



Mary Taylor, CPA  
Auditor of State



CITY OF TROY  
MIAMI COUNTY

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**CITY OF TROY  
MIAMI COUNTY**

**FEDERAL AWARDS EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2009**

<b>FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title</b>	<b>Pass Through Entity Number</b>	<b>Federal CFDA Number</b>	<b>Disbursements</b>
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
<b><i>Passed Through Ohio Department of Development</i></b>			
Community Development Block Grants/State's Program	A-E-08-187-1	14.228	\$500,000
	A-F-07-187-1		3,216
	A-F-08-187-1		56,507
	A-F-09-187-1		836
Total Community Development Block Grants/State's Program			<u>560,559</u>
Total U.S. Department of Housing and Urban Development			<u>560,559</u>
<b>U.S. DEPARTMENT OF JUSTICE</b>			
<b><i>Passed Through Ohio Department of Criminal Justice</i></b>			
Bullet Proof Vest Partnership Program		16.607	<u>828</u>
Total U.S. Department of Justice			<u>828</u>
Total			<u><u>\$561,387</u></u>

*The accompanying notes are an integral part of this schedule.*

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**CITY OF TROY  
MIAMI COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2009**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Federal Awards Expenditures Schedule (the Schedule) reports the City of Troy's (the City's) federal award programs' disbursements. The schedule has been prepared on the cash basis of accounting.

**NOTE B - MATCHING REQUIREMENTS**

Certain federal programs require that the City contribute non-federal funds (matching funds) to support the federally funded programs. The City has complied with the matching requirements. The expenditure of non-federal matching funds is not included on the schedule.

**NOTE C - COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REVOLVING LOAN PROGRAM**

The City has a revolving loan fund (RLF) program to provide low-interest loans to businesses for purchase of fixed assets such as land, buildings, machinery, and equipment, or for construction and building remodeling. The federal Department of Housing and Urban Development (HUD) grants money for these loans to the City, passed through the Ohio Department of Development. The Schedule reports loans made and administrative costs as disbursements on the Schedule. Subsequent loans are subject to the same compliance requirements imposed by HUD as the initial loans.

These loans are collateralized by mortgages on the properties.

Activity in the CDBG revolving loan fund during 2009 is as follows:

Beginning loans receivable balance as of January 1, 2009	\$1,907,054
Loans made	769,037
Loan principal repaid	<u>229,405</u>
Ending loans receivable balance as of December 31, 2009	\$2,446,686
Cash balance on hand in the revolving loan fund as of December 31, 2009	\$216,292

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# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

City of Troy  
Miami County  
100 South Market Street  
Troy, Ohio 45373

To the Honorable Mayor and City Council:

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 of Troy, Miami County, (the City) as of and for the year ended December 31, 2009, which collectively comprise the City's basic financial statements and have issued our report thereon dated May 21, 2010. 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 the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the City's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the City's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

### **Compliance and Other Matters**

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note certain matters not requiring inclusion in this report that we reported to the City's management in a separate letter dated May 21, 2010.

We intend this report solely for the information and use of the finance committee, management, Mayor and City Council. We intend it for no one other than these specified parties.

A handwritten signature in cursive script that reads "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

May 21, 2010



# Mary Taylor, CPA

## Auditor of State

### INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

City of Troy  
Miami County  
100 South Market Street  
Troy, Ohio 45373

To the Honorable Mayor and City Council:

#### **Compliance**

We have audited the compliance of the City of Troy, Miami County, (the City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to its major federal program for the year ended December 31, 2009. The summary of auditor's results section of the accompanying schedule of findings identifies the City's major federal program. The City's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the City's compliance based on our audit.

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 included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that apply to its major federal program for the year ended December 31, 2009.

#### **Internal Control Over Compliance**

The City's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of opining on compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

**Internal Control Over Compliance  
(Continued)**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. *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 federal program compliance requirement will not be prevented, or timely detected and corrected.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

We noted a matter involving federal compliance or internal control over federal compliance not requiring inclusion in this report, that we reported to the City's management in a separate letter dated May 21, 2010.

**Federal Awards Expenditures Schedule**

We have also audited 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, 2009, and have issued our report thereon dated May 21, 2010. Our audit was performed to form an opinion on the financial statements that collectively comprise the City's basic financial statements. The accompanying Federal Awards Expenditures Schedule provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We intend this report solely for the information and use of the finance committee, management, Mayor, City Council, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



**Mary Taylor, CPA**  
Auditor of State

May 21, 2010

**CITY OF TROY  
MIAMI COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
DECEMBER 31, 2009**

**1. SUMMARY OF AUDITOR'S RESULTS**

<i>(d)(1)(i)</i>	<b>Type of Financial Statement Opinion</b>	Unqualified
<i>(d)(1)(ii)</i>	<b>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(ii)</i>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(iii)</i>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any material internal control weaknesses reported for major federal programs?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	No
<i>(d)(1)(v)</i>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<i>(d)(1)(vi)</i>	<b>Are there any reportable findings under § .510(a)?</b>	No
<i>(d)(1)(vii)</i>	<b>Major Programs:</b>	CFDA #14.228: Community Development Block Grants/State's Program
<i>(d)(1)(viii)</i>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	<b>Low Risk Auditee?</b>	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None

# Troy OHIO, USA

[www.troyohio.gov](http://www.troyohio.gov)



## **COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED DECEMBER 31, 2009**

**CITY OF TROY, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2009**

**PREPARED BY:**  
**RICHARD L. CULTICE, CITY AUDITOR**

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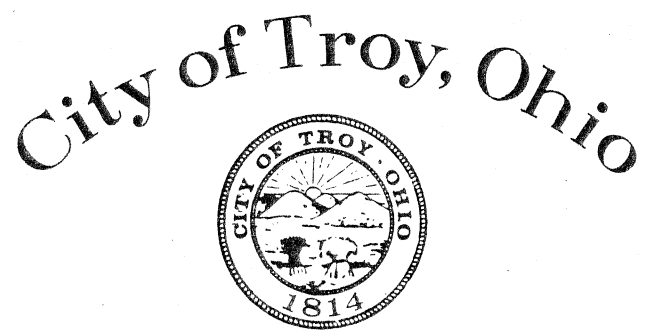
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# INTRODUCTORY SECTION





May 24, 2010

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, 2009 is submitted herewith. The Department of Finance 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 Department of Finance. 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 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 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 District’s MD&A can be found immediately following the independent accountants’ report.

## **CITY OVERVIEW**

Troy, Ohio is a progressive city with a reputation for its “can do” attitude, hospitality, and pride in its 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 21,999 people. 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: public safety, public services, health, recreation, and development.

## **ECONOMIC CONDITIONS AND OUTLOOK**

Troy, Ohio USA is a remarkably accessible small city with big-city advantages. Troy’s central location and excellent transportation access continue to be as important to the local economic climate as they were in 1807, when Troy was selected as the county seat for newly-formed Miami County. Then, the Great Miami River and post roads allowed the easiest travel of those times to all of Miami County and major transportation routes to the rest of the rapidly growing nation. Later, the Miami and Erie Canal provided a strong economic boost, which was soon followed by major railroad lines and the Dixie Highway. These advantages helped Troy establish a strong manufacturing base that added to its economic strength as an agricultural service center.

Today, Troy still reaps great economic benefits from its strategic location in the strong western Ohio transportation network. The Troy community is served by four interchanges on Interstate Route 75, one of the nation’s most heavily traveled north/south highways. Just 10 minutes to the south is the intersection of I-75 and I-70, which adds excellent east/west access to the rest of the nation. Easy access and fast travel to dispersed plants throughout the entire eastern half of the country allow Troy businesses to meet the just-in-time needs of modern industry. Major arterial highways connect from I-75 to all parts of the city. These include three state highways and the old Dixie Highway. In addition to easy automobile and truck movement, rail service continues to provide economical transportation of bulk products through Troy on one of the nation’s heaviest-traveled Class A lines.

International airfreight and travel are only 15 minutes away from Troy, at Dayton International Airport. Over two-thirds of the nation’s population and businesses are within the nation’s largest 90-minute air travel market, enabling Troy businesses to provide same-day delivery to even distant customers. The airport is one of the world’s largest air cargo centers and provides both small and heavy freight service throughout the world.

The City places a high priority on quality of life and effectively delivering services to the citizens of Troy. This priority continued during 2009. There was not an interruption in the delivery of services to the citizens. During the year, there were a number of major public improvements. Major activity in 2009 included:

- Continued a review of positions and services, as vacancies occurred. Staff and Council determined if the services provided by those positions could be shifted to other staff, revised, or eliminated. As vacancies existed, each position was evaluated to determine if it needed to be filled.
- Installed an Automatic Meter Reading (AMR) System for utility billing, combined with reorganization within the Utilities Division. This AMR system will streamline meter reading, reduce personnel and on-going costs, and provide enhanced service to the citizens. A 9-year payback cycle will save millions of dollars to rate payers.
- Presented a 10-year rate structure to City Council for water and sewer rates. Council approved a three-year plan for each fund adjusting water rates (for other than minimum billing) 10% for 2010, 10% for 2011, and 9% for 2012 and that will adjust sewer rates (for other than minimum billing) 7% each year 2010, 2011, and 2012 for bills due on and after January 1 of each year.
- Updated and standardized a number of fees for permits, etc., charged by City departments.
- Updated the Zoning Code and Sign Code documents.
- Commenced the update of the Comprehensive Plan.
- Started the work on the realignment of the Central Business District for 2010 consideration.
- Significantly reduced the number and cost of capital investment, due to budget constraints.
- Assisted with coordination of the very successful 2009 Troy Strawberry Festival, Festival of Nations, and concert series.
- Operation Cloverleaf continued the landscape efforts to enhance the I-75/SR 41 interchange entrance to the City, worth an annual donation of over \$40,000 in services to the community.
- Continued priority focus on economic development efforts locally, regionally, domestically and internationally through participation with the Troy Development Council, Dayton Development Coalition, and other regional groups.
- Continued cooperative partnerships and working relationships with the townships, Miami County, neighboring communities, Troy City Schools, the downtown merchants, the Troy Development Council, and Troy Main Street.
- Completed the documentation for the transfer of the ownership of the Troy Memorial Stadium to the Troy City Schools.
- Made Council packets available on-line.
- Provided training opportunities for City staff as budgeted permitted.
- Continued the property maintenance and code enforcement programs.



## **INSTALLATION OF AN AUTOMATIC METER READING (AMR) SYSTEM/REORGANIZATION WITHIN THE CITY'S UTILITIES DIVISION**

In late 2008, Troy City Council authorized the equipment, infrastructure and installation of an Automated Meter Reading (AMR) system for the City's utility bills. Authorized at \$2,000,000, the final cost was \$1,920,342.88 and equally paid from the fund balances of the Water Fund and the Sewer Fund.

The installation phase of the AMR project began on March 31, 2009, with installation of the Sensus radio read devices contracted to Vanguard Utility Services. The installation portion of the project was completed on July 30, 2009. The AMR system was utilized for all billings for all City of Troy customers with the September 2009 billing cycle (bills due in September). Throughout the installation process, the City's billing office prepared bills utilizing both the AMR system and the previous touch-read system. As radio read devices were installed, readings became available through the AMR system.

The "fine-tuning" phase of the AMR project began in August of 2009. This phase involved working with Sensus to develop a strategy for identifying radio read devices that needed to be reprogrammed or repositioned, utilizing the reports in the system to identify any issues within the system, and to work through minor issues with programming and tower transmission that occurred during the installation phase. Customer service and the billing process were unaffected by any minor issues that were being resolved during this phase of the project. Throughout September, October, November and December, City staff worked diligently with Sensus to resolve issues and gain a better understanding of the software system. By December 2009, the tower transmission and software issues had been resolved. Final training to the system was held in early January 2010.

Random incidents of high consumption were caught during the training, installation and fine-tuning phases of this project. Commencing in late December 2009, staff was able to utilize and investigate daily high consumption reports. This one report and the follow-up investigations by staff have allowed the City of Troy to alert customers to potential high consumption and work with the customer to identify the possible source of this high consumption through investigation.

The AMR system has allowed the City of Troy to provide more efficient and expedient customer service, to identify potential loss of water, and to assist property owners with the identification of potential leaks or broken lines.

The AMR equipment has a 20-year life with a pay-back estimated of approximately nine years or less.

Coupled with the implementation of the AMR, the City instituted reorganization within the Utility Division. Three meter reader positions were abolished (with the incumbents assimilated into other vacancies within the City at no loss of base pay). The organizational changes could result in estimated net savings in the Water and Sewer Funds of \$3.4 Million over 20 years.

## **FUTURE PROJECTS**

Troy's plans for the future are based on maintaining services within budgetary constraints, becoming more cost effective, and improving the quality of life of the community. Activities in this regard will include:

- Continued economic development efforts to both bring new high quality jobs to the community and to retain and support the growth of our existing businesses.
- Maintenance of financial stability for the City. This will include monitoring fees for appropriate adjustments, monitoring fund balances, evaluating and updating services, and evaluating staff levels as vacancies occur.
- Monitoring revenues for possible enhancements and reduce the financial impact on the General Fund by other budgetary funds where appropriate.
- Improving communication with our citizens, businesses and visitors. We will be responsive to citizen inquiries while analyzing methods to provide greater, faster, yet accurate information.
- Monitoring the condition of all City facilities and see that they are properly maintained.
- Completing the five-year review of the City's Comprehensive Plan to adjust our long-term vision based on current and future forecasted conditions. That review may include a comprehensive look at current zoning of parcels, with recommendations to City Council for changes.
- Fostering and encouraging strategic property annexations.
- Maintaining an excellent working relationship and partnership with other local governmental entities.
- Partnering with Troy Main Street and the downtown merchants in keeping the downtown vibrant, active and vital.
- Providing appropriate training for employees based on funding availability.
- Utilizing grants and other governmental funds (i.e., OPWC) where possible for projects.

## **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. It is further our 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 reservations of the fund balance for the governmental fund types at December 31, 2009.

## **RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. In 1988, the City joined the Miami Valley Risk Management Association, Inc. (MVRMA) a risk sharing insurance pool. See the Notes to the Basic Financial Statements for more in-depth information.

Out of concern for the health and welfare of City employees, two special programs are provided:

Employee Assistance Plan (EAP) - Through Employee Care 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. A satellite office for the EAP Program has also been established in Troy. 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. The EAP further provides on-site seminars/workshops with topics such as stress management, holiday stress, dealing with angry citizens, and other geared to the needs of the staff.

Wellness Program – The City of Troy has provided a Wellness Program for over 20 years. Since 2002, the City has contracted with the local Upper Valley Medical Center, Troy, Ohio for the service. The City is provided an on-site nurse for sixteen hours per month. Employees can establish base-line medical data with the nurse so that physical/medical problems/improvements can be measured. A Wellness Committee of employees has been formed to suggest possible programs and services. To date, some of the benefits provided by the Wellness Program include: cholesterol screening, blood pressure checks, statistics, hearing exams, TB screening, health fair, flu shots (when vaccine is available), stress management, diabetes screening, etc. and the opportunity to take advantage of various screenings at a reduced cost for the employee/spouse. As a result of screenings and discussions with the nurse, some employees have been referred for further medical evaluation. In addition, the wellness program encourages regular exercise and other recommendations for healthy life styles. The program elements were extended to include regular “flyers” distributed to employees that provide a variety of information in a single and simple one page format. Employees are encouraged to share the flyers with their families. In recent years, the City has tried to focus on specific wellness initiatives during the year.

City police and fire facilities have been equipped with fitness rooms and equipment.

### **RELEVANT FINANCIAL POLICIES**

In June of 2006, the State legislature passed House Bill 66. House Bill 66 phases out the tax on tangible personal property of general business, telephone and telecommunications companies, and railroads. The tax on general business and railroad property began being phased out in 2007 and will be eliminated by 2009. The tax on telephone and telecommunication property will begin being phased out in 2009 and will be eliminated by 2011. The tax is being phased out by reducing the assessment rate on the property each year. In the first five years, the City will be reimbursed fully for the lost revenue; in the following seven years, the reimbursements will be phased out.

### **INDEPENDENT AUDIT**

The State of Ohio requires an annual audit by either the Auditor of State or by an independent public accounting firm. The State Auditor’s Office 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.

## **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, 2008. 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 20<sup>th</sup> time for the year ended December 31, 2008. 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



Richard L. Cultice  
City Auditor

# CITY OF TROY, OHIO

## Listing of Principal City Officials

December 31, 2009

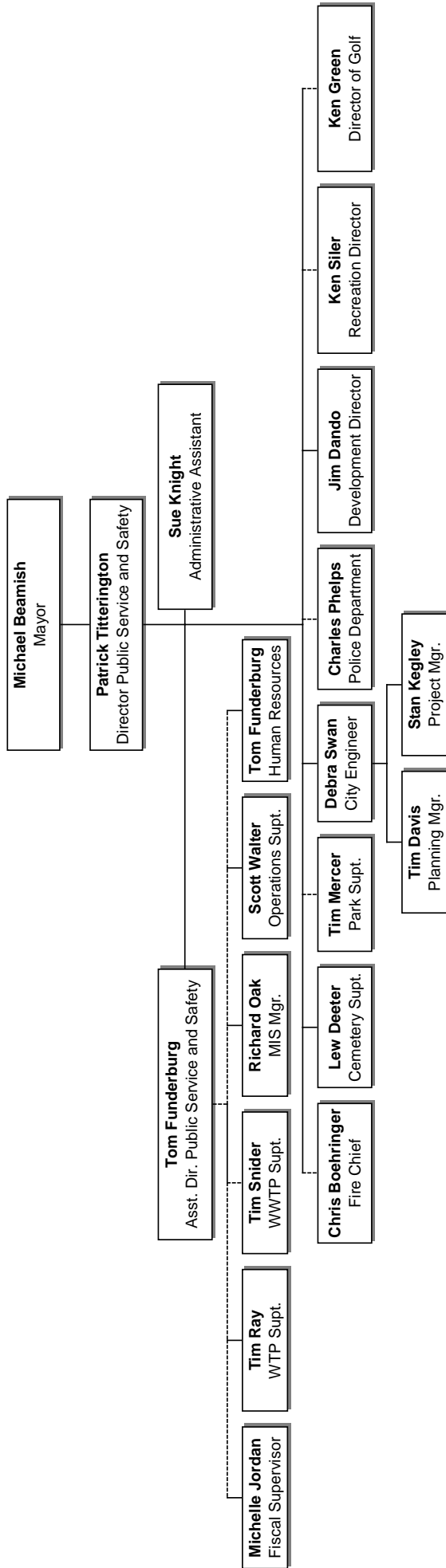
### Elected Officials

Mayor	Michael L. Beamish
President of Council	Martha A. Baker
Councilmember-at-Large	Alan R. Clark
Councilmember-at-Large	Mark A. Douglas
Councilmember-at-Large	Frank L. Hutchinson
Councilmember, First Ward	Thomas M. Kendall
Councilmember, Second Ward	Thomas H. Kirkham
Councilmember, Third Ward	John S. Schweser
Councilmember, Fourth Ward	Jarrold W. Harrah
Treasurer	Edward L. Cox
Director of Law	Grant D. Kerber
Auditor	Richard L. Cultice

### Appointed Officials

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

# City of Troy - Organizational Chart



# 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, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A stylized, handwritten signature in black ink, appearing to be "JHR".

President

A handwritten signature in black ink that reads "Jeffrey R. Emer".

Executive Director

# FINANCIAL SECTION







# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

City of Troy  
Miami County  
100 South Market Street  
Troy, Ohio 45373

To the Honorable Mayor and City Council:

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, Miami County, (the City), as of and for the year ended December 31, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our 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 of Troy, Miami County, as of December 31, 2009, and the respective changes in financial position and where applicable, cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 21, 2010, 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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

The Management's Discussion and Analysis and the budgetary comparison for the General Fund are not required parts of the basic financial statements but are supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

One First National Plaza / 130 W. Second St. / Suite 2040 / Dayton, OH 45402  
Telephone: (937) 285-6677 (800) 443-9274 Fax: (937) 285-6688  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

We conducted our audit to opine on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining nonmajor fund statements and schedules and statistical tables provide additional information and are not a required part of the basic financial statements. We subjected the combining nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

A handwritten signature in cursive script that reads "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

May 21, 2010

**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2009**  
(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, 2009. 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 assets increased \$1,123,558.
- Net assets of governmental activities increased \$3,479,987, net assets of business-type activities decreased by \$2,356,429.
- The General Fund reported a net change in fund balance of \$1,836,679.
- Business-type operations reflected operating (loss) of (\$1,000,695).

