



CITY OF NEW ALBANY, OHIO
Comprehensive Annual Financial Report for the Year Ended December 31, 2016



Dave Yost • Auditor of State

City Council
City of New Albany
99 W. Main Street
New Albany, Ohio 43054

We have reviewed the *Independent Auditor's Report* of the City of New Albany, Franklin County, prepared by Julian & Grube, Inc., for the audit period January 1, 2016 through December 31, 2016. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of New Albany is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

August 18, 2017

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City of New Albany, Ohio
Comprehensive Annual
Financial Report

For the Year Ended
December 31, 2016

Finance Department



INTRODUCTORY SECTION

CITY OF NEW ALBANY, OHIO

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June 26, 2017

Honorable Mayor, Members of City Council
And Citizens of the City of New Albany
New Albany, Ohio

The Comprehensive Annual Financial Report (CAFR) for the City of New Albany, Ohio (the “City”) is hereby presented. This CAFR reports the City’s operations and financial position for the year ended December 31, 2016, in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. This official report has been developed to accurately detail the status of the City’s finances for review by New Albany residents, elected officials, investment banks, underwriters and all other interested parties. The report is presented in compliance with Governmental Accounting Standards Board Statement No. 34, “Basic Financial Statements - and Management’s Discussion and Analysis - for State and Local Governments” (GASB Statement No. 34). It is intended to provide all pertinent and necessary information that may be required to review the fiscal condition of the community.

City management is responsible for the accuracy of the data, the completeness and fairness of the presentation, and for all disclosures. In order to provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the government’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of New Albany’s financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City’s internal controls have been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. To the best of management’s knowledge, the financial and other data contained in this report fairly present the financial position and results of operations of the City. All necessary disclosures to enable the citizens and other readers to understand the City’s financial activities are included in this report.

The City is required by state law to have an annual audit performed by either the Auditor of State’s Office (AOS) or by an Independent Auditor operating under the auspices of the AOS. For fiscal year 2016, the City has engaged the independent accounting firm of Julian & Grube, Inc. to audit the City’s financial records. The City continues to receive an unmodified opinion. The Independent Auditor’s Report on the City’s financial statements is included in the Financial Section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditor's Report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

Basic Information

The City of New Albany is located in central Ohio, approximately 15 miles northeast of the state capital, Columbus, and is located in both Franklin and Licking Counties. The City covers an area of approximately 12.15 square miles, and has a current estimated population of 9,220 residents. Founded in 1837 and incorporated in 1856, the City operates under a home rule charter form of government, which was originally adopted on November 3, 1992. The voters adopted the current charter on November 5, 2009.



Figure 1 - 2016 City Council

The form of government provided by the Charter is known as 'Mayor-Council-Manager'. In this form of government, an appointed City Manager manages the day-to-day operations of the municipality. The elected Mayor presides over Council meetings and the local municipal court, but has no veto authority over legislation adopted by Council. All officials are elected at large to four-year terms beginning on January 1 after their election. There is a President Pro-Tempore of Council who serves in the absence of the Mayor, as well as five additional Council members. This position rotates between the other six members of Council on an annual basis.



Figure 2 –Scenic City Streets & Paths

The City Manager serves as the chief administrative and law officer of the City and is appointed by Council. The City has a Department of Law, Department of Finance and other departments as Council may deem appropriate to create. The City Manager appoints the Law Director and the Director of Finance, subject to the consent and approval of Council. The Director of Finance, as the head of the Department of Finance, serves as the City's chief financial officer.

The City provides a range of municipal services mandated by statute or charter, including police protection, street maintenance, planning, zoning and other general government services. Health services are contracted with, and provided by, the Franklin County Board of Health.

The Council is required to adopt a final budget no later than the close of the preceding fiscal year. This annual budget serves as the foundation for the City's financial planning and control processes. The budget is prepared by fund, program/department and object for all funds excluding agency funds. Projections of revenues and expenditures are developed for agency funds, but are not included in the permanent budget adopted by City Council. Budgetary transfers may be made within the lowest level of budgetary control without requiring Council authorization.

Budget Process & Methodology

Budget Process & Schedule

Ohio law requires the City of New Albany by mid-July of each year to prepare an estimate of resources available for expenditure in the following year. This estimate of resources is known as the *Tax Budget*. The annual budget development process begins with the development and submission of the Tax Budget to the Franklin and Licking County Budget Commissions. The separate Commissions review the Tax Budget, approve it and generate a *Certificate of Estimated Resources*. This certificate serves as the basis of available funds for the development of the expenditure budget.

The City of New Albany Charter requires that the City Manager, in consultation with the Finance Director, develop revenue and expenditure estimates and present a proposed budget to City Council for their consideration at the first regularly scheduled Council meeting in November prior to the beginning of the next fiscal year.

Basis of Budgeting

A jurisdiction's 'basis of budgeting' refers to when revenues and expenditures are recognized in the accounts. The City's budget basis is a cash-encumbrance basis, wherein transactions are recorded when cash is received or disbursed, or when a commitment has been recorded as an encumbrance against an applicable appropriation. All annual appropriations lapse at year-end to the extent that they have not been expended or lawfully encumbered. Fund balances are shown as unencumbered cash balances. This basis is used for all interim financial statements during the year.

Budgetary Control

Ohio Revised Code (ORC) §5705.38(c) requires each municipality to present their annual operating budget to their legislative authority, at minimum, at the level of fund, department, and within department, identifying personal services and other expenditures. The City adopts its annual budget in the format of fund, function to categories such as salary and related, contractual services and general operating. *Fund* is the individual fund number and description established by the authority to separate and control expenditures of specific monies. While all governmental funds are included in the annual appropriation ordinance, agency and fiduciary funds are not included. *Program/Department* represents groupings of functionally similar tasks performed by the jurisdiction and is the local equivalent of the ORC-required department. There are nine major programs/departments identified by the City Director of Finance and include the following:

- General Government
- Police
- Public Service
- Community Development
- Finance & Legal
- Council
- Parks & Lands
- Debt Service
- Transfers & Advances

The final ORC required component is *Object*. The object code is the lowest level of control provided for in the appropriation legislation. The current format provides the level of detail required by the ORC while not unduly restricting the ability of the Director of Finance to manage the budget without submitting numerous supplemental appropriations to provide for minor budget transfers. In this budget structure, similar types of account numbers are grouped together into higher-level summary accounts. These summary groups include:

- Salary & Related Costs
- Contractual Services
- General Operating
- Capital Outlay
- Debt Service
- Transfers & Advances

Amendments to authorized appropriations at the legal level of control may be made periodically as changing circumstances dictate. These will be recommended to City Council by either the City Manager or the Director of Finance along with the rationale supporting the requests. Such budget amendments must be formally approved by ordinance of Council.

Economic Condition and Outlook

New Albany continues to implement the balanced growth principles outlined in the strategic land use and economic development plans. As the national economy continued to climb out of the recent recession, the City attracted businesses that fit within the established core clusters and rely upon existing technology infrastructure for success. New Albany officially obtained classification as a City in April 2011. The Mid-Ohio Regional Planning Commission estimates that the City's current population is now estimated to be 9,220 people, and represents a population growth rate of 46% since 2007. The investments in public infrastructure since 2009 positioned the community favorably for several out-of-state projects specific to mission critical and data center facilities. The existing companies continue to rebound and grow with respect to employee base and net profits. As the City continues to grow and develop, it is imperative that it provide careful planning and

analysis in order to balance the demands placed by continued residential growth with the need for a stabilized funding source.

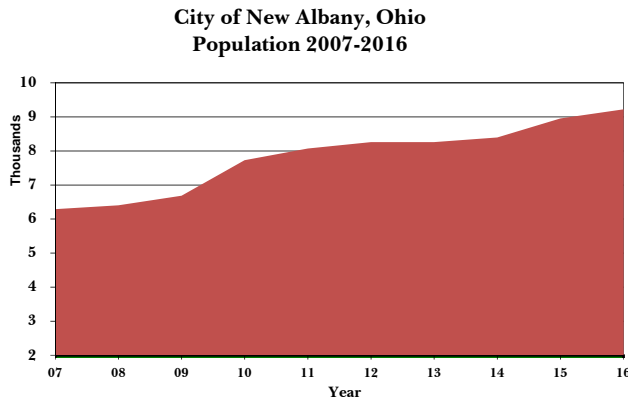


Figure 3 - Population growth, 2007-2016

profits. Residents voted in May 2003 to approve an increase in the City's income tax rate from 1.0% of taxable earnings with a 50% credit for local income taxes paid to neighboring jurisdictions, to 2.0% with 100% credit (up to 2%). Combined with the tax rate increase, the City's income tax base has grown dramatically in the same time period due to the establishment of the business campus and related economic opportunity zones (EOZ). These EOZ's have allowed New Albany to attract a number of large, revenue-generating corporations and businesses into the City.

The City is projecting 3-5% growth in general fund revenue and expenses for 2017. The revenue outlook is positive due to continued growth within the business park. Recent expense growth reflects the need to align staffing levels with service and business attraction needs. This has occurred over the past couple years, so we expect growth to stabilize in the coming years.

New Albany is poised for continued growth. Strategically located along the recently improved and expanded State Route 161, New Albany is within 3 minutes of the I-270 outer belt in the northeast quadrant of the greater Columbus metropolitan area. All of the major transportation amenities are a short distance away: 15 minutes from Port Columbus International Airport and 20 minutes from downtown Columbus.

Residential Activity

The City's Strategic Land Use Plan estimates that the population of the City at build out will be 18-22,000 residents. According to the 2014 Census, the official population of New Albany is 9,202. The housing market continues to gain momentum since recent economic downturn. The maximum density of residential development in



Figure 4 – Example of Residential Architecture

the City is maintained at 1.17 units per acre.^[1]The average family size in New Albany is 3.4 members and the median age is 37.9 years.^[1]The median value for a single family residential home is \$485,100 and the median household income is \$196,030.^[2] Approximately 76.5% of the population over the age of 25 has earned a Bachelor's Degree or higher.^[3]

In 2016, the ten residential New Albany Tax Increment Financing Districts generated \$2.5 million for City

infrastructure projects. Examples of some of the items funded by the TIFs include leisure trail connections and debt service on the McCoy Center for the Performing Arts bonds.

Commercial Activity

The City has created economic clusters within the Business Park, and implemented a target market strategy to attract businesses to those specific clusters. The campuses have been defined as follows: Information & Technology, Medical, Corporate Office and International Beauty. To date, over 2 billion of square feet of commercial development was completed, under construction or approved in the business park for a total of 13,741 jobs. Since 2009, in the midst of one of the nation's largest economic downturns, New Albany created 7,626 new jobs. This economic activity represents \$1.3 billion in private investment and 4.7 million square feet of new construction.

^[1] New Albany Community Development department

^[1] Federal 2010 decennial census

^[2] Ibid

^[3] Ibid

Information & Technology Cluster

Eleven projects have been completed within the Information & Technology Cluster which account for approximately 1.2 million square feet of construction, at a private investment cost of \$573,700,000 and have created approximately 4,497 jobs. The completed projects include mission critical/data center facilities for American Electric Power, Motorists Mutual Insurance Group, Nationwide Mutual Insurance, TJX Companies, PCM, Inc., and Discover Financial Services. Regional operations centers include Aetna, and Discover Financial Services. American Electric Power opened their 195,000 square foot Transmissions Operations Facility. This represents \$39 million of the total investment and will add 636 new jobs along with plans for future expansion. Amazon invested 300 million in a 150,000 square foot cloud computing facility.

Corporate Office Cluster.

This cluster is comprised of single site developments for international corporate headquarters and operations centers for Fortune 200 companies.



Figure 5 – Aerial View of Business Campus

Thirteen projects have been completed within the Corporate Office and Operations Centers which account for approximately 4,370,000 square feet of construction, at a private investment cost of \$262,500,000 and have created approximately 5,761 jobs. The completed projects included facilities for Bob Evans Corporate Headquarters, Brickman Group Operations Center, Mission Essentials Operations Center and Headquarters, Commercial Vehicle

Group International Headquarters, Tween Brands International Headquarters, Abercrombie & Fitch International Headquarters and The Limited, e-Cycle and TS24.

Medical Campus

Courtyard Marriott opened the initial 125,000 square foot business class hotel in the medical campus at the Shoppes and Offices at Smiths Mill. Success of this venture has encouraged construction of a similar size Hampton Inn and Home 2 Suites by Hilton. Concurrently, the New Albany Ballet, Dairy Queen and Get Go are located in this area.

Personal Care, Health & Beauty Campus

Fourteen projects have been announced, under construction or completed within the International Beauty Campus. These projects account for approximately 2,570,000 square feet of construction, at a private investment cost of \$340,100,000 and have created approximately 2,342 jobs. The cluster is primarily designed as a vertical supply chain. The completed projects included facilities for Accel Corporate Headquarters, VeePak of Ohio, KDC/Tri-Tech Laboratory, Axium Plastics, Anomatic Corporation, Sonoco Plastics, Jeyes, Alene Candles, Magnanni Office and Distribution Center and Exhibit Pro Headquarters. In 2016, the City announced the location of CCL Label. L Brands previously announced construction of a new corporate headquarters and distribution center for Bath & Body Works. The distribution center opened in 2015.



Figure 6 – Aerial View of Personal Care, Health & Beauty Campus

Village Center

The City continues to progress through several of the ten major catalytic projects identified in the Village Center Implementation Strategy adopted in 2010. The plan focuses on attracting people and economic vitality to the heart of the community. The first project, the Heit Center, a collaborative health and wellness center built in partnership with Ohio State University and Nationwide Children’s Hospital, opened its doors to the community in 2015. This public project encouraged additional economic development activity. A roundabout was built at the intersection of Market and Main. On the corner, a commercial building opened at the corner of Market and Main, bringing two new restaurants and other private health and fitness amenities to the community. An additional commercial retail building is under construction along with a residential apartment building.

Innovate New Albany

In 2011, the New Albany TechStart program evolved into Innovate New Albany. The cornerstone of this dynamic program includes a new business incubator and “graduate suites”. The incubator finished 2014 with 21 companies, including seven virtual tenants, resulting in 55 full-time jobs within the City. Three incubator companies in the suites created 41 new jobs in the city. The City’s relationship with Rev1 Ventures continued to fund entrepreneurs in the City and the region through \$1,225,000 in direct investment \$395,000 in Angel investments, \$20,000 from Founder Capital, \$190,000 from OTAF members and \$152,000 from state sources. The total investments by Rev1 Ventures since 2011 is \$7,700,000 resulting in \$4,800,000 in sales revenue and a total economic impact of \$12,500,000.

Incentives

As a result of the partnerships between the City and the New Albany-Plain Local School District, the Johnstown-Monroe School District and the Licking Heights Local School District, the City has been able to offer a competitive real property tax abatement package that provides for up to fifteen (15) years of real property tax abatement for up to 100% of the increase in the property's assessed value. Since 1998, this partnership has generated nearly \$70 million in revenues for the local school districts.

Quality of Life

The thoughtful, innovative planning is reflected in everything from our pedestrian-friendly Village Center to our nationally-ranked school system located within a 200-acre learning campus, our community wellness facility and our world-class performing arts center.



Figure 7 – Jeanne B. McCoy Community Center for the Arts

As the residential and corporate base grows in the community, the demand for amenities and services grows as well. This concept is affirmed through the development in the medical campus and the Village Center

The New Albany Business Park is designed to protect and preserve many of the area's natural features and open spaces. Each site is connected to the 27-mile leisure trail system.

This balanced atmosphere provides employees with quality of life choices and contributes to the overall health and productivity of the business. From housing and education to culture and leisure, master planning with attention to the details that define quality of life has led to New Albany's ranking among the nation's best in *Town & Country* magazine and central Ohio's best in *Columbus Monthly*.

Financial Policies

The City of New Albany has a responsibility to its citizens to carefully account for public funds, manage municipal finances wisely, and to plan for the provision of services desired by the public. Sound financial policies are necessary to carry out that responsibility. To that end, the New Albany City Council adopted in August 2007 a *Statement of Financial Policies* which covered many aspects of long-term planning. This policy statement provides a summary of significant financial and budgetary policies required by state law, the City charter, City ordinances, accounting principles generally accepted in the United States and administrative practices.

The policies are designed to: (1) provide conceptual standards for financial decision-making; (2) enhance consistency in financial decisions; and (3) establish parameters for the Administration and Finance Department to use in directing the day-to-day financial affairs of the City. The scope of the policies includes budgeting, financial reporting, auditing, internal controls, asset management, risk management, capital improvement program, debt management and financial performance targets.

Long-Term Planning

As previously discussed, the City adopted by Resolution the *Statement of Financial Policies*. Included in this policy statement were the following mandates to better manage the long-term planning process of the City as part of the annual budget process: (1) the development of a 5-year pro-forma financial statement (including unencumbered and available fund balance) is required; (2) the development and maintenance of a 5-year Capital Improvement Program (CIP) document, which shall include descriptions of the proposed projects, justifications (i.e., cost savings, productivity improvements, or other basis), the projects funding requirements and sources of funds is also required; and (3) designated fund balance targets which are expressed as a percentage of the prior year expenditures.

The City has also established reserve funds dedicated to preserve long-term financial health. The **Severance Liability Fund** was established to prevent a financial hardship from accrued sick and vacation leave buyouts. The policy is to maintain 60% of the total liability within the fund based upon a fiscal year end reconciliation. The **Capital Equipment Replacement Fund** is used to ensure that ongoing funds are available to purchase and replace capital equipment. An annual reconciliation process based up the purchase price of the asset, life expectancy of the asset, and the current inflation indexes identifies the amount of money required in the fund for the next twenty years. Annual contributions are made to ensure the next three years are funded at a 100% level. The assets are replaced according to the schedule. In the event the useful life is extended, the only contribution relating to that asset is the inflationary factor. Finally, the **Fixed Asset Fund or Infrastructure Replacement Fund** utilizes the complete inventory of infrastructure owned by the City. The goal with this fund is to allocate 100% of excess funds up to \$1.55M per year to this fund in preparation for the replacement of infrastructure as the City ages. The City realizes that they will not be able to fund infrastructure replacement 100 percent. However, this is a proactive measure to mitigate borrowing needs when the time arises. Excess funds are calculated as follows:

Unencumbered General Fund Cash Balance – Carryover Target Balance + General Fund Revenue – General Fund Expenditures – Severance Liability Need – Capital Equipment Replacement Need

For the 2016 budget, the City Finance Department complied with all of the requirements above. In addition to developing the 2016 operating budget, a 5-year pro-forma plan was presented to Council as well as a 5-year CIP document. For 2017, the approved budget estimates that the general fund will have an unencumbered and available fund balance of \$11 million, which is 70% of the revenue budget and aligns with our updated sensitivity analysis as supported and adopted by City Council. This reserve serves as a 'safety net' to protect the City against any significant loss in revenues or unanticipated major expenditures.

Major Initiatives & Accomplishments

- The City was able to make contributions exceeding 5 million to the Infrastructure Replacement, Capital Equipment Replacement, and Severance Liability Funds using General Fund revenues in excess of expense
- Major improvements are underway in the business park. Projects include construction of a second water tower, widening of Beech Road, a connector road between Forrest and Zarley Road, construction of Smiths Mill Road Loop, facilities improvements, and additional leisure trail connections.
- The City completed the second year of its pilot Smart Ride program in cooperation with the Central Ohio Transit Authority (COTA). COTA added shuttle service that stops at the New Albany Business Park. City-owned shuttles are used to take employees from the Park & Ride stop to their place of work.

Awards and Acknowledgements

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of New Albany for its comprehensive annual financial report for the fiscal year ended December 31, 2015. This was the 12th consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles 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 the GFOA to determine its eligibility for another certificate.

Acknowledgement

The presentation of this report could not have been accomplished without the dedication and effort of the entire Finance Department staff. I would like to express my appreciation to those directly involved with this report and to the entire staff for their efficient service throughout the year.

Sincerely,

A handwritten signature in cursive script, appearing to read "Vicki McKinney".

Vicki McKinney
Interim Director of Finance



Government Finance Officers Association

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

Presented to

**City of New Albany
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

Executive Director/CEO

**City of New Albany, Ohio
Elected & Appointed Officials
As of December 31, 2016**

Elected Officials

Mayor	Sloan Spalding (2019)
President Pro-Tem	Colleen H. Briscoe (2017)
Council Members	Marlene Brisk (2017) Stephen Pleasnick ⁽¹⁾ (2017) Chip Fellows (2017) Dr. Glyde Marsh (2017) Matt Shull (2017)

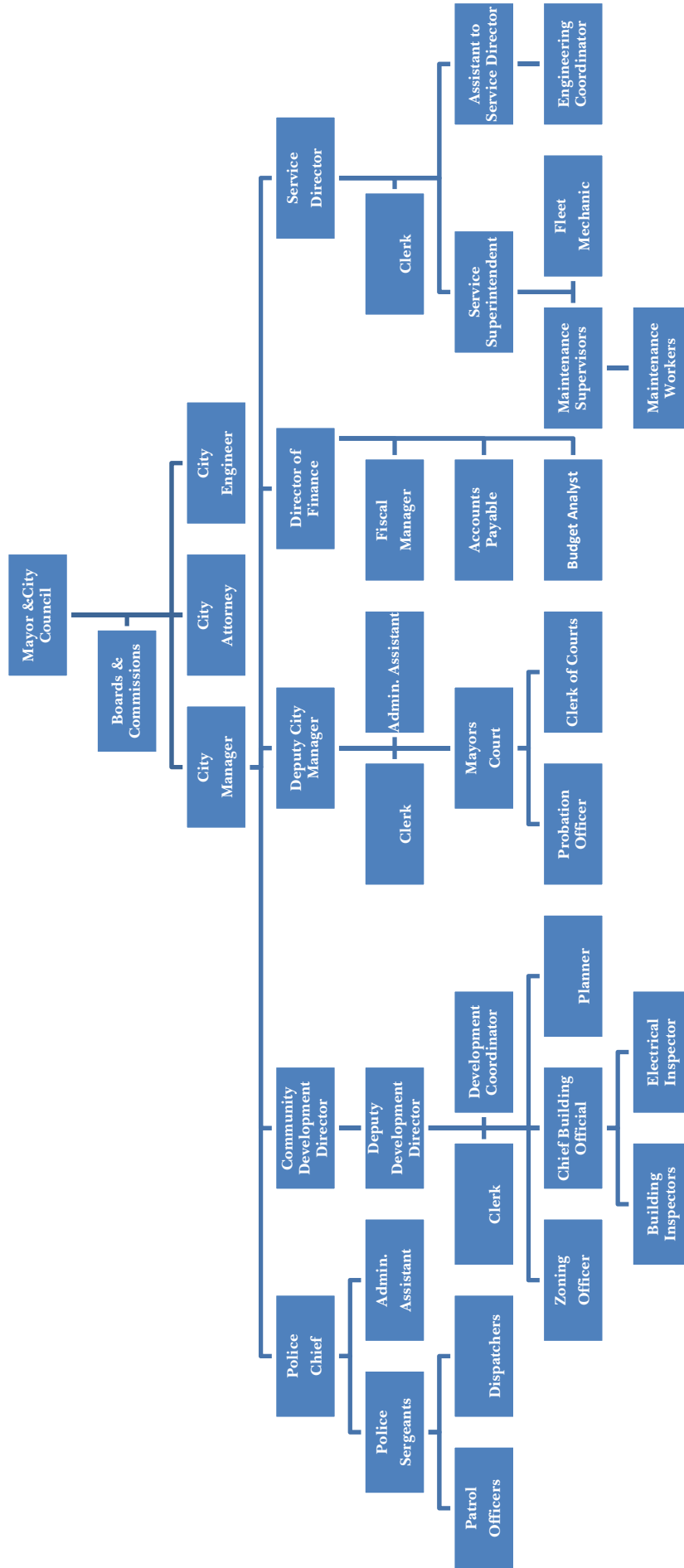
Appointed Officials:

City Manager	Joseph F. Stefanov
Deputy Administrator	Debra K. Mecozzi
Director of Finance	Chad E. Fuller ⁽²⁾
City Attorney	Mitchell H. Banchefsky
Development Director	Jennifer A. Chrysler
Public Service Director	Mark A. Nemec
Chief of Police	Greg Jones

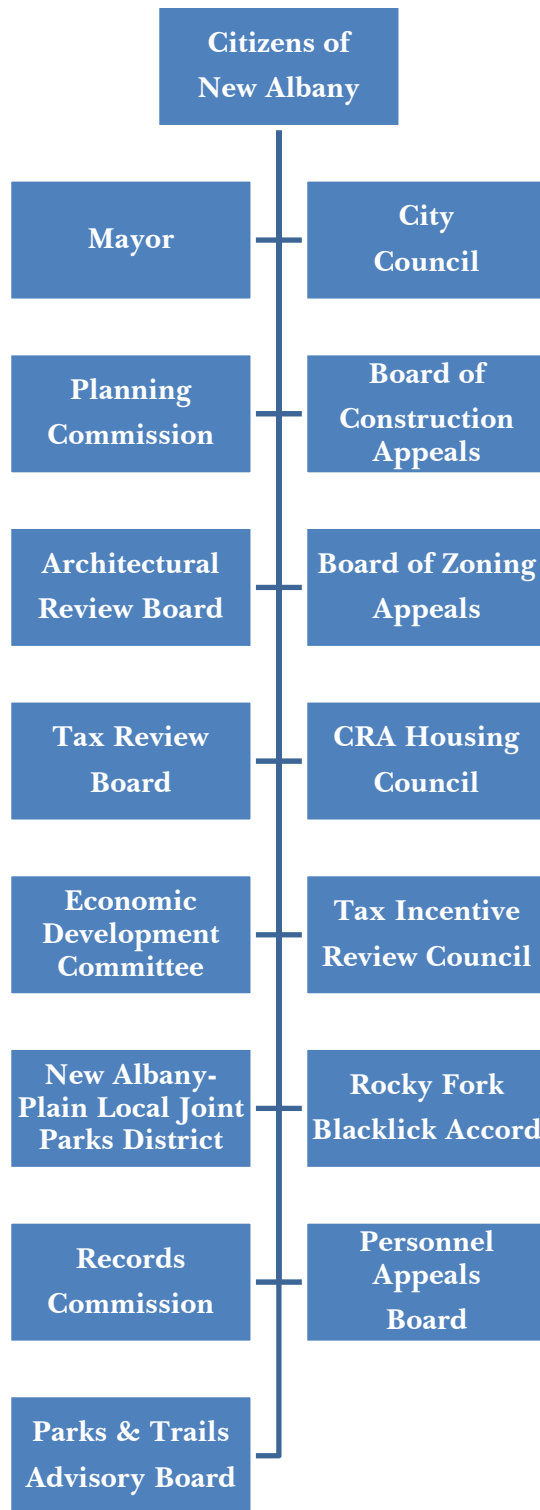
⁽¹⁾ Mike Durik filled the Council seat vacated by Stephen Pleasnick in 2017.

⁽²⁾ Vicki McKinney became Interim Director of Finance on March 17, 2017.

City of New Albany, Ohio Organizational Chart



City of New Albany, Ohio Boards & Commissions





FINANCIAL SECTION



Julian & Grube, Inc.

Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Auditor's Report

City of New Albany
Franklin County
99 W. Main Street
New Albany, Ohio 43054

To the Members of Council and Mayor:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of New Albany, Franklin County, Ohio, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City of New Albany'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 of New Albany'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 of New Albany'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.

Independent Auditor's Report
City of New Albany

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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of New Albany, Franklin County, Ohio, as of December 31, 2016, and the respective changes in financial position thereof and the respective budgetary comparisons for the General, Economic Opportunity, Economic Development, and Oak Grove TIF funds 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* and schedules of net pension liability/net pension asset 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 of New Albany'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.

Independent Auditor's Report
City of New Albany

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2017, on our consideration of the City of New Albany'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 of New Albany's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.
June 26, 2017



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CITY OF NEW ALBANY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(UNAUDITED)**

The management's discussion and analysis of the City of New Albany (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2016. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, basic financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2016 are as follows:

- The total net position of the City increased \$18,788,274 or 12.56%.
- General revenues accounted for \$36,580,945 or 68.14% of total governmental activities revenue. Program specific revenues including charges for services, grants and contributions accounted for \$17,100,706 or 31.86% of total governmental activities revenue.
- The City had \$34,893,377 in expenses related to governmental activities.
- The City had seven major funds consisting of the general fund, economic opportunity fund, economic development fund, Oak Grove TIF fund, debt service fund, the capital asset fund and the economic development capital improvement fund.
- The general fund had revenues and other financing sources of \$18,631,308 in 2016. The expenditures and other financing uses of the general fund totaled \$19,112,474 in 2016. The net decrease in fund balance for the general fund was \$481,166 or 2.80%.
- The economic opportunity fund had revenues and expenditures of \$11,420,673 in 2016.
- The economic development fund had revenues of \$1,165,393 and expenditures and other financing uses of \$5,834,620 in 2016. The net decrease in fund balance for the economic development fund was \$4,669,227 or 84.21%.
- The Oak Grove TIF fund had revenues of \$413,221 and expenditures of \$7,217 in 2016. The net increase in fund balance for the Oak Grove TIF fund was \$406,004 or 96.49%.
- The debt service fund had \$4,261,412 in other financing uses and \$4,348,383 in expenditures in 2016. The net decrease in fund balance for the debt service fund was \$86,971 or 13.39%.
- The capital asset fund had \$1,589,048 in revenues and other financing sources in 2016. The fund balance of the capital asset fund increased \$1,589,048 or 27.57% in 2016.
- The economic development capital improvement fund had revenues of \$8,125,000 and expenditures of \$564,989 in 2016. The economic development capital improvement fund balance increased \$7,560,011 in 2016.
- General fund actual revenues and other financing sources at year-end were \$1,252,275 higher than the final budgeted amount. Budgeted revenues and other financing sources increased by \$920,344 from the original estimate to the final budget.

CITY OF NEW ALBANY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(UNAUDITED)**

-
- Final general fund expenditures and other financing uses were \$2,299,327 less than the final appropriations. The City's general fund final appropriations were increased by \$4,905,061 from original budgeted appropriations.

Using this Comprehensive Annual Financial Report

This annual report consists of a series of financial statements and notes to these statements. These statements are organized so the reader can understand the City as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities. The statement of net position and statement of activities provide information about the activities of the City as a whole, presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the City's most significant funds with all other non-major funds presented in total in one column.

Reporting the City as a Whole

Statement of Net Position and the Statement of Activities

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2016?" The statement of net position and the statement of activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses using the accrual basis of accounting similar to the accounting method used by most private-sector companies. This basis of accounting takes into consideration all of the current year's revenues and expenses, regardless of when cash is received or paid.

These two statements report the City's net position and changes in that position. This change in net position is important because it tells the reader whether, for the City as a whole, the financial position of the City has either improved or diminished. The causes of the change may be the result of many factors, some financial, some not. Non-financial factors include the City's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required community programs, as well as various other factors.

Governmental activities - Most of the City's programs and services are reported here, including police, street maintenance, capital improvements and general administration. These services are funded primarily by property and income taxes, special assessments, and intergovernmental revenues including federal and state grants and other shared revenues.

CITY OF NEW ALBANY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(UNAUDITED)**

Reporting the City's Most Significant Funds

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 two categories: governmental and fiduciary.

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds. The analysis of the City's major governmental funds can be found later on in the MD&A.

Governmental Funds

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

The focus of the governmental funds is narrower than that of the government-wide financial statements. It is therefore 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, the 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 fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains a multitude of individual governmental funds. The City has segregated these funds into major and non-major funds. The City's major governmental funds are the general fund, economic opportunity fund, economic development fund, Oak Grove TIF fund, debt service fund, capital asset fund and the economic development capital improvement fund. Information for the major funds is presented separately in the governmental fund balance sheet, as well as in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. 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 City's only fiduciary funds are agency funds.

CITY OF NEW ALBANY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(UNAUDITED)

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.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's net pension liability.

The following table provides a summary of the City's net position at December 31, 2016 and 2015.

	Net Position	
	Governmental Activities 2016	Governmental Activities 2015
<u>Assets</u>		
Current and other assets	\$ 76,487,365	\$ 61,972,632
Capital assets, net	153,094,032	147,547,728
Total Assets	\$ 229,581,397	\$ 209,520,360
<u>Deferred Outflows of Resources</u>		
Unamortized deferred charges	\$ 1,043,046	\$ 754,450
Pension	3,166,508	1,050,576
Total Deferred Outflows of Resources	\$ 4,209,554	\$ 1,805,026
<u>Liabilities</u>		
Other liabilities	\$ 6,942,932	\$ 5,274,428
Long-term liabilities:		
Due within one year	3,420,023	3,737,202
Net pension liability	8,968,269	6,353,140
Other amounts	37,049,333	40,884,536
Total Liabilities	\$ 56,380,557	\$ 56,249,306
<u>Deferred Inflows of Resources</u>		
Property taxes and PILOTs	\$ 8,862,015	\$ 5,357,671
Pension	144,185	102,489
Total Deferred Outflows of Resources	\$ 9,006,200	\$ 5,460,160
<u>Net Position</u>		
Net investment in capital assets	\$ 122,053,318	\$ 112,760,022
Restricted	16,973,547	11,242,085
Unrestricted	29,377,329	25,613,813
Total Net Position	\$ 168,404,194	\$ 149,615,920

CITY OF NEW ALBANY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(UNAUDITED)

During a previous fiscal year, the City adopted Governmental Accounting Standards Board (GASB) Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27" and GASB Statement 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date - An Amendment of GASB Statement No. 68" which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability*. GASB 68 takes an earnings approach to pension accounting; however, the nature of Ohio's statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

Under the standards required by GASB 68, the net pension liability equals the City's proportionate share of each plan's collective:

1. Present value of estimated future pension benefits attributable to active and inactive employees' past service
2. Minus plan assets available to pay these benefits

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

CITY OF NEW ALBANY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(UNAUDITED)**

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68, the City's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's *change* in net pension liability not accounted for as deferred inflows/outflows.

As a result of implementing GASB 68 and 71, the City is reporting a net pension asset/liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting.

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2016, the City's assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by \$168,404,194, and had increased by \$18,788,274 or 12.56% from December 31, 2015's amount.

Capital assets reported on the government-wide statements represent the largest portion of the City's net position. At year-end, capital assets represented 66.68% of total assets. Capital assets include land, easements and rights of way, construction in progress, buildings and improvements, equipment, software, vehicles and infrastructure. Net investment in capital assets at December 31, 2016, was \$122,053,318. These capital assets are used to provide services to citizens and 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 to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the City's net position, \$16,973,547, represents resources that are subject to external restriction on how they may be used. The remaining unrestricted balance is \$29,377,329.

CITY OF NEW ALBANY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(UNAUDITED)

The following table depicts the changes in net position for 2016 and 2015.

	<u>Change in Net Position</u>	
<u>Revenues</u>	<u>Governmental Activities 2016</u>	<u>Governmental Activities 2015</u>
<u>Program revenues:</u>		
Charges for services	\$ 2,148,126	\$ 3,153,867
Operating grants and contributions	2,345,935	3,374,369
Capital grants and contributions	12,606,645	9,186,212
Total Program Revenues	\$ 17,100,706	\$ 15,714,448
<u>General revenues:</u>		
Property taxes	\$ 1,306,108	\$ 1,120,522
Income taxes	29,716,462	29,652,403
Unrestricted grants and entitlements	559,117	578,553
Investment earnings	97,673	69,374
Payment in lieu of taxes (PILOT)	4,701,221	4,192,306
Miscellaneous	200,364	392,753
Total General Revenues	\$ 36,580,945	\$ 36,005,911
Total Revenues	\$ 53,681,651	\$ 51,720,359
<u>Expenses</u>		
General government	\$ 6,965,985	\$ 6,679,484
Security of persons and property	4,282,170	3,767,875
Transportation	7,329,870	6,919,695
Community environment	2,163,833	2,256,724
Economic development	13,182,090	12,163,429
Interest and fiscal charges	969,429	1,167,572
Total Expenses	\$ 34,893,377	\$ 32,954,779
Change in Net Position	\$ 18,788,274	\$ 18,765,580
Net position at beginning of year	149,615,920	130,850,340
Net Position at End of Year	\$ 168,404,194	\$ 149,615,920

Governmental Activities

Governmental activities net position increased by \$18,788,274 during 2016.

CITY OF NEW ALBANY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(UNAUDITED)**

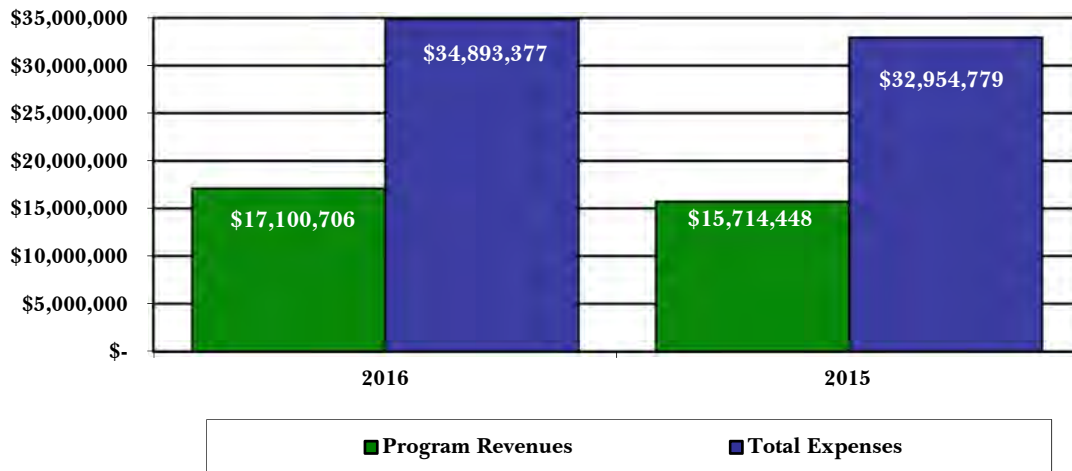
Security of persons and property, which primarily supports the operations of the police department, had expenses of \$4,282,170 which accounted for 12.27% of the total expenses of the City. These expenses were partially funded by \$115,396 in direct charges to users of the services. General government expenses totaled \$6,965,985 which was partially funded by \$1,541,378 in direct charges to users of the services. Economic development expenses totaled \$13,182,090 which accounted for 37.78% of the total expenses of the City. The increase in economic development expense is due mainly to an increase in income tax receipts which increased revenue sharing payments to the New Albany-Plain Local School District, Licking Heights Local School District and the New Albany Community Authority. Transportation expenses totaled \$7,329,870 which accounted for 21.01% of total expenses of the City. The large decrease in charges for services was primarily due to a decrease in sewer tap in fees compared to the previous year.

The state and federal government contributed to the City a total of \$2,345,935 in operating grants and contributions. The largest decrease was in the area of economic development which decreased due to decreased contributions from the New Albany Community Authority. The City had \$12,606,645 in capital grants and contributions, primarily from capital grants received from the New Albany Community Authority and capital assets built by developers and donated to the City and Ohio Public Works Commission (OPWC) grants. These revenues are restricted to a particular program or purpose.

General revenues totaled \$36,580,945 and amounted to 68.14% of total governmental revenues. These revenues primarily consist of property and income tax revenue of \$31,022,570. This increase was the result of an increase in businesses in the City's business park and an increase in assessed values related to property tax collections. The other primary source of general revenues is payments in lieu of taxes which totaled \$4,701,221.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. It identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements. The City is dependent upon property and income taxes as well as unrestricted grants and entitlements to support governmental activities, including security of persons and property and general government expenses.

Governmental Activities – Program Revenues vs. Total Expenses



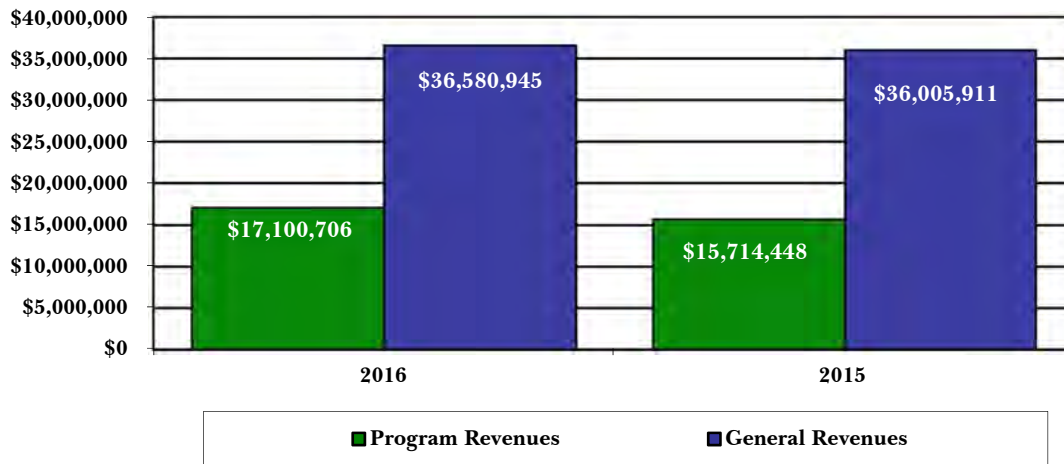
CITY OF NEW ALBANY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(UNAUDITED)

	Governmental Activities			
	Total Cost of	Net Cost of	Total Cost of	Net Cost of
	Services	Services	Services	Services
	2016	2016	2015	2015
<u>Program Expenses:</u>				
General government	\$ 6,965,985	\$ 5,018,184	\$ 6,679,484	\$ 4,177,507
Security of persons and property	4,282,170	4,119,318	3,767,875	3,551,131
Transportation	7,329,870	2,284,444	6,919,695	(2,817,611)
Community environment	2,163,833	1,698,926	2,256,724	1,700,023
Economic development	13,182,090	3,702,370	12,163,429	9,461,709
Interest and fiscal charges	969,429	969,429	1,167,572	1,167,572
Total Expenses	\$ 34,893,377	\$ 17,792,671	\$ 32,954,779	\$ 17,240,331

The City is dependent on general revenues, including taxes, to support most of the City's expenses including general government services, security of persons and property, community environment, economic development and interest and fiscal charges. Approximately 50.99% of the City's expenses are supported through taxes and other general revenues. In accordance with GASB Statement No. 34, capital contributions of infrastructure are program revenues offsetting transportation program expenses which ultimately support the maintenance of the infrastructure.

Governmental Activities – General and Program Revenues



Financial Analysis of the Governments' Funds

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

CITY OF NEW ALBANY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(UNAUDITED)

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, unreserved fund balance may serve as a useful measure of the City's net resources available for spending at year-end.

The City's governmental funds reported a combined fund balance of \$53,682,307 which is \$9,617,065 higher than last year's total of \$44,065,242. The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2016 and December 31, 2015 for all major and non-major governmental funds.

	Fund Balances 12/31/16	Fund Balances 12/31/15	Change	Percent Change
<u>Revenues</u>				
General	\$ 16,698,069	\$ 17,179,235	\$ (481,166)	-2.80%
Economic Opportunity	-	-	-	0.00%
Economic Development	875,568	5,544,795	(4,669,227)	-84.21%
Oak Grove TIF	826,771	420,767	406,004	96.49%
Debt Service	562,772	649,743	(86,971)	-13.39%
Capital Asset	7,353,499	5,764,451	1,589,048	27.57%
E.D. Capital Improvement	7,560,011	-	7,560,011	100.00%
Other nonmajor governmental funds	19,805,617	14,506,251	5,299,366	36.53%
Total Fund Balance - Governmental Funds	<u>\$ 53,682,307</u>	<u>\$ 44,065,242</u>	<u>\$ 9,617,065</u>	<u>21.82%</u>

General Fund

The City's general fund balance decreased by \$481,166 during 2016. This decrease is mainly due to an increase in transfers out to other governmental funds.

