

**CITY OF TROY  
MIAMI COUNTY**



**SINGLE AUDIT**

**FOR THE YEAR ENDED DECEMBER 31, 2020**



OHIO AUDITOR OF STATE  
KEITH FABER



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Honorable Mayor and City Council  
City of Troy  
100 South Market Street  
P.O. Box 3003  
Troy, Ohio 45373

We have reviewed the *Independent Auditor's Report* of the City of Troy, Miami County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2020 through December 31, 2020. 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. In conjunction with the work performed by the Independent Public Accountant, the Auditor of State is issuing the following.

**Finding for Recovery:**

On October 26, 2020, Judge Stacy Wall ordered restitution of \$267,000 against Cheryl Terry, former City Recreation Department Officer Manager, in Case # 20CR379. This was related to Ms. Terry depositing the City's Hobart Arena cash in her personal bank accounts beginning in early 2017 and continuing into early 2020.

In accordance with the foregoing facts and pursuant to Ohio Rev. Code § 117.28, a finding for recovery for public property converted or misappropriated is hereby issued in the amount of \$267,000 against Cheryl Terry and her bonding company, Gallagher Bassett, jointly and severally, and in favor of the City's Hobart Arena fund.

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 Troy is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

August 18, 2021

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**CITY OF TROY  
MIAMI COUNTY  
FOR THE YEAR ENDED DECEMBER 31, 2020**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Independent Auditor’s Report.....	Under separate cover
Prepared by Management:	
Comprehensive Annual Financial Report .....	Under separate cover
Schedule of Expenditures of Federal Awards .....	1
Notes to the Schedule of Expenditures of Federal Awards .....	1
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	2
Independent Auditor’s Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance and Report on Schedule of Expenditures Of Federal Awards Required by Uniform Guidance .....	4
Schedule of Findings and Questioned Costs .....	6
Schedule of Prior Audit Findings and Questioned Costs .....	7

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CITY OF TROY, OHIO  
Schedule of Expenditures of Federal Awards  
For the year ended December 31, 2020

Federal Grantor/Pass Through Grantor/Program Title	Grant or Pass-Through Number	Federal CFDA Number	Expenditures
<u>U.S. Department of Housing and Urban Development</u>			
Passed through the Ohio Development Services Agency:			
Community Development Block Grants/State	A-X-18-2EB-1 & A-F-18-2EB-1	14.228	\$779,922
Total U.S. Department of Housing and Urban Development			<u>779,922</u>
<u>U.S. Department of Justice</u>			
Direct:			
Bulletproof Vest Partnership Program	N/A	16.607	3,199
Equitable Sharing Program	N/A	16.922	1,650
Total U.S. Department of Justice			<u>4,849</u>
<u>U.S. Department of the Treasury</u>			
Passed through the Ohio Office of Budget and Management:			
Coronavirus Relief Fund	HB481-CRF-Local	21.019	2,395,667
Total U.S. Department of the Treasury			<u>2,395,667</u>
TOTAL - ALL FEDERAL PROGRAMS			<u><u>\$3,180,438</u></u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE A -- SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards is a summary of the activity of the City's federal award programs. The schedule has been prepared using the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). The City did not elect to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Honorable Mayor and City Council  
City of Troy

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Troy (the City), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 30, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *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 deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.



## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.

Dayton, Ohio

June 30, 2021

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND  
ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON SCHEDULE OF EXPENDITURES OF  
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Mayor and City Council  
City of Troy

**Report on Compliance for Each Major Federal Program**

We have audited the City of Troy's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2020. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

***Opinion on Each Major Federal Program***

In our opinion, the City, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

**Report on Internal Control over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements

that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

#### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 30, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.  
Dayton, Ohio  
June 30, 2021

**CITY OF TROY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ended December 31, 2020**

**Section I – Summary of Auditor’s Results**

**Financial Statements**

Type of auditor’s report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant Deficiency(s) identified? None reported

Noncompliance material to financial statements noted? No

**Federal Awards**

Internal control over major federal programs:

- Material weakness(es) identified? No
- Significant Deficiency(s) identified? None reported

Type of auditor’s report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No

Identification of major federal programs:

Coronavirus Relief Fund -CFDA# 21.019  
CDBG – State – CDFA# 14.228

Dollar threshold used to distinguish between Type A and Type B Programs \$750,000

Auditee qualified as low-risk auditee? No

**Section II – Findings Related to the Financial Statements Required to be reported in Accordance with GAGAS**

None

**Section III – Federal Award Findings and Questioned Costs**

None

**CITY OF TROY**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
2 CFR 200.511(b)  
Year Ended December 31, 2020**

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Finding Corrected</u>	<u>Explanation</u>
2019-001	Design or operation of internal controls at Hobart Arena did not allow management or employees to prevent the theft	Yes	The City corrected this issue.

**Y**



**City of Troy**  
Comprehensive Annual Financial Report  
for the Fiscal Year ended December 31, 2020  
**Troy, Ohio**

**R**

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**CITY OF TROY, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020**

**PREPARED BY:**  
**JOHN E. Frigge, CITY AUDITOR**

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	<b>Page</b>
<b>INTRODUCTORY SECTION</b>	
Letter of Transmittal	vii
Listing of Principal City Officials	xiv
Organizational Chart	xv
Certificate of Achievement for Excellence in Financial Reporting	xvi
<b>FINANCIAL SECTION</b>	
Independent Auditor's Report	1
Management's Discussion and Analysis	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	12
Statement of Activities	14
Fund Financial Statements:	
Balance Sheet - Governmental Funds	16
Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities	17
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	20
Statement of Net Position - Proprietary Funds	22
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds	23
Statement of Cash Flows - Proprietary Funds	24
Statement of Fiduciary Net Position - Fiduciary Funds	25
Statement of Changes in Fiduciary Net Position - Fiduciary Fund	26
Notes to the Basic Financial Statements	27
Required Supplementary Information:	
Schedule of the City's Proportionate Share of the Net Pension Liability - Ohio Public Employees Retirement System	76
Schedule of the City's Proportionate Share of the Net Pension Liability - Ohio Police and Fire Pension Fund	77
Schedule of City's Contributions for Net Pension Liability - Ohio Public Employees Retirement System	78
Schedule of City's Contributions for Net Pension Liability - Ohio Police and Fire Pension Fund	79
Schedule of the City's Proportionate Share of the Net OPEB Liability - Ohio Public Employees Retirement System	80
Schedule of the City's Proportionate Share of the Net OPEB Liability - Ohio Police and Fire Pension Fund	81
Schedule of City's Contributions for Net OPEB Liability - Ohio Public Employees Retirement System	82
Schedule of City's Contributions for Net OPEB Liability - Ohio Police and Fire Pension Fund	83
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis): General Fund	84
Notes to the Required Supplementary Information	85
Combining Statements and Individual Fund Schedules:	
Major Governmental Funds	90
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis): TIF Retirement Fund	91
Capital Improvement Fund	92
Nonmajor Governmental Funds	
Combining Balance Sheet	94
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	95
Nonmajor Special Revenue Funds	
Fund Descriptions	97
Combining Balance Sheet	98
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	100

	<u>Page</u>
Nonmajor Special Revenue Funds (Continued)	
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis):	
Street Construction, Maintenance and Repair Fund	102
State Highway Improvement Fund	103
Cemetery Fund	104
Municipal Real Property Fund	105
Miami Conservancy District Fund	106
Community Development Block Grant Fund	107
Parking Improvement Fund	108
Drug Law Enforcement Fund	109
Law Enforcement Fund	110
Cemetery Endowment Fund	111
Small Business Development R-Loan Fund	112
Equitable Sharing Fund	113
Cares Act Coronavirus Relief Fund	114
Park and Playground Fund	115
Nonmajor Debt Service Fund	
Fund Description	116
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis):	
Bond Retirement Fund	117
Nonmajor Capital Projects Funds	
Fund Descriptions	119
Combining Balance Sheet	120
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	121
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis):	
OPWC Project Fund	122
Technology Fund	123
Other General Funds	
Fund Descriptions	124
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis):	
Income Tax Fund	125
Investment Fund for Capital Improvement Fund	126
Safety - Income Tax Fund	127
Recreational Programs Fund	128
Parks and Recreation Improvement Fund	129
Nonmajor Enterprise Funds	
Fund Descriptions	130
Enterprise Funds	
Combining Statement of Net Position	131
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	132
Combining Statement of Cash Flows	133

	<u>Schedule</u>	<u>Page</u>
<b>STATISTICAL SECTION</b>		
Statistical Section Description Page		135
Net Position by Component	1	136
Changes in Net Position	2	138
Fund Balances, Governmental Funds	3	141
Changes in Fund Balances, Governmental Funds	4	143
Assessed Value and Estimated Actual Value of Taxable Property	5	145
Direct and Overlapping Property Tax Rates	6	146
Principal Property Tax Payers	7	147
Property Tax Levies and Collections	8	148
Income Tax by Payer Type and Income Tax Rate	9	149
Principal Income Taxpayers	10	150
Ratios of Outstanding Debt by Type	11	151
Ratios of General Bonded Debt Outstanding	12	152
Direct and Overlapping Governmental Activities Debt	13	153
Legal Debt Margin Information	14	154
Pledged-Revenue Coverage	15	155
Demographic and Economic Statistics - Miami County	16	156
Major Employers	17	157
Full-Time Equivalent City Government Employees by Function/Program	18	158
Operating Indicators by Function/Program	19	159
Capital Asset Statistics by Function/Program	20	160

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# INTRODUCTORY SECTION





June 30, 2021

The Honorable Mayor,  
Members of City Council  
and Citizens of Troy, Ohio

The Comprehensive Annual Financial Report of the City of Troy, Ohio for the fiscal year ended December 31, 2020 is submitted herewith. The Auditor's Office prepared the report. The responsibility for both the accuracy of the presented data and the completeness and the fairness of the presentation, including all disclosures, rests with the City of Troy, specifically with the Auditor's Office. We believe that the enclosed data is accurate in all material respects; and is presented in a manner designed to fairly set forth the financial payroll - bank statement and reconciliation as December 31, 2020 position and results of operations of the various funds of the City. We further believe that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been included.

This Comprehensive Annual Financial Report incorporates GASB Statement No. 34 – Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. Statement No. 34 was developed to make annual financial reports of state and local governments easier to understand and more useful to those who make decisions using governmental financial information. This report represents and reflects upon the City's financial operations and condition to the City's residents, its elected officials, management personnel, financial institutions, City bondholders, rating agencies and all other parties interested in the financial affairs of the City.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditor's report.

### **CITY OVERVIEW**

Troy, Ohio is a progressive city with a reputation for its positive and progressive attitude, hospitality, and pride in its history and accomplishments. Located along I-75 ten miles north of the I-75 and I-70 interchange, Troy is ideally situated.

The City of Troy is home to approximately 28,000 people, based on the estimate of the City's Development Department. While new residents move in at a slow, even pace, Troy continues to have a substantial number of long-time residents. People who move to Troy tend to continue to live here, even after they have raised their families. Troy has a reputation for community pride, friendliness and hospitality, along with respect for its past and great hopes for its future. The community offers a diverse mix of people, places and activities to enjoy. Destinations in the City are accessible without congestion or inconvenience.



The City was founded in 1814 and is a statutory municipal corporation under the laws of the State of Ohio. The City operates under a Council-Mayor form of government and provides the following services: police, fire, emergency ambulance service, parks, recreation, health, development, street repair and snow plowing, water and wastewater, refuse and recycling collections, and municipal cemetery.

## **ECONOMIC CONDITIONS AND OUTLOOK**

Economic Development remains Troy's number one priority, for without a robust, thriving, diverse and sustainable residential, commercial and industrial economy, the City cannot protect the health, welfare and safety of our stakeholders, nor can we continue the high level, unique quality of life we enjoy. Though our State of Ohio leaders have continually confiscated our income tax revenues, Troy officials recognize that, through our close alliance with our business community, attracting and retaining young worker and families to Troy will be absolutely essential to sustaining and growing our business economy. During 2020, Pella Corp, an Iowa-based company, announced its decision to locate in Troy and invest \$15.7 million and hire more than 400 workers to launch a manufacturing facility dedicated to the production of vinyl doors and windows. In terms of job creation, it is the largest project approved for a tax credit by the Ohio Tax Credit Authority in 2020. In addition to Pella, existing companies announced expansion projects. Novacel, formerly Troy Laminating Company, announced it will double employment by creating 53 new jobs as part of a multimillion-dollar investment to produce surgical and N95 masks. Some of the other economic development highlights and projects are as follows:

### **Economic Development**

- Worked with the Troy Area Chamber of Commerce, Troy Development Council, The Troy Foundation, and Troy Main Street to offer a Small Business Disaster Relief Grant Program in the amount of \$210,000. This was in response to the negative impact the COVID-19 Pandemic and resultant shutdown and restrictions had on the businesses.
- Implement a Property Assessed Clean Energy (PACE) program that is used to finance energy efficiency and renewable energy improvements on private property. (Actual implementation occurred in January 2021).
- Partnered with the Troy Development Council to purchase a 73-acre industrial park at a price of approximately \$1.5 million.
- Finalized a \$70 million expansion that includes a new 63,000 square foot building to house new smokehouses, drying rooms and packing equipment for ConAgra Foods. The project results with 50 new jobs.
- Completed construction of the extended-stay Hilton Home2 Suites hotel, a \$4.5 million project that includes an approximately 62,000 square foot, four-story building totaling 95 rooms.

### **Recreation/Parks**

- Worked with the Recreation Department and Park Department Staff to promote the Float Troy Program (floating Shoal Tents on the Great Miami River), renting the tents, and finding ways to enhance the overnight experience of on-river camping.
- Worked with the Recreation Department staff to open the Troy Aquatic Park for a two month period, meeting all protocols/requirements of Public Health to do so during the COVID-19 Pandemic.
- Worked with Miami Shores Golf Course staff to have the golf course and the Shoreline Restaurant open and accessible as much as possible, meeting all COVID-19 protocols/requirements of Miami County Public Health.

- Continued to assess buildings and the needs of the functions they address, including Park Department buildings.
- Bid and contracted roof replacement project for the Hobart Arena.
- Maintained Tree City USA status for 34 consecutive years.
- Added amenities to the downtown, including tables, benches, and trash receptacles.
- While the Hobart Arena continues to have the ability to offer programming with a variety of events and activities, both recreational and cultural, due to COVID-19 restrictions, few programs, events or activities could be held.
- Branding and wayfinding initiatives were finalized for the downtown/riverfront area.

### **Utilities/Operations**

- Continued to replace and update water mains that are aging and undersized and to reline sewers to extend their life-cycles.
- Conducted the next phase of sidewalk improvement program.
- Coordinated the annual road repaving project.
- Designed the last two phases of the Riverside Drive Improvement Project.
- Replaced the UV system at the WWTP.
- Continued to finalize the engineering design, and work towards the West Main Street Corridor Improvement Project being ready to bid.
- Updated the 5-year City-wide Capital Improvement Plan for all funds.
- Continued to provide our citizens with professional and well-trained safety departments and forces.
- Continued to look at operating efficiencies, reorganizations, and work consolidations; and the elimination of operational redundancy for greater efficiency and cost effectiveness.
- Purchased land for new Fire Station #1, oversaw the demolition of existing structures on the land, and authorized the design of the new station.
- Continued Fire and Police Recruiting.
- Continued the Fire Department apprentice program, and noted the success of the program with apprentices being hired as full-time Firefighters/EMS Technicians.

### **HIGHLIGHTS AND ACCOMPLISHMENTS THROUGHOUT THE YEAR**

#### **Investments in Businesses for retention, growth, expansion and reuse**

- Construction projects during the year included: Hilton Home2 Suites, Arbogast Performing Arts Center, Family Abuse Shelter, Abbey Credit Union, Texas Roadhouse, C-Squared, Pella Corp., and an additional building for the Lincoln Community Center.
- Additions and renovations to existing buildings include: Waco Warehouse, Novacel, Keystone Real Estate Group, Steak 'N Shake, Sherwood Shopping Centre, Brock Air Products, Former Coleman-Allen-Saidelmen Building.
- Troy continues to be attractive to small businesses in the downtown and all-around town, with new establishments of Ulbrich's Hometown Donuts, Agave & Rye, RedBerry, Megumi Hibachi, The Trojan Horse, along with several business offices, retail shops, and beauty salons.

#### **Residential Construction**

- Halifax Estates Continues to develop with new sections of road being built and new housing starts (70% completed).
- Fox Harbor has new roads and housing starts (34 existing and 174 proposed homes).



- Reserve at Washington started construction (50 lots over 33 acres).
- Halifax Villas started construction (101 patio homes, 159 townhome condos over 107 acres).
- Heritage of the Country Club started construction (22 single-family homes, 22 condos over 25 acres).

### **Manufacturing Continues to be the Mainstay of the Troy Economy**

- Troy has 14 industrial operations for international companies. The parent companies for these operations are headquartered in Sweden, France, Germany, Italy, and Japan.
- Pella Corp. investing \$15.7 million to launch a manufacturing facility resulting in more than 400 additional jobs.
- Major \$70 million expansion for ConAgra Foods resulting in 50 new jobs.
- Novacel announced a multimillion investment creating 53 new jobs.
- Troy's top five employers are:
  1. Clopay Building Products (1,500 employees).
  2. F&P America MFG (1,150 employees).
  3. Collins Aerospace (750 employees).
  4. ConAgra Foods (750 employees).
  5. American Honda (600 employees).

### **Water Quality**

- We continue to provide citizens with high quality water.
- We live on top of one of the world's most prolific aquifers.
- Troy's strict monitoring exceeds the requirements of OEPA in both the quality of water and the daily testing requirement.

### **Cultural**

- We continue to stay in contact with our Sister City, Takahashi City, Japan, while COVID-19 restrictions prohibited exchanges.
- A smaller number of free concerts were held at Prouty Plaza and Treasure Island, made possible with generous donations by many people and organizations, with a number of events unfortunately cancelled or postponed due to COVID-19 restrictions.
- The annual Grand Illumination of the community Christmas Tree and other lighting.

### **A Community of Volunteers**

The City continues to be able to appreciate a number of volunteers for events. While some events had to be postponed due to COVID-19 restrictions, volunteers participated in the following:

- Operation Cloverleaf continued to maintain the SR41/I-75 Interchange.
- Sculptures on the Square planning for 2021.
- Christmas Tree Lighting Celebration.
- Downtown Farmers Market.
- The King Team held the annual celebration honoring Dr. Martin Luther King, Jr.
- Fireworks lit up the sky the evening of July 4<sup>th</sup>.
- The City worked with the Miami County Commissioners for the rededication of the Courthouse Plaza.

## **Recognized Observances**

- All Veterans Programs including Memorial Day and Veterans Day.
- MLK Walk/Service.
- Mayor's Prayer Gathering.
- National Day of Prayer.
- Peace Officers' Memorial Service.

## **OTHER INFORMATION ABOUT THE CITY**

### **Employee Assistance Plan (EAP)**

Through EmployeeCare of Miami Valley Hospital in Dayton, the City provides employees and their families free 24-hour counseling services. In addition to counseling sessions, there is a 24-hour hotline. This counseling process is based upon and centered on complete confidentiality for the person using the program. The EAP also provides on-site counseling for situations such as the loss of a co-worker or the debriefing of safety employees following a critical event. If requested, the EAP is also available to provide other on-site seminars that may be helpful to employees.

### **Wellness Program**

In the summer of 2016 the City ended the program that had existed with the Upper Valley Medical Center since 2002, and presented a new Wellness Program that is provided as part of the City's Group Health Insurance Program through the Ohio Benefits Cooperative (OBC). This voluntary wellness incentive program is available only to those employees enrolled in the City's group health insurance program, and is known as PUSH. It is designed to help employees identify and reach wellness goals. By enrolling in the program, employees can earn monthly cash payouts that accrue up to \$35 per month, with the amount earned based on how well the employee meets five key wellness areas. Employees complete a Health Risk Assessment questionnaire (HRA) that helps employees and the PUSH staff recognize age-appropriate screenings. The PUSH program also provides monthly emails, mailings, and reminders to participating employees, with each month having a particular wellness/health focus. The City of Troy has a high percentage of eligible employees participating in the PUSH Wellness Program. The PUSH program includes spouses being able to utilize the benefits of the program based on the same criteria and requirements for employees.

Late in 2020, it was announced that PUSH had been sold. To the extent possible, the PUSH benefits will be provided through August, 2021. The OBC will be selecting another vendor for the OBC provided Wellness Program; however, preliminary information is that no other vendor offers a program similar to PUSH and that the OBC Wellness Program will be different in September 2021.

The City continues to offer an additional Wellness incentive program for those employees on the City's HSA group health insurance plan. By documenting health related information and/or participating in wellness efforts, those employees are able to earn up to a maximum of \$600 for each plan year, with the earnings paid directly into their HSA.

## **FINANCIAL INFORMATION**

### **Internal Accounting and Budgetary Controls**

We believe that the City's internal control structure adequately safeguarded assets and provided reasonable assurance of proper recording of financial transactions. The cost of a control should not exceed the benefits to be derived, the objective is to provide reasonable, rather than absolute assurance, that the financial statements are free of any material misstatements. It is further the City's intention to review these controls in depth on an ongoing basis for continued refinements and improvements.

Budgetary control is maintained at the fund level by the use of encumbrances for purchase order amounts to vendors. Open encumbrances are reported as an assignment of the fund balance for the governmental fund types at December 31, 2020.

### **Relevant Financial Policies**

In 2015, the State of Ohio passed House Bill 5, a municipal tax uniformity bill. This bill contains language modifying the income basis on which a municipal government can levy an income tax on and how the municipal government can collect income tax. Most provisions of this bill became effective in January 2017 for the 2016 tax year. At this time, the financial impact of these legislative changes on income tax receipts is negligible.

In 2017, the State of Ohio passed changes to the municipal income tax statute and revenue collection streams. In December 2016, over 150 Ohio municipalities filed a lawsuit to try and prevent the changes to the municipal income tax statute. The concerns revolve around the State Department of Taxation becoming a central filing and collection point for business profit returns, assessing the municipality a fee to process the returns and limiting access to tax information necessary for a municipal jurisdiction to review and audit returns as well as to enforce the local tax laws.

In February 2018, the Franklin County Judge ruled in favor of the State of Ohio. Though an appeal has been filed on behalf of the municipalities, the municipalities have adopted the statute changes. At this time, the total financial impact is unknown, as this statute became effective for tax year 2018.

### **Independent Audit**

The State of Ohio requires an annual audit by either the Auditor of State or by an independent public accounting firm. Plattenburg and Associates, Inc. has completed an audit of the financial statements. Their opinion on the City's financial statements is included in the financial section of this Comprehensive Annual Financial Report.

## **AWARDS AND ACKNOWLEDGMENTS**

### **Certificate of Achievement**

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 Troy, Ohio, for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2019. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, with contents conforming to program standards. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. The City of Troy, Ohio, received a Certificate of Achievement for the 31th time for the year ended December 31, 2019. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

### **Acknowledgements**

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the City Auditor and other City departments. We express our sincere appreciation for the contributions made in the preparation of this report.

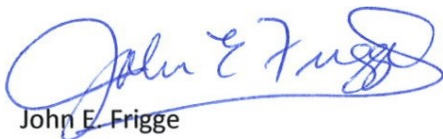
In closing, without the leadership and support of the Mayor and City Council of the City of Troy, preparation of this report would not have been possible.

Respectfully submitted,

CITY OF TROY, OHIO



Patrick E. J. Titterington  
Director of Public Service and Safety



John E. Frigge  
City Auditor

# **City of Troy, Ohio**

## **Listing of Principal City Officials**

### **December 31, 2020**

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### **Elected Officials**

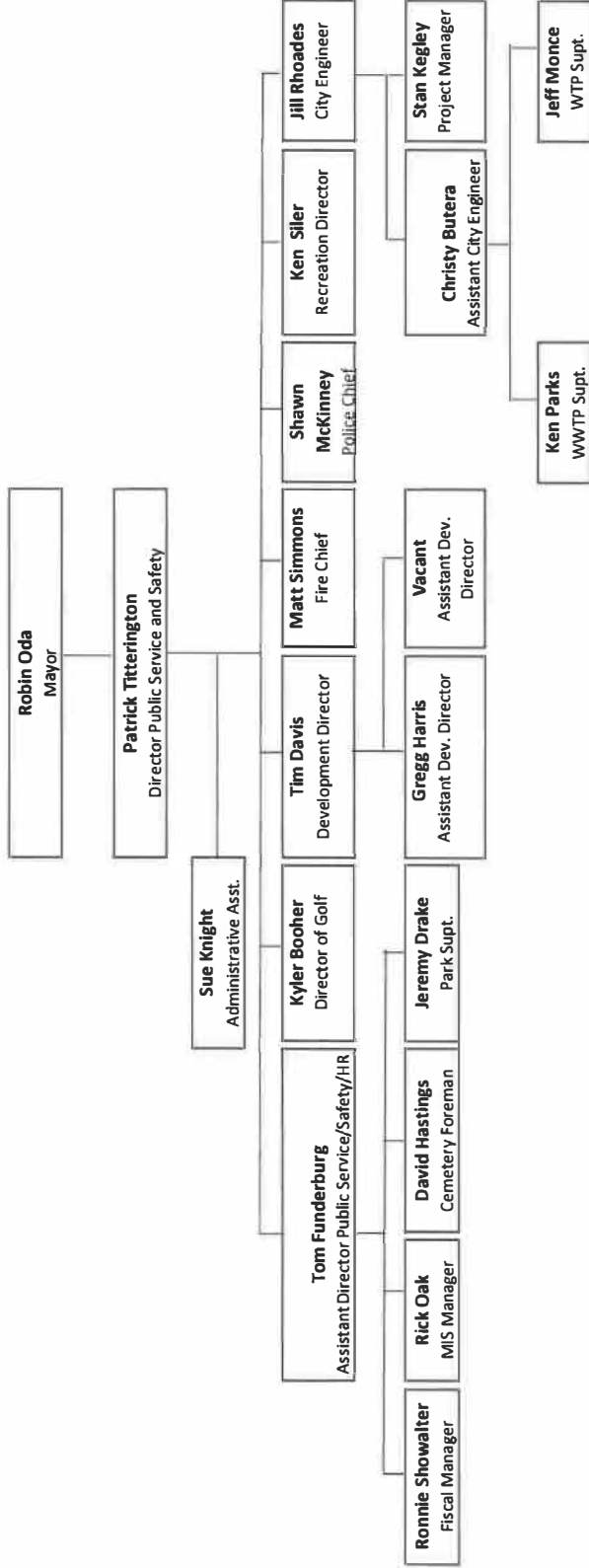
<b>Mayor</b>	<b>Robin I. Oda</b>
<b>President of Council</b>	<b>William Lutz</b>
<b>Councilmember-at-Large</b>	<b>William G. Rozell</b>
<b>Councilmember-at-Large</b>	<b>Todd D. Severt</b>
<b>Councilmember-at-Large</b>	<b>Lynne B. Snee</b>
<b>Councilmember, First Ward</b>	<b>Zachary L. Allen</b>
<b>Councilmember, Second Ward</b>	<b>John L. Terwilliger</b>
<b>Councilmember, Third Ward</b>	<b>John W. Schweser</b>
<b>Councilmember, Fourth Ward</b>	<b>Bobby W. Phillips</b>
<b>Councilmember, Fifth Ward</b>	<b>William C. Twiss</b>
<b>Councilmember, Sixth Ward</b>	<b>Jeffrey A. Schilling</b>
<b>Treasurer</b>	<b>Melvin R. Shane</b>
<b>Director of Law</b>	<b>Grant D. Kerber</b>
<b>Auditor</b>	<b>John E. Frigge</b>

### **Appointed Officials**

<b>Director of Public Service and Safety</b>	<b>Patrick E. J. Titterington</b>
<b>Clerk of Council</b>	<b>Sue G. Knight</b>

# City of Troy Organizational Chart

## 2020





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Troy  
Ohio**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

December 31, 2019

*Christopher P. Morill*

Executive Director/CEO

# FINANCIAL SECTION





**INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor and City Council  
City of Troy

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Troy (the City) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with 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 that the management's discussion and analysis, budgetary comparison information and schedules of pension information and postemployment information to be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2021, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.

Dayton, Ohio

June 30, 2021

**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2020**  
**(Unaudited)**

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The City of Troy's discussion and analysis of the annual financial reports provides a review of the financial performance for the fiscal year ending December 31, 2020. 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, notes to the basic financial statements and financial statements to enhance their understanding of the City's performance.

**Financial Highlights**

- The City's total net position increased \$16,909,174.
- Net position of governmental activities increased \$12,035,417, net position of business-type activities increased by \$4,873,757.
- The General Fund reported an increase in fund balance of \$3,831,637.
- Business-type operations reflected operating income of \$897,119.

**Overview of the Financial Statements**

This annual report consists of a series of financial statements. These statements are presented so that the reader can understand the City's financial situation as a whole and also give a detailed view of the City's fiscal condition.

The Statement of Net Position and Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Major 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 the amount of funds available for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

**Government-wide Financial Statements**

The analysis of the City as a whole begins with the Government-wide Financial Statements. These reports provide information that will help the reader to determine if the City is financially better off or worse off as a result of the year's activities. These statements include all assets and deferred outflows of resources, and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by private sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net position and changes to net position. This change informs the reader whether the City's financial position, as a whole, has improved or diminished. In evaluating the overall financial health, the reader of these financial statements needs to take into account non-financial factors that also impact the City's financial well-being. Some of these factors include the City's tax base and the condition of capital assets.

**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2020**  
**(Unaudited)**

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In the Government-wide Financial Statements, the City is divided into two kinds of activities.

- **Governmental Activities** - Most of the City's services are reported here including police, fire, street maintenance, parks and recreation, and general administration. Income taxes, property taxes, intergovernmental revenue, charges for services, and interest finance most of these activities.
- **Business-Type Activities** - These services include sanitary sewer, water, Hobart Arena, swimming pool, parking meter, Miami Shores, and Stormwater Utility. Service fees for these operations are charged based upon the amount of usage or a usage fee. The intent is that the fees charged recoup operational costs.

