

**CITY OF TROY  
MIAMI COUNTY**



**SINGLE AUDIT**

**FOR THE YEAR ENDED DECEMBER 31, 2021**



OHIO AUDITOR OF STATE  
KEITH FABER



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Columbus, Ohio 43215  
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Members of Council  
City of Troy  
100 South Market Street  
Troy, Ohio 45373

We have reviewed the *Independent Auditor's Report* of the City of Troy, Miami County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2021 through December 31, 2021. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

September 27, 2022

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**CITY OF TROY  
MIAMI COUNTY  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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CITY OF TROY, OHIO  
Schedule of Expenditures of Federal Awards  
For the year ended December 31, 2021

Federal Grantor/Pass Through Grantor/Program Title	Grant or Pass-Through Number	Federal AL Number	Total Federal Expenditures
<u>U.S. Department of Housing and Urban Development</u>			
Passed through the Ohio Development Services Agency: Community Development Block Grants/State	A-F-20-2EB-1	14.228	\$69,034
Total U.S. Department of Housing and Urban Development			<u>69,034</u>
<u>U.S. Department of Justice</u>			
Direct:			
Equitable Sharing Program	N/A	16.922	38,110
Total U.S. Department of Justice			<u>38,110</u>
<u>U.S. Department of the Treasury</u>			
Passed through the Ohio Office of Budget and Management: COVID-19 Coronavirus State and Local Fiscal Recovery Funds	5CV4	21.027	196,831
Total U.S. Department of the Treasury			<u>196,831</u>
<u>Small Business Administration</u>			
Direct:			
COVID-19 Shuttered Venue Operators Grant Program	N/A	59.075	1,075,208
Total Small Business Administration			<u>1,075,208</u>
<u>U.S. Department of Homeland Security</u>			
Direct:			
Assistance to Firefighters Grant	N/A	97.044	231,364
Total Small Business Administration			<u>231,364</u>
TOTAL - ALL FEDERAL PROGRAMS			<u><u>\$1,610,547</u></u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE A -- SIGNIFICANT ACCOUNTING POLICIES

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

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

Honorable Mayor and City Council  
City of Troy, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Troy, Ohio (the City), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated July 15, 2022.

**Report on Internal Control over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

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

## Purpose of This Report

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

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.

Dayton, Ohio

July 15, 2022



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

Honorable Mayor and City Council,  
City of Troy, Ohio

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

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

We have audited the City of Troy, Ohio's (the City) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2021. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated July 15, 2022, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. We have not performed any procedures to the audited financial statements subsequent to July 15, 2022. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.

Dayton, Ohio

August 31, 2022

**CITY OF TROY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ended December 31, 2021**

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

**Financial Statements**

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

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? No

**Federal Awards**

Internal control over major federal programs:

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

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

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

Identification of major federal programs:

COVID-19 Shuttered Venue Operators Grant AL # 59.075

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

Auditee qualified as low-risk auditee? No

**Section II – Findings Related to the Financial Statements Required to be reported in Accordance with GAGAS**  
None

**Section III – Federal Award Findings and Questioned Costs**  
None

**CITY OF TROY**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
2 CFR 200.511(b)  
Year Ended December 31, 2021**

The City of Troy had no prior audit findings or questioned costs.

# City of Troy Annual Comprehensive Financial Report

For the Year Ended December 31, 2021  
Troy, Ohio



# CITY OF TROY, OHIO

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## ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2021

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Prepared by:  
John E. Frigge  
City Auditor

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# INTRODUCTORY SECTION

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Patrick E. J. Titterington  
City Director  
Patrick.Titterington@TroyOhio.gov

July 15, 2022

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

The Annual Comprehensive Financial Report of the City of Troy, Ohio for the fiscal year ended December 31, 2021 is submitted herewith. The Auditor's Office prepared the report. The responsibility for both the accuracy of the presented data and the completeness and the fairness of the presentation, including all disclosures, rests with the City of Troy, specifically with the Auditor's Office. We believe that the enclosed data is accurate in all material respects; and is presented in a manner designed to fairly set forth the financial payroll - bank statement and reconciliation as December 31, 2021 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 Annual Comprehensive Financial Report incorporates GASB Statement No. 34 – Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. Statement No. 34 was developed to make annual financial reports of state and local governments easier to understand and more useful to those who make decisions using governmental financial information. This report represents and reflects upon the City's financial operations and condition to the City's residents, its elected officials, management personnel, financial institutions, City bondholders, rating agencies and all other parties interested in the financial affairs of the City.

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

### **CITY OVERVIEW**

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

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

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

## **ECONOMIC CONDITIONS AND OUTLOOK**

Economic Development remains Troy's number one priority, for without a robust, thriving, diverse and sustainable residential, commercial and industrial economy, the City cannot protect the health, welfare and safety of our stakeholders, nor can we continue the high level, unique quality of life we enjoy. Though our State of Ohio leaders have continually confiscated our income tax revenues, Troy officials recognize that, through our close alliance with our business community, attracting and retaining young worker and families to Troy will be absolutely essential to sustaining and growing our business economy.

During 2021, ConAgra Foods, one of Troy's top five companies, announced a sizable expansion project that included 100 new employees along with a substantial purchase of additional equipment and a building expansion of approximately 15,000 square feet. The expansion project committed \$4MM in annual payroll with a capital investment of approximately \$61MM. Other industrial businesses invested in the Troy community as well including a 36,000 square-foot addition for F&P America that resulted with approximately 40 new jobs and approximately \$3MM in capital investments. Peak Foods, who produces a wide variety of private-branded frozen food products, broke ground on an 80,000 square-foot addition to its production facility. The company is investing more than \$12MM capital expenditures creating an addition 20 new jobs. Brightworks, an automotive restoration shop that provides full-service brightwork for vintage cars, broke ground on a new 20,000 square-foot headquarters resulting with a capital investment of \$2MM resulting in 25 new jobs. Some of the other economic development highlights and projects are as follows:

### **Economic Development**

- Broke ground on construction of a \$7MM two-story fire station that includes approximately 17,000 square feet with apparatus bays, administration offices and living quarters.
- Completed construction of a \$1.6MM new headquarters for C-Squared Industrial resulting with 20 new employees.
- Launched a new façade improvement and building renovation grant program for downtown businesses.
- Marketed 73 acres of land purchased by the Troy Development Council to establish an industrial park (sold 7 acres).

### **Recreation/Parks**

- Worked with the Recreation Department and Park Department Staff to continue to promote the very popular Float Troy Program (floating Shoal Tents on the Great Miami River), renting the tents, and finding ways to enhance the overnight experience of on-river camping.
- Worked with the Park Department to establish the new Robinson Reserve at Duke Park, which is a natural area of 40 acres.
- Worked with the Recreation Department staff to reopen the Troy Aquatic Park for a full season, post-Covid operation.

- Worked with Miami Shores Golf Course staff to include a cold storage facility for equipment, install two golf simulators to enhance the golf experience and encourage play; and establish a new position of Assistant Golf Professional.
- Continued to assess buildings and the needs of the functions they address, including Park Department buildings.
- Budgeted a second roof replacement project for the Hobart Arena.
- Maintained Tree City USA status for 35 consecutive years.
- Worked with the Hobart Arena to return to pre-Covid operations, having programming with a variety of events and activities, both recreational and cultural.
- Authorized new and additional park signage.
- Working with Ohio EPA, US Fish & Wildlife Services, and other entities on the removal of the low head dam, which will provide future recreational opportunities.

### **Utilities/Operations**

- Continued to replace and update water mains that are aging and undersized and to reline sewers to extend their life-cycles.
- Started design for an expansion of the Wastewater Treatment Plant to accommodate growth and meet EPA requirements.
- Conducted the next phase of sidewalk improvement program.
- Coordinated the annual road repaving project.
- Completed the last two phases of the Riverside Drive Improvement Project.
- Continued to finalize the engineering design, and work towards the West Main Street Corridor Improvement Project being ready to bid.
- Updated the 5-year City-wide Capital Improvement Plan for all funds.
- Continued to provide our citizens with professional and well-trained safety departments and forces.
- Continued to look at operating efficiencies, reorganizations, and work consolidations; and the elimination of operational redundancy for greater efficiency and cost effectiveness.
- Broke ground on new Fire Station #11 (previously numbered as #1).
- Continued Fire and Police Recruiting.
- Continued the Fire Department apprentice program, and noted the success of the program with apprentices being hired as full-time Firefighters/EMS Technicians; worked towards establishing a Police Recruit Program.

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

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

- Construction projects during the year included: New Fire station, Preferred Abrasives, WellNOW Urgent Care, Texas Roadhouse, C-Squared, Waco Warehouse, Brightworks, Abbey Credit Union and a building addition for the Lincoln Community Center.
- Additions and renovations to existing buildings include: Peak Foods, F&P America, Stull Woodworks, Waco Warehouse, ConAgra, Novacel, Masonic Temple, Ruby's, Hippieworks, and Greenville Federal Bank.
- Troy continues to be attractive to small businesses in the downtown and all-around town, with new establishments of Magnolia Mae, Ivy Court, Pho 79, Renew U, Texas Roadhouse, along with several business offices, retail shops, and beauty salons.



## **Residential Construction**

- Halifax Estates continues to develop with new sections of road being built and new housing starts with a total of 103 single-family lots (80% completed).
- Fox Harbor has new roads and housing starts (34 existing and 174 proposed lots).
- Reserve at Washington continued construction (50 lots over 33 acres, 50% completed).
- Halifax Villas continued construction (101 patio homes, 159 townhome condos over 107 acres, with 20% completed).
- Heritage of the Country Club continued construction (22 single-family lots, 22 condos over 25 acres, with 40% completed).
- Liberty Meadows started construction on 31 of 179 future single-family lots.

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

- Troy has 14 industrial operations for international companies. The parent companies for these operations are headquartered in Sweden, France, Germany, Italy, and Japan.
- Pella Corp. finalized investment of \$15.7 million to launch a manufacturing facility resulting in more than 400 additional jobs.
- Major \$12 million expansion for Peak Foods resulting in 20 new jobs.
- F&P America announced a multimillion investment creating 40 new jobs.
- Troy's top five employers are:
  1. Clopay Building Products (1,500 employees).
  2. ConAgra Foods (1,000 employees).
  3. F&P America MFG (900 employees).
  4. Collins Aerospace (655 employees).
  5. American Honda (650 employees).

## **Water Quality**

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

## **Cultural**

- We continue to stay in contact with our Sister City, Takahashi City, Japan, while COVID-19 restrictions prohibited exchanges.
- A smaller number of free concerts were held at Prouty Plaza and Treasure Island, made possible with generous donations by many people and organizations, with a number of events unfortunately cancelled or postponed due to COVID-19 restrictions.
- Continued to hold a July 4 Parade and Fireworks.
- The annual Grand Illumination of the community Christmas Tree and other lighting.
- In coordination with Troy Main Street, Inc., established the first public arts program of the Painted Piano Project, with pianos painted, on display and available to be played in the downtown June – August.

## **A Community of Volunteers**

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

- Operation Cloverleaf continued to maintain the SR41/I-75 Interchange.
- Sculptures on the Square planning for 2023.
- Christmas Tree Lighting Celebration.
- Downtown Farmers Market.
- A committee held the annual celebration honoring Dr. Martin Luther King, Jr.
- Coordinated the first Juneteenth Celebration, working with the re-established Human Relations Commission.

## **Recognized Observances**

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

## **OTHER INFORMATION ABOUT THE CITY**

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

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

### **Wellness Program**

The City has provided a Wellness Program since 2002. Since 2016 the Wellness Program became part of the City's Group Health Insurance Program through the Ohio Benefits Cooperative (OBC). This voluntary wellness incentive program is available only to those employees enrolled in the City's group health insurance program, and is now known as Virgin Pulse. It is designed to help employees identify and reach wellness goals. By enrolling and participating in the program, employees (and spouses) can earn points that can be converted into gift cards, with the amount earned based on the employee participation. The program also provides emails and reminders to participating employees, often focusing on particular health or wellness subjects. The City of Troy has a high percentage of eligible employees participating in the Wellness Program.

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

## **FINANCIAL INFORMATION**

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

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

Budgetary control is maintained at the fund level by the use of encumbrances for purchase order amounts to vendors. Open encumbrances are reported as an assignment of the fund balance for the governmental fund types at December 31, 2021.

### **Relevant Financial Policies**

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

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

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

### **Independent Audit**

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

## **AWARDS AND ACKNOWLEDGMENTS**

### **Certificate of Achievement**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Troy, Ohio, for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2020. 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 Annual Comprehensive 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 32nd time for the year ended December 31, 2020. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

### **Acknowledgements**

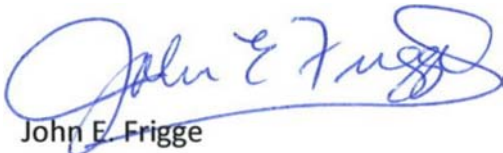
The preparation of the Annual Comprehensive Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the City Auditor and other City departments. We express our sincere appreciation for the contributions made in the preparation of this report.

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,



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



John E. Frigge  
City Auditor

# **City of Troy, Ohio**

## **Listing of Principal City Officials**

### **December 31, 2021**

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### **Elected Officials**

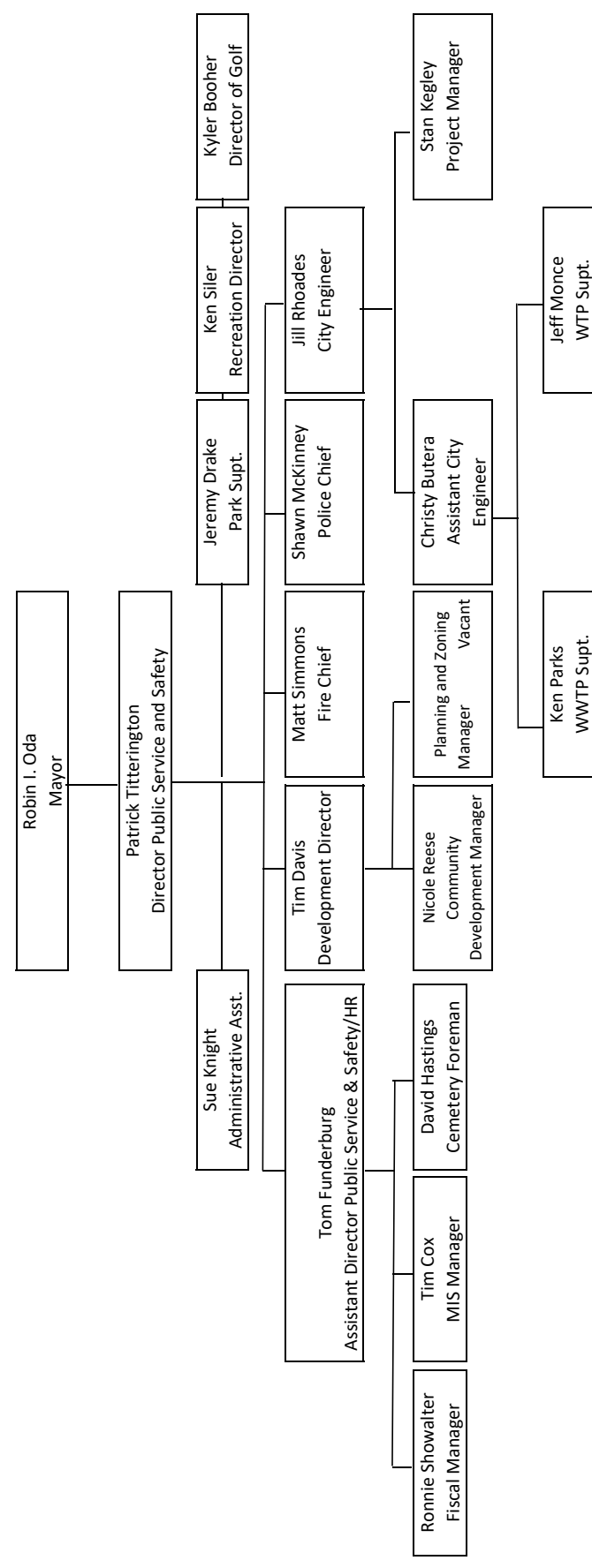
<b>Mayor</b>	<b>Robin I. Oda</b>
<b>President of Council</b>	<b>William Lutz</b>
<b>Councilmember-at-Large</b>	<b>William G. Rozell</b>
<b>Councilmember-at-Large</b>	<b>Todd D. Severt</b>
<b>Councilmember-at-Large</b>	<b>Lynne B. Snee</b>
<b>Councilmember, First Ward</b>	<b>Jeffrey G. Whidden</b>
<b>Councilmember,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

### **Appointed Officials**

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

# City of Troy Organizational Chart

## 2021





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Troy  
Ohio**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2020

*Christopher P. Morill*

Executive Director/CEO

# FINANCIAL SECTION

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**INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor and City Council  
City of Troy, Ohio

**Report on the Audit of the Financial Statements**

***Opinions***

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, Ohio (the City) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and schedules of pension information and other postemployment information to be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated July 15, 2022, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.  
Dayton, Ohio  
July 15, 2022

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**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2021**  
**(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, 2021. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's performance.

**Financial Highlights**

- The City's total net position increased \$29,725,134.
- Net position of governmental activities increased \$22,049,797, net position of business-type activities increased by \$7,675,337.
- The General Fund reported an decrease in fund balance of \$1,863,645.
- Business-type operations reflected operating income of \$3,857,103.

**Overview of the Financial Statements**

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

The Statement of Net Position and Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as the amount of funds available for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

**Government-wide Financial Statements**

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

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

**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2021**  
**(Unaudited)**

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

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

**Fund Financial Statements**

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

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

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

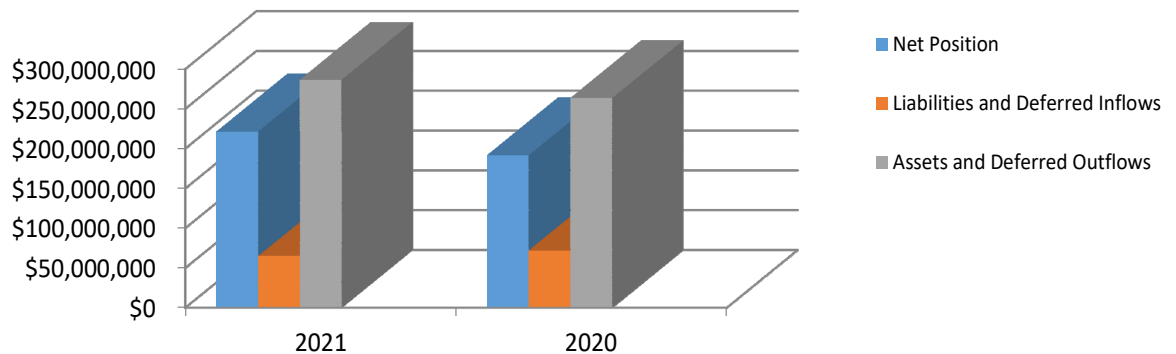
**Fiduciary Funds** - The City has one private purpose trust fund. The City's fiduciary activities are reported in separate Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. These activities are excluded from the City's other financial statements because the City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

**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2021**  
**(Unaudited)**

**The City as a Whole**

As stated previously, the Statement of Net Position looks at the City as a whole. Table 1 provides a summary of the City's net position for 2021 compared to 2020.

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
<b>Assets:</b>						
Current and Other Assets	\$93,284,553	\$86,442,324	\$26,968,992	\$24,424,213	\$120,253,545	\$110,866,537
Capital Assets	79,726,108	67,444,417	78,952,316	77,174,373	158,678,424	144,618,790
Net OPEB Asset	443,325	0	419,993	0	863,318	0
<b>Total Assets</b>	<b>173,453,986</b>	<b>153,886,741</b>	<b>106,341,301</b>	<b>101,598,586</b>	<b>279,795,287</b>	<b>255,485,327</b>
Deferred Outflows of Resources	5,588,135	6,441,112	742,417	1,339,864	6,330,552	7,780,976
<b>Liabilities:</b>						
Long-Term Liabilities	38,428,201	44,062,725	12,501,059	17,448,333	50,929,260	61,511,058
Other Liabilities	1,939,482	681,861	358,293	354,057	2,297,775	1,035,918
<b>Total Liabilities</b>	<b>40,367,683</b>	<b>44,744,586</b>	<b>12,859,352</b>	<b>17,802,390</b>	<b>53,227,035</b>	<b>62,546,976</b>
Deferred Inflows of Resources	8,876,180	7,834,806	2,844,007	1,431,038	11,720,187	9,265,844
<b>Net Position:</b>						
Net Investment In Capital Assets	70,305,041	57,085,164	70,386,408	68,118,870	140,691,449	125,204,034
Restricted	20,892,149	15,193,425	0	0	20,892,149	15,193,425
Unrestricted	38,601,068	35,469,872	20,993,951	15,586,152	59,595,019	51,056,024
<b>Total Net Position</b>	<b>\$129,798,258</b>	<b>\$107,748,461</b>	<b>\$91,380,359</b>	<b>\$83,705,022</b>	<b>\$221,178,617</b>	<b>\$191,453,483</b>



Over time, net position can serve as a useful indicator of a government's financial position. Total net position of the City as a whole increased \$29,725,134. Current and Other Assets increased mainly due to an increase in equity in pooled cash and investments received. Long-Term Liabilities decreased due to the decrease in net pension liability.

Table 2 shows the changes in net position for the year ended December 31, 2021 as compared to the year ended December 31, 2020.

**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2021**  
**(Unaudited)**

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

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
<b>Program Revenues:</b>						
Charges for Services	\$5,278,915	\$4,790,662	\$15,093,224	\$13,482,620	\$20,372,139	\$18,273,282
Operating Grants and Contributions	2,738,782	4,179,673	1,075,208	0	3,813,990	4,179,673
Capital Grants and Contributions	10,649,090	4,636,334	2,971,315	3,005,489	13,620,405	7,641,823
<b>Total Program Revenues</b>	<b>18,666,787</b>	<b>13,606,669</b>	<b>19,139,747</b>	<b>16,488,109</b>	<b>37,806,534</b>	<b>30,094,778</b>
<b>General Revenues:</b>						
Income Taxes	23,557,082	20,403,139	0	0	23,557,082	20,403,139
Property Taxes	2,245,622	1,902,367	0	0	2,245,622	1,902,367
Grants and Entitlements	1,531,217	945,614	0	0	1,531,217	945,614
Investment Earnings	(728,942)	942,824	(137,940)	181,257	(866,882)	1,124,081
Other Revenues	1,483,164	2,725,414	434,167	881,233	1,917,331	3,606,647
<b>Total General Revenues</b>	<b>28,088,143</b>	<b>26,919,358</b>	<b>296,227</b>	<b>1,062,490</b>	<b>28,384,370</b>	<b>27,981,848</b>
<b>Total Revenues</b>	<b>46,754,930</b>	<b>40,526,027</b>	<b>19,435,974</b>	<b>17,550,599</b>	<b>66,190,904</b>	<b>58,076,626</b>
<b>Program Expenses:</b>						
General Government	5,288,126	5,830,318	0	0	5,288,126	5,830,318
Public Safety	10,004,640	12,658,013	0	0	10,004,640	12,658,013
Community Development	1,326,166	2,336,784	0	0	1,326,166	2,336,784
Leisure Time Activities	2,254,414	2,314,257	0	0	2,254,414	2,314,257
Transportation and Street Repair	3,533,258	2,039,555	0	0	3,533,258	2,039,555
Basic Utility Service	1,280,947	1,286,878	0	0	1,280,947	1,286,878
Public Health and Welfare	451,633	470,452	0	0	451,633	470,452
Other	0	4,828	0	0	0	4,828
Interest and Other Charges	400,949	341,271	0	0	400,949	341,271
Bond Issuance Cost	0	115,846	0	0	0	115,846
Water	0	0	3,911,082	4,997,191	3,911,082	4,997,191
Sanitary Sewer	0	0	3,782,391	4,189,776	3,782,391	4,189,776
Hobart Arena	0	0	1,858,442	1,698,587	1,858,442	1,698,587
Swimming Pool	0	0	375,158	312,350	375,158	312,350
Parking Meter	0	0	32,286	89,861	32,286	89,861
Miami Shores	0	0	1,001,917	1,203,274	1,001,917	1,203,274
Stormwater Utility	0	0	964,361	1,278,211	964,361	1,278,211
<b>Total Program Expenses</b>	<b>24,540,133</b>	<b>27,398,202</b>	<b>11,925,637</b>	<b>13,769,250</b>	<b>36,465,770</b>	<b>41,167,452</b>
Increase (Decrease) in Net Position before Transfers	22,214,797	13,127,825	7,510,337	3,781,349	29,725,134	16,909,174
Transfers - Internal Activities	(165,000)	(1,092,408)	165,000	1,092,408	0	0
Change in Net Position	22,049,797	12,035,417	7,675,337	4,873,757	29,725,134	16,909,174
Net Position - Beginning of Year	107,748,461	95,713,044	83,705,022	78,831,265	191,453,483	174,544,309
Net Position - End of Year	<u>\$129,798,258</u>	<u>\$107,748,461</u>	<u>\$91,380,359</u>	<u>\$83,705,022</u>	<u>\$221,178,617</u>	<u>\$191,453,483</u>

**Governmental Activities**

The City has made continued efforts to attract large-scale employers for the year 2021, 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 84% of the City's governmental activities general revenues.

