

**CITY OF TROY
MIAMI COUNTY**



SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2022

OHIO AUDITOR OF STATE
KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
IPARreport@ohioauditor.gov
(800) 282-0370

City 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, 2022 through December 31, 2022. 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

June 27, 2023

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**CITY OF TROY
MIAMI COUNTY
FOR THE YEAR ENDED DECEMBER 31, 2022**

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor’s Report.....	Under separate cover
Prepared by Management:	
Annual Comprehensive Financial Report	Under separate cover
Schedule of Expenditures of Federal Awards	1
Notes to the Schedule of Expenditures of Federal Awards	1
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	2
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	4
Schedule of Findings and Questioned Costs	7
Schedule of Prior Audit Findings and Questioned Costs	8

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CITY OF TROY, OHIO
Schedule of Expenditures of Federal Awards
For the year ended December 31, 2022

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-D-21-2EB-4	14.228	\$253,863
Community Development Block Grants/State	A-X-20-2EB-1	14.228	26,400
Total U.S. Department of Housing and Urban Development			280,263
<u>U.S. Department of Transportation</u>			
Passed through the State of Ohio Department of Transportation:			
Highway Planning and Construction Cluster:			
Highway Planning and Construction	PID 108662	20.205	1,867,666
Highway Planning and Construction	PID 113446	20.205	340,853
Highway Planning and Construction	PID 108706	20.205	114,900
Total Highway Planning and Construction Cluster			2,323,419
Total U.S. Department of Transportation			2,323,419
<u>U.S. Department of Justice</u>			
Direct:			
Equitable Sharing Program	N/A	16.922	19,218
Total U.S. Department of Justice			19,218
<u>U.S. Department of the Treasury</u>			
Pass through the Ohio Office of Budget and Management:			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	5CV4	21.027	347,217
Total U.S. Department of the Treasury			347,217
<u>U.S. Department of Homeland Security</u>			
Direct:			
Assistance to Firefighters Grant	EMW-2020-FG-16957	97.044	48,023
Total U.S. Department of Homeland Security			48,023
TOTAL - ALL FEDERAL PROGRAMS			\$3,018,140

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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 6, 2023. We noted the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 87, Leases.

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

June 6, 2023

**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, 2022. 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, 2022.

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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 6, 2023, which contained unmodified opinions on those financial statements, wherein we noted the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 87, Leases. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Plattensburg & Associates, Inc.

Plattensburg & Associates, Inc.

Dayton, Ohio

June 6, 2023

CITY OF TROY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2022

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:

Highway Planning and Construction Cluster AL # 20.205

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

Auditee qualified as low-risk auditee? Yes

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, 2022**

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

TROY

OHIO

Annual Comprehensive Financial Report City of Troy

For the Year Ended December 31, 2022



CITY OF TROY, OHIO

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2022

Prepared by:
John E. Frigge
City Auditor

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	<u>Page</u>
INTRODUCTORY SECTION	
Letter of Transmittal	vii
Listing of Principal City Officials	xv
Organizational Chart	xvi
Certificate of Achievement for Excellence in Financial Reporting	xvii
FINANCIAL SECTION	
Independent Auditor's Report	1
Management's Discussion and Analysis	4
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	13
Statement of Activities	14
Fund Financial Statements:	
Balance Sheet - Governmental Funds	16
Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities	17
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	19
Statement of Net Position - Proprietary Funds	21
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds	22
Statement of Cash Flows - Proprietary Funds	23
Statement of Fiduciary Net Position - Fiduciary Fund	24
Statement of Changes in Fiduciary Net Position - Fiduciary Fund	25
Notes to the Basic Financial Statements	26
Required Supplementary Information:	
Schedule of the City's Proportionate Share of the Net Pension Liability - Ohio Public Employees Retirement System	76
Schedule of the City's Proportionate Share of the Net Pension Liability - Ohio Police and Fire Pension Fund	78
Schedule of City's Contributions for Net Pension Liability - Ohio Public Employees Retirement System	80
Schedule of City's Contributions for Net Pension Liability - Ohio Police and Fire Pension Fund	82
Schedule of the City's Proportionate Share of the Net OPEB Liability (Asset) - Ohio Public Employees Retirement System	84
Schedule of the City's Proportionate Share of the Net OPEB Liability - Ohio Police and Fire Pension Fund	86
Schedule of City's Contributions to Postemployment Benefits Other Than Pension (OPEB) - Ohio Public Employees Retirement System	88
Schedule of City's Contributions to Postemployment Benefits Other Than Pension (OPEB) - Ohio Police and Fire Pension Fund	90
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis):	
General Fund	92
American Rescue Plan Act Fund	93
Notes to the Required Supplementary Information	94
Combining Statements and Individual Fund Schedules:	
Major Governmental Funds	100
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis):	
TIF Retirement Fund	101
Capital Improvement Fund	102
Nonmajor Governmental Funds	103
Combining Balance Sheet	104
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	105
Nonmajor Special Revenue Funds	
Fund Descriptions	107
Combining Balance Sheet	108
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	110

	Page
Nonmajor Special Revenue Funds (Continued)	
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis):	
Street Construction, Maintenance and Repair Fund	112
State Highway Improvement Fund	113
Cemetery Fund	114
Municipal Real Property Fund	115
Miami Conservancy District Fund	116
Community Development Block Grant Fund	117
Parking Improvement Fund	118
Drug Law Enforcement Fund	119
Law Enforcement Fund	120
Cemetery Endowment Fund	121
Small Business Development R-Loan Fund	122
FEMA Fund	123
Equitable Sharing Fund	124
Park and Playground Fund	125
One Ohio Opioid Settlement Fund	126
Nonmajor Debt Service Fund	
Fund Description	127
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis):	
Bond Retirement Fund	128
Nonmajor Capital Projects Funds	
Fund Descriptions	129
Combining Balance Sheet	130
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	131
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis):	
OPWC Project Fund	132
Technology Fund	133
Other General Funds	
Fund Descriptions	134
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis):	
Income Tax Fund	135
Investment Fund for Capital Improvement Fund	136
Safety - Income Tax Fund	137
Recreational Programs Fund	138
Parks and Recreation Improvement Fund	139
Nonmajor Enterprise Funds	
Fund Descriptions	140
Enterprise Funds	
Combining Statement of Net Position	141
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	142
Combining Statement of Cash Flows	143

	<u>Schedule</u>	<u>Page</u>
STATISTICAL SECTION		
Statistical Section Description Page		145
Net Position by Component	1	146
Changes in Net Position	2	148
Fund Balances, Governmental Funds	3	152
Changes in Fund Balances, Governmental Funds	4	154
Assessed Value and Estimated Actual Value of Taxable Property	5	158
Direct and Overlapping Property Tax Rates	6	160
Principal Property Tax Payers	7	161
Property Tax Levies and Collections	8	162
Income Tax by Payer Type and Income Tax Rate	9	163
Principal Income Taxpayers	10	164
Ratios of Outstanding Debt by Type	11	165
Ratios of General Bonded Debt Outstanding	12	166
Direct and Overlapping Governmental Activities Debt	13	167
Legal Debt Margin Information	14	168
Pledged-Revenue Coverage	15	170
Demographic and Economic Statistics - Miami County	16	171
Major Employers	17	172
Full-Time Equivalent City Government Employees by Function/Program	18	174
Operating Indicators by Function/Program	19	176
Capital Asset Statistics by Function/Program	20	178

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INTRODUCTORY SECTION



June 6, 2023

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, 2022 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, 2022 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.

While 2021 came with a lot of expansion announcements, 2022 saw the investments of those expansions completed by companies such as: ConAgra Foods, F&P America, Peak Foods, and Brightworks. These expansions resulted with \$78MM in capital investments and resulted with 185 new jobs. In addition, Raymath, a metal fabrication company, broke ground on a 67,000 square foot addition to its production facility. The company is investing more than \$5MM capital expenditures creating 50 new jobs.

Some of the other economic development highlights and projects are as follows:

Economic Development

- Sought bids for the expansion of the Wastewater Treatment plant to increase treatment capacity by 2.6 million gallons to account for future growth. The cost of the project is approximately \$15MM.
- Completed construction projects: \$7MM two-story fire station that includes approximately 17,000 square feet with apparatus bays, administration offices and living quarters; \$2MM new headquarters for Brightworks resulting with 25 new employees.
- Launched a new project titled *Revitalize Troy* which is a facade improvement and building renovation grant program for downtown businesses.
- Marketed 66 acres of land purchased by the Troy Development Council to establish an industrial park.

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 towards moving forward with the construction of a cold storage facility for equipment; the purchase and installation of one golf simulator to enhance the golf experience and encourage play; the review of the success of the golf simulator to consider the purchase of a second simulator, its location, and the possibility of having at least one simulator in operation year round; filling the new position of Assistant Golf Professional; and having Miami Shores move to a year-round operation rather than the historic ten-month operation.

- Continued to assess buildings and the needs of the functions they address, including Park Department buildings.
- Finalized a second roof replacement project for the Hobart Arena.
- Maintained Tree City USA status for 36 consecutive years.
- Worked with the Hobart Arena to continue to offer programming with a variety of events and activities, both recreational and cultural.
- Finalized the design of new and additional park signage; started the installation of the new signage.
- Continued 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.
- Established a plan to meet with school representatives, City officials, and interested parties to develop a possible plan to improve the N. Market Street Ball Field.

Utilities/Operations

- Continued to replace and update water mains that are aging and undersized and to reline sewers to extend their life-cycles.
- Determined the best route for funding and executed a contract 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.
- Continued to finalize the engineering design, and contracted for part of the West Main Street Corridor Improvement Project.
- 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.
- Completed the construction of 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.
- Contracted for other improvements: Improvements to Kidder Ditch to improve flow; upgrade to the Madison Street Pump Station; paving of a portion of Stanfield Road.
- Through a grant, the Cemetery Department hosted a well-attended monument restoration seminar.

HIGHLIGHTS AND ACCOMPLISHMENTS THROUGHOUT THE YEAR

Investments in Businesses for retention, growth, expansion and reuse

- Construction projects completed during the year included: New Fire station 11, Preferred Abrasives, Greenville Federal Bank, WellNOW Urgent Care, Texas Roadhouse, Brightworks, and Abbey Credit Union.
- Current construction projects include: a new \$6MM one-stop center for the Miami County BMV and other county departments; Casey's gas station.
- Finalized the sale of the old Fire Station 11 and announced it will be the new location of Old Scratch Pizza.
- Started the process of expanding the downtown Designated Outdoor Refreshment Area (DORA) to increase business participation.

- Completed additions and renovations to existing buildings that include: Peak Foods, F&P America, ConAgra, Mayflower Building, and Masonic Temple.
- Troy continues to be attractive to small businesses in the downtown and all-around to town, with new establishments of Speakeasy Miso, Crafted & Cured, Oh! Bobba, Oh Crepes, Casey's Gas Station and Aldis.
- Secured a number of grants that are development related as well as those to assist other departments and offices.

Residential Construction

- Halifax Estates continues to develop with section 6 being built with 7 new single-family housing starts (80% completed).
- Fox Harbor started section 8 with new roads and 20 housing starts (80% completed).
- Reserve at Washington continued construction (50 lots over 33 acres, 62% completed).
- Halifax Villas continued construction (101 patio homes, 159 townhome condos over 107 acres, with 45% completed).
- Heritage of the Country Club continued construction (29 single-family lots, 22 condos over 25 acres, with 94% completed).
- Redwood started construction over 22 acres with 138 proposed units.

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.
- Visited the headquarters of three international companies located in Europe.
- Increased the Retention and Expansion program to include visits to Troy companies with domestic headquarters located outside of Ohio.
- 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, discussed visits in 2023.
- Worked with JASCO (Japanese exchange organization) to host approximately 10 citizens from areas of Japan in 2023 along with other communities in Ohio.
- Welcomed Mayor Bogdan Kelichavvi of Kopychyntsi Municipality, Ukraine to Troy; this municipality being the home town of Aka Pereyma, world-recognized artist who settled in Troy.

- Continued to provide a variety of free concerts at Prouty Plaza and Treasure Island Park, made possible with generous donations by many persons and organizations, and working with the community partners of Troy Main Street, the Troy Area Chamber of Commerce, Hayner Cultural Center, The Troy Foundation.
- 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., hosted the second year of the 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. Volunteers participated in the following:

- Operation Cloverleaf continued to maintain the SR41/I-75 Interchange.
- Sculptures on the Square planning for 2023.
- Waco 100th Anniversary 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.
- Helped to coordinate the "Wreaths Across America" program with volunteers to place Christmas wreaths on the graves of veterans in Riverside Cemetery.

Recognized Observances

- Veterans Programs including Memorial Day and Veterans Day were held at Riverside Cemetery with abbreviated ceremonies.
- 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.

A separate program is also being established to particularly provide mental health/wellness checks for the members of the Troy Police Department. The members of the Troy Fire Department have an established program with a local company to provide one-on-one or group meetings with firefighters if requested.

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, Budgetary Controls and Budgetary Process

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, 2022.

The City adopts an annual budget before December 31 for the upcoming fiscal year. This annual budget serves as the foundation for the City's financial planning and control. 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.

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, 2021. 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 33rd time for the year ended December 31, 2021. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Acknowledgements

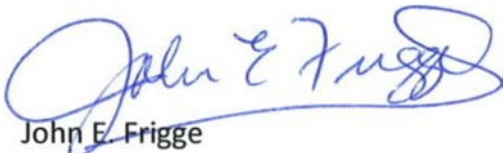
The preparation of the Annual Comprehensive Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the City Auditor and other City departments. We express our sincere appreciation for the contributions made in the preparation of this report.