**Fund Financial Statements**

Information about the City's major funds are presented in the Fund Financial Statements (see table of contents). Fund financial statements provide detailed information about the City's major funds - not the City as a whole. Some funds are required by State law and bond covenants. Other funds may be established by the City, with approval of council, to help control, manage and report money received for a particular purpose or to show that the City is meeting legal responsibilities for use of grants. The City's major funds are General, TIF Retirement, Capital Improvement, Water, Sanitary Sewer, Hobart Arena, and Stormwater Utility.

**Governmental Funds** - Most of the City's services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or less financial resources that can be spent in the near future on services provided to our residents. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

**Proprietary Funds** - When the City charges citizens for the services it provides, with the intent of recapturing operating costs, these services are generally reported in proprietary funds. Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

**Fiduciary Funds** - The City has one private purpose trust fund. The City's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. These activities are excluded from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

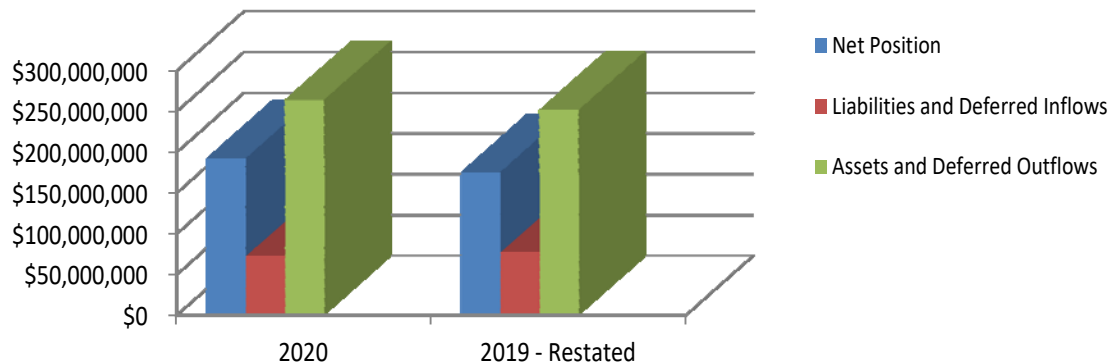
**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2020**  
(Unaudited)

**The City as a Whole**

As stated previously, the Statement of Net Position looks at the City as a whole. Table 1 provides a summary of the City's net position for 2020 compared to 2019.

**Table 1**  
**Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2020	Restated 2019	2020	2019	2020	Restated 2019
<b>Assets:</b>						
Current and Other Assets	\$86,442,324	\$80,738,591	\$24,424,213	\$21,722,389	\$110,866,537	\$102,460,980
Capital Assets	67,444,417	60,399,665	77,174,373	74,981,848	144,618,790	135,381,513
<b>Total Assets</b>	<b>153,886,741</b>	<b>141,138,256</b>	<b>101,598,586</b>	<b>96,704,237</b>	<b>255,485,327</b>	<b>237,842,493</b>
Deferred Outflows of Resources	6,441,112	10,799,154	1,339,864	2,218,623	7,780,976	13,017,777
<b>Liabilities:</b>						
Long-Term Liabilities	44,062,725	51,517,342	17,448,333	19,454,094	61,511,058	70,971,436
Other Liabilities	681,861	1,192,308	354,057	473,737	1,035,918	1,666,045
<b>Total Liabilities</b>	<b>44,744,586</b>	<b>52,709,650</b>	<b>17,802,390</b>	<b>19,927,831</b>	<b>62,546,976</b>	<b>72,637,481</b>
Deferred Inflows of Resources	7,834,806	3,514,716	1,431,038	163,764	9,265,844	3,678,480
<b>Net Position:</b>						
Net Investment In Capital Assets	57,085,164	49,206,166	68,118,870	65,687,495	125,204,034	114,893,661
Restricted	15,193,425	13,638,775	0	0	15,193,425	13,638,775
Unrestricted	35,469,872	32,868,103	15,586,152	13,143,770	51,056,024	46,011,873
<b>Total Net Position</b>	<b>\$107,748,461</b>	<b>\$95,713,044</b>	<b>\$83,705,022</b>	<b>\$78,831,265</b>	<b>\$191,453,483</b>	<b>\$174,544,309</b>



Over time, net position can serve as a useful indicator of a government's financial position. Total net position of the City as a whole increased \$16,909,174. Current and Other Assets increased mainly due to an increase in equity in pooled cash and investments received. Long-Term Liabilities decreased due to the decrease in net pension liability.

Table 2 shows the changes in net position for the year ended December 31, 2020 as compared to the year ended December 31, 2019.

**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2020**  
**(Unaudited)**

**Table 2**  
**Changes in Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
<b>Program Revenues:</b>						
Charges for Services	\$4,790,662	\$4,481,352	\$13,482,620	\$14,483,496	\$18,273,282	\$18,964,848
Operating Grants and Contributions	4,179,673	1,609,041	0	0	4,179,673	1,609,041
Capital Grants and Contributions	4,636,334	1,402,328	3,005,489	1,671,288	7,641,823	3,073,616
<b>Total Program Revenues</b>	<b>13,606,669</b>	<b>7,492,721</b>	<b>16,488,109</b>	<b>16,154,784</b>	<b>30,094,778</b>	<b>23,647,505</b>
<b>General Revenues:</b>						
Income Taxes	20,403,139	21,541,455	0	0	20,403,139	21,541,455
Property Taxes	1,902,367	1,964,229	0	0	1,902,367	1,964,229
Grants and Entitlements	945,614	978,491	0	0	945,614	978,491
Investment Earnings	942,824	2,083,021	181,257	361,387	1,124,081	2,444,408
Other Revenues	2,725,414	1,465,921	881,233	454,767	3,606,647	1,920,688
<b>Total General Revenues</b>	<b>26,919,358</b>	<b>28,033,117</b>	<b>1,062,490</b>	<b>816,154</b>	<b>27,981,848</b>	<b>28,849,271</b>
<b>Total Revenues</b>	<b>40,526,027</b>	<b>35,525,838</b>	<b>17,550,599</b>	<b>16,970,938</b>	<b>58,076,626</b>	<b>52,496,776</b>
<b>Program Expenses:</b>						
General Government	5,830,318	4,257,293	0	0	5,830,318	4,257,293
Public Safety	12,658,013	4,089,310	0	0	12,658,013	4,089,310
Community Development	2,336,784	1,483,046	0	0	2,336,784	1,483,046
Leisure Time Activities	2,314,257	1,585,328	0	0	2,314,257	1,585,328
Transportation and Street Repair	2,039,555	2,926,523	0	0	2,039,555	2,926,523
Basic Utility Service	1,286,878	1,115,622	0	0	1,286,878	1,115,622
Public Health and Welfare	470,452	419,414	0	0	470,452	419,414
Other	4,828	0	0	0	4,828	0
Interest and Other Charges	341,271	528,415	0	0	341,271	528,415
Bond Issuance Cost	115,846	0	0	0	115,846	0
Water	0	0	4,997,191	4,867,435	4,997,191	4,867,435
Sanitary Sewer	0	0	4,189,776	4,552,301	4,189,776	4,552,301
Hobart Arena	0	0	1,698,587	2,806,004	1,698,587	2,806,004
Swimming Pool	0	0	312,350	418,786	312,350	418,786
Parking Meter	0	0	89,861	77,146	89,861	77,146
Miami Shores	0	0	1,203,274	1,222,127	1,203,274	1,222,127
Stormwater Utility	0	0	1,278,211	1,706,060	1,278,211	1,706,060
<b>Total Program Expenses</b>	<b>27,398,202</b>	<b>16,404,951</b>	<b>13,769,250</b>	<b>15,649,859</b>	<b>41,167,452</b>	<b>32,054,810</b>
Increase (Decrease) in Net Position before Transfers	13,127,825	19,120,887	3,781,349	1,321,079	16,909,174	20,441,966
Transfers - Internal Activities	(1,092,408)	(3,569,373)	1,092,408	3,569,373	0	0
Change in Net Position	12,035,417	15,551,514	4,873,757	4,890,452	16,909,174	20,441,966
Net Position - Beginning of Year, Restated	95,713,044	80,161,530	78,831,265	73,940,813	174,544,309	154,102,343
Net Position - End of Year	<u>\$107,748,461</u>	<u>\$95,713,044</u>	<u>\$83,705,022</u>	<u>\$78,831,265</u>	<u>\$191,453,483</u>	<u>\$174,544,309</u>

**Governmental Activities**

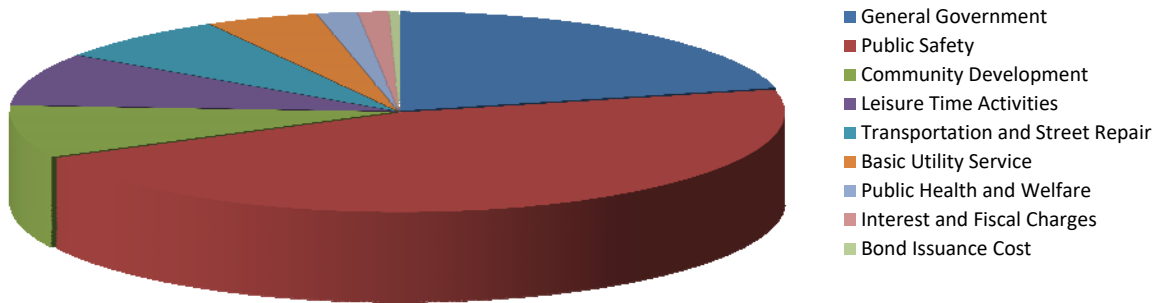
The City has made continued efforts to attract large-scale employers for the year 2020, thereby injecting the local economy with jobs and increasing the City's commercial tax base. The 1.75% income tax is the largest source of revenue for the City. Revenues generated by the earnings tax represent approximately 76% of the City's governmental activities general revenues.

**City of Troy, Ohio**  
**Management’s Discussion and Analysis**  
**For The Year Ended December 31, 2020**  
**(Unaudited)**

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Governmental Activities  
 Program Expenses for 2020

	Percentage
General Government	21.3%
Public Safety	46.2%
Community Development	8.5%
Leisure Time Activities	8.5%
Transportation and Street Repair	7.4%
Basic Utility Service	4.7%
Public Health and Welfare	1.7%
Interest and Fiscal Charges	1.3%
Bond Issuance Cost	0.4%
<b>Total</b>	<b>100.0%</b>



General Government includes legislative and executive expenses. Leaf and brush pickup, storm sewer projects, aggressive street resurfacing program, amenities in the parks, and police and fire services all culminate into a full service city.

Capital grants and contributions increased in 2020 as compared to 2019 mainly due to the City having more infrastructure (streets) being completed and donated to the City in 2020. Income Tax revenue decreased in 2020 as compared to 2019 mainly due to a decrease in income tax collections. Public Safety expenses increased mainly due to changes related to net pension and OPEB liabilities.

***Business-Type Activities***

Business-type activities include water, sewer, stormwater utilities, Hobart Arena, swimming pool, parking meter and Miami Shores. These programs had operating revenues of \$14,363,853 and operating expenses of \$13,466,734 for fiscal year 2020. Business-type activities receive no support from tax revenues. The Business-type activities net position at the end of the year was \$83,705,022, which increased \$4,873,757 from 2019. The City had four business-type (enterprise) funds that were major funds: the Water fund, the Sanitary Sewer fund, Hobart Arena and Stormwater Utilities fund.

The City of Troy’s Water Department serves approximately 11,900 customers; this represents a population base of nearly 25,058 people. The average daily consumption for the city is 3.58 million gallons and 165.64 miles of water mains in its distribution system. The water fund had operating income of \$1,313,900 for 2020.

**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2020**  
**(Unaudited)**

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The City of Troy's Sewer Department includes 135.73 miles of sanitary sewer main, which provide the collection and treatment of public wastewater. The Sewer fund had an operating income of \$681,450 for 2020.

The City of Troy's Hobart Arena accounts for arena facilities provided by the City. The Hobart Arena fund had an operating loss of (\$1,046,469) in 2020.

The City of Troy's Stormwater Utility Department provides for the collection and treatment of public stormwater. The Stormwater utility fund had an operating income of \$432,417 in 2020. Charges for Services increased slightly from 2019 to 2020, while total expenses decreased due to the decrease in the amount of materials and supplies the City used for various projects through-out the City.

**The City's Funds**

The City has three major governmental funds: the General Fund, TIF Retirement Fund and the Capital Improvement Fund. Assets of these funds comprised (88%) of the total \$87,657,324 governmental funds' assets.

**General Fund:** Fund balance at December 31, 2020 was \$63,758,187 which was an increase in fund balance of \$3,831,637 from 2019.

**TIF Retirement Fund:** Fund balance at December 31, 2020 was \$187,246 which was an increase in fund balance of \$441,754 from 2019. The increase in fund balance is mainly due to an increase in revenue in lieu of taxes received during 2020.

**Capital Improvement Fund:** Fund balance at December 31, 2020 was \$5,372,521 which was an increase in fund balance of \$2,012,541 from 2019. The increase in fund balance is mainly due to an increase in intergovernmental revenues received in 2020.

**General Fund Budgeting Highlights**

The City's General Fund budget is formally adopted at the fund level. The City amended its budget throughout the year.

For the General Fund, the final budgeted revenue was \$9,789,129 and the original budgeted revenue was \$9,718,789. The difference was \$70,340. Of this difference, most was due to an overestimate charges for service.

Variations from the final amended budget amounts to the actual amounts are primarily due to the following reasons: The City overestimated public safety (\$1,432,648 variance) and general government (\$336,643 variance) expenditures for 2020 when comparing the final amended budget to actual amounts. As the City completed the year, its General Fund balance reported an actual fund balance of \$13,537,757 on a Non-GAAP Budgetary Basis.



**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2020**  
(Unaudited)

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**Capital Assets and Debt Administration**

***Capital Assets***

At year end, the City had \$144,618,790 invested in land, construction in progress, buildings and improvements, equipment and infrastructure. Table 3 shows 2020 balances compared to 2019:

**Table 3**  
**Capital Assets, Net of Depreciation**

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$14,595,284	\$14,416,490	\$780,372	\$780,372	\$15,375,656	\$15,196,862
Construction in Progress	1,756,233	773,675	134,844	512,741	1,891,077	1,286,416
Buildings and Improvements	7,853,459	8,223,612	29,357,510	30,478,127	37,210,969	38,701,739
Equipment	5,349,734	3,886,552	6,780,914	7,328,439	12,130,648	11,214,991
Infrastructure	37,889,707	33,099,336	40,120,733	35,882,169	78,010,440	68,981,505
Total Net Capital Assets	<u>\$67,444,417</u>	<u>\$60,399,665</u>	<u>\$77,174,373</u>	<u>\$74,981,848</u>	<u>\$144,618,790</u>	<u>\$135,381,513</u>

The increase in net capital assets is mainly due to current year additions being greater than current year depreciation expense. See Note 6 to the basic financial statements for further details on the City's capital assets.

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**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2020**  
(Unaudited)

**Debt**

The City had \$19,630,276 in general obligation bonds and OWDA loans from direct borrowings.

**Table 4**  
**Outstanding Debt at Year End**

	2020	2019
<b>Governmental Activities</b>		
<u>General Obligation Bonds</u>		
2020 Refunding of 2015 Capital Facilities Bonds	\$7,535,000	\$0
Premium on 2020 Refunding of 2015 Capital Facilities Bonds	534,421	0
2015 Capital Facilities Bonds	0	8,050,000
Premium on Capital Facilities Bonds	0	215,946
Refunding Limited Tax	435,000	645,000
Premium on Refunding Bonds	2,462	3,693
Discount on Refunding Bonds	(3,643)	(5,466)
Refunding Bonds:		
Elm Street Improvements	160,170	198,433
Aquatic Center	1,061,964	1,315,655
Cemetery Maintenance Building	122,483	151,743
Fire Station	677,019	838,751
Premium	19,023	24,964
Discount	(13,432)	(17,625)
Total General Obligation Bonds	<u>10,530,467</u>	<u>11,421,094</u>
<b>Business Type Activities</b>		
<u>General Obligation Bonds</u>		
2020 Refunding of Water System Bonds	3,175,000	0
Premium on Refunding	208,333	0
2020 Refunding of 2014 Sewer System Bonds	2,285,000	0
Premium on Refunding	149,900	0
Wastewater Improvement IIIC & VA	0	25,000
Sewer System Bonds	0	2,395,000
Premium on Sewer System Bonds	0	28,409
Water System Bonds	0	3,320,000
Premium on Water System Bonds	0	39,555
Refunding Bonds:		
Southeast Area Sewer	352,642	436,884
Generators	325,723	403,535
Premium	6,388	8,381
Discount	(4,504)	(5,911)
Total General Obligation Bonds	<u>6,498,482</u>	<u>6,650,853</u>
<u>OWDA Loans from Direct Borrowings:</u>		
2010 OWDA Water Pollution Control Loan	245,733	270,462
2018 OWDA Fresh Water Loan	2,355,594	2,428,538
Total Debt	<u>\$19,630,276</u>	<u>\$20,770,947</u>

See Note 8 to the basic financial statements for further details on the City's long-term obligations.

**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2020**  
**(Unaudited)**

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**Economic Factors**

The City of Troy is currently in a strong financial position, but it must be stated that the City is not immune to economic conditions that have negatively affected many public and private entities. The City of Troy's systems of budgeting and internal controls are well regarded, and the City is well prepared to meet the challenges of the future. In addition, management has been committed to providing its residents with full disclosure of the financial position of the City.

**Contacting the City's Financial Department**

This financial report is designed to provide our citizens, taxpayers, customers 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 any questions about this report or need additional financial information, contact the City Auditor, City of Troy, 100 South Market Street, Troy, Ohio 45373.

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City of Troy, Ohio  
Statement of Net Position  
December 31, 2020

	Governmental Activities	Business-Type Activities	Total
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$73,250,040	\$23,325,642	\$96,575,682
Cash and Cash Equivalents with Fiscal Agent	285,000	0	285,000
<b>Receivables (Net):</b>			
Taxes	6,233,197	0	6,233,197
Accounts	1,051,551	610,064	1,661,615
Interest	135,171	15,465	150,636
Intergovernmental	1,643,533	0	1,643,533
Notes	2,583,658	0	2,583,658
Special Assessments	460,174	0	460,174
Loans	800,000	0	800,000
Inventory	0	473,042	473,042
Nondepreciable Capital Assets	16,351,517	915,216	17,266,733
Depreciable Capital Assets, Net	51,092,900	76,259,157	127,352,057
<b>Total Assets</b>	<b>153,886,741</b>	<b>101,598,586</b>	<b>255,485,327</b>
<b>Deferred Outflows of Resources:</b>			
Deferred Charge on Refunding	171,214	44,306	215,520
Pension	3,745,468	746,892	4,492,360
OPEB	2,524,430	548,666	3,073,096
<b>Total Deferred Outflows of Resources</b>	<b>6,441,112</b>	<b>1,339,864</b>	<b>7,780,976</b>
<b>Liabilities:</b>			
Accounts Payable	271,741	292,040	563,781
Accrued Wages and Benefits	359,903	46,254	406,157
Accrued Interest Payable	50,217	15,763	65,980
<b>Long-Term Liabilities:</b>			
Due Within One Year	1,625,169	643,474	2,268,643
Due In More Than One Year			
Net Pension Liability	24,595,135	4,556,304	29,151,439
Net OPEB Liability	6,417,855	3,243,524	9,661,379
Other Amounts	11,424,566	9,005,031	20,429,597
<b>Total Liabilities</b>	<b>44,744,586</b>	<b>17,802,390</b>	<b>62,546,976</b>
<b>Deferred Inflows of Resources:</b>			
Property and Income Taxes	1,850,888	0	1,850,888
Revenue In Lieu of Taxes	355,079	0	355,079
Pension	3,893,226	966,488	4,859,714
OPEB	1,735,613	464,550	2,200,163
<b>Total Deferred Inflows of Resources</b>	<b>7,834,806</b>	<b>1,431,038</b>	<b>9,265,844</b>
<b>Net Position:</b>			
Net Investment in Capital Assets	57,085,164	68,118,870	125,204,034
<b>Restricted for:</b>			
Debt Service	161,846	0	161,846
Capital Projects	7,489,406	0	7,489,406
Street Improvements	2,568,480	0	2,568,480
Public Safety	37,736	0	37,736
Community Development	3,242,561	0	3,242,561
Park Improvements	184,522	0	184,522
Cemetery Maintenance and Improvements	1,070,718	0	1,070,718
Other Purposes	438,156	0	438,156
Unrestricted	35,469,872	15,586,152	51,056,024
<b>Total Net Position</b>	<b>\$107,748,461</b>	<b>\$83,705,022</b>	<b>\$191,453,483</b>

See accompanying notes to the basic financial statements.

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City of Troy, Ohio  
Statement of Activities  
For the Fiscal Year Ended December 31, 2020

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General Government	\$5,830,318	\$216,768	\$2,411,022	\$0
Public Safety	12,658,013	1,845,129	0	0
Community Development	2,336,784	16,872	0	816,143
Leisure Time Activities	2,314,257	171,414	0	0
Transportation and Street Repair	2,039,555	21,836	1,768,651	3,820,191
Basic Utility Service	1,286,878	2,328,913	0	0
Public Health and Welfare	470,452	189,730	0	0
Other	4,828	0	0	0
Interest and Other Charges	341,271	0	0	0
Bond Issuance Cost	115,846	0	0	0
<b>Total Governmental Activities</b>	<b>27,398,202</b>	<b>4,790,662</b>	<b>4,179,673</b>	<b>4,636,334</b>
<b>Business-Type Activities:</b>				
Water	4,997,191	6,012,657	0	19,551
Sanitary Sewer	4,189,776	4,640,877	0	1,192,882
Hobart Arena	1,698,587	162,069	0	0
Swimming Pool	312,350	104,415	0	0
Parking Meter	89,861	0	0	0
Miami Shores	1,203,274	924,388	0	0
Stormwater Utility	1,278,211	1,638,214	0	1,793,056
<b>Total Business-Type Activities</b>	<b>13,769,250</b>	<b>13,482,620</b>	<b>0</b>	<b>3,005,489</b>
<b>Totals</b>	<b>\$41,167,452</b>	<b>\$18,273,282</b>	<b>\$4,179,673</b>	<b>\$7,641,823</b>

General Revenues:  
Income Taxes  
Property Taxes Levied for:  
    General Purposes  
    Special Revenue Purposes  
Grants and Entitlements, Not Restricted  
Revenue in Lieu of Taxes  
Unrestricted Contributions  
Investment Earnings  
Other Revenues  
Transfers-Internal Activities  
  
Total General Revenues and Transfers  
  
Change in Net Position  
  
Net Position - Beginning of Year, Restated  
  
Net Position - End of Year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
(\$3,202,528)	\$0	(\$3,202,528)
(10,812,884)	0	(10,812,884)
(1,503,769)	0	(1,503,769)
(2,142,843)	0	(2,142,843)
3,571,123	0	3,571,123
1,042,035	0	1,042,035
(280,722)	0	(280,722)
(4,828)	0	(4,828)
(341,271)	0	(341,271)
(115,846)	0	(115,846)
<u>(13,791,533)</u>	<u>0</u>	<u>(13,791,533)</u>
0	1,035,017	1,035,017
0	1,643,983	1,643,983
0	(1,536,518)	(1,536,518)
0	(207,935)	(207,935)
0	(89,861)	(89,861)
0	(278,886)	(278,886)
0	2,153,059	2,153,059
<u>0</u>	<u>2,718,859</u>	<u>2,718,859</u>
<u>(13,791,533)</u>	<u>2,718,859</u>	<u>(11,072,674)</u>
20,403,139	0	20,403,139
1,773,007	0	1,773,007
129,360	0	129,360
945,614	0	945,614
558,801	0	558,801
59,711	0	59,711
942,824	181,257	1,124,081
2,106,902	881,233	2,988,135
(1,092,408)	1,092,408	0
<u>25,826,950</u>	<u>2,154,898</u>	<u>27,981,848</u>
12,035,417	4,873,757	16,909,174
<u>95,713,044</u>	<u>78,831,265</u>	<u>174,544,309</u>
<u>\$107,748,461</u>	<u>\$83,705,022</u>	<u>\$191,453,483</u>

City of Troy, Ohio  
Balance Sheet  
Governmental Funds  
December 31, 2020

	General	TIF Retirement	Capital Improvement	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>					
Equity in Pooled Cash and Investments	\$59,579,802	\$1,402,246	\$5,347,345	\$6,920,647	\$73,250,040
Cash and Cash Equivalents with Fiscal Agent	285,000	0	0	0	285,000
<b>Receivables (Net):</b>					
Taxes	6,087,323	0	0	145,874	6,233,197
Accounts	1,021,544	0	0	30,007	1,051,551
Interest	133,162	0	0	2,009	135,171
Intergovernmental	388,068	355,079	140,045	760,341	1,643,533
Notes	0	0	0	2,583,658	2,583,658
Special Assessments	70,264	0	358,590	31,320	460,174
Interfund	1,215,000	0	0	0	1,215,000
Loans	800,000	0	0	0	800,000
<b>Total Assets</b>	<b>69,580,163</b>	<b>1,757,325</b>	<b>5,845,980</b>	<b>10,473,856</b>	<b>87,657,324</b>
<b>Liabilities:</b>					
Accounts Payable	213,140	0	4,503	54,098	271,741
Accrued Wages and Benefits	346,771	0	0	13,132	359,903
Interfund Payable	0	1,215,000	0	0	1,215,000
<b>Total Liabilities</b>	<b>559,911</b>	<b>1,215,000</b>	<b>4,503</b>	<b>67,230</b>	<b>1,846,644</b>
<b>Deferred Inflows of Resources:</b>					
Property and Income Taxes	3,851,520	0	0	142,414	3,993,934
Grants and Other Taxes	332,881	0	110,366	627,520	1,070,767
Special Assessments	70,264	0	358,590	31,320	460,174
Accounts	207,400	0	0	0	207,400
Revenue In Lieu of Taxes	0	355,079	0	0	355,079
Loans	800,000	0	0	0	800,000
<b>Total Deferred Inflows of Resources</b>	<b>5,262,065</b>	<b>355,079</b>	<b>468,956</b>	<b>801,254</b>	<b>6,887,354</b>
<b>Fund Balances:</b>					
Nonspendable	22,573	0	0	0	22,573
Restricted	2,194,956	187,246	5,372,521	8,721,475	16,476,198
Committed	33,968,351	0	0	0	33,968,351
Assigned	5,283,345	0	0	883,897	6,167,242
Unassigned	22,288,962	0	0	0	22,288,962
<b>Total Fund Balances</b>	<b>63,758,187</b>	<b>187,246</b>	<b>5,372,521</b>	<b>9,605,372</b>	<b>78,923,326</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$69,580,163</b>	<b>\$1,757,325</b>	<b>\$5,845,980</b>	<b>\$10,473,856</b>	<b>\$87,657,324</b>

See accompanying notes to the basic financial statements.



City of Troy, Ohio  
 Reconciliation of Total Governmental Fund Balance to  
 Net Position of Governmental Activities  
 December 31, 2020

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Total Governmental Fund Balance		\$78,923,326
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets used in the operation of Governmental Funds		67,444,417
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		
Income Taxes	2,115,979	
Delinquent Property Taxes	27,067	
Intergovernmental	1,070,767	
Other Receivables	<u>1,467,574</u>	
		4,681,387
In the statement of net position interest payable is accrued when incurred; whereas, in the governmental funds interest is reported as a liability only when it will require the use of current financial resources.		
		(50,217)
Some liabilities reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds.		
Compensated Absences		(2,519,268)
Deferred outflow of resources associated with long-term liabilities are not reported in the funds.		
		171,214
Deferred outflows and inflows or resources related to pension and OPEB are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	3,745,468	
Deferred inflows of resources related to pensions	(3,893,226)	
Deferred outflows of resources related to OPEB	2,524,430	
Deferred inflows of resources related to OPEB	<u>(1,735,613)</u>	
		641,059
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Net Pension Liability	(24,595,135)	
Net OPEB Liability	(6,417,855)	
Other Amounts	<u>(10,530,467)</u>	
		<u>(41,543,457)</u>
Net Position of Governmental Activities		<u><u>\$107,748,461</u></u>

See accompanying notes to the basic financial statements.

