

GUIDING POLICIES

Master Plan

Upper Arlington's Master Plan serves as the community's guiding document functioning as a primary resource for City Council, Boards and Commissions, and the Administration when addressing growth and development issues. It is the broadest and most comprehensive policy document for a community.

The Upper Arlington Master Plan was adopted by City Council on March 26, 2001, following an extensive three-year community process, replacing the Comprehensive Master Plan adopted in 1962. As indicated in the plan, an update of the Master Plan is recommended every ten years. The first update was completed by seven Committees appointed by City Council consisting of Council Members, Community Members, Staff, and in some instances members of related Boards and Commissions. City Council adopted the updated plan in 2013.

Eight primary goals developed by the community form the policy direction around the Master Plan. Each goal represents an element in the Master Plan and is supported by objectives, which have underlying strategies. The goals of the Master Plan are:

- ✓ Community Appearance – Enhance the beauty of our neighborhoods, natural surroundings, and architectural amenities. Preserve these qualities within the residential and commercial settings along lighted sidewalks, streets, parks, and in other gathering places.
- ✓ Economic Development (Economy) – Emphasize high quality jobs and businesses, collaborative partnerships, and enhancement of the local tax base, while respecting the residential character of the community and creating a stronger and more diverse economy.
- ✓ Implementation – Emphasize accountability, monitor fiscal soundness and appropriate regulations, and foster the involvement of citizens, civic organizations, institutions and the business sector in the effective implementation of the Master Plan.
- ✓ Housing – Facilitate the provision of a full range of housing that is well built and well maintained and that utilizes old and new housing stock to accommodate people of all ages in a setting convenient to their needs.
- ✓ Community Facilities – Maintain and develop existing and proposed community facilities that meet the population's health, recreation, social, cultural, and other needs. Additionally, they should be safe, attractive, well-maintained, and emphasize integration and accessibility to all ages.
- ✓ Community Services – Provide high quality, cost effective community services – from infrastructure maintenance to leisure opportunities – that are responsive to the needs of a diverse, multigenerational population, and delivered within a safe environment.
- ✓ Land Use – Recognize the City's residential character while enhancing community redevelopment and revitalization, including town centers, community focal points, mixed housing, open/green space, and quality commercial development that serves the community's needs.
- ✓ Transportation - Provide a comprehensive network that is safe, convenient, and accessible to the entire community.

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The goals and objectives of each of the City's departments support the Master Plan goals. The entire Master Plan is available to the public on the City's website at www.upperarlingtonoh.gov. An "Executive Summary" excerpt from the original Master Plan document can be found in the appendix of this budget book.

FINANCIAL POLICIES:

These Financial Policies of the City of Upper Arlington, Ohio, are adopted by City Council to provide a framework within which the City is to conduct its fiscal operations. Recent review and updates were made by Council in October 2018. It is the anticipation of Council that the effect of fluctuations in the national, state and local economy on City services is to be smoothed through the creation and use of appropriate reserve funds.

Operating Management Policies

1. The City will develop budgets in which current expenditures, including transfers, cannot exceed current revenue and available resources. Additionally, unless directed by Council, current revenues must equal or exceed current expenditures. The City will avoid budgetary procedures that balance the budget at the expense of meeting future years' expenses, such as: postponing expenditures, accruing future years' revenues or funding current services with debt and/or drawing down the fund balance.
2. All appropriations that have not been expended or encumbered shall lapse at the end of the fiscal year. The City shall not increase appropriations for prior year encumbrances. Appropriations shall be for the current year only. An estimate of "lapsed" encumbrances should be included in the 5 year operating forecast.
3. The operating budget will be compiled in a manner to maintain as close as possible the existing level of services to the City.
4. The General Fund undesignated fund balance cannot be used to fund newly created operating expenditures or projects that are ongoing in nature.
5. The City shall set fees and user charges for each enterprise fund at a level to support the direct and appropriate indirect costs of the activity unless by affirmative action, Council directs a transfer from the General Fund sufficient to support the costs of the activity. Indirect costs shall include the cost of annual depreciation of capital assets and the cost of debt service to procure capital assets, unless directed by Council.

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6. Charges for services shall reflect the full cost of providing a specific service unless designated otherwise by Council. The cost of providing specific services shall be recalculated periodically and the fees shall be adjusted accordingly.
7. Although the City's budget may be prepared on an annual or biennial basis, revenue and expenditure forecasts will be prepared for five years and will be updated annually to spot developing trends and provide early warning of future financial difficulties.
8. Alternative service delivery methods will be reviewed periodically to ensure that quality services are being provided at the most reasonable costs.
9. The City shall develop a program to integrate performance measurement and productivity indicators with the budget. Where appropriate, comparisons with comparable cities may be made to ensure that quality services are provided at competitive and economical costs.
10. City funds will be managed in a prudent and diligent manner with an emphasis on safety on principal and financial return on principal ensuring adequate liquidity to meet all necessary obligations.
11. Prior to applying for and accepting intergovernmental aid, the City shall examine the program to determine if it is consistent with the City's mission and financial policies.
12. Grants that require a matching commitment of City funds shall be evaluated on the availability of funding sources and on the merit of the grant program.
13. License and permit fees shall be reviewed at least annually to ensure that they match related processing and inspection services.