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, 2022

Elected Officials

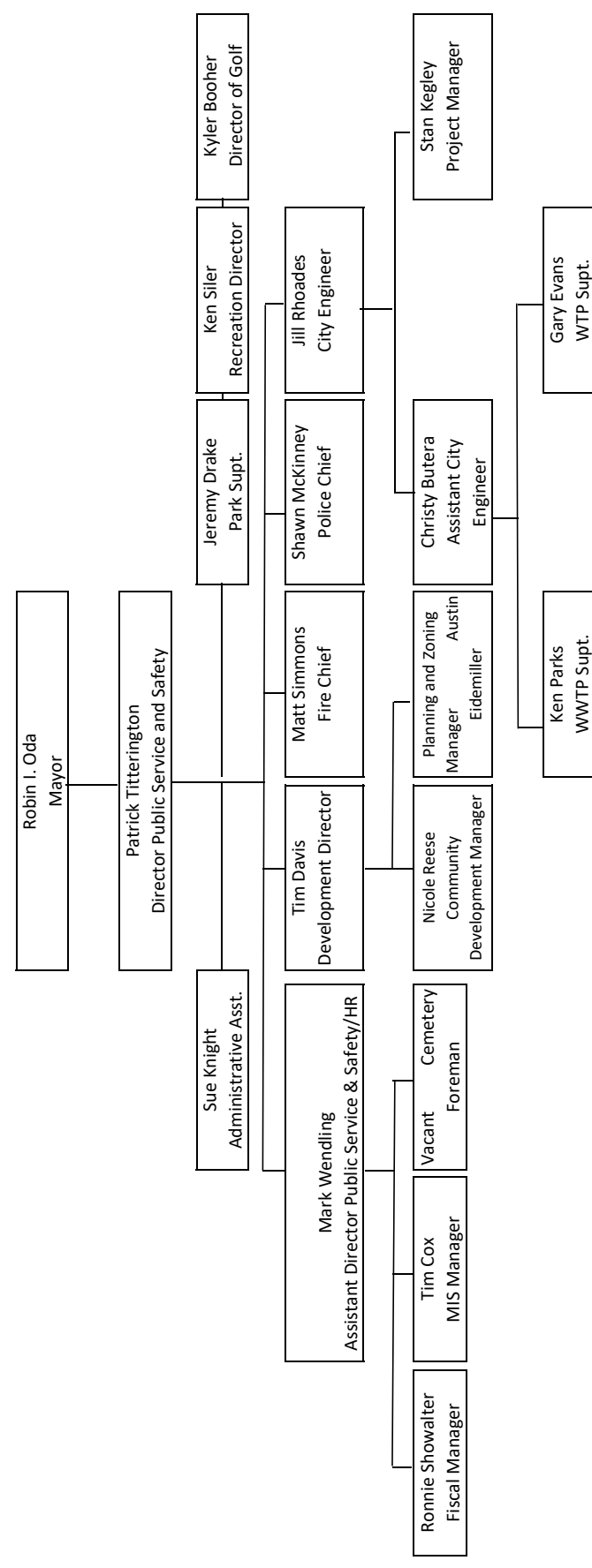
Mayor	Robin I. Oda
President of Council	William Lutz
Councilmember-at-Large	William G. Rozell
Councilmember-at-Large	Todd D. Severt
Councilmember-at-Large	Lynne B. Snee
Councilmember, First Ward	Jeffrey G. Whidden
Councilmember, Second Ward	Kristie Marshall
Councilmember, Third Ward	Samuel J. Pierce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

Appointed Officials

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

City of Troy Organizational Chart

2022





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, 2021

Christopher P. Morill

Executive Director/CEO

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FINANCIAL SECTION

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, 2022, 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, 2022, 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.

Emphasis of Matter

As discussed in Note 19 to the financial statements, during 2022, the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 87, Leases. Our opinion is not modified with respect to this matter.

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 June 6, 2023, 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
June 6, 2023

City of Troy, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2022
(Unaudited)

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, 2022. 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 \$7,557,287.
- Net position of governmental activities increased \$7,440,202, net position of business-type activities increased by \$117,085.
- The General Fund reported a decrease in fund balance of \$3,079,431.
- Business-type operations reflected operating income of \$936,928.

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, 2022
(Unaudited)

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, American Rescue Plan Act, 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.

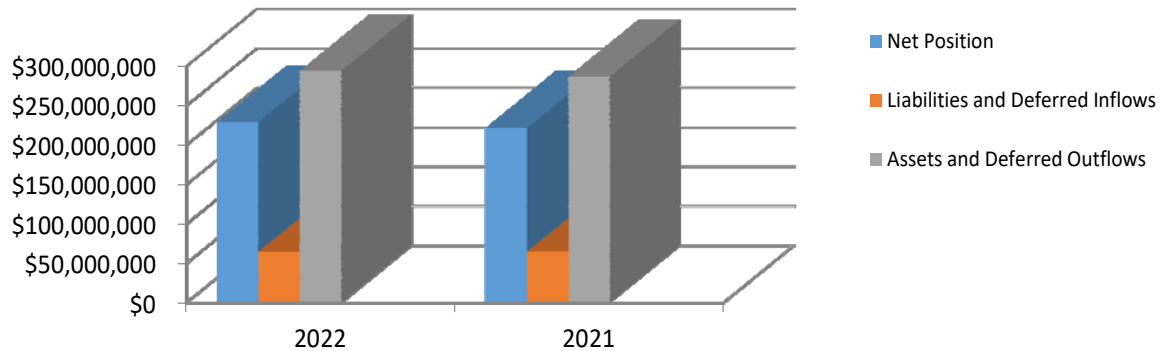
Fiduciary Funds - The City has one private purpose trust fund. The City's fiduciary activities are reported in separate Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. These activities are excluded from the City's other financial statements because the City cannot 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, 2022
(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 2022 compared to 2021.

	Governmental Activities		Business-Type Activities		Total	
	2022	2021-Restated	2022	2021	2022	2021-Restated
Assets:						
Current and Other Assets	\$95,049,777	\$93,805,033	\$25,939,140	\$26,968,992	\$120,988,917	\$120,774,025
Capital Assets	84,238,532	79,726,108	77,761,520	78,952,316	162,000,052	158,678,424
Net OPEB Asset	814,862	443,325	736,587	419,993	1,551,449	863,318
Total Assets	180,103,171	173,974,466	104,437,247	106,341,301	284,540,418	280,315,767
Deferred Outflows of Resources	7,988,195	5,588,135	888,021	742,417	8,876,216	6,330,552
Liabilities:						
Long-Term Liabilities	32,911,949	38,428,201	10,215,138	12,501,059	43,127,087	50,929,260
Other Liabilities	3,766,996	1,939,482	413,787	358,293	4,180,783	2,297,775
Total Liabilities	36,678,945	40,367,683	10,628,925	12,859,352	47,307,870	53,227,035
Deferred Inflows of Resources	14,173,961	9,396,660	3,198,899	2,844,007	17,372,860	12,240,667
Net Position:						
Net Investment In Capital Assets	76,762,553	70,305,041	70,030,281	70,386,408	146,792,834	140,691,449
Restricted	26,311,754	20,892,149	736,587	0	27,048,341	20,892,149
Unrestricted	34,164,153	38,601,068	20,730,576	20,993,951	54,894,729	59,595,019
Total Net Position	\$137,238,460	\$129,798,258	\$91,497,444	\$91,380,359	\$228,735,904	\$221,178,617



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 \$7,557,287. Total assets for the City increased mainly due to an increase in capital assets for the year. 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, 2022 as compared to the year ended December 31, 2021.

City of Troy, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2022
(Unaudited)

Table 2
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Program Revenues:						
Charges for Services	\$5,368,113	\$5,278,915	\$15,430,129	\$15,093,224	\$20,798,242	\$20,372,139
Operating Grants and Contributions	1,886,883	2,738,782	0	1,075,208	1,886,883	3,813,990
Capital Grants and Contributions	3,417,260	10,649,090	259,446	2,971,315	3,676,706	13,620,405
Total Program Revenues	10,672,256	18,666,787	15,689,575	19,139,747	26,361,831	37,806,534
General Revenues:						
Income Taxes	24,793,126	23,557,082	0	0	24,793,126	23,557,082
Property Taxes	2,271,552	2,245,622	0	0	2,271,552	2,245,622
Grants and Entitlements	1,378,583	1,531,217	0	0	1,378,583	1,531,217
Investment Earnings	(4,535,213)	(728,942)	(867,654)	(137,940)	(5,402,867)	(866,882)
Other Revenues	1,755,407	1,483,164	664,243	434,167	2,419,650	1,917,331
Total General Revenues	25,663,455	28,088,143	(203,411)	296,227	25,460,044	28,384,370
Total Revenues	36,335,711	46,754,930	15,486,164	19,435,974	51,821,875	66,190,904
Program Expenses:						
General Government	6,656,883	5,288,126	0	0	6,656,883	5,288,126
Public Safety	11,494,371	10,004,640	0	0	11,494,371	10,004,640
Community Development	1,381,394	1,326,166	0	0	1,381,394	1,326,166
Leisure Time Activities	2,413,416	2,254,414	0	0	2,413,416	2,254,414
Transportation and Street Repair	4,729,630	3,533,258	0	0	4,729,630	3,533,258
Basic Utility Service	1,315,848	1,280,947	0	0	1,315,848	1,280,947
Public Health and Welfare	457,436	451,633	0	0	457,436	451,633
Interest and Other Charges	396,531	400,949	0	0	396,531	400,949
Water	0	0	5,171,358	3,911,082	5,171,358	3,911,082
Sanitary Sewer	0	0	4,239,449	3,782,391	4,239,449	3,782,391
Hobart Arena	0	0	2,921,146	1,858,442	2,921,146	1,858,442
Swimming Pool	0	0	404,848	375,158	404,848	375,158
Parking Meter	0	0	53,886	32,286	53,886	32,286
Miami Shores	0	0	1,397,938	1,001,917	1,397,938	1,001,917
Stormwater Utility	0	0	1,230,454	964,361	1,230,454	964,361
Total Program Expenses	28,845,509	24,540,133	15,419,079	11,925,637	44,264,588	36,465,770
Increase (Decrease) in Net Position before Transfers	7,490,202	22,214,797	67,085	7,510,337	7,557,287	29,725,134
Transfers - Internal Activities	(50,000)	(165,000)	50,000	165,000	0	0
Change in Net Position	7,440,202	22,049,797	117,085	7,675,337	7,557,287	29,725,134
Net Position - Beginning of Year	129,798,258	107,748,461	91,380,359	83,705,022	221,178,617	191,453,483
Net Position - End of Year	\$137,238,460	\$129,798,258	\$91,497,444	\$91,380,359	\$228,735,904	\$221,178,617

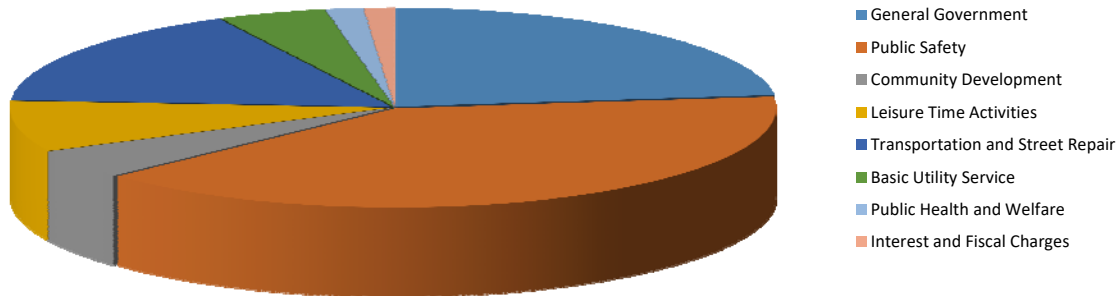
Governmental Activities

The City has made continued efforts to attract large-scale employers for the year 2022, 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 97% of the City's governmental activities general revenues.

City of Troy, Ohio
Management’s Discussion and Analysis
For The Year Ended December 31, 2022
(Unaudited)

Governmental Activities
Program Expenses for 2022

	Percentage
General Government	23.1%
Public Safety	39.9%
Community Development	4.8%
Leisure Time Activities	8.3%
Transportation and Street Repair	16.4%
Basic Utility Service	4.6%
Public Health and Welfare	1.6%
Interest and Fiscal Charges	1.3%
Total	100.0%



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 decreased in 2022 as compared to 2021 mainly due to a decrease in capital grants related to transportation and street repair projects. Income Tax revenue increased in 2022 as compared to 2021 mainly due to an increase in income tax collections due to businesses re-opening after the COVID-19 pandemic. Public safety expenses increased mainly due to changes related to net pension and OPEB liabilities.

Business-Type Activities

Business-type activities include water, sewer, stormwater utilities, Hobart Arena, swimming pool, parking meter and Miami Shores. These programs had operating revenues of \$16,094,372 and operating expenses of \$15,157,444 for fiscal year 2022. Business-type activities receive no support from tax revenues. The Business-type activities net position at the end of the year was \$91,497,444, which increased \$117,085 from 2021. The City had four business-type (enterprise) funds that were major funds: the Water fund, the Sanitary Sewer fund, Hobart Arena fund and Stormwater Utility 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 \$961,228 for 2022.

City of Troy, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2022
(Unaudited)

The City of Troy's Sewer Department includes over 135 miles of sanitary sewer main, which provides the collection and treatment of public wastewater. The Sewer fund had an operating income of \$1,009,001 for 2022.

The City of Troy's Hobart Arena accounts for arena facilities provided by the City. The Hobart Arena fund had an operating loss of \$1,249,815 in 2022.

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 \$467,553 in 2022. Charges for Services increased slightly from 2021 to 2022, while total expenses increased due to the increase in Personal Services expense.

The City's Funds

The City has four major governmental funds: the General Fund, American Rescue Plan Act Fund, TIF Retirement Fund and the Capital Improvement Fund. Assets of these funds comprised (89%) of the total \$96,144,777 governmental funds' assets.

General Fund: Fund balance at December 31, 2022 was \$58,815,111 which was an decrease in fund balance of \$3,079,431 from 2021. 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.

American Rescue Plan Act Fund: Fund balance at December 31, 2022 was \$0 and the fund had an unearned revenues of balances of \$1,896,385.

TIF Retirement Fund: Fund balance at December 31, 2022 was \$1,151,624 which was an increase in fund balance of \$530,390 from 2021. The increase in fund balance is mainly due to a decrease in the transportation and street repair expense during 2022.

Capital Improvement Fund: Fund balance at December 31, 2022 was \$14,187,483 which was an increase in fund balance of \$4,488,345 from 2021. 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 \$8,801,169 and the original budgeted revenue was \$8,862,860. The difference was \$61,691. Of this difference, most was due to an overestimate charges for service.

City of Troy, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2022
(Unaudited)

Variations from the final amended budget amounts to the actual amounts are primarily due to the following reasons: The City overestimated public safety (\$1,006,876 variance) and general government (\$356,708 variance) expenditures for 2022 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 \$13,008,957 on a Non-GAAP Budgetary Basis.

Capital Assets and Debt Administration

Capital Assets

At year end, the City had \$162,000,052 invested in land, construction in progress, buildings and improvements, equipment and infrastructure. Table 3 shows 2022 balances compared to 2021:

Table 3
Capital Assets, Net of Depreciation

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$14,833,195	\$14,806,584	\$780,372	\$780,372	\$15,613,567	\$15,586,956
Construction in Progress	8,308,652	5,311,725	1,549,048	669,380	9,857,700	5,981,105
Buildings and Improvements	6,958,461	7,275,791	27,507,457	28,360,335	34,465,918	35,636,126
Equipment	5,138,789	5,147,539	5,384,379	6,042,085	10,523,168	11,189,624
Infrastructure	48,999,435	47,184,469	42,540,264	43,100,144	91,539,699	90,284,613
Total Net Capital Assets	<u>\$84,238,532</u>	<u>\$79,726,108</u>	<u>\$77,761,520</u>	<u>\$78,952,316</u>	<u>\$162,000,052</u>	<u>\$158,678,424</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, 2022
(Unaudited)

Debt

The City had \$15,207,218 in general obligation bonds and OWDA loans from direct borrowings.