City of Troy, Ohio  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
For the Fiscal Year Ended December 31, 2020

	General	TIF Retirement	Capital Improvement	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Property and Other Taxes	\$1,773,163	\$0	\$0	\$129,372	\$1,902,535
Income Taxes	20,824,810	0	0	0	20,824,810
Charges for Services	3,845,880	0	0	261,553	4,107,433
Investment Earnings	902,733	0	0	40,091	942,824
Intergovernmental	2,345,405	0	976,200	5,591,695	8,913,300
Special Assessments	626	0	97,799	6,054	104,479
Fines, Licenses & Permits	72,320	0	0	21,516	93,836
Revenue in Lieu of Taxes	0	558,801	0	0	558,801
Other Revenues	946,472	0	145,880	366,287	1,458,639
<b>Total Revenues</b>	<b>30,711,409</b>	<b>558,801</b>	<b>1,219,879</b>	<b>6,416,568</b>	<b>38,906,657</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General Government	6,029,907	0	0	143,594	6,173,501
Public Safety	10,962,361	0	0	1,968	10,964,329
Community Development	1,108,406	0	44,686	1,116,523	2,269,615
Leisure Time Activities	1,708,306	0	0	0	1,708,306
Transportation and Street Repair	0	0	0	1,387,773	1,387,773
Basic Utility Service	1,226,651	0	0	0	1,226,651
Public Health and Welfare	0	0	0	492,400	492,400
Other	0	0	4,828	0	4,828
Capital Outlay	1,431,339	40,847	3,157,824	411,949	5,041,959
<b>Debt Service:</b>					
Principal	0	0	0	942,946	942,946
Interest and Other Charges	0	76,200	0	279,638	355,838
Bond Issuance Cost	0	0	0	115,846	115,846
<b>Total Expenditures</b>	<b>22,466,970</b>	<b>117,047</b>	<b>3,207,338</b>	<b>4,892,637</b>	<b>30,683,992</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>8,244,439</b>	<b>441,754</b>	<b>(1,987,459)</b>	<b>1,523,931</b>	<b>8,222,665</b>
<b>Other Financing Sources (Uses):</b>					
Sale of Refunding Bonds	0	0	0	7,535,000	7,535,000
Payments to Refunded Bond Escrow Agent	0	0	0	(7,953,575)	(7,953,575)
Premium on Refunding Bonds	0	0	0	534,421	534,421
Transfers In	2,223,142	0	4,000,000	1,716,061	7,939,203
Transfers (Out)	(6,635,944)	0	0	(2,395,667)	(9,031,611)
<b>Total Other Financing Sources (Uses)</b>	<b>(4,412,802)</b>	<b>0</b>	<b>4,000,000</b>	<b>(563,760)</b>	<b>(976,562)</b>
<b>Net Change in Fund Balance</b>	<b>3,831,637</b>	<b>441,754</b>	<b>2,012,541</b>	<b>960,171</b>	<b>7,246,103</b>
<b>Fund Balance - Beginning of Year, Restated</b>	<b>59,926,550</b>	<b>(254,508)</b>	<b>3,359,980</b>	<b>8,645,201</b>	<b>71,677,223</b>
<b>Fund Balance - End of Year</b>	<b>\$63,758,187</b>	<b>\$187,246</b>	<b>\$5,372,521</b>	<b>\$9,605,372</b>	<b>\$78,923,326</b>

See accompanying notes to the basic financial statements.

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City of Troy, Ohio  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes  
 in Fund Balance of Governmental Funds to the Statement of Activities  
 For the Fiscal Year Ended December 31, 2020

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Net Change in Fund Balance - Total Governmental Funds \$7,246,103

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

Governmental funds report capital asset additions as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of the difference between capital asset additions, transfers of capital asset to Business-Type Activities and depreciation in the current period.

Capital Assets used in governmental activities	9,568,609	
Depreciation Expense	<u>(2,513,445)</u>	
		7,055,164

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. The amount of the proceeds must be removed and the gain or loss on the disposal of capital assets must be recognized. This is the amount of the difference between the proceeds and the gain or loss. (10,412)

Governmental funds report pension and OPEB contributions as expenditures. However in the Statement of Activities, the cost of pension and OPEB benefits earned net of employee contributions are reported as pension and OPEB expense.

Pension Contributions	1,986,093	
Pension Expense	(3,371,390)	
OPEB Contributions	35,437	
OPEB Expense	<u>(765,716)</u>	
		(2,115,576)

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

Income Taxes	(421,671)	
Delinquent Property Taxes	(168)	
Intergovernmental	(1,508,652)	
Other	<u>836,368</u>	
		(1,094,123)

In the statement of activities, certain costs and proceeds associated with long-term debt obligations issued during the year are accrued and amortized over the life of the debt obligation. In governmental funds these costs and proceeds are recognized as financing sources and uses.

Premium on Bonds Issued	(534,421)	
Refunding Bonds	(7,535,000)	
Bonds Refunded	<u>8,006,948</u>	
		(62,473)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 942,946

In the statement of activities interest expense is accrued when incurred; whereas, in governmental funds an interest expenditure is reported when due. 7,421

(Continued)

City of Troy, Ohio  
Reconciliation of the Statement of Revenues, Expenditures, and Changes  
in Fund Balance of Governmental Funds to the Statement of Activities  
For the Fiscal Year Ended December 31, 2020

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

Compensated Absences	112,594	
Amortization of Bond Premium	10,154	
Amortization of Deferred Charge on Refunding	<u>(56,381)</u>	
		<u>66,367</u>
Change in Net Position of Governmental Activities		<u>\$12,035,417</u>

See accompanying notes to the basic financial statements.

City of Troy, Ohio  
Statement of Net Position  
Proprietary Funds  
December 31, 2020

	Business-Type Activities					Total Business-Type Activities
	Enterprise Funds				Other Enterprise Funds	
	Water	Sanitary Sewer	Hobart Arena	Stormwater Utility		
<b>Current Assets:</b>						
Equity in Pooled Cash and Investments	\$12,851,597	\$5,681,961	\$1,343,221	\$2,915,757	\$533,106	\$23,325,642
<b>Receivables (Net):</b>						
Accounts	268,056	247,343	0	94,665	0	610,064
Interest	9,090	4,019	0	2,062	294	15,465
Inventory	473,042	0	0	0	0	473,042
<b>Total Current Assets</b>	<b>13,601,785</b>	<b>5,933,323</b>	<b>1,343,221</b>	<b>3,012,484</b>	<b>533,400</b>	<b>24,424,213</b>
<b>Noncurrent Assets:</b>						
<b>Capital Assets:</b>						
Nondepreciable Capital Assets	478,438	159,441	20,900	9,029	247,408	915,216
Depreciable Capital Assets, Net	25,068,719	22,929,035	11,222,958	13,117,338	3,921,107	76,259,157
<b>Total Noncurrent Assets</b>	<b>25,547,157</b>	<b>23,088,476</b>	<b>11,243,858</b>	<b>13,126,367</b>	<b>4,168,515</b>	<b>77,174,373</b>
<b>Total Assets</b>	<b>39,148,942</b>	<b>29,021,799</b>	<b>12,587,079</b>	<b>16,138,851</b>	<b>4,701,915</b>	<b>101,598,586</b>
<b>Deferred Outflows of Resources:</b>						
Deferred Charge on Refunding	0	44,306	0	0	0	44,306
Pension	272,708	193,067	80,433	109,023	91,661	746,892
OPEB	200,331	141,827	59,086	80,088	67,334	548,666
<b>Total Deferred Outflows of Resources</b>	<b>473,039</b>	<b>379,200</b>	<b>139,519</b>	<b>189,111</b>	<b>158,995</b>	<b>1,339,864</b>
<b>Liabilities:</b>						
<b>Current Liabilities:</b>						
Accounts Payable	91,580	151,120	10,961	27,837	10,542	292,040
Accrued Wages and Benefits	17,084	17,021	6,979	0	5,170	46,254
Compensated Absences	70,054	48,715	18,814	5,346	14,761	157,690
Accrued Interest Payable	8,421	7,342	0	0	0	15,763
Long-Term Liabilities Due Within One Year	221,936	263,848	0	0	0	485,784
<b>Total Current Liabilities</b>	<b>409,075</b>	<b>488,046</b>	<b>36,754</b>	<b>33,183</b>	<b>30,473</b>	<b>997,531</b>
<b>Long-Term Liabilities:</b>						
Compensated Absences	196,784	125,451	12,543	46,388	9,840	391,006
Bonds, Notes & Loans Payable	5,516,991	3,097,034	0	0	0	8,614,025
Net Pension Liability	1,663,614	1,177,778	490,671	665,076	559,165	4,556,304
Net OPEB Liability	1,184,287	838,432	349,297	473,452	398,056	3,243,524
<b>Total Long-Term Liabilities</b>	<b>8,561,676</b>	<b>5,238,695</b>	<b>852,511</b>	<b>1,184,916</b>	<b>967,061</b>	<b>16,804,859</b>
<b>Total Liabilities</b>	<b>8,970,751</b>	<b>5,726,741</b>	<b>889,265</b>	<b>1,218,099</b>	<b>997,534</b>	<b>17,802,390</b>
<b>Deferred Inflows of Resources:</b>						
Pension	352,888	249,831	104,082	141,077	118,610	966,488
OPEB	169,618	120,083	50,028	67,810	57,011	464,550
<b>Total Deferred Inflows of Resources</b>	<b>522,506</b>	<b>369,914</b>	<b>154,110</b>	<b>208,887</b>	<b>175,621</b>	<b>1,431,038</b>
<b>Net Position:</b>						
Net Investment in Capital Assets	19,808,230	19,771,900	11,243,858	13,126,367	4,168,515	68,118,870
Unrestricted	10,320,494	3,532,444	439,365	1,774,609	(480,760)	15,586,152
<b>Total Net Position</b>	<b>\$30,128,724</b>	<b>\$23,304,344</b>	<b>\$11,683,223</b>	<b>\$14,900,976</b>	<b>\$3,687,755</b>	<b>\$83,705,022</b>

See accompanying notes to the basic financial statements.

City of Troy, Ohio  
Statement of Revenues, Expenses and Changes in Fund Net Position  
Proprietary Funds  
For the Fiscal Year Ended December 31, 2020

	Business-Type Activities Enterprise Funds					Total Business-Type Activities
	Water	Sanitary Sewer	Hobart Arena	Stormwater Utility	Other Enterprise Funds	
Operating Revenues:						
Charges for Services	\$6,012,657	\$4,640,877	\$162,069	\$1,638,214	\$1,028,803	\$13,482,620
Other Revenues	128,552	97,715	490,049	72,414	92,503	881,233
Total Operating Revenues	<u>6,141,209</u>	<u>4,738,592</u>	<u>652,118</u>	<u>1,710,628</u>	<u>1,121,306</u>	<u>14,363,853</u>
Operating Expenses:						
Personal Services	2,292,941	1,396,246	537,716	724,348	658,655	5,609,906
Contactual Services	440,912	489,903	204,430	100,975	228,168	1,464,388
Materials and Supplies	667,226	108,223	142,682	76,590	422,852	1,417,573
Depreciation	1,187,271	1,120,185	569,187	366,628	221,188	3,464,459
Other Expense	238,959	942,585	244,572	9,670	74,622	1,510,408
Total Operating Expenses	<u>4,827,309</u>	<u>4,057,142</u>	<u>1,698,587</u>	<u>1,278,211</u>	<u>1,605,485</u>	<u>13,466,734</u>
Operating Income (Loss)	<u>1,313,900</u>	<u>681,450</u>	<u>(1,046,469)</u>	<u>432,417</u>	<u>(484,179)</u>	<u>897,119</u>
Non-Operating Revenues (Expenses):						
Investment Earnings	122,672	54,940	0	187	3,458	181,257
Interest and Fiscal Charges	(169,882)	(132,634)	0	0	0	(302,516)
Total Non-Operating Revenues (Expenses)	<u>(47,210)</u>	<u>(77,694)</u>	<u>0</u>	<u>187</u>	<u>3,458</u>	<u>(121,259)</u>
Income (Loss) Before Contributions and Transfers	1,266,690	603,756	(1,046,469)	432,604	(480,721)	775,860
Capital Grants and Contributions	19,551	1,192,882	0	1,793,056	0	3,005,489
Transfers In	606	478	867,851	0	223,473	1,092,408
Change in Net Position	1,286,847	1,797,116	(178,618)	2,225,660	(257,248)	4,873,757
Net Position - Beginning of Year	28,841,877	21,507,228	11,861,841	12,675,316	3,945,003	78,831,265
Net Position - End of Year	<u>\$30,128,724</u>	<u>\$23,304,344</u>	<u>\$11,683,223</u>	<u>\$14,900,976</u>	<u>\$3,687,755</u>	<u>\$83,705,022</u>

See accompanying notes to the basic financial statements.

City of Troy, Ohio  
Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year Ended December 31, 2020

	Business-Type Activities					Total Business-Type Activities
	Enterprise Funds				Other Enterprise Funds	
	Water	Sanitary Sewer	Hobart Arena	Stormwater Utility		
<b>Cash Flows from Operating Activities:</b>						
Cash Received from Customers	\$6,161,486	\$4,736,591	\$652,118	\$1,713,953	\$1,121,306	\$14,385,454
Cash Payments to Employees	(1,856,931)	(1,437,742)	(588,023)	(734,412)	(598,846)	(5,215,954)
Cash Payments to Suppliers	(1,362,968)	(1,558,174)	(601,936)	(193,185)	(729,784)	(4,446,047)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>2,941,587</b>	<b>1,740,675</b>	<b>(537,841)</b>	<b>786,356</b>	<b>(207,324)</b>	<b>4,723,453</b>
<b>Cash Flows from Noncapital Financing Activities:</b>						
Payments from Other Funds	606	478	867,851	0	223,473	1,092,408
<b>Net Cash Provided by Noncapital Financing Activities</b>	<b>606</b>	<b>478</b>	<b>867,851</b>	<b>0</b>	<b>223,473</b>	<b>1,092,408</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>						
Payments for Capital Acquisitions	(1,303,974)	(869,309)	(215,497)	(215,539)	(47,176)	(2,651,495)
Debt Principal Payments	(97,944)	(236,783)	0	0	0	(334,727)
Debt Interest Payments	(130,468)	(87,307)	0	0	0	(217,775)
Sale of Refunding Bonds	3,418,254	2,467,038	0	0	0	5,885,292
Payments to Refunded Bond Escrow Agent	(3,368,175)	(2,429,759)	0	0	0	(5,797,934)
Bond Issuance Cost	(50,079)	(37,279)	0	0	0	(87,358)
<b>Net Cash (Used) by Capital and Related Financing Activities</b>	<b>(1,532,386)</b>	<b>(1,193,399)</b>	<b>(215,497)</b>	<b>(215,539)</b>	<b>(47,176)</b>	<b>(3,203,997)</b>
<b>Cash Flows from Investing Activities:</b>						
Earnings (Loss) on Investments	129,883	58,236	0	1,502	3,757	193,378
<b>Net Cash Provided by Cash Flows from Investing Activities</b>	<b>129,883</b>	<b>58,236</b>	<b>0</b>	<b>1,502</b>	<b>3,757</b>	<b>193,378</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>1,539,690</b>	<b>605,990</b>	<b>114,513</b>	<b>572,319</b>	<b>(27,270)</b>	<b>2,805,242</b>
Cash and Cash Equivalents - Beginning of Year	11,311,907	5,075,971	1,228,708	2,343,438	560,376	20,520,400
Cash and Cash Equivalents - End of Year	12,851,597	5,681,961	1,343,221	2,915,757	533,106	23,325,642
<b>Reconciliation of Operating Income (Loss) to</b>						
<b>Net Cash Provided (Used) by Operating Activities</b>						
Operating Income (Loss)	1,313,900	681,450	(1,046,469)	432,417	(484,179)	897,119
<b>Adjustments:</b>						
Depreciation	1,187,271	1,120,185	569,187	366,628	221,188	3,464,459
<b>Changes in Assets &amp; Liabilities:</b>						
(Increase) Decrease in Receivables	20,701	(1,661)	139	3,495	142	22,816
(Increase) Decrease in Inventory	68,481	0	0	0	0	68,481
(Increase) Decrease in Deferred Outflows of Resources	259,120	235,452	117,981	147,651	107,361	867,565
Increase (Decrease) in Retainage Payable	(11,006)	(10,909)	0	0	0	(21,915)
Increase (Decrease) in Payables	(73,346)	(6,554)	(10,252)	(5,950)	(168)	(96,270)
Increase (Decrease) in Accrued Liabilities	67,219	(122,991)	(15,558)	(5,306)	1,886	(74,750)
Increase (Decrease) in Deferred Inflows of Resources	467,076	326,735	134,615	183,392	155,456	1,267,274
Increase (Decrease) in Net Pension Liability	(494,689)	(503,525)	(268,402)	(327,651)	(226,017)	(1,820,284)
Increase (Decrease) in Net OPEB Liability	136,860	22,493	(19,082)	(8,320)	17,007	148,958
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$2,941,587</b>	<b>\$1,740,675</b>	<b>(\$537,841)</b>	<b>\$786,356</b>	<b>(\$207,324)</b>	<b>\$4,723,453</b>
<b>Schedule of Noncash Capital Activities:</b>						
During the fiscal year, these amounts were received representing noncash contributions of:						
Capital Assets	\$19,551	\$1,192,882	\$0	\$1,793,056	\$0	\$3,005,489

See accompanying notes to the basic financial statements.



City of Troy, Ohio  
Statement of Fiduciary Net Position  
Fiduciary Fund  
December 31, 2020

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	<u>Private Purpose Trust</u>
Assets:	
Equity in Pooled Cash and Investments	\$300,806
Receivables (Net):	
Interest	<u>213</u>
Total Assets	<u>301,019</u>
Liabilities:	
Accounts Payable	<u>880</u>
Total Liabilities	<u>880</u>
Net Position:	
Restricted for Endowment - Expendable	163,607
Restricted for Endowment - Nonexpendable	<u>136,532</u>
Total Net Position	<u>\$300,139</u>

See accompanying notes to the basic financial statements.

City of Troy, Ohio  
Statement of Changes in Fiduciary Net Position  
Fiduciary Fund  
For the Fiscal Year Ended December 31, 2020

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	Private Purpose Trust
Additions:	
Investment Earnings	\$3,094
Other	86
	<hr/>
Total Additions	3,180
	<hr/>
Deductions:	
Public Health and Welfare	2,490
	<hr/>
Total Deductions	2,490
	<hr/>
Change in Net Position	690
Net Position - Beginning of Year	299,449
	<hr/>
Net Position - End of Year	\$300,139
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See accompanying notes to the basic financial statements.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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**Note 1 – Description of the City and Reporting Entity**

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The City of Troy, Ohio was founded in 1814 and is a statutory municipal corporation under the laws of the State of Ohio. The City operates under a Council - Mayor Form of government and provides the following services: public safety, public services, health, recreation, and development.

**Reporting Entity**

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. Council and the Mayor have direct responsibility for these activities.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board; and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organizations. Component units may also include organizations for which the City authorizes the issuance of debt or the levying of taxes, or determines the budget. There are no component units included as part of this report.

The City participated in the following risk management and risk sharing pools during the year, Miami Valley Risk Management Association, Inc. (MVRMA), Ohio Benefits Cooperative (OBC), and Workers' Compensation Group Rating Program (GRP). See Note 5 of the basic financial statements for more information on these organizations.

**Note 2 – Summary of Significant Accounting Policies**

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The financial statements of the City have been prepared in conformity with generally accepted accounting principles (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.

**Measurement Focus**

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets, liabilities, deferred outflows and deferred inflows associated with the operation of the City are included on the Statement of Net Position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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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 statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets, liabilities, deferred outflows and deferred inflows associated with the operation of these funds are included on the statement of net position. The statement of revenues, expenses and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

**Basis of Presentation**

The City's basic financial statements 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. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type 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 and for the business-type activities of the City. 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 each business segment or governmental function is self-financing or draws 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 and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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**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.

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 and deferred outflows, and liabilities and deferred inflows is reported as fund balance. The following are the City's major governmental funds:

General Fund - The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio.

TIF Retirement – To account for the accumulation of resources for and the payment of TIF bond principal and interest from governmental resources when the City is obligated in some manner for the payment.

Capital Improvement Fund – To account for various capital projects financed by governmental funds.

The other governmental funds of the City account for grants and other resources that are generally restricted to use for a particular purpose.

Proprietary Funds

Proprietary fund reporting focuses on changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service. The City does not have an internal service fund.

Enterprise Funds - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds:

Water Fund – This fund accounts for provision of water treatment and distribution to the residents and commercial users of the water system.

Sanitary Sewer Fund - This fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City.

Hobart Arena – This fund accounts for arena facilities provided by the City.

Stormwater Utility Fund – This fund accounts for the provision of stormwater utilities services to the residents and commercial users located within the City.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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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 custodial 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 not available to support the City's own programs. The City currently has one private purpose trust fund. The Cemetery private purpose trust fund is used to account for the receipt of monies (investment earnings) to be used for (support of) general care and maintenance of the City's two cemeteries (Riverside and Rosehill). It also accounts for donations received where the donor desires the principal amount donated to remain intact and investment earnings to be used for (support of) the general care and maintenance of the City's two cemeteries (Riverside and Rosehill).

**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. Proprietary and fiduciary 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 Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is 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 fiscal year. For the City, available means expected to be received within thirty 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. Revenue from property taxes is recognized in the year for which the taxes are levied. 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), fines and forfeitures, interest, grants and fees.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources include a deferral on

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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refunding, pension and OPEB are reported in the government-wide statement of net position. A deferral on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB are explained in Notes 9 and 10.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property and income taxes, grants and other taxes, special assessments, accounts, revenue in lieu of taxes, loans, OPEB, and pension. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2020, but which were levied to finance year 2021 operations. Revenue in lieu of taxes are deferred and recognized as inflows of resources in the period the amounts become available. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Grants and other taxes and loans have been recorded as deferred inflows on the governmental fund financial statements. Deferred inflows of resources related to pension and OPEB are reported on the governmental-wide statement of net position. For more pension and OPEB related information, see Notes 9 and 10.

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.

**Equity in Pooled Cash and Investments**

To improve cash management the City's cash and investments are pooled. Monies for all funds, except cash and investments held in segregated accounts, are maintained in this pool. Individual fund integrity is maintained through City records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Investments" on the financial statements.

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

Investments are reported at fair value which is based on quoted market prices, with the exception of nonparticipating repurchase agreements, which are reported at cost. For investments in open-end mutual funds, fair value is determined by the fund's share price.

During 2020, the City invested in negotiable certificates of deposit, federal agency securities, a money market fund, and STAR Ohio. Investments are reported at cost, except for the money market fund and STAR Ohio. The City's money market fund investment is recorded at the amount reported by financial institutions on December 31, 2020.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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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 their 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 2020, 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 \$100 million. STAR Ohio reserves the right to limit the transaction to \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

Following the Ohio Revised Code, the City has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during fiscal year 2020 amounted to \$902,733, and \$40,091 was credited to other governmental funds.

**Inventory**

On government-wide financial statements, inventories are presented at cost. Inventories held for resale are reported at lower of cost or market.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Inventories of the proprietary funds are expensed when used.

**Prepaid Items**

Payments made for services that will benefit periods beyond December 31, 2020, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense in the year in which services are consumed. The City had no prepaid items as of December 31, 2020.

**Capital Assets**

General capital assets are those assets not specifically related to activities reported in the proprietary funds. 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. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective proprietary funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value. The City's infrastructure consists of curbs, sidewalks, storm sewers, streets, and water and



**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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sewer lines. 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. The City will capitalize capital assets with a cost of \$5,000 or more.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Buildings and Improvements	15-40 years	15-40 years
Equipment	3-25 years	5-25 years
Infrastructure	25-50 years	25-50 years

**Compensated Absences**

The City reports compensated absences in accordance with the provisions of GASB 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 employer 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 entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. 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. Compensated absences are reported in governmental funds only if they have matured. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

**Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

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, claims and judgments, and compensated absences 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. Bonds and long-term loans are recognized as a liability on the fund financial statements when due. Net pension/OPEB liabilities should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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**Pensions/Other Postemployment Benefits (OPEB)**

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

**Fund Balance**

In accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The following categories are used:

Nonspendable – resources that are not in spendable form (inventory) or have legal or contractual requirements to maintain the balance intact.

Restricted – spendable resources that have external purpose restraints imposed on them by providers, such as creditors, grantors, or other regulators.

Committed – spendable resources that are constrained for specific purposes that are internally imposed by the government at its highest level of decision making authority, City Council. This is done by ordinance by City Council.

Assigned – spendable resources that are intended to be used for specific purposes as approved through the City’s formal purchasing procedure by the City’s management (City Council).

Unassigned – residual spendable fund balance within the General Fund that is not restricted, committed, or assigned. In governmental funds other than the General Fund, the unassigned classification is used only to report a deficit balance resulting from incurred expenses for specific purposes exceeding amounts which had been restricted, committed or assigned for said purposes.

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

**Net Position**

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

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Of the City's \$15,193,425 in restricted net position, none was restricted by enabling legislation.

**Operating Revenues and Expenses**

The City, in its proprietary funds, distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. Operating expenses for the enterprise fund includes the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Contributions of Capital**

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

**Interfund Activity**

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

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 and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

As a general rule, the effect of interfund (internal) activity has been eliminated from the government-wide statement of activities. The interfund services provided and used are not eliminated in the process of consolidation.

**Restricted Assets**

Assets are reported as restricted assets when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments or imposed by enabling legislation. Restricted assets amounts held in retainage for contractors.

**Gain/Loss on Refunding**

On the government-wide financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt (the gain/loss on refunding) is being amortized as a component of interest expense. This deferred amount is amortized over the life of the old debt or the life of the new debt, whichever is shorter, using the effective interest method.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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**Estimates**

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

**Note 3 - Equity in Pooled Cash and Investments**

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Cash resources of several individual funds are combined to form a pool of cash and investments. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in Pooled Cash and Investments."

State statute requires the classification of monies held by the City into three categories:

Active Monies - Those monies required to be kept in a "cash" or "near cash" status for immediate use by the City. Such monies must by law be maintained either as cash in the City treasury, in depository accounts payable or withdrawable on demand.

Inactive Monies – Those monies not required for use within the current two year period of designated depositories. Ohio law permits inactive monies to be deposited or invested as certificates of deposit maturing not later than the end of the current period of designated depositories, or as savings or deposit accounts, including, but not limited to passbook accounts.

Interim Monies – 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. Ohio law permits interim monies to be invested or deposited in the following securities:

- (1) Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.
- (2) Bonds, notes, debentures, or other obligations or securities issued by any federal governmental agency.
- (3) No-load money market mutual funds consisting exclusively of obligations described in (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.
- (4) Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than one year from date of deposit, or by savings or deposit accounts, including, but limited to, passbook accounts.
- (5) Bonds and other obligations of the State of Ohio.
- (6) The Ohio State Treasurer's investment pool (STAR Ohio).

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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- (7) Commercial paper and banker's acceptances which meet the requirements established by Ohio Revised Code, Sec. 135.142.
- (8) Under limited circumstances, corporate debt interests in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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, or by the financial institution's participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

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. 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 treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

### **Deposits**

Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. As of December 31, 2020, \$17,712,993 of the City's bank balance of \$18,850,228 was exposed to custodial credit risk because it was uninsured and collateralized.

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by:

Eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105% of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102% of the deposits being secured or a rate set by the Treasurer of State.

### **Investments**

The following is a summary of the fair value hierarchy of the fair value of investments of the City as of December 31, 2020:

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

Investment Type	Fair Value Measurements Using			Net Asset Value*	Weighted Average Maturity (Years)
	Net Asset Value* / Fair Value	Quoted Prices in			
		Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2		
Federal Home Loan Mortgage Corporation	\$19,000,190		\$19,000,190		4.27
Federal Home Loan Bank	12,003,405		12,003,405		4.31
Federal Farm Credit Bank	16,504,240		16,504,240		4.14
Federal National Mortgage Association	16,001,980		16,001,980		4.71
Negotiable Certificate of Deposits	3,906,402		3,906,402		1.17
Money Market Funds	11,258,423	\$11,258,423			0.00
Star Ohio*	699,906			\$699,906	0.11
	<u>\$79,374,546</u>	<u>\$11,258,423</u>	<u>\$67,416,217</u>	<u>\$699,906</u>	
Portfolio Weighted Average Maturity					3.58

The City categorizes its fair value measurements with 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. Inputs to the valuation techniques used in fair the measurement for Level 2 include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data by correlation or other means. Level 3 inputs are significant unobservable inputs. The above table identifies the City's recurring fair value measurements as of December 31, 2020, in which, the U.S. Agencies are valued using a matrix pricing model (Level 2 inputs) and pooled investment funds (STAR Ohio) are measured at net asset value (NAV).

Interest Rate Risk - In accordance with the investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to five years, unless matched to a specified obligation or debt of the City.

Credit Risk – It is the City's policy to limit its investments that are obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have the highest credit quality rating issued by nationally recognized statistical rating organizations. The City's investments in Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Federal National Mortgage Association were rated AA+ by Standard and Poor's and Fitch ratings and Aaa by Moody's Investors Service. Investments in Star Ohio were rated AAAm by Standard and Poor's. Money Market Funds and Negotiable Certificates of Deposits were not rated.

Concentration of Credit Risk – The City's investment policy allows investments in Federal Government Securities or Instrumentalities. The City has invested 15.1% in Federal Home Loan Bank, 23.9% in Federal Home Loan Mortgage Corporation, 20.8% in Federal Farm Credit Bank, 20.2% in Federal National Mortgage Association, 4.9% in Negotiable Certificates of Deposit, 0.9% in Star Ohio, and 14.2% in money market funds.

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. All of the City's securities are either insured and registered in the name of the City, or at least registered in the name of the City.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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**Note 4 – Receivables**

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Receivables at year end, consisted primarily of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements and shared revenues, special assessments, accrued interest on investments, accounts, notes, loans and interfund receivable.

No allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant.

Special assessments expected to be collected amount to \$460,174 of which, \$13,131 is considered delinquent.

**Property Taxes**

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the City. Real property taxes (other than public utility) collected during 2020 were levied after October 1, 2019 on assessed values as of January 1, 2019, the lien date. Assessed values were established by the County Auditor at 35% of appraised market value. All property is required to be revalued every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due January 31; if paid semiannually, the first payment is due February and the remainder payable in July. Under certain circumstances, state statute permits later payment dates to be established.

Public utility real 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. Certain public utility tangible personal property is currently assessed at 100% of its true value. Public utility property taxes are payable on the same dates as real property described previously.

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

Real Property	\$599,807,390
Public Utility	20,208,490
Total Valuation	<u><u>\$620,015,880</u></u>

Real property taxes are payable annually or semi-annually. If paid annually, the 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. The City receives property taxes from Miami County. The County Treasurer collects property taxes on behalf of all taxing districts in the counties, including the City of Troy. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2020, and for which there is an enforceable legal claim. In the funds, the entire receivable has been offset by deferred inflows of resources since the current taxes were not levied to finance 2020 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On an accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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**Income Taxes**

The City levies a 1.75% income tax on substantially all income earned within the City. If an individual pays income taxes to another municipality, the amount paid to that municipality can be used as a credit to offset the amount owed to the City of Troy. The offsetting credit cannot exceed Troy's income tax rate of 1.75%. Additional increases in the income tax rate require voter approval.