14. Vehicles, technology equipment, and other operating equipment replacement schedules shall be developed and updated annually, including proposed funding sources.

15. Fiscal impact analysis will be conducted when considering economic development incentives before a recommendation is brought to City Council.

Reserve Policies

1. A Facilities Maintenance Reserve shall be established to ensure adequate funding for operating equipment replacement of City facilities (HVAC, roofing, etc).
2. Self-insurance reserves will be maintained at a level which, together with purchased insurance policies, will adequately indemnify the City's property and liability risk. A qualified risk management advisor will be retained on an annual basis in order to recommend appropriate funding levels.
3. Contingency reserves to be determined annually will be maintained to offset unanticipated revenue shortfalls and/or unexpected expenditure increases. Contingency reserves may also be used for unanticipated and/or inadequately budgeted events threatening the public health or safety. A reserve will be maintained in the General Fund. The reserve shall be equal to thirty percent of the current year General Fund operating budget.

Capital Improvement Program Management Policies

1. A ten-year capital improvement plan shall be developed and updated annually, with the goal of achieving the annual replacement cost of the infrastructure.
2. Capital improvement life cycle costs will be coordinated with the development of the operating budget. Future

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operating, maintenance, and replacement costs associated with new capital improvements shall be estimated for inclusion in the operating budget.

3. An infrastructure replacement program shall be developed based on the useful life of each infrastructure category (i.e., street repaving, street replacement, water lines, etc.).
4. The long-term financing of capital improvements or equipment shall not exceed the useful life.

Financial Accounting and Reporting Policies

1. The City's financial reporting systems shall be maintained in conformity with generally accepted accounting principles (GAAP), and the standards of the Governmental Accounting Standards Board (GASB).
2. An annual audit will be performed by the Auditor of State or an independent public accounting firm with an audit opinion to be included in the City's published Comprehensive Annual Financial Report (CAFR).
3. The City's CAFR shall be submitted to the Government Finance Officers Association (GFOA) Certificate of Excellence in Financial Reporting Program. The CAFR should satisfy the criteria established by the GFOA.
4. The City's budget shall be submitted to the GFOA Distinguished Budget Presentation Program. The budget should satisfy the criteria established by the GFOA.
5. Financial systems shall be maintained to monitor revenues, expenditures, and program performance on an ongoing basis.
6. Financial reporting to Council shall include the monthly budget reports as well as special reports as deemed

appropriate by Council, the Finance Director, or the City Manager.

Debt Policies

The primary objective of this policy is to summarize certain conditions that support the use of debt or cash for capital improvements and to define best practices for minimizing debt payments and issuance costs while retaining the highest credit rating possible, and maintaining full and complete financial disclosure and reporting.

1. Cash funding is recommended under the following circumstances:
 - a) To finance purchases of assets whose lives are five years or less.
 - b) To finance recurring maintenance expenditures (e.g., street repair vs. street reconstruction).
 - c) When market conditions are unstable or offer only historically high interest rates.
2. Short-term debt is appropriate under the following conditions:
 - a) Pay As You Go: Certain projects in the capital plan are best suited to cash funding on a pay-as-you-go basis. For example, projects with useful lives of less than five years. For purposes of this policy, "pay-as-you-go" financing includes selling short-term notes with the expectation of paying the notes off in full within one year of initial issuance.
 - b) Notes are used as a temporary funding source prior to and in anticipation of the completion of a bond sale.

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- c) The immediate need for financing is less than \$5 million.
- 3. Long-term capital asset financing is appropriate under the parameters set forth below. No single parameter stands alone; all must all be considered under the then current circumstances and in relation to the others. The parameters are as follows:
 - a) Variable rate bonds or short-term notes are suitable to use for long term financing in order to manage interest costs. When either is used for long-term financing, the City will schedule annual principal payments similar to a hypothetical fixed rate bond issue that satisfies the City's debt policy bond parameters herein. In addition, to minimize overall interest rate risk, the City's outstanding variable rate borrowing will not exceed 20% of the City's overall outstanding debt. Short-term bond anticipation notes may be issued for an amount greater than 20% of the City's outstanding debt, but such notes will be refinanced as necessary within two years of issuance to meet the 20% target.
 - b) Long-term bonds are recommended for projects with useful lives of ten years or longer and for amounts of \$5 million or greater.
 - c) Debt is acceptable as long as the ratio of available capital fund dollars to debt payments, projected forward seven years, does not fall below 2 to 1. For purposes of this guideline, debt payments are defined as general obligation and income tax special revenue debt payments, including projected payments for the refunding of outstanding general obligation or income tax special revenue bond anticipation notes.
 - d) Long-term bonds are considered especially appropriate when average long-term interest rates, as indicated by the Bond Buyer General Obligation 20 Bond Index, are at or below 85% of the index's twenty-year average. Long-term bonds are considered less appropriate when average rates for the index are at or above 115% of the index's twenty-year average. The City will make every effort to structure the terms of its bonds to match the status of the market at the time.
 - e) Long-term general obligation, non-tax revenue, and special revenue bonds (such as income tax revenue bonds) will not be issued if the City's Director of Finance and its Municipal Financial Advisor believes such issuance will cause the City's underlying general obligation credit metrics to become weaker than a Moody's "Aa" rating. Further, non-tax revenue and special revenue bonds will not be issued if the Finance Director and Municipal Financial Advisor believe any such issuance will be assigned a rating equivalent to or lower than Moody's "A".
 - f) Non-tax or assessment revenue bond long-term debt, but not general obligation debt, is appropriate for project funding where the tax or revenue burden rests directly on a select group of taxpayers or beneficiaries, such as for project revenue bonds, special assessment projects, tax increment financings, or economic development projects. Any financing of this type must receive a rating of Moody's "A2" or Standard & Poor "A" or higher to receive City approval.