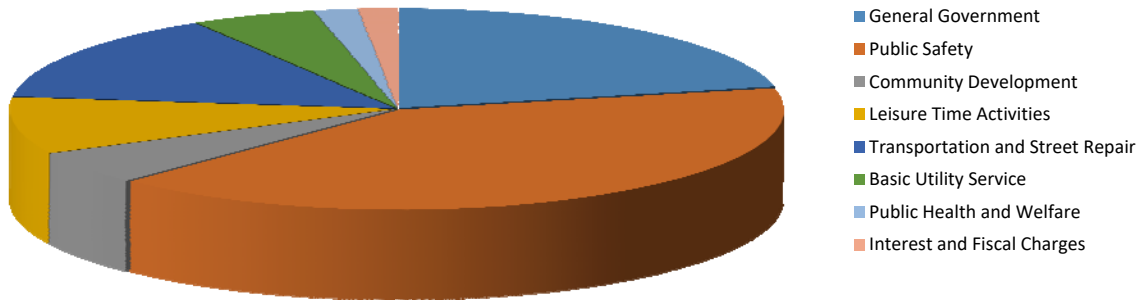


**City of Troy, Ohio**  
**Management’s Discussion and Analysis**  
**For The Year Ended December 31, 2021**  
**(Unaudited)**

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Governmental Activities  
Program Expenses for 2021

	Percentage
General Government	21.6%
Public Safety	40.8%
Community Development	5.4%
Leisure Time Activities	9.2%
Transportation and Street Repair	14.4%
Basic Utility Service	5.2%
Public Health and Welfare	1.8%
Interest and Fiscal Charges	1.6%
<b>Total</b>	<b>100.0%</b>



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

Capital grants and contributions increased in 2021 as compared to 2020 mainly due to the City having more infrastructure (streets) being completed and donated to the City in 2021 when compared to the prior year. Income Tax revenue increased in 2021 as compared to 2020 mainly due to an increase in income tax collections due to businesses re-opening after the COVID-19 pandemic. Public Safety expenses decreased mainly due to changes related to net pension and OPEB liabilities.

***Business-Type Activities***

Business-type activities include water, sewer, stormwater utilities, Hobart Arena, swimming pool, parking meter and Miami Shores. These programs had operating revenues of \$15,527,391 and operating expenses of \$11,670,288 for fiscal year 2021. Business-type activities receive no support from tax revenues. The Business-type activities net position at the end of the year was \$91,380,359, which increased \$7,675,337 from 2020. The City had four business-type (enterprise) funds that were major funds: the Water fund, the Sanitary Sewer fund, Hobart Arena fund and Stormwater Utilities fund.

The City of Troy’s Water Department serves approximately 11,900 customers; this represents a population base of nearly 25,058 people. The average daily consumption for the city is 3.58 million gallons and 165.64 miles of water mains in its distribution system. The water fund had operating income of \$2,361,127 for 2021.

**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2021**  
**(Unaudited)**

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The City of Troy's Sewer Department includes 135.73 miles of sanitary sewer main, which provide the collection and treatment of public wastewater. The Sewer fund had an operating income of \$1,381,891 for 2021.

The City of Troy's Hobart Arena accounts for arena facilities provided by the City. The Hobart Arena fund had an operating loss of \$656,609 in 2021.

The City of Troy's Stormwater Utility Department provides for the collection and treatment of public stormwater. The Stormwater utility fund had an operating income of \$710,988 in 2021. Charges for Services increased slightly from 2020 to 2021, while total expenses decreased due to the decrease in Personal Services expense.

**The City's Funds**

The City has three major governmental funds: the General Fund, TIF Retirement Fund and the Capital Improvement Fund. Assets of these funds comprised (87%) of the total \$94,439,553 governmental funds' assets.

**General Fund:** Fund balance at December 31, 2021 was \$61,894,542 which was an decrease in fund balance of (\$1,863,645) from 2020. The decrease in fund balance was mainly due to an increase in the amount transfers out from the prior year, which are used to move unrestricted revenues collected in the General Fund to provide additional resources for current operations, or debt service, or for anticipated capital projects of other funds.

**TIF Retirement Fund:** Fund balance at December 31, 2021 was \$621,234 which was an increase in fund balance of \$433,988 from 2020. The increase in fund balance is mainly due to an increase in revenue in lieu of taxes received during 2021.

**Capital Improvement Fund:** Fund balance at December 31, 2021 was \$9,699,138 which was an increase in fund balance of \$4,326,617 from 2020. The increase in fund balance is mainly due to an increase in transfers in that the fund received from the prior year. The monies received from the transfer in was used to complete various capital improvements (street paving and repair, and other capital projects) throughout the City.

**General Fund Budgeting Highlights**

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

For the General Fund, the final budgeted revenue was \$8,287,103 and the original budgeted revenue was \$8,111,504. The difference was \$359,313. Of this difference, most was due to an overestimate charges for service.

Variations from the final amended budget amounts to the actual amounts are primarily due to the following reasons: The City overestimated public safety (\$1,284,971 variance) and general government (\$451,413 variance) expenditures for 2021 when comparing the final amended budget to actual amounts. As the City completed the year, its General Fund balance reported an actual fund balance of \$13,650,347 on a Non-GAAP Budgetary Basis.

**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2021**  
(Unaudited)

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**Capital Assets and Debt Administration**

**Capital Assets**

At year end, the City had \$158,678,424 invested in land, construction in progress, buildings and improvements, equipment and infrastructure. Table 3 shows 2021 balances compared to 2020:

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

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$14,806,584	\$14,595,284	\$780,372	\$780,372	\$15,586,956	\$15,375,656
Construction in Progress	5,311,725	1,756,233	669,380	134,844	5,981,105	1,891,077
Buildings and Improvements	7,275,791	7,853,459	28,360,335	29,357,510	35,636,126	37,210,969
Equipment	5,147,539	5,349,734	6,042,085	6,780,914	11,189,624	12,130,648
Infrastructure	47,184,469	37,889,707	43,100,144	40,120,733	90,284,613	78,010,440
Total Net Capital Assets	<u>\$79,726,108</u>	<u>\$67,444,417</u>	<u>\$78,952,316</u>	<u>\$77,174,373</u>	<u>\$158,678,424</u>	<u>\$144,618,790</u>

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

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**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2021**  
(Unaudited)

**Debt**

The City had \$18,132,280 in general obligation bonds and OWDA loans from direct borrowings.

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

	2021	2020
<b>Governmental Activities</b>		
<u>General Obligation Bonds</u>		
2020 Refunding of 2015 Capital Facilities Bonds	\$7,270,000	\$7,535,000
Premium on 2020 Refunding of 2015 Capital Facilities Bonds	507,700	534,421
Refunding Limited Tax	220,000	435,000
Premium on Refunding Bonds	1,231	2,462
Discount on Refunding Bonds	(1,820)	(3,643)
Refunding Bonds:		
Elm Street Improvements	121,611	160,170
Aquatic Center	806,306	1,061,964
Cemetery Maintenance Building	92,996	122,483
Fire Station	514,033	677,019
Premium	13,082	19,023
Discount	(9,239)	(13,432)
Total General Obligation Bonds	<u>9,535,900</u>	<u>10,530,467</u>
<b>Business Type Activities</b>		
<u>General Obligation Bonds</u>		
2020 Refunding of Water System Bonds	3,065,000	3,175,000
Premium on Refunding	198,412	208,333
2020 Refunding of 2014 Sewer System Bonds	2,210,000	2,285,000
Premium on Refunding	142,762	149,900
Refunding Bonds:		
Southeast Area Sewer	267,747	352,642
Generators	247,308	325,723
Premium	4,395	6,388
Discount	(3,097)	(4,504)
Total General Obligation Bonds	<u>6,132,527</u>	<u>6,498,482</u>
<u>OWDA Loans from Direct Borrowings:</u>		
2010 OWDA Water Pollution Control Loan	220,195	245,733
2018 OWDA Fresh Water Loan	<u>2,243,658</u>	<u>2,355,594</u>
Total Debt	<u>\$18,132,280</u>	<u>\$19,630,276</u>

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.

**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2021**  
**(Unaudited)**

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**Contacting the City's Financial Department**

This financial report is designed to provide our citizens, taxpayers, customers and investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the City Auditor, City of Troy, 100 South Market Street, Troy, Ohio 45373.

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City of Troy, Ohio  
Statement of Net Position  
December 31, 2021

	Governmental Activities	Business-Type Activities	Total
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$77,901,029	\$25,792,641	\$103,693,670
Restricted Cash	30,757	6,844	37,601
Cash and Cash Equivalents with Fiscal Agent	345,000	0	345,000
Receivables (Net):			
Taxes	7,577,710	0	7,577,710
Accounts	1,143,984	591,179	1,735,163
Interest	106,578	19,614	126,192
Intergovernmental	2,625,421	0	2,625,421
Notes	2,887,757	0	2,887,757
Special Assessments	527,215	0	527,215
Inventory	0	513,757	513,757
Prepaid Items	139,102	44,957	184,059
Nondepreciable Capital Assets	20,118,309	1,449,752	21,568,061
Depreciable Capital Assets, Net	59,607,799	77,502,564	137,110,363
Net OPEB Asset	443,325	419,993	863,318
<b>Total Assets</b>	<b>173,453,986</b>	<b>106,341,301</b>	<b>279,795,287</b>
<b>Deferred Outflows of Resources:</b>			
Deferred Charge on Refunding	114,833	30,472	145,305
Pension	3,341,560	493,609	3,835,169
OPEB	2,131,742	218,336	2,350,078
<b>Total Deferred Outflows of Resources</b>	<b>5,588,135</b>	<b>742,417</b>	<b>6,330,552</b>
<b>Liabilities:</b>			
Accounts Payable	510,579	270,173	780,752
Accrued Wages and Benefits	428,996	66,416	495,412
Contracts Payable	345,332	0	345,332
Retainage Payable	30,757	6,844	37,601
Accrued Interest Payable	46,934	14,860	61,794
Deposits held and due to others	25,403	0	25,403
Unearned Revenue	551,481	0	551,481
Long-Term Liabilities:			
Due Within One Year	1,642,558	652,413	2,294,971
Due In More Than One Year			
Net Pension Liability	23,375,227	3,403,946	26,779,173
Net OPEB Liability	3,074,559	0	3,074,559
Other Amounts	10,335,857	8,444,700	18,780,557
<b>Total Liabilities</b>	<b>40,367,683</b>	<b>12,859,352</b>	<b>53,227,035</b>
<b>Deferred Inflows of Resources:</b>			
Property and Income Taxes	1,889,930	0	1,889,930
Revenue In Lieu of Taxes	296,637	0	296,637
Pension	4,046,032	1,533,721	5,579,753
OPEB	2,643,581	1,310,286	3,953,867
<b>Total Deferred Inflows of Resources</b>	<b>8,876,180</b>	<b>2,844,007</b>	<b>11,720,187</b>
<b>Net Position:</b>			
Net Investment in Capital Assets	70,525,041	70,386,408	140,911,449
Restricted for:			
Debt Service	596,934	0	596,934
Capital Projects	11,783,843	0	11,783,843
Street Improvements	3,209,280	0	3,209,280
Public Safety	33,362	0	33,362
Community Development	3,529,832	0	3,529,832
Park Improvements	207,698	0	207,698
Cemetery Maintenance and Improvements	1,084,476	0	1,084,476
Other Purposes	446,724	0	446,724
Unrestricted	38,381,068	20,993,951	59,375,019
<b>Total Net Position</b>	<b>\$129,798,258</b>	<b>\$91,380,359</b>	<b>\$221,178,617</b>

See accompanying notes to the basic financial statements.

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City of Troy, Ohio  
Statement of Activities  
For the Fiscal Year Ended December 31, 2021

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General Government	\$5,288,126	\$356,913	\$840,494	\$0
Public Safety	10,004,640	1,988,329	0	0
Community Development	1,326,166	0	60,666	606,782
Leisure Time Activities	2,254,414	242,114	0	0
Transportation and Street Repair	3,533,258	31,247	1,836,622	10,042,308
Basic Utility Service	1,280,947	2,348,761	0	0
Public Health and Welfare	451,633	311,551	1,000	0
Interest and Other Charges	400,949	0	0	0
<b>Total Governmental Activities</b>	<b>24,540,133</b>	<b>5,278,915</b>	<b>2,738,782</b>	<b>10,649,090</b>
<b>Business-Type Activities:</b>				
Water	3,911,082	6,101,089	0	1,212,719
Sanitary Sewer	3,782,391	5,068,188	0	1,507,054
Hobart Arena	1,858,442	859,881	1,075,208	0
Swimming Pool	375,158	277,053	0	0
Parking Meter	32,286	0	0	0
Miami Shores	1,001,917	1,123,779	0	0
Stormwater Utility	964,361	1,663,234	0	251,542
<b>Total Business-Type Activities</b>	<b>11,925,637</b>	<b>15,093,224</b>	<b>1,075,208</b>	<b>2,971,315</b>
<b>Totals</b>	<b>\$36,465,770</b>	<b>\$20,372,139</b>	<b>\$3,813,990</b>	<b>\$13,620,405</b>

General Revenues:  
Income Taxes  
Property Taxes Levied for:  
    General Purposes  
    Special Revenue Purposes  
Grants and Entitlements, Not Restricted  
Revenue in Lieu of Taxes  
Unrestricted Contributions  
Investment Earnings  
Other Revenues  
Transfers-Internal Activities

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning of Year

Net Position - End of Year

See accompanying notes to the basic financial statements.



Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
(\$4,090,719)	\$0	(\$4,090,719)
(8,016,311)	0	(8,016,311)
(658,718)	0	(658,718)
(2,012,300)	0	(2,012,300)
8,376,919	0	8,376,919
1,067,814	0	1,067,814
(139,082)	0	(139,082)
(400,949)	0	(400,949)
<u>(5,873,346)</u>	<u>0</u>	<u>(5,873,346)</u>
0	3,402,726	3,402,726
0	2,792,851	2,792,851
0	76,647	76,647
0	(98,105)	(98,105)
0	(32,286)	(32,286)
0	121,862	121,862
0	950,415	950,415
<u>0</u>	<u>7,214,110</u>	<u>7,214,110</u>
<u>(5,873,346)</u>	<u>7,214,110</u>	<u>1,340,764</u>
23,557,082	0	23,557,082
2,102,732	0	2,102,732
142,890	0	142,890
1,531,217	0	1,531,217
637,384	0	637,384
142,033	0	142,033
(728,942)	(137,940)	(866,882)
703,747	434,167	1,137,914
(165,000)	165,000	0
<u>27,923,143</u>	<u>461,227</u>	<u>28,384,370</u>
22,049,797	7,675,337	29,725,134
<u>107,748,461</u>	<u>83,705,022</u>	<u>191,453,483</u>
<u>\$129,798,258</u>	<u>\$91,380,359</u>	<u>\$221,178,617</u>

City of Troy, Ohio  
Balance Sheet  
Governmental Funds  
December 31, 2021

	General	TIF Retirement	Capital Improvement	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>					
Equity in Pooled Cash and Investments	\$57,816,156	\$1,776,234	\$10,001,273	\$8,307,366	\$77,901,029
Restricted Cash	0	0	0	30,757	30,757
Cash and Cash Equivalents with Fiscal Agent	345,000	0	0	0	345,000
<b>Receivables (Net):</b>					
Taxes	7,441,529	0	0	136,181	7,577,710
Accounts	1,115,484	0	0	28,500	1,143,984
Interest	103,334	0	0	3,244	106,578
Intergovernmental	531,444	296,637	176,840	1,620,500	2,625,421
Notes	800,000	0	0	2,087,757	2,887,757
Special Assessments	99,717	0	380,041	47,457	527,215
Interfund	1,155,000	0	0	0	1,155,000
Prepaid Items	130,700	0	0	8,402	139,102
<b>Total Assets</b>	<b>69,538,364</b>	<b>2,072,871</b>	<b>10,558,154</b>	<b>12,270,164</b>	<b>94,439,553</b>
<b>Liabilities:</b>					
Accounts Payable	433,121	0	24,851	52,607	510,579
Accrued Wages and Benefits	409,958	0	0	19,038	428,996
Contracts Payable	0	0	307,699	37,633	345,332
Retainage Payable	0	0	0	30,757	30,757
Deposits held and due to others	25,403	0	0	0	25,403
Interfund Payable	0	1,155,000	0	0	1,155,000
Unearned Revenue	0	0	0	551,481	551,481
<b>Total Liabilities</b>	<b>868,482</b>	<b>1,155,000</b>	<b>332,550</b>	<b>691,516</b>	<b>3,047,548</b>
<b>Deferred Inflows of Resources:</b>					
Property and Income Taxes	5,190,724	0	0	134,157	5,324,881
Grants and Other Taxes	459,159	0	146,425	1,483,363	2,088,947
Special Assessments	99,717	0	380,041	47,457	527,215
Accounts	225,740	0	0	0	225,740
Revenue In Lieu of Taxes	0	296,637	0	0	296,637
Notes	800,000	0	0	0	800,000
<b>Total Deferred Inflows of Resources</b>	<b>6,775,340</b>	<b>296,637</b>	<b>526,466</b>	<b>1,664,977</b>	<b>9,263,420</b>
<b>Fund Balances:</b>					
Nonspendable	152,579	0	0	8,402	160,981
Restricted	2,572,840	621,234	9,699,138	8,726,439	21,619,651
Committed	33,025,155	0	0	0	33,025,155
Assigned	2,102,019	0	0	1,178,830	3,280,849
Unassigned	24,041,949	0	0	0	24,041,949
<b>Total Fund Balances</b>	<b>61,894,542</b>	<b>621,234</b>	<b>9,699,138</b>	<b>9,913,671</b>	<b>82,128,585</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$69,538,364</b>	<b>\$2,072,871</b>	<b>\$10,558,154</b>	<b>\$12,270,164</b>	<b>\$94,439,553</b>

See accompanying notes to the basic financial statements.

City of Troy, Ohio  
 Reconciliation of Total Governmental Fund Balance to  
 Net Position of Governmental Activities  
 December 31, 2021

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Total Governmental Fund Balance		\$82,128,585
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets used in the operation of Governmental Funds		79,726,108
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		
Income Taxes	3,406,434	
Delinquent Property Taxes	28,517	
Intergovernmental	2,088,947	
Other Receivables	<u>1,552,955</u>	
		7,076,853
In the statement of net position interest payable is accrued when incurred; whereas, in the governmental funds interest is reported as a liability only when it will require the use of current financial resources.		
		(46,934)
Some liabilities reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds.		
Compensated Absences		(2,442,515)
Deferred outflow of resources associated with long-term liabilities are not reported in the funds.		
		114,833
Deferred outflows and inflows or resources related to pension and OPEB are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	3,341,560	
Deferred inflows of resources related to pensions	(4,046,032)	
Deferred outflows of resources related to OPEB	2,131,742	
Deferred inflows of resources related to OPEB	<u>(2,643,581)</u>	
		(1,216,311)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Net OPEB Asset	443,325	
Net Pension Liability	(23,375,227)	
Net OPEB Liability	(3,074,559)	
Other Amounts	<u>(9,535,900)</u>	
		<u>(35,542,361)</u>
Net Position of Governmental Activities		<u><u>\$129,798,258</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, 2021

	General	TIF Retirement	Capital Improvement	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Property and Other Taxes	\$2,101,235	\$0	\$0	\$142,937	\$2,244,172
Income Taxes	22,266,627	0	0	0	22,266,627
Charges for Services	4,117,874	0	0	299,602	4,417,476
Investment Earnings	(731,184)	0	0	2,246	(728,938)
Intergovernmental	1,402,929	0	561,928	2,643,471	4,608,328
Special Assessments	636	0	121,225	0	121,861
Fines, Licenses & Permits	85,956	0	0	140,587	226,543
Revenue in Lieu of Taxes	0	633,634	0	0	633,634
Other Revenues	1,089,837	0	0	187,588	1,277,425
<b>Total Revenues</b>	<b>30,333,910</b>	<b>633,634</b>	<b>683,153</b>	<b>3,416,431</b>	<b>35,067,128</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General Government	4,870,163	0	0	102,031	4,972,194
Public Safety	11,677,018	0	0	5,630	11,682,648
Community Development	1,236,108	0	57,023	95,935	1,389,066
Leisure Time Activities	1,871,984	0	0	0	1,871,984
Transportation and Street Repair	0	74,408	1,148,732	1,425,726	2,648,866
Basic Utility Service	1,218,409	0	0	9,126	1,227,535
Public Health and Welfare	0	0	0	485,437	485,437
Capital Outlay	948,533	52,338	4,146,023	1,144,754	6,291,648
<b>Debt Service:</b>					
Principal	0	0	0	966,690	966,690
Interest and Other Charges	267	72,900	4,758	297,803	375,728
<b>Total Expenditures</b>	<b>21,822,482</b>	<b>199,646</b>	<b>5,356,536</b>	<b>4,533,132</b>	<b>31,911,796</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>8,511,428</b>	<b>433,988</b>	<b>(4,673,383)</b>	<b>(1,116,701)</b>	<b>3,155,332</b>
<b>Other Financing Sources (Uses):</b>					
Proceeds from Sale of Capital Assets	214,927	0	0	0	214,927
Transfers In	560,000	0	9,000,000	2,250,000	11,810,000
Transfers (Out)	(11,150,000)	0	0	(825,000)	(11,975,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(10,375,073)</b>	<b>0</b>	<b>9,000,000</b>	<b>1,425,000</b>	<b>49,927</b>
<b>Net Change in Fund Balance</b>	<b>(1,863,645)</b>	<b>433,988</b>	<b>4,326,617</b>	<b>308,299</b>	<b>3,205,259</b>
<b>Fund Balance - Beginning of Year</b>	<b>63,758,187</b>	<b>187,246</b>	<b>5,372,521</b>	<b>9,605,372</b>	<b>78,923,326</b>
<b>Fund Balance - End of Year</b>	<b>\$61,894,542</b>	<b>\$621,234</b>	<b>\$9,699,138</b>	<b>\$9,913,671</b>	<b>\$82,128,585</b>

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, 2021

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Net Change in Fund Balance - Total Governmental Funds \$3,205,259

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

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

Capital Assets used in governmental activities	15,016,842	
Depreciation Expense	<u>(2,709,519)</u>	
		12,307,323

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. (25,632)

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

Pension Contributions	2,022,802	
Pension Expense	(1,359,608)	
OPEB Contributions	35,852	
OPEB Expense	<u>2,450,113</u>	
		3,149,159

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

Income Taxes	1,290,455	
Delinquent Property Taxes	1,450	
Intergovernmental	1,018,180	
Other	<u>85,381</u>	
		2,395,466

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 966,690

In the statement of activities interest expense is accrued when incurred; whereas, in governmental funds an interest expenditure is reported when due. 3,283

(Continued)

City of Troy, Ohio  
Reconciliation of the Statement of Revenues, Expenditures, and Changes  
in Fund Balance of Governmental Funds to the Statement of Activities  
For the Fiscal Year Ended December 31, 2021

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

Compensated Absences	76,753	
Amortization of Bond Premium	27,877	
Amortization of Deferred Charge on Refunding	<u>(56,381)</u>	
		<u>48,249</u>
Change in Net Position of Governmental Activities		<u>\$22,049,797</u>

See accompanying notes to the basic financial statements.