Employers within the City withhold income tax on employee compensation and remit at least quarterly. Corporations and other individual taxpayers pay estimated taxes quarterly and file an annual declaration.

**Note 5 - Risk Management and Risk Sharing Pool**

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The City is one of twenty members of a joint insurance pool, Miami Valley Risk Management Association, Inc. (MVRMA), with the cities of Englewood, Bellbrook and Centerville added in 2004. The pool has been operational since December 1, 1988, and was formed according to Section 2744.081 of the Ohio Revised Code. This joint venture covers all property, crime, liability, boiler and machinery, and public official liability up to the limits stated below. It is intended to provide broad-based coverage up to the various limits with increased emphasis on safety and loss prevention.

MVRMA is a corporation governed by a twenty member board of trustees, consisting of a representative appointed by each of the member cities. The board of trustees elects the officers of the corporation, with each trustee having a single vote. The board is responsible for its own financial matters and the corporation maintains its own book of accounts. Budget and financing of MVRMA is subject to the approval of the board.

Excess insurance coverage will cover additional claims up to the limits listed below:

**Liability:**

- Personal Injury Liability
- Property Damage Liability
- Public Officials Errors and Omissions
- Employment Practices Liability Employee
- Benefits Liability

Limits: \$12,000,000 per occurrence. \$12,000,000 annual aggregate per member for Employment Practices Liability; Public Officials Errors and Omissions and Employee Benefits Liability combined; and Products/Completed Operations.

MVRMA Self-Insured Retention: \$500,000 per occurrence and obtained reinsurance from Government Entities Mutual Inc. (GEM) for \$4.5 million excess of \$500,000, and from Genesis for \$7 million excess of \$5 million.

**Property:**

- \$500,000,000/occurrence
- MVRMA Self-Insured Retention (SIR): \$250,000/occurrence
- Coverage excess of SIR provided by Alliant Property Insurance Program (APIP). List of carriers underwriting the coverage provided upon request.



**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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Flood Damage:

\$25 million/occurrence and annual aggregate  
Sublimit: Flood Zone A & V - \$5 million/occurrence and annual aggregate  
MVRMA Self-Insured Retention: \$100,000/occurrence

Earthquake:

\$25 million/occurrence and annual aggregate  
MVRMA Self-Insured Retention: \$100,000/occurrence

Boiler & Machinery:

\$100,000,000/occurrence  
MVRMA Self-Insured Retention: \$10,000-\$350,000/occurrence

Cyber Liability (limits per occurrence and aggregate):

First Party Loss

\$2,000,000 Business Interruption Resulting from Security Breach  
\$500,000 Business Interruption Resulting from System Failure  
\$750,000 Dependent Business Interruption Resulting from Security Breach  
\$100,000 Dependent Business Interruption Resulting from System Failure  
\$2,000,000 Cyber Extortion Loss  
\$2,000,000 Data Recovery Costs

Liability

\$2,000,000 each for Data & Network Liability; Regulatory Defense & Penalties; Payment Card Liabilities & Costs; Media Liability

E-Crime

\$75,000 each for Fraudulent Instructions; Funds Transfer Fraud; Telephone Fraud

Breach Response Costs

\$500,000 (increased to \$1 million if designated breach response provider is used)

Pollution Liability – (claims made and reported policy):

\$25,000,000 Policy Aggregate for all insureds combined  
\$2,000,000 Per Pollution Incident  
\$2,000,000 Per Named Insured  
\$2,000,000 Per Pool  
Retroactive Date: Policy inception  
MVRMA Self-Insured Retention (SIR): \$100,000/pollution condition; \$250,000 Mold or Sewage Backups; \$750,000 underground storage tanks  
Coverage excess of SIR provided by Interstate Fire and Casualty

Crime Coverage:

\$2,000,000 Employee Theft Per Loss; Forgery or Alteration  
\$100,000 Inside & Outside Premises – Theft of Money & Securities, Robbery, Safe Burglary  
\$2,000,000 Computer Fraud  
\$2,000,000 Funds Transfer Fraud  
\$5,000 Money Orders and Counterfeit Paper Currency

Member Deductible per occurrence - \$2,500

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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The Audit of MVRMA's 2020 financial statements has not been completed yet. Data from the December 31, 2019 financial statements are as follows:

Current Assets	\$7,057,290
Total Assets	\$18,733,995
Deferred Outflows of Resources	\$212,916
Current Liabilities	\$4,803,877
Non-current Liabilities	\$3,796,641
Deferred Inflows of Resources	\$15,722
Net Position	\$10,330,671

Settled claims have not exceeded this commercial coverage in any of the past three years.

**Ohio Benefits Cooperative (OBC)**

The City is a member of the OBC, a consortium of political subdivisions in the greater Miami Valley area. The purpose of the OBC is to pool risk and collectively purchase health insurance. OBC entered into an administrative agreement on September 1, 2015 with the Jefferson Health Plan (JHP) for stop loss insurance, pooling, administration and other benefit services to provide medical benefits to City employees. The Jefferson Health Plan (JHP) is a self-insurance plan.

The employee health benefit plan provides basic health coverage through Anthem, the third party administrator (TPA) of the program, which reviews and processes or disallows the claims. Jefferson Health Plan (JHP) releases the claims payments to the providers as a consortium outside Anthem. JHP is a jointly governed organization established as a joint insurance pool. A specific excess loss coverage (stoploss) insurance policy covers claims in excess of \$250,000 per year. The 2020 monthly family and single premiums for the PPO plan were \$2,186.91 and \$811.15. The TPA charges the City an administration fee of \$13.63 per employee per month. The 2020 monthly family and single premiums for the HSA Standard plan were \$1,565.77 and \$580.76. The TPA charges the City an administration fee of \$13.63 per employee per month. The 2020 monthly family and single premiums for the HSA Low plan were \$1,448.26 and \$537.18. The TPA charges the City an administration fee of \$13.63 per employee per month.

**Workers' Compensation Group Rating Program**

For the current fiscal year, the City participated in the Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The intent of the GRP is to achieve the benefit of reduced premium for the City by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating cities is calculated as one experience and a common premium rate is applied to all the Cities in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than the individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Funding Pool". This "equity pooling" arrangement ensures that each participant share equally in the overall performance of the GRP.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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**Note 6 – Capital Assets**

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Capital asset activity for the current year end was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities</b>				
<b>Capital Assets, not being depreciated:</b>				
Land	\$14,416,490	\$178,794	\$0	\$14,595,284
Construction in Progress	773,675	1,177,503	194,945	1,756,233
<b>Capital Assets, being depreciated:</b>				
Buildings and Improvements	18,903,623	260,559	0	19,164,182
Equipment	12,702,275	2,393,309	299,942	14,795,642
Infrastructure	51,044,931	5,753,389	0	56,798,320
Totals at Historical Cost	<u>97,840,994</u>	<u>9,763,554</u>	<u>494,887</u>	<u>107,109,661</u>
Less Accumulated Depreciation:				
Buildings and Improvements	10,680,011	630,712	0	11,310,723
Equipment	8,815,723	919,715	289,530	9,445,908
Infrastructure	17,945,595	963,018	0	18,908,613
Total Accumulated Depreciation	<u>37,441,329</u>	<u>2,513,445</u>	<u>289,530</u>	<u>39,665,244</u>
Governmental Activities Capital Assets, Net	<u>\$60,399,665</u>	<u>\$7,250,109</u>	<u>\$205,357</u>	<u>\$67,444,417</u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$655,676
Public Safety	695,337
Leisure Time	456,771
Transportation	586,430
Basic Utility Service	77,498
Community Development	<u>41,733</u>
Total Depreciation Expense	<u>\$2,513,445</u>

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**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Business-Type Activities</b>				
<b>Capital Assets, not being depreciated:</b>				
Land	\$780,372	\$0	\$0	\$780,372
Construction in Progress	512,741	111,147	489,044	134,844
<b>Capital Assets, being depreciated:</b>				
Buildings and Improvements	57,620,469	225,727	0	57,846,196
Equipment	19,869,684	271,532	0	20,141,216
Infrastructure	65,483,475	5,537,622	0	71,021,097
Totals at Historical Cost	<u>144,266,741</u>	<u>6,146,028</u>	<u>489,044</u>	<u>149,923,725</u>
Less Accumulated Depreciation:				
Buildings and Improvements	27,142,342	1,346,344	0	28,488,686
Equipment	12,541,245	819,057	0	13,360,302
Infrastructure	29,601,306	1,299,058	0	30,900,364
Total Accumulated Depreciation	<u>69,284,893</u>	<u>3,464,459</u>	<u>0</u>	<u>72,749,352</u>
Business-Type Activities Capital Assets, Net	<u>\$74,981,848</u>	<u>\$2,681,569</u>	<u>\$489,044</u>	<u>\$77,174,373</u>

**Note 7 – Compensated Absences**

Compensated absences are accrued as they are earned by employees if both of the following conditions are met:

1. The employee's rights to receive compensation are attributable to services already rendered.
2. It is probable that the employer will compensate the employee for the benefits through paid time off or cash payment.

For Governmental Funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and a fund liability of the respective Governmental Fund. Compensated absences are reported in governmental funds only if they have matured. Amounts that are not expected to be liquidated with expendable available financial resources are reported in the Governmental Activities Long-Term Liabilities. Compensated absences of Proprietary Funds are recorded as an expense and liability of the respective proprietary fund.

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**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

**Note 8 - Long-Term Obligations**

A schedule of changes in bonds and other long-term obligations of the City during the current year follows:

	Maturity Date	Interest Rate	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
<b>Governmental Activities</b>							
<b>General Obligation Bonds</b>							
Capital Facilities Bonds-\$9,000,000	12/1/40	0.00%	\$8,050,000	\$0	(\$8,050,000)	\$0	\$0
Premium	12/1/40		215,946	0	(215,946)	0	0
Refunding Bonds:							
Refunding of Capital Facilities							
\$7,535,000		3.00-4.00%	0	7,535,000	0	7,535,000	265,000
Premium			0	534,421	0	534,421	0
Capital Facilities Bonds							
(Limited Tax)*-\$2,005,000	12/1/22	1.00-2.625%	645,000	0	(210,000)	435,000	215,000
Premium	12/1/22		3,693	0	(1,231)	2,462	0
Discount	12/1/22		(5,466)	0	1,823	(3,643)	0
Elm Street Improvements-\$398,644	12/1/24	1.00-2.375%	198,433	0	(38,263)	160,170	38,559
Aquatic Center-\$2,643,111	12/1/24	1.00-2.375%	1,315,655	0	(253,691)	1,061,964	255,658
Cemetery Maintenance							
Building-\$304,845	12/1/24	1.00-2.375%	151,743	0	(29,260)	122,483	29,487
Fire Station-\$1,685,025	12/1/24	1.00-2.375%	838,751	0	(161,732)	677,019	162,986
Premium	12/1/24		24,964	0	(5,941)	19,023	0
Discount	12/1/24		(17,625)	0	4,193	(13,432)	0
<b>Total Bonds</b>			<b>11,421,094</b>	<b>8,069,421</b>	<b>(8,960,048)</b>	<b>10,530,467</b>	<b>966,690</b>
Net Pension Liability:							
OPERS			6,610,242	0	(1,636,327)	4,973,915	0
OP&F			24,796,801	0	(5,175,581)	19,621,220	0
<b>Total Net Pension Liability</b>			<b>31,407,043</b>	<b>0</b>	<b>(6,811,908)</b>	<b>24,595,135</b>	<b>0</b>
Net OPEB Liability:							
OPERS			3,207,959	332,851	0	3,540,810	0
OP&F			2,766,419	110,626	0	2,877,045	0
<b>Total Net OPEB Liability</b>			<b>5,974,378</b>	<b>443,477</b>	<b>0</b>	<b>6,417,855</b>	<b>0</b>
Compensated Absences			2,714,827	565,388	(760,947)	2,519,268	658,479
<b>Total Governmental Activities</b>			<b>\$51,517,342</b>	<b>\$9,078,286</b>	<b>(\$16,532,903)</b>	<b>\$44,062,725</b>	<b>\$1,625,169</b>

\*- In 2009, the City sold the Stadium to Troy School District; however the City is still responsible for the debt payments. This debt is not included in the calculation for Net Investment in Capital Assets on the Statement of Net Position.

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**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

	Maturity Date	Interest Rate	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
<b>Business-Type Activities</b>							
Wastewater Improvement-\$500,000	12/31/20	0.0%	\$25,000	\$0	(\$25,000)	\$0	\$0
Sewer System Bonds-\$2,830,000	12/1/43	1.0-4.0%	2,395,000	0	(2,395,000)	0	0
Premium	12/1/43		28,409	0	(28,409)	0	0
Water System Bonds-\$3,930,000	12/1/43	1.0-4.0%	3,320,000	0	(3,320,000)	0	0
Premium	12/1/43		39,555	0	(39,555)	0	0
<b>Refunding Bonds:</b>							
Water Systems Bonds-\$3,200,000		3.0-4.0%	0	3,200,000	(25,000)	3,175,000	110,000
Premium	12/1/19		0	218,254	(9,921)	208,333	0
Sewer System Bonds-\$2,310,000		3.0-4.0%	0	2,310,000	(25,000)	2,285,000	75,000
Premium	12/1/19		0	157,038	(7,138)	149,900	0
Southeast Area Sewer-\$877,687	12/1/24	1.0-2.375%	436,884	0	(84,242)	352,642	84,895
Generators-\$810,688	12/1/24	1.0-2.375%	403,535	0	(77,812)	325,723	78,415
Premium	12/1/24		8,381	0	(1,993)	6,388	0
Discount	12/1/24		(5,911)	0	1,407	(4,504)	0
<b>Total Bonds</b>			<u>6,650,853</u>	<u>5,885,292</u>	<u>(6,037,663)</u>	<u>6,498,482</u>	<u>348,310</u>
<b>OWDA Loans from Direct Borrowings:</b>							
Water Pollution Control-\$1,451,384	7/1/29	3.25%	270,462	0	(24,729)	245,733	25,538
Fresh Water	7/1/29	3.25%	2,428,538	0	(72,944)	2,355,594	111,936
<b>Total OWDA Loans from Direct Borrowings</b>			<u>2,699,000</u>	<u>0</u>	<u>(97,673)</u>	<u>2,601,327</u>	<u>137,474</u>
<b>Net Pension Liability - OPERS:</b>							
Hobart			759,073	0	(268,402)	490,671	0
Water			2,158,303	0	(494,689)	1,663,614	0
Sanitation/Sewer			1,681,303	0	(503,525)	1,177,778	0
Stormwater Utility			992,727	0	(327,651)	665,076	0
Other Enterprise			785,182	0	(226,017)	559,165	0
<b>Total Net Pension Liability</b>			<u>6,376,588</u>	<u>0</u>	<u>(1,820,284)</u>	<u>4,556,304</u>	<u>0</u>
<b>Net OPEB Liability - OPERS:</b>							
Hobart			368,379	0	(19,082)	349,297	0
Water			1,047,427	136,860	0	1,184,287	0
Sanitation/Sewer			815,939	22,493	0	838,432	0
Stormwater Utility			481,772	0	(8,320)	473,452	0
Other Enterprise			381,049	17,007	0	398,056	0
<b>Total Net OPEB Liability</b>			<u>3,094,566</u>	<u>176,360</u>	<u>(27,402)</u>	<u>3,243,524</u>	<u>0</u>
<b>Total Long Term Liabilities - Bonds and Loans</b>			<u>18,821,007</u>	<u>6,061,652</u>	<u>(7,983,022)</u>	<u>16,899,637</u>	<u>485,784</u>
Compensated Absences			633,087	93,413	(177,804)	548,696	157,690
<b>Total Business-Type Activities</b>			<u>\$19,454,094</u>	<u>\$6,155,065</u>	<u>(\$8,160,826)</u>	<u>\$17,448,333</u>	<u>\$643,474</u>

Compensated Absences will be paid from the fund from which the person is paid. Historically, this is the General Fund, a Special Revenue Fund, or an Enterprise Fund. Net pension liability and net other postemployment benefits (OPEB) liabilities represent the long-term portion of the accrued liabilities associated with OPERS and OP&F pension and OPEB liabilities. These items will be repaid from the funds from which the employees work to whom the liability is associated with or the General Fund if no such funds are available.

Principal and interest requirements to retire the City's long-term obligations outstanding at year end are as follows:

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

Year Ending December 31	Governmental Activities		Business-Type Activities			
	General		General		OWDA Loans	
	Obligation Bonds		Obligation Bonds		from Direct Borrowings	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$966,690	\$297,802	\$348,310	\$189,154	\$137,474	\$78,314
2022	992,921	271,608	357,079	178,324	141,729	74,059
2023	804,153	243,630	365,847	166,964	146,114	69,674
2024	837,872	219,738	382,129	155,107	150,636	65,152
2025	310,000	194,800	215,000	142,700	155,297	60,491
2026-2030	1,740,000	810,900	1,165,000	603,150	800,831	228,128
2031-2035	2,010,000	534,150	1,360,000	415,950	803,631	108,712
2036-2040	2,330,000	350,028	1,595,000	198,750	265,615	20,021
2041	0	0	350,000	10,500	0	0
Total	<u>\$9,991,636</u>	<u>\$2,922,656</u>	<u>\$6,138,365</u>	<u>\$2,060,599</u>	<u>\$2,601,327</u>	<u>\$704,551</u>

**Refunding**

On September 16, 2020 the City issued \$13,045,000 in Current Interest Bonds with an interest rate between 3.00% and 4.00% which was used to refund \$13,515,000 of the outstanding 2014 Water System Bonds, 2014 Sewer System Bonds and 2015 Capital Facilities Bonds with an interest rate between 2.00% and 4.00%. The net proceeds of \$13,751,509 (after payment of underwriting fees, insurance and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide all future debt service payments on the bond issues. As a result, \$13,515,000 of the 2014 Water System Bonds, 2014 Sewer System Bonds and 2015 Capital Facilities Bonds are considered to be defeased and the related liability for those bonds have been removed from the Statement of Net Position.

The City refunded 2014 Water System Bonds, 2014 Sewer System Bonds and 2015 Capital Facilities Bonds to reduce its total debt service payments by \$2,558,258 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$1,914,427.

**OWDA Loans from Direct Borrowings**

The City's outstanding OWDA loans from direct borrowings of \$2,601,327 contain a provision that in an event of default, the amount of such default shall bear interest thereafter at the rate equal to the Contract Interest Rate plus three percentage points annum until the date of payment, and outstanding amounts become immediately due.

**Note 9 – Defined Benefit Pension Plans**

The Statewide retirement systems provide both pension and other postemployment benefits (OPEB).

**Net Pension Liability/Net OPEB Liability**

Pensions and OPEB 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.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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

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

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees may pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability. Resulting adjustments to the net pension/OPEB liability would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

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

The remainder of this note includes the required pension disclosures. See Note 10 for the required OPEB disclosures.

***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 combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. While employees may elect the member-directed plan or the combined plan, substantially all employees are in the traditional plan; therefore, the following disclosure focuses on the traditional plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. 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



**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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OPERS' fiduciary net position that may be obtained by visiting [opers.org/financial/reports.shtml](http://opers.org/financial/reports.shtml), by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

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

<u>Group A</u>	<u>Group B</u>	<u>Group C</u>
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
<u>State and Local</u>	<u>State and Local</u>	<u>State and Local</u>
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
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<u>Public Safety</u>	<u>Public Safety</u>	<u>Public Safety</u>
Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
<u>Law Enforcement</u>	<u>Law Enforcement</u>	<u>Law Enforcement</u>
Age and Service Requirements: Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
<u>Public Safety and Law Enforcement</u>	<u>Public Safety and Law Enforcement</u>	<u>Public Safety and Law Enforcement</u>
Traditional Plan Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Traditional Plan Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Traditional Plan Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

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. The initial amount of a member's pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost-of-living adjustment.

When a traditional plan benefit recipient has received benefits for 12 months, current law provides for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. 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. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. 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 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

Beginning in 2022, the Combined Plan will be consolidated under the Traditional Pension Plan (defined benefit plan) and the Combined Plan option will no longer be available for new hires beginning in 2022.

**Funding Policy**

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

	<u>State and Local</u>	<u>Public Safety</u>	<u>Law Enforcement</u>
2020 Statutory Maximum Contribution Rates			
Employer	14.00%	18.10%	18.10%
Employee (a)	10.00%	(b)	(c)
2020 Actual Contribution Rates			
Employer:			
Pension (d)	14.00%	18.10%	18.10%
Post-employment Health Care Benefits (d)	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Total Employer	<u>14.00%</u>	<u>18.10%</u>	<u>18.10%</u>
Employee	<u>10.00%</u>	<u>12.00%</u>	<u>13.00%</u>

(a) Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

(b) This rate is determined by OPERS' Board and has no maximum rate established by

(c) This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2% greater than the Public Safety rate.

(d) These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4% for health care with the remainder going to pension.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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

For 2020, the City's contractually required contribution was \$931,721, of this amount \$78,578 is reported in accrued wages and benefits.

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

**Plan Description**

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

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

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before 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 2.50 percent for each of the first 20 years of service credit, 2.00 percent for each of the next five years of service credit and 1.50 percent for each year of service credit in excess of 25 years. The maximum pension of 72.00 percent of the allowable average annual salary is paid after 33 years of service credit (see OP&F Comprehensive Annual Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

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

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 over the 12 month period ending on September 30th 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 3 percent of their base pension or disability benefit.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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

**Funding Policy**

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

	<u>Police</u>	<u>Firefighters</u>
2020 Statutory Maximum Contribution Rates		
Employer	19.50%	24.00%
Employee	12.25%	12.25%
2020 Actual Contribution Rates		
Employer:		
Pension	19.00%	23.50%
Post-Employment Health Care Benefits	<u>0.50%</u>	<u>0.50%</u>
Total Employer	<u>19.50%</u>	<u>24.00%</u>
Employee	12.25%	12.25%

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution to OP&F was \$1,499,819 for 2020, of this amount \$170,727 is reported as accrued wages and benefits.

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

The net pension liability (asset) for OPERS was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. OP&F’s total pension liability was measured as of December 31, 2019, and was determined by rolling forward the total pension liability as of January 1, 2019, to December 31, 2019. The City’s proportion of the net pension liability (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 of the City’s defined benefit pension plans:

	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
	<u>Traditional Plan</u>		
Proportionate Share of the:			
Net Pension Liability	\$9,530,219	\$19,621,220	\$29,151,439
Proportion of the Net Pension Liability:			
Current Measurement Date	0.04821600%	0.29126580%	
Prior Measurement Date	<u>0.04741800%</u>	<u>0.30378400%</u>	
Change in Proportionate Share	<u>0.00079800%</u>	<u>-0.01251820%</u>	
Pension Expense	\$1,568,714	\$2,431,885	\$4,000,599

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

At December 31 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS Traditional Plan	OPF	Total
<u>Deferred Outflows of Resources</u>			
Differences between expected and actual experience	\$0	\$742,727	\$742,727
Changes in assumptions	509,025	481,650	990,675
Changes in employer proportionate share of net pension liability	121,494	205,924	327,418
Contributions subsequent to the measurement date	931,721	1,499,819	2,431,540
Total Deferred Outflows of Resources	<u>\$1,562,240</u>	<u>\$2,930,120</u>	<u>\$4,492,360</u>
<u>Deferred Inflows of Resources</u>			
Differences between expected and actual experience	\$120,495	\$1,011,946	\$1,132,441
Net difference between projected and actual earnings on pension plan investments	1,901,065	947,863	2,848,928
Changes in employer proportionate share of net pension liability	0	878,345	878,345
Total Deferred Inflows of Resources	<u>\$2,021,560</u>	<u>\$2,838,154</u>	<u>\$4,859,714</u>

\$2,431,540 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending	OPERS		
December 31:	Traditional Plan	OPF	Total
2021	(\$138,493)	(\$333,010)	(\$471,503)
2022	(576,423)	(194,883)	(771,306)
2023	78,723	274,531	353,254
2024	(754,848)	(1,009,273)	(1,764,121)
2025	0	(145,218)	(145,218)
Total	<u>(\$1,391,041)</u>	<u>(\$1,407,853)</u>	<u>(\$2,798,894)</u>

**Actuarial Assumptions - OPERS**

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

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2019, using the following actuarial assumptions applied to all periods included in the measurement

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2019, are presented below.

	OPERS Traditional Plan
Wage Inflation	3.25%
Future Salary Increases	3.25% to 10.75% (includes wage inflation)
COLA or Ad Hoc COLA:	
Pre-January 7, 2013 Retirees	3.00%, Simple
Post-January 7, 2013 Retirees	1.40%, Simple through 2020, then 2.15%, Simple
Investment Rate of Return	7.20%
Actuarial Cost Method	Individual Entry Age

In October 2019, the OPERS Board adopted a change in COLA for Post-January 7, 2013 retirees, changing it from 3 percent simple through 2018 then 2.15 simple to 1.4 percent simple through 2020 then 2.15 percent simple.

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables. The most recent experience study was completed for the five year period ended December 31, 2015.

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 17.2 percent for 2019.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected 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. Best estimates of arithmetic real rates of return were provided by the Board’s investment consultant. For each major asset class that is included in the Defined Benefit portfolio’s target asset allocation as of December 31, 2019, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	25.00%	1.83%
Domestic Equities	19.00%	5.75%
Real Estate	10.00%	5.20%
Private Equity	12.00%	10.70%
International Equities	21.00%	7.66%
Other Investments	13.00%	4.98%
Total	100.00%	5.61%

**Discount Rate**

The discount rate used to measure the total pension liability was 7.2 percent for the traditional plan and the combined 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 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 7.2 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 (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
Proportionate share of the net pension liability	\$15,718,416	\$9,530,219	\$3,967,212

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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**Changes in Assumptions or Benefit Terms Since the Last Measurement Date, and Changes from the Measurement Date to the Report Date**

There were no recent significant changes of pension benefit terms, health care plans, investment policies, the size or composition of the population covered by the benefit terms and health care plans impacting the actuarial valuation studies for pension and health care for the measurement date of December 31, 2019.

**Actuarial Assumptions – OP&F**

OP&F’s total pension liability as of December 31, 2019, is based on the results of an actuarial valuation date of January 1, 2019, 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 the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2019, are presented below.

Valuation Date	January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.00%
Salary Increases	3.75% to 10.50%
Payroll Growth	3.25% per annum, compounded annually, consisting of Inflation rate of 2.75% plus productivity increase rate of 0.50%
Cost of Living Adjustments	3.00% Simple; 2.20% Simple for increases based on the lesser of the increase in CPI and 3.00%

**Healthy Mortality**

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

Age	Police	Fire
67 or less	77%	68%
68-77	105%	87%
78 and up	115%	120%



**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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**Disabled Mortality**

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

Age	Police	Fire
59 or less	35%	35%
60-69	60%	45%
70-79	75%	70%
80 and up	100%	90%

The most recent experience study was completed for the five year period ended December 31, 2016. 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 OP&F's target asset allocation as of December 31, 2019, are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and Cash Equivalents	0.00%	1.00%
Domestic Equity	16.00%	5.40%
Non-US Equity	16.00%	5.80%
Private Markets	8.00%	8.00%
Core Fixed Income*	23.00%	2.70%
High Yield Fixed Income	7.00%	4.70%
Private Credit	5.00%	5.50%
U.S. Inflation Linked Bonds*	17.00%	2.50%
Master Limited Partnerships	8.00%	6.60%
Real Assets	8.00%	7.40%
Private Real Estate	12.00%	6.40%
Total	120.00%	

*Note: Assumptions are geometric*

*\* levered 2x*

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.20 times due to the application of leverage in certain fixed income asset classes.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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**Discount Rate**

Total pension liability was calculated using the discount rate of 8.00 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8.00 percent. Based on those assumptions, OP&F’s fiduciary net position was projected to be available to make all future benefit payment of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

Net pension liability is sensitive to changes in the discount rate. To illustrate the potential impact, the following table presents the net pension liability calculated using the discount rate of 8.00 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower, 7.00 percent, or one percentage point higher, 9.00 percent, than the current rate:

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
Proportionate share of the net pension liability	\$27,194,329	\$19,621,220	\$13,287,065

**Changes in Assumptions or Benefit Terms Since the Last Measurement Date, and Changes from the Measurement Date to the Report Date**

There have been no OP&F pension plan amendments adopted or changes in assumptions between the measurement date and the report date that would have impacted the actuarial valuation studies as of the pension plan for the measurement date.

**Note 10 – Postemployment Benefits**

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See Note 9 for a description of the net OPEB liability.

**Plan Description – Ohio Public Employees Retirement System (OPERS)**

**Health Care Plan Description**

OPERS maintains a cost-sharing, multiple-employer defined benefit postemployment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member-directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60, or generally 30 years of qualifying service at any age. Health care

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS Comprehensive Annual Financial Report referenced below for additional information.

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

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting [opers.org/financial/reports.shtml](http://opers.org/financial/reports.shtml), by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

**Funding Policy**

The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS' Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2020, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2020, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2020 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$0 for 2020.

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

**Health Care Plan Description**

The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment health care plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. On January 1, 2019, OP&F implemented a new model for health care. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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A retiree is eligible for the OP&F health care stipend unless they have access to any other group coverage including employer and retirement coverage. The eligibility of spouses and dependent children could increase the stipend amount. If the spouse or dependents have access to any other group coverage including employer or retirement coverage, they are not eligible for stipend support from OP&F. Even if an OP&F member or their dependents are not eligible for a stipend, they can use the services of the third-party administrator to select and enroll in a plan. The stipend provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75.

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OP&F website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

**Funding Policy**

The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.50 percent and 24.00 percent of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50 percent of covered payroll for police employer units and 24.00 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2020, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

The OP&F Board of Trustees is also 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 contractually required contribution to OP&F was \$35,437 for 2020.