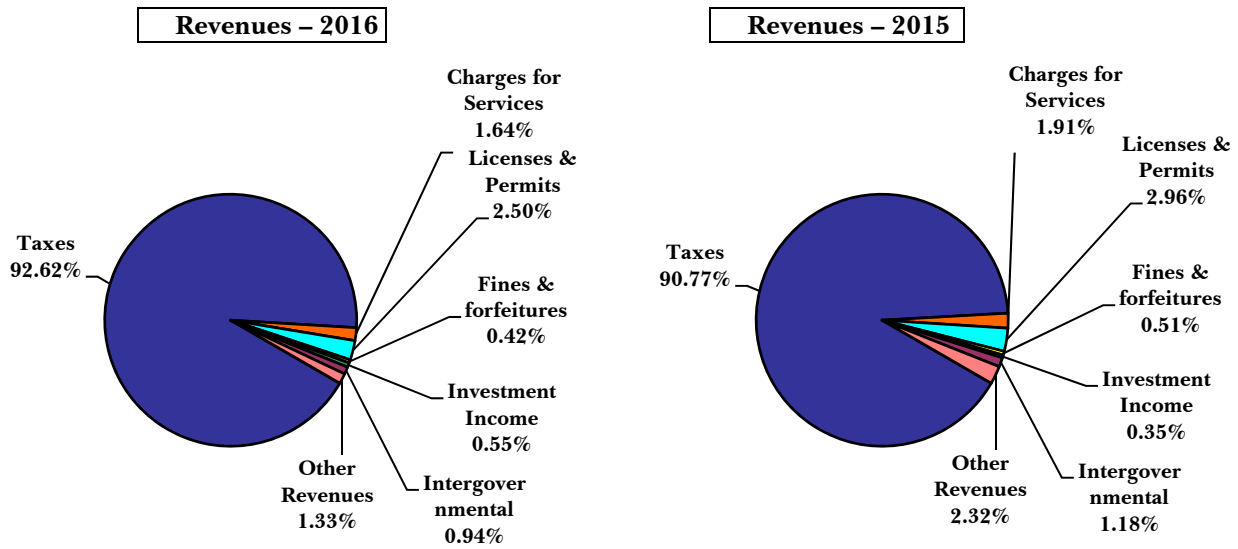
Revenue in the general fund increased 1.43% during 2016. Tax revenue represents 92.62% of all general fund revenue. Tax revenue increased by \$99,359 or 0.58%. This increase was the result of increases in business in the City. The decrease in charges for services was the result of a decrease in cable franchise fees. The decrease in licenses and permits was due to a decrease in building permits issued during the year. Intergovernmental revenues decreased \$46,828 due to lower estate tax and local government revenue provided by the State.

CITY OF NEW ALBANY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(UNAUDITED)

The table that follows assists in illustrating the revenues of the general fund.

	<u>2016</u> <u>Amount</u>	<u>2015</u> <u>Amount</u>	<u>Percent</u> <u>Change</u>
Revenues			
Taxes	\$ 17,197,593	\$ 17,098,234	0.58%
Charges for services	305,193	359,677	-15.15%
Licenses and permits	464,907	556,701	-16.49%
Fines and forfeitures	78,719	96,483	-18.41%
Intergovernmental	174,626	221,454	-21.15%
Investment income	102,817	66,833	53.84%
Other	244,349	437,464	-44.14%
Total Revenues - General Fund	<u>\$ 18,568,204</u>	<u>\$ 18,836,846</u>	<u>-1.43%</u>



Overall expenditures of the general fund increased by \$17,888. The increase in general government was the result of increased spending in all departments but primarily due to increases in land and buildings, engineer and other changes. The increase in security of persons and property related to increases in the Police Department, primarily in the area of salaries and related items. The increase in transportation expenditures was due to the Public Service Department's increase in salaries and related items. Community environment decreased due to the Community Development Department decreasing expenditures in general operating costs. Capital outlay decreased due to the City moving more capital spending related to vehicles and equipment to capital projects funds.

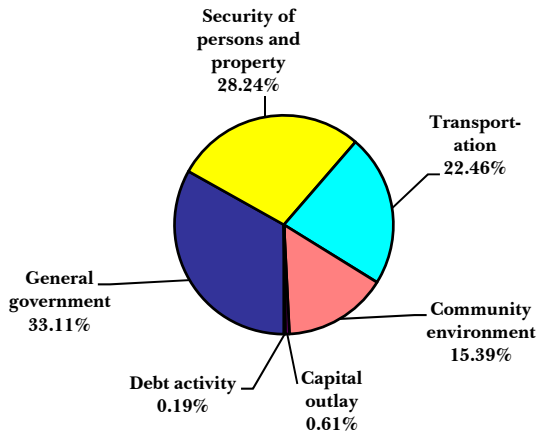
CITY OF NEW ALBANY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(UNAUDITED)

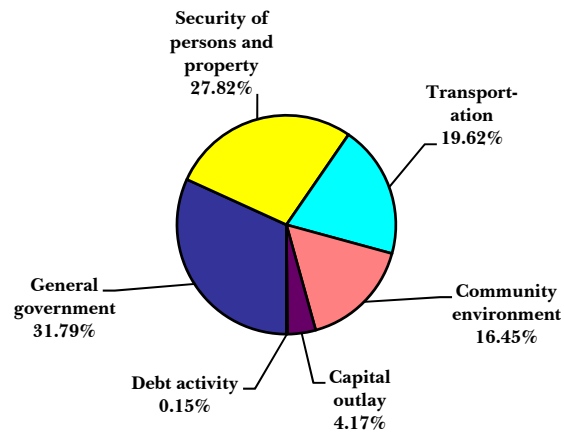
The table and charts that follow assist in illustrating the expenditures of the general fund:

<u>Expenditures</u>	<u>2016</u> <u>Amount</u>	<u>2015</u> <u>Amount</u>	<u>Percent</u> <u>Change</u>
General government	\$ 4,217,502	\$ 4,043,381	4.31%
Security of persons and property	3,595,593	3,537,748	1.64%
Transportation	2,860,081	2,495,014	14.63%
Community environment	1,960,124	2,091,623	-6.29%
Capital outlay	77,140	530,219	-85.45%
Debt activity	23,878	18,445	29.46%
Total Expenditures - General Fund	\$ 12,734,318	\$ 12,716,430	0.14%

Expenditures – 2016



Expenditures – 2015



Economic Opportunity Fund

The City's Economic Opportunity fund receives income tax revenue pledged to the New Albany Community Authority, the New Albany-Plain Local School District, Johnstown-Monroe Local School District, the Licking Height Local School District and the City of Columbus. The Economic Opportunity fund had \$11,420,673 in revenues and expenditures during 2016.

Economic Development Fund

The economic development fund had revenues of \$1,165,393. The economic development fund had expenditures and other financing uses of \$5,834,620 in 2016. The fund balance of the economic development fund decreased \$4,669,227 in 2016. The large decrease in fund balance was the result of decreased intergovernmental support related to a reimbursement for the water tower in the previous year as well as the City attempting to spend down the fund balance to promote economic development.

CITY OF NEW ALBANY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(UNAUDITED)**

Oak Grove TIF Fund

The Oak Grove TIF fund had \$413,221 in revenues and \$7,217 in expenditures in 2016. The fund balance increased due to an accumulation of resources related to the Oak Grove area that being held for various restricted purposes related to the TIF area.

Debt Service Fund

The debt service fund had \$4,261,412 in other financing sources and \$4,348,383 in expenditures in 2016. The fund balance decreased due to principal and interest payments exceeding transfers in during the year.

Capital Asset Fund

The capital asset fund had \$1,589,048 in revenues and other financing sources in 2016. The fund balance of the capital asset fund increased \$1,589,048 during 2016. This increase was primarily the result of transfers in from the general fund that the City has assigned for future capital asset purchases.

Economic Development Capital Improvement Fund

The economic development capital improvement fund had revenues of \$8,125,000 and expenditures of \$564,989 in 2016. The fund balance increased \$7,560,011 due to the New Albany Community Authority committing resources for various capital improvements throughout the City.

2016 Budgetary Highlights

The City's budgeting process is prescribed by the Ohio Revised Code (ORC). Essentially the budget is the City's appropriations which are restricted by the amounts of anticipated revenues certified by the Budget Commission in accordance with the ORC. Therefore, the City's plans or desires cannot be totally reflected in the original budget. If budgeted revenues are adjusted due to actual activity then the appropriations can be adjusted accordingly.

Budgetary information is presented for the general fund. In the general fund, the original budgeted revenues and other financing sources of \$16,399,296 were increased to \$17,319,640 in the final budget. This increase was the result of increases to income tax revenue projections and property tax projection increasing throughout the year. Actual revenues and other financing sources increased \$1,252,275 from the final budget due to additional increase in actual income tax collections.

Original budgeted appropriations and other financing uses of \$17,852,841 were increased to \$22,757,902 in the final budget. The most significant increases were in the areas of transfers out. Transfers out increased to maintain our target carryover balance of 60% annual revenues and reallocate assets to better position the City for future endeavors. Transfers totaling \$6,728,156 were made to our surplus funds for future needs of Infrastructure Replacement, Capital Equipment Replacement, and Severance Liability expenses further isolating the general fund from large one-time expenses. A majority of general fund departments showed increased budgets as there was more income tax projected to be collected. Actual expenditures and other financing uses decreased \$2,299,327 from the final budget due to conservative budgeting practices and departments not spending their allocated budget.

CITY OF NEW ALBANY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(UNAUDITED)

Capital Assets and Debt Administration

Capital Assets

At the end of 2016, the City had \$153,094,032 (net of accumulated depreciation) invested in land, easements and right of ways, buildings and improvements, equipment, software, vehicles, infrastructure and construction in progress. The following table shows December 31, 2016 balances compared to December 31, 2015 (see note 10 to the basic financial statements):

**Capital Assets at December 31
(Net of Depreciation)**

	Governmental Activities	
	2016	2015
Land	\$ 2,997,546	\$ 2,997,546
Easements and right of ways	63,531,887	60,212,448
Construction-in-progress	10,475,806	7,057,775
Buildings and improvements	26,861,644	27,528,667
Equipment	842,909	535,996
Software	26,740	11,756
Vehicles	1,412,057	1,017,011
Infrastructure	46,945,443	48,186,529
Total Capital Assets - Governmental	\$ 153,094,032	\$ 147,547,728

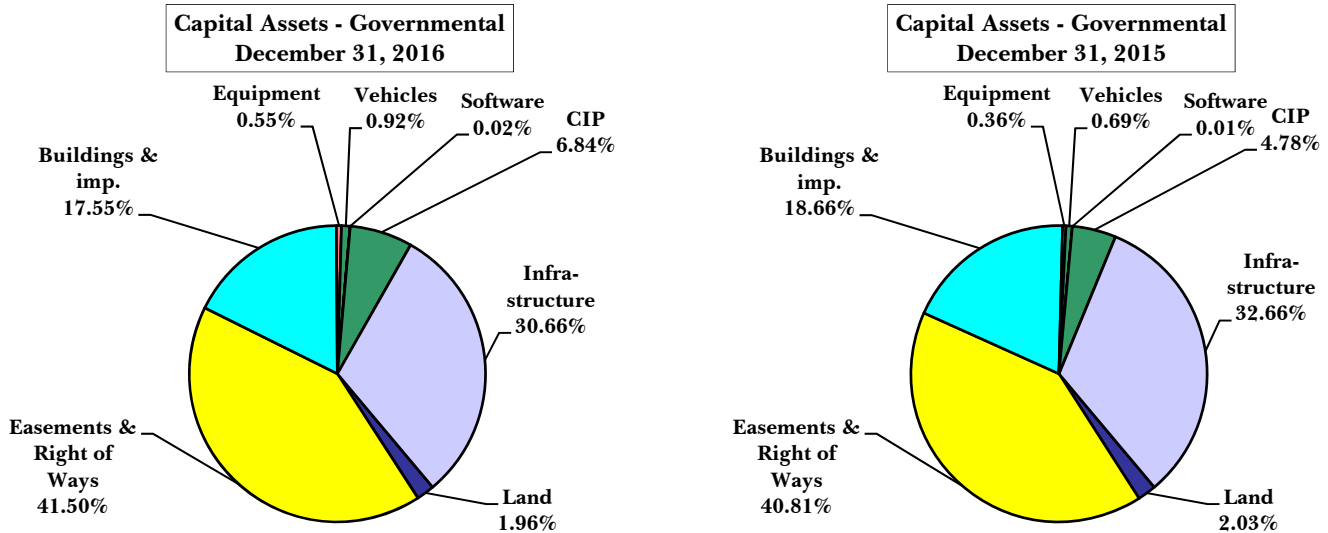
Capital assets increased \$5,546,304 during 2016. This is due to \$10,502,903 in additions exceeding depreciation expense of \$4,903,103 and disposals of \$53,496, net of accumulated depreciation. Capital asset additions include:

- \$3,319,439 in capital contributions received from various sources for easements, rights of way and infrastructure.
- Construction related to a water tower, beech road widening, Innovation Campus Way and the Street Maintenance Program.

CITY OF NEW ALBANY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(UNAUDITED)

The following graphs show the breakdown of governmental capital assets by category for 2016 and 2015.



Debt Administration

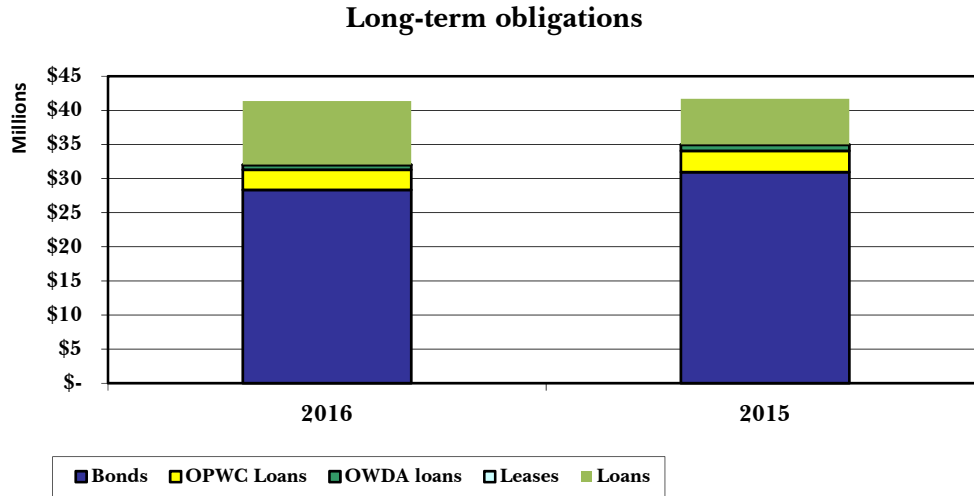
The City had the following long-term obligations outstanding at December 31, 2016 and 2015 (see note 14 to the basic financial statements).

	<u>2016</u>	<u>2015</u>
Series 2007 capital facilities bonds	\$ 460,000	\$ 6,795,000
Series 2010 A various purpose bonds	800,000	1,580,000
Series 2012 refunding bonds	8,695,000	9,225,000
Series 2013 refunding bonds	3,220,000	3,620,000
Series 2014 A capital facilities bonds	5,585,000	6,080,000
Series 2014 B taxable special obligation bonds	3,365,000	3,640,000
Series 2016 refunding bonds	6,220,000	-
New Albany Company loan payable	3,486,384	3,514,186
New Albany Community Authority payable	2,186,557	3,169,103
OWDA loans	704,256	880,647
OPWC loans	2,942,786	3,122,287
Capital lease obligation payable	42,286	63,472
Total long-term obligations	<u>\$ 37,707,269</u>	<u>\$ 41,689,695</u>

CITY OF NEW ALBANY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(UNAUDITED)**

A comparison of the long-term obligations of 2016 and 2015 by category is depicted in the following chart:



Economic Condition and Outlook

New Albany is a robust community that balances residential, commercial and green space uses to create an exceptional quality of life for residential and corporate citizens. New Albany officially obtained classification as a City in April 2011. There are a number of factors behind New Albany’s success, but one of the most significant reasons is that New Albany is a ‘master-planned’ community. This process requires the City to create and manage long-term plans for land use, infrastructure and economic growth and development.

The economic outlook for the City of New Albany is very positive. The primary driver is the success of the business park in terms of attracting businesses like Bath & Body Works who plan to open their new corporate headquarters and establish roots within our community. The opening of this facility has spawned further development within the International Beauty Park, to leverage the existing supply chain vertical. This success has led to a robust growth in income tax collections. AEP occupied their new facility in 2016, which houses their transmissions group directly adjacent to their mission critical site. These recent projects alone represent 4,350 jobs and 277,000,000 in payroll. New Albany also has strong prospects in the pipeline and is supported by a growing Columbus metropolitan economy and an improved US economy.

Contacting the City’s Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the City’s finances and to show the City’s accountability for the money it receives. If you have questions about this report or need additional financial information contact: Vicki McKinney, Interim Director of Finance, City of New Albany, 99 W. Main Street, P.O. Box 188, New Albany, Ohio 43054 or email finance@newalbanyohio.org.

CITY OF NEW ALBANY, OHIO

STATEMENT OF NET POSITION
DECEMBER 31, 2016

	<u>Primary Government</u>	<u>Component Unit</u>
	<u>Governmental Activities</u>	<u>New Albany Community Improvement Corporation</u>
<u>ASSETS</u>		
Equity in pooled cash, cash equivalents and investments	\$ 52,433,335	\$ 42,945
Cash with fiscal agent	251,127	-
Cash in segregated accounts	13,655	-
<i>Receivables (net of allowance for uncollectibles):</i>		
Income taxes	7,769,495	-
Property and other taxes	1,109,415	-
Payment in lieu of taxes	7,792,254	-
Accounts	111,474	3,956
Accrued interest	70,068	-
Due from other governments	697,244	-
Notes	1,300,000	-
Materials and supplies inventory	324,000	-
Prepayments	196,732	28,965
Net pension asset	49,887	-
Equity interest in the performing arts center	4,368,679	-
<i>Capital assets:</i>		
Non-depreciable capital assets	77,005,239	-
Depreciable capital assets, net	76,088,793	-
Total capital assets, net	<u>153,094,032</u>	<u>-</u>
Total Assets	\$ 229,581,397	\$ 75,866
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Unamortized deferred charges on debt refunding	\$ 1,043,046	\$ -
Pension - OPERS	1,803,505	-
Pension - OP&F	1,363,003	-
Total Deferred Outflows Of Resources	\$ 4,209,554	\$ -
<u>LIABILITIES</u>		
Accounts payable	\$ 1,858,335	\$ 6,494
Contracts payable	1,339,423	-
Retainage payable	550,969	-
Accrued wages and benefits payable	209,770	-
Due to other governments	2,906,917	-
Accrued interest payable	77,518	-
Unearned revenue	-	775
<i>Long-term liabilities:</i>		
Due within one year	3,420,023	-
Due in more than one year:		
Net pension liability	8,968,269	-
Other amounts	37,049,333	-
Total Liabilities	\$ 56,380,557	\$ 7,269
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Property taxes levied for the next fiscal year	\$ 1,069,761	\$ -
Pension - OPERS	118,450	-
Pension - OP&F	25,735	-
PILOTS levied for the next fiscal year	7,792,254	-
Total Deferred Inflows Of Resources	\$ 9,006,200	\$ -
<u>NET POSITION</u>		
Net investment in capital assets	\$ 122,053,318	\$ -
Restricted for:		
Capital projects	9,226,822	-
Street construction and maintenance	1,189,334	-
Safety programs	193,023	-
Economic development	1,072,451	-
Tax increment financing	5,278,305	-
Other purposes	13,612	-
Unrestricted	29,377,329	68,597
Total Net Position	\$ 168,404,194	\$ 68,597

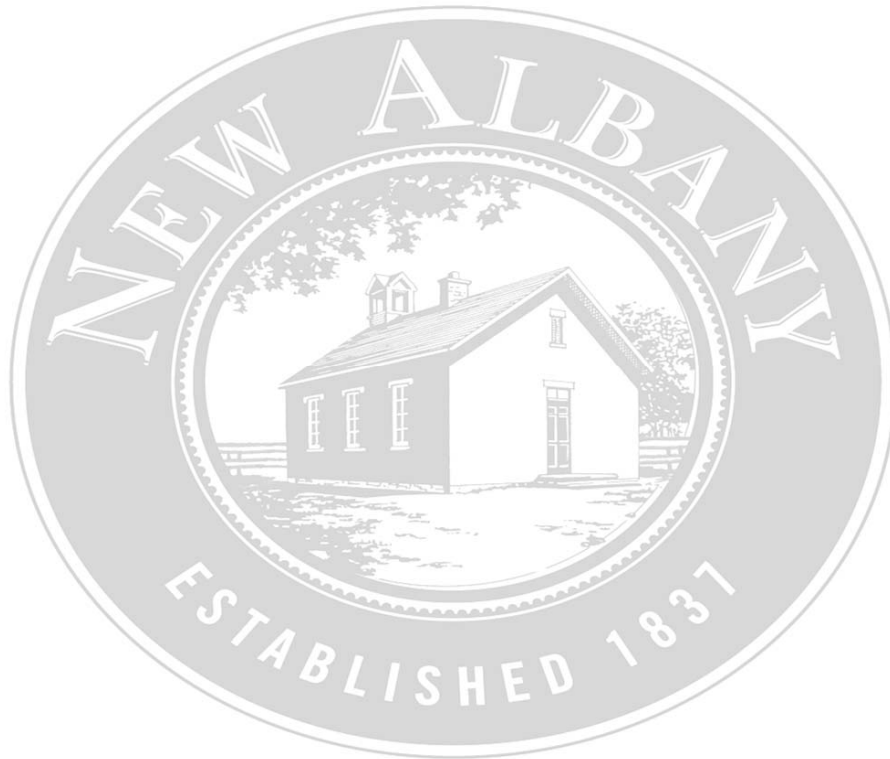
SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF NEW ALBANY, OHIO

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016

	Program Revenues			Net Revenue (Expense) And Change in Net Position			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Primary	Component Unit	
					Government	New Albany Community Improvement Corporation	
				Governmental Activities			
GOVERNMENTAL ACTIVITIES							
General government	\$ 6,965,985	\$ 1,541,378	\$ 362,376	\$ 44,047	\$ (5,018,184)	\$ -	
Security of persons and property	4,282,170	115,396	47,456	-	(4,119,318)	-	
Transportation	7,329,870	26,445	581,383	4,437,598	(2,284,444)	-	
Community environment	2,163,833	464,907	-	-	(1,698,926)	-	
Economic development	13,182,090	-	1,354,720	8,125,000	(3,702,370)	-	
Interest and fiscal charges	969,429	-	-	-	(969,429)	-	
Total Governmental Activities	\$ 34,893,377	\$ 2,148,126	\$ 2,345,935	\$ 12,606,645	\$ (17,792,671)	\$ -	
COMPONENT UNIT							
New Albany Community Improvement Corporation	\$ 368,579	\$ 174,658	\$ 125,000	\$ -	\$ -	\$ (68,921)	
General revenues:							
<i>Property and other taxes levied for:</i>							
General fund						\$ 1,306,108	\$ -
<i>Income taxes levied for:</i>							
General fund						15,503,326	-
Special revenue						11,165,349	-
Capital projects						3,047,787	-
Grants and entitlements not restricted to specific programs						559,117	-
Investment earnings						97,673	-
Payments in lieu of taxes						4,701,221	-
Miscellaneous						200,364	35,992
Total General Revenues						\$ 36,580,945	\$ 35,992
CHANGE IN NET POSITION						18,788,274	(32,929)
Net position at beginning of year						149,615,920	101,526
NET POSITION AT END OF YEAR						\$ 168,404,194	\$ 68,597

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



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CITY OF NEW ALBANY, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2016

	<u>General</u>	<u>Economic Opportunity Fund</u>	<u>Economic Development Fund</u>	<u>Oak Grove TIF Fund</u>
<u>ASSETS</u>				
Equity in pooled cash, cash equivalents and investments	\$ 14,156,076	\$ -	\$ 2,192,548	\$ 825,700
Cash with fiscal agent	-	-	-	-
Cash in segregated accounts	13,655	-	-	-
<i>Receivables (net of allowance for uncollectibles):</i>				
Income taxes	4,063,537	2,870,819	-	-
Property and other taxes	1,109,415	-	-	-
Payment in lieu of taxes	-	-	-	2,733,502
Accounts	50,626	-	-	-
Accrued interest	23,645	-	-	1,477
Due from other governments	84,886	-	189,327	-
Notes	-	-	1,300,000	-
Materials and supplies inventory	324,000	-	-	-
Prepayments	196,732	-	-	-
Total Assets	\$ 20,022,572	\$ 2,870,819	\$ 3,681,875	\$ 3,560,679
<u>LIABILITIES</u>				
Accounts payable	\$ 234,289	\$ -	\$ 1,575,771	\$ -
Contracts payable	-	-	619,478	-
Retainage payable	-	-	421,731	-
Accrued wages and benefits payable	209,770	-	-	-
Due to other governments	36,098	1,705,430	-	-
Total Liabilities	\$ 480,157	\$ 1,705,430	\$ 2,616,980	\$ -
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Property taxes levied for the next fiscal year	\$ 1,069,761	\$ -	\$ -	\$ -
Delinquent property tax revenue not available	39,654	-	-	-
Accrued interest not available	6,495	-	-	406
Miscellaneous revenue not available	3,680	-	-	-
Income tax revenue not available	1,649,565	1,165,389	-	-
Intergovernmental revenues not available	75,191	-	189,327	-
PILOTs levied for the next fiscal year	-	-	-	2,733,502
Total Deferred Inflows Of Resources	\$ 2,844,346	\$ 1,165,389	\$ 189,327	\$ 2,733,908
<u>FUND BALANCE</u>				
Nonspendable	\$ 522,515	\$ -	\$ -	\$ -
Restricted	-	-	875,568	826,771
Committed	932,518	-	-	-
Assigned	846,628	-	-	-
Unassigned	14,396,408	-	-	-
Total Fund Balances	\$ 16,698,069	\$ -	\$ 875,568	\$ 826,771
Total Liabilities, Deferred Inflows Of Resources And Fund Balances	\$ 20,022,572	\$ 2,870,819	\$ 3,681,875	\$ 3,560,679

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<u>Debt Service Fund</u>	<u>Capital Asset Fund</u>	<u>Economic Development Capital Improvement Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 562,772	\$ 7,343,973	\$ 7,584,672	\$ 19,767,594	\$ 52,433,335
-	-	-	251,127	251,127
-	-	-	-	13,655
-	-	-	835,139	7,769,495
-	-	-	-	1,109,415
-	-	-	5,058,752	7,792,254
-	-	-	60,848	111,474
-	13,134	-	31,812	70,068
-	-	-	423,031	697,244
-	-	-	-	1,300,000
-	-	-	-	324,000
-	-	-	-	196,732
<u>\$ 562,772</u>	<u>\$ 7,357,107</u>	<u>\$ 7,584,672</u>	<u>\$ 26,428,303</u>	<u>\$ 72,068,799</u>
\$ -	\$ -	\$ -	\$ 48,275	\$ 1,858,335
-	-	24,661	695,284	1,339,423
-	-	-	129,238	550,969
-	-	-	-	209,770
-	-	-	-	1,741,528
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,661</u>	<u>\$ 872,797</u>	<u>\$ 5,700,025</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,069,761
-	-	-	-	39,654
-	3,608	-	8,736	19,245
-	-	-	-	3,680
-	-	-	339,019	3,153,973
-	-	-	343,382	607,900
-	-	-	5,058,752	7,792,254
<u>\$ -</u>	<u>\$ 3,608</u>	<u>\$ -</u>	<u>\$ 5,749,889</u>	<u>\$ 12,686,467</u>
\$ -	\$ -	\$ -	\$ -	\$ 522,515
-	-	7,560,011	6,821,288	16,083,638
-	-	-	10,840,567	11,773,085
562,772	7,353,499	-	2,143,762	10,906,661
-	-	-	-	14,396,408
<u>\$ 562,772</u>	<u>\$ 7,353,499</u>	<u>\$ 7,560,011</u>	<u>\$ 19,805,617</u>	<u>\$ 53,682,307</u>
<u>\$ 562,772</u>	<u>\$ 7,357,107</u>	<u>\$ 7,584,672</u>	<u>\$ 26,428,303</u>	<u>\$ 72,068,799</u>

CITY OF NEW ALBANY, OHIO

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

Total Governmental Fund Balances	\$	53,682,307
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		153,094,032
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.		
Income taxes receivable	\$ 3,153,973	
Property and other taxes receivable	39,654	
Accounts receivable	3,680	
Due from other governments	607,900	
Accrued interest receivable	19,245	
Total	3,824,452	3,824,452
The equity interest in the performing arts center is not a financial resource and therefore is not reported in funds.		4,368,679
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(77,518)
Unamortized deferred amounts on refundings are not recognized in the governmental funds.		1,043,046
Unamortized premiums and discounts on bond issuances are not recognized in the funds.		
Premiums	(1,423,505)	
Discounts	12,100	
Total	(1,411,405)	(1,411,405)
The net pension asset and net pension liability are not available to pay for current period expenditures and are not due and payable in the current period, respectively; therefore, the asset, liability and related deferred inflows/outflows are not reported in governmental funds.		
Net pension asset	49,887	
Deferred outflows of resources	3,166,508	
Deferred inflows of resources	(144,185)	
Net pension liability	(8,968,269)	
Total	(5,896,059)	(5,896,059)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General obligation bonds payable	(28,345,000)	
Loan payable	(5,672,941)	
OWDA loans	(704,256)	
OPWC loans	(2,942,786)	
Compensated absences	(1,350,682)	
Capital leases payable	(42,286)	
Intergovernmental payable	(1,165,389)	
Total	(40,223,340)	(40,223,340)
Net Position Of Governmental Activities	\$	168,404,194

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



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CITY OF NEW ALBANY, OHIO

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

	<u>General</u>	<u>Economic Opportunity Fund</u>	<u>Economic Development Fund</u>	<u>Oak Grove TIF Fund</u>
<u>REVENUES</u>				
Income taxes	\$ 15,907,023	\$ 11,420,673	\$ -	\$ -
Property and other taxes	1,290,570	-	-	-
Charges for services	305,193	-	-	-
Licenses and permits	464,907	-	-	-
Fines and forfeitures	78,719	-	-	-
Intergovernmental	174,626	-	-	-
Payment in lieu of taxes	-	-	-	409,486
Investment income	102,817	-	-	3,735
Rental income	43,985	-	-	-
Contributions and donations	-	-	1,165,393	-
Other	200,364	-	-	-
Total Revenues	\$ 18,568,204	\$ 11,420,673	\$ 1,165,393	\$ 413,221
<u>EXPENDITURES</u>				
<i>Current:</i>				
General government	\$ 4,217,502	\$ -	\$ -	\$ 7,217
Security of persons and property	3,595,593	-	-	-
Transportation	2,860,081	-	-	-
Community environment	1,960,124	-	-	-
Economic development	-	11,420,673	2,016,741	-
Capital outlay	77,140	-	3,252,486	-
<i>Debt service:</i>				
Principal retirement	21,186	-	-	-
Interest and fiscal charges	2,692	-	-	-
Bond issuance costs	-	-	-	-
Total Expenditures	\$ 12,734,318	\$ 11,420,673	\$ 5,269,227	\$ 7,217
Excess (deficiency) of revenues over (under) expenditures	5,833,886	-	(4,103,834)	406,004
<u>OTHER FINANCING SOURCES/(USES)</u>				
Sale of capital assets	\$ 63,104	\$ -	\$ -	\$ -
Bond issuance	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(6,378,156)	-	(565,393)	-
Total Other Financing Sources/(Uses)	\$ (6,315,052)	\$ -	\$ (565,393)	\$ -
NET CHANGE IN FUND BALANCE	\$ (481,166)	\$ -	\$ (4,669,227)	\$ 406,004
Fund balances at beginning of year	17,179,235	-	5,544,795	420,767
FUND BALANCE AT END OF YEAR	\$ 16,698,069	\$ -	\$ 875,568	\$ 826,771

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Debt Service Fund	Capital Asset Fund	Economic Development Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 3,048,204	\$ 30,375,900
-	-	-	-	1,290,570
-	-	-	475,774	780,967
-	-	-	34,995	499,902
-	-	-	4,877	83,596
-	-	-	2,036,324	2,210,950
-	-	-	4,291,735	4,701,221
-	39,048	-	106,630	252,230
-	-	-	739,598	783,583
-	-	8,125,000	2,804	9,293,197
-	-	-	340,456	540,820
\$ -	\$ 39,048	\$ 8,125,000	\$ 11,081,397	\$ 50,812,936
\$ -	\$ -	\$ -	\$ 1,927,575	\$ 6,152,294
-	-	-	98,376	3,693,969
-	-	-	16,240	2,876,321
-	-	-	-	1,960,124
-	-	-	-	13,437,414
-	-	564,989	3,872,262	7,766,877
3,355,892	-	-	1,010,348	4,387,426
992,491	-	-	-	995,183
-	-	-	42,500	42,500
\$ 4,348,383	\$ -	\$ 564,989	\$ 6,967,301	\$ 41,312,108
(4,348,383)	39,048	7,560,011	4,114,096	9,500,828
\$ -	\$ -	\$ -	\$ 9,800	\$ 72,904
-	-	-	6,300,000	6,300,000
-	-	-	(6,256,667)	(6,256,667)
4,261,412	1,550,000	-	3,841,672	9,653,084
-	-	-	(2,709,535)	(9,653,084)
\$ 4,261,412	\$ 1,550,000	\$ -	\$ 1,185,270	\$ 116,237
\$ (86,971)	\$ 1,589,048	\$ 7,560,011	\$ 5,299,366	\$ 9,617,065
649,743	5,764,451	-	14,506,251	44,065,242
\$ 562,772	\$ 7,353,499	\$ 7,560,011	\$ 19,805,617	\$ 53,682,307

CITY OF NEW ALBANY, OHIO

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, 2016

Net Change In Fund Balances - Total Governmental Funds **\$ 9,617,065**

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 asset additions	\$ 7,183,464	
Current year depreciation	(4,903,103)	
Total		2,280,361

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position. The City received \$3,319,439 in capital contributions and reported (\$53,496) in disposals, net of depreciation. 3,265,943

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

Income taxes	(659,438)	
Delinquent property taxes	15,538	
Intergovernmental revenues	206,316	
Investment income	(13,218)	
Other	78	
Total		(450,724)

The equity interest in the performing arts center does not provide current financial resources and is not reported in the funds. (106,229)

Proceeds of general obligation bonds are reported as an other financing source in the governmental funds, however, in the statement of activities, they are not reported as revenues as they increase the liabilities on the statement of net position. (6,300,000)

Repayment of bonds, loans and lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.

Bonds	3,000,000	
Other loans	1,010,348	
OWDA loans	176,391	
OPWC loans	179,501	
Capital leases	21,186	
Total		4,387,426

Continued

CITY OF NEW ALBANY, OHIO

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

Payments to refunded bond escrow agent for the retirement of bonds is an other financing use in the governmental funds but the payment reduces long-term liabilities on the statement of net position. Deferred charges related to bond refundings are amortized over the life of the issuance in the statement of activities. The following refunding transactions occurred during the year:

Bonds refunded	\$ 5,895,000	
Premiums refunded	8,768	
Deferred charges on refundings	352,899	
Total		6,256,667

In the statement of activities, interest is accrued on outstanding bonds and loans, whereas in governmental funds, an interest expenditure is reported when due.

Accrued interest payable	14,086	
Amortization of deferred amounts on refunding	(64,303)	
Amortization of bond premiums	119,341	
Amortization of bond discounts	(870)	
Total		68,254

Contractually required pension contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows. 795,703

Except for amounts reported as deferred inflows/outflows, changes in the net pension asset/liability are reported as pension expense in the statement of activities. (1,324,233)

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated absences	42,717	
Intergovernmental payable	255,324	
Total		298,041

Change In Net Position Of Governmental Activities **\$ 18,788,274**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF NEW ALBANY, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>REVENUES</u>				
Income taxes	\$ 13,521,750	\$ 14,296,750	\$ 15,815,161	\$ 1,518,411
Property and other taxes	987,500	1,212,500	1,286,296	73,796
Charges for services	458,200	398,200	313,551	(84,649)
Licenses and permits	541,260	541,260	464,371	(76,889)
Fines and forfeitures	85,000	85,000	84,441	(559)
Intergovernmental	330,586	165,930	177,667	11,737
Investment income	100,000	100,000	137,700	37,700
Rental income	40,000	40,000	43,685	3,685
Contributions and donations	5,000	5,000	-	(5,000)
Other	300,000	360,000	185,939	(174,061)
Total Revenues	\$ 16,369,296	\$ 17,204,640	\$ 18,508,811	\$ 1,304,171
<u>EXPENDITURES</u>				
<i>Current:</i>				
General government	\$ 5,594,130	\$ 5,784,655	\$ 4,848,417	\$ 936,238
Security of persons and property	3,859,837	4,061,846	3,685,987	375,859
Transportation	3,325,784	3,418,984	2,868,339	550,645
Community environment	2,435,041	2,429,826	2,219,779	210,047
Capital outlay	272,435	249,435	107,897	141,538
Total Expenditures	\$ 15,487,227	\$ 15,944,746	\$ 13,730,419	\$ 2,214,327
Excess of revenues over expenditures	882,069	1,259,894	4,778,392	3,518,498
<u>OTHER FINANCING SOURCES/(USES)</u>				
Sale of capital assets	\$ 30,000	\$ 30,000	\$ 63,104	\$ 33,104
Transfers out	(2,365,614)	(6,728,156)	(6,728,156)	-
Advances in	-	85,000	-	(85,000)
Advances out	-	(85,000)	-	85,000
Total Other Financing Sources/(Uses)	\$ (2,335,614)	\$ (6,698,156)	\$ (6,665,052)	\$ 33,104
NET CHANGE IN FUND BALANCE	\$ (1,453,545)	\$ (5,438,262)	\$ (1,886,660)	\$ 3,551,602
Fund balances at beginning of year	12,709,738	12,709,738	12,709,738	-
Prior year encumbrances appropriated	1,482,918	1,482,918	1,482,918	-
FUND BALANCE AT END OF YEAR	\$ 12,739,111	\$ 8,754,394	\$ 12,305,996	\$ 3,551,602

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF NEW ALBANY, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ECONOMIC OPPORTUNITY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>REVENUES</u>				
Income taxes	\$ 15,200,000	\$ 12,085,663	\$ 11,321,980	\$ (763,683)
Total Revenues	\$ 15,200,000	\$ 12,085,663	\$ 11,321,980	\$ (763,683)
<u>EXPENDITURES</u>				
<i>Current:</i>				
Economic development	\$ 15,135,000	\$ 12,024,367	\$ 11,322,914	\$ 701,453
Total Expenditures	\$ 15,135,000	\$ 12,024,367	\$ 11,322,914	\$ 701,453
 NET CHANGE IN FUND BALANCE	\$ 65,000	\$ 61,296	\$ (934)	\$ (62,230)
Fund balances at beginning of year	934	934	934	-
FUND BALANCE AT END OF YEAR	\$ 65,934	\$ 62,230	\$ -	\$ (62,230)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF NEW ALBANY, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ECONOMIC DEVELOPMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>REVENUES</u>				
Contributions	\$ 7,380,393	\$ 1,920,281	\$ 1,165,393	\$ (754,888)
Total Revenues	\$ 7,380,393	\$ 1,920,281	\$ 1,165,393	\$ (754,888)
<u>EXPENDITURES</u>				
<i>Current:</i>				
Economic development	\$ 11,561,976	\$ 5,726,863	\$ 5,501,737	\$ 225,126
Total Expenditures	\$ 11,561,976	\$ 5,726,863	\$ 5,501,737	\$ 225,126
Excess of expenditures over revenues	(4,181,583)	(3,806,582)	(4,336,344)	(529,762)
<u>OTHER FINANCING SOURCES/(USES)</u>				
Transfers out	\$ (565,393)	\$ (565,393)	\$ (565,393)	\$ -
Advances in	-	85,000	-	(85,000)
Advances out	-	(85,000)	-	85,000
Total Other Financing Uses	\$ (565,393)	\$ (565,393)	\$ (565,393)	\$ -
NET CHANGE IN FUND BALANCE	\$ (4,746,976)	\$ (4,371,975)	\$ (4,901,737)	\$ (529,762)
Fund balances at beginning of year	754,888	754,888	754,888	-
Prior year encumbrances appropriated	4,371,976	4,371,976	4,371,976	-
FUND BALANCE AT END OF YEAR	\$ 379,888	\$ 754,889	\$ 225,127	\$ (529,762)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF NEW ALBANY, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
OAK GROVE TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>REVENUES</u>				
Payment in lieu of taxes	\$ 335,000	\$ 335,000	\$ 409,486	\$ 74,486
Investment income	1,150	1,150	6,652	5,502
Total Revenues	\$ 336,150	\$ 336,150	\$ 416,138	\$ 79,988
<u>EXPENDITURES</u>				
<i>Current:</i>				
General government	\$ 701,750	\$ 701,750	\$ 7,217	\$ 694,533
Total Expenditures	\$ 701,750	\$ 701,750	\$ 7,217	\$ 694,533
NET CHANGE IN FUND BALANCE	\$ (365,600)	\$ (365,600)	\$ 408,921	\$ 774,521
Fund balances at beginning of year	421,674	421,674	421,674	-
FUND BALANCE AT END OF YEAR	\$ 56,074	\$ 56,074	\$ 830,595	\$ 774,521

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF NEW ALBANY, OHIO

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

	<u>Agency</u>
<u>ASSETS</u>	
Equity in pooled cash, cash equivalents and investments	\$ 2,297,321
Cash in segregated accounts	12,120
<i>Receivables (net of allowance for uncollectibles):</i>	
Accounts	<u>4,762</u>
Total Assets	<u><u>\$ 2,314,203</u></u>
<u>LIABILITIES</u>	
Accounts payable	\$ 10,116
Deposits held and due to others	<u>2,304,087</u>
Total Liabilities	<u><u>\$ 2,314,203</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF NEW ALBANY, OHIO

SCHEDULE OF NOTES TO THE
BASIC FINANCIAL STATEMENTS

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CITY OF NEW ALBANY, OHIO

SCHEDULE OF NOTES TO THE
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CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 1 - DESCRIPTION OF THE CITY

The City of New Albany (the "City") is an independent political subdivision of the State of Ohio and operates subject to the provisions of the Ohio Constitution, the City charter, and various sections of the Ohio Revised Code. The City is located in the northeast section of Franklin County, Ohio, in the Columbus metropolitan area and encompasses approximately twelve square miles.

The City was founded in 1837 and incorporated as a village in 1856. The City operates under a charter that was approved by the voters on November 3, 2009 and became effective on January 1, 2010. The City is organized as a Mayor-Council-Manager form of government.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements (BFS) of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The most significant of the City's accounting policies are described below.

A. Reporting Entity

For financial reporting purposes, the City's BFS include all funds, agencies, boards, commissions, and departments for which the City is financially accountable. Financial accountability, as defined by the GASB, exists if the City appoints a voting majority of an organization's Governing Board and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific burdens on, the City. The City may also be financially accountable for governmental organizations with a separately elected Governing Board, a Governing Board appointed by another government, or a jointly appointed board that is fiscally dependent on the City. The City also took into consideration other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's basic financial statements to be misleading or incomplete. The City has one component unit.

The New Albany Community Improvement Corporation - The New Albany Community Improvement Corporation (the "CIC") was formed pursuant to Ordinance O-15-2006 passed April 4, 2006 and incorporated as a corporation not-for-profit under Title XVII, Chapters 1702 and 1724 of the Ohio Revised Code for the purpose to advance, encourage, and promote industrial, economic, commercial and civic development of the City of New Albany. The CIC has been designated as the City of New Albany's agent for industrial and commercial distributions and research and development. The membership of the CIC includes nine members: four City representatives (the Mayor or permanent designee, the Council President or permanent designee, the City Manager and the Director of Development) and five members appointed by a majority of the City Council. The CIC is also dependent on the City for financial support and is able to impose its will on the CIC and is therefore presented as a component unit of the City. The CIC began operations on April 17, 2009. Financial statements can be obtained from the Director of Finance, New Albany Community Improvement Corporation, 99 West Main Street, New Albany, Ohio 43054, and further disclosures for the discretely presented component unit can be found in Note 26.

CITY OF NEW ALBANY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

To provide necessary services to its citizens, the City is divided into various departments including police, street maintenance, parks and recreation, public service and planning, and zoning. The operation of each of these departments is directly controlled by the City, through the budgetary process and therefore is included as a part of the reporting entity.

The following organizations are described due to their significant relationship to the City:

JOINT VENTURE WITH AN EQUITY INTEREST

New Albany Performing Arts Center

During 2004, the City entered into a joint operating agreement with New Albany-Plain Local School District (the “district”), Plain Township (the “township”) and the New Albany Community Foundation (the “foundation”) for the operations of the New Albany Performing Arts Center (the “Center”). The Center was constructed through a joint collaboration between the City, district and township. Each of these entities owns a portion of the Center, as tenants in common, equal to their financial contribution of the construction. The City, district and township each committed \$5 million, \$5 million and \$3 million, respectively, to supplement the construction of the Center. The City made the \$3 million contribution to the Center on behalf of the township in exchange for tax revenues from three area tax increment financing agreements. The foundation contributed \$2,311,377 to be applied to an endowment for the purpose of subsidizing the operation of the Center.