City of Troy, Ohio  
Statement of Net Position  
Proprietary Funds  
December 31, 2021

	Business-Type Activities					Total Business-Type Activities
	Enterprise Funds					
	Water	Sanitary Sewer	Hobart Arena	Stormwater Utility	Other Enterprise Funds	
<b>Current Assets:</b>						
Equity in Pooled Cash and Investments	\$13,624,918	\$6,492,930	\$2,044,682	\$2,979,156	\$650,955	\$25,792,641
Restricted Cash	6,844	0	0	0	0	6,844
<b>Receivables (Net):</b>						
Accounts	248,142	254,258	0	88,779	0	591,179
Interest	11,308	5,386	0	2,471	449	19,614
Inventory	513,757	0	0	0	0	513,757
Prepaid Items	15,702	12,577	5,127	6,300	5,251	44,957
<b>Total Current Assets</b>	<b>14,420,671</b>	<b>6,765,151</b>	<b>2,049,809</b>	<b>3,076,706</b>	<b>656,655</b>	<b>26,968,992</b>
<b>Noncurrent Assets:</b>						
<b>Capital Assets:</b>						
Nondepreciable Capital Assets	872,661	232,260	20,900	76,523	247,408	1,449,752
Depreciable Capital Assets, Net	25,883,875	23,827,839	10,683,089	13,391,553	3,716,208	77,502,564
Net OPEB Asset	149,650	112,219	47,671	56,391	54,062	419,993
<b>Total Noncurrent Assets</b>	<b>26,906,186</b>	<b>24,172,318</b>	<b>10,751,660</b>	<b>13,524,467</b>	<b>4,017,678</b>	<b>79,372,309</b>
<b>Total Assets</b>	<b>41,326,857</b>	<b>30,937,469</b>	<b>12,801,469</b>	<b>16,601,173</b>	<b>4,674,333</b>	<b>106,341,301</b>
<b>Deferred Outflows of Resources:</b>						
Deferred Charge on Refunding	0	30,472	0	0	0	30,472
Pension	175,881	131,889	56,026	66,276	63,537	493,609
OPEB	77,797	58,338	24,782	29,315	28,104	218,336
<b>Total Deferred Outflows of Resources</b>	<b>253,678</b>	<b>220,699</b>	<b>80,808</b>	<b>95,591</b>	<b>91,641</b>	<b>742,417</b>
<b>Liabilities:</b>						
<b>Current Liabilities:</b>						
Accounts Payable	96,828	121,774	20,393	15,927	15,251	270,173
Accrued Wages and Benefits	23,435	24,506	10,960	0	7,515	66,416
Compensated Absences	58,200	51,061	23,963	2,648	17,734	153,606
Retainage Payable	6,844	0	0	0	0	6,844
Accrued Interest Payable	8,054	6,806	0	0	0	14,860
Long-Term Liabilities Due Within One Year	225,353	273,454	0	0	0	498,807
<b>Total Current Liabilities</b>	<b>418,714</b>	<b>477,601</b>	<b>55,316</b>	<b>18,575</b>	<b>40,500</b>	<b>1,010,706</b>
<b>Long-Term Liabilities:</b>						
Compensated Absences	180,243	137,319	15,976	1,765	11,824	347,127
Bonds, Notes & Loans Payable	5,281,717	2,815,856	0	0	0	8,097,573
Net Pension Liability	1,212,881	909,508	386,359	457,039	438,159	3,403,946
<b>Total Long-Term Liabilities</b>	<b>6,674,841</b>	<b>3,862,683</b>	<b>402,335</b>	<b>458,804</b>	<b>449,983</b>	<b>11,848,646</b>
<b>Total Liabilities</b>	<b>7,093,555</b>	<b>4,340,284</b>	<b>457,651</b>	<b>477,379</b>	<b>490,483</b>	<b>12,859,352</b>
<b>Deferred Inflows of Resources:</b>						
Pension	546,490	409,799	174,082	205,929	197,421	1,533,721
OPEB	466,876	350,098	148,722	175,929	168,661	1,310,286
<b>Total Deferred Inflows of Resources</b>	<b>1,013,366</b>	<b>759,897</b>	<b>322,804</b>	<b>381,858</b>	<b>366,082</b>	<b>2,844,007</b>
<b>Net Position:</b>						
Net Investment in Capital Assets	21,249,466	21,001,261	10,703,989	13,468,076	3,963,616	70,386,408
Unrestricted	12,224,148	5,056,726	1,397,833	2,369,451	(54,207)	20,993,951
<b>Total Net Position</b>	<b>\$33,473,614</b>	<b>\$26,057,987</b>	<b>\$12,101,822</b>	<b>\$15,837,527</b>	<b>\$3,909,409</b>	<b>\$91,380,359</b>

See accompanying notes to the basic financial statements.

City of Troy, Ohio  
Statement of Revenues, Expenses and Changes in Fund Net Position  
Proprietary Funds  
For the Fiscal Year Ended December 31, 2021

	Business-Type Activities Enterprise Funds					Total Business-Type Activities
	Water	Sanitary Sewer	Hobart Arena	Stormwater Utility	Other Enterprise Funds	
Operating Revenues:						
Charges for Services	\$6,101,089	\$5,068,188	\$859,881	\$1,663,234	\$1,400,832	\$15,093,224
Other Revenues	9,825	2,040	341,952	12,115	68,235	434,167
<b>Total Operating Revenues</b>	<b>6,110,914</b>	<b>5,070,228</b>	<b>1,201,833</b>	<b>1,675,349</b>	<b>1,469,067</b>	<b>15,527,391</b>
Operating Expenses:						
Personal Services	772,837	762,599	335,793	256,773	332,230	2,460,232
Contactual Services	667,364	666,026	209,828	118,063	272,657	1,933,938
Materials and Supplies	893,243	161,872	118,492	193,024	523,664	1,890,295
Depreciation	1,194,905	1,156,092	539,869	386,825	215,899	3,493,590
Other Expense	221,438	941,748	654,460	9,676	64,911	1,892,233
<b>Total Operating Expenses</b>	<b>3,749,787</b>	<b>3,688,337</b>	<b>1,858,442</b>	<b>964,361</b>	<b>1,409,361</b>	<b>11,670,288</b>
<b>Operating Income (Loss)</b>	<b>2,361,127</b>	<b>1,381,891</b>	<b>(656,609)</b>	<b>710,988</b>	<b>59,706</b>	<b>3,857,103</b>
Non-Operating Revenues (Expenses):						
Investment Earnings	(67,661)	(41,248)	0	(25,979)	(3,052)	(137,940)
Interest and Fiscal Charges	(161,295)	(94,054)	0	0	0	(255,349)
Operating Grants	0	0	1,075,208	0	0	1,075,208
<b>Total Non-Operating Revenues (Expenses)</b>	<b>(228,956)</b>	<b>(135,302)</b>	<b>1,075,208</b>	<b>(25,979)</b>	<b>(3,052)</b>	<b>681,919</b>
<b>Income (Loss) Before Contributions and Transfers</b>	<b>2,132,171</b>	<b>1,246,589</b>	<b>418,599</b>	<b>685,009</b>	<b>56,654</b>	<b>4,539,022</b>
Capital Grants and Contributions	1,212,719	1,507,054	0	251,542	0	2,971,315
Transfers In	0	0	0	0	165,000	165,000
<b>Change in Net Position</b>	<b>3,344,890</b>	<b>2,753,643</b>	<b>418,599</b>	<b>936,551</b>	<b>221,654</b>	<b>7,675,337</b>
<b>Net Position - Beginning of Year</b>	<b>30,128,724</b>	<b>23,304,344</b>	<b>11,683,223</b>	<b>14,900,976</b>	<b>3,687,755</b>	<b>83,705,022</b>
<b>Net Position - End of Year</b>	<b>\$33,473,614</b>	<b>\$26,057,987</b>	<b>\$12,101,822</b>	<b>\$15,837,527</b>	<b>\$3,909,409</b>	<b>\$91,380,359</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, 2021

	Business-Type Activities Enterprise Funds					Total Business-Type Activities
	Water	Sanitary Sewer	Hobart Arena	Stormwater Utility	Other Enterprise Funds	
<b>Cash Flows from Operating Activities:</b>						
Cash Received from Customers	\$6,130,828	\$5,063,313	\$1,201,833	\$1,681,235	\$1,469,067	\$15,546,276
Cash Payments to Employees	(1,885,032)	(1,437,748)	(602,232)	(781,783)	(644,853)	(5,351,648)
Cash Payments to Suppliers	(1,810,668)	(1,798,992)	(973,348)	(332,673)	(857,158)	(5,772,839)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>2,435,128</b>	<b>1,826,573</b>	<b>(373,747)</b>	<b>566,779</b>	<b>(32,944)</b>	<b>4,421,789</b>
<b>Cash Flows from Noncapital Financing Activities:</b>						
Operating Grants Received	0	0	1,075,208	0	0	1,075,208
Payments from Other Funds	0	0	0	0	165,000	165,000
<b>Net Cash Provided by Noncapital Financing Activities</b>	<b>0</b>	<b>0</b>	<b>1,075,208</b>	<b>0</b>	<b>165,000</b>	<b>1,240,208</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>						
Payments for Capital Acquisitions	(1,191,565)	(620,661)	0	(476,992)	(11,000)	(2,300,218)
Debt Principal Payments	(221,936)	(263,848)	0	0	0	(485,784)
Debt Interest Payments	(171,583)	(95,286)	0	0	0	(266,869)
<b>Net Cash (Used) by Capital and Related Financing Activities</b>	<b>(1,585,084)</b>	<b>(979,795)</b>	<b>0</b>	<b>(476,992)</b>	<b>(11,000)</b>	<b>(3,052,871)</b>
<b>Cash Flows from Investing Activities:</b>						
Earnings (Loss) on Investments	(69,879)	(35,809)	0	(26,388)	(3,207)	(135,283)
<b>Net Cash Provided (Used) by Cash Flows from Investing Activities</b>	<b>(69,879)</b>	<b>(35,809)</b>	<b>0</b>	<b>(26,388)</b>	<b>(3,207)</b>	<b>(135,283)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>780,165</b>	<b>810,969</b>	<b>701,461</b>	<b>63,399</b>	<b>117,849</b>	<b>2,473,843</b>
Cash and Cash Equivalents - Beginning of Year	12,851,597	5,681,961	1,343,221	2,915,757	533,106	23,325,642
Cash and Cash Equivalents - End of Year	13,631,762	6,492,930	2,044,682	2,979,156	650,955	25,799,485
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b>						
Operating Income (Loss)	2,361,127	1,381,891	(656,609)	710,988	59,706	3,857,103
<b>Adjustments:</b>						
Depreciation	1,194,905	1,156,092	539,869	386,825	215,899	3,493,590
<b>Changes in Assets &amp; Liabilities:</b>						
(Increase) Decrease in Receivables	19,914	(6,915)	0	5,886	0	18,885
(Increase) Decrease in Inventory	(40,715)	0	0	0	0	(40,715)
(Increase) Decrease in Deferred Outflows of Resources	219,361	144,667	58,711	93,520	67,354	583,613
(Increase) Decrease in Net OPEB Asset	(149,650)	(112,219)	(47,671)	(56,391)	(54,062)	(419,993)
(Increase) Decrease in Prepays	(15,702)	(12,577)	(5,127)	(6,300)	(5,251)	(44,957)
Increase (Decrease) in Retainage Payable	6,844	0	0	0	0	6,844
Increase (Decrease) in Payables	5,248	(29,346)	9,432	(11,910)	4,709	(21,867)
Increase (Decrease) in Accrued Liabilities	(22,044)	21,699	12,563	(47,321)	7,302	(27,801)
Increase (Decrease) in Deferred Inflows of Resources	490,860	389,983	168,694	172,971	190,461	1,412,969
Increase (Decrease) in Net Pension Liability	(450,733)	(268,270)	(104,312)	(208,037)	(121,006)	(1,152,358)
Increase (Decrease) in Net OPEB Liability	(1,184,287)	(838,432)	(349,297)	(473,452)	(398,056)	(3,243,524)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$2,435,128</b>	<b>\$1,826,573</b>	<b>(\$373,747)</b>	<b>\$566,779</b>	<b>(\$32,944)</b>	<b>\$4,421,789</b>
<b>Schedule of Noncash Capital Activities:</b>						
During the fiscal year, these amounts were received representing noncash contributions of:						
Capital Assets	\$1,212,719	\$1,507,054	\$0	\$251,542	\$0	\$2,971,315

See accompanying notes to the basic financial statements.

City of Troy, Ohio  
Statement of Fiduciary Net Position  
Fiduciary Fund  
December 31, 2021

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	Private Purpose Trust
Assets:	
Equity in Pooled Cash and Investments	\$295,867
Receivables (Net):	
Interest	<u>245</u>
Total Assets	<u>296,112</u>
Liabilities:	
Accounts Payable	<u>0</u>
Total Liabilities	<u>0</u>
Net Position:	
Restricted for Endowment - Expendable	159,580
Restricted for Endowment - Nonexpendable	<u>136,532</u>
Total Net Position	<u>\$296,112</u>

See accompanying notes to the basic financial statements.

City of Troy, Ohio  
Statement of Changes in Fiduciary Net Position  
Fiduciary Fund  
For the Fiscal Year Ended December 31, 2021

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	Private Purpose Trust
Additions:	
Investment Earnings	(\$1,472)
Other	34
Total Additions	<u>(1,438)</u>
Deductions:	
Public Health and Welfare	<u>2,589</u>
Total Deductions	<u>2,589</u>
Change in Net Position	(4,027)
Net Position - Beginning of Year	<u>300,139</u>
Net Position - End of Year	<u><u>\$296,112</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, 2021**

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

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

**Reporting Entity**

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

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

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

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

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

**Measurement Focus**

Government-wide Financial Statements

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

Fund Financial Statements

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

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

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reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

**Basis of Presentation**

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

Government-wide Financial Statements

The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

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

Fund Financial Statements

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

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

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**Fund Accounting**

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds

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

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

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

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

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

Proprietary Funds

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

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

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

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

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

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

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

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Fiduciary Funds - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and custodial funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are not available to support the City's own programs. The City currently has one private purpose trust fund. The Cemetery private purpose trust fund is used to account for the receipt of monies (investment earnings) to be used for (support of) general care and maintenance of the City's two cemeteries (Riverside and Rosehill). It also accounts for donations received where the donor desires the principal amount donated to remain intact and investment earnings to be used for (support of) the general care and maintenance of the City's two cemeteries (Riverside and Rosehill).

**Basis of Accounting**

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

Revenues - Exchange and Non-exchange Transactions

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

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income tax, state-levied locally shared taxes (including gasoline tax), fines and forfeitures, interest, grants and fees.

Deferred Outflows/Inflows of Resources

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

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

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

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property and income taxes, grants and other taxes, special assessments, accounts, revenue in lieu of taxes, notes, OPEB, and pension. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2021, but which were levied to finance year 2022 operations. Revenue in lieu of taxes are deferred and recognized as inflows of resources in the period the amounts become available. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Grants and other taxes and loans have been recorded as deferred inflows on the governmental fund financial statements. Deferred inflows of resources related to pension and OPEB are reported on the governmental-wide statement of net position. For more pension and OPEB related information, see Notes 9 and 10.

Expenses/Expenditures

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

**Equity in Pooled Cash and Investments**

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

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

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

During 2021, the City invested in negotiable certificates of deposit, federal agency securities, a money market fund, and STAR Ohio. Investments are reported at cost, except for the money market fund and STAR Ohio. The City's money market fund investment is recorded at the amount reported by financial institutions on December 31, 2021.



**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

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STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2021, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Following the Ohio Revised Code, the City has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the other governmental funds during fiscal year 2021 amounted to \$2,246.

### **Inventory**

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

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

### **Prepaid Items**

Payments made for services that will benefit periods beyond December 31, 2021, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense in the year in which services are consumed.

### **Capital Assets**

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective proprietary funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value. The City's infrastructure consists of curbs, sidewalks, storm sewers, streets, and water and sewer lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

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add to the value of the asset or materially extend an asset's life are not. The City will capitalize capital assets with a cost of \$5,000 or more.

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

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

**Compensated Absences**

The City reports compensated absences in accordance with the provisions of GASB No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the vesting method. The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported. Compensated absences are reported in governmental funds only if they have matured. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

**Accrued Liabilities and Long-Term Obligations**

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments, and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds and long-term loans are recognized as a liability on the fund financial statements when due. Net pension/OPEB liabilities should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

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

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

**Fund Balance**

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

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

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

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

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

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

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

**Net Position**

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

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

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The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Of the City's \$20,892,149 in restricted net position, none was restricted by enabling legislation.

**Operating Revenues and Expenses**

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

**Contributions of Capital**

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

**Interfund Activity**

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

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

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

**Restricted Assets**

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

**Gain/Loss on Refunding**

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

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

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**Estimates**

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

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

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

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

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

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

Interim Monies – Those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Ohio law permits interim monies to be invested or deposited in the following securities:

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

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

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

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institution's participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

**Deposits**

Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. As of December 31, 2021, \$26,009,697 of the City's bank balance of \$27,147,104 was exposed to custodial credit risk because it was uninsured and collateralized.

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

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

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

**Investments**

The following is a summary of the fair value hierarchy of the fair value of investments of the City as of December 31, 2021:

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

Investment Type	Fair Value Measurements Using			Net Asset Value*	Weighted Average Maturity (Years)
	Net Asset Value* / Fair Value	Quoted Prices in			
		Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2		
Federal Home Loan Bank	\$32,745,689		\$32,745,689		4.08
Federal National Mortgage Association	18,643,710		18,643,710		3.71
Federal Farm Credit Bank	12,750,330		12,750,330		3.68
Federal Home Loan Mortgage Corporation	9,820,140		\$9,820,140		3.62
Money Market Funds	1,989,062	\$1,989,062			0.00
Negotiable Certificate of Deposits	1,693,841		1,693,841		0.99
Star Ohio*	700,478			\$700,478	0.14
	<u>\$78,343,250</u>	<u>\$1,989,062</u>	<u>\$75,653,710</u>	<u>\$700,478</u>	

Portfolio Weighted Average Maturity 3.66

The City categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The Hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Inputs to the valuation techniques used in fair the measurement for Level 2 include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data by correlation or other means. Level 3 inputs are significant unobservable inputs. The above table identifies the City's recurring fair value measurements as of December 31, 2021, in which, the U.S. Agencies are valued using a matrix pricing model (Level 2 inputs) and pooled investment funds (STAR Ohio) are measured at net asset value (NAV).

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

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

**Concentration of Credit Risk** – The City's investment policy allows investments in Federal Government Securities or Instrumentalities. The City has invested 41.8% in Federal Home Loan Bank, 12.5% in Federal Home Loan Mortgage Corporation, 16.3% in Federal Farm Credit Bank, 23.8% in Federal National Mortgage Association, 2.2% in Negotiable Certificates of Deposit, 0.9% in Star Ohio, and 2.5% 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.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

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**Note 4 – Receivables**

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

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

Special assessments expected to be collected amount to \$527,215 of which, \$35,207 is considered delinquent.

**Property Taxes**

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the City. Real property taxes (other than public utility) collected during 2021 were levied after October 1, 2020 on assessed values as of January 1, 2020, the lien date. Assessed values were established by the County Auditor at 35% of appraised market value. All property is required to be revalued every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due January 31; if paid semiannually, the first payment is due February and the remainder payable in July. Under certain circumstances, state statute permits later payment dates to be established.

Public utility real property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100% of its true value. Public utility property taxes are payable on the same dates as real property described previously.

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

Real Property	\$634,019,030
Public Utility	<u>21,269,760</u>
Total Valuation	<u><u>\$655,288,790</u></u>

Real property taxes are payable annually or semi-annually. If paid annually, the payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established. The City receives property taxes from Miami County. The County Treasurer collects property taxes on behalf of all taxing districts in the counties, including the City of Troy. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2021, and for which there is an enforceable legal claim. In the funds, the entire receivable has been offset by deferred inflows of resources since the current taxes were not levied to finance 2021 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On an accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.



**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

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**Income Taxes**

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

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

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

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

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

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

**Liability:**

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

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

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

**Property:**

- \$1,000,000,000/occurrence
- MVRMA Self-Insured Retention (SIR): \$250,000/occurrence
- Coverage excess of SIR provided by Alliant Property Insurance Program (APIP). List of carriers underwriting the coverage provided upon request.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

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Flood Damage:

Limits: \$25 million/occurrence and annual aggregate  
Sublimit: Flood Zone A & V - \$5 million/occurrence and annual aggregate  
MVRMA Self-Insured Retention: \$250,000/occurrence – all flood zones

Earthquake Shock:

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

Boiler & Machinery:

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

Cyber Liability:

Coverage provided by Lloyds of London – Beazley Syndicate. Excess limits provided by Alliant Property Insurance Program (APIP). List of carriers underwriting the coverage provided upon request.

Aggregate Limit: \$3 million, subject to \$4 million MVRMA pool-wide aggregate

First Party Loss (Limits per Occurrence):

\$1,500,000 Business Interruption Resulting from Security Breach  
\$1,000,000 Business Interruption Resulting from System Failure  
\$1,500,000 Dependent Business Interruption Resulting from Security Breach  
\$200,000 Dependent Business Interruption Resulting from System Failure  
\$1,500,000 Cyber Extortion Loss  
\$1,500,000 Data Recovery Costs

Liability:

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

E-Crime:

\$150,000 each for Fraudulent Instructions; Funds Transfer Fraud; Telephone Fraud

Breach Response Costs:

\$1,000,000 (increased to \$2 million if designated breach response provider is used)

Pollution Liability – (claims made and reported policy):

Coverage excess of MVRMA self-insured retention provided by Ironshore Specialty Insurance Company

Limits:

\$25,000,000 Policy Aggregate for all insureds combined  
\$2,000,000 Per Pollution Incident  
\$2,000,000 Per Named Insured  
\$2,000,000 MVRMA Pool-wide Aggregate  
Retroactive Date: Policy inception  
MVRMA Self-Insured Retention (SIR): \$250,000/pollution condition; \$250,000 Mold; \$500,000 Sewage Backups; \$750,000-\$1,000,000 underground storage tanks

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

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Crime Coverage:

Coverage excess of MVRMA self-insured retention provided by National Union Fire Insurance Co. of Pittsburgh, PA.

Limits per Occurrence:

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

Member Deductible per occurrence - \$2,500

The Audit of MVRMA’s 2021 financial statements has not been completed yet. Data from the December 31, 2020 financial statements are as follows:

Current Assets	\$8,742,317
Non-current Assets	<u>10,166,262</u>
Total Assets	<u>18,908,579</u>
Deferred Outflows of Resources	139,248
Current Liabilities	6,196,080
Non-current Liabilities	<u>3,462,993</u>
Total Liabilities	<u>9,659,073</u>
Deferred Inflows of Resources	136,528
Net Position	<u>\$9,252,226</u>

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

**Ohio Benefits Cooperative (OBC)**

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

The employee health benefit plan provides basic health coverage through Anthem, the third party administrator (TPA) of the program, which reviews and processes or disallows the claims. Jefferson Health Plan (JHP) releases the claims payments to the providers as a consortium outside Anthem. JHP is a jointly governed organization established as a joint insurance pool. A specific excess loss coverage (stoploss) insurance policy covers claims in excess of \$250,000 per year. The 2021 monthly family and single premiums for the PPO plan were \$2,385.93 and \$884.96. The TPA charges the City an administration fee of \$1.63 per employee per month. The 2021 monthly family and single premiums for the HSA Standard plan were \$1,708.27 and \$633.61. The TPA charges the City an administration fee of \$13.63 per employee per month. The 2021 monthly family and single premiums for the HSA Low plan were \$1,580.06 and \$586.06. The TPA charges the City an administration fee of \$1.63 per employee per month.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

**Workers' Compensation Group Rating Program**

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

**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>				
<b><i>Capital Assets, not being depreciated:</i></b>				
Land	\$14,595,284	\$211,300	\$0	\$14,806,584
Construction in Progress	1,756,233	3,555,492	0	5,311,725
<b><i>Capital Assets, being depreciated:</i></b>				
Buildings and Improvements	19,164,182	55,228	0	19,219,410
Equipment	14,795,642	796,411	119,127	15,472,926
Infrastructure	56,798,320	10,398,411	0	67,196,731
Totals at Historical Cost	<u>107,109,661</u>	<u>15,016,842</u>	<u>119,127</u>	<u>122,007,376</u>
Less Accumulated Depreciation:				
Buildings and Improvements	11,310,723	632,896	0	11,943,619
Equipment	9,445,908	972,974	93,495	10,325,387
Infrastructure	18,908,613	1,103,649	0	20,012,262
Total Accumulated Depreciation	<u>39,665,244</u>	<u>2,709,519</u>	<u>93,495</u>	<u>42,281,268</u>
Governmental Activities Capital Assets, Net	<u>\$67,444,417</u>	<u>\$12,307,323</u>	<u>\$25,632</u>	<u>\$79,726,108</u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$706,825
Public Safety	749,580
Leisure Time	492,404
Transportation	632,177
Basic Utility Service	83,544
Community Development	44,989
Total Depreciation Expense	<u>\$2,709,519</u>

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Business-Type Activities</b>				
<b>Capital Assets, not being depreciated:</b>				
Land	\$780,372	\$0	\$0	\$780,372
Construction in Progress	134,844	756,536	222,000	669,380
<b>Capital Assets, being depreciated:</b>				
Buildings and Improvements	57,846,196	290,500	0	58,136,696
Equipment	20,141,216	90,002	16,132	20,215,086
Infrastructure	71,021,096	4,356,495	0	75,377,591
Totals at Historical Cost	<u>149,923,724</u>	<u>5,493,533</u>	<u>238,132</u>	<u>155,179,125</u>
Less Accumulated Depreciation:				
Buildings and Improvements	28,488,686	1,287,675	0	29,776,361
Equipment	13,360,302	828,831	16,132	14,173,001
Infrastructure	30,900,363	1,377,084	0	32,277,447
Total Accumulated Depreciation	<u>72,749,351</u>	<u>3,493,590</u>	<u>16,132</u>	<u>76,226,809</u>
Business-Type Activities Capital Assets, Net	<u>\$77,174,373</u>	<u>\$1,999,943</u>	<u>\$222,000</u>	<u>\$78,952,316</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.