Table 4
Outstanding Debt at Year End

	2022	2021
Governmental Activities		
<u>General Obligation Bonds</u>		
2020 Refunding of 2015 Capital Facilities Bonds	\$6,995,000	\$7,270,000
Premium on 2020 Refunding of 2015 Capital Facilities Bonds	480,979	507,700
Refunding Limited Tax	0	220,000
Premium on Refunding Bonds	0	1,231
Discount on Refunding Bonds	0	(1,820)
Refunding Bonds:		
Elm Street Improvements	0	121,611
Aquatic Center	0	806,306
Cemetery Maintenance Building	0	92,996
Fire Station	0	514,033
Premium	0	13,082
Discount	0	(9,239)
Total General Obligation Bonds	<u>7,475,979</u>	<u>9,535,900</u>
Business Type Activities		
<u>General Obligation Bonds</u>		
2020 Refunding of Water System Bonds	2,955,000	3,065,000
Premium on Refunding	188,491	198,412
2020 Refunding of 2014 Sewer System Bonds	2,130,000	2,210,000
Premium on Refunding	135,624	142,762
Refunding Bonds:		
Southeast Area Sewer	0	267,747
Generators	0	247,308
Premium	0	4,395
Discount	0	(3,097)
Total General Obligation Bonds	<u>5,409,115</u>	<u>6,132,527</u>
<u>OWDA Loans from Direct Borrowings:</u>		
2010 OWDA Water Pollution Control Loan	193,819	220,195
2018 OWDA Fresh Water Loan	<u>2,128,305</u>	<u>2,243,658</u>
Total Debt	<u><u>\$15,207,218</u></u>	<u><u>\$18,132,280</u></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, 2022
(Unaudited)

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, 2022

	Governmental Activities	Business-Type Activities	Total
Assets:			
Equity in Pooled Cash and Investments	\$79,376,423	\$24,530,445	\$103,906,868
Restricted Cash	125,827	32,999	158,826
Cash and Cash Equivalents with Fiscal Agent	405,000	0	405,000
Receivables (Net):			
Taxes	7,336,697	0	7,336,697
Accounts	1,019,576	596,520	1,616,096
Interest	253,319	90,200	343,519
Intergovernmental	2,484,835	0	2,484,835
Notes	2,880,318	0	2,880,318
Special Assessments	529,049	0	529,049
Leases	476,130	0	476,130
Inventory	0	633,952	633,952
Prepaid Items	162,603	55,024	217,627
Net OPEB Asset	814,862	736,587	1,551,449
Nondepreciable Capital Assets	23,141,847	2,329,420	25,471,267
Depreciable Capital Assets, Net	61,096,685	75,432,100	136,528,785
Total Assets	180,103,171	104,437,247	284,540,418
Deferred Outflows of Resources:			
Pension	6,308,586	879,435	7,188,021
OPEB	1,679,609	8,586	1,688,195
Total Deferred Outflows of Resources	7,988,195	888,021	8,876,216
Liabilities:			
Accounts Payable	527,508	286,394	813,902
Accrued Wages and Benefits	464,838	81,168	546,006
Contracts Payable	711,088	0	711,088
Retainage Payable	125,827	32,999	158,826
Accrued Interest Payable	41,350	13,226	54,576
Unearned Revenue	1,896,385	0	1,896,385
Long-Term Liabilities:			
Due Within One Year	1,033,707	468,165	1,501,872
Due In More Than One Year			
Net Pension Liability	19,809,116	1,986,465	21,795,581
Net OPEB Liability	3,089,880	0	3,089,880
Other Amounts	8,979,246	7,760,508	16,739,754
Total Liabilities	36,678,945	10,628,925	47,307,870
Deferred Inflows of Resources:			
Property and Income Taxes	2,168,497	0	2,168,497
Revenue In Lieu of Taxes	303,826	0	303,826
Leases	471,388	0	471,388
Pension	9,152,744	2,427,614	11,580,358
OPEB	2,077,506	771,285	2,848,791
Total Deferred Inflows of Resources	14,173,961	3,198,899	17,372,860
Net Position:			
Net Investment in Capital Assets	76,762,553	70,030,281	146,792,834
Restricted for:			
Debt Service	1,128,524	0	1,128,524
Capital Projects	16,309,982	0	16,309,982
Street Improvements	3,225,257	0	3,225,257
Public Safety	35,719	0	35,719
Community Development	3,040,057	0	3,040,057
Park Improvements	200,180	0	200,180
Cemetery Maintenance and Improvements	1,054,648	0	1,054,648
Net OPEB Assets	814,862	736,587	1,551,449
Other Purposes	502,525	0	502,525
Unrestricted	34,164,153	20,730,576	54,894,729
Total Net Position	\$137,238,460	\$91,497,444	\$228,735,904

See accompanying notes to the basic financial statements.

City of Troy, Ohio
Statement of Activities
For the Fiscal Year Ended December 31, 2022

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$6,656,883	\$353,500	\$14,410	\$0
Public Safety	11,494,371	2,167,866	0	0
Community Development	1,381,394	0	174,314	2,404,773
Leisure Time Activities	2,413,416	229,418	0	0
Transportation and Street Repair	4,729,630	11,874	1,698,159	1,012,487
Basic Utility Service	1,315,848	2,392,424	0	0
Public Health and Welfare	457,436	213,031	0	0
Interest and Other Charges	396,531	0	0	0
Total Governmental Activities	28,845,509	5,368,113	1,886,883	3,417,260
Business-Type Activities:				
Water	5,171,358	5,964,896	0	65,042
Sanitary Sewer	4,239,449	5,139,023	0	41,124
Hobart Arena	2,921,146	1,112,530	0	0
Swimming Pool	404,848	343,934	0	0
Parking Meter	53,886	0	0	0
Miami Shores	1,397,938	1,184,382	0	0
Stormwater Utility	1,230,454	1,685,364	0	153,280
Total Business-Type Activities	15,419,079	15,430,129	0	259,446
Totals	\$44,264,588	\$20,798,242	\$1,886,883	\$3,676,706

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
(\$6,288,973)	\$0	(\$6,288,973)
(9,326,505)	0	(9,326,505)
1,197,693	0	1,197,693
(2,183,998)	0	(2,183,998)
(2,007,110)	0	(2,007,110)
1,076,576	0	1,076,576
(244,405)	0	(244,405)
(396,531)	0	(396,531)
<u>(18,173,253)</u>	<u>0</u>	<u>(18,173,253)</u>
0	858,580	858,580
0	940,698	940,698
0	(1,808,616)	(1,808,616)
0	(60,914)	(60,914)
0	(53,886)	(53,886)
0	(213,556)	(213,556)
0	608,190	608,190
<u>0</u>	<u>270,496</u>	<u>270,496</u>
<u>(18,173,253)</u>	<u>270,496</u>	<u>(17,902,757)</u>
24,793,126	0	24,793,126
2,143,820	0	2,143,820
127,732	0	127,732
1,378,583	0	1,378,583
613,550	0	613,550
98,011	0	98,011
(4,535,213)	(867,654)	(5,402,867)
1,043,846	664,243	1,708,089
(50,000)	50,000	0
<u>25,613,455</u>	<u>(153,411)</u>	<u>25,460,044</u>
7,440,202	117,085	7,557,287
<u>129,798,258</u>	<u>91,380,359</u>	<u>221,178,617</u>
<u>\$137,238,460</u>	<u>\$91,497,444</u>	<u>\$228,735,904</u>

City of Troy, Ohio
Balance Sheet
Governmental Funds
December 31, 2022

	General	American Rescue Plan Act	TIF Retirement	Capital Improvement	Other Governmental Funds	Total Governmental Funds
Assets:						
Equity in Pooled Cash and Investments:	\$53,528,556	\$1,896,385	\$2,246,624	\$15,016,597	\$6,688,261	\$79,376,423
Restricted Cash	0	0	0	91,308	34,519	125,827
Cash and Cash Equivalents with Fiscal Agent	405,000	0	0	0	0	405,000
Receivables (Net):						
Taxes	7,204,412	0	0	0	132,285	7,336,697
Accounts	991,949	0	0	0	27,627	1,019,576
Interest	242,940	0	0	0	10,379	253,319
Intergovernmental	577,326	0	303,826	189,781	1,413,902	2,484,835
Notes	800,000	0	0	0	2,080,318	2,880,318
Special Assessments	101,088	0	0	370,163	57,798	529,049
Interfund	1,095,000	0	0	0	0	1,095,000
Leases	476,130	0	0	0	0	476,130
Prepaid Items	152,813	0	0	0	9,790	162,603
Total Assets	65,575,214	1,896,385	2,550,450	15,667,849	10,454,879	96,144,777
Liabilities:						
Accounts Payable	317,011	0	0	159,568	50,929	527,508
Accrued Wages and Benefits	443,539	0	0	0	21,299	464,838
Compensated Absences	91,972	0	0	0	0	91,972
Contracts Payable	0	0	0	693,213	17,875	711,088
Retainage Payable	0	0	0	91,308	34,519	125,827
Interfund Payable	0	0	1,095,000	0	0	1,095,000
Unearned Revenue	0	1,896,385	0	0	0	1,896,385
Total Liabilities	852,522	1,896,385	1,095,000	944,089	124,622	4,912,618
Deferred Inflows of Resources:						
Property and Income Taxes	4,643,624	0	0	0	130,212	4,773,836
Grants and Other Taxes	503,292	0	0	166,114	1,282,618	1,952,024
Special Assessments	101,088	0	0	370,163	57,798	529,049
Accounts	188,189	0	0	0	0	188,189
Revenue In Lieu of Taxes	0	0	303,826	0	0	303,826
Leases	471,388	0	0	0	0	471,388
Total Deferred Inflows of Resources	5,907,581	0	303,826	536,277	1,470,628	8,218,312
Fund Balances:						
Nonspendable	174,336	0	0	0	9,790	184,126
Restricted	3,558,317	0	1,151,624	14,187,483	8,404,046	27,301,470
Committed	28,974,423	0	0	0	0	28,974,423
Assigned	898,388	0	0	0	445,793	1,344,181
Unassigned	25,209,647	0	0	0	0	25,209,647
Total Fund Balances	58,815,111	0	1,151,624	14,187,483	8,859,629	83,013,847
Total Liabilities, Deferred Inflows and Fund Balances	\$65,575,214	\$1,896,385	\$2,550,450	\$15,667,849	\$10,454,879	\$96,144,777

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, 2022

Total Governmental Fund Balance \$83,013,847

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 84,238,532

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.

Income Taxes	2,545,428	
Delinquent Property Taxes	59,911	
Intergovernmental	1,952,024	
Other Receivables	<u>717,238</u>	
		5,274,601

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. (41,350)

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 (2,445,002)

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	6,308,586	
Deferred inflows of resources related to pensions	(9,152,744)	
Deferred outflows of resources related to OPEB	1,679,609	
Deferred inflows of resources related to OPEB	<u>(2,077,506)</u>	
		(3,242,055)

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Net OPEB Asset	814,862	
Net Pension Liability	(19,809,116)	
Net OPEB Liability	(3,089,880)	
Other Amounts	<u>(7,475,979)</u>	
		<u>(29,560,113)</u>

Net Position of Governmental Activities \$137,238,460

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, 2022

	General	American Rescue Plan Act	TIF Retirement	Capital Improvement	Other Governmental Funds	Total Governmental Funds
Revenues:						
Property and Other Taxes	\$2,113,910	\$0	\$0	\$0	\$126,248	\$2,240,158
Income Taxes	25,654,132	0	0	0	0	25,654,132
Charges for Services	4,348,833	0	0	0	255,813	4,604,646
Investment Earnings	(4,471,533)	0	0	0	(63,676)	(4,535,209)
Intergovernmental	1,337,849	0	0	2,386,313	2,698,712	6,422,874
Special Assessments	26,050	0	0	141,493	0	167,543
Fines, Licenses & Permits	77,661	0	0	0	123,844	201,505
Revenue in Lieu of Taxes	0	0	608,198	0	0	608,198
Other Revenues	1,148,693	0	0	425	131,513	1,280,631
Total Revenues	30,235,595	0	608,198	2,528,231	3,272,454	36,644,478
Expenditures:						
Current:						
General Government	5,166,121	0	8,508	0	103,002	5,277,631
Public Safety	12,025,608	0	0	0	10,000	12,035,608
Community Development	604,643	0	0	263,269	602,692	1,470,604
Leisure Time Activities	1,984,698	0	0	0	12,869	1,997,567
Transportation and Street Repair	0	0	0	2,600,000	1,570,680	4,170,680
Basic Utility Service	1,246,355	0	0	0	8,076	1,254,431
Public Health and Welfare	0	0	0	0	546,668	546,668
Capital Outlay	853,049	0	0	5,424,617	800,594	7,078,260
Debt Service:						
Principal	0	0	0	0	2,029,946	2,029,946
Interest and Other Charges	6,211	0	69,300	0	241,746	317,257
Total Expenditures	21,886,685	0	77,808	8,287,886	5,926,273	36,178,652
Excess of Revenues Over (Under) Expenditures	8,348,910	0	530,390	(5,759,655)	(2,653,819)	465,826
Other Financing Sources (Uses):						
Proceeds from Sale of Capital Assets	469,436	0	0	0	0	469,436
Transfers In	52,432	0	0	10,248,000	1,774,777	12,075,209
Transfers (Out)	(11,950,209)	0	0	0	(175,000)	(12,125,209)
Total Other Financing Sources (Uses)	(11,428,341)	0	0	10,248,000	1,599,777	419,436
Net Change in Fund Balance	(3,079,431)	0	530,390	4,488,345	(1,054,042)	885,262
Fund Balance - Beginning of Year	61,894,542	0	621,234	9,699,138	9,913,671	82,128,585
Fund Balance - End of Year	\$58,815,111	\$0	\$1,151,624	\$14,187,483	\$8,859,629	\$83,013,847

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, 2022

Net Change in Fund Balance - Total Governmental Funds \$885,262

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	7,282,123	
Depreciation Expense	<u>(2,769,699)</u>	
		4,512,424

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	2,065,249	
Pension Expense	(638,824)	
OPEB Contributions	36,081	
OPEB Expense	<u>434,077</u>	
		1,896,583

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

Income Taxes	(861,006)	
Delinquent Property Taxes	31,394	
Intergovernmental	(136,923)	
Other	<u>(835,717)</u>	
		(1,802,252)

Repayment of bond principal is an expenditure in the
 governmental funds, but the repayment reduces long-term
 liabilities in the statement of net position. 2,029,946

In the statement of activities interest expense is accrued when incurred;
 whereas, in governmental funds an interest expenditure is reported
 when due. 5,584

(Continued)

City of Troy, Ohio
Reconciliation of the Statement of Revenues, Expenditures, and Change:
in Fund Balance of Governmental Funds to the Statement of Activities:
For the Fiscal Year Ended December 31, 2022

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	(2,487)	
Amortization of Bond Premium	29,975	
Amortization of Deferred Charge on Refunding	<u>(114,833)</u>	
		<u>(87,345)</u>
Change in Net Position of Governmental Activities		<u>\$7,440,202</u>

See accompanying notes to the basic financial statements.

