Improvement	Infrastructure Improvement	Estate Tax Capital Projects
Revenues:					
Municipal income taxes	\$ 26,777,498	\$ -	\$ -	\$ -	\$ -
Property and other taxes	9,810,543	755,524	-	-	-
Special assessments	58,647	94,142	-	-	-
Payments in lieu of taxes	-	-	-	-	-
Charges for services	1,698,741	-	-	-	-
Licenses and permits	1,244,281	-	-	-	-
Fines and forfeitures	310,121	-	-	-	-
Intergovernmental	2,359,379	105,923	9,722	1,117,601	90,545
Investment earnings	520,632	-	183,151	-	52,347
Miscellaneous	1,328,128	-	919	150,000	-
Total revenues	<u>44,107,970</u>	<u>955,589</u>	<u>193,792</u>	<u>1,267,601</u>	<u>142,892</u>
Expenditures:					
Current:					
General government	9,441,253	11,384	-	-	-
Public safety	16,784,917	-	-	-	-
Public services	1,903,651	-	-	-	-
Parks and recreation	3,389,228	-	-	-	-
Community development	866,779	-	-	-	-
Capital outlay	1,340,425	-	9,223,865	3,338,885	5,873,129
Debt service:					
Principal retirement	186,791	4,972,670	-	-	-
Interest and fiscal charges	3,295	2,190,434	-	-	-
Bond issuance costs	-	211,737	-	-	-
Total expenditures	<u>33,916,339</u>	<u>7,386,225</u>	<u>9,223,865</u>	<u>3,338,885</u>	<u>5,873,129</u>
Excess (deficiency) of revenues over (under) expenditures	10,191,631	(6,430,636)	(9,030,073)	(2,071,284)	(5,730,237)
Other Financing Sources (Uses):					
Sale of capital assets	91,352	-	-	-	-
Sale of bonds	-	-	9,280,000	-	-
Premium on issuance of bonds	-	457,855	-	-	-
Transfers in	-	5,908,710	-	5,750,000	-
Transfers out	(10,995,999)	-	-	-	-
Total other financing sources (uses)	<u>(10,904,647)</u>	<u>6,366,565</u>	<u>9,280,000</u>	<u>5,750,000</u>	<u>-</u>
Net change in fund balances	(713,016)	(64,071)	249,927	3,678,716	(5,730,237)
Fund balance at beginning of year	39,482,832	616,724	12,035,680	4,362,830	6,133,519
Fund balance at end of year	<u>\$ 38,769,816</u>	<u>\$ 552,653</u>	<u>\$ 12,285,607</u>	<u>\$ 8,041,546</u>	<u>\$ 403,282</u>

See accompanying notes to the basic financial statements

Other Governmental	Total Governmental
\$ -	\$ 26,777,498
66,916	10,632,983
-	152,789
1,568,406	1,568,406
231,055	1,929,796
-	1,244,281
51,714	361,835
1,738,149	5,421,319
22,566	778,696
250,279	1,729,326
<u>3,929,085</u>	<u>50,596,929</u>

487,501	9,940,138
225,072	17,009,989
1,852,303	3,755,954
149,417	3,538,645
-	866,779
277,739	20,054,043
-	5,159,461
-	2,193,729
-	211,737
<u>2,992,032</u>	<u>62,730,475</u>

937,053 (12,133,546)

34,706	126,058
-	9,280,000
-	457,855
90,200	11,748,910
<u>(752,911)</u>	<u>(11,748,910)</u>
<u>(628,005)</u>	<u>9,863,913</u>

309,048 (2,269,633)

4,774,809	67,406,394
<u>\$ 5,083,857</u>	<u>\$ 65,136,761</u>



CITY OF | **UPPER ARLINGTON**

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

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

Net Change in Fund Balances - Total Governmental Funds **\$ (2,269,633)**

*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	18,303,514
Depreciation expense	(4,119,461)

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

Loss on disposal	(14,020)
Contributions, donations, and transfers of construction in progress	(9,654,088)

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

(722,502)

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

3,328,264

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

(6,046,076)

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	5,159,461
Issuance of debt	(9,280,000)
Premium on issuance of debt	(457,855)
Accretion and amortization of premiums and deferred amount on refunding, etc.	87,673

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	(43,536)
Accrued interest	(16,717)

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

342,514

Change in Net Position of Governmental Activities

\$ (5,402,462)

See accompanying notes to the basic financial statements

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

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AS OF DECEMBER 31, 2017

	Business-type Activities - Enterprise Funds				
	Solid Waste	Water Surcharge	Sanitary Sewer Surcharge	Stormwater	Swimming Pools
Assets:					
Current assets:					
Cash, cash equivalents and investments	\$ 742,468	\$ 784,878	\$ 1,425,446	\$ 2,118,974	\$ 534,952
Receivables (net of allowances):					
Accounts	57,352	100,759	180,506	46,824	-
Accrued interest	2,094	-	-	5,977	-
Due from other funds	-	-	-	-	-
Total current assets	<u>801,914</u>	<u>885,637</u>	<u>1,605,952</u>	<u>2,171,775</u>	<u>534,952</u>
Noncurrent assets:					
Nondepreciable capital assets	-	514	32	918,938	1,236,059
Depreciable capital assets, net	-	16,345,207	4,325,621	12,745,218	9,594,179
Net pension asset	-	199	255	134	255
Total noncurrent assets	<u>-</u>	<u>16,345,920</u>	<u>4,325,908</u>	<u>13,664,290</u>	<u>10,830,493</u>
Total assets	<u>801,914</u>	<u>17,231,557</u>	<u>5,931,860</u>	<u>15,836,065</u>	<u>11,365,445</u>
Deferred Outflows of Resources					
Pension	-	160,261	219,034	101,316	336,475
Total deferred outflows of resources	<u>-</u>	<u>160,261</u>	<u>219,034</u>	<u>101,316</u>	<u>336,475</u>
Liabilities:					
Current liabilities:					
Accounts payable	183,927	12	29,621	5,529	361
Accrued wages and benefits	-	1,230	9,387	1,176	-
Due to other governments	-	190	1,450	182	-
Due to other funds	-	16	122	15	-
Accrued vacation and sick leave	-	7,106	18,800	5,351	-
Loans payable	-	18,869	-	-	-
Bonds payable	-	49,801	4,256	35,480	-
Accrued interest payable	-	3,164	270	2,254	-
Total current liabilities	<u>183,927</u>	<u>80,388</u>	<u>63,906</u>	<u>49,987</u>	<u>361</u>
Noncurrent liabilities:					
Accrued vacation and sick leave	-	2,972	7,860	2,237	-
Loans payable	-	84,911	-	-	-
Bonds payable	-	1,061,744	90,724	756,431	-
Net pension liability	-	362,879	466,201	243,660	467,110
Total noncurrent liabilities	<u>-</u>	<u>1,512,506</u>	<u>564,785</u>	<u>1,002,328</u>	<u>467,110</u>
Total liabilities	<u>183,927</u>	<u>1,592,894</u>	<u>628,691</u>	<u>1,052,315</u>	<u>467,471</u>
Deferred Inflows of Resources:					
Pension	-	9,054	3,021	10,425	100,112
Total deferred inflows of resources	<u>-</u>	<u>9,054</u>	<u>3,021</u>	<u>10,425</u>	<u>100,112</u>
Net Position:					
Net investment in capital assets	-	15,130,396	4,230,673	12,872,245	10,830,238
Unrestricted	617,987	659,474	1,288,509	2,002,396	304,099
Total net position	<u>\$ 617,987</u>	<u>\$ 15,789,870</u>	<u>\$ 5,519,182</u>	<u>\$ 14,874,641</u>	<u>\$ 11,134,337</u>

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

<u>Total</u>	<u>Governmental Activities - Internal Service</u>
\$ 5,606,718	\$ 2,839,915
385,441	-
8,071	-
-	7,385
<u>6,000,230</u>	<u>2,847,300</u>
2,155,543	-
43,010,225	-
843	-
<u>45,166,611</u>	<u>-</u>
<u>51,166,841</u>	<u>2,847,300</u>
817,086	-
<u>817,086</u>	<u>-</u>
219,450	403,147
11,793	-
1,822	-
153	-
31,257	-
18,869	-
89,537	-
5,688	-
<u>378,569</u>	<u>403,147</u>
13,069	-
84,911	-
1,908,899	-
1,539,850	-
<u>3,546,729</u>	<u>-</u>
<u>3,925,298</u>	<u>403,147</u>
122,612	-
<u>122,612</u>	<u>-</u>
43,063,552	-
4,872,465	2,444,153
47,936,017	<u>\$ 2,444,153</u>
149,475	
<u>\$ 48,085,492</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, 2017

	Business-type Activities - Enterprise Funds				
	Solid Waste	Water Surcharge	Sanitary Sewer Surcharge	Stormwater	Swimming Pools
Operating Revenues:					
Charges for services	\$ 2,275,927	\$ 483,690	\$ 873,763	\$ 754,170	\$ 711,878
Miscellaneous	-	-	1,375	932	-
Total operating revenues	<u>2,275,927</u>	<u>483,690</u>	<u>875,138</u>	<u>755,102</u>	<u>711,878</u>
Operating Expenses:					
Personal services	-	253,393	561,772	261,606	513,051
Materials and supplies	-	39,197	59,258	8,474	48,513
Contractual services	2,041,993	44,227	209,868	104,280	126,589
Self-insurance	-	-	-	-	-
Depreciation, net	-	484,436	245,298	323,474	144,032
Miscellaneous	-	-	-	-	3,726
Total operating expenses	<u>2,041,993</u>	<u>821,253</u>	<u>1,076,196</u>	<u>697,834</u>	<u>835,911</u>
Operating income (loss)	233,934	(337,563)	(201,058)	57,268	(124,033)
Nonoperating Revenues (Expenses)					
Investment earnings	7,917	-	-	20,282	-
Interest expense	-	(39,907)	(1,611)	(31,324)	-
Total nonoperating revenues (expenses)	<u>7,917</u>	<u>(39,907)</u>	<u>(1,611)</u>	<u>(11,042)</u>	<u>-</u>
Income (loss) before contributions	241,851	(377,470)	(202,669)	46,226	(124,033)
Capital contributions, net	-	1,444,977	-	1,992,509	6,216,602
Change in net position	241,851	1,067,507	(202,669)	2,038,735	6,092,569
Net position at beginning of year	376,136	14,722,363	5,721,851	12,835,906	5,041,768
Net position at end of year	<u>\$ 617,987</u>	<u>\$ 15,789,870</u>	<u>\$ 5,519,182</u>	<u>\$ 14,874,641</u>	<u>\$ 11,134,337</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
\$ 5,099,428	\$ 3,598,486
2,307	35,919
<u>5,101,735</u>	<u>3,634,405</u>
1,589,822	-
155,442	-
2,526,957	-
-	3,272,122
1,197,240	-
3,726	-
<u>5,473,187</u>	<u>3,272,122</u>
(371,452)	362,283
28,199	-
<u>(72,842)</u>	<u>-</u>
<u>(44,643)</u>	<u>-</u>
(416,095)	362,283
<u>9,654,088</u>	<u>-</u>
9,237,993	362,283
	2,081,870
	<u>\$ 2,444,153</u>
19,769	
<u>\$ 9,257,762</u>	

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

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Business-type Activities - Enterprise Funds				
	Solid Waste	Water Surcharge	Sanitary Sewer Surcharge	Stormwater	Swimming Pools
Cash flow from Operating Activities					
Receipts from customers and users	\$ 2,277,420	\$ 488,644	\$ 875,690	\$ 753,962	\$ 711,878
Payments to suppliers and contractual services	(2,031,118)	(115,554)	(240,495)	(116,985)	(179,520)
Payments to employees	-	(158,177)	(469,035)	(237,046)	(478,548)
Net cash provided by operating activities	246,302	214,913	166,160	399,931	53,810
Cash flow from Capital and Related Financing Activities					
Purchases of capital assets	-	-	-	(10,246)	(28,516)
Principal paid on capital debt	-	(68,015)	(4,200)	(210,013)	-
Interest paid on capital debt	-	(38,710)	(3,308)	(33,267)	-
Net cash used by capital and related financing activities	-	(106,725)	(7,508)	(253,526)	(28,516)
Cash flow from investing activities					
Interest and dividends received	7,062	-	-	19,251	-
Net cash provided by investing activities	7,062	-	-	19,251	-
Net increase in cash and cash equivalents	253,364	108,188	158,652	165,656	25,294
Cash and cash equivalents, January 1	489,104	676,690	1,266,794	1,953,318	509,658
Cash and cash equivalents, December 31	<u>\$ 742,468</u>	<u>\$ 784,878</u>	<u>\$ 1,425,446</u>	<u>\$ 2,118,974</u>	<u>\$ 534,952</u>

See accompanying notes to the basic financial statements

Total	Governmental Activities - Internal Service
\$ 5,107,594	\$ 3,633,676
(2,683,672)	(3,306,914)
(1,342,806)	-
<u>1,081,116</u>	<u>326,762</u>
(38,762)	-
(282,228)	-
<u>(75,285)</u>	<u>-</u>
(396,275)	-
26,313	-
<u>26,313</u>	<u>-</u>
711,154	326,762
<u>4,895,564</u>	<u>2,513,153</u>
<u>\$ 5,606,718</u>	<u>\$ 2,839,915</u>
	(Continued)

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

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Business-type Activities - Enterprise Funds				
	Solid Waste	Water Surcharge	Sanitary Sewer Surcharge	Stormwater	Swimming Pools
Reconciliation of operating income (loss) to net cash provided by operating activities:					
Operating income (loss)	\$ 233,934	\$ (337,563)	\$ (201,058)	\$ 57,268	\$ (124,033)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation expense	-	484,436	245,298	323,474	144,032
(Increase) decrease in accounts receivable	1,493	4,954	552	(1,140)	-
Increase in due from other funds	-	-	-	-	-
(Increase) decrease in net pension asset and deferred outflow	-	21,144	(74,980)	(30,699)	(281,719)
Increase (decrease) in accounts payable	10,875	(31,609)	28,631	(4,231)	(692)
Increase (decrease) in accrued payroll liabilities	-	(1,725)	6,272	(633)	(366)
Increase (decrease) in accrued vacation and sick leave	-	(426)	8,762	533	-
Increase (decrease) in net pension liability and deferred inflows	-	75,702	152,683	55,359	316,588
Total adjustments	12,368	552,476	367,218	342,663	177,843
Net cash provided by operating activities	<u>\$ 246,302</u>	<u>\$ 214,913</u>	<u>\$ 166,160</u>	<u>\$ 399,931</u>	<u>\$ 53,810</u>
Non cash investing, capital, and financing activities:					
Contributions of capital assets from governmental activities	\$ -	\$ 1,444,977	\$ -	\$ 1,992,509	\$ 6,216,602
Decrease in fair value of investments	<u>\$ (4,455)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (12,715)</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements

<u>Total</u>	<u>Governmental Activities - Internal Service</u>
\$ (371,452)	\$ 362,283
1,197,240	-
5,859	-
-	(729)
(366,254)	-
2,974	(34,792)
3,548	-
8,869	-
600,332	-
1,452,568	(35,521)
<u>\$ 1,081,116</u>	<u>\$ 326,762</u>
<u>\$ 9,654,088</u>	<u>\$ -</u>
<u>\$ (17,170)</u>	<u>\$ -</u>

CITY OF UPPER ARLINGTON, OHIO
FRANKLIN COUNTY

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
AS OF DECEMBER 31, 2017

	<u>Agency Funds</u>
Assets	
Cash, cash equivalents and investments	\$ 1,638,581
Cash with third-party fiscal agent	2,790
Accounts receivable	105,532
 Total assets	 <u><u>\$ 1,746,903</u></u>
 Liabilities	
Due to others	\$ 1,746,903
 Total liabilities	 <u><u>\$ 1,746,903</u></u>

See accompanying notes to the basic financial statements

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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 15 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, 2017

Note 1 – Summary of significant accounting policies (continued)

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

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

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

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

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

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

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

(c) Measurement focus and basis of accounting

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

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

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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, 2017

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.

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

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, 2017

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.

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

(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 2017, investments were limited to federal agency securities, municipal securities, U.S. Treasuries, the State Treasury Asset Reserve of Ohio (STAR Ohio) and money market funds. Federal agency securities, municipal securities, and U.S. Treasuries are reported at fair value which is based on quoted market prices. STAR Ohio and money market accounts are reported at the net asset value (NAV) per share. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." For the fiscal year 2017, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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 2017 represent the collection of 2016 taxes. Real property taxes received in 2017 were levied after October 1, 2016, on the assessed values as of January 1, 2016, 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 2017 represent the collection of 2016 taxes. Public utility real and tangible personal property taxes received in 2016 became a lien on December 31, 2016, were levied after October 1, 2016, 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, 2017, 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 2017 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, 2017 was \$6.22 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2017 property tax receipts were based are as follows:

	<u>Assessed Valuation</u>
Real Property	\$ 1,902,286,640
Public Utility Property	25,185,610
Total	<u>\$ 1,927,472,250</u>

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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, 2017

Note 1 – Summary of significant accounting policies (continued)

5. Deferred outflows/inflows of resources

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

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

6. Compensated absences

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

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

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

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 1 – Summary of significant accounting policies (continued)

7. Long-term obligations

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

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

8. Pensions

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

9. Fund balance

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

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

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

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

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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, 2017

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 2017, 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, 2017 were 52.1 days.

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

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

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

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

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 2 – Deposits and investments (continued)

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

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

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

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

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 2 – Deposits and investments (continued)

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

(B) Limitations on the investment of interim funds:

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

- (1) The aggregate total of all corporate medium term notes shall not exceed fifteen percent (15%) of the average portfolio, based upon purchase cost or book value, at the time of purchase. Commercial paper and bankers' acceptances shall not be considered when calculating the maximum holdings in any single issuer.
 - (2) The use of derivative securities, as defined in Ohio Revised Code §135.14(C), is expressly prohibited.
 - (3) Collateralized mortgage obligations (CMOs) of any kind are expressly prohibited.
- (C) All eligible investments will mature within five (5) years from the date of settlement, unless the investment is matched to a specific obligation or debt of the City and the investment is specifically approved by the Finance Director.

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

Deposits

Custodial credit risk is the risk that, in the event of bank failure, the City's deposits may not be returned. Public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in addition to amounts insured by the FDIC, or may pledge a single pool of collateral for the benefit of every depositor via the Ohio Pooled Collateral Program administered by the Treasurer of State. Specific collateral must equal or exceed 105% of the carrying value of assets, whereas pooled collateral must equal or exceed 102% or lesser amount as determined by the Treasurer of State. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

At December 31, 2017, the carrying value of all the City's cash deposits was \$1,168,700, including \$400,000 of non-negotiable certificates of deposit, and the bank balance was \$1,371,100. Of the bank balance, \$500,000 was covered by federal depository insurance and \$871,100 was collateralized with securities held by the financial institution or by its trust department or agent, but not in the City's name as defined by GASB Statement No. 40, *Deposits and Investment Risk Disclosures*.

Additionally, within its agency funds, the City had cash on hand with a third-party fiscal agent in the amount of \$2,790.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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	\$ 2,348,370	\$ 2,348,370	\$ -	\$ -
Money market mutual fund	6,203,665	6,203,665	-	-
Municipal securities	243,959	-	243,959	-
FFCB	9,217,874	2,990,350	6,227,524	-
FHLB	5,126,103	996,140	3,231,043	898,920
FHLMC	3,136,298	2,742,370	-	393,928
FNMA	11,104,204	1,246,425	8,394,214	1,463,565
FMAC	24,033,058	10,212,223	6,425,030	7,395,805
US treasuries	7,845,854	7,845,854	-	-
Total investments	<u>\$ 69,259,385</u>	<u>\$ 34,585,397</u>	<u>\$ 24,521,770</u>	<u>\$ 10,152,218</u>

STAR Ohio and money market accounts are reported at the net asset value (NAV) per share. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value. All other investments are reported at fair value. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the City's investments, with the exception of STAR Ohio and money market mutual funds, are reported at fair value and are valued using significant other observable inputs (Level 2 inputs).

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

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

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

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

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 2 – Deposits and investments (continued)

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

Reconciliation of cash and investments to the statement of net position: The following is a reconciliation of cash and investments to the statement of net position as of December 31, 2017:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 1,168,700
Cash held by third party agent	2,790
Investments	69,259,385
Total	<u>\$ 70,430,875</u>
 <u>Cash and investments per statements of net position</u>	
Governmental activities	\$ 63,182,786
Business-type activities	5,606,718
Agency Fund	1,641,371
Total	<u>\$ 70,430,875</u>

Interest revenue credited to the General Fund as of December 31, 2017 consisted of \$909,074 in interest earnings and \$388,442 in unrealized fair value losses. Of the \$909,074 in interest earnings credited to the General Fund as of December 31, 2017, \$394,808 represents the amount assigned from other funds not entitled to earn interest per Ohio statute.

Note 3 – Receivables and deferred inflows of resources

(a) Receivables

Receivables at December 31, 2017 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, 2017. A summary of the items of receivables reported on the statement of net position follows:

	Governmental Activities	Business-type Activities
Income taxes	\$ 6,823,627	\$ -
Property and other taxes	10,445,374	-
Special assessments	452,208	-
Payments in lieu of taxes	2,225,271	-
Accounts	287,585	385,441
Accrued interest	235,696	8,071
Intergovernmental	3,949,277	-

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

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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

(b) Deferred inflows of resources

On the statement of net position, deferred inflows of resources include property taxes, special assessments, and payments in lieu of taxes for which there is an enforceable legal claim as of December 31, 2017, which were levied to finance year 2018 operations and pension (see Note 10).