**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 Assets 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 of Troy is financially better off or worse off as a result of the year's activities. These statements include all assets and liabilities 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 assets and changes to those assets. 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.

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 is 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, Water and Sanitary Sewer.

***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 Assets 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.

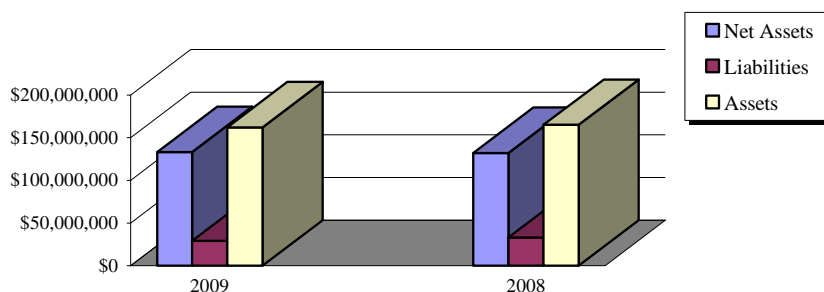
***Fiduciary Funds*** - The City is the fiscal agent for one private purpose trust and seven agency funds. All of the City's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Statement of Changes in Assets and Liabilities. We exclude these activities from the City's 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.

## The City as a Whole

As stated previously, the Statement of Net Assets looks at the City as a whole. Table 1 provides a summary of the City's net assets for 2009 compared to 2008.

**Table 1**  
**Net Assets**

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
<b>Assets:</b>						
Current and Other Assets	\$55,980,755	\$54,686,237	\$15,446,347	\$17,919,425	\$71,427,102	\$72,605,662
Capital Assets	42,510,398	42,054,257	48,262,051	50,416,417	90,772,449	92,470,674
<b>Total Assets</b>	<b>98,491,153</b>	<b>96,740,494</b>	<b>63,708,398</b>	<b>68,335,842</b>	<b>162,199,551</b>	<b>165,076,336</b>
<b>Liabilities:</b>						
Long-Term Liabilities	12,039,759	12,362,016	14,183,398	15,041,748	26,223,157	27,403,764
Other Liabilities	2,365,491	3,772,562	407,748	1,820,413	2,773,239	5,592,975
<b>Total Liabilities</b>	<b>14,405,250</b>	<b>16,134,578</b>	<b>14,591,146</b>	<b>16,862,161</b>	<b>28,996,396</b>	<b>32,996,739</b>
<b>Net Assets:</b>						
Invested in Capital Assets, Net of Related Debt	34,675,398	31,419,257	35,342,051	35,991,417	70,017,449	67,410,674
Restricted	9,958,828	9,103,361	0	0	9,958,828	9,103,361
Unrestricted	39,451,677	40,083,298	13,775,201	15,482,264	53,226,878	55,565,562
<b>Total Net Assets</b>	<b>\$84,085,903</b>	<b>\$80,605,916</b>	<b>\$49,117,252</b>	<b>\$51,473,681</b>	<b>\$133,203,155</b>	<b>\$132,079,597</b>



Overtime, net assets can serve as a useful indicator of a government's financial position. Total net assets of the City as a whole increased \$1,123,558.

Net assets of the City's governmental activities increased \$3,479,987. Current and Other Assets increased mainly due to a increase in notes receivable which was mainly due to the City issuing more loans to other companies in 2009 as compared to 2008. Long-Term Liabilities decreased mainly due to the City continuing to make regularly scheduled payments on their long-term obligations. Other liabilities decreased mainly due to a decrease in unearned revenue which mainly due to a corresponding decrease in grants receivable from 2008.

The net assets of the City's business-type activities decreased \$2,356,429 from 2008. The City had a decrease in Capital assets, net due to the sale of the stadium to Troy City School District that resulted in a loss of approximately \$2.8 million. The City also saw a decrease in the amount of long-term liabilities for 2009 due to the City continuing to make regularly scheduled payments on their long-term obligations, while other liabilities decreased due to a decrease in accounts payable and contracts payable in 2009 as compared to 2008.

Table 2 shows the changes in net assets for the year ended December 31, 2009.

**Table 2**  
**Changes in Net Assets**

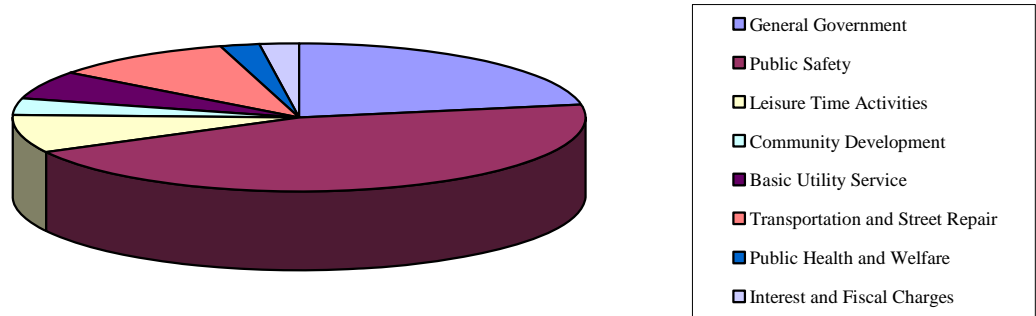
	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
<b>Program Revenues:</b>						
Charges for Services	\$3,293,493	\$2,372,604	\$9,406,534	\$9,282,423	\$12,700,027	\$11,655,027
Operating Grants and Contributions	1,930,659	1,332,705	0	0	1,930,659	1,332,705
Capital Grants and Contributions	1,506,391	1,056,487	1,869,683	400,594	3,376,074	1,457,081
<b>Total Program Revenues</b>	<b>6,730,543</b>	<b>4,761,796</b>	<b>11,276,217</b>	<b>9,683,017</b>	<b>18,006,760</b>	<b>14,444,813</b>
<b>General Revenues:</b>						
Income Taxes	10,947,510	13,294,831	0	0	10,947,510	13,294,831
Property Taxes	3,777,210	2,642,640	0	0	3,777,210	2,642,640
Grants and Entitlements	1,739,288	2,235,974	0	0	1,739,288	2,235,974
Investment Earnings	1,035,398	2,115,536	319,289	596,975	1,354,687	2,712,511
Other Revenues	523,822	528,422	681,344	497,517	1,205,166	1,025,939
<b>Total General Revenues</b>	<b>18,023,228</b>	<b>20,817,403</b>	<b>1,000,633</b>	<b>1,094,492</b>	<b>19,023,861</b>	<b>21,911,895</b>
<b>Total Revenues</b>	<b>24,753,771</b>	<b>25,579,199</b>	<b>12,276,850</b>	<b>10,777,509</b>	<b>37,030,621</b>	<b>36,356,708</b>
<b>Program Expenses:</b>						
General Government	4,703,316	5,103,878	0	0	4,703,316	5,103,878
Public Safety	9,602,958	9,746,678	0	0	9,602,958	9,746,678
Leisure Time Activities	1,800,337	1,821,739	0	0	1,800,337	1,821,739
Community Development	778,762	695,455	0	0	778,762	695,455
Basic Utility Service	1,285,995	1,195,413	0	0	1,285,995	1,195,413
Transportation and Street Repair	2,181,607	2,206,531	0	0	2,181,607	2,206,531
Public Health and Welfare	455,342	469,365	0	0	455,342	469,365
Interest and Fiscal Charges	490,667	512,045	0	0	490,667	512,045
Water Utility	0	0	4,656,843	5,062,771	4,656,843	5,062,771
Sewer Utility	0	0	4,059,903	4,609,529	4,059,903	4,609,529
Area Facilities	0	0	1,127,694	1,053,354	1,127,694	1,053,354
Pool	0	0	315,939	343,970	315,939	343,970
Parking	0	0	45,003	46,869	45,003	46,869
Golf Course	0	0	752,247	785,734	752,247	785,734
Stadium Facilities	0	0	2,914,173	169,517	2,914,173	169,517
Stormwater Utility	0	0	736,277	209,518	736,277	209,518
<b>Total Program Expenses</b>	<b>21,298,984</b>	<b>21,751,104</b>	<b>14,608,079</b>	<b>12,281,262</b>	<b>35,907,063</b>	<b>34,032,366</b>
<b>Increase (Decrease) in Net Assets</b>						
before Transfers	3,454,787	3,828,095	(2,331,229)	(1,503,753)	1,123,558	2,324,342
Transfers - Internal Activities	25,200	(542,102)	(25,200)	542,102	0	0
<b>Change in Net Assets</b>	<b>3,479,987</b>	<b>3,285,993</b>	<b>(2,356,429)</b>	<b>(961,651)</b>	<b>1,123,558</b>	<b>2,324,342</b>
<b>Net Assets Beginning of Year</b>	<b>80,605,916</b>	<b>77,319,923</b>	<b>51,473,681</b>	<b>52,435,332</b>	<b>132,079,597</b>	<b>129,755,255</b>
<b>Net Assets End of Year</b>	<b>\$84,085,903</b>	<b>\$80,605,916</b>	<b>\$49,117,252</b>	<b>\$51,473,681</b>	<b>\$133,203,155</b>	<b>\$132,079,597</b>

***Governmental Activities***

Troy has continued attracting large-scale employers to our city in the year 2009, 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 61% of the City’s governmental activities general revenues.

Governmental Activities  
Program Expenses for 2009

	Percentage
General Government	22.1%
Public Safety	45.1%
Leisure Time Activities	8.5%
Community Development	3.7%
Basic Utility Service	6.0%
Transportation and Street Repair	10.2%
Public Health and Welfare	2.1%
Interest and Fiscal Charges	2.3%
Total	100.0%



General Government include 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.

Income tax revenue decreased mainly due to the City’s unemployment rate increasing and due to the downsizing of many companies within the City. Total expenses remained relatively consistent in 2009 as compared to 2008.

***Business-Type Activities***

Business-type activities, include water, sewer, Hobart Arena, swimming pool, parking meter, Miami Shores, the stadium and stormwater utilities. These programs had operating revenues of \$10,087,878 and operating expenses of \$11,088,573 for fiscal year 2009. Business activities receive no support from tax revenues. The business activities net assets at the end of the year was \$49,117,252, which decreased \$2,356,429 from 2008. The City had two business-type (enterprise) funds that were major funds: the Water fund and the Sanitary Sewer fund.

The City of Troy's Water Department serves 9,918 customers, this represents a population base of nearly 21,999 people. The average daily consumption for the city is 3.85 million gallons and 138.21 miles of water mains in its distribution system. The water fund had operating loss of \$125,322 for 2009.

The City of Troy's Sewer Department includes 127.25 miles of sanitary sewer main, which provide the collection and treatment of public wastewater. Miles of sanitary sewer main increased 0.71 miles from 2008. The Sewer fund had operating loss of \$517,422 for 2009.

Capital Grants and Contributions increased mainly due to an increase in dedicated water and sewer lines throughout the city. Total expenses increased mainly due to a loss of approximately \$2.8 million on the sale of the stadium to Troy City School District.

### **The City's Funds**

The City has one major governmental fund: the General Fund. Assets of the general fund comprised \$45,576,724 (81%) of the total \$55,980,755 governmental funds assets.

As of the end of the year, the City of Troy's governmental funds reported combined ending fund balances of \$51,728,885. \$48,262,817 of this amount constitutes *unreserved fund balance*, which is available for spending at the government's discretion. The remainder of the fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed to liquidate contracts and purchase orders of the prior period.

**General Fund:** Fund balance at December 31, 2009 was \$42,485,258 which was an increase in fund balance of \$1,836,679 from 2008. The increase is mainly from a \$1,750,000 transfer in from the safety-income tax fund.

### **General Fund Budgeting Highlights**

The City's General Fund budget is formally adopted at the fund level. Financial reports, which compare actual performance with the budget, are prepared quarterly and presented to the Council so the Council is able to review the financial status and measure the effectiveness of the budgetary controls.

For the General Fund, the final budgeted revenue was \$18,876,527 and the original budgeted revenue was \$22,144,368. The difference was \$3,267,841. Of this difference, most was due to an overestimate of tax and intergovernmental revenue.

Variations from the final budget amounts to the actual amounts are primarily due to the following reasons: The City overestimated the public safety and transfers out expenditures for 2009. As the City completed the year, its General Fund balance reported an actual fund balance of \$40,871,603, on a Non-GAAP Budgetary Basis.



## Capital Assets and Debt Administration

### Capital Assets

At year end, the City had \$90,772,449 invested in land, construction in progress, buildings and improvements, equipment and infrastructure. Table 3 shows 2009 balances compared to 2008:

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

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$12,231,004	\$12,181,672	\$489,045	\$538,683	\$12,720,049	\$12,720,355
Construction in Progress	484,800	694,640	1,572,246	782,210	2,057,046	1,476,850
Buildings and Improvements	9,172,445	9,624,699	24,703,415	28,188,904	33,875,860	37,813,603
Equipment	2,267,123	2,239,042	7,418,014	7,503,896	9,685,137	9,742,938
Infrastructure	18,355,026	17,314,204	14,079,331	13,402,724	32,434,357	30,716,928
Total Net Capital Assets	<u>\$42,510,398</u>	<u>\$42,054,257</u>	<u>\$48,262,051</u>	<u>\$50,416,417</u>	<u>\$90,772,449</u>	<u>\$92,470,674</u>

The decrease in net capital assets mainly due to a loss of approximately \$2.8 million on the sale of the stadium to Troy City School District.

See Note 6 to the basic financial statements for further details on the City's capital assets.

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## Debt

At year-end the City had \$23,778,934 in general obligation bonds, special assessment bonds, a loan and a note.

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

		2009	2008
<b>Governmental Activities</b>			
<u>General Obligation Bonds</u>			
Stadium Improvement	2.50-5.25%	\$2,290,000	\$2,420,000
Elm Street Improvements	2.00-4.75%	485,000	510,000
Aquatic Center	2.00-4.75%	3,230,000	3,385,000
Cemetery Maintenance Building	2.00-4.75%	375,000	395,000
Fire Station	2.00-4.75%	2,055,000	2,155,000
Tax Increment Financing	6.00%	1,670,000	1,700,000
Total General Obligation Bonds		<u>10,105,000</u>	<u>10,565,000</u>
<u>Special Assessment Bonds</u>			
Street Improvement - Dorset Rd.	7.35%	0	40,000
Street Improvement - Exp. Farm Rd.	3.50-5.00%	20,000	30,000
Total Special Assessment Bonds		<u>20,000</u>	<u>70,000</u>
<b>Business Type Activities</b>			
<u>General Obligation Bonds</u>			
Water Improvement Towers	3.35-5.00%	500,000	735,000
Waterplant Expansion I	4.10-5.00%	590,000	860,000
Wastewater System Improvement	3.35-5.30%	2,030,000	2,185,000
Wastewater Improvement IIC&VA	0.00%	275,000	300,000
Water Line Extension	2.50-4.00%	350,000	460,000
Southeast Area Sewer	2.00-4.75%	1,070,000	1,125,000
Generators	2.00-4.75%	990,000	1,040,000
Refunding Wastewater System Improvement	4.00-5.00%	1,805,000	2,060,000
Refunding Waterplant Expansion I	5.00%	1,705,000	1,705,000
Refunding Waterplant Expansion II	4.00-5.00%	3,605,000	3,955,000
Total General Obligation Bonds		<u>12,920,000</u>	<u>14,425,000</u>
OWDA Loan	3.25%	712,670	0
Golf Cart Note	4.50%	21,264	36,396
Total Debt		<u>\$23,778,934</u>	<u>\$25,096,396</u>

Special Assessment Street Improvement Bonds will be paid with special assessment revenue.

The Various Purpose Improvement general obligation bonds will be paid with property tax revenues via transfers from the General Fund.

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

## **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 Assets  
December 31, 2009

	Governmental Activities	Business-Type Activities	Total
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$47,704,909	\$12,558,322	\$60,263,231
Restricted Cash and Investments	10,415	85,951	96,366
Cash and Cash Equivalents with Fiscal Agent	0	1,451,384	1,451,384
<b>Receivables:</b>			
Taxes	2,536,315	0	2,536,315
Accounts	783,236	421,040	1,204,276
Interest	299,164	40,752	339,916
Intergovernmental	1,573,160	0	1,573,160
Notes	2,600,408	0	2,600,408
Special Assessments	473,148	0	473,148
Inventory	0	888,898	888,898
Nondepreciable Capital Assets	12,715,804	2,061,291	14,777,095
Depreciable Capital Assets, Net	29,794,594	46,200,760	75,995,354
<b>Total Assets</b>	<b>98,491,153</b>	<b>63,708,398</b>	<b>162,199,551</b>
<b>Liabilities:</b>			
Accounts Payable	188,866	163,237	352,103
Accrued Wages and Benefits	769,452	106,938	876,390
Retainage Payable	10,415	85,951	96,366
Accrued Interest Payable	64,377	51,622	115,999
Unearned Revenue	1,332,381	0	1,332,381
<b>Long-Term Liabilities:</b>			
Due Within One Year	1,071,030	1,766,902	2,837,932
Due In More Than One Year	10,968,729	12,416,496	23,385,225
<b>Total Liabilities</b>	<b>14,405,250</b>	<b>14,591,146</b>	<b>28,996,396</b>
<b>Net Assets:</b>			
Invested in Capital Assets, Net of Related Debt	34,675,398	35,342,051	70,017,449
<b>Restricted for:</b>			
Debt Service	6,506	0	6,506
Capital Projects	1,611,110	0	1,611,110
Other Purposes	8,341,212	0	8,341,212
Unrestricted	39,451,677	13,775,201	53,226,878
<b>Total Net Assets</b>	<b>\$84,085,903</b>	<b>\$49,117,252</b>	<b>\$133,203,155</b>

See accompanying notes to the basic financial statement

City of Troy, Ohio  
Statement of Activities  
For the Fiscal Year Ended December 31, 2009

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General Government	\$4,703,316	\$245,612	\$8,341	\$0
Public Safety	9,602,958	1,335,644	0	0
Leisure Time Activities	1,800,337	156,521	0	489,670
Community Development	778,762	88,534	500,000	94,148
Basic Utility Service	1,285,995	1,209,115	0	208,594
Transportation and Street Repair	2,181,607	53,888	1,422,318	713,979
Public Health and Welfare	455,342	204,179	0	0
Interest and Fiscal Charges	490,667	0	0	0
<b>Total Governmental Activities</b>	<b>21,298,984</b>	<b>3,293,493</b>	<b>1,930,659</b>	<b>1,506,391</b>
<b>Business-Type Activities:</b>				
Water Utility	4,656,843	4,105,433	0	556,028
Sewer Utility	4,059,903	3,220,430	0	1,313,655
Area Facilities	1,127,694	114,584	0	0
Pool	315,939	209,716	0	0
Parking	45,003	23,265	0	0
Golf Course	752,247	696,102	0	0
Stadium Facilities	2,914,173	0	0	0
Stormwater Utility	736,277	1,037,004	0	0
<b>Total Business-Type Activities</b>	<b>14,608,079</b>	<b>9,406,534</b>	<b>0</b>	<b>1,869,683</b>
<b>Totals</b>	<b>\$35,907,063</b>	<b>\$12,700,027</b>	<b>\$1,930,659</b>	<b>\$3,376,074</b>

General Revenues:  
Income Taxes  
Property Taxes Levied for:  
    General Purposes  
    Special Revenue Purposes  
Grants and Entitlements not Restricted to Specific Programs - Unrestricted  
Payment in Lieu of Taxes  
Unrestricted Contributions  
Investment Earnings  
Other Revenues  
Transfers-Internal Activities  
  
Total General Revenues and Transfers  
  
Change in Net Assets  
  
Net Assets Beginning of Year  
  
Net Assets End of Year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
(\$4,449,363)	\$0	(\$4,449,363)
(8,267,314)	0	(8,267,314)
(1,154,146)	0	(1,154,146)
(96,080)	0	(96,080)
131,714	0	131,714
8,578	0	8,578
(251,163)	0	(251,163)
(490,667)	0	(490,667)
<u>(14,568,441)</u>	<u>0</u>	<u>(14,568,441)</u>
0	4,618	4,618
0	474,182	474,182
0	(1,013,110)	(1,013,110)
0	(106,223)	(106,223)
0	(21,738)	(21,738)
0	(56,145)	(56,145)
0	(2,914,173)	(2,914,173)
0	300,727	300,727
<u>0</u>	<u>(3,331,862)</u>	<u>(3,331,862)</u>
<u>(14,568,441)</u>	<u>(3,331,862)</u>	<u>(17,900,303)</u>
10,947,510	0	10,947,510
1,889,150	0	1,889,150
1,888,060	0	1,888,060
1,739,288	0	1,739,288
194,775	0	194,775
48,268	0	48,268
1,035,398	319,289	1,354,687
280,779	681,344	962,123
25,200	(25,200)	0
<u>18,048,428</u>	<u>975,433</u>	<u>19,023,861</u>
3,479,987	(2,356,429)	1,123,558
<u>80,605,916</u>	<u>51,473,681</u>	<u>132,079,597</u>
<u>\$84,085,903</u>	<u>\$49,117,252</u>	<u>\$133,203,155</u>

City of Troy, Ohio  
Balance Sheet  
Governmental Funds  
December 31, 2009

	General	Other Governmental Funds	Total Governmental Funds
Assets:			
Equity in Pooled Cash and Investments	\$41,250,207	\$6,454,702	\$47,704,909
Restricted Cash and Investments	0	10,415	10,415
Receivables:			
Taxes	2,318,373	217,942	2,536,315
Accounts	769,012	14,224	783,236
Interest	289,393	9,771	299,164
Intergovernmental	938,314	634,846	1,573,160
Notes	0	2,600,408	2,600,408
Special Assessments	11,425	461,723	473,148
<b>Total Assets</b>	<b>45,576,724</b>	<b>10,404,031</b>	<b>55,980,755</b>
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	141,054	47,812	188,866
Accrued Wages and Benefits	718,130	51,322	769,452
Compensated Absences	8,000	0	8,000
Retainage Payable	0	10,415	10,415
Deferred Revenue	2,224,282	1,050,855	3,275,137
<b>Total Liabilities</b>	<b>3,091,466</b>	<b>1,160,404</b>	<b>4,251,870</b>
Fund Balances:			
Reserved for Encumbrances	328,312	429,662	757,974
Reserved for Property Tax Advances	103,033	4,653	107,686
Reserved for Notes Receivable	0	2,600,408	2,600,408
Unreserved, Undesignated, Reported in:			
General Fund	42,053,913	0	42,053,913
Special Revenue Funds	0	5,243,384	5,243,384
Debt Service Funds	0	20,632	20,632
Capital Projects Funds	0	944,888	944,888
<b>Total Fund Balances</b>	<b>42,485,258</b>	<b>9,243,627</b>	<b>51,728,885</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$45,576,724</b>	<b>\$10,404,031</b>	<b>\$55,980,755</b>

See accompanying notes to the basic financial statements.