The Center serves both school and community needs, including music, theater, dance and ballet. The Center is governed by a Board that is comprised of three members appointed by the City, three members appointed by the township, three members appointed by the foundation, and the Center Governing Board as appointed shall appoint an additional three members subject to the ratification and appointment by a majority of owners.

The Center became fully operational in June 2008. The original joint operating agreement was amended in February 2008. The amended agreement provides the district, the City and the township with an ongoing equity interest in the Center. The equity interest in the Center is calculated based upon the proportionate share of the City’s contribution to the total contributions to construct the Center times the book value of the Center. At December 31, 2016, the City’s equity interest in the Center was \$4,368,679. Any further capital contributions will increase the City’s equity in the Center.

Financial information for the Center may be obtained from the Treasurer of the New Albany-Plain Local School District at 55 North High Street, New Albany, Ohio 43054.

JOINTLY GOVERNED ORGANIZATIONS:

New Albany - Plain Local Joint Park District

The New Albany Plain-Local Joint Park District (the “Park District”) is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each of the participating entities as follows: (1) the City of New Albany; (2) Plain Township; (3) the New Albany-Plain Local School District. The Park District possesses its own budgeting and taxing authority.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

West Licking Joint Fire District - The West Licking Joint Fire District, a jointly governed organization, is a political subdivision governed by a Board of Trustees which possesses its own contracting and budgeting authority. The Board of Trustees consists of one representative from each of the participating governments; the City of Pataskala, the Village of Kirkersville, City of New Albany, Harrison Township, Etna Township, City of Reynoldsburg and Jersey Township. The City made no contributions during 2016 for the operation of the West Licking Joint Fire District.

Regional Income Tax Agency (RITA)

In 1971, 38 municipalities joined together to organize a Regional Council of Governments (RCOG) under the authority of Chapter 167 of the Ohio Revised Code to administer tax collection and enforcement concerns facing the cities and villages. The purpose of the RCOG is to foster cooperation between the municipalities through sharing facilities for their common benefit. This includes the establishment of a central collection facility for the purpose of administering the income tax laws of the various municipal corporations who are members of the RCOG and for the purpose of collecting income taxes on behalf of each member municipality, doing all things allowed by law to accomplish such purpose. The first official act of the RCOG was to form the Regional Income Tax Agency (RITA). Today RITA serves as the income tax collection agency for 185 municipalities throughout the State of Ohio. During 2016, the City paid \$596,835 in income tax collection fees to RITA.

Each member municipality appoints its own delegate to the RCOG, including electing members to the RITA Board of Trustees. Regardless of the population or tax collections of member municipalities, each member of the RCOG has an equal say in the operations of RITA.

Information in the following notes to the basic financial statements is applicable to the primary government. Information relative to the component unit is presented in Note 26.

B. Basis of Presentation - Fund Accounting

The City's BFS consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements - The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The statement of net position presents the financial condition of the governmental activities of the City at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which governmental functions are self-financing or draw from the general revenues of the City.

Fund Financial Statements - During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

C. Fund Accounting

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary. The City does not have any proprietary funds.

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as fund balance.

The following are the City's major governmental funds:

General fund - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

Economic opportunity fund - The economic opportunity fund accounts for income taxes that are restricted for and pledged to the New Albany Community Authority, the New Albany-Plain Local School District, the Licking Heights School District and the Johnstown-Monroe Local School District for public infrastructure improvements. This fund consists of three distinct economic opportunity zones. These zones are the Oak Grove, Central College and Blacklick sub areas.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Economic development fund - To account for financial resources received from the New Albany Community Authority that are restricted for miscellaneous projects throughout the City.

Oak Grove TIF fund - To account for revenues and expenditures collected and disbursed that are restricted for the Oak Grove Tax Incremental Financing Agreement.

Debt service fund - To account for monies assigned for the purpose of retiring principal and interest on debt.

Capital asset fund - To account for transfers that are assigned for infrastructure improvements including road improvements and paving.

Economic development capital improvement fund - To account for financial resources received from the New Albany Community Authority that are restricted for miscellaneous capital projects throughout the City.

Other governmental funds of the City are used to account for (a) financial resources that restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets and (b) specific revenue sources that are restricted or committed to an expenditure for specific purposes other than debt service or capital projects.

Fiduciary Funds - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. Agency funds are custodial in nature (assets plus deferred outflows equal liabilities plus deferred inflows) and do not involve measurement of results of operations. The City's only fiduciary funds are agency funds. The City's agency funds include the Columbus agency fund, subdivision development fund, builder's escrow fund, board of building standards fund, Columbus Annexation fund, Mayor's Court fund and hotel excise tax fund for deposits held by the City and due to other governments, entities or individuals.

D. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the City are included on the statement of net position.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement method, only current assets, current deferred outflows of resources, current liabilities and current deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the financial statements for governmental funds. The agency funds do not report a measurement focus, as they do not report operations.

E. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Agency funds also use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows of resources and in the presentation of expenses versus expenditures.

Revenues - Exchange and Nonexchange Transactions - Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within sixty days of year end.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned (See Note 7). Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 6). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis.

On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: income tax, state-levied locally shared taxes (including gasoline tax, local government funds and permissive tax), fines and forfeitures, fees and special assessments.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, see Note 16 for deferred outflows of resources related the City's net pension liability. In addition, deferred outflows of resources include a deferred charge on debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2016, but which were levied to finance 2017 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes, but is not limited to, income taxes, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

For the City, see Note 16 for deferred inflows of resources related to the City's net pension liability. This deferred inflow of resources is only reported on the government-wide statement of net position.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

F. Budgetary Data

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. For all funds, Council appropriations are made by function and within each department: salary and related, contractual services, general operating, capital outlay, debt service, and transfers/advances. This is known as the legal level of budgetary control. Budgetary modifications may only be made by resolution of the City Council at the legal level of control. All funds, except agency funds, are legally required to be budgeted; however, only governmental funds are legally required to be reported.

Tax Budget - A tax budget of estimated revenue and expenditures for all funds is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

Estimated Resources - The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the City by September 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. On or about December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount available as stated in the certificate of estimated resources.

The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include unencumbered cash balances at December 31 of the preceding year. The certificate of estimated resources may be further amended during the year if the Director of Finance determines, and the Budget Commission agrees, that the estimate needs to be either increased or decreased. The amounts reported on the budgetary statement reflect the amounts in the original and final amended official certificate of estimated resources issued during 2016.

Appropriations - According to the City charter, the City Manager, in consultation with the Director of Finance, is to submit a proposed operating budget to the City Council for their consideration no later than the first scheduled meeting in November. An appropriation ordinance to control expenditures must be passed on or before December 21 of each year for the ensuing fiscal year. In the event that Council is unable or unwilling to adopt both the operating budget and appropriation ordinance as submitted or amended by December 21, both are deemed to have been adopted finally by Council as submitted by the Manager.

The appropriation ordinance fixes spending authority at the legal level of budgetary control. The appropriation ordinance may be amended during the year as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The appropriations at the legal level of control for a fund may only be modified during the year by an ordinance of Council. The amounts on the budgetary statement reflect the original and final appropriation amounts, including all amendments and modifications legally enacted by Council.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Lapsing of Appropriations - At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. Encumbrances are carried forward and are not re-appropriated as part of the subsequent year appropriations.

G. Cash and Investments

Cash balances of the City's funds are pooled and invested in investments maturing within five years in order to provide improved cash management. Individual fund integrity is maintained through City records. Each fund's interest in the pooled bank account is presented on the financial statements as "equity in pooled cash, cash equivalents and investments".

During 2016, investments were limited to Farm Federal Credit Bank (FFCB) securities, Federal Home Loan Bank (FHLB) securities, Federal Home Loan Mortgage Corporation (FHLMC) securities, Federal National Mortgage Association (FNMA) securities, U.S. Treasury notes, Uhrichsville (Ohio) notes, Jackson Local School District (Stark County, Ohio) bonds, negotiable certificates of deposit, nonnegotiable certificates of deposit, a U.S. Government money market account and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio).

Except for nonparticipating investment contracts and STAR Ohio, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts, such as nonnegotiable certificates of deposit, are reported at cost.

During 2016, the City invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of 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." The City measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2016, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. During 2016, interest revenue credited to the general fund amounted to \$102,817 which includes \$39,006 assigned from other City funds.

CITY OF NEW ALBANY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

For purpose of presentation on the financial statements, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the City are considered to be cash equivalents. Investments with an initial maturity of more than three months are considered to be investments.

An analysis of the City's investment account at year end is provided in Note 4.

H. Inventories of Materials and Supplies

On the government-wide and fund financial statements, purchased inventories are presented at cost. Inventories are recorded on a first-in, first-out (FIFO) basis and are expensed when used. Inventories are accounted for using the consumption method.

On the fund financial statements, reported material and supplies inventory is equally offset by a nonspendable fund balance which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

Inventory consists of expendable supplies held for consumption.

I. Capital Assets

These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and deductions during the year. Donated capital assets are recorded at their fair market values as of the date received. The City chose not to retroactively report infrastructure in accordance with Phase III implementation of GASB 34. The City's infrastructure consists of curbs, sidewalks, and streets constructed or improved after 2003.

Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets are depreciated except for land, easements and right of ways and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. During 2016, the City maintained the capital asset thresholds as noted on the next page. Capital assets within a class can have different thresholds depending on the asset category within the class.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Capitalization Threshold</u>
Land	N/A	\$0
Easements & right of ways	N/A	\$0
Buildings and improvements	10 - 50 years	\$10,000
Equipment	3 - 20 years	\$5,000 - \$10,000
Software	3 years	\$5,000
Vehicles	6 - 15 years	\$25,000
Infrastructure	15 - 50 years	\$15,000 - \$25,000

J. Compensated Absences

Compensated absences of the City consist of vacation leave and sick leave to the extent that payments to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the City and the employee.

In conformity with GASB Statement No. 16, "Accounting for Compensated Absences", vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at December 31 by all employees.

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at the balance sheet date, and reduced to the maximum payment allowed by labor contract and/or statute, plus applicable additional salary related payments. City employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation and sick leave at various rates.

The entire compensated absence liability is reported on the government-wide financial statements.

On governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported.

K. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, compensated absences, claims and judgements and net pension liability that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year.

L. Prepayments

Payments made to vendors for services that will benefit beyond December 31, 2016, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed. At year end, because payments are not available to finance future governmental fund expenditures, a nonspendable fund balance is recorded by an amount equal to the carrying value of the asset on the fund financial statements.

M. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund loans receivables/payables”. On fund financial statements, receivables and payables resulting from long-term interfund balances are classified as “advances to/from other funds”. These amounts are eliminated in the governmental activities column on the statement of net position. At December 31, 2016, there were no outstanding balances.

N. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the BFS. Transfers between governmental funds are eliminated on the statement of activities.

O. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds.

The classifications are as follows:

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or are legally required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable in the general fund.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of City Council (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (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.

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 the general fund, assigned amounts represent intended uses established by policies (resolutions) of City Council, which includes giving the Finance Director the authority to constrain monies for intended purposes. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed and has been assigned by City Council resolution for specific purpose.

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 only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is 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 could be used.

P. Unamortized Bond Premium and Discount/Unamortized Accounting Gain or Loss/Bond Issuance Costs

Bond premiums and discounts are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds and bond discounts are presented as a reduction to the face amount of the bonds.

For advance refundings resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred outflow of resources.

CITY OF NEW ALBANY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

On the governmental fund financial statements, bond premiums and discounts are recognized in the current period. The reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 14.

Bond issuance costs are expensed when they occur.

Q. Estimates

The preparation of the BFS in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the BFS and accompanying notes. Actual results may differ from those estimates.

R. Net Position

Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows 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. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on their 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 purpose consists of the Mayor's Court computer fund (a nonmajor governmental fund).

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

S. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City administration and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2016.

T. Pensions

For purposes of measuring the net pension asset, net pension liability, deferred outflows of resources 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.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

U. Fair Value Measurements

The City/County 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.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

Change in Accounting Principles

For 2016, the City has implemented GASB Statement No. 72, "Fair Value Measurement and Application", 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", GASB Statement No. 76, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments", GASB Statement No. 77, "Tax Abatement Disclosures", GASB Statement No. 78, "Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans" and GASB Statement No. 79, "Certain External Investment Pools and Pool Participants".

GASB Statement No. 72 addresses accounting and financial reporting issues related to fair value measurement. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The implementation of GASB Statement No. 72 did not have an effect on the financial statements of the City.

GASB Statement No. 73 improves the usefulness of information about pensions included in the general purposes external financial reports of state and local governments for making decisions and assessing accountability. The implementation of GASB Statement No. 73 did not have an effect on the financial statements of the City.

GASB Statement No. 76 identifies - in the context of the current governmental financial reporting environment - the hierarchy of generally accepted accounting principles (GAAP). This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The implementation of GASB Statement No. 76 did not have an effect on the financial statements of the City.

GASB Statement No. 77 requires governments that enter into tax abatement agreements to disclose certain information about the agreement. GASB Statement No. 77 also requires disclosures related to tax abatement agreements that have been entered into by other governments that reduce the reporting government's tax revenues. The implementation of GASB Statement No. 77 did not have an effect on the financial statements of the City.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

GASB Statement No. 78 establishes accounting and financial reporting standards for defined benefit pensions provided to the employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan (cost-sharing pension plan) that meets the criteria in paragraph 4 of Statement 68 and that (a) is not a state or local governmental pension plan, (b) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (c) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). The implementation of GASB Statement No. 78 did not have an effect on the financial statements of the City.

GASB Statement No. 79 establishes accounting and financial reporting standards for qualifying external investment pools that elect to measure for financial reporting purposes all of their investments at amortized cost. This Statement provides accounting and financial reporting guidance also establishes additional note disclosure requirements for governments that participate in those pools. The City participates in STAR Ohio which implemented GASB Statement No. 79 for 2016. The City incorporated the corresponding GASB 79 guidance into its 2016 financial statements; however, there was no effect on beginning net position/fund balance.

NOTE 4 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the City into three categories: active, inactive and interim.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the City treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits not required for use within the current five year period of designation of depositories as defined by the City's investment policy. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits in interim monies. Interim monies are those monies which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Interim monies may be deposited or invested in the following securities:

1. United States Treasury notes, bills, bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the fair value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in items 1 or 2 above, and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. High grade commercial paper for a period not to exceed 180 days in an amount not to exceed twenty-five percent of the City's interim monies available for investment; and,
8. Bankers acceptances for a period not to exceed 180 days and in an amount not to exceed twenty-five percent of the City's interim monies available for investment.

The City may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds and other obligations guaranteed by the United States;
2. Discount notes of the Federal National Mortgage Association (FNMA);
3. Bonds of the State of Ohio; and,
4. Bonds of any municipal corporation, City, county, township, or other political subdivision of Ohio, as to which there is no default of principal, interest or coupons.

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Finance Director or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Cash on hand: At year end, the City had \$200 in undeposited cash on hand which is included on the financial statements of the City as part of “equity in pooled cash, cash equivalents and investments”.

Cash with fiscal agent: At year end, the City had \$251,127 held with Franklin County for permissive tax. The data regarding insurance and collateralization can be obtained from the Franklin County Comprehensive Annual Financial Report for the year ended December 31, 2016. This amount is not included in the City’s depository balance below.

Cash in segregated accounts: At year end, \$25,775 was on deposit for Mayor’s Court and Health Reimbursement and Flexible Spending Accounts (HRA/FSA). This amount is included in the total amount of deposits reported below and is reported on the financial statements as “cash in segregated accounts”.

A. Deposits with Financial Institutions

At December 31, 2016, the carrying amount of all City deposits was \$6,129,438, including \$1,000,349 in nonnegotiable certificates of deposit. Based on criteria described in GASB Statement No. 40, “Deposits and Investment Risk Disclosures”, as of December 31, 2016, \$5,777,868 of the City’s bank balance of \$6,277,868 was exposed to custodial credit risk as discussed below while \$500,000 was covered by the FDIC.

Custodial credit risk is the risk that, in the event of bank failure, the City’s deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the City. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institution’s 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.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

B. Investments

As of December 31, 2016, the City had the following investments and maturities:

<u>Measurement/ Investment type</u>	<u>Measurement Value</u>	<u>Investment Maturities</u>				
		<u>6 months or less</u>	<u>7 to 12 months</u>	<u>13 to 18 months</u>	<u>19 to 24 months</u>	<u>Greater than 24 months</u>
Fair Value:						
FFCB	\$ 4,974,395	\$ -	\$ 999,590	\$ 498,760	\$ 2,493,725	\$ 982,320
FHLB	1,989,395	-	-	499,425	-	1,489,970
FHLMC	14,686,434	-	1,998,135	3,282,209	3,481,895	5,924,195
FNMA	11,437,072	-	499,270	-	-	10,937,802
US Treasury notes	496,855	-	-	496,855	-	-
Uhrichsville Ohio notes	500,065	-	500,065	-	-	-
Jackson LSD Stark Co. Ohio bonds	244,261	-	-	-	-	244,261
Negotiable CDs	4,998,428	999,955	1,998,521	998,348	1,001,604	-
US Government money market	358,077	358,077	-	-	-	-
Amortized Cost:						
STAR Ohio	8,941,811	8,941,811	-	-	-	-
Total	\$ 48,626,793	\$ 10,299,843	\$ 5,995,581	\$ 5,775,597	\$ 6,977,224	\$ 19,578,548

The weighted average of maturity of investments is 1.81 years.

The City's investments in US Government money market is valued using quoted market prices (Level 1 inputs). The City's investments in federal agency securities (FFCB, FHLB, FHLMC, FNMA), US Treasury obligations, Uhrichsville, Ohio notes, Jackson LSD Stark Co. Ohio bonds and negotiable certificates of deposit are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

Interest Rate Risk: The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase.

The City's investment policy addresses interest rate risk by requiring the consideration of market conditions and cash flow requirements in determining the term of an investment.

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 investments or collateral securities that are in the possession of an outside party. The federal agency securities and the U.S. government money market fund are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent, but not in the City's name. The City has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Director of Finance or qualified trustee.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Credit Risk: STAR Ohio carries a rating of AAAm by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard ratings service. The U.S. Treasury notes and the federal agency securities carry a rating of AA+ and Aaa by Standard & Poor's and Moody, respectively. The Uhrichville Ohio notes and Jackson LSD Stark County, Ohio bonds were rated SP-1. The U.S. Governmental money market, the First America Treasury Fund, carries a rating of AAAm and Aaa by Standard & Poor's and Moody, respectively. The City has no investment policy that addresses credit risk.

Concentration of Credit Risk: The City's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities. The following table includes the percentage of each investment type held by the City at December 31, 2016:

<u>Measurement/ Investment type</u>	<u>Measurement Value</u>	<u>% of Total</u>
Fair Value:		
FFCB	\$ 4,974,395	10.24
FHLB	1,989,395	4.09
FHLMC	14,686,434	30.19
FNMA	11,437,072	23.52
US Treasury notes	496,855	1.02
Uhrichville Ohio notes	500,065	1.03
Jackson LSD Stark Co. Ohio bonds	244,261	0.50
Negotiable CDs	4,998,428	10.28
US Government money market	358,077	0.74
Amortized cost:		
STAR Ohio	<u>8,941,811</u>	<u>18.39</u>
Total	<u>\$ 48,626,793</u>	<u>100.00</u>

C. Reconciliation of Cash and Investments to the Statement of Net Position

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of December 31, 2016:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 6,129,438
Investments	48,626,793
Cash with fiscal agent	251,127
Cash on hand	<u>200</u>
Total	<u>\$ 55,007,558</u>

<u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 52,698,117
Agency funds	<u>2,309,441</u>
Total	<u>\$ 55,007,558</u>

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 5 - INTERFUND TRANSACTIONS

Transfers

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

<u>Transfers to</u>	Transfers from			<u>Total</u>
	<u>General Fund</u>	<u>Economic Development Fund</u>	<u>Nonmajor Governmental Funds</u>	
Debt service fund	\$ 986,484	\$ 565,393	\$ 2,709,535	\$ 4,261,412
Capital asset fund	1,550,000	-	-	1,550,000
Nonmajor governmental funds	3,841,672	-	-	3,841,672
Total	<u>\$ 6,378,156</u>	<u>\$ 565,393</u>	<u>\$ 2,709,535</u>	<u>\$ 9,653,084</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 to debt service from the funds collecting the receipts to the debt service 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 made from the economic development fund, nonmajor special revenue and nonmajor capital projects funds to the debt service fund were made to provide funding for the payment of principal and interest on outstanding debt. All transfers were made in accordance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

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

NOTE 6 - PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the City. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revaluated every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2016 public utility property taxes became a lien December 31, 2015, are levied after October 1, 2016, and are collected in 2017 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 6 - PROPERTY TAXES - (Continued)

The County Treasurers collect property taxes on behalf of all taxing districts in the County, including the City of New Albany. The County Treasurer periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2016 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by a deferred inflow of resources since the current taxes were not levied to finance 2016 operations and the collection of delinquent taxes has been offset by a deferred inflow of resources since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is a deferred inflow of resources.

The full tax rate for all City operations for the year ended December 31, 2016 was \$1.94 per \$1,000 of assessed value.

The assessed values of real and tangible personal property upon which 2016 property tax receipts were based are as follows:

Real property

Residential/agricultural/ Commercial/industrial/mineral	\$ 603,198,000
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Public utility

Personal	<u>13,206,000</u>
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Total assessed value	<u>\$ 616,404,000</u>
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NOTE 7 - LOCAL INCOME TAX

The City levies a municipal income tax of 2.0% on all salaries, wages, commissions and other compensation; on net profits earned within the City; and residents whose income was earned outside of the City. In the latter case, the City allows a credit of 100% for any income tax paid to another municipality to a maximum of the total amount assessed.

Employers within the City are required to withhold income tax on employees' compensation and remit the tax to the City either monthly or quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. Income tax revenue has been reported as revenue in the general fund, economic opportunity major fund, capital improvement fund (a nonmajor governmental fund), the park improvement fund (a nonmajor governmental fund) and the Oak Grove infrastructure II fund (a nonmajor governmental fund) to the extent that it was measurable and available to finance current operations at December 31. Income tax revenue for 2016 was \$30,375,900 on the modified accrual statements.

CITY OF NEW ALBANY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

NOTE 8 - NOTES RECEIVABLE

The City loaned Waters Edge at New Albany, LLC. \$300,000. The note is an interest free loan and due on January 17, 2018. The note receivable is recorded in the economic development fund.

The City loaned Bob Evans Farms \$1,000,000 during 2012. The note is an interest free loan and is due on August 27, 2022. The note receivable is recorded in the economic development fund.

NOTE 9 - RECEIVABLES

Receivables at December 31, 2016, consisted of income taxes, real and other taxes, payment in lieu of taxes, accounts (billings for user charged services), accrued interest, notes and intergovernmental receivables arising from grants, entitlements, and shared revenue. All intergovernmental receivables have been classified as “due from other governments” on the BFS. Receivables have been recorded to the extent that they are measurable at December 31, 2016.

A summary of the principal items of receivables reported on the statement of net position follows:

Governmental activities:

Income taxes	\$ 7,769,495
Property and other taxes	1,109,415
Payment in lieu of taxes	7,792,254
Accounts	111,474
Accrued interest	70,068
Due from other governments	697,244
Notes receivable	<u>1,300,000</u>
Total	<u>\$ 18,849,950</u>

Receivables have been disaggregated on the face of the BFS. All receivables are expected to be collected within the subsequent year, with the exception of the notes receivable which will be collected by 2022.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 10 - CAPITAL ASSETS

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

<u>Governmental activities:</u>	<u>Balance</u>			<u>Balance</u>
	<u>12/31/15</u>	<u>Additions</u>	<u>Disposals</u>	<u>12/31/16</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 2,997,546	\$ -	\$ -	\$ 2,997,546
Easements and right of ways	60,212,448	3,319,439	-	63,531,887
Construction in progress	<u>7,057,775</u>	<u>6,143,494</u>	<u>(2,725,463)</u>	<u>10,475,806</u>
Total capital assets, not being depreciated	<u>\$ 70,267,769</u>	<u>\$ 9,462,933</u>	<u>\$ (2,725,463)</u>	<u>\$ 77,005,239</u>
<i>Capital assets, being depreciated:</i>				
Buildings and improvements	30,817,393	29,180	(57,523)	30,789,050
Equipment	1,675,366	428,155	-	2,103,521
Software	144,587	32,088	-	176,675
Vehicles	2,154,968	584,881	(288,500)	2,451,349
Infrastructure	<u>72,947,618</u>	<u>2,691,129</u>	<u>-</u>	<u>75,638,747</u>
Total capital assets, being depreciated	<u>\$ 107,739,932</u>	<u>\$ 3,765,433</u>	<u>\$ (346,023)</u>	<u>\$ 111,159,342</u>
<i>Less: accumulated depreciation:</i>				
Buildings and improvements	(3,288,726)	(642,707)	4,027	(3,927,406)
Equipment	(1,139,370)	(121,242)	-	(1,260,612)
Software	(132,831)	(17,104)	-	(149,935)
Vehicles	(1,137,957)	(189,835)	288,500	(1,039,292)
Infrastructure	<u>(24,761,089)</u>	<u>(3,932,215)</u>	<u>-</u>	<u>(28,693,304)</u>
Total accumulated depreciation	<u>\$ (30,459,973)</u>	<u>\$ (4,903,103)</u>	<u>\$ 292,527</u>	<u>\$ (35,070,549)</u>
Total capital assets, being depreciated, net	<u>\$ 77,279,959</u>	<u>\$ (1,137,670)</u>	<u>\$ (53,496)</u>	<u>\$ 76,088,793</u>
Governmental activities capital assets, net	<u>\$ 147,547,728</u>	<u>\$ 8,325,263</u>	<u>\$ (2,778,959)</u>	<u>\$ 153,094,032</u>

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 10 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged to functions/programs of the City as follows:

Governmental activities:

General government	\$ 825,297
Security of persons and property	208,890
Community environment	42,095
Transportation	<u>3,826,821</u>
Total depreciation expense - governmental activities	<u>\$ 4,903,103</u>

NOTE 11 - CAPITALIZED LEASES - LESSEE DISCLOSURE

In prior years, the City entered into capital lease agreements for the acquisition of copier equipment.

The terms of the lease agreements provide an option to purchase the equipment. These leases meet 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 reclassified and are reflected as debt service expenditures in the general fund. Capital assets, acquired by lease, have been capitalized in the amount of \$86,408. This amount is equal to the present value of the future minimum lease payments at the time of acquisition. A corresponding liability was recorded. Accumulated depreciation on the equipment totaled \$40,610, leaving a current book value of \$45,798. Principal payments in 2016 totaled \$21,186 in the general fund.

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

<u>Year Ending December 31,</u>	<u>Equipment</u>
2017	\$ 23,031
2018	13,731
2019	<u>8,011</u>
Total minimum lease payments	44,773
Less: amount representing interest	<u>(2,487)</u>
Present value of future minimum lease payments	<u>\$ 42,286</u>

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 12 - OPERATING LEASE - LESSEE AND LESSOR DISCLOSURE

The City entered into operating leases with The Ohio State University (“OSU”) and Nationwide Children’s Hospital (“NCH”) for space in the Philip Heit Center for Healthy New Albany. OSU will rent 12,822 square feet of clinical/office space and 25,551 square feet of fitness center space and they entered into an initial 20 year lease. NCH will rent 51,754 square feet of multi-use space and they entered into an initial 15 year lease. The future minimum lease payments as of December 31, 2016 are as follows:

<u>Year Ending December 31,</u>	<u>Minimum Lease Payments</u>
2017	\$ 1,343,530
2018	1,361,751
2019	1,380,226
2020	1,398,958
2021	1,417,952
2022 - 2026	7,363,562
2027 - 2031	5,559,903
2032 - 2034	<u>1,359,396</u>
Total minimum lease payments	<u>\$ 21,185,278</u>

NOTE 13 - OTHER EMPLOYEE BENEFITS - COMPENSATED ABSENCES

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and state laws. Employees earn ten to twenty days of vacation per year, depending upon length of service and type of employment. Earned, unused vacation time is paid upon termination of employment. Employees earn sick leave at different rates depending upon length of service and type of employment. Sick leave is accrued continuously by an employee during his or her employment with the City with no limit on the balance the employee can carry. Upon separation of employment, an employee can be paid hour for hour for the first 120 hours of accumulated, unused sick leave and one third of the remaining hours of accumulated, unused sick leave. As of December 31, 2016, the liability for unpaid compensated absences was \$1,350,682 for the entire City, which is reported as a fund liability and/or on the government-wide financial statements as applicable. Compensated absences will be paid from the general fund.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 14 - LONG-TERM OBLIGATIONS

A. Debt Issue Detail

The maturity date, interest rate, and original issue amount for the City's long-term obligations are as follows:

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>
General obligation bonds:			
Series 2007 Capital Facilities	2017	4.00 - 5.00%	\$ 9,005,000
Series 2010A Various Purpose	2018	2.00 - 3.50%	5,850,000
Series 2012 Refunding	2030	2.00 - 5.00%	10,620,000
Series 2013 Refunding	2024	0.20 - 4.00%	4,885,000
Series 2014A Capital Facilities	2030	3.65 - 4.00%	6,560,000
Series 2014B Taxable Special Obligation	2030	3.65 - 4.00%	3,915,000
Series 2016 Refunding	2027	2.390%	6,300,000
Loans Payable:			
New Albany Company Loan Payable	N/A	1.50%	2,391,090
New Albany Community Authority Loan Payable	N/A	0.00%	6,000,000
Ohio Water Development Authority (OWDA) loans:			
3189 Central College/Kitzmilller Waterlines	2020	6.13%	701,331
2163 Elevated Storage Tanks	2020	5.77%	1,933,380
Ohio Public Works Commission (OPWC) loans:			
CT06G Thompson/Harlem Rd.	2026	0%	98,000
CT66G Intersection Improvements for SR161	2024	0%	338,006
CT110 Main St. Improvements	2038	0%	178,242
CC09P High St. Improvements	2035	0%	826,017
CC18L US62/CC	2032	0%	1,013,783
CC08R Beech Road Widening	2040	0%	755,000
CT671 High St./Main St.	2029	0%	567,622

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

B. Long-Term Debt Activity

During 2016, the following changes occurred in governmental activities long-term obligations.

	<u>Balance 12/31/15</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/16</u>	<u>Due in One Year</u>
<u>Governmental activities:</u>					
<u>General obligation bonds:</u>					
Series 2007 Capital Facilities	\$ 6,795,000	\$ -	\$ (6,335,000)	\$ 460,000	\$ 460,000
Series 2010A Various Purpose	1,580,000	-	(780,000)	800,000	500,000
Series 2012 Refunding	9,225,000	-	(530,000)	8,695,000	550,000
Series 2013 Refunding	3,620,000	-	(400,000)	3,220,000	410,000
Series 2014A Capital Facilities	6,080,000	-	(495,000)	5,585,000	330,000
Series 2014B Taxable Special Obligation	3,640,000	-	(275,000)	3,365,000	180,000
Series 2016 Refunding	-	6,300,000	(80,000)	6,220,000	70,000
Total - bonds	<u>30,940,000</u>	<u>6,300,000</u>	<u>(8,895,000)</u>	<u>28,345,000</u>	<u>2,500,000</u>
<u>Loans Payable:</u>					
New Albany Company	3,514,186	-	(27,802)	3,486,384	-
New Albany Community Authority	3,169,103	-	(982,546)	2,186,557	-
Total - Loans Payable	<u>6,683,289</u>	<u>-</u>	<u>(1,010,348)</u>	<u>5,672,941</u>	<u>-</u>
<u>OWDA Loans:</u>					
OWDA Loan 3189					
Central College/Kitzmilller					
Waterlines	238,006	-	(47,448)	190,558	50,401
OWDA Loan 2163					
Elevated Storage Tanks	642,641	-	(128,943)	513,698	136,490
Total OWDA Loans	<u>880,647</u>	<u>-</u>	<u>(176,391)</u>	<u>704,256</u>	<u>186,891</u>
<u>OPWC Loans:</u>					
CTO6G					
Thompson/Harlem Rd.	51,450	-	(4,900)	46,550	4,900
CT66G					
Intersection Improvements for SR 161	152,100	-	(16,900)	135,200	16,900
CT110 - Main St. Improvements	160,417	-	(7,130)	153,287	7,130
CC09P High St. Improvements	784,717	-	(41,301)	743,416	41,301
CC18L US62/CC	836,369	-	(50,689)	785,680	50,689
CC08R Beech Road Widening	739,900	-	(30,200)	709,700	30,200
CT67I - High St./Main St.	397,334	-	(28,381)	368,953	28,381
Total OPWC Loans	<u>3,122,287</u>	<u>-</u>	<u>(179,501)</u>	<u>2,942,786</u>	<u>179,501</u>
Total Loans	<u>10,686,223</u>	<u>-</u>	<u>(1,366,240)</u>	<u>9,319,983</u>	<u>366,392</u>

(Continued)

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

	Balance 12/31/15	Additions	Reductions	Balance 12/31/16	Due in One Year
<u>Other long-term obligations:</u>					
Compensated absences	\$ 1,393,399	\$ 543,996	\$ (586,713)	\$ 1,350,682	\$ 532,207
Net pension liability	6,353,140	2,615,129	-	8,968,269	-
Capital lease obligation	63,472	-	(21,186)	42,286	-
Total other long-term obligations	7,810,011	3,159,125	(607,899)	10,361,237	532,207
Total governmental activities and long-term obligations	\$ 49,436,234	\$ 9,459,125	\$ (10,869,139)	48,026,220	\$ 3,420,023
			Add: Unamortized Premium	1,423,505	
			Less: Unamortized Discount	(12,100)	
			Total on Statement of Net Position	\$ 49,437,625	

Compensated absences reported in the “long-term liabilities” account will be paid from the general fund. Capital lease obligations will be paid from the general fund.

Net pension liability: See Note 16 for details.

On January 26, 2010, the City issued \$5,850,000 in Various Purpose General Obligation Bonds (Series 2010A) and \$4,820,000 in Infrastructure Improvement Bonds (Series 2010B). During 2013, the Series 2010B bonds were refunded by the Series 2013 Refunding Bonds. A portion of the Series 2010 A Bonds were issued to advance refund the callable portion (\$2,255,000) of the Series 1999 Municipal Building General Obligation Bonds and a portion (\$1,500,000) of the Series 2009 Bond Anticipation Notes. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The refunded bonds in the amount of \$2,255,000 were subject to an optional 101% redemption prior to the refunding; therefore no balance is outstanding as of December 31, 2016.

The reacquisition price of the Series 2010A bonds exceeded the net carrying amount of the old debt by \$73,370. 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 2010A issued. This advance refunding was undertaken to reduce the combined total debt service payments by \$43,962 and resulted in an economic gain of \$41,369.

On July 31, 2012, the City issued \$10,620,000 in Refunding Bonds (Series 2012). The bonds were issued to refund \$10,740,000 of the Series 2003 general obligation bonds. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded bonds at December 31, 2016 was \$9,720,000.

CITY OF NEW ALBANY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

The reacquisition price exceeded the net carrying amount of the old debt by \$776,641. This amount is being netted against the new debt and amortized over the remaining life of the refunding debt, which has a final maturity date of December 1, 2030. This advance refunding was undertaken to reduce the combined total debt service payments by \$3,270,674 and resulted in an economic gain of \$2,134,672.

The December 31, 2016 balance of the Series 2007 Capital Facilities bonds (\$460,000), the Series 2016 Refunding bonds (\$6,220,000), the related unamortized premium on the Series 2007 Capital Facilities bonds (\$884), the related unamortized deferred charges on refunding on the Series 2016 Refunding bonds (\$350,226) and the OWDA loans \$704,256 are not included in the City's calculation of net investment in capital assets, as the capital assets acquired by these debt obligations are not recorded on the City's financial statements. The Series 2007 bonds and Series 2016 Refunding bonds were issued to refinance bond anticipation notes previously issued to construct the Performing Arts Center, and the OWDA loans were used to acquire infrastructure assets that are no longer in possession of the City.

On October 1, 2013, the City issued \$4,885,000 in Refunding Bonds (Series 2013). The bonds were issued to refund \$4,820,000 of the Series 2010B general obligation bonds. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded bonds at December 31, 2016 was \$4,820,000.

The reacquisition price exceeded the net carrying amount of the old debt by \$121,328. This amount is being netted against the new debt and amortized over the remaining life of the refunding debt, which has a final maturity date of December 1, 2024. This advance refunding was undertaken to reduce the combined total debt service payments by \$1,186,913 and resulted in an economic gain of \$595,099.

On July 15, 2014, the City issued \$6,560,000 in Series 2014A Capital Facilities Bond and \$3,915,000 in Series 2014 B Taxable Special Obligation Bonds. These bonds were used to refund a portion of the bond anticipation notes - Series 2013 and Series 2013B.

On November 23, 2016, the City issued \$6,300,000 in Capital Facilities Refunding Bonds (Series 2016). The bonds were issued to refund \$5,895,000 of the Series 2007 Capital Facilities Bonds. The refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded bonds at December 31, 2016 was \$5,895,000.

The reacquisition price exceeded the net carrying amount of the old debt by \$352,899. This amount is being netted against the new debt and amortized over the remaining life of the refunding debt, which has a final maturity date of December 1, 2027. This advance refunding was undertaken to reduce the combined total debt service payments by \$205,205 and resulted in an economic gain of \$81,334.

During 2014, the City entered into a loan agreement with the New Albany Company to construct the Main Street roundabout. The total cost of the project was \$3,541,654 and will be repaid from TIF revenues. There is currently no repayment schedule available.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

During 2014, the City entered into a loan agreement with the New Albany Community Authority to construct various infrastructure projects. The total loan was \$6,000,000 and will be repaid once anticipated grants are collected. Repayment of this loan was made from the capital improvement fund (a nonmajor governmental fund). There is currently no repayment schedule.

C. Legal Debt Margin

Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The assessed valuation used in determining the City's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in calculating the City's legal debt margin calculation excludes tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property and personal property owned or leased by a railroad company and used in railroad operations. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2016, the City's total voted debt margin was \$65,285,192.

D. Future Debt Service Requirements

The following is a summary of the City's future annual debt service requirements to maturity for general obligation debt, as well as OWDA and OPWC Loans payable.

Year Ending	Total		
	General Obligation Bonds		
December 31	Principal	Interest	Total
2017	\$ 2,500,000	\$ 909,509	\$ 3,409,509
2018	2,350,000	844,616	3,194,616
2019	2,095,000	789,457	2,884,457
2020	2,150,000	741,798	2,891,798
2021	2,220,000	681,586	2,901,586
2022 - 2026	10,925,000	2,387,136	13,312,136
2027 - 2030	6,105,000	559,292	6,664,292
Total	\$ 28,345,000	\$ 6,913,394	\$ 35,258,394

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

Year Ending December 31	Total All OWDA Loans		
	Principal	Interest	Total
2017	\$ 186,891	\$ 26,330	\$ 213,221
2018	198,017	18,743	216,760
2019	209,806	10,706	220,512
2020	109,542	2,191	111,733
Total	\$ 704,256	\$ 57,970	\$ 762,226

Year Ending December 31	All OWPC Loans Payable		
	Principal	Interest	Total
2017	\$ 179,501	\$ -	\$ 179,501
2018	179,501	-	179,501
2019	179,501	-	179,501
2020	179,501	-	179,501
2021	179,501	-	179,501
2022 - 2026	861,255	-	861,255
2027 - 2031	731,743	-	731,743
2032 - 2036	335,896	-	335,896
2037 -2040	116,387	-	116,387
Total	\$ 2,942,786	\$ -	\$ 2,942,786

NOTE 15 - RISK MANAGEMENT

A. Risk Pool Membership

The City belongs to the Ohio Plan Risk Management, Inc. (OPRM) - formerly known as the Ohio Risk Management Plan, (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

OPRM coverage programs are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss. Effective November 1, 2012 (and through October 2014) the plan increased its retention to 50% of the first \$250,000 casualty treaty. Effective November 1, 2014, the OPRM retained 47% of the premium and losses on the first \$250,000 casualty treaty and 10% of the first \$1,000,000 property treaty. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. OPRM had 772 and 783 members as of December 31, 2015 and 2014 respectively.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 15 - RISK MANAGEMENT - (Continued)

Plan members are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

Settlement amounts did not exceed insurance coverage for the past three fiscal years.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and net position at December 31, 2015 and 2014 (the latest information available).

	<u>2015</u>	<u>2014</u>
Assets	\$14,643,667	\$14,830,185
Liabilities	(9,112,030)	(8,942,504)
Net position	<u>\$5,531,637</u>	<u>\$5,887,681</u>

You can read the complete audited financial statements for OPRM at the Plan's website, www.ohioplan.org.

B. Health, Dental, Vision and Life Insurance

On August 1, 2008, the City joined the Central Ohio Health Care Consortium (COHCC), a risk-sharing pool, which provides employee health care benefits for all full-time employees who wish to participate in the plan. The COHCC consists of nine political subdivisions that pool risk for basic hospital, surgical and prescription drug coverage. The COHCC is governed by a Board of Directors consisting of one director appointed by each member municipality. The Board elects a chairman, vice-chairman, secretary and treasurer. The Board is responsible for its own financial matters and the COHCC maintains its own books of account. Budgeting and financing of the COHCC are subject to the approval of the Board. The City pays monthly contributions to the COHCC, which are used to purchase excess loss insurance for the COHCC to pay current claims and related claim settlement expenses and to establish and maintain sufficient reserves. The monthly contribution is determined for each member in accordance with the number of covered officers and employees, and the prior loss experience of the respective member group. The members' contributions represent 115 percent of the expected costs of the COHCC, which will allow the COHCC to establish excess reserves for future operations. The funds are maintained in a bank trust account established for the sole purpose and benefit of the COHCC's operations. Financial information for the COHCC can be obtained from Matthew Peoples, President, COHCC, 36 S. High Street, Canal Winchester, Ohio 43110.

CITY OF NEW ALBANY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

NOTE 15 - RISK MANAGEMENT - (Continued)

The COHCC has entered into an agreement for individual and aggregate excess loss coverage with a commercial insurance carrier. The individual excess loss coverage has been structured to indemnify the COHCC for medical claims paid to an individual in excess of \$175,000, with an individual lifetime maximum of \$2,000,000. The aggregate excess loss coverage has been structured to indemnify the COHCC for aggregate claims paid in excess of \$12,978,197, to a maximum of \$1,000,000 annually. In the event that the losses of the consortium in any year exceeds amounts paid to the COHCC, together with all stop-loss, reinsurance and other coverage then in effect, then the payment of all uncovered losses shall revert to and be the sole obligation of the political subdivision against which the claim was made. No such loss has occurred in the past five years.

The City currently has no specified percentage share of the COHCC. The only time at which a percentage share would be calculated occurs if the COHCC votes to terminate ongoing operations. After a vote to terminate the COHCC, the Board would wind-up the COHCC's business as quickly as practicable, but in any event would complete this process no later than twelve months after the termination date. During such period, the COHCC would continue to pay all claims and expenses until the COHCC's funds are exhausted. After payment of all claims and expenses, or upon the termination of the aforesaid twelve month period, any remaining surplus funds held by the COHCC would be paid to the members of the COHCC who are members as of the termination date. The Board would determine the manner in which such surplus funds would be distributed, and would consider the percentage relationship which each member's contributions to the COHCC for the prior three calendar years of the COHCC bore to all members' contributions to the COHCC for that same period. The City's payment for health insurance coverage to COHCC in 2016 was \$1,408,870.

Dental, vision and life insurance benefits are also provided. The family and single rates are not gender and age sensitive, and are the same for each class of employees.

C. Workers' Compensation

Workers' Compensation coverage is provided by the State of Ohio. The City pays the state workers' compensation system a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

NOTE 16 - DEFINED BENEFIT PENSION PLANS

Net Pension Liability/Asset

The net pension liability/asset reported on the statement of net position represents a liability or asset 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.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

The net pension liability/asset 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 liability/asset 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.

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

GASB 68 assumes any net pension 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 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 liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan's unfunded benefits or overfunded benefits is presented as a long-term *net pension liability* or *net pension asset*, respectively, on the accrual basis of accounting. Any 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.