City of Troy, Ohio
Statement of Net Position
Proprietary Funds
December 31, 2022

	Business-Type Activities Enterprise Funds					Total Business-Type Activities
	Water	Sanitary Sewer	Hobart Arena	Stormwater Utility	Other Enterprise Funds	
Current Assets:						
Equity in Pooled Cash and Investments:	\$14,019,634	\$6,351,162	\$1,027,641	\$2,660,272	\$471,736	\$24,530,445
Restricted Cash	0	0	15,122	16,677	1,200	32,999
Receivables (Net):						
Accounts	263,790	244,838	0	87,892	0	596,520
Interest	54,123	24,519	0	10,334	1,224	90,200
Inventory	633,952	0	0	0	0	633,952
Prepaid Items	19,233	14,281	6,357	7,902	7,251	55,024
Total Current Assets	14,990,732	6,634,800	1,049,120	2,783,077	481,411	25,939,140
Noncurrent Assets:						
Net OPEB Asset	249,201	198,435	78,100	106,834	104,017	736,587
Capital Assets:						
Nondepreciable Capital Assets	647,276	676,945	20,900	736,891	247,408	2,329,420
Depreciable Capital Assets, Net	24,957,311	23,271,788	10,262,704	13,391,591	3,548,706	75,432,100
Total Noncurrent Assets	25,853,788	24,147,168	10,361,704	14,235,316	3,900,131	78,498,107
Total Assets	40,844,520	30,781,968	11,410,824	17,018,393	4,381,542	104,437,247
Deferred Outflows of Resources:						
Pension	297,528	236,918	93,246	127,553	124,190	879,435
OPEB	2,905	2,313	910	1,245	1,213	8,586
Total Deferred Outflows of Resources	300,433	239,231	94,156	128,798	125,403	888,021
Liabilities:						
Current Liabilities:						
Accounts Payable	103,651	114,822	29,932	20,008	17,981	286,394
Accrued Wages and Benefits	28,935	30,941	12,422	0	8,870	81,168
Compensated Absences	40,210	53,207	12,824	4,120	16,690	127,051
Retainage Payable	0	0	15,122	16,677	1,200	32,999
Accrued Interest Payable	7,688	5,538	0	0	0	13,226
Long-Term Liabilities Due Within One Year	233,874	107,240	0	0	0	341,114
Total Current Liabilities	414,358	311,748	70,300	40,805	44,741	881,952
Long-Term Liabilities:						
Compensated Absences	117,363	186,395	32,871	2,746	31,008	370,383
Bonds, Notes & Loans Payable	5,037,922	2,352,203	0	0	0	7,390,125
Net Pension Liability	672,057	535,150	210,624	288,116	280,518	1,986,465
Total Long-Term Liabilities	5,827,342	3,073,748	243,495	290,862	311,526	9,746,973
Total Liabilities	6,241,700	3,385,496	313,795	331,667	356,267	10,628,925
Deferred Inflows of Resources:						
Pension	821,305	653,995	257,399	352,100	342,815	2,427,614
OPEB	260,940	207,783	81,779	111,866	108,917	771,285
Total Deferred Inflows of Resources	1,082,245	861,778	339,178	463,966	451,732	3,198,899
Net Position:						
Net Investment in Capital Assets	20,332,791	21,489,290	10,283,604	14,128,482	3,796,114	70,030,281
Restricted for:						
Net OPEB Assets	249,201	198,435	78,100	106,834	104,017	736,587
Unrestricted	13,239,016	5,086,200	490,303	2,116,242	(201,185)	20,730,576
Total Net Position	\$33,821,008	\$26,773,925	\$10,852,007	\$16,351,558	\$3,698,946	\$91,497,444

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, 2022

	Business-Type Activities Enterprise Funds					Total Business-Type Activities
	Water	Sanitary Sewer	Hobart Arena	Stormwater Utility	Other Enterprise Funds	
Operating Revenues:						
Charges for Services	\$5,964,896	\$5,139,023	\$1,112,530	\$1,685,364	\$1,528,316	\$15,430,129
Other Revenues	12,488	2,994	558,801	12,643	77,317	664,243
Total Operating Revenues	<u>5,977,384</u>	<u>5,142,017</u>	<u>1,671,331</u>	<u>1,698,007</u>	<u>1,605,633</u>	<u>16,094,372</u>
Operating Expenses:						
Personal Services	1,226,390	1,155,746	443,605	642,112	603,063	4,070,916
Contactual Services	1,058,699	607,565	1,173,547	97,123	352,370	3,289,304
Materials and Supplies	1,292,395	103,984	143,358	89,461	627,312	2,256,510
Depreciation	1,216,991	1,166,287	440,660	394,747	209,147	3,427,832
Other Expense	221,681	1,099,434	719,976	7,011	64,780	2,112,882
Total Operating Expenses	<u>5,016,156</u>	<u>4,133,016</u>	<u>2,921,146</u>	<u>1,230,454</u>	<u>1,856,672</u>	<u>15,157,444</u>
Operating Income (Loss)	<u>961,228</u>	<u>1,009,001</u>	<u>(1,249,815)</u>	<u>467,553</u>	<u>(251,039)</u>	<u>936,928</u>
Non-Operating Revenues (Expenses):						
Investment Earnings	(523,674)	(227,754)	0	(106,802)	(9,424)	(867,654)
Interest and Fiscal Charges	(155,202)	(106,433)	0	0	0	(261,635)
Total Non-Operating Revenues (Expenses)	<u>(678,876)</u>	<u>(334,187)</u>	<u>0</u>	<u>(106,802)</u>	<u>(9,424)</u>	<u>(1,129,289)</u>
Income (Loss) Before Contributions and Transfers	282,352	674,814	(1,249,815)	360,751	(260,463)	(192,361)
Capital Grants and Contributions	65,042	41,124	0	153,280	0	259,446
Transfers In	0	0	0	0	50,000	50,000
Change in Net Position	347,394	715,938	(1,249,815)	514,031	(210,463)	117,085
Net Position - Beginning of Year	<u>33,473,614</u>	<u>26,057,987</u>	<u>12,101,822</u>	<u>15,837,527</u>	<u>3,909,409</u>	<u>91,380,359</u>
Net Position - End of Year	<u>\$33,821,008</u>	<u>\$26,773,925</u>	<u>\$10,852,007</u>	<u>\$16,351,558</u>	<u>\$3,698,946</u>	<u>\$91,497,444</u>

See accompanying notes to the basic financial statements

City of Troy, Ohio
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended December 31, 2022

	Business-Type Activities Enterprise Funds					Total Business-Type Activities
	Water	Sanitary Sewer	Hobart Arena	Stormwater Utility	Other Enterprise Funds	
Cash Flows from Operating Activities:						
Cash Received from Customers	\$5,961,736	\$5,151,437	\$1,671,331	\$1,698,894	\$1,605,633	\$16,089,031
Cash Payments to Employees	(1,923,542)	(1,507,490)	(640,755)	(811,726)	(740,992)	(5,624,505)
Cash Payments to Suppliers	(2,692,991)	(1,817,935)	(2,012,220)	(172,837)	(1,040,816)	(7,736,799)
Net Cash Provided (Used) by Operating Activities	1,345,203	1,826,012	(981,644)	714,331	(176,175)	2,727,727
Cash Flows from Noncapital Financing Activities:						
Payments from Other Funds	0	0	0	0	50,000	50,000
Net Cash Provided by Noncapital Financing Activities	0	0	0	0	50,000	50,000
Cash Flows from Capital and Related Financing Activities:						
Payments for Capital Acquisitions	0	(1,013,797)	(20,275)	(901,873)	(41,645)	(1,977,590)
Debt Principal Payments	(225,353)	(621,431)	0	0	0	(846,784)
Debt Interest Payments	(165,489)	(78,859)	0	0	0	(244,348)
Net Cash (Used) by Capital and Related Financing Activities	(390,842)	(1,714,087)	(20,275)	(901,873)	(41,645)	(3,068,722)
Cash Flows from Investing Activities:						
Earnings (Loss) on Investments	(566,489)	(253,693)	0	(114,665)	(10,199)	(945,046)
Net Cash Provided (Used) by Cash Flows from Investing Activities	(566,489)	(253,693)	0	(114,665)	(10,199)	(945,046)
Net Increase (Decrease) in Cash and Cash Equivalents	387,872	(141,768)	(1,001,919)	(302,207)	(178,019)	(1,236,041)
Cash and Cash Equivalents - Beginning of Year	13,631,762	6,492,930	2,044,682	2,979,156	650,955	25,799,485
Cash and Cash Equivalents - End of Year	14,019,634	6,351,162	1,042,763	2,676,949	472,936	24,563,444
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities						
Operating Income (Loss)	961,228	1,009,001	(1,249,815)	467,553	(251,039)	936,928
Adjustments:						
Depreciation	1,216,991	1,166,287	440,660	394,747	209,147	3,427,832
Changes in Assets & Liabilities:						
(Increase) Decrease in Receivables	(15,648)	9,420	0	887	0	(5,341)
(Increase) Decrease in Inventory	(120,195)	0	0	0	0	(120,195)
(Increase) Decrease in Deferred Outflows of Resource:	(46,755)	(49,004)	(13,348)	(33,207)	(33,762)	(176,076)
(Increase) Decrease in Net OPEB Asset	(99,551)	(86,216)	(30,429)	(50,443)	(49,955)	(316,594)
(Increase) Decrease in Prepays	(3,531)	(1,704)	(1,230)	(1,602)	(2,000)	(10,067)
Increase (Decrease) in Retainage Payable	(6,844)	0	15,122	16,677	1,200	26,155
Increase (Decrease) in Payables	6,823	(6,952)	9,539	4,081	2,730	16,221
Increase (Decrease) in Accrued Liabilities	(75,370)	57,657	7,218	2,453	19,495	11,453
Increase (Decrease) in Deferred Inflows of Resource:	68,879	101,881	16,374	82,108	85,650	354,892
Increase (Decrease) in Net Pension Liability	(540,824)	(374,358)	(175,735)	(168,923)	(157,641)	(1,417,481)
Net Cash Provided (Used) by Operating Activities	\$1,345,203	\$1,826,012	(\$981,644)	\$714,331	(\$176,175)	\$2,727,727
Schedule of Noncash Capital Activities:						
During the fiscal year, these amounts were received representing noncash contributions of:						
Capital Assets	\$65,042	\$41,124	\$0	\$153,280	\$0	\$259,446

See accompanying notes to the basic financial statements

City of Troy, Ohio
Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2022

	Private Purpose Trust
Assets:	
Equity in Pooled Cash and Investments	\$283,388
Receivables (Net):	
Interest	1,094
Total Assets	<u>284,482</u>
Liabilities:	
Accounts Payable	<u>0</u>
Total Liabilities	<u>0</u>
Net Position:	
Restricted for Endowment - Expendable	147,950
Restricted for Endowment - Nonexpendable	<u>136,532</u>
Total Net Position	<u>\$284,482</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, 2022

	Private Purpose Trust
Additions:	
Investment Earnings	<u>(\$10,400)</u>
Total Additions	<u>(10,400)</u>
Deductions:	
Public Health and Welfare	<u>1,230</u>
Total Deductions	<u>1,230</u>
Change in Net Position	(11,630)
Net Position - Beginning of Year	<u>296,112</u>
Net Position - End of Year	<u>\$284,482</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, 2022

Note 1 – Description of the City and Reporting Entity

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

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 reports

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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, 2022

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.

American Rescue Plan Act Fund – This special revenue 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.

TIF Retirement Fund – This debt service fund accounts 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 – This capital projects fund accounts 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, 2022

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

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

assets that applies to a future periods and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources includes pension and OPEB, which are reported in the government-wide statement of net position. 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 assets that applies to a future periods 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, leases, revenue in lieu of taxes, OPEB, and pension. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2022, but which were levied to finance year 2023 operations. Revenue in lieu of taxes are deferred and recognized as inflows of resources in the period the amounts become available. These amounts along with leases 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 accounts 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 2022, 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, 2022.

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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 2022, 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.

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, 2022, 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.

Lease Receivable

Lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the City may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded for the lease at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

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

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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 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.

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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.

Pension/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.

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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.

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 \$27,048,341 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.

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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.

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

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.

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

- (5) Bonds and other obligations of the State of Ohio.
- (6) The Ohio State Treasurer's investment pool (STAR Ohio).
- (7) Commercial paper and banker's acceptances which meet the requirements established by Ohio Revised Code, Sec. 135.142.
- (8) Under limited circumstances, corporate debt interests in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (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, 2022, \$17,720,470 of the City's bank balance of \$18,858,355 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 fair 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 fair value of the securities pledged to be 102% of the deposits being secured or a rate set by the Treasurer of State.

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

Investments

The following is a summary of the fair value hierarchy of the fair value of investments of the City as of December 31, 2022:

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	\$32,592,775		\$32,592,775		3.12
Federal National Mortgage Association	15,294,760		15,294,760		2.79
Federal Farm Credit Bank	10,879,565		10,879,565		2.51
Federal Home Loan Mortgage Corporation	10,408,110		10,408,110		2.55
Money Market Funds	492,635	\$492,635			0.00
US Treasury Bills	2,807,905		2,807,905		0.22
US Treasury Notes	6,405,575		6,405,575		0.36
Negotiable Certificate of Deposits	951,463		951,463		0.27
Star Ohio*	6,775,901			\$6,775,901	0.09
	<u>\$86,608,689</u>	<u>\$492,635</u>	<u>\$79,340,153</u>	<u>\$6,775,901</u>	
Portfolio Weighted Average Maturity					2.33

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, 2022, 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 37.6% in Federal Home Loan Bank, 12.2% in Federal Home Loan Mortgage Corporation, 3.2% in US Treasury Bills, 12.5% in Federal Farm Credit Bank, 7.4% in

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

US Treasury Notes, 17.6% in Federal National Mortgage Association, 1.1% in Negotiable Certificates of Deposit, 7.8% in Star Ohio, and 0.6% in money market funds.

Custodial Credit Risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the City's securities are either insured and registered in the name of the City, or at least registered in the name of the City.

Note 4 – Receivables

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, interfund receivable and leases 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 \$529,049 of which, \$138,926 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 2022 were levied after October 1, 2021 on assessed values as of January 1, 2021, 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	\$650,719,480
Public Utility	<u>22,959,660</u>
Total Valuation	<u><u>\$673,679,140</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 of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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, 2022, 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 2022 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.

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

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 \$6.5 million excess of \$500,000, and from Genesis for \$5 million excess of \$7 million.

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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.

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: \$250,000/occurrence

Boiler & Machinery:

Limits: \$100,000,000/occurrence
MVRMA Self-Insured Retention: \$25,000-\$500,000/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:

\$5,000,000 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

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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

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
 MVRMA self-insured retention: up to \$50,000 per loss

Member Deductible per occurrence - \$2,500

The Audit of MVRMA’s 2022 financial statements has not been completed yet. Data from the December 31, 2021 financial statements are as follows:

Current Assets	\$6,143,365
Non-current Assets	<u>13,120,940</u>
Total Assets	<u>19,264,305</u>
Deferred Outflows of Resources	81,334
Current Liabilities	7,360,777
Non-current Liabilities	<u>4,107,585</u>
Total Liabilities	<u>11,468,362</u>
Deferred Inflows of Resources	273,588
Net Position	<u>\$7,603,689</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

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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 2022 monthly family and single premiums for the PPO plan were \$2,501.65 and \$927.88. The TPA charges the City an administration fee of \$1.63 per employee per month. The 2022 monthly family and single premiums for the HSA Standard plan were \$1,791.12 and \$664.34. The TPA no longer charges the city PEPM. The 2022 monthly family and single premiums for the HSA Low plan were \$1,656.69 and \$614.69. The TPA fee paid to Anthem for the period January 1, 2022 to August 31, 2022 was \$1.63 PEPM. The TPA fee paid to Anthem for the period September 1, 2022 to December 31, 2022 was \$0.00 PEPM.