City of Troy, Ohio  
 Reconciliation of Total Governmental Fund Balance to  
 Net Assets of Governmental Activities  
 December 31, 2009

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Total Governmental Fund Balance		\$51,728,885
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		42,510,398
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Delinquent Property Taxes	\$78,071	
Intergovernmental	1,213,759	
Other	<u>650,926</u>	
		1,942,756
In the statement of net assets 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.		(64,377)
Some liabilities reported in the statement of net assets do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds.		
Compensated Absences		(1,906,759)
Long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds.		<u>(10,125,000)</u>
Net Assets of Governmental Activities		<u><u>\$84,085,903</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, 2006

	General	Other Governmental Funds	Total Governmental Funds
Revenues:			
Taxes	\$12,817,528	\$1,886,137	\$14,703,665
Fines, Licenses and Permits	72,094	45,502	117,596
Charges for Services	2,538,050	388,743	2,926,793
Investment Earnings	925,699	109,699	1,035,398
Intergovernmental	1,874,161	2,561,338	4,435,499
Special Assessments	12,363	286,423	298,786
Payments in Lieu of Taxes	0	194,775	194,775
Other Revenues	439,508	54,385	493,893
<b>Total Revenues</b>	<b>18,679,403</b>	<b>5,527,002</b>	<b>24,206,405</b>
Expenditures:			
Current:			
General Government	4,098,466	60,856	4,159,322
Public Safety	9,113,511	26,806	9,140,317
Leisure Time Activities	1,290,500	217,842	1,508,342
Community Development	592,800	128,562	721,362
Basic Utility Service	1,211,206	14,163	1,225,369
Transportation and Street Repair	0	1,834,053	1,834,053
Public Health and Welfare	0	432,254	432,254
Capital Outlay	0	887,499	887,499
Debt Service:			
Principal Retirement	0	510,000	510,000
Interest and Fiscal Charges	0	492,630	492,630
<b>Total Expenditures</b>	<b>16,306,483</b>	<b>4,604,665</b>	<b>20,911,148</b>
Excess of Revenues Over (Under) Expenditures	2,372,920	922,337	3,295,257
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	18,615	0	18,615
Transfers In	1,783,264	2,021,440	3,804,704
Transfers (Out)	(2,338,120)	(1,926,184)	(4,264,304)
<b>Total Other Financing Sources (Uses)</b>	<b>(536,241)</b>	<b>95,256</b>	<b>(440,985)</b>
Net Change in Fund Balance	1,836,679	1,017,593	2,854,272
Fund Balance Beginning of Year	40,648,579	8,226,034	48,874,613
Fund Balance End of Year	\$42,485,258	\$9,243,627	\$51,728,885

See accompanying notes to the basic financial statements.

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, 2006

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Net Change in Fund Balance - Total Governmental Funds \$2,854,272

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 and depreciation in the current period.

Capital assets used in governmental activities	\$2,005,620	
Depreciation Expense	<u>(1,535,250)</u>	
		470,370

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. (14,229)

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

Delinquent Property Taxes	\$44,055	
Intergovernmental	(78,701)	
Other	<u>(128,000)</u>	
		(162,646)

Repayment of bond principal is an expenditure in the  
 governmental funds, but the repayment reduces long-term  
 liabilities in the statement of net assets. 510,000

In the statement of activities interest expense is accrued when incurred,  
 whereas in governmental funds an interest expenditure is reported  
 when due. 1,963

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		<u>(179,743)</u>
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Change in Net Assets of Governmental Activities \$3,479,987

See accompanying notes to the basic financial statements.

City of Troy, Ohio  
Statement of Net Assets  
Proprietary Funds  
December 31, 2009

	Business-Type Activities - Enterprise Funds			
	Water	Sanitary Sewer	Other Enterprise Funds	Total Business-Type Activities
<b>Current Assets:</b>				
Equity in Pooled Cash and Investments	\$4,365,399	\$6,804,331	\$1,388,592	\$12,558,322
Restricted Cash and Investments	65,750	0	20,201	85,951
Cash and Cash Equivalents with Fiscal Agent	0	1,451,384	0	1,451,384
<b>Receivables:</b>				
Accounts	192,913	169,415	58,712	421,040
Interest	15,263	23,406	2,083	40,752
Inventory	888,898	0	0	888,898
<b>Total Current Assets</b>	<b>5,528,223</b>	<b>8,448,536</b>	<b>1,469,588</b>	<b>15,446,347</b>
Nondepreciable Capital Assets	932,060	860,923	268,308	2,061,291
Depreciable Capital Assets, Net	21,048,938	19,345,611	5,806,211	46,200,760
<b>Total Noncurrent Assets</b>	<b>21,980,998</b>	<b>20,206,534</b>	<b>6,074,519</b>	<b>48,262,051</b>
<b>Total Assets</b>	<b>27,509,221</b>	<b>28,655,070</b>	<b>7,544,107</b>	<b>63,708,398</b>
<b>Liabilities:</b>				
<b>Current Liabilities:</b>				
Accounts Payable	79,379	38,891	44,967	163,237
Accrued Wages and Benefits	39,507	43,670	23,761	106,938
Compensated Absences	56,684	70,421	35,737	162,842
Retainage Payable	65,750	0	20,201	85,951
Accrued Interest Payable	27,806	23,736	80	51,622
Long-Term Liabilities Due Within One Year	1,015,000	573,234	15,826	1,604,060
<b>Total Current Liabilities</b>	<b>1,284,126</b>	<b>749,952</b>	<b>140,572</b>	<b>2,174,650</b>
<b>Long-Term Liabilities:</b>				
Compensated Absences	116,253	200,919	49,450	366,622
Bonds, Notes & Loans Payable	5,735,000	6,309,436	5,438	12,049,874
<b>Total Noncurrent Liabilities</b>	<b>5,851,253</b>	<b>6,510,355</b>	<b>54,888</b>	<b>12,416,496</b>
<b>Total Liabilities</b>	<b>7,135,379</b>	<b>7,260,307</b>	<b>195,460</b>	<b>14,591,146</b>
<b>Net Assets:</b>				
Invested in Capital Assets, Net of Related Debt	15,230,998	14,036,534	6,074,519	35,342,051
Unrestricted	5,142,844	7,358,229	1,274,128	13,775,201
<b>Total Net Assets</b>	<b>\$20,373,842</b>	<b>\$21,394,763</b>	<b>\$7,348,647</b>	<b>\$49,117,252</b>

See accompanying notes to the basic financial statements.

City of Troy, Ohio  
Statement of Revenues, Expenses  
and Changes in Fund Net Assets  
Proprietary Funds  
For the Fiscal Year Ended December 31, 2009

	Business-Type Activities - Enterprise Funds			
	Water	Sanitary Sewer	Other Enterprise Funds	Total Business-Type Activities
Operating Revenues:				
Fines, Licenses and Permits	\$0	\$0	\$6,730	\$6,730
Charges for Services	4,105,433	3,220,430	2,073,941	9,399,804
Other Revenues	46,834	11,960	622,550	681,344
<b>Total Operating Revenues</b>	<b>4,152,267</b>	<b>3,232,390</b>	<b>2,703,221</b>	<b>10,087,878</b>
Operating Expenses:				
Personal Services	1,318,398	1,392,000	1,409,284	4,119,682
Contractual Services	1,144,343	410,889	394,758	1,949,990
Materials and Supplies	626,337	181,941	461,734	1,270,012
Depreciation	945,043	916,357	362,763	2,224,163
Other Expenses	243,468	848,625	432,633	1,524,726
<b>Total Operating Expenses</b>	<b>4,277,589</b>	<b>3,749,812</b>	<b>3,061,172</b>	<b>11,088,573</b>
<b>Operating Income (Loss)</b>	<b>(125,322)</b>	<b>(517,422)</b>	<b>(357,951)</b>	<b>(1,000,695)</b>
Non-Operating Revenues (Expenses):				
Investment Earnings	124,023	174,516	20,750	319,289
Interest (Expense)	(379,254)	(310,091)	(1,273)	(690,618)
Gain (Loss) on Disposal of Capital Assets	0	0	(2,828,888)	(2,828,888)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>(255,231)</b>	<b>(135,575)</b>	<b>(2,809,411)</b>	<b>(3,200,217)</b>
<b>Income (Loss) Before Contributions and Transfers</b>	<b>(380,553)</b>	<b>(652,997)</b>	<b>(3,167,362)</b>	<b>(4,200,912)</b>
Capital Grants and Contributions	556,028	1,313,655	0	1,869,683
Transfers In	15,075	15,646	460,200	490,921
Transfers (Out)	0	0	(516,121)	(516,121)
<b>Change in Net Assets</b>	<b>190,550</b>	<b>676,304</b>	<b>(3,223,283)</b>	<b>(2,356,429)</b>
<b>Net Assets Beginning of Year</b>	<b>20,183,292</b>	<b>20,718,459</b>	<b>10,571,930</b>	<b>51,473,681</b>
<b>Net Assets End of Year</b>	<b>\$20,373,842</b>	<b>\$21,394,763</b>	<b>\$7,348,647</b>	<b>\$49,117,252</b>

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, 2009

	Business-Type Activities - Enterprise Funds			
	Water	Sanitary Sewer	Other Enterprise Funds	Total Business-Type Activities
<b>Cash Flows from Operating Activities:</b>				
Cash Received from Customers	\$4,116,885	\$3,204,519	\$2,699,840	\$10,021,244
Cash Payments to Employees	(1,497,641)	(1,349,978)	(1,424,215)	(4,271,834)
Cash Payments to Suppliers	(2,624,407)	(2,059,413)	(1,306,570)	(5,990,390)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>(5,163)</b>	<b>(204,872)</b>	<b>(30,945)</b>	<b>(240,980)</b>
<b>Cash Flows from Noncapital Financing Activities:</b>				
Payments from Other Funds	15,075	15,646	460,200	490,921
Payments to Other Funds	0	0	(516,121)	(516,121)
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<b>15,075</b>	<b>15,646</b>	<b>(55,921)</b>	<b>(25,200)</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Payments for Capital Acquisitions	(751,502)	(913,775)	(51,917)	(1,717,194)
Debt Proceeds	0	725,692	0	725,692
Debt Principal Payments	(965,000)	(1,278,714)	(15,132)	(2,258,846)
Debt Interest Payments	(383,398)	(312,021)	(1,329)	(696,748)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(2,099,900)</b>	<b>(1,778,818)</b>	<b>(68,378)</b>	<b>(3,947,096)</b>
<b>Cash Flows from Investing Activities:</b>				
Earnings on Investments	133,358	184,181	21,505	339,044
<b>Net Cash Provided (Used) by Cash Flows from Investing Activities</b>	<b>133,358</b>	<b>184,181</b>	<b>21,505</b>	<b>339,044</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(1,956,630)</b>	<b>(1,783,863)</b>	<b>(133,739)</b>	<b>(3,874,232)</b>
Cash and Cash Equivalents Beginning of Year	6,387,779	8,588,194	1,542,532	16,518,505
<b>Cash and Cash Equivalents End of Year</b>	<b>4,431,149</b>	<b>6,804,331</b>	<b>1,408,793</b>	<b>\$12,644,273</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b>				
Operating Income (Loss)	(125,322)	(517,422)	(357,951)	(\$1,000,695)
<b>Adjustments:</b>				
Depreciation	945,043	916,357	362,763	2,224,163
<b>Changes in Assets &amp; Liabilities:</b>				
(Increase) Decrease in Receivables	(35,382)	(27,871)	(3,381)	(66,634)
(Increase) Decrease in Inventory	59,609	0	0	59,609
Increase (Decrease) in Retainage Payable	65,750	0	0	65,750
Increase (Decrease) in Payables	(735,618)	(617,958)	(17,445)	(1,371,021)
Increase (Decrease) in Accrued Liabilities	(179,243)	42,022	(14,931)	(152,152)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>(\$5,163)</b>	<b>(\$204,872)</b>	<b>(\$30,945)</b>	<b>(\$240,980)</b>
<b>Schedule of Noncash Capital Activities:</b>				
During the fiscal year, these amounts were received representing noncash contributions of:				
Capital Assets	\$593,528	\$587,963	\$0	\$1,181,491
Debt	\$0	\$725,692	\$0	\$725,692

See accompanying notes to the basic financial statements.

City of Troy, Ohio  
Statement of Fiduciary Net Assets  
Fiduciary Funds  
December 31, 2009

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	Private Purpose Trust	Agency
	<u>          </u>	<u>          </u>
Assets:		
Equity in Pooled Cash and Investments	\$280,159	\$75,885
Receivables:		
Interest	<u>965</u>	<u>100</u>
Total Assets	<u>281,124</u>	<u>75,985</u>
Liabilities:		
Other Liabilities	<u>0</u>	<u>75,985</u>
Total Liabilities	<u>0</u>	<u>\$75,985</u>
Net Assets:		
Restricted for Endowment - Expendable	171,032	
Restricted for Endowment - Nonexpendable	<u>110,092</u>	
Total Net Assets	<u>\$281,124</u>	

See accompanying notes to the basic financial statements.

City of Troy, Ohio  
Statement of Changes in Fiduciary Net Assets  
Fiduciary Fund  
For the Fiscal Year Ended December 31, 2006

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	Private Purpose Trust
Additions:	
Donations	\$7
Investment Earnings	6,685
Total Additions	<u>6,692</u>
Deductions:	
Public Health and Welfare	8,140
Total Deductions	<u>8,140</u>
Change in Net Assets	(1,448)
Net Assets Beginning of Year	<u>282,572</u>
Net Assets End of Year	<u><u>\$281,124</u></u>

See accompanying notes to the basic financial statements.



**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2009**

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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 Miami Valley Risk Management Association, Inc. (MVRMA) is a risk sharing insurance pool established for the purpose of enabling the subscribing political subdivisions to obtain liability insurance and providing a formalized, jointly administered self-insurance fund for its members. The members formed a not-for-profit corporation known as Miami Valley Risk Management Association, Inc. for the purpose of administering the pool. The subscribing members of the self-insurance pool include the Cities of Beavercreek, Bellbrook, Blue Ash, Centerville, Englewood, Kettering, Madeira, Mason, Miamisburg, Montgomery, Piqua, Sidney, Springdale, Tipp City, Troy, Vandalia, West Carrollton, Wilmington, and Wyoming, and the Village of Indian Hill. The City has no explicit and measurable equity interest in MVRMA and no ongoing financial responsibility for MVRMA.

## **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 City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its enterprise funds provided they do not conflict with or contradict GASB pronouncements. For proprietary funds the City has elected not to follow subsequent private-sector guidance. 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 and all liabilities associated with the operation of the City are included on the Statement of Net Assets.

#### **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 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 and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets. 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 assets 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 assets 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 assets 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.

## **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 liabilities is reported as fund balance. The following is the City's major governmental fund:

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.

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 assets, 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 - The sewer fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City.

## Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: agency funds, pension trust funds, investment trust funds and private-purpose trust funds. Agency Funds are custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. Trust funds are used to account for assets held under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City currently has one private purpose trust funds and seven agency funds. 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). The Stouder Playground agency fund is used to account for the receipt of monies to be used for the acquisition and maintenance of playground equipment. The Paul G. Duke agency fund is used to account for the receipt of monies to be used for the acquisition and improvement of parks and recreation facilities. The Unclaimed Funds agency fund is used for the receipt of unclaimed monies. The Tri-Centennial agency fund is used to account for receipt of monies to be used for tri-centennial activities. The Imprest Cash agency fund is used to account for assets and liabilities of the imprest cash fund. The Enterprise Zone agency fund is used to account for assets received and disbursed as agent relative to enterprise zone activities. The Fire Insurance Escrow agency fund is used to account for receipts and disbursements on monies related to fire insurance escrow.

## **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 revenue 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 Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of the current year-end, but which were levied to finance future operations, have been recorded as deferred revenue. Special assessments not received within the available period and grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

### Unearned Revenue

Unearned revenue represents amounts under the accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met because such amounts have not yet been earned.

### 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 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.

For purposes of the statement of cash flows and for presentation on the statement of net assets/balance sheet, investments with an original maturity of three months or less and investments of the cash management pool are considered to be cash equivalents.

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 2009 amounted to \$925,699. Interest revenues assigned to the General Fund from other city funds amounted to \$667,932.

## **Inventory**

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

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.

## **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 assets 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 assets 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 are recorded at their fair market values as of the date received. The City's infrastructure consists of curbs, sidewalks, storm sewers, streets, and water and 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, half year convention 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, compensated absences, and contractually required pension contributions 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.



## **Fund Balance Reserves**

The City reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditure. As a result, encumbrances, property tax advances and notes receivable are recorded as a reservation of fund balance.

## **Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt 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 assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. Of the City's \$9,958,828 in restricted net assets, none was restricted by enabling legislation.

## **Operating Revenues and Expenses**

The City, in its proprietary fund, 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 fund 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.

### **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).
- (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, by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public moneys deposited with the institution.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. 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 is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's policy for deposits is any balance not covered by depository insurance will be collateralized by the financial institutions with pledged securities. As of December 31, 2009, \$1,904,181 of the City's bank balance of \$2,493,867 was exposed to custodial risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name.

Ohio Revised Code Chapter 135, Uniform Depository Act, authorizes pledging of pooled securities in lieu of specific securities. Specifically, a designated public depository may pledge a single pool of eligible securities to secure repayment of all public monies deposited in the financial institution, provided that all times the total value of the securities so pledged is at least equal to 105% of the total amount of all public deposits secured by the pool, including the portion of such deposits covered by any federal deposit insurance.

## Investments

As of December 31, 2009, the City had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (Years)
Federal Home Loan Bank	\$14,359,398	3.18
Federal Home Loan Mortgage Corporation	14,030,980	2.81
Federal Farm Credit Bank	987,810	4.92
Federal National Mortgage Association	24,867,086	3.52
Troy Long-Term Debt Held by the City	1,670,000	24.68
Money Market Fund	2,963,142	0.00
Total Fair Value	\$58,878,416	
Portfolio Weighted Average Maturity		3.72

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 not 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 Home Loan Mortgage Corporation, Federal Farm Credit Bank, Federal National Mortgage Association and in Money Market Funds were rated AAA by Standard and Poor’s and Fitch ratings and Aaa by Moody’s Investors Service. The City’s Troy Long-Term Debt held by the City is not rated.

Concentration of credit risk – The City’s investment policy allows investments in Federal Government Securities or Instrumentalities. The City has invested 24% of the City’s investments in Federal Home Loan Bank, 24% in Federal Home Loan Mortgage Corporation, 2% in Federal Farm Credit Bank, 42% in Federal National Mortgage Association, 3% in Troy Long-Term Debt Held by the City and 5% 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.