**Net OPEB Liability**

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2018, rolled forward to the measurement date of December 31, 2019, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2019, and was determined by rolling forward the total OPEB liability as of January 1, 2019, to December 31, 2019. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share:

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

	OPERS		
	Traditional Plan	OPF	Total
Proportionate Share of the:			
Net OPEB Liability	\$6,784,334	\$2,877,045	\$9,661,379
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.04911700%	0.29126580%	
Prior Measurement Date	0.04834100%	0.30378400%	
Change in Proportionate Share	<u>0.00077600%</u>	<u>-0.01251820%</u>	
OPEB Expense	\$743,561	\$301,908	\$1,045,469

At December 31 2020, reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS		
	Traditional Plan	OPF	Total
<u>Deferred Outflows of Resources</u>			
Differences between expected and actual experience	\$182	\$0	\$182
Changes in assumptions	1,073,888	1,682,032	2,755,920
Changes in employer proportionate share of net OPEB liability	73,550	208,007	281,557
Contributions subsequent to the measurement date	0	35,437	35,437
Total Deferred Outflows of Resources	<u>\$1,147,620</u>	<u>\$1,925,476</u>	<u>\$3,073,096</u>
<u>Deferred Inflows of Resources</u>			
Differences between expected and actual experience	\$620,459	\$309,398	\$929,857
Changes in assumptions	0	613,142	613,142
Net difference between projected and actual earnings on OPEB plan investments	345,456	132,391	477,847
Changes in employer proportionate share of net OPEB liability	5,763	173,554	179,317
Total Deferred Inflows of Resources	<u>\$971,678</u>	<u>\$1,228,485</u>	<u>\$2,200,163</u>

\$35,437 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending	OPERS		
December 31:	Traditional Plan	OPF	Total
2021	\$217,409	\$120,009	\$337,418
2022	105,874	120,009	225,883
2023	275	147,167	147,442
2024	(147,616)	130,701	(16,915)
2025	0	82,164	82,164
Thereafter	0	61,504	61,504
Total	<u>\$175,942</u>	<u>\$661,554</u>	<u>\$837,496</u>

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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***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 health care costs 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 coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2018, rolled forward to the measurement date of December 31, 2019. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25%
Projected Salary	3.25% to 10.75%
	(including wage inflation)
Single Discount Rate:	
Current measurement date	3.16%
Prior Measurement date	3.96%
Investment Rate of Return	6.00%
Municipal Bond Rate:	
Current measurement date	2.75%
Prior Measurement date	3.71%
Health Care Cost Trend Rate:	
Current measurement date	10.50% initial, 3.50% ultimate in 2030
Prior Measurement date	10.00% initial, 3.25% ultimate in 2029
Actuarial Cost Method	Individual Entry Age, Normal

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables. The most recent experience study was completed for the five year period ended December 31, 2015.

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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Plan eligible members. Within the Health Care portfolio, if any contribution are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was 19.7 percent for 2019.

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2019, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	36%	1.53%
Domestic Equities	21%	5.75%
Real Estate Investment Trusts	6%	5.69%
International Equities	23%	7.66%
Other investments	14%	4.90%
Total	100%	4.55%

**Discount Rate**

A single discount rate of 3.16 percent was used to measure the OPEB liability on the measurement date of December 31, 2019. A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 2.75 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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through 2034. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2034, and the municipal bond rate was applied to all health care costs after that date.

**Sensitivity of the City’s Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate**

The following table presents the City’s proportionate share of the net OPEB liability calculated using the single discount rate of 3.16 percent, as well as what the City’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.16 percent) or one-percentage-point higher (4.16 percent) than the current rate:

	1% Decrease <u>(2.16%)</u>	Current Discount Rate <u>(3.16%)</u>	1% Increase <u>(4.16%)</u>
Proportionate share of the net OPEB liability	\$8,878,389	\$6,784,334	\$5,107,677

**Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate**

Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2020 is 10.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Proportionate share of the net OPEB liability	\$6,584,134	\$6,784,334	\$6,981,982

**Changes between Measurement Date and Reporting Date**

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and pre-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for pre-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are not reflected in the current year financial statements but are expected to decrease the associated OPEB liability.



**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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**Actuarial Assumptions – OP&F**

OP&F’s total OPEB liability as of December 31, 2019, is based on the results of an actuarial valuation date of January 1, 2019, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

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

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

Valuation Date	January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.00%
Projected Salary Increases	3.75% to 10.50%
Payroll Growth	3.25%
Single discount rate:	
Current measurement date	3.56%
Prior measurement date	4.66%
Cost of Living Adjustments	3.00% Simple; 2.20% Simple for increases based on the lesser of the increase in CPI and 3.00%

**Healthy Mortality**

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

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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<u>Age</u>	<u>Police</u>	<u>Fire</u>
67 or less	77%	68%
68-77	105%	87%
78 and up	115%	120%

**Disabled Mortality**

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
59 or less	35%	35%
60-69	60%	45%
70-79	75%	70%
80 and up	100%	90%

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

The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2019, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	0.00%	1.00%
Domestic Equity	16.00%	5.40%
Non-US Equity	16.00%	5.80%
Private Markets	8.00%	8.00%
Core Fixed Income*	23.00%	2.70%
High Yield Fixed Income	7.00%	4.70%
Private Credit	5.00%	5.50%
U.S. Inflation Linked Bonds*	17.00%	2.50%
Master Limited Partnerships	8.00%	6.60%
Real Assets	8.00%	7.40%
Private Real Estate	12.00%	6.40%
Total	<u>120.00%</u>	

*Note: Assumptions are geometric*

*\* levered 2x*

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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OP&F’s Board of Trustees has incorporated the risk parity concept into OP&F’s asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.20 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate**

For 2019, the total OPEB liability was calculated using the discount rate of 3.56 percent. For 2018, the total OPEB liability was calculated using the discount rate of 4.66 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 8 percent. Based on those assumptions, OP&F’s fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 2.75 percent at December 31, 2019 and 4.13 percent at December 31, 2018, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 3.56 percent for 2019 and 4.66 percent for 2018. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate. The OPEB plan’s fiduciary net position was projected to be available to make all projected OPEB payments until 2034. The long-term expected rate of return on health care investments was applied to projected costs through 2033, and the municipal bond rate was applied to all health care costs after that date.

**Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate**

Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 3.56 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.56 percent), or one percentage point higher (4.56 percent) than the current rate.

	1% Decrease (2.56%)	Current Discount Rate (3.56%)	1% Increase (4.56%)
Proportionate share of the net OPEB liability	\$3,567,350	\$2,877,045	\$2,303,450

**Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate**

The total OPEB liability is based on a medical benefit that is a flat dollar amount; therefore, it is unaffected by a health care cost trend rate. An increase or decrease in the trend rate would have no effect on the total OPEB liability.

**Changes between Measurement Date and Report Date**

There was a decrease in the discount rate from 4.66 percent at prior measurement date to 3.56 percent at the current measurement date. There are no changes to benefit terms.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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**Note 11 – Construction and Other Commitments**

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The City had the following outstanding commitments at year end:

Projects	Amount
Sewer Maintenance and Improvements	\$357,661
Water Maintenance and Improvements	196,337
Street Improvements	1,143,546
Street Lights	76,878
Sidewalk Improvements	425,000
New Fire Station	268,261
Vehicles	302,222
Hobart Arena Events	208,632
Other Construction and Commitments	892,357
Total Outstanding Commitments	\$3,870,894

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:

Fund	Amount
General	\$1,092,174
TIF Retirement	140,530
Capital Improvements	1,905,272
Water	606,540
Sanitary Sewer	406,559
Hobart Arena	250,677
Stormwater Utility	197,930
Nonmajor Funds	255,530
Total	\$4,855,212

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**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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**Note 12 – Interfund Transfers and Interfund Receivable/Payable**

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Interfund transactions at year end, consisted of the following individual interfund receivables, interfund payables, transfers in and transfers out:

	Interfund		Transfers	
	Receivable	Payable	In	Out
General Fund	\$1,215,000	\$0	\$2,223,142	\$6,635,944
TIF Retirement	0	1,215,000	0	0
Capital Improvement	0	0	4,000,000	0
Other Governmental Funds	0	0	1,716,061	2,395,667
Water	0	0	606	0
Sanitary Sewer	0	0	478	0
Hobart Arena	0	0	867,851	0
Other Enterprise Funds	0	0	223,473	0
<b>Total All Funds</b>	<b>\$1,215,000</b>	<b>\$1,215,000</b>	<b>\$9,031,611</b>	<b>\$9,031,611</b>

Interfund balance/transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate and to return money to the fund from which it was originally provided once a project is completed.

Transfers out of Other Governmental Funds were used to reimburse the General Fund, Other Governmental Funds, Hobart Arena Fund, Water Fund, Sanitary Sewer Fund, and Other Enterprise Funds for eligible expenses / expenditures reimbursable under the CARES Act grant.

**Note 13 - Donor-Restricted Endowment**

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The City administers an endowment fund, which is restricted by the donor for the purposes of cemetery maintenance and improvement. Donor-restricted endowments are reported at fair value. The amount of net appreciation on investments of donor-restricted endowments that is available for authorization for expenditure by the City is \$163,607. The City authorizes expenditures from donor-restricted endowment in compliance with the wishes expressed by the donor and the Ohio Revised Code.

**Note 14 – Fund Balance**

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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 the resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

Fund Balances	General	TIF Retirement	Capital Improvement	Other Governmental Funds	Total
Nonspendable:					
Unclaimed Monies	\$22,573	\$0	\$0	\$0	\$22,573
Total Nonspendable	22,573	0	0	0	22,573
Restricted for:					
Safety Income Tax	2,194,956	0	0	0	2,194,956
TIF Retirement	0	187,246	0	0	187,246
Street Construction, Maintenance and Repair	0	0	0	1,784,264	1,784,264
State Highway Improvement	0	0	0	253,010	253,010
Cemetery	0	0	0	210,258	210,258
Municipal Real Property	0	0	0	33,468	33,468
Miami Conservatory District	0	0	0	96,739	96,739
Community Development	0	0	0	1,681,661	1,681,661
Parking Improvement	0	0	0	184,522	184,522
Drug Law Enforcement	0	0	0	14,659	14,659
Law Enforcement	0	0	0	23,077	23,077
Cemetery Endowment	0	0	0	925,063	925,063
Small Business Development R-Loan	0	0	0	1,560,900	1,560,900
Equitable Sharing	0	0	0	137,469	137,469
Park and Playground	0	0	0	168,456	168,456
Capital Improvement	0	0	5,372,521	0	5,372,521
OPWC Project	0	0	0	1,647,929	1,647,929
Total Restricted	2,194,956	187,246	5,372,521	8,721,475	16,476,198
Committed to:					
Capital Improvements	33,968,351	0	0	0	33,968,351
Total Committed	33,968,351	0	0	0	33,968,351
Assigned to:					
Bond Retirement	0	0	0	628,674	628,674
Technology	0	0	0	255,223	255,223
Future Appropriations	4,314,946	0	0	0	4,314,946
Future Encumbrances	968,399	0	0	0	968,399
Total Assigned	5,283,345	0	0	883,897	6,167,242
Unassigned (Deficit)	22,288,962	0	0	0	22,288,962
Total Fund Balance	<u>\$63,758,187</u>	<u>\$187,246</u>	<u>\$5,372,521</u>	<u>\$9,605,372</u>	<u>\$78,923,326</u>

Encumbrances (assigned) will be used for functions of the general government, safety of residences, recreational activities, economic development projects, and purchases of capital items for the City.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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**Note 15 – Contingent Liabilities**

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**Litigation**

The City is party to litigation but management is of the opinion that the ultimate disposition of claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

**Note 16 – Tax Abatements**

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As of December 31, 2020, the City provides tax abatements through the Community Reinvestment Area (CRA) and Ohio Enterprise Zone Area (EZA) Program:

The Ohio Community Reinvestment Area program is an economic development tool administered by the City that provides real property tax exemptions for property owners who renovate existing or construct new buildings. Under Ohio Revised Code section 3765 to 3735.70, city, village or county can petition the Ohio Department of Development to confirm that investment in a particular geographical area. Once the Department has confirmed the investment in the area, the community may offer real estate tax exemptions to taxpayers who are willing to invest in the area. Up to 12 years may be exempt for commercial and industrial remodeling and up to 15 years may be exempt for new construction. State law requires reimbursement agreements with school districts for tax revenue losses for CRA in place after 1994. It is the City’s policy to have reimbursement agreements with school districts for any CRA prior to 1994. Payments in lieu of taxes paid by the property owner directly to the school districts as required by the agreement are not reduced from the total amount of taxes abated.

The Ohio Enterprise Zone Areas are designated areas of land in which businesses can receive tax incentives in the form of tax exemptions on eligible new investments. EZAs are not part of the traditional zoning program, which limits the use of land, instead they allow local officials to negotiate with businesses to encourage new business investment in the zone. The EZA serves as an additional economic development tool for communities attempting to retain and expand their economic base. The EZA is a contract between the City and the company. The zone's geographic area is identified by the local communities involved in the creation of the zone. Once a zone is defined, the local legislative authority participating in the creation must petition the director of the Development Services Agency. The director must then certify the area for it to become an active Enterprise Zone. Tax incentives are negotiated at the local level, and an enterprise zone agreement must be in place before the project begins. Businesses interested in pursuing these incentives should contact the local Enterprise Zone Manager.

Tax Abatement Programs	City's Share of Taxes Abated
Community Reinvestment Area	\$29,039
Enterprise Zone Area	89,157

The abatements will be terminated if the property is deemed delinquent, behind on payments, or the terms and conditions of the CRA or EZA are not adhered to and no recapture provisions noted.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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**Note 17 – Implementation of New Accounting Principles and Restatement of Net Position/Fund Balance**

For fiscal year 2020, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 83, *Certain Asset Retirement Obligations*, GASB No. 84, *Fiduciary Activities*, GASB No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, and GASB No. 90, *Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 61*.

GASB Statement No. 83 sets out to address the accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The implementation of GASB Statement No. 83 was implemented in the notes to financial statements.

GASB Statement No. 84 clarifies the criteria for identifying fiduciary activities, with the focus on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Activities meeting certain criteria should be reported in a fiduciary fund in the financial statements. The implementation of GASB Statement No. 84 affected the accounting and reporting of fiduciary activities.

GASB Statement No. 88 sets out to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. If applicable, GASB Statement No. 88 has been implemented in the notes to financial statements.

GASB Statement No. 90 sets out to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. The implementation of GASB Statement No. 90 did not have an effect on the financial statements.



**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2020**

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A fund balance/net position restatement is required in order to implement GASB Statement No. 84. The general fund, other governmental funds and governmental activities at January 1, 2020 have been restated as follows:

	General Fund	Other Governmental Funds	Governmental Activities
	<u>          </u>	<u>          </u>	<u>          </u>
Fund Balance/Net Position as Previously Reported	\$59,899,882	\$8,476,796	\$95,517,971
Adjustments:			
Presentation Changes - GASB Statement No. 84	<u>26,668</u>	<u>168,405</u>	<u>195,073</u>
Restated Fund Balance/Net Position January 1, 2020	<u>\$59,926,550</u>	<u>\$8,645,201</u>	<u>\$95,713,044</u>

Other than restating the fund balance/net position for the general fund, other governmental funds, and governmental activities the City made no restatement for prior periods as the information needed to generate these restatements was not available.

**Note 18 – COVID-19**

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

**Note 19 – Asset Retirement Obligations (ARO)**

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Ohio Revised Code Section 6111.44 requires the City to submit any changes to their sewage system to the Ohio EPA for approval. Through this review process, the City would be responsible to address any public safety issues associated with their wastewater treatment facilities. At this time, due to limitations associated with the existing plant’s age and building materials within the plant, the engineer consulted would not have a reasonable estimate to calculate a liability for this year.

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# **REQUIRED SUPPLEMENTARY INFORMATION**



City of Troy, Ohio  
 Required Supplementary Information  
 Schedule of the City's Proportionate Share  
 of the Net Pension Liability  
 Ohio Public Employees Retirement System - Traditional Plan  
 Last Seven Fiscal Years (1)

	2020	2019	2018	2017	2016	2015	2014
City's Proportion of the Net Pension Liability	0.04821600%	0.04741800%	0.04711500%	0.04862500%	0.04752900%	0.04867200%	0.04867200%
City's Proportionate Share of the Net Pension Liability	\$9,530,219	\$12,986,830	\$7,391,430	\$11,041,911	\$8,232,622	\$5,870,387	\$5,737,795
City's Covered Payroll	\$6,783,914	\$6,404,636	\$6,226,246	\$6,285,742	\$5,980,800	\$5,986,958	\$6,565,754
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	140.48%	202.77%	118.71%	175.67%	137.65%	98.05%	87.39%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available.

Note:

Amounts presented as of the City's measurement date which is the prior fiscal year end.  
 See accompanying notes to the required supplementary information.

City of Troy, Ohio  
 Required Supplementary Information  
 Schedule of the City's Proportionate Share  
 of the Net Pension Liability  
 Ohio Police and Fire Pension Fund  
 Last Seven Fiscal Years (1)

	2020	2019	2018	2017	2016	2015	2014
City's Proportion of the Net Pension Liability	0.29126580%	0.30378400%	0.29818000%	0.30156700%	0.30581300%	0.30833220%	0.30833220%
City's Proportionate Share of the Net Pension Liability	\$19,621,220	\$24,796,801	\$18,300,653	\$19,100,951	\$19,673,165	\$15,972,893	\$15,016,746
City's Covered Payroll	\$7,166,834	\$7,501,553	\$7,169,253	\$6,985,753	\$6,654,988	\$6,337,672	\$7,482,014
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	273.78%	330.56%	255.27%	273.43%	295.62%	252.03%	200.70%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.89%	63.07%	70.91%	68.36%	66.77%	72.20%	73.00%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available.

Note:

Amounts presented as of the City's measurement date which is the prior fiscal year end.  
 See accompanying notes to the required supplementary information.

City of Troy, Ohio  
 Required Supplementary Information  
 Schedule of City's Contributions  
 for Net Pension Liability  
 Ohio Public Employees Retirement System- Traditional Plan  
 Last Seven Fiscal Years (1)

	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	\$931,721	\$949,748	\$896,649	\$809,412	\$754,289	\$717,696	\$718,435
Contributions in Relation to the Contractually Required Contribution	(931,721)	(949,748)	(896,649)	(809,412)	(754,289)	(717,696)	(718,435)
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City's Covered Payroll	\$6,655,150	\$6,783,914	\$6,404,636	\$6,226,246	\$6,285,742	\$5,980,800	\$5,986,958
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available.

Note:

See accompanying notes to the required supplementary information.

City of Troy, Ohio  
 Required Supplementary Information  
 Schedule of City's Contributions  
 for Net Pension Liability  
 Ohio Police and Fire Pension Fund  
 Last Seven Fiscal Years (1)

	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	\$1,499,819	\$1,514,352	\$1,425,295	\$1,362,158	\$1,327,293	\$1,336,987	\$1,290,350
Contributions in Relation to the Contractually Required Contribution	(1,499,819)	(1,514,352)	(1,425,295)	(1,362,158)	(1,327,293)	(1,336,987)	(1,290,350)
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City's Covered Payroll	\$7,893,784	\$7,166,834	\$7,501,553	\$7,169,253	\$6,985,753	\$6,654,988	\$6,337,672
Contributions as a Percentage of Covered Payroll	19.00%	21.13%	19.00%	19.00%	19.00%	20.09%	20.36%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available.

Note:

See accompanying notes to the required supplementary information.

City of Troy, Ohio  
 Required Supplementary Information  
 Schedule of the City's Proportionate Share  
 of the Net Postemployment Benefits Other Than Pension (OPEB) Liability  
 Ohio Public Employees Retirement System - Traditional Plan  
 Last Four Fiscal Years (1)

	2020	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.04911700%	0.04834100%	0.04794000%	0.04986580%
City's Proportionate Share of the Net OPEB Liability	\$6,784,334	\$6,302,525	\$5,205,931	\$5,036,615
City's Covered Payroll	\$6,783,914	\$6,404,636	\$6,226,246	\$6,285,742
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	100.01%	98.41%	83.61%	80.13%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.80%	46.33%	54.14%	54.04%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2017 is not available.

Note:

Amounts presented as of the City's measurement date which is the prior fiscal year end.  
 See accompanying notes to the required supplementary information.



City of Troy, Ohio  
 Required Supplementary Information  
 Schedule of the City's Proportionate Share  
 of the Net Postemployment Benefits Other Than Pension (OPEB) Liability  
 Ohio Police and Fire Pension Fund  
 Last Four Fiscal Years (1)

	2020	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.29126580%	0.30378400%	0.29818000%	0.30156700%
City's Proportionate Share of the Net OPEB Liability	\$2,877,045	\$2,766,419	\$16,894,461	\$14,314,707
City's Covered Payroll	\$7,166,834	\$7,501,553	\$7,169,253	\$6,985,753
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	40.14%	36.88%	235.65%	204.91%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.10%	46.57%	14.13%	15.96%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2017 is not available.

Note:

Amounts presented as of the City's measurement date which is the prior fiscal year end.  
 See accompanying notes to the required supplementary information.

City of Troy, Ohio  
 Required Supplementary Information  
 Schedule of City's Contributions to  
 Postemployment Benefits Other Than Pension (OPEB)  
 Ohio Public Employees Retirement System - Traditional Plan  
 Last Five Fiscal Years (1)

	2020	2019	2018	2017	2016
Contractually Required Contribution to OPEB	\$0	\$0	\$0	\$77,541	\$137,770
Contributions to OPEB in Relation to the Contractually Required Contribution	0	0	0	(77,541)	(137,770)
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered Payroll	\$6,655,150	\$6,783,914	\$6,404,636	\$6,226,246	\$6,285,742
Contributions to OPEB as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	1.25%	2.19%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2016 is not available.

Note:

See accompanying notes to the required supplementary information.

City of Troy, Ohio  
 Required Supplementary Information  
 Schedule of City's Contributions to  
 Postemployment Benefits Other Than Pension (OPEB)  
 Ohio Police and Fire Pension Fund  
 Last Five Fiscal Years (1)

	2020	2019	2018	2017	2016
Contractually Required Contribution to OPEB	\$35,437	\$35,850	\$33,751	\$31,888	\$31,765
Contributions to OPEB in Relation to the Contractually Required Contribution	<u>(35,437)</u>	<u>(35,850)</u>	<u>(33,751)</u>	<u>(31,888)</u>	<u>(31,765)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered Payroll	\$7,893,784	\$7,166,834	\$7,501,553	\$7,169,253	\$6,985,753
Contributions to OPEB as a Percentage of Covered Payroll	0.45%	0.50%	0.45%	0.44%	0.45%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2016 is not available.

Note:

See accompanying notes to the required supplementary information.

City of Troy, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2020

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Property and Other Taxes	\$1,781,081	\$1,835,337	\$1,835,342	\$5
Charges for Services	3,601,646	3,492,874	3,711,370	218,496
Investment Earnings	250,747	253,240	258,386	5,146
Intergovernmental	2,280,823	2,350,160	2,350,308	148
Special Assessments	607	624	626	2
Fines, Licenses & Permits	66,572	67,009	68,600	1,591
Other Revenues	1,737,313	1,789,885	1,790,240	355
<b>Total Revenues</b>	<b>9,718,789</b>	<b>9,789,129</b>	<b>10,014,872</b>	<b>225,743</b>
Expenditures:				
Current:				
General Government	5,008,819	5,130,299	4,793,656	336,643
Public Safety	12,511,374	13,406,573	11,973,925	1,432,648
Community Environment	1,318,077	1,522,424	1,261,457	260,967
Recreation	1,699,680	1,785,255	1,626,667	158,588
Basic Utility	1,355,601	1,354,506	1,297,369	57,137
Capital Outlay	2,046,478	2,009,720	1,958,568	51,152
<b>Total Expenditures</b>	<b>23,940,029</b>	<b>25,208,777</b>	<b>22,911,642</b>	<b>2,297,135</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(14,221,240)</b>	<b>(15,419,648)</b>	<b>(12,896,770)</b>	<b>2,522,878</b>
Other Financing Sources (Uses):				
Advances In	326,066	336,000	336,000	0
Transfers In	19,683,845	20,283,511	20,283,513	2
Transfers (Out)	(6,932,245)	(7,463,500)	(6,634,458)	829,042
<b>Total Other Financing Sources (Uses)</b>	<b>13,077,666</b>	<b>13,156,011</b>	<b>13,985,055</b>	<b>829,044</b>
<b>Net Change in Fund Balance</b>	<b>(1,143,574)</b>	<b>(2,263,637)</b>	<b>1,088,285</b>	<b>3,351,922</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	12,449,472	12,449,472	12,449,472	0
<b>Fund Balance End of Year</b>	<b>\$11,305,898</b>	<b>\$10,185,835</b>	<b>\$13,537,757</b>	<b>\$3,351,922</b>

See accompanying notes to the required supplementary information.

**City of Troy, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Fiscal Year Ended December 31, 2020**

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**Note 1 – Budgetary Process**

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All funds, except custodial funds, are legally required to be budgeted and appropriated. 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 tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the fund level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the City. The amounts reported as the original budgeted amounts on the budgetary schedules reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary schedules reflect the amounts on the final amended certificate of estimated resources issued during the year.

The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council during the year.

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Budgetary Basis) presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as an assignment of fund balance (GAAP).
4. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.
5. Some funds are reported as part of the general fund (GAAP basis as opposed to the general fund being reported alone (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund.

**City of Troy, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Fiscal Year Ended December 31, 2020**

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**Net Change in Fund Balance**

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	General
GAAP Basis	\$3,831,637
Revenue Accruals	(20,696,537)
Expenditure Accruals	617,036
Transfers In	18,060,371
Transfers (Out)	1,486
Advances In	336,000
Encumbrances	(1,061,708)
Budget Basis	<u>\$1,088,285</u>

**Note 2 – Net Pension Liability**

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**Ohio Police and Fire Pension Fund Changes in Assumptions and Benefit Terms**

*Changes in assumptions:*

2020: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2019: OPERS Board adopted a change in the investment return assumption, reducing it from 7.50% to 7.20%.

2018: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2017: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%
- Decrease in wage inflation from 3.75% to 3.25%
- Change in future salary increases from a range of 4.25%-10.02% to 3.25%-10.75%

2014-2016: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

*Changes in benefit terms:*

2020-2014: There were no changes in benefit terms for the period.

**Ohio Public Employees Retirement System Changes in Assumptions and Benefit Terms**

*Changes in assumptions:*

2020-2019: There have been no OP&F pension plan amendments adopted or changes in assumptions between the measurement date and the report date that would have impacted the actuarial valuation of the pension plan as of the measurement date.

2018: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date.

**City of Troy, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Fiscal Year Ended December 31, 2020**

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- Reduction in actuarial assumed rate of return from 8.25% to 8.00%
- Decrease salary increases from 3.75% to 3.25%
- Change in payroll growth from 3.75% to 3.25%
- Reduce DROP interest rate from 4.5% to 4.0%
- Reduce CPI-based COLA from 2.6% to 2.2%
- Inflation component reduced from 3.25% to 2.75%

2017-2014: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

*Changes in benefit terms:*

2020-2014: There were no changes in benefit terms for the period.

**Note 3 - Net OPEB Liability**

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**Ohio Police and Fire Pension Fund Changes in Assumptions and Benefit Terms**

*Changes in assumptions:*

2020: On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and pre-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for pre-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are not reflected in the current year financial statements but are expected to decrease the associated OPEB liability. The single discount rate changed from 3.96% to 3.16%, municipal bond rate changed from 3.71% to 2.75% and health care cost trend rate changed from 10.00% to 10.50%.

2019: OPERS Board adopted a change in the investment return assumption, reducing it from 6.50% to 6.00%. In January 2020, the Board adopted changes to health care coverage for Medicare and pre-Medicare retirees. It will include discontinuing the PPO plan for pre-Medicare retirees and replacing it with a monthly allowance to help participants pay for a health care plan of their choosing. The base allowance for Medicare-eligible retirees will be reduced. The specific effect of these changes on the net OPEB liability and OPEB expense are unknown at this time. The single discount rate changed from 3.85% to 3.96%, municipal bond rate changed from 3.31% to 3.71% and health care cost trend rate changed from 7.50% to 10.00%.

2018: The single discount rate changed from 4.23% to 3.85%.

*Changes in benefit terms:*

2020-2018: There were no changes in benefit terms for the period.

**Ohio Public Employees Retirement System Changes in Assumptions and Benefit Terms**

*Changes in assumptions:*

**City of Troy, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Fiscal Year Ended December 31, 2020**

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2020: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions. The single discount rate changed from 4.66% to 3.56%.

2019: Beginning January 1, 2019 OP&F changed its retiree health care model and the current self-insured health care plan is no longer offered. In its place will be a stipend-based health care model. OP&F has contracted with a vendor who will assist eligible retirees in choosing health care plans from their marketplace (both Medicare-eligible and pre-Medicare populations). A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses. As a result of changing from the current health care model to the stipend based health care model, management expects that it will be able to provide stipends to eligible participants for the next 15 years. Beginning in 2020 the Board approved a change to the Deferred Retirement Option Plan. The minimum interest rate accruing will be 2.5%. The single discount rate increased from 3.24% to 4.66% and the municipal bond rate from 3.16% to 4.13%.

2018: The single discount rate changed from 3.79% to 3.24%

*Changes in benefit terms:*

2020: There were no changes in benefit terms for the period.

2019: See above regarding change to stipend-based model.

2018: There were no changes in benefit terms for the period.



# COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES



## **MAJOR GOVERNMENTAL FUNDS**

**TIF Retirement** - To account for the accumulation of resources for and the payment of TIF bond principal and interest from governmental resources when the City is obligated in some manner for the payment. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance are included in the Basic Financial Statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.

**Capital Improvement** – To account for various capital projects financed by governmental funds. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance are included in the Basic Financial Statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.