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
Governmental Activities				
Capital Assets, not being depreciated:				
Land	\$14,806,584	\$26,611	\$0	\$14,833,195
Construction in Progress	5,311,725	5,400,267	2,403,340	8,308,652
Capital Assets, being depreciated:				
Buildings and Improvements	19,219,410	257,647	0	19,477,057
Equipment	15,472,926	932,722	25,598	16,380,050
Infrastructure	67,196,731	3,068,216	0	70,264,947
Totals at Historical Cost	<u>122,007,376</u>	<u>9,685,463</u>	<u>2,428,938</u>	<u>129,263,901</u>
Less Accumulated Depreciation:				
Buildings and Improvements	11,943,619	574,977	0	12,518,596
Equipment	10,325,387	941,472	25,598	11,241,261
Infrastructure	20,012,262	1,253,250	0	21,265,512
Total Accumulated Depreciation	<u>42,281,268</u>	<u>2,769,699</u>	<u>25,598</u>	<u>45,025,369</u>
Governmental Activities Capital Assets, Net	<u>\$79,726,108</u>	<u>\$6,915,764</u>	<u>\$2,403,340</u>	<u>\$84,238,532</u>

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

Depreciation expense was charged to governmental functions as follows:

General Government	\$722,524
Public Safety	766,229
Leisure Time	503,341
Transportation	646,218
Basic Utility Service	85,400
Community Development	45,988
Total Depreciation Expense	<u>\$2,769,699</u>

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-Type Activities				
Capital Assets, not being depreciated:				
Land	\$780,372	\$0	\$0	\$780,372
Construction in Progress	669,380	1,287,832	408,164	1,549,048
Capital Assets, being depreciated:				
Buildings and Improvements	58,136,696	408,164	0	58,544,860
Equipment	20,215,086	67,238	30,788	20,251,536
Infrastructure	75,377,591	881,966	0	76,259,557
Totals at Historical Cost	<u>155,179,125</u>	<u>2,645,200</u>	<u>438,952</u>	<u>157,385,373</u>
Less Accumulated Depreciation:				
Buildings and Improvements	29,776,361	1,261,042	0	31,037,403
Equipment	14,173,001	724,944	30,788	14,867,157
Infrastructure	32,277,447	1,441,846	0	33,719,293
Total Accumulated Depreciation	<u>76,226,809</u>	<u>3,427,832</u>	<u>30,788</u>	<u>79,623,853</u>
Business-Type Activities Capital Assets, Net	<u>\$78,952,316</u>	<u>(\$782,632)</u>	<u>\$408,164</u>	<u>\$77,761,520</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.

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

Note 8 - Long-Term Obligations

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

	Maturity Date	Interest Rate	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities							
<u>General Obligation Bonds</u>							
Refunding Bonds:							
Refunding of Capital Facilities-							
\$7,535,000		3.00-4.00%	\$7,270,000	\$0	(\$275,000)	\$6,995,000	\$295,000
Premium			507,700	0	(26,721)	480,979	0
Capital Facilities Bonds							
(Limited Tax)*-\$2,005,000	12/1/22	1.00-2.625%	220,000	0	(220,000)	0	0
Premium	12/1/22		1,231	0	(1,231)	0	0
Discount	12/1/22		(1,820)	0	1,820	0	0
Elm Street Improvements-\$398,644	12/1/24	1.00-2.375%	121,611	0	(121,611)	0	0
Aquatic Center-\$2,643,111	12/1/24	1.00-2.375%	806,306	0	(806,306)	0	0
Cemetery Maintenance							
Building-\$304,845	12/1/24	1.00-2.375%	92,996	0	(92,996)	0	0
Fire Station-\$1,685,025	12/1/24	1.00-2.375%	514,033	0	(514,033)	0	0
Premium	12/1/24		13,082	0	(13,082)	0	0
Discount	12/1/24		(9,239)	0	9,239	0	0
Total Bonds			<u>9,535,900</u>	<u>0</u>	<u>(2,059,921)</u>	<u>7,475,979</u>	<u>295,000</u>
Net Pension Liability			23,375,227	0	(3,566,111)	19,809,116	0
Net OPEB Liability			3,074,559	15,321	0	3,089,880	0
Compensated Absences			2,442,515	744,097	(649,638)	2,536,974	738,707
Total Governmental Activities			<u>\$38,428,201</u>	<u>\$759,418</u>	<u>(\$6,275,670)</u>	<u>\$32,911,949</u>	<u>\$1,033,707</u>

	Maturity Date	Interest Rate	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Business-Type Activities							
Refunding Bonds:							
Water Systems Bonds-\$3,200,000		3.0-4.0%	\$3,065,000	\$0	(\$110,000)	\$2,955,000	\$115,000
Premium	12/1/19		198,412	0	(9,921)	188,491	0
Sewer System Bonds-\$2,310,000		3.0-4.0%	2,210,000	0	(80,000)	2,130,000	80,000
Premium	12/1/19		142,762	0	(7,138)	135,624	0
Southeast Area Sewer-\$877,687	12/1/24	1.0-2.375%	267,747	0	(267,747)	0	0
Generators-\$810,688	12/1/24	1.0-2.375%	247,308	0	(247,308)	0	0
Premium	12/1/24		4,395	0	(4,395)	0	0
Discount	12/1/24		(3,097)	0	3,097	0	0
Total Bonds			<u>6,132,527</u>	<u>0</u>	<u>(723,412)</u>	<u>5,409,115</u>	<u>195,000</u>
OWDA Loans from Direct Borrowings:							
Water Pollution Control-\$1,451,384	7/1/29	3.25%	220,195	0	(26,376)	193,819	27,240
Fresh Water-\$2,721,892	7/1/29	3.25%	2,243,658	0	(115,353)	2,128,305	118,874
Total OWDA Loans from Direct Borrowings			<u>2,463,853</u>	<u>0</u>	<u>(141,729)</u>	<u>2,322,124</u>	<u>146,114</u>
Net Pension Liability			3,403,946	0	(1,417,481)	1,986,465	0
Compensated Absences			500,733	150,307	(153,606)	497,434	127,051
Total Business-Type Activities			<u>\$12,501,059</u>	<u>\$150,307</u>	<u>(\$2,436,228)</u>	<u>\$10,215,138</u>	<u>\$468,165</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. Refunding bonds will be repaid from the Bond Retirement, Water and Sanitary Sewer Funds. OWDA loans from direct borrowing will be repaid from the Water and Sanitary Sewer Funds.

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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
2023	\$295,000	\$219,000	\$195,000	\$158,700	\$146,114	\$69,674
2024	310,000	207,200	205,000	150,900	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	340,000	172,650	225,000	127,650	165,059	50,729
2028-2032	1,840,000	705,000	1,250,000	531,900	782,698	179,623
2033-2037	2,135,000	411,750	1,445,000	333,150	762,216	58,893
2038-2040	1,440,000	87,300	1,335,000	101,550	0	0
Total	<u>\$6,995,000</u>	<u>\$2,180,100</u>	<u>\$5,085,000</u>	<u>\$1,680,650</u>	<u>\$2,322,124</u>	<u>\$540,243</u>

OWDA Loans from Direct Borrowings

The City’s outstanding OWDA loans from direct borrowings of \$2,322,124 contain a provision that in an event of default, the amount of such default shall bear interest thereafter at the rate equal to the Contract Interest Rate plus three percentage points annum until the date of payment, and outstanding amounts become immediately due.

Note 9 – Defined Benefit Pension Plans

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

Net Pension Liability/Net OPEB Liability (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 (asset) 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 (asset) calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

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

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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 (asset). Resulting adjustments to the net pension/OPEB liability (asset) 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.

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 is a cost-sharing, multiple employer public employee retirement system which 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, 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):

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests upon receipt of the initial benefit payment. The options for Public Safety and Law Enforcement permit early retirement under qualifying circumstances as early as age 48 with a reduced benefit.

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible 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. 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 benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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 and will continue to be administered by OPERS), 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.

Effective January 1, 2022, the Combined Plan is no longer available for member selection.

Funding Policy

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

	State and Local	Public Safety	Law Enforcement
2022 Statutory Maximum Contribution Rates			
Employer	14.0 %	18.1 %	18.1 %
Employee *	10.0 %	**	***
2022 Actual Contribution Rates			
Employer:			
Pension ****	14.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits ****	0.0	0.0	0.0
Total Employer	<u>14.0 %</u>	<u>18.1 %</u>	<u>18.1 %</u>
Employee	<u>10.0 %</u>	<u>12.0 %</u>	<u>13.0 %</u>

- * 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 2022, the City's contractually required contribution was \$1,012,124, of this amount \$85,177 is reported in accrued wages and benefits.

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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 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 under optional plans, 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 percent 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.

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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>
2022 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
2022 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 \$1,533,655 for 2022, of this amount \$175,878 is reported as accrued wages and benefits.

Pension Liabilities (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability (asset) for OPERS was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. OP&F’s total pension liability was measured as of December 31, 2021, and was determined by rolling forward the total pension liability as of January 1, 2021, to December 31, 2021. The City’s proportion of the net pension liability (asset) was based on the City’s share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share of the City’s defined benefit pension plans:

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City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

	OPERS		Total
	Traditional Plan	OPF	
Proportionate Share of the:			
Net Pension Liability	\$4,184,025	\$17,611,556	\$21,795,581
Proportion of the Net Pension Liability:			
Current Measurement Date	0.04809000%	0.28190120%	
Prior Measurement Date	0.04725200%	0.29018510%	
Change in Proportionate Share	0.00083800%	-0.00828390%	
Pension Expense	(\$677,972)	\$887,913	\$209,941

At December 31 2022, 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	\$213,296	\$507,814	\$721,110
Changes in assumptions	523,208	3,218,637	3,741,845
Changes in employer proportionate share of net pension liability	103,695	75,592	179,287
Contributions subsequent to the measurement date	1,012,124	1,533,655	2,545,779
Total Deferred Outflows of Resources	<u>\$1,852,323</u>	<u>\$5,335,698</u>	<u>\$7,188,021</u>
<u>Deferred Inflows of Resources</u>			
Differences between expected and actual experience	\$91,766	\$915,559	\$1,007,325
Net difference between projected and actual earnings on pension plan investments	4,976,745	4,617,478	9,594,223
Changes in employer proportionate share of net pension liability	44,692	934,118	978,810
Total Deferred Inflows of Resources	<u>\$5,113,203</u>	<u>\$6,467,155</u>	<u>\$11,580,358</u>

\$2,545,779 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, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending	OPERS		Total
	Traditional Plan	OPF	
December 31:			
2023	(\$628,975)	(\$273,092)	(\$902,067)
2024	(1,682,111)	(1,516,500)	(3,198,611)
2025	(1,170,234)	(677,253)	(1,847,487)
2026	(791,684)	(485,808)	(1,277,492)
2027	0	287,541	287,541
Total	<u>(\$4,273,004)</u>	<u>(\$2,665,112)</u>	<u>(\$6,938,116)</u>

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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, 2021, using the following key actuarial assumptions and methods applied to all periods included in the measurement in accordance with the requirements of GASB 67. In 2021, the Board's actuarial consultants conducted an experience study for the period 2016 through 2020, comparing assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 7.2 percent down to 6.9 percent, for the defined benefit investments. Key actuarial assumptions and methods used in the latest actuarial valuation, prepared as of December 31, 2021, reflecting experience study results, are presented below:

	<u>OPERS Traditional Plan</u>
Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA:	
Pre-January 7, 2013 Retirees	3.0 percent, simple
Post-January 7, 2013 Retirees	3.0 percent, simple through 2022, then 2.05 percent, simple
Investment Rate of Return	6.9 percent
Actuarial Cost Method	Individual Entry Age

Key actuarial assumptions and methods used in the prior actuarial valuation, prepared as of December 31, 2020, are presented below:

	<u>OPERS Traditional Plan</u>
Wage Inflation	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA:	
Pre-January 7, 2013 Retirees	3.0 percent, simple
Post-January 7, 2013 Retirees	0.5 percent, simple through 2021, then 2.15 percent, simple
Investment Rate of Return	7.20 percent
Actuarial Cost Method	Individual Entry Age

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

For 2021, pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

For 2020, 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, 2020.

During 2021, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 15.3 percent for 2021.

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 geometric rates of return were provided by the Board's investment consultant. For each major class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2021, these best estimates are summarized below:

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	24.00%	1.03%
Domestic Equities	21.00	3.78
Real Estate	11.00	3.66
Private Equity	12.00	7.43
International Equities	23.00	4.88
Risk Parity	5.00	2.92
Other investments	4.00	2.85
Total	100.00%	4.21%

Discount Rate

The discount rate used to measure the total pension liability for the current year was 6.9 percent for the traditional plan. The discount rate for the prior year was 7.2 percent. 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 6.9 percent, as well as what the City’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (5.9 percent) or one-percentage-point higher (7.9 percent) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Proportionate share of the net pension liability	\$11,031,365	\$4,184,025	(\$1,513,873)

Actuarial Assumptions – OP&F

OP&F’s total pension liability as of December 31, 2021, is based on the results of an actuarial valuation date of January 1, 2021, 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,

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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, 2021, are presented below.

Valuation Date	January 1, 2021, with actuarial liabilities rolled forward to December 31, 2021
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.5 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	3.25 percent per annum, compounded annually, consisting of Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	2.2 percent simple per year

In February 2022, the OP&F Board adopted a change in the investment rate of return, changing it from 8 percent for the 2020 measurement period to 7.5 percent for the 2021 measurement period.

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

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

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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, 2021, 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	3.60
Non-US Equity	14.00	4.40
Private Markets	8.00	6.80
Core Fixed Income *	23.00	1.10
High Yield Fixed Income	7.00	3.00
Private Credit	5.00	4.50
U.S. Inflation Linked Bonds*	17.00	0.80
Midstream Energy Infrastructure	5.00	5.00
Real Assets	8.00	5.90
Gold	5.00	2.40
Private Real Estate	12.00	4.80
Total	125.00 %	

Note: Assumptions are geometric.

* levered 2x

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on 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.

Discount Rate

For 2021, the total pension liability was calculated using the discount rate of 7.50 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 7.50 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 7.50 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 (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of the net pension liability	\$26,117,693	\$17,611,556	\$10,528,045

Note 10– Postemployment Benefits

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 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.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS. For those retiring on or after January 1, 2015, the allowance has been determined by applying a percentage to the base allowance. The percentage applied is based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51 percent and 90 percent of the base allowance. Those who retired prior to January 1, 2015, will have an allowance of at least 75 percent of the base allowance.

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 discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan.

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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.

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. Members in Group A are eligible for coverage at any age with 30 or more years of qualifying service. Members in Group B are eligible at any age with 32 years of qualifying service, or at age 52 with 31 years of qualifying service. Members in Group C are eligible for coverage with 32 years of qualifying service and a minimum age of 55. Current retirees eligible (or who became 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 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, 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.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2022, 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 2022, 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 2022 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 2022.