#### **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 and notes receivable.

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

Special assessments expected to be collected in more than one year amounts to approximately \$473,148 of which, \$14,123 is considered delinquent.

#### **Property Taxes**

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Property tax revenue received during 2009 for real and public utility property taxes represents collections of the 2008 taxes. Property tax payments received during 2009 for tangible personal property (other than public utility property) is for 2008 taxes.

2009 real property taxes are levied after October 1, 2009, on the assessed value as of January 1, 2009, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2009 real property taxes are collected in and intended to finance 2010 operations.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 100 percent of true value. 2009 public utility property taxes became a lien December 31, 2008, are levied after October 1, 2009, and are collected in 2010 with real property taxes.

2009 tangible personal property taxes are levied after October 1, 2009, on the value as of December 31, 2008. Collections are made in 2009. Tangible personal property assessments are 25 percent of true value.

The tangible personal property tax will phase out over a four-year period starting with tax year 2006 and ending with no tax due in 2009. This phase-out applies to most businesses and includes furniture and fixtures, machinery and equipment and inventory. New manufacturing machinery and equipment first reportable on the 2006 and subsequent year returns is not subject to the personal property tax.

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

Real Property	\$485,838,200
Public Utility	10,003,980
Tangible Personal Property	<u>24,111,720</u>
Total Valuation	<u><u>\$519,953,900</u></u>

Real property taxes are payable annually or semi-annually. The first payment is due February 14 with the remainder payable by July 20.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30; with the remainder payable by September 20.

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Accrued property taxes receivable represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of year end for which there is an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at year end, nor were they levied to finance current year operations. The receivable is therefore offset by deferred revenue.

### **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**

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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. During 2009, the MVRMA Board made a decision not to expand into the Columbus market at this time by adding the three members of CORMA, another risk pool.

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:

General Liability: \$10,000,000/occurrence

Automobile Liability: \$10,000,000/occurrence

MVRMA self-insured \$1 million/occurrence. MVRMA obtained reinsurance from Government Entities Mutual Inc. (GEM) for \$1 million excess \$1 million, and from General Reinsurance Corporation for \$8 million excess \$2 million.

Police Professional Liability: \$10,000,000/occurrence

MVRMA self-insured \$1 million/occurrence. MVRMA obtained reinsurance from Government Entities Mutual Inc. (GEM) for \$1 million excess \$1 million, and from General Reinsurance Corporation for \$8 million excess \$2 million.

Employment Practices Liability and Public Officials Liability Including Employee Benefits Liability

MVRMA self-insured \$1 million/occurrence. MVRMA obtained reinsurance from Government Entities Mutual Inc. (GEM) for \$1 million excess \$1 million, and from General Reinsurance Corporation for \$8 million excess \$2 million – Annual aggregate \$10 million per member

Property (effective 7/1/08-7/1/09):

\$1,000,000,000/occurrence

MVRMA SIR: \$200,000/occurrence

Coverage excess SIR provided by PEPPIP USA as follows:

Lexington Insurance Company (Primary \$25 million)

List of carriers for layers excess of \$25 million provided upon request.

Property (effective 7/1/09-7/1/10):

\$1,000,000,000/occurrence

MVRMA SIR: \$250,000/occurrence

Coverage excess SIR provided by PEPPIP USA as follows:

Lexington Insurance Company (Primary \$25 million)

List of carriers for layers excess of \$25 million provided upon request.

Flood (effective 7/1/08-7/1/10)

\$25 million/occurrence and annual aggregate

Sublimit: Flood Zone A & V - \$5 million/occurrence and annual aggregate

MVRMA SIR: \$100,000/occurrence excluding Flood Zones A & V

MVRMA SIR: \$250,000/occurrence Flood Zones A & V

Earthquake (effective 7/1/08-7/1/10)

\$25 million/occurrence and annual aggregate

MVRMA SIR: \$100,000/occurrence

Boiler & Machinery (effective 7/1/08-7/1/10)

\$100,000,000/occurrence

MVRMA SIR: \$5,000/occurrence

Coverage excess SIR provided by PEPPIP USA as follows:

Lexington Insurance Company (Primary \$25 million)

List of carriers for layers excess of \$25 million provided upon request.

Member Deductible/occurrence - \$2,500

Financial Audit for 2009 has not been completed yet. Figures from audited 2008 Financial Audit are as follows:

Current Assets	\$5,453,694
Total Assets	\$17,116,031
Current Liabilities	\$6,235,474
Long-Term Liabilities	\$0
Net Assets	\$10,880,557

There has been no material change in this coverage from the prior year. Settled claims have not exceeded this commercial coverage in any of the past three years.



## Workers' Compensation Group Rating Program

For the current fiscal year the City of Troy 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.

### Note 6 – Capital Assets

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

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$12,181,672	\$49,332	\$0	\$12,231,004
Construction in Progress	694,640	515,158	724,998	484,800
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	14,850,010	0	17,815	14,832,195
Equipment	8,351,481	600,051	266,474	8,685,058
Infrastructure	28,291,390	1,566,077	0	29,857,467
Totals at Historical Cost	<u>\$64,369,193</u>	<u>\$2,730,618</u>	<u>\$1,009,287</u>	<u>\$66,090,524</u>
Less Accumulated Depreciation:				
Buildings and Improvements	\$5,225,311	\$444,683	\$10,244	\$5,659,750
Equipment	6,112,439	565,312	259,816	6,417,935
Infrastructure	10,977,186	525,255	0	11,502,441
Total Accumulated Depreciation	<u>\$22,314,936</u>	<u>\$1,535,250</u>	<u>\$270,060</u>	<u>\$23,580,126</u>
Governmental Activities Capital Assets, Net	<u>\$42,054,257</u>	<u>\$1,195,368</u>	<u>\$739,227</u>	<u>\$42,510,398</u>

**Business-Type Activities****Capital Assets, not being depreciated:**

Land	\$538,683	\$0	\$49,638	\$489,045
Construction in Progress	782,210	1,165,978	375,942	1,572,246

**Capital Assets, being depreciated:**

Buildings and Improvements	44,669,794	375,942	3,681,310	41,364,426
Equipment	11,191,424	459,590	21,126	11,629,888
Infrastructure	25,258,727	1,229,291	0	26,488,018

Totals at Historical Cost	<u>\$82,440,838</u>	<u>\$3,230,801</u>	<u>\$4,128,016</u>	<u>\$81,543,623</u>
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## Less Accumulated Depreciation:

Buildings and Improvements	\$16,480,890	\$1,126,007	\$945,886	\$16,661,011
Equipment	3,687,528	545,472	21,126	4,211,874
Infrastructure	11,856,003	552,684	0	12,408,687

Total Accumulated Depreciation	<u>\$32,024,421</u>	<u>\$2,224,163</u>	<u>\$967,012</u>	<u>\$33,281,572</u>
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Business-Type Activities Capital Assets, Net	<u>\$50,416,417</u>	<u>\$1,006,638</u>	<u>\$3,161,004</u>	<u>\$48,262,051</u>
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Depreciation expense was charged to governmental functions as follows:

General Government	\$500,744
Public Safety	352,505
Leisure Time Activities	281,461
Transportation and Street Repair	295,907
Basic Utility Service	46,452
Community Development	58,181
Total Depreciation Expense	<u>\$1,535,250</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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## 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>							
<u>General Obligation Bonds</u>							
Stadium Improvements - \$3,055,000	12/1/22	2.50-5.25%	\$2,420,000	\$0	(\$130,000)	\$2,290,000	\$135,000
Elm Street Improvements - \$595,000	12/1/24	2.00-4.75%	510,000	0	(25,000)	485,000	25,000
Aquatic Center - \$3,945,000	12/1/24	2.00-4.75%	3,385,000	0	(155,000)	3,230,000	160,000
Cemetary Maintenance Building - \$455,000	12/1/24	2.00-4.75%	395,000	0	(20,000)	375,000	20,000
Fire Station - \$2,515,000	12/1/24	2.00-4.75%	2,155,000	0	(100,000)	2,055,000	105,000
Tax Increment Financing - \$1,800,000	9/1/34	6.00%	1,700,000	0	(30,000)	1,670,000	30,000
<b>Total General Obligation Bonds</b>			<b>10,565,000</b>	<b>0</b>	<b>(460,000)</b>	<b>10,105,000</b>	<b>475,000</b>
<u>Special Assessment Bonds</u>							
Street Improvement - Dorset Rd. - \$779,000	12/1/09	7.35%	40,000	0	(40,000)	0	0
Street Improvement - Exp. Farm Rd. - \$140,000	12/1/11	3.35-5.00%	30,000	0	(10,000)	20,000	10,000
<b>Total Special Assessment Bonds</b>			<b>70,000</b>	<b>0</b>	<b>(50,000)</b>	<b>20,000</b>	<b>10,000</b>
<b>Total Long-Term Liabilities - Bonds</b>			<b>10,635,000</b>	<b>0</b>	<b>(510,000)</b>	<b>10,125,000</b>	<b>485,000</b>
Compensated Absences			1,727,016	704,070	(516,327)	1,914,759	586,030
<b>Total Governmental Activities</b>			<b>\$12,362,016</b>	<b>\$704,070</b>	<b>(\$1,026,327)</b>	<b>\$12,039,759</b>	<b>\$1,071,030</b>
<b>Business-Type Activities</b>							
<u>General Obligation Bonds</u>							
Water Improvement Towers - \$2,585,000	12/1/11	3.35-5.00%	\$735,000	\$0	(\$235,000)	\$500,000	\$245,000
Waterplant Expansion I - \$1,580,000	12/1/11	4.75-6.25%	860,000	0	(270,000)	590,000	285,000
Wastewater System Improvement - \$3,500,000	12/1/19	3.35-5.30%	2,185,000	0	(155,000)	2,030,000	160,000
Wastewater Improvement IIIC&VA - \$500,000	12/31/20	0.00%	300,000	0	(25,000)	275,000	25,000
Water Line Extension - \$1,020,000	12/1/12	2.50-4.00%	460,000	0	(110,000)	350,000	115,000
Southeast Area Sewer - \$1,310,000	12/1/24	2.00-4.75%	1,125,000	0	(55,000)	1,070,000	55,000
Generators - \$1,210,000	12/1/24	2.00-4.75%	1,040,000	0	(50,000)	990,000	50,000
Refunding Wastewater System Improvement - \$2,550,000	12/1/15	4.00-5.00%	2,060,000	0	(255,000)	1,805,000	270,000
Refunding Waterplant Expansion I - \$1,705,000	12/1/16	5.00%	1,705,000	0	0	1,705,000	0
Refunding Waterplant Expansion II - \$4,330,000	12/1/17	4.00-5.00%	3,955,000	0	(350,000)	3,605,000	370,000
<b>Total General Obligation Bonds</b>			<b>14,425,000</b>	<b>0</b>	<b>(1,505,000)</b>	<b>12,920,000</b>	<b>1,575,000</b>
OWDA Loan - \$1,451,384	7/1/29	3.25%	0	1,451,384	(738,714)	712,670	13,234
Golf Cart Note - \$60,154	4/1/10	4.50%	36,396	0	(15,132)	21,264	15,826
<b>Total Long Term Liabilities - Bonds, Loan and Note</b>			<b>14,461,396</b>	<b>1,451,384</b>	<b>(2,258,846)</b>	<b>13,653,934</b>	<b>1,604,060</b>
Compensated Absences			580,352	120,994	(171,882)	529,464	162,842
<b>Total Business-Type Activities</b>			<b>\$15,041,748</b>	<b>\$1,572,378</b>	<b>(\$2,430,728)</b>	<b>\$14,183,398</b>	<b>\$1,766,902</b>

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.

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

Year Ending December 31	Governmental Activities				Business-Type Activities					
	General Obligation Bonds		Special Assessment Bonds		General Obligation Bonds		OWDA Loan		Notes Payable	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$475,000	\$470,928	\$10,000	\$995	\$1,575,000	\$618,493	\$13,234	\$19,336	\$15,826	\$635
2011	485,000	454,696	10,000	500	1,645,000	541,113	27,117	22,513	5,438	49
2012	505,000	437,129	0	0	1,435,000	462,695	28,005	21,624	0	0
2013	525,000	418,261	0	0	1,400,000	394,658	28,923	20,707	0	0
2014	550,000	397,770	0	0	1,465,000	326,963	29,870	19,759	0	0
2015-2019	3,130,000	1,606,294	0	0	4,535,000	696,531	164,688	83,461	0	0
2020-2024	3,475,000	783,902	0	0	865,000	123,260	193,495	54,654	0	0
2025-2029	410,000	240,900	0	0	0	0	227,338	20,810	0	0
2030-2034	550,000	103,200	0	0	0	0	0	0	0	0
Total	\$10,105,000	\$4,913,080	\$20,000	\$1,495	\$12,920,000	\$3,163,713	\$712,670	\$262,864	\$21,264	\$684

The Special assessment bonds are backed by the full faith and credit of the City and are repaid from the resources of the debt service fund. The City levies an assessment against the effected property owners.

### **Note 9 – Prior Year Defeasance of Debt**

In prior years, the City defeased certain general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included on the City’s financial statements. On December 31, 2009, \$8,745,000 of bonds outstanding are considered defeased.

### **Note 10 – Pension Plans**

#### **Ohio Public Employees Retirement System**

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans, a Traditional Pension Plan (TP), a Member-Directed Plan (MD) and a Combined Plan (CO). The TP Plan is a cost-sharing multiple-employer defined benefit pension plan. The MD Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the MD Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings. The CO Plan is a cost sharing, multiple-employer defined benefit pension plan. Under the CO Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to the TP Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the MD Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the TP and CO Plans. Members of the MD Plan do not qualify for the ancillary benefits. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing to the OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling 614-222-5601 or 800-222-7377, or by visiting the OPERS website at [www.opers.org](http://www.opers.org).

The Ohio Revised Code provides statutory authority for member and employer contributions. Plan members and employer contributions rates were consistent across all three plans. Plan members are required to contribute 10% of their annual covered salary to fund pension obligations. The employer pension contribution rate for the City is 14% of covered payroll. The contribution rates are determined actuarially. The City's required contributions to OPERS for the years ended December 31, 2009, 2008 and 2007 were \$922,961, \$934,811 and \$940,437, respectively. The full amount has been contributed for 2007 and 2008 and 93% has been contributed for 2009.

### **Ohio Police and Fire Pension Fund**

The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple employer defined benefit pension plan. 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. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164, or by visiting the OP&F website at [www.op-f.org](http://www.op-f.org).

Plan members are required to contribute 10.0% of their annual covered salary, while employers (the City) are required to contribute 19.5% for police officers and 24.0% for firefighters. The City's contributions to OP&F for the years ending December 31, 2009, 2008 and 2007 were \$1,225,764, \$1,192,489, and \$1,139,893, respectively. The full amount has been contributed for 2007 and 2008 and 78% has been contributed for 2009.

## **Note 11 – Post Employment Benefits**

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### **Ohio Public Employees Retirement System**

#### Plan Description

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

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

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377, or by visiting the OPERS website at [www.opers.org](http://www.opers.org).

#### Funding Policy

The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2009, the City contributed at 14% of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14% of covered payroll. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care Plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determined the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. The portion of employer contribution allocated to the health care plan was 7.0% from January 1 through March 31, 2009 and 5.5% from April 1 through December 31, 2009. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care coverage by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

### Information from City's Records

The City's required contributions for the current year, which were used to fund postemployment benefits, were \$107,361 for the period of January 1 through March 31, 2009 and \$278,267 for the period of April 1 through December 31, 2009, \$467,406 for 2008, \$169,997 for the period of January 1 through June 30, 2007 and \$203,413 for the period of July 1 through December 31, 2007. The full amount (actual) has been contributed for 2007 and 2008 and 93% has been contributed for 2009.

### OPERS Retirement Board Implements its Health Care Preservation Plan

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased on January 1 of each year 2006 to 2008, which allowed additional funds to be allocated to the health care plan.

### Other Information

At December 31, 2009, the number of active contributing participants in the Traditional and Combined Plans totaled 357,584. The number of active contributing participants for both plans used in the December 31, 2008, actuarial valuation was 356,388.

The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2008, (the latest information available) were \$10.7 billion. Based on the actuarial cost method used, the Actuarial Valuations as of December 31, 2008, (the latest information available) reported the actuarially accrued liability and the unfunded actuarial accrued liability for OPEB at \$29.6 billion and \$18.9 billion, respectively.

## **Ohio Police and Fire Pension Fund**

### 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 healthcare plan administered by OP&F. OP&F provides healthcare benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

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

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



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

### Funding Policy

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and Section 401(h) account as the employer contribution for retiree healthcare benefits. For the year ended December 31, 2009, the employer contribution allocated to the health care plan was 6.75% of covered payroll. The amount of employer contributions allocated to the healthcare plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The OP&F Board of Trustees also is authorized to establish requirements for contributions to the healthcare 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.

### Information from City's Records

The City's required contributions to OP&F were \$198,152 for police and \$183,513 for fire for the year ending December 31, 2009; \$193,990 for police and \$177,771 for fire for the year ending December 31, 2008; and \$183,071 for police and \$171,631 for fire for the year ending December 31, 2007, respectively, was allocated to the healthcare plan. The actual contributions for 2007 and 2008 were 100% and 78% has been contributed for 2009.

### Other Information

The number of participants eligible to receive health care benefits as of December 31, 2008, the date of the last actuarial valuation available, are 14,567 for Police and 10,750 for Firefighters. OP&F's total health care expense for the year ending December 31, 2008, the date of the last actuarial valuation available, was \$96,472,398, which was net of member contributions of \$56,948,977.

### **Note 12 – Construction and Other Commitments**

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The City had the following outstanding commitments at year end:

<u>Construction and Other Commitments</u>	<u>Amount</u>
Sewer Plant	\$101,008
Water Treatment Plant	105,981
Street Improvements	336,231
Police Cruisers	111,812
Rock Salt for Streets	77,640
Refuse Collection, Improvements and Two Trucks	46,562
Stormwater Improvements	178,143
Hobart Arena Events	112,572
Sidewalk Improvements	24,775
Other Construction and Commitments	<u>57,509</u>
Total Outstanding Commitments	<u><u>\$1,152,233</u></u>

### **Note 13 – Interfund Transfers**

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Interfund transfers for the year ended December 31, 2009 consisted of the following:

	Transfers	
	<u>In</u>	<u>Out</u>
General Fund	\$1,783,264	\$2,338,120
Other Governmental Funds	2,021,440	1,926,184
Water	15,075	0
Sewer	15,646	0
Other Enterprise Funds	<u>460,200</u>	<u>516,121</u>
Total All Funds	<u><u>\$4,295,625</u></u>	<u><u>\$4,780,425</u></u>

The transfers in and transfers out do not equal on the fund level due to the stormwater fund having paid for capital assets of the governmental activities.

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 money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed.

**Note 14 - 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 \$171,032. The City authorizes expenditures from donor-restricted endowment in compliance with the wishes expressed by the donor and the Ohio Revised Code.

# **REQUIRED SUPPLEMENTARY INFORMATION**

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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, 2009

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Revenues:</b>				
Taxes	\$14,841,735	\$12,730,101	\$12,859,196	\$129,095
Fines, Licenses and Permits	83,577	70,200	72,413	2,213
Intergovernmental	2,165,743	1,869,807	1,876,446	6,639
Special Assessments	14,269	12,000	12,363	363
Charges for Services	2,876,992	2,403,928	2,492,687	88,759
Investment Earnings	1,657,019	1,362,691	1,435,677	72,986
Other Revenues	505,033	427,800	437,571	9,771
<b>Total Revenues</b>	<b>22,144,368</b>	<b>18,876,527</b>	<b>19,186,353</b>	<b>309,826</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	4,652,749	4,652,749	4,348,531	304,218
Public Safety	9,985,771	9,985,771	9,459,012	526,759
Leisure Time Activities	1,387,721	1,387,721	1,377,440	10,281
Community Development	652,511	652,511	629,727	22,784
Basic Utility Service	1,341,696	1,341,696	1,272,651	69,045
<b>Total Expenditures</b>	<b>18,020,448</b>	<b>18,020,448</b>	<b>17,087,361</b>	<b>933,087</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>4,123,920</b>	<b>856,079</b>	<b>2,098,992</b>	<b>1,242,913</b>
<b>Other Financing Sources (Uses):</b>				
Proceeds from Sale of Capital Assets	21,485	18,500	18,615	115
Transfers In	2,058,195	1,822,802	1,783,264	(39,538)
Transfers (Out)	(5,538,216)	(5,538,216)	(2,338,120)	3,200,096
<b>Total Other Financing Sources (Uses)</b>	<b>(3,458,536)</b>	<b>(3,696,914)</b>	<b>(536,241)</b>	<b>3,160,673</b>
<b>Net Change in Fund Balance</b>	<b>665,384</b>	<b>(2,840,835)</b>	<b>1,562,751</b>	<b>4,403,586</b>
<b>Fund Balance Beginning of Year (includes prior year encumbrances appropriated)</b>	<b>39,308,852</b>	<b>39,308,852</b>	<b>39,308,852</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$39,974,236</b>	<b>\$36,468,017</b>	<b>\$40,871,603</b>	<b>\$4,403,586</b>

See accompanying notes to the required supplementary information.