	Governmental Activities	Business-type Activities
Property and other taxes	\$ 9,075,915	\$ -
Special assessments	452,208	-
Payments in lieu of taxes	2,225,271	-
Pension	1,437,477	122,612
	<u>\$ 13,190,871</u>	<u>\$ 122,612</u>

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	General Obligation Bond	Bonded	Infrastructure	Estate Tax Capital	Other	Total
Deferred inflows:	General	Retirement	Improvement	Improvement	Projects	Governmental	
Income tax	\$ 2,419,242	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,419,242
Property tax	167,572	15,069	-	-	-	-	182,641
Intergovernmental	911,674	29,358	100,395	673,702	72,587	552,931	2,340,647
Accrued interest	41,388	-	-	-	305	439	42,132
Accounts	101,612	-	-	-	-	3,705	105,317
Total deferred inflows	<u>\$ 3,641,488</u>	<u>\$ 44,427</u>	<u>\$ 100,395</u>	<u>\$ 673,702</u>	<u>\$ 72,892</u>	<u>\$ 557,075</u>	<u>\$ 5,089,979</u>

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 4 – Capital assets

Capital asset activity for the year ended December 31, 2017 was as follows:

<i>Governmental Activities</i>	Beginning balance	Additions	Deductions	Transfers	Ending balance
Nondepreciable capital assets					
Land	\$ 4,456,212	\$ -	\$ -	\$ -	\$ 4,456,212
Construction in progress	4,455,120	15,519,096	-	(17,270,093)	2,704,123
Total nondepreciable assets	<u>8,911,332</u>	<u>15,519,096</u>	<u>-</u>	<u>(17,270,093)</u>	<u>7,160,335</u>
Depreciable capital assets					
Buildings	18,402,717	67,904	-	-	18,470,621
Improvements other than buildings	9,414,803	539,186	-	1,624,245	11,578,234
Machinery and equipment	16,940,766	929,324	(418,540)	204,840	17,656,390
Infrastructure	101,639,246	1,248,004	-	5,786,920	108,674,170
Total depreciable assets	<u>146,397,532</u>	<u>2,784,418</u>	<u>(418,540)</u>	<u>7,616,005</u>	<u>156,379,415</u>
Less accumulated depreciation					
Buildings	(9,951,327)	(268,097)	-	-	(10,219,424)
Improvements other than buildings	(2,559,911)	(196,338)	-	-	(2,756,249)
Machinery and equipment	(12,675,370)	(1,069,417)	404,520	-	(13,340,267)
Infrastructure	(28,831,365)	(2,585,609)	-	-	(31,416,974)
Total accumulated depreciation	<u>(54,017,973)</u>	<u>(4,119,461)</u>	<u>404,520</u>	<u>-</u>	<u>(57,732,914)</u>
Depreciable capital assets, net of accumulated depreciation	<u>92,379,559</u>	<u>(1,335,043)</u>	<u>(14,020)</u>	<u>7,616,005</u>	<u>98,646,501</u>
Total capital assets, net	<u>\$ 101,290,891</u>	<u>\$ 14,184,053</u>	<u>\$ (14,020)</u>	<u>\$ (9,654,088)</u>	<u>\$ 105,806,836</u>

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

Governmental Activities:

General government	\$ 341,521
Public safety	614,400
Public services	2,906,524
Parks and recreation	254,423
Community development	2,593
Total depreciation expense	<u>\$ 4,119,461</u>

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 4 – Capital assets (continued)

<i>Business-type Activities</i>	Beginning balance	Additions	Deductions	Transfers	Ending balance
Nondepreciable capital assets					
Land	\$ 1,236,573	\$ -	\$ -	\$ -	\$ 1,236,573
Construction in progress	909,500	38,762	-	(29,292)	918,970
Total nondepreciable assets	<u>2,146,073</u>	<u>38,762</u>	<u>-</u>	<u>(29,292)</u>	<u>2,155,543</u>
Depreciable capital assets					
Improvements other than buildings	5,396,631	-	-	6,245,118	11,641,749
Machinery and equipment	1,196,642	-	-	-	1,196,642
Infrastructure	52,450,974	-	-	3,438,262	55,889,236
Total depreciable assets	<u>59,044,247</u>	<u>-</u>	<u>-</u>	<u>9,683,380</u>	<u>68,727,627</u>
Less accumulated depreciation					
Improvements other than buildings	(1,305,189)	(155,326)	-	-	(1,460,515)
Machinery and equipment	(899,869)	(83,878)	-	-	(983,747)
Infrastructure	(22,315,104)	(958,036)	-	-	(23,273,140)
Total accumulated depreciation	<u>(24,520,162)</u>	<u>(1,197,240)</u>	<u>-</u>	<u>-</u>	<u>(25,717,402)</u>
Depreciable capital assets, net of accumulated depreciation	<u>34,524,085</u>	<u>(1,197,240)</u>	<u>-</u>	<u>9,683,380</u>	<u>43,010,225</u>
Total capital assets, net	<u>\$ 36,670,158</u>	<u>\$ (1,158,478)</u>	<u>\$ -</u>	<u>\$ 9,654,088</u>	<u>\$ 45,165,768</u>

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

Business-type Activities:

Water Surcharge	\$ 484,436
Sanitary Sewer Surcharge	245,298
Stormwater	323,474
Swimming Pools	144,032
Total depreciation expense	<u>\$ 1,197,240</u>

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 4 – Capital assets (continued)

Construction commitments - The City has active construction projects as of December 31, 2017. The projects include rebuilding streets and waterlines, installing fiber optic cable, replacing street light poles and traffic signals, stream stabilization, etc. At year-end, the City's commitments with contractors are as follows:

Company	Contract Amount	Amount Remaining on Contract
Decker Construction	\$ 5,020,155	\$ 1,666,829
Complete General Construction	189,649	189,649
United Pipe Renewal	2,793,876	2,511,173
Carpenter Marty Transportation	386,048	147,124
Thayer Power and Communication Line	1,678,758	189,673
Insight Pipe Contracting	107,596	107,596
Burgess and Niple	1,851,593	461,727
Newcomer Concrete Services	1,039,873	460,257
Double Z Construction	8,371,746	166,370
Strawser Paving	2,574,480	502,396
E.P. Ferris and Associates	180,279	100,815
Thomas & Marker Construction	4,567,174	67,384
H.R. Gray and Associates	540,963	70,047
DLZ Ohio	70,000	56,175
Tri-Car	59,200	59,200

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, 2017 were as follows:

Fund	Encumbrances, net payables
General	\$ 840,794
Bonded Improvement	3,067,960
Infrastructure Improvement	1,227,881
Estate Tax Capital Projects	172,107
Other Governmental	278,220
Total	<u>\$ 5,586,962</u>

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, 2017 represent the premium charges payable to the BWC administration fund for the funding of worker’s compensation claims totaling \$7,385. Additionally, the Due from/to other funds” balances in the General and Other Governmental funds include \$230,000 in interfund balances that are expected to be repaid within one year. See the table in 5(b) for further detail.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 5 – Interfund activity (continued)

(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, 2017 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	\$ 3,314,135	\$ -	\$ (325,000)	\$ 2,989,135	\$ 230,000	\$ 2,759,135
Other Governmental:						
Arlington Centre TIF	(5,000)	-	-	(5,000)	(5,000)	-
Tremont Road TIF	(291,135)	-	-	(291,135)	(25,000)	(266,135)
Kingsdale Core TIF	(1,018,000)	-	200,000	(818,000)	(100,000)	(718,000)
Community Fiber Optic	(2,000,000)	-	125,000	(1,875,000)	(100,000)	(1,775,000)
Total Other Governmental	(3,314,135)	-	325,000	(2,989,135)	(230,000)	(2,759,135)
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 5 – Interfund activity (continued)

(c) Interfund transfers

Interfund transfers for the year ended December 31, 2017, consisted of the following, as reported in the fund financials:

Transfers from	Transfers to			
	General Obligation Bond Retirement	Infrastructure Improvement	Other Governmental	Total
General	\$ 5,155,799	\$ 5,750,000	\$ 90,200	\$ 10,995,999
Other				
Governmental	752,911	-	-	752,911
Total	<u>\$ 5,908,710</u>	<u>\$ 5,750,000</u>	<u>\$ 90,200</u>	<u>\$ 11,748,910</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.

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CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 6 – Long-term liabilities

(a) Changes in long-term liabilities

The following is a summary of changes in long-term liabilities of the Governmental and Business-type Activities for the year ended December 31, 2017:

Governmental Activities					
	Beginning balance	Additions	Reductions	Ending balance	Due within one year
Bonds Payable					
<i>General obligation bonds:</i>					
2008 Fire station bonds 2.875%-4.375%	\$ 559,568	\$ -	\$ (273,767)	\$ 285,801	\$ 285,801
2008 Infrastructure bonds 2.875%-4.375%	370,432	-	(181,233)	189,199	189,199
2009A Building renovation refunding bonds 2%-4%	565,000	-	(135,000)	430,000	135,000
2009C Issue 4 refunding bonds 2%-3%	239,997	-	(239,997)	-	-
2009C Various purpose bonds 2%-4%	1,089,997	-	(24,997)	1,065,000	340,000
2011 Refunding bonds 2%-3.5%	4,435,000	-	(595,000)	3,840,000	610,000
2012 Lane Ave mixed used development bonds 2%-3.125%	6,610,000	-	(190,000)	6,420,000	195,000
2012 Various purpose bonds 2%-3%	2,935,000	-	(130,000)	2,805,000	135,000
2013 Refunding bonds 3%-4%	7,810,000	-	(905,000)	6,905,000	930,000
2014 Refunding bonds 1.5%-3.5%	6,220,000	-	-	6,220,000	-
2015 Various purpose bonds 1.5%-4%	15,626,205	-	(661,641)	14,964,564	670,463
2015 Refunding bonds 1.5%-4%	5,962,000	-	(15,000)	5,947,000	20,000
2016 Various purpose bonds 2.45%-3.11%	9,825,000	-	(5,000)	9,820,000	5,000
2017 Various purpose bonds 3%	-	9,280,000	(875,000)	8,405,000	840,000
<i>Total general obligation bonds</i>	<u>62,248,199</u>	<u>9,280,000</u>	<u>(4,231,635)</u>	<u>67,296,564</u>	<u>4,355,463</u>
<i>Special assessment bonds:</i>					
1998 Neighborhood lighting bonds 4.85%	260,000	-	(125,000)	135,000	135,000
<i>Loans:</i>					
OPWC Tremont Road 0%	2,510,019	-	(52,292)	2,457,727	104,584
FCIB Community Fiber Network 1.7%	1,000,000	-	(103,737)	896,263	105,508
<i>Total loans</i>	<u>3,510,019</u>	<u>-</u>	<u>(156,029)</u>	<u>3,353,990</u>	<u>210,092</u>
Unamortized premium on bonds	3,291,812	457,855	(315,063)	3,434,604	-
Unamortized discount on bonds	(103,980)	-	5,942	(98,038)	-
Accretion	376,719	83,287	(460,006)	-	-
<i>Total bonds and notes payable</i>	<u>69,582,769</u>	<u>9,821,142</u>	<u>(5,281,791)</u>	<u>74,122,120</u>	<u>4,700,555</u>
<i>Net pension liability</i>					
OPERS	9,599,096	3,409,580	-	13,008,676	-
OP&FP	29,763,821	-	(1,540,471)	28,223,350	-
<i>Total net pension liability</i>	<u>39,362,917</u>	<u>3,409,580</u>	<u>(1,540,471)</u>	<u>41,232,026</u>	<u>-</u>
Accrued vacation and sick leave	2,775,640	3,518,774	(3,492,127)	2,802,287	1,683,429
Capital lease obligation	186,791	-	(186,791)	-	-
<i>Total Governmental Activities long-term liabilities</i>	<u>\$ 111,908,117</u>	<u>\$ 16,749,496</u>	<u>\$ (10,501,180)</u>	<u>\$ 118,156,433</u>	<u>\$ 6,383,984</u>

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 6 – Long-term liabilities (continued)

<u>Business-type Activities</u>	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%	\$ 1,160,691	\$ -	\$ (49,146)	\$ 1,111,545	\$ 49,801
Total general obligation bonds	1,160,691	-	(49,146)	1,111,545	49,801
OPWC loans:					
Arlington Avenue waterline 0%	122,649	-	(18,869)	103,780	18,869
Total OPWC loans	122,649	-	(18,869)	103,780	18,869
Net pension liability - OPERS	290,477	72,402	-	362,879	-
Accrued vacation and sick leave	10,504	18,580	(19,006)	10,078	7,106
<i>Total Water Surcharge Fund</i>	1,584,321	90,982	(87,021)	1,588,282	75,776
<i>Sewer Surcharge Fund</i>					
General obligation bonds:					
2015 Various purpose bonds 1.5%-4%	99,180	-	(4,200)	94,980	4,256
Total general obligation bonds	99,180	-	(4,200)	94,980	4,256
Net pension liability - OPERS	310,397	155,804	-	466,201	-
Accrued vacation and sick leave	17,898	66,630	(57,868)	26,660	18,800
<i>Total Sewer Surcharge Fund</i>	427,475	222,434	(62,068)	587,841	23,056
<i>Stormwater Fund</i>					
General obligation bonds:					
2009 Turkey Run stormwater refunding bonds 2%-3.25%	175,000	-	(175,000)	-	-
2015 Various purpose bonds 1.5%-4%	826,924	-	(35,013)	791,911	35,480
Total general obligation bonds	1,001,924	-	(210,013)	791,911	35,480
Unamortized premium on bonds	1,640	-	(1,640)	-	-
Total bonds payable	1,003,564	-	(211,653)	791,911	35,480
Net pension liability - OPERS	178,755	64,905	-	243,660	-
Accrued vacation and sick leave	7,055	29,670	(29,137)	7,588	5,351
<i>Total Stormwater Fund</i>	1,189,374	94,575	(240,790)	1,043,159	40,831
<i>Swimming Pools Fund</i>					
Net pension liability - OPERS	69,111	397,999	-	467,110	-
<i>Swimming Pools Fund</i>	69,111	397,999	-	467,110	-
Total Business-type Activities long-term liabilities	\$ 3,270,281	\$ 805,990	\$ (389,879)	\$ 3,686,392	\$ 139,663

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 6 – Long-term liabilities (continued)

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

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

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

General obligation bonds:

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.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 6 – Long-term liabilities (continued)

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.

2015 Various purpose and refunding bonds

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

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

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.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 6 – Long-term liabilities (continued)

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:

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

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

2014 Refunding bonds

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

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

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

2013 Refunding bonds

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

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

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

2012 Various purpose and Lane Ave mixed use development bonds

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

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

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 6 – Long-term liabilities (continued)

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

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

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

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

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

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

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

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

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

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

2011 Refunding bonds

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

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 6 – Long-term liabilities (continued)

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.

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.

2008 Fire Station and infrastructure bonds

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

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

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 6 – Long-term liabilities (continued)

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

Special Assessment bonds:

1998 Neighborhood lighting special assessment bonds

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

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

The term bonds maturing on December 1, 2018, are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption. The remaining principal amount of such bonds (\$135,000) will be paid at stated maturity on December 1, 2018.

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

OPWC loans:

The City has entered into three debt financing arrangements through the Ohio Public Works Commission (OPWC) to finance road, water and sewer infrastructure improvement projects. The amounts due to the OPWC are payable solely from general revenues. The loan agreements function similar to a line-of-credit agreement. The OPWC loans are being repaid from the Estate Tax Capital Projects Fund and Water Surcharge Fund. The loan agreements require semi-annual payments based on the actual amount loaned. 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, 2017

Note 6 – Long-term liabilities (continued)

Future debt service requirements

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2017 are follows:

Governmental Activities						
	<i>General obligation</i>		<i>Special assessment</i>		<i>Loans</i>	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ 4,355,463	\$ 2,100,372	\$ 135,000	\$ 6,548	\$ 210,092	\$ 14,790
2019	4,454,285	1,983,529	-	-	211,894	12,988
2020	4,565,161	1,850,056	-	-	213,726	11,156
2021	4,071,626	1,707,751	-	-	215,589	9,293
2022	4,149,861	1,611,054	-	-	217,484	7,398
2023-2027	19,995,110	6,220,012	-	-	873,318	10,499
2028-2032	16,096,656	2,951,248	-	-	522,920	-
2033-2037	7,958,402	845,937	-	-	522,920	-
2038-2042	1,650,000	157,814	-	-	366,047	-
Total	<u>\$ 67,296,564</u>	<u>\$ 19,427,773</u>	<u>\$ 135,000</u>	<u>\$ 6,548</u>	<u>\$ 3,353,990</u>	<u>\$ 66,124</u>

Business-type Activities				
	<i>General obligation</i>		<i>OPWC loans</i>	
	Principal	Interest	Principal	Interest
2018	\$ 89,537	\$ 68,271	\$ 18,869	\$ -
2019	90,715	66,928	18,869	-
2020	94,839	63,299	18,869	-
2021	98,374	59,506	18,869	-
2022	100,139	57,539	18,869	-
2023-2027	554,890	235,006	9,435	-
2028-2032	668,344	121,582	-	-
2033-2034	301,598	14,025	-	-
Total	<u>\$ 1,998,436</u>	<u>\$ 686,156</u>	<u>\$ 103,780</u>	<u>\$ -</u>

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, 2017, the City's total debt limit was \$202.4 million and the unvoted debt limit was \$106.0 million.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 6 – Long-term liabilities (continued)

(b) Capital lease payable

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

The lease meets the criteria of a capital lease which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee at the conclusion of the lease term. Capital lease payments have been reflected as debt service expenditures in the General Fund in the fund financial statements. Capital assets, acquired by lease, have been capitalized in the amount of \$919,196. This amount is equal to the present value of the future minimum lease payments at the time of acquisition (\$918,049) plus an additional \$1,147 in ancillary costs not included in the lease. A corresponding liability was recorded. As of December 31, 2017, accumulated depreciation on the machinery and equipment totaled \$711,283 leaving the current book value of \$207,913. Principal payments in 2017 totaled \$186,791. The final lease payment was made in 2017.

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/\$2,000,000) 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.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 7 – Risk management (continued)

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

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

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

	General liability	Health/dental/ workers compensation
	<u>2016</u>	
Unpaid claims - January 1, 2016	\$ -	\$ 236,739
Incurred claims	20,029	3,058,827
Payment of claims	<u>(17,285)</u>	<u>(2,857,627)</u>
Unpaid claims - December 31, 2016	<u>\$ 2,744</u>	<u>\$ 437,939</u>
	<u>2017</u>	
Unpaid claims - January 1, 2017	\$ 2,744	\$ 437,939
Incurred claims	12,736	3,272,122
Payment of claims	<u>(13,270)</u>	<u>(3,306,914)</u>
Unpaid claims - December 31, 2017	<u>\$ 2,210</u>	<u>\$ 403,147</u>

A claims liability of \$403,147 (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, 2017

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, 2017.

(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, 2017.

Note 10 – Pension plans

Net Pension (Asset)/Liability

The net pension (asset)/liability reported on the statement of net position represents a (asset)/liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

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

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

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

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

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 10 – Pension plans (continued)

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features.

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

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

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

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

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

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

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 10 – Pension plans (continued)

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

2017 Statutory Maximum Contribution Rates

Employer	14.0 %
Employee	10.0 %

2017 Actual Contribution Rates

Employer:	
Pension	13.0 %
Post-employment Health Care Benefits	1.0
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 \$1,190,168 for 2017. Of this amount, \$21,534 is reported as due to other governments.

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

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

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

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

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

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 10 – Pension plans (continued)

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

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

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

	<u>Police</u>	<u>Firefighters</u>
2017 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25
2017 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50</u>	<u>0.50</u>
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	<u>12.25 %</u>	<u>12.25 %</u>

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$2,264,705 for 2017. Of this amount \$54,784 is reported as due to other governments.

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

The net pension (asset)/liability for OPERS was measured as of December 31, 2016, 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, 2016, and was determined by rolling forward the total pension (asset)/liability as of January 1, 2016, to December 31, 2016. The City's proportion of the net pension (asset)/liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 10 – Pension plans (continued)

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Proportionate Share of the Net Pension Liability/(Asset)	\$14,548,526	(\$7,964)	\$28,223,350	\$42,763,912
Proportion of the Net Pension Liability/(Asset)	0.064067%	0.014310%	0.445592%	
Pension Expense	\$3,151,902	\$4,245	\$3,250,616	\$6,406,763

At December 31, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Deferred Outflows of Resources				
Differences between expected and actual experience	\$ 19,719	\$ -	\$ 7,984	\$ 27,703
Net difference between projected and actual earnings on pension plan investments	2,166,610	1,942	2,744,595	4,913,147
Changes of assumptions	2,307,572	1,941	-	2,309,513
Change in proportionate share	373,063	5	-	373,068
City contributions subsequent to the measurement date	1,182,216	7,952	2,264,705	3,454,873
Total Deferred Outflows of Resources	<u>\$ 6,049,180</u>	<u>\$ 11,840</u>	<u>\$ 5,017,284</u>	<u>\$ 11,078,304</u>

Deferred Inflows of Resources				
Differences between expected and actual experience	\$ 86,586	\$ 4,072	\$ 64,982	\$ 155,640
Change in proportionate share	214,587	3,354	1,186,508	1,404,449
Total Deferred Inflows of Resources	<u>\$ 301,173</u>	<u>\$ 7,426</u>	<u>\$ 1,251,490</u>	<u>\$ 1,560,089</u>

\$3,454,873 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, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Year Ending December 31:				
2018	\$ 1,833,607	\$ (59)	\$ 791,212	\$ 2,624,760
2019	2,012,448	(59)	791,210	2,803,599
2020	783,244	(145)	542,492	1,325,591
2021	(63,508)	(830)	(437,371)	(501,709)
2022	-	(759)	(171,482)	(172,241)
2023-2026	-	(1,686)	(14,972)	(16,658)
Total	<u>\$ 4,565,791</u>	<u>\$ (3,538)</u>	<u>\$ 1,501,089</u>	<u>\$ 6,063,342</u>

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 10 – Pension plans (continued)

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. In 2016, the OPERS Board's actuarial consultants conducted an experience study for the period 2011 through 2015, comparing assumptions to actual results. The experience study incorporated both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 8 percent down to 7.5 percent for the defined benefit investments. Key methods and assumptions used in the December 31, 2016 actuarial valuation, reflecting experience study results, are presented below.

	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	7.5 percent	7.5 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

Mortality rates were based on the RP-2014 Healthy Annuitant mortality table. For males, the tables were adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, the tables were adjusted for mortality improvement back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year, for both healthy and disabled retiree mortality tables, were determined by applying the MP-2015 mortality improvement scale to the above described tables.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans.

The following table below displays the Board-approved asset allocation policy for 2016 and the long-term expected real rates of return:

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 10 – Pension plans (continued)

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.75 %
Domestic Equities	20.70	6.34
Real Estate	10.00	4.75
Private Equity	10.00	8.97
International Equities	18.30	7.95
Other investments	18.00	4.92
Total	100.00 %	5.66 %

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 2016, OPERS managed investments in four investment portfolios: the Defined Benefit portfolio, the 401(h) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The 401(h) Health Care Trust portfolio was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan. The Defined Benefit portfolio historically included the assets of the Member-Directed retiree medical accounts funded through the VEBA Trust. However, the VEBA Trust was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. 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 for the Defined Benefit portfolio is 8.3 percent for 2016.

Discount Rate The discount rate used to measure the total pension (asset)/liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension (asset)/liability.