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. While members (e.g. City employees) may elect the Member-Directed Plan and the Combined Plan, substantially all employee members are in OPERS' Traditional Pension Plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the Traditional Pension 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.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

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 Pension 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.

Benefits in the Combined Plan consist of both an age-and-service formula benefit (defined benefit) and a defined contribution element. The defined benefit element is calculated on the basis of age, FAS, and years of service. Eligibility regarding age and years of service in the Combined Plan is the same as the Traditional Pension Plan. The benefit formula for the defined benefit component of the plan for State and Local members in transition Groups A and B applies a factor of 1.0% to the member's FAS for the first 30 years of service.

A factor of 1.25% is applied to years of service in excess of 30. The benefit formula for transition Group C applies a factor of 1.0% to the member's FAS and the first 35 years of service and a factor of 1.25% is applied to years in excess of 35. Persons retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit. The defined contribution portion of the benefit is based on accumulated member contributions plus or minus any investment gains or losses on those contributions. Members retiring under the Combined Plan receive a 3% COLA adjustment on the defined benefit portion of their benefit.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

Defined contribution plan benefits are established in the plan documents, which may be amended by the OPERS's Board of Trustees. Member-Directed Plan and Combined Plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the Combined Plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. The amount available for defined contribution benefits in the Member-Directed Plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20% each year. For additional information, see the Plan Statement in the OPERS CAFR.

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

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

The City's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$470,963 for 2016. Of this amount, \$20,588 is reported as due to other governments.

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

Plan Description - City full-time police 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 OPF 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.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

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 after July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

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

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

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

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

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

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$324,740 for 2016. Of this amount \$12,230 is reported as due to other governments.

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

The net pension liability and net pension asset for the OPERS Traditional Pension Plan and Combined Plan and Member-Directed Plan, respectively, were measured as of December 31, 2015, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2015, and was determined by rolling forward the total pension liability as of January 1, 2015, to December 31, 2015. The City's proportion of the net pension liability or asset 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:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the net pension liability prior measurement date	0.02468400%	0.06516800%	
Proportion of the net pension liability current measurement date	<u>0.02510400%</u>	<u>0.07181500%</u>	
Change in proportionate share	<u>0.00042000%</u>	<u>0.00664700%</u>	
Proportion of the net pension asset prior measurement date	0.09745900%		
Proportion of the net pension asset current measurement date	<u>0.12118000%</u>		
Change in proportionate share	<u>0.02372100%</u>		
Proportionate share of the net pension liability	\$ 4,348,329	\$ 4,619,940	\$ 8,968,269
Proportionate share of the net pension asset	49,887	-	49,887
Pension expense	652,744	671,489	1,324,233

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 497	\$ -	\$ 497
Net difference between projected and actual earnings on pension plan investments	1,299,760	751,943	2,051,703
Changes in employer's proportionate percentage/difference between employer contributions	32,285	286,320	318,605
City contributions subsequent to the measurement date	470,963	324,740	795,703
Total deferred outflows of resources	<u>\$ 1,803,505</u>	<u>\$ 1,363,003</u>	<u>\$ 3,166,508</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ 106,752	\$ 12,972	\$ 119,724
Changes in employer's proportionate percentage/difference between employer contributions	11,698	12,763	24,461
Total deferred inflows of resources	<u>\$ 118,450</u>	<u>\$ 25,735</u>	<u>\$ 144,185</u>

\$795,703 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/asset in the year ending December 31, 2017.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Year Ending December 31:			
2017	\$ 287,164	\$ 246,422	\$ 533,586
2018	315,944	246,422	562,366
2019	330,591	246,420	577,011
2020	291,383	210,588	501,971
2021	(2,809)	52,668	49,859
Thereafter	(8,181)	10,008	1,827
Total	<u>\$ 1,214,092</u>	<u>\$ 1,012,528</u>	<u>\$ 2,226,620</u>

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability/asset in the December 31, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage inflation	3.75 percent
Future salary increases, including inflation COLA or ad hoc COLA	4.25 to 10.05 percent including wage inflation Pre 1/7/2013 retirees: 3 percent, simple Post 1/7/2013 retirees: 3 percent, simple through 2018, then 2.80% simple
Investment rate of return	8 percent
Actuarial cost method	Individual entry age

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

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

The long-term rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 401 (h) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 0.40 percent for 2015.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

The allocation of investment assets with the Defined Benefit portfolio is approved by the OPERS Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2015 and the long-term expected real rates of return:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed income	23.00 %	2.31 %
Domestic equities	20.70	5.84
Real estate	10.00	4.25
Private equity	10.00	9.25
International equities	18.30	7.40
Other investments	18.00	4.59
Total	100.00 %	5.27 %

Discount Rate - The discount rate used to measure the total pension liability/asset was 8 percent for both the Traditional Pension Plan, the Combined Plan and Member-Directed Plan. 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 contractually required rates, as actuarially determined. 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 for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following table presents the City's proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 8 percent, as well as what the City's proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (7 percent) or one-percentage-point higher (9 percent) than the current rate:

	<u>1% Decrease (7.00%)</u>	<u>Current Discount Rate (8.00%)</u>	<u>1% Increase (9.00%)</u>
City's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 6,927,951	\$ 4,348,329	\$ 2,172,500
Combined Plan	(1,024)	(49,815)	(89,062)
Member-Directed Plan	188	(72)	(188)

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

Changes Between Measurement Date and Report Date - In October 2016, the OPERS Board of Trustees adopted certain assumption changes which impacted their annual actuarial valuation prepared as of December 31, 2016. The most significant changes are a reduction in the expected investment return to 7.50% from 8.00%, the expected long-term average wage inflation was reduced to 3.25% from 3.75%, the expected long-term average price inflation was reduced to 2.50% from 3.00% and a change to various demographic assumptions. Although the exact amount of these changes is not known, the impact to the City's net pension liability is expected to be significant.

Actuarial Assumptions – OP&F

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

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

Valuation date	January 1, 2015
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 and 3.00 percent simple

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 for the five-year period ended December 31, 2011. The recommended assumption changes based on this experience study were adopted by OPF's Board and were effective beginning with the January 1, 2012 actuarial valuation.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

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 expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF's target asset allocation as of December 31, 2015 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>10 Year Expected Real Rate of Return **</u>	<u>30 Year Expected Real Rate of Return **</u>
Cash and Cash Equivalents	- %		
Domestic Equity	16.00	6.50 %	7.80 %
Non-US Equity	16.00	6.70	8.00
Core Fixed Income *	20.00	3.50	5.35
Global Inflation			
Protected Securities *	20.00	3.50	4.73
High Yield	15.00	6.35	7.21
Real Estate	12.00	5.80	7.43
Private Markets	8.00	9.50	10.73
Timber	5.00	6.55	7.35
Master Limited Partnerships	8.00	9.65	10.75
Total	<u>120.00 %</u>		

* levered 2x

** numbers include inflation

OPF'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.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

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	\$ 6,093,042	\$ 4,619,940	\$ 3,372,021

NOTE 17 - POSTRETIREMENT BENEFIT PLANS

A. Ohio Public Employees Retirement System

Plan Description - OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension Plan and the Combined Plan. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

To qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have ten years or more of qualifying Ohio service credit. The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the healthcare plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (800) 222-7377.

Funding Policy - The post-employment healthcare plan was established under, and is administered in accordance with, Internal Revenue Code Section 401(h). State statute requires that public employers fund post-employment healthcare through contributions to OPERS. A portion of each employer's contribution to the Traditional or Combined Plans is set aside for the funding of post-employment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2016, local government employers contributed 14.00% of covered payroll. Each year the OPERS' Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the postemployment health care benefits. The portion of employer contributions allocated to fund post-employment healthcare for members in the Traditional Plan and Combined Plan for 2016 was 2.00%.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 17 - POSTRETIREMENT BENEFIT PLANS - (Continued)

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment healthcare plan.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2016, 2015, and 2014 were \$78,494, \$72,061, and \$67,376, respectively; 96.25% has been contributed for 2016 and 100% has been contributed for 2015 and 2014. The remaining 2016 post-employment health care benefits liability has been reported as due to other governments on the basic financial statements.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under State Bill 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4.00% of the employer contributions toward the health care fund after the end of the transition period.

B. Ohio Police and Fire Pension Fund

Plan Description - The City contributes to the OP&F Pension Fund 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-employment health care coverage to any person who receives or is eligible to receive a monthly service, disability or survivor benefit check 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 is codified in Chapter 742 of the Ohio Revised Code.

OP&F issues a publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to the OP&F, 140 East Town Street, Columbus, Ohio 43215-5164 or by visiting the 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, 19.50% and 24.00% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of covered payroll for police employer units and 24.00% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

CITY OF NEW ALBANY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

NOTE 17 - POSTRETIREMENT BENEFIT PLANS - (Continued)

OP&F maintains funds for health care in two separate accounts, one account is for health care benefits under an Internal Revenue Code Section 115 trust and the other account is for Medicare Part B reimbursements administered as an Internal Revenue Code Section 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 into the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to health care was .5% of covered payroll from January 1, 2016 thru December 31, 2016. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that the pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contributions to OP&F which were allocated to fund post-employment healthcare benefits for police officers were \$8,777, 8,421 and \$7,158 for 2016, 2015 and 2014. 100% has been contributed for 2015 and 2014. 96.33% has been contributed for police for 2016. The remaining 2016 post-employment health care benefits liability has been reported as due to other governments on the basic financial statements.

NOTE 18 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of accounting principles generally accepted in the United States of America (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund, economic opportunity fund, Oak Grove TIF fund and economic development fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 18 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

- (d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis);
- (e) Investments are reported at fair value (GAAP basis) rather than cost (budget basis); and,
- (f) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements (as reported in the fund financial statements) to the budgetary basis statements for all governmental funds for which a budgetary basis statement is presented:

Net Change in Fund Balance

	General Fund	Economic Opportunity Fund	Economic Development Fund	Oak Grove TIF Fund
Budget basis	\$ (1,886,660)	\$ (934)	\$ (4,901,737)	\$ 408,921
Net adjustment for revenue accruals	59,393	98,693	-	(2,917)
Net adjustment for expenditure accruals	101,272	(97,759)	(1,734,911)	-
Funds budgeted elsewhere	251,018	-	-	-
Adjustment for encumbrances	993,811	-	1,967,421	-
GAAP basis	<u>\$ (481,166)</u>	<u>\$ -</u>	<u>\$ (4,669,227)</u>	<u>\$ 406,004</u>

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the severance liability fund and the unclaimed monies fund.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 19 - FUND BALANCE

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

<u>Fund balance</u>	<u>General</u>	<u>Economic Development Fund</u>	<u>Oak Grove TIF Fund</u>	<u>Debt Service Fund</u>
<u>Nonspendable:</u>				
Materials and supplies inventory	\$ 324,000	\$ -	\$ -	\$ -
Prepays	196,732	-	-	-
Unclaimed monies	1,783	-	-	-
Total nonspendable	<u>522,515</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Restricted:</u>				
Tax incremental financing	-	-	826,771	-
Capital projects	-	-	-	-
Economic development	-	875,568	-	-
Street construction and maint	-	-	-	-
Safety programs	-	-	-	-
Other purposes	-	-	-	-
Total restricted	<u>-</u>	<u>875,568</u>	<u>826,771</u>	<u>-</u>
<u>Committed:</u>				
Capital projects	-	-	-	-
Severance	932,518	-	-	-
Healthy New Albany	-	-	-	-
Total committed	<u>932,518</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Assigned:</u>				
General government	471,434	-	-	-
Security of persons and property	140,521	-	-	-
Transportation	66,855	-	-	-
Community environment	167,818	-	-	-
Debt service	-	-	-	562,772
Capital projects	-	-	-	-
Total assigned	<u>846,628</u>	<u>-</u>	<u>-</u>	<u>562,772</u>
Unassigned	<u>14,396,408</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>\$ 16,698,069</u>	<u>\$ 875,568</u>	<u>\$ 826,771</u>	<u>\$ 562,772</u>

(Continued)

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 19 - FUND BALANCE - (Continued)

<u>Fund balance</u>	<u>Capital Asset Fund</u>	<u>Economic Development Capital Improvement Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Nonspendable:</u>				
Materials and supplies inventory	\$ -	\$ -	\$ -	\$ 324,000
Prepays	-	-	-	196,732
Unclaimed monies	-	-	-	1,783
Total nonspendable	-	-	-	522,515
<u>Restricted:</u>				
Tax incremental financing	-	-	4,244,088	5,070,859
Capital projects	-	7,560,011	1,312,306	8,872,317
Economic development	-	-	-	875,568
Street construction and maint	-	-	1,050,703	1,050,703
Safety programs	-	-	200,579	200,579
Other purposes	-	-	13,612	13,612
Total restricted	-	7,560,011	6,821,288	16,083,638
<u>Committed:</u>				
Capital projects	-	-	10,557,959	10,557,959
Severance	-	-	-	932,518
Healthy New Albany	-	-	282,608	282,608
Total committed	-	-	10,840,567	11,773,085
<u>Assigned:</u>				
General government	-	-	-	471,434
Security of persons and property	-	-	-	140,521
Transportation	-	-	-	66,855
Community environment	-	-	-	167,818
Debt service	-	-	-	562,772
Capital projects	7,353,499	-	2,143,762	9,497,261
Total assigned	7,353,499	-	2,143,762	10,906,661
Unassigned	-	-	-	14,396,408
Total fund balances	\$ 7,353,499	\$ 7,560,011	\$ 19,805,617	\$ 53,682,307

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 20 - OTHER COMMITMENTS

The City utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the City's commitments for encumbrances in the governmental funds were as follows:

<u>Fund</u>	<u>Year-End Encumbrances</u>
General fund	\$ 846,628
Economic development fund	1,950,135
Debt service	9,010
Economic development capital improvement fund	871,889
Other governmental	<u>2,774,312</u>
	<u>\$ 6,451,974</u>

NOTE 21 - PLEDGED REVENUES

A. Allocation of Pledged Revenues

On July 2, 1996, the City adopted Resolution 13-96 establishing the New Albany Central College Economic Opportunity Zone (the "EOZ"). Income tax revenue received by the City each year from this zone is applied as follows: (1) administrative costs of the Regional Income Tax Agency (RITA); (2) thirty percent of the balance to be deposited with the New Albany Community Authority (the "Authority"); and (3) the remaining balance to be shared equally with the New Albany - Plain Local School District.

On July 7, 1998, the City adopted Resolution R-30-98 expanding the New Albany EOZ and establishing the Oak Grove EOZ. Income tax revenue received by the City each year from this expanded EOZ is applied as follows: (1) administrative costs of the Regional Income Tax Agency (RITA); (2) thirty percent of the balance to be deposited with the Authority; and (3) the remaining balance to be shared equally with the New Albany-Plain Local School District or the Licking Heights Local School District.

On March 2, 1999, the City adopted Resolution R-17-99 establishing the Blacklick EOZ. Within the Blacklick EOZ, the City established Phase I and Phase II subaccounts. Income tax revenue received by the City each year from the Phase I of the Blacklick EOZ is applied as follows: (1) administrative costs of the Regional Income Tax Agency (RITA); (2) fifty percent of the balance to be deposited with the Authority; (3) an amount to the Plain Township Fire Department, in each of the years 2001 through 2005, as is mutually agreeable to the City and the Plain Township Fire Department; and (4) the remaining balance to be shared equally with the New Albany-Plain Local School District to the extent of real property tax payments which the New Albany-Plain Local School District would have received had the City not issued the tax exemption. Income tax revenue received by the City each year from Phase II of the Blacklick EOZ is applied as follows: (1) administrative costs of the Regional Income Tax Agency (RITA); (2) thirty percent of the balance to be deposited with the Authority; and (3) the remaining balance to be shared equally with the New Albany-Plain Local School District to the extent of real property tax payments which the District would have received had the City not issued the tax exemption.

CITY OF NEW ALBANY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

NOTE 21 - PLEDGED REVENUES - (Continued)

B. New Albany Community Authority

The income tax revenue pledged to the Authority is used for the repayment of Multi-purpose Infrastructure Improvement Bonds, Series C (the "bonds"). These bonds were used for public infrastructure construction and improvements in the EOZ's.

In January 2004, the Authority refunded the Multi-purpose Infrastructure Improvement Bonds, Series B, using the proceeds of the Series C Bonds. In May 2011, the bonds were again refunded with a combination of \$5,900,000 in ten year fixed rate bonds and a \$2,000,000 13 month notes plus \$800,000 in cash. The bonds have a net interest rate of 3.45% and are schedule to retire in December 2021. The note was issued with a 1.2% interest rate and matured June 1, 2012. On May 31, 2012, the Authority issued \$2,000,000 in Series 2012 D notes to retire the aforementioned notes from 2011. The Series 2012D notes carried an interest rate of 1.00% and matured on May 31, 2013. On May 31, 2013, the Authority issued \$1,750,000 in Series 2013 notes to retire the aforementioned notes from 2012. The Series 2013 notes carry an interest rate of 1.25% and mature on June 1, 2014. The amount of principal outstanding on the bonds at December 31, 2016 was \$3,190,000.

The City has agreed to pledge these income tax revenues to the Authority for so long as any Authority Bonds are issued and outstanding. The Authority agrees to pledge such revenues to pay the principal of and interest and redemption premium on the Authority Bonds and any other costs, including, but not limited to, administrative, credit enhancement, trustee or other costs, related to the issuance of those Authority Bonds or the periodic payment of principal of and interest and redemption premiums on those Authority Bonds.

During 2016, the total amount of pledged revenues paid to the Authority was \$6,045,139 or 20.10% of total income tax receipts, and interest payments on bonds and notes were \$145,550.

C. New Albany - Plain Local School District

The income tax revenue pledged to the New Albany-Plain Local School District is used to pay the cost associated with construction of administrative facilities and for the mutual use of the City and the New Albany-Plain Local School District for the purchase and improvement of land that is mutually beneficial to the City and the New Albany-Plain Local School District and for any other purposes that are mutually beneficial to the City and the New Albany-Plain Local School District.

The New Albany-Plain Local School District agreements are to stay in effect until the real property tax exemptions granted for individual projects expire or until terminated by mutual agreement of the parties. During 2016, the total amount of pledged revenues paid to the New Albany-Plain Local School District was \$3,750,358, or 12.47% of total income tax receipts.

CITY OF NEW ALBANY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

NOTE 21 - PLEDGED REVENUES - (Continued)

D. Licking Heights Local School District

The income tax revenue pledged to the Licking Heights Local School District from a parcel of land in the Oak Grove EOZ is used to pay the cost associated with construction of administrative facilities and for the mutual use of the City and the Licking Heights Local School District for the purchase and improvement of land that is mutually beneficial to the City and the Licking Heights Local School District, and for any other purposes that are mutually beneficial to the City and the Licking Heights Local School District.

Licking Heights Local School District agreements are to stay in effect until the real property tax exemptions granted for individual projects expire or until terminated by mutual agreement of the parties. During 2016, the total amount of pledged revenues paid to the Licking Heights Local School District was \$492,147, or 1.64% of total income tax receipts.

E. Johnstown-Monroe Local School District

The income tax revenue pledged to the Johnstown-Monroe Local School District from a parcel of land in the Oak Grove EOZ II is used to pay the cost associated with construction of administrative facilities and for the mutual use of the City and the Johnstown-Monroe Local School District for the purchase and improvement of land that is mutually beneficial to the City and the Johnstown-Monroe Local School District, and for any other purposes that are mutually beneficial to the City and the Johnstown-Monroe Local School District.

Johnstown-Monroe Local School District agreements are to stay in effect until the real property tax exemptions granted for individual projects expire or until terminated by mutual agreement of the parties. During 2016, the total amount of pledged revenues paid to the Johnstown-Monroe Local School District was \$412,317, or 1.37% of total income tax receipts.

F. City of Columbus

The income tax revenue pledged to the City of Columbus from a parcel of land in the Oak Grove EOZ II is used as an income tax sharing agreement to promote economic development in Central Ohio.

During 2016, the total amount of pledged revenues paid to the City of Columbus was \$395,578, or 1.32% of total income tax receipts.

NOTE 22 - TAX INCREMENT FINANCING DISTRICTS

The City, pursuant to the Ohio Revised Code and City ordinances, has established 17 Tax Increment Financing Districts (TIFs). 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. Owners of such property, however, must pay amounts equal to the property taxes, known as a "payment in lieu of taxes" or PILOTS, as though the TIF had not been established. These PILOTS are then dedicated to the payment for various 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.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 22 - TAX INCREMENT FINANCING DISTRICTS - (Continued)

Payment in lieu of taxes revenue was \$4,701,221 on the modified accrual basis of accounting in 2016 and is accounted for in twelve special revenue funds. Corresponding capital assets are accounted for in the City's infrastructure.

TIFs have a longevity of the shorter period of 30 years or until the public improvements are paid for. The property tax exemption then ceases; payment in lieu of taxes cease, and property taxes then apply to the increased property values.

NOTE 23 - CONTINGENCIES

A. Grants

The City receives significant financial assistance from numerous 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. In the opinion of management, however, any such disallowed claims would not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2016.

B. Litigation

The City is currently not involved in litigation for which the City's legal counsel anticipates a loss.

NOTE 24 - CONTRACTUAL COMMITMENTS

At December 31, 2016, the City had the following outstanding contractual commitments:

<u>Vendor</u>	<u>Contract Amount</u>	<u>Amount Paid at 12/31/16</u>	<u>Amount Outstanding</u>
American Electric Power	\$ 461,266	\$ 461,266	\$ -
BK Layer, LLC	79,775	79,775	-
Caldwell Tanks	4,851,750	4,342,055	509,695
Central Painting & Sandblasting	398,200	120,957	277,243
EP Ferris	873,260	400,420	472,840
EMH&T	3,288,965	1,363,031	1,925,934
Licking County Transportation	189,327	189,327	-
NM Savko & Sons	3,984,516	1,980,611	2,003,905
New Albany Company	917,000	340,000	577,000
Quality Control Inspection	356,641	302,384	54,257
Rocky Fork Co.	196,205	196,205	-
Strawser Paving	1,538,179	1,185,441	352,738
Total Contractual Commitments	\$ 17,135,084	\$ 10,961,472	\$ 6,173,612

CITY OF NEW ALBANY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

NOTE 25 - TAX ABATEMENTS

A. Property Tax Abatements Within Franklin County

As of December 31, 2016, the City provides property tax abatements on properties within the City and Franklin County through an Economic Development Program. Under the authority of Ohio Revised Code (ORC) Section 3735.67 and City resolutions, the program is an economic tool administered by the City that provides real property tax exemptions for companies who meet withholding benchmarks and job creation benchmarks. The amount of the abatement is deducted from the individual or entity's property tax bill. The tax payer can receive up to 100% of the improvement value to be abated in exchange for job creation.

The City has entered into agreements to abate property taxes through this program. During 2016, the City's property tax revenues were reduced as a result of these agreements by \$146,372.

B. Property Tax Abatements Within Licking County

As of December 31, 2016, the City provides property tax abatements on properties within the City and Licking County through a Community Reinvestment Area (CRA) program. Under the authority of Ohio Revised Code (ORC) Section 3735.67, the CRA program is an economic development tool administered by municipal and county governments that provides real property tax exemptions for property owners who renovate existing or construct new buildings. CRA's are areas of land in which property owners can receive tax incentives for investing in real property improvements. Under the CRA program, local governments petition to the Ohio Development Services Agency (ODSA) for confirmation of a geographical area in which investment in housing is desired. Once an area is confirmed by the ODSA, local governments may offer real property tax exemptions to taxpayers that invest in that area. Property owners in the CRA can receive temporary tax abatements for renovation of existing structures and new construction in these areas. Property owners apply to the local legislative authority for approval to renovate or construct in the CRA. Upon approval and certification of completion, the amount of the abatement is deducted from the individual or entity's property tax bill. The tax payer can receive up to 100% of the improvement value to be abated in exchange for job creation.

The City has entered into agreements to abate property taxes through this program. During 2016, the City's property tax revenues were reduced as a result of these agreements by \$86,605.

C. Income Tax Abatements

As of December 31, 2016, the City provided income tax abatements to various companies within the City through Economic Development Agreements as authorized by Article VIII, Section 13 of the Ohio Constitution. Under the agreements, recipient companies are eligible to receive incentive payments for a fixed amount of years equal to a portion of the payroll income taxes that were paid to the City during year the once certain job creation and minimum required withholding benchmarks are met.

For the year ended December 31, 2016, the City abated income taxes and provided incentive payments totaling \$1,645,590 under this program.

CITY OF NEW ALBANY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

NOTE 26 - NEW ALBANY COMMUNITY IMPROVEMENT CORPORATION

The New Albany Community Improvement Corporation (the "CIC") was formed pursuant to Ordinance O-15-2006 passed April 4, 2006 and incorporated as a not-for-profit corporation under Title XVII, Chapters 1702 and 1724 of the Ohio Revised Code for the purpose to advance, encourage, and promote industrial, economic, commercial and civic development of the City of New Albany (the "City"). The CIC has been designated as the City's agent for industrial and commercial distributions and research development.

The Board of Trustees is to be comprised of nine members. The following four elected or appointed officials of the City of New Albany ("City representatives") constitute four of the members of the Board of Trustees: Mayor (or appointed permanent designee), Council President Pro Tempore (or permanent designee), City Manager and the Director of Development. The City representatives hold office for as long as they hold their position at the City. In addition to the four City representatives, there are five members appointed by a majority vote of City Council ("Trustees at Large"). Three of the Trustees at Large will serve a term of three years. The two remaining Trustees at Large will serve a term of two years.

Summary of Significant Accounting Policies

The basic financial statements of the CIC have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The CIC's significant accounting policies are described below.

A. Basis of Accounting

The basic financial statements of the CIC are prepared using the accrual basis of accounting in conformity with GAAP.

B. Federal Income Tax

The New Albany Community Improvement Corporation is exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code.

C. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, all cash in the CIC's checking account is considered to be cash and cash equivalents. All monies received by the CIC are deposited in a demand deposit account.

D. Capital Assets and Depreciation

The CIC's capital assets consist of equipment which is recorded at cost. The CIC maintains a capitalization threshold of \$5,000. Improvements are capitalized; however, the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

The CIC's equipment is depreciated using the straight-line method over an estimated useful life of five years.

CITY OF NEW ALBANY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

NOTE 26 - NEW ALBANY COMMUNITY IMPROVEMENT CORPORATION - (Continued)

E. Accrued Liabilities

The CIC has recognized certain expenses due, but unpaid as of December 31, 2016. These expenses are reported as accrued liabilities in the accompanying financial statements.

F. Prepayments

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepaid items in the statement of net position. These items are reported as assets on the statement of net position using the consumption method. A current asset for the prepaid amounts is recorded at the time of the purchase and the expense is reported in the year in which services are consumed.

G. Net Position

Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation. Net position are reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The CIC has no restricted net position.

H. Estimates

The preparation of the basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results may differ from those estimates.

I. Deposits

At December 31, 2016, the carrying amount of the CIC's deposits was \$42,945. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of December 31, 2016, the entire bank balance of \$42,945 was covered by the Federal Deposit Insurance Corporation. There are no significant statutory restrictions regarding the deposits and investments of funds held by the not-for-profit corporation.

CITY OF NEW ALBANY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 26 - NEW ALBANY COMMUNITY IMPROVEMENT CORPORATION - (Continued)

J. Capital Assets

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

	<u>Balance</u> <u>12/31/15</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>12/31/16</u>
<i>Capital assets, being depreciated:</i>				
Equipment	\$ 1,316,860	\$ -	\$ -	\$ 1,316,860
Total capital assets, being depreciated	<u>1,316,860</u>	<u>-</u>	<u>-</u>	<u>1,316,860</u>
<i>Less: accumulated depreciation:</i>				
Equipment	(1,315,174)	(1,686)	-	(1,316,860)
Total accumulated depreciation	<u>(1,315,174)</u>	<u>(1,686)</u>	<u>-</u>	<u>(1,316,860)</u>
Total capital assets, net	<u>\$ 1,686</u>	<u>\$ (1,686)</u>	<u>\$ -</u>	<u>\$ -</u>

K. Litigation

The CIC is involved in no material litigation as either plaintiff or defendant.

L. Contributions from City of New Albany

The CIC received \$125,000 in contributions from the City during the year.

M. Risk Management

The CIC is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to contracted personnel; and natural disasters. For 2016, the CIC had property and casualty insurance through Westfield Insurance.

Settled claims have not exceeded commercial coverage in the past three years. There was no significant reduction in coverage from the prior year.

N. Accounts Receivable

The CIC is the lessee of space in a building located at 8000 Walton Parkway, New Albany. As the lessee, the CIC entered into an operating lease in January 2011 and makes monthly payments of \$4,480 and \$5,739. The lease is effective until July 31, 2017. The CIC subleases office space in the building to start-up businesses in the City. As a lessor, the CIC charges rent and internet subscription fees to tenants. The CIC also receives a monthly revenue sharing with WOW Business Partner Alliance. There was \$3,956 in accounts receivable as of December 31, 2016.

CITY OF NEW ALBANY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

NOTE 26 - NEW ALBANY COMMUNITY IMPROVEMENT CORPORATION - (Continued)

O. Agreement With TechColumbus

On July 15, 2012, the CIC entered into an agreement with TechColumbus, a non-profit organization of technology based companies, higher education and research organizations and local governments in the Central Ohio region. TechColumbus will help the City facilitate entrepreneurship and improve the chances of establishing successful technology enterprises. TechColumbus agrees to provide the following: service territory definition, staffing, “deal flow” stimulation; access to entrepreneurial assistance programs and TechColumbus relationships; access to funding/capital and budget. During 2016, there were no payments to TechColumbus.

NOTE 27 - SUBSEQUENT EVENT

Effective March 17, 2017, Vicki McKinney became the Interim Director of Finance.



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REQUIRED SUPPLEMENTARY
INFORMATION

CITY OF NEW ALBANY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY/NET PENSION ASSET
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST THREE YEARS

	<u>2016</u>	<u>2015</u>	<u>2014</u>
<i>Traditional Plan:</i>			
City's proportion of the net pension liability	0.025104%	0.024684%	0.024684%
City's proportionate share of the net pension liability	\$ 4,348,329	\$ 2,977,166	\$ 2,909,922
City's covered-employee payroll	\$ 3,230,508	\$ 2,849,483	\$ 2,834,400
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	134.60%	104.48%	102.66%
Plan fiduciary net position as a percentage of the total pension liability	81.08%	86.45%	86.36%
<i>Combined Plan:</i>			
City's proportion of the net pension asset	0.102370%	0.097459%	0.097459%
City's proportionate share of the net pension asset	\$ 49,815	\$ 37,524	\$ 10,226
City's covered-employee payroll	\$ 372,533	\$ 342,017	\$ 260,838
City's proportionate share of the net pension asset as a percentage of its covered-employee payroll	13.37%	10.97%	3.92%
Plan fiduciary net position as a percentage of the total pension asset	116.90%	114.83%	104.56%
<i>Member Directed Plan:</i>			
City's proportion of the net pension asset	0.018810%	n/a	n/a
City's proportionate share of the net pension asset	\$ 72	n/a	n/a
City's covered-employee payroll	\$ 104,758	n/a	n/a
City's proportionate share of the net pension asset as a percentage of its covered-employee payroll	0.07%	n/a	n/a
Plan fiduciary net position as a percentage of the total pension asset	103.91%	n/a	n/a

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each year were determined as of the City's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF NEW ALBANY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST THREE YEARS

	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the net pension liability	0.07181500%	0.06516800%	0.06516800%
City's proportionate share of the net pension liability	\$ 4,619,940	\$ 3,375,974	\$ 3,173,886
City's covered-employee payroll	\$ 1,639,826	\$ 1,323,437	\$ 1,334,134
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	281.73%	255.09%	237.90%
Plan fiduciary net position as a percentage of the total pension liability	66.77%	72.20%	73.00%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each year were determined as of the City's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF NEW ALBANY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST TEN YEARS

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<i>Traditional Plan:</i>				
Contractually required contribution	\$ 414,108	\$ 387,661	\$ 341,938	\$ 368,472
Contributions in relation to the contractually required contribution	<u>(414,108)</u>	<u>(387,661)</u>	<u>(341,938)</u>	<u>(368,472)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 3,450,900	\$ 3,230,508	\$ 2,849,483	\$ 2,834,400
Contributions as a percentage of covered-employee payroll	12.00%	12.00%	12.00%	13.00%
<i>Combined Plan:</i>				
Contractually required contribution	\$ 48,968	\$ 44,704	\$ 41,042	\$ 33,909
Contributions in relation to the contractually required contribution	<u>(48,968)</u>	<u>(44,704)</u>	<u>(41,042)</u>	<u>(33,909)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 408,067	\$ 372,533	\$ 342,017	\$ 260,838
Contributions as a percentage of covered-employee payroll	12.00%	12.00%	12.00%	13.00%
<i>Member Directed Plan:</i>				
Contractually required contribution	\$ 7,887	\$ 12,571		
Contributions in relation to the contractually required contribution	<u>(7,887)</u>	<u>(12,571)</u>		
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>		
City's covered-employee payroll	\$ 65,725	\$ 104,758		
Contributions as a percentage of covered-employee payroll	12.00%	12.00%		

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ 273,863	\$ 261,045	\$ 226,713	\$ 228,795	\$ 173,129	\$ 298,546
<u>(273,863)</u>	<u>(261,045)</u>	<u>(226,713)</u>	<u>(228,795)</u>	<u>(173,129)</u>	<u>(298,546)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,738,630	\$ 2,610,450	\$ 2,542,576	\$ 2,815,938	\$ 2,473,271	\$ 3,575,401
10.00%	10.00%	8.92%	8.13%	7.00%	8.35%
\$ 22,349	\$ 25,275	\$ 29,894	\$ -	\$ -	\$ -
<u>(22,349)</u>	<u>(25,275)</u>	<u>(29,894)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 281,119	\$ 317,925	\$ 308,610	\$ -	\$ -	\$ -
7.95%	7.95%	9.69%	8.13%	7.00%	8.35%

CITY OF NEW ALBANY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY CONTRIBUTIONS
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST TEN YEARS

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<i>Police:</i>				
Contractually required contribution	\$ 324,740	\$ 311,567	\$ 251,453	\$ 211,905
Contributions in relation to the contractually required contribution	<u>(324,740)</u>	<u>(311,567)</u>	<u>(251,453)</u>	<u>(211,905)</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
City's covered-employee payroll	\$ 1,709,158	\$ 1,639,826	\$ 1,323,437	\$ 1,334,134
Contributions as a percentage of covered-employee payroll	19.00%	19.00%	19.00%	15.88%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ 163,067	\$ 156,631	\$ 156,966	\$ 147,396	\$ 143,317	\$ 168,725
<u>(163,067)</u>	<u>(156,631)</u>	<u>(156,966)</u>	<u>(147,396)</u>	<u>(143,317)</u>	<u>(168,725)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,278,957	\$ 1,228,478	\$ 1,231,106	\$ 1,156,047	\$ 1,124,055	\$ 1,323,333
12.75%	12.75%	12.75%	12.75%	12.75%	12.75%

CITY OF NEW ALBANY, OHIO

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2016**

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms : There were no changes in benefit terms from the amounts reported for 2014-2016.

Changes in assumptions : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016. See the notes to the basic financial statements for the methods and assumptions in this calculation.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms : There were no changes in benefit terms from the amounts reported for 2014-2016.

Changes in assumptions : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016. See the notes to the basic financial statements for the methods and assumptions in this calculation.

**COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES**

CITY OF NEW ALBANY, OHIO

MAJOR FUNDS

General Fund

The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

Economic Opportunity Fund

The economic opportunity fund accounts for financial resources that are restricted for and pledged to the New Albany Community Authority, the New Albany-Plain Local School District, the Licking Heights School District and the Johnstown-Monroe Local School District for public infrastructure improvements. This fund consists of three distinct economic opportunity zones. These zones are the Oak Grove, Central College and Blacklick sub areas.

Economic Development Fund

To account for financial resources received from the New Albany Community Authority that are restricted for miscellaneous projects throughout the City.

Oak Grove TIF Fund

To account for the revenues and expenditures collected and disbursed that are restricted for the Oak Grove Tax Incremental Financing agreement.

Debt Service Fund

To account for monies assigned for the purpose of retiring principal and interest on debt.

Capital Asset Fund

To account for transfers that are assigned for infrastructure improvements including road improvements and paving.

Economic Development Capital Improvement Fund

To account for financial resources received from the New Albany Community Authority that are restricted for miscellaneous capital projects throughout the City.

CITY OF NEW ALBANY, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Income taxes	\$ 13,521,750	\$ 14,296,750	\$ 15,815,161	\$ 1,518,411
Property and other taxes	987,500	1,212,500	1,286,296	73,796
Charges for services	458,200	398,200	313,551	(84,649)
Licenses and permits	541,260	541,260	464,371	(76,889)
Fines and forfeitures	85,000	85,000	84,441	(559)
Intergovernmental	330,586	165,930	177,667	11,737
Investment income	100,000	100,000	137,700	37,700
Rental income	40,000	40,000	43,685	3,685
Contributions and donations	5,000	5,000	-	(5,000)
Other	300,000	360,000	185,939	(174,061)
Total Revenues	\$ 16,369,296	\$ 17,204,640	\$ 18,508,811	\$ 1,304,171
<u>EXPENDITURES</u>				
<i>Current:</i>				
General Government				
<u>City Manager's Office</u>				
Salary and related	\$ 845,987	\$ 845,987	\$ 687,915	\$ 158,072
Contractual services	296,211	263,711	155,079	108,632
General operating	254,236	271,736	215,339	56,397
Total City Manager's Office	\$ 1,396,434	\$ 1,381,434	\$ 1,058,333	\$ 323,101
<u>Finance Department</u>				
Salary and related	\$ 525,348	\$ 577,348	\$ 448,142	\$ 129,206
Contractual services	126,766	428,358	421,287	7,071
General operating	307,058	27,058	23,246	3,812
Total Finance Department	\$ 959,172	\$ 1,032,764	\$ 892,675	\$ 140,089
<u>City Council</u>				
Salary and related	\$ 204,760	\$ 204,760	\$ 178,232	\$ 26,528
Contractual services	46,995	54,995	48,891	6,104
General operating	175,882	175,882	145,036	30,846
Total City Council	\$ 427,637	\$ 435,637	\$ 372,159	\$ 63,478
<u>Mayor's Court</u>				
Salary and related	\$ 167,336	\$ 176,436	\$ 173,773	\$ 2,663
Contractual services	62,528	88,778	81,180	7,598
General operating	37,460	29,460	24,459	5,001
Total Mayor's Court	\$ 267,324	\$ 294,674	\$ 279,412	\$ 15,262
<u>City Engineer</u>				
Contractual services	\$ 536,253	\$ 536,252	\$ 515,955	\$ 20,297
Total City Engineer	\$ 536,253	\$ 536,252	\$ 515,955	\$ 20,297
<u>City Attorney</u>				
Contractual services	\$ 401,996	\$ 416,996	\$ 265,685	\$ 151,311
Total City Attorney	\$ 401,996	\$ 416,996	\$ 265,685	\$ 151,311

Continued

CITY OF NEW ALBANY, OHIO

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Lands & Buildings</u>				
General operating	\$ 486,894	\$ 538,393	\$ 504,032	\$ 34,361
Total Lands & Buildings	\$ 486,894	\$ 538,393	\$ 504,032	\$ 34,361
<u>IT Administration</u>				
Salary and related	\$ 112,652	\$ 114,426	\$ 112,528	\$ 1,898
Contractual services	151,895	206,895	179,992	26,903
General operating	130,379	90,379	87,662	2,717
Total IT Administration	\$ 394,926	\$ 411,700	\$ 380,182	\$ 31,518
<u>Other Charges</u>				
Salary and related	\$ 210,420	\$ 232,911	\$ 183,470	\$ 49,441
Contractual services	256,725	35,116	27,894	7,222
General operating	256,349	468,778	368,620	100,158
Total Other Charges	\$ 723,494	\$ 736,805	\$ 579,984	\$ 156,821
Total General Government	\$ 5,594,130	\$ 5,784,655	\$ 4,848,417	\$ 936,238
Security of Persons & Property				
<u>Police</u>				
Salary and related	\$ 3,500,488	\$ 3,660,788	\$ 3,348,038	\$ 312,750
Contractual services	112,340	92,341	86,127	6,214
General operating	114,185	162,893	113,013	49,880
Total Police	\$ 3,727,013	\$ 3,916,022	\$ 3,547,178	\$ 368,844
<u>Lands & Buildings</u>				
General operating	\$ 132,824	\$ 145,824	\$ 138,809	\$ 7,015
Total Lands & Buildings	\$ 132,824	\$ 145,824	\$ 138,809	\$ 7,015
Total Security of Persons & Property	\$ 3,859,837	\$ 4,061,846	\$ 3,685,987	\$ 375,859
Transportation				
<u>Public Service</u>				
Salary and related	\$ 2,556,728	\$ 2,541,228	\$ 2,184,849	\$ 356,379
Contractual services	101,162	101,162	83,317	17,845
General operating	578,378	682,078	517,520	164,558
Total Public Services	\$ 3,236,268	\$ 3,324,468	\$ 2,785,686	\$ 538,782
<u>Lands & Buildings</u>				
General Operating	\$ 89,516	\$ 94,516	\$ 82,653	\$ 11,863
Total Lands & Buildings	\$ 89,516	\$ 94,516	\$ 82,653	\$ 11,863
Total Transportation	\$ 3,325,784	\$ 3,418,984	\$ 2,868,339	\$ 550,645

Continued

CITY OF NEW ALBANY, OHIO

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Community Environment				
<u>Community Development</u>				
Salary and related	\$ 1,450,223	\$ 1,389,959	\$ 1,298,175	\$ 91,784
Contractual services	388,100	176,100	167,090	9,010
General operating	596,718	863,767	754,514	109,253
Total Community Development	\$ 2,435,041	\$ 2,429,826	\$ 2,219,779	\$ 210,047
Total Community Environment	\$ 2,435,041	\$ 2,429,826	\$ 2,219,779	\$ 210,047
Capital Outlay				
General Government	\$ 240,435	\$ 249,435	\$ 107,897	\$ 141,538
Transportation	32,000	-	-	-
Total Capital Outlay	\$ 272,435	\$ 249,435	\$ 107,897	\$ 141,538
Total Expenditures	\$ 15,487,227	\$ 15,944,746	\$ 13,730,419	\$ 2,214,327
Excess of revenues over expenditures	882,069	1,259,894	4,778,392	3,518,498
<u>OTHER FINANCING SOURCES/(USES)</u>				
Transfers out	\$ (2,365,614)	\$ (6,728,156)	\$ (6,728,156)	\$ -
Sale of capital assets	30,000	30,000	63,104	33,104
Advances in	-	85,000	-	(85,000)
Advances out	-	(85,000)	-	85,000
Total Other Financing Sources/(Uses)	\$ (2,335,614)	\$ (6,698,156)	\$ (6,665,052)	\$ 33,104
NET CHANGE IN FUND BALANCE	\$ (1,453,545)	\$ (5,438,262)	\$ (1,886,660)	\$ 3,551,602
Fund Balances at Beginning of Year	12,709,738	12,709,738	12,709,738	-
Prior year encumbrances appropriated	1,482,918	1,482,918	1,482,918	-
FUND BALANCE AT END OF YEAR	\$ 12,739,111	\$ 8,754,394	\$ 12,305,996	\$ 3,551,602

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ECONOMIC OPPORTUNITY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Income taxes	\$ 15,200,000	\$ 12,085,663	\$ 11,321,980	\$ (763,683)
Total Revenues	\$ 15,200,000	\$ 12,085,663	\$ 11,321,980	\$ (763,683)
<u>EXPENDITURES</u>				
Economic Development				
General operating	\$ 15,135,000	\$ 12,024,367	\$ 11,322,914	\$ 701,453
Total Expenditures	\$ 15,135,000	\$ 12,024,367	\$ 11,322,914	\$ 701,453
NET CHANGE IN FUND BALANCE	\$ 65,000	\$ 61,296	\$ (934)	\$ (62,230)
Fund Balance at Beginning of Year	934	934	934	-
FUND BALANCE AT END OF YEAR	\$ 65,934	\$ 62,230	\$ -	\$ (62,230)