City of Troy, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2020

	TIF Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Revenue in Lieu of Taxes	\$558,800	\$558,801	\$1
Total Revenues	558,800	558,801	1
Expenditures:			
Current:			
Capital Outlay	242,000	183,098	58,902
Debt Service:			
Principal Retirement	55,000	55,000	0
Interest and Fiscal Charges	76,200	76,200	0
Total Expenditures	373,200	314,298	58,902
Net Change in Fund Balance	185,600	244,503	58,903
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,017,215	1,017,215	0
Fund Balance End of Year	\$1,202,815	\$1,261,718	\$58,903

City of Troy, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2020

	Capital Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$974,720	\$974,724	\$4
Special Assessments	94,825	97,799	2,974
Other Revenues	145,880	145,880	0
<b>Total Revenues</b>	<b>1,215,425</b>	<b>1,218,403</b>	<b>2,978</b>
Expenditures:			
Current:			
Community Environment	120,764	57,186	63,578
Other	0	4,828	(4,828)
Capital Outlay	7,622,626	5,075,933	2,546,693
<b>Total Expenditures</b>	<b>7,743,390</b>	<b>5,137,947</b>	<b>2,605,443</b>
Excess of Revenues Over (Under) Expenditures	(6,527,965)	(3,919,544)	2,608,421
Other Financing Sources (Uses):			
Advances (Out)	(336,000)	(336,000)	0
Transfers In	4,000,000	4,000,000	0
<b>Total Other Financing Sources (Uses)</b>	<b>3,664,000</b>	<b>3,664,000</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>(2,863,965)</b>	<b>(255,544)</b>	<b>2,608,421</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	3,697,618	3,697,618	0
<b>Fund Balance End of Year</b>	<b>\$833,653</b>	<b>\$3,442,074</b>	<b>\$2,608,421</b>

## **NONMAJOR GOVERNMENTAL FUNDS**

### **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 expenditures for specified 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.

### **Debt Service Fund**

The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated (i.e. debt payable from property taxes). Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds.

### **Capital Projects Funds**

The Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects 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.

City of Troy, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2020

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$4,410,113	\$628,230	\$1,882,304	\$6,920,647
Receivables (Net):				
Taxes	145,874	0	0	145,874
Accounts	0	0	30,007	30,007
Interest	1,565	444	0	2,009
Intergovernmental	760,341	0	0	760,341
Notes	2,583,658	0	0	2,583,658
Special Assessments	31,320	0	0	31,320
<b>Total Assets</b>	<b>7,932,871</b>	<b>628,674</b>	<b>1,912,311</b>	<b>10,473,856</b>
<b>Liabilities:</b>				
Accounts Payable	44,939	0	9,159	54,098
Accrued Wages and Benefits	13,132	0	0	13,132
<b>Total Liabilities</b>	<b>58,071</b>	<b>0</b>	<b>9,159</b>	<b>67,230</b>
<b>Deferred Inflows of Resources:</b>				
Property and Income Taxes	142,414	0	0	142,414
Grants and Other Taxes	627,520	0	0	627,520
Special Assessments	31,320	0	0	31,320
<b>Total Deferred Inflows of Resources</b>	<b>801,254</b>	<b>0</b>	<b>0</b>	<b>801,254</b>
<b>Fund Balances:</b>				
Restricted	7,073,546	0	1,647,929	8,721,475
Assigned	0	628,674	255,223	883,897
<b>Total Fund Balances</b>	<b>7,073,546</b>	<b>628,674</b>	<b>1,903,152</b>	<b>9,605,372</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$7,932,871</b>	<b>\$628,674</b>	<b>\$1,912,311</b>	<b>\$10,473,856</b>

City of Troy, Ohio  
Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Fiscal Year Ended December 31, 2020

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Property and Other Taxes	\$129,372	\$0	\$0	\$129,372
Charges for Services	261,553	0	0	261,553
Investment Earnings	39,904	187	0	40,091
Intergovernmental	4,091,695	0	1,500,000	5,591,695
Special Assessments	0	6,054	0	6,054
Fines, Licenses & Permits	20,389	0	1,127	21,516
Other Revenues	251,871	0	114,416	366,287
<b>Total Revenues</b>	<b>4,794,784</b>	<b>6,241</b>	<b>1,615,543</b>	<b>6,416,568</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	143,594	0	0	143,594
Public Safety	1,968	0	0	1,968
Community Development	1,116,523	0	0	1,116,523
Transportation and Street Repair	1,387,773	0	0	1,387,773
Public Health and Welfare	492,400	0	0	492,400
Capital Outlay	291,500	0	120,449	411,949
<b>Debt Service:</b>				
Principal	0	942,946	0	942,946
Interest and Other Charges	0	279,638	0	279,638
Bond Issuance Cost	0	115,846	0	115,846
<b>Total Expenditures</b>	<b>3,433,758</b>	<b>1,338,430</b>	<b>120,449</b>	<b>4,892,637</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>1,361,026</b>	<b>(1,332,189)</b>	<b>1,495,094</b>	<b>1,523,931</b>
<b>Other Financing Sources (Uses):</b>				
Sale of Refunding Bonds	0	7,535,000	0	7,535,000
Payments to Refunded Bond Escrow Agent	0	(7,953,575)	0	(7,953,575)
Premium on Refunding Bonds	0	534,421	0	534,421
Transfers In	212,333	1,500,000	3,728	1,716,061
Transfers (Out)	(2,395,667)	0	0	(2,395,667)
<b>Total Other Financing Sources (Uses)</b>	<b>(2,183,334)</b>	<b>1,615,846</b>	<b>3,728</b>	<b>(563,760)</b>
<b>Net Change in Fund Balance</b>	<b>(822,308)</b>	<b>283,657</b>	<b>1,498,822</b>	<b>960,171</b>
<b>Fund Balance - Beginning of Year, Restated</b>	<b>7,895,854</b>	<b>345,017</b>	<b>404,330</b>	<b>8,645,201</b>
<b>Fund Balance - End of Year</b>	<b>\$7,073,546</b>	<b>\$628,674</b>	<b>\$1,903,152</b>	<b>\$9,605,372</b>

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## **NONMAJOR SPECIAL REVENUE FUNDS**

### **Fund Descriptions**

**Street Construction, Maintenance and Repair** - Required by the Ohio Revised Code to account for that portion of the state gasoline tax and motor vehicle registration fees designated for maintenance of streets within the City.

**State Highway Improvement** - Required by the Ohio Revised Code to account for that portion of the state gasoline and motor vehicle registration fees designated for maintenance of state highways within the City.

**Cemetery** - To account for monies received from plot sales and burials and expended for Cemetery maintenance.

**Municipal Real Property** - To account for receipts which are to be used to acquire, renovate, or repair municipal property.

**Miami Conservancy District** - To account for property tax receipts designated for conservancy district expenditures.

**Community Development Block Grant** - To account for community development block grant funds.

**Parking Improvement** - To account for monies used to maintain and upgrade parking facilities.

**Drug Law Enforcement** - To account for monies designated to be used for drug law enforcement.

**Law Enforcement** - To account for monies designated to be used for law enforcement.

**Cemetery Endowment** - To account for the receipt of monies for general care and maintenance of the cemetery.

**Small Business Development R-Loan** - To account for small business development R-loan funds.

**Equitable Sharing** - To account for monies received through the equitable sharing program.

**Cares Act Coronavirus Relief** – A fund used to provide emergency relief grants to Cities related to the COVID-19 pandemic.

**Park and Playground** – To account for monies used to maintain and make improvements to the Paul G Duke Park and Stouder Playground Park.

City of Troy, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2020

	Street Construction, Maintenance and Repair	State Highway Improvement	Cemetery	Municipal Real Property	Miami Conservancy District	Community Development Block Grant	Parking Improvement
<b>Assets:</b>							
Equity in Pooled Cash and Investments	\$1,706,613	\$242,877	\$221,799	\$33,974	\$93,279	\$404,058	\$184,392
Receivables (Net):							
Taxes	0	0	0	0	145,874	0	0
Interest	0	172	0	24	0	286	130
Intergovernmental	703,316	57,025	0	0	0	0	0
Notes	0	0	0	0	0	1,278,108	0
Special Assessments	31,320	0	0	0	0	0	0
<b>Total Assets</b>	<b>2,441,249</b>	<b>300,074</b>	<b>221,799</b>	<b>33,998</b>	<b>239,153</b>	<b>1,682,452</b>	<b>184,522</b>
<b>Liabilities:</b>							
Accounts Payable	35,165	0	8,453	530	0	791	0
Accrued Wages and Benefits	10,044	0	3,088	0	0	0	0
<b>Total Liabilities</b>	<b>45,209</b>	<b>0</b>	<b>11,541</b>	<b>530</b>	<b>0</b>	<b>791</b>	<b>0</b>
<b>Deferred Inflows of Resources:</b>							
Property and Income Taxes	0	0	0	0	142,414	0	0
Grants and Other Taxes	580,456	47,064	0	0	0	0	0
Special Assessments	31,320	0	0	0	0	0	0
<b>Total Deferred Inflows of Resources</b>	<b>611,776</b>	<b>47,064</b>	<b>0</b>	<b>0</b>	<b>142,414</b>	<b>0</b>	<b>0</b>
<b>Fund Balances:</b>							
Restricted	1,784,264	253,010	210,258	33,468	96,739	1,681,661	184,522
<b>Total Fund Balances</b>	<b>1,784,264</b>	<b>253,010</b>	<b>210,258</b>	<b>33,468</b>	<b>96,739</b>	<b>1,681,661</b>	<b>184,522</b>
<b>Total Liabilities, Deferred Inflows and Fund Balance</b>	<b>\$2,441,249</b>	<b>\$300,074</b>	<b>\$221,799</b>	<b>\$33,998</b>	<b>\$239,153</b>	<b>\$1,682,452</b>	<b>\$184,522</b>

Drug Law Enforcement	Law Enforcement	Cemetery Endowment	Small Business Development R-Loan	Equitable Sharing	Cares Act Coronavirus Relief	Park and Playground	Total Nonmajor Special Revenue Funds
\$14,659	\$23,077	\$924,409	\$255,170	\$137,469	\$0	\$168,337	\$4,410,113
0	0	0	0	0	0	0	145,874
0	0	654	180	0	0	119	1,565
0	0	0	0	0	0	0	760,341
0	0	0	1,305,550	0	0	0	2,583,658
0	0	0	0	0	0	0	31,320
14,659	23,077	925,063	1,560,900	137,469	0	168,456	7,932,871
0	0	0	0	0	0	0	44,939
0	0	0	0	0	0	0	13,132
0	0	0	0	0	0	0	58,071
0	0	0	0	0	0	0	142,414
0	0	0	0	0	0	0	627,520
0	0	0	0	0	0	0	31,320
0	0	0	0	0	0	0	801,254
14,659	23,077	925,063	1,560,900	137,469	0	168,456	7,073,546
14,659	23,077	925,063	1,560,900	137,469	0	168,456	7,073,546
\$14,659	\$23,077	\$925,063	\$1,560,900	\$137,469	\$0	\$168,456	\$7,932,871

City of Troy, Ohio  
Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended December 31, 2020

	Street Construction, Maintenance and Repair	State Highway Improvement	Cemetery	Municipal Real Property	Miami Conservancy District	Community Development Block Grant	Parking Improvement
<b>Revenues:</b>							
Property and Other Taxes	\$0	\$0	\$0	\$0	\$129,372	\$0	\$0
Charges for Services	2,026	0	189,487	0	0	0	0
Investment Earnings	0	18	0	(22)	0	28,849	1,787
Intergovernmental	1,555,026	125,647	0	0	15,355	0	0
Fines, Licenses & Permits	0	0	0	0	0	0	19,810
Other Revenues	52,374	4,825	16,418	496	0	0	53
<b>Total Revenues</b>	<b>1,609,426</b>	<b>130,490</b>	<b>205,905</b>	<b>474</b>	<b>144,727</b>	<b>28,849</b>	<b>21,650</b>
<b>Expenditures:</b>							
<b>Current:</b>							
General Government	0	0	0	0	143,594	0	0
Public Safety	0	0	0	0	0	0	0
Community Development	0	0	0	0	0	1,116,499	0
Transportation and Street Repair	1,307,973	79,800	0	0	0	0	0
Public Health and Welfare	0	0	408,496	0	0	0	0
Capital Outlay	271,741	0	399	17,710	0	0	0
<b>Total Expenditures</b>	<b>1,579,714</b>	<b>79,800</b>	<b>408,895</b>	<b>17,710</b>	<b>143,594</b>	<b>1,116,499</b>	<b>0</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>29,712</b>	<b>50,690</b>	<b>(202,990)</b>	<b>(17,236)</b>	<b>1,133</b>	<b>(1,087,650)</b>	<b>21,650</b>
<b>Other Financing Sources (Uses):</b>							
Transfers In	0	0	201,266	0	0	0	0
Transfers (Out)	0	0	0	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>201,266</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>29,712</b>	<b>50,690</b>	<b>(1,724)</b>	<b>(17,236)</b>	<b>1,133</b>	<b>(1,087,650)</b>	<b>21,650</b>
<b>Fund Balance - Beginning of Year, Restated</b>	<b>1,754,552</b>	<b>202,320</b>	<b>211,982</b>	<b>50,704</b>	<b>95,606</b>	<b>2,769,311</b>	<b>162,872</b>
<b>Fund Balance - End of Year</b>	<b>\$1,784,264</b>	<b>\$253,010</b>	<b>\$210,258</b>	<b>\$33,468</b>	<b>\$96,739</b>	<b>\$1,681,661</b>	<b>\$184,522</b>

Drug Law Enforcement	Law Enforcement	Cemetery Endowment	Small Business Development R-Loan	Equitable Sharing	Cares Act Coronavirus Relief	Park and Playground	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$129,372
0	0	67,985	2,055	0	0	0	261,553
0	0	9,483	(260)	0	0	49	39,904
0	0	0	0	0	2,395,667	0	4,091,695
230	349	0	0	0	0	0	20,389
3,200	0	266	152,930	21,307	0	2	251,871
3,430	349	77,734	154,725	21,307	2,395,667	51	4,794,784
0	0	0	0	0	0	0	143,594
0	1,968	0	0	0	0	0	1,968
0	0	0	24	0	0	0	1,116,523
0	0	0	0	0	0	0	1,387,773
0	0	83,904	0	0	0	0	492,400
0	0	0	0	1,650	0	0	291,500
0	1,968	83,904	24	1,650	0	0	3,433,758
3,430	(1,619)	(6,170)	154,701	19,657	2,395,667	51	1,361,026
0	0	0	11,067	0	0	0	212,333
0	0	0	0	0	(2,395,667)	0	(2,395,667)
0	0	0	11,067	0	(2,395,667)	0	(2,183,334)
3,430	(1,619)	(6,170)	165,768	19,657	0	51	(822,308)
11,229	24,696	931,233	1,395,132	117,812	0	168,405	7,895,854
\$14,659	\$23,077	\$925,063	\$1,560,900	\$137,469	\$0	\$168,456	\$7,073,546

City of Troy, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2020

	Street Construction, Maintenance and Repair Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$4,714	\$4,716	\$2
Intergovernmental	1,554,135	1,554,142	7
Other Revenues	52,365	52,374	9
Total Revenues	<u>1,611,214</u>	<u>1,611,232</u>	<u>18</u>
Expenditures:			
Current:			
Transportation	1,692,543	1,430,428	262,115
Capital Outlay	315,220	275,555	39,665
Total Expenditures	<u>2,007,763</u>	<u>1,705,983</u>	<u>301,780</u>
Net Change in Fund Balance	(396,549)	(94,751)	301,798
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>1,687,430</u>	<u>1,687,430</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$1,290,881</u></u>	<u><u>\$1,592,679</u></u>	<u><u>\$301,798</u></u>

City of Troy, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2020

	State Highway Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$126,005	\$126,011	\$6
Other Revenues	4,825	4,825	0
Total Revenues	<u>130,830</u>	<u>130,836</u>	<u>6</u>
Expenditures:			
Current:			
Transportation	<u>112,701</u>	<u>100,591</u>	<u>12,110</u>
Total Expenditures	<u>112,701</u>	<u>100,591</u>	<u>12,110</u>
Net Change in Fund Balance	18,129	30,245	12,116
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>192,703</u>	<u>192,703</u>	<u>0</u>
Fund Balance End of Year	<u>\$210,832</u>	<u>\$222,948</u>	<u>\$12,116</u>

City of Troy, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2020

	Cemetery Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$167,675	\$189,487	\$21,812
Other Revenues	16,410	16,418	8
Total Revenues	<u>184,085</u>	<u>205,905</u>	<u>21,820</u>
Expenditures:			
Current:			
Public Health and Welfare	488,810	443,134	45,676
Capital Outlay	0	399	(399)
Total Expenditures	<u>488,810</u>	<u>443,533</u>	<u>45,277</u>
Excess of Revenues Over (Under) Expenditures	<u>(304,725)</u>	<u>(237,628)</u>	<u>67,097</u>
Other Financing Sources (Uses):			
Transfers In	201,265	201,266	1
Total Other Financing Sources (Uses)	<u>201,265</u>	<u>201,266</u>	<u>1</u>
Net Change in Fund Balance	(103,460)	(36,362)	67,098
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>227,592</u>	<u>227,592</u>	<u>0</u>
Fund Balance End of Year	<u>\$124,132</u>	<u>\$191,230</u>	<u>\$67,098</u>



City of Troy, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2020

	Municipal Real Property Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$488	\$496	\$8
Total Revenues	488	496	8
Expenditures:			
Current:			
Capital Outlay	39,024	30,136	8,888
Total Expenditures	39,024	30,136	8,888
Net Change in Fund Balance	(38,536)	(29,640)	8,896
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	54,107	54,107	0
Fund Balance End of Year	\$15,571	\$24,467	\$8,896

City of Troy, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2020

	Miami Conservancy District Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Property and Other Taxes	\$134,525	\$134,531	\$6
Intergovernmental	15,355	15,355	0
Total Revenues	<u>149,880</u>	<u>149,886</u>	<u>6</u>
Expenditures:			
Current:			
General Government	<u>152,500</u>	<u>143,594</u>	<u>8,906</u>
Total Expenditures	<u>152,500</u>	<u>143,594</u>	<u>8,906</u>
Net Change in Fund Balance	(2,620)	6,292	8,912
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>86,989</u>	<u>86,989</u>	<u>0</u>
Fund Balance End of Year	<u>\$84,369</u>	<u>\$93,281</u>	<u>\$8,912</u>

City of Troy, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2020

	Community Development Block Grant Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$29,234	\$29,387	\$153
Other Revenues	237,880	238,559	679
Total Revenues	267,114	267,946	832
Expenditures:			
Current:			
Community Environment	934,549	809,872	124,677
Total Expenditures	934,549	809,872	124,677
Net Change in Fund Balance	(667,435)	(541,926)	125,509
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	942,906	942,906	0
Fund Balance End of Year	\$275,471	\$400,980	\$125,509

City of Troy, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2020

	Parking Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$1,755	\$1,788	\$33
Fines, Licenses & Permits	18,579	19,810	1,231
Other Revenues	45	53	8
Total Revenues	<u>20,379</u>	<u>21,651</u>	<u>1,272</u>
Expenditures:			
Current:			
Transportation	10,010	0	10,010
Capital Outlay	100,000	0	100,000
Total Expenditures	<u>110,010</u>	<u>0</u>	<u>110,010</u>
Net Change in Fund Balance	(89,631)	21,651	111,282
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>162,727</u>	<u>162,727</u>	<u>0</u>
Fund Balance End of Year	<u>\$73,096</u>	<u>\$184,378</u>	<u>\$111,282</u>

City of Troy, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2020

	Drug Law Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$229	\$230	\$1
Other Revenues	3,200	3,200	0
Total Revenues	3,429	3,430	1
Expenditures:			
Current:			
Public Safety	2,000	0	2,000
Capital Outlay	11,800	10,000	1,800
Total Expenditures	13,800	10,000	3,800
Net Change in Fund Balance	(10,371)	(6,570)	3,801
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	21,227	21,227	0
Fund Balance End of Year	\$10,856	\$14,657	\$3,801

City of Troy, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2020

	Law Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$347	\$349	\$2
Total Revenues	347	349	2
Expenditures:			
Current:			
Public Safety	4,000	0	4,000
Capital Outlay	19,000	15,400	3,600
Total Expenditures	23,000	15,400	7,600
Net Change in Fund Balance	(22,653)	(15,051)	7,602
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	38,127	38,127	0
Fund Balance End of Year	\$15,474	\$23,076	\$7,602

City of Troy, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2020

	Cemetery Endowment Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$50,770	\$67,985	\$17,215
Investment Earnings	9,451	9,594	143
Other Revenues	265	266	1
Total Revenues	<u>60,486</u>	<u>77,845</u>	<u>17,359</u>
Expenditures:			
Current:			
Public Health and Welfare	88,910	83,904	5,006
Total Expenditures	<u>88,910</u>	<u>83,904</u>	<u>5,006</u>
Net Change in Fund Balance	(28,424)	(6,059)	22,365
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>930,382</u>	<u>930,382</u>	<u>0</u>
Fund Balance End of Year	<u>\$901,958</u>	<u>\$924,323</u>	<u>\$22,365</u>

City of Troy, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2020

	Small Business Development R-Loan Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$2,055	\$2,055	\$0
Other Revenues	103,686	104,940	1,254
Total Revenues	105,741	106,995	1,254
Expenditures:			
Current:			
Community Environment	402,770	371,094	31,676
Total Expenditures	402,770	371,094	31,676
Excess of Revenues Over (Under) Expenditures	(297,029)	(264,099)	32,930
Other Financing Sources (Uses):			
Transfers In	11,065	11,067	2
Total Other Financing Sources (Uses)	11,065	11,067	2
Net Change in Fund Balance	(285,964)	(253,032)	32,932
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	508,176	508,176	0
Fund Balance End of Year	\$222,212	\$255,144	\$32,932



City of Troy, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2020

	Equitable Sharing Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$0	\$21,307	\$21,307
Total Revenues	0	21,307	21,307
Expenditures:			
Current:			
Capital Outlay	38,000	8,000	30,000
Total Expenditures	38,000	8,000	30,000
Net Change in Fund Balance	(38,000)	13,307	51,307
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	117,809	117,809	0
Fund Balance End of Year	\$79,809	\$131,116	\$51,307

City of Troy, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2020

	Cares Act Coronavirus Relief Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$2,395,667	\$2,395,667	\$0
Total Revenues	<u>2,395,667</u>	<u>2,395,667</u>	<u>0</u>
Expenditures:			
Current:			
General Government	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>2,395,667</u>	<u>2,395,667</u>	<u>0</u>
Other Financing Sources (Uses):			
Transfers (Out)	<u>(2,395,667)</u>	<u>(2,395,667)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(2,395,667)</u>	<u>(2,395,667)</u>	<u>0</u>
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

City of Troy, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2020

	Park and Playground Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$65	\$67	\$2
Other Revenues	0	2	2
Total Revenues	65	69	4
Expenditures:			
Capital Outlay	2,010	0	2,010
Total Expenditures	2,010	0	2,010
Net Change in Fund Balance	(1,945)	69	2,014
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	168,263	168,263	0
Fund Balance End of Year	\$166,318	\$168,332	\$2,014

## **NONMAJOR DEBT SERVICE FUND**

### **Fund Description**

**Bond Retirement** – To account for the accumulation of resources for and the payment of general obligation bond principal and interest and certain other long-term obligations from governmental resources when the City is obligated in some manner for the payment.

The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance are included in the Combining Statements for Nonmajor Governmental Funds. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.

City of Troy, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2020

	Bond Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Special Assessments	\$6,050	\$6,054	\$4
Total Revenues	6,050	6,054	4
Expenditures:			
Debt Service:			
Principal Retirement	942,947	942,946	1
Interest and Fiscal Charges	383,092	279,639	103,453
Total Expenditures	1,326,039	1,222,585	103,454
Excess of Revenues Over (Under) Expenditures	(1,319,989)	(1,216,531)	103,458
Other Financing Sources (Uses):			
Transfers In	1,500,000	1,500,000	0
Total Other Financing Sources (Uses)	1,500,000	1,500,000	0
Net Change in Fund Balance	180,011	283,469	103,458
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	344,700	344,700	0
Fund Balance End of Year	\$524,711	\$628,169	\$103,458

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## **NONMAJOR CAPITAL PROJECTS FUNDS**

### **Fund Descriptions**

**OPWC Project Fund** - To account for capital projects financed by issue 2 monies.

**Technology Fund** - To account for capital projects financed by technology monies.

City of Troy, Ohio  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2020

	OPWC Project Fund	Technology Fund	Total Nonmajor Capital Projects Funds
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$1,655,209	\$227,095	\$1,882,304
Receivables (Net):			
Accounts	<u>0</u>	<u>30,007</u>	<u>30,007</u>
<b>Total Assets</b>	<u><u>1,655,209</u></u>	<u><u>257,102</u></u>	<u><u>1,912,311</u></u>
<b>Liabilities:</b>			
Accounts Payable	<u>7,280</u>	<u>1,879</u>	<u>9,159</u>
<b>Total Liabilities</b>	<u><u>7,280</u></u>	<u><u>1,879</u></u>	<u><u>9,159</u></u>
<b>Fund Balances:</b>			
Restricted	1,647,929	0	1,647,929
Assigned	<u>0</u>	<u>255,223</u>	<u>255,223</u>
<b>Total Fund Balances</b>	<u><u>1,647,929</u></u>	<u><u>255,223</u></u>	<u><u>1,903,152</u></u>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<u><u>\$1,655,209</u></u>	<u><u>\$257,102</u></u>	<u><u>\$1,912,311</u></u>



City of Troy, Ohio  
Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended December 31, 2020

	OPWC Project Fund	Technology Fund	Total Nonmajor Capital Projects Funds
Revenues:			
Intergovernmental	\$1,500,000	\$0	\$1,500,000
Fines, Licenses & Permits	0	1,127	1,127
Other Revenues	0	114,416	114,416
Total Revenues	<u>1,500,000</u>	<u>115,543</u>	<u>1,615,543</u>
Expenditures:			
Current:			
Capital Outlay	<u>80,321</u>	<u>40,128</u>	<u>120,449</u>
Total Expenditures	<u>80,321</u>	<u>40,128</u>	<u>120,449</u>
Excess of Revenues Over (Under) Expenditures	<u>1,419,679</u>	<u>75,415</u>	<u>1,495,094</u>
Other Financing Sources (Uses):			
Transfers In	<u>0</u>	<u>3,728</u>	<u>3,728</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>3,728</u>	<u>3,728</u>
Net Change in Fund Balance	1,419,679	79,143	1,498,822
Fund Balance - Beginning of Year	<u>228,250</u>	<u>176,080</u>	<u>404,330</u>
Fund Balance - End of Year	<u><u>\$1,647,929</u></u>	<u><u>\$255,223</u></u>	<u><u>\$1,903,152</u></u>

City of Troy, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2020

	OPWC Project Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,500,000	\$1,500,000	\$0
Total Revenues	1,500,000	1,500,000	0
Expenditures:			
Current:			
Capital Outlay	841,142	202,224	638,918
Total Expenditures	841,142	202,224	638,918
Net Change in Fund Balance	658,858	1,297,776	638,918
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	317,308	317,308	0
Fund Balance End of Year	\$976,166	\$1,615,084	\$638,918

City of Troy, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2020

	Technology Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$114,415	\$114,416	\$1
Total Revenues	114,415	114,416	1
Expenditures:			
Current:			
Capital Outlay	39,000	38,439	561
Total Expenditures	39,000	38,439	561
Excess of Revenues Over (Under) Expenditures	75,415	75,977	562
Other Financing Sources (Uses):			
Transfers In	3,725	3,728	3
Total Other Financing Sources (Uses)	3,725	3,728	3
Net Change in Fund Balance	79,140	79,705	565
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	147,389	147,389	0
Fund Balance End of Year	\$226,529	\$227,094	\$565

## **OTHER GENERAL FUNDS**

With the implementation of GASB Statement No. 54, certain funds that the City prepares legally adopted budgets for no longer meet the definition to be reported as Special Revenue funds and have been included with the General Fund in the governmental fund financial statements. The City has only presented the budget schedules for these funds.

### **Fund Descriptions**

**Income Tax** – To account for monies received to provide funds for the general municipal operations and permanent improvements to the City.

**Investment Fund for Capital Improvement** – To account for investments to fund capital improvements.

**Safety - Income Tax** - To account for monies received for that portion of the City income tax that is required by City ordinance to be used for public safety.

**Recreational Programs** - To account for monies received through charges for services for cultural and recreational events provided for public enjoyment.

**Parks and Recreation Improvement** - To account for monies which are to be used to maintain and upgrade recreational facilities.

City of Troy, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2020

	Income Tax Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Income Taxes	\$17,314,593	\$17,557,328	\$242,735
Investment Earnings	146,008	147,369	1,361
Other Revenues	30,865	30,872	7
Total Revenues	17,491,466	17,735,569	244,103
Expenditures:			
Current:			
General Government	2,231,517	1,755,873	475,644
Capital Outlay	11,357	8,936	2,421
Total Expenditures	2,242,874	1,764,809	478,065
Excess of Revenues Over (Under) Expenditures	15,248,592	15,970,760	722,168
Other Financing Sources (Uses):			
Transfers (Out)	(19,063,314)	(15,000,000)	4,063,314
Total Other Financing Sources (Uses)	(19,063,314)	(15,000,000)	4,063,314
Net Change in Fund Balance	(3,814,722)	970,760	4,785,482
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	8,889,090	8,889,090	0
Fund Balance End of Year	\$5,074,368	\$9,859,850	\$4,785,482

(1) This fund is combined with the General fund in GAAP Statements.