The Debt Policy along with other recommended administrative procedures and Financial Policies were most recently updated and adopted on October 22, 2018.

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City Council Review

The subcommittee will conduct a review of all financial policies and the debt policy. Modifications adopted by majority vote of the subcommittee will be recommended to the full Council for consideration and adoption.

At all other times, the financial policies and the debt policy of the City may be modified by a majority vote of Council.

NON-FINANCIAL POLICIES:

Community Policies

1. A community bulletin board has been established for limited government business only, including school and library announcements. These announcements include special events; board/commission meeting dates, construction updates, important income tax and/or stormwater fee information, weekly solid waste pick-up changes, application deadlines for Parks and Recreation programs, safety tips for inclement weather, emergencies, and other information deemed pertinent by department directors.

Personnel Policies

1. The Personnel Rules handbook are the policies and procedures of the City designed to maintain a fair and efficient system of personnel administration. They are designed to deal with a majority of topics an employee needs or wants to know about his or her employment. However, they are not to be taken as a comprehensive document, but instead as a distillation of Federal Laws, Ohio Civil Service Laws, City of Upper Arlington Ordinances, and City of Upper Arlington Civil Service Commission Rules.

2. The Personnel Rules include such policies as: cell phone use policy, smoking policy; wage continuation policy, drug policy, sexual harassment policy, whistle blower's policy, and Health Insurance Portability and Accountability Act (HIPAA).
3. Employees who are members of bargaining units covered by collective bargaining agreements need to familiarize themselves with the provisions of such agreements.
4. Administrative Memorandums are issued by the City Manager's Office. These administrative memorandums cover policies related to credit card usage, telephone usage, and travel guidelines.

Technology Policies

1. City technology system resources are intended to support City objectives. All technology systems equipment, software, and any consultant services that impact the technology systems must be approved, requisitioned, and implemented by the Information Technology Division.
2. The City provides use of technology, e-mail, networks and networking, and Internet access to assist employees in conducting of City business. The City monitors the usage of technology.
3. Employees are asked to sign a document certifying they have received a copy of the Information Technology Use Policy.
4. The City adopted a "Red Flag" policy in 2010. The sensitive information policy outlines procedures to protect confidential information for employees and customers of the City.

CHAPTER 221. - DEPOSITORIES AND INVESTMENTS

§ 221.01 - DEFINITIONS.

Active deposit: means a public deposit necessary to meet current demands on the treasury that is deposited in any of the following:

- (A) A commercial account that is payable, in whole or in part, on demand.
- (B) A negotiable order of withdrawal account.
- (C) A money market deposit account.

Capital funds: means the sum of the following: the par value of the outstanding common capital stock, the par value of the outstanding preferred capital stock, the aggregate par value of all outstanding capital notes and debentures and the surplus.

Financial institution: means any eligible financial institution as defined in ORC § 135.03.

Interim moneys: means public moneys in the treasury of the city, which are not needed for immediate use and are available for investment.

Oversight agency: In the case of a bank means the superintendent of banks or the comptroller of the currency, and in the case of a savings and loan association, the superintendent of building and loan associations or the Federal Home Loan Bank Board.

Public deposit: means public moneys deposited in a public depository.

Public depository: means an institution which receives or holds any public deposits.

Public moneys: means all moneys in the city treasury or moneys coming lawfully into the possession or custody of the finance director.

§ 221.02 - INSTITUTIONS ELIGIBLE FOR ACTIVE DEPOSITS.

Any financial institution located in the City of Upper Arlington is an institution, which is eligible to become a public depository for active deposits.

§ 221.03 - INSTITUTIONS INELIGIBLE AS PUBLIC DEPOSITORIES.

No financial institution is eligible to become a public depository or to receive any new public deposits if:

- (A) In the case of a bank, the bank or any of its directors, officers, employees or controlling shareholders is currently a party to an active final or temporary cease-and-desist order

issued under ORC § 1125.08.