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ECONOMIC DEVELOPMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Contributions	\$ 7,380,393	\$ 1,920,281	\$ 1,165,393	\$ (754,888)
Total Revenues	\$ 7,380,393	\$ 1,920,281	\$ 1,165,393	\$ (754,888)
<u>EXPENDITURES</u>				
Economic development				
Contractual services	\$ 483,686	\$ 423,717	\$ 249,791	\$ 173,926
General operating	940,000	791,331	791,080	251
Capital outlay	10,138,290	4,511,815	4,460,866	50,949
Total Expenditures	\$ 11,561,976	\$ 5,726,863	\$ 5,501,737	\$ 225,126
Excess of expenditures over revenues	(4,181,583)	(3,806,582)	(4,336,344)	(529,762)
<u>OTHER FINANCING SOURCE/(USES)</u>				
Transfers out	\$ (565,393)	\$ (565,393)	\$ (565,393)	\$ -
Advance in	-	85,000	-	(85,000)
Advance out	-	(85,000)	-	85,000
Total Other Financing Sources/(Uses)	\$ (565,393)	\$ (565,393)	\$ (565,393)	\$ -
NET CHANGE IN FUND BALANCE	\$ (4,746,976)	\$ (4,371,975)	\$ (4,901,737)	\$ (529,762)
Fund Balance at Beginning of Year	754,888	754,888	754,888	-
Prior year encumbrances appropriated	4,371,976	4,371,976	4,371,976	-
FUND BALANCE AT END OF YEAR	\$ 379,888	\$ 754,889	\$ 225,127	\$ (529,762)

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
OAK GROVE TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Payment in lieu of taxes	\$ 335,000	\$ 335,000	\$ 409,486	\$ 74,486
Investment income	1,150	1,150	6,652	5,502
Total Revenues	\$ 336,150	\$ 336,150	\$ 416,138	\$ 79,988
<u>EXPENDITURES</u>				
<u>General government</u>				
Contractual services	\$ 1,750	\$ 7,217	\$ 7,217	\$ -
Capital outlay	700,000	694,533	-	694,533
Total Expenditures	\$ 701,750	\$ 701,750	\$ 7,217	\$ 694,533
NET CHANGE IN FUND BALANCE	\$ (365,600)	\$ (365,600)	\$ 408,921	\$ 774,521
Fund Balance at Beginning of Year	421,674	421,674	421,674	-
FUND BALANCE AT END OF YEAR	\$ 56,074	\$ 56,074	\$ 830,595	\$ 774,521

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DEBT SERVICE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>EXPENDITURES</u>				
<u>Debt Service</u>				
Principal retirement	\$ 3,260,000	\$ 3,375,722	\$ 3,355,892	\$ 19,830
Interest and fiscal charges	1,154,150	1,053,487	1,001,501	51,986
Total Expenditures	\$ 4,414,150	\$ 4,429,209	\$ 4,357,393	\$ 71,816
Excess of expenditures over revenues	(4,414,150)	(4,429,209)	(4,357,393)	71,816
<u>OTHER FINANCING SOURCES</u>				
Transfer in	\$ 4,414,150	\$ 4,556,552	\$ 4,261,412	\$ (295,140)
Total Other Financing Sources	\$ 4,414,150	\$ 4,556,552	\$ 4,261,412	\$ (295,140)
NET CHANGE IN FUND BALANCE	\$ -	\$ 127,343	\$ (95,981)	\$ (223,324)
Fund Balance at Beginning of Year	649,743	649,743	649,743	-
FUND BALANCE AT END OF YEAR	\$ 649,743	\$ 777,086	\$ 553,762	\$ (223,324)

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

CAPITAL ASSET FUND

FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Investment income	\$ -	\$ -	\$ 60,635	\$ 60,635
Total revenues	\$ -	\$ -	\$ 60,635	\$ 60,635
<u>EXPENDITURES</u>				
<u>General Government</u>				
Capital outlay	\$ 1,000,000	\$ 1,000,000	\$ -	\$ 1,000,000
Total expenditures	\$ 1,000,000	\$ 1,000,000	\$ -	\$ 1,000,000
Excess (deficiency) of revenues over (under) expenditures	(1,000,000)	(1,000,000)	60,635	1,060,635
<u>OTHER FINANCING SOURCES</u>				
Transfers in	\$ 1,550,000	\$ 1,550,000	\$ 1,550,000	\$ -
Total other financing sources	\$ 1,550,000	\$ 1,550,000	\$ 1,550,000	\$ -
NET CHANGE IN FUND BALANCE	\$ 550,000	\$ 550,000	\$ 1,610,635	\$ 1,060,635
Fund Balance at Beginning of Year	5,776,876	5,776,876	5,776,876	-
FUND BALANCE AT END OF YEAR	\$ 6,326,876	\$ 6,326,876	\$ 7,387,511	\$ 1,060,635

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ECONOMIC DEVELOPMENT CAPITAL IMPROVEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Contributions and donations	\$ -	\$ 8,125,000	\$ 8,125,000	\$ -
Total Revenues	\$ -	\$ 8,125,000	\$ 8,125,000	\$ -
<u>EXPENDITURES</u>				
<u>General Government</u>				
Capital outlay	\$ -	\$ 8,125,000	\$ 1,412,217	\$ 6,712,783
Total Expenditures	\$ -	\$ 8,125,000	\$ 1,412,217	\$ 6,712,783
NET CHANGE IN FUND BALANCE	\$ -	\$ -	\$ 6,712,783	\$ 6,712,783
Fund Balance at Beginning of Year	-	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ 6,712,783	\$ 6,712,783

CITY OF NEW ALBANY, OHIO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2016

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>ASSETS</u>			
Equity in pooled cash, cash equivalents and investments	\$ 5,461,973	\$ 14,305,621	\$ 19,767,594
Cash with fiscal agent	251,127	-	251,127
<i>Receivables (net of allowances for uncollectibles):</i>			
Income taxes	-	835,139	835,139
Payment in lieu of taxes	5,058,752	-	5,058,752
Accounts	60,848	-	60,848
Accrued interest	8,337	23,475	31,812
Due from other governments	423,031	-	423,031
Total Assets	\$ 11,264,068	\$ 15,164,235	\$ 26,428,303
<u>LIABILITIES</u>			
Accounts payable	\$ 48,275	\$ -	\$ 48,275
Contracts payable	19,780	675,504	695,284
Retainage payable	-	129,238	129,238
Total Liabilities	\$ 68,055	\$ 804,742	\$ 872,797
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Accrued interest not available	\$ 2,289	\$ 6,447	\$ 8,736
Income tax revenue not available	-	339,019	339,019
Intergovernmental revenues not available	343,382	-	343,382
PILOTs levied for next fiscal year	5,058,752	-	5,058,752
Total Deferred Inflows of Resources	\$ 5,404,423	\$ 345,466	\$ 5,749,889
<u>FUND BALANCES</u>			
Restricted	\$ 5,508,982	\$ 1,312,306	\$ 6,821,288
Committed	282,608	10,557,959	10,840,567
Assigned	-	2,143,762	2,143,762
Total Fund Balances	\$ 5,791,590	\$ 14,014,027	\$ 19,805,617
Total Liabilities, Deferred Inflows of Resources & Fund Balance	\$ 11,264,068	\$ 15,164,235	\$ 26,428,303

CITY OF NEW ALBANY, OHIO

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

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>REVENUES</u>			
Income taxes	\$ -	\$ 3,048,204	\$ 3,048,204
Charges for services	35,788	439,986	475,774
Licenses and permits	-	34,995	34,995
Fines and forfeitures	4,877	-	4,877
Intergovernmental	987,783	1,048,541	2,036,324
Payment in lieu of taxes	4,291,735	-	4,291,735
Investment income	24,685	81,945	106,630
Rental Income	739,598	-	739,598
Contributions and donations	2,804	-	2,804
Other	340,456	-	340,456
Total Revenues	\$ 6,427,726	\$ 4,653,671	\$ 11,081,397
<u>EXPENDITURES</u>			
<i>Current:</i>			
General government	\$ 1,913,075	\$ 14,500	\$ 1,927,575
Security of persons and property	98,376	-	98,376
Transportation	16,240	-	16,240
Capital outlay	459,439	3,412,823	3,872,262
<i>Debt service:</i>			
Principal retirement	27,802	982,546	1,010,348
Bond issuance costs	-	42,500	42,500
Total Expenditures	\$ 2,514,932	\$ 4,452,369	\$ 6,967,301
Excess of revenues over expenditures	3,912,794	201,302	4,114,096
<u>OTHER FINANCING SOURCES/(USES)</u>			
Sale of assets	\$ 9,800	\$ -	\$ 9,800
Bond Issuance	-	6,300,000	6,300,000
Payment to refunded bond escrow agent	-	(6,256,667)	(6,256,667)
Transfers in	-	3,841,672	3,841,672
Transfers out	(2,143,684)	(565,851)	(2,709,535)
Total Other Financing Sources/(Uses)	\$ (2,133,884)	\$ 3,319,154	\$ 1,185,270
NET CHANGE IN FUND BALANCES	\$ 1,778,910	\$ 3,520,456	\$ 5,299,366
Fund Balances at Beginning of Year	4,012,680	10,493,571	14,506,251
FUND BALANCES AT END OF YEAR	\$ 5,791,590	\$ 14,014,027	\$ 19,805,617

CITY OF NEW ALBANY, OHIO

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. The term *proceeds of specific revenue sources* establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. The following are the special revenue funds which the City operates:

Street Construction, Maintenance and Repair Fund Fund

The street fund is required by the Ohio Revised Code to account for the portion of the State gasoline and motor vehicle registration fees that are restricted for the maintenance of the streets within the City.

Blacklick TIF Fund

To account for the revenues and expenditures collected and disbursed that are restricted to the Blacklick Tax Incremental Financing agreement.

Mayor's Court Computer Fund

To account for revenues collected by the courts that are restricted for computer maintenance of the courts.

Alcohol Education Fund

To account for revenues generated from fines that are restricted for alcohol related educational programs.

Village Center TIF Fund

To account for the revenues and expenditures collected and disbursed that are restricted for the Village Center Tax Incremental Financing agreement.

Windsor TIF Fund

To account for the revenues and expenditures collected and disbursed that are restricted for the Windsor Tax Incremental Financing agreement.

Law Enforcement and Education Fund

To account for grant monies received from DUI arrests that are restricted for enforcement and education and for DUI housing reimbursements pursuant to Ohio Revised Code Section 4511.191.

Safety Town Fund

To account for revenues generated from charges for services and donations collected for expenses that are restricted for Safety Town traffic safety program for children.

DUI Grant Fund

To account for the State grant monies received relating to DUI arrests that are restricted for safety programs.

Law Enforcement Assistance Fund

To account for a State grant to assist police officers in the City that are restricted for safety programs.

CITY OF NEW ALBANY, OHIO

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds - (continued)

State Highway Fund

To account for revenues generated from state highway, gasoline and motor vehicle taxes that are restricted for transportation programs.

Permissive Tax Fund

To account for revenues generated from permissive motor vehicle license taxes that are restricted for transportation programs.

K-9 Patrol Fund

To account for the revenues and expenditures collected and disbursed that are restricted for the formation of the K-9 patrol unit for the police department.

Drug Use Prevention Program Grant Fund

To account for grant monies received from the State of Ohio which is restricted to be used on preventing drug use in the City.

Wentworth Crossing TIF Fund

To account for the revenues and expenditures collected and disbursed that are restricted for the Wentworth Crossing Tax Incremental Financing agreement.

Hawksmoor TIF Fund

To account for the revenues and expenditures collected and disbursed that are restricted for the Hawksmoor Tax Incremental Financing agreement.

Enclave TIF Fund

To account for the revenues and expenditures collected and disbursed that are restricted for the Enclave Tax Incremental Financing agreement.

Saunton TIF Fund

To account for the revenues and expenditures collected and disbursed that are restricted for the Saunton Tax Incremental Financing agreement.

Richmond Square TIF Fund

To account for the revenues and expenditures collected and disbursed that are restricted the Richmond Square Tax Incremental Financing agreement.

Tidewater I TIF Fund

To account for the revenues and expenditures collected and disbursed that are restricted for the Tidewater I Tax Incremental Financing agreement.

Ealy Crossing TIF Fund

To account for the revenues and expenditures collected and disbursed that are restricted for the Ealy Crossing Tax Incremental Financing agreement.

Upper Clarenton TIF Fund

To account for the revenues and expenditures collected and disbursed that are restricted for the Upper Clarenton Tax Incremental Financing agreement.

CITY OF NEW ALBANY, OHIO

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds - (continued)

Balfour Green TIF Fund

To account for the revenues and expenditures collected and disbursed that are restricted for the Balfour Green Tax Incremental Financing agreement.

Research Tech District TIF Fund

To account for the revenues and expenditures collected and disbursed that are restricted for the Research Tech Tax Incremental Financing agreement.

Village Center II TIF Fund

To account for the revenues and expenditures collected and disbursed that are restricted for the Village Center II Tax Incremental Financing agreement.

Healthy New Albany Facilities Fund

To account for rental revenues that are committed for the upkeep of the Philip Heit Center for Healthy New Albany.

Alcohol Indigent Fund

To account for revenues generated from fines imposed by the Mayor's Court for DUI arrests that are restricted for DUI enforcement training for police officers and other traffic safety programs.

The following funds are included in the general fund (GAAP basis), but has a separate legally adopted budget (budget basis):

Severance Liability Fund

To account for the accumulation of resources that are committed for accumulated sick leave and vaction lease, upon the termination of employment of employees in the City.

Unclaimed Monies Fund

To account for resources that are unclaimed monies that have not been distributed. The fund balance of this fund is nonspendable.

CITY OF NEW ALBANY, OHIO

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Capital Projects Funds

Capital project funds are used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital project funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments. The following is a description of all capital project funds:

Capital Improvement Fund

To account for municipal income tax revenues that are committed for various capital improvement expenditures within

Bond improvement fund

To account for revenues from bond issuances that are restricted for various capital improvement expenditures within the City, including the construction of various facilities and infrastructure improvements.

Park Improvement Fund

To account for income tax revenue and other revenues that are committed for the improvement of the City's parks and recreation areas.

Water and Sanitary Sewer Improvement Fund

To account for revenues that are committed for the improvement of water and storm sewer lines within the City.

Leisure Trail Improvement Fund

To account for monies received that are committed to improve leisure trails within the City.

Capital Equipment Replacement Fund

To account for monies transfers that have been assigned to purchase new City equipment.

Oak Grove II Infrastructure Fund

To account for income tax associated with the Oak Grove II economic opportunity zone that is restricted for the infrastructure improvements.

OPWC Greensward Roundabout Fund

To account for monies that are restricted for the Greensward Roundabout project.

CITY OF NEW ALBANY, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2016

	SCM&R Fund	Blacklick TIF Fund	Mayor's Court Computer Fund	Alcohol Education Fund
<u>ASSETS</u>				
Equity in pooled cash, cash equivalents and investments	\$ 512,632	\$ 815,187	\$ 13,612	\$ 11,485
Cash with fiscal agent	-	-	-	-
<i>Receivables (net of allowances for uncollectibles):</i>				
Payment in lieu of taxes	-	1,317,068	-	-
Accounts	-	-	-	100
Accrued interest	917	1,458	-	-
Due from other governments	194,843	-	-	-
Total Assets	\$ 708,392	\$ 2,133,713	\$ 13,612	\$ 11,585
<u>LIABILITIES</u>				
Accounts payable	\$ 2,160	\$ -	\$ -	\$ -
Contracts payable	-	-	-	-
Total Liabilities	\$ 2,160	\$ -	\$ -	\$ -
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Accrued interest not available	\$ 252	\$ 401	\$ -	\$ -
Intergovernmental revenues not available	127,906	-	-	-
PILOTs levied for next fiscal year	-	1,317,068	-	-
Total Deferred Inflows of Resources	\$ 128,158	\$ 1,317,469	\$ -	\$ -
<u>FUND BALANCES:</u>				
Restricted	\$ 578,074	\$ 816,244	\$ 13,612	\$ 11,585
Committed	-	-	-	-
Total Fund Balances	\$ 578,074	\$ 816,244	\$ 13,612	\$ 11,585
Total Liabilities, Deferred Inflows of Resources & Fund Balance	\$ 708,392	\$ 2,133,713	\$ 13,612	\$ 11,585

Village Center TIF Fund	Windsor TIF Fund	Law Enforcement and Education Fund	Safety Town Fund	DUI Grant Fund	Law Enforcement Assistance Fund
\$ 142,946	\$ 1,192,297	\$ 9,679	\$ 93,011	\$ 10,545	\$ 1,200
-	-	-	-	-	-
955,954	1,555,304	-	-	-	-
-	-	-	-	-	-
256	2,132	-	-	-	-
-	111,267	-	-	920	-
\$ 1,099,156	\$ 2,861,000	\$ 9,679	\$ 93,011	\$ 11,465	\$ 1,200
\$ -	\$ 10,125	\$ 179	\$ 128	\$ -	\$ -
-	19,780	-	-	-	-
\$ -	\$ 29,905	\$ 179	\$ 128	\$ -	\$ -
\$ 71	\$ 585	\$ -	\$ -	\$ -	\$ -
-	111,267	-	-	-	-
955,954	1,555,304	-	-	-	-
\$ 956,025	\$ 1,667,156	\$ -	\$ -	\$ -	\$ -
\$ 143,131	\$ 1,163,939	\$ 9,500	\$ 92,883	\$ 11,465	\$ 1,200
-	-	-	-	-	-
\$ 143,131	\$ 1,163,939	\$ 9,500	\$ 92,883	\$ 11,465	\$ 1,200
\$ 1,099,156	\$ 2,861,000	\$ 9,679	\$ 93,011	\$ 11,465	\$ 1,200

Continued

CITY OF NEW ALBANY, OHIO

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
DECEMBER 31, 2016

	State Highway Fund	Permissive Tax Fund	K-9 Patrol Fund	Drug Use Prevention Prog Grant Fund
<u>ASSETS</u>				
Equity in pooled cash, cash equivalents and investments	\$ 65,527	\$ 143,912	\$ 75	\$ 66,315
Cash with fiscal agent	251,127	-	-	-
<i>Receivables (net of allowances for uncollectibles):</i>				
Payment in lieu of taxes	-	-	-	-
Accrued interest	116	257	-	-
Due from other governments	15,798	6,365	-	-
	\$ 332,568	\$ 150,534	\$ 75	\$ 66,315
<u>LIABILITIES</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Contracts payable	-	-	-	-
	\$ -	\$ -	\$ -	\$ -
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Accrued interest not available	\$ 32	\$ 70	\$ -	\$ -
Intergovernmental revenues not available	10,371	-	-	-
PILOTs levied for next fiscal year	-	-	-	-
Total Deferred Inflows of Resources	\$ 10,403	\$ 70	\$ -	\$ -
<u>FUND BALANCES:</u>				
Restricted	\$ 322,165	\$ 150,464	\$ 75	\$ 66,315
Committed	-	-	-	-
Total Fund Balances	\$ 322,165	\$ 150,464	\$ 75	\$ 66,315
Total Liabilities, Deferred Inflows of Resources & Fund Balance	\$ 332,568	\$ 150,534	\$ 75	\$ 66,315

Wentworth Crossing TIF Fund	Hawksmoor TIF Fund	Enclave TIF Fund	Saunton TIF Fund	Richmond Square TIF Fund	Tidewater I TIF Fund
\$ 205,755	\$ 199,818	\$ 60,395	\$ 227,216	\$ 104,525	\$ 384,792
-	-	-	-	-	-
165,582	90,052	41,908	80,116	61,746	171,866
-	-	-	-	-	-
368	357	108	406	187	688
14,449	7,918	3,143	7,101	4,914	15,744
\$ 386,154	\$ 298,145	\$ 105,554	\$ 314,839	\$ 171,372	\$ 573,090
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 101	\$ 98	\$ 30	\$ 111	\$ 51	\$ 189
14,449	7,918	3,143	7,101	4,914	15,744
165,582	90,052	41,908	80,116	61,746	171,866
\$ 180,132	\$ 98,068	\$ 45,081	\$ 87,328	\$ 66,711	\$ 187,799
\$ 206,022	\$ 200,077	\$ 60,473	\$ 227,511	\$ 104,661	\$ 385,291
-	-	-	-	-	-
\$ 206,022	\$ 200,077	\$ 60,473	\$ 227,511	\$ 104,661	\$ 385,291
\$ 386,154	\$ 298,145	\$ 105,554	\$ 314,839	\$ 171,372	\$ 573,090

Continued

CITY OF NEW ALBANY, OHIO

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
DECEMBER 31, 2016

	<u>Ealy Crossing TIF Fund</u>	<u>Upper Clarenton TIF Fund</u>	<u>Balfour Green TIF Fund</u>	<u>Research Tech District TIF Fund</u>
<u>ASSETS</u>				
Equity in pooled cash, cash equivalents and investments	\$ 349,001	\$ 191,619	\$ 67,136	\$ 328,194
Cash with fiscal agent	-	-	-	-
<i>Receivables (net of allowances for uncollectibles):</i>				
Payment in lieu of taxes	162,857	291,770	17,234	119,912
Accounts	-	-	-	-
Accrued interest	624	343	120	-
Due from other governments	13,006	25,983	1,580	-
Total Assets	\$ 525,488	\$ 509,715	\$ 86,070	\$ 448,106
<u>LIABILITIES</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Contracts payable	-	-	-	-
Total Liabilities	\$ -	\$ -	\$ -	\$ -
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Accrued interest not available	\$ 171	\$ 94	\$ 33	\$ -
Intergovernmental revenues not available	13,006	25,983	1,580	-
PILOTs levied for next fiscal year	162,857	291,770	17,234	119,912
Total Deferred Inflows of Resources	\$ 176,034	\$ 317,847	\$ 18,847	\$ 119,912
<u>FUND BALANCES:</u>				
Restricted	\$ 349,454	\$ 191,868	\$ 67,223	\$ 328,194
Committed	-	-	-	-
Total Fund Balances	\$ 349,454	\$ 191,868	\$ 67,223	\$ 328,194
Total Liabilities, Deferred Inflows of Resources & Fund Balance	\$ 525,488	\$ 509,715	\$ 86,070	\$ 448,106

Village Center II TIF Fund	Healthy New Albany Facilities Fund	Alcohol Indigent Fund	Totals
\$ -	\$ 257,609	\$ 7,490	\$ 5,461,973
-	-	-	251,127
27,383	-	-	5,058,752
-	60,682	66	60,848
-	-	-	8,337
-	-	-	423,031
\$ 27,383	\$ 318,291	\$ 7,556	\$ 11,264,068
\$ -	\$ 35,683	\$ -	\$ 48,275
-	-	-	19,780
\$ -	\$ 35,683	\$ -	\$ 68,055
\$ -	\$ -	\$ -	\$ 2,289
-	-	-	343,382
27,383	-	-	5,058,752
\$ 27,383	\$ -	\$ -	\$ 5,404,423
\$ -	\$ -	\$ 7,556	\$ 5,508,982
-	282,608	-	282,608
\$ -	\$ 282,608	\$ 7,556	\$ 5,791,590
\$ 27,383	\$ 318,291	\$ 7,556	\$ 11,264,068

CITY OF NEW ALBANY, OHIO

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

	SCM&R Fund	Blacklick TIF Fund	Mayor's Court Computer Fund	Alcohol Education Fund
<u>REVENUES</u>				
Charges for services	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	3,145	811
Intergovernmental	413,868	-	-	-
Payment in lieu of taxes	-	479,725	-	-
Investment income	5,202	4,226	-	-
Rental Income	-	-	-	-
Contributions and donations	-	-	-	-
Other	-	-	-	-
Total Revenues	\$ 419,070	\$ 483,951	\$ 3,145	\$ 811
<u>EXPENDITURES</u>				
<i>Current:</i>				
General government	\$ -	\$ 5,433	\$ 600	\$ -
Security of persons and property	-	-	-	-
Transportation	(22,602)	-	-	-
Capital outlay	415,204	44,032	-	-
<i>Debt service:</i>				
Principal retirement	-	-	-	-
Total Expenditures	\$ 392,602	\$ 49,465	\$ 600	\$ -
Excess (deficiency) of revenues over (under) expenditures	26,468	434,486	2,545	811
<u>OTHER FINANCING SOURCES/(USES)</u>				
Sale of assets	\$ -	\$ -	\$ -	\$ -
Transfer out	-	(206,090)	-	-
Total Other Financing Sources/(Uses)	-	(206,090)	-	-
NET CHANGE IN FUND BALANCES	\$ 26,468	\$ 228,396	\$ 2,545	\$ 811
Fund Balances at Beginning of Year	551,606	587,848	11,067	10,774
FUND BALANCES AT END OF YEAR	\$ 578,074	\$ 816,244	\$ 13,612	\$ 11,585

Village Center TIF Fund	Windsor TIF Fund	Law Enforcement and Education Fund	Safety Town Fund	DUI Grant Fund	Law Enforcement Assistance Fund
\$ -	\$ -	\$ -	\$ 35,788	\$ -	\$ -
-	-	-	-	-	-
267	199,276	-	-	3,706	-
794,167	1,787,169	-	-	-	-
433	5,219	-	-	-	-
-	-	-	-	-	-
-	-	-	2,804	-	-
-	-	-	125	-	-
\$ 794,867	\$ 1,991,664	\$ -	\$ 38,717	\$ 3,706	\$ -
\$ 479,146	\$ 493,981	\$ -	\$ -	\$ -	\$ -
-	-	2,629	62,961	2,786	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 479,146	\$ 493,981	\$ 2,629	\$ 62,961	\$ 2,786	\$ -
315,721	1,497,683	(2,629)	(24,244)	920	-
\$ -	\$ -	\$ 9,800	\$ -	\$ -	\$ -
(317,500)	(970,000)	-	-	-	-
(317,500)	(970,000)	9,800	-	-	-
\$ (1,779)	\$ 527,683	\$ 7,171	\$ (24,244)	\$ 920	\$ -
144,910	636,256	2,329	117,127	10,545	1,200
\$ 143,131	\$ 1,163,939	\$ 9,500	\$ 92,883	\$ 11,465	\$ 1,200

Continued

CITY OF NEW ALBANY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>State Highway Fund</u>	<u>Permissive Tax Fund</u>	<u>K-9 Patrol Fund</u>	<u>Drug Use Prevention Prog Grant Fund</u>
<u>REVENUES</u>				
Charges for services	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Intergovernmental	80,024	78,760	-	40,821
Payment in lieu of taxes	-	-	-	-
Investment income	363	720	-	-
Rental Income	-	-	-	-
Contributions and donations	-	-	-	-
Other	-	-	-	-
Total Revenues	\$ 80,387	\$ 79,480	\$ -	\$ 40,821
<u>EXPENDITURES</u>				
<i>Current:</i>				
General government	\$ -	\$ -	\$ -	\$ -
Security of persons and property	-	-	-	30,000
Transportation	18,842	20,000	-	-
Capital outlay	203	-	-	-
<i>Debt service:</i>				
Principal retirement	-	-	-	-
Total Expenditures	\$ 19,045	\$ 20,000	\$ -	\$ 30,000
Excess (deficiency) of revenues over (under) expenditures	61,342	59,480	-	10,821
<u>OTHER FINANCING SOURCES/(USES)</u>				
Sale of assets	\$ -	\$ -	\$ -	\$ -
Transfer out	-	-	-	-
Total Other Financing Sources/(Uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	\$ 61,342	\$ 59,480	\$ -	\$ 10,821
Fund Balances at Beginning of Year	260,823	90,984	75	55,494
FUND BALANCES AT END OF YEAR	\$ 322,165	\$ 150,464	\$ 75	\$ 66,315

Wentworth Crossing TIF Fund	Hawksmoor TIF Fund	Enclave TIF Fund	Saunton TIF Fund	Richmond Square TIF Fund	Tidewater I TIF Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
17,286	18,223	6,888	14,241	6,066	32,142
113,717	120,482	41,445	88,943	38,311	196,702
882	813	299	1,145	599	1,780
-	-	-	-	-	-
-	-	-	-	-	-
\$ 131,885	\$ 139,518	\$ 48,632	\$ 104,329	\$ 44,976	\$ 230,624
\$ 28,255	\$ 29,929	\$ 10,368	\$ 22,234	\$ 9,596	\$ 49,285
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 28,255	\$ 29,929	\$ 10,368	\$ 22,234	\$ 9,596	\$ 49,285
103,630	109,589	38,264	82,095	35,380	181,339
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	(28,381)	-	(16,900)	(46,037)
-	-	(28,381)	-	(16,900)	(46,037)
\$ 103,630	\$ 109,589	\$ 9,883	\$ 82,095	\$ 18,480	\$ 135,302
102,392	90,488	50,590	145,416	86,181	249,989
\$ 206,022	\$ 200,077	\$ 60,473	\$ 227,511	\$ 104,661	\$ 385,291

Continued

CITY OF NEW ALBANY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Ealy Crossing TIF Fund</u>	<u>Upper Clarenton TIF Fund</u>	<u>Balfour Green TIF Fund</u>	<u>Research Tech District TIF Fund</u>
<u>REVENUES</u>				
Charges for services	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Intergovernmental	20,926	52,119	3,170	-
Payment in lieu of taxes	140,543	314,960	19,503	119,227
Investment income	1,772	856	376	-
Rental Income	-	-	-	-
Contributions and donations	-	-	-	-
Other	-	-	-	-
Total Revenues	\$ 163,241	\$ 367,935	\$ 23,049	\$ 119,227
<u>EXPENDITURES</u>				
<i>Current:</i>				
General government	\$ 35,566	\$ 303,252	\$ 4,845	\$ 1,350
Security of persons and property	-	-	-	-
Transportation	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal retirement	-	-	-	-
Total Expenditures	\$ 35,566	\$ 303,252	\$ 4,845	\$ 1,350
Excess (deficiency) of revenues over (under) expenditures	127,675	64,683	18,204	117,877
<u>OTHER FINANCING SOURCES/(USES)</u>				
Sale of assets	\$ -	\$ -	\$ -	\$ -
Transfer out	(4,900)	(41,301)	-	-
Total Other Financing Sources/(Uses)	(4,900)	(41,301)	-	-
NET CHANGE IN FUND BALANCES	\$ 122,775	\$ 23,382	\$ 18,204	\$ 117,877
Fund Balances at Beginning of Year	226,679	168,486	49,019	210,317
FUND BALANCES AT END OF YEAR	\$ 349,454	\$ 191,868	\$ 67,223	\$ 328,194

Village Center II TIF Fund	Healthy New Albany Facilities Fund	Alcohol Indigent Fund	Totals
\$ -	\$ -	\$ -	\$ 35,788
-	-	921	4,877
-	-	-	987,783
36,841	-	-	4,291,735
-	-	-	24,685
-	739,598	-	739,598
-	-	-	2,804
-	340,331	-	340,456
\$ 36,841	\$ 1,079,929	\$ 921	\$ 6,427,726
\$ 9,039	\$ 430,196	\$ -	\$ 1,913,075
-	-	-	98,376
-	-	-	16,240
-	-	-	459,439
27,802	-	-	27,802
\$ 36,841	\$ 430,196	\$ -	\$ 2,514,932
-	649,733	921	3,912,794
\$ -	\$ -	\$ -	\$ 9,800
-	(512,575)	-	(2,143,684)
-	(512,575)	-	(2,133,884)
\$ -	\$ 137,158	\$ 921	\$ 1,778,910
-	145,450	6,635	4,012,680
\$ -	\$ 282,608	\$ 7,556	\$ 5,791,590

CITY OF NEW ALBANY, OHIO

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Intergovernmental	\$ 325,000	\$ 325,000	\$ 398,957	\$ 73,957
Investment income	3,000	3,000	6,211	3,211
Total Revenues	\$ 328,000	\$ 328,000	\$ 405,168	\$ 77,168
<u>EXPENDITURES</u>				
<u>Transportation</u>				
General operating	\$ 141,570	\$ 128,278	\$ 125,294	\$ 2,984
Capital outlay	483,614	496,906	433,465	63,441
Total Expenditures	\$ 625,184	\$ 625,184	\$ 558,759	\$ 66,425
NET CHANGE IN FUND BALANCE	\$ (297,184)	\$ (297,184)	\$ (153,591)	\$ 143,593
Fund Balance at Beginning of Year	434,247	434,247	434,247	-
Prior year encumbrances appropriated	200,184	200,184	200,184	-
FUND BALANCE AT END OF YEAR	\$ 337,247	\$ 337,247	\$ 480,840	\$ 143,593

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BLACKLICK TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Payment in lieu of taxes	\$ 475,000	\$ 475,000	\$ 479,725	\$ 4,725
Investment income	2,200	2,200	6,735	4,535
Total Revenues	\$ 477,200	\$ 477,200	\$ 486,460	\$ 9,260
<u>EXPENDITURES</u>				
General government				
General operating	\$ 5,550	\$ 5,550	\$ 5,433	\$ 117
Capital outlay	500,000	500,000	80,999	419,001
Total Expenditures	\$ 505,550	\$ 505,550	\$ 86,432	\$ 419,118
Excess (deficiency) of revenues over (under) expenditures	(28,350)	(28,350)	400,028	428,378
<u>OTHER FINANCING USES</u>				
Transfers out	\$ (206,090)	\$ (206,090)	\$ (206,090)	\$ -
Total Other Financing Uses	\$ (206,090)	\$ (206,090)	\$ (206,090)	\$ -
NET CHANGE IN FUND BALANCE	\$ (234,440)	\$ (234,440)	\$ 193,938	\$ 428,378
Fund Balance at Beginning of Year	589,115	589,115	589,115	-
FUND BALANCE AT END OF YEAR	\$ 354,675	\$ 354,675	\$ 783,053	\$ 428,378

CITY OF NEW ALBANY, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Fines and forfeitures	\$ 3,000	\$ 3,000	\$ 3,145	\$ 145
Total Revenues	\$ 3,000	\$ 3,000	\$ 3,145	\$ 145
<u>EXPENDITURES</u>				
<u>General government</u>				
Contractual services	\$ 5,000	\$ 5,000	\$ 1,200	\$ 3,800
Total Expenditures	\$ 5,000	\$ 5,000	\$ 1,200	\$ 3,800
NET CHANGE IN FUND BALANCE	\$ (2,000)	\$ (2,000)	\$ 1,945	\$ 3,945
Fund Balance at Beginning of Year	11,067	11,067	11,067	-
FUND BALANCE AT END OF YEAR	\$ 9,067	\$ 9,067	\$ 13,012	\$ 3,945

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ALCOHOL EDUCATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Fines and forfeitures	\$ 650	\$ 650	\$ 711	\$ 61
Total Revenues	\$ 650	\$ 650	\$ 711	\$ 61
<u>EXPENDITURES</u>				
<u>Security of persons and property</u>				
Contractual services	\$ 2,500	\$ 2,500	\$ -	\$ 2,500
General operating	2,500	2,500	-	2,500
Total Expenditures	\$ 5,000	\$ 5,000	\$ -	\$ 5,000
NET CHANGE IN FUND BALANCE	\$ (4,350)	\$ (4,350)	\$ 711	\$ 5,061
Fund Balance at Beginning of Year	10,774	10,774	10,774	-
FUND BALANCE AT END OF YEAR	\$ 6,424	\$ 6,424	\$ 11,485	\$ 5,061

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
VILLAGE CENTER TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental	\$ 5,500	\$ 8,538	\$ 267	\$ (8,271)
Payment in lieu of taxes	810,000	810,000	794,167	(15,833)
Investment income	4,000	4,000	790	(3,210)
Total Revenues	\$ 819,500	\$ 822,538	\$ 795,224	\$ (27,314)
<u>EXPENDITURES</u>				
<u>General government</u>				
General operating	\$ 490,000	\$ 502,000	\$ 479,146	\$ 22,854
Contractual services	12,000	-	-	-
Total Expenditures	\$ 502,000	\$ 502,000	\$ 479,146	\$ 22,854
Excess of revenues over expenditures	317,500	320,538	316,078	(4,460)
<u>OTHER FINANCING USES</u>				
Transfers out	\$ (317,500)	\$ (317,500)	\$ (317,500)	\$ -
Total Other Financing Uses	\$ (317,500)	\$ (317,500)	\$ (317,500)	\$ -
NET CHANGE IN FUND BALANCE	\$ -	\$ 3,038	\$ (1,422)	\$ (4,460)
Fund Balance at Beginning of Year	145,215	145,215	145,215	-
FUND BALANCE AT END OF YEAR	\$ 145,215	\$ 148,253	\$ 143,793	\$ (4,460)

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WINDSOR TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Intergovernmental	\$ 70,000	\$ 158,458	\$ 199,276	\$ 40,818
Payment in lieu of taxes	1,435,000	1,435,000	1,787,169	352,169
Investment income	5,000	5,000	9,559	4,559
Total Revenues	\$ 1,510,000	\$ 1,598,458	\$ 1,996,004	\$ 397,546
<u>EXPENDITURES</u>				
<u>General government</u>				
Contractual services	\$ 522,500	\$ 433,424	\$ 433,424	\$ -
General operating	350,000	439,076	439,076	-
Total Expenditures	\$ 872,500	\$ 872,500	\$ 872,500	\$ -
Excess of revenues over expenditures	637,500	725,958	1,123,504	397,546
<u>OTHER FINANCING USES</u>				
Transfers out	\$ (970,000)	\$ (970,000)	\$ (970,000)	\$ -
Total Other Financing Uses	\$ (970,000)	\$ (970,000)	\$ (970,000)	\$ -
NET CHANGE IN FUND BALANCE	\$ (332,500)	\$ (244,042)	\$ 153,504	\$ 397,546
Fund Balance at Beginning of Year	637,437	637,437	637,437	-
FUND BALANCE AT END OF YEAR	\$ 304,937	\$ 393,395	\$ 790,941	\$ 397,546

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LAW ENFORCEMENT AND EDUCATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 500	\$ 500	\$ -	\$ (500)
Total Revenues	\$ 500	\$ 500	\$ -	\$ (500)
EXPENDITURES				
<u>Security of persons and property</u>				
Contractual services	\$ 500	\$ -	\$ -	\$ -
General operating	600	2,450	2,450	-
Total Expenditures	\$ 1,100	\$ 2,450	\$ 2,450	\$ -
Excess of expenditures over revenues	(600)	(1,950)	(2,450)	(500)
OTHER FINANCING SOURCES				
Sale of assets	\$ -	\$ 1,950	\$ 9,800	\$ 7,850
Total Other Financing Sources	\$ -	\$ 1,950	\$ 9,800	\$ 7,850
NET CHANGE IN FUND BALANCE	\$ (600)	\$ -	\$ 7,350	\$ 7,350
Fund Balance at Beginning of Year	2,329	2,329	2,329	-
FUND BALANCE AT END OF YEAR	\$ 1,729	\$ 2,329	\$ 9,679	\$ 7,350

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SAFETY TOWN FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Charges for services	\$ 45,000	\$ 45,000	\$ 35,788	\$ (9,212)
Donations	25,000	25,000	2,804	(22,196)
Other	-	-	125	125
Total Revenues	\$ 70,000	\$ 70,000	\$ 38,717	\$ (31,283)
<u>EXPENDITURES</u>				
<u>Security of persons and property</u>				
Contractual services	\$ 10,000	\$ 10,000	\$ 4,935	\$ 5,065
General operating	32,706	32,706	14,074	18,632
Capital outlay	50,000	50,000	44,388	5,612
Total Expenditures	\$ 92,706	\$ 92,706	\$ 63,397	\$ 29,309
NET CHANGE IN FUND BALANCE	\$ (22,706)	\$ (22,706)	\$ (24,680)	\$ (1,974)
Fund Balance at Beginning of Year	115,955	115,955	115,955	-
Prior year encumbrances appropriated	1,206	1,206	1,206	-
FUND BALANCE AT END OF YEAR	\$ 94,455	\$ 94,455	\$ 92,481	\$ (1,974)

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DUI GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental	\$ 5,500	\$ 5,500	\$ 2,786	\$ (2,714)
Total Revenues	\$ 5,500	\$ 5,500	\$ 2,786	\$ (2,714)
<u>EXPENDITURES</u>				
Security of persons and property				
Salary and related	\$ 10,000	\$ 10,000	\$ 2,786	\$ 7,214
Total Expenditures	\$ 10,000	\$ 10,000	\$ 2,786	\$ 7,214
NET CHANGE IN FUND BALANCE	\$ (4,500)	\$ (4,500)	\$ -	\$ 4,500
Fund Balance at Beginning of Year	10,545	10,545	10,545	-
FUND BALANCE AT END OF YEAR	\$ 6,045	\$ 6,045	\$ 10,545	\$ 4,500

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LAW ENFORCEMENT ASSISTANCE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>EXPENDITURES</u>				
Security of persons and property				
Salary and related	\$ 1,000	\$ 1,000	\$ -	\$ 1,000
Total Expenditures	\$ 1,000	\$ 1,000	\$ -	\$ 1,000
NET CHANGE IN FUND BALANCE	\$ (1,000)	\$ (1,000)	\$ -	\$ 1,000
Fund Balance at Beginning of Year	1,200	1,200	1,200	-
FUND BALANCE AT END OF YEAR	\$ 200	\$ 200	\$ 1,200	\$ 1,000

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STATE HIGHWAY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Intergovernmental	\$ 26,750	\$ 26,750	\$ 32,348	\$ 5,598
Investment income	625	625	554	(71)
Total Revenues	\$ 27,375	\$ 27,375	\$ 32,902	\$ 5,527
<u>EXPENDITURES</u>				
<u>Transportation</u>				
General operating	\$ 70,000	\$ 20,000	\$ 19,497	\$ 503
Capital outlay	40,054	40,054	203	39,851
Total Expenditures	\$ 110,054	\$ 60,054	\$ 19,700	\$ 40,354
NET CHANGE IN FUND BALANCE	\$ (82,679)	\$ (32,679)	\$ 13,202	\$ 45,881
Fund Balance at Beginning of Year	36,616	36,616	36,616	-
Prior year encumbrances appropriated	15,054	15,054	15,054	-
FUND BALANCE AT END OF YEAR	\$ (31,009)	\$ 18,991	\$ 64,872	\$ 45,881

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PERMISSIVE TAX FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Intergovernmental	\$ 65,000	\$ 65,000	\$ 78,686	\$ 13,686
Investment income	500	500	1,203	703
Total Revenues	\$ 65,500	\$ 65,500	\$ 79,889	\$ 14,389
<u>EXPENDITURES</u>				
<u>Transportation</u>				
General operating	\$ 50,000	\$ 50,000	\$ 50,000	\$ -
Capital outlay	30,000	30,000	-	30,000
Total Expenditures	\$ 80,000	\$ 80,000	\$ 50,000	\$ 30,000
NET CHANGE IN FUND BALANCE	\$ (14,500)	\$ (14,500)	\$ 29,889	\$ 44,389
Fund Balance at Beginning of Year	84,876	84,876	84,876	-
FUND BALANCE AT END OF YEAR	\$ 70,376	\$ 70,376	\$ 114,765	\$ 44,389

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

K-9 PATROL FUND

FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund Balance at Beginning of Year	\$ 75	\$ 75	\$ 75	\$ -
FUND BALANCE AT END OF YEAR	\$ 75	\$ 75	\$ 75	\$ -

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DRUG USE PREVENTION PROGRAM GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Intergovernmental	\$ 10,000	\$ 10,000	\$ 40,821	\$ 30,821
Total Revenues	\$ 10,000	\$ 10,000	\$ 40,821	\$ 30,821
<u>EXPENDITURES</u>				
Security of persons and property				
Salary and related	\$ 30,000	\$ 30,000	\$ 30,000	\$ -
Total Expenditures	\$ 30,000	\$ 30,000	\$ 30,000	\$ -
NET CHANGE IN FUND BALANCE	\$ (20,000)	\$ (20,000)	\$ 10,821	\$ 30,821
Fund Balance at Beginning of Year	55,494	55,494	55,494	-
FUND BALANCE AT END OF YEAR	\$ 35,494	\$ 35,494	\$ 66,315	\$ 30,821

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WENTWORTH CROSSING TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Intergovernmental	\$ -	\$ 5,368	\$ 17,286	\$ 11,918
Payment in lieu of taxes	70,000	70,000	113,717	43,717
Investment income	275	275	1,626	1,351
Total Revenues	\$ 70,275	\$ 75,643	\$ 132,629	\$ 56,986
<u>EXPENDITURES</u>				
<u>General government</u>				
Contractual services	\$ 108,300	\$ 93,451	\$ 93,451	\$ -
General operating	13,500	34,804	28,255	6,549
Total Expenditures	\$ 121,800	\$ 128,255	\$ 121,706	\$ 6,549
NET CHANGE IN FUND BALANCE	\$ (51,525)	\$ (52,612)	\$ 10,923	\$ 63,535
Fund Balance at Beginning of Year	102,601	102,601	102,601	-
FUND BALANCE AT END OF YEAR	\$ 51,076	\$ 49,989	\$ 113,524	\$ 63,535