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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.

Regardless of a benefit recipient's participation in the health care program, OP&F is required by law to pay eligible recipients of a service pension, disability benefit and spousal survivor benefit for their Medicare Part B insurance premium, up to the statutory maximum provided the benefit recipient is not eligible to receive reimbursement from any other source. Once OP&F receives the necessary documentation, a monthly reimbursement is included as part of the recipient's next benefit payment. 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.

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 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.

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2022, 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 \$36,081 for 2022.

Net OPEB Liability (Asset)

The net OPEB liability (asset) and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021, 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, 2021, and was determined by rolling forward the total OPEB liability as of January 1, 2021, to December 31, 2021. The City's proportionate share 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:

	OPERS		
	<u>Traditional Plan</u>	<u>OPF</u>	<u>Total</u>
Proportionate Share of the:			
Net OPEB (Asset)	(\$1,551,449)		(\$1,551,449)
Net OPEB Liability		\$3,089,880	\$3,089,880
Proportion of the Net OPEB Liability/Asset:			
Current Measurement Date	0.04953300%	0.28190120%	
Prior Measurement Date	<u>0.04845800%</u>	<u>0.29018510%</u>	
Change in Proportionate Share	<u>0.00107500%</u>	<u>-0.00828390%</u>	
OPEB Expense	(\$1,326,244)	\$246,322	(\$1,079,922)

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City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

At December 31 2022, reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS		Total
	Traditional Plan	OPF	
<u>Deferred Outflows of Resources</u>			
Differences between expected and actual experience	\$0	\$140,561	\$140,561
Changes in assumptions	0	1,367,675	1,367,675
Changes in employer proportionate share of net OPEB liability (asset)	18,087	125,791	143,878
Contributions subsequent to the measurement date	0	36,081	36,081
Total Deferred Outflows of Resources	<u>\$18,087</u>	<u>\$1,670,108</u>	<u>\$1,688,195</u>
<u>Deferred Inflows of Resources</u>			
Differences between expected and actual experience	\$235,331	\$408,371	\$643,702
Changes in assumptions	628,009	358,871	986,880
Net difference between projected and actual earnings on OPEB plan investments	739,622	279,119	1,018,741
Changes in employer proportionate share of net OPEB liability (asset)	21,573	177,895	199,468
Total Deferred Inflows of Resources	<u>\$1,624,535</u>	<u>\$1,224,256</u>	<u>\$2,848,791</u>

\$36,081 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, 2023. 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 December 31:	OPERS		
	Traditional Plan	OPF	Total
2023	(\$1,001,054)	\$120,927	(\$880,127)
2024	(337,570)	79,489	(258,081)
2025	(161,604)	98,167	(63,437)
2026	(106,220)	9,905	(96,315)
2027	0	51,659	51,659
Thereafter	0	49,624	49,624
Total	<u>(\$1,606,448)</u>	<u>\$409,771</u>	<u>(\$1,196,677)</u>

Actuarial Assumptions - OPERS

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

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. In 2021, the Board's actuarial consultants conducted an experience study for the period 2016 through 2020, comparing historical assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions. The actuarial valuation used for 2021 compared to those used for 2020 are as follows:

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Wage Inflation	2.75 percent	3.25 percent
Projected Salary Increases,	2.75 to 10.75 percent	3.25 to 10.75 percent
	including wage inflation	including wage inflation
Single Discount Rate	6.00 percent	6.00 percent
Investment Rate of Return	6.00 percent	6.00 percent
Municipal Bond Rate	1.84 percent	2.00 percent
Health Care Cost Trend Rate	5.5 percent, initial	8.5 percent, initial
	3.50 percent, ultimate in 2034	3.50 percent, ultimate in 2035
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

For 2021, pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

For 2020, 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, 2020.

During 2021, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, if any contributions are made into the plans, the

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was 14.3 percent for 2021.

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 rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2021, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00%	0.91%
Domestic Equities	25.00	3.78
Real Estate Investment Trust	7.00	3.71
International Equities	25.00	4.88
Risk Parity	2.00	2.92
Other investments	7.00	1.93
Total	100.00%	3.45%

Discount Rate

A single discount rate of 6.0 percent was used to measure the OPEB liability on the measurement date of December 31, 2021. 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 1.84 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 2121. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

projected costs through the year 2121, 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

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Proportionate share of the net OPEB (asset)	(\$912,398)	(\$1,551,449)	(\$2,081,872)

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 liability. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB asset 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 2022 is 5.50 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 Assumption	1% Increase
Proportionate share of the net OPEB (asset)	(\$1,568,215)	(\$1,551,449)	(\$1,531,560)

Changes Between Measurement Date and Report Date

Effective January 1, 2022, OPERS discontinued 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.

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

Actuarial Assumptions – OP&F

OP&F’s total OPEB liability as of December 31, 2021, is based on the results of an actuarial valuation date of January 1, 2021, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

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

Valuation Date	January 1, 2021, with actuarial liabilities rolled forward to December 31, 2021
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.5 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	3.25 percent
Blended discount rate:	
Current measurement date	2.84 percent
Prior measurement date	2.96 percent
Cost of Living Adjustments	2.2 percent simple per year

In February 2022, the OP&F Board adopted a change in the investment rate of return, changing it from 8 percent for the 2020 measurement period to 7.5 percent for the 2021 measurement period.

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

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

<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

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, 2021, 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 %
Domestic Equity	21.00	3.60
Non-US Equity	14.00	4.40
Private Markets	8.00	6.80
Core Fixed Income *	23.00	1.10
High Yield Fixed Income	7.00	3.00
Private Credit	5.00	4.50
U.S. Inflation Linked Bonds*	17.00	0.80
Midstream Energy Infrastructure	5.00	5.00
Real Assets	8.00	5.90
Gold	5.00	2.40
Private Real Estate	12.00	4.80
Total	<u>125.00 %</u>	

Note: Assumptions are geometric.

* levered 2x

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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 2021, the total OPEB liability was calculated using the discount rate of 2.84 percent. For 2020, the total OPEB liability was calculated using the discount rate of 2.96 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 7.5 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 2.05 percent at December 31, 2021, and 2.12 percent at December 31, 2020, was blended with the long-term rate of 7.5 percent for 2021 and 8 percent for 2020, which resulted in a blended discount rate of 2.84 percent for 2021 and 2.96 percent for 2020. 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 2.84 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 (1.84 percent), or one percentage point higher (3.84 percent) than the current rate.

	1% Decrease (1.84%)	Current Discount Rate (2.84%)	1% Increase (3.84%)
Proportionate share of the net OPEB liability	\$3,884,047	\$3,089,880	\$2,437,072

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 – Lease – Lessor Disclosure

The City collectively (the “lessor”) entered into an agreement to lease building space and an agreement for cell tower space/land. The lease receivable is measured at the present value of the future minimum lease payments expected to be received during the lease term at various discounted rates.

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

Details of each lease are presented below:

The lease for Smith's Boathouse Restaurant (building) was as follows:

<u>Lease Year</u>	<u>Annual Rent</u>
2023	\$27,497
2024	28,203
2025	28,927
2026	29,670
2027	30,432
2028-2031	107,196
	<u>\$251,925</u>

The leases for Verizon (cell tower space/land) was as follows:

<u>Lease Year</u>	<u>Annual Rent</u>
2023	\$16,865
2024	17,298
2025	17,743
2026	18,198
2027	18,666
2028-2032	100,769
2033-2034	34,666
	<u>\$224,205</u>

The City recognized \$44,350 in lease revenues and \$11,584 interest revenues from lease activity for 2022.

Note 12 – Construction and Other Commitments

The City had the following major outstanding commitments at year end:

<u>Projects</u>	<u>Amount</u>
Sewer Maintenance and Improvements	\$14,700,792
Street Maintenance and Improvements	11,337,584
New Fire Station	871,077
Storm Water Maintenance and Improvements	760,513
Other Construction and Commitments	596,841
Emergency Services	595,162
Water Maintenance and Improvements	463,928
Sidewalk Improvements	286,795
Vehicles	250,332
Traffic Lights	109,760
Hobart Arena Events	\$41,246
Street Lights	38,031
Refuse Maintenance and Improvements	37,569
Total Outstanding Commitments	<u>\$30,089,630</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, 2022

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

Fund	Amount
General	\$1,215,399
TIF Retirement	12,325
Capital Improvements	11,468,557
Water	1,118,071
Sanitary Sewer	15,056,013
Hobart Arena	138,583
Stormwater Utility	1,531,789
Nonmajor Funds	613,926
Total	\$31,154,663

Note 13 – Interfund Transfers and Interfund Receivable/Payable

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	\$1,095,000	\$0	\$52,432	\$11,950,209
TIF Retirement	0	1,095,000	0	0
Capital Improvement	0	0	10,248,000	0
Other Governmental Funds	0	0	1,774,777	175,000
Other Enterprise Funds	0	0	50,000	0
Total All Funds	\$1,095,000	\$1,095,000	\$12,125,209	\$12,125,209

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 cover eligible expenditures in the General and Capital Improvement Funds.

Note 14 - Donor-Restricted Endowment

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 \$147,950. 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, 2022

Note 15 – 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	American Rescue Plan Act	TIF Retirement	Capital Improvement	Other Governmental Funds	Total
Nonspendable:						
Unclaimed Monies	\$21,523	\$0	\$0	\$0	\$0	\$21,523
Prepaid Items	152,813	0	0	0	9,790	162,603
Total Nonspendable	174,336	0	0	0	9,790	184,126
Restricted for:						
Safety Income Tax	3,558,317	0	0	0	0	3,558,317
TIF Retirement	0	0	1,151,624	0	0	1,151,624
Capital Improvement	0	0	0	14,187,483	0	14,187,483
Street Construction, Maintenance and Repair	0	0	0	0	2,245,310	2,245,310
State Highway Improvement	0	0	0	0	343,711	343,711
Cemetery	0	0	0	0	126,981	126,981
Municipal Real Property	0	0	0	0	4,534	4,534
Miami Conservatory District	0	0	0	0	191,342	191,342
Community Development	0	0	0	0	1,316,633	1,316,633
Parking Improvement	0	0	0	0	200,180	200,180
Drug Law Enforcement	0	0	0	0	12,446	12,446
Law Enforcement	0	0	0	0	23,273	23,273
Cemetery Endowment	0	0	0	0	926,802	926,802
Small Business Development R-Loan	0	0	0	0	1,723,424	1,723,424
FEMA Grants	0	0	0	0	5,654	5,654
Equitable Sharing	0	0	0	0	103,223	103,223
Park and Playground	0	0	0	0	186,534	186,534
OneOhio Opioid Settlement	0	0	0	0	7,777	7,777
OPWC Project	0	0	0	0	986,222	986,222
Total Restricted	3,558,317	0	1,151,624	14,187,483	8,404,046	27,301,470
Committed to:						
Capital Improvements	28,974,423	0	0	0	0	28,974,423
Total Committed	28,974,423	0	0	0	0	28,974,423
Assigned to:						
Bond Retirement	0	0	0	0	87,729	87,729
Technology	0	0	0	0	358,064	358,064
Purchases on Order	898,388	0	0	0	0	898,388
Total Assigned	898,388	0	0	0	445,793	1,344,181
Unassigned (Deficit)	25,209,647	0	0	0	0	25,209,647
Total Fund Balance	\$58,815,111	\$0	\$1,151,624	\$14,187,483	\$8,859,629	\$83,013,847

Purchases on order 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.

Note 16 – Contingent Liabilities

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.

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

Note 17 – Tax Abatements

As of December 31, 2022, 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	\$10,532
Enterprise Zone Area	15,343

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.

Note 18 – Asset Retirement Obligations (ARO)

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.

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

Note 19 – Implementations of new Accounting Principles

For fiscal year 2022, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 87, Leases; GASB Statement No. 91, Conduit Debt Obligations; GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans; and portions of GASB Statement No. 99, Omnibus 2022.

GASB Statement No. 87 sets out to improve the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

Effect on Previously Reported Fund Balance/Net Position The implementation of the GASB 87 pronouncement had no net effect on the fund balance/net position as reported at December 31, 2021:

	<u>General Fund</u>
Fund Balance, December 31, 2021	\$61,894,542
Adjustments-Presentation Changes:	
Leases Receivable	520,480
Deferred Inflow-Leases	<u>(520,480)</u>
Fund Balance, December 31, 2021	<u>\$61,894,542</u>
	<u>Governmental</u>
	<u>Activities</u>
Net Position, December 31, 2021	\$129,798,258
Adjustments-Presentation Changes:	
Leases Receivable	520,480
Deferred Inflow-Leases	<u>(520,480)</u>
Net Position, December 31, 2021	<u>\$129,798,258</u>

GASB Statement No. 91 clarifies the definition of a conduit debt obligation, establishing that a conduit debt obligation is not a liability of the issuer; establishes standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improves required note disclosures. The implementation of GASB Statement No. 91 did not have an effect on the financial statements of the City.

GASB Statement No. 97 clarifies certain component unit criteria and provides accounting and financial reporting guidance for Internal Revenue Code Section 457 deferred compensation plans that meet the definition of a pension plan. The implementation of GASB Statement No. 97 did not have an effect on the financial statements of the City.

City of Troy, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

GASB Statement No. 99 addresses a variety of topics and includes clarification of provisions related to accounting and reporting of leases under GASB Statement No. 87, provides extension of the period which the London Interbank Offered Rate is considered appropriate benchmark interest rate, guidance on disclosure of nonmonetary transaction, accounting for pledges of future revenues when resources are not received by the pledging government under GASB Statement No. 48, and terminology updates related to certain provisions of GASB Statement No. 63 and No. 53. These topics under GASB Statement No. 99 provisions were implemented and did not have an effect on the financial statements of the City.

Other topics in GASB Statement No. 99 includes classification of other derivative instruments within the scope of GASB Statement No. 53, clarification of provisions related to accounting and reporting of Public-Private and Public-Public Partnerships under GASB Statement No. 94, and clarification of provisions to accounting and reporting of subscription-based information technology arrangements under GASB Statement No. 96. These topics are effective for future fiscal years and have not been implemented by of the City.

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Required Supplementary Information

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

	2022	2021	2020	2019	2018
City's Proportion of the Net Pension Liability	0.04809000%	0.04725200%	0.04821600%	0.04741800%	0.04711500%
City's Proportionate Share of the Net Pension Liability	\$4,184,025	\$6,996,993	\$9,530,219	\$12,986,830	\$7,391,430
City's Covered Payroll	\$6,979,250	\$6,655,150	\$6,783,914	\$6,404,636	\$6,226,246
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	59.95%	105.14%	140.48%	202.77%	118.71%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	92.62%	86.88%	82.17%	74.70%	84.66%

(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.

2017	2016	2015	2014
0.04862500%	0.04752900%	0.04867200%	0.04867200%
\$11,041,911	\$8,232,622	\$5,870,387	\$5,737,795
\$6,285,742	\$5,980,800	\$5,986,958	\$6,565,754
175.67%	137.65%	98.05%	87.39%
77.25%	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 Nine Fiscal Years (1)

	2022	2021	2020	2019	2018
City's Proportion of the Net Pension Liability	0.28190120%	0.29018510%	0.29126580%	0.30378400%	0.29818000%
City's Proportionate Share of the Net Pension Liability	\$17,611,556	\$19,782,180	\$19,621,220	\$24,796,801	\$18,300,653
City's Covered Payroll	\$7,178,155	\$7,893,784	\$7,166,834	\$7,501,553	\$7,169,253
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	245.35%	250.60%	273.78%	330.56%	255.27%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.03%	70.65%	69.89%	63.07%	70.91%

(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.