City of Troy, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2020

	Investment Fund for Capital Improvement Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$473,512	\$506,952	\$33,440
Other Revenues	3,695	3,698	3
Total Revenues	477,207	510,650	33,443
Expenditures:			
Current:			
General Government	1,000	102	898
Total Expenditures	1,000	102	898
Excess of Revenues Over (Under) Expenditures	476,207	510,548	34,341
Other Financing Sources (Uses):			
Transfers (Out)	(475,000)	(421,020)	53,980
Total Other Financing Sources (Uses)	(475,000)	(421,020)	53,980
Net Change in Fund Balance	1,207	89,528	88,321
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	33,798,576	33,798,576	0
Fund Balance End of Year	\$33,799,783	\$33,888,104	\$88,321

(1) This fund is combined with the General fund in GAAP Statements.

City of Troy, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2020

	Safety - Income Tax Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Income Taxes	\$2,884,705	\$2,925,133	\$40,428
Total Revenues	<u>2,884,705</u>	<u>2,925,133</u>	<u>40,428</u>
Expenditures:			
Current:			
General Government	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>2,884,705</u>	<u>2,925,133</u>	<u>40,428</u>
Other Financing Sources (Uses):			
Transfers (Out)	<u>(2,600,000)</u>	<u>(2,600,000)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(2,600,000)</u>	<u>(2,600,000)</u>	<u>0</u>
Net Change in Fund Balance	284,705	325,133	40,428
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>1,869,823</u>	<u>1,869,823</u>	<u>0</u>
Fund Balance End of Year	<u>\$2,154,528</u>	<u>\$2,194,956</u>	<u>\$40,428</u>

(1) This fund is combined with the General fund in GAAP Statements.

City of Troy, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2020

	Recreational Programs Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$163,440	\$163,905	\$465
Investment Earnings	3,546	3,603	57
Other Revenues	1,020	1,026	6
Total Revenues	<u>168,006</u>	<u>168,534</u>	<u>528</u>
Expenditures:			
Current:			
Recreation	168,726	154,423	14,303
Capital Outlay	51,885	50,950	935
Total Expenditures	<u>220,611</u>	<u>205,373</u>	<u>15,238</u>
Net Change in Fund Balance	(52,605)	(36,839)	15,766
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>371,817</u>	<u>371,817</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$319,212</u></u>	<u><u>\$334,978</u></u>	<u><u>\$15,766</u></u>

(1) This fund is combined with the General fund in GAAP Statements.



City of Troy, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2020

	Parks and Recreation Improvement Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$423	\$433	\$10
Other Revenues	24,385	27,178	2,793
Total Revenues	24,808	27,611	2,803
Expenditures:			
Current:			
Recreation	4,010	4,000	10
Capital Outlay	14,500	14,232	268
Total Expenditures	18,510	18,232	278
Net Change in Fund Balance	6,298	9,379	3,081
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	43,880	43,880	0
Fund Balance End of Year	\$50,178	\$53,259	\$3,081

(1) This fund is combined with the General fund in GAAP Statements.

## **NONMAJOR FUNDS**

**Enterprise Funds:** The Enterprise Funds are established to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the expense (including depreciation) of providing goods or services primarily or solely to the general public be financed or recovered primarily through user charges.

### **Fund Descriptions**

**Swimming Pool** - To account for swimming pool facilities provided by the City.

**Parking Meter** - To account for off-street parking provided by the City.

**Miami Shores** - To account for golf course facilities provided by the City.

City of Troy, Ohio  
Combining Statement of Net Position  
Nonmajor Enterprise Funds  
December 31, 2020

	Swimming Pool	Parking Meter	Miami Shores	Total Nonmajor Enterprise Funds
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$116,499	\$41,610	\$374,997	\$533,106
Receivables (Net):				
Interest	0	29	265	294
<b>Total Current Assets</b>	<b>116,499</b>	<b>41,639</b>	<b>375,262</b>	<b>533,400</b>
<b>Noncurrent Assets:</b>				
<b>Capital Assets:</b>				
Nondepreciable Capital Assets	10,450	189,961	46,997	247,408
Depreciable Capital Assets, Net	2,501,766	0	1,419,341	3,921,107
<b>Total Noncurrent Assets</b>	<b>2,512,216</b>	<b>189,961</b>	<b>1,466,338</b>	<b>4,168,515</b>
<b>Total Assets</b>	<b>2,628,715</b>	<b>231,600</b>	<b>1,841,600</b>	<b>4,701,915</b>
<b>Deferred Outflows of Resources:</b>				
Pension	15,649	8,961	67,051	91,661
OPEB	11,495	6,583	49,256	67,334
<b>Total Deferred Outflows of Resources</b>	<b>27,144</b>	<b>15,544</b>	<b>116,307</b>	<b>158,995</b>
<b>Liabilities:</b>				
<b>Current Liabilities:</b>				
Accounts Payable	2,217	4,211	4,114	10,542
Accrued Wages and Benefits	0	704	4,466	5,170
Compensated Absences	0	823	13,938	14,761
<b>Total Current Liabilities</b>	<b>2,217</b>	<b>5,738</b>	<b>22,518</b>	<b>30,473</b>
<b>Long-Term Liabilities:</b>				
Compensated Absences	0	548	9,292	9,840
Net Pension Liability	95,462	54,667	409,036	559,165
Net OPEB Liability	67,957	38,916	291,183	398,056
<b>Total Long-Term Liabilities</b>	<b>163,419</b>	<b>94,131</b>	<b>709,511</b>	<b>967,061</b>
<b>Total Liabilities</b>	<b>165,636</b>	<b>99,869</b>	<b>732,029</b>	<b>997,534</b>
<b>Deferred Inflows of Resources:</b>				
Pension	20,249	11,596	86,765	118,610
OPEB	9,733	5,574	41,704	57,011
<b>Total Deferred Inflows of Resources</b>	<b>29,982</b>	<b>17,170</b>	<b>128,469</b>	<b>175,621</b>
<b>Net Position:</b>				
Net Investment in Capital Assets	2,512,216	189,961	1,466,338	4,168,515
Unrestricted	(51,975)	(59,856)	(368,929)	(480,760)
<b>Total Net Position</b>	<b>\$2,460,241</b>	<b>\$130,105</b>	<b>\$1,097,409</b>	<b>\$3,687,755</b>

City of Troy, Ohio  
Combining Statement of Revenues, Expenses and Changes in Fund Net Position  
Nonmajor Enterprise Funds  
For the Fiscal Year Ended December 31, 2020

	Swimming Pool	Parking Meter	Miami Shores	Total Nonmajor Enterprise Funds
Operating Revenues:				
Charges for Services	\$104,415	\$0	\$924,388	\$1,028,803
Other Revenues	14,095	4,067	74,341	92,503
Total Operating Revenues	118,510	4,067	998,729	1,121,306
Operating Expenses:				
Personal Services	31,355	71,763	555,537	658,655
Contactual Services	40,737	0	187,431	228,168
Materials and Supplies	96,001	13,666	313,185	422,852
Depreciation	117,092	0	104,096	221,188
Other Expense	27,165	4,432	43,025	74,622
Total Operating Expenses	312,350	89,861	1,203,274	1,605,485
Operating Income (Loss)	(193,840)	(85,794)	(204,545)	(484,179)
Non-Operating Revenues (Expenses):				
Investment Earnings	0	205	3,253	3,458
Total Non-Operating Revenues (Expenses)	0	205	3,253	3,458
Income (Loss) Before Contributions	(193,840)	(85,589)	(201,292)	(480,721)
Transfers In	99,609	75,000	48,864	223,473
Change in Net Position	(94,231)	(10,589)	(152,428)	(257,248)
Net Position - Beginning of Year	2,554,472	140,694	1,249,837	3,945,003
Net Position - End of Year	\$2,460,241	\$130,105	\$1,097,409	\$3,687,755

City of Troy, Ohio  
Combining Statement of Cash Flows  
Nonmajor Enterprise Funds  
For the Fiscal Year Ended December 31, 2020

	Swimming Pool	Parking Meter	Miami Shores	Total Nonmajor Enterprise Funds
Cash Flows from Operating Activities:				
Cash Received from Customers	\$118,510	\$4,067	\$998,729	\$1,121,306
Cash Payments to Employees	(87,043)	(57,413)	(454,390)	(598,846)
Cash Payments to Suppliers	(163,869)	(18,098)	(547,817)	(729,784)
Net Cash Provided (Used) by Operating Activities	<u>(132,402)</u>	<u>(71,444)</u>	<u>(3,478)</u>	<u>(207,324)</u>
Cash Flows from Noncapital Financing Activities:				
Payments from Other Funds	99,609	75,000	48,864	223,473
Net Cash Provided (Used) by Noncapital Financing Activities	<u>99,609</u>	<u>75,000</u>	<u>48,864</u>	<u>223,473</u>
Cash Flows from Capital and Related Financing Activities:				
Payments for Capital Acquisitions	0	0	(47,176)	(47,176)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>0</u>	<u>0</u>	<u>(47,176)</u>	<u>(47,176)</u>
Cash Flows from Investing Activities:				
Earnings (Loss) on Investments	0	231	3,526	3,757
Net Cash Provided (Used) by Cash Flows from Investing Activities	<u>0</u>	<u>231</u>	<u>3,526</u>	<u>3,757</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(32,793)	3,787	1,736	(27,270)
Cash and Cash Equivalents - Beginning of Year	149,292	37,823	373,261	560,376
Cash and Cash Equivalents - End of Year	<u>116,499</u>	<u>41,610</u>	<u>374,997</u>	<u>533,106</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	(193,840)	(85,794)	(204,545)	(484,179)
Adjustments:				
Depreciation	117,092	0	104,096	221,188
Changes in Assets & Liabilities:				
(Increase) Decrease in Receivables	41	15	86	142
(Increase) Decrease in Deferred Outflows of Resources	37,122	8,982	61,257	107,361
Increase (Decrease) in Payables	34	3,974	(4,176)	(168)
Increase (Decrease) in Accrued Liabilities	0	(130)	2,016	1,886
Increase (Decrease) in Deferred Inflows of Resources	25,117	15,313	115,026	155,456
Increase (Decrease) in Net Pension Liability	(93,986)	(17,633)	(114,398)	(226,017)
Increase (Decrease) in Net OPEB Liability	(23,982)	3,829	37,160	17,007
Net Cash Provided (Used) by Operating Activities	<u>(\$132,402)</u>	<u>(\$71,444)</u>	<u>(\$3,478)</u>	<u>(\$207,324)</u>

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# STATISTICAL SECTION



## STATISTICAL SECTION

This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

### **Contents**

**Financial Trends** - These schedules contain trend information to help the reader understand how the City's financial position has changed over time.

**Revenue Capacity** - These schedules contain information to help the reader understand and assess the City's most significant local revenue sources, the property and income tax.

**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.

**Economic and Demographic Information** - These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.

**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.

**Sources** - Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.



City of Troy, Ohio  
 Net Position by Component  
 Last Ten Calendar Years  
 (accrual basis of accounting)  
 Schedule 1

	Calendar Year									
	2011	2012 (1)	2013	2014	2015	2016	2017 (2)	2018	2019	2020
<b>Governmental Activities</b>										
Net investment in Capital Assets	\$34,639,518	\$32,060,415	\$37,627,539	\$34,945,389	\$46,481,316	\$51,673,974	\$45,906,299	\$47,314,669	\$49,206,166	\$57,085,164
Restricted	8,539,110	8,487,756	9,427,534	11,411,958	8,665,294	10,601,444	11,239,643	14,522,194	13,638,775	15,193,425
Unrestricted	45,244,719	51,876,747	48,367,971	35,432,930	41,230,231	37,021,681	22,703,850	18,139,158	32,673,030	35,469,872
<b>Total Governmental Activities Net Position</b>	<b>\$88,423,347</b>	<b>\$92,424,918</b>	<b>\$95,423,044</b>	<b>\$81,790,277</b>	<b>\$96,376,841</b>	<b>\$99,297,099</b>	<b>\$79,849,792</b>	<b>\$79,976,021</b>	<b>\$95,517,971</b>	<b>\$107,748,461</b>
<b>Business-Type Activities</b>										
Net investment in Capital Assets	\$36,142,585	\$36,053,061	\$37,306,703	\$45,817,933	\$47,778,554	\$51,838,278	\$62,137,834	\$60,163,790	\$65,687,495	\$68,118,870
Unrestricted	13,596,466	14,543,866	14,520,575	12,447,693	13,132,120	11,039,552	10,039,646	13,777,023	13,143,770	15,586,152
<b>Total Business-Type Activities Net Position</b>	<b>\$49,739,051</b>	<b>\$50,596,927</b>	<b>\$51,827,278</b>	<b>\$58,265,626</b>	<b>\$60,910,674</b>	<b>\$62,877,830</b>	<b>\$72,177,480</b>	<b>\$73,940,813</b>	<b>\$78,831,265</b>	<b>\$83,705,022</b>
<b>Total Primary Government</b>										
Net investment in Capital Assets	\$70,782,103	\$68,113,476	\$74,934,242	\$80,763,322	\$94,259,870	\$103,512,252	\$108,044,133	\$107,478,459	\$114,893,661	\$125,204,034
Restricted	8,539,110	8,487,756	9,427,534	11,411,958	8,665,294	10,601,444	11,239,643	14,522,194	13,638,775	15,193,425
Unrestricted	58,841,185	66,420,613	62,888,546	47,880,623	54,362,351	48,061,233	32,743,496	31,916,181	45,816,800	51,056,024
<b>Total Primary Government Net Position</b>	<b>\$138,162,398</b>	<b>\$143,021,845</b>	<b>\$147,250,322</b>	<b>\$140,055,903</b>	<b>\$157,287,515</b>	<b>\$162,174,929</b>	<b>\$152,027,272</b>	<b>\$153,916,834</b>	<b>\$174,349,236</b>	<b>\$191,453,483</b>

(1) - Due to the implementation of GASB Statement No. 63 in 2012, Net Assets will now be referred to as Net Position.

(2) - Restated for GASB Statement No. 75 implementation

Source: City Records

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City of Troy, Ohio  
Changes in Net Position  
Last Ten Calendar Years  
(accrual basis of accounting)  
Schedule 2

	Calendar Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Expenses</b>										
<b>Governmental Activities:</b>										
General Government	\$4,811,024	\$4,347,195	\$4,886,884	\$4,690,026	\$4,611,175	\$5,243,647	\$4,897,368	\$6,844,661	\$4,257,293	\$5,830,318
Public Safety	9,788,994	9,758,352	11,085,786	10,835,093	10,865,508	12,221,291	12,382,350	13,483,334	4,089,310	12,658,013
Community Development	969,092	1,071,345	1,132,281	920,312	1,011,689	1,186,949	1,373,191	1,501,328	1,483,046	2,336,784
Leisure Time Activities	1,963,883	1,759,009	1,586,678	1,657,996	1,537,027	2,013,072	2,081,037	2,221,685	1,585,328	2,314,257
Transportation and Street Repair	3,955,665	2,278,552	1,662,887	2,166,857	3,127,547	2,736,725	2,585,007	3,663,358	2,926,523	2,039,555
Basic Utility Service	1,197,495	1,264,386	1,338,126	1,462,403	1,149,146	1,161,658	1,157,661	1,340,901	1,115,622	1,286,878
Public Health and Welfare	349,444	353,417	312,993	377,222	567,888	203,392	477,533	420,401	419,414	470,452
Other	0	0	0	0	0	0	0	0	0	4,828
Interest and Fiscal Charges	453,931	207,620	318,508	301,410	644,142	614,136	576,961	554,938	528,415	341,271
Bond Issuance Cost	0	0	0	0	0	0	0	0	0	115,846
<b>Total Governmental Activities Expenses</b>	<b>23,489,528</b>	<b>21,039,876</b>	<b>22,324,143</b>	<b>22,411,319</b>	<b>23,514,122</b>	<b>25,380,870</b>	<b>25,531,108</b>	<b>30,030,606</b>	<b>16,404,951</b>	<b>27,398,202</b>
<b>Business-Type Activities:</b>										
Water	4,017,767	4,447,884	4,321,114	4,647,346	5,260,863	4,942,051	4,998,656	4,539,890	4,867,435	4,997,191
Sanitary Sewer	4,086,762	4,130,725	4,266,132	4,688,542	4,752,848	3,773,386	4,180,771	4,620,157	4,552,301	4,189,776
Hobart Arena	1,324,887	1,486,347	1,435,067	1,336,596	1,683,676	1,168,240	1,987,928	2,433,942	2,806,004	1,698,587
Swimming Pool	359,687	360,881	340,789	356,570	347,637	370,397	375,635	390,029	418,786	312,350
Parking Meter	46,292	47,419	25,920	7,485	62,077	14,128	81,973	74,916	77,146	89,861
Miami Shores	820,170	863,678	801,615	851,236	905,516	825,538	932,166	862,830	1,222,127	1,203,274
Stormwater Utility	925,378	801,990	750,127	1,132,783	1,048,739	1,413,861	1,486,102	1,497,924	1,706,060	1,278,211
<b>Total Business-Type Activities Expenses</b>	<b>11,580,943</b>	<b>12,138,924</b>	<b>11,940,764</b>	<b>13,020,558</b>	<b>14,061,356</b>	<b>12,507,601</b>	<b>14,043,231</b>	<b>14,419,688</b>	<b>15,649,859</b>	<b>13,769,250</b>
<b>Total Primary Government Expenses</b>	<b>\$35,070,471</b>	<b>\$33,178,800</b>	<b>\$34,264,907</b>	<b>\$35,431,877</b>	<b>\$37,575,478</b>	<b>\$37,888,471</b>	<b>\$39,574,339</b>	<b>\$44,450,294</b>	<b>\$32,054,810</b>	<b>\$41,167,452</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges for Services:										
General Government	\$209,420	\$184,969	\$277,995	\$230,229	\$280,000	\$214,466	\$280,148	\$278,575	262,869	216,768
Public Safety	1,476,420	1,436,008	1,435,582	1,548,977	1,680,073	1,785,765	1,736,647	1,719,330	1,693,379	1,845,129
Community Development	128,721	133,661	53,024	68,546	864	2,871	2,062	6,678	11,270	16,872
Leisure Time Activities	148,126	132,752	120,639	140,193	126,981	134,753	130,852	142,853	172,361	171,414
Transportation and Street Repair	45,147	27,430	28,727	8,245	30,151	16,722	52,011	49,154	46,933	21,836
Basic Utility Service	1,863,435	1,937,636	1,998,963	2,036,694	1,817,212	1,891,363	1,931,589	2,015,155	2,021,205	2,328,913
Public Health and Welfare	175,105	257,082	137,154	87,960	222,540	208,016	196,029	212,752	273,335	189,730
Operating Grants and Contributions	1,140,154	1,077,177	1,539,798	871,085	1,142,413	1,126,535	1,168,294	1,217,354	1,609,041	4,179,673
Capital Grants and Contributions	1,951,040	405,309	409,844	1,741,471	10,843,935	789,430	3,093,912	1,631,943	1,402,328	4,636,334
<b>Total Governmental Activities Program Revenues</b>	<b>7,137,568</b>	<b>5,592,024</b>	<b>6,001,726</b>	<b>6,733,400</b>	<b>16,144,169</b>	<b>6,169,921</b>	<b>8,591,544</b>	<b>7,273,794</b>	<b>7,492,721</b>	<b>13,606,669</b>

City of Troy, Ohio  
Changes in Net Position  
Last Ten Calendar Years  
(accrual basis of accounting)  
Schedule 2 (Continued)

	Calendar Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Business-Type Activities:</b>										
Charges for Services:										
Water	4,567,748	5,108,969	4,999,136	5,032,906	5,474,879	5,737,577	5,727,326	5,798,521	5,916,914	6,012,657
Sanitary Sewer	3,463,415	3,639,617	4,123,845	4,231,193	4,421,229	4,260,303	4,407,668	4,526,936	4,731,392	4,640,877
Hobart Arena	130,425	124,329	146,322	142,263	197,014	115,693	1,234,889	1,282,471	1,325,402	162,069
Swimming Pool	253,765	222,790	202,949	201,438	208,640	233,265	245,158	251,097	279,020	104,415
Parking Meter	23,987	18,074	16,356	9,657	26,097	22,186	23,499	17,321	55	0
Miami Shores	613,956	669,172	620,147	592,073	628,574	604,725	627,655	580,103	667,891	924,388
Stormwater Utility	1,213,311	1,200,532	1,246,514	1,272,132	1,343,885	1,324,931	1,520,311	1,531,989	1,562,822	1,638,214
Operating Grants and Contributions	0	0	13,997	0	0	0	0	0	0	0
Capital Grants and Contributions	173,440	277,928	287,130	0	2,760,737	826,087	1,348,578	986,500	1,671,288	3,005,489
Total business-Type Activities Program Revenues	10,440,047	11,261,411	11,656,396	11,481,662	15,061,055	13,124,767	15,135,084	14,974,938	16,154,784	16,488,109
Total Primary Government Program Revenues	\$17,577,615	\$16,853,435	\$17,658,122	\$18,215,062	\$31,205,224	\$19,294,688	\$23,726,628	\$22,248,732	\$23,647,505	\$30,094,778
Net (Expense)/Revenue	(\$16,351,960)	(\$15,447,852)	(\$16,322,417)	(\$15,677,919)	(\$7,369,953)	(\$19,210,949)	(\$16,939,564)	(\$22,756,812)	(\$8,912,230)	(\$13,791,533)
Governmental Activities	(1,140,896)	(877,513)	(284,368)	(1,538,896)	999,699	617,166	1,091,853	555,250	504,925	2,718,859
Business-Type Activities	(\$17,492,856)	(\$16,325,365)	(\$16,606,785)	(\$17,216,815)	(\$6,370,254)	(\$18,593,783)	(\$15,847,711)	(\$22,201,562)	(\$8,407,305)	(\$11,072,674)
Total Primary Government Net Expenses										

City of Troy, Ohio  
 Changes in Net Position  
 Last Ten Calendar Years  
 (accrual basis of accounting)  
 Schedule 2 (Continued)

	Calendar Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Income Taxes	\$14,186,343	\$15,913,230	\$15,973,203	\$19,067,978	\$18,014,295	\$19,049,745	\$19,420,325	\$18,698,514	\$21,541,455	\$20,403,139
Property Taxes Levied for:										
General Purposes	1,760,509	1,860,106	1,705,413	1,618,964	1,630,039	1,658,628	1,764,609	1,782,923	1,835,267	1,773,007
Special Revenue Purposes	47,119	30,929	6,520	32,665	44,947	57,838	128,929	127,588	128,962	129,360
Grants and Entitlements not Restricted	1,886,775	1,161,462	1,490,142	292,024	890,548	908,292	827,617	897,896	978,491	945,614
Payments in Lieu of Taxes	208,268	224,299	235,542	248,790	198,388	210,682	209,947	339,638	443,915	558,801
Unrestricted Contributions	95,051	72,989	71,262	57,170	474,088	42,050	95,450	65,845	48,047	59,711
Investment Earnings	975,686	607,412	(91,481)	1,153,754	526,342	66,295	1,285,077	834,421	2,083,021	942,824
Other Revenues	290,969	308,996	616,141	497,275	952,870	912,677	875,760	911,216	964,395	2,106,902
Transfers-Internal Activities	(645,806)	(730,000)	(600,391)	(757,733)	(775,000)	(775,000)	(10,253,539)	(775,000)	(3,569,373)	(1,092,408)
<b>Total Governmental Activities</b>	<b>18,804,914</b>	<b>19,449,423</b>	<b>19,406,351</b>	<b>22,210,887</b>	<b>21,956,517</b>	<b>22,131,207</b>	<b>14,354,175</b>	<b>22,883,041</b>	<b>24,454,180</b>	<b>25,826,950</b>
Business-Type Activities:										
Investment Earnings	149,260	114,967	7,877	166,647	49,306	24,833	104,224	152,676	361,387	181,257
Other Revenues	782,685	890,422	958,006	947,476	821,043	550,157	230,009	280,407	454,767	881,233
Transfers-Internal Activities	645,806	730,000	600,391	757,733	775,000	775,000	10,253,539	775,000	3,569,373	1,092,408
<b>Total Business-Type Activities</b>	<b>1,577,751</b>	<b>1,735,389</b>	<b>1,566,274</b>	<b>1,871,856</b>	<b>1,645,349</b>	<b>1,349,990</b>	<b>10,587,772</b>	<b>1,208,083</b>	<b>4,385,527</b>	<b>2,154,898</b>
<b>Total Primary Government</b>	<b>\$20,382,665</b>	<b>\$21,184,812</b>	<b>\$20,972,625</b>	<b>\$24,082,743</b>	<b>\$23,601,866</b>	<b>\$23,481,197</b>	<b>\$24,941,947</b>	<b>\$24,091,124</b>	<b>\$28,839,707</b>	<b>\$27,981,848</b>
<b>Changes in Net Position</b>										
Governmental Activities	\$2,452,954	\$4,001,571	\$3,083,934	\$6,532,968	\$14,586,564	\$2,920,258	(\$2,585,389)	\$126,229	\$15,541,950	\$12,035,417
Business-Type Activities	436,855	857,876	1,281,906	332,960	2,645,048	1,967,156	11,679,625	1,763,333	4,890,452	4,873,757
<b>Total Primary Government</b>	<b>\$2,889,809</b>	<b>\$4,859,447</b>	<b>\$4,365,840</b>	<b>\$6,865,928</b>	<b>\$17,231,612</b>	<b>\$4,887,414</b>	<b>\$9,094,236</b>	<b>\$1,889,562</b>	<b>\$20,432,402</b>	<b>\$16,909,174</b>

Source: City Records

City of Troy, Ohio  
Fund Balances, Governmental Funds  
Last Ten Calendar Years  
(modified accrual basis of accounting)  
Schedule 3

	Calendar Year									
	2011 (1)	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>General Fund</b>										
Nonspendable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$22,573
Restricted	1,573,675	1,177,323	991,248	794,501	832,108	998,315	1,285,892	1,444,592	1,869,823	2,194,956
Committed	0	0	32,981,626	33,508,812	33,180,085	33,299,005	33,452,517	32,854,302	33,810,433	33,968,351
Assigned	212,633	530,678	456,887	1,939,443	2,437,037	3,339,176	672,148	643,414	646,379	5,283,345
Unassigned	46,268,525	50,053,558	17,838,673	16,808,887	20,395,160	17,409,290	23,997,089	22,055,462	23,573,247	22,288,962
<b>Total General Fund</b>	<b>48,054,833</b>	<b>51,761,559</b>	<b>52,268,434</b>	<b>53,051,643</b>	<b>56,844,390</b>	<b>55,045,786</b>	<b>59,407,646</b>	<b>56,997,770</b>	<b>59,899,882</b>	<b>63,758,187</b>
<b>All Other Governmental Funds</b>										
Restricted	7,761,596	7,931,844	8,557,723	10,132,288	14,353,118	9,854,123	10,399,462	13,104,957	11,315,679	14,281,242
Assigned	283,564	404,431	461,157	460,950	783,657	742,273	712,139	320,474	521,097	883,897
Unassigned	0	(1,428,095)	(1,310,578)	(1,159,095)	(1,105,362)	(985,134)	(862,897)	(610,336)	(254,508)	0
<b>Total all Other Governmental Funds</b>	<b>\$8,045,160</b>	<b>\$6,908,180</b>	<b>\$7,708,302</b>	<b>\$9,434,143</b>	<b>\$14,031,413</b>	<b>\$9,611,262</b>	<b>\$10,248,704</b>	<b>\$12,815,095</b>	<b>\$11,582,268</b>	<b>\$15,165,139</b>

Source: City Records

(1) - Prior year amounts have not been restated for the implementation of GASB Statement 54. The change in the classification of fund balance amounts in 2011 are discussed in the Notes to the Financial Statements

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City of Troy, Ohio  
Changes in Fund Balances, Governmental Funds  
Last Ten Calendar Years  
(modified accrual basis of accounting)  
Schedule 4

	Calendar Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Revenues</b>										
Taxes	\$15,993,488	\$17,807,971	\$17,685,933	\$18,003,217	\$19,424,788	\$20,377,376	\$21,765,139	\$20,891,159	\$23,330,512	\$22,727,345
Charges for Services	3,745,558	3,769,716	3,991,137	3,777,696	4,079,231	3,919,415	3,918,322	3,925,563	3,932,386	4,107,433
Investment Earnings	975,686	607,413	(84,471)	1,153,755	526,342	66,295	1,285,076	834,421	2,083,020	942,824
Intergovernmental	4,242,916	2,511,480	2,939,465	2,399,866	3,032,459	3,148,693	3,072,150	3,394,659	2,864,437	8,913,300
Special Assessments	80,669	41,495	51,702	91,946	55,570	91,105	86,516	108,558	125,940	104,479
Fines, Licenses and Permits	93,590	89,644	74,149	415,384	362,907	191,613	215,831	148,018	238,617	93,836
Revenue in Lieu of Taxes	208,268	224,299	235,542	248,790	198,388	210,682	209,947	339,638	443,915	558,801
Other Revenues	575,152	521,905	699,986	538,199	1,032,024	1,120,640	1,183,213	1,245,676	1,224,987	1,458,639
<b>Total Revenues</b>	<b>25,915,327</b>	<b>25,573,923</b>	<b>25,593,443</b>	<b>26,628,853</b>	<b>28,711,709</b>	<b>29,125,819</b>	<b>31,736,194</b>	<b>30,887,692</b>	<b>34,243,814</b>	<b>38,906,657</b>
<b>Expenditures</b>										
<b>Current:</b>										
General Government	4,394,047	3,920,295	4,358,675	4,313,792	4,156,432	4,607,792	4,151,288	5,938,441	4,715,910	6,173,501
Public Safety	9,553,157	9,372,255	10,530,314	10,217,092	10,219,901	10,406,317	10,617,674	10,948,662	11,443,756	10,964,329
Community Development	943,809	1,022,148	1,083,725	914,865	947,345	1,088,196	1,254,273	1,360,441	1,969,245	2,269,615
Leisure Time Activities	1,682,768	1,568,078	1,307,669	1,409,945	1,401,449	1,423,497	1,652,471	1,576,884	1,707,986	1,708,306
Transportation and Street Repair	2,893,547	1,545,172	1,513,367	1,474,539	1,483,514	1,451,258	1,438,950	2,494,163	2,720,533	1,387,773
Basic Utility Service	1,062,114	1,109,850	1,158,762	1,408,069	1,100,215	1,085,412	1,069,084	1,108,700	1,170,351	1,226,651
Public Health and Welfare	361,014	360,495	332,317	377,198	368,056	387,002	462,831	393,912	538,030	492,400
Other	0	0	0	0	0	0	0	0	0	4,828
Capital Outlay	1,662,805	975,032	2,331,832	2,426,089	7,996,747	12,721,449	4,210,157	4,753,117	6,037,302	5,041,959
<b>Debt Service:</b>										
Principal Retirement	495,000	604,826	587,388	609,875	619,278	864,252	881,739	907,970	926,715	942,946
Interest and Fiscal Charges	459,813	254,132	265,211	248,373	312,359	570,062	533,200	511,707	484,746	355,838
Bond Issuance Costs	38,355	54,565	0	0	250,357	0	0	0	0	115,846
<b>Total Expenditures</b>	<b>\$23,546,429</b>	<b>\$20,786,848</b>	<b>\$23,469,260</b>	<b>\$23,399,837</b>	<b>\$28,855,653</b>	<b>\$34,605,237</b>	<b>\$26,271,667</b>	<b>\$29,993,997</b>	<b>\$31,714,574</b>	<b>\$30,683,992</b>