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
HAWKSMOOR TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Intergovernmental	\$ -	\$ 5,774	\$ 18,223	\$ 12,449
Payment in lieu of taxes	80,000	80,000	120,482	40,482
Investment income	200	200	1,556	1,356
Total Revenues	\$ 80,200	\$ 85,974	\$ 140,261	\$ 54,287
<u>EXPENDITURES</u>				
<u>General government</u>				
Contractual services	\$ 118,650	\$ 98,917	\$ 98,917	\$ -
General operating	17,000	36,733	29,929	6,804
Total Expenditures	\$ 135,650	\$ 135,650	\$ 128,846	\$ 6,804
NET CHANGE IN FUND BALANCE	\$ (55,450)	\$ (49,676)	\$ 11,415	\$ 61,091
Fund Balance at Beginning of Year	90,671	90,671	90,671	-
FUND BALANCE AT END OF YEAR	\$ 35,221	\$ 40,995	\$ 102,086	\$ 61,091

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ENCLAVE TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental	\$ -	\$ 2,731	\$ 6,888	\$ 4,157
Payment in lieu of taxes	37,500	37,500	41,445	3,945
Investment income	135	135	476	341
Total Revenues	\$ 37,635	\$ 40,366	\$ 48,809	\$ 8,443
<u>EXPENDITURES</u>				
<u>General government</u>				
Contractual services	\$ 29,500	\$ 25,000	\$ 25,000	\$ -
General operating	10,500	15,000	10,368	4,632
Total Expenditures	\$ 40,000	\$ 40,000	\$ 35,368	\$ 4,632
Excess (deficiency) of revenues over (under) expenditures	(2,365)	366	13,441	13,075
<u>OTHER FINANCING USES</u>				
Transfers out	\$ (38,381)	\$ (28,381)	\$ (28,381)	\$ -
Total Other Financing Uses	\$ (38,381)	\$ (28,381)	\$ (28,381)	\$ -
NET CHANGE IN FUND BALANCE	\$ (40,746)	\$ (28,015)	\$ (14,940)	\$ 13,075
Fund Balance at Beginning of Year	50,693	50,693	50,693	-
FUND BALANCE AT END OF YEAR	\$ 9,947	\$ 22,678	\$ 35,753	\$ 13,075

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SAUNTON TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Intergovernmental	\$ -	\$ 6,265	\$ 14,241	\$ 7,976
Payment in lieu of taxes	85,000	85,000	88,943	3,943
Investment income	450	450	1,897	1,447
Total Revenues	\$ 85,450	\$ 91,715	\$ 105,081	\$ 13,366
<u>EXPENDITURES</u>				
<u>General government</u>				
Contractual services	\$ 130,100	\$ 119,312	\$ 119,312	\$ -
General operating	20,000	30,788	22,234	8,554
Total Expenditures	\$ 150,100	\$ 150,100	\$ 141,546	\$ 8,554
NET CHANGE IN FUND BALANCE	\$ (64,650)	\$ (58,385)	\$ (36,465)	\$ 21,920
Fund Balance at Beginning of Year	145,716	145,716	145,716	-
FUND BALANCE AT END OF YEAR	\$ 81,066	\$ 87,331	\$ 109,251	\$ 21,920

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
RICHMOND SQUARE TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental	\$ -	\$ 2,840	\$ 6,066	\$ 3,226
Payment in lieu of taxes	41,500	41,500	38,311	(3,189)
Investment income	300	300	903	603
Total Revenues	\$ 41,800	\$ 44,640	\$ 45,280	\$ 640
<u>EXPENDITURES</u>				
<u>General government</u>				
Contractual services	\$ 80,000	\$ 75,000	\$ 75,000	\$ -
General operating	9,000	14,000	9,596	4,404
Total Expenditures	\$ 89,000	\$ 89,000	\$ 84,596	\$ 4,404
Excess of expenditures over revenues	(47,200)	(44,360)	(39,316)	5,044
<u>OTHER FINANCING USES</u>				
Transfers out	\$ (16,900)	\$ (16,900)	\$ (16,900)	\$ -
Total Other Financing Uses	\$ (16,900)	\$ (16,900)	\$ (16,900)	\$ -
NET CHANGE IN FUND BALANCE	\$ (64,100)	\$ (61,260)	\$ (56,216)	\$ 5,044
Fund Balance at Beginning of Year	86,361	86,361	86,361	-
FUND BALANCE AT END OF YEAR	\$ 22,261	\$ 25,101	\$ 30,145	\$ 5,044

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TIDEWATER I TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Intergovernmental	\$ -	\$ 14,105	\$ 32,142	\$ 18,037
Payment in lieu of taxes	200,000	200,000	196,702	(3,298)
Investment income	625	625	3,054	2,429
Total Revenues	\$ 200,625	\$ 214,730	\$ 231,898	\$ 17,168
<u>EXPENDITURES</u>				
<u>General government</u>				
Contractual services	\$ 277,500	\$ 246,782	\$ 246,782	\$ -
General operating	42,500	73,218	49,285	23,933
Total Expenditures	\$ 320,000	\$ 320,000	\$ 296,067	\$ 23,933
Excess of expenditures over revenues	(119,375)	(105,270)	(64,169)	41,101
<u>OTHER FINANCING USES</u>				
Transfers out	\$ (46,037)	\$ (46,037)	\$ (46,037)	\$ -
Total Other Financing Uses	\$ (46,037)	\$ (46,037)	\$ (46,037)	\$ -
NET CHANGE IN FUND BALANCE	\$ (165,412)	\$ (151,307)	\$ (110,206)	\$ 41,101
Fund Balance at Beginning of Year	250,497	250,497	250,497	-
FUND BALANCE AT END OF YEAR	\$ 85,085	\$ 99,190	\$ 140,291	\$ 41,101

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EALY CROSSING TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Intergovernmental	\$ -	\$ 8,965	\$ 20,926	\$ 11,961
Payment in lieu of taxes	120,000	120,000	140,543	20,543
Investment income	725	725	2,918	2,193
Total Revenues	\$ 120,725	\$ 129,690	\$ 164,387	\$ 34,697
<u>EXPENDITURES</u>				
<u>General government</u>				
Contractual services	\$ 214,450	\$ 192,444	\$ 192,444	\$ -
General operating	25,000	47,006	35,566	11,440
Total Expenditures	\$ 239,450	\$ 239,450	\$ 228,010	\$ 11,440
Excess of expenditures over revenues	(118,725)	(109,760)	(63,623)	46,137
<u>OTHER FINANCING USES</u>				
Transfers out	\$ (4,900)	\$ (4,900)	\$ (4,900)	\$ -
Total Other Financing Uses	\$ (4,900)	\$ (4,900)	\$ (4,900)	\$ -
NET CHANGE IN FUND BALANCE	\$ (123,625)	\$ (114,660)	\$ (68,523)	\$ 46,137
Fund Balance at Beginning of Year	227,149	227,149	227,149	-
FUND BALANCE AT END OF YEAR	\$ 103,524	\$ 112,489	\$ 158,626	\$ 46,137

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
UPPER CLARENTON TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental	\$ -	\$ 1,552	\$ 52,119	\$ 50,567
Payment in lieu of taxes	325,000	325,000	314,960	(10,040)
Investment income	775	775	1,434	659
Total Revenues	\$ 325,775	\$ 327,327	\$ 368,513	\$ 41,186
<u>EXPENDITURES</u>				
<u>General government</u>				
Contractual services	\$ 267,500	\$ 225,000	\$ 225,000	\$ -
General operating	75,000	117,500	78,252	39,248
Total Expenditures	\$ 342,500	\$ 342,500	\$ 303,252	\$ 39,248
Excess (deficiency) of revenues over (under) expenditures	<u>(16,725)</u>	<u>(15,173)</u>	<u>65,261</u>	<u>80,434</u>
<u>OTHER FINANCING USES</u>				
Transfers out	\$ (41,301)	\$ (41,301)	\$ (41,301)	\$ -
Total Other Financing Uses	\$ (41,301)	\$ (41,301)	\$ (41,301)	\$ -
NET CHANGE IN FUND BALANCE	\$ (58,026)	\$ (56,474)	\$ 23,960	\$ 80,434
Fund Balance at Beginning of Year	168,795	168,795	168,795	-
FUND BALANCE AT END OF YEAR	\$ 110,769	\$ 112,321	\$ 192,755	\$ 80,434

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BALFOUR GREEN TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Intergovernmental	\$ -	\$ 25,511	\$ 3,170	\$ (22,341)
Payment in lieu of taxes	20,000	20,000	19,503	(497)
Investment income	175	175	584	409
Total Revenues	\$ 20,175	\$ 45,686	\$ 23,257	\$ (22,429)
<u>EXPENDITURES</u>				
<u>General government</u>				
Contractual services	\$ 52,200	\$ 49,704	\$ 13,970	\$ 35,734
General operating	4,250	6,746	4,845	1,901
Total Expenditures	\$ 56,450	\$ 56,450	\$ 18,815	\$ 37,635
NET CHANGE IN FUND BALANCE	\$ (36,275)	\$ (10,764)	\$ 4,442	\$ 15,206
Fund Balance at Beginning of Year	49,122	49,122	49,122	-
FUND BALANCE AT END OF YEAR	\$ 12,847	\$ 38,358	\$ 53,564	\$ 15,206

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
RESEARCH TECH DISTRICT TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Payment in lieu of taxes	\$ 100,000	\$ 100,000	\$ 119,227	\$ 19,227
Total Revenues	\$ 100,000	\$ 100,000	\$ 119,227	\$ 19,227
<u>EXPENDITURES</u>				
<u>General government</u>				
Contractual services	\$ 2,500	\$ 2,500	\$ 1,350	\$ 1,150
Total Expenditures	\$ 2,500	\$ 2,500	\$ 1,350	\$ 1,150
NET CHANGE IN FUND BALANCE	\$ 97,500	\$ 97,500	\$ 117,877	\$ 20,377
Fund Balance at Beginning of Year	210,317	210,317	210,317	-
FUND BALANCE AT END OF YEAR	\$ 307,817	\$ 307,817	\$ 328,194	\$ 20,377

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
VILLAGE CENTER II TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Payment in lieu of taxes	\$ 65,000	\$ 36,841	\$ 36,841	\$ -
Total Revenues	\$ 65,000	\$ 36,841	\$ 36,841	\$ -
<u>EXPENDITURES</u>				
<u>General government</u>				
General operating	\$ 65,000	\$ 36,841	\$ 36,841	\$ -
Total Expenditures	\$ 65,000	\$ 36,841	\$ 36,841	\$ -
NET CHANGE IN FUND BALANCE	\$ -	\$ -	\$ -	\$ -
Fund Balance at Beginning of Year	-	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -	\$ -

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
HEALTHY NEW ALBANY FACILITIES FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Rental income	\$ 862,575	\$ 869,575	\$ 707,392	\$ (162,183)
Other	-	-	311,855	311,855
Total Revenues	\$ 862,575	\$ 869,575	\$ 1,019,247	\$ 149,672
<u>EXPENDITURES</u>				
General government				
General operating	\$ 374,448	\$ 444,252	\$ 444,046	\$ 206
Total Expenditures	\$ 374,448	\$ 444,252	\$ 444,046	\$ 206
Excess of revenues over expenditures	488,127	425,323	575,201	149,878
<u>OTHER FINANCING USES</u>				
Transfers out	\$ (512,575)	\$ (512,575)	\$ (512,575)	\$ -
Total Other Financing Uses	\$ (512,575)	\$ (512,575)	\$ (512,575)	\$ -
NET CHANGE IN FUND BALANCE	\$ (24,448)	\$ (87,252)	\$ 62,626	\$ 149,878
Fund Balance at Beginning of Year	131,537	131,537	131,537	-
Prior year encumbrances appropriated	24,448	24,448	24,448	-
FUND BALANCE AT END OF YEAR	\$ 131,537	\$ 68,733	\$ 218,611	\$ 149,878

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ALCOHOL INDIGENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Fines and forfeitures	\$ -	\$ -	\$ 855	\$ 855
Total Revenues	\$ -	\$ -	\$ 855	\$ 855
Expenditures:				
<u>Security of persons and property</u>				
Contractual services	\$ 6,000	\$ 6,000	\$ -	\$ 6,000
Total Expenditures	\$ 6,000	\$ 6,000	\$ -	\$ 6,000
NET CHANGE IN FUND BALANCE	\$ (6,000)	\$ (6,000)	\$ 855	\$ 6,855
Fund Balance at Beginning of Year	6,635	6,635	6,635	-
FUND BALANCE AT END OF YEAR	\$ 635	\$ 635	\$ 7,490	\$ 6,855

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEVERANCE LIABILITY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>EXPENDITURES</u>				
General government				
General operating	\$ 300,000	\$ 300,000	\$ 98,982	\$ 201,018
Total Expenditures	\$ 300,000	\$ 300,000	\$ 98,982	\$ 201,018
Excess of expenditures over revenues	<u>(300,000)</u>	<u>(300,000)</u>	<u>(98,982)</u>	<u>201,018</u>
<u>OTHER FINANCING SOURCES</u>				
Transfers in	\$ 100,000	\$ 100,000	\$ 350,000	\$ 250,000
Total Other Financing Uses	\$ 100,000	\$ 100,000	\$ 350,000	\$ 250,000
NET CHANGE IN FUND BALANCE	\$ (200,000)	\$ (200,000)	\$ 251,018	\$ 451,018
Fund Balance at Beginning of Year	681,500	681,500	681,500	-
FUND BALANCE AT END OF YEAR	\$ 481,500	\$ 481,500	\$ 932,518	\$ 451,018

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
UNCLAIMED MONIES FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund Balance at Beginning of Year	\$ 1,783	\$ 1,783	\$ 1,783	\$ -
FUND BALANCE AT END OF YEAR	\$ 1,783	\$ 1,783	\$ 1,783	\$ -



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CITY OF NEW ALBANY, OHIO
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2016

	Capital Improvement Fund	Bond Improvement Fund	Park Improvement Fund	Water and Sanitary Sewer Improvement Fund
<u>ASSETS</u>				
Equity in pooled cash, cash equivalents and investments	\$ 5,259,725	\$ 133	\$ 1,257,956	\$ 4,114,486
<i>Receivables (net of allowances for uncollectibles):</i>				
Income taxes	501,580	-	108,831	-
Accrued interest	9,406	-	2,250	7,358
Total Assets	\$ 5,770,711	\$ 133	\$ 1,369,037	\$ 4,121,844
<u>LIABILITIES</u>				
Contracts payable	\$ 240,540	\$ -	\$ -	\$ 343,990
Retainage payable	129,238	-	-	-
Total Liabilities	\$ 369,778	\$ -	\$ -	\$ 343,990
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Accrued interest not available	\$ 2,583	\$ -	\$ 618	\$ 2,021
Income tax revenue not available	203,613	-	44,179	-
Total Deferred Inflows of Resources	\$ 206,196	\$ -	\$ 44,797	\$ 2,021
<u>FUND BALANCES</u>				
Restricted	\$ -	\$ 133	\$ -	\$ -
Committed	5,194,737	-	1,324,240	3,775,833
Assigned	-	-	-	-
Total Fund Balances	\$ 5,194,737	\$ 133	\$ 1,324,240	\$ 3,775,833
Total Liabilities, Deferred Inflows of Resources & Fund Balance	\$ 5,770,711	\$ 133	\$ 1,369,037	\$ 4,121,844

Leisure Trail Improvement Fund	Capital Equipment Replacement Fund	Oak Grove II Infrastructure Fund	Total
\$ 262,808	\$ 2,231,841	\$ 1,178,672	\$ 14,305,621
-	-	224,728	835,139
470	3,991	-	23,475
\$ 263,278	\$ 2,235,832	\$ 1,403,400	\$ 15,164,235
\$ -	\$ 90,974	\$ -	\$ 675,504
-	-	-	129,238
\$ -	\$ 90,974	\$ -	\$ 804,742
\$ 129	\$ 1,096	\$ -	\$ 6,447
-	-	91,227	339,019
\$ 129	\$ 1,096	\$ 91,227	\$ 345,466
\$ -	\$ -	\$ 1,312,173	\$ 1,312,306
263,149	-	-	10,557,959
-	2,143,762	-	2,143,762
\$ 263,149	\$ 2,143,762	\$ 1,312,173	\$ 14,014,027
\$ 263,278	\$ 2,235,832	\$ 1,403,400	\$ 15,164,235

CITY OF NEW ALBANY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Capital Improvement Fund</u>	<u>Bond Improvement Fund</u>	<u>Park Improvement Fund</u>	<u>Water and Sanitary Sewer Improvement Fund</u>
<u>REVENUES</u>				
Income taxes	\$ 1,801,346	\$ -	\$ 362,647	\$ -
Charges for services	-	-	-	416,626
Licenses and permits	26,445	-	8,550	-
Intergovernmental	1,048,541	-	-	-
Investment income	34,255	417	5,038	30,694
Total Revenues	\$ 2,910,587	\$ 417	\$ 376,235	\$ 447,320
<u>EXPENDITURES</u>				
<i>Current:</i>				
General government	\$ -	\$ -	\$ -	\$ -
Capital outlay	1,666,648	-	11,002	685,630
<i>Debt service:</i>				
Principal retirement	982,546	-	-	-
Bond issuance costs	-	42,500	-	-
Total Expenditures	\$ 2,649,194	\$ 42,500	\$ 11,002	\$ 685,630
Excess (deficiency) of revenues over (under) expenditures	\$ 261,393	\$ (42,083)	\$ 365,233	\$ (238,310)
<u>OTHER FINANCING SOURCES/(USES)</u>				
Bonds issued	\$ -	\$ 6,300,000	\$ -	\$ -
Payment to refunded bond escrow agent	-	(6,256,667)	-	-
Transfers in	2,000,000	-	473,612	-
Transfers out	-	(143,234)	-	(225,512)
Total Other Financing Sources/(Uses)	\$ 2,000,000	\$ (99,901)	\$ 473,612	\$ (225,512)
NET CHANGE IN FUND BALANCES	\$ 2,261,393	\$ (141,984)	\$ 838,845	\$ (463,822)
Fund balances at beginning of year	2,933,344	142,117	485,395	4,239,655
FUND BALANCES AT END OF YEAR	\$ 5,194,737	\$ 133	\$ 1,324,240	\$ 3,775,833

Leisure Trail Improvement Fund	Capital Equipment Replacement Fund	Oak Grove II Infrastructure Fund	Total
\$ -	\$ -	\$ 884,211	\$ 3,048,204
23,360	-	-	439,986
-	-	-	34,995
-	-	-	1,048,541
1,763	9,778	-	81,945
\$ 25,123	\$ 9,778	\$ 884,211	\$ 4,653,671
\$ -	\$ -	\$ 14,500	\$ 14,500
3,500	1,046,043	-	3,412,823
-	-	-	982,546
-	-	-	42,500
\$ 3,500	\$ 1,046,043	\$ 14,500	\$ 4,452,369
\$ 21,623	\$ (1,036,265)	\$ 869,711	\$ 201,302
\$ -	\$ -	\$ -	\$ 6,300,000
-	-	-	(6,256,667)
-	1,368,060	-	3,841,672
-	-	(197,105)	(565,851)
\$ -	\$ 1,368,060	\$ (197,105)	\$ 3,319,154
\$ 21,623	\$ 331,795	\$ 672,606	\$ 3,520,456
241,526	1,811,967	639,567	10,493,571
\$ 263,149	\$ 2,143,762	\$ 1,312,173	\$ 14,014,027

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Income taxes	\$ 2,385,000	\$ 1,536,342	\$ 1,767,255	\$ 230,913
Licenses and permits	35,000	35,000	26,445	(8,555)
Intergovernmental	-	3,819,458	1,171,388	(2,648,070)
Investment income	25,000	25,000	48,464	23,464
Total Revenues	\$ 2,445,000	\$ 5,415,800	\$ 3,013,552	\$ (2,402,248)
EXPENDITURES				
General Government				
General operating	\$ 180,000	\$ 60,000	\$ 41,611	\$ 18,389
Capital outlay	5,307,420	5,272,101	2,668,734	2,603,367
Total General Government	\$ 5,487,420	\$ 5,332,101	\$ 2,710,345	\$ 2,621,756
<i>Debt service:</i>				
Principal retirement	-	1,952,000	982,546	969,454
Total Expenditures	\$ 5,487,420	\$ 7,284,101	\$ 3,692,891	\$ 3,591,210
Excess of expenditures over revenues	(3,042,420)	(1,868,301)	(679,339)	1,188,962
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ 2,000,000	\$ 2,000,000	\$ -
Transfers out	-	(439,120)	-	439,120
Total Other Financing Sources (Uses)	\$ -	\$ 1,560,880	\$ 2,000,000	\$ 439,120
NET CHANGE IN FUND BALANCE	\$ (3,042,420)	\$ (307,421)	\$ 1,320,661	\$ 1,628,082
Fund Balance at Beginning of Year	2,519,701	2,519,701	2,519,701	-
Prior year encumbrances appropriated	307,420	307,420	307,420	-
FUND BALANCE (DEFICIT) AT END OF YEAR	\$ (215,299)	\$ 2,519,700	\$ 4,147,782	\$ 1,628,082

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

BOND IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES				
<u>General Government</u>				
Capital outlay	\$ -	\$ 51,795	\$ 51,795	\$ -
Total General Government	\$ -	\$ 51,795	\$ 51,795	\$ -
Total Expenditures	\$ -	\$ 51,795	\$ 51,795	\$ -
Excess of expenditures over revenues	-	(51,795)	(51,795)	-
OTHER FINANCING SOURCES/(USES)				
Bond proceeds	\$ -	\$ 6,300,000	\$ 6,300,000	\$ -
Payment to refunded bond escrow agent	-	(6,299,167)	(6,299,167)	-
Transfer out	-	(143,235)	(143,234)	1
Total Other Financing Sources/(Uses)	\$ -	\$ (142,402)	\$ (142,401)	\$ 1
NET CHANGE IN FUND BALANCE	\$ -	\$ (194,197)	\$ (194,196)	\$ 1
Fund Balance at Beginning of Year	194,330	194,330	194,330	-
FUND BALANCE AT END OF YEAR	\$ 194,330	\$ 133	\$ 134	\$ 1

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

PARK IMPROVEMENT FUND

FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Income taxes	\$ 450,000	\$ 450,000	\$ 353,451	\$ (96,549)
Licenses and permits	25,000	25,000	8,550	(16,450)
Investment income	3,000	3,000	9,122	6,122
Total Revenues	\$ 478,000	\$ 478,000	\$ 371,123	\$ (106,877)
<u>EXPENDITURES</u>				
<u>General Government</u>				
General operating	\$ 6,500	\$ 11,000	\$ 8,322	\$ 2,678
Capital outlay	1,050,000	1,050,000	10,000	1,040,000
Total Expenditures	\$ 1,056,500	\$ 1,061,000	\$ 18,322	\$ 1,042,678
Excess (deficiency) of revenues over (under) expenditures	(578,500)	(583,000)	352,801	935,801
<u>OTHER FINANCING USES</u>				
Transfers in	\$ -	\$ 473,612	\$ 473,612	\$ -
Total Other Financing Uses	\$ -	\$ 473,612	\$ 473,612	\$ -
NET CHANGE IN FUND BALANCE	\$ (578,500)	\$ (109,388)	\$ 826,413	\$ 935,801
Fund Balance at Beginning of Year (Restated)	431,681	431,681	431,681	-
FUND BALANCE AT END OF YEAR	\$ (146,819)	\$ 322,293	\$ 1,258,094	\$ 935,801

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WATER AND SANITARY SEWER IMPROVEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for services	\$ 475,000	\$ 475,000	\$ 416,626	\$ (58,374)
Investment income	19,000	19,000	40,464	21,464
Total Revenues	\$ 494,000	\$ 494,000	\$ 457,090	\$ (36,910)
<u>EXPENDITURES</u>				
General operating	\$ -	\$ 18,808	\$ 18,808	\$ -
Capital outlay	1,362,563	1,343,755	1,012,217	331,538
Total Expenditures	\$ 1,362,563	\$ 1,362,563	\$ 1,031,025	\$ 331,538
Excess of expenditures over revenues	<u>(868,563)</u>	<u>(868,563)</u>	<u>(573,935)</u>	<u>294,628</u>
<u>OTHER FINANCING USES</u>				
Transfers out	\$ (225,512)	\$ (225,512)	\$ (225,512)	\$ -
Total Other Financing Uses	\$ (225,512)	\$ (225,512)	\$ (225,512)	\$ -
NET CHANGE IN FUND BALANCE	\$ (1,094,075)	\$ (1,094,075)	\$ (799,447)	\$ 294,628
Fund Balance at Beginning of Year	3,479,398	3,479,398	3,479,398	-
Prior year encumbrances appropriated	837,563	837,563	837,563	-
FUND BALANCE AT END OF YEAR	\$ 3,222,886	\$ 3,222,886	\$ 3,517,514	\$ 294,628

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LEISURE TRAIL IMPROVEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Charges for services	\$ 30,000	\$ 30,000	\$ 23,360	\$ (6,640)
Investment income	1,100	1,100	2,459	1,359
Total Revenues	\$ 31,100	\$ 31,100	\$ 25,819	\$ (5,281)
<u>EXPENDITURES</u>				
<u>General Government</u>				
Capital outlay	\$ 100,000	\$ 100,000	\$ 4,100	\$ 95,900
Total expenditures	\$ 100,000	\$ 100,000	\$ 4,100	\$ 95,900
NET CHANGE IN FUND BALANCE	\$ (68,900)	\$ (68,900)	\$ 21,719	\$ 90,619
Fund Balance at Beginning of Year	242,047	242,047	242,047	-
FUND BALANCE AT END OF YEAR	\$ 173,147	\$ 173,147	\$ 263,766	\$ 90,619

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL EQUIPMENT REPLACEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment income	\$ 9,250	\$ 9,250	\$ 15,825	\$ 6,575
Total Revenues	\$ 9,250	\$ 9,250	\$ 15,825	\$ 6,575
EXPENDITURES				
General Government				
Capital outlay	\$ 1,696,506	\$ 1,696,506	\$ 1,307,268	\$ 389,238
Total Expenditures	\$ 1,696,506	\$ 1,696,506	\$ 1,307,268	\$ 389,238
Excess of expenditures over revenues	(1,687,256)	(1,687,256)	(1,291,443)	395,813
OTHER FINANCING SOURCES				
Transfers in	\$ 450,000	\$ 818,060	\$ 1,368,060	\$ 550,000
Total Other Financing Sources	\$ 450,000	\$ 818,060	\$ 1,368,060	\$ 550,000
NET CHANGE IN FUND BALANCE	\$ (1,237,256)	\$ (869,196)	\$ 76,617	\$ 945,813
Fund Balance at Beginning of Year	1,592,634	1,592,634	1,592,634	-
Prior year encumbrances appropriated	401,506	401,506	401,506	-
FUND BALANCE AT END OF YEAR	\$ 756,884	\$ 1,124,944	\$ 2,070,757	\$ 945,813

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

OAK GROVE II INFRASTRUCTURE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Income taxes	\$ 275,000	\$ 275,000	\$ 815,259	\$ 540,259
Total Revenues	\$ 275,000	\$ 275,000	\$ 815,259	\$ 540,259
<u>EXPENDITURES</u>				
<u>General Government</u>				
General operating	\$ 7,000	\$ 14,500	\$ 14,500	\$ -
Total Expenditures	\$ 7,000	\$ 14,500	\$ 14,500	\$ -
Excess of revenues over expenditures	268,000	260,500	800,759	540,259
<u>OTHER FINANCING USES</u>				
Transfers out	\$ (197,105)	\$ (197,105)	\$ (197,105)	\$ -
Total Other Financing Uses	\$ (197,105)	\$ (197,105)	\$ (197,105)	\$ -
NET CHANGE IN FUND BALANCE	\$ 70,895	\$ 63,395	\$ 603,654	\$ 540,259
Fund Balance at Beginning of Year	575,018	575,018	575,018	-
FUND BALANCE AT END OF YEAR	\$ 645,913	\$ 638,413	\$ 1,178,672	\$ 540,259

CITY OF NEW ALBANY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

GREENSWARD ROUNDABOUT - OPWC FUND

FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Intergovernmental	\$ -	\$ 998,000	\$ -	\$ (998,000)
Total Revenues	\$ -	\$ 998,000	\$ -	\$ (998,000)
<u>EXPENDITURES</u>				
<u>General Government</u>				
Capital outlay	\$ -	\$ 1,437,120	\$ 18,613	\$ 1,418,507
Total Expenditures	\$ -	\$ 1,437,120	\$ 18,613	\$ 1,418,507
Excess of expenditures over revenues	-	(439,120)	(18,613)	420,507
<u>OTHER FINANCING SOURCES</u>				
Transfers in	\$ -	\$ 439,120	\$ -	\$ (439,120)
Total Other Financing Sources	\$ -	\$ 439,120	\$ -	\$ (439,120)
NET CHANGE IN FUND BALANCE	\$ -	\$ -	\$ (18,613)	\$ (18,613)
Fund Balance at Beginning of Year	-	-	-	-
FUND BALANCE (DEFICIT) AT END OF YEAR	\$ -	\$ -	\$ (18,613)	\$ (18,613)

CITY OF NEW ALBANY, OHIO

COMBINING STATEMENTS - FIDUCIARY FUNDS

Fiduciary funds are used to account for assets held by the city in a trustee capacity, or as an agency for individuals, private organizations, other governments and/or funds. The following are the city's fiduciary fund types:

Agency Funds

Agency funds are custodial in nature, and thus, do not recognize revenues or expenditures, only changes in assets and liabilities. The city has the following agency funds:

Columbus Agency Fund

Subdivision Development Fund

Builder's Escrow Fund

Board of Building Standards

Mayor's Court

Columbus Annexation Fund

Hotel Excise Tax

CITY OF NEW ALBANY, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

COLUMBUS AGENCY FUND	Balance 1/1/2016	Additions	Reductions	Balance 12/31/2016
<u>ASSETS</u>				
Equity in pooled cash, cash equivalents and investments	\$ 1,806,105	\$ 314,561	\$ 1,308,997	\$ 811,669
Total Assets	\$ 1,806,105	\$ 314,561	\$ 1,308,997	\$ 811,669
<u>LIABILITIES</u>				
Deposits held and due to others	\$ 1,806,105	\$ 314,561	\$ 1,308,997	\$ 811,669
Total Liabilities	\$ 1,806,105	\$ 314,561	\$ 1,308,997	\$ 811,669
<u>SUBDIVISION DEVELOPMENT FUND</u>				
<u>ASSETS</u>				
Equity in pooled cash, cash equivalents and investments	\$ 670,653	\$ 141,775	\$ 277,596	\$ 534,832
Total Assets	\$ 670,653	\$ 141,775	\$ 277,596	\$ 534,832
<u>LIABILITIES</u>				
Accounts payable	\$ 36,030	\$ 9,526	\$ 36,030	\$ 9,526
Deposits held and due to others	634,623	132,249	241,566	525,306
Total Liabilities	\$ 670,653	\$ 141,775	\$ 277,596	\$ 534,832
<u>BUILDER'S ESCROW FUND</u>				
<u>ASSETS</u>				
Equity in pooled cash, cash equivalents and investments	\$ 1,574,701	\$ 490,691	\$ 1,121,157	\$ 944,235
Total Assets	\$ 1,574,701	\$ 490,691	\$ 1,121,157	\$ 944,235
<u>LIABILITIES</u>				
Deposits held and due to others	\$ 1,574,701	\$ 490,691	\$ 1,121,157	\$ 944,235
Total Liabilities	\$ 1,574,701	\$ 490,691	\$ 1,121,157	\$ 944,235
<u>BOARD OF BUILDING STANDARDS</u>				
<u>ASSETS</u>				
Equity in pooled cash, cash equivalents and investments	\$ 6,819	\$ 9,735	\$ 9,969	\$ 6,585
Total Assets	\$ 6,819	\$ 9,735	\$ 9,969	\$ 6,585
<u>LIABILITIES</u>				
Accounts payable	\$ -	\$ 590	\$ -	\$ 590
Deposits held and due to others	6,819	9,145	9,969	5,995
Total Liabilities	\$ 6,819	\$ 9,735	\$ 9,969	\$ 6,585

- - continued

CITY OF NEW ALBANY, OHIO

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

MAYOR'S COURT	Balance 1/1/2016	Additions	Reductions	Balance 12/31/2016
<u>ASSETS</u>				
Cash in segregated accounts	\$ 10,665	\$ 1,455	\$ -	\$ 12,120
Total Assets	\$ 10,665	\$ 1,455	\$ -	\$ 12,120
<u>LIABILITIES</u>				
Deposits held and due to others	\$ 10,665	\$ 1,455	\$ -	\$ 12,120
Total Liabilities	\$ 10,665	\$ 1,455	\$ -	\$ 12,120
COLUMBUS ANNEXATION FUND				
<u>ASSETS</u>				
Equity in pooled cash, cash equivalents and investments	\$ -	\$ 35,566	\$ 35,566	\$ -
Total Assets	\$ -	\$ 35,566	\$ 35,566	\$ -
<u>LIABILITIES</u>				
Deposits held and due to others	\$ -	\$ 35,566	\$ 35,566	\$ -
Total Liabilities	\$ -	\$ 35,566	\$ 35,566	\$ -
HOTEL EXCISE TAX				
<u>ASSETS</u>				
Equity in pooled cash, cash equivalents and investments	\$ -	\$ 86,210	\$ 86,210	\$ -
<i>Receivables (net of allowance for uncollectibles):</i>				
Accounts	3,337	4,762	3,337	4,762
Total Assets	\$ 3,337	\$ 90,972	\$ 89,547	\$ 4,762
<u>LIABILITIES</u>				
Deposits held and due to others	\$ 3,337	\$ 90,972	\$ 89,547	\$ 4,762
Total Liabilities	\$ 3,337	\$ 90,972	\$ 89,547	\$ 4,762
TOTAL AGENCY FUNDS				
<u>ASSETS</u>				
Equity in pooled cash, cash equivalents and investments	\$ 4,058,278	\$ 1,078,538	\$ 2,839,495	\$ 2,297,321
Cash in segregated accounts	10,665	1,455	-	12,120
<i>Receivables (net of allowance for uncollectibles):</i>				
Accounts	3,337	4,762	3,337	4,762
Total Assets	\$ 4,072,280	\$ 1,084,755	\$ 2,842,832	\$ 2,314,203
<u>LIABILITIES</u>				
Accounts payable	\$ 36,030	\$ 10,116	\$ 36,030	\$ 10,116
Deposits held and due to others	4,036,250	1,074,639	2,806,802	2,304,087
Total Liabilities	\$ 4,072,280	\$ 1,084,755	\$ 2,842,832	\$ 2,314,203



STATISTICAL SECTION

CITY OF NEW ALBANY, OHIO

**STATISTICAL SECTION
TABLE OF CONTENTS**

This part of the City of New Albany'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.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	186-193
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, the property tax and income tax.	194-204
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	205-208
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	209-211
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.	212-217

Sources: Sources are noted on the individual schedules.

CITY OF NEW ALBANY, OHIO

**NET POSITION BY COMPONENT
LAST TEN YEARS**

(accrual basis of accounting)

	Fiscal Year			
	<u>2016</u>	<u>2015</u>	<u>2014</u> ^(c)	<u>2013</u>
<u>Governmental activities</u>				
Net investment in capital assets	\$ 122,053,318	\$ 112,760,022	\$ 100,753,615	\$ 88,135,689
Restricted	16,973,547	11,242,085	17,920,563	7,873,583
Unrestricted	<u>29,377,329</u>	<u>25,613,813</u>	<u>12,176,162</u>	<u>18,346,511</u>
Total Governmental Activities Net Position	<u>\$ 168,404,194</u>	<u>\$ 149,615,920</u>	<u>\$ 130,850,340</u>	<u>\$ 114,355,783</u>

^(a) The Restricted and Unrestricted Net Position at December 31, 2010 have been restated to conform to 2011's presentation.

^(b) The Net Position at December 31, 2011 has been restated to conform to 2012's presentation.

^(c) The Net Position at December 31, 2014 has been restated for GASB Statement No. 68/71.

Source: City financial reports

<u>2012</u>	<u>2011</u> ^(b)	<u>2010</u> ^(a)	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ 83,392,013	\$ 81,037,962	\$ 77,058,888	\$ 72,042,720	\$ 68,138,137	\$ 63,767,427
8,284,639	7,648,831	4,351,832	11,592,000	9,549,416	12,217,654
<u>13,879,981</u>	<u>10,176,889</u>	<u>8,710,090</u>	<u>467,908</u>	<u>3,481,711</u>	<u>(3,312,908)</u>
<u><u>\$ 105,556,633</u></u>	<u><u>\$ 98,863,682</u></u>	<u><u>\$ 90,120,810</u></u>	<u><u>\$ 84,102,628</u></u>	<u><u>\$ 81,169,264</u></u>	<u><u>\$ 72,672,173</u></u>

CITY OF NEW ALBANY, OHIO

CHANGES IN NET POSITION
LAST TEN YEARS
(accrual basis of accounting)

<u>PROGRAM REVENUES</u>	Fiscal Year			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Governmental Activities:				
<i>Charges for Services:</i>				
General government	\$ 1,541,378	\$ 2,407,677	\$ 1,107,117	\$ 903,113
Security of persons and property	115,396	136,617	97,057	114,643
Transportation	26,445	52,872	55,781	47,902
Community environment	464,907	556,701	607,477	492,522
<i>Operating Grants & Contributions:</i>				
General government	362,376	51,316	43,862	27,551
Security of persons and property	47,456	80,127	52,575	23,412
Transportation	581,383	541,206	498,208	461,791
Leisure time activity	-	-	-	-
Economic development	1,354,720	2,701,720	13,896,396	1,665,030
Interest and fiscal charges	-	-	-	41,788
<i>Capital Grants & Contributions:</i>				
General government	44,047	42,984	61,027	26,064
Transportation	4,437,598	9,143,228	7,297,968	3,119,386
Economic development	8,125,000	-	2,719,986	-
Total Governmental Activities Program Revenues	\$ 17,100,706	\$ 15,714,448	\$ 26,437,454	\$ 6,923,202
<u>PROGRAM EXPENSES</u>				
Governmental Activities:				
General government	\$ 6,965,985	\$ 6,679,484	\$ 5,270,621	\$ 5,093,974
Security of persons and property	4,282,170	3,767,875	3,372,426	2,971,016
Public health services	-	-	-	-
Transportation	7,329,870	6,919,695	6,296,259	6,114,547
Community environment	2,163,833	2,256,724	1,964,867	1,799,280
Leisure time activity	-	-	-	-
Economic development	13,182,090	12,163,429	10,438,985	8,738,687
Interest and fiscal charges	969,429	1,167,572	1,331,498	1,163,791
Total Governmental Activities Expenses	\$ 34,893,377	\$ 32,954,779	\$ 28,674,656	\$ 25,881,295
Total Primary Government Net (Expense)/Revenue	\$ (17,792,671)	\$ (17,240,331)	\$ (2,237,202)	\$ (18,958,093)
<u>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</u>				
Governmental Activities:				
<i>Taxes:</i>				
Property and other taxes	\$ 1,306,108	\$ 1,120,522	\$ 1,131,785	\$ 968,446
Income taxes	29,716,462	29,652,403	24,681,600	21,798,677
Grants and entitlements not restricted to specific programs	559,117	578,553	494,891	1,320,817
Investment earnings	97,673	69,374	143,060	(169,444)
Payments in lieu of taxes (PILOT)	4,701,221	4,192,306	3,321,031	3,405,878
Miscellaneous	200,364	392,753	398,541	432,869
Total Governmental Activities	\$ 36,580,945	\$ 36,005,911	\$ 30,170,908	\$ 27,757,243
Special Items:				
Contribution of equity interest in performing arts center	\$ -	\$ -	\$ -	\$ -
Total Primary Government Change in Net Position	\$ 18,788,274	\$ 18,765,580	\$ 27,933,706	\$ 8,799,150

Source: City financial reports

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$	793,052	\$ 1,627,439	\$ 892,544	\$ 543,297	\$ 476,921	\$ 845,223
	135,899	140,908	115,702	110,961	116,059	113,263
	-	-	-	-	-	-
	415,121	588,124	424,924	177,697	251,810	405,506
	63,411	59,004	120,297	50,402	205,055	46,168
	28,531	18,762	19,870	13,329	20,830	-
	450,925	427,863	761,777	450,263	292,086	251,189
	-	-	-	-	1,315	-
	1,565,430	2,435,156	1,362,906	2,250,000	990,886	4,174,362
	91,540	91,540	-	-	-	-
	-	-	-	-	-	-
	1,831,925	4,714,744	5,212,969	4,023,696	2,101,854	1,811,250
	-	-	-	-	-	-
\$	<u>5,375,834</u>	<u>10,103,540</u>	<u>8,910,989</u>	<u>7,619,645</u>	<u>4,456,816</u>	<u>7,646,961</u>
\$	4,863,778	\$ 4,637,155	\$ 4,437,821	\$ 4,222,923	\$ 3,860,168	\$ 3,869,801
	3,090,324	2,902,235	2,805,378	2,964,600	2,848,328	2,487,326
	-	-	-	-	-	1,413
	5,752,363	4,982,575	4,294,250	3,939,853	3,758,501	2,917,171
	1,709,447	1,458,911	1,372,652	1,452,216	1,474,946	974,009
	-	-	-	-	14,763	27,752
	9,000,124	9,848,593	5,541,224	8,463,271	12,873,950	10,554,529
	1,364,906	1,514,924	1,505,189	1,306,892	1,282,215	1,252,227
\$	<u>25,780,942</u>	<u>25,344,393</u>	<u>19,956,514</u>	<u>22,349,755</u>	<u>26,112,871</u>	<u>22,084,228</u>
\$	<u>(20,405,108)</u>	<u>(15,240,853)</u>	<u>(11,045,525)</u>	<u>(14,730,110)</u>	<u>(21,656,055)</u>	<u>(14,437,267)</u>
\$	920,505	\$ 962,333	\$ 992,799	\$ 999,687	\$ 956,335	\$ 959,705
	22,260,412	20,726,898	13,301,482	14,032,458	20,626,619	19,101,206
	1,015,806	721,998	486,595	414,668	588,752	484,214
	81,720	95,165	132,082	205,723	406,533	978,234
	2,669,472	1,611,069	2,053,877	1,694,367	2,092,914	1,380,092
	150,144	201,441	96,872	316,571	170,531	198,927
\$	<u>27,098,059</u>	<u>24,318,904</u>	<u>17,063,707</u>	<u>17,663,474</u>	<u>24,841,684</u>	<u>23,102,378</u>
\$	-	\$ -	\$ -	\$ -	\$ 5,311,462	\$ -
\$	<u>6,692,951</u>	<u>9,078,051</u>	<u>6,018,182</u>	<u>2,933,364</u>	<u>8,497,091</u>	<u>8,665,111</u>

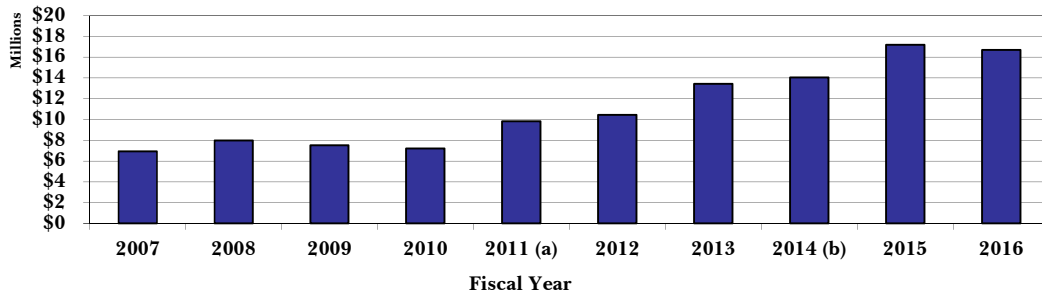
CITY OF NEW ALBANY, OHIO

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS

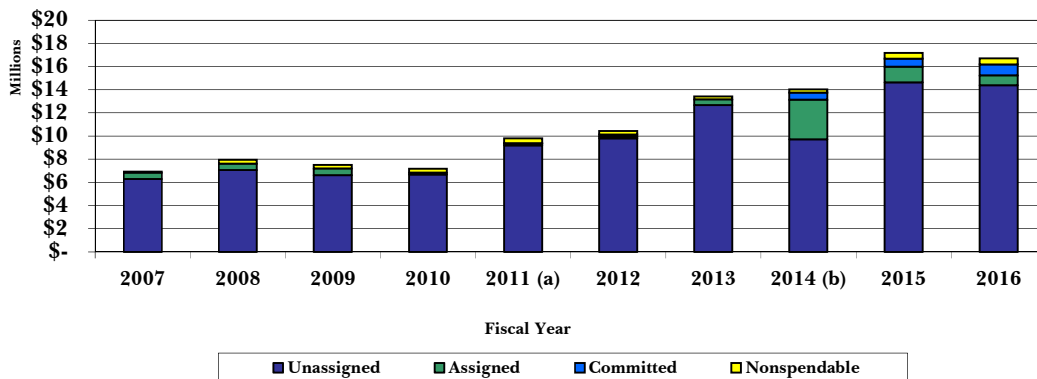
(modified accrual basis of accounting)

	2016	2015	2014 ^(b)	2013
General Fund				
Nonspendable	\$ 522,515	\$ 511,097	\$ 275,707	\$ 242,766
Committed	932,518	681,500	602,368	-
Assigned	846,628	1,351,544	3,425,317	515,274
Unassigned	<u>14,396,408</u>	<u>14,635,094</u>	<u>9,719,324</u>	<u>12,664,468</u>
Total General Fund	\$ 16,698,069	\$ 17,179,235	\$ 14,022,716	\$ 13,422,508
All Other Governmental Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ 7,502
Restricted	16,083,638	10,614,476	18,111,868	7,441,850
Committed	10,840,567	8,045,370	5,851,521	5,551,172
Assigned	10,060,033	8,226,161	6,827,663	3,643,559
Unassigned (deficit)	-	-	-	(4,338,554)
Total All Other Governmental Funds	\$ 36,984,238	\$ 26,886,007	\$ 30,791,052	\$ 12,305,529
Total Governmental Funds	\$ 53,682,307	\$ 44,065,242	\$ 44,813,768	\$ 25,728,037

Unassigned General Fund Balance



General Fund Balance - by Category



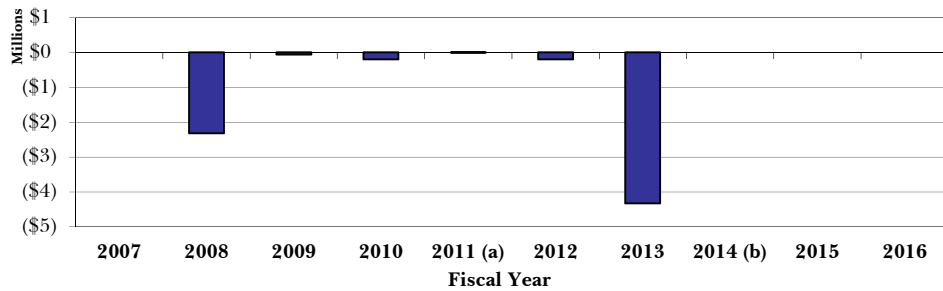
(a) The City implemented GASB 54 in 2011. The prior years (2004-2010) have been restated to reflect the change.