- (B) In the case of an association, the association or any of its directors, officers, employees, or controlling shareholders is currently a party to an active final or temporary cease-and-desist order issued under ORC § 1155.02.

§ 221.04 - CONTRACT WITH THE DEPOSITORY FOR ACTIVE DEPOSITS.

Within sixty (60) days prior to the expiration of the depository contract, the finance director shall prepare and distribute a request for proposals (RFP) for obtaining bids for active deposits from eligible institutions. The RFP shall include qualifications required by the institution, descriptions of the accounts required, recent activity of the current accounts, provisions for investment of excess funds and such other information as is deemed necessary by the finance director.

Institutions desiring to submit proposals shall provide appropriate financial data as specified in the RFP, and shall provide a financial statement in sufficient detail as to show the capital funds of the applicant.

The RFP shall be mailed to each eligible institution, provided that if an institution has more than one (1) branch office in the City of Upper Arlington, the RFP need only be sent to one (1) of the branches.

The finance director shall evaluate all proposals and make a recommendation for the award of the depository for active deposits. After approval by city council, a contractual agreement shall be executed. The contract can be for a period of up to five (5) years.

§ 221.05 - INVESTMENT OF INTERIM MONEYS.

The finance director shall determine the amount of interim moneys available for deposit, based on the anticipated cash flow requirements. Interim moneys may be invested in securities maturing more than two (2) years from the date of purchase provided that the securities can be converted to cash through trade in a secondary market prior to maturity.

§ 221.06 - AUTHORIZED INVESTMENT INSTRUMENTS.

The following instruments are authorized for investment purposes:

- (A) U.S. Treasury Bills, Notes, and Bonds; various federal agency securities including issues of Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corp. (FHLMC), Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB), Government National Mortgage Association (GNMA), Tennessee Valley Authority (TVA) and other agencies or instrumentalities of the United States. GNMA mortgage-backed,

pass-through securities are considered as eligible investments of the city and are not derivative securities, as defined under ORC § 135.14(C). Eligible investments include securities that may be "called", by the issuer, prior to the final maturity date. Any eligible investment may be purchased at a premium or a discount. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities.

- (B) General obligations of the State of Ohio.
- (C) General obligations of any county, township, school district, municipal corporation, or other legally constituted taxing subdivision of Ohio, which is not at the time of such investment, in default in the payment of principal on any of its obligations, provided that all of the following apply:
 - (1) The debt is payable from the general revenues and backed by the full faith and credit of the political subdivision
 - (2) The debt is rated at the time of purchase in the three highest classifications of at least one nationally recognized rating agency and purchased through a registered securities broker or dealer.
 - (3) The aggregate value of the bonds/obligations does not exceed twenty percent (20%) of the portfolio.
 - (4) The city is not the sole buyer of the issue.
- (D) Certificates of deposit issued by institutions whose deposits are insured by the Federal Deposit Insurance Corporation (FDIC). Certificates of deposit shall be collateralized using eligible securities or instruments as defined under ORC § 135.18 or 135.181. The selection of ORC § 135.18 or 135.181 for purposes of collateralization, shall be determined by the finance director. Under either method, the finance director may require an additional percentage of eligible collateral to compensate for any depreciation of market value of such pledged collateral, less any portion insured by the FDIC.
- (E) Repurchase agreements with any eligible institution mentioned in ORC § 135.03, or any eligible securities dealer pursuant to ORC § 135.14(M). Repurchase agreements transacted with eligible securities dealers shall be executed on a delivery versus payment basis. Eligible repurchase agreement collateral is restricted to securities listed in C.O. § 221.06(A), limited to final maturity dates of ten (10) years. The market value of securities subject to a repurchase agreement must exceed the principal value of the repurchase agreement amount by at least two (2) percent and marked to market daily. Term repurchase agreements shall be limited to a maximum of thirty (30) days.
- (F) Banker's acceptances issued by any domestic bank rated in the highest category by one of two nationally recognized rating agencies.
- (G) No load money market mutual funds consisting exclusively of obligations described in

ORC § 135.14(B)(1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions mentioned in ORC § 135.03.

- (H) Commercial paper notes issued by an entity that is defined in ORC § 1705.01(D) and that has assets exceeding five hundred million dollars (\$500,000,000.00), to which notes all of the following apply:
- (1) The notes are rated at the time of purchase in the highest classification established by at least two (2) nationally recognized standard rating services.
 - (2) The aggregate value of the notes does not exceed ten (10) percent of the aggregate value of the outstanding commercial paper of the issuing corporation.
 - (3) The notes mature not later than two hundred seventy (270) days after purchase.
 - (4) The investment in commercial paper notes of a single issuer shall not exceed in the aggregate five (5) percent of interim moneys available for investment at the time of purchase.
- (I) Medium term notes issued by a corporation, domiciled within the United States and having assets in excess of \$500 million, provided that such medium term notes have a maximum maturity of five (5) years and are rated, at the time of purchase, by Standard & Poor's, Moody's or Fitch under the following limitations:

| Standard & Poor's | Moody's | Fitch |
|---------------------------|-------------------------|---------------------------|
| A+(2-yr max maturity) | A1(2-yr max maturity) | A+(2-yr max maturity) |
| A(2-yr max maturity) | A2(2-yr max maturity) | A(2-yr max maturity) |
| A-(2-yr max maturity) | A3(2-yr max maturity) | A-(2-yr max maturity) |
| AA+(3-yr max maturity) | Aa1(3-yr max maturity) | AA+(3-yr max maturity) |
| AA(3-yr max maturity) | Aa2(3-yr max maturity) | AA(3-yr max maturity) |
| AA-(3-yr max maturity) | Aa3(3-yr max maturity) | AA-(3-yr max maturity) |
| AAA(maturities > 3 years) | Aaa(maturities>3-years) | AAA(maturities > 3 years) |

If a security has a split rating, the higher of the two (2) 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 ORC § 135.45.

(Ord. No. 38-2016, § 1, 7-11-2016; Ord. No. 75-2018, § 1, 10-22-2018)

§ 221.07 - LIMITATIONS ON INVESTMENTS.

- (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.
 - (2) The total value of certificates of deposit, purchased from any individual financial institution, shall not exceed three percent (3%) of that institutions 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 bankers 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 ORC § 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.

§ 221.08 - COLLATERALIZATION OF CERTIFICATES OF DEPOSIT.

- (A) Securities pledged as collateral by any institution shall be delivered to a qualified trustee approved by the finance director. The finance director shall accept the written receipt of the trustee describing the securities which have been deposited with the trustee by the institution, a copy of which shall also be delivered to the institution.

If the institution fails to pay over any part of a deposit due the city, the finance director shall have the option to sell the securities delivered to the finance director, in a manner determined by the finance director. If the securities are on deposit with a trustee, the finance director may request the trustee to deliver the securities to the finance director, and the finance director shall have the option to sell the collateral. When a sale of securities has been made, the finance director shall deliver the securities versus payment, whereupon the absolute ownership of the securities shall pass to the purchasers. Any surplus remaining after deducting the principal amount and accrued interest due the city and any expenses of the sale shall be paid to the institution.

- (B) When the institution has deposited eligible securities with a trustee for safekeeping, the institution may at any time substitute or exchange eligible securities having a current market value equal to or greater than the current market value of the securities then on deposit and for which they are to be substituted or exchanged without specific authorization only if:
- (1) The finance director has authorized the institution to make such substitution or exchange on a continuing basis during a specified period without prior approval of each substitution or exchange. Such authorization may be effected by the finance director sending to the trustee a written notice stating that substitution may be effected on a continuing basis during a specified period which shall not extend beyond the end of the period of designation during which the notice is given. The trustee may rely upon such notice, and upon the period of authorization stated therein.
 - (2) No continuing authorization for substitution or exchange has been given by the finance director, the institution notifies the trustee and the finance director of the intended substitution or exchange, and the finance director fails to object to the trustee within ten (10) business days after the date appearing on the notice of proposed substitution. The notice to the finance director and to the trustee shall be in writing and delivered personally or by certified or registered letter with a return receipt requested. The trustee may assume in such case that the notice has been delivered to the finance director.
 - (3) The finance director gives written authorization for a substitution or exchange of specific securities. The institution shall notify the finance director of any substitution or exchange under C.O. § 221.08(B)(1) or (B)(2). Upon request from the finance director, the trustee shall furnish a statement of the securities pledged against such deposits.
- (C) In lieu of the pledging requirements prescribed in C.O. § 221.08(B) above, the finance director may accept collateral in the form of a pool of securities pledged by the financial institution, provided that:
- (1) Securities committed to the pool must have a market value at least equal to one hundred ten percent (110%) of the total amount of all public moneys on deposit with

the institution secured by the pooled securities, including the portion covered by federal deposit insurance.

- (2) The securities eligible for deposit in the pool shall be those described in C.O. §§ 221.06(A) through (C).
- (3) The securities are deposited with a qualified trustee as described in C.O. § 221.08(A), and the fees and expenses of the trustees shall be paid by the depository.
- (4) Each subdivision shall have an undivided security interest in the pool of securities in the proportion that the total amount of the subdivision's public moneys secured by the pool bears to the total amount of the deposits so secured.

If the depository fails to pay over any part of the deposits due the city, the finance director shall give written notice to the trustee, and at the same time, shall send a copy of the notice to the institution. Upon receipt of the notice, the trustee shall transfer to the finance director for public sale such of the pooled securities as may be necessary to produce an amount equal to the deposits due the city and not paid over, less the portion of deposits covered by the Federal Deposit Insurance Corporation, plus any accrued interest due on the deposits. When a sale of securities has been made, the finance director shall deliver the securities versus payment, whereupon the absolute ownership of such securities shall pass to the purchasers. Any surplus after deducting the amount due the city and expenses of the sale shall be paid to the institution.

The institution may at any time substitute, exchange or release eligible securities deposited with the trustee, provided such substitution, exchange or release does not reduce the total value of securities to an amount less than one hundred ten percent (110%) of the total amount of public deposits in the pool.