Sensitivity of the City's Proportionate Share of the Net Pension (Asset)/Liability to Changes in the Discount Rate The following table presents the City's proportionate share of the net pension (asset)/liability calculated using the current period discount rate assumption of 7.5 percent, as well as what the City's proportionate share of the net pension (asset)/liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.5 percent) or one-percentage-point higher (8.5 percent) than the current rate:

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 10 – Pension plans (continued)

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension (asset)/liability			
Traditional Plan	\$ 22,226,124	\$ 14,548,526	\$ 8,150,604
Combined Plan	572	(7,964)	(14,596)

Actuarial Assumptions – OP&F

OP&F's total pension liability as of December 31, 2016 is based on the results of an actuarial valuation date of January 1, 2016, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2016, are presented below:

Valuation Date	January 1, 2016
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25 percent
Projected Salary Increases	4.25 percent to 11 percent
Payroll Increases	3.75 percent
Inflation Assumptions	3.25 percent
Cost of Living Adjustments	2.60 percent and 3.00 percent single

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2016 are summarized below:

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 10 – Pension plans (continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and Cash Equivalents	0.00 %	0.00 %
Domestic Equity	16.00	5.21
Non-US Equity	16.00	5.40
Core Fixed Income *	20.00	2.37
Global Inflation		
Protected Securities *	20.00	2.33
High Yield	15.00	4.48
Real Estate	12.00	5.65
Private Markets	8.00	7.99
Timber	5.00	6.87
Master Limited Partnerships	8.00	7.36
Total	<u>120.00 %</u>	

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

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

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability	\$37,590,158	\$28,223,350	\$20,284,853

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 11 – Post retirement benefit plans

(a) Ohio Public Employees Retirement System

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

As of December 31, 2017, OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the Traditional Pension and the Combined plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage. OPERS funds a Retiree Medical Account (RMA) for participants can be reimbursed for qualified medical expenses for qualified medical expenses from their vested RMA balance.

In order to qualify for health care coverage, age-and-service retirees under the Traditional Pension and Combined plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. Please see the Plan Statement in the OPERS 2016 CAFR for details.

The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2017, State and Local employers contributed at a rate of 14.0% of earnable salary and Public Safety and Law Enforcement employers contributed at 18.1%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members of the Traditional Pension Plan and Combined Plan was 1.0% during calendar year 2017. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2018 decreased to 0.0% for both plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the VEBA for participants in the Member-Direction Plan for 2017 was 4.0%.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 11 – Post retirement benefit plans (continued)

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2017, 2016, and 2015 were \$91,551, \$175,072, and \$156,909, respectively; 98% has been contributed for 2017 and 100% has been contributed for 2016 and 2015. The remaining 2017 post-employment health care benefits liability has been reported as due to other governments on the basic financial statements.

(b) Ohio Police and Fire Pension Fund

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

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

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

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

Funding Policy - The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5% and 24.0% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24.0% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to health care was .50% of covered payroll from January 1, 2017 thru December 31, 2017. 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.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 11 – Post retirement benefit plans (continued)

The City's contributions to OP&F which were allocated to fund post-employment healthcare benefits for police officers and firefighters for the years ending December 31, 2017, 2016, and 2015 were \$52,757, \$47,946, and \$46,691, respectively. 98% has been contributed for 2017 and 100% has been contributed for 2016 and 2015. The remaining 2017 post-employment health care benefits liability has been reported as due to other governments on the basic financial statements

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

Summary of Significant Accounting Policies

Organization

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

Basis of Accounting.

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

Basis of Presentation

The financial statements presentation follows the recommendations of the Financial Accounting Standards Board in FASB Codification ASC 958-210. Under FASB ASC 958-210, the Corporation is required to report information regarding its financial position and activities according to three classes of net position: unrestricted net position, temporarily restricted net position, and permanently restricted net position. At December 31, 2017, the net position of the CIC is unrestricted.

Cash and Cash Equivalents

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

Concentration of Credit Risk

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

Use of Estimates.

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

Tax Exempt Status

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

Restriction of Net Position

The CIC did not have any restrictions on cash as of December 31, 2017.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 12 – City of Upper Arlington 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.

Note 13 – Fund deficit

At December 31, 2017, deficit fund balances were as follows:

<u>Fund</u>	<u>Deficit Fund Balance</u>
Other Governmental:	
Arlington Centre TIF	\$ (4,820)
Tremont Road TIF	(286,047)
Kingsdale CORE TIF	(497,535)
Community Fiber Optic	(1,237,931)

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

Note 14 – Tax abatements

Northwest CRA

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

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

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 14 – Tax abatements (continued)

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 2017 is \$22,176.

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 2017, the City of Upper Arlington had five (5) active CRA agreements in the Northwest CRA. City Staff found all active CRA agreements to be in compliance. The active CRA agreements are viewed by the Tax Incentive Review Council on an annual basis. Since the creation of the Northwest CRA there have been ten (10) CRA agreements.

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

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

Note 15 – Jointly governed organization

Central Ohio Interoperable Radio System 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 2017, the City of Upper Arlington contributed \$748,475 to become a member. 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.

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 16 – Changes in accounting principles

For year 2017, the City implemented GASB Statement No. 73 “*Accounting and Financial Reporting for Pensions and Related Assets that are not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*”, which improves the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability. The implementation of this statement did not have a significant effect on the financial statements of the City.

For year 2017, the City implemented GASB Statement No. 74 “*Financial Reporting for Postemployment Benefit Plans other than Pension Plans*” which improves the usefulness of information about postemployment benefits other than pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability. The implementation of this statement did not have an effect on the financial statements of the City.

For year 2017, the City implemented GASB Statement No. 80 “*Blending Requirements for Certain Component Units – an Amendment of GASB Statement No. 14*”, which improves financial reporting by clarifying the financial statement presentation requirements for certain component units. The implementation of this statement did not have an effect on the financial statements of the City.

For year 2017, the City implemented GASB Statement No. 81 “*Irrevocable Split-Interest Agreements*”, which improves financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The implementation of this statement did not have an effect on the financial statements of the City.

For year 2017, the City implemented GASB Statement No. 82 “*Pension Issues – An Amendment of GASB Statements No. 67, No. 68, and No. 73*”, which addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The implementation of this statement did not have a significant effect on the financial statements of the City.

Note 17 – Reclassification of Fund Balance

For year 2017, the Infrastructure Improvement Fund met the criteria for major fund reporting and the Community Fiber Optic Fund no longer met the criteria for major fund reporting. As a result, the beginning fund balances have been reclassified. The effects of this reclassification on beginning fund balances were as follows:

Fund	Infrastructure Improvement	Community Fiber Optic	Other Governmental
Fund Balance, December 31, 2016	\$ -	\$ (1,132,328)	\$ 10,269,967
Major Fund Reclassification	4,362,830	1,132,328	(5,495,158)
Fund Balance, January 1, 2017	<u>\$ 4,362,830</u>	<u>\$ -</u>	<u>\$ 4,774,809</u>



CITY OF | **UPPER ARLINGTON**

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

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	GENERAL FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Income tax	\$ 25,284,000	\$ 25,656,000	\$ 26,107,667	\$ 451,667
Property and other local taxes	9,119,800	9,119,800	9,225,397	105,597
Special assessments	50,000	50,000	58,647	8,647
Charges for services	1,000,000	1,100,000	1,123,749	23,749
Licenses and permits	1,000,000	1,100,000	1,244,231	144,231
Fines and forfeitures	325,000	325,000	315,772	(9,228)
Intergovernmental	2,324,000	2,274,000	2,341,030	67,030
Investment earnings	432,000	507,000	565,828	58,828
Miscellaneous	1,091,000	1,191,000	1,349,560	158,560
Total revenues	40,625,800	41,322,800	42,331,881	1,009,081
<u>EXPENDITURES:</u>				
Current:				
Police				
Personal services	7,471,100	7,471,100	7,351,446	119,654
Other than personal services	597,500	645,500	560,466	85,034
Capital outlay	100,000	166,100	140,216	25,884
Fire				
Personal services	7,975,800	8,225,800	8,058,130	167,670
Other than personal services	294,000	326,100	310,895	15,205
Board of Health				
Other than personal services	282,000	282,000	278,931	3,069
Parks and recreation				
Personal services	2,389,100	2,389,100	2,375,122	13,978
Other than personal services	1,063,950	1,117,950	1,062,152	55,798
Capital outlay	249,500	281,500	253,499	28,001
Development				
Personal services	706,400	717,400	708,189	9,211
Other than personal services	192,100	217,935	207,680	10,255
Public Service Administration				
Personal services	812,000	776,670	767,072	9,598
Other than personal services	79,150	83,315	83,204	111
Capital outlay	127,900	127,900	118,170	9,730
Public Works				
Personal services	890,600	833,930	833,908	22
Other than personal services	226,800	231,800	230,991	809
Capital outlay	319,000	319,000	266,453	52,547
City Manager				
Personal services	880,200	1,039,200	1,037,338	1,862
Other than personal services	158,450	197,450	155,938	41,512
City Attorney				
Personal services	649,600	639,925	584,021	55,904
Other than personal services	120,500	130,175	129,884	291

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, 2017

	GENERAL FUND (Continued)			
	Adopted Budget	Revised Budget	Actual	Variance
City Clerk				
Personal services	269,700	227,200	199,502	27,698
Other than personal services	44,900	44,900	35,868	9,032
City Council				
Personal services	143,400	149,900	146,088	3,812
Other than personal services	5,800	5,800	2,573	3,227
Clerk of Court				
Personal services	181,900	192,900	171,766	21,134
Other than personal services	292,400	288,900	238,890	50,010
Finance				
Personal services	1,020,100	861,100	785,022	76,078
Other than personal services	168,000	141,000	88,141	52,859
Facilities Maintenance				
Other than personal services	1,564,600	1,689,600	1,687,273	2,327
Information Technology				
Personal services	517,400	517,400	458,103	59,297
Other than personal services	724,900	716,900	682,606	34,294
Capital outlay	318,900	295,800	260,783	35,017
General Government				
Personal services	608,700	608,700	389,607	219,093
Other than personal services	1,799,000	2,541,745	2,389,340	152,405
Capital outlay	4,000	505,730	505,726	4
Total expenditures	<u>33,249,350</u>	<u>35,007,425</u>	<u>33,554,993</u>	<u>1,452,432</u>
Excess (deficiency) of expenditures over (under) revenues	7,376,450	6,315,375	8,776,888	2,461,513
<u>OTHER FINANCING SOURCES (USES):</u>				
Proceeds from sale of capital assets	-	-	91,352	91,352
Transfers out	(11,287,900)	(11,547,900)	(11,547,900)	-
Advances in	225,000	325,000	325,000	-
Total other financing sources (uses)	<u>(11,062,900)</u>	<u>(11,222,900)</u>	<u>(11,131,548)</u>	<u>91,352</u>
Net change in fund balance	(3,686,450)	(4,907,525)	(2,354,660)	2,552,865
Fund balances at beginning of year	31,184,350	31,184,350	31,184,350	-
Lapsed encumbrances	95,505	95,505	95,505	-
Fund balances at end of year	<u>\$ 27,593,405</u>	<u>\$ 26,372,330</u>	<u>\$ 28,925,195</u>	<u>\$ 2,552,865</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, 2017

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

Net Change in Fund Balance

Budget Basis	\$ (2,354,660)
Emergency Medical Services Fund change	(36,778)
Economic Development Venture Fund change	145,360
Civil Service fund change	18,395
Net Adjustment for Revenue Accruals	1,195,106
Net Adjustment for Expenditure Accruals	(345,465)
Net Adjustment for Other Financing Sources (Uses)	(325,000)
Adjustment for Encumbrances	990,026
GAAP Basis	<u><u>\$ (713,016)</u></u>

CITY OF UPPER ARLINGTON, OHIO
NOTES TO THE BUDGETARY SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2017

Note (1) – Budgetary process

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

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

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

No transfer of appropriations can be made without City Council action, with the exception of certain transfers within a department's appropriation, within a fund, if the amounts are less than \$10,000. Expenditures cannot legally exceed appropriations at the character level. During 2017, various transfers of appropriations, supplemental appropriations, and reductions in appropriation were made in the following amounts:

<u>Fund Type</u>	<u>Increase/ (Decrease)</u>
General Fund	\$ 2,018,075
Special Revenue Funds	170,000
Debt Service Fund	50,000
Capital Projects Funds	3,386,900
Enterprise Funds	54,000

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 2017, the City amended its original General Fund revenue estimates by \$797,000 and appropriations by \$2.0 million. The revenue estimate increase was highlighted by a \$372,000 increase in income tax revenues. The increases to the original appropriations were highlighted by a \$260,000 transfer to the EMS Billing 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 Four Years (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's Proportion of the Net Pension (Asset)/Liability				
Traditional Plan	0.064067%	0.060318%	0.064049%	0.064049%
Combined Plan	0.014310%	0.011180%	0.002335%	0.002335%
City's Proportionate Share of the Net Pension (Asset)/Liability				
Traditional Plan	\$ 14,548,526	\$ 10,447,838	\$ 7,725,025	\$ 7,550,542
Combined Plan	(7,964)	(5,440)	(899)	(245)
City's Covered-Employee Payroll	\$ 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-Employee Payroll	166.11%	133.10%	98.35%	94.73%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability				
Traditional Plan	77.25%	81.08%	86.45%	86.36%
Combined Plan	116.55%	116.90%	114.83%	104.56%

(1) Information prior to 2014 is not available.

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

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

Last Four Years (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's Proportion of the Net Pension Liability	0.4455920%	0.4626690%	0.4750351%	0.4750351%
City's Proportionate Share of the Net Pension Liability	\$ 28,223,350	\$ 29,763,821	\$ 24,608,799	\$ 23,135,700
City's Covered-Employee Payroll	\$ 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-Employee Payroll	294.33%	318.73%	332.82%	294.66%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.36%	66.77%	72.20%	73.00%

(1) Information prior to 2014 is not available.

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



CITY OF | **UPPER ARLINGTON**

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

Last Five Years (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 1,190,168	\$ 1,050,432	\$ 941,457	\$ 942,482	\$ 1,036,105
Contributions in relation to the contractually required contribution	<u>\$ 1,190,168</u>	<u>\$ 1,050,432</u>	<u>\$ 941,457</u>	<u>\$ 942,482</u>	<u>\$ 1,036,105</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 9,155,141	\$ 8,753,602	\$ 7,845,468	\$ 7,854,017	\$ 7,970,038
Contributions as a percentage of covered-employee payroll	13.00%	12.00%	12.00%	12.00%	13.00%

(1) Information prior to 2013 is not available.

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

Last Seven Years (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 2,264,705	\$ 2,045,318	\$ 1,995,536	\$ 1,607,027
Contributions in relation to the contractually required contribution	<u>\$ 2,264,705</u>	<u>\$ 2,045,318</u>	<u>\$ 1,995,536</u>	<u>\$ 1,607,027</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$10,551,438	\$ 9,589,115	\$ 9,338,241	\$ 7,393,927
Contributions as a percentage of covered- employee payroll	21.46%	21.33%	21.37%	21.73%

(1) Information prior to 2011 is not available.

<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 1,714,578	\$ 1,991,719	\$ 1,996,404
<u>\$ 1,714,578</u>	<u>\$ 1,991,719</u>	<u>\$ 1,996,404</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 7,851,553	\$ 9,128,185	\$ 9,155,982
21.84%	21.82%	21.80%

CITY OF UPPER ARLINGTON, OHIO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2017

Ohio Public Employees Retirement System

There were no recent significant changes of benefit terms, investment policies, the size or composition of the population covered by the benefit terms impacting the actuarial valuation study for the year ended December 31, 2016.

In 2016, a five-year experience study was completed on the period January 1, 2011 through December 31, 2015. The Board adopted changes to both the demographic and economic assumptions as a result of the study. The most notable change in demographic assumptions is an increased life expectancy of the members and the most notable change in economic assumptions is the reduction in the actuarially assumed rate of return from 8.00% down to 7.50% for the defined benefit investments. The new assumptions are included in the 2016 actuarial valuation.

In 2016, OPERS, in conjunction with the Board's investment consultants, also completed an asset liability study. Periodically, the System engages in a more comprehensive study that examines the nature of the pension liabilities the plan will ultimately pay and the characteristics of the asset allocation projections and the associated level of risk. As a result of this study, OPERS modified the asset allocation slightly, but not substantively.

Ohio Police and Fire Pension System

In October 2017, the OPF Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of January 1, 2017. The most significant change is a reduction in the discount rate from 8.25 percent to 8.0 percent. Although the exact amount of these changes is not known, the impact to the City's net pension liability is expected to be significant.

OTHER SUPPLEMENTARY INFORMATION

CITY OF UPPER ARLINGTON, OHIO

FUND DESCRIPTIONS – MAJOR GOVERNMENTAL FUNDS

General Fund

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

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

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

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

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

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

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

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

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

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

General Obligation Bond Retirement Fund

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

CITY OF UPPER ARLINGTON, OHIO
FUND DESCRIPTIONS – MAJOR GOVERNMENTAL FUNDS

Capital Projects Funds

Bonded Improvement Fund

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

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.

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.

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, 2017

GENERAL OPERATING ACCOUNT				
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Income tax	\$ 18,204,000	\$ 18,576,000	\$ 18,794,072	\$ 218,072
Property and other local taxes	5,973,100	5,973,100	6,067,858	94,758
Special assessments	50,000	50,000	58,647	8,647
Charges for services	1,000,000	1,100,000	1,123,749	23,749
Licenses and permits	1,000,000	1,100,000	1,244,231	144,231
Fines and forfeitures	325,000	325,000	315,772	(9,228)
Intergovernmental	1,878,900	1,828,900	1,896,963	68,063
Investment earnings	425,000	500,000	557,985	57,985
Miscellaneous	1,006,000	1,106,000	1,228,978	122,978
Total revenues	29,862,000	30,559,000	31,288,255	729,255
<u>EXPENDITURES:</u>				
Current:				
Police				
Personal services	7,471,100	7,471,100	7,351,446	119,654
Other than personal services	589,500	645,500	560,466	85,034
Fire				
Personal services	7,975,800	8,225,800	8,058,130	167,670
Other than personal services	292,000	326,100	310,895	15,205
Board of Health				
Other than personal services	282,000	282,000	278,931	3,069
Parks and recreation				
Personal services	2,389,100	2,389,100	2,375,122	13,978
Other than personal services	1,051,950	1,117,950	1,062,152	55,798
Development				
Personal services	706,400	717,400	708,189	9,211
Other than personal services	188,100	217,935	207,680	10,255
Public Service Administration				
Personal services	812,000	776,670	767,072	9,598
Other than personal services	69,150	83,315	83,204	111
Public Works Division				
Personal services	890,600	833,930	833,908	22
Other than personal services	226,800	231,800	230,991	809
City Manager				
Personal services	880,200	1,039,200	1,037,338	1,862
Other than personal services	158,450	197,450	155,938	41,512
City Attorney				
Personal services	649,600	639,925	584,021	55,904
Other than personal services	120,500	130,175	129,884	291
City Clerk				
Personal services	269,700	227,200	199,502	27,698
Other than personal services	44,900	44,900	35,868	9,032

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, 2017

	GENERAL OPERATING ACCOUNT (Continued)			
	Adopted Budget	Revised Budget	Actual	Variance
City Council				
Personal services	143,400	149,900	146,088	3,812
Other than personal services	5,800	5,800	2,573	3,227
Clerk of Court				
Personal services	181,900	192,900	171,766	21,134
Other than personal services	292,400	288,900	238,890	50,010
Finance				
Personal services	1,020,100	861,100	785,022	76,078
Other than personal services	168,000	141,000	88,141	52,859
Facilities Maintenance				
Other than personal services	1,564,600	1,689,600	1,687,273	2,327
Information Technology				
Personal services	517,400	517,400	458,103	59,297
Other than personal services	646,000	646,000	622,414	23,586
General Government				
Personal services	608,700	608,700	389,607	219,093
Other than personal services	1,749,000	2,491,745	2,376,070	115,675
Capital outlay	-	505,730	505,726	4
Total expenditures	31,965,150	33,696,225	32,442,410	1,253,815
Excess (deficiency) of expenditures over revenues	(2,103,150)	(3,137,225)	(1,154,155)	1,983,070
<u>OTHER FINANCING SOURCES (USES):</u>				
Proceeds from sale of capital assets	-	-	91,352	91,352
Transfers out	(4,565,200)	(4,825,200)	(4,825,200)	-
Advances in	225,000	325,000	325,000	-
Interaccount transfers in	2,736,000	2,736,000	2,223,411	(512,589)
Total other financing sources (uses)	(1,604,200)	(1,764,200)	(2,185,437)	(421,237)
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(3,707,350)	(4,901,425)	(3,339,592)	1,561,833
Fund balances at beginning of year	18,675,380	18,675,380	18,675,380	-
Lapsed encumbrances	92,355	92,355	92,355	-
Fund balances at end of year	<u>\$ 15,060,385</u>	<u>\$ 13,866,310</u>	<u>\$ 15,428,143</u>	<u>\$ 1,561,833</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, 2017

	CAPITAL ASSET MANAGEMENT ACCOUNT			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Income tax	\$ 7,080,000	\$ 7,080,000	\$ 7,313,595	\$ 233,595
Total revenues	7,080,000	7,080,000	7,313,595	233,595
<u>EXPENDITURES:</u>				
Total expenditures	-	-	-	-
Excess (deficiency) of expenditures over revenues	7,080,000	7,080,000	7,313,595	233,595
<u>OTHER FINANCING (USES):</u>				
Transfers out	(6,722,700)	(6,722,700)	(6,722,700)	-
Total other financing (uses)	(6,722,700)	(6,722,700)	(6,722,700)	-
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	357,300	357,300	590,895	233,595
Fund balances at beginning of year	10,006,824	10,006,824	10,006,824	-
Fund balances at end of year	<u>\$ 10,364,124</u>	<u>\$ 10,364,124</u>	<u>\$ 10,597,719</u>	<u>\$ 233,595</u>

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE AND FIRE PENSION ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2017

	POLICE AND FIRE PENSION ACCOUNT			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Property and other local taxes	\$ 2,397,400	\$ 2,397,400	\$ 2,405,855	\$ 8,455
Intergovernmental	338,900	338,900	338,144	(756)
Total revenues	<u>2,736,300</u>	<u>2,736,300</u>	<u>2,743,999</u>	<u>7,699</u>
<u>EXPENDITURES:</u>				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of expenditures over revenues	2,736,300	2,736,300	2,743,999	7,699
<u>OTHER FINANCING (USES):</u>				
Interaccount transfers out	<u>(2,736,000)</u>	<u>(2,736,000)</u>	<u>(2,223,411)</u>	<u>512,589</u>
Total other financing (uses)	<u>(2,736,000)</u>	<u>(2,736,000)</u>	<u>(2,223,411)</u>	<u>512,589</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	300	300	520,588	520,288
Fund balances at beginning of year	<u>1,308,233</u>	<u>1,308,233</u>	<u>1,308,233</u>	<u>-</u>
Fund balances at end of year	<u>\$ 1,308,533</u>	<u>\$ 1,308,533</u>	<u>\$ 1,828,821</u>	<u>\$ 520,288</u>