**Note 8 - Long-Term Obligations**

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

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental Activities</b>							
<u>General Obligation Bonds</u>							
Refunding Bonds:							
Refunding of Capital Facilities-							
\$7,535,000		3.00-4.00%	\$7,535,000	\$0	(\$265,000)	\$7,270,000	\$275,000
Premium			534,421	0	(26,721)	507,700	0
Capital Facilities Bonds							
(Limited Tax)*-\$2,005,000	12/1/22	1.00-2.625%	435,000	0	(215,000)	220,000	220,000
Premium	12/1/22		2,462	0	(1,231)	1,231	0
Discount	12/1/22		(3,643)	0	1,823	(1,820)	0
Elm Street Improvements-\$398,644	12/1/24	1.00-2.375%	160,170	0	(38,559)	121,611	39,449
Aquatic Center-\$2,643,111	12/1/24	1.00-2.375%	1,061,964	0	(255,658)	806,306	261,557
Cemetery Maintenance							
Building-\$304,845	12/1/24	1.00-2.375%	122,483	0	(29,487)	92,996	30,167
Fire Station-\$1,685,025	12/1/24	1.00-2.375%	677,019	0	(162,986)	514,033	166,747
Premium	12/1/24		19,023	0	(5,941)	13,082	0
Discount	12/1/24		(13,432)	0	4,193	(9,239)	0
Total Bonds			<u>10,530,467</u>	<u>0</u>	<u>(994,567)</u>	<u>9,535,900</u>	<u>992,920</u>
Net Pension Liability:							
OPERS			4,973,915	0	(1,380,867)	3,593,048	0
OP&F			<u>19,621,220</u>	<u>160,959</u>	<u>0</u>	<u>19,782,179</u>	<u>0</u>
Total Net Pension Liability			<u>24,595,135</u>	<u>160,959</u>	<u>(1,380,867)</u>	<u>23,375,227</u>	<u>0</u>
Net OPEB Liability:							
OPERS			3,540,810	0	(3,540,810)	0	0
OP&F			<u>2,877,045</u>	<u>197,514</u>	<u>0</u>	<u>3,074,559</u>	<u>0</u>
Total Net OPEB Liability			<u>6,417,855</u>	<u>197,514</u>	<u>(3,540,810)</u>	<u>3,074,559</u>	<u>0</u>
Compensated Absences			<u>2,519,268</u>	<u>581,726</u>	<u>(658,479)</u>	<u>2,442,515</u>	<u>649,638</u>
Total Governmental Activities			<u>\$44,062,725</u>	<u>\$940,199</u>	<u>(\$6,574,723)</u>	<u>\$38,428,201</u>	<u>\$1,642,558</u>

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

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**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

	Maturity Date	Interest Rate	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
<b>Business-Type Activities</b>							
Refunding Bonds:							
Water Systems Bonds-\$3,200,000		3.0-4.0%	\$3,175,000	\$0	(\$110,000)	\$3,065,000	\$110,000
Premium	12/1/19		208,333	0	(9,921)	198,412	0
Sewer System Bonds-\$2,310,000		3.0-4.0%	2,285,000	0	(75,000)	2,210,000	80,000
Premium	12/1/19		149,900	0	(7,138)	142,762	0
Southeast Area Sewer-\$877,687	12/1/24	1.0-2.375%	352,642	0	(84,895)	267,747	86,854
Generators-\$810,688	12/1/24	1.0-2.375%	325,723	0	(78,415)	247,308	80,224
Premium	12/1/24		6,388	0	(1,993)	4,395	0
Discount	12/1/24		(4,504)	0	1,407	(3,097)	0
Total Bonds			<u>6,498,482</u>	<u>0</u>	<u>(365,955)</u>	<u>6,132,527</u>	<u>357,078</u>
OWDA Loans from Direct Borrowings:							
Water Pollution Control-\$1,451,384	7/1/29	3.25%	245,733	0	(25,538)	220,195	26,376
Fresh Water-\$2,721,892	7/1/29	3.25%	2,355,594	0	(111,936)	2,243,658	115,353
Total OWDA Loans from Direct Borrowings			<u>2,601,327</u>	<u>0</u>	<u>(137,474)</u>	<u>2,463,853</u>	<u>141,729</u>
Net Pension Liability:							
OPERS			4,556,304	0	(1,152,358)	3,403,946	0
Total Net Pension Liability			<u>4,556,304</u>	<u>0</u>	<u>(1,152,358)</u>	<u>3,403,946</u>	<u>0</u>
Net OPEB Liability:							
OPERS			3,243,524	0	(3,243,524)	0	0
Total Net OPEB Liability			<u>3,243,524</u>	<u>0</u>	<u>(3,243,524)</u>	<u>0</u>	<u>0</u>
Total Long Term Liabilities - Bonds and Loans			16,899,637	0	(4,899,311)	12,000,326	498,807
Compensated Absences			548,696	109,727	(157,690)	500,733	153,606
Total Business-Type Activities			<u>\$17,448,333</u>	<u>\$109,727</u>	<u>(\$5,057,001)</u>	<u>\$12,501,059</u>	<u>\$652,413</u>

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

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

Year Ending December 31	Governmental Activities		Business-Type Activities			
	General		General		OWDA Loans	
	Obligation Bonds		Obligation Bonds		from Direct Borrowings	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$992,920	\$271,608	\$357,078	\$178,324	\$141,729	\$74,059
2023	804,154	243,630	365,848	166,964	146,114	69,674
2024	837,872	219,738	382,129	155,107	150,636	65,152
2025	310,000	194,800	215,000	142,700	155,297	60,491
2026	325,000	182,400	215,000	134,100	160,104	55,684
2027-2031	1,790,000	758,700	1,210,000	568,200	791,934	203,706
2032-2036	2,070,000	473,850	1,400,000	375,150	828,165	84,178
2037-2041	1,895,000	222,926	1,645,000	150,900	89,874	1,360
Total	<u>\$9,024,946</u>	<u>\$2,567,652</u>	<u>\$5,790,055</u>	<u>\$1,871,445</u>	<u>\$2,463,853</u>	<u>\$614,304</u>

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

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**OWDA Loans from Direct Borrowings**

The City's outstanding OWDA loans from direct borrowings of \$2,463,853 contain a provision that in an event of default, the amount of such default shall bear interest thereafter at the rate equal to the Contract Interest Rate plus three percentage points annum until the date of payment, and outstanding amounts become immediately due.

**Note 9 – Defined Benefit Pension Plans**

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

***Net Pension Liability/Net OPEB Liability (Asset)***

Pensions and OPEB are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period.

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

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

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

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

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



**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

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

**Plan Description**

City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan. While employees may elect the member-directed plan or the combined plan, substantially all employees are in the traditional plan; therefore, the following disclosure focuses on the traditional plan.

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

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

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**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

<u>Group A</u>	<u>Group B</u>	<u>Group C</u>
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
<u>State and Local</u>	<u>State and Local</u>	<u>State and Local</u>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<u>Public Safety</u>	<u>Public Safety</u>	<u>Public Safety</u>
<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
<u>Law Enforcement</u>	<u>Law Enforcement</u>	<u>Law Enforcement</u>
<b>Age and Service Requirements:</b> Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
<u>Public Safety and Law Enforcement</u>	<u>Public Safety and Law Enforcement</u>	<u>Public Safety and Law Enforcement</u>
<b>Traditional Plan Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Traditional Plan Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Traditional Plan Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The initial amount of a member's pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost-of-living adjustment.

When a traditional plan benefit recipient has received benefits for 12 months, current law provides for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

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benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

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

**Funding Policy**

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

	State and Local	Public Safety	Law Enforcement
2021 Statutory Maximum Contribution Rates			
Employer	14.0 %	18.1 %	18.1 %
Employee *	10.0 %	**	***
2021 Actual Contribution Rates			
Employer:			
Pension ****	14.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits ****	0.0	0.0	0.0
Total Employer	14.0 %	18.1 %	18.1 %
Employee	10.0 %	12.0 %	13.0 %

- \* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.
- \*\* This rate is determined by OPERS' Board and has no maximum rate established by ORC.
- \*\*\* This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.
- \*\*\*\* These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

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

For 2021, the City's contractually required contribution was \$977,095, of this amount \$81,900 is reported in accrued wages and benefits.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

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

**Plan Description**

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

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

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

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit (see OP&F Annual Comprehensive Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

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

The COLA amount for members who have 15 or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3.0 percent of the member's base pension benefit.

The COLA amount for members who have less than 15 years of service credit as of July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will be equal to a percentage of the member's base pension benefit where the percentage is the lesser of 3.0% or the percentage increase in the consumer price index, if any, over the twelve-month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

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Members who retired prior to July 24, 1986, or their surviving beneficiaries under optional plans are entitled to cost-of-living allowance increases. The annual increase is paid on July 1st of each year. The annual COLA increase is \$360 under a Single Life Annuity Plan with proportional reductions for optional payment plans.

**Funding Policy**

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

	<u>Police</u>	<u>Firefighters</u>
2021 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
2021 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50</u>	<u>0.50</u>
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	<u>12.25 %</u>	<u>12.25 %</u>

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,521,051 for 2021, of this amount \$171,073 is reported as accrued wages and benefits.

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

The net pension liability for OPERS was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2020, and was determined by rolling forward the total pension liability as of January 1, 2020, to December 31, 2020. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share of the City's defined benefit pension plans:

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	OPERS		Total
	Traditional Plan	OPF	
Proportionate Share of the:			
Net Pension Liability	\$6,996,993	\$19,782,180	\$26,779,173
Proportion of the Net Pension Liability:			
Current Measurement Date	0.04725200%	0.29018510%	
Prior Measurement Date	0.04821600%	0.29126580%	
Change in Proportionate Share	-0.00096400%	-0.00108070%	
Pension Expense	\$122,557	\$1,380,552	\$1,503,109

At December 31 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS		Total
	Traditional Plan	OPF	
<u>Deferred Outflows of Resources</u>			
Differences between expected and actual experience	\$0	\$826,962	\$826,962
Changes in assumptions	0	331,757	331,757
Changes in employer proportionate share of net pension liability	37,546	140,758	178,304
Contributions subsequent to the measurement date	977,095	1,521,051	2,498,146
Total Deferred Outflows of Resources	\$1,014,641	\$2,820,528	\$3,835,169
<u>Deferred Inflows of Resources</u>			
Differences between expected and actual experience	\$292,690	\$770,655	\$1,063,345
Net difference between projected and actual earnings on pension plan investments	2,727,222	959,565	3,686,787
Changes in employer proportionate share of net pension liability	132,737	696,884	829,621
Total Deferred Inflows of Resources	\$3,152,649	\$2,427,104	\$5,579,753

\$2,498,146 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS		Total
	Traditional Plan	OPF	
2022	(\$1,201,779)	(\$215,799)	(\$1,417,578)
2023	(429,663)	252,015	(177,648)
2024	(1,111,709)	(1,027,128)	(2,138,837)
2025	(371,952)	(165,935)	(537,887)
2026	0	29,220	29,220
Total	(\$3,115,103)	(\$1,127,627)	(\$4,242,730)

**City of Troy, Ohio**  
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**Actuarial Assumptions - OPERS**

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

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2020, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2020, are presented below.

	OPERS Traditional Plan
Wage Inflation	3.25%
Future Salary Increases, including inflation	3.25% to 10.75% including wage inflation
COLA or Ad Hoc COLA:	
Pre-January 7, 2013 Retirees	3.00%, simple
Post-January 7, 2013 Retirees	0.50%, simple through 2021, then 2.15%, simple
Investment Rate of Return	7.20%
Actuarial Cost Method	Individual Entry Age

In October 2020, the OPERS Board adopted a change in COLA for Post-January 7, 2013 retirees, changing it from 1.4 percent simple through 2020 then 2.15 simple to .5 percent simple through 2021 then 2.15 percent simple.

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

The most recent experience study was completed for the five year period ended December 31, 2015.

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The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic real rates of return were provided by the Board’s investment consultant. For each major asset class that is included in the Defined Benefit portfolio’s target asset allocation as of December 31, 2020, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	25.00 %	1.32 %
Domestic Equities	21.00	5.64
Real Estate	10.00	5.39
Private Equity	12.00	10.42
International Equities	23.00	7.36
Other investments	9.00	4.75
Total	100.00 %	5.43 %

**Discount Rate**

The discount rate used to measure the total pension liability was 7.2 percent for the traditional plan and the combined plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the traditional pension plan, combined plan and member-directed plan was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following table presents the City’s proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 7.2 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
Proportionate share of the net pension liability	\$13,346,800	\$6,996,993	\$1,717,138



**City of Troy, Ohio**  
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**Changes from the Measurement Date to the Report Date**

During 2021, the OPERS Board lowered the investment rate of return from 7.2 percent to 6.9 percent along with certain other changes to assumptions for the actuarial valuation as of December 31, 2021. The effects of these changes are unknown.

**Actuarial Assumptions – OP&F**

OP&F’s total pension liability as of December 31, 2020, is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered are: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2020, are presented below.

Valuation Date	January 1, 2020, with actuarial liabilities rolled forward to December 31, 2020
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.00%
Projected Salary Increases	3.75% to 10.50%
Payroll Growth	3.25% per annum, compounded annually, consisting of Inflation rate of 2.75% plus productivity increase rate of 0.50%
Cost of Living Adjustments	2.20% simple for increases based on the lesser of the increase in CPI and 3 percent

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

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

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

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2020, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	0.00 %	0.00 %
Domestic Equity	21.00	4.10
Non-US Equity	14.00	4.80
Private Markets	8.00	6.40
Core Fixed Income*	23.00	0.90
High Yield Fixed Income	7.00	3.00
Private Credit	5.00	4.50
U.S. Inflation Linked Bonds*	17.00	0.70
Midstream Energy Infrastructure	5.00	5.60
Real Assets	8.00	5.80
Gold	5.00	1.90
Private Real Estate	12.00	5.30
Total	<u>125.00 %</u>	

Note: Assumptions are geometric.

\*Levered 2.5x

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

**City of Troy, Ohio**  
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**Discount Rate**

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

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

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

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
Proportionate share of the net pension liability	\$27,538,327	\$19,782,180	\$13,290,229

**Note 10 – Postemployment Benefits**

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

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

**Plan Description**

The 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 health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement (HRA) to qualifying benefit recipients of both the traditional pension and the combined plans. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is

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offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

Medicare-eligible retirees who choose to become re-employed or survivors who become employed in an OPERS-covered position are prohibited from participating in an HRA. For this group of retirees, OPERS sponsors secondary coverage through a professionally managed self-insured program. Retirees who enroll in this plan are provided with a monthly allowance to offset a portion of the monthly premium. Medicare-eligible spouses and dependents can also enroll in this plan as long as the retiree is enrolled.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS.

The health care trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

Effective January 1, 2022, OPERS will discontinue the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses. These changes are reflected in the December 31, 2020, measurement date health care valuation.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60, or generally 30 years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. Current retirees eligible (or who become eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements will change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Annual Comprehensive Financial Report referenced below for additional information.

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

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

**Funding Policy**

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

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Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2021, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2021, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2021 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$0 for 2021.

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

**Plan Description**

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

OP&F contracted with a vendor who assists eligible retirees in choosing health care plans that are available where they live (both Medicare-eligible and pre-65 populations). A stipend funded by OP&F is available to these members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses.

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

OP&F maintains funds for health care in two separate accounts: one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. IRS Code Section 401(h) account is maintained for Medicare Part B reimbursements.

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

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

**Funding Policy**

The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5 percent and 24 percent of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2021, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

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

The City's contractually required contribution to OP&F was \$35,852 for 2021.

***Net OPEB Liability (Asset)***

The net OPEB liability (asset) and total OPEB liability (asset) for OPERS were determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2020, and was determined by rolling forward the total OPEB liability as of January 1, 2020, to December 31, 2020. The City's proportion of the net OPEB liability (asset) was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share:

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	OPERS		Total
	Traditional Plan	OPF	
Proportionate Share of the:			
Net OPEB (Asset)	(\$863,318)		(\$863,318)
Net OPEB Liability		\$3,074,559	\$3,074,559
Proportion of the Net OPEB Liability/Asset:			
Current Measurement Date	0.04845800%	0.29018510%	
Prior Measurement Date	0.04911700%	0.29126580%	
Change in Proportionate Share	<u>-0.00065900%</u>	<u>-0.00108070%</u>	
OPEB Expense	(\$5,227,149)	\$289,583	(\$4,937,566)

At December 31 2021, reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS		
	Traditional Plan	OPF	Total
<u>Deferred Outflows of Resources</u>			
Changes in assumptions	\$424,417	\$1,698,526	\$2,122,943
Changes in employer proportionate share of net OPEB liability (asset)	24,384	166,899	191,283
Contributions subsequent to the measurement date	0	35,852	35,852
Total Deferred Outflows of Resources	<u>\$448,801</u>	<u>\$1,901,277</u>	<u>\$2,350,078</u>
<u>Deferred Inflows of Resources</u>			
Differences between expected and actual experience	\$779,140	\$507,138	\$1,286,278
Changes in assumptions	1,398,834	490,142	1,888,976
Net difference between projected and actual earnings on OPEB plan investments	459,815	114,256	574,071
Changes in employer proportionate share of net OPEB liability (asset)	55,574	148,968	204,542
Total Deferred Inflows of Resources	<u>\$2,693,363</u>	<u>\$1,260,504</u>	<u>\$3,953,867</u>

\$35,852 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ending December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending	OPERS		
	Traditional Plan	OPF	Total
December 31:			
2022	(\$1,165,218)	\$127,273	(\$1,037,945)
2023	(825,346)	154,330	(671,016)
2024	(199,817)	111,674	(88,143)
2025	(54,181)	130,805	76,624
2026	0	40,579	40,579
Thereafter	0	40,260	40,260
Total	<u>(\$2,244,562)</u>	<u>\$604,921</u>	<u>(\$1,639,641)</u>

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***Actuarial Assumptions - OPERS***

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

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB asset was determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25%
Projected Salary Increases, including inflation	3.25% to 10.75% including wage inflation
Single Discount Rate:	
Current measurement date	6.00%
Prior Measurement date	3.16%
Investment Rate of Return	6.00%
Municipal Bond Rate:	
Current measurement date	2.00%
Prior Measurement date	2.75%
Health Care Cost Trend Rate:	
Current measurement date	8.50%, initial 3.50%, ultimate in 2035
Prior Measurement date	10.50%, initial 3.50%, ultimate in 2030
Actuarial Cost Method	Individual Entry Age

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

The most recent experience study was completed for the five year period ended December 31, 2015.



**City of Troy, Ohio**  
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The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic rates of return were provided by OPERS investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2020, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00 %	1.07 %
Domestic Equities	25.00	5.64
Real Estate Investment Trust	7.00	6.48
International Equities	25.00	7.36
Other investments	9.00	4.02
Total	100.00 %	4.43 %

**Discount Rate**

A single discount rate of 6.0 percent was used to measure the OPEB liability on the measurement date of December 31, 2020. A single discount rate of 3.16 percent was used to measure the OPEB liability on the measurement date of December 31, 2019. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 2.00 percent (Fidelity Index's "20-Year Municipal GO AA Index"). The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2120. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2120, the duration of the projection period through which projected health care payments are fully funded.

**Sensitivity of the City's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate**

The following table presents the City's proportionate share of the net OPEB asset calculated using the single discount rate of 6.00 percent, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (5.00 percent) or one-percentage-point higher (7.00 percent) than the current rate:

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

	1% Decrease <u>(5.00%)</u>	Current Discount Rate <u>(6.00%)</u>	1% Increase <u>(7.00%)</u>
Proportionate share of the net OPEB (asset)	(\$214,669)	(\$863,318)	(\$1,396,560)

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

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

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2021 is 8.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate <u>Assumption</u>	1% Increase
Proportionate share of the net OPEB (asset)	(\$884,359)	(\$863,318)	(\$839,777)

**Changes between Measurement Date and Reporting Date**

During 2021, the OPERS Board made various changes to assumptions for the actuarial valuation as of December 31, 2021. The effects of these changes are unknown.

***Actuarial Assumptions – OP&F***

OP&F's total OPEB liability as of December 31, 2020, is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

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members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

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

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

Valuation Date	January 1, 2020, with actuarial liabilities rolled forward to December 31, 2020
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.00%
Projected Salary Increases	3.75% to 10.50%
Payroll Growth	3.25%
Blended discount rate:	
Current measurement date	2.96%
Prior measurement date	3.56%
Cost of Living Adjustments	2.20% simple

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

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

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

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

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

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

The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2020, are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and Cash Equivalents	0.00 %	0.00 %
Domestic Equity	21.00	4.10
Non-US Equity	14.00	4.80
Private Markets	8.00	6.40
Core Fixed Income *	23.00	0.90
High Yield Fixed Income	7.00	3.00
Private Credit	5.00	4.50
U.S. Inflation Linked Bonds*	17.00	0.70
Midstream Energy Infrastructure	5.00	5.60
Real Assets	8.00	5.80
Gold	5.00	1.90
Private Real Estate	12.00	5.30
Total	125.00 %	

Note: Assumptions are geometric.

\* levered 2.5x

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate**

For 2020, the total OPEB liability was calculated using the discount rate of 2.96 percent. For 2019, the total OPEB liability was calculated using the discount rate of 3.56 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 8 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 2.12 percent at December 31, 2020 and 2.75 percent at December 31, 2019, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 2.96 percent for 2020 and 3.56

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

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percent for 2019. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate. The OPEB plan’s fiduciary net position was projected to be available to make all projected OPEB payments until 2037. The long-term expected rate of return on health care investments was applied to projected costs through 2037, and the municipal bond rate was applied to all health care costs after that date.

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

Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 2.96 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.96 percent), or one percentage point higher (3.96 percent) than the current rate.