**City of Troy, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Year Ended December 31, 2009**

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**Note 1 – Budgetary Process**

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All funds, except agency 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 statements 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 statements 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 (Non-GAAP Basis) and Actual 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 a reservation 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.

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

**Net Change in Fund Balance**

	<u>General</u>
GAAP Basis	\$1,836,679
Revenue Accruals	506,950
Expenditure Accruals	(405,726)
Encumbrances	<u>(375,152)</u>
Budget Basis	<u>\$1,562,751</u>

# COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES





## ***NONMAJOR GOVERNMENTAL FUNDS***

***Special Revenue Funds:*** Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

*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.

*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.

*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.

*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.

*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.

*FEMA* - To account for monies received through the Federal Emergency Management Agency.

**Debt Service Fund:** The Debt Service Fund is to account for special assessments resources and for the repayment of special assessments debt.

**Capital Projects Funds:** The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities.

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

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

**TIF 2003 Fund** - To account for capital projects financed by TIF 2003 monies.

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

City of Troy, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2009

	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	\$5,294,566	\$20,561	\$1,139,575	\$6,454,702
Restricted Cash and Investments	0	0	10,415	10,415
<b>Receivables:</b>				
Taxes	217,942	0	0	217,942
Accounts	14,224	0	0	14,224
Interest	9,700	71	0	9,771
Intergovernmental	544,627	0	90,219	634,846
Notes	2,600,408	0	0	2,600,408
Special Assessments	7,535	16,851	437,337	461,723
<b>Total Assets</b>	<b>8,689,002</b>	<b>37,483</b>	<b>1,677,546</b>	<b>10,404,031</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts Payable	16,177	0	31,635	47,812
Accrued Wages and Benefits	51,322	0	0	51,322
Retainage Payable	0	0	10,415	10,415
Deferred Revenue	506,448	16,851	527,556	1,050,855
<b>Total Liabilities</b>	<b>573,947</b>	<b>16,851</b>	<b>569,606</b>	<b>1,160,404</b>
<b>Fund Balances:</b>				
Reserved for Encumbrances	266,610	0	163,052	429,662
Reserved for Property Tax Advances	4,653	0	0	4,653
Reserved for Notes Receivable	2,600,408	0	0	2,600,408
<b>Unreserved, Undesignated, Reported in:</b>				
Special Revenue Funds	5,243,384	0	0	5,243,384
Debt Service Funds	0	20,632	0	20,632
Capital Projects Funds	0	0	944,888	944,888
<b>Total Fund Balances</b>	<b>8,115,055</b>	<b>20,632</b>	<b>1,107,940</b>	<b>9,243,627</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$8,689,002</b>	<b>\$37,483</b>	<b>\$1,677,546</b>	<b>\$10,404,031</b>

City of Troy, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2009

	Street Construction, Maintenance and Repair	State Highway Improvement	Cemetery	Safety- Income Tax	Municipal Real Property
Assets:					
Equity in Pooled Cash and Investments	\$587,667	\$141,005	\$135,339	\$1,556,293	\$368,927
Receivables:					
Taxes	0	0	0	151,237	0
Accounts	12,838	0	0	0	0
Interest	0	509	0	0	1,271
Intergovernmental	474,071	38,438	0	0	28,362
Notes	0	0	0	0	0
Special Assessments	7,535	0	0	0	0
<b>Total Assets</b>	<b>1,082,111</b>	<b>179,952</b>	<b>135,339</b>	<b>1,707,530</b>	<b>398,560</b>
Liabilities and Fund Balances:					
Liabilities:					
Accounts Payable	11,394	0	3,571	0	1,212
Accrued Wages and Benefits	40,718	0	10,604	0	0
Deferred Revenue	401,599	31,951	0	0	7,090
<b>Total Liabilities</b>	<b>453,711</b>	<b>31,951</b>	<b>14,175</b>	<b>0</b>	<b>8,302</b>
Fund Balances:					
Reserved for Encumbrances	107,581	0	5,854	0	11,467
Reserved for Property Tax Advances	0	0	0	0	0
Reserved for Notes Receivable	0	0	0	0	0
Unreserved, Undesignated, Reported in: Special Revenue Funds	520,819	148,001	115,310	1,707,530	378,791
<b>Total Fund Balances</b>	<b>628,400</b>	<b>148,001</b>	<b>121,164</b>	<b>1,707,530</b>	<b>390,258</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$1,082,111</b>	<b>\$179,952</b>	<b>\$135,339</b>	<b>\$1,707,530</b>	<b>\$398,560</b>

Miami Conservancy District	Recreational Programs	Parks and Recreation Improvement	Community Development Block Grant	Parking Improvement	Drug Law Enforcement	Law Enforcement
\$180,063	\$232,165	\$29,205	\$684,848	\$273,298	\$4,408	\$21,667
66,705	0	0	0	0	0	0
0	0	1,386	0	0	0	0
0	800	101	2,359	941	0	0
3,756	0	0	0	0	0	0
0	0	0	2,446,686	0	0	0
0	0	0	0	0	0	0
<u>250,524</u>	<u>232,965</u>	<u>30,692</u>	<u>3,133,893</u>	<u>274,239</u>	<u>4,408</u>	<u>21,667</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>65,808</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>65,808</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	7,900	0	131,203	2,465	0	0
4,653	0	0	0	0	0	0
0	0	0	2,446,686	0	0	0
<u>180,063</u>	<u>225,065</u>	<u>30,692</u>	<u>556,004</u>	<u>271,774</u>	<u>4,408</u>	<u>21,667</u>
<u>184,716</u>	<u>232,965</u>	<u>30,692</u>	<u>3,133,893</u>	<u>274,239</u>	<u>4,408</u>	<u>21,667</u>
<u>\$250,524</u>	<u>\$232,965</u>	<u>\$30,692</u>	<u>\$3,133,893</u>	<u>\$274,239</u>	<u>\$4,408</u>	<u>\$21,667</u>

Continued

City of Troy, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2009

	Cemetery Endowment	Small Business Development R-Loan	FEMA	Total Nonmajor Special Revenue Funds
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$816,909	\$262,772	\$0	\$5,294,566
<b>Receivables:</b>				
Taxes	0	0	0	217,942
Accounts	0	0	0	14,224
Interest	2,814	905	0	9,700
Intergovernmental	0	0	0	544,627
Notes	0	153,722	0	2,600,408
Special Assessments	0	0	0	7,535
<b>Total Assets</b>	<b>819,723</b>	<b>417,399</b>	<b>0</b>	<b>8,689,002</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts Payable	0	0	0	16,177
Accrued Wages and Benefits	0	0	0	51,322
Deferred Revenue	0	0	0	506,448
<b>Total Liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>573,947</b>
<b>Fund Balances:</b>				
Reserved for Encumbrances	0	140	0	266,610
Reserved for Property Tax Advances	0	0	0	4,653
Reserved for Notes Receivable	0	153,722	0	2,600,408
Unreserved, Undesignated, Reported in: Special Revenue Funds	819,723	263,537	0	5,243,384
<b>Total Fund Balances</b>	<b>819,723</b>	<b>417,399</b>	<b>0</b>	<b>8,115,055</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$819,723</b>	<b>\$417,399</b>	<b>\$0</b>	<b>\$8,689,002</b>

City of Troy, Ohio  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2009

	Capital Improvement	OPWC Project Fund	TIF 2003 Fund	Technology Fund	Total Nonmajor Capital Projects Funds
Assets:					
Equity in Pooled Cash and Investments	\$338,809	\$488,752	\$211,874	\$100,140	\$1,139,575
Restricted Cash and Investments	10,415	0	0	0	10,415
Receivables:					
Intergovernmental	90,219	0	0	0	90,219
Special Assessments	437,337	0	0	0	437,337
<b>Total Assets</b>	<b>876,780</b>	<b>488,752</b>	<b>211,874</b>	<b>100,140</b>	<b>1,677,546</b>
Liabilities and Fund Balances:					
Liabilities:					
Accounts Payable	31,635	0	0	0	31,635
Retainage Payable	10,415	0	0	0	10,415
Deferred Revenue	527,556	0	0	0	527,556
<b>Total Liabilities</b>	<b>569,606</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>569,606</b>
Fund Balances:					
Reserved for Encumbrances	50,940	112,112	0	0	163,052
Unreserved, Undesignated, Reported in: Capital Projects Funds	256,234	376,640	211,874	100,140	944,888
<b>Total Fund Balances</b>	<b>307,174</b>	<b>488,752</b>	<b>211,874</b>	<b>100,140</b>	<b>1,107,940</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$876,780</b>	<b>\$488,752</b>	<b>\$211,874</b>	<b>\$100,140</b>	<b>\$1,677,546</b>

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City of Troy, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Fiscal Year Ended December 31, 2009

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Taxes	\$1,886,137	\$0	\$0	\$1,886,137
Fines, Licenses and Permits	45,502	0	0	45,502
Charges for Services	299,489	0	89,254	388,743
Investment Earnings	109,678	21	0	109,699
Intergovernmental	1,849,556	0	711,782	2,561,338
Special Assessments	0	50,800	235,623	286,423
Payments in Lieu of Taxes	0	0	194,775	194,775
Other Revenues	54,385	0	0	54,385
<b>Total Revenues</b>	<b>4,244,747</b>	<b>50,821</b>	<b>1,231,434</b>	<b>5,527,002</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	60,856	0	0	60,856
Public Safety	26,806	0	0	26,806
Leisure Time Activities	217,842	0	0	217,842
Community Development	57,350	0	71,212	128,562
Basic Utility Service	0	0	14,163	14,163
Transportation and Street Repair	1,834,053	0	0	1,834,053
Public Health and Welfare	432,254	0	0	432,254
Capital Outlay	150,952	0	736,547	887,499
<b>Debt Service:</b>				
Principal Retirement	0	480,000	30,000	510,000
Interest and Fiscal Charges	0	390,630	102,000	492,630
<b>Total Expenditures</b>	<b>2,780,113</b>	<b>870,630</b>	<b>953,922</b>	<b>4,604,665</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>1,464,634</b>	<b>(819,809)</b>	<b>277,512</b>	<b>922,337</b>
<b>Other Financing Sources (Uses):</b>				
Transfers In	1,190,119	831,321	0	2,021,440
Transfers (Out)	(1,926,184)	0	0	(1,926,184)
<b>Total Other Financing Sources (Uses)</b>	<b>(736,065)</b>	<b>831,321</b>	<b>0</b>	<b>95,256</b>
<b>Net Change in Fund Balance</b>	<b>728,569</b>	<b>11,512</b>	<b>277,512</b>	<b>1,017,593</b>
<b>Fund Balance Beginning of Year</b>	<b>7,386,486</b>	<b>9,120</b>	<b>830,428</b>	<b>8,226,034</b>
<b>Fund Balance End of Year</b>	<b>\$8,115,055</b>	<b>\$20,632</b>	<b>\$1,107,940</b>	<b>\$9,243,627</b>

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, 2009

	Street Construction, Maintenance and Repair	State Highway Improvement	Cemetery	Safety- Income Tax	Municipal Real Property
Revenues:					
Taxes	\$0	\$0	\$0	\$1,805,831	\$0
Fines, Licenses and Permits	3,684	0	0	0	0
Charges for Services	20,179	0	109,813	0	0
Investment Earnings	0	144	0	0	9,701
Intergovernmental	1,013,689	81,719	0	0	69,623
Other Revenues	1,363	37	2,092	0	0
Total Revenues	1,038,915	81,900	111,905	1,805,831	79,324
Expenditures:					
Current:					
General Government	0	0	0	0	0
Public Safety	0	0	0	0	0
Leisure Time Activities	0	0	0	0	0
Community Development	0	0	0	0	0
Transportation and Street Repair	1,776,162	56,481	0	0	0
Public Health and Welfare	0	0	427,790	0	0
Capital Outlay	0	0	0	0	150,952
Total Expenditures	1,776,162	56,481	427,790	0	150,952
Excess of Revenues Over (Under) Expenditures	(737,247)	25,419	(315,885)	1,805,831	(71,628)
Other Financing Sources (Uses):					
Transfers In	697,627	0	404,371	0	0
Transfers (Out)	0	0	0	(1,750,000)	0
Total Other Financing Sources (Uses)	697,627	0	404,371	(1,750,000)	0
Net Change in Fund Balance	(39,620)	25,419	88,486	55,831	(71,628)
Fund Balance Beginning of Year	668,020	122,582	32,678	1,651,699	461,886
Fund Balance End of Year	\$628,400	\$148,001	\$121,164	\$1,707,530	\$390,258

Miami Conservancy District	Recreational Programs	Parks and Recreation Improvement	Community Development Block Grant	Parking Improvement	Drug Law Enforcement	Law Enforcement
\$80,306	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	30,025	895	10,898
0	156,521	0	0	0	0	0
0	5,965	1,052	65,178	6,098	0	0
8,341	0	0	500,000	0	0	0
0	29,222	4,524	15,115	6	0	1,431
<u>88,647</u>	<u>191,708</u>	<u>5,576</u>	<u>580,293</u>	<u>36,129</u>	<u>895</u>	<u>12,329</u>
60,856	0	0	0	0	0	0
0	0	0	0	0	7,806	19,000
0	183,002	34,840	0	0	0	0
0	0	0	57,206	0	0	0
0	0	0	0	1,410	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>60,856</u>	<u>183,002</u>	<u>34,840</u>	<u>57,206</u>	<u>1,410</u>	<u>7,806</u>	<u>19,000</u>
<u>27,791</u>	<u>8,706</u>	<u>(29,264)</u>	<u>523,087</u>	<u>34,719</u>	<u>(6,911)</u>	<u>(6,671)</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
27,791	8,706	(29,264)	523,087	34,719	(6,911)	(6,671)
156,925	224,259	59,956	2,610,806	239,520	11,319	28,338
<u>\$184,716</u>	<u>\$232,965</u>	<u>\$30,692</u>	<u>\$3,133,893</u>	<u>\$274,239</u>	<u>\$4,408</u>	<u>\$21,667</u>

Continued

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, 2009

	Cemetery Endowment	Small Business Development R-Loan	FEMA	Total Nonmajor Special Revenue Funds
<b>Revenues:</b>				
Taxes	\$0	\$0	\$0	\$1,886,137
Fines, Licenses and Permits	0	0	0	45,502
Charges for Services	12,563	413	0	299,489
Investment Earnings	19,066	2,474	0	109,678
Intergovernmental	0	0	176,184	1,849,556
Other Revenues	20	575	0	54,385
<b>Total Revenues</b>	<b>31,649</b>	<b>3,462</b>	<b>176,184</b>	<b>4,244,747</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	0	0	0	60,856
Public Safety	0	0	0	26,806
Leisure Time Activities	0	0	0	217,842
Community Development	0	144	0	57,350
Transportation and Street Repair	0	0	0	1,834,053
Public Health and Welfare	4,464	0	0	432,254
Capital Outlay	0	0	0	150,952
<b>Total Expenditures</b>	<b>4,464</b>	<b>144</b>	<b>0</b>	<b>2,780,113</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>27,185</b>	<b>3,318</b>	<b>176,184</b>	<b>1,464,634</b>
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	88,121	0	1,190,119
Transfers (Out)	0	0	(176,184)	(1,926,184)
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>88,121</b>	<b>(176,184)</b>	<b>(736,065)</b>
<b>Net Change in Fund Balance</b>	<b>27,185</b>	<b>91,439</b>	<b>0</b>	<b>728,569</b>
<b>Fund Balance Beginning of Year</b>	<b>792,538</b>	<b>325,960</b>	<b>0</b>	<b>7,386,486</b>
<b>Fund Balance End of Year</b>	<b>\$819,723</b>	<b>\$417,399</b>	<b>\$0</b>	<b>\$8,115,055</b>

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, 2009

	Capital Improvement	OPWC Project Fund	TIF 2003 Fund	Technology Fund	Total Nonmajor Capital Projects Funds
<b>Revenues:</b>					
Charges for Services	0	\$0	\$0	\$89,254	\$89,254
Intergovernmental	581,670	130,112	0	0	711,782
Special Assessments	235,623	0	0	0	235,623
Payments in Lieu of Taxes	0	0	194,775	0	194,775
<b>Total Revenues</b>	<b>817,293</b>	<b>130,112</b>	<b>194,775</b>	<b>89,254</b>	<b>1,231,434</b>
<b>Expenditures:</b>					
<b>Current:</b>					
Community Development	71,212	0	0	0	71,212
Basic Utility Service	0	0	0	14,163	14,163
Capital Outlay	569,723	164,889	1,935	0	736,547
<b>Debt Service:</b>					
Principal Retirement	0	0	30,000	0	30,000
Interest and Fiscal Charges	0	0	102,000	0	102,000
<b>Total Expenditures</b>	<b>640,935</b>	<b>164,889</b>	<b>133,935</b>	<b>14,163</b>	<b>953,922</b>
<b>Net Change in Fund Balance</b>	<b>176,358</b>	<b>(34,777)</b>	<b>60,840</b>	<b>75,091</b>	<b>277,512</b>
<b>Fund Balance Beginning of Year</b>	<b>130,816</b>	<b>523,529</b>	<b>151,034</b>	<b>25,049</b>	<b>830,428</b>
<b>Fund Balance End of Year</b>	<b>\$307,174</b>	<b>\$488,752</b>	<b>\$211,874</b>	<b>\$100,140</b>	<b>\$1,107,940</b>

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, 2009

	Street Construction. Maintenance and Repair Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$3,500	\$3,684	\$184
Intergovernmental	1,013,000	1,013,805	805
Charges for Services	12,900	13,135	235
Other Revenues	700	1,363	663
Total Revenues	<u>1,030,100</u>	<u>1,031,987</u>	<u>1,887</u>
Expenditures:			
Current:			
Transportation and Street Repair	2,116,425	1,943,308	173,117
Total Expenditures	<u>2,116,425</u>	<u>1,943,308</u>	<u>173,117</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,086,325)</u>	<u>(911,321)</u>	<u>175,004</u>
Other Financing Sources (Uses):			
Transfers In	697,500	697,627	127
Total Other Financing Sources (Uses)	<u>697,500</u>	<u>697,627</u>	<u>127</u>
Net Change in Fund Balance	(388,825)	(213,694)	175,131
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>691,044</u>	<u>691,044</u>	<u>0</u>
Fund Balance End of Year	<u>\$302,219</u>	<u>\$477,350</u>	<u>\$175,131</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, 2009

	State Highway Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$82,100	\$82,200	\$100
Investment Earnings	43	51	8
Other Revenues	0	37	37
Total Revenues	<u>82,143</u>	<u>82,288</u>	<u>145</u>
Expenditures:			
Current:			
Transportation and Street Repair	115,752	56,481	59,271
Total Expenditures	<u>115,752</u>	<u>56,481</u>	<u>59,271</u>
Net Change in Fund Balance	(33,609)	25,807	59,416
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>115,447</u>	<u>115,447</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$81,838</u></u>	<u><u>\$141,254</u></u>	<u><u>\$59,416</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, 2009

	Cemetery Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$102,500	\$109,813	\$7,313
Other Revenues	1,500	2,092	592
Total Revenues	104,000	111,905	7,905
Expenditures:			
Current:			
Public Health and Welfare	508,538	444,220	64,318
Total Expenditures	508,538	444,220	64,318
Excess of Revenues Over (Under) Expenditures	(404,538)	(332,315)	72,223
Other Financing Sources (Uses):			
Transfers In	404,000	404,371	371
Total Other Financing Sources (Uses)	404,000	404,371	371
Net Change in Fund Balance	(538)	72,056	72,594
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	57,358	57,358	0
Fund Balance End of Year	\$56,820	\$129,414	\$72,594