The institution will provide a detailed quarterly statement of the face value and market value of all securities pledged to the pool, and the dollar amount of deposits thereby secured.

§ 221.09 - APPORTIONMENT OF INVESTMENT EARNINGS.

All investment earnings shall be credited to the general fund, with the following exceptions:

- (A) Balances in the solid waste management fund.
- (B) Balances in the self-insurance fund.

Any fund for which applicable laws require the crediting of interest.

Funds that are to be credited with investment earnings shall receive a proportionate share based on a method determined by the finance director.

(Ord. No. 38-2016, § 2, 7-11-2016)

§ 221.10 - REQUIREMENTS OF INVESTMENT ADVISORS.

All investment advisors contracted by the city to make investment recommendations must be given a copy of C.O. ch. 221 entitled, depositories and investments. Such advisors, having read the contents of C.O. ch. 221, must acknowledge, by letter, their comprehension and receipt of the policies contained within this chapter.

STATE OF OHIO

CHARTER OF THE CITY OF UPPER ARLINGTON

SECTION I **CORPORATE POWERS**

The inhabitants of the City of Upper Arlington, as its limits now are or may hereafter be, shall be a body politic and corporate, by name, The City of Upper Arlington, Ohio, and shall have all powers, express and implied, that now are, or hereafter may be, granted to municipalities by the constitution or laws of Ohio.

SECTION II **GENERAL POWERS AND DUTIES OF COUNCIL**

The government and control of the City shall be vested in a Council of seven citizens who shall be elected at large, in the manner provided by law for the election of municipal officers, nominated by petition and elected on a nonpartisan ballot. Municipal elections shall be in odd numbered years for the election of three or four Council Members, respectively, for four-year terms as the existing term expires.

The Council shall constitute the governing body of the City, and shall have full power to pass ordinances, adopt resolutions and otherwise exercise all legislative power and executive authority now or hereafter vested in municipal officers by law, and in the Council by this Charter. Except as otherwise provided by this Charter or by the Constitution of the State of Ohio, the Council may by ordinance or resolution prescribe the manner in which any power of the City shall be exercised. In the absence of such provision as to any power, such power shall be exercised in the manner prescribed by the general laws of the state applicable to municipalities. The Council shall have authority to fix by ordinance the compensation of its Members.

A majority of all current Council Members shall constitute a quorum to do business, and shall be necessary to adopt any ordinance or resolution, but a less number may adjourn from time to time and compel the attendance of absent Members in such manner and under such penalties as shall be prescribed by ordinance. The enacting clause of all ordinances shall be, "Be it ordained by the Council of the City of Upper Arlington, Ohio". The Council may, by ordinance, prescribe the manner of giving public notice of the passage of ordinances, resolutions or other acts or procedures. The Council may, by ordinance, determine the effective date of any ordinance, resolution, or other measure.

SECTION III **INITIATIVE AND REFERENDUM**

Legislative acts by the City Council are subject to referendum as procedurally prescribed in the Ohio Revised Code except as provided by the Ohio Revised Code or by an ordinance prescribing the legislative acts subject to referendum. Administrative ordinances, resolutions or decisions shall be subject to redress through the judicial system.

Initiative powers are hereby reserved to the people of the City as authorized by State law.

SECTION IV

QUALIFICATIONS OF COUNCIL MEMBERS

A Council Member shall be an elector and shall have resided in the City of Upper Arlington for at least one year prior to the date of their taking office. Each Council Member elected or appointed shall remain a resident and qualified elector throughout the term of his or her office. An employee of the City shall not be a candidate nor Member of Council. Any Council Member who ceases to possess these qualifications, or who is absent from four successive regular Council meetings unless such absence is authorized or excused by Council, shall forfeit the seat of Council Member.

A vacancy in the Council shall be filled by a majority vote of the remaining Council Members. Such appointment shall be made within sixty days of the vacancy. If Council fails to fill the vacancy within sixty days, the President of Council/Mayor shall make the appointment within ten days thereafter. If the President of Council/Mayor fails to appoint, the seat shall be considered open and a special election shall be held to fill the open seat no earlier than ninety days and no later than one hundred and twenty days from the date of the opening. If an appointment occurs after June 30 in the final two years of a term, the appointment shall be for the unexpired term. If an appointment occurs before June 30 of the final two years of a term, the person appointed shall serve until a successor is certified as elected at the next general election. If there is a failure to appoint and a special election is required to fill the vacated seat, the special election shall be for the remainder of the vacated term.

No person shall hold the office of Council Member for a period longer than two consecutive terms of four years. For purposes of this section, any appointment or election for less than a full four-year term shall not count against the two-term limitation.

A person who is ineligible because two consecutive terms have been served will be eligible for election to additional terms, pursuant to this provision, so long as four years intervene between expiration of the second of the two consecutive terms and the commencement of the new one.

SECTION V

CONFLICT OF INTEREST AND DISQUALIFICATION OF COUNCIL MEMBERS

No person in the employ of the City shall participate in securing, or contribute any money toward, the nomination or election of any candidate for the Council.