	1% Decrease (1.96%)	Current Discount Rate (2.96%)	1% Increase (3.96%)
Proportionate share of the net OPEB liability	\$3,833,799	\$3,074,559	\$2,448,274

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

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

**Note 11 – Construction and Other Commitments**

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The City had the following outstanding commitments at year end:

Projects	Amount
New Fire Station	\$3,509,110
Street Maintenance and Improvements	1,487,761
Sewer Maintenance and Improvements	1,137,644
Vehicles	541,819
Refuse Maintenance and Improvements	421,516
Emergency Services	361,899
Water Maintenance and Improvements	315,536
Storm Water Maintenance and Improvements	278,659
Sidewalk Improvements	247,722
Other Construction and Commitments	227,239
Street Lights	101,405
Total Outstanding Commitments	<u><u>\$8,630,310</u></u>

The City utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed or assigned classifications of fund balance.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

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At year end, the City's commitments for encumbrances in the governmental funds were as follows:

Fund	Amount
General	\$1,530,527
TIF Retirement	24,325
Capital Improvements	5,424,557
Water	623,095
Sanitary Sewer	1,147,482
Hobart Arena	181,665
Stormwater Utility	386,950
Nonmajor Funds	408,932
Total	\$9,727,533

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

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

	Interfund		Transfers	
	Receivable	Payable	In	Out
General Fund	\$1,155,000	\$0	\$560,000	\$11,150,000
TIF Retirement	0	1,155,000	0	0
Capital Improvement	0	0	9,000,000	0
Other Governmental Funds	0	0	2,250,000	825,000
Other Enterprise Funds	0	0	165,000	0
Total All Funds	\$1,155,000	\$1,155,000	\$11,975,000	\$11,975,000

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

Transfers out of Other Governmental Funds were used to reimburse the General Fund, Other Governmental Funds, and Other Enterprise Funds for eligible expenses / expenditures reimbursable under the American Rescue Plan Act grant.

**Note 13 - Donor-Restricted Endowment**

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The City administers an endowment fund, which is restricted by the donor for the purposes of cemetery maintenance and improvement. Donor-restricted endowments are reported at fair value. The amount of net appreciation on investments of donor-restricted endowments that is available for authorization for expenditure by the City is \$159,580. The City authorizes expenditures from donor-restricted endowment in compliance with the wishes expressed by the donor and the Ohio Revised Code.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

**Note 14 – Fund Balance**

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

Fund Balances	General	TIF Retirement	Capital Improvement	Other Governmental Funds	Total
Nonspendable:					
Unclaimed Monies	\$21,879	\$0	\$0	\$0	\$21,879
Prepaid Items	130,700	0	0	8,402	139,102
Total Nonspendable	152,579	0	0	8,402	160,981
Restricted for:					
Safety Income Tax	\$2,572,840	\$0	\$0	\$0	\$2,572,840
TIF Retirement	0	621,234	0	0	621,234
Capital Improvement	0	0	9,699,138	0	9,699,138
Street Construction, Maintenance and Repair	0	0	0	2,290,666	2,290,666
State Highway Improvement	0	0	0	308,342	308,342
Cemetery	0	0	0	212,923	212,923
Municipal Real Property	0	0	0	5,246	5,246
Miami Conservatory District	0	0	0	153,139	153,139
Community Development	0	0	0	1,804,373	1,804,373
Parking Improvement	0	0	0	207,698	207,698
Drug Law Enforcement	0	0	0	10,464	10,464
Law Enforcement	0	0	0	22,898	22,898
Cemetery Endowment	0	0	0	937,221	937,221
Small Business Development R-Loan	0	0	0	1,725,459	1,725,459
FEMA Grants	0	0	0	5,654	5,654
Equitable Sharing	0	0	0	113,677	113,677
Park and Playground	0	0	0	167,031	167,031
OPWC Project	0	0	0	761,648	761,648
Total Restricted	2,572,840	621,234	9,699,138	8,726,439	21,619,651
Committed to:					
Capital Improvements	33,025,155	0	0	0	33,025,155
Total Committed	33,025,155	0	0	0	33,025,155
Assigned to:					
Bond Retirement	0	0	0	856,882	856,882
Technology	0	0	0	321,948	321,948
Future Appropriations	923,377	0	0	0	923,377
Future Encumbrances	1,178,642	0	0	0	1,178,642
Total Assigned	2,102,019	0	0	1,178,830	3,280,849
Unassigned (Deficit)	24,041,949	0	0	0	24,041,949
Total Fund Balance	\$61,894,542	\$621,234	\$9,699,138	\$9,913,671	\$82,128,585

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

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

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**Note 15 – Contingent Liabilities**

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**Litigation**

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

**Note 16 – Tax Abatements**

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As of December 31, 2021, the City provides tax abatements through the Community Reinvestment Area (CRA) and Ohio Enterprise Zone Area (EZA) Program:

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

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

Tax Abatement Programs	City's Share of Taxes Abated
Community Reinvestment Area	\$5,102
Enterprise Zone Area	15,528

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



**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2021**

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**Note 17 – Asset Retirement Obligations (ARO)**

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

**Note 18 – Implementations of new Accounting Principles**

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For fiscal year 2021, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period and GASB Statement No. 98, The Annual Comprehensive Financial Report.

GASB Statement No. 89 establishes accounting requirements for interest cost incurred before the end of a construction period. Interest costs incurred before the end of a construction period are recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. In financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles.

GASB Statement No. 98 establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments.

**Note 19 – COVID-19**

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The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June of 2021 while the national state of emergency continues. During 2021, the City received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the City. The impact on the City's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

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# Required Supplementary Information

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

	2021	2020	2019	2018	2017
City's Proportion of the Net Pension Liability	0.04725200%	0.04821600%	0.04741800%	0.04711500%	0.04862500%
City's Proportionate Share of the Net Pension Liability	\$6,996,993	\$9,530,219	\$12,986,830	\$7,391,430	\$11,041,911
City's Covered Payroll	\$6,655,150	\$6,783,914	\$6,404,636	\$6,226,246	\$6,285,742
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	105.14%	140.48%	202.77%	118.71%	175.67%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.88%	82.17%	74.70%	84.66%	77.25%

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

Note:

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

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2016	2015	2014
0.04752900%	0.04867200%	0.04867200%
\$8,232,622	\$5,870,387	\$5,737,795
\$5,980,800	\$5,986,958	\$6,565,754
137.65%	98.05%	87.39%
81.08%	86.45%	86.36%

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

	2021	2020	2019	2018	2017
City's Proportion of the Net Pension Liability	0.29018510%	0.29126580%	0.30378400%	0.29818000%	0.30156700%
City's Proportionate Share of the Net Pension Liability	\$19,782,180	\$19,621,220	\$24,796,801	\$18,300,653	\$19,100,951
City's Covered Payroll	\$7,893,784	\$7,166,834	\$7,501,553	\$7,169,253	\$6,985,753
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	250.60%	273.78%	330.56%	255.27%	273.43%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.65%	69.89%	63.07%	70.91%	68.36%

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

Note:

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

2016	2015	2014
0.30581300%	0.30833220%	0.30833220%
\$19,673,165	\$15,972,893	\$15,016,746
\$6,654,988	\$6,337,672	\$7,482,014
295.62%	252.03%	200.70%
66.77%	72.20%	73.00%

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually Required Contribution	\$977,095	\$931,721	\$949,748	\$896,649	\$809,412
Contributions in Relation to the Contractually Required Contribution	<u>(977,095)</u>	<u>(931,721)</u>	<u>(949,748)</u>	<u>(896,649)</u>	<u>(809,412)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered Payroll	\$6,979,250	\$6,655,150	\$6,783,914	\$6,404,636	\$6,226,246
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	13.00%

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

Note:

See accompanying notes to the required supplementary information.



<u>2016</u>	<u>2015</u>	<u>2014</u>
\$754,289	\$717,696	\$718,435
<u>(754,289)</u>	<u>(717,696)</u>	<u>(718,435)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$6,285,742	\$5,980,800	\$5,986,958
12.00%	12.00%	12.00%

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually Required Contribution	\$1,521,051	\$1,499,819	\$1,514,352	\$1,425,295	\$1,362,158
Contributions in Relation to the Contractually Required Contribution	<u>(1,521,051)</u>	<u>(1,499,819)</u>	<u>(1,514,352)</u>	<u>(1,425,295)</u>	<u>(1,362,158)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered Payroll	\$7,178,155	\$7,893,784	\$7,166,834	\$7,501,553	\$7,169,253
Contributions as a Percentage of Covered Payroll	21.19%	19.00%	21.13%	19.00%	19.00%

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

Note:

See accompanying notes to the required supplementary information.

<u>2016</u>	<u>2015</u>	<u>2014</u>
\$1,327,293	\$1,336,987	\$1,290,350
<u>(1,327,293)</u>	<u>(1,336,987)</u>	<u>(1,290,350)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$6,985,753	\$6,654,988	\$6,337,672
19.00%	20.09%	20.36%

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

	2021	2020	2019	2018	2017
City's Proportion of the Net OPEB Liability (Asset)	0.04845800%	0.04911700%	0.04834100%	0.04794000%	0.04986580%
City's Proportionate Share of the Net OPEB Liability (Asset)	(\$863,318)	\$6,784,334	\$6,302,525	\$5,205,931	\$5,036,615
City's Covered Payroll	\$6,655,150	\$6,783,914	\$6,404,636	\$6,226,246	\$6,285,742
City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	-12.97%	100.01%	98.41%	83.61%	80.13%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	115.57%	47.80%	46.33%	54.14%	54.04%

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

Note:

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

See accompanying notes to the required supplementary information.

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

	2021	2020	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.29018510%	0.29126580%	0.30378400%	0.29818000%	0.30156700%
City's Proportionate Share of the Net OPEB Liability	\$3,074,559	\$2,877,045	\$2,766,419	\$16,894,461	\$14,314,707
City's Covered Payroll	\$7,893,784	\$7,166,834	\$7,501,553	\$7,169,253	\$6,985,753
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	38.95%	40.14%	36.88%	235.65%	204.91%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	45.42%	47.10%	46.57%	14.13%	15.96%

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

Note:

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

See accompanying notes to the required supplementary information.

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

	2021	2020	2019	2018	2017	2016
Contractually Required Contribution to OPEB	\$0	\$0	\$0	\$0	\$77,541	\$137,770
Contributions to OPEB in Relation to the Contractually Required Contribution	0	0	0	0	(77,541)	(137,770)
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered Payroll	\$6,979,250	\$6,655,150	\$6,783,914	\$6,404,636	\$6,226,246	\$6,285,742
Contributions to OPEB as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	1.25%	2.19%

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

Note:

See accompanying notes to the required supplementary information.

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

	2021	2020	2019	2018	2017	2016
Contractually Required Contribution to OPEB	\$35,852	\$35,437	\$35,850	\$33,751	\$31,888	\$31,765
Contributions to OPEB in Relation to the Contractually Required Contribution	<u>(35,852)</u>	<u>(35,437)</u>	<u>(35,850)</u>	<u>(33,751)</u>	<u>(31,888)</u>	<u>(31,765)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered Payroll	\$7,178,155	\$7,893,784	\$7,166,834	\$7,501,553	\$7,169,253	\$6,985,753
Contributions to OPEB as a Percentage of Covered Payroll	0.50%	0.45%	0.50%	0.45%	0.44%	0.45%

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

Note:

See accompanying notes to the required supplementary information.

City of Troy, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2021

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Revenues:</b>				
Property and Other Taxes	\$1,991,194	\$2,081,441	\$2,107,670	\$26,229
Charges for Services	3,661,410	3,827,357	3,875,587	48,230
Investment Earnings	145,815	152,424	154,345	1,921
Intergovernmental	1,309,246	1,368,585	1,385,831	17,246
Special Assessments	601	628	636	8
Fines, Licenses & Permits	79,798	83,415	84,466	1,051
Other Revenues	739,726	773,253	782,997	9,744
<b>Total Revenues</b>	<b>7,927,790</b>	<b>8,287,103</b>	<b>8,391,532</b>	<b>104,429</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	4,477,482	4,597,057	4,145,644	451,413
Public Safety	12,745,384	13,085,762	11,800,791	1,284,971
Community Environment	1,416,852	1,454,690	1,311,845	142,845
Recreation	1,863,981	1,913,761	1,725,837	187,924
Basic Utility	1,376,136	1,412,887	1,274,147	138,740
Capital Outlay	1,837,488	1,886,560	1,701,307	185,253
<b>Total Expenditures</b>	<b>23,717,323</b>	<b>24,350,717</b>	<b>21,959,571</b>	<b>2,391,146</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(15,789,533)</b>	<b>(16,063,614)</b>	<b>(13,568,039)</b>	<b>2,495,575</b>
<b>Other Financing Sources (Uses):</b>				
Proceeds from Sale of Capital Assets	203,049	212,252	214,927	2,675
Transfers In	22,252,330	23,260,874	23,553,994	293,120
Transfers (Out)	(12,042,501)	(12,364,107)	(11,150,000)	1,214,107
<b>Total Other Financing Sources (Uses)</b>	<b>10,412,878</b>	<b>11,109,019</b>	<b>12,618,921</b>	<b>1,509,902</b>
<b>Net Change in Fund Balance</b>	<b>(5,376,655)</b>	<b>(4,954,595)</b>	<b>(949,118)</b>	<b>4,005,477</b>
<b>Fund Balance Beginning of Year (includes prior year encumbrances appropriated)</b>	<b>14,599,465</b>	<b>14,599,465</b>	<b>14,599,465</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$9,222,810</b>	<b>\$9,644,870</b>	<b>\$13,650,347</b>	<b>\$4,005,477</b>

See accompanying notes to the required supplementary information.



**City of Troy, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Fiscal Year Ended December 31, 2021**

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**Note 1 – Budgetary Process**

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

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

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

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

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

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

**City of Troy, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Fiscal Year Ended December 31, 2021**

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**Net Change in Fund Balance**

	<u>General</u>
GAAP Basis	(\$1,863,645)
Revenue Accruals	(21,942,378)
Expenditure Accruals	1,326,436
Transfers In	22,993,994
Encumbrances	<u>(1,463,525)</u>
Budget Basis	<u>(\$949,118)</u>

**Note 2 – Net Pension Liability**

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

*Changes in assumptions:*

2021-2020: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for this period.

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

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

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

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

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

*Changes in benefit terms:*

2021-2014: There were no changes in benefit terms for this period.

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

*Changes in assumptions:*

2021-2019: There have been no OP&F pension plan amendments adopted or changes in assumptions used in the calculation of actuarial determined contributions.

**City of Troy, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Fiscal Year Ended December 31, 2021**

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

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

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

*Changes in benefit terms:*

2021-2014: There were no changes in benefit terms for the period.

**Note 3 - Net OPEB Liability (Asset)**

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

*Changes in assumptions:*

2021: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate increased from 3.16 percent to 6.00 percent.
- The municipal bond rate decreased from 2.75 percent to 2.00 percent.
- The initial health care cost trend rate decreased from 10.5 percent to 8.5 percent.

2020: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate decreased from 3.96 percent to 3.16 percent.
- The municipal bond rate decreased from 3.71 percent to 2.75 percent.
- The initial health care cost trend rate increased from 10.0 percent to 10.5 percent.

2019: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate increased from 3.85 percent to 3.96 percent.
- The investment rate of return decreased from 6.5 percent to 6 percent.
- The municipal bond rate increased from 3.31 percent to 3.71 percent.
- The initial health care cost trend rate increased from 7.5 percent to 10 percent.

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

*Changes in Benefit Terms:*

2021: There were no changes in benefit terms for the period.

**City of Troy, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Fiscal Year Ended December 31, 2021**

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2020: On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and pre-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for pre-Medicare retirees with monthly allowances, similar to the program for Medicare retirees.

2019-2018: There were no changes in benefit terms for the period..

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

*Changes in assumptions:*

2021: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions. The single discount rate changed from 3.56% to 2.96%.

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

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

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

*Changes in benefit terms:*

2021-2020: There were no changes in benefit terms for the period.

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

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

# Combining Statements and Individual Fund Schedules

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## **MAJOR GOVERNMENTAL FUNDS**

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

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

City of Troy, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2021

	TIF Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Revenue in Lieu of Taxes	\$633,630	\$633,634	\$4
Total Revenues	633,630	633,634	4
Expenditures:			
Current:			
Capital Outlay	302,730	151,071	151,659
Debt Service:			
Principal Retirement	60,000	60,000	0
Interest and Fiscal Charges	72,900	72,900	0
Total Expenditures	435,630	283,971	151,659
Net Change in Fund Balance	198,000	349,663	151,663
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,402,248	1,402,248	0
Fund Balance End of Year	\$1,600,248	\$1,751,911	\$151,663

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, 2021

	Capital Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$561,185	\$561,192	\$7
Special Assessments	121,215	121,225	10
Total Revenues	<u>682,400</u>	<u>682,417</u>	<u>17</u>
Expenditures:			
Current:			
Community Environment	578,000	57,023	520,977
Other	0	4,758	(4,758)
Capital Outlay	<u>13,934,992</u>	<u>10,391,265</u>	<u>3,543,727</u>
Total Expenditures	<u>14,512,992</u>	<u>10,453,046</u>	<u>4,059,946</u>
Excess of Revenues Over (Under) Expenditures	<u>(13,830,592)</u>	<u>(9,770,629)</u>	<u>4,059,963</u>
Other Financing Sources (Uses):			
Transfers In	<u>9,000,000</u>	<u>9,000,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>9,000,000</u>	<u>9,000,000</u>	<u>0</u>
Net Change in Fund Balance	(4,830,592)	(770,629)	4,059,963
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>5,347,347</u>	<u>5,347,347</u>	<u>0</u>
Fund Balance End of Year	<u>\$516,755</u>	<u>\$4,576,718</u>	<u>\$4,059,963</u>



## **NONMAJOR GOVERNMENTAL FUNDS**

### **Special Revenue Funds**

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

### **Debt Service Fund**

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

### **Capital Projects Funds**

The Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

City of Troy, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2021

	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	\$6,354,160	\$856,172	\$1,097,034	\$8,307,366
Restricted Cash	0	0	30,757	30,757
<b>Receivables (Net):</b>				
Taxes	136,181	0	0	136,181
Accounts	0	0	28,500	28,500
Interest	2,534	710	0	3,244
Intergovernmental	823,909	0	796,591	1,620,500
Notes	2,087,757	0	0	2,087,757
Special Assessments	47,457	0	0	47,457
Prepaid Items	8,402	0	0	8,402
<b>Total Assets</b>	<b>9,460,400</b>	<b>856,882</b>	<b>1,952,882</b>	<b>12,270,164</b>
<b>Liabilities:</b>				
Accounts Payable	48,302	0	4,305	52,607
Accrued Wages and Benefits	19,038	0	0	19,038
Contracts Payable	0	0	37,633	37,633
Retainage Payable	0	0	30,757	30,757
Unearned Revenue	551,481	0	0	551,481
<b>Total Liabilities</b>	<b>618,821</b>	<b>0</b>	<b>72,695</b>	<b>691,516</b>
<b>Deferred Inflows of Resources:</b>				
Property and Income Taxes	134,157	0	0	134,157
Grants and Other Taxes	686,772	0	796,591	1,483,363
Special Assessments	47,457	0	0	47,457
<b>Total Deferred Inflows of Resources</b>	<b>868,386</b>	<b>0</b>	<b>796,591</b>	<b>1,664,977</b>
<b>Fund Balances:</b>				
Nonspendable	8,402	0	0	8,402
Restricted	7,964,791	0	761,648	8,726,439
Assigned	0	856,882	321,948	1,178,830
<b>Total Fund Balances</b>	<b>7,973,193</b>	<b>856,882</b>	<b>1,083,596</b>	<b>9,913,671</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$9,460,400</b>	<b>\$856,882</b>	<b>\$1,952,882</b>	<b>\$12,270,164</b>

City of Troy, Ohio  
Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Fiscal Year Ended December 31, 2021

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Property and Other Taxes	\$142,937	\$0	\$0	\$142,937
Charges for Services	299,602	0	0	299,602
Investment Earnings	9,545	(7,299)	0	2,246
Intergovernmental	2,643,471	0	0	2,643,471
Fines, Licenses & Permits	25,469	0	115,118	140,587
Other Revenues	187,588	0	0	187,588
<b>Total Revenues</b>	<b>3,308,612</b>	<b>(7,299)</b>	<b>115,118</b>	<b>3,416,431</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	102,031	0	0	102,031
Public Safety	5,630	0	0	5,630
Community Development	95,935	0	0	95,935
Transportation and Street Repair	1,425,726	0	0	1,425,726
Basic Utility Service	0	0	9,126	9,126
Public Health and Welfare	485,437	0	0	485,437
Capital Outlay	219,206	0	925,548	1,144,754
<b>Debt Service:</b>				
Principal	0	966,690	0	966,690
Interest and Other Charges	0	297,803	0	297,803
<b>Total Expenditures</b>	<b>2,333,965</b>	<b>1,264,493</b>	<b>934,674</b>	<b>4,533,132</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>974,647</b>	<b>(1,271,792)</b>	<b>(819,556)</b>	<b>(1,116,701)</b>
<b>Other Financing Sources (Uses):</b>				
Transfers In	750,000	1,500,000	0	2,250,000
Transfers (Out)	(825,000)	0	0	(825,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(75,000)</b>	<b>1,500,000</b>	<b>0</b>	<b>1,425,000</b>
<b>Net Change in Fund Balance</b>	<b>899,647</b>	<b>228,208</b>	<b>(819,556)</b>	<b>308,299</b>
<b>Fund Balance - Beginning of Year</b>	<b>7,073,546</b>	<b>628,674</b>	<b>1,903,152</b>	<b>9,605,372</b>
<b>Fund Balance - End of Year</b>	<b>\$7,973,193</b>	<b>\$856,882</b>	<b>\$1,083,596</b>	<b>\$9,913,671</b>

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## **NONMAJOR SPECIAL REVENUE FUNDS**

### **Fund Descriptions**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**American Rescue Plan Act** - This fund accounts for grants received through the Coronavirus State and Local Fiscal Recovery Funds (SLFRF), a part of the American Rescue Plan. Grants are restricted for various purposes designated by the Department of the Treasury.