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, 2009

	Safety - Income Tax Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$1,750,000	\$1,807,738	\$57,738
Total Revenues	1,750,000	1,807,738	57,738
Expenditures:			
Current:			
General Government	0	0	0
Total Expenditures	0	0	0
Excess of Revenues Over (Under) Expenditures	1,750,000	1,807,738	57,738
Other Financing Sources (Uses):			
Transfers (Out)	(2,500,000)	(1,750,000)	750,000
Total Other Financing Sources (Uses)	(2,500,000)	(1,750,000)	750,000
Net Change in Fund Balance	(750,000)	57,738	807,738
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,498,555	1,498,555	0
Fund Balance End of Year	\$748,555	\$1,556,293	\$807,738

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, 2009

	Municipal Real Property Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$95,000	\$95,131	\$131
Investment Earnings	10,225	11,244	1,019
Total Revenues	<u>105,225</u>	<u>106,375</u>	<u>1,150</u>
Expenditures:			
Current:			
Capital Outlay	<u>229,908</u>	<u>168,576</u>	<u>61,332</u>
Total Expenditures	<u>229,908</u>	<u>168,576</u>	<u>61,332</u>
Net Change in Fund Balance	(124,683)	(62,201)	62,482
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>419,828</u>	<u>419,828</u>	<u>0</u>
Fund Balance End of Year	<u>\$295,145</u>	<u>\$357,627</u>	<u>\$62,482</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, 2009

	Miami Conservancy District Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$78,411	\$78,414	\$3
Intergovernmental	8,341	8,341	0
Total Revenues	<u>86,752</u>	<u>86,755</u>	<u>3</u>
Expenditures:			
Current:			
General Government	61,750	60,856	894
Total Expenditures	<u>61,750</u>	<u>60,856</u>	<u>894</u>
Net Change in Fund Balance	25,002	25,899	897
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>154,164</u>	<u>154,164</u>	<u>0</u>
Fund Balance End of Year	<u>\$179,166</u>	<u>\$180,063</u>	<u>\$897</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, 2009

	Recreational Programs Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$151,350	\$156,521	\$5,171
Investment Earnings	6,229	6,721	492
Other Revenues	29,200	29,222	22
Total Revenues	<u>186,779</u>	<u>192,464</u>	<u>5,685</u>
Expenditures:			
Current:			
Leisure Time Activities	195,150	190,927	4,223
Total Expenditures	<u>195,150</u>	<u>190,927</u>	<u>4,223</u>
Net Change in Fund Balance	(8,371)	1,537	9,908
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>223,119</u>	<u>223,119</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$214,748</u></u>	<u><u>\$224,656</u></u>	<u><u>\$9,908</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, 2009

	Parks and Recreation Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$1,170	\$1,302	\$132
Other Revenues	4,975	4,980	5
Total Revenues	6,145	6,282	137
Expenditures:			
Current:			
Leisure Time Activities	43,309	34,840	8,469
Total Expenditures	43,309	34,840	8,469
Net Change in Fund Balance	(37,164)	(28,558)	8,606
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	57,812	57,812	0
Fund Balance End of Year	\$20,648	\$29,254	\$8,606

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, 2009

	Community Development Block Grant Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$500,000	\$500,000	\$0
Investment Earnings	66,221	67,629	1,408
Other Revenues	225,000	244,520	19,520
Total Revenues	791,221	812,149	20,928
Expenditures:			
Current:			
Community Development	1,138,196	957,446	180,750
Total Expenditures	1,138,196	957,446	180,750
Net Change in Fund Balance	(346,975)	(145,297)	201,678
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	700,096	700,096	0
Fund Balance End of Year	\$353,121	\$554,799	\$201,678

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, 2009

	Parking Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$27,000	\$30,025	\$3,025
Investment Earnings	6,029	6,862	833
Other Revenues	0	6	6
Total Revenues	<u>33,029</u>	<u>36,893</u>	<u>3,864</u>
Expenditures:			
Current:			
Transportation and Street Repair	73,135	3,875	69,260
Total Expenditures	<u>73,135</u>	<u>3,875</u>	<u>69,260</u>
Net Change in Fund Balance	(40,106)	33,018	73,124
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>238,276</u>	<u>238,276</u>	<u>0</u>
Fund Balance End of Year	<u>\$198,170</u>	<u>\$271,294</u>	<u>\$73,124</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, 2009

	Drug Law Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$800	\$895	\$95
Total Revenues	800	895	95
Expenditures:			
Current:			
Public Safety	8,000	7,806	194
Total Expenditures	8,000	7,806	194
Net Change in Fund Balance	(7,200)	(6,911)	289
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	11,319	11,319	0
Fund Balance End of Year	\$4,119	\$4,408	\$289



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, 2009

	Law Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$10,700	\$10,898	\$198
Other Revenues	1,400	1,431	31
Total Revenues	12,100	12,329	229
Expenditures:			
Current:			
Public Safety	19,000	19,000	0
Total Expenditures	19,000	19,000	0
Net Change in Fund Balance	(6,900)	(6,671)	229
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	28,338	28,338	0
Fund Balance End of Year	\$21,438	\$21,667	\$229

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, 2009

	Cemetery Endowment Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$11,550	\$12,563	\$1,013
Investment Earnings	20,064	21,745	1,681
Other Revenues	0	20	20
Total Revenues	<u>31,614</u>	<u>34,328</u>	<u>2,714</u>
Expenditures:			
Current:			
Public Health and Welfare	5,150	4,464	686
Total Expenditures	<u>5,150</u>	<u>4,464</u>	<u>686</u>
Net Change in Fund Balance	26,464	29,864	3,400
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>788,422</u>	<u>788,422</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$814,886</u></u>	<u><u>\$818,286</u></u>	<u><u>\$3,400</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, 2009

	Small Business Development R-Loan Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$400	\$413	\$13
Investment Earnings	3,200	3,235	35
Other Revenues	27,000	27,525	525
Total Revenues	30,600	31,173	573
Expenditures:			
Current:			
Community Development	254,738	90,284	164,454
Total Expenditures	254,738	90,284	164,454
Excess of Revenues Over (Under) Expenditures	(224,138)	(59,111)	165,027
Other Financing Sources (Uses):			
Transfers In	88,000	88,121	121
Total Other Financing Sources (Uses)	88,000	88,121	121
Net Change in Fund Balance	(136,138)	29,010	165,148
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	234,065	234,065	0
Fund Balance End of Year	\$97,927	\$263,075	\$165,148

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, 2009

	FEMA Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$176,184	\$176,184	\$0
Total Revenues	176,184	176,184	0
Expenditures:			
Current:			
Public Safety	0	0	0
Total Expenditures	0	0	0
Excess of Revenues Over (Under) Expenditures	176,184	176,184	0
Other Financing Sources (Uses):			
Transfers (Out)	(176,184)	(176,184)	0
Total Other Financing Sources (Uses)	(176,184)	(176,184)	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

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, 2009

	Bond Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Special Assessments	\$50,800	\$50,800	\$0
Investment Earnings	20	32	12
Total Revenues	<u>50,820</u>	<u>50,832</u>	<u>12</u>
Expenditures:			
Current:			
Debt Service:			
Principal Retirement	480,000	480,000	0
Interest and Fiscal Charges	392,577	390,630	1,947
Total Expenditures	<u>872,577</u>	<u>870,630</u>	<u>1,947</u>
Excess of Revenues Over (Under) Expenditures	<u>(821,757)</u>	<u>(819,798)</u>	<u>1,959</u>
Other Financing Sources (Uses):			
Transfers In	831,300	831,321	21
Total Other Financing Sources (Uses)	<u>831,300</u>	<u>831,321</u>	<u>21</u>
Net Change in Fund Balance	9,543	11,523	1,980
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>9,073</u>	<u>9,073</u>	<u>0</u>
Fund Balance End of Year	<u>\$18,616</u>	<u>\$20,596</u>	<u>\$1,980</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, 2009

	Capital Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$581,600	\$581,670	\$70
Special Assessments	235,000	235,623	623
Total Revenues	816,600	817,293	693
Expenditures:			
Current:			
Community Development	99,325	121,380	(22,055)
Capital Outlay	977,170	844,943	132,227
Total Expenditures	1,076,495	966,323	110,172
Net Change in Fund Balance	(259,895)	(149,030)	110,865
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	415,680	415,680	0
Fund Balance End of Year	\$155,785	\$266,650	\$110,865

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, 2009

	OPWC Project Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$130,100	\$130,112	\$12
Total Revenues	130,100	130,112	12
Expenditures:			
Current:			
Capital Outlay	587,663	425,752	161,911
Total Expenditures	587,663	425,752	161,911
Net Change in Fund Balance	(457,563)	(295,640)	161,923
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	672,280	672,280	0
Fund Balance End of Year	\$214,717	\$376,640	\$161,923

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, 2009

	TIF 2003 Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Payments in Lieu of Taxes	\$194,700	\$194,775	\$75
 Total Revenues	 194,700	 194,775	 75
Expenditures:			
Current:			
Capital Outlay	16,800	1,935	14,865
Debt Service:			
Principal Retirement	25,000	30,000	(5,000)
Interest and Fiscal Charges	102,000	102,000	0
 Total Expenditures	 143,800	 133,935	 9,865
 Net Change in Fund Balance	 50,900	 60,840	 9,940
 Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	 151,034	 151,034	 0
 Fund Balance End of Year	 \$201,934	 \$211,874	 \$9,940



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, 2009

	Technology Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$89,250	\$89,254	\$4
Total Revenues	89,250	89,254	4
Expenditures:			
Current:			
Basic Utility Service	17,000	14,163	2,837
Total Expenditures	17,000	14,163	2,837
Net Change in Fund Balance	72,250	75,091	2,841
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	25,049	25,049	0
Fund Balance End of Year	\$97,299	\$100,140	\$2,841

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## ***NONMAJOR ENTERPRISE AND AGENCY 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.

*Hobart Arena* - To account for arena facilities provided by the City.

*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.

*Stadium* - To account for stadium facilities provided by the City.

*Stormwater Utility* - To account for stormwater utilities provided by the City.

***Fiduciary Funds:*** Fiduciary fund types are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

### ***Agency Funds***

*Stouder Playground* - To account for the receipt of monies to be used for the acquisition and maintenance of playground equipment.

*Paul G. Duke* - To account for the receipt of monies to be used for the acquisition and improvement of parks and recreation facilities.

*Unclaimed Funds* – To account for the receipt of unclaimed monies.

*Tri-Centennial* - To account for receipt of monies to be used for tri-centennial activities.

*Imprest Cash* - To account for assets and liabilities of the imprest cash fund.

*Enterprise Zone* - agency fund is used to account for assets received and disbursed as agent relative to enterprise zone activities.

*Fire Insurance Escrow* - To account for receipts and disbursements on monies related to fire insurance escrow.

City of Troy, Ohio  
Combining Statement of Net Assets  
Nonmajor Enterprise Funds  
December 31, 2009

	Hobart Arena	Swimming Pool	Parking Meter	Miami Shores	Stadium
Assets:					
Equity in Pooled Cash and Investments	\$570,340	\$233,725	\$15,368	\$120,170	\$0
Restricted Cash and Investments	0	0	0	0	0
Receivables:					
Accounts	0	0	0	0	0
Interest	0	0	53	414	0
Total Current Assets	570,340	233,725	15,421	120,584	0
Nondepreciable Capital Assets	20,900	10,450	189,961	46,997	0
Depreciable Capital Assets, Net	1,865,717	3,643,323	0	297,171	0
Total Noncurrent Assets	1,886,617	3,653,773	189,961	344,168	0
Total Assets	2,456,957	3,887,498	205,382	464,752	0
Liabilities:					
Current Liabilities:					
Accounts Payable	19,508	2,325	0	4,006	0
Accrued Wages and Benefits	11,738	0	1,413	10,610	0
Compensated Absences	23,055	0	908	11,774	0
Retainage Payable	0	0	0	0	0
Accrued Interest Payable	0	0	0	80	0
Long-Term Liabilities Due Within One Year	0	0	0	15,826	0
Total Current Liabilities	54,301	2,325	2,321	42,296	0
Long-Term Liabilities:					
Compensated Absences	14,153	0	558	34,739	0
Bonds, Notes & Loans Payable	0	0	0	5,438	0
Total Noncurrent Liabilities	14,153	0	558	40,177	0
Total Liabilities	68,454	2,325	2,879	82,473	0
Net Assets:					
Invested in Capital Assets, Net of Related Debt	1,886,617	3,653,773	189,961	344,168	0
Unrestricted	501,886	231,400	12,542	38,111	0
Total Net Assets	\$2,388,503	\$3,885,173	\$202,503	\$382,279	\$0

Stormwater Utility	Total Nonmajor Enterprise Funds
\$448,989	\$1,388,592
20,201	20,201
58,712	58,712
1,616	2,083
<u>529,518</u>	<u>1,469,588</u>
0	268,308
0	5,806,211
0	6,074,519
<u>529,518</u>	<u>7,544,107</u>
19,128	44,967
0	23,761
0	35,737
20,201	20,201
0	80
0	15,826
<u>39,329</u>	<u>140,572</u>
0	49,450
0	5,438
0	54,888
<u>39,329</u>	<u>195,460</u>
0	6,074,519
490,189	1,274,128
<u>\$490,189</u>	<u>\$7,348,647</u>

City of Troy, Ohio  
Combining Statement of Revenues, Expenses  
and Changes in Fund Net Assets  
Nonmajor Enterprise Funds  
For the Fiscal Year Ended December 31, 2006

	Hobart Arena	Swimming Pool	Parking Meter	Miami Shores	Stadium
<b>Operating Revenues:</b>					
Fines, Licenses and Permits	\$0	\$0	\$6,730	\$0	\$0
Charges for Services	114,584	209,716	16,535	696,102	0
Other Revenues	592,275	8,787	33	19,102	0
<b>Total Operating Revenues</b>	<b>706,859</b>	<b>218,503</b>	<b>23,298</b>	<b>715,204</b>	<b>0</b>
<b>Operating Expenses:</b>					
Personal Services	374,883	94,523	39,568	335,339	0
Contractual Services	191,358	53,786	0	144,081	0
Materials and Supplies	87,022	44,390	1,438	166,158	0
Depreciation	125,084	114,221	0	38,173	85,285
Other Expenses	349,347	9,019	3,997	67,223	0
<b>Total Operating Expenses</b>	<b>1,127,694</b>	<b>315,939</b>	<b>45,003</b>	<b>750,974</b>	<b>85,285</b>
<b>Operating Income (Loss)</b>	<b>(420,835)</b>	<b>(97,436)</b>	<b>(21,705)</b>	<b>(35,770)</b>	<b>(85,285)</b>
<b>Non-Operating Revenues (Expenses):</b>					
Investment Earnings	0	0	378	3,455	0
Interest (Expense)	0	0	0	(1,273)	0
Gain (Loss) on Disposal of Capital Assets	0	0	0	0	(2,828,888)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>0</b>	<b>0</b>	<b>378</b>	<b>2,182</b>	<b>(2,828,888)</b>
<b>Income (Loss) Before Contributions and Transfers</b>	<b>(420,835)</b>	<b>(97,436)</b>	<b>(21,327)</b>	<b>(33,588)</b>	<b>(2,914,173)</b>
Transfers In	376,457	0	25,000	50,000	0
Transfers (Out)	0	0	0	0	(31,321)
<b>Change in Net Assets</b>	<b>(44,378)</b>	<b>(97,436)</b>	<b>3,673</b>	<b>16,412</b>	<b>(2,945,494)</b>
<b>Net Assets Beginning of Year</b>	<b>2,432,881</b>	<b>3,982,609</b>	<b>198,830</b>	<b>365,867</b>	<b>2,945,494</b>
<b>Net Assets End of Year</b>	<b>\$2,388,503</b>	<b>\$3,885,173</b>	<b>\$202,503</b>	<b>\$382,279</b>	<b>\$0</b>

Stormwater Utility	Total Nonmajor Enterprise Funds
\$0	\$6,730
1,037,004	2,073,941
2,353	622,550
<u>1,039,357</u>	<u>2,703,221</u>
564,971	1,409,284
5,533	394,758
162,726	461,734
0	362,763
3,047	432,633
<u>736,277</u>	<u>3,061,172</u>
<u>303,080</u>	<u>(357,951)</u>
16,917	20,750
0	(1,273)
0	(2,828,888)
<u>16,917</u>	<u>(2,809,411)</u>
319,997	(3,167,362)
8,743	460,200
(484,800)	(516,121)
(156,060)	(3,223,283)
<u>646,249</u>	<u>10,571,930</u>
<u>\$490,189</u>	<u>\$7,348,647</u>

City of Troy, Ohio  
Combining Statement of Cash Flows  
Nonmajor Enterprise Funds  
For the Fiscal Year Ended December 31, 2005

	Hobart Arena	Swimming Pool	Parking Meter	Miami Shores	Stadium
<b>Cash Flows from Operating Activities:</b>					
Cash Received from Customers	\$708,233	\$218,503	\$23,298	\$715,204	\$0
Cash Payments to Employees	(385,068)	(94,523)	(40,451)	(339,202)	0
Cash Payments to Suppliers	(636,138)	(105,680)	(5,435)	(378,931)	0
Net Cash Provided (Used) by Operating Activities	(312,973)	18,300	(22,588)	(2,929)	0
<b>Cash Flows from Noncapital Financing Activities:</b>					
Payments from Other Funds	376,457	0	25,000	50,000	0
Payments to Other Funds	0	0	0	0	(31,321)
Net Cash Provided (Used) by Noncapital Financing Activities	376,457	0	25,000	50,000	(31,321)
<b>Cash Flows from Capital and Related Financing Activities:</b>					
Payments for Capital Acquisitions	0	(8,091)	0	0	(43,826)
Debt Principal Payments	0	0	0	(15,132)	0
Debt Interest Payments	0	0	0	(1,329)	0
Net Cash Provided (Used) by Capital and Related Financing Activities	0	(8,091)	0	(16,461)	(43,826)
<b>Cash Flows from Investing Activities:</b>					
Earnings on Investments	0	0	373	3,373	0
Net Cash Provided (Used) by Cash Flows from Investing Activities	0	0	373	3,373	0
Net Increase (Decrease) in Cash and Cash Equivalents	63,484	10,209	2,785	33,983	(75,147)
Cash and Cash Equivalents Beginning of Year	506,856	223,516	12,583	86,187	75,147
Cash and Cash Equivalents End of Year	570,340	233,725	15,368	120,170	0
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b>					
Operating Income (Loss)	(420,835)	(97,436)	(21,705)	(35,770)	(85,285)
<b>Adjustments:</b>					
Depreciation	125,084	114,221	0	38,173	85,285
<b>Changes in Assets &amp; Liabilities:</b>					
(Increase) Decrease in Receivables	1,374	0	0	0	0
Increase (Decrease) in Payables	(8,411)	1,515	0	(1,469)	0
Increase (Decrease) in Accrued Liabilities	(10,185)	0	(883)	(3,863)	0
Net Cash Provided (Used) by Operating Activities	(\$312,973)	\$18,300	(\$22,588)	(\$2,929)	\$0



Stormwater Utility	Total Nonmajor Enterprise Funds
\$1,034,602	\$2,699,840
(564,971)	(1,424,215)
<u>(180,386)</u>	<u>(1,306,570)</u>
289,245	(30,945)
8,743	460,200
<u>(484,800)</u>	<u>(516,121)</u>
<u>(476,057)</u>	<u>(55,921)</u>
0	(51,917)
0	(15,132)
<u>0</u>	<u>(1,329)</u>
<u>0</u>	<u>(68,378)</u>
<u>17,759</u>	<u>21,505</u>
<u>17,759</u>	<u>21,505</u>
(169,053)	(133,739)
<u>638,243</u>	<u>1,542,532</u>
<u>469,190</u>	<u>1,408,793</u>
303,080	(357,951)
0	362,763
(4,755)	(3,381)
(9,080)	(17,445)
<u>0</u>	<u>(14,931)</u>
<u>\$289,245</u>	<u>(\$30,945)</u>

City of Troy, Ohio  
Statement of Changes In Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended December 31, 2009

	Stouder Playground			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$18,722	\$504	\$2,064	\$17,162
Receivables:				
Interest	72	59	72	59
Total Assets	<u>18,794</u>	<u>563</u>	<u>2,136</u>	<u>17,221</u>

Liabilities:				
Other Liabilities	18,794	563	2,136	17,221
Total Liabilities	<u>\$18,794</u>	<u>\$563</u>	<u>\$2,136</u>	<u>\$17,221</u>

	Paul G. Duke			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$11,852	\$5	\$36	\$11,821
Receivables:				
Interest	46	41	46	41
Total Assets	<u>11,898</u>	<u>46</u>	<u>82</u>	<u>11,862</u>

Liabilities:				
Other Liabilities	11,898	46	82	11,862
Total Liabilities	<u>\$11,898</u>	<u>\$46</u>	<u>\$82</u>	<u>\$11,862</u>

	Unclaimed Funds			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$5,616	\$558	\$698	\$5,476
Total Assets	<u>5,616</u>	<u>558</u>	<u>698</u>	<u>5,476</u>

Liabilities:				
Other Liabilities	5,616	558	698	5,476
Total Liabilities	<u>\$5,616</u>	<u>\$558</u>	<u>\$698</u>	<u>\$5,476</u>

Continued

City of Troy, Ohio  
Statement of Changes In Assets and Liabilities  
Agency Fund  
For the Fiscal Year Ended December 31, 2009

	Tri-Centennial			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$1,031	\$28	\$6	\$1,053
Total Assets	<u>1,031</u>	<u>28</u>	<u>6</u>	<u>1,053</u>
Liabilities:				
Other Liabilities	1,031	28	6	1,053
Total Liabilities	<u>\$1,031</u>	<u>\$28</u>	<u>\$6</u>	<u>\$1,053</u>

	Imprest Cash			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$1,300	\$1,550	\$1,000	\$1,850
Total Assets	<u>1,300</u>	<u>1,550</u>	<u>1,000</u>	<u>1,850</u>
Liabilities:				
Other Liabilities	1,300	1,550	1,000	1,850
Total Liabilities	<u>\$1,300</u>	<u>\$1,550</u>	<u>\$1,000</u>	<u>\$1,850</u>

	Enterprise Zone			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$56,912	\$13,000	\$43,389	\$26,523
Total Assets	<u>56,912</u>	<u>13,000</u>	<u>43,389</u>	<u>26,523</u>
Liabilities:				
Other Liabilities	56,912	13,000	43,389	26,523
Total Liabilities	<u>\$56,912</u>	<u>\$13,000</u>	<u>\$43,389</u>	<u>\$26,523</u>

Continued

City of Troy, Ohio  
Statement of Changes In Assets and Liabilities  
Agency Fund  
For the Fiscal Year Ended December 31, 2006

	Fire Insurance Escrow			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$0	\$21,495	\$9,495	\$12,000
Total Assets	<u>0</u>	<u>21,495</u>	<u>9,495</u>	<u>12,000</u>

Liabilities:				
Other Liabilities	0	21,495	9,495	12,000
Total Liabilities	<u>\$0</u>	<u>\$21,495</u>	<u>\$9,495</u>	<u>\$12,000</u>

	Total All Agency Funds			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$95,433	\$37,140	\$56,688	\$75,885
Receivables:				
Interest	118	100	118	100
Total Assets	<u>95,551</u>	<u>37,240</u>	<u>56,806</u>	<u>75,985</u>
Liabilities:				
Other Liabilities	95,551	37,240	56,806	75,985
Total Liabilities	<u>\$95,551</u>	<u>\$37,240</u>	<u>\$56,806</u>	<u>\$75,985</u>

# 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 source, the 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. The City implemented GASB Statement 34 in fiscal year 2003; schedules presenting government-wide information include information beginning in that fiscal year.