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, 2017

	CAPITAL EQUIPMENT ACCOUNT			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Property and other local taxes	\$ 749,300	\$ 749,300	\$ 751,684	\$ 2,384
Intergovernmental	106,200	106,200	105,923	(277)
Total revenues	<u>855,500</u>	<u>855,500</u>	<u>857,607</u>	<u>2,107</u>
<u>EXPENDITURES:</u>				
Current:				
Police				
Other than personal services	8,000	-	-	-
Capital outlay	100,000	166,100	140,216	25,884
Fire				
Other than personal services	2,000	-	-	-
Parks and recreation				
Other than personal services	12,000	-	-	-
Capital outlay	249,500	281,500	253,499	28,001
Development				
Other than personal services	4,000	-	-	-
Public Service Administration				
Other than personal services	10,000	-	-	-
Capital outlay	127,900	127,900	118,170	9,730
Public Works Division				
Capital outlay	319,000	319,000	266,453	52,547
Information Technology				
Capital outlay	318,900	287,800	253,601	34,199
General Government				
Capital outlay	4,000	-	-	-
Total expenditures	<u>1,155,300</u>	<u>1,182,300</u>	<u>1,031,939</u>	<u>150,361</u>
Excess (deficiency) of expenditures over revenues	(299,800)	(326,800)	(174,332)	152,468
Fund balances at beginning of year	354,212	354,212	354,212	-
Lapsed encumbrances	3,150	3,150	3,150	-
Fund balances at end of year	<u>\$ 57,562</u>	<u>\$ 30,562</u>	<u>\$ 183,030</u>	<u>\$ 152,468</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, 2017

SELF-INSURED LOSS ACCOUNT				
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Investment earnings	\$ 7,000	\$ 7,000	\$ 7,843	\$ 843
Miscellaneous	10,000	10,000	49,481	39,481
Total revenues	<u>17,000</u>	<u>17,000</u>	<u>57,324</u>	<u>40,324</u>
<u>EXPENDITURES:</u>				
Current:				
General Government				
Other than personal services	50,000	50,000	13,270	36,730
Total expenditures	<u>50,000</u>	<u>50,000</u>	<u>13,270</u>	<u>36,730</u>
Excess (deficiency) of expenditures over revenues	(33,000)	(33,000)	44,054	77,054
Fund balances at beginning of year	<u>772,673</u>	<u>772,673</u>	<u>772,673</u>	<u>-</u>
Fund balances at end of year	<u><u>\$ 739,673</u></u>	<u><u>\$ 739,673</u></u>	<u><u>\$ 816,727</u></u>	<u><u>\$ 77,054</u></u>

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, 2017

	COMMUNICATIONS AND TECHNOLOGY ACCOUNT			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Miscellaneous	\$ 75,000	\$ 75,000	\$ 71,101	\$ (3,899)
Total revenues	<u>75,000</u>	<u>75,000</u>	<u>71,101</u>	<u>(3,899)</u>
<u>EXPENDITURES:</u>				
Current:				
Information Technology				
Other than personal services	78,900	70,900	60,192	10,708
Capital outlay	-	8,000	7,182	818
Total expenditures	<u>78,900</u>	<u>78,900</u>	<u>67,374</u>	<u>11,526</u>
Excess (deficiency) of expenditures over revenues	(3,900)	(3,900)	3,727	7,627
Fund balances at beginning of year	<u>67,028</u>	<u>67,028</u>	<u>67,028</u>	<u>-</u>
Fund balances at end of year	<u><u>\$ 63,128</u></u>	<u><u>\$ 63,128</u></u>	<u><u>\$ 70,755</u></u>	<u><u>\$ 7,627</u></u>



CITY OF | **UPPER ARLINGTON**

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CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TOTAL GENERAL FUND ACCOUNTS
FOR THE YEAR ENDED DECEMBER 31, 2017

	TOTAL GENERAL FUND ACCOUNTS			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Income tax	\$ 25,284,000	\$ 25,656,000	\$ 26,107,667	\$ 451,667
Property and other local taxes	9,119,800	9,119,800	9,225,397	105,597
Special assessments	50,000	50,000	58,647	8,647
Charges for services	1,000,000	1,100,000	1,123,749	23,749
Licenses and permits	1,000,000	1,100,000	1,244,231	144,231
Fines and forfeitures	325,000	325,000	315,772	(9,228)
Intergovernmental	2,324,000	2,274,000	2,341,030	67,030
Investment earnings	432,000	507,000	565,828	58,828
Miscellaneous	1,091,000	1,191,000	1,349,560	158,560
Total revenues	40,625,800	41,322,800	42,331,881	1,009,081
<u>EXPENDITURES:</u>				
Current:				
Police				
Personal services	7,471,100	7,471,100	7,351,446	119,654
Other than personal services	597,500	645,500	560,466	85,034
Capital outlay	100,000	166,100	140,216	25,884
Fire				
Personal services	7,975,800	8,225,800	8,058,130	167,670
Other than personal services	294,000	326,100	310,895	15,205
Board of Health				
Other than personal services	282,000	282,000	278,931	3,069
Parks and recreation				
Personal services	2,389,100	2,389,100	2,375,122	13,978
Other than personal services	1,063,950	1,117,950	1,062,152	55,798
Capital outlay	249,500	281,500	253,499	28,001
Development				
Personal services	706,400	717,400	708,189	9,211
Other than personal services	192,100	217,935	207,680	10,255
Public Service Administration				
Personal services	812,000	776,670	767,072	9,598
Other than personal services	79,150	83,315	83,204	111
Capital outlay	127,900	127,900	118,170	9,730
Public Works Division				
Personal services	890,600	833,930	833,908	22
Other than personal services	226,800	231,800	230,991	809
Capital outlay	319,000	319,000	266,453	52,547
City Manager				
Personal services	880,200	1,039,200	1,037,338	1,862
Other than personal services	158,450	197,450	155,938	41,512
City Attorney				
Personal services	649,600	639,925	584,021	55,904
Other than personal services	120,500	130,175	129,884	291

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, 2017

	TOTAL GENERAL FUND ACCOUNTS (Continued)			
	Adopted Budget	Revised Budget	Actual	Variance
City Clerk				
Personal services	269,700	227,200	199,502	27,698
Other than personal services	44,900	44,900	35,868	9,032
City Council				
Personal services	143,400	149,900	146,088	3,812
Other than personal services	5,800	5,800	2,573	3,227
Clerk of Court				
Personal services	181,900	192,900	171,766	21,134
Other than personal services	292,400	288,900	238,890	50,010
Finance				
Personal services	1,020,100	861,100	785,022	76,078
Other than personal services	168,000	141,000	88,141	52,859
Facilities Maintenance				
Other than personal services	1,564,600	1,689,600	1,687,273	2,327
Information Technology				
Personal services	517,400	517,400	458,103	59,297
Other than personal services	724,900	716,900	682,606	34,294
Capital outlay	318,900	295,800	260,783	35,017
General Government				
Personal services	608,700	608,700	389,607	219,093
Other than personal services	1,799,000	2,541,745	2,389,340	152,405
Capital outlay	4,000	505,730	505,726	4
Total expenditures	<u>33,249,350</u>	<u>35,007,425</u>	<u>33,554,993</u>	<u>1,452,432</u>
Excess (deficiency) of expenditures over revenues	7,376,450	6,315,375	8,776,888	2,461,513
<u>OTHER FINANCING SOURCES (USES):</u>				
Proceeds from sale of capital assets	-	-	91,352	91,352
Transfers out	(11,287,900)	(11,547,900)	(11,547,900)	-
Advances in	225,000	325,000	325,000	-
Interaccount transfers in	2,736,000	2,736,000	2,223,411	(512,589)
Interaccount transfers out	(2,736,000)	(2,736,000)	(2,223,411)	512,589
Total other financing sources (uses)	<u>(11,062,900)</u>	<u>(11,222,900)</u>	<u>(11,131,548)</u>	<u>91,352</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(3,686,450)	(4,907,525)	(2,354,660)	2,552,865
Fund balances at beginning of year	31,184,350	31,184,350	31,184,350	-
Lapsed encumbrances	95,505	95,505	95,505	-
Fund balances at end of year	<u>\$ 27,593,405</u>	<u>\$ 26,372,330</u>	<u>\$ 28,925,195</u>	<u>\$ 2,552,865</u>

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL OBLIGATION BOND RETIREMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	GENERAL OBLIGATION BOND RETIREMENT FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Property and other local taxes	\$ 786,900	\$ 786,900	\$ 751,683	\$ (35,217)
Special assessments	100,000	100,000	105,923	5,923
Intergovernmental	106,300	106,300	94,142	(12,158)
Total revenues	<u>993,200</u>	<u>993,200</u>	<u>951,748</u>	<u>(41,452)</u>
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	7,681,200	7,731,200	7,386,210	344,990
Total expenditures	<u>7,681,200</u>	<u>7,731,200</u>	<u>7,386,210</u>	<u>344,990</u>
Excess (deficiency) of expenditures over revenues	(6,688,000)	(6,738,000)	(6,434,462)	303,538
<u>OTHER FINANCING SOURCES (USES):</u>				
Premium on issuance of bonds	457,800	457,800	457,855	55
Transfers in	6,306,000	6,306,000	5,908,710	(397,290)
Total other financing sources (uses)	<u>6,763,800</u>	<u>6,763,800</u>	<u>6,366,565</u>	<u>(397,235)</u>
Excess (deficiency) of revenues and other financing sources over expenditures	75,800	25,800	(67,897)	(93,697)
Fund balances at beginning of year	572,112	572,112	572,112	-
Fund balances at end of year	<u>\$ 647,912</u>	<u>\$ 597,912</u>	<u>\$ 504,215</u>	<u>\$ (93,697)</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, 2017

	BONDED IMPROVEMENT FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Investment Earnings	\$ 25,000	\$ 25,000	\$ 115,292	\$ 90,292
Miscellaneous	-	-	919	919
Total revenues	25,000	25,000	116,211	91,211
<u>EXPENDITURES:</u>				
Current:				
Parks and recreation				
Personal services	42,700	42,700	26,552	16,148
Capital outlay	-	5,000	3,283	1,717
Public Service Administration				
Personal services	245,770	324,270	306,794	17,476
Public Works Division				
Capital outlay	9,273,795	10,690,295	10,457,747	232,548
Total expenditures	9,562,265	11,062,265	10,794,376	267,889
Excess (deficiency) of expenditures over revenues	(9,537,265)	(11,037,265)	(10,678,165)	359,100
<u>OTHER FINANCING SOURCES (USES):</u>				
Sale of bonds	9,280,000	9,280,000	9,280,000	-
Total other financing sources (uses)	9,280,000	9,280,000	9,280,000	-
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(257,265)	(1,757,265)	(1,398,165)	359,100
Fund balances at beginning of year	10,078,672	10,078,672	10,078,672	-
Lapsed encumbrances	459,559	459,559	459,559	-
Fund balances at end of year	\$ 10,280,966	\$ 8,780,966	\$ 9,140,066	\$ 359,100

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, 2017

	INFRASTRUCTURE IMPROVEMENT FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Intergovernmental	\$ 1,369,735	\$ 1,369,735	\$ 85,159	\$ (1,284,576)
Miscellaneous	-	-	150,000	150,000
Total revenues	<u>1,369,735</u>	<u>1,369,735</u>	<u>235,159</u>	<u>(1,134,576)</u>
<u>EXPENDITURES:</u>				
Current:				
Parks and recreation				
Personal services	42,700	42,700	19,971	22,729
Capital outlay	2,507,300	2,807,300	1,050,931	1,756,369
Public Service Administration				
Personal services	70,220	93,720	69,458	24,262
Capital outlay	-	-	-	-
Public Works Division				
Capital outlay	2,353,915	3,630,415	3,182,243	448,172
Total expenditures	<u>4,974,135</u>	<u>6,574,135</u>	<u>4,322,603</u>	<u>2,251,532</u>
Excess (deficiency) of expenditures over revenues	(3,604,400)	(5,204,400)	(4,087,444)	1,116,956
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers-in	5,750,000	5,750,000	5,750,000	-
Total other financing sources (uses)	<u>5,750,000</u>	<u>5,750,000</u>	<u>5,750,000</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures	2,145,600	545,600	1,662,556	1,116,956
Fund balances at beginning of year	4,108,109	4,108,109	4,108,109	-
Lapsed encumbrances	16,243	16,243	16,243	-
Fund balances at end of year	<u>\$ 6,269,952</u>	<u>\$ 4,669,952</u>	<u>\$ 5,786,908</u>	<u>\$ 1,116,956</u>

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ESTATE TAX CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	ESTATE TAX CAPITAL PROJECTS FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Intergovernmental	\$ -	\$ -	\$ 2,067	\$ 2,067
Investment Earnings	20,000	33,500	34,559	1,059
Total revenues	<u>20,000</u>	<u>33,500</u>	<u>36,626</u>	<u>3,126</u>
<u>EXPENDITURES:</u>				
Current:				
Parks and recreation				
Capital outlay	-	119,500	119,439	61
Public Service Administration				
Personal services	35,110	45,410	24,061	21,349
Public Works Division				
Capital outlay	1,384,690	1,486,190	1,476,287	9,903
Total expenditures	<u>1,419,800</u>	<u>1,651,100</u>	<u>1,619,787</u>	<u>31,313</u>
Excess (deficiency) of expenditures over revenues	(1,399,800)	(1,617,600)	(1,583,161)	34,439
Fund balances at beginning of year	1,618,165	1,618,165	1,618,165	-
Lapsed encumbrances	109,527	109,527	109,527	-
Fund balances at end of year	<u>\$ 327,892</u>	<u>\$ 110,092</u>	<u>\$ 144,531</u>	<u>\$ 34,439</u>

CITY OF UPPER ARLINGTON, OHIO

FUND DESCRIPTIONS – NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds

Tax Incentive Review Fund

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

Street Maintenance and Repair Fund

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

Law Enforcement Fund

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

Tree Planting Fund

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

Enforcement Education Fund

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

Mayor's Court Computer Fund

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

Mayor's Court Special Project Fund

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

CITY OF UPPER ARLINGTON, OHIO

FUND DESCRIPTIONS – NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds (continued)

Life Long Learning and Leisure Fund

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

Neighborhood Lighting Fund

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

Clerk of Court Fund

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

Upper Arlington Visitor's Bureau Fund

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

Nonmajor Capital Project Funds

Tax Increment Financing (TIF) Districts

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

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
DECEMBER 31, 2017

	Nonmajor Special Revenue	Nonmajor Capital Projects	Total Nonmajor Governmental
Assets:			
Cash, cash equivalents and investments	\$ 3,032,706	\$ 4,825,958	\$ 7,858,664
Receivables (net of allowances):			
Property and other taxes	3,298	-	3,298
Payments in lieu of taxes	-	2,225,271	2,225,271
Accounts	7,850	-	7,850
Accrued interest	6,434	-	6,434
Intergovernmental	812,500	13,461	825,961
Materials and supplies inventory	126,028	-	126,028
Total assets	<u>\$ 3,988,816</u>	<u>\$ 7,064,690</u>	<u>\$ 11,053,506</u>
Liabilities:			
Accounts payable	\$ 116,125	\$ 48,952	\$ 165,077
Accrued wages and benefits	28,203	-	28,203
Due to other governments	4,521	-	4,521
Advances from other funds	-	2,759,135	2,759,135
Due to other funds	367	230,000	230,367
Total liabilities	<u>149,216</u>	<u>3,038,087</u>	<u>3,187,303</u>
Deferred Inflows of Resources			
Property and Other Local Taxes	-	2,225,271	2,225,271
Unavailable Revenue	543,614	13,461	557,075
Total deferred inflows of resources	<u>543,614</u>	<u>2,238,732</u>	<u>2,782,346</u>
Fund Balance:			
Nonspendable:			
Inventory	126,028	-	126,028
Restricted:			
Capital projects	-	3,814,204	3,814,204
Street maintenance and repairs	1,130,242	-	1,130,242
Law enforcement and education	1,003,844	-	1,003,844
Other purposes	328,860	-	328,860
Committed:			
Capital projects	502,049	-	502,049
Parks and recreation	204,963	-	204,963
Unassigned (deficit)	-	(2,026,333)	(2,026,333)
Total fund balance	<u>3,295,986</u>	<u>1,787,871</u>	<u>5,083,857</u>
 Total liabilities, deferred inflows of resources, and fund balances	 <u>\$ 3,988,816</u>	 <u>\$ 7,064,690</u>	 <u>\$ 11,053,506</u>

CITY OF UPPER ARLINGTON, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Nonmajor Special Revenue	Nonmajor Capital Projects	Total Nonmajor Governmental
Revenues:			
Property and other taxes	\$ 66,916	\$ -	\$ 66,916
Payments in lieu of taxes	-	1,568,406	1,568,406
Charges for services	231,055	-	231,055
Fines and forfeitures	51,714	-	51,714
Intergovernmental	1,715,082	23,067	1,738,149
Investment earnings	22,566	-	22,566
Miscellaneous	20,550	229,729	250,279
Total revenues	<u>2,107,883</u>	<u>1,821,202</u>	<u>3,929,085</u>
Expenditures:			
Current:			
General government	17,276	470,225	487,501
Public safety	225,072	-	225,072
Public services	1,852,303	-	1,852,303
Parks and recreation	149,417	-	149,417
Capital outlay	28,518	249,221	277,739
Total expenditures	<u>2,272,586</u>	<u>719,446</u>	<u>2,992,032</u>
Excess (deficiency) of revenues over (under) expenditures	(164,703)	1,101,756	937,053
Other Financing Sources (Uses):			
Sale of capital assets	34,706	-	34,706
Transfers in	21,800	68,400	90,200
Transfers out	-	(752,911)	(752,911)
Total other financing sources (uses)	<u>56,506</u>	<u>(684,511)</u>	<u>(628,005)</u>
Net change in fund balances	(108,197)	417,245	309,048
Fund balance at beginning of year	3,404,183	1,370,626	4,774,809
Fund balance at end of year	<u>\$ 3,295,986</u>	<u>\$ 1,787,871</u>	<u>\$ 5,083,857</u>

CITY OF UPPER ARLINGTON, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2017

	Tax Incentive Review	Street Maintenance and Repair	Law Enforcement	Tree Planting	Enforcement Education
Assets:					
Cash, cash equivalents and investments	\$ 24,792	\$ 901,799	\$ 784,551	\$ 86,119	\$ 17,518
Receivables (net of allowances):					
Property and other taxes	-	-	-	-	-
Accounts	-	-	-	-	125
Accrued interest	-	2,544	2,213	-	-
Intergovernmental	-	812,500	-	-	-
Materials and supplies inventory	-	126,028	-	-	-
Total assets	<u>\$ 24,792</u>	<u>\$ 1,842,871</u>	<u>\$ 786,764</u>	<u>\$ 86,119</u>	<u>\$ 17,643</u>
Liabilities:					
Accounts payable	\$ -	\$ 17,588	\$ -	\$ -	\$ -
Accrued wages and benefits	-	25,163	2,983	-	-
Due to other governments	-	3,888	624	-	-
Due to other funds	-	327	39	-	-
Total liabilities	<u>-</u>	<u>46,966</u>	<u>3,646</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
Unavailable Revenue	-	539,635	130	-	-
Total deferred inflows of resources	<u>-</u>	<u>539,635</u>	<u>130</u>	<u>-</u>	<u>-</u>
Fund Balance:					
Nonspendable:					
Inventory	-	126,028	-	-	-
Restricted:					
Street maintenance and repairs	-	1,130,242	-	-	-
Law enforcement and education	-	-	782,988	-	17,643
Other purposes	24,792	-	-	-	-
Committed:					
Capital projects	-	-	-	-	-
Parks and recreation	-	-	-	86,119	-
Total fund balances	<u>24,792</u>	<u>1,256,270</u>	<u>782,988</u>	<u>86,119</u>	<u>17,643</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 24,792</u>	<u>\$ 1,842,871</u>	<u>\$ 786,764</u>	<u>\$ 86,119</u>	<u>\$ 17,643</u>

Mayor's Court Computer	Mayor's Court Special Project	Life Long Learning and Leisure	Neighborhood Lighting	Clerk of Court	Upper Arlington Visitor's Bureau	Total Nonmajor Special Revenue Funds
\$ 64,828	\$ 130,375	\$ 120,318	\$ 594,555	\$ 49,750	\$ 258,101	\$ 3,032,706
-	-	-	-	-	3,298	3,298
752	2,515	-	3,705	753	-	7,850
-	-	-	1,677	-	-	6,434
-	-	-	-	-	-	812,500
-	-	-	-	-	-	126,028
<u>\$ 65,580</u>	<u>\$ 132,890</u>	<u>\$ 120,318</u>	<u>\$ 599,937</u>	<u>\$ 50,503</u>	<u>\$ 261,399</u>	<u>\$ 3,988,816</u>
\$ -	\$ 346	\$ 1,407	\$ 94,039	\$ 2,745	\$ -	\$ 116,125
-	-	57	-	-	-	28,203
-	-	9	-	-	-	4,521
-	-	1	-	-	-	367
<u>-</u>	<u>346</u>	<u>1,474</u>	<u>94,039</u>	<u>2,745</u>	<u>-</u>	<u>149,216</u>
-	-	-	3,849	-	-	543,614
<u>-</u>	<u>-</u>	<u>-</u>	<u>3,849</u>	<u>-</u>	<u>-</u>	<u>543,614</u>
-	-	-	-	-	-	126,028
-	-	-	-	-	-	1,130,242
65,580	89,875	-	-	47,758	-	1,003,844
-	42,669	-	-	-	261,399	328,860
-	-	-	502,049	-	-	502,049
-	-	118,844	-	-	-	204,963
<u>65,580</u>	<u>132,544</u>	<u>118,844</u>	<u>502,049</u>	<u>47,758</u>	<u>261,399</u>	<u>3,295,986</u>
<u>\$ 65,580</u>	<u>\$ 132,890</u>	<u>\$ 120,318</u>	<u>\$ 599,937</u>	<u>\$ 50,503</u>	<u>\$ 261,399</u>	<u>\$ 3,988,816</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, 2017

	Tax Incentive Review	Street Maintenance and Repair	Law Enforcement	Tree Planting	Enforcement Education
Revenues:					
Property and other taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	22,621	-
Fines and forfeitures	-	-	-	-	2,227
Intergovernmental	-	1,654,330	60,752	-	-
Investment earnings	-	8,479	8,336	-	-
Miscellaneous	4,429	9,685	35	3,517	-
Total revenues	<u>4,429</u>	<u>1,672,494</u>	<u>69,123</u>	<u>26,138</u>	<u>2,227</u>
Expenditures:					
Current:					
General government	5,000	-	-	-	-
Public safety	-	-	194,032	-	644
Public services	-	1,711,716	-	-	-
Parks and recreation	-	-	-	15,438	-
Capital outlay	-	-	28,518	-	-
Total expenditures	<u>5,000</u>	<u>1,711,716</u>	<u>222,550</u>	<u>15,438</u>	<u>644</u>
Excess (deficiency) of revenues over (under) expenditures	(571)	(39,222)	(153,427)	10,700	1,583
Other Financing Sources:					
Sale of capital assets	-	-	34,706	-	-
Transfers in	-	21,800	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>21,800</u>	<u>34,706</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(571)	(17,422)	(118,721)	10,700	1,583
Fund balance at beginning of year	25,363	1,273,692	901,709	75,419	16,060
Fund balance at end of year	<u>\$ 24,792</u>	<u>\$ 1,256,270</u>	<u>\$ 782,988</u>	<u>\$ 86,119</u>	<u>\$ 17,643</u>