2017	2016	2015	2014
0.30156700%	0.30581300%	0.30833220%	0.30833220%
\$19,100,951	\$19,673,165	\$15,972,893	\$15,016,746
\$6,985,753	\$6,654,988	\$6,337,672	\$7,482,014
273.43%	295.62%	252.03%	200.70%
68.36%	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 Nine Fiscal Years (1)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$1,012,124	\$977,095	\$931,721	\$949,748	\$896,649
Contributions in Relation to the Contractually Required Contribution	<u>(1,012,124)</u>	<u>(977,095)</u>	<u>(931,721)</u>	<u>(949,748)</u>	<u>(896,649)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered Payroll	\$7,229,457	\$6,979,250	\$6,655,150	\$6,783,914	\$6,404,636
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	14.00%

(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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$809,412	\$754,289	\$717,696	\$718,435
<u>(809,412)</u>	<u>(754,289)</u>	<u>(717,696)</u>	<u>(718,435)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$6,226,246	\$6,285,742	\$5,980,800	\$5,986,958
13.00%	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 Nine Fiscal Years (1)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$1,533,655	\$1,521,051	\$1,499,819	\$1,514,352	\$1,425,295
Contributions in Relation to the Contractually Required Contribution	<u>(1,533,655)</u>	<u>(1,521,051)</u>	<u>(1,499,819)</u>	<u>(1,514,352)</u>	<u>(1,425,295)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered Payroll	\$7,216,285	\$7,178,155	\$7,893,784	\$7,166,834	\$7,501,553
Contributions as a Percentage of Covered Payroll	21.25%	21.19%	19.00%	21.13%	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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$1,362,158	\$1,327,293	\$1,336,987	\$1,290,350
<u>(1,362,158)</u>	<u>(1,327,293)</u>	<u>(1,336,987)</u>	<u>(1,290,350)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$7,169,253	\$6,985,753	\$6,654,988	\$6,337,672
19.00%	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 Six Fiscal Years (1)

	2022	2021	2020	2019	2018
City's Proportion of the Net OPEB Liability (Asset)	0.04953300%	0.04845800%	0.04911700%	0.04834100%	0.04794000%
City's Proportionate Share of the Net OPEB Liability (Asset)	(\$1,551,449)	(\$863,318)	\$6,784,334	\$6,302,525	\$5,205,931
City's Covered Payroll	\$6,979,250	\$6,655,150	\$6,783,914	\$6,404,636	\$6,226,246
City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	-22.23%	-12.97%	100.01%	98.41%	83.61%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	128.23%	115.57%	47.80%	46.33%	54.14%

(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.

2017

0.04986580%

\$5,036,615

\$6,285,742

80.13%

54.04%

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 Six Fiscal Years (1)

	2022	2021	2020	2019	2018
City's Proportion of the Net OPEB Liability	0.28190120%	0.29018510%	0.29126580%	0.30378400%	0.29818000%
City's Proportionate Share of the Net OPEB Liability	\$3,089,880	\$3,074,559	\$2,877,045	\$2,766,419	\$16,894,461
City's Covered Payroll	\$7,178,155	\$7,893,784	\$7,166,834	\$7,501,553	\$7,169,253
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	43.05%	38.95%	40.14%	36.88%	235.65%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.90%	45.42%	47.10%	46.57%	14.13%

(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.

2017

0.30156700%

\$14,314,707

\$6,985,753

204.91%

15.96%

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 Seven Fiscal Years (1)

	2022	2021	2020	2019	2018
Contractually Required Contribution to OPEB	\$0	\$0	\$0	\$0	\$0
Contributions to OPEB in Relation to the Contractually Required Contribution	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered Payroll	\$7,229,457	\$6,979,250	\$6,655,150	\$6,783,914	\$6,404,636
Contributions to OPEB as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%

(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 2016 is not available.

Note:

See accompanying notes to the required supplementary information.

<u>2017</u>	<u>2016</u>
\$77,541	\$137,770
<u>(77,541)</u>	<u>(137,770)</u>
<u>\$0</u>	<u>\$0</u>
\$6,226,246	\$6,285,742
1.25%	2.19%

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 Seven Fiscal Years (1)

	2022	2021	2020	2019	2018
Contractually Required Contribution to OPEB	\$36,081	\$35,852	\$35,437	\$35,850	\$33,751
Contributions to OPEB in Relation to the Contractually Required Contribution	<u>(36,081)</u>	<u>(35,852)</u>	<u>(35,437)</u>	<u>(35,850)</u>	<u>(33,751)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered Payroll	\$7,216,285	\$7,178,155	\$7,893,784	\$7,166,834	\$7,501,553
Contributions to OPEB as a Percentage of Covered Payroll	0.50%	0.50%	0.45%	0.50%	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.

<u>2017</u>	<u>2016</u>
\$31,888	\$31,765
<u>(31,888)</u>	<u>(31,765)</u>
<u>\$0</u>	<u>\$0</u>
\$7,169,253	\$6,985,753
0.44%	0.45%

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, 2022

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Property and Other Taxes	\$2,104,239	\$2,089,592	\$2,105,772	\$16,180
Charges for Services	4,092,231	4,063,747	4,095,213	31,466
Investment Earnings	150,175	149,129	150,284	1,155
Intergovernmental	1,292,590	1,283,593	1,293,532	9,939
Special Assessments	26,031	25,850	26,050	200
Fines, Licenses & Permits	73,565	73,053	73,619	566
Other Revenues	1,124,029	1,116,205	1,124,848	8,643
Total Revenues	8,862,860	8,801,169	8,869,318	68,149
Expenditures:				
Current:				
General Government	4,348,854	4,673,186	4,316,478	356,708
Public Safety	12,275,456	13,190,944	12,184,068	1,006,876
Community Environment	1,488,489	1,599,499	1,477,408	122,091
Recreation	1,764,590	1,896,191	1,751,453	144,738
Basic Utility	1,313,396	1,411,347	1,303,618	107,729
Capital Outlay	1,478,591	1,588,862	1,467,583	121,279
Debt Service:				
Interest and Fiscal Charges	4,393	4,393	4,393	0
Total Expenditures	22,673,769	24,364,422	22,505,001	1,859,421
Excess of Revenues Over (Under) Expenditures	(13,810,909)	(15,563,253)	(13,635,683)	1,927,570
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	469,094	465,829	469,436	3,607
Transfers In	22,994,787	22,834,727	23,011,541	176,814
Transfers (Out)	(12,039,842)	(12,937,759)	(11,950,209)	987,550
Total Other Financing Sources (Uses)	11,424,039	10,362,797	11,530,768	1,167,971
Net Change in Fund Balance	(2,386,870)	(5,200,456)	(2,104,915)	3,095,541
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	15,113,872	15,113,872	15,113,872	0
Fund Balance End of Year	\$12,727,002	\$9,913,416	\$13,008,957	\$3,095,541

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, 2022

	American Rescue Plan Act Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$1,376,481	\$1,387,471	\$1,344,903	(\$42,568)
Total Revenues	<u>1,376,481</u>	<u>1,387,471</u>	<u>1,344,903</u>	<u>(42,568)</u>
Expenditures:				
Current:				
General Government	1,927,962	1,927,952	0	1,927,952
Total Expenditures	<u>1,927,962</u>	<u>1,927,952</u>	<u>0</u>	<u>1,927,952</u>
Net Change in Fund Balance	(551,481)	(540,481)	1,344,903	1,885,384
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>551,481</u>	<u>551,481</u>	<u>551,481</u>	<u>0</u>
Fund Balance End of Year	<u>\$0</u>	<u>\$11,000</u>	<u>\$1,896,384</u>	<u>\$1,885,384</u>

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, 2022

Note 1 – Budgetary Process

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 and the American Rescue Plan Act fund.

City of Troy, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended December 31, 2022

Net Change in Fund Balance

	General	American Rescue Plan Act
GAAP Basis	(\$3,079,431)	\$0
Revenue Accruals	(21,366,277)	1,344,903
Expenditure Accruals	502,001	0
Transfers In	22,959,109	0
Transfers Out		
Encumbrances	(1,120,317)	0
Budget Basis	(\$2,104,915)	\$1,344,903

Note 2 – Net Pension Liability

Ohio Public Employees Retirement System Changes in Benefit Terms and Assumptions

Changes in assumptions:

2022: 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 7.20% to 6.90%
- Decrease in wage inflation from 3.25% to 2.75%
- Change in future salary increases from a range of 3.25%-10.75% to 2.75%-10.75%

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:

2022-2014: There were no changes in benefit terms for this period.

City of Troy, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended December 31, 2022

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

Changes in assumptions:

2022: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date.

- Reduction in actuarial assumed investment rate of return from 8.00% to 7.50%

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

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:

2022-2014: There were no changes in benefit terms for the period.

Note 3 - Net OPEB Liability (Asset)

Ohio Public Employees Retirement System Changes in Benefit Terms and Assumptions

Changes in assumptions:

2022: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The municipal bond rate decreased from 2.00% to 1.84%.
- The initial health care cost trend rate decreased from 8.50% to 5.50%.
- Decrease in wage inflation from 3.25% to 2.75%.
- Change in future salary increases from a range of 3.25%-10.75% to 2.75%-10.75%.

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% to 6.00%.
- The municipal bond rate decreased from 2.75% to 2.00%.
- The initial health care cost trend rate decreased from 10.50% to 8.50%.

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% to 3.16%.
- The municipal bond rate decreased from 3.71% to 2.75%.
- The initial health care cost trend rate increased from 10.00% to 10.50%.

City of Troy, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended December 31, 2022

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% to 3.96%.
- The investment rate of return decreased from 6.50% to 6.00%.
- The municipal bond rate increased from 3.31% to 3.71%.
- The initial health care cost trend rate increased from 7.50% to 10.00%.

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

Changes in Benefit Terms:

2022: Effective January 1, 2022, OPERS discontinued 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.

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

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:

2022: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%
- The single discount rate changed from 2.96% to 2.84%

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.

City of Troy, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended December 31, 2022

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:

2022-2020: There were no changes in benefit terms for the period.

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

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

Combining Statements and Individual Fund Schedules

MAJOR GOVERNMENTAL FUNDS

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

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

City of Troy, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	TIF Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Revenue in Lieu of Taxes	\$608,195	\$608,198	\$3
Total Revenues	608,195	608,198	3
Expenditures:			
Current:			
Capital Outlay	186,525	20,833	165,692
Debt Service:			
Principal Retirement	60,000	60,000	0
Interest and Fiscal Charges	69,300	69,300	0
Total Expenditures	315,825	150,133	165,692
Net Change in Fund Balance	292,370	458,065	165,695
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,776,238	1,776,238	0
Fund Balance End of Year	\$2,068,608	\$2,234,303	\$165,695

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, 2022

	Capital Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$2,393,055	\$2,393,061	\$6
Special Assessments	141,485	141,493	8
Other Revenues	425	425	0
Total Revenues	2,534,965	2,534,979	14
Expenditures:			
Current:			
Community Environment	720,500	677,627	42,873
Capital Outlay	20,217,649	18,467,277	1,750,372
Total Expenditures	20,938,149	19,144,904	1,793,245
Excess of Revenues Over (Under) Expenditures	(18,403,184)	(16,609,925)	1,793,259
Other Financing Sources (Uses):			
Transfers In	10,248,000	10,248,000	0
Total Other Financing Sources (Uses)	10,248,000	10,248,000	0
Net Change in Fund Balance	(8,155,184)	(6,361,925)	1,793,259
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	10,001,276	10,001,276	0
Fund Balance End of Year	\$1,846,092	\$3,639,351	\$1,793,259

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, 2022

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$5,263,934	\$87,392	\$1,336,935	\$6,688,261
Restricted Cash	0	0	34,519	34,519
Receivables (Net):				
Taxes	132,285	0	0	132,285
Accounts	0	0	27,627	27,627
Interest	10,042	337	0	10,379
Intergovernmental	813,902	0	600,000	1,413,902
Notes	2,080,318	0	0	2,080,318
Special Assessments	57,798	0	0	57,798
Prepaid Items	9,790	0	0	9,790
Total Assets	8,368,069	87,729	1,999,081	10,454,879
Liabilities:				
Accounts Payable	48,528	0	2,401	50,929
Accrued Wages and Benefits	21,299	0	0	21,299
Contracts Payable	0	0	17,875	17,875
Retainage Payable	0	0	34,519	34,519
Total Liabilities	69,827	0	54,795	124,622
Deferred Inflows of Resources:				
Property and Income Taxes	130,212	0	0	130,212
Grants and Other Taxes	682,618	0	600,000	1,282,618
Special Assessments	57,798	0	0	57,798
Total Deferred Inflows of Resources	870,628	0	600,000	1,470,628
Fund Balances:				
Nonspendable	9,790	0	0	9,790
Restricted	7,417,824	0	986,222	8,404,046
Assigned	0	87,729	358,064	445,793
Total Fund Balances	7,427,614	87,729	1,344,286	8,859,629
Total Liabilities, Deferred Inflows and Fund Balances	\$8,368,069	\$87,729	\$1,999,081	\$10,454,879

City of Troy, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2022

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Property and Other Taxes	\$126,248	\$0	\$0	\$126,248
Charges for Services	255,813	0	0	255,813
Investment Earnings	(66,215)	2,539	0	(63,676)
Intergovernmental	1,897,748	0	800,964	2,698,712
Fines, Licenses & Permits	12,407	0	111,437	123,844
Other Revenues	131,513	0	0	131,513
Total Revenues	2,357,514	2,539	912,401	3,272,454
Expenditures:				
Current:				
General Government	103,002	0	0	103,002
Public Safety	10,000	0	0	10,000
Community Development	602,692	0	0	602,692
Leisure Time Activities	12,869	0	0	12,869
Transportation and Street Repair	1,570,680	0	0	1,570,680
Basic Utility Service	0	0	8,076	8,076
Public Health and Welfare	546,668	0	0	546,668
Capital Outlay	156,959	0	643,635	800,594
Debt Service:				
Principal	0	2,029,946	0	2,029,946
Interest and Other Charges	0	241,746	0	241,746
Total Expenditures	3,002,870	2,271,692	651,711	5,926,273
Excess of Revenues Over (Under) Expenditures	(645,356)	(2,269,153)	260,690	(2,653,819)
Other Financing Sources (Uses):				
Transfers In	274,777	1,500,000	0	1,774,777
Transfers (Out)	(175,000)	0	0	(175,000)
Total Other Financing Sources (Uses)	99,777	1,500,000	0	1,599,777
Net Change in Fund Balance	(545,579)	(769,153)	260,690	(1,054,042)
Fund Balance - Beginning of Year	7,973,193	856,882	1,083,596	9,913,671
Fund Balance - End of Year	\$7,427,614	\$87,729	\$1,344,286	\$8,859,629

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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.