City of Troy, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2021

	Street Construction, Maintenance and Repair	State Highway Improvement	Cemetery	Municipal Real Property	Miami Conservancy District	Community Development Block Grant	Parking Improvement
<b>Assets:</b>							
Equity in Pooled Cash and Investments	\$2,219,424	\$298,478	\$223,984	\$5,242	\$151,115	\$685,154	\$207,526
Receivables (Net):							
Taxes	0	0	0	0	136,181	0	0
Interest	0	248	0	4	0	568	172
Intergovernmental	762,118	61,791	0	0	0	0	0
Notes	0	0	0	0	0	1,118,651	0
Special Assessments	47,457	0	0	0	0	0	0
Prepaid Items	5,789	668	1,945	0	0	0	0
<b>Total Assets</b>	<b>3,034,788</b>	<b>361,185</b>	<b>225,929</b>	<b>5,246</b>	<b>287,296</b>	<b>1,804,373</b>	<b>207,698</b>
<b>Liabilities:</b>							
Accounts Payable	39,751	668	7,883	0	0	0	0
Accrued Wages and Benefits	15,860	0	3,178	0	0	0	0
Unearned Revenue	0	0	0	0	0	0	0
<b>Total Liabilities</b>	<b>55,611</b>	<b>668</b>	<b>11,061</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Deferred Inflows of Resources:</b>							
Property and Income Taxes	0	0	0	0	134,157	0	0
Grants and Other Taxes	635,265	51,507	0	0	0	0	0
Special Assessments	47,457	0	0	0	0	0	0
<b>Total Deferred Inflows of Resources</b>	<b>682,722</b>	<b>51,507</b>	<b>0</b>	<b>0</b>	<b>134,157</b>	<b>0</b>	<b>0</b>
<b>Fund Balances:</b>							
Nonspendable	5,789	668	1,945	0	0	0	0
Restricted	2,290,666	308,342	212,923	5,246	153,139	1,804,373	207,698
<b>Total Fund Balances</b>	<b>2,296,455</b>	<b>309,010</b>	<b>214,868</b>	<b>5,246</b>	<b>153,139</b>	<b>1,804,373</b>	<b>207,698</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$3,034,788</b>	<b>\$361,185</b>	<b>\$225,929</b>	<b>\$5,246</b>	<b>\$287,296</b>	<b>\$1,804,373</b>	<b>\$207,698</b>

Drug Law Enforcement	Law Enforcement	Cemetery Endowment	Small Business Development R-Loan	FEMA	Equitable Sharing	Park and Playground	American Rescue Plan Act	Total Nonmajor Special Revenue Funds
\$10,464	\$22,898	\$936,444	\$755,726	\$5,654	\$113,677	\$166,893	\$551,481	\$6,354,160
0	0	0	0	0	0	0	0	136,181
0	0	777	627	0	0	138	0	2,534
0	0	0	0	0	0	0	0	823,909
0	0	0	969,106	0	0	0	0	2,087,757
0	0	0	0	0	0	0	0	47,457
0	0	0	0	0	0	0	0	8,402
10,464	22,898	937,221	1,725,459	5,654	113,677	167,031	551,481	9,460,400
0	0	0	0	0	0	0	0	48,302
0	0	0	0	0	0	0	0	19,038
0	0	0	0	0	0	0	551,481	551,481
0	0	0	0	0	0	0	551,481	618,821
0	0	0	0	0	0	0	0	134,157
0	0	0	0	0	0	0	0	686,772
0	0	0	0	0	0	0	0	47,457
0	0	0	0	0	0	0	0	868,386
0	0	0	0	0	0	0	0	8,402
10,464	22,898	937,221	1,725,459	5,654	113,677	167,031	0	7,964,791
10,464	22,898	937,221	1,725,459	5,654	113,677	167,031	0	7,973,193
\$10,464	\$22,898	\$937,221	\$1,725,459	\$5,654	\$113,677	\$167,031	\$551,481	\$9,460,400

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, 2021

	Street Construction, Maintenance and Repair	State Highway Improvement	Cemetery	Municipal Real Property	Miami Conservancy District	Community Development Block Grant	Parking Improvement
<b>Revenues:</b>							
Property and Other Taxes	\$0	\$0	\$0	\$0	\$142,937	\$0	\$0
Charges for Services	6,391	0	237,221	0	0	0	0
Investment Earnings	0	(2,564)	0	(69)	0	25,573	(1,073)
Intergovernmental	1,610,714	130,597	1,000	0	15,494	55,012	0
Fines, Licenses & Permits	0	0	0	0	0	0	24,220
Other Revenues	1,545	38	12,582	139	0	138,062	29
<b>Total Revenues</b>	<b>1,618,650</b>	<b>128,071</b>	<b>250,803</b>	<b>70</b>	<b>158,431</b>	<b>218,647</b>	<b>23,176</b>
<b>Expenditures:</b>							
<b>Current:</b>							
General Government	0	0	0	0	102,031	0	0
Public Safety	0	0	0	0	0	0	0
Community Development	0	0	0	0	0	95,935	0
Transportation and Street Repair	1,353,655	72,071	0	0	0	0	0
Public Health and Welfare	0	0	446,193	0	0	0	0
Capital Outlay	152,804	0	0	28,292	0	0	0
<b>Total Expenditures</b>	<b>1,506,459</b>	<b>72,071</b>	<b>446,193</b>	<b>28,292</b>	<b>102,031</b>	<b>95,935</b>	<b>0</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>112,191</b>	<b>56,000</b>	<b>(195,390)</b>	<b>(28,222)</b>	<b>56,400</b>	<b>122,712</b>	<b>23,176</b>
<b>Other Financing Sources (Uses):</b>							
Transfers In	400,000	0	200,000	0	0	0	0
Transfers (Out)	0	0	0	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>400,000</b>	<b>0</b>	<b>200,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>512,191</b>	<b>56,000</b>	<b>4,610</b>	<b>(28,222)</b>	<b>56,400</b>	<b>122,712</b>	<b>23,176</b>
<b>Fund Balance - Beginning of Year</b>	<b>1,784,264</b>	<b>253,010</b>	<b>210,258</b>	<b>33,468</b>	<b>96,739</b>	<b>1,681,661</b>	<b>184,522</b>
<b>Fund Balance - End of Year</b>	<b>\$2,296,455</b>	<b>\$309,010</b>	<b>\$214,868</b>	<b>\$5,246</b>	<b>\$153,139</b>	<b>\$1,804,373</b>	<b>\$207,698</b>



Drug Law Enforcement	Law Enforcement	Cemetery Endowment	Small Business Development R-Loan	FEMA	Equitable Sharing	Park and Playground	American Rescue Plan Act	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$142,937
0	0	55,990	0	0	0	0	0	299,602
0	0	(4,693)	(6,203)	0	0	(1,426)	0	9,545
0	0	0	0	5,654	0	0	825,000	2,643,471
745	504	0	0	0	0	0	0	25,469
0	7	105	20,762	0	14,318	1	0	187,588
745	511	51,402	14,559	5,654	14,318	(1,425)	825,000	3,308,612
0	0	0	0	0	0	0	0	102,031
4,940	690	0	0	0	0	0	0	5,630
0	0	0	0	0	0	0	0	95,935
0	0	0	0	0	0	0	0	1,425,726
0	0	39,244	0	0	0	0	0	485,437
0	0	0	0	0	38,110	0	0	219,206
4,940	690	39,244	0	0	38,110	0	0	2,333,965
(4,195)	(179)	12,158	14,559	5,654	(23,792)	(1,425)	825,000	974,647
0	0	0	150,000	0	0	0	0	750,000
0	0	0	0	0	0	0	(825,000)	(825,000)
0	0	0	150,000	0	0	0	(825,000)	(75,000)
(4,195)	(179)	12,158	164,559	5,654	(23,792)	(1,425)	0	899,647
14,659	23,077	925,063	1,560,900	0	137,469	168,456	0	7,073,546
\$10,464	\$22,898	\$937,221	\$1,725,459	\$5,654	\$113,677	\$167,031	\$0	\$7,973,193

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, 2021

	Street Construction, Maintenance and Repair Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$6,390	\$6,391	\$1
Intergovernmental	1,606,715	1,606,721	6
Other Revenues	1,545	1,545	0
Total Revenues	<u>1,614,650</u>	<u>1,614,657</u>	<u>7</u>
Expenditures:			
Current:			
Transportation	1,698,161	1,471,106	227,055
Capital Outlay	161,814	152,804	9,010
Total Expenditures	<u>1,859,975</u>	<u>1,623,910</u>	<u>236,065</u>
Excess of Revenues Over (Under) Expenditures	<u>(245,325)</u>	<u>(9,253)</u>	<u>236,072</u>
Other Financing Sources (Uses):			
Transfers In	400,000	400,000	0
Total Other Financing Sources (Uses)	<u>400,000</u>	<u>400,000</u>	<u>0</u>
Net Change in Fund Balance	154,675	390,747	236,072
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>1,706,610</u>	<u>1,706,610</u>	<u>0</u>
Fund Balance End of Year	<u>\$1,861,285</u>	<u>\$2,097,357</u>	<u>\$236,072</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, 2021

	State Highway Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$130,270	\$130,274	\$4
Other Revenues	35	38	3
Total Revenues	<u>130,305</u>	<u>130,312</u>	<u>7</u>
Expenditures:			
Current:			
Transportation	<u>119,217</u>	<u>101,861</u>	<u>17,356</u>
Total Expenditures	<u>119,217</u>	<u>101,861</u>	<u>17,356</u>
Net Change in Fund Balance	11,088	28,451	17,363
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>242,856</u>	<u>242,856</u>	<u>0</u>
Fund Balance End of Year	<u>\$253,944</u>	<u>\$271,307</u>	<u>\$17,363</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, 2021

	Cemetery Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$216,795	\$237,221	\$20,426
Intergovernmental	\$1,000	\$1,000	\$0
Other Revenues	12,585	12,582	(3)
Total Revenues	<u>230,380</u>	<u>250,803</u>	<u>20,423</u>
Expenditures:			
Current:			
Public Health and Welfare	530,223	479,249	50,974
Total Expenditures	<u>530,223</u>	<u>479,249</u>	<u>50,974</u>
Excess of Revenues Over (Under) Expenditures	<u>(299,843)</u>	<u>(228,446)</u>	<u>71,397</u>
Other Financing Sources (Uses):			
Transfers In	200,000	200,000	0
Total Other Financing Sources (Uses)	<u>200,000</u>	<u>200,000</u>	<u>0</u>
Net Change in Fund Balance	(99,843)	(28,446)	71,397
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>221,799</u>	<u>221,799</u>	<u>0</u>
Fund Balance End of Year	<u>\$121,956</u>	<u>\$193,353</u>	<u>\$71,397</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, 2021

	Municipal Real Property Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$139	\$139	\$0
Total Revenues	139	139	0
Expenditures:			
Current:			
Capital Outlay	33,515	31,990	1,525
Total Expenditures	33,515	31,990	1,525
Net Change in Fund Balance	(33,376)	(31,851)	1,525
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	33,971	33,971	0
Fund Balance End of Year	\$595	\$2,120	\$1,525

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, 2021

	Miami Conservancy District Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Property and Other Taxes	\$144,372	\$144,373	\$1
Intergovernmental	15,490	15,494	4
Total Revenues	<u>159,862</u>	<u>159,867</u>	<u>5</u>
Expenditures:			
Current:			
General Government	<u>107,500</u>	<u>102,031</u>	<u>5,469</u>
Total Expenditures	<u>107,500</u>	<u>102,031</u>	<u>5,469</u>
Net Change in Fund Balance	52,362	57,836	5,474
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>93,281</u>	<u>93,281</u>	<u>0</u>
Fund Balance End of Year	<u>\$145,643</u>	<u>\$151,117</u>	<u>\$5,474</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, 2021

	Community Development Block Grant Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$31,325	\$31,335	\$10
Intergovernmental	55,010	55,012	2
Other Revenues	305,940	305,942	2
Total Revenues	<u>392,275</u>	<u>392,289</u>	<u>14</u>
Expenditures:			
Current:			
Community Environment	492,040	120,549	371,491
Total Expenditures	<u>492,040</u>	<u>120,549</u>	<u>371,491</u>
Net Change in Fund Balance	(99,765)	271,740	371,505
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>404,020</u>	<u>404,020</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$304,255</u></u>	<u><u>\$675,760</u></u>	<u><u>\$371,505</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, 2021

	Parking Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$680	\$722	\$42
Fines, Licenses & Permits	23,580	24,220	640
Other Revenues	28	29	1
Total Revenues	<u>24,288</u>	<u>24,971</u>	<u>683</u>
Expenditures:			
Current:			
Capital Outlay	160,010	0	160,010
Total Expenditures	<u>160,010</u>	<u>0</u>	<u>160,010</u>
Net Change in Fund Balance	(135,722)	24,971	160,693
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>184,378</u>	<u>184,378</u>	<u>0</u>
Fund Balance End of Year	<u>\$48,656</u>	<u>\$209,349</u>	<u>\$160,693</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, 2021

	Drug Law Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$745	\$745	\$0
Total Revenues	745	745	0
Expenditures:			
Current:			
Public Safety	7,000	4,940	2,060
Total Expenditures	7,000	4,940	2,060
Net Change in Fund Balance	(6,255)	(4,195)	2,060
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	14,657	14,657	0
Fund Balance End of Year	\$8,402	\$10,462	\$2,060

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, 2021

	Law Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$500	\$504	\$4
Other Revenues	5	7	2
Total Revenues	505	511	6
Expenditures:			
Current:			
Public Safety	9,000	690	8,310
Total Expenditures	9,000	690	8,310
Net Change in Fund Balance	(8,495)	(179)	8,316
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	23,076	23,076	0
Fund Balance End of Year	\$14,581	\$22,897	\$8,316

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, 2021

	Cemetery Endowment Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$53,415	\$55,990	\$2,575
Investment Earnings	3,305	3,479	174
Other Revenues	100	105	5
Total Revenues	<u>56,820</u>	<u>59,574</u>	<u>2,754</u>
Expenditures:			
Current:			
Public Health and Welfare	42,250	39,244	3,006
Total Expenditures	<u>42,250</u>	<u>39,244</u>	<u>3,006</u>
Net Change in Fund Balance	14,570	20,330	5,760
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>924,323</u>	<u>924,323</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$938,893</u></u>	<u><u>\$944,653</u></u>	<u><u>\$5,760</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, 2021

	Small Business Development R-Loan Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$476,700	\$487,206	\$10,506
Total Revenues	476,700	487,206	10,506
Expenditures:			
Current:			
Community Environment	371,500	130,000	241,500
Total Expenditures	371,500	130,000	241,500
Excess of Revenues Over (Under) Expenditures	105,200	357,206	252,006
Other Financing Sources (Uses):			
Transfers In	150,000	150,000	0
Total Other Financing Sources (Uses)	150,000	150,000	0
Net Change in Fund Balance	255,200	507,206	252,006
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	255,144	255,144	0
Fund Balance End of Year	\$510,344	\$762,350	\$252,006

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, 2021

	FEMA Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$5,650	\$5,654	\$4
Total Revenues	5,650	5,654	4
Expenditures:			
Current:			
General Government	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	5,650	5,654	4
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$5,650	\$5,654	\$4

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, 2021

	Equitable Sharing Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$14,315	\$14,318	\$3
Total Revenues	14,315	14,318	3
Expenditures:			
Current:			
Public Safety	5,000	0	5,000
Capital Outlay	81,350	76,932	4,418
Total Expenditures	86,350	76,932	9,418
Net Change in Fund Balance	(72,035)	(62,614)	9,421
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	137,466	137,466	0
Fund Balance End of Year	\$65,431	\$74,852	\$9,421

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, 2021

	Park and Playground Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$20	\$24	\$4
Other Revenues	0	1	1
Total Revenues	20	25	5
Expenditures:			
Current:			
Capital Outlay	2,000	0	2,000
Debt Service:			
Interest and Fiscal Charges	10	0	10
Total Expenditures	2,010	0	2,010
Net Change in Fund Balance	(1,990)	25	2,015
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	168,332	168,332	0
Fund Balance End of Year	\$166,342	\$168,357	\$2,015

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, 2021

	American Rescue Plan Act Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,376,481	\$1,376,481	\$0
Total Revenues	<u>1,376,481</u>	<u>1,376,481</u>	<u>0</u>
Expenditures:			
Current:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>1,376,481</u>	<u>1,376,481</u>	<u>0</u>
Other Financing Sources (Uses):			
Transfers (Out)	<u>(825,000)</u>	<u>(825,000)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(825,000)</u>	<u>(825,000)</u>	<u>0</u>
Net Change in Fund Balance	551,481	551,481	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$551,481</u>	<u>\$551,481</u>	<u>\$0</u>



## **NONMAJOR DEBT SERVICE FUND**

### **Fund Description**

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

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

City of Troy, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2021

	Bond Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Special Assessments	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Debt Service:			
Principal Retirement	966,693	966,690	3
Interest and Fiscal Charges	297,805	297,803	2
Total Expenditures	1,264,498	1,264,493	5
Excess of Revenues Over (Under) Expenditures	(1,264,498)	(1,264,493)	5
Other Financing Sources (Uses):			
Transfers In	1,500,000	1,500,000	0
Total Other Financing Sources (Uses)	1,500,000	1,500,000	0
Net Change in Fund Balance	235,502	235,507	5
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	628,168	628,168	0
Fund Balance End of Year	\$863,670	\$863,675	\$5

## **NONMAJOR CAPITAL PROJECTS FUNDS**

### **Fund Descriptions**

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

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

City of Troy, Ohio  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2021

	OPWC Project Fund	Technology Fund	Total Nonmajor Capital Projects Funds
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$799,616	\$297,418	\$1,097,034
Restricted Cash	30,757	0	30,757
<b>Receivables (Net):</b>			
Accounts	0	28,500	28,500
Intergovernmental	796,591	0	796,591
<b>Total Assets</b>	<b>1,626,964</b>	<b>325,918</b>	<b>1,952,882</b>
<b>Liabilities:</b>			
Accounts Payable	335	3,970	4,305
Contracts Payable	37,633	0	37,633
Retainage Payable	30,757	0	30,757
<b>Total Liabilities</b>	<b>68,725</b>	<b>3,970</b>	<b>72,695</b>
<b>Deferred Inflows of Resources:</b>			
Grants and Other Taxes	796,591	0	796,591
<b>Total Deferred Inflows of Resources</b>	<b>796,591</b>	<b>0</b>	<b>796,591</b>
<b>Fund Balances:</b>			
Restricted	761,648	0	761,648
Assigned	0	321,948	321,948
<b>Total Fund Balances</b>	<b>761,648</b>	<b>321,948</b>	<b>1,083,596</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$1,626,964</b>	<b>\$325,918</b>	<b>\$1,952,882</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, 2021

	OPWC Project Fund	Technology Fund	Total Nonmajor Capital Projects Funds
Revenues:			
Fines, Licenses & Permits	\$0	\$115,118	\$115,118
Total Revenues	0	115,118	115,118
Expenditures:			
Current:			
Basic Utility Service	0	9,126	9,126
Capital Outlay	886,281	39,267	925,548
Total Expenditures	886,281	48,393	934,674
Net Change in Fund Balance	(886,281)	66,725	(819,556)
Fund Balance - Beginning of Year	1,647,929	255,223	1,903,152
Fund Balance - End of Year	\$761,648	\$321,948	\$1,083,596

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, 2021

	OPWC Project Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Capital Outlay	1,118,125	957,554	160,571
Total Expenditures	1,118,125	957,554	160,571
Net Change in Fund Balance	(1,118,125)	(957,554)	160,571
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,655,209	1,655,209	0
Fund Balance End of Year	\$537,084	\$697,655	\$160,571

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, 2021

	Technology Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$116,620	\$116,625	\$5
Total Revenues	<u>116,620</u>	<u>116,625</u>	<u>5</u>
Expenditures:			
Current:			
Basic Utility	0	9,126	(9,126)
Capital Outlay	<u>50,000</u>	<u>37,176</u>	<u>12,824</u>
Total Expenditures	<u>50,000</u>	<u>46,302</u>	<u>3,698</u>
Net Change in Fund Balance	66,620	70,323	3,703
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>227,094</u>	<u>227,094</u>	<u>0</u>
Fund Balance End of Year	<u>\$293,714</u>	<u>\$297,417</u>	<u>\$3,703</u>

## **OTHER GENERAL FUNDS**

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

### **Fund Descriptions**

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

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

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

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

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



City of Troy, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2021

	Income Tax Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Property and Other Taxes	\$18,945,595	\$19,067,306	\$121,711
Investment Earnings	55,290	56,530	1,240
Other Revenues	2,330	2,335	5
<b>Total Revenues</b>	<b>19,003,215</b>	<b>19,126,171</b>	<b>122,956</b>
Expenditures:			
Current:			
General Government	1,392,395	950,845	441,550
Debt Service:			
Interest and Fiscal Charges	1,000	0	1,000
<b>Total Expenditures</b>	<b>1,393,395</b>	<b>952,458</b>	<b>440,937</b>
Excess of Revenues Over (Under) Expenditures	17,609,820	18,173,713	563,893
Other Financing Sources (Uses):			
Transfers (Out)	(20,000,000)	(20,000,000)	0
<b>Total Other Financing Sources (Uses)</b>	<b>(20,000,000)</b>	<b>(20,000,000)</b>	<b>0</b>
Net Change in Fund Balance	(2,390,180)	(1,826,287)	563,893
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	9,886,871	9,886,871	0
<b>Fund Balance End of Year</b>	<b>\$7,496,691</b>	<b>\$8,060,584</b>	<b>\$563,893</b>

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

City of Troy, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2021

	Investment Fund for Capital Improvement Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$284,755	\$301,465	\$16,710
Total Revenues	284,755	301,465	16,710
Expenditures:			
Current:			
Capital Outlay	2,500	0	2,500
Debt Service:			
Interest and Fiscal Charges	1,267	267	1,000
Total Expenditures	3,767	267	3,500
Excess of Revenues Over (Under) Expenditures	280,988	301,198	20,210
Other Financing Sources (Uses):			
Transfers (Out)	(350,000)	(238,449)	111,551
Total Other Financing Sources (Uses)	(350,000)	(238,449)	111,551
Net Change in Fund Balance	(69,012)	62,749	131,761
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	33,888,104	33,888,104	0
Fund Balance End of Year	\$33,819,092	\$33,950,853	\$131,761

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

City of Troy, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2021

	Safety - Income Tax Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Income Taxes	\$2,954,055	\$3,177,884	\$223,829
Total Revenues	<u>2,954,055</u>	<u>3,177,884</u>	<u>223,829</u>
Expenditures:			
Current:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>2,954,055</u>	<u>3,177,884</u>	<u>223,829</u>
Other Financing Sources (Uses):			
Transfers (Out)	<u>(2,800,000)</u>	<u>(2,800,000)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(2,800,000)</u>	<u>(2,800,000)</u>	<u>0</u>
Net Change in Fund Balance	154,055	377,884	223,829
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>2,194,956</u>	<u>2,194,956</u>	<u>0</u>
Fund Balance End of Year	<u>\$2,349,011</u>	<u>\$2,572,840</u>	<u>\$223,829</u>

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

City of Troy, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2021

	Recreational Programs Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$197,620	\$203,114	\$5,494
Investment Earnings	1,250	1,321	71
Other Revenues	45	48	3
<b>Total Revenues</b>	<b>198,915</b>	<b>204,483</b>	<b>5,568</b>
Expenditures:			
Current:			
Recreation	183,318	170,617	12,701
Capital Outlay	9,000	6,280	2,720
Debt Service:			
Interest and Fiscal Charges	25	0	25
<b>Total Expenditures</b>	<b>192,343</b>	<b>176,897</b>	<b>15,446</b>
Net Change in Fund Balance	6,572	27,586	21,014
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	337,673	337,673	0
<b>Fund Balance End of Year</b>	<b>\$344,245</b>	<b>\$365,259</b>	<b>\$21,014</b>

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

City of Troy, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2021

	Parks and Recreation Improvement Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$530	\$584	\$54
Other Revenues	42,095	44,101	2,006
Total Revenues	42,625	44,685	2,060
Expenditures:			
Current:			
Recreation	61,100	59,999	1,101
Capital Outlay	25,750	25,000	750
Total Expenditures	86,850	84,999	1,851
Excess of Revenues Over (Under) Expenditures	(44,225)	(40,314)	3,911
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	194,460	194,460	0
Transfers In	45,000	45,000	0
Total Other Financing Sources (Uses)	239,460	239,460	0
Net Change in Fund Balance	195,235	199,146	3,911
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	54,010	54,010	0
Fund Balance End of Year	\$249,245	\$253,156	\$3,911

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

## **NONMAJOR FUNDS**

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

### **Fund Descriptions**

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

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

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

City of Troy, Ohio  
Combining Statement of Net Position  
Nonmajor Enterprise Funds  
December 31, 2021

	Swimming Pool	Parking Meter	Miami Shores	Total Nonmajor Enterprise Funds
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$109,989	\$23,776	\$517,190	\$650,955
<b>Receivables (Net):</b>				
Interest	0	20	429	449
Prepaid Items	1,512	562	3,177	5,251
<b>Total Current Assets</b>	<b>111,501</b>	<b>24,358</b>	<b>520,796</b>	<b>656,655</b>
<b>Noncurrent Assets:</b>				
<b>Capital Assets:</b>				
Nondepreciable Capital Assets	10,450	189,961	46,997	247,408
Depreciable Capital Assets, Net	2,395,126	0	1,321,082	3,716,208
Net OPEB Asset	11,910	4,814	37,338	54,062
<b>Total Noncurrent Assets</b>	<b>2,417,486</b>	<b>194,775</b>	<b>1,405,417</b>	<b>4,017,678</b>
<b>Total Assets</b>	<b>2,528,987</b>	<b>219,133</b>	<b>1,926,213</b>	<b>4,674,333</b>
<b>Deferred Outflows of Resources:</b>				
Pension	13,997	5,657	43,883	63,537
OPEB	6,191	2,502	19,411	28,104
<b>Total Deferred Outflows of Resources</b>	<b>20,188</b>	<b>8,159</b>	<b>63,294</b>	<b>91,641</b>
<b>Liabilities:</b>				
<b>Current Liabilities:</b>				
Accounts Payable	1,576	4,846	8,829	15,251
Accrued Wages and Benefits	0	963	6,552	7,515
Compensated Absences	0	1,289	16,445	17,734
<b>Total Current Liabilities</b>	<b>1,576</b>	<b>7,098</b>	<b>31,826</b>	<b>40,500</b>
<b>Long-Term Liabilities:</b>				
Compensated Absences	0	860	10,964	11,824
Net Pension Liability	96,525	39,014	302,620	438,159
<b>Total Long-Term Liabilities</b>	<b>96,525</b>	<b>39,874</b>	<b>313,584</b>	<b>449,983</b>
<b>Total Liabilities</b>	<b>98,101</b>	<b>46,972</b>	<b>345,410</b>	<b>490,483</b>
<b>Deferred Inflows of Resources:</b>				
Pension	43,491	17,578	136,352	197,421
OPEB	37,155	15,018	116,488	168,661
<b>Total Deferred Inflows of Resources</b>	<b>80,646</b>	<b>32,596</b>	<b>252,840</b>	<b>366,082</b>
<b>Net Position:</b>				
Net Investment in Capital Assets	2,405,576	189,961	1,368,079	3,963,616
Unrestricted	(35,148)	(42,237)	23,178	(54,207)
<b>Total Net Position</b>	<b>\$2,370,428</b>	<b>\$147,724</b>	<b>\$1,391,257</b>	<b>\$3,909,409</b>