Mayor's Court Computer	Mayor's Court Special Project	Life Long Learning and Leisure	Neighborhood Lighting	Clerk of Court	Upper Arlington Visitor's Bureau	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,916	\$ 66,916
-	-	145,089	63,345	-	-	231,055
9,270	30,947	-	-	9,270	-	51,714
-	-	-	-	-	-	1,715,082
-	-	-	5,751	-	-	22,566
-	2,884	-	-	-	-	20,550
9,270	33,831	145,089	69,096	9,270	66,916	2,107,883
-	-	-	-	-	12,276	17,276
7,376	12,923	-	-	10,097	-	225,072
-	-	-	140,587	-	-	1,852,303
-	-	133,979	-	-	-	149,417
-	-	-	-	-	-	28,518
7,376	12,923	133,979	140,587	10,097	12,276	2,272,586
1,894	20,908	11,110	(71,491)	(827)	54,640	(164,703)
-	-	-	-	-	-	34,706
-	-	-	-	-	-	21,800
-	-	-	-	-	-	56,506
1,894	20,908	11,110	(71,491)	(827)	54,640	(108,197)
63,686	111,636	107,734	573,540	48,585	206,759	3,404,183
\$ 65,580	\$ 132,544	\$ 118,844	\$ 502,049	\$ 47,758	\$ 261,399	\$ 3,295,986

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, 2017

TAX INCENTIVE REVIEW FUND				
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Miscellaneous	\$ 5,000	\$ 5,500	\$ 4,429	\$ (1,071)
Total revenues	<u>5,000</u>	<u>5,500</u>	<u>4,429</u>	<u>(1,071)</u>
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Total expenditures	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Excess (deficiency) of expenditures over revenues	-	500	(571)	(1,071)
Fund balances at beginning of year	<u>25,363</u>	<u>25,363</u>	<u>25,363</u>	<u>-</u>
Fund balances at end of year	<u>\$ 25,363</u>	<u>\$ 25,863</u>	<u>\$ 24,792</u>	<u>\$ (1,071)</u>

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, 2017

	STREET MAINTENANCE AND REPAIR FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Intergovernmental	\$ 1,625,000	\$ 1,625,000	\$ 1,654,098	\$ 29,098
Investment Earnings	500	500	8,860	8,360
Miscellaneous	8,000	8,000	9,685	1,685
Total revenues	<u>1,633,500</u>	<u>1,633,500</u>	<u>1,672,643</u>	<u>39,143</u>
<u>EXPENDITURES:</u>				
Current:				
Public Works Division				
Personal services	811,800	871,800	822,296	49,504
Other than personal services	469,750	384,750	239,200	145,550
Public Service Administration				
Personal services	422,900	446,900	425,761	21,139
Other than personal services	339,950	244,950	207,245	37,705
Total expenditures	<u>2,044,400</u>	<u>1,948,400</u>	<u>1,694,502</u>	<u>253,898</u>
Excess (deficiency) of expenditures over revenues	(410,900)	(314,900)	(21,859)	293,041
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers-in	21,800	21,800	21,800	-
Total other financing sources (uses)	<u>21,800</u>	<u>21,800</u>	<u>21,800</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures	(389,100)	(293,100)	(59)	293,041
Fund balances at beginning of year	865,128	865,128	865,128	-
Lapsed encumbrances	34,482	34,482	34,482	-
Fund balances at end of year	<u>\$ 510,510</u>	<u>\$ 606,510</u>	<u>\$ 899,551</u>	<u>\$ 293,041</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, 2017

	LAW ENFORCEMENT FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Intergovernmental	\$ -	\$ -	\$ 71,312	\$ 71,312
Investment Earnings	10,000	10,000	8,296	(1,704)
Miscellaneous	105,000	105,000	35	(104,965)
Total revenues	<u>115,000</u>	<u>115,000</u>	<u>79,643</u>	<u>(35,357)</u>
<u>EXPENDITURES:</u>				
Current:				
Police				
Personal services	264,400	264,400	187,509	76,891
Other than personal services	30,000	30,000	6,872	23,128
Capital outlay	28,000	28,000	28,518	(518)
Total expenditures	<u>322,400</u>	<u>322,400</u>	<u>222,899</u>	<u>99,501</u>
Excess (deficiency) of expenditures over revenues	(207,400)	(207,400)	(143,256)	64,144
<u>OTHER FINANCING SOURCES (USES):</u>				
Proceeds from sale of capital assets	-	-	34,706	34,706
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>34,706</u>	<u>34,706</u>
Excess (deficiency) of revenues and other financing sources over expenditures	(207,400)	(207,400)	(108,550)	98,850
Fund balances at beginning of year	897,809	897,809	897,809	-
Fund balances at end of year	<u>\$ 690,409</u>	<u>\$ 690,409</u>	<u>\$ 789,259</u>	<u>\$ 98,850</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, 2017

	TREE PLANTING FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Charges for services	\$ 13,500	\$ 20,500	\$ 22,621	\$ 2,121
Miscellaneous	-	3,000	3,517	517
Total revenues	<u>13,500</u>	<u>23,500</u>	<u>26,138</u>	<u>2,638</u>
<u>EXPENDITURES:</u>				
Current:				
Parks and recreation				
Other than personal services	<u>20,000</u>	<u>23,000</u>	<u>15,932</u>	<u>7,068</u>
Total expenditures	<u>20,000</u>	<u>23,000</u>	<u>15,932</u>	<u>7,068</u>
Excess (deficiency) of expenditures over revenues	(6,500)	500	10,206	9,706
Fund balances at beginning of year	<u>75,913</u>	<u>75,913</u>	<u>75,913</u>	<u>-</u>
Fund balances at end of year	<u><u>\$ 69,413</u></u>	<u><u>\$ 76,413</u></u>	<u><u>\$ 86,119</u></u>	<u><u>\$ 9,706</u></u>

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, 2017

	ENFORCEMENT EDUCATION FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Fines and forfeitures	\$ 3,000	\$ 3,000	\$ 2,392	\$ (608)
Total revenues	<u>3,000</u>	<u>3,000</u>	<u>2,392</u>	<u>(608)</u>
<u>EXPENDITURES:</u>				
Current:				
Police				
Other than personal services	<u>2,500</u>	<u>2,500</u>	<u>644</u>	<u>1,856</u>
Total expenditures	<u>2,500</u>	<u>2,500</u>	<u>644</u>	<u>1,856</u>
Excess (deficiency) of expenditures over revenues	500	500	1,748	1,248
Fund balances at beginning of year	<u>15,770</u>	<u>15,770</u>	<u>15,770</u>	<u>-</u>
Fund balances at end of year	<u>\$ 16,270</u>	<u>\$ 16,270</u>	<u>\$ 17,518</u>	<u>\$ 1,248</u>

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, 2017

	MAYOR'S COURT COMPUTER FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Fines and forfeitures	\$ 10,000	\$ 10,000	\$ 9,301	\$ (699)
Total revenues	10,000	10,000	9,301	(699)
<u>EXPENDITURES:</u>				
Current:				
Clerk of Court				
Other than personal services	11,600	16,600	10,753	5,847
Capital outlay	15,000	15,000	13,102	1,898
Total expenditures	26,600	31,600	23,855	7,745
Excess (deficiency) of expenditures over revenues	(16,600)	(21,600)	(14,554)	7,046
Fund balances at beginning of year	66,280	66,280	66,280	-
Fund balances at end of year	<u>\$ 49,680</u>	<u>\$ 44,680</u>	<u>\$ 51,726</u>	<u>\$ 7,046</u>

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, 2017

MAYOR'S COURT SPECIAL PROJECT FUND				
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Fines and forfeitures	\$ 30,000	\$ 30,000	\$ 31,042	\$ 1,042
Miscellaneous	-	-	2,884	2,884
Total revenues	<u>30,000</u>	<u>30,000</u>	<u>33,926</u>	<u>3,926</u>
<u>EXPENDITURES:</u>				
Current:				
Clerk of Court				
Other than personal services	24,000	24,000	12,784	11,216
Total expenditures	<u>24,000</u>	<u>24,000</u>	<u>12,784</u>	<u>11,216</u>
Excess (deficiency) of expenditures over revenues	6,000	6,000	21,142	15,142
Fund balances at beginning of year	109,233	109,233	109,233	-
Fund balances at end of year	<u>\$ 115,233</u>	<u>\$ 115,233</u>	<u>\$ 130,375</u>	<u>\$ 15,142</u>

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, 2017

	LIFE LONG LEARNING AND LEISURE FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Charges for services	\$ 175,000	\$ 175,000	\$ 145,089	\$ (29,911)
Total revenues	175,000	175,000	145,089	(29,911)
<u>EXPENDITURES:</u>				
Current:				
Parks and recreation				
Personal services	67,200	67,200	66,285	915
Other than personal services	106,300	106,300	71,186	35,114
Total expenditures	173,500	173,500	137,471	36,029
Excess (deficiency) of expenditures over revenues	1,500	1,500	7,618	6,118
Fund balances at beginning of year	111,871	111,871	111,871	-
Lapsed encumbrances	829	829	829	-
Fund balances at end of year	<u>\$ 114,200</u>	<u>\$ 114,200</u>	<u>\$ 120,318</u>	<u>\$ 6,118</u>

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, 2017

	NEIGHBORHOOD LIGHTING FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Charges for services	\$ 63,000	\$ 63,000	\$ 63,345	\$ 345
Investment Earnings	5,000	5,000	6,075	1,075
Total revenues	<u>68,000</u>	<u>68,000</u>	<u>69,420</u>	<u>1,420</u>
<u>EXPENDITURES:</u>				
Current:				
Public Service Administration				
Personal services	43,200	31,200	16,936	14,264
Other than personal services	47,100	142,100	123,748	18,352
Total expenditures	<u>90,300</u>	<u>173,300</u>	<u>140,684</u>	<u>32,616</u>
Excess (deficiency) of expenditures over revenues	(22,300)	(105,300)	(71,264)	34,036
Fund balances at beginning of year	575,937	575,937	575,937	-
Fund balances at end of year	<u>\$ 553,637</u>	<u>\$ 470,637</u>	<u>\$ 504,673</u>	<u>\$ 34,036</u>

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, 2017

	CLERK OF COURT FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Fines and forfeitures	\$ 10,000	\$ 10,000	\$ 9,300	\$ (700)
Total revenues	10,000	10,000	9,300	(700)
<u>EXPENDITURES:</u>				
Current:				
Clerk of Court				
Other than personal services	17,000	17,000	10,122	6,878
Capital outlay	15,000	15,000	13,102	1,898
Total expenditures	32,000	32,000	23,224	8,776
Excess (deficiency) of expenditures over revenues	(22,000)	(22,000)	(13,924)	8,076
Fund balances at beginning of year	47,827	47,827	47,827	-
Fund balances at end of year	<u>\$ 25,827</u>	<u>\$ 25,827</u>	<u>\$ 33,903</u>	<u>\$ 8,076</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, 2017

	UPPER ARLINGTON VISITOR'S BUREAU FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Property and other local taxes	\$ 60,000	\$ 60,000	\$ 68,503	\$ 8,503
Total revenues	60,000	60,000	68,503	8,503
<u>EXPENDITURES:</u>				
Current:				
City Manager				
Other than personal services	60,000	24,500	-	24,500
Information Technology				
Personal services	-	35,500	12,276	23,224
Total expenditures	60,000	60,000	12,276	47,724
Excess (deficiency) of expenditures over revenues	-	-	56,227	56,227
Fund balances at beginning of year	201,874	201,874	201,874	-
Fund balances at end of year	\$ 201,874	\$ 201,874	\$ 258,101	\$ 56,227

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, 2017

EMERGENCY MEDICAL SERVICES FUND				
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Charges for services	\$ 630,000	\$ 630,000	\$ 582,702	\$ (47,298)
Total revenues	630,000	630,000	582,702	(47,298)
<u>EXPENDITURES:</u>				
Current:				
Fire				
Other than personal services	190,000	190,000	173,510	16,490
Capital outlay	-	260,000	259,769	231
Finance				
Other than personal services	275,100	190,100	190,086	14
Total expenditures	465,100	640,100	623,365	16,735
Excess (deficiency) of expenditures over revenues	164,900	(10,100)	(40,663)	(30,563)
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers-in	200,000	460,000	460,000	-
Operating transfers-out	(434,000)	(434,000)	(433,099)	901
Total other financing sources (uses)	(234,000)	26,000	26,901	901
Excess (deficiency) of revenues and other financing over expenditures and other uses	(69,100)	15,900	(13,762)	(29,662)
Fund balances at beginning of year	216,746	216,746	216,746	-
Lapsed encumbrances	369	369	369	-
Fund balances at end of year	\$ 148,015	\$ 233,015	\$ 203,353	\$ (29,662)

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, 2017

	CIVIL SERVICE FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES:</u>				
Current:				
City Manager				
Other than personal services	25,000	25,000	6,605	18,395
Total expenditures	25,000	25,000	6,605	18,395
Excess (deficiency) of expenditures over revenues	(25,000)	(25,000)	(6,605)	18,395
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers-in	25,000	25,000	25,000	-
Total other financing sources (uses)	25,000	25,000	25,000	-
Excess (deficiency) of revenues and other financing sources over expenditures	-	-	18,395	18,395
Fund balances at beginning of year	18,923	18,923	18,923	-
Fund balances at end of year	<u>\$ 18,923</u>	<u>\$ 18,923</u>	<u>\$ 37,318</u>	<u>\$ 18,395</u>

CITY OF UPPER ARLINGTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ECONOMIC DEVELOPMENT VENTURE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	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	500,000	379,640	120,360
Total expenditures	500,000	500,000	379,640	120,360
Excess (deficiency) of expenditures over revenues	(500,000)	(500,000)	(379,640)	120,360
<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	-	-	120,360	120,360
Fund balances at beginning of year	90,258	90,258	90,258	-
Lapsed encumbrances	40,000	40,000	40,000	-
Fund balances at end of year	<u>\$ 130,258</u>	<u>\$ 130,258</u>	<u>\$ 250,618</u>	<u>\$ 120,360</u>

CITY OF UPPER ARLINGTON, OHIO
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2017

	Arlington Centre TIF	Tremont Road TIF	Lane Avenue Mixed Use TIF	Lane Avenue TIF	Arlington Crossing TIF
Assets:					
Cash, cash equivalents and investments	\$ 180	\$ 5,088	\$ 1,120,591	\$ 261,709	\$ 465,130
Receivables (net of allowances):					
Payments in lieu of taxes	-	-	974,835	116,564	165,155
Intergovernmental	-	-	-	-	13,004
Total assets	<u>\$ 180</u>	<u>\$ 5,088</u>	<u>\$ 2,095,426</u>	<u>\$ 378,273</u>	<u>\$ 643,289</u>
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Advances from other funds	-	266,135	-	-	-
Due to other funds	5,000	25,000	-	-	-
Total liabilities	<u>5,000</u>	<u>291,135</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
Property and Other Local Taxes	-	-	974,835	116,564	165,155
Unavailable Revenue	-	-	-	-	13,004
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>974,835</u>	<u>116,564</u>	<u>178,159</u>
Fund Balance:					
Restricted:					
Capital projects	-	-	1,120,591	261,709	465,130
Unassigned (deficit)	(4,820)	(286,047)	-	-	-
Total fund balances	<u>(4,820)</u>	<u>(286,047)</u>	<u>1,120,591</u>	<u>261,709</u>	<u>465,130</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 180</u>	<u>\$ 5,088</u>	<u>\$ 2,095,426</u>	<u>\$ 378,273</u>	<u>\$ 643,289</u>

Horizon TIF	Kingsdale West TIF	Kingsdale Core TIF	Riverside North TIF	Riverside South TIF	Community Fiber Optic	Total Nonmajor Capital Projects
\$ 1,768,322	\$ 156,011	\$ 320,465	\$ 8,998	\$ 33,443	\$ 686,021	\$ 4,825,958
376,757	43,985	524,435	1,455	22,085	-	2,225,271
-	457	-	-	-	-	13,461
<u>\$ 2,145,079</u>	<u>\$ 200,453</u>	<u>\$ 844,900</u>	<u>\$ 10,453</u>	<u>\$ 55,528</u>	<u>\$ 686,021</u>	<u>\$ 7,064,690</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,952	\$ 48,952
-	-	718,000	-	-	1,775,000	2,759,135
-	-	100,000	-	-	100,000	230,000
-	-	818,000	-	-	1,923,952	3,038,087
376,757	43,985	524,435	1,455	22,085	-	2,225,271
-	457	-	-	-	-	13,461
<u>376,757</u>	<u>44,442</u>	<u>524,435</u>	<u>1,455</u>	<u>22,085</u>	<u>-</u>	<u>2,238,732</u>
1,768,322	156,011	-	8,998	33,443	-	3,814,204
-	-	(497,535)	-	-	(1,237,931)	(2,026,333)
<u>1,768,322</u>	<u>156,011</u>	<u>(497,535)</u>	<u>8,998</u>	<u>33,443</u>	<u>(1,237,931)</u>	<u>1,787,871</u>
<u>\$ 2,145,079</u>	<u>\$ 200,453</u>	<u>\$ 844,900</u>	<u>\$ 10,453</u>	<u>\$ 55,528</u>	<u>\$ 686,021</u>	<u>\$ 7,064,690</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, 2017

	Arlington Centre TIF	Tremont Road TIF	Lane Avenue Mixed Use TIF	Lane Avenue TIF	Arlington Crossing TIF
Revenues:					
Payments in lieu of taxes	\$ -	\$ -	\$ 450,014	\$ 71,928	\$ 140,918
Intergovernmental	-	-	-	-	22,192
Miscellaneous	-	-	34,213	-	-
Total revenues	-	-	484,227	71,928	163,110
Expenditures:					
Current:					
General government	-	-	197,296	814	3,496
Capital outlay	-	-	-	-	-
Total expenditures	-	-	197,296	814	3,496
Excess (deficiency) of revenues over (under) expenditures	-	-	286,931	71,114	159,614
Other Financing Sources (Uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	(363,231)	-	-
Total other financing sources (uses)	-	-	(363,231)	-	-
Net change in fund balances	-	-	(76,300)	71,114	159,614
Fund balance (deficit) at beginning of year	(4,820)	(286,047)	1,196,891	190,595	305,516
Fund balance (deficit) at end of year	<u>\$ (4,820)</u>	<u>\$ (286,047)</u>	<u>\$ 1,120,591</u>	<u>\$ 261,709</u>	<u>\$ 465,130</u>

Horizon TIF	Kingsdale West TIF	Kingsdale Core TIF	Riverside North TIF	Riverside South TIF	Community Fiber Optic	Total Nonmajor Capital Projects
\$ 352,757	\$ 42,113	\$ 492,418	\$ 1,527	\$ 16,731	\$ -	\$ 1,568,406
-	875	-	-	-	-	23,067
-	-	-	-	-	195,516	229,729
<u>352,757</u>	<u>42,988</u>	<u>492,418</u>	<u>1,527</u>	<u>16,731</u>	<u>195,516</u>	<u>1,821,202</u>
10,106	489	257,818	17	189	-	470,225
-	-	-	-	-	249,221	249,221
<u>10,106</u>	<u>489</u>	<u>257,818</u>	<u>17</u>	<u>189</u>	<u>249,221</u>	<u>719,446</u>
342,651	42,499	234,600	1,510	16,542	(53,705)	1,101,756
-	-	-	-	-	68,400	68,400
-	-	(269,382)	-	-	(120,298)	(752,911)
-	-	<u>(269,382)</u>	-	-	<u>(51,898)</u>	<u>(684,511)</u>
342,651	42,499	(34,782)	1,510	16,542	(105,603)	417,245
<u>1,425,671</u>	<u>113,512</u>	<u>(462,753)</u>	<u>7,488</u>	<u>16,901</u>	<u>(1,132,328)</u>	<u>1,370,626</u>
<u>\$ 1,768,322</u>	<u>\$ 156,011</u>	<u>\$ (497,535)</u>	<u>\$ 8,998</u>	<u>\$ 33,443</u>	<u>\$ (1,237,931)</u>	<u>\$ 1,787,871</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, 2017

	ARLINGTON CENTRE TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES:</u>				
Total expenditures	-	-	-	-
Fund balances at beginning of year	180	180	180	-
Fund balances at end of year	<u>\$ 180</u>	<u>\$ 180</u>	<u>\$ 180</u>	<u>\$ -</u>

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, 2017

	TREMONT ROAD TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES:</u>				
Total expenditures	-	-	-	-
Fund balances at beginning of year	5,088	5,088	5,088	-
Fund balances at end of year	<u>\$ 5,088</u>	<u>\$ 5,088</u>	<u>\$ 5,088</u>	<u>\$ -</u>

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, 2017

	LANE AVENUE MIXED USE TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 425,500	\$ 425,500	\$ 450,014	\$ 24,514
Miscellaneous	-	-	34,213	34,213
Total revenues	<u>425,500</u>	<u>425,500</u>	<u>484,227</u>	<u>58,727</u>
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	<u>200,000</u>	<u>200,000</u>	<u>197,296</u>	<u>2,704</u>
Total expenditures	<u>200,000</u>	<u>200,000</u>	<u>197,296</u>	<u>2,704</u>
Excess (deficiency) of expenditures over revenues	225,500	225,500	286,931	61,431
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers-out	<u>(363,300)</u>	<u>(363,300)</u>	<u>(363,231)</u>	<u>69</u>
Total other financing sources (uses)	<u>(363,300)</u>	<u>(363,300)</u>	<u>(363,231)</u>	<u>69</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(137,800)	(137,800)	(76,300)	61,500
Fund balances at beginning of year	<u>1,196,891</u>	<u>1,196,891</u>	<u>1,196,891</u>	<u>-</u>
Fund balances at end of year	<u>\$ 1,059,091</u>	<u>\$ 1,059,091</u>	<u>\$ 1,120,591</u>	<u>\$ 61,500</u>