The Council may remove any officer of the City, or Council Member, for violation of any provision of law for which forfeiture of office is a penalty, for failing or ceasing to possess the qualifications established by this Charter for that office, or for the conviction while in office of any crime involving moral turpitude, but no such removal shall be made without the concurrence of at least five Council Members, nor until the accused officer or Council Member shall have been given a written copy of the charges and an opportunity to be heard, with at

least ten days' notice of the time and place of hearing.

No person who is a candidate for election to the Council shall be appointed City Manager, City Attorney, or City Clerk within two years after said election, and no person who serves as a Council Member shall be appointed City Manager, City Attorney, or City Clerk until at least two years after the expiration of the term of office to which such Member was elected or appointed.

Unless otherwise provided in this Charter or by Council, the laws of the State of Ohio pertaining to conflicts of interest, criminal misbehavior, ethics, financial disclosure, campaign financing and other election practices for municipal office shall apply to all Council Members, officers, employees and to board and commission members where applicable.

SECTION VI **RECALL**

The electors shall have the power to remove from office by a recall election any Council Member in the manner provided by the Ohio Revised Code. However, in the event of a recall, any vacancy created shall be filled in the manner set out in Section IV of this Charter.

SECTION VII **ELECTIONS**

Regular municipal elections shall be held on the dates and times fixed by the election laws of the State of Ohio. The Council may, by resolution, order a special election at any time, the purpose of which shall be set forth in the resolution.

All regular and special municipal elections shall be conducted by County and State of Ohio election officials in accordance with provisions in the Ohio Revised Code, or as otherwise provided by Council.

The Council shall have the power, in addition to its other appropriation and expenditure powers, to appropriate and expend funds to pay the costs for providing factual information to the public in connection with elections on tax levies, bond issues and other public issues.

SECTION VIII **ORGANIZATION**

Council Members shall take office on the second Monday in January following their election and shall serve until the second Monday in January of the fourth year thereafter, and until their successors are elected and have qualified. The Council shall be the judge of the election and qualifications of its Members.

SECTION IX **PRESIDENT OF COUNCIL**

After the newly elected Council Members have taken office, the Council shall organize and forthwith elect one of its Members President, who shall also be the Mayor of the City, until in like manner a successor has been chosen. The President in accordance with any of the foregoing provisions shall have full voting and other privileges and rights of Council membership. The Council shall also elect a Vice President who shall perform the duties of the President and be acting Mayor in the event the President is unable for any cause to perform the duties of the office. The Council may designate another Member to perform the duties of the President and be acting Mayor in the event both the President and Vice President are temporarily unable to perform their duties. In case of the death, resignation or removal of the President or Vice President, the Council shall elect one of its Members as President or Vice President for the remainder of the unexpired term.

SECTION X **DUTIES OF MAYOR**

The Mayor shall be recognized as the official head of the City by the courts for the purpose of serving civil process and for ceremonial purposes. The Mayor shall have and exercise all the judicial powers granted by the general laws of Ohio to mayors of cities unless and until other lawful provisions shall be made for the exercise of such powers. The Mayor shall have no veto power over legislation.

SECTION XI **COUNCIL MEETINGS**

The Council shall, by ordinance or resolution, fix a time and place for holding its regular meetings. The President or any two Members may call special meetings of the Council upon written notice served upon each Member by electronic transmission or left at their usual place of residence at least twenty-four hours before the time fixed for such meeting. The notice for all Council meetings shall state the subjects to be considered and such meetings shall be limited to a consideration of such subjects, except by unanimous consent of all Members.

All meetings of Council or its committees shall be open to the public, except executive sessions which may be held pursuant to City ordinance or State law. The Council shall keep a journal of its public proceedings and may determine its own rules and order of business, including the adoption of ordinances, resolutions, or other measures by a consent agenda. Any citizen shall have access to public records during usual business hours pursuant to State law.

SECTION XII **CITY ORGANIZATION**

Subject to the provisions of Section XIII of this Charter, the Council shall have full power and

authority to establish, administer and control departments as it may deem for the best interests of the City, may determine the powers and duties of such departments and the officers thereof and the manner of administering the same, may delegate to such departments or the officers and employees thereof, such authority as it deems advisable and may combine, divide, distribute or discontinue such departments and may appoint, employ and discharge administrative officers, assistants, clerks and employees and fix their compensation.

In case of doubt as to whether certain powers or duties imposed by law on the Mayor or other executive or administrative authority, are to be exercised or performed by the Mayor, the Council, the City Manager, or other officer, the Council may by ordinance or resolution determine the officer or officers by whom such powers or duties shall be exercised.

Except for inquiries and investigations, no Council Member shall directly interfere with the conduct of any department or employee thereunder, but rather shall deal solely with the City Manager or appointing authority. Neither Council nor any Council Member shall dictate the appointment of any person to office or employment by the City Manager or the appointing authority.