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

	Calendar Year						
	2003	2004	2005	2006	2007	2008	2009
<b>Governmental Activities</b>							
Invested in Capital Assets, Net of Related Debt	\$28,242,354	\$24,472,572	\$29,562,186	\$28,145,826	\$30,704,516	\$31,419,257	\$34,675,398
Restricted	12,489,638	17,059,880	12,517,653	9,735,905	8,547,364	9,103,361	9,958,828
Unrestricted	35,213,861	35,336,072	35,335,482	36,658,401	38,068,043	40,083,298	39,451,677
<b>Total Governmental Activities Net Assets</b>	<b>\$75,945,853</b>	<b>\$76,868,524</b>	<b>\$77,415,321</b>	<b>\$74,540,132</b>	<b>\$77,319,923</b>	<b>\$80,605,916</b>	<b>\$84,085,903</b>
<b>Business-Type Activities</b>							
Invested in Capital Assets, Net of Related Debt	\$27,981,971	\$27,399,172	\$29,577,577	\$35,008,503	\$35,452,837	\$35,991,417	\$35,342,051
Unrestricted	16,893,247	19,030,520	19,041,135	17,091,607	16,982,495	15,482,264	13,775,201
<b>Total Business-Type Activities Net Assets</b>	<b>\$44,875,218</b>	<b>\$46,429,692</b>	<b>\$48,618,712</b>	<b>\$52,100,110</b>	<b>\$52,435,332</b>	<b>\$51,473,681</b>	<b>\$49,117,252</b>
<b>Total Primary Government</b>							
Invested in Capital Assets, Net of Related Debt	\$56,224,325	\$51,871,744	\$59,139,763	\$63,154,329	\$66,157,353	\$67,410,674	\$70,017,449
Restricted	12,489,638	17,059,880	12,517,653	9,735,905	8,547,364	9,103,361	9,958,828
Unrestricted	52,107,108	54,366,592	54,376,617	53,750,008	55,050,538	55,565,562	53,226,878
<b>Total Primary Government Net Assets</b>	<b>\$120,821,071</b>	<b>\$123,298,216</b>	<b>\$126,034,033</b>	<b>\$126,640,242</b>	<b>\$129,755,255</b>	<b>\$132,079,597</b>	<b>\$133,203,155</b>

Source: City Records

(1) - The City began to report accrual information when it implemented GASB Statement 34 in calendar year 2003



City of Troy, Ohio  
Changes in Net Assets  
Last Seven Calendar Years (1)  
(acrual basis of accounting)  
Schedule 2

	Calendar Year						
	2003	2004	2005	2006	2007	2008	2009
<b>Expenses</b>							
<b>Governmental Activities:</b>							
General Government	\$3,786,639	\$5,033,894	\$5,660,201	\$5,180,111	\$5,345,922	\$5,103,878	\$4,703,316
Public Safety	8,321,750	8,169,075	8,787,052	8,842,678	9,501,076	9,746,678	9,602,958
Leisure Time Activities	2,203,202	1,859,158	1,884,611	1,820,227	1,821,894	1,821,739	1,800,337
Community Development	1,374,320	952,247	836,887	688,806	959,438	695,455	778,762
Basic Utility Service	1,975,881	1,624,988	1,852,260	1,493,639	1,229,838	1,195,413	1,285,995
Transportation and Street Repair	6,761,973	2,544,171	2,392,805	3,681,464	2,473,911	2,206,531	2,181,607
Public Health and Welfare	400,308	404,448	500,215	428,505	533,385	469,365	455,342
Interest and Fiscal Charges	162,806	589,272	600,203	560,291	530,750	512,045	490,667
<b>Total Governmental Activities Expenses</b>	<b>24,986,879</b>	<b>21,177,253</b>	<b>22,514,234</b>	<b>22,695,721</b>	<b>22,396,214</b>	<b>21,751,104</b>	<b>21,298,984</b>
<b>Business-Type Activities:</b>							
Water Utility	5,797,672	5,216,113	4,574,926	4,962,223	4,718,693	5,062,771	4,656,843
Sewer Utility	3,622,033	3,690,842	3,776,760	4,614,815	4,082,607	4,609,529	4,059,903
Arena Facilities	748,989	755,000	683,886	771,549	912,204	1,053,354	1,127,694
Pool	102,640	85,855	323,370	293,478	343,074	343,970	315,939
Parking	40,896	44,077	44,624	44,946	38,354	46,869	45,003
Golf Course	787,547	784,551	814,751	763,612	866,238	785,734	752,247
Stadium Facilities	0	0	84,232	168,464	173,264	169,517	2,914,173
Stormwater Utility	0	0	0	0	0	209,518	736,277
<b>Total Business-Type Activities Expenses</b>	<b>11,099,777</b>	<b>10,576,438</b>	<b>10,302,549</b>	<b>11,619,087</b>	<b>11,134,434</b>	<b>12,281,262</b>	<b>14,608,079</b>
<b>Total Primary Government Expenses</b>	<b>\$36,086,656</b>	<b>\$31,753,691</b>	<b>\$32,816,783</b>	<b>\$34,314,808</b>	<b>\$33,530,648</b>	<b>\$34,032,366</b>	<b>\$35,907,063</b>
<b>Program Revenues</b>							
<b>Governmental Activities:</b>							
Charges for Services:							
General Government	\$138,020	\$102,950	\$160,545	\$109,659	\$141,270	\$133,700	\$245,612
Public Safety	853,784	957,683	1,132,278	1,103,563	1,123,179	1,259,802	1,335,644
Leisure Time Activities	121,394	246,134	178,506	177,180	181,784	172,565	156,521
Community Development	0	0	0	0	261,874	57,239	88,534
Basic Utility Service	280,127	288,224	302,450	305,678	618,812	697,232	1,209,115
Transportation and Street Repair	25,514	47,280	9,636	7,922	14,605	34,793	53,888
Public Health and Welfare	45,457	8,601	142,834	220,964	219,022	17,273	204,179
Operating Grants and Contributions	819,796	1,316,515	1,207,394	1,247,032	1,180,525	1,332,705	1,930,659
Capital Grants and Contributions	543,680	2,502,281	2,650,155	2,311,020	1,401,939	1,056,487	1,506,391
<b>Total Governmental Activities Program Revenues</b>	<b>2,827,772</b>	<b>5,469,668</b>	<b>5,783,798</b>	<b>5,483,018</b>	<b>5,143,010</b>	<b>4,761,796</b>	<b>6,730,543</b>

City of Troy, Ohio  
Changes in Net Assets  
Last Seven Calendar Years (1)  
(acrual basis of accounting)  
Schedule 2 (Continued)

	Calendar Year						
	2003	2004	2005	2006	2007	2008	2009
<b>Business-Type Activities:</b>							
Charges for Services:							
Water Utility	4,437,826	4,769,917	4,795,403	4,129,742	4,244,932	4,110,581	4,105,433
Sewer Utility	3,985,418	3,804,824	3,784,736	3,414,879	3,332,482	3,355,106	3,220,430
Arena Facilities	71,472	62,179	71,053	80,893	104,661	23,501	114,584
Pool	35,145	31,651	224,303	222,913	223,289	231,798	209,716
Parking	19,145	20,403	19,521	18,085	19,318	21,246	23,265
Golf Course	572,205	623,157	695,849	679,688	690,093	696,368	696,102
Stormwater Utility	0	0	0	0	0	843,823	1,037,004
Operating Grants and Contributions	0	50,770	79,150	0	0	0	0
Capital Grants and Contributions	2,766,026	1,244,147	1,354,320	1,224,803	583,485	400,594	1,869,683
Total business-Type Activities Program Revenues	11,887,237	10,607,048	11,024,335	9,771,003	9,198,260	9,683,017	11,276,217
Total Primary Government Program Revenues	\$14,715,009	\$16,076,716	\$16,808,133	\$15,254,021	\$14,341,270	\$14,444,813	\$18,006,760
<b>Net (Expense)/Revenue</b>							
Governmental Activities	(\$22,159,107)	(\$15,707,585)	(\$16,730,436)	(\$17,212,703)	(\$17,253,204)	(\$16,989,308)	(\$14,568,441)
Business-Type Activities	787,460	30,610	721,786	(1,848,084)	(1,936,174)	(2,598,245)	(3,331,862)
Total Primary Government Net Expenses	(\$21,371,647)	(\$15,676,975)	(\$16,008,650)	(\$19,060,787)	(\$19,189,378)	(\$19,587,553)	(\$17,900,303)

City of Troy, Ohio  
Changes in Net Assets  
Last Seven Calendar Years (1)  
(accrual basis of accounting)  
Schedule 2 (Continued)

	Calendar Year						
	2003	2004	2005	2006	2007	2008	2009
General Revenues and Other Changes in Net Assets							
Governmental Activities:							
Income Taxes	\$11,467,066	\$13,989,707	\$12,681,511	\$12,542,400	\$12,882,229	\$13,294,831	\$10,947,510
Property Taxes Levied for:							
General Purposes	1,442,545	2,157,693	1,927,756	2,592,328	1,858,851	1,772,552	1,889,150
Special Revenue Purposes	3,637	985	2,096	0	822,177	870,088	1,888,060
Grants and Entitlements not Restricted	1,406,330	1,926,126	2,193,117	1,131,293	1,673,098	2,235,974	1,739,288
Payments in Lieu of Taxes	0	0	0	0	162,376	186,224	194,775
Unrestricted Contributions	200,730	32,800	44,600	56,900	97,535	50,847	48,268
Investment Earnings	1,028,663	910,902	1,143,110	2,160,055	2,826,639	2,115,536	1,035,398
Other Revenues	422,686	246,029	110,043	194,604	285,090	291,351	280,779
Transfers-Internal Activities	(286,800)	(765,158)	(825,000)	(4,340,066)	(575,000)	(542,102)	25,200
Total Governmental Activities	15,684,857	18,499,084	17,277,233	14,337,514	20,032,995	20,275,301	18,048,428
Business-Type Activities:							
Investment Earnings	213,236	323,723	416,709	674,201	848,742	596,975	319,289
Other Revenues	1,318,708	358,337	288,991	315,215	370,048	497,517	681,344
Transfers-Internal Activities	286,800	765,158	825,000	4,340,066	575,000	542,102	(25,200)
Total Business-Type Activities	1,818,744	1,447,218	1,530,700	5,329,482	1,793,790	1,636,594	975,433
Total Primary Government	\$17,503,601	\$19,946,302	\$18,807,933	\$19,666,996	\$21,826,785	\$21,911,895	\$19,023,861
Change in Net Assets							
Governmental Activities	(\$6,474,250)	\$2,791,499	\$546,797	(\$2,875,189)	\$2,779,791	\$3,285,993	\$3,479,987
Business-Type Activities	2,606,204	1,477,828	2,252,486	3,481,398	(142,384)	(961,651)	(2,356,429)
Total Primary Government	(\$3,868,046)	\$4,269,327	\$2,799,283	\$606,209	\$2,637,407	\$2,324,342	\$1,123,558

Source: City Records

(1) - The City began to report accrual information when it implemented GASB Statement 34 in calendar year 2003

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

	Calendar Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>General Fund</b>										
Reserved	\$436,564	\$467,371	\$707,676	\$404,749	\$532,272	\$352,871	\$189,868	\$223,214	\$378,809	\$431,345
Unreserved	1,168,316	1,638,397	1,818,686	35,090,007	35,090,247	35,424,413	36,832,346	38,220,243	40,269,770	42,053,913
<b>Total General Fund</b>	<b>1,604,880</b>	<b>2,105,768</b>	<b>2,526,362</b>	<b>35,494,756</b>	<b>35,622,519</b>	<b>35,777,284</b>	<b>37,022,214</b>	<b>38,443,457</b>	<b>40,648,579</b>	<b>42,485,258</b>
<b>All Other Governmental Funds</b>										
Reserved	3,541,473	2,619,617	5,806,801	3,423,005	6,740,400	2,765,365	3,611,392	2,371,022	2,144,285	3,034,723
Unreserved, Reported in:										
Special Revenue Funds	11,087,483	9,596,112	8,508,812	5,452,931	5,578,574	3,983,478	4,192,666	4,202,902	5,272,144	5,243,384
Debt Service Funds	0	0	0	376,327	19,104	135,285	115,633	13,806	9,120	20,632
Capital Project Funds	1,450,013	3,876,752	3,071,320	2,016,221	3,891,736	4,307,945	441,568	856,770	800,485	944,888
<b>Total all Other Governmental Funds</b>	<b>\$16,078,969</b>	<b>\$16,092,481</b>	<b>\$17,386,933</b>	<b>\$11,268,484</b>	<b>\$16,229,814</b>	<b>\$11,192,073</b>	<b>\$8,361,259</b>	<b>\$7,444,500</b>	<b>\$8,226,034</b>	<b>\$9,243,627</b>

Source: City Records

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

	Calendar Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Revenues</b>										
Taxes	\$13,482,834	\$13,951,179	\$13,177,653	\$13,078,788	\$16,137,437	\$14,670,531	\$15,141,702	\$15,556,609	\$15,951,626	\$14,703,665
Fines, Licenses and Permits	136,958	137,493	149,571	127,364	111,916	112,296	113,676	110,183	123,486	117,596
Charges for Services	981,097	1,151,549	1,216,667	1,288,668	1,385,158	1,633,216	1,577,227	2,251,504	2,202,251	2,926,793
Investment Earnings	1,067,784	882,904	775,349	1,028,664	910,902	1,143,111	2,160,056	2,826,639	2,115,536	1,035,398
Intergovernmental	3,376,165	3,034,424	3,029,309	2,704,034	3,980,977	3,547,439	3,560,341	3,125,811	4,150,674	4,435,499
Special Assessments	129,157	160,886	118,905	174,237	190,672	195,049	261,521	239,099	227,058	298,786
Payments in Lieu of Taxes	0	0	0	0	0	0	0	162,376	186,224	194,775
Other Revenues	323,372	527,080	1,358,936	690,462	476,614	389,713	418,722	525,371	491,651	493,893
<b>Total Revenues</b>	<b>19,497,367</b>	<b>19,845,515</b>	<b>19,826,390</b>	<b>19,092,217</b>	<b>23,193,676</b>	<b>21,691,355</b>	<b>23,233,245</b>	<b>24,797,592</b>	<b>25,448,506</b>	<b>24,206,405</b>
<b>Expenditures</b>										
<b>Current:</b>										
General Government	3,322,874	3,758,271	3,780,885	4,085,269	4,594,783	4,053,075	4,332,665	4,772,246	4,676,746	4,159,322
Public Safety	6,836,977	6,971,369	7,330,132	8,025,594	7,924,826	8,369,858	8,396,677	9,234,356	9,245,869	9,140,317
Leisure Time Activities	1,647,315	1,718,024	1,631,182	1,824,597	1,493,876	1,510,229	1,400,691	1,546,806	1,516,300	1,508,342
Community Development	640,757	630,685	726,078	1,130,705	921,465	832,057	645,149	918,513	660,303	721,362
Basic Utility Service	1,182,245	1,408,231	1,281,122	1,888,840	1,595,015	1,559,172	1,264,828	1,224,791	1,146,691	1,225,369
Transportation and Street Repair	1,738,595	1,770,247	2,227,376	2,065,992	2,379,777	2,066,280	1,949,294	2,263,423	1,994,218	1,834,053
Public Health and Welfare	464,164	409,096	407,651	405,234	403,470	467,916	426,129	494,383	433,203	432,254
Capital Outlay	3,643,263	2,818,886	3,560,043	5,322,710	4,407,434	5,288,381	4,876,998	2,196,944	1,424,698	887,499
Debt Service:										
Principal Retirement	548,000	558,000	568,000	643,000	678,000	918,000	634,000	534,000	554,000	510,000
Interest and Fiscal Charges	225,005	195,491	220,567	209,719	450,782	684,360	562,698	532,646	514,124	492,630
<b>Total Expenditures</b>	<b>\$20,249,195</b>	<b>\$20,238,300</b>	<b>\$21,733,036</b>	<b>\$25,601,660</b>	<b>\$24,849,428</b>	<b>\$25,749,328</b>	<b>\$24,489,129</b>	<b>\$23,718,108</b>	<b>\$22,166,152</b>	<b>\$20,911,148</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									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Excess of revenues over (under) expenditures	(\$751,828)	(\$392,785)	(\$1,906,646)	(\$6,509,443)	(\$1,655,752)	(\$4,057,973)	(\$1,255,884)	\$1,079,484	\$3,282,354	\$3,295,257
Other Financing Sources (Uses)										
Issuance of Long-Term Capital-Related Debt	\$0	\$0	\$3,055,000	\$1,800,000	\$7,510,000	\$0	\$0	\$0	\$0	\$0
Proceeds from Sale of Capital Assets	0	0	0	0	0	0	0	0	204,302	18,615
Transfers In	14,125,690	15,671,354	12,896,692	2,477,353	9,217,435	3,889,006	3,465,000	4,511,874	2,465,589	3,804,704
Transfers (Out)	(13,066,106)	(14,764,169)	(12,330,000)	(2,764,153)	(9,982,593)	(4,714,006)	(3,795,000)	(5,086,874)	(2,965,589)	(4,264,304)
Total Other Financing Sources (Uses)	1,059,584	907,185	3,621,692	1,513,200	6,744,842	(825,000)	(330,000)	(575,000)	(295,698)	(440,985)
Net Change in Fund Balances	\$307,756	\$514,400	\$1,715,046	(\$4,996,243)	\$5,089,090	(\$4,882,973)	(\$1,585,884)	\$504,484	\$2,986,656	\$2,854,272
Debt service as a percentage of noncapital expenditures (1)	4.2%	3.7%	4.0%	3.5%	6.1%	7.0%	5.0%	5.3%	4.9%	5.3%

Source: City Records

(1) - Noncapital expenditures is capital assets for reporting in the government-wide financial statements subtracted from total governmental fund expenditures

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

Calendar Year	Real Property	Tangible Personal Property	Public Utilities Personal	Total	Total	Total Direct Rate (1)	Total Direct Rate (2)
	Assessed Value	Assessed Value	Assessed Value	Assessed Value	Estimated Actual Value		
2000	\$305,673,670	\$125,248,730	\$17,178,640	\$448,101,040	\$1,280,288,686	3.10	1.10
2001	313,221,610	125,141,820	14,962,560	453,325,990	1,295,217,114	3.10	1.10
2002	349,997,450	129,422,940	11,007,460	490,427,850	1,401,222,429	3.10	1.10
2003	359,593,630	138,549,520	11,242,060	509,385,210	1,455,386,314	3.10	1.10
2004	370,904,790	133,736,850	11,002,640	515,644,280	1,473,269,371	3.10	1.10
2005	406,825,130	125,877,320	11,115,360	543,817,810	1,553,765,171	3.10	1.10
2006	427,342,540	119,988,710	11,197,820	558,529,070	1,595,797,343	3.10	1.10
2007	432,828,960	82,696,590	11,374,070	526,899,620	1,505,427,486	3.10	1.10
2008	476,759,560	48,088,660	9,799,060	534,647,280	1,527,563,657	3.10	1.10
2009	485,838,200	24,111,720	10,003,980	519,953,900	1,485,582,571	3.10	1.10

Source: County Auditor

- (1) - For Tax District D08
- (2) - For Tax District D45

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.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue to be received in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed.