City of Troy, Ohio  
 Changes in Fund Balances, Governmental Funds  
 Last Ten Calendar Years  
 (modified accrual basis of accounting)  
 Schedule 4 (Continued)

	Calendar Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Excess of revenues over (under) expenditures	\$2,368,898	\$4,787,075	\$2,124,183	\$3,229,016	(\$143,944)	(\$5,479,418)	\$5,464,527	\$893,695	\$2,529,240	\$8,222,665
Other Financing Sources (Uses)										
Issuance of Long-Term Capital-Related Debt	\$0	\$0	\$0	\$0	\$9,000,000	\$0	\$0	\$0	\$0	\$0
Premium of Issuance	0	0	0	0	251,938	0	0	0	0	0
Sale of Refunding Bonds	2,005,000	5,031,625	0	0	0	0	0	0	0	7,535,000
Payments to Refunded Bond Escrow Agent	(1,955,639)	(4,994,725)	0	0	0	0	0	0	0	(7,953,575)
Premium on Sale of Refunded Bonds	13,541	71,287	0	0	0	0	0	0	0	534,421
(Discourt) on Sale of Refunded Bonds	(20,050)	(50,319)	0	0	0	0	0	0	0	0
Proceeds from Sale of Capital Assets	12,863	64,803	179,210	37,767	57,023	35,663	284,775	37,820	15,045	0
Transfers In	3,068,270	2,626,819	3,688,623	4,392,814	2,421,729	9,586,588	3,741,482	7,479,060	6,763,264	7,939,203
Transfers (Out)	(3,623,270)	(3,356,819)	(4,685,019)	(5,150,547)	(3,196,729)	(10,361,588)	(4,491,482)	(8,254,060)	(7,638,264)	(9,031,611)
Total Other Financing Sources (Uses)	(499,285)	(607,329)	(817,186)	(719,966)	8,533,961	(739,337)	(465,225)	(737,180)	(859,955)	(976,562)
Net Change in Fund Balances	\$1,869,613	\$4,179,746	\$1,306,997	\$2,509,050	\$8,390,017	(\$6,218,755)	\$4,999,302	\$156,515	\$1,669,285	\$7,246,103
Debt service as a percentage of noncapital expenditures (1)	4.5%	4.6%	4.2%	4.0%	8.8%	6.6%	6.7%	5.4%	5.0%	6.7%

Source: City Records

(1) - Noncapital expenditures is the amount for "capital assets used in governmental activities" in the "reconciliation of the statement of revenues, expenditures, and changes in fund balance of governmental funds to the statement of activities"

City of Troy, Ohio  
 Assessed Value and Estimated Actual Value of Taxable Property  
 Last Ten Calendar Years  
 Schedule 5

Calendar Year	Real Property Assessed Value	Tangible Personal Property (1)		Public Utilities Personal Assessed Value		Total Assessed Value	Total Estimated Actual Value	Total Direct Rate (2)		Total Direct Rate (3)		Total Direct Rate (4)		Total Direct Rate (5)	
		Assessed Value	Assessed Value	Assessed Value	Assessed Value			Direct Rate	Direct Rate	Direct Rate	Direct Rate	Direct Rate	Direct Rate	Direct Rate	Direct Rate
2011	\$489,082,260	\$382,320	\$10,409,340	\$499,873,920	\$1,428,211,200	3.10	1.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2012	491,652,910	0	10,786,650	502,439,560	1,435,541,600	3.10	1.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2013	497,566,570	0	13,116,620	510,683,190	1,459,094,829	3.10	1.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2014	471,863,070	0	12,778,280	484,641,350	1,384,689,571	3.10	1.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2015	479,708,290	0	13,442,150	493,150,440	1,409,001,257	3.10	1.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2016	484,535,010	0	14,172,530	498,707,540	1,424,878,686	3.10	1.10	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55
2017	517,577,100	0	15,518,370	533,095,470	1,523,129,914	3.10	1.10	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55
2018	527,390,480	0	16,311,050	543,701,530	1,553,432,943	3.10	1.10	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55
2019	544,995,420	0	18,388,810	563,384,230	1,609,669,229	3.10	1.10	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55
2020	599,807,390	0	20,208,490	620,015,880	1,771,473,943	3.10	1.10	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55

Source: County Auditor

- (1) - House Bill 66 eliminated all current Tangible Personal Property filings except for the telecommunication companies.
- (2) - For Tax District D08
- (3) - For Tax District D45
- (4) - For Tax District R50
- (5) - For Tax District S51

Note: The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent for everything except inventories, which are assessed at 23 percent. Property is assessed annually.

City of Troy, Ohio  
 Direct and Overlapping Property Tax Rates  
 Last Ten Calendar Years  
 Schedule 6

Calendar Year	Total Direct Rate (1)	Overlapping Rates					
		Miami Conservancy City (3)		Upper Valley Joint		Troy-Miami County Library (4)	
		Troy City School District	Vocational	Joint	Miami County	County Library (4)	
2011	3.10	0.09	52.40	5.32	8.81	0.60	
2012	3.10	0.07	52.61	5.32	8.81	0.60	
2013	3.10	0.00	52.66	5.30	8.75	0.60	
2014	3.10	0.07	52.69	5.32	8.81	0.60	
2015	3.10	0.09	52.69	5.30	8.81	0.60	
2016	3.10	0.12	52.67	5.30	8.81	0.60	
2017	3.10	0.27	52.62	5.26	8.82	0.60	
2018	3.10	0.27	52.60	5.22	9.22	0.60	
2019	3.10	0.26	52.55	4.90	9.22	0.60	
2020	3.10	0.25	51.80	6.40	9.21	0.60	

Calendar Year	Total Direct Rate (2)	Overlapping Rates				
		Miami Conservancy City (3)		Miami Valley Career Technology Center		
		Miami East School District	Center	Miami County	Troy-Miami County Library (4)	
2011	1.10	0.09	46.71	2.58	8.81	0.60
2012	1.10	0.07	46.70	2.58	8.81	0.60
2013	1.10	0.07	46.59	2.58	8.75	0.60
2014	1.10	0.07	46.30	2.58	8.81	0.60
2015	1.10	0.09	46.18	2.58	8.81	0.60
2016	1.10	0.12	43.99	2.58	8.81	0.60
2017	1.10	0.27	44.40	2.58	8.82	0.60
2018	1.10	0.27	44.80	4.01	9.22	0.60
2019	1.10	0.26	44.60	4.01	9.21	0.60
2020	1.10	0.25	44.60	4.01	9.21	0.60

Source: County Auditor

- (1) - For Tax District D08. The components that make up the Total Direct Rate were not available from the County Auditor, only the Total Direct Rate is available.
- (2) - For Tax District D45. The components that make up the Total Direct Rate were not available from the County Auditor, only the Total Direct Rate is available.
- (3) - For Tax District R50. The components that make up the Total Direct Rate were not available from the County Auditor, only the Total Direct Rate is available.
- (4) - For Tax District S51. The components that make up the Total Direct Rate were not available from the County Auditor, only the Total Direct Rate is available.
- (3) - Levied by the City for the benefit of the Miami Conservancy District
- (4) - 2010 was the first year the Troy-Miami County Library was levied by the City. This was a 5 year levy.

Note: Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

City of Troy, Ohio  
Principal Property Tax Payers  
Current Year and Nine Years Ago  
Schedule 7

Taxpayer	2020	
	Assessed Value	Percentage of Total Assessed Value
American Honda Motor	\$18,034,400	2.91%
Dayton Power and Light Company	10,904,610	1.76%
Vectren Energy Delivery of Ohio Inc.	9,639,850	1.55%
MO Troy LLC	3,695,730	0.60%
Kroger Company	3,614,950	0.58%
Hobart Corporation	3,114,990	0.50%
Dayton Montgomery County Port Authority	3,044,340	0.49%
F&P America Mfg, Inc.	2,987,020	0.48%
TPAF IV Towne Park Delaware LLC	2,986,830	0.48%
First Troy Corp.	2,628,460	0.42%
<b>Total Principal Property Tax Payers</b>	<b>\$60,651,180</b>	<b>9.77%</b>

Taxpayer	2011	
	Assessed Value	Percentage of Total Assessed Value
Dayton Power and Light Company	\$7,745,130	1.55%
American Honda Motor	6,999,860	1.40%
Hobart Corporation	3,698,200	0.74%
Health Care REIT Inc.	3,185,780	0.64%
Towne Park SPE-1 LLC	3,027,510	0.61%
Vectren Energy Delivery	3,025,080	0.61%
DW28 Monroe, LLC	2,962,790	0.59%
United Distribution	2,789,300	0.56%
F&P America Mfg, Inc.	2,556,180	0.51%
Hobart Brothers Co.	2,527,970	0.51%
<b>Total Principal Property Tax Payers</b>	<b>\$38,517,800</b>	<b>7.72%</b>

Source: County Auditor

City of Troy, Ohio  
Property Tax Levies and Collections  
Last Ten Calendar Years  
Schedule 8

Calendar Year	Taxes Levied for the Calendar Year (2)	Collected, including Delinquencies, within the Calendar Year of the Levy		Accumulated Delinquency (1)	Total Collections to Date	
		Amount (3)	Percentage of Levy		Amount	Percentage of Levy
2011 (4)	\$1,731,500	\$1,680,088	97.03%	\$51,412	\$1,731,500	100.00%
2012 (5)	1,728,675	1,684,400	97.44%	44,275	1,728,675	100.00%
2013 (5)	1,714,325	1,677,487	97.85%	36,838	1,714,325	100.00%
2014 (5)	1,679,317	1,646,258	98.03%	33,059	1,679,317	100.00%
2015 (5)	1,738,440	1,714,882	98.64%	23,558	1,738,440	100.00%
2016 (5)	1,760,169	1,690,096	96.02%	70,073	1,760,169	100.00%
2017 (5)	2,003,514	1,992,375	99.44%	11,139	2,003,514	100.00%
2018 (5)	2,041,223	2,032,755	99.59%	8,468	2,041,223	100.00%
2019	2,127,146	2,092,925	98.39%	34,221	2,127,146	100.00%
2020	2,373,501	2,302,391	97.00%	93,591	2,395,982	100.00%

Source: County Auditor

(1) - Delinquent Collections by levy year are not available. Only Delinquent Collections by collection year are available and presented.

(2) - Taxes levied and collected are presented on a cash basis.

(3) - State reimbursements of rollback and homestead exemptions are included.

(4) - Includes City of Troy TIF Parcels.

(5) - No tangible personal property included.

City of Troy, Ohio  
 Income Tax by Payer Type and Income Tax Rate  
 Last Ten Calendar Years  
 (cash basis of accounting)  
 Schedule 9

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Calendar Year	Withholding Accounts	Business Accounts	Residential Accounts	Total	Income Tax Rate
2011	\$10,941,314	\$1,943,457	\$1,301,572	\$14,186,343	1.75%
2012	11,947,402	2,598,675	1,361,993	15,908,070	1.75%
2013	12,055,419	2,728,488	1,413,919	16,197,826	1.75%
2014	12,427,660	2,510,592	1,311,989	16,250,241	1.75%
2015	12,936,325	3,226,982	1,473,099	17,636,406	1.75%
2016	14,248,752	2,945,020	1,469,880	18,663,652	1.75%
2017	14,142,510	3,996,784	1,374,173	19,513,467	1.75%
2018	14,860,616	3,221,721	1,228,787	19,311,124	1.75%
2019	15,386,770	4,414,710	1,375,888	21,177,368	1.75%
2020	15,560,774	3,402,564	1,512,770	20,476,108	1.75%

Source: City Records

Note: Increases in the income tax rate requires voter approval.

City of Troy, Ohio  
Principal Income Taxpayers  
Current and Prior Year  
(cash basis of accounting)  
Schedule 10

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Note: Due to legal restrictions and confidentiality requirements, the City cannot disclose the amount of withholdings by taxpayer.

City of Troy, Ohio  
Ratios of Outstanding Debt by Type  
Last Ten Calendar Years  
Schedule 11

Calendar Year	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	General Obligation Bonds	General Obligation Bonds	OWDA Loans			
2011 (1)	\$7,577,852	\$9,728,362	\$419,940		\$17,726,154	0.47%	\$479
2012	6,988,195	8,268,045	408,452		15,664,692	0.39%	400
2013	7,021,913	7,008,695	388,719		14,419,327	0.35%	357
2014	6,410,882	12,044,721	382,825		18,838,428	0.45%	467
2015	15,042,386	10,325,194	361,778		25,729,358	0.58%	606
2016	14,167,980	8,360,642	340,041		22,868,663	0.50%	524
2017	13,276,087	7,798,578	317,592		21,392,257	0.45%	472
2018	12,357,963	7,227,745	2,842,939		22,428,647	0.44%	472
2019	11,421,094	6,650,853	2,699,000		20,770,947	0.40%	194
2020	10,530,467	6,498,482	2,601,327		19,630,276	N/A	N/A

Source: City Records

(1) - Governmental Activities General Obligations Bonds were restated to exclude the manuscript bonds.

Note: Details regarding the city's outstanding debt can be found in the notes to the basic financial statements.

N/A - Information not available



City of Troy, Ohio  
Ratios of General Bonded Debt Outstanding  
Last Ten Calendar Years  
Schedule 12

Calendar Year	General Bonded Debt Outstanding Total General Obligation Bonds	Less: Restricted for Debt Service (1)	General Bonded Debt Outstanding Net General Obligation Bonds	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2011	\$17,306,214	\$0	\$17,306,214	1.21%	\$691
2012	15,256,240	0	15,256,240	1.06%	609
2013	14,030,608	0	14,030,608	0.96%	560
2014	18,455,603	0	18,455,603	1.33%	737
2015	25,367,580	0	25,367,580	1.80%	1,012
2016	22,528,622	0	22,528,622	1.58%	899
2017	21,074,665	0	21,074,665	1.38%	841
2018	19,585,708	0	19,585,708	1.26%	782
2019	18,071,947	0	18,071,947	1.12%	721
2020	17,028,949	161,846	16,867,103	0.95%	673

(1) - Amount from Statement of Net Assets/Net Position

Source: City Records

City of Troy, Ohio  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2020  
 Schedule 13

Governmental Unit	Net Debt Outstanding	Estimated Percentage Applicable (1)	Amount Applicable to City of Troy
Miami County	\$11,776,000	24.28%	\$2,859,213
Troy City School District	11,758,964	73.12%	8,598,154
Miami East Local School District	11,350,000	14.54%	1,650,290
Miami Valley Career Center Joint Vocational School District	125,612,994	0.51%	640,626
Upper Valley Career Center Joint Vocational School District	1,075,000	22.12%	237,790
Subtotal Overlapping Debt	161,572,958		13,986,073
City of Troy - Direct Debt	10,530,467	100.00%	10,530,467
Total Direct and Overlapping Debt	\$172,103,425		\$24,516,540

Source: Ohio Municipal Advisory Council

(1) - Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the City by the total assessed valuation of the government.

City of Troy, Ohio  
 Legal Debt Margin Information  
 Last Ten Calendar Years  
 Schedule 14

Legal Debt Margin Calculation for the Calendar Year	
Assessed Value	\$620,015,880
Statutory Legal Debt Limitation (1)	10.5%
Total Debt Limitation	65,101,667
Debt Applicable to Limit:	
Gross Indebtedness	19,630,276
Less: Debt Outside Limitations (2)	9,099,809
Less: Restricted for Debt Service (3)	161,846
Total Net Debt Applicable to Limit	10,368,621
Legal Debt Margin	\$54,733,046

	Calendar Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Debt Limit (1)										
Debt Limit (10.5%)	\$52,486,762	\$52,756,154	\$53,621,735	\$50,887,342	\$51,780,796	\$52,364,292	\$55,975,024	\$57,088,661	\$65,101,667	65,101,667
Total Net Debt Applicable to Limit	9,187,852	6,988,195	7,021,913	6,410,882	15,042,386	14,167,980	13,276,087	12,357,963	11,421,094	10,368,621
Legal Debt Margin	\$43,298,910	\$45,767,959	\$46,599,822	\$44,476,460	\$36,738,410	\$38,196,312	\$42,698,937	\$44,730,698	\$53,680,573	\$54,733,046

Total Net Debt Applicable to the Limit	17.5%	13.2%	13.1%	12.6%	29.1%	27.1%	23.7%	21.6%	17.5%	15.9%
as a Percentage of Debt Limit										

	Calendar Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Unvoted Debt Limit (1)										
Debt Limit (5.5%)	\$27,493,066	\$27,634,176	\$28,087,575	\$26,655,274	\$27,123,274	\$27,428,915	\$29,320,251	\$29,903,584	\$34,100,873	34,100,873
Total Net Debt Applicable to Limit	9,187,852	6,988,195	7,021,913	6,410,882	15,042,386	14,167,980	13,276,087	12,357,963	11,421,094	10,368,621
Legal Debt Margin	\$18,305,214	\$20,645,981	\$21,065,662	\$20,244,392	\$12,080,888	\$13,260,935	\$16,044,164	\$17,545,621	\$22,679,779	\$23,732,252

Total Net Debt Applicable to the Limit	33.4%	25.3%	25.0%	24.1%	24.1%	51.7%	45.3%	41.3%	33.5%	30.4%
as a Percentage of Debt Limit										

Source: City Records

(1) - Direct debt limitation based upon Section 133, the Uniform Bond Act of the Ohio Revised Code. Total debt limit should not exceed 10.5% of net assessed property value.  
 Total unvoted debt limit should not exceed 5.5% of net assessed property value.  
 (2) - General obligation bonds and notes in the enterprise funds, special assessment debt with government commitment and bond anticipation notes have been included.  
 (3) - Amount from Statement of Net Assets/Net Position

City of Troy, Ohio  
Pledged-Revenue Coverage  
Last Ten Calendar Years  
Schedule 15

Calendar Year	Special Assessment Bonds				Coverage
	Special Assessment Collections (1)	Debt Service			
		Principal	Interest		
2011	\$89,812	\$0	\$0	0.00	
2012	48,150	0	0	0.00	
2013	56,277	0	0	0.00	
2014	47,724	0	0	0.00	
2015	74,260	0	0	0.00	
2016	73,945	0	0	0.00	
2017	102,123	0	0	0.00	
2018	110,216	0	0	0.00	
2019	158,740	0	0	0.00	
2020	227,979	0	0	0.00	

Source: County Auditor

(1) - Total special assessment collections including delinquencies

Note: Details regarding the city's outstanding debt can be found in the notes to the basic financial statements.

City of Troy, Ohio  
 Demographic and Economic Statistics - Miami County  
 Last Ten Calendar Years  
 Schedule 16

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2011	25,058	\$3,807,886	\$37,021	7.50%
2012	25,058	4,037,971	39,181	6.10%
2013	25,058	4,178,641	40,397	7.00%
2014	25,058	4,187,325	40,301	4.30%
2015	25,058	4,416,221	42,483	4.40%
2016	25,058	4,556,230	43,650	4.30%
2017	25,058	4,766,277	45,340	4.70%
2018	25,058	5,051,061	47,552	4.30%
2019	25,058	5,242,089	106,987	3.40%
2020	25,058	N/A	N/A	4.00%

Sources:

(1) - Population estimates provided by U.S. Census Bureau (2000 Census for years 2002 - 2009 and 2010 Census for years 2010 - 2011)

(2) - Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts

(3) - Per Capita Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts

(4) - Ohio Department of Job and Family Services for Miami County

N/A - Information not available

City of Troy, Ohio  
Major Employers (1)  
Current Year and Nine Years Ago  
Schedule 17

2020			
Major Employers (2)	Type	Number of Employees	Employer's Percentage of Total Employment
Upper Valley Medical Center	Health	(3)	(4)
Clopay Building Products	Mfg	(3)	(4)
F & P American Mfg.	Mfg	(3)	(4)
UTC Aerospace Systems	Mfg	(3)	(4)
ConAgra Foods	Mfg	(3)	(4)
ITW Food Equipment Group	Mfg	(3)	(4)
Hobart Brothers	Mfg	(3)	(4)
Industry Products	Mfg	(3)	(4)
American Honda	Logistics	(3)	(4)
Meijer Distribution Center	Logistics	(3)	(4)

2011			
Major Employers (2)	Type	Number of Employees	Employer's Percentage of Total Population
A.O. Smith Corp.	Mfg	(3)	(4)
Crane Co.	Mfg	(3)	(4)
Evenflo Company, Inc.	Mfg	(3)	(4)
Faurecia SA	Mfg	(3)	(4)
F-Tech, Inc./F&P America	Mfg	(3)	(4)
Goodrich Corp.	Mfg	(3)	(4)
Illinois Tool Works, Inc./Hobart	Mfg	(3)	(4)
Jackson Tube Service	Mfg	(3)	(4)
Meijer, Inc.	Ret	(3)	(4)
Troy City Board of Education	Govt	(3)	(4)
Upper Valley Medical Center	Health	(3)	(4)

Source: Ohio Department of Development

- (1) - For all of Miami County
- (2) - Includes at minimum the ten largest employers for the county. In alphabetical order only.
- (3) - The number of employees of each listed major employer was not available.
- (4) - The employer's percentage of total employment for each major employer was not available.

City of Troy, Ohio  
 Full-Time Equivalent City Government Employees by Function/Program  
 Last Ten Calendar Years  
 Schedule 18

Function/Program	Full-Time Equivalent Employees as of December 31									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Information Systems	2	2	3	3	3	3	3	3	3	3
Council	1	1	1	1	1	1	1	1	1	1
Mayor	1	1	1	1	1	1	1	1	1	1
Audit	4	4	4	3	4	4	4	4	4	4
Law	2	2	2	2	2	2	2	2	2	2
Service	4	4	4	4	4	4	4	4	6	5
Human Resources	2	2	2	2	2	2	3	3	2	2
Fire	38	35	39	39	39	39	40	40	40	44
Police	40	39	39	41	40	43	44	44	42	43
Parks	7	7	6	7	7	7	7	8	7	9
Recreation	3	3	3	3	3	4	4	4	4	4
Electric	3	3	3	3	3	3	3	3	3	2
Development	2	2	2	2	2	2	5	5	5	5
Street	14	13	12	13	13	13	11	11	11	11
Tax	4	5	5	6	6	6	5	5	5	5
Cemetery	2	2	2	2	2	2	2	2	2	2
Refuse	2	2	2	2	2	2	2	2	2	2
Hobart Arena	5	5	5	5	6	6	6	7	8	8
Water Administration	2	2	0	0	0	0	0	0	2	2
Water Plant	9	8	9	8	9	9	9	9	9	9
Water Distribution	5	5	5	4	5	4	5	5	5	5
Sewer B&C	2	2	3	2	2	2	2	2	2	2
Sewer Plant	10	9	9	8	8	7	8	7	7	7
Sewer Maintenance	5	5	5	5	5	5	5	5	6	6
Parking	1	1	0	1	1	1	1	1	1	1
Miami Shores	5	5	5	5	4	4	4	4	4	4
Engineering	8	7	10	9	10	7	7	7	7	7
<b>Total</b>	<b>183</b>	<b>176</b>	<b>181</b>	<b>181</b>	<b>184</b>	<b>186</b>	<b>188</b>	<b>189</b>	<b>192</b>	<b>196</b>

Source: Various City Departments

City of Troy, Ohio  
 Operating Indicators by Function/Program  
 Last Ten Calendar Years  
 Schedule 19

Function/Program	Calendar Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General government										
Commercial Construction										
Building permits issued	108	173	131	142	178	180	161	188	159	114
Value	\$18,425,170	\$20,858,627	\$16,785,655	\$12,395,774	\$13,551,130	\$20,775,296	\$53,461,060	\$24,739,752	\$52,239,282	\$33,671,182
Residential Construction (4)										
Building permits issued	47	48	49	67	54	54	79	196	91	115
Value	\$10,762,366	\$12,745,948	\$13,341,957	\$16,077,815	\$14,675,067	\$15,217,543	\$23,977,228	\$23,483,403	\$26,675,859	\$22,072,688
Police department										
Physical arrests	2,577	2,169	2,195	2,119	1,916	1,854	N/A	2,091	N/A	553
Parking violations (3)	2,490	2,152	1,501	521	1,865	669	N/A	1,683	N/A	1,060
Traffic violations	N/A	N/A	2,530	2,478	2,178	2,664	N/A	2,599	N/A	1,232
Fire department										
Fire responses	1,439	1,560	1,575	1,636	1,574	1,589	1,796	1,970	1,989	1,732
EMS responses	3,966	4,019	4,064	4,387	4,816	4,945	4,704	4,630	4,619	4,673
Fires extinguished	111	108	107	49	52	85	87	67	86	58
Inspections	700	851	861	688	979	993	933	820	813	705
Refuse collection department										
Refuse collected (tons)	5,265	5,184	6,213	6,177	6,335	6,099	6,215	6,346	6,536	7,068
Recyclables collected (tons)	1,659	1,704	1,706	1,647	1,765	1,924	1,936	1,917	1,878	2,103
Other public works departments										
Street resurfacing (cubic yards) (1)	0	2,353	3,446	3,406	4,925	6,143	4,492	10,309	7,890	4,009
Parks and recreation department										
Community Center Admissions (2)	\$99,581	\$88,341	\$73,317	\$72,968	\$82,146	\$89,148	\$91,653	\$96,959	\$116,833	\$60,451
Community Center Attendance	40,325	33,812	31,160	29,009	28,420	33,276	33,212	34,116	37,514	11,726
Water department										
New connections (each)	15	36	48	43	65	112	67	80	99	112
Water main breaks (each)	38	10	20	26	31	24	16	35	32	33
Average daily consumption (millions of gallon per day)	3.94	4.22	4.00	3.68	3.56	3.54	3.44	3.45	3.50	3.58
Peak daily consumption (millions of gallon per day)	5.8	8.1	5.6	5.3	4.8	5.1	5.1	5.0	4.9	5.2
Wastewater department										
Average daily sewage treatment (millions of gallon per day)	4.43	4.55	5.08	5.60	5.03	4.64	5.46	7.36	6.66	5.72

Source: Various City Departments

(1) - The City did not have the street paving (resurfacing) program in 2011

(2) - Cash basis

(3) - The City did not have a parking control officer from June, 2013 through December, 2013

(4) - Represents residential dwellings only



City of Troy, Ohio  
 Capital Asset Statistics by Function/Program  
 Last Ten Calendar Years  
 Schedule 20

Function/Program	Calendar Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	11	11	11	11	11	11	11	11	11	12
Fire Stations	3	3	3	3	3	3	3	3	3	3
Other Public Works										
Area of City (square miles)	12.345	12.345	12.345	12.345	11.800	12.040	12.050	12.100	12.150	12.252
Streets (miles)	112.75	113.04	113.04	128.00	132.07	132.74	132.74	133.20	133.65	135.50
Streetlights	2,624	2,568	2,568	2,598	25,987	2,661	2,590	2,714	2,629	2,630
Traffic signals	43	43	44	44	44	47	46	47	43	43
Parks and Recreation										
Number of Parks	25	25	25	25	25	25	25	25	25	25
Acreage	303.00	303.00	303.00	321.00	321.00	321.00	321.00	321.00	321.00	321.00
Playgrounds	17	17	17	17	17	17	17	17	17	17
Baseball/Softball Diamonds	15	15	15	15	15	15	15	15	15	15
Soccer/Football Fields	15	15	15	15	15	15	15	15	15	15
Community Centers										
Kings Chapel Community Center	1	1	1	1	1	1	1	1	1	1
Troy Aquatic Park	1	1	1	1	1	1	1	1	1	1
Senior Citizen Center	0	0	0	1	1	1	1	1	1	1
Municipal Water Department										
Treatment Capacity (millions of gallons per day)	16	16	16	16	16	16	16	16	16	16
Water Mains (miles)	139.65	139.94	139.96	155.83	157.16	159.26	160.14	160.98	163.00	165.64
Fire hydrants	1,284	1,292	1,288	1,373	1,356	1,325	1,356	1,357	1,390	1,424
Sewers										
Treatment Capacity (millions of gallons per day)	7	7	7	7	7	7	7	7	7	7
Storm Sewers (miles)	81.00	81.29	81.18	124.51	127.55	128.86	130.14	132.35	132.30	136.38
Sanitary Sewers (miles)	127.95	128.24	128.24	126.85	127.29	128.36	130.22	131.01	133.20	135.73
Hobart Arena										
Attendance	24,963	28,442	26,181	21,159	23,325	15,191	29,935	25,275	27,143	6,141
Ticket Sold (1)	20,844	24,068	22,032	20,168	22,690	14,533	24,239	24,092	23,018	5,508

Source: Various City Departments  
 (1) - Tickets sold by Hobart Arena only

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# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF TROY**

**MIAMI COUNTY**

## **AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 8/31/2021**

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

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)