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, 2017

	LANE AVENUE TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 78,400	\$ 78,400	\$ 71,928	\$ (6,472)
Total revenues	<u>78,400</u>	<u>78,400</u>	<u>71,928</u>	<u>(6,472)</u>
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	1,200	1,200	814	386
Total expenditures	<u>1,200</u>	<u>1,200</u>	<u>814</u>	<u>386</u>
Excess (deficiency) of expenditures over revenues	77,200	77,200	71,114	(6,086)
Fund balances at beginning of year	190,595	190,595	190,595	-
Fund balances at end of year	<u>\$ 267,795</u>	<u>\$ 267,795</u>	<u>\$ 261,709</u>	<u>\$ (6,086)</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, 2017

	ARLINGTON CROSSING TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 195,000	\$ 195,000	\$ 140,918	\$ (54,082)
Intergovernmental	-	-	22,192	22,192
Total revenues	<u>195,000</u>	<u>195,000</u>	<u>163,110</u>	<u>(31,890)</u>
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	<u>3,500</u>	<u>3,500</u>	<u>3,496</u>	<u>4</u>
Total expenditures	<u>3,500</u>	<u>3,500</u>	<u>3,496</u>	<u>4</u>
Excess (deficiency) of expenditures over revenues	191,500	191,500	159,614	(31,886)
Fund balances at beginning of year	<u>305,516</u>	<u>305,516</u>	<u>305,516</u>	<u>-</u>
Fund balances at end of year	<u><u>\$ 497,016</u></u>	<u><u>\$ 497,016</u></u>	<u><u>\$ 465,130</u></u>	<u><u>\$ (31,886)</u></u>

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, 2017

	HORIZON TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 330,000	\$ 330,000	\$ 352,757	\$ 22,757
Total revenues	330,000	330,000	352,757	22,757
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	7,000	10,500	10,106	394
Total expenditures	7,000	10,500	10,106	394
Excess (deficiency) of expenditures over revenues	323,000	319,500	342,651	23,151
Fund balances at beginning of year	1,425,671	1,425,671	1,425,671	-
Fund balances at end of year	<u>\$ 1,748,671</u>	<u>\$ 1,745,171</u>	<u>\$ 1,768,322</u>	<u>\$ 23,151</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, 2017

	KINGSDALE WEST TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 42,900	\$ 42,900	\$ 42,113	\$ (787)
Intergovernmental	-	-	875	875
Total revenues	<u>42,900</u>	<u>42,900</u>	<u>42,988</u>	<u>88</u>
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	<u>1,500</u>	<u>1,500</u>	<u>489</u>	<u>1,011</u>
Total expenditures	<u>1,500</u>	<u>1,500</u>	<u>489</u>	<u>1,011</u>
Excess (deficiency) of expenditures over revenues	41,400	41,400	42,499	1,099
Fund balances at beginning of year	<u>113,512</u>	<u>113,512</u>	<u>113,512</u>	<u>-</u>
Fund balances at end of year	<u><u>\$ 154,912</u></u>	<u><u>\$ 154,912</u></u>	<u><u>\$ 156,011</u></u>	<u><u>\$ 1,099</u></u>

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, 2017

	KINGSDALE CORE TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 488,000	\$ 488,000	\$ 492,418	\$ 4,418
Total revenues	488,000	488,000	492,418	4,418
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	459,000	359,000	257,818	101,182
Total expenditures	459,000	359,000	257,818	101,182
Excess (deficiency) of expenditures over revenues	29,000	129,000	234,600	105,600
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers-out	(269,400)	(269,400)	(269,382)	18
Advances out	(100,000)	(200,000)	(200,000)	-
Total other financing sources (uses)	(369,400)	(469,400)	(469,382)	18
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(340,400)	(340,400)	(234,782)	105,618
Fund balances at beginning of year	555,247	555,247	555,247	-
Fund balances at end of year	\$ 214,847	\$ 214,847	\$ 320,465	\$ 105,618

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, 2017

	RIVERSIDE NORTH TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 1,600	\$ 1,600	\$ 1,527	\$ (73)
Total revenues	<u>1,600</u>	<u>1,600</u>	<u>1,527</u>	<u>(73)</u>
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	100	100	17	83
Total expenditures	<u>100</u>	<u>100</u>	<u>17</u>	<u>83</u>
Excess (deficiency) of expenditures over revenues	1,500	1,500	1,510	10
Fund balances at beginning of year	7,488	7,488	7,488	-
Fund balances at end of year	<u>\$ 8,988</u>	<u>\$ 8,988</u>	<u>\$ 8,998</u>	<u>\$ 10</u>

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, 2017

	RIVERSIDE SOUTH TIF FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Payments in lieu of taxes	\$ 4,200	\$ 4,200	\$ 16,731	\$ 12,531
Total revenues	4,200	4,200	16,731	12,531
<u>EXPENDITURES:</u>				
Current:				
Finance				
Other than personal services	100	200	189	11
Total expenditures	100	200	189	11
Excess (deficiency) of expenditures over revenues	4,100	4,000	16,542	12,542
Fund balances at beginning of year	16,901	16,901	16,901	-
Fund balances at end of year	<u>\$ 21,001</u>	<u>\$ 20,901</u>	<u>\$ 33,443</u>	<u>\$ 12,542</u>

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, 2017

	COMMUNITY FIBER OPTIC FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>REVENUES:</u>				
Miscellaneous	\$ 194,700	\$ 194,700	\$ 195,516	\$ 816
Total revenues	194,700	194,700	195,516	816
<u>EXPENDITURES:</u>				
Current:				
Information Technology				
Capital outlay	-	52,000	1,261	50,739
Total expenditures	-	52,000	1,261	50,739
Excess (deficiency) of expenditures over revenues	194,700	142,700	194,255	51,555
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers-in	68,400	68,400	68,400	-
Operating transfers-out	(121,500)	(121,500)	(120,298)	1,202
Advances out	(125,000)	(125,000)	(125,000)	-
Total other financing sources (uses)	(178,100)	(178,100)	(176,898)	1,202
Excess (deficiency) of revenues and other financing sources over expenditures	16,600	(35,400)	17,357	52,757
Fund balances at beginning of year	344,478	344,478	344,478	-
Lapsed encumbrances	57,950	57,950	57,950	-
Fund balances at end of year	<u>\$ 419,028</u>	<u>\$ 367,028</u>	<u>\$ 419,785</u>	<u>\$ 52,757</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, 2017

	SOLID WASTE FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>OPERATING REVENUES:</u>				
Charges for services	\$ 2,278,000	\$ 2,278,000	\$ 2,277,420	\$ (580)
Total operating revenues	2,278,000	2,278,000	2,277,420	(580)
<u>OPERATING EXPENSES:</u>				
Current:				
Solid Waste				
Other than personal services	2,176,500	2,176,500	2,056,290	120,210
Total operating expenses	2,176,500	2,176,500	2,056,290	120,210
Excess (deficiency) of operating expenses over (under) operating revenues	101,500	101,500	221,130	119,630
<u>NONOPERATING REVENUES:</u>				
Investment earnings	5,000	5,000	9,295	4,295
Total nonoperating revenues	5,000	5,000	9,295	4,295
Net change in fund equity	106,500	106,500	230,425	123,925
Fund equity at beginning of year	436,875	436,875	436,875	-
Lapsed encumbrances	54,451	54,451	54,451	-
Fund equity at end of year	<u>\$ 597,826</u>	<u>\$ 597,826</u>	<u>\$ 721,751</u>	<u>\$ 123,925</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, 2017

	WATER SURCHARGE FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>OPERATING REVENUES:</u>				
Charges for services	\$ 455,000	\$ 475,000	\$ 488,644	\$ 13,644
Total operating revenues	455,000	475,000	488,644	13,644
<u>OPERATING EXPENSES:</u>				
Current:				
Public Works Division				
Personal services	197,500	172,500	158,698	13,802
Other than personal services	148,500	148,240	119,134	29,106
Finance				
Other than personal services	72,470	106,730	106,725	5
Total expenses	418,470	427,470	384,557	42,913
Net change in fund equity	36,530	47,530	104,087	56,557
Fund equity at beginning of year	676,526	676,526	676,526	-
Lapsed encumbrances	164	164	164	-
Fund equity at end of year	<u>\$ 713,220</u>	<u>\$ 724,220</u>	<u>\$ 780,777</u>	<u>\$ 56,557</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, 2017

	SANITARY SEWER SURCHARGE FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>OPERATING REVENUES:</u>				
Charges for services	\$ 838,000	\$ 858,000	\$ 874,315	\$ 16,315
Miscellaneous	1,500	1,500	1,375	(125)
Total operating revenues	<u>839,500</u>	<u>859,500</u>	<u>875,690</u>	<u>16,190</u>
<u>OPERATING EXPENSES:</u>				
Current:				
Public Works Division				
Personal services	434,900	482,900	469,035	13,865
Other than personal services	377,100	377,100	313,592	63,508
Finance				
Other than personal services	53,600	53,600	7,508	46,092
Total expenses	<u>865,600</u>	<u>913,600</u>	<u>790,135</u>	<u>123,465</u>
Net change in fund equity	(26,100)	(54,100)	85,555	139,655
Fund equity at beginning of year	1,265,907	1,265,907	1,265,907	-
Lapsed encumbrances	887	887	887	-
Fund equity at end of year	<u>\$ 1,240,694</u>	<u>\$ 1,212,694</u>	<u>\$ 1,352,349</u>	<u>\$ 139,655</u>

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, 2017

	STORMWATER FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>OPERATING REVENUES:</u>				
Charges for services	\$ 744,000	\$ 744,000	\$ 753,030	\$ 9,030
Miscellaneous	-	-	932	932
Total revenues	<u>744,000</u>	<u>744,000</u>	<u>753,962</u>	<u>9,962</u>
<u>OPERATING EXPENSES:</u>				
Current:				
Public Works Division				
Personal services	261,800	258,800	237,046	21,754
Other than personal services	174,000	174,000	126,225	47,775
Finance				
Other than personal services	287,900	287,900	243,280	44,620
Total expenses	<u>723,700</u>	<u>720,700</u>	<u>606,551</u>	<u>114,149</u>
Excess (deficiency) of operating expenses over (under) operating revenues	20,300	23,300	147,411	124,111
<u>NONOPERATING REVENUES (EXPENSES):</u>				
Investment earnings	20,000	20,000	23,093	3,093
Total nonoperating revenues (expenses)	<u>20,000</u>	<u>20,000</u>	<u>23,093</u>	<u>3,093</u>
Net change in fund equity	40,300	43,300	170,504	127,204
Fund equity at beginning of year, restated	1,936,043	1,936,043	1,936,043	-
Lapsed encumbrances	5,195	5,195	5,195	-
Fund equity at end of year	<u>\$ 1,981,538</u>	<u>\$ 1,984,538</u>	<u>\$ 2,111,742</u>	<u>\$ 127,204</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, 2017

	SWIMMING POOLS FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>OPERATING REVENUES:</u>				
Charges for services	\$ 675,000	\$ 700,000	\$ 711,878	\$ 11,878
Total operating revenues	675,000	700,000	711,878	11,878
<u>OPERATING EXPENSES:</u>				
Current:				
Parks and recreation				
Personal services	490,000	490,000	478,548	11,452
Other than personal services	182,300	192,335	191,915	420
Capital outlay	50,000	39,965	16,871	23,094
Total expenses	722,300	722,300	687,334	34,966
Net change in fund equity	(47,300)	(22,300)	24,544	46,844
Fund equity at beginning of year	508,896	508,896	508,896	-
Lapsed encumbrances	762	762	762	-
Fund equity at end of year	<u>\$ 462,358</u>	<u>\$ 487,358</u>	<u>\$ 534,202</u>	<u>\$ 46,844</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, 2017**

	Employee Benefits Fund	BWC Administration Fund	Total
Assets:			
Current assets:			
Cash, cash equivalents and investments	\$ 2,259,320	\$ 580,595	\$ 2,839,915
Receivables (net of allowances):			
Due from other funds	-	7,385	7,385
Total assets	<u>2,259,320</u>	<u>587,980</u>	<u>2,847,300</u>
Liabilities:			
Current liabilities:			
Accounts payable	<u>231,253</u>	<u>171,894</u>	<u>403,147</u>
Total liabilities	<u>231,253</u>	<u>171,894</u>	<u>403,147</u>
Net Position:			
Unrestricted	<u>2,028,067</u>	<u>416,086</u>	<u>2,444,153</u>
Total net position	<u><u>\$ 2,028,067</u></u>	<u><u>\$ 416,086</u></u>	<u><u>\$ 2,444,153</u></u>

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

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Employee Benefits Fund	BWC Administration Fund	Total
Operating Revenues:			
Charges for services	\$ 3,336,085	\$ 262,401	\$ 3,598,486
Miscellaneous	34,931	988	35,919
Total operating revenues	<u>3,371,016</u>	<u>263,389</u>	<u>3,634,405</u>
Operating Expenses:			
Self-insurance	<u>3,149,854</u>	<u>122,268</u>	<u>3,272,122</u>
Total operating expenses	<u>3,149,854</u>	<u>122,268</u>	<u>3,272,122</u>
Change in net position	221,162	141,121	362,283
Net position at beginning of year	<u>1,806,905</u>	<u>274,965</u>	<u>2,081,870</u>
Net position at end of year	<u><u>\$ 2,028,067</u></u>	<u><u>\$ 416,086</u></u>	<u><u>\$ 2,444,153</u></u>

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

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Employee Benefits Fund	BWC Administration Fund	Total
Cash Flows from Operating Activities			
Receipts from customers and users	\$ 3,371,016	\$ 262,660	\$ 3,633,676
Payments to suppliers and contractual services	(3,136,747)	(170,167)	(3,306,914)
Net cash provided by operating activities	<u>234,269</u>	<u>92,493</u>	<u>326,762</u>
Net increase in cash and cash equivalents	234,269	92,493	326,762
Cash and cash equivalents, January 1	<u>2,025,051</u>	<u>488,102</u>	<u>2,513,153</u>
Cash and cash equivalents, December 31	<u><u>\$ 2,259,320</u></u>	<u><u>\$ 580,595</u></u>	<u><u>\$ 2,839,915</u></u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ 221,162	\$ 141,121	\$ 362,283
Adjustments to reconcile operating income to net cash provided by operating activities:			
Increase in due from other funds	-	(729)	(729)
Increase (decrease) in accounts payable	13,107	(47,899)	(34,792)
Total adjustments	<u>13,107</u>	<u>(48,628)</u>	<u>(35,521)</u>
Net cash provided by operating activities	<u><u>\$ 234,269</u></u>	<u><u>\$ 92,493</u></u>	<u><u>\$ 326,762</u></u>

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, 2017

	EMPLOYEE BENEFITS FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>OPERATING REVENUES:</u>				
Charges for services	\$ 3,240,000	\$ 3,240,000	\$ 3,336,085	\$ 96,085
Miscellaneous	306,780	306,780	34,931	(271,849)
Total operating revenues	<u>3,546,780</u>	<u>3,546,780</u>	<u>3,371,016</u>	<u>(175,764)</u>
<u>OPERATING EXPENSES:</u>				
Current:				
Finance				
Personal services	3,015,000	2,815,000	2,549,449	265,551
Other than personal services	670,000	870,000	601,161	268,839
Total expenses	<u>3,685,000</u>	<u>3,685,000</u>	<u>3,150,610</u>	<u>534,390</u>
Net change in fund equity	(138,220)	(138,220)	220,406	358,626
Fund equity at beginning of year	2,012,814	2,012,814	2,012,814	-
Lapsed encumbrances	9,984	9,984	9,984	-
Fund equity at end of year	<u>\$ 1,884,578</u>	<u>\$ 1,884,578</u>	<u>\$ 2,243,204</u>	<u>\$ 358,626</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, 2017

	BWC ADMINISTRATION FUND			
	Adopted Budget	Revised Budget	Actual	Variance
<u>OPERATING REVENUES:</u>				
Charges for services	\$ 260,000	\$ 260,000	\$ 261,672	\$ 1,672
Miscellaneous	-	-	988	988
Total operating revenues	<u>260,000</u>	<u>260,000</u>	<u>262,660</u>	<u>2,660</u>
<u>OPERATING EXPENSES:</u>				
Current:				
Finance				
Personal services	100,000	100,000	79,015	20,985
Other than personal services	<u>150,000</u>	<u>150,000</u>	<u>91,152</u>	<u>58,848</u>
Total expenses	<u>250,000</u>	<u>250,000</u>	<u>170,167</u>	<u>79,833</u>
Net change in fund equity	10,000	10,000	92,493	82,493
Fund equity at beginning of year	<u>488,102</u>	<u>488,102</u>	<u>488,102</u>	<u>-</u>
Fund equity at end of year	<u><u>\$ 498,102</u></u>	<u><u>\$ 498,102</u></u>	<u><u>\$ 580,595</u></u>	<u><u>\$ 82,493</u></u>

CITY OF UPPER ARLINGTON, OHIO
FUND DESCRIPTIONS – FIDUCIARY FUNDS

Agency Funds

Unclaimed Funds Fund

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

Construction Withholding Fund

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

Mayor's Court Fund

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

Flexible Benefits Fund

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

Payroll Clearing Fund

The fund accounts for payroll and deduction checks of employees.

Revolving Fund

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

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

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS (AGENCY FUNDS ONLY)
AS OF DECEMBER 31, 2017

	Agency Funds			
	Unclaimed Funds Fund	Construction Withholding Fund	Mayor's Court Fund	Flexible Benefits Fund
<u>ASSETS</u>				
Cash, cash equivalents and investments	\$ 3,608	\$ 1,067,041	\$ 50,576	\$ -
Cash with third-party fiscal agent	-	-	-	2,790
Accounts receivable	-	105,532	-	-
Total assets	<u>\$ 3,608</u>	<u>\$ 1,172,573</u>	<u>\$ 50,576</u>	<u>\$ 2,790</u>
<u>LIABILITIES</u>				
Due to others	\$ 3,608	\$ 1,172,573	\$ 50,576	\$ 2,790
Total liabilities	<u>\$ 3,608</u>	<u>\$ 1,172,573</u>	<u>\$ 50,576</u>	<u>\$ 2,790</u>

Agency Funds		
Payroll Clearing Fund	Revolving Fund	Totals
\$ 482,713	\$ 34,643	\$ 1,638,581
-	-	2,790
-	-	105,532
<u>\$ 482,713</u>	<u>\$ 34,643</u>	<u>\$ 1,746,903</u>
<u>\$ 482,713</u>	<u>\$ 34,643</u>	<u>\$ 1,746,903</u>
<u>\$ 482,713</u>	<u>\$ 34,643</u>	<u>\$ 1,746,903</u>
<u>\$ 482,713</u>	<u>\$ 34,643</u>	<u>\$ 1,746,903</u>

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

COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS (AGENCY FUNDS ONLY)
FOR THE YEAR ENDED DECEMBER 31, 2017

	Balances Jan. 1, 2017	Additions	Deductions	Balances Dec. 31, 2017
UNCLAIMED FUNDS				
Assets				
Cash and investments	\$ 3,205	\$ 403	\$ -	\$ 3,608
Liabilities				
Due to others	\$ 3,205	\$ 403	\$ -	\$ 3,608
CONSTRUCTION WITHHOLDING FUND				
Assets				
Cash and investments	\$ 1,083,553	\$ 981,038	\$ 997,550	\$ 1,067,041
Accounts receivable	82,825	105,532	82,825	105,532
Total assets	\$ 1,166,378	\$ 1,086,570	\$ 1,080,375	\$ 1,172,573
Liabilities				
Due to others	\$ 1,166,378	\$ 1,086,570	\$ 1,080,375	\$ 1,172,573
MAYOR'S COURT FUND				
Assets				
Cash and investments	\$ 55,503	\$ 550,138	\$ 555,065	\$ 50,576
Liabilities				
Due to others	\$ 55,503	\$ 550,138	\$ 555,065	\$ 50,576
FLEXIBLE BENEFITS FUND				
Assets				
Cash with third party fiscal agent	\$ 1,162	\$ 105,018	\$ 103,390	\$ 2,790
Liabilities				
Due to others	\$ 1,162	\$ 105,018	\$ 103,390	\$ 2,790
PAYROLL CLEARING FUND				
Assets				
Cash and investments	\$ 444,026	\$ 25,923,790	\$ 25,885,103	\$ 482,713
Liabilities				
Due to others	\$ 444,026	\$ 25,923,790	\$ 25,885,103	\$ 482,713
REVOLVING FUND				
Assets				
Cash and investments	\$ 32,816	\$ 173,135	\$ 171,308	\$ 34,643
Liabilities				
Due to others	\$ 32,816	\$ 173,135	\$ 171,308	\$ 34,643
TOTAL AGENCY FUNDS				
Assets				
Cash and investments	\$ 1,619,103	\$ 27,628,504	\$ 27,609,026	\$ 1,638,581
Cash with third party fiscal agent	1,162	105,018	103,390	2,790
Accounts receivable	82,825	105,532	82,825	105,532
Total assets	\$ 1,703,090	\$ 27,839,054	\$ 27,795,241	\$ 1,746,903
Liabilities				
Due to others	\$ 1,703,090	\$ 27,839,054	\$ 27,795,241	\$ 1,746,903





CITY OF | **UPPER ARLINGTON**

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CITY OF UPPER ARLINGTON

STATISTICAL SECTION

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

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>2017</u>	<u>2016</u>	<u>2015</u>	<i>Restated</i> <u>2014</u>
Governmental Activities				
Net investment in capital assets	\$ 50,937	\$ 44,989	\$ 41,505	\$ 38,329
Restricted for:				
Capital projects	26,143	20,585	5,882	4,759
Debt service	597	686	466	496
Street construction, maintenance & repair	1,796	1,814	1,733	1,497
Law enforcement (public safety)	801	919	922	1,105
Economic development	-	-	509	528
Pension obligations	2,215	1,673	1,143	739
Other purposes	532	456	540	427
Unrestricted	(13,075)	4,227	20,540	16,482
<i>Total Governmental Activities Net Position</i>	<u>\$ 69,946</u>	<u>\$ 75,349</u>	<u>\$ 73,240</u>	<u>\$ 64,362</u>
Business-type activities				
Net investment in capital assets	\$ 43,064	\$ 34,284	\$ 31,740	\$ 31,672
Unrestricted	5,022	4,544	3,444	2,797
<i>Total Business-Type Activities Net Position</i>	<u>\$ 48,086</u>	<u>\$ 38,828</u>	<u>\$ 35,184</u>	<u>\$ 34,469</u>
Primary Government				
Net investment in capital assets	\$ 94,001	\$ 79,273	\$ 73,245	\$ 70,001
Restricted				
Capital projects	26,143	20,585	5,882	4,759
Debt service	597	686	466	496
Street construction, maintenance & repair	1,796	1,814	1,733	1,497
Law enforcement and education	801	919	922	1,105
Economic development	-	-	509	528
Pension obligations	2,215	1,673	1,143	739
Other purposes	532	456	540	427
Unrestricted	(8,053)	8,771	23,984	19,279
<i>Total Primary Government Net Position</i>	<u>\$ 118,032</u>	<u>\$ 114,177</u>	<u>\$ 108,424</u>	<u>\$ 98,831</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.