(b) The fund balances at December 31, 2014 have been restated from their previous balances.

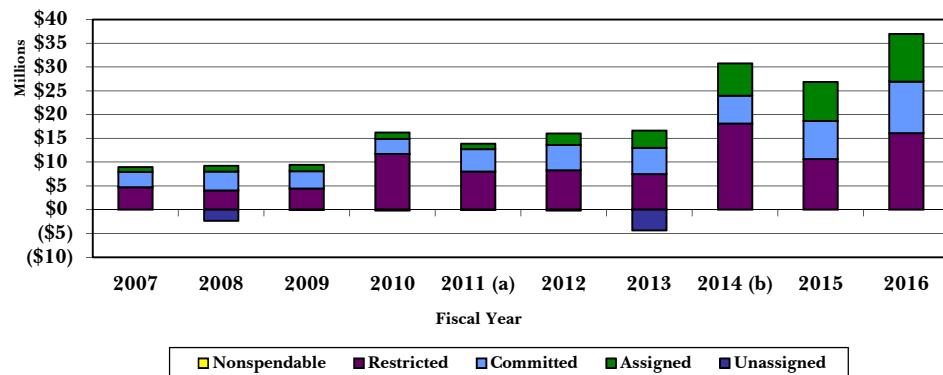
Source: City financial reports

	<u>2012</u>	<u>2011</u> ^(a)	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$	320,681	\$ 400,810	\$ 332,173	\$ 306,740	\$ 342,582	\$ 86,506
	164,069	31,124	-	-	-	-
	163,823	174,156	167,268	563,700	541,197	541,458
	<u>9,792,026</u>	<u>9,193,577</u>	<u>6,684,522</u>	<u>6,636,081</u>	<u>7,073,561</u>	<u>6,291,947</u>
\$	10,440,599	9,799,667	7,183,963	7,506,521	7,957,340	6,919,911
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
	8,310,185	7,989,860	11,727,360	4,431,330	4,051,338	4,695,061
	5,303,008	4,763,805	3,163,327	3,658,718	3,964,172	3,266,677
	2,374,909	1,110,466	1,303,381	1,314,071	1,199,082	1,006,593
	(200,420)	(354)	(196,965)	(66,441)	(2,319,573)	-
\$	<u>15,787,682</u>	<u>13,863,777</u>	<u>15,997,103</u>	<u>9,337,678</u>	<u>6,895,019</u>	<u>8,968,331</u>
\$	<u>26,228,281</u>	<u>23,663,444</u>	<u>23,181,066</u>	<u>16,844,199</u>	<u>14,852,359</u>	<u>15,888,242</u>

Unassigned All Other Governmental Funds Balance



All Other Governmental Fund Balance - by Category

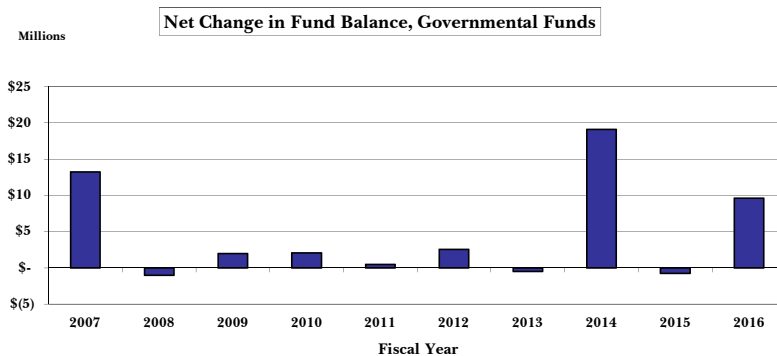


CITY OF NEW ALBANY, OHIO

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS

(modified accrual basis of accounting)

	2016	2015	2014	2013
Revenues:				
Income taxes	\$ 30,375,900	\$ 29,020,157	\$ 23,802,071	\$ 22,328,026
Property and other taxes	1,290,570	1,144,834	1,106,254	970,464
Charges for services	780,967	1,424,649	1,051,808	870,635
Licenses and permits	499,902	619,622	685,758	563,322
Fines and forfeitures	83,596	102,798	59,517	83,416
Intergovernmental	2,210,950	4,525,411	1,204,929	2,033,992
Payments in lieu of taxes (PILOT)	4,701,221	4,192,306	3,331,462	3,497,160
Investment income	252,230	196,113	376,742	(46,980)
Rental income	783,583	1,003,194	66,288	40,242
Contributions and donations	9,293,197	1,786,638	13,929,891	1,683,087
Other	540,820	422,552	3,071,486	483,444
Total Revenues	\$ 50,812,936	\$ 44,438,274	\$ 48,686,206	\$ 32,506,808
Expenditures:				
<i>Current:</i>				
General government	\$ 6,152,294	\$ 6,056,453	\$ 4,833,895	\$ 4,545,278
Security of persons and property	3,693,969	3,582,876	3,160,903	2,783,484
Public health and welfare	-	-	-	-
Transportation	2,876,321	2,858,199	2,533,587	2,252,785
Community environment	1,960,124	2,091,623	1,801,347	1,609,931
Leisure time activity	-	-	-	-
Economic development	13,437,414	11,930,966	10,066,625	8,876,962
Capital outlay	7,766,877	13,323,422	17,068,780	10,092,668
<i>Debt service:</i>				
Principal retirement	4,387,426	6,092,106	2,430,838	2,485,421
Interest and fiscal charges	995,183	1,230,063	1,150,318	1,110,014
Bond/note issuance costs	42,500	-	193,833	89,982
Total Expenditures	\$ 41,312,108	\$ 47,165,708	\$ 43,240,126	\$ 33,846,525
Excess of Revenues Over (Under) Expenditures	\$ 9,500,828	\$ (2,727,434)	\$ 5,446,080	\$ (1,339,717)
Other Financing Sources (Uses):				
Loans issued	\$ -	\$ 1,905,564	\$ 2,533,995	\$ 708,732
Sale of capital assets	72,904	23,655	56,700	-
Notes issued	-	-	-	-
Premium on notes issued	-	-	-	-
Sale of bonds	6,300,000	-	10,475,000	4,885,000
Premium on sale of bonds	-	-	588,158	150,350
Discount on sale of bonds	-	-	(14,202)	-
Capital lease transaction	-	49,689	-	36,719
Payment to refunded bond escrow agent	(6,256,667)	-	-	(4,941,328)
Transfers in	9,653,084	6,620,761	10,015,343	5,690,189
Transfers out	(9,653,084)	(6,620,761)	(10,015,343)	(5,690,189)
Total Other Financing Sources (Uses)	\$ 116,237	\$ 1,978,908	\$ 13,639,651	\$ 839,473
Net Change in Fund Balances	\$ 9,617,065	\$ (748,526)	\$ 19,085,731	\$ (500,244)
Capital Expenditures	\$ 7,183,464	\$ 12,854,288	\$ 16,523,859	\$ 9,141,021
<i>Debt Service as a Percentage of Noncapital Expenditures</i>	<i>15.77%</i>	<i>21.34%</i>	<i>13.40%</i>	<i>14.55%</i>



Source: City financial reports

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$	19,852,224	\$ 20,868,803	\$ 14,971,416	\$ 15,102,579	\$ 20,582,260	\$ 17,999,279
	928,082	963,499	997,635	1,002,166	964,890	959,705
	776,932	1,581,893	849,701	517,239	430,168	330,332
	452,441	651,885	481,931	216,921	305,918	927,484
	114,699	122,693	101,538	97,795	126,290	114,856
	2,505,184	2,791,511	2,116,941	1,475,869	2,130,638	751,473
	3,007,172	2,526,093	2,492,531	2,263,441	2,571,734	1,670,879
	243,264	275,395	428,345	336,564	848,527	983,593
	-	-	-	-	-	-
	1,582,100	2,444,160	1,378,576	2,302,552	1,016,836	4,200,542
	138,987	232,430	96,872	316,571	170,596	172,747
\$	29,601,085	\$ 32,458,362	\$ 23,915,486	\$ 23,631,697	\$ 29,147,857	\$ 28,110,890

\$	4,430,567	\$ 4,175,224	\$ 4,051,604	\$ 3,644,457	\$ 3,344,652	\$ 3,586,121
	2,950,474	2,719,451	2,641,623	2,523,877	2,510,353	2,282,785
	-	-	-	-	-	1,413
	2,112,402	1,977,020	2,068,177	1,800,074	1,699,562	1,657,236
	1,586,083	1,331,037	1,257,363	1,232,703	1,250,721	988,135
	-	-	-	-	2,816	27,752
	8,403,000	9,491,552	6,694,225	8,903,863	13,018,082	9,874,999
	4,825,975	9,072,269	4,991,654	3,673,305	6,750,553	3,846,693
	1,897,034	1,800,263	1,750,793	902,558	934,615	692,642
	1,254,359	1,477,516	1,482,514	1,277,724	1,275,185	1,219,495
	139,796	-	232,340	29,812	-	192,758
\$	27,599,690	\$ 32,044,332	\$ 25,170,293	\$ 23,988,373	\$ 30,786,539	\$ 24,370,029
\$	2,001,395	\$ 414,030	\$ (1,254,807)	\$ (356,676)	\$ (1,638,682)	\$ 3,740,861

\$	413,459	\$ -	\$ 491,872	\$ 261,074	\$ 319,615	\$ 345,595
	6,013	15,576	1,350	11,715	-	-
	-	-	-	1,860,000	-	-
	-	-	-	24,812	-	-
	10,620,000	-	10,670,000	-	-	9,005,000
	1,040,611	-	106,822	-	-	17,977
	-	-	-	-	-	-
	-	52,772	150,000	190,915	283,184	134,122
	(11,516,641)	-	(3,828,370)	-	-	-
	5,082,674	3,294,719	6,965,194	6,949,580	3,490,654	2,686,000
	(5,082,674)	(3,294,719)	(6,965,194)	(6,949,580)	(3,490,654)	(2,686,000)
\$	563,442	\$ 68,348	\$ 7,591,674	\$ 2,348,516	\$ 602,799	\$ 9,502,694

\$ 2,564,837 **\$ 482,378** **\$ 6,336,867** **\$ 1,991,840** **\$ (1,035,883)** **\$ 13,243,555**

\$	3,772,157	\$ 8,429,492	\$ 5,304,698	\$ 2,913,207	\$ 5,978,733	\$ 4,289,436
	13.23%	13.88%	16.28%	10.35%	8.91%	9.52%

CITY OF NEW ALBANY, OHIO
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN YEARS
(modified accrual basis of accounting - \$000's omitted)

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Income Tax</u>	<u>Motor Vehicle Tax</u>	<u>Gasoline Tax</u>	<u>Total Tax Revenues</u>
2016	\$ 1,290.6	\$ 30,375.9	\$ 72.4	\$ 375.0	\$ 32,113.9
2015	1,144.8	29,020.2	70.2	320.4	30,555.6
2014	1,106.3	23,802.1	59.2	304.9	25,272.5
2013	970.5	22,328.0	56.5	297.4	23,652.4
2012	928.1	19,852.2	57.3	280.5	21,118.1
2011	963.5	20,868.8	48.5	266.0	22,146.8
2010	997.6	14,971.4	50.8	248.9	16,268.7
2009	1,002.2	15,102.5	98.8	206.1	16,409.6
2008	964.9	20,582.2	87.2	186.3	21,820.6
2007	959.7	17,999.3	98.8	185.2	19,243.0

CITY OF NEW ALBANY, OHIO

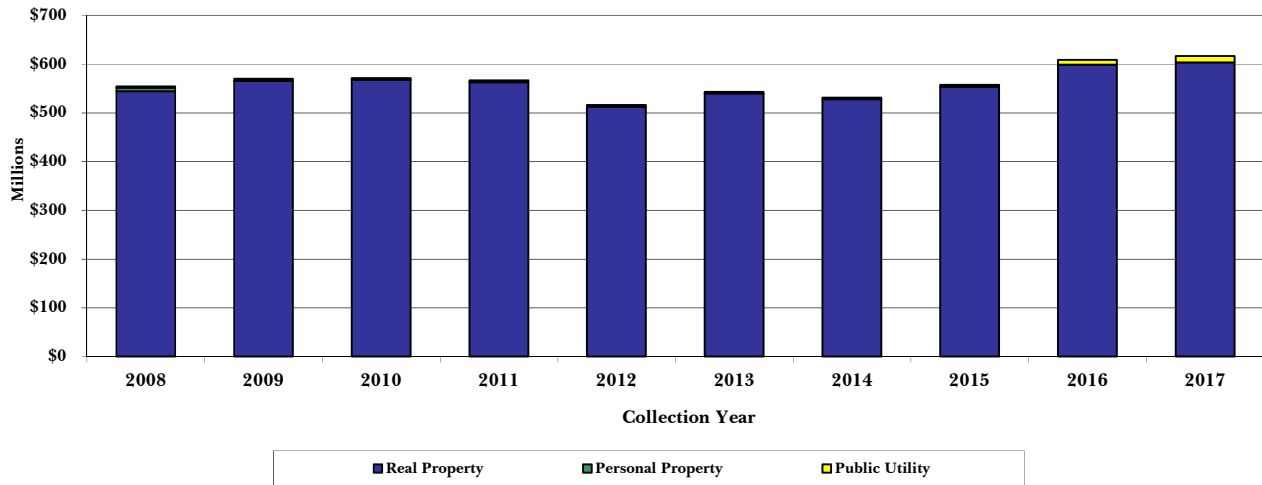
ASSESSED VALUATION & ESTIMATED TRUE VALUES OF TAXABLE PROPERTY
LAST TEN YEARS
(\$000's omitted)

Tax Year	Collection Year	Real Property		Personal Property		Public Utility		TOTAL		
		Assessed	Estimated Actual	Assessed	Estimated Actual	Assessed	Estimated Actual	Assessed	Estimated Actual	Average Effective Millage
2007	2008	\$544,396	\$1,555,417	\$7,078	\$30,774	\$3,108	\$8,880	\$554,582	\$1,595,071	\$1.9400
2008	2009	\$566,242	\$1,617,834	\$377	\$1,639	\$3,243	\$9,266	\$569,862	\$1,628,739	\$1.9400
2009	2010	\$567,322	\$1,620,921	\$189	\$820	\$3,884	\$11,097	\$571,395	\$1,632,838	\$1.9400
2010	2011	\$562,540	\$1,607,256	\$0	\$0	\$4,093	\$11,695	\$566,633	\$1,618,951	\$1.9400
2011	2012	\$512,547	\$1,464,420	\$0	\$0	\$3,475	\$9,928	\$516,022	\$1,474,348	\$1.9400
2012	2013	\$539,531	\$1,541,518	\$0	\$0	\$3,551	\$10,144	\$543,082	\$1,551,662	\$1.9400
2013	2014	\$527,831	\$1,508,090	\$0	\$0	\$3,761	\$10,745	\$531,592	\$1,518,835	\$1.9400
2014	2015	\$553,629	\$1,581,797	\$0	\$0	\$4,162	\$11,891	\$557,791	\$1,593,688	\$1.9400
2015	2016	\$598,912	\$1,711,177	\$0	\$0	\$10,148	\$28,994	\$609,060	\$1,740,171	\$1.9400
2016	2017	\$603,198	\$1,723,423	\$0	\$0	\$13,206	\$37,731	\$616,404	\$1,761,154	\$1.9400

Note: Assessed values only include taxable property and do not include any TIF'd or otherwise tax-exempt property.

Source: Franklin County, Ohio; County Auditor

Assessed Valuations by Property Type
Collection Years 2008 - 2017



CITY OF NEW ALBANY, OHIO

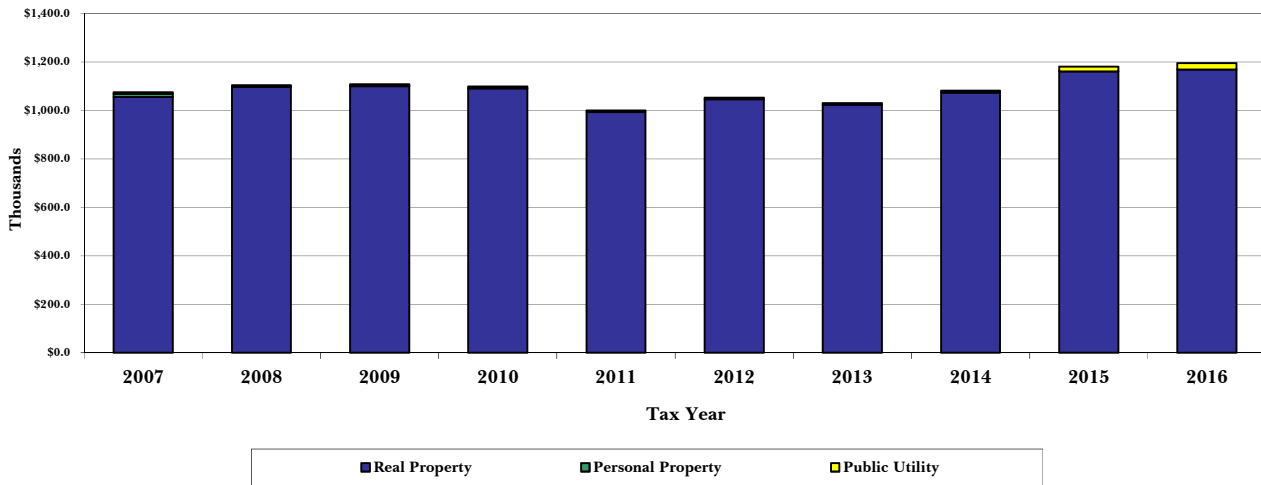
ESTIMATED ASSESSED TAXES & AVERAGE EFFECTIVE RATES OF TAXABLE PROPERTY
LAST TEN YEARS

Tax Year	Real Property		Personal Property		Public Utility		TOTAL	
	Estimated Assessed Taxes	Average Effective Millage	Estimated Assessed Taxes	Average Effective Millage	Estimated Assessed Taxes	Average Effective Millage	Estimated Assessed Taxes	Average Effective Millage
2007	\$1,056,128	\$1.9400	\$13,731	\$1.9400	\$6,029	\$1.9397	\$1,075,888	\$1.9400
2008	\$1,098,510	\$1.9400	\$732	\$1.9411	\$6,292	\$1.9401	\$1,105,534	\$1.9400
2009	\$1,100,605	\$1.9400	\$366	\$1.9400	\$7,535	\$1.9400	\$1,108,506	\$1.9400
2010	\$1,091,327	\$1.9400	\$0	\$0.0000	\$7,941	\$1.9401	\$1,099,268	\$1.9400
2011	\$994,341	\$1.9400	\$0	\$0.0000	\$6,741	\$1.9400	\$1,001,082	\$1.9400
2012	\$1,046,691	\$1.9400	\$0	\$0.0000	\$6,888	\$1.9400	\$1,053,579	\$1.9400
2013	\$1,023,993	\$1.9400	\$0	\$0.0000	\$7,296	\$1.9400	\$1,031,289	\$1.9400
2014	\$1,074,040	\$1.9400	\$0	\$0.0000	\$8,074	\$1.9399	\$1,082,114	\$1.9400
2015	\$1,161,889	\$1.9400	\$0	\$0.0000	\$19,687	\$1.9400	\$1,181,576	\$1.9400
2016	\$1,170,204	\$1.9400	\$0	\$0.0000	\$25,620	\$1.9400	\$1,195,824	\$1.9400

Notes: Estimated taxes do not include any estimates of prior-year delinquent tax payments, state tax rollbacks or homestead credits provided to the taxpayer.

Source: Franklin County, Ohio; County Auditor

Estimated Assessed Taxes by Property Type
Tax Years 2007 - 2016



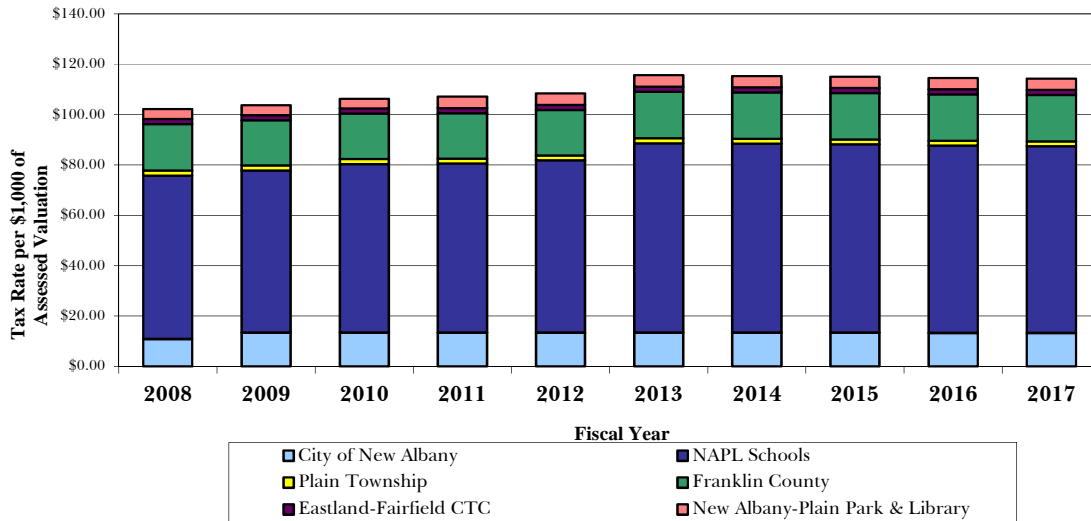
CITY OF NEW ALBANY, OHIO

**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
RATES EXPRESSED PER \$1,000 OF ASSESSED VALUATION
LAST TEN YEARS
FRANKLIN COUNTY**

Tax Year	Collection Year	City of New Albany	Plain Local New Albany Schools	Plain Township	Franklin County
2007	2008	\$1.94	\$64.88	\$10.90	\$18.49
2008	2009	\$1.94	\$64.40	\$13.40	\$18.02
2009	2010	\$1.94	\$66.95	\$13.40	\$18.07
2010	2011	\$1.94	\$67.15	\$13.40	\$18.07
2011	2012	\$1.94	\$68.36	\$13.40	\$18.07
2012	2013	\$1.94	\$75.20	\$13.40	\$18.47
2013	2014	\$1.94	\$74.99	\$13.40	\$18.47
2014	2015	\$1.94	\$74.74	\$13.40	\$18.47
2015	2016	\$1.94	\$74.34	\$13.30	\$18.47
2016	2017	\$1.94	\$74.09	\$13.30	\$18.47

Source: Franklin County, Ohio; County Auditor

**Assessed Property Tax Rates - By Entity
Collection Years 2008 - 2017**

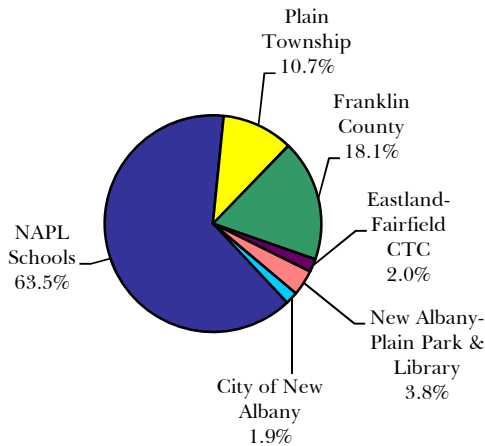


Eastland-Fairfield Career & Technical Center	New Albany-Plain Park Dist & Public Library	TOTAL
\$2.00	\$3.89	\$102.10
\$2.00	\$3.89	\$103.65
\$2.00	\$3.89	\$106.25
\$2.00	\$4.49	\$107.05
\$2.00	\$4.59	\$108.36
\$2.00	\$4.59	\$115.60
\$2.00	\$4.39	\$115.19
\$2.00	\$4.39	\$114.94
\$2.00	\$4.39	\$114.44
\$2.00	\$4.39	\$114.19

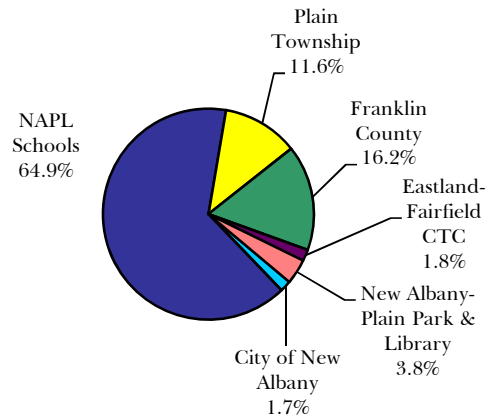
Res/Agr Effective Rate	Com/Ind Effective Rate
\$75.0319	\$76.3908
\$78.6469	\$78.0674
\$83.0425	\$82.0914
\$85.5829	\$84.2778
\$89.6269	\$85.9356
\$97.5931	\$93.1322
\$97.2596	\$93.8084
\$94.7545	\$93.6458
\$96.0824	\$94.4880
\$96.0679	\$94.3094

2008 - 2017 Property Tax Breakdown

2007 Collection Year



2016 Collection Year



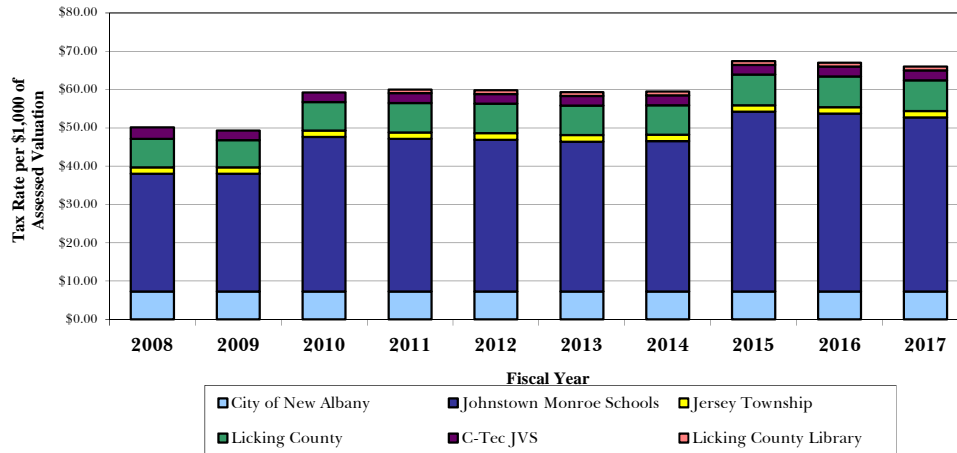
CITY OF NEW ALBANY, OHIO

**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
RATES EXPRESSED PER \$1,000 OF ASSESSED VALUATION
LAST TEN YEARS
LICKING COUNTY**

Tax Year	Collection Year	City of New Albany	Johnstown Monroe Local Schools	Jersey Township	Licking County
2007	2008	\$1.70	\$30.70	\$7.30	\$7.40
2008	2009	\$1.70	\$30.70	\$7.30	\$7.10
2009	2010	\$1.70	\$40.30	\$7.30	\$7.40
2010	2011	\$1.70	\$39.80	\$7.30	\$7.70
2011	2012	\$1.70	\$39.60	\$7.30	\$7.70
2012	2013	\$1.70	\$39.10	\$7.30	\$7.70
2013	2014	\$1.70	\$39.20	\$7.30	\$7.70
2014	2015	\$1.70	\$46.90	\$7.30	\$8.00
2015	2016	\$1.70	\$46.40	\$7.30	\$8.00
2016	2017	\$1.70	\$45.40	\$7.30	\$8.00

Source: Licking County, Ohio; County Auditor

**Assessed Property Tax Rates - By Entity
Collection Years 2008 - 2017**

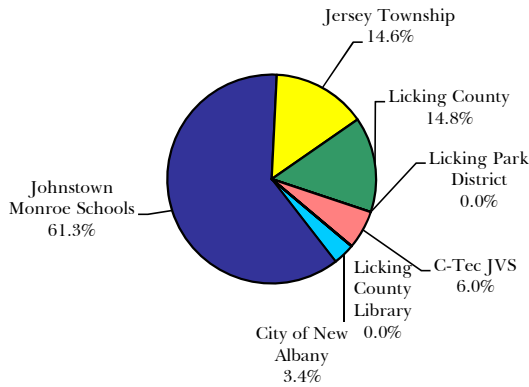


Licking Park District	C-Tec Vocational School	Licking County Library	TOTAL
\$0.00	\$3.00	\$0.00	\$50.10
\$0.00	\$2.50	\$0.00	\$49.30
\$0.00	\$2.50	\$0.00	\$59.20
\$0.00	\$2.52	\$1.00	\$60.02
\$0.00	\$2.54	\$1.00	\$59.84
\$0.00	\$2.48	\$1.00	\$59.28
\$0.25	\$2.56	\$1.00	\$59.71
\$0.25	\$2.54	\$1.00	\$67.69
\$0.25	\$2.58	\$1.00	\$67.23
\$0.25	\$2.57	\$1.00	\$66.22

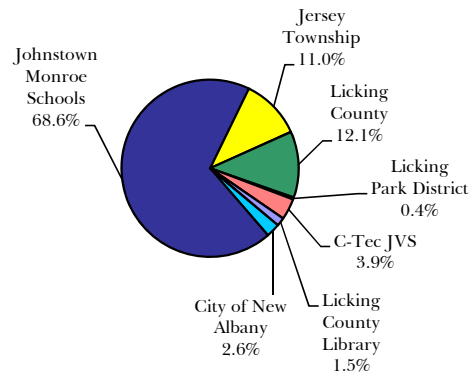
Res/Agr Effective Rate	Com/Ind Effective Rate
\$35.8805	\$35.5779
\$34.9968	\$34.8569
\$44.9563	\$44.7679
\$45.7783	\$45.6862
\$46.1972	\$46.7286
\$45.9754	\$46.9475
\$46.1967	\$47.1684
\$54.0073	\$53.4897
\$55.4173	\$54.7071
\$54.4128	\$53.0281

2008 - 2017 Property Tax Breakdown

2007 Collection Year



2016 Collection Year



CITY OF NEW ALBANY, OHIO

TOP PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Taxpayer Name	2015			2007		
	Rank	Assessed Valuation	% of Total Assessed Valuation	Rank	Assessed Valuation	% of Total Assessed Valuation
<u>Public Utilities</u>						
Ohio Power Company	1	\$6,215,700	1.01%	1	\$2,579,620	0.47%
<u>Real Estate</u>						
Leslie H. Wexner	1	19,375,720	3.14%	1	20,187,470	3.64%
New Albany Co. LLC	2	8,831,680	1.43%	2	16,048,010	2.89%
New Albany Company LLC	3	7,631,020	1.24%	3	9,065,230	1.63%
New Albany Portfolio LLC	4	7,490,020	1.22%	5	5,192,660	0.94%
Smith Mill Ventures LLC	5	4,795,000	0.78%	9	3,088,440	0.56%
Abercrombie & Fitch	6	3,426,950	0.56%	4	5,640,410	1.02%
Woodcrest New Albany LLC	7	2,892,020	0.47%			
HHD & B LLC	8	2,734,200	0.44%	8	3,500,000	0.63%
New Albany Hotel Associates LLC	9	2,730,010	0.44%			
Tween Brands Service Co.	10	2,407,670	0.39%	6	4,431,780	0.80%
M/I Homes of Central Ohio				7	4,305,080	0.78%
Discover Financial				10	2,442,090	0.44%
<u>Tangible Personal Property ⁽¹⁾</u>						
Discover Financial Services, Inc.				1	3,371,930	0.61%
Abercrombie & Fitch Management				2	2,945,894	0.53%
Abercrombie & Fitch Trading Co.				3	1,661,351	0.30%
Abercrombie & Fitch Stores				4	1,204,900	0.22%
The New Albany Company LLC				5	576,190	0.10%
Tween Brands Service Co.				6	562,960	0.10%
IBM Credit, LLC				7	345,800	0.06%
Ohio Bell Telephone Company				8	336,390	0.06%
Decimus Corporation				9	289,130	0.05%
Kroger Company				10	285,240	0.05%
ALL OTHER TAXPAYERS		547,874,010	88.88%		\$466,521,425	84.12%
TOTAL ASSESSED VALUATION		\$616,404,000	100.00%		\$554,582,000	100.00%

⁽¹⁾ HB66 phased-out the Tangible Personal Property Tax. These figures are for reference purposes only due to the phase-out of the tax.

Source: Franklin County, Ohio; County Auditor

CITY OF NEW ALBANY, OHIO

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

Tax Year	Collection Year	Total Tax Levy	Current Collection	Delinquent Collection ⁽¹⁾	Total Tax Collections	Accumulated Outstanding Delinquent Taxes	Percent of Total Current Collections to Tax Levy ⁽²⁾	Percent of Delinquent Taxes to Total Tax Levy
2006	2007	\$ 1,137,330	\$ 1,089,051	\$ 23,816	\$ 1,112,867	\$ 49,528	95.76%	4.35%
2007	2008	\$ 1,185,147	\$ 1,155,615	\$ 23,056	\$ 1,178,671	\$ 40,973	97.51%	3.46%
2008	2009	\$ 1,184,010	\$ 1,172,816	\$ 16,230	\$ 1,189,046	\$ 38,494	99.05%	3.25%
2009	2010	\$ 1,206,922	\$ 1,197,508	\$ 10,381	\$ 1,207,889	\$ 33,458	99.22%	2.77%
2010	2011	\$ 1,199,998	\$ 1,188,832	\$ 57,027	\$ 1,245,859	\$ 32,492	99.07%	2.71%
2011	2012	\$ 1,129,220	\$ 1,128,382	\$ 28,245	\$ 1,156,627	\$ 24,915	99.93%	2.21%
2012	2013	\$ 1,158,771	\$ 1,034,866	\$ 20,654	\$ 1,055,520	\$ 22,897	89.31%	1.98%
2013	2014	\$ 1,013,344	\$ 1,243,886	\$ 17,831	\$ 1,261,717	\$ 16,548	122.75%	1.63%
2014	2015	\$ 1,077,610	\$ 1,308,268	\$ 63,629	\$ 1,371,897	\$ 23,250	121.40%	2.16%
2015	2016	\$ 1,134,953	\$ 1,335,260	\$ 136,920	\$ 1,472,180	\$ 39,900	117.65%	3.52%
Ten Year Average		\$ 1,142,731	\$ 1,185,448	\$ 39,779	\$ 1,225,227	\$ 32,246	103.74%	2.82%

Note: Annual property tax rates can be found on pages 194-197.

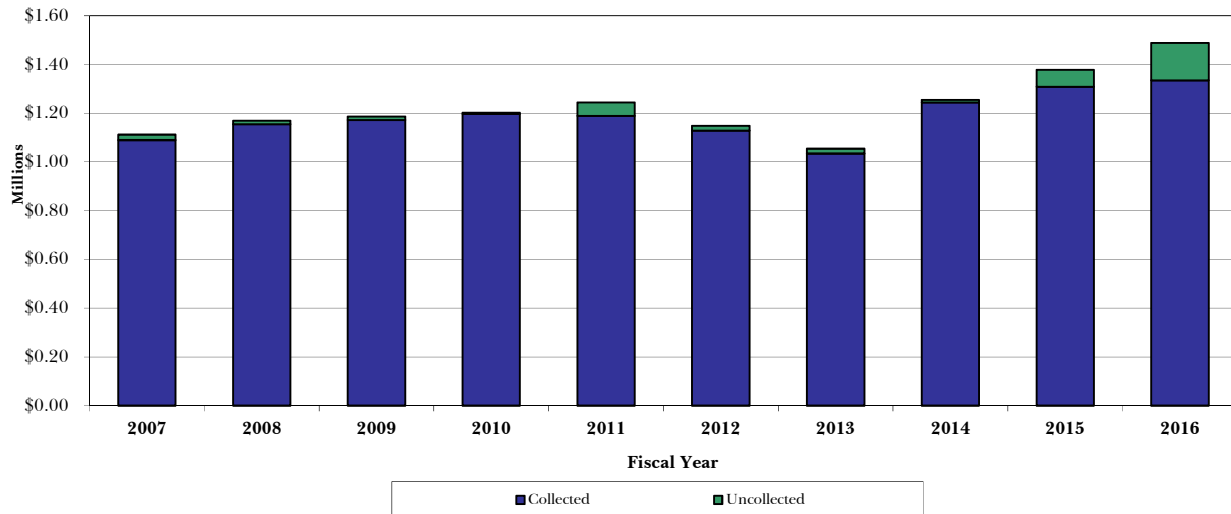
Source: Franklin County, Ohio; County Auditor

⁽¹⁾ Represents collection of delinquent prior period taxes during the indicated collection year. Information provided from County was not available by tax levy year.

The City will continue to work with the County to get the information on delinquent property tax collections by year in the future.

⁽²⁾ Total could exceed 100% due to the current year collection of delinquent prior period taxes during the indicated collection year or the result of recoupment collections.