City of Troy, Ohio  
Combining Statement of Revenues, Expenses and Changes in Fund Net Position  
Nonmajor Enterprise Funds  
For the Fiscal Year Ended December 31, 2021

	Swimming Pool	Parking Meter	Miami Shores	Total Nonmajor Enterprise Funds
Operating Revenues:				
Charges for Services	\$277,053	\$0	\$1,123,779	\$1,400,832
Other Revenues	8,292	34	59,909	68,235
Total Operating Revenues	<u>285,345</u>	<u>34</u>	<u>1,183,688</u>	<u>1,469,067</u>
Operating Expenses:				
Personal Services	99,387	21,939	210,904	332,230
Contactual Services	69,953	0	202,704	272,657
Materials and Supplies	80,622	5,925	437,117	523,664
Depreciation	117,640	0	98,259	215,899
Other Expense	7,556	4,422	52,933	64,911
Total Operating Expenses	<u>375,158</u>	<u>32,286</u>	<u>1,001,917</u>	<u>1,409,361</u>
Operating Income (Loss)	<u>(89,813)</u>	<u>(32,252)</u>	<u>181,771</u>	<u>59,706</u>
Non-Operating Revenues (Expenses):				
Investment Earnings	0	(129)	(2,923)	(3,052)
Total Non-Operating Revenues (Expenses)	<u>0</u>	<u>(129)</u>	<u>(2,923)</u>	<u>(3,052)</u>
Income (Loss) Before Contributions	(89,813)	(32,381)	178,848	56,654
Transfers In	0	50,000	115,000	165,000
Change in Net Position	(89,813)	17,619	293,848	221,654
Net Position - Beginning of Year	<u>2,460,241</u>	<u>130,105</u>	<u>1,097,409</u>	<u>3,687,755</u>
Net Position - End of Year	<u>\$2,370,428</u>	<u>\$147,724</u>	<u>\$1,391,257</u>	<u>\$3,909,409</u>



City of Troy, Ohio  
Combining Statement of Cash Flows  
Nonmajor Enterprise Funds  
For the Fiscal Year Ended December 31, 2021

	Swimming Pool	Parking Meter	Miami Shores	Total Nonmajor Enterprise Funds
<b>Cash Flows from Operating Activities:</b>				
Cash Received from Customers	\$285,345	\$34	\$1,183,688	\$1,469,067
Cash Payments to Employees	(122,083)	(57,401)	(465,369)	(644,853)
Cash Payments to Suppliers	(158,772)	(10,347)	(688,039)	(857,158)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>4,490</b>	<b>(67,714)</b>	<b>30,280</b>	<b>(32,944)</b>
<b>Cash Flows from Noncapital Financing Activities:</b>				
Payments from Other Funds	0	50,000	115,000	165,000
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<b>0</b>	<b>50,000</b>	<b>115,000</b>	<b>165,000</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Payments for Capital Acquisitions	(11,000)	0	0	(11,000)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(11,000)</b>	<b>0</b>	<b>0</b>	<b>(11,000)</b>
<b>Cash Flows from Investing Activities:</b>				
Earnings (Loss) on Investments	0	(120)	(3,087)	(3,207)
<b>Net Cash Provided (Used) by Cash Flows from Investing Activities</b>	<b>0</b>	<b>(120)</b>	<b>(3,087)</b>	<b>(3,207)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(6,510)</b>	<b>(17,834)</b>	<b>142,193</b>	<b>117,849</b>
Cash and Cash Equivalents - Beginning of Year	116,499	41,610	374,997	533,106
Cash and Cash Equivalents - End of Year	109,989	23,776	517,190	650,955
<b>Reconciliation of Operating Income (Loss) to</b>				
<b>Net Cash Provided (Used) by Operating Activities</b>				
Operating Income (Loss)	(89,813)	(32,252)	181,771	59,706
Adjustments:				
Depreciation	117,640	0	98,259	215,899
Changes in Assets & Liabilities:				
(Increase) Decrease in Deferred Outflows of Resources	6,956	7,385	53,013	67,354
(Increase) Decrease in Net OPEB Asset	(11,910)	(4,814)	(37,338)	(54,062)
(Increase) Decrease in Prepays	(1,512)	(562)	(3,177)	(5,251)
Increase (Decrease) in Payables	(641)	635	4,715	4,709
Increase (Decrease) in Accrued Liabilities	0	1,037	6,265	7,302
Increase (Decrease) in Deferred Inflows of Resources	50,664	15,426	124,371	190,461
Increase (Decrease) in Net Pension Liability	1,063	(15,653)	(106,416)	(121,006)
Increase (Decrease) in Net OPEB Liability	(67,957)	(38,916)	(291,183)	(398,056)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$4,490</b>	<b>(\$67,714)</b>	<b>\$30,280</b>	<b>(\$32,944)</b>

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# STATISTICAL SECTION

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## STATISTICAL SECTION

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

### Contents

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

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

**Debt Capacity** - These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

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

**Operating Information** - These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

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

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

	Calendar Year									
	2012 (1)	2013	2014	2015	2016	2017 (2)	2018	2019	2020	2021
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$32,060,415	\$37,627,539	\$34,945,389	\$46,481,316	\$51,673,974	\$45,906,299	\$47,314,669	\$49,206,166	\$57,085,164	\$70,525,041
Restricted	8,487,756	9,427,534	11,411,958	8,665,294	10,601,444	11,239,643	14,522,194	13,638,775	15,193,425	20,892,149
Unrestricted	51,876,747	48,367,971	35,432,930	41,230,231	37,021,681	22,703,850	18,139,158	32,673,030	35,469,872	38,381,068
<b>Total Governmental Activities Net Position</b>	<b>\$92,424,918</b>	<b>\$95,423,044</b>	<b>\$81,790,277</b>	<b>\$96,376,841</b>	<b>\$99,297,099</b>	<b>\$79,849,792</b>	<b>\$79,976,021</b>	<b>\$95,517,971</b>	<b>\$107,748,461</b>	<b>\$129,798,258</b>
<b>Business-Type Activities</b>										
Net Investment in Capital Assets	\$36,053,061	\$37,306,703	\$45,817,933	\$47,778,554	\$51,838,278	\$62,137,834	\$60,163,790	\$65,687,495	\$68,118,870	\$70,386,408
Unrestricted	14,543,866	14,520,575	12,447,693	13,132,120	11,039,552	10,039,646	13,777,023	13,143,770	15,586,152	20,993,951
<b>Total Business-Type Activities Net Position</b>	<b>\$50,596,927</b>	<b>\$51,827,278</b>	<b>\$58,265,626</b>	<b>\$60,910,674</b>	<b>\$62,877,830</b>	<b>\$72,177,480</b>	<b>\$73,940,813</b>	<b>\$78,831,265</b>	<b>\$83,705,022</b>	<b>\$91,380,359</b>
<b>Total Primary Government</b>										
Net Investment in Capital Assets	\$68,113,476	\$74,934,242	\$80,763,322	\$94,259,870	\$103,512,252	\$108,044,133	\$107,478,459	\$114,893,661	\$125,204,034	\$140,911,449
Restricted	8,487,756	9,427,534	11,411,958	8,665,294	10,601,444	11,239,643	14,522,194	13,638,775	15,193,425	20,892,149
Unrestricted	66,420,613	62,888,546	47,880,623	54,362,351	48,061,233	32,743,496	31,916,181	45,816,800	51,056,024	59,375,019
<b>Total Primary Government Net Position</b>	<b>\$143,021,845</b>	<b>\$147,250,322</b>	<b>\$140,055,903</b>	<b>\$157,287,515</b>	<b>\$162,174,929</b>	<b>\$152,027,272</b>	<b>\$153,916,834</b>	<b>\$174,349,236</b>	<b>\$191,453,483</b>	<b>\$221,178,617</b>

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

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

Source: City Records

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

	Calendar Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Expenses</b>										
<b>Governmental Activities:</b>										
General Government	\$4,347,195	\$4,886,884	\$4,690,026	\$4,611,175	\$5,243,647	\$4,897,368	\$6,844,661	\$4,257,293	\$5,830,318	\$5,288,126
Public Safety	9,758,352	11,085,786	10,835,093	10,865,508	12,221,291	12,382,350	13,483,334	4,089,310	12,658,013	10,004,640
Community Development	1,071,345	1,132,281	920,312	1,011,689	1,186,949	1,373,191	1,501,328	1,483,046	2,336,784	1,326,166
Leisure Time Activities	1,759,009	1,586,678	1,657,996	1,537,027	2,013,072	2,081,037	2,221,685	1,585,328	2,314,257	2,254,414
Transportation and Street Repair	2,278,552	1,662,887	2,166,857	3,127,547	2,736,725	2,585,007	3,663,358	2,926,523	2,039,555	3,533,258
Basic Utility Service	1,264,386	1,338,126	1,462,403	1,149,146	1,161,658	1,157,661	1,340,901	1,115,622	1,286,878	1,280,947
Public Health and Welfare	353,417	312,993	377,222	567,888	203,392	477,533	420,401	419,414	470,452	451,633
Other	0	0	0	0	0	0	0	0	4,828	0
Interest and Fiscal Charges	207,620	318,508	301,410	644,142	614,136	576,961	554,938	528,415	341,271	400,949
Bond Issuance Cost	0	0	0	0	0	0	0	0	115,846	0
<b>Total Governmental Activities Expenses</b>	<b>21,039,876</b>	<b>22,324,143</b>	<b>22,411,319</b>	<b>23,514,122</b>	<b>25,380,870</b>	<b>25,531,108</b>	<b>30,030,606</b>	<b>16,404,951</b>	<b>27,398,202</b>	<b>24,540,133</b>
<b>Business-Type Activities:</b>										
Water	4,447,884	4,321,114	4,647,346	5,260,863	4,942,051	4,998,656	4,539,890	4,867,435	4,997,191	3,911,082
Sanitary Sewer	4,130,725	4,266,132	4,688,542	4,752,848	3,773,386	4,180,771	4,620,157	4,552,301	4,189,776	3,782,391
Hobart Arena	1,486,347	1,435,067	1,336,596	1,683,676	1,168,240	1,987,928	2,433,942	2,806,004	1,698,587	1,858,442
Swimming Pool	360,881	340,789	356,570	347,637	370,397	375,635	390,029	418,786	312,350	375,158
Parking Meter	47,419	25,920	7,485	62,077	14,128	81,973	74,916	77,146	89,861	32,286
Miami Shores	863,678	801,615	851,236	905,516	825,538	932,166	862,830	1,222,127	1,203,274	1,001,917
Stormwater Utility	801,990	750,127	1,132,783	1,048,739	1,413,861	1,486,102	1,497,924	1,706,060	1,278,211	964,361
<b>Total Business-Type Activities Expenses</b>	<b>12,138,924</b>	<b>11,940,764</b>	<b>13,020,558</b>	<b>14,061,356</b>	<b>12,507,601</b>	<b>14,043,231</b>	<b>14,419,688</b>	<b>15,649,859</b>	<b>13,769,250</b>	<b>11,925,637</b>
<b>Total Primary Government Expenses</b>	<b>\$33,178,800</b>	<b>\$34,264,907</b>	<b>\$35,431,877</b>	<b>\$37,575,478</b>	<b>\$37,888,471</b>	<b>\$39,574,339</b>	<b>\$44,450,294</b>	<b>\$32,054,810</b>	<b>\$41,167,452</b>	<b>\$36,465,770</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges for Services:										
General Government	\$184,969	\$277,995	\$230,229	\$280,000	\$214,466	\$280,148	\$278,575	262,869	216,768	356,913
Public Safety	1,436,008	1,435,582	1,548,977	1,680,073	1,785,765	1,736,647	1,719,330	1,693,379	1,845,129	1,988,329
Community Development	133,661	53,024	68,546	864	2,871	2,062	6,678	11,270	16,872	0
Leisure Time Activities	132,752	120,639	140,193	126,981	134,753	130,852	142,853	172,361	171,414	242,114
Transportation and Street Repair	27,430	28,727	8,245	30,151	16,722	52,011	49,154	46,933	21,836	31,247
Basic Utility Service	1,937,636	1,998,963	2,036,694	1,817,212	1,891,363	1,931,589	2,015,155	2,021,205	2,328,913	2,348,761
Public Health and Welfare	257,082	137,154	87,960	222,540	208,016	196,029	212,752	273,335	189,730	311,551
Operating Grants and Contributions	1,077,177	1,539,798	871,085	1,142,413	1,126,535	1,168,294	1,217,354	1,609,041	4,179,673	0
Capital Grants and Contributions	405,309	409,844	1,741,471	10,843,935	789,430	3,093,912	1,631,943	1,402,328	4,636,334	0
<b>Total Governmental Activities Program Revenues</b>	<b>5,592,024</b>	<b>6,001,726</b>	<b>6,733,400</b>	<b>16,144,169</b>	<b>6,169,921</b>	<b>8,591,544</b>	<b>7,273,794</b>	<b>7,492,721</b>	<b>13,606,669</b>	<b>5,278,915</b>

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Business-Type Activities:</b>										
Charges for Services:										
Water	5,108,969	4,999,136	5,032,906	5,474,879	5,737,577	5,727,326	5,798,521	5,916,914	6,012,657	6,101,089
Sanitary Sewer	3,639,617	4,123,845	4,231,193	4,421,229	4,260,303	4,407,668	4,526,936	4,731,392	4,640,877	5,068,188
Hobart Arena	124,329	146,322	142,263	197,014	115,693	1,234,889	1,282,471	1,325,402	162,069	859,881
Swimming Pool	222,790	202,949	201,438	208,640	233,265	245,158	251,097	279,020	104,415	277,053
Parking Meter	18,074	16,356	9,657	26,097	22,186	23,499	17,321	55	0	0
Miami Shores	669,172	620,147	592,073	628,574	604,725	627,655	580,103	667,891	924,388	1,123,779
Stormwater Utility	1,200,532	1,246,514	1,272,132	1,343,885	1,324,931	1,520,311	1,531,989	1,562,822	1,638,214	1,663,234
Operating Grants and Contributions	0	13,997	0	0	0	0	0	0	0	0
Capital Grants and Contributions	277,928	287,130	0	2,760,737	826,087	1,348,578	986,500	1,671,288	3,005,489	0
Total business-Type Activities Program Revenues	11,261,411	11,656,396	11,481,662	15,061,055	13,124,767	15,135,084	14,974,938	16,154,784	16,488,109	15,093,224
Total Primary Government Program Revenues	\$16,853,435	\$17,658,122	\$18,215,062	\$31,205,224	\$19,294,688	\$23,726,628	\$22,248,732	\$23,647,505	\$30,094,778	\$20,372,139
Net (Expense)/Revenue	(\$15,447,852)	(\$16,322,417)	(\$15,677,919)	(\$7,369,953)	(\$19,210,949)	(\$16,939,564)	(\$22,756,812)	(\$8,912,230)	(\$13,791,533)	(\$19,261,218)
Governmental Activities	(877,513)	(284,368)	(1,538,896)	999,699	617,166	1,091,853	555,250	504,925	2,718,859	3,167,587
Business-Type Activities	(\$16,325,365)	(\$16,606,785)	(\$17,216,815)	(\$6,370,254)	(\$18,593,783)	(\$15,847,711)	(\$22,201,562)	(\$8,407,305)	(\$11,072,674)	(\$16,093,631)
Total Primary Government Net Expenses										



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

	Calendar Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental Activities:</b>										
Income Taxes	\$15,913,230	\$15,973,203	\$19,067,978	\$18,014,295	\$19,049,745	\$19,420,325	\$18,698,514	\$21,541,455	\$20,403,139	\$23,557,082
Property Taxes Levied for:										
General Purposes	1,860,106	1,705,413	1,618,964	1,630,039	1,658,628	1,764,609	1,782,923	1,835,267	1,773,007	2,102,732
Special Revenue Purposes	30,929	6,520	32,665	44,947	57,838	128,929	127,588	128,962	129,360	142,890
Grants and Entitlements not Restricted	1,161,462	1,490,142	292,024	890,548	908,292	827,617	897,896	978,491	945,614	1,531,217
Payments in Lieu of Taxes	224,299	235,542	248,790	198,388	210,682	209,947	339,638	443,915	558,801	637,384
Unrestricted Contributions	72,989	71,262	57,170	474,088	42,050	95,450	65,845	48,047	59,711	142,033
Investment Earnings	607,412	(91,481)	1,153,754	526,342	66,295	1,285,077	834,421	2,083,021	942,824	(728,942)
Other Revenues	308,996	616,141	497,275	952,870	912,677	875,760	911,216	964,395	2,106,902	703,747
Transfers-Internal Activities	(730,000)	(600,391)	(757,733)	(775,000)	(775,000)	(10,253,539)	(775,000)	(3,569,373)	(1,092,408)	(165,000)
<b>Total Governmental Activities</b>	<b>19,449,423</b>	<b>19,406,351</b>	<b>22,210,887</b>	<b>21,956,517</b>	<b>22,131,207</b>	<b>14,354,175</b>	<b>22,883,041</b>	<b>24,454,180</b>	<b>25,826,950</b>	<b>27,923,143</b>
<b>Business-Type Activities:</b>										
Investment Earnings	114,967	7,877	166,647	49,306	24,833	104,224	152,676	361,387	181,257	(137,940)
Other Revenues	890,422	958,006	947,476	821,043	550,157	230,009	280,407	454,767	881,233	434,167
Transfers-Internal Activities	730,000	600,391	757,733	775,000	775,000	10,253,539	775,000	3,569,373	1,092,408	165,000
<b>Total Business-Type Activities</b>	<b>1,735,389</b>	<b>1,566,274</b>	<b>1,871,856</b>	<b>1,645,349</b>	<b>1,349,990</b>	<b>10,587,772</b>	<b>1,208,083</b>	<b>4,385,527</b>	<b>2,154,898</b>	<b>461,227</b>
<b>Total Primary Government</b>	<b>\$21,184,812</b>	<b>\$20,972,625</b>	<b>\$24,082,743</b>	<b>\$23,601,866</b>	<b>\$23,481,197</b>	<b>\$24,941,947</b>	<b>\$24,091,124</b>	<b>\$28,839,707</b>	<b>\$27,981,848</b>	<b>\$28,384,370</b>
<b>Changes in Net Position</b>										
Governmental Activities	\$4,001,571	\$3,083,934	\$6,532,968	\$14,586,564	\$2,920,258	(\$2,585,389)	\$126,229	\$15,541,950	\$12,035,417	\$8,661,925
Business-Type Activities	857,876	1,281,906	332,960	2,645,048	1,967,156	11,679,625	1,763,333	4,890,452	4,873,757	3,628,814
<b>Total Primary Government</b>	<b>\$4,859,447</b>	<b>\$4,365,840</b>	<b>\$6,865,928</b>	<b>\$17,231,612</b>	<b>\$4,887,414</b>	<b>\$9,094,236</b>	<b>\$1,889,562</b>	<b>\$20,432,402</b>	<b>\$16,909,174</b>	<b>\$12,290,739</b>

Source: City Records

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

	Calendar Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Fund</b>										
Nonspendable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$22,573	\$152,579
Restricted	1,177,323	991,248	794,501	832,108	998,315	1,285,892	1,444,592	1,869,823	2,194,956	2,572,840
Committed	0	32,981,626	33,508,812	33,180,085	33,299,005	33,452,517	32,854,302	33,810,433	33,968,351	33,025,155
Assigned	530,678	456,887	1,939,443	2,437,037	3,339,176	672,148	643,414	646,379	5,283,345	2,102,019
Unassigned	50,053,558	17,838,673	16,808,887	20,395,160	17,409,290	23,997,089	22,055,462	23,573,247	22,288,962	24,041,949
<b>Total General Fund</b>	<b>51,761,559</b>	<b>52,268,434</b>	<b>53,051,643</b>	<b>56,844,390</b>	<b>55,045,786</b>	<b>59,407,646</b>	<b>56,997,770</b>	<b>59,899,882</b>	<b>63,758,187</b>	<b>61,894,542</b>
<b>All Other Governmental Funds</b>										
Nonspendable	0	0	0	0	0	0	0	0	0	8,402
Restricted	7,931,844	8,557,723	10,132,288	14,353,118	9,854,123	10,399,462	13,104,957	11,315,679	14,281,242	19,046,811
Assigned	404,431	461,157	460,950	783,657	742,273	712,139	320,474	521,097	883,897	1,178,830
Unassigned	(1,428,095)	(1,310,578)	(1,159,095)	(1,105,362)	(985,134)	(862,897)	(610,336)	(254,508)	0	0
<b>Total all Other Governmental Funds</b>	<b>\$6,908,180</b>	<b>\$7,708,302</b>	<b>\$9,434,143</b>	<b>\$14,031,413</b>	<b>\$9,611,262</b>	<b>\$10,248,704</b>	<b>\$12,815,095</b>	<b>\$11,582,268</b>	<b>\$15,165,139</b>	<b>\$20,234,043</b>

Source: City Records

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

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

	Calendar Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Revenues</b>										
Taxes	\$17,807,971	\$17,685,933	\$18,003,217	\$19,424,788	\$20,377,376	\$21,765,139	\$20,891,159	\$23,330,512	\$22,727,345	\$24,510,799
Charges for Services	3,769,716	3,991,137	3,777,696	4,079,231	3,919,415	3,918,322	3,925,563	3,932,386	4,107,433	4,417,476
Investment Earnings	607,413	(84,471)	1,153,755	526,342	66,295	1,285,076	834,421	2,083,020	942,824	(728,938)
Intergovernmental	2,511,480	2,939,465	2,399,866	3,032,459	3,148,693	3,072,150	3,394,659	2,864,437	8,913,300	4,608,328
Special Assessments	41,495	51,702	91,946	55,570	91,105	86,516	108,558	125,940	104,479	121,861
Fines, Licenses and Permits	89,644	74,149	415,384	362,907	191,613	215,831	148,018	238,617	93,836	226,543
Revenue in Lieu of Taxes	224,299	235,542	248,790	198,388	210,682	209,947	339,638	443,915	558,801	633,634
Other Revenues	521,905	699,986	538,199	1,032,024	1,120,640	1,183,213	1,245,676	1,224,987	1,458,639	1,277,425
<b>Total Revenues</b>	<b>25,573,923</b>	<b>25,593,443</b>	<b>26,628,853</b>	<b>28,711,709</b>	<b>29,125,819</b>	<b>31,736,194</b>	<b>30,887,692</b>	<b>34,243,814</b>	<b>38,906,657</b>	<b>35,067,128</b>
<b>Expenditures</b>										
<b>Current:</b>										
General Government	3,920,295	4,358,675	4,313,792	4,156,432	4,607,792	4,151,288	5,938,441	4,715,910	6,173,501	4,972,194
Public Safety	9,372,255	10,530,314	10,217,092	10,219,901	10,406,317	10,617,674	10,948,662	11,443,756	10,964,329	11,682,648
Community Development	1,022,148	1,083,725	914,865	947,345	1,088,196	1,254,273	1,360,441	1,969,245	2,269,615	1,389,066
Leisure Time Activities	1,568,078	1,307,669	1,409,945	1,401,449	1,423,497	1,652,471	1,576,884	1,707,986	1,708,306	1,871,984
Transportation and Street Repair	1,545,172	1,513,367	1,474,539	1,483,514	1,451,258	1,438,950	2,494,163	2,720,533	1,387,773	2,648,866
Basic Utility Service	1,109,850	1,158,762	1,408,069	1,100,215	1,085,412	1,069,084	1,108,700	1,170,351	1,226,651	1,227,535
Public Health and Welfare	360,495	332,317	377,198	368,056	387,002	462,831	393,912	538,030	492,400	485,437
Other	0	0	0	0	0	0	0	0	4,828	0
Capital Outlay	975,032	2,331,832	2,426,089	7,996,747	12,721,449	4,210,157	4,753,117	6,037,302	5,041,959	6,291,648
<b>Debt Service:</b>										
Principal Retirement	604,826	587,388	609,875	619,278	864,252	881,739	907,970	926,715	942,946	966,690
Interest and Fiscal Charges	254,132	265,211	248,373	312,359	570,062	533,200	511,707	484,746	355,838	375,728
Bond Issuance Costs	54,565	0	0	250,357	0	0	0	0	115,846	0
<b>Total Expenditures</b>	<b>\$20,786,848</b>	<b>\$23,469,260</b>	<b>\$23,399,837</b>	<b>\$28,855,653</b>	<b>\$34,605,237</b>	<b>\$26,271,667</b>	<b>\$29,993,997</b>	<b>\$31,714,574</b>	<b>\$30,683,992</b>	<b>\$31,911,796</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									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Excess of revenues over (under) expenditures	\$4,787,075	\$2,124,183	\$3,229,016	(\$143,944)	(\$5,479,418)	\$5,464,527	\$893,695	\$2,529,240	\$8,222,665	\$3,155,332
Other Financing Sources (Uses)										
Issuance of Long-Term Capital-Related Debt	\$0	\$0	\$0	\$9,000,000	\$0	\$0	\$0	\$0	\$0	\$0
Premium of Issuance	0	0	0	251,938	0	0	0	0	0	0
Sale of Refunding Bonds	5,031,625	0	0	0	0	0	0	0	7,535,000	0
Payments to Refunded Bond Escrow Agent	(4,994,725)	0	0	0	0	0	0	0	(7,953,575)	0
Premium on Sale of Refunded Bonds	71,287	0	0	0	0	0	0	0	534,421	0
(Discourt) on Sale of Refunded Bonds	(50,319)	0	0	0	0	0	0	0	0	0
Proceeds from Sale of Capital Assets	64,803	179,210	37,767	57,023	35,663	284,775	37,820	15,045	0	214,927
Transfers In	2,626,819	3,688,623	4,392,814	2,421,729	9,586,588	3,741,482	7,479,060	6,763,264	7,939,203	11,810,000
Transfers (Out)	(3,356,819)	(4,685,019)	(5,150,547)	(3,196,729)	(10,361,588)	(4,491,482)	(8,254,060)	(7,638,264)	(9,031,611)	(11,975,000)
Total Other Financing Sources (Uses)	(607,329)	(817,186)	(719,966)	8,533,961	(739,337)	(465,225)	(737,180)	(859,955)	(976,562)	49,927
Net Change in Fund Balances	\$4,179,746	\$1,306,997	\$2,509,050	\$8,390,017	(\$6,218,755)	\$4,999,302	\$156,515	\$1,669,285	\$7,246,103	\$3,205,259
Debt service as a percentage of noncapital expenditures (1)	4.6%	4.2%	4.0%	9.0%	6.6%	6.7%	5.4%	5.0%	6.7%	7.9%