Table 1

Year					
<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 37,816	\$ 40,921	\$ 33,668	\$ 35,574	\$ 32,666	\$ 29,923
3,057	976	5,216	3,817	3,219	2,956
468	365	284	222	186	137
1,371	1,365	1,478	1,565	1,735	2,026
1,099	1,426	1,115	1,062	823	973
62	639	403	353	536	355
532	253	316	322	386	365
319	184	65	47	62	67
50,027	48,603	43,720	37,753	38,116	40,506
<u>\$ 94,751</u>	<u>\$ 94,732</u>	<u>\$ 86,265</u>	<u>\$ 80,715</u>	<u>\$ 77,729</u>	<u>\$ 77,308</u>
\$ 27,573	\$ 22,426	\$ 20,905	\$ 19,329	\$ 18,599	\$ 18,025
3,477	3,573	3,529	3,458	3,585	3,858
<u>\$ 31,050</u>	<u>\$ 25,999</u>	<u>\$ 24,434</u>	<u>\$ 22,787</u>	<u>\$ 22,184</u>	<u>\$ 21,883</u>
\$ 65,389	\$ 63,347	\$ 54,573	\$ 54,903	\$ 51,265	\$ 47,948
3,057	976	5,216	3,817	3,219	2,956
468	365	284	222	186	137
1,371	1,365	1,478	1,565	1,735	2,026
1,099	1,426	1,115	1,062	823	973
62	639	403	353	536	355
532	253	316	322	386	365
319	184	65	47	62	67
53,504	52,176	47,249	41,211	41,701	44,364
<u>\$ 125,801</u>	<u>\$ 120,731</u>	<u>\$ 110,699</u>	<u>\$ 103,502</u>	<u>\$ 99,913</u>	<u>\$ 99,191</u>

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

	Year			
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Expenses				
Governmental Activities:				
General Government	\$ 11,299	\$ 10,491	\$ 10,043	\$ 11,744
Public Safety	19,472	18,922	16,812	16,206
Public Services	7,265	6,688	5,524	4,977
Parks and Recreation	4,363	3,657	3,233	3,143
Community Development	1,015	912	864	892
Interest on long-term debt	2,123	1,684	1,569	1,514
Bond issuance costs	212	171	288	152
<i>Total Governmental Activities Expenses</i>	<u>45,749</u>	<u>42,525</u>	<u>38,333</u>	<u>38,628</u>
Business-Type activities:				
Solid Waste	2,042	2,153	2,063	2,109
Water	854	881	741	656
Sewer	1,069	869	636	632
Stormwater	726	610	560	487
Swimming pool	835	440	775	673
<i>Total Business-Type Activities Expenses</i>	<u>5,526</u>	<u>4,953</u>	<u>4,775</u>	<u>4,557</u>
<i>Total Primary Government Expenses</i>	<u>\$ 51,275</u>	<u>\$ 47,478</u>	<u>\$ 43,108</u>	<u>\$ 43,185</u>
Program Revenues				
Governmental Activities:				
Charges for services:				
General Government	\$ 1,251	\$ 1,214	\$ 1,256	\$ 1,092
Public Safety	815	1,021	1,169	1,178
Public Services	528	373	556	162
Parks and Recreation	1,288	1,240	1,308	1,208
Community Development	1,130	1,117	1,047	1,100
Operating grants and contributions	1,976	1,847	1,905	2,032
Capital grants and contributions	1,944	536	2,085	-
<i>Total Governmental Activities Program Revenues</i>	<u>8,932</u>	<u>7,348</u>	<u>9,326</u>	<u>6,772</u>
Business-Type Activities:				
Charges for services:				
Solid Waste	2,276	2,457	2,006	1,917
Water	484	541	447	431
Sewer	875	959	834	788
Stormwater	755	759	737	758
Swimming pools	712	600	541	566
Operating grants and contributions	-	-	-	-
Capital grants and contributions	-	-	-	-
<i>Total Business-Type Activities Program Revenues</i>	<u>5,102</u>	<u>5,316</u>	<u>4,565</u>	<u>4,460</u>
<i>Total Primary Government Program Revenues</i>	<u>\$ 14,034</u>	<u>\$ 12,664</u>	<u>\$ 13,891</u>	<u>\$ 11,232</u>

Table 2

Year					
<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 8,333	\$ 7,492	\$ 7,981	\$ 7,903	\$ 8,189	\$ 8,851
16,031	16,570	15,973	15,724	16,110	15,776
5,561	4,996	4,649	5,159	4,709	4,889
3,085	3,137	3,147	3,052	3,346	3,331
1,005	1,045	935	953	984	991
1,660	2,108	1,822	1,464	1,205	996
154	-	-	-	-	-
35,829	35,348	34,507	34,255	34,543	34,834
2,077	2,051	2,041	2,009	1,952	2,334
527	481	567	453	400	564
579	701	676	651	794	736
494	587	1,027	1,069	858	683
694	708	658	667	736	686
4,371	4,528	4,969	4,849	4,740	5,003
\$ 40,200	\$ 39,876	\$ 39,476	\$ 39,104	\$ 39,283	\$ 39,837
\$ 1,131	\$ 652	\$ 793	\$ 818	\$ 971	\$ 698
1,066	1,347	1,507	1,391	1,370	493
267	124	2,340	80	76	79
1,196	1,068	1,983	879	848	860
923	797	762	1,053	677	760
1,941	2,177	410	2,060	1,813	1,632
-	388	-	-	80	195
6,524	6,553	7,795	6,281	5,835	4,717
1,961	1,986	1,954	1,685	1,664	2,052
454	484	415	400	378	338
818	850	791	774	771	734
748	752	761	548	537	542
588	646	638	628	608	640
-	-	-	-	-	32
-	-	-	-	-	14
4,569	4,718	4,559	4,035	3,958	4,352
\$ 11,093	\$ 11,271	\$ 12,354	\$ 10,316	\$ 9,793	\$ 9,069

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

	Year			
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Net(Expense)Revenue				
Governmental Activities	\$ (36,817)	\$ (35,177)	\$ (29,007)	\$ (31,856)
Business-Type Activities	(424)	363	(210)	(97)
<i>Total Primary Government Net Expense</i>	<u>\$ (37,241)</u>	<u>\$ (34,814)</u>	<u>\$ (29,217)</u>	<u>\$ (31,953)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes				
Income taxes	25,448	23,946	22,863	16,830
Property taxes	10,602	10,503	9,819	9,294
Intergovernmental (1)	3,813	4,841	5,219	5,260
Unrestricted investment earnings	735	564	526	922
Miscellaneous	470	687	363	400
Transfers	(9,654)	(3,255)	(905)	(4,132)
Total governmental activities	<u>31,414</u>	<u>37,286</u>	<u>37,885</u>	<u>28,574</u>
Business-type activities:				
Investment earnings	28	25	20	29
Miscellaneous	-	-	-	-
Transfers	9,654	3,255	905	4,132
<i>Total Business-Type Activities</i>	<u>9,682</u>	<u>3,280</u>	<u>925</u>	<u>4,161</u>
<i>Total Primary Government</i>	<u>\$ 41,096</u>	<u>\$ 40,566</u>	<u>\$ 38,810</u>	<u>\$ 32,735</u>
Change in Net Position				
Governmental activities	(5,403)	2,109	8,878	(3,282)
Business-type activities	9,258	3,643	715	4,064
<i>Total Primary Government Change in Net Position</i>	<u>\$ 3,855</u>	<u>\$ 5,752</u>	<u>\$ 9,593</u>	<u>\$ 782</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

Year					
<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ (29,305)	\$ (28,795)	\$ (26,712)	\$ (27,974)	\$ (28,708)	\$ (30,117)
198	190	(410)	(814)	(782)	(651)
<u>\$ (29,107)</u>	<u>\$ (28,605)</u>	<u>\$ (27,122)</u>	<u>\$ (28,788)</u>	<u>\$ (29,490)</u>	<u>\$ (30,768)</u>
18,474	15,663	16,045	13,165	12,173	13,627
9,245	8,936	9,043	9,122	9,109	8,847
5,824	12,195	8,245	8,879	7,676	9,368
(90)	703	609	866	887	2,562
723	1,117	355	293	332	1,289
<u>(4,852)</u>	<u>(1,352)</u>	<u>(2,035)</u>	<u>(1,365)</u>	<u>(1,048)</u>	<u>(895)</u>
<u>29,324</u>	<u>37,262</u>	<u>32,262</u>	<u>30,960</u>	<u>29,129</u>	<u>34,798</u>
-	23	22	51	35	185
1	-	-	-	-	239
4,852	1,352	2,036	1,365	1,048	895
<u>4,853</u>	<u>1,375</u>	<u>2,058</u>	<u>1,416</u>	<u>1,083</u>	<u>1,319</u>
<u>\$ 34,177</u>	<u>\$ 38,637</u>	<u>\$ 34,320</u>	<u>\$ 32,376</u>	<u>\$ 30,212</u>	<u>\$ 36,117</u>
19	8,467	5,550	2,986	421	4,681
5,051	1,565	1,648	602	301	668
<u>\$ 5,070</u>	<u>\$ 10,032</u>	<u>\$ 7,198</u>	<u>\$ 3,588</u>	<u>\$ 722</u>	<u>\$ 5,349</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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
General fund				
Reserved	N/A	N/A	N/A	N/A
Unreserved	N/A	N/A	N/A	N/A
Nonspendable	\$ 3,324	\$ 3,148	\$ 3,586	\$ 1,962
Restricted	14,524	13,173	1,568	959
Committed	1,489	1,320	10,314	8,465
Assigned	2,023	4,281	617	491
Unassigned (deficit)	17,410	17,561	18,799	18,586
<i>Total General Fund</i>	<u><u>\$ 38,770</u></u>	<u><u>\$ 39,483</u></u>	<u><u>\$ 34,884</u></u>	<u><u>\$ 30,463</u></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	\$ 126	\$ 131	\$ 67	\$ 114
Restricted	19,115	18,426	16,452	4,295
Committed	9,152	11,253	15,504	15,960
Assigned	-	-	-	-
Unassigned	(2,026)	(1,886)	(1,592)	(270)
<i>Total All Other Governmental Funds</i>	<u><u>\$ 26,367</u></u>	<u><u>\$ 27,924</u></u>	<u><u>\$ 30,431</u></u>	<u><u>\$ 20,099</u></u>

Sources:

City of Upper Arlington Finance Department

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

Table 3

Year					
<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
N/A	N/A	N/A	\$ 1,817	\$ 1,248	\$ 1,302
N/A	N/A	N/A	26,258	25,506	28,671
\$ 2,023	\$ 2,559	\$ 2,832	N/A	N/A	N/A
1,021	1,026	861	N/A	N/A	N/A
8,788	8,877	9,809	N/A	N/A	N/A
3,468	-	-	N/A	N/A	N/A
16,594	21,867	17,621	N/A	N/A	N/A
<u>\$ 31,894</u>	<u>\$ 34,329</u>	<u>\$ 31,123</u>	<u>\$ 28,075</u>	<u>\$ 26,754</u>	<u>\$ 29,973</u>
N/A	N/A	N/A	\$ 3,181	\$ 4,239	\$ 7,251
N/A	N/A	N/A	2,196	2,536	2,628
N/A	N/A	N/A	19,506	14,476	9,279
N/A	N/A	N/A	358	294	229
\$ 34	\$ 4,925	\$ 4,922	N/A	N/A	N/A
9,247	11,108	9,403	N/A	N/A	N/A
16,600	12,617	9,192	N/A	N/A	N/A
-	-	-	N/A	N/A	N/A
(801)	(5,723)	(4,749)	N/A	N/A	N/A
<u>\$ 25,080</u>	<u>\$ 22,927</u>	<u>\$ 18,768</u>	<u>\$ 25,241</u>	<u>\$ 21,545</u>	<u>\$ 19,387</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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Revenues				
Taxes	\$ 37,563	\$ 35,778	\$ 31,989	\$ 26,710
Intergovernmental (1)	6,990	7,232	10,425	7,200
Licenses and permits	1,244	1,213	1,181	1,115
Charges for services	1,930	2,014	2,102	2,004
Fines and forfeits	362	463	398	373
Investment earnings	779	533	510	899
Miscellaneous	1,729	1,083	1,561	1,299
<i>Total Revenues</i>	<u>50,597</u>	<u>48,316</u>	<u>48,166</u>	<u>39,600</u>
Expenditures				
General Government	9,940	9,819	9,637	11,359
Public Safety	17,010	15,991	15,547	15,646
Public Services	3,756	3,915	2,788	2,697
Parks and Recreation	3,539	3,265	2,963	2,925
Community Development	867	814	844	958
Health Services	-	-	-	-
Capital outlay	20,054	20,839	12,562	10,763
Debt services				
Principal	5,159	3,810	7,375	3,092
Interest	2,194	1,720	1,577	1,530
Other charges	212	171	288	152
<i>Total Expenditures</i>	<u>62,731</u>	<u>60,344</u>	<u>53,581</u>	<u>49,122</u>
<i>Excess of Revenues Over(Under)</i>				
<i>Expenditures</i>	(12,134)	(12,028)	(5,415)	(9,522)
Other Financing Sources (Uses)				
Transfers in	11,749	7,052	5,053	4,919
Transfers out	(11,749)	(7,052)	(5,292)	(6,058)
Bonds/Notes issued	9,280	13,335	18,800	3,800
Refunding bonds and escrow transfer	-	-	6,082	6,265
Premium on bonds/notes issued	458	171	2,064	217
Payment to refunded bond escrow agent	-	-	(6,760)	(6,348)
Capital lease proceeds	-	-	-	-
Sale of capital assets	126	613	221	315
<i>Total Other Financing Sources (Uses)</i>	<u>9,864</u>	<u>14,119</u>	<u>20,168</u>	<u>3,110</u>
<i>Net Change in Fund Balances</i>	<u>\$ (2,270)</u>	<u>\$ 2,091</u>	<u>\$ 14,753</u>	<u>\$ (6,412)</u>
 Debt Service as a Percentage of				
Noncapital Expenditures	16.55%	13.80%	21.82%	12.05%

Sources:

City of Upper Arlington Finance Department

Note:

(1) For comparison purposes, payments in lieu of taxes is included with intergovernmental revenue

Table 4

Year					
<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 26,131	\$ 33,890	\$ 28,344	\$ 28,433	\$ 27,322	\$ 27,576
7,831	5,450	5,624	4,632	4,208	4,372
1,066	877	945	922	819	862
1,994	2,014	1,899	1,891	1,913	1,911
345	362	430	416	388	362
(106)	703	609	866	887	1,997
1,683	1,660	1,493	1,128	896	1,569
<u>38,944</u>	<u>44,956</u>	<u>39,344</u>	<u>38,288</u>	<u>36,433</u>	<u>38,649</u>
6,532	7,332	7,557	7,880	7,939	8,510
15,930	15,527	15,784	15,651	16,252	15,188
4,081	3,135	2,913	3,190	2,892	2,998
2,866	3,008	3,017	3,040	3,149	3,147
994	994	956	991	975	968
-	-	-	-	-	-
5,272	10,830	16,095	8,923	13,601	7,114
2,850	2,595	2,480	1,985	1,487	4,964
1,735	1,819	1,743	1,393	1,177	1,227
154	151	131	148	235	120
<u>40,414</u>	<u>45,391</u>	<u>50,676</u>	<u>43,201</u>	<u>47,707</u>	<u>44,236</u>
(1,470)	(435)	(11,332)	(4,913)	(11,274)	(5,587)
9,851	7,285	5,036	6,661	5,605	3,348
(9,861)	(7,297)	(5,036)	(7,111)	(5,801)	(3,396)
-	10,000	6,000	10,000	10,090	9,972
8,640	-	-	-	6,715	-
775	247	284	25	488	123
(9,273)	-	(6,151)	-	(7,058)	-
918	-	-	-	-	-
138	333	208	381	174	94
<u>1,188</u>	<u>10,568</u>	<u>341</u>	<u>9,956</u>	<u>10,213</u>	<u>10,141</u>
<u>\$ (282)</u>	<u>\$ 10,133</u>	<u>\$ (10,991)</u>	<u>\$ 5,043</u>	<u>\$ (1,061)</u>	<u>\$ 4,554</u>
13.05%	12.77%	12.21%	9.85%	7.81%	16.68%

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</u> <u>Tax</u>	<u>Property</u> <u>Tax</u>	<u>Estate</u> <u>Tax</u>	<u>Motor Fuel</u> <u>Tax</u>	<u>Total</u>
2017	\$ 25,448	\$ 10,602	\$ -	\$ 1,204	\$ 37,254
2016	23,946	10,503	-	1,177	35,626
2015	22,863	9,818	65	1,215	33,961
2014	16,830	9,294	216	1,172	27,512
2013	18,474	9,245	2,430	1,152	31,301
2012	15,663	8,936	8,235	1,146	33,980
2011	16,045	9,044	3,652	1,134	29,875
2010	13,165	9,122	4,462	1,141	27,890
2009	12,173	9,109	4,192	1,018	26,492
2008	13,627	8,847	3,743	1,139	27,356

Source:

City of Upper Arlington Finance Department

Table 6

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

	2017		2008	
	Assessed <u>Valuation (1)</u>	% of Total Assessed <u>Valuation</u>	Assessed <u>Valuation</u>	% of Total Assessed <u>Valuation</u>
<u>Public Utilities</u>				
Columbus Southern Power Co.	\$ 12,905,780	0.67%	\$ 9,542,740	0.60%
AEP Ohio Transmission	7,391,110	0.38%		
Columbia Gas of Ohio Inc.	4,954,790	0.26%		
Ohio Bell Telephone				
<u>Real Estate</u>				
First Community Village	8,428,600	0.44%	4,078,040	0.26%
Berkley House LLC	8,400,000	0.44%		
Medstone Realty Company LLC	6,408,510	0.33%		
Lane Avenue 450 LLC	5,526,720	0.29%	7,509,380	0.48%
GGRE Son Central II Arlington LLC	4,753,010	0.25%		
Scioto Country Club Inc.	3,873,100	0.20%	3,872,680	0.25%
Echo Contentental	3,609,240	0.19%		
Centro NP Greentree SC	3,447,510	0.18%		
Kenbrook Village Company	3,405,500	0.18%	2,541,000	0.16%
Orthopaedic Medical	2,842,880	0.15%		
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%		
Huntington National Bank	1,861,380	0.10%		
Michael Edwards Building & Design	1,816,530	0.09%		
Investment Land Holdings II	1,739,120	0.09%		
Upper Arlington Medical LP	1,645,010	0.09%		
CBC Companies Inc.	1,603,030	0.08%		
Shanghi Enterprises LLC	1,584,530	0.08%		
DO-AN Investments LTD	1,505,000	0.08%		
RRC Acquisitions Inc.			8,046,510	0.51%
New Plan Financing I Inc.			3,836,560	0.24%
Time Warner Entertainment Company LP			8,050,040	0.51%
Kingsdale Condominiums			7,546,000	0.48%
Kimco Development Corp.			3,850,640	0.24%
<u>Tangible Personal Property</u>				
Ohio Bell Telephone			1,603,330	0.10%
CBC Companies Inc.			566,810	0.04%
America Online Inc.			182,440	0.01%
Time Warner Entertainment Company LP			679,980	0.04%
Honeywell International Inc.			527,740	0.03%
Kroger Company			236,820	0.02%
Tamarkin Company			205,700	0.01%
Ohio Orthopedic Center of Excellence Inc.			196,301	0.01%
New Par			178,330	0.01%
Federated Retail Holdings, Inc.			103,000	0.01%
Compuserv			277,040	0.02%
ALL OTHERS	\$ 1,828,693,520	94.88%	1,511,755,990	95.83%
TOTAL ASSESSED VALUATION	\$ 1,927,472,250	100.00%	\$ 1,577,543,071	100.00%

Notes:

(1) Amounts for 2017 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</u>			
	<u>Franklin County</u>								
	<u>Operating</u>	<u>Debt</u>	<u>Police &</u>	<u>Capital</u>	<u>Total</u>	<u>Operating</u>	<u>Specialty</u>	<u>Metro</u>	<u>Total</u>
	<u>Millage</u>	<u>Service</u>	<u>Pension</u>	<u>Equipment</u>	<u>City</u>	<u>Millage</u>	<u>Service</u>	<u>Parks</u>	<u>County</u>
	<u>Millage</u>	<u>Millage</u>	<u>Millage</u>	<u>Millage</u>	<u>Millage</u>	<u>Millage</u>	<u>Millage</u>	<u>Millage</u>	<u>Millage</u>
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
2009	3.90	0.54	1.54	0.50	6.48	1.47	15.85	0.75	18.07
2008	3.90	0.52	1.54	0.50	6.46	1.47	15.90	0.65	18.02

Notes:

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

Source: Franklin County, Ohio; County Auditor

Table 7

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	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
100.11	1.97	102.08	2.00	2.00	128.63
94.46	1.97	96.43	2.00	2.00	122.91

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

Year Ended <u>December 31</u>	Real Property			Personal Property	Total Taxable Assessed Value	Total Direct Tax Rate
	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Public Utility Property</u>	<u>General</u>		
2017	\$ 1,740,706,620	\$ 161,580,020	\$ 25,185,610	\$ -	\$ 1,927,472,250	6.22
2016	1,546,531,670	139,964,160	24,528,820	-	1,711,024,650	6.58
2015	1,539,456,620	139,457,060	24,165,400	-	1,703,079,080	6.58
2014	1,533,958,110	149,341,880	23,905,680	-	1,707,205,670	6.58
2013	1,405,652,200	133,744,520	22,872,510	-	1,562,269,230	6.62
2012	1,405,147,490	137,151,530	21,922,850	-	1,564,221,870	6.62
2011	1,410,425,940	149,473,060	14,095,190	-	1,573,994,190	6.48
2010	1,432,981,270	135,734,450	12,720,930	-	1,581,436,650	6.48
2009	1,429,916,090	139,163,160	11,480,320	698,120	1,581,257,690	6.48
2008	1,419,959,820	140,637,860	10,791,660	1,396,240	1,572,785,580	6.46

Source: Franklin County, Ohio; County Auditor

Table 8

Estimated Actual Taxable Value	Assessed Value as a Percentage of <u>Actual Value</u>
\$ 5,507,063,571	35.00%
4,888,641,857	35.00%
4,865,940,229	35.00%
4,877,730,486	35.00%
4,463,626,371	35.00%
4,469,205,343	35.00%
4,497,126,257	35.00%
4,518,390,429	35.00%
4,518,676,966	35.00%
4,495,268,789	35.00%

Table 9

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

Employer	2017		2016		2015		2014		2013	
	Percentage of Total City		Percentage of Total City		Percentage of Total City		Percentage of Total City		Percentage of Total City	
	Employees	Employment	Employees	Employment	Employees	Employment	Employees	Employment	Employees	Employment
UA Board of Education	854	4.6%	852	4.6%	849	5.0%	838	4.8%	812	4.7%
AOL Midwest	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
First Community Village	176	1.0%	239	1.3%	231	1.4%	225	1.3%	225	1.3%
City of Upper Arlington	221	1.2%	220	1.2%	216	1.3%	216	1.2%	218	1.3%
Kroger	112	0.6%	107	0.6%	99	0.6%	99	0.6%	94	0.5%
Giant Eagle	143	0.8%	143	0.8%	143	0.9%	128	0.7%	175	1.0%
Scioto Country Club	206	1.1%	228	1.2%	200	1.2%	200	1.1%	200	1.2%
Wellington School	124	0.7%	124	0.7%	130	0.8%	160	0.9%	160	0.9%
National Church Residences	396	2.1%	454	2.5%	232	1.4%	211	1.2%	174	1.0%
Willis HRH	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Ohio State University	472	2.6%	525	2.8%	325	1.9%	325	1.9%	325	1.9%
CBC Companies	212	1.2%	200	1.1%	202	1.2%	203	1.2%	170	1.0%
Ohio Orthopaedic Center	177	1.0%	172	0.9%	186	1.1%	175	1.0%	243	1.4%
Total	3,093	16.90%	3,264	17.70%	2,813	16.80%	2,780	15.90%	2,796	16.20%
Total City Employees	18,423 (1)		18,423		16,823		17,489		17,378	

Employer	2012		2011		2010		2009		2008	
	Percentage of Total City		Percentage of Total City		Percentage of Total City		Percentage of Total City		Percentage of Total City	
	Employees	Employment	Employees	Employment	Employees	Employment	Employees	Employment	Employees	Employment
UA Board of Education	850	5.0%	860	5.1%	880	5.0%	880	5.2%	880	4.7%
AOL Midwest	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
First Community Village	378	2.2%	352	2.1%	360	2.1%	370	2.2%	410	2.2%
City of Upper Arlington	224	1.3%	241	1.4%	246	1.4%	243	1.4%	245	1.3%
Kroger	107	0.6%	107	0.6%	107	0.6%	143	0.8%	-	0.0%
Giant Eagle	200	1.2%	201	1.2%	201	1.1%	197	1.2%	200	1.1%
Scioto Country Club	200	1.2%	173	1.0%	173	1.0%	-	0.0%	-	0.0%
Wellington School	160	0.9%	160	0.9%	160	0.9%	170	1.0%	170	0.9%
National Church Residences	184	1.1%	194	1.1%	177	1.0%	173	1.0%	210	1.1%
Willis HRH	-	0.0%	-	0.0%	106	0.6%	132	0.8%	125	0.7%
Ohio State University	325	1.9%	325	1.9%	290	1.7%	285	1.7%	300	1.6%
CBC Companies	198	1.2%	175	1.0%	175	1.0%	175	1.0%	170	0.9%
Ohio Orthopaedic Center	214	1.3%	158	0.9%	185	1.1%	170	1.0%	170	0.9%
Total	3,040	17.90%	2,946	17.20%	3,060	17.50%	2,938	17.30%	2,880	15.40%
Total City Employees	17,018		17,018		17,552		17,076		18,773	

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

Notes:

(1) Total City Employees data for 2016 was used as data from 2017 was not yet available.