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

Calendar Year	Total Direct Rate (1)	Overlapping Rates (1)			
		Miami Conservancy City (3)	Troy City School District	Upper Valley Joint Vocational	Miami County
2000	3.10	0.15	54.60	4.90	8.81
2001	3.10	0.15	54.60	4.90	8.83
2002	3.10	0.16	54.60	4.90	8.43
2003	3.10	0.12	54.60	4.90	9.13
2004	3.10	0.12	54.60	5.46	9.13
2005	3.10	0.14	56.59	5.45	9.11
2006	3.10	0.14	56.59	5.45	9.12
2007	3.10	0.14	56.59	5.45	8.81
2008	3.10	0.14	52.09	5.35	8.80
2009	3.10	0.14	52.09	5.18	8.81

Calendar Year	Total Direct Rate (2)	Overlapping Rates (2)			
		Miami Conservancy City (3)	Miami East School District	Miami Valley Career Technology Center	Miami County
2000	1.10	0.15	41.50	2.58	8.81
2001	1.10	0.15	41.50	2.58	8.83
2002	1.10	0.16	41.50	2.58	8.43
2003	1.10	0.12	41.50	2.58	9.13
2004	1.10	0.12	42.80	2.58	9.13
2005	1.10	0.14	45.80	2.58	9.11
2006	1.10	0.14	46.80	2.58	9.12
2007	1.10	0.14	46.80	2.58	8.81
2008	1.10	0.14	46.50	2.58	8.80
2009	1.10	0.14	49.46	2.58	8.81

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) - Levied by the City for the benefit of the Miami Conservancy District

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 Three Years Ago  
Schedule 7

Taxpayer	2009	
	Assessed Value	Percentage of Total Assessed Value
Dayton Power and Light Company	\$7,325,230	1.41%
American Honda Motor	6,408,920	1.23%
Towne Park SPE-1 L.L.C.	5,175,530	1.00%
Hobart Corporation	3,400,860	0.65%
DW28 Mornoe, L.L.C.	3,333,420	0.64%
Meijer Stores Limited	2,707,220	0.52%
Vectren Energy Delivery	2,604,080	0.50%
Ramco Properties	2,491,690	0.48%
United Distribution	2,409,790	0.46%
Kroger Company	1,909,540	0.37%
<b>Total Principal Property Tax Payers</b>	<b>\$37,766,280</b>	<b>7.26%</b>

Taxpayer	2006 (1)	
	Assessed Value	Percentage of Total Assessed Value
American Honda Motor	\$8,750,000	1.57%
Dayton Power and Light Company	6,667,470	1.19%
Towne Park Apartments, L.L.C.	4,356,040	0.78%
Hobart Corporation	4,285,670	0.77%
Ramco Properties	3,113,710	0.56%
Dayton Montgomery County	2,440,950	0.44%
Hobart Brothers Company	2,423,690	0.43%
Lowe's Home Centers, Inc.	2,397,850	0.43%
Health Care REIT, Inc.	2,390,990	0.43%
B F Goodrich Co.	2,221,260	0.40%
<b>Total Principal Property Tax Payers</b>	<b>\$39,047,630</b>	<b>7.00%</b>

(1) - Current and three years ago information only available. Information from nine years prior is not available.

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
2000	\$1,137,461	\$1,110,312	97.61%	\$51,751	\$1,162,063	102.16%
2001	1,147,523	1,123,667	97.92%	52,305	1,175,972	102.48%
2002	1,252,515	1,245,247	99.42%	69,539	1,314,786	104.97%
2003	1,266,916	1,270,333	100.27%	42,921	1,313,254	103.66%
2004	1,312,974	1,318,922	100.45%	40,758	1,359,680	103.56%
2005	1,445,812	1,433,860	99.17%	55,724	1,489,584	103.03%
2006	1,492,952	1,509,256	101.09%	52,873	1,562,129	104.63%
2007	1,558,388	1,554,728	99.77%	58,866	1,613,594	103.54%
2008	1,716,982	1,714,893	99.88%	76,233	1,791,126	104.32%
2009	1,757,384	1,772,623	100.87%	67,238	1,839,861	104.69%

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.

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

Calendar Year	Withholding Accounts	Business Accounts	Residential Accounts	Total	Income Tax Rate
2000	\$9,759,333	\$1,460,462	\$499,230	\$11,719,025	1.75%
2001	9,965,943	1,961,382	567,270	12,494,595	1.75%
2002	9,672,609	1,184,102	627,275	11,483,986	1.75%
2003	9,757,643	1,109,823	643,006	11,510,472	1.75%
2004	9,669,316	3,849,138	630,634	14,149,088	1.75%
2005	9,992,096	2,220,540	737,792	12,950,428	1.75%
2006	10,063,324	2,417,595	774,027	13,254,946	1.75%
2007	10,516,937	2,183,885	764,159	13,464,981	1.75%
2008	11,075,668	1,963,644	1,071,371	14,110,683	1.75%
2009	10,245,095	1,251,838	1,258,095	12,755,028	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 II

Calendar Year	Governmental Activities			Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Short-Term Bond Anticipation Notes	Special Assessment Bonds	General Obligation Bonds	Short-Term Bond Anticipation Notes	Notes Payable	OWDA Loan			
2000	\$2,725,000	\$0	\$632,000	\$20,759,000	\$0	\$187,948	\$0	\$24,303,948	0.88%	\$872
2001	2,245,000	0	554,000	20,225,000	0	146,182	0	23,170,182	0.84%	835
2002	4,805,000	0	481,000	20,172,000	0	104,416	0	25,562,416	0.91%	903
2003	6,035,000	4,000,000	408,000	18,976,000	1,800,000	62,650	0	31,281,650	1.06%	1,060
2004	12,940,000	0	335,000	20,256,000	0	20,884	0	33,551,884	1.09%	1,103
2005	12,095,000	0	262,000	18,712,000	0	0	0	31,069,000	1.00%	1,014
2006	11,525,000	0	198,000	17,235,000	0	0	0	28,958,000	0.89%	902
2007	11,055,000	0	134,000	15,845,000	0	50,864	0	27,084,864	0.81%	816
2008	10,565,000	0	70,000	14,425,000	0	36,396	0	25,096,396	N/A	N/A
2009	10,105,000	0	20,000	12,920,000	0	21,264	712,670	23,778,934	N/A	N/A

Source: City Records

N/A - Information not available

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

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

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<u>Calendar Year</u>	<u>General Bonded Debt Outstanding General Obligation Bonds</u>	<u>Percentage of Estimated Actual Taxable Value of Property</u>	<u>Per Capita</u>
2000	\$2,725,000	0.21%	\$124
2001	2,245,000	0.17%	102
2002	4,805,000	0.34%	218
2003	6,035,000	0.41%	274
2004	12,940,000	0.88%	588
2005	12,095,000	0.78%	550
2006	11,525,000	0.72%	524
2007	11,055,000	0.73%	503
2008	10,565,000	0.69%	480
2009	10,105,000	0.68%	459

Source: City Records

City of Troy, Ohio  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2009  
 Schedule 13

Governmental Unit	Net Debt Outstanding	Estimated Percentage Applicable (1)	Amount Applicable to City of Troy
City of Troy	\$510,000	99.98%	\$509,898
Miami County	2,905,000	23.88%	693,714
Troy City School District	19,594,991	75.03%	14,702,122
Miami East Local School District	10,149,989	6.40%	649,599
Miami Valley Career Center Joint Vocational School District	6,695,000	0.15%	10,043
Upper Valley Career Center Joint Vocational School District	670,000	22.11%	148,137
Total Direct and Overlapping Debt	\$40,524,980		\$16,713,513

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 Calendar Year 2009	
Assessed Value	\$519,953,900
Statutory Legal Debt Limitation (1)	10.5%
Total Debt Limitation	54,595,160
Debt Applicable to Limit:	
Gross Indebtedness	23,778,934
Less: Debt Outside Limitations (2)	12,961,264
Less: Bond Retirement Fund Balance	20,632
Total Net Debt Applicable to Limit	10,797,038
Legal Debt Margin	\$43,798,122

	Calendar Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Total Debt Limit (1)										
Debt Limit (10.5%)	\$47,050,609	\$47,599,229	\$51,494,924	\$53,485,447	\$54,142,649	\$57,100,870	\$58,645,552	\$55,324,460	\$56,137,964	\$54,595,160
Total Net Debt Applicable to Limit	2,336,661	1,880,183	4,520,594	5,628,673	12,920,896	11,959,715	11,190,031	10,900,046	10,551,194	10,797,038
Legal Debt Margin	\$44,713,948	\$45,719,046	\$46,974,330	\$47,856,774	\$41,221,753	\$45,141,155	\$47,455,521	\$44,424,414	\$45,586,770	\$43,798,122
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	5.0%	4.0%	8.8%	10.5%	23.9%	20.9%	19.1%	19.7%	18.8%	19.8%

	Calendar Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Total Unvoted Debt Limit (1)										
Debt Limit (5.5%)	\$24,645,557	\$24,932,929	\$26,973,532	\$28,016,187	\$28,360,435	\$29,909,980	\$30,719,099	\$28,979,479	\$29,405,600	\$28,597,465
Total Net Debt Applicable to Limit	2,336,661	1,880,183	4,520,594	5,628,673	12,920,896	11,959,715	11,190,031	10,900,046	10,551,194	10,797,038
Legal Debt Margin	\$22,308,896	\$23,052,746	\$22,452,938	\$22,387,514	\$15,439,539	\$17,950,265	\$19,529,068	\$18,079,433	\$18,854,406	\$17,800,427
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	9.5%	7.5%	16.8%	20.1%	45.6%	40.0%	36.4%	37.6%	35.9%	37.8%

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.



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

Calendar Year	Special Assessment Bonds			
	Special Assessment Collections (1)	Debt Service		Coverage
		Principal	Interest	
2000	\$131,146	\$632,000	\$48,675	0.19
2001	129,324	554,000	43,448	0.22
2002	121,497	481,000	38,153	0.23
2003	144,042	408,000	33,040	0.33
2004	145,432	335,000	27,923	0.40
2005	161,427	262,000	22,775	0.57
2006	215,779	198,000	17,628	1.00
2007	241,912	134,000	14,748	1.63
2008	242,672	70,000	5,915	3.20
2009	274,568	20,000	1,495	12.77

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)
2000	21,999	\$2,759,517	\$27,876	2.90%
2001	21,999	2,755,586	27,762	5.20%
2002	21,999	2,821,089	28,324	5.40%
2003	21,999	2,954,972	29,514	5.70%
2004	21,999	3,064,960	30,411	5.50%
2005	21,999	3,107,811	30,645	5.50%
2006	21,999	3,240,388	32,097	5.70%
2007	21,999	3,347,023	33,189	5.40%
2008	21,999	N/A	N/A	7.00%
2009	21,999	N/A	N/A	12.20%

- Sources:
- (1) - Population estimates provided by U.S. Census Bureau (2000 Census)
  - (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 One Year Ago (2)  
Schedule 17

2009

Major Employers (3)	Type	Number of Employees	Employer's Percentage of Total Employment
A.O. Smith Corp.	Mfg	(4)	(5)
Crane Co.	Mfg	(4)	(5)
Evenflo Company, Inc.	Mfg	(4)	(5)
Faurecia SA	Mfg	(4)	(5)
F-Tech, Inc./F&P America	Mfg	(4)	(5)
Goodrich Corp.	Mfg	(4)	(5)
Illinois Tool Works, Inc./Hobart	Mfg	(4)	(5)
Jackson Tube Service	Mfg	(4)	(5)
Meijer, Inc.	Trade	(4)	(5)
Troy City Board of Education	Govt	(4)	(5)
Upper Valley Medical Center	Health	(4)	(5)

2008

Major Employers (3)	Type	Number of Employees	Employer's Percentage of Total Population
A.O. Smith Corp.	Mfg	(4)	(5)
Crane Co.	Mfg	(4)	(5)
Evenflo Company, Inc.	Mfg	(4)	(5)
Faurecia SA	Mfg	(4)	(5)
F-Tech, Inc./F&P America	Mfg	(4)	(5)
Goodrich Corp.	Mfg	(4)	(5)
Illinois Tool Works, Inc./Hobart	Mfg	(4)	(5)
Jackson Tube Service	Mfg	(4)	(5)
Meijer, Inc.	Ret	(4)	(5)
Troy City Board of Education	Govt	(4)	(5)
Upper Valley Medical Center	Health	(4)	(5)

Source: Ohio Department of Development

(1) - For all of Miami County

(2) - Only current year and one year ago information available. Information for nine years ago not available.

(3) - Includes at minimum the ten largest employers for the county. In alphabetical order only.

(4) - The number of employees of each listed major employer was not available.

(5) - 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									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Information Systems	0	0	0	0	0	0	0	0	3	2
General Government	2	2	2	2	2	2	1	1	0	0
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	4	4	4	4	4	4	4
Law	2	2	2	2	2	2	2	2	2	2
Service	4	4	4	4	5	5	4	4	4	4
Human Resources	2	2	2	2	2	2	2	2	2	2
Fire	42	42	42	42	42	42	40	39	41	41
Police	45	44	44	45	45	48	46	45	46	46
Parks	8	8	9	8	7	9	8	9	9	8
Recreation	4	3	4	4	4	4	4	4	4	4
Electric	3	3	3	3	3	3	3	3	3	3
Development	6	4	6	6	6	6	7	6	5	2
Street	17	17	18	17	18	18	17	17	16	16
Tax	4	4	3	4	4	4	4	4	5	5
Cemetery	4	3	4	4	4	4	4	4	4	4
Refuse	7	6	7	7	7	7	6	6	4	3
Hobart Arena	4	5	5	5	5	5	5	5	5	5
Water Administration	5	5	5	5	5	5	5	5	2	2
Water Plant	10	10	9	10	10	10	10	9	9	9
Water Distribution	8	8	8	8	7	8	8	8	7	5
Sewer B&C	5	4	5	5	5	5	5	4	3	2
Sewer Plant	12	12	12	12	12	12	12	11	11	11
Sewer Maintenance	4	4	4	4	4	4	3	2	4	5
Parking	0	1	1	1	1	1	0	1	1	1
Miami Shores	5	5	5	5	5	5	5	5	5	5
Engineering	8	8	8	8	8	8	7	6	6	8
<b>Total</b>	<b>217</b>	<b>212</b>	<b>218</b>	<b>219</b>	<b>219</b>	<b>225</b>	<b>214</b>	<b>208</b>	<b>207</b>	<b>201</b>

Source: Various City Departments

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

Function/Program	Calendar Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General government										
Commercial Construction										
Building permits issued	61	26	19	27	53	30	97	150	133	138
Value	\$7,761,322	\$11,153,834	\$4,416,399	\$8,723,883	\$13,530,000	\$31,502,490	\$42,270,987	\$25,002,977	\$28,976,372	\$8,792,068
Residential Construction										
Building permits issued	201	110	236	289	168	270	136	77	74	49
Value	\$11,086,202	\$15,968,738	\$23,613,370	\$32,863,289	\$28,449,654	\$33,012,180	\$28,394,390	\$16,160,962	\$15,184,126	\$8,315,391
Police										
Physical arrests	2,336	2,377	2,191	1,819	2,651	2,885	3,073	2,959	2,688	2,724
Parking violations	2,133	5,843	4,147	3,397	3,012	2,877	2,867	2,592	3,074	3,093
Traffic violations	4,185	3,742	3,445	2,853	3,465	4,210	4,657	3,956	5,240	3,546
Fire										
Emergency responses	952	1,036	1,071	934	1,143	1,249	1,181	1,371	1,480	1,266
Fires extinguished	145	127	125	96	98	134	104	106	88	132
Inspections	320	434	288	334	799	1,030	718	682	418	700
Refuse collection										
Refuse collected (tons)	5,725	6,209	6,158	6,250	6,530	6,542	6,584	6,484	5,611	5,191
Recyclables collected (tons)	1,500	1,466	1,370	1,727	1,686	1,750	1,840	1,864	1,473	1,640
Other public works										
Street resurfacing (cubic yards)	5,318	6,688	7,135	6,623	5,127	4,500	2,483	2,486	344	4,182
Parks and Recreation										
Community Center Admissions (1)	\$18,191	\$19,583	\$26,950	\$19,499	\$16,626	\$95,622	\$88,035	\$87,087	\$89,711	\$75,510
Community Center Attendance	11,341	9,868	14,176	10,793	10,674	46,775	43,476	40,493	41,983	35,269
Water										
New connections (each)	208	158	154	267	222	154	132	63	129	62
Water main breaks (each)	26	24	24	32	27	23	26	33	29	45
Average daily consumption (millions of gallon per day)	5.30	5.30	5.40	5.10	5.20	5.00	4.10	4.16	3.97	3.85
Peak daily consumption (millions of gallon per day)	7.0	6.8	7.4	6.8	6.6	7.4	5.4	5.8	5.6	5.7
Wastewater										
Average daily sewage treatment (millions of gallon per day)	5.88	5.66	5.73	6.59	5.73	5.96	5.73	5.79	5.51	4.85

Source: Various City Departments

(1) - Cash basis

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

Function/Program	Calendar Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	8	8	8	8	8	8	8	8	9	10
Fire Stations	3	3	3	3	3	3	3	3	3	3
Other Public Works										
Area of City (square miles)	9,245	9,698	10,697	11,696	12,151	12,164	12,167	12,345	12,345	12,345
Streets (miles)	100,88	102,35	104,45	105,05	107,49	109,60	110,50	111,84	111,96	112,59
Streetlights	2,356	2,356	2,356	2,356	2,356	2,356	2,579	2,601	2,615	2,622
Traffic signals	43	43	43	43	43	42	42	43	43	43
Parks and Recreation										
Number of Parks	24	24	24	24	25	25	26	26	25	25
Acreage	296,40	296,40	296,40	296,40	297,90	297,90	303,90	303,90	303,40	303,40
Playgrounds	16	16	17	17	17	18	18	18	17	17
Baseball/Sofball Diamonds	15	15	15	15	15	15	15	15	15	15
Soccer/Football Fields	14	14	14	14	14	14	14	14	14	14
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
Municipal Water Department										
Treatment Capacity (millions of gallons per day)	16	16	16	16	16	16	16	16	16	16
Water Mains (miles)	121.62	123.83	126.23	128.81	131.31	133.67	134.92	136.44	136.92	137.78
Fire hydrants	(2)	(2)	(2)	(2)	1,177	(2)	1,322	1,244	1,254	1,268
Sewers										
Treatment Capacity (millions of gallons per day)	(2)	7	7	7	7	7	7	7	7	7
Storm Sewers (miles)	64.81	67.25	69.95	70.27	73.08	75.19	76.39	78.67	79.42	80.29
Sanitary Sewers (miles)	114.86	116.96	119.16	119.22	121.90	123.90	125.01	126.22	126.54	127.25
Hobart Arena										
Attendance	(2)	(2)	(2)	9,819	11,914	10,216	15,103	13,664	30,153	24,347
Ticket Sold (1)	(2)	(2)	(2)	6,225	7,709	6,474	8,415	7,901	13,547	16,194

Source: Various City Departments

(1) - Tickets sold by Hobart Arena only

(2) - Information was not available from the City

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**Mary Taylor, CPA**  
Auditor of State

**CITY OF TROY**

**MIAMI COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JUNE 10, 2010**