Source: City Records

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

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

Calendar Year	Real Property Assessed Value	Public		Total Assessed Value	Total Estimated Actual Value	Total Direct Rate (1)	Total Direct Rate (2)	Total Direct Rate (3)	Total Direct Rate (4)
		Real Property Assessed Value	Utilities Personal Assessed Value						
2012	\$491,652,910	\$10,786,650		\$502,439,560	\$1,435,541,600	3.10	1.10	0.00	0.00
2013	497,566,570	13,116,620		510,683,190	1,459,094,829	3.10	1.10	0.00	0.00
2014	471,863,070	12,778,280		484,641,350	1,384,689,571	3.10	1.10	0.00	0.00
2015	479,708,290	13,442,150		493,150,440	1,409,001,257	3.10	1.10	0.00	0.00
2016	484,535,010	14,172,530		498,707,540	1,424,878,686	3.10	1.10	0.55	1.55
2017	517,577,100	15,518,370		533,095,470	1,523,129,914	3.10	1.10	0.55	1.55
2018	527,390,480	16,311,050		543,701,530	1,553,432,943	3.10	1.10	0.55	1.55
2019	544,995,420	18,388,810		563,384,230	1,609,669,229	3.10	1.10	0.55	1.55
2020	599,807,390	20,208,490		620,015,880	1,771,473,943	3.10	1.10	0.55	1.55
2021	634,019,030	21,269,760		655,288,790	1,872,253,686	3.10	1.10	0.55	1.55

Source: County Auditor

- (1) - For Tax District D08
- (2) - For Tax District D45
- (3) - For Tax District R50
- (4) - For Tax District S51

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

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

Calendar Year	Total Direct Rate (1)	Overlapping Rates					
		Miami Conservancy City (3)		Upper Valley Joint		Troy-Miami County Library (4)	
		Troy City School District	Vocational	Joint	Miami County	County Library (4)	
2012	3.10	0.07	52.61	5.32	8.81	0.60	
2013	3.10	0.00	52.66	5.30	8.75	0.60	
2014	3.10	0.07	52.69	5.32	8.81	0.60	
2015	3.10	0.09	52.69	5.30	8.81	0.60	
2016	3.10	0.12	52.67	5.30	8.81	0.60	
2017	3.10	0.27	52.62	5.26	8.82	0.60	
2018	3.10	0.27	52.60	5.22	9.22	0.60	
2019	3.10	0.26	52.55	4.90	9.22	0.60	
2020	3.10	0.25	51.80	6.40	9.21	0.60	
2021	3.10	0.25	51.60	6.40	9.21	0.60	

Calendar Year	Total Direct Rate (2)	Overlapping Rates				
		Miami Conservancy City (3)		Miami Valley Career Technology Center		
		Miami East School District	Center	Miami County	Troy-Miami County Library (4)	
2012	1.10	0.07	46.70	2.58	8.81	0.60
2013	1.10	0.07	46.59	2.58	8.75	0.60
2014	1.10	0.07	46.30	2.58	8.81	0.60
2015	1.10	0.09	46.18	2.58	8.81	0.60
2016	1.10	0.12	43.99	2.58	8.81	0.60
2017	1.10	0.27	44.40	2.58	8.82	0.60
2018	1.10	0.27	44.80	4.01	9.22	0.60
2019	1.10	0.26	44.60	4.01	9.21	0.60
2020	1.10	0.25	44.60	4.01	9.21	0.60
2021	1.10	0.25	44.20	3.96	9.21	0.60

Source: County Auditor

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

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

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

Taxpayer	2021	
	Assessed Value	Percentage of Total Assessed Value
Kettering Medical Center	\$16,965,480	2.74%
American Honda Motor	14,061,130	2.27%
Dayton Power and Light Company	10,864,660	1.75%
Vectren Energy Delivery of Ohio Inc.	10,688,000	1.72%
MO Troy LLC	3,695,730	0.60%
Kroger Company	3,614,950	0.58%
Hobart Corporation	3,114,990	0.50%
Dayton Montgomery County Port Authority	3,044,340	0.49%
TPAF IV Towne Park Delaware LLC	2,986,830	0.48%
F&P America Mfg, Inc.	2,924,570	0.47%
<b>Total Principal Property Tax Payers</b>	<b>\$71,960,680</b>	<b>11.61%</b>

Taxpayer	2012	
	Assessed Value	Percentage of Total Assessed Value
Dayton Power and Light Company	\$8,211,400	1.63%
American Honda Motor	6,999,860	1.39%
Hobart Corporation	3,698,200	0.74%
Health Care REIT Inc.	3,185,780	0.63%
Towne Park SPE-1 LLC	3,027,510	0.60%
Vectren Energy Delivery	3,356,830	0.67%
DW28 Monroe, LLC	2,962,790	0.59%
Dayton Montgomery County Port Authority	3,366,240	0.67%
F&P America Mfg, Inc.	4,360,880	0.87%
Hobart Brothers Co.	2,573,640	0.51%
<b>Total Principal Property Tax Payers</b>	<b>\$41,743,130</b>	<b>8.32%</b>

Source: County Auditor

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

Calendar Year	Taxes Levied for the Calendar Year (2)	Collected, including Delinquencies, within the Calendar Year of the Levy		Accumulated Delinquency (1)	Total Collections to Date	
		Amount (3)	Percentage of Levy		Amount	Percentage of Levy
2012 (5)	\$1,728,675	\$1,684,400	97.44%	\$44,275	\$1,728,675	100.00%
2013 (5)	1,714,325	1,677,487	97.85%	36,838	1,714,325	100.00%
2014 (5)	1,679,317	1,646,258	98.03%	33,059	1,679,317	100.00%
2015 (5)	1,738,440	1,714,882	98.64%	23,558	1,738,440	100.00%
2016 (5)	1,760,169	1,690,096	96.02%	70,073	1,760,169	100.00%
2017 (5)	2,003,514	1,992,375	99.44%	11,139	2,003,514	100.00%
2018 (5)	2,041,223	2,032,755	99.59%	8,468	2,041,223	100.00%
2019	2,127,146	2,092,925	98.39%	34,221	2,127,146	100.00%
2020	2,373,501	2,302,391	97.00%	93,591	2,395,982	100.00%
2021	2,485,574	2,456,316	98.82%	50,949	2,507,265	100.00%

Source: County Auditor

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

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

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

(4) - Includes City of Troy TIF Parcels.

(5) - No tangible personal property included.



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

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Calendar Year	Withholding Accounts	Business Accounts	Residential Accounts	Total	Income Tax Rate
2012	\$11,947,402	\$2,598,675	\$1,361,993	\$15,908,070	1.75%
2013	12,055,419	2,728,488	1,413,919	16,197,826	1.75%
2014	12,427,660	2,510,592	1,311,989	16,250,241	1.75%
2015	12,936,325	3,226,982	1,473,099	17,636,406	1.75%
2016	14,248,752	2,945,020	1,469,880	18,663,652	1.75%
2017	14,142,510	3,996,784	1,374,173	19,513,467	1.75%
2018	14,860,616	3,221,721	1,228,787	19,311,124	1.75%
2019	15,386,770	4,414,710	1,375,888	21,177,368	1.75%
2020	15,560,774	3,402,564	1,512,770	20,476,108	1.75%
2021	16,613,304	4,068,749	1,563,288	22,245,341	1.75%

Source: City Records

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

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

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

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

Calendar Year	Governmental Activities	Business-Type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	General Obligation Bonds	OWDA Loans			
2012	\$6,988,195	\$8,268,045	\$408,452	\$15,664,692	0.39%	400
2013	7,021,913	7,008,695	388,719	14,419,327	0.35%	357
2014	6,410,882	12,044,721	382,825	18,838,428	0.45%	467
2015	15,042,386	10,325,194	361,778	25,729,358	0.58%	606
2016	14,167,980	8,360,642	340,041	22,868,663	0.50%	524
2017	13,276,087	7,798,578	317,592	21,392,257	0.45%	472
2018	12,357,963	7,227,745	2,842,939	22,428,647	0.44%	472
2019	11,421,094	6,650,853	2,699,000	20,770,947	0.40%	194
2020	10,530,467	6,498,482	2,601,327	19,630,276	0.35%	374
2021	9,535,900	6,132,527	2,463,853	18,132,280	N/A	N/A

Source: City Records

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

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

N/A - Information not available

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

Calendar Year	General Bonded Debt Outstanding Total General Obligation Bonds	Less: Restricted for Debt Service (1)	General Bonded Debt Outstanding Net General Obligation Bonds	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2012	\$15,256,240	\$0	\$15,256,240	1.06%	\$609
2013	14,030,608	0	14,030,608	0.96%	560
2014	18,455,603	0	18,455,603	1.33%	737
2015	25,367,580	0	25,367,580	1.80%	1,012
2016	22,528,622	0	22,528,622	1.58%	899
2017	21,074,665	0	21,074,665	1.38%	841
2018	19,585,708	0	19,585,708	1.26%	782
2019	18,071,947	0	18,071,947	1.12%	721
2020	17,028,949	161,846	16,867,103	0.95%	673
2021	15,668,427	596,934	15,071,493	0.80%	573

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

Source: City Records

City of Troy, Ohio  
Direct and Overlapping Governmental Activities Debt  
As of December 31, 2021  
Schedule 13

Governmental Unit	Net Debt Outstanding	Estimated Percentage Applicable (1)	Amount Applicable to City of Troy
Miami County	\$10,421,000	24.95%	\$2,600,040
Troy City School District	11,048,964	73.83%	8,157,450
Miami East Local School District	10,530,000	15.46%	1,627,938
Miami Valley Career Center Joint Vocational School District	122,885,340	0.51%	626,715
Upper Valley Career Center Joint Vocational School District	930,000	22.25%	206,925
Subtotal Overlapping Debt	155,815,304		13,219,068
City of Troy - Direct Debt	9,535,900	100.00%	9,535,900
Total Direct and Overlapping Debt	\$165,351,204		\$22,754,968

Source: Ohio Municipal Advisory Council

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

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

Legal Debt Margin Calculation for the Calendar Year	
Assessed Value	\$655,288,790
Statutory Legal Debt Limitation (1)	10.5%
Total Debt Limitation	68,805,323
Debt Applicable to Limit:	
Gross Indebtedness	18,132,280
Less: Debt Outside Limitations (2)	8,596,380
Less: Restricted for Debt Service (3)	596,934
Total Net Debt Applicable to Limit	8,938,966
Legal Debt Margin	\$59,866,357

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total Debt Limit (1)										
Debt Limit (10.5%)	\$52,756,154	\$53,621,735	\$50,887,342	\$51,780,796	\$52,364,292	\$55,975,024	\$57,088,661	\$65,101,667	65,101,667	68,805,323
Total Net Debt Applicable to Limit	6,988,195	7,021,913	6,410,882	15,042,386	14,167,980	13,276,087	12,357,963	11,421,094	10,368,621	8,938,966
Legal Debt Margin	\$45,767,959	\$46,599,822	\$44,476,460	\$36,738,410	\$38,196,312	\$42,698,937	\$44,730,698	\$53,680,573	\$54,733,046	\$59,866,357
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	13.2%	13.1%	12.6%	29.1%	27.1%	23.7%	21.6%	17.5%	15.9%	13.0%
Total Unvoted Debt Limit (1)										
Debt Limit (5.5%)	\$27,634,176	\$28,087,575	\$26,655,274	\$27,123,274	\$27,428,915	\$29,320,251	\$29,903,584	\$34,100,873	34,100,873	36,040,883
Total Net Debt Applicable to Limit	6,988,195	7,021,913	6,410,882	15,042,386	14,167,980	13,276,087	12,357,963	11,421,094	10,368,621	8,938,966
Legal Debt Margin	\$20,645,981	\$21,065,662	\$20,244,392	\$12,080,888	\$13,260,935	\$16,044,164	\$17,545,621	\$22,679,779	\$23,732,252	\$27,101,917
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	25.3%	25.0%	24.1%	24.1%	51.7%	45.3%	41.3%	33.5%	30.4%	24.8%

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.

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

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

Calendar Year	Special Assessment Bonds				Coverage
	Special Assessment Collections (1)	Debt Service			
		Principal	Interest		
2012	\$48,150	\$0	\$0	0.00	
2013	56,277	0	0	0.00	
2014	47,724	0	0	0.00	
2015	74,260	0	0	0.00	
2016	73,945	0	0	0.00	
2017	102,123	0	0	0.00	
2018	110,216	0	0	0.00	
2019	158,740	0	0	0.00	
2020	227,979	0	0	0.00	
2021	110,001	0	0	0.00	

Source: County Auditor

(1) - Total special assessment collections including delinquencies

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

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

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2012	25,058	\$4,037,971	\$39,181	6.10%
2013	25,058	4,178,641	40,397	7.00%
2014	25,058	4,187,325	40,301	4.30%
2015	25,058	4,416,221	42,483	4.40%
2016	25,058	4,556,230	43,650	4.30%
2017	25,058	4,766,277	45,340	4.70%
2018	25,058	5,051,061	47,552	4.30%
2019	25,058	5,242,089	106,987	3.40%
2020	25,058	5,641,229	52,469	4.00%
2021	26,305	N/A	N/A	2.90%

Sources:

- (1) - Population estimates provided by U.S. Census Bureau (2010 Census for years 2010 - 2020 and 2020 Census for years 2021 and after)
- (2) - Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts
- (3) - Per Capita Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts
- (4) - Ohio Department of Job and Family Services for Miami County

N/A - Information not available



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

2021			
Major Employers (2)	Type	Number of Employees	Employer's Percentage of Total Employment
Upper Valley Medical Center	Health	(3)	(4)
Clopay Building Products	Mfg	(3)	(4)
F & P American Mfg.	Mfg	(3)	(4)
UTC Aerospace Systems	Mfg	(3)	(4)
ConAgra Foods	Mfg	(3)	(4)
ITW Food Equipment Group	Mfg	(3)	(4)
Hobart Brothers	Mfg	(3)	(4)
Industry Products	Mfg	(3)	(4)
American Honda	Logistics	(3)	(4)
Meijer Distribution Center	Logistics	(3)	(4)

2012			
Major Employers (2)	Type	Number of Employees	Employer's Percentage of Total Population
A.O. Smith Corp.	Mfg	(3)	(4)
Crane Co.	Mfg	(3)	(4)
Evenflo Company, Inc.	Mfg	(3)	(4)
Faurecia SA	Mfg	(3)	(4)
F-Tech, Inc./F&P America	Mfg	(3)	(4)
Goodrich Corp.	Mfg	(3)	(4)
Illinois Tool Works, Inc./Hobart	Mfg	(3)	(4)
Jackson Tube Service	Mfg	(3)	(4)
Meijer, Inc.	Ret	(3)	(4)
Troy City Board of Education	Govt	(3)	(4)
Upper Valley Medical Center	Health	(3)	(4)

Source: Ohio Department of Development

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

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

Full-Time Equivalent Employees as of December 31										
Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Information Systems	2	3	3	3	3	3	3	3	3	3
Council	1	1	1	1	1	1	1	1	1	1
Mayor	1	1	1	1	1	1	1	1	1	1
Audit	4	4	3	4	4	4	4	4	4	4
Law	2	2	2	2	2	2	2	2	2	2
Service	4	4	4	4	4	4	4	6	5	5
Human Resources	2	2	2	2	2	3	3	2	2	2
Fire	35	39	39	39	39	40	40	40	44	44
Police	39	39	41	40	43	44	44	42	43	41
Parks	7	6	7	7	7	7	8	7	8	9
Recreation	3	3	3	3	4	4	4	4	4	4
Electric	3	3	3	3	3	3	3	3	2	3
Development	2	2	2	2	5	5	5	5	5	4
Street	13	12	13	13	13	11	11	11	11	11
Tax	5	5	6	6	6	5	5	5	5	4
Cemetery	2	2	2	2	2	2	2	2	2	2
Refuse	2	2	2	2	2	2	2	2	2	2
Hobart Arena	5	5	5	6	6	6	7	8	8	7
Water Administration	2	0	0	0	0	0	0	2	2	2
Water Plant	8	9	8	9	9	9	9	9	9	9
Water Distribution	5	5	4	5	4	5	5	5	5	4
Sewer B&C	2	3	2	2	2	2	2	2	2	2
Sewer Plant	9	9	8	8	7	8	7	7	7	6
Sewer Maintenance	5	5	5	5	5	5	5	6	6	6
Parking	1	0	1	1	1	1	1	1	1	1
Miami Shores	5	5	5	4	4	4	4	4	4	5
Engineering	7	10	9	10	7	7	7	7	7	8
<b>Total</b>	<b>176</b>	<b>181</b>	<b>181</b>	<b>184</b>	<b>186</b>	<b>188</b>	<b>189</b>	<b>192</b>	<b>196</b>	<b>192</b>

Source: Various City Departments

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

Function/Program	Calendar Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General government										
Commercial Construction										
Building permits issued	173	131	142	178	180	161	188	159	114	128
Value	\$20,858,627	\$16,785,655	\$12,395,774	\$13,551,130	\$20,775,296	\$53,461,060	\$24,739,752	\$52,239,282	\$33,671,182	\$33,175,212
Residential Construction (3)										
Building permits issued	48	49	67	54	54	79	196	91	115	165
Value	\$12,745,948	\$13,341,957	\$16,077,815	\$14,675,067	\$15,217,543	\$23,977,228	\$23,483,403	\$26,675,859	\$22,072,688	\$37,416,297
Police department										
Physical arrests	2,169	2,195	2,119	1,916	1,854	N/A	2,091	N/A	553	548
Parking violations (2)	2,152	1,501	521	1,865	669	N/A	1,683	N/A	1,060	1,164
Traffic violations	N/A	2,530	2,478	2,178	2,664	N/A	2,599	N/A	1,232	1,786
Fire department										
Fire responses	1,560	1,575	1,636	1,574	1,589	1,796	1,970	1,989	1,732	1,941
EMS responses	4,019	4,064	4,387	4,816	4,945	4,704	4,630	4,619	4,673	5,215
Fires extinguished	108	107	49	52	85	87	67	86	58	52
Inspections	851	861	688	979	993	933	820	813	705	722
Refuse collection department										
Refuse collected (tons)	5,184	6,213	6,177	6,335	6,099	6,215	6,346	6,536	7,068	7,158
Recyclables collected (tons)	1,704	1,706	1,647	1,765	1,924	1,936	1,917	1,878	2,103	2,043
Other public works departments										
Street resurfacing (cubic yards)	2,353	3,446	3,406	4,925	6,143	4,492	10,309	7,890	4,009	4,416
Parks and recreation department										
Community Center Admissions (1)	\$88,341	\$73,317	\$72,968	\$82,146	\$89,148	\$91,653	\$96,959	\$116,833	\$60,451	\$117,254
Community Center Attendance	33,812	31,160	29,009	28,420	33,276	33,212	34,116	37,514	11,726	44,999
Water department										
New connections (each)	36	48	43	65	112	67	80	99	112	173
Water main breaks (each)	10	20	26	31	24	16	35	32	33	28
Average daily consumption (millions of gallon per day)	4.22	4.00	3.68	3.56	3.54	3.44	3.45	3.50	3.58	3.60
Peak daily consumption (millions of gallon per day)	8.1	5.6	5.3	4.8	5.1	5.1	5.0	4.9	5.2	4.7
Wastewater department										
Average daily sewage treatment (millions of gallon per day)	4.55	5.08	5.60	5.03	4.64	5.46	7.36	6.66	5.72	5.47

Source: Various City Departments

(1) - Cash basis

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

(3) - Represents residential dwellings only

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

Function/Program	Calendar Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	11	11	11	11	11	11	11	11	12	12
Fire Stations	3	3	3	3	3	3	3	3	3	3
Other Public Works										
Area of City (square miles)	12,345	12,345	12,345	11,800	12,040	12,050	12,100	12,150	12,252	12,488
Streets (miles)	113.04	113.04	128.00	132.07	132.74	132.74	133.20	133.65	135.50	136.33
Streetlights	2,568	2,568	2,598	25,987	2,661	2,590	2,714	2,629	2,630	2,637
Traffic signals	43	44	44	44	47	46	47	43	43	43
Parks and Recreation										
Number of Parks	25	25	25	25	25	25	25	25	25	25
Acreeage	303.00	303.00	321.00	321.00	321.00	321.00	321.00	321.00	321.00	321.00
Playgrounds	17	17	17	17	17	17	17	17	17	17
Baseball/Softball Diamonds	15	15	15	15	15	15	15	15	15	15
Soccer/Football Fields	15	15	15	15	15	15	15	15	15	15
Community Centers										
Kings Chapel Community Center	1	1	1	1	1	1	1	1	1	1
Troy Aquatic Park	1	1	1	1	1	1	1	1	1	1
Senior Citizen Center	0	0	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)	139.94	139.96	155.83	157.16	159.26	160.14	160.98	163.00	165.64	167.85
Fire hydrants	1,292	1,288	1,373	1,356	1,325	1,356	1,357	1,390	1,424	1,441
Sewers										
Treatment Capacity (millions of gallons per day)	7	7	7	7	7	7	7	7	7	7
Storm Sewers (miles)	81.29	81.18	124.51	127.55	128.86	130.14	132.35	132.30	136.38	137.49
Sanitary Sewers (miles)	128.24	128.24	126.85	127.29	128.36	130.22	131.01	133.20	135.73	137.20
Hobart Arena										
Attendance	28,442	26,181	21,159	23,325	15,191	29,935	25,275	27,143	6,141	11,349
Ticket Sold (1)	24,068	22,032	20,168	22,690	14,533	24,239	24,092	23,018	5,508	11,810

Source: Various City Departments

(1) - Tickets sold by Hobart Arena only

# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF TROY**

**MIAMI COUNTY**

## **AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 10/11/2022**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
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