SECTION XIII **CITY MANAGER**

The Council shall appoint a City Manager who shall be the administrative head of the municipal government and its chief executive officer, under the direction and supervision of the Council. The City Manager shall be chosen by the Council solely on the basis of executive and administrative qualifications and with special reference to actual experience in or knowledge of the best practices in respect of the duties of that office. At the time of the appointment, the City Manager need not be a resident of this City or State but the Council may, by ordinance, make such provision as it may deem advisable with respect to residence during the tenure of office.

The City Manager shall be appointed for an indefinite term, and may be removed by the Council at its pleasure, at least five Members concurring therein.

The Council may designate some properly qualified person to execute the functions of the office of the City Manager during the absence or disability of the City Manager or during temporary vacancies in that office.

The powers and duties of the City Manager shall be:

1. To see that the laws and ordinances are enforced.
2. Subject to the provisions of Sections XII and XIV and to the civil service laws, to appoint, discipline and remove all employees of the City, and to exercise such other appointive power as Council may vest in that office by ordinance or

resolution.

3. To exercise supervision and control over all departments and divisions of the City government, subject to such regulation as the Council may provide.
4. To attend all meetings of the Council, with the right to take part in the discussions, but having no vote.
5. To recommend to the Council for adoption such measures as may be deemed necessary or expedient.
6. To prepare and submit to the Council such reports as may be required by that body, or as may be deemed advisable.
7. In conjunction with the Finance Director or other Chief Fiscal Officer to keep the Council advised of the financial condition of the City and its future needs and to prepare and submit to the Council a tentative budget for the next fiscal year.
8. To perform such other duties as the Council may determine by ordinance or resolution.

SECTION XIV **ORGANIZATION OF DEPARTMENTS**

Under the provisions of Section XII of the Charter, a Finance Department is created under the supervision of the Finance Director. The Finance Director shall be appointed by the City Manager subject to the approval of at least five Council Members. The Finance Director shall serve at the pleasure of the City Manager, but may only be removed at the recommendation of the City Manager upon approval of such recommendation by at least five Council Members.

The City Attorney shall be appointed and serve at the pleasure of Council.

The Clerk of Council shall be appointed and serve at the pleasure of Council.

SECTION XV **ZONING AND PLANNING**

The Council may establish a Board of Zoning and Planning and may fix the number, *qualifications* and terms of the members thereof. The duties, powers, limitations and procedures of such Board of Zoning and Planning may be prescribed by ordinance, and in the absence of such ordinance it shall perform the duties and exercise the powers conferred upon the City Zoning and Planning commissions by general laws of the state not in conflict with this Charter. The Council may exercise all powers relative to zoning and planning in the City and

surrounding areas vested by law in municipalities.

SECTION XVI **TAXATION**

The aggregate amount of taxes that may be levied by the Council without a vote of the people, for all municipal purposes, on property which is taxable according to value, shall not exceed five mills on each dollar of taxable valuation. Taxes may be levied for such purposes outside of this limitation upon approval by a majority of the electors of the City voting thereon at a November election or in any manner provided by general law for voting levies outside the statutory limitations.

The Council shall not enact any ordinance levying an income tax, including a change in a municipal income tax credit, except upon approval by a majority of electors of the City voting thereon at a general or special election held not less than sixty days after the adoption by Council of a resolution calling for such election, which resolution shall set forth the rate of the proposed tax and the purposes for which the receipts therefrom shall be used. In the event of an affirmative vote, the proceeds of such levy shall be used only for the specified purposes.

SECTION XVII **EFFECT OF CHARTER**

All general laws of the state applicable to municipal corporations now or hereafter enacted, which are not in conflict with the provisions of this Charter or with ordinances or resolutions of this City, shall be applicable to this City, provided however, that nothing contained in this Charter shall be construed as limiting the power of the Council to enact any ordinance or resolution not in conflict with the Constitution of the State or the express provisions of this Charter.


The enumeration of particular powers of this Charter shall not be held or deemed to be exclusive but, in addition to the powers enumerated herein, implied thereby or appropriate to the exercise thereof, the City shall have and may exercise all other powers which, under the Constitution of the State of Ohio, it would be competent for this Charter specifically to enumerate. The determination that any part of this Charter is invalid shall not invalidate or impair the force or effect of any other part hereof, except to the extent that such other part is necessarily dependent for its operation upon the part declared invalid.

All ordinances, resolutions and other measures in force at the time of the taking effect of any amendments to this Charter, not inconsistent with its provisions, shall continue in effect until amended or repealed.

SECTION XVIII
CHARTER REVIEW COMMISSION

Ten years after the adoption of this Charter and every ten years thereafter, Council shall appoint a Commission of at least seven electors of the City to review the City Charter and report to Council its recommendations concerning possible amendments. Council may appoint a Charter Review Commission at other times as it shall determine.

I, Ashley Ellrod, City Clerk of the City of Upper Arlington, Ohio do hereby certify that the above is a true and correct copy of the Charter of the City of Upper Arlington, Ohio, as amended at the General Election of November 6, 2018.



Ashley Ellrod
City Clerk