**Property Tax Levies - Collected vs Delinquent
Collection Years 2007 - 2016**



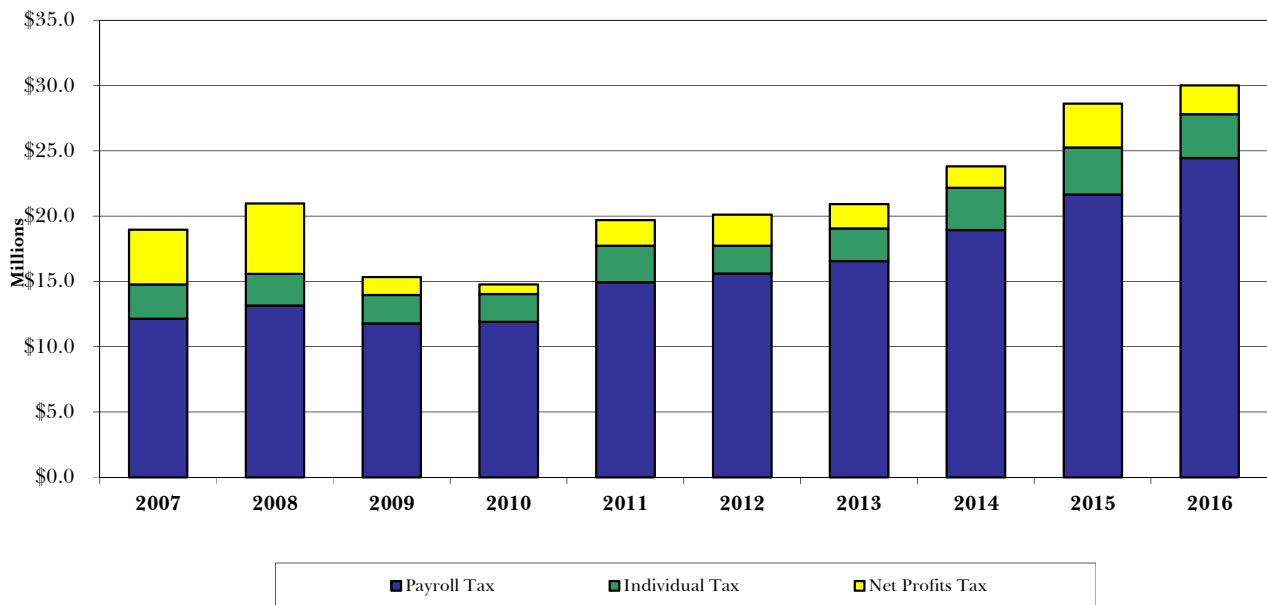
CITY OF NEW ALBANY, OHIO

**GOVERNMENT-WIDE INCOME TAX COLLECTIONS
LAST TEN YEARS**

(Cash Basis)

Tax Year	Tax Rate	Payroll Tax	Individual Tax	Net Profits Tax	Total Tax Collections	Total Government-Wide Revenues	Total Income Taxes as % of Total Government Revenues
2007	2.0%	\$ 12,157,879	\$ 2,613,287	\$ 4,194,971	\$ 18,966,137	\$ 32,307,374	58.71%
2008	2.0%	\$ 13,158,192	\$ 2,422,356	\$ 5,390,502	\$ 20,971,050	\$ 42,426,504	49.43%
2009	2.0%	\$ 11,790,625	\$ 2,189,927	\$ 1,353,457	\$ 15,334,009	\$ 36,294,465	42.25%
2010	2.0%	\$ 11,922,567	\$ 2,127,422	\$ 728,628	\$ 14,778,617	\$ 46,636,052	31.69%
2011	2.0%	\$ 14,957,182	\$ 2,780,611	\$ 1,966,758	\$ 19,704,551	\$ 38,405,104	51.31%
2012	2.0%	\$ 15,608,330	\$ 2,139,813	\$ 2,376,117	\$ 20,124,260	\$ 32,473,893	61.97%
2013	2.0%	\$ 16,572,297	\$ 2,482,271	\$ 1,880,068	\$ 20,934,636	\$ 34,680,445	60.36%
2014	2.0%	\$ 18,935,949	\$ 3,233,240	\$ 1,661,284	\$ 23,830,473	\$ 56,608,362	42.10%
2015	2.0%	\$ 21,665,817	\$ 3,587,915	\$ 3,362,973	\$ 28,616,705	\$ 51,720,359	55.33%
2016	2.0%	\$ 24,456,634	\$ 3,347,729	\$ 2,200,794	\$ 30,005,157	\$ 53,681,651	55.89%
Ten Year Average		\$ 16,122,547	\$ 2,692,457	\$ 2,511,555	\$ 21,326,560	\$ 42,523,421	50.15%

**Government-Wide Income
Tax Revenues by Type
Collection Years 2007 - 2016**



Source: Regional Income Tax Agency & City financial reports

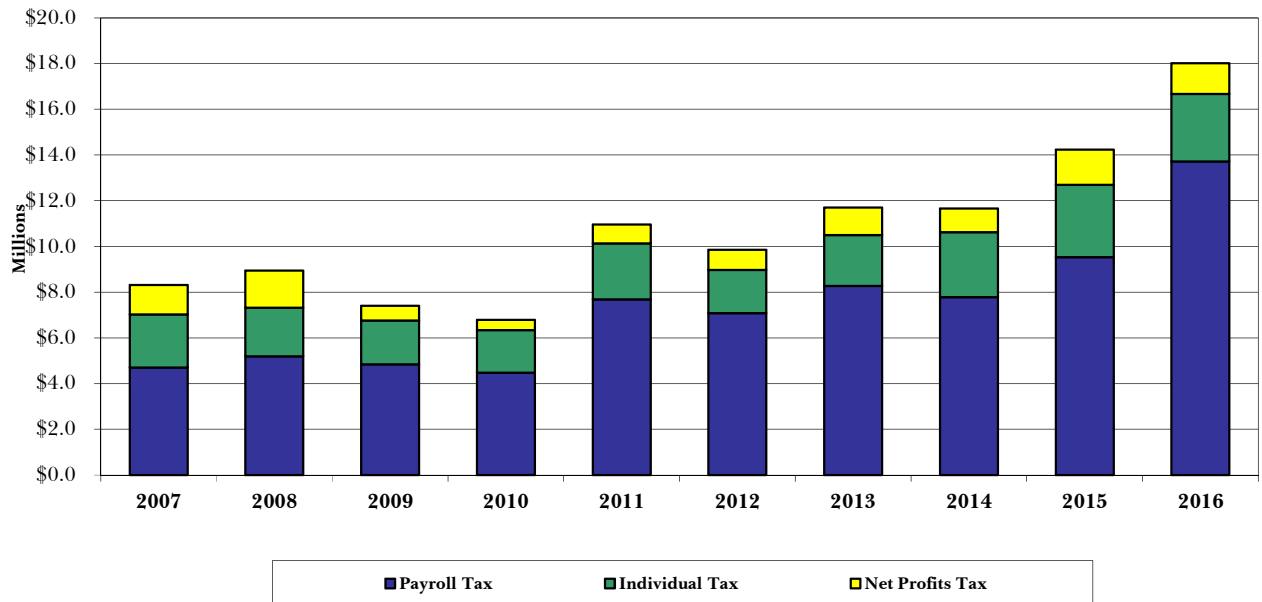
CITY OF NEW ALBANY, OHIO

GENERAL FUND INCOME TAX COLLECTIONS
LAST TEN YEARS

(Cash Basis)

Tax Year	Tax Rate	Payroll Tax	Individual Tax	Net Profits Tax	Total Tax Collections	Total General Fund Revenues	Total Income Taxes as % of Total General Fund Revenues
2007	2.0%	\$ 4,705,952	\$ 2,325,286	\$ 1,283,693	\$ 8,314,931	\$ 11,552,472	71.98%
2008	2.0%	\$ 5,190,887	\$ 2,131,674	\$ 1,622,743	\$ 8,945,304	\$ 11,696,690	76.48%
2009	2.0%	\$ 4,842,163	\$ 1,927,135	\$ 646,994	\$ 7,416,292	\$ 9,949,508	74.54%
2010	2.0%	\$ 4,481,098	\$ 1,868,664	\$ 450,462	\$ 6,800,224	\$ 9,952,223	68.33%
2011	2.0%	\$ 7,689,079	\$ 2,446,937	\$ 823,178	\$ 10,959,194	\$ 15,978,225	68.59%
2012	2.0%	\$ 7,093,299	\$ 1,883,036	\$ 886,266	\$ 9,862,601	\$ 14,680,779	67.18%
2013	2.0%	\$ 8,278,125	\$ 2,228,978	\$ 1,203,603	\$ 11,710,706	\$ 15,518,112	75.46%
2014	2.0%	\$ 7,786,691	\$ 2,845,251	\$ 1,031,554	\$ 11,663,496	\$ 14,529,550	80.27%
2015	2.0%	\$ 9,541,778	\$ 3,153,471	\$ 1,543,749	\$ 14,238,998	\$ 18,836,846	75.59%
2016	2.0%	\$ 13,726,197	\$ 2,946,013	\$ 1,344,852	\$ 18,017,062	\$ 18,907,023	95.29%
Ten Year Average		\$ 7,333,527	\$ 2,375,645	\$ 1,083,709	\$ 10,792,881	\$ 14,160,143	76.22%

General Fund Income
Tax Revenues by Type
Collection Years 2007 - 2016



Source: Regional Income Tax Agency & City financial reports

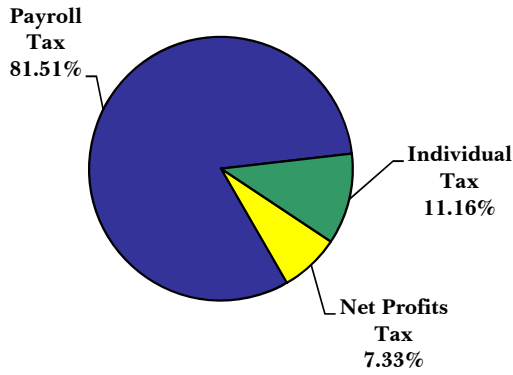
CITY OF NEW ALBANY, OHIO

**GOVERNMENT-WIDE INCOME TAX COLLECTIONS
CURRENT YEAR AND NINE YEARS AGO
(Cash Basis)**

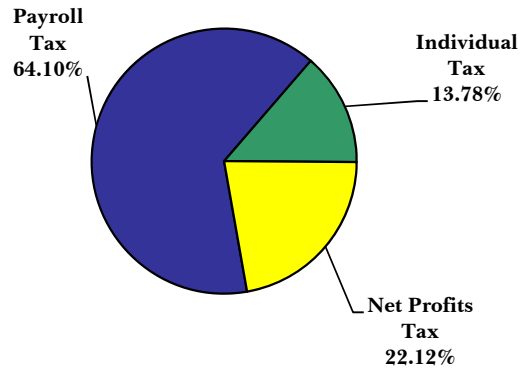
	<u>Fiscal Year 2016</u>		<u>Fiscal Year 2007</u>	
Payroll Tax	\$ 24,456,634	81.51%	\$ 12,157,879	64.10%
Individual Tax	3,347,729	11.16%	2,613,287	13.78%
Net Profits Tax	<u>2,200,794</u>	<u>7.33%</u>	<u>4,194,971</u>	<u>22.12%</u>
Total Income Tax Collections	<u>\$ 30,005,157</u>	<u>100.00%</u>	<u>\$18,966,137</u>	<u>100.00%</u>

**2016 - 2007 Income Tax Breakdown
by Tax Type**

Fiscal Year 2016



Fiscal Year 2007



Source: City financial reports

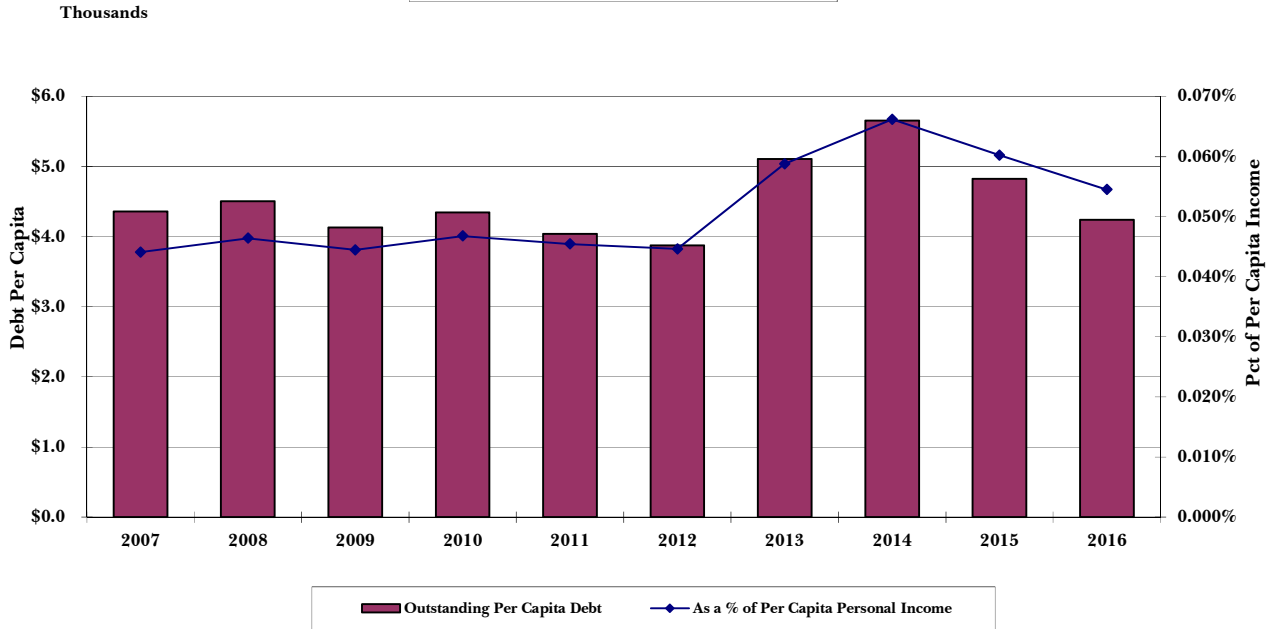
CITY OF NEW ALBANY, OHIO

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS
(\$000's omitted)

Fiscal Year	General Obligation Bonds	Limited Tax General Obligation Debt	General Obligation Notes	Capital Leases	Loans	Total Debt	Percent of Per Capita Income	Total Debt Per Capita	% of Personal Income
2016	\$ 29,756.4	\$ -	\$ -	\$ 42.3	\$ 9,320.0	\$ 39,118.7	0.055%	\$4,242.81	5.914%
2015	\$ 32,478.6	\$ -	\$ -	\$ 63.5	\$ 10,686.2	\$ 43,228.3	0.060%	\$4,828.36	6.730%
2014	\$ 35,457.2	\$ -	\$ -	\$ 30.0	\$ 11,996.5	\$ 47,483.7	0.066%	\$5,658.88	7.888%
2013	\$ 26,566.0	\$ -	\$ 11,750.0	\$ 84.2	\$ 3,779.2	\$ 42,179.4	0.059%	\$5,109.56	7.122%
2012	\$ 28,524.0	\$ -	\$ -	\$ 131.9	\$ 3,371.5	\$ 32,027.4	0.045%	\$3,879.76	5.408%
2011	\$ 29,137.7	\$ -	\$ -	\$ 268.2	\$ 3,218.8	\$ 32,624.7	0.045%	\$4,043.71	5.637%
2010	\$ 30,510.7	\$ -	\$ -	\$ 376.6	\$ 2,686.9	\$ 33,574.2	0.047%	\$4,346.74	6.059%
2009	\$ 20,780.8	\$ 2,255.0	\$ 1,860.0	\$ 378.2	\$ 2,363.2	\$ 27,637.2	0.044%	\$4,134.82	6.655%
2008	\$ 21,151.7	\$ 2,455.0	\$ 2,360.0	\$ 313.9	\$ 2,569.2	\$ 28,849.8	0.046%	\$4,508.48	7.256%
2007	\$ 21,487.6	\$ 2,655.0	\$ -	\$ 135.7	\$ 3,130.0	\$ 27,408.3	0.044%	\$4,359.52	7.017%

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

Total Outstanding Debt Ratio Analysis
2007 - 2016



Source: City financial reports

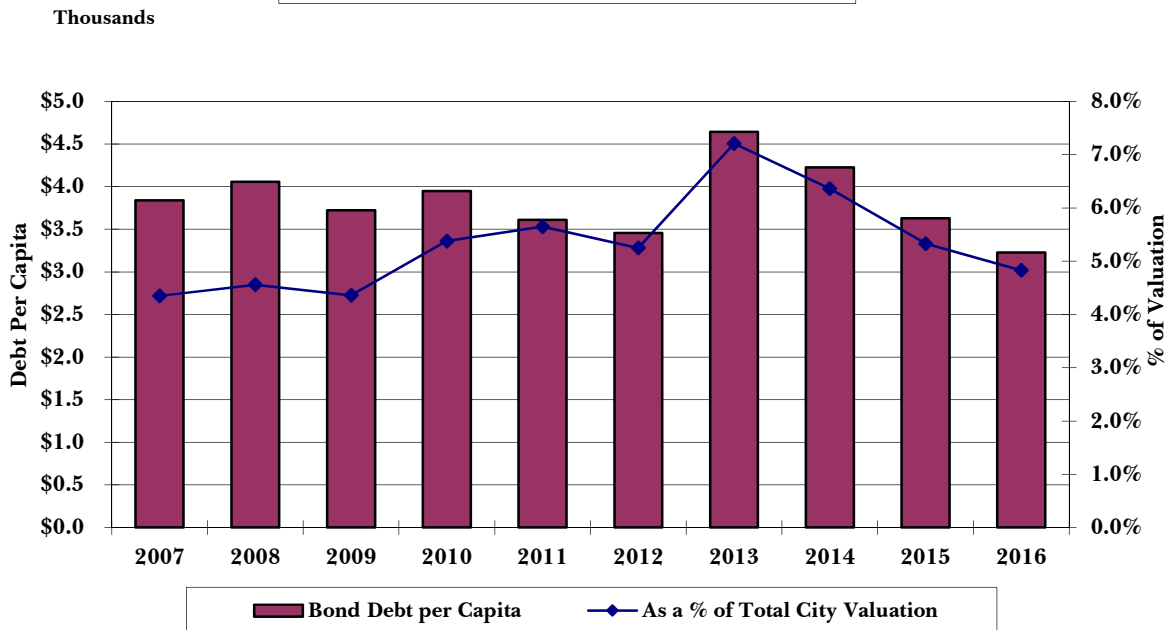
CITY OF NEW ALBANY, OHIO

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS**

Fiscal Year	General Bonded Debt Outstanding (\$000)				Percent of Actual Taxable Property Value	Outstanding Debt Per Capita
	Mortgage Revenue Bonds	General Obligation Bonds	General Obligation Notes	Total		
2016	\$ 29,756.4	\$ -	\$ -	\$ 29,756.4	4.83%	\$3,227.38
2015	\$ 32,478.6	\$ -	\$ -	\$ 32,478.6	5.33%	\$3,627.68
2014	\$ 35,457.2	\$ -	\$ -	\$ 35,457.2	6.36%	\$4,225.62
2013	\$ 26,566.0	\$ -	\$ 11,750.0	\$ 38,316.0	7.21%	\$4,641.55
2012	\$ 28,524.0	\$ -	\$ -	\$ 28,524.0	5.25%	\$3,455.36
2011	\$ 29,137.7	\$ -	\$ -	\$ 29,137.7	5.65%	\$3,611.51
2010	\$ 30,510.7	\$ -	\$ -	\$ 30,510.7	5.38%	\$3,950.12
2009	\$ 20,780.8	\$ 2,255.0	\$ 1,860.0	\$ 24,895.8	4.36%	\$3,724.69
2008	\$ 21,151.7	\$ 2,455.0	\$ 2,360.0	\$ 25,966.7	4.56%	\$4,057.93
2007	\$ 21,487.6	\$ 2,655.0	\$ -	\$ 24,142.6	4.35%	\$3,840.08

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

**Total General Bonded Debt Outstanding
2007 - 2016 Ratio Analysis**



Source: City financial reports

CITY OF NEW ALBANY, OHIO

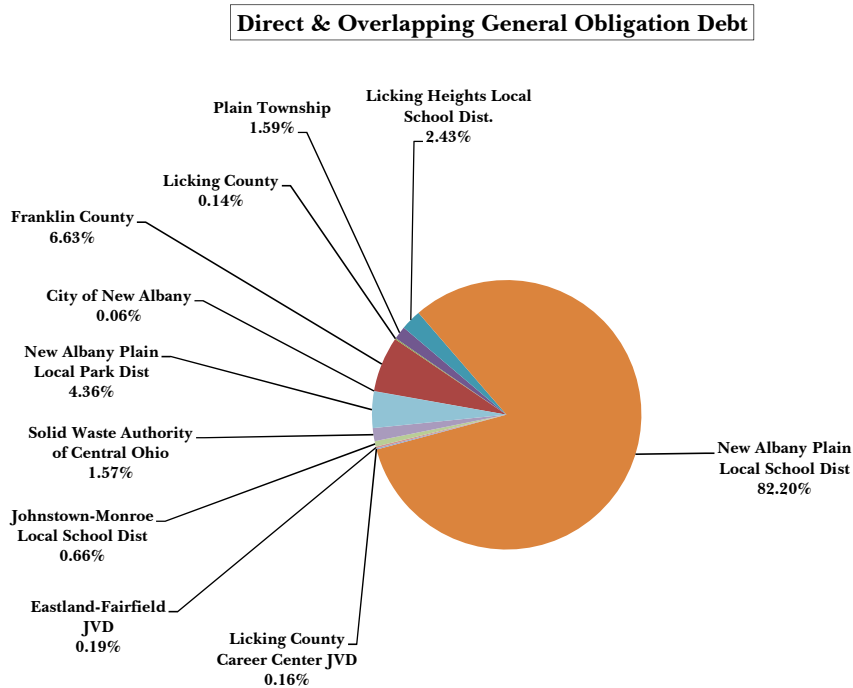
COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT

As of December 31, 2016

(\$000's omitted)

Governmental Unit	Total Debt Outstanding	Percent Applicable to City ⁽¹⁾	Amount Applicable to City
<u>Direct</u>			
City of New Albany	\$39,118.7	100.00%	\$39,118.7
<u>Overlapping</u>			
Franklin County	\$212,975,000.0	2.20%	\$4,685,450.0
Licking County	16,460,525.0	0.62%	102,055.0
Plain Township	1,317,000.0	85.23%	1,122,479.0
Licking Heights Local School Dist.	48,454,640.0	3.55%	1,720,140.0
New Albany Plain Local School Dist	91,560,045.0	63.43%	58,076,537.0
Johnstown-Monroe Local School Dist	23,239,999.0	2.02%	469,448.0
Licking County Career Center JVD	18,785,000.0	0.60%	112,710.0
Eastland-Fairfield JVD	1,750,000.0	7.78%	136,150.0
Solid Waste Authority of Central Ohio	50,930,000.0	2.18%	1,110,274.0
New Albany Plain Local Park Dist	<u>4,894,476.0</u>	62.93%	<u>3,080,094.0</u>
Total Overlapping Debt	<u>\$470,366,685.0</u>		<u>\$70,615,337.0</u>
Total Direct & Overlapping Debt	<u>\$470,405,803.7</u>		<u>\$70,654,455.7</u>

⁽¹⁾ The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the County's taxable assessed value that is within the government's boundaries and dividing it by the County's total taxable assessed value.



Source: Franklin County, Ohio; County Auditor

CITY OF NEW ALBANY, OHIO

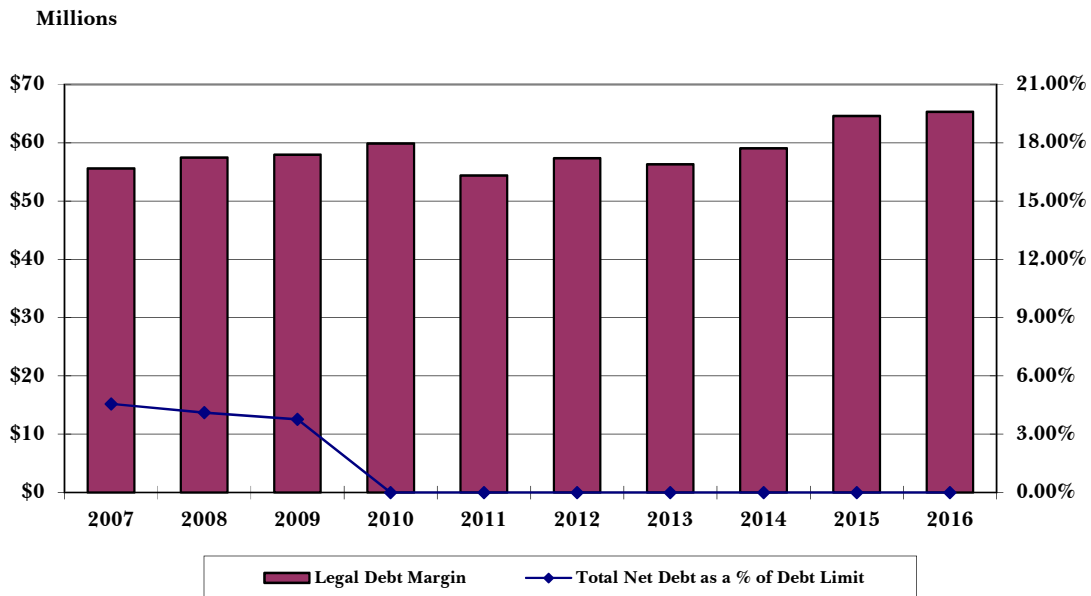
LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS

Fiscal Year	Voted Debt Limit	Total Net Debt Applicable to Limit	Debt Service Available Balance	Legal Debt Margin	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2016	\$ 64,722,420	\$ -	\$ 562,772	\$ 65,285,192	0.00%
2015	\$ 63,951,323	\$ -	\$ 649,743	\$ 64,601,066	0.00%
2014	\$ 58,568,029	\$ -	\$ 479,341	\$ 59,047,370	0.00%
2013	\$ 55,817,160	\$ -	\$ 467,727	\$ 56,284,887	0.00%
2012	\$ 57,023,592	\$ -	\$ 307,905	\$ 57,331,497	0.00%
2011	\$ 54,182,268	\$ -	\$ 193,864	\$ 54,376,132	0.00%
2010	\$ 59,496,437	\$ -	\$ 399,744	\$ 59,896,181	0.00%
2009	\$ 59,976,648	\$ 2,255,000	\$ 248,991	\$ 57,970,639	3.76%
2008	\$ 59,795,986	\$ 2,455,000	\$ 139,978	\$ 57,480,964	4.11%
2007	\$ 58,231,054	\$ 2,655,000	\$ 6,593	\$ 55,582,647	4.56%

Note: Debt limit is calculated as assessed valuation multiplied by 10.5%. All GO debt issued since 1999 has a pledge clause that would exclude it from inclusion in the 'Total Net Debt Applicable to Limit'.

Note: HB66 began the phase-out of Tangible Personal Property Tax in the next three years. To reflect this phase-out, the assessed valuation listed above has been reduced for TPP by 50% of the 2007 Assessed Valuation.

Legal Debt Margin Analysis
2007 - 2016



Source: City financial reports

CITY OF NEW ALBANY, OHIO

**DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS**

Fiscal Year	Population	Per Capita Income	Total Personal Income (thousands)	Median Age	School Enrollment ⁽⁴⁾	Unemployment Rate ⁽⁵⁾
2016	9,220 ⁽²⁾	\$71,740 ⁽¹⁾	\$ 661,442.8	37.9 ⁽¹⁾	4,839	3.8%
2015	8,953 ⁽²⁾	\$71,740 ⁽¹⁾	\$ 642,288.2	37.9 ⁽¹⁾	4,845	4.1%
2014	8,391 ⁽²⁾	\$71,740 ⁽¹⁾	\$ 601,970.3	37.9 ⁽¹⁾	4,732	4.8%
2013	8,255 ⁽²⁾	\$71,740 ⁽¹⁾	\$ 592,213.7	37.9 ⁽¹⁾	4,656	5.5%
2012	8,255 ⁽²⁾	\$71,740 ⁽¹⁾	\$ 592,213.7	37.9 ⁽¹⁾	4,426	5.3%
2011	8,068 ⁽²⁾	\$71,740 ⁽¹⁾	\$ 578,798.3	37.9 ⁽¹⁾	4,426	6.3%
2010	7,724 ⁽¹⁾	\$71,740 ⁽¹⁾	\$ 554,119.8	37.9 ⁽¹⁾	4,324	7.6%
2009	6,684 ⁽²⁾	\$62,131 ⁽³⁾	\$ 415,283.6	37.6 ⁽²⁾	4,101	6.1%
2008	6,399 ⁽²⁾	\$62,131 ⁽³⁾	\$ 397,576.3	37.6 ⁽²⁾	3,929	4.7%
2007	6,287 ⁽²⁾	\$62,131 ⁽³⁾	\$ 390,617.6	37.6 ⁽²⁾	3,436	4.4%

OTHER MISCELLANEOUS INFORMATION ⁽⁶⁾

Date of Incorporation	1856
Form of Government	Mayor/Council/Administrator
Population ⁽²⁾	9,220 (2)

Area in square miles	12.15
----------------------	-------

Facilities & Services

Miles of streets	110
Number of street lights	1,278
Number of signalized intersections	19

Sources:

- (1) Federal 2010 decennial census
- (2) Mid-Ohio Regional Planning Commission (MORPC) population estimates
- (3) Federal 2000 decennial census
- (4) New Albany Plain Local Schools
- (5) Ohio Job & Family Services, Labor Market Information department. Rates are for Franklin County.

CITY OF NEW ALBANY, OHIO

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	2016		2007	
	Rank	Percent of Total Withholding Taxes Paid	Rank	Percent of Total Withholding Taxes Paid
Abercrombie & Fitch Companies	1	22.66%	1	41.18%
Discover Financial Services	2	6.36%	2	12.08%
Bob Evans	3	4.37%		
Columbia Pipeline Group Service	4	3.65%		
Aetna Life Insurance	5	2.91%	4	6.21%
New Albany-Plain Local Schools	6	2.74%	5	3.83%
Too Brands, Inc.	7	2.60%		
White Fence Surgical Suites, LLC	8	2.41%		
Axium Plastics, LLC	9	2.36%		
AEP Service Corp	10	2.28%		
Tween Brands		0.00%	3	10.14%
Mount Carmel Health System		0.00%	6	1.41%
CVG Management Corp.		0.00%	7	1.37%
Othopedic & Neurological Cons.		0.00%	8	0.99%
Liberty Mutual Insurance Co.		0.00%	10	0.77%
Sage Software Healthcare, Inc.		0.00%	9	0.79%
Total of Top Ten*		52.34%		78.77%
Total Withholdings - All Employers		\$ 24,456,634		\$ 12,157,879

* Percentage presented is only for the top 10 employers in each respective year.

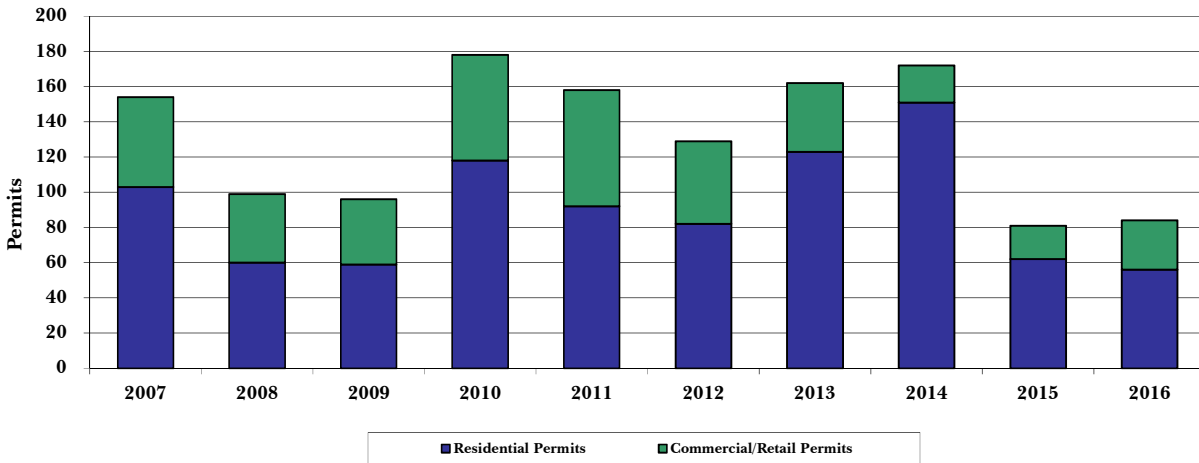
Source: Regional Income Tax Agency (RITA) records.
Information for current year and eight years ago was the most recent information available.

CITY OF NEW ALBANY, OHIO

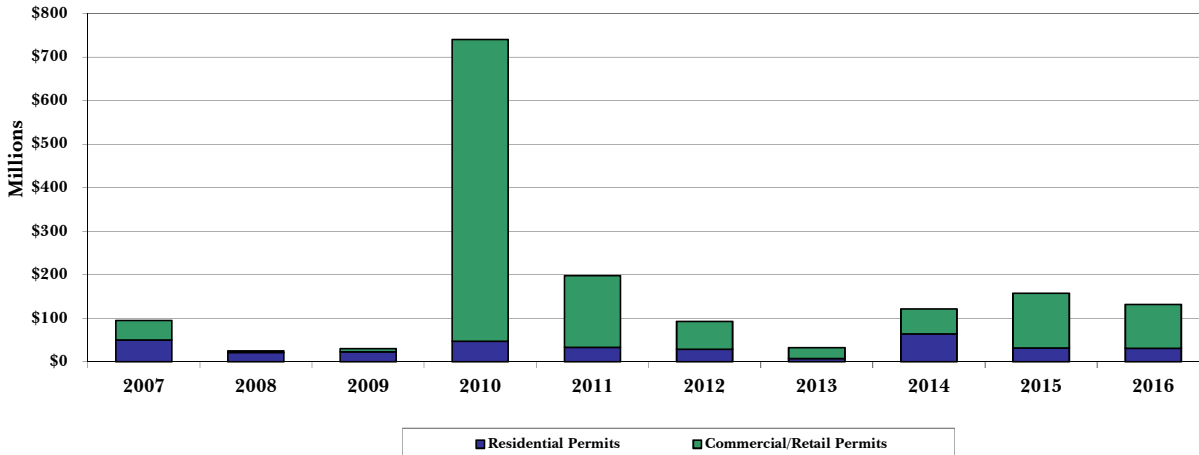
CONSTRUCTION ACTIVITY
LAST TEN YEARS

Fiscal Year	Residential			Commercial/Retail			Total		
	Permits	Total Value	Avg Value	Permits	Total Value	Avg Value	Permits	Total Value	Avg Value
2016	56	\$30,895,321	\$551,702	28	\$101,114,068	\$3,611,217	84	\$132,009,389	\$1,571,540
2015	62	\$31,630,941	\$510,176	19	\$126,015,000	\$6,632,368	81	\$157,645,941	\$1,946,246
2014	151	\$64,170,093	\$424,968	21	\$57,499,981	\$2,738,094	172	\$121,670,074	\$707,384
2013	123	\$7,849,939	\$63,821	39	\$24,540,000	\$629,231	162	\$32,389,939	\$199,938
2012	82	\$28,566,720	\$348,375	47	\$64,001,053	\$1,361,725	129	\$92,567,773	\$717,580
2011	92	\$33,562,866	\$364,814	66	\$164,078,842	\$2,486,043	158	\$197,641,708	\$1,250,897
2010	118	\$47,394,320	\$401,647	60	\$693,399,500	\$11,556,658	178	\$740,793,820	\$4,161,763
2009	59	\$23,220,583	\$393,569	37	\$7,313,000	\$197,649	96	\$30,533,583	\$318,058
2008	60	\$21,351,047	\$355,851	39	\$3,518,000	\$90,205	99	\$24,869,047	\$251,202
2007	103	\$50,375,658	\$489,084	51	\$44,313,058	\$868,883	154	\$94,688,716	\$614,862

Number of Building Permits Issued
2007 - 2016



Total Value of Building Permits Issued
2007 - 2016



Source: City financial reports

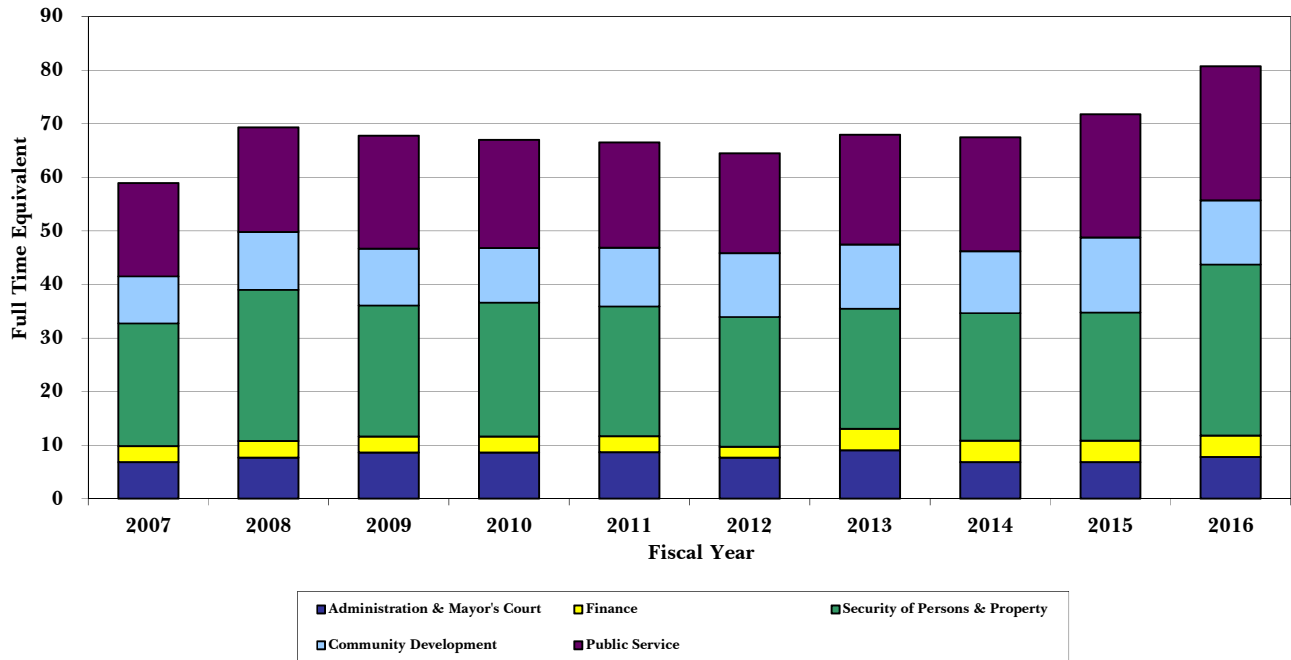
CITY OF NEW ALBANY, OHIO

**FULL TIME EQUIVALENT CITY GOVERNMENT
EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN YEARS**

Function/Program	2016	2015	2014	2013
General government	12.750	11.794	11.794	13.000
Administration	6.000	5.000	5.000	7.000
Finance	4.000	4.000	4.000	4.000
Information Technology	1.000	1.000	1.000	-
Mayor's Court	1.750	1.794	1.794	2.000
Community Development	12.000	14.000	11.582	12.000
Building & Zoning	4.000	6.000	5.000	6.000
Planning & Development	8.000	8.000	6.582	6.000
Security of persons & property	32.000	24.000	23.832	22.500
Police	25.000	17.000	17.000	17.000
Communications/Civilians	7.000	7.000	6.832	5.500
Public Service	25.000	23.000	21.282	20.500
Total Full-Time Equivalent (FTE)	81.750	72.794	68.490	68.000

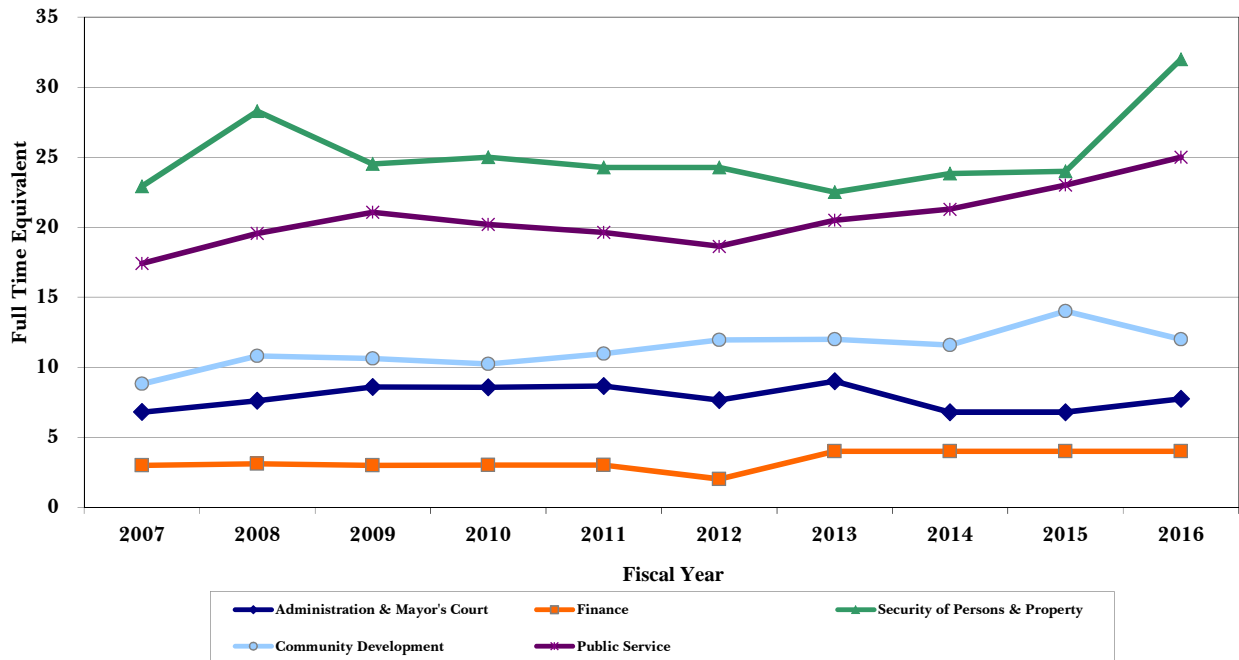
Source: City payroll systems

**Full-Time Equivalent Employees
By Function 2007 - 2016**



2012	2011	2010	2009	2008	2007
9.668	11.668	11.600	11.591	10.727	9.800
6.014	7.014	6.976	7.001	5.943	5.260
2.015	3.015	3.021	2.996	3.108	3.002
-	-	-	-	-	-
1.639	1.639	1.603	1.594	1.676	1.538
11.961	10.961	10.230	10.627	10.811	8.810
6.081	5.081	5.279	5.689	5.599	3.904
5.880	5.880	4.951	4.938	5.212	4.906
24.261	24.261	25.003	24.511	28.281	22.912
18.559	18.559	18.913	18.682	19.606	16.973
5.702	5.702	6.090	5.829	8.675	5.939
18.633	19.633	20.205	21.061	19.559	17.416
64.523	66.523	67.038	67.790	69.378	58.938

**Full-Time Equivalent Employees
By Function 2007 - 2016**



CITY OF NEW ALBANY, OHIO

**OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS**

Function/Program	2016	2015	2014	2013
Police				
Physical arrests	284	207	272	206
Traffic citations	1,099	1,530	1,341	1,581
Mayor's Court				
Traffic Cases	887	836	653	845
Criminal Cases	55	45	30	27
Service				
Street resurfacing (miles)	2.300	6.800	11.650	11.300
Potholes repaired	423	790	378	368
Building & Zoning				
Residential permits issued	56	62	151	123
Commercial permits issued	28	19	21	39
Board & Commission applications	87	75	86	93
Finance				
Checks issued	2,733	3,165	2,611	2,989
Invoices processed	5,827	5,584	5,133	4,720
Average vouchers per check	2.13	1.76	1.97	1.58
Purchase orders issued	1,126	1,228	1,542	1,531
School District				
Total student enrollment	4,839	4,845	4,769	4,656
Total staff	558	610	609	592
Total certified staff	327	352	371	360
Avg certified staff/pupil ratio	14.798	13.764	12.854	12.933
Library				
Collection size	83,399	150,273	120,811	110,970
Circulation volume	1,005,251	1,065,247	1,021,790	900,043
Visitors to Library	268,945	279,499	270,558	368,568

Source: City Departments
New Albany Plain Local School Treasurer's Office
Columbus Public Library, New Albany Branch

2012	2011	2010	2009	2008	2007
231	222	181	265	358	401
1,431	1,830	1,651	1,512	1,959	2,099
949	1,118	1,194	1,102	1,567	1,228
46	67	34	38	60	45
15,500	1,710	3,950	6,830	1,750	1,080
498	561	325	165	520	200
82	92	118	59	60	103
47	66	60	37	39	51
57	96	80	87	109	126
2,215	2,192	2,152	1,630	2,615	2,099
4,306	6,719	6,562	7,718	7,067	5,952
1.94	3.07	3.05	4.73	2.70	2.84
1,359	1,372	1,637	1,791	1,708	1,759
4,426	4,426	4,324	4,101	3,929	3,436
573	583	595	538	544	522
350	360	351	322	322	311
12,646	12,294	12,319	12,736	12,202	11,048
85,889	93,386	92,751	98,259	94,191	105,575
891,082	880,868	872,277	969,944	979,920	935,378
442,121	424,653	365,786	413,903	459,347	419,537

CITY OF NEW ALBANY, OHIO

**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS**

Function/Program	2016	2015	2014	2013
<u>Police</u>				
Stations	1	1	1	1
Cruisers/Patrol Vehicles	8	8	8	8
<u>Sanitation/Service</u>				
Staff vehicles	4	4	3	3
Dump trucks/plow vehicles	9	9	9	9
Pick-up trucks & other vehicles	16	16	10	13
<u>Other Public Works</u>				
Streets & alleys (miles)	110	106	99	89.3
Streets & alleys (lane miles)	275.7	239.3	250.8	214.4
Streetlights	1278	1212	1069	1064
Bridges	22	21	20	19
Signalized intersections	19	19	18	19
<u>Parks & Recreation</u>				
Number of parks	3	3	3	3
Park acreage	206.1	206.1	206.1	206.1
Shelter houses	2	2	2	2
Swimming pools	1	1	1	1
Tennis courts	7	7	7	7
Lighted baseball/softball fields	4	4	4	4
<u>Water</u>				
Water mains (miles)	81.7	81.5	79.2	78.9
Fire hydrants	1141	1118	1086	1065
<u>Sanitary/Storm Sewer System</u>				
Miles of sanitary sewers	64.30	63.80	61.90	62.20
Miles of storm sewers	79.7	78.7	79.2	62.6
Treatment plants (provided by City of Columbus)	0	0	0	0

Source: City Departments
E.P. Ferris & Associates, City Engineer
New Albany Plain Local Joint Park District

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
1	1	1	1	1	1
9	8	8	7	12	12
3	3	3	3	4	4
8	8	7	7	6	6
12	12	11	11	8	8
59.07	58.58	56.04	55.08	53.91	52.07
185.5	185.5	165.3	157.5	155.8	154.1
1084	1074	1064	1064	1053	1021
19	19	18	18	16	16
18	18	18	13	12	12
3	3	3	3	3	3
206.1	202.5	202.5	202.5	202.5	200
2	2	2	2	2	2
1	1	1	2	2	2
7	7	7	7	7	7
4	4	4	4	4	4
62.14	59.8	59	59	58.5	57.85
1060	982	951	951	940	918
61.20	59.90	59.50	59.40	58.90	58.7
67	67	64.3	64	62.3	60.53
0	0	0	0	0	0

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**CITY OF NEW ALBANY
FRANKLIN COUNTY, OHIO**

SUPPLEMENTAL REPORT

DECEMBER 31, 2016

VICKI MCKINNEY, INTERIM DIRECTOR OF FINANCE

**CITY OF NEW ALBANY
FRANKLIN COUNTY, OHIO**

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Julian & Grube, Inc.

Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards*

City of New Albany
Franklin County
99 W. Main Street
New Albany, Ohio 43054

To the Members of Council and Mayor:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of New Albany, Franklin County, Ohio, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City of New Albany's basic financial statements and have issued our report thereon dated June 26, 2017.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City of New Albany's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Members of Council and Mayor
City of New Albany

Compliance and Other Matters

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

Purpose of this Report

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



Julian & Grube, Inc.
June 26, 2017

**CITY OF NEW ALBANY
FRANKLIN COUNTY, OHIO**

**STATUS OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2016**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2015-001	<u>Material Weakness - Financial Statement Presentation</u> - Audit adjustments were made to correct misstatements identified in the audit of the City's financial statements.	Yes	N/A

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Dave Yost • Auditor of State

CITY OF NEW ALBANY

FRANKLIN COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 22, 2017**