CITY OF | **UPPER ARLINGTON**

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

Income Averages for Upper Arlington Tax Years 2016-2007

<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>
2016	0-19,999	3,188	23.4%	\$ 23,500,641	1.2%
2016	20,000-49,999	1,985	14.6%	68,620,900	3.6%
2016	50,000-74,999	1,350	9.9%	83,844,581	4.4%
2016	75,000-99,999	1,230	9.0%	106,799,533	5.7%
2016	Over 100,000	5,855	43.0%	1,607,422,427	85.0%
	Total	13,608		\$ 1,890,188,082	
2015	0-19,999	2,756	22.4%	\$ 20,555,204	1.2%
2015	20,000-49,999	1,761	14.3%	61,052,036	3.4%
2015	50,000-74,999	1,195	9.7%	74,422,516	4.2%
2015	75,000-99,999	1,201	9.8%	104,291,144	5.9%
2015	Over 100,000	5,400	43.9%	1,518,995,981	85.4%
	Total	12,313		\$ 1,779,316,881	
2014	0-19,999	2,884	23.1%	\$ 21,594,351	1.3%
2014	20,000-49,999	1,876	15.1%	64,481,885	3.9%
2014	50,000-74,999	1,268	10.2%	78,878,817	4.8%
2014	75,000-99,999	1,235	9.9%	107,265,158	6.5%
2014	Over 100,000	5,200	41.7%	1,372,204,630	83.4%
	Total	12,463		\$ 1,644,424,841	
2013	0-19,999	2,971	24.2%	\$ 22,095,174	1.4%
2013	20,000-49,999	1,849	15.1%	64,080,477	4.1%
2013	50,000-74,999	1,282	10.4%	79,711,821	5.2%
2013	75,000-99,999	1,259	10.3%	109,807,642	7.1%
2013	Over 100,000	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	

Sources: Regional Income Tax Authority

Table 10

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

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

Local Taxes Paid by Upper Arlington Residents for Tax Years 2016 -2007

Tax Year	Taxes Paid by Upper Arlington Residents	%	Taxes credited to other municipalities	%	Total Local Income tax Paid by Residents
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	15.0%	19,413,911	85.0%	22,819,687
2008	3,600,753	15.4%	19,827,002	84.6%	23,427,755
2007	3,368,303	14.8%	19,335,641	85.2%	22,703,944

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 2017 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
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	23%
2010	2.0%	13,595	8,823	65%	1,654	12%	3,118	23%
2009	2.0%	12,856	8,470	66%	1,368	11%	3,018	23%
2008	2.0%	13,459	8,861	66%	1,199	9%	3,399	25%

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
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
2009	191,228	183,462
2008	164,544	158,503

Source: Franklin County, Ohio; County Auditor

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

<u>Year Ended December 31</u>	<u>Total Tax Levy for Year</u>	<u>Collected within the Year of the Levy</u>		<u>Total Collections to Date</u>			<u>Outstanding Delinquent Taxes</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	<u>Delinquent Amount</u>	<u>Total Collected</u>	<u>Percentage of Levy</u>	
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
2009	10,227	9,789	95.7%	182	9,971	97.5%	256
2008	9,956	9,629	96.7%	156	9,785	98.3%	171

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>2017</u>	<u>2016</u>	<u>2015</u>	<i>Restated</i> <u>2014</u>	<u>2013</u>
Water Surcharge Fund					
Assets	\$ 17,232	\$ 16,168	\$ 14,865	\$ 14,977	\$ 13,078
Net Position	15,790	14,722	14,265	14,441	12,683
Operating Revenue	484	541	447	431	454
Operating (Expense)	(821)	(856)	(718)	(650)	(518)
Non-operating					
Interest expense	(40)	(23)	(22)	(5)	(9)
Capital contributions	1,445	795	117	1,149	4,798
Transfers in	-	-	-	916	-
Changes in net position	1,068	457	(176)	1,841	4,725
Rate per 1000 cubic feet (MCF)	-	-	-	-	-
Surcharge rate on commodity	10%	10%	10%	10%	10%
Sewer Surcharge Fund					
Assets	\$ 5,932	\$ 6,019	\$ 5,822	\$ 5,694	\$ 5,697
Net Position	5,519	5,722	5,629	5,430	5,432
Operating Revenues	875	959	834	788	818
Operating (Expense)	(1,076)	(801)	(634)	(625)	(567)
Non-operating					
Investment income	-	-	-	-	-
Interest expense	(2)	(26)	(1)	(6)	(12)
Other, net	-	(39)	-	-	1
Capital contributions	-	-	-	-	-
Transfers in	-	-	-	-	-
Changes in net position	(203)	93	199	157	240
Rate per 1000 cubic feet (MCF)	n/a	n/a	n/a	n/a	n/a
Surcharge rate on commodity	0%	0%	0%	18%	18%
Stormwater Fund					
Assets	\$ 15,836	\$ 13,989	\$ 10,767	\$ 10,189	\$ 8,187
Net Position	14,875	12,836	10,205	9,462	7,448
Operating Revenue	755	760	737	758	748
Operating (Expense)	(698)	(546)	(498)	(467)	(471)
Non-operating					
Investment income	20	19	17	28	(1)
Interest expense	(31)	(62)	(49)	(20)	(23)
Other, net	-	-	(13)	-	-
Capital contributions	1,993	2,460	549	1,843	44
Changes in net position	2,039	2,631	743	2,142	297
Annual residential rate	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45

Table 15

Year				
<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 8,467	\$ 7,946	\$ 7,411	\$ 7,231	\$ 6,502
7,959	7,518	6,882	6,600	5,775
484	415	401	378	338
(470)	(553)	(441)	(379)	(539)
(12)	(15)	(19)	(22)	(25)
438	790	341	847	458
-	-	-	-	-
440	637	282	824	232
-	-	-	-	-
10%	10%	10%	10%	10%
\$ 5,883	\$ 5,361	\$ 4,733	\$ 4,856	\$ 4,856
5,192	4,803	3,992	3,865	3,847
850	792	774	771	734
(687)	(656)	(640)	(768)	(695)
-	-	2	-	-
(17)	(23)	(28)	(32)	(40)
1	(2)	-	-	-
242	699	20	5	44
-	-	-	42	-
389	810	128	18	43
n/a	n/a	n/a	n/a	n/a
18%	18%	18%	18%	18%
\$ 8,104	\$ 7,451	\$ 7,244	\$ 7,365	\$ 7,703
7,151	6,300	6,008	5,944	6,235
753	760	547	536	541
(753)	(1,000)	(1,049)	(784)	(611)
20	17	45	36	158
(26)	(29)	(32)	(74)	(71)
-	-	(1)	(5)	-
658	-	554	-	528
652	(252)	64	(291)	545
\$ 45	\$ 45	\$ 33	\$ 33	\$ 33

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

	Year				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Swimming Pools Fund					
Assets	\$ 11,365	\$ 5,239	\$ 5,187	\$ 5,396	\$ 5,500
Net Position	11,134	5,042	4,882	5,116	5,498
Operating Income	712	600	541	566	588
Operating (Expense)	(836)	(440)	(720)	(673)	(693)
Non-operating					
Other, net	-	-	(55)	-	-
Transfers in	-	-	-	-	-
Capital contributions	-	-	-	-	-
Changes in net position	(124)	160	(234)	(107)	(105)
Cost of a resident family membership (family of four)	\$ 220.00	\$ 220.00	\$ 220.00	\$ 210.00	\$ 210.00
Solid Waste Fund					
Assets	\$ 802	\$ 549	\$ 239	\$ 56	\$ 39
Net Position	618	376	67	(119)	(152)
Operating Income	2,276	2,457	2,006	1,917	1,961
Operating (Expense)	(2,042)	(2,153)	(2,063)	(2,109)	(2,077)
Non-operating					
Investment income	8	5	3	1	1
Other, net	-	-	-	-	-
Transfers in	-	-	240	-	10
Transfers out	-	-	-	224	-
Changes in net position	242	309	186	33	(105)
Cost of a single trash sticker	\$ 2.90	\$ 2.90	\$ 2.90	\$ 2.90	\$ 2.90

Source: City of Upper Arlington Finance Department

Table 15

Year				
<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 5,608	\$ 5,673	\$ 5,692	\$ 5,733	\$ 5,863
5,606	5,670	5,688	5,731	5,858
646	638	628	608	640
(711)	(657)	(666)	(736)	(686)
(1)	-	(5)	-	-
-	-	-	-	-
2	-	-	-	14
(64)	(19)	(43)	(128)	(32)
\$ 210.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00
\$ 123	\$ 174	\$ 255	\$ 122	\$ 235
(47)	4	86	(44)	91
1,986	1,954	1,685	1,664	2,052
(2,052)	(2,041)	(2,009)	(1,946)	(2,362)
3	5	4	-	27
-	-	-	(6)	303
12	-	450	153	48
-	-	-	-	(183)
(51)	(82)	130	(135)	(115)
\$ 2.90	\$ 2.90	\$ 2.40	\$ 2.40	\$ 2.40

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

<u>Year</u>	<u>General Bonded Debt Outstanding</u>			<u>Other Governmental Activities Debt</u>			
	<u>General Obligation Bonds</u>	<u>Build America & Recovery Zone Bonds</u>	<u>Total</u>	<u>Special Assessment Bonds</u>	<u>Bond Anticipation Note</u>	<u>Capital Leases</u>	<u>Loans</u>
2017	\$ 67,297	\$ -	\$ 67,297	\$ 135	\$ -	\$ -	\$ 3,354
2016	62,248	-	62,248	260	-	187	3,510
2015	61,358	-	61,358	380	-	370	-
2014	44,288	-	44,288	495	4,800	551	-
2013	38,980	6,300	45,280	605	4,800	728	-
2012	32,895	15,520	48,415	710	4,800	-	-
2011	25,390	15,520	40,910	810	4,800	-	-
2010	27,475	15,520	42,995	905	-	-	-
2009	27,570	7,320	34,890	995	-	-	-
2008	26,002	-	26,002	1,085	105	-	105

Notes:

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

Sources:

City of Upper Arlington Finance Department

<u>Business-Type Activities</u>					
General Obligation			Total Primary	Percentage of Personal	Per
<u>Bonds</u>	<u>Loans</u>		<u>Government</u>	<u>Income (1)</u>	<u>Capita (1)</u>
\$ 1,998	\$ 104	\$	72,888	3.67%	\$ 2,102
2,262	123		68,590	3.61%	1,990
726	177		63,011	3.41%	1,843
528	332		50,994	2.89%	1,499
680	590		52,683	2.88%	1,556
840	872		55,637	3.13%	1,647
1,000	947		48,467	2.81%	1,435
1,150	1,201		46,251	2.67%	1,370
1,300	1,448		38,633	2.29%	1,195
1,405	1,686		30,388	1.76%	893

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

Year	General Bonded Debt Outstanding	Less: Amounts Available in Debt Service Fund Restricted only for Principal Payments	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2017	\$ 69,295	\$ -	\$ 69,295	3.60%	\$ 1,998
2016	64,510	-	64,510	3.77%	1,872
2015	62,084	-	62,084	3.65%	1,816
2014	44,816	-	44,816	2.63%	1,318
2013	45,960	-	45,960	2.94%	1,358
2012	49,255	-	49,255	3.15%	1,458
2011	41,910	-	41,910	2.66%	1,240
2010	44,145	-	44,145	2.79%	1,307
2009	36,190	-	36,190	2.29%	1,120
2008	27,407	-	27,407	1.74%	806

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, 2017

Governmental Unit	Assessed Valuation	Gross General Obligation	Estimated Percentage Applicable to Upper Arlington¹	Estimated Share of Overlapping Debt
Direct				
City of Upper Arlington	\$ 1,927,472,250	\$ 70,785,554	100.00%	\$ 70,785,554
Overlapping				
Franklin County	30,155,158,810	221,125,000	6.32%	13,975,100
Columbus City School District	10,175,044,770	424,521,226	0.03%	127,356
Dublin City School District	2,584,426,550	124,326,104	0.29%	360,546
Upper Arlington City School District	1,943,122,330	22,870,000	98.31%	22,483,497
Central Ohio JVS	5,367,552,910	49,545,000	6.03%	2,987,564
Subtotal, overlapping debt		842,387,330		39,934,063
Total direct and overlapping debt		<u>\$ 913,172,884</u>		<u>\$ 110,719,617</u>

Source: Auditor, Franklin County; Settlement Division

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

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

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

	Year					
	2017	2016	2015	2014	2013	
Overall debt limit	\$ 202,385	\$ 179,658	\$ 178,823	\$ 179,257	\$ 164,038	
Total net debt applicable to limit	68,742	63,893	39,080	43,902	43,931	
Legal debt margin	133,643	115,765	139,743	135,355	120,107	
Total net debt applicable to the limit as a percentage of debt limit	33.97%	35.56%	21.85%	24.49%	26.78%	
Unvoted Debt limit	\$ 106,011	\$ 94,106	\$ 93,669	\$ 93,896	\$ 85,925	
Total net debt applicable to limit	68,402	62,563	37,620	41,730	37,066	
Legal debt margin	37,609	31,543	56,049	52,166	48,859	
Total net debt applicable to the limit as a percentage of debt limit	64.52%	66.48%	40.16%	44.44%	43.14%	
<u>Overall (Voted and Unvoted) Debt Limitation:</u>						
Total assessed value	\$1,927,472					
Debt limit (10 1/2% of total assessed value)	202,385					
Debt applicable to limit:						
General obligation bonds and notes	69,295 (1)					
Less: Amount set aside for repayment of general obligation debt	553					
Total net debt applicable to limit	68,742					
Legal debt margin	\$ 133,643					

Source: City of Upper Arlington Finance Department

Notes:

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

Table 19

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

Unvoted Debt Limitation:

Total assessed value	\$ 1,927,472
Debt limit (5 1/2% of total assessed value)	106,011
Debt applicable to limit:	
General obligation bonds and notes	69,295
Less: Debt outside limitations	340
Debt within limitation	68,955
Less: Amount set aside for repayment of general obligation debt	553
Total net debt applicable to limit	68,402
Legal debt margin for unvoted debt	\$ 37,609

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>
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%
2009	32,321	1,808,910	52,145	42.2	5,415	9.8%	10.2%
2008	34,023	1,726,701	50,751	42.1	5,438	5.3%	6.5%

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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Public Safety					
Police	63.0	63.0	63.0	63.0	63.0
Fire	57.0	57.0	57.0	60.0	60.0
General Government	38.1	37.7	36.5	35.8	36.6
Public Services (3)	43.8	42.2	41.2	41.9	44.4
Parks and Recreation (2)	55.4	55.1	54.4	55.1	52.2
Community Development	7.8	7.8	8.8	8.8	9.8
Utilities (1)	0.0	0.0	0.0	0.0	0.0
Total	265.1	262.8	260.8	264.5	266.0

Function	Full-time Equivalent Employees as of December 31				
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Public Safety					
Police	65.0	65.0	65.0	65.0	65.0
Fire	60.0	64.0	64.0	64.0	64.0
General Government	40.1	40.1	46.5	47.6	47.6
Public Services	33.0	33.3	34.2	34.2	34.2
Parks and Recreation (2)	56.3	56.3	50.8	50.8	51.5
Community Development	9.8	9.3	10.0	10.0	10.0
Utilities (1)	9.8	9.8	12.2	12.2	12.2
Sanitation	-	0.0	0.0	0.0	23.2
Total	274.1	277.8	282.7	283.8	307.7

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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<i>Public Safety - Police</i>				
Number of police stations	1	1	1	1
Number of police cruisers	15	15	15	15
Number of pieces of equipment	304	304	257	257
<i>Public Safety - Fire</i>				
Number of fire stations	2	2	2	2
Number of fire engines	2	3	3	3
Number of medics	4	3	3	3
Number of pieces of equipment	285	252	264	253
<i>Public Services</i>				
Miles of roads	346	346	356	204
Number of traffic signals	52	52	51	51
Number of streetlights	1,727	1,581	1,491	1,491
<i>Parks and Recreation</i>				
Number of parks	23	26	28	28
Acres of parkland	183	186	170	170
Number of swimming pools	3	2	2	2
Number of tennis courts	21	21	21	21
Number of senior centers	1	1	1	1
<i>Utilities</i>				
Number of fire hydrants	1,965	1,958	1,958	1,958
Number of catch basins	3,416	3,400	3,400	3,400
Miles of sanitary sewer	146	145	145	145
<i>Solid Waste</i>				
Number of packer trucks	-	-	-	-
Number of satellite vehicles	-	-	-	-
Roll-Off Truck	-	-	-	-
Stake Bed Truck	-	-	-	-
Pick-up Trucks	-	-	-	-

Sources:

1. City of Upper Arlington departments

Table 22

Year					
<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
1	1	1	1	1	1
15	15	15	15	15	15
257	257	257	257	257	255
2	2	2	3	3	3
3	3	3	3	3	3
3	3	3	4	4	3
275	298	288	272	272	295
	204	204	204	204	154
52	52	52	52	52	52
1,491	1,497	1,497	1,427	1,427	1,427
28	28	28	28	28	25
170	170	170	180	180	180
3	3	3	3	3	3
21	21	20	20	20	23
1	1	1	1	1	1
1,958	1,958	1,958	1,958	1,958	1,958
3,400	3,400	3,400	3,400	3,400	3,400
145	145	145	145	145	145
-	-	-	-	-	-
-	-	-	-	-	7
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	3

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

	Operating Indicators by Function			
Function	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<i>General Government</i>				
Number of probation cases (Adults)	271	368	291	270
Number of traffic cases	2,711	3,151	2,802	2,728
Number of fleet management repairs	1,172	1,158	1,182	1,795
<i>Public Services</i>				
Roadway repairs-surface (sq. ft.)	35,448	23,558	25,312	13,861
Street cleaning-leaf collection (cu. Yds.)	17,765	22,053	20,838	21,819
Street cleaning-snow removal (hours)	2,400	772	2,997	2,741
<i>Parks and Recreation</i>				
Number of registrations for programs	22,263	20,411	13,551	18,906
Number of programs/classes	1,770	1,672	966	2,039
Number of trees planted (less removed trees)	274	194	123	210
<i>Community Development</i>				
Number of building permits issued	724	596	514	624
Number of building inspections conducted	5,100	3,039	2,374	3,050
Number of code investigations	658	691	735	627
<i>Utilities</i>				
Number of fire hydrant repairs (water)	179	66	154	107
Number of catch basin repairs (stormwater)	299	114	195	170
Number of manhole repairs (sewer)	0	3	2	5
<i>Solid Waste</i>				
Number of refuse collected (tons)	4,547	5,570	5,526	6,459
Number of yard waste collected (tons)	119	306	100	1,185
Number of recyclables collected (tons)	4,143	4,747	4,652	4,608

Sources:

1. City of Upper Arlington departments

Operating Indicators by Function					
<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
293	251	269	289	302	269
2,560	2,900	2,977	3,459	3,253	3,200
1,667	2,034	2,210	2,328	2,370	2,407
2,955	23,110	21,051	35,336	86,425	116,686
20,946	16,123	17,503	18,312	21,178	22,669
2,462	519	1,207	2,787	823	1,168
14,330	11,806	16,415	67,628	12,173	8,999
1,996	1,918	1,934	5,183	1,461	1,383
80	221	194	210	215	275
521	426	463	370	378	383
2,249	2,645	5,069	3,210	3,014	2,259
827	894	817	1,121	924	1,017
77	60	57	92	86	97
50	92	108	200	195	225
16	45	64	-	28	54
5,945	6,116	6,618	6,209	6,400	6,700
298	182	205	282	384	300
4,615	4,662	4,956	4,805	5,600	4,400



CITY OF | **UPPER**
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