One Ohio Opioid Settlement - To account for revenues and expenditures related to settlement dollars to be used to prevent, treat and support recovery from addiction including opioids and/or any other co-occurring substance use and/or mental health conditions which are all long-lasting (chronic) diseases that can cause major health, social, and economic problems at the individual, family and/or community level.

City of Troy, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2022

	Street Construction, Maintenance and Repair	State Highway Improvement	Cemetery	Municipal Real Property	Miami Conservancy District	Community Development Block Grant	Parking Improvement
Assets:							
Equity in Pooled Cash and Investments	\$2,179,622	\$332,581	\$141,058	\$4,517	\$189,269	\$412,211	\$199,410
Receivables (Net):							
Taxes	0	0	0	0	132,285	0	0
Interest	0	1,284	0	17	0	1,591	770
Intergovernmental	752,858	61,044	0	0	0	0	0
Notes	0	0	0	0	0	902,831	0
Special Assessments	57,798	0	0	0	0	0	0
Prepaid Items	6,600	689	2,501	0	0	0	0
Total Assets	2,996,878	395,598	143,559	4,534	321,554	1,316,633	200,180
Liabilities:							
Accounts Payable	36,912	0	11,616	0	0	0	0
Accrued Wages and Benefits	18,838	0	2,461	0	0	0	0
Total Liabilities	55,750	0	14,077	0	0	0	0
Deferred Inflows of Resources:							
Property and Income Taxes	0	0	0	0	130,212	0	0
Grants and Other Taxes	631,420	51,198	0	0	0	0	0
Special Assessments	57,798	0	0	0	0	0	0
Total Deferred Inflows of Resources	689,218	51,198	0	0	130,212	0	0
Fund Balances:							
Nonspendable	6,600	689	2,501	0	0	0	0
Restricted	2,245,310	343,711	126,981	4,534	191,342	1,316,633	200,180
Total Fund Balances	2,251,910	344,400	129,482	4,534	191,342	1,316,633	200,180
Total Liabilities, Deferred Inflows and Fund Balances	\$2,996,878	\$395,598	\$143,559	\$4,534	\$321,554	\$1,316,633	\$200,180

Drug Law Enforcement	Law Enforcement	Cemetery Endowment	Small Business Development R-Loan	FEMA	Equitable Sharing	Park and Playground	One Ohio Opioid Settlement	Total Nonmajor Special Revenue Funds
\$12,446	\$23,273	\$923,238	\$543,838	\$5,654	\$103,223	\$185,817	\$7,777	\$5,263,934
0	0	0	0	0	0	0	0	132,285
0	0	3,564	2,099	0	0	717	0	10,042
0	0	0	0	0	0	0	0	813,902
0	0	0	1,177,487	0	0	0	0	2,080,318
0	0	0	0	0	0	0	0	57,798
0	0	0	0	0	0	0	0	9,790
<u>12,446</u>	<u>23,273</u>	<u>926,802</u>	<u>1,723,424</u>	<u>5,654</u>	<u>103,223</u>	<u>186,534</u>	<u>7,777</u>	<u>8,368,069</u>
0	0	0	0	0	0	0	0	48,528
0	0	0	0	0	0	0	0	21,299
0	0	0	0	0	0	0	0	69,827
0	0	0	0	0	0	0	0	130,212
0	0	0	0	0	0	0	0	682,618
0	0	0	0	0	0	0	0	57,798
0	0	0	0	0	0	0	0	870,628
0	0	0	0	0	0	0	0	9,790
<u>12,446</u>	<u>23,273</u>	<u>926,802</u>	<u>1,723,424</u>	<u>5,654</u>	<u>103,223</u>	<u>186,534</u>	<u>7,777</u>	<u>7,417,824</u>
<u>12,446</u>	<u>23,273</u>	<u>926,802</u>	<u>1,723,424</u>	<u>5,654</u>	<u>103,223</u>	<u>186,534</u>	<u>7,777</u>	<u>7,427,614</u>
<u>\$12,446</u>	<u>\$23,273</u>	<u>\$926,802</u>	<u>\$1,723,424</u>	<u>\$5,654</u>	<u>\$103,223</u>	<u>\$186,534</u>	<u>\$7,777</u>	<u>\$8,368,069</u>

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, 2022

	Street Construction, Maintenance and Repair	State Highway Improvement	Cemetery	Municipal Real Property	Miami Conservancy District	Community Development Block Grant	Parking Improvement
Revenues:							
Property and Other Taxes	\$0	\$0	\$0	\$0	\$126,248	\$0	\$0
Charges for Services	5,231	0	201,147	0	0	0	0
Investment Earnings	0	(13,838)	0	(165)	0	17,464	(7,336)
Intergovernmental	1,580,846	128,178	0	0	14,410	174,314	0
Fines, Licenses & Permits	0	0	0	0	0	0	6,643
Other Revenues	11,095	147	15,204	0	0	28,508	0
Total Revenues	1,597,172	114,487	216,351	(165)	140,658	220,286	(693)
Expenditures:							
Current:							
General Government	0	0	0	547	102,455	0	0
Public Safety	0	0	0	0	0	0	0
Community Development	0	0	0	0	0	570,026	0
Leisure Time Activities	0	0	0	0	0	0	0
Transportation and Street Repair	1,484,758	79,097	0	0	0	0	6,825
Public Health and Welfare	0	0	501,737	0	0	0	0
Capital Outlay	156,959	0	0	0	0	0	0
Total Expenditures	1,641,717	79,097	501,737	547	102,455	570,026	6,825
Excess of Revenues Over (Under) Expenditures	(44,545)	35,390	(285,386)	(712)	38,203	(349,740)	(7,518)
Other Financing Sources (Uses):							
Transfers In	0	0	200,000	0	0	37,000	0
Transfers (Out)	0	0	0	0	0	(175,000)	0
Total Other Financing Sources (Uses)	0	0	200,000	0	0	(138,000)	0
Net Change in Fund Balance	(44,545)	35,390	(85,386)	(712)	38,203	(487,740)	(7,518)
Fund Balance - Beginning of Year	2,296,455	309,010	214,868	5,246	153,139	1,804,373	207,698
Fund Balance - End of Year	\$2,251,910	\$344,400	\$129,482	\$4,534	\$191,342	\$1,316,633	\$200,180

Drug Law Enforcement	Law Enforcement	Cemetery Endowment	Small Business Development R-Loan	FEMA	Equitable Sharing	Park and Playground	One Ohio Opioid Settlement	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$126,248
0	0	49,435	0	0	0	0	0	255,813
0	0	(34,141)	(20,503)	0	0	(7,696)	0	(66,215)
0	0	0	0	0	0	0	0	1,897,748
389	5,375	0	0	0	0	0	0	12,407
6,593	0	0	51,134	0	8,764	10,068	0	131,513
6,982	5,375	15,294	30,631	0	8,764	2,372	0	2,357,514
0	0	0	0	0	0	0	0	103,002
5,000	5,000	0	0	0	0	0	0	10,000
0	0	0	32,666	0	0	0	0	602,692
0	0	0	0	0	0	12,869	0	12,869
0	0	0	0	0	0	0	0	1,570,680
0	0	25,713	0	0	19,218	0	0	546,668
0	0	0	0	0	0	0	0	156,959
5,000	5,000	25,713	32,666	0	19,218	12,869	0	3,002,870
1,982	375	(10,419)	(2,035)	0	(10,454)	(10,497)	0	(645,356)
0	0	0	0	0	0	30,000	7,777	274,777
0	0	0	0	0	0	0	0	(175,000)
0	0	0	0	0	0	30,000	7,777	99,777
1,982	375	(10,419)	(2,035)	0	(10,454)	19,503	7,777	(545,579)
10,464	22,898	937,221	1,725,459	5,654	113,677	167,031	0	7,973,193
\$12,446	\$23,273	\$926,802	\$1,723,424	\$5,654	\$103,223	\$186,534	\$7,777	\$7,427,614

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, 2022

	Street Construction, Maintenance and Repair Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$5,230	\$5,231	\$1
Intergovernmental	1,586,255	1,586,261	6
Other Revenues	11,085	11,095	10
Total Revenues	<u>1,602,570</u>	<u>1,602,587</u>	<u>17</u>
Expenditures:			
Current:			
Transportation	1,685,167	1,542,458	142,709
Capital Outlay	165,000	156,959	8,041
Total Expenditures	<u>1,850,167</u>	<u>1,699,417</u>	<u>150,750</u>
Net Change in Fund Balance	(247,597)	(96,830)	150,767
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>2,219,422</u>	<u>2,219,422</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$1,971,825</u></u>	<u><u>\$2,122,592</u></u>	<u><u>\$150,767</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, 2022

	State Highway Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$128,615	\$128,616	\$1
Other Revenues	145	147	2
Total Revenues	<u>128,760</u>	<u>128,763</u>	<u>3</u>
Expenditures:			
Current:			
Transportation	<u>121,100</u>	<u>89,294</u>	<u>31,806</u>
Total Expenditures	<u>121,100</u>	<u>89,294</u>	<u>31,806</u>
Net Change in Fund Balance	7,660	39,469	31,809
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>301,099</u>	<u>301,099</u>	<u>0</u>
Fund Balance End of Year	<u>\$308,759</u>	<u>\$340,568</u>	<u>\$31,809</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, 2022

	Cemetery Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$186,210	\$201,147	\$14,937
Other Revenues	15,202	15,204	2
Total Revenues	<u>201,412</u>	<u>216,351</u>	<u>14,939</u>
Expenditures:			
Current:			
Public Health and Welfare	591,676	516,664	75,012
Total Expenditures	<u>591,676</u>	<u>516,664</u>	<u>75,012</u>
Excess of Revenues Over (Under) Expenditures	<u>(390,264)</u>	<u>(300,313)</u>	<u>89,951</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	(190,264)	(100,313)	89,951
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>223,983</u>	<u>223,983</u>	<u>0</u>
Fund Balance End of Year	<u>\$33,719</u>	<u>\$123,670</u>	<u>\$89,951</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, 2022

	Municipal Real Property Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$10	\$13	\$3
Total Revenues	10	13	3
Expenditures:			
Current:			
Capital Outlay	4,218	547	3,671
Total Expenditures	4,218	547	3,671
Net Change in Fund Balance	(4,208)	(534)	3,674
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	5,287	5,287	0
Fund Balance End of Year	\$1,079	\$4,753	\$3,674

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, 2022

	Miami Conservancy District Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Property and Other Taxes	\$126,199	\$126,199	\$0
Intergovernmental	14,410	14,410	0
Total Revenues	<u>140,609</u>	<u>140,609</u>	<u>0</u>
Expenditures:			
Current:			
General Government	<u>107,500</u>	<u>102,455</u>	<u>5,045</u>
Total Expenditures	<u>107,500</u>	<u>102,455</u>	<u>5,045</u>
Net Change in Fund Balance	33,109	38,154	5,045
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>151,117</u>	<u>151,117</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$184,226</u></u>	<u><u>\$189,271</u></u>	<u><u>\$5,045</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, 2022

	Community Development Block Grant Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$29,715	\$32,113	\$2,398
Intergovernmental	174,310	174,314	4
Other Revenues	92,045	101,766	9,721
Total Revenues	<u>296,070</u>	<u>308,193</u>	<u>12,123</u>
Expenditures:			
Current:			
Community Environment	846,800	427,464	419,336
Total Expenditures	<u>846,800</u>	<u>427,464</u>	<u>419,336</u>
Excess of Revenues Over (Under) Expenditures	<u>(550,730)</u>	<u>(119,271)</u>	<u>431,459</u>
Other Financing Sources (Uses):			
Transfers In	37,000	37,000	0
Transfers (Out)	0	(175,000)	(175,000)
Total Other Financing Sources (Uses)	<u>37,000</u>	<u>(138,000)</u>	<u>(175,000)</u>
Net Change in Fund Balance	(513,730)	(257,271)	256,459
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>691,160</u>	<u>691,160</u>	<u>0</u>
Fund Balance End of Year	<u>\$177,430</u>	<u>\$433,889</u>	<u>\$256,459</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, 2022

	Parking Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$651	\$734	\$83
Fines, Licenses & Permits	6,395	6,643	248
Total Revenues	7,046	7,377	331
Expenditures:			
Current:			
Capital Outlay	166,850	6,825	160,025
Total Expenditures	166,850	6,825	160,025
Net Change in Fund Balance	(159,804)	552	160,356
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	209,350	209,350	0
Fund Balance End of Year	\$49,546	\$209,902	\$160,356

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, 2022

	Drug Law Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$389	\$389	\$0
Other Revenues	6,590	6,593	3
Total Revenues	6,979	6,982	3
Expenditures:			
Current:			
Public Safety	7,000	5,000	2,000
Total Expenditures	7,000	5,000	2,000
Net Change in Fund Balance	(21)	1,982	2,003
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	10,463	10,463	0
Fund Balance End of Year	\$10,442	\$12,445	\$2,003

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, 2022

	Law Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$251	\$5,375	\$5,124
Total Revenues	251	5,375	5,124
Expenditures:			
Current:			
Public Safety	9,000	5,000	4,000
Total Expenditures	9,000	5,000	4,000
Net Change in Fund Balance	(8,749)	375	9,124
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	22,896	22,896	0
Fund Balance End of Year	\$14,147	\$23,271	\$9,124

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, 2022

	Cemetery Endowment Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$44,660	\$49,435	\$4,775
Investment Earnings	3,030	3,416	386
Total Revenues	47,690	52,851	5,161
Expenditures:			
Current:			
Public Health and Welfare	26,550	25,713	837
Total Expenditures	26,550	25,713	837
Net Change in Fund Balance	21,140	27,138	5,998
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	944,652	944,652	0
Fund Balance End of Year	\$965,792	\$971,790	\$5,998

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, 2022

	Small Business Development R-Loan Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$134,692	\$147,706	\$13,014
Total Revenues	134,692	147,706	13,014
Expenditures:			
Current:			
Community Environment	751,500	337,619	413,881
Total Expenditures	751,500	337,619	413,881
Net Change in Fund Balance	(616,808)	(189,913)	426,895
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	762,350	762,350	0
Fund Balance End of Year	\$145,542	\$572,437	\$426,895

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, 2022

	FEMA Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
General Government	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	5,564	5,564	0
Fund Balance End of Year	\$5,564	\$5,564	\$0

City of Troy, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	Equitable Sharing Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$8,760	\$8,764	\$4
Total Revenues	8,760	8,764	4
Expenditures:			
Current:			
Public Health and Welfare	10,500	4,595	5,905
Capital Outlay	65,822	65,822	0
Total Expenditures	76,322	70,417	5,905
Net Change in Fund Balance	(67,562)	(61,653)	5,909
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	113,674	113,674	0
Fund Balance End of Year	\$46,112	\$52,021	\$5,909

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, 2022

	Park and Playground Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$20	\$34	\$14
Other Revenues	0	10,068	10,068
Total Revenues	20	10,102	10,082
Expenditures:			
Current:			
Capital Outlay	32,050	14,604	17,446
Total Expenditures	32,050	14,604	17,446
Excess of Revenues Over (Under) Expenditures	(32,030)	(4,502)	27,528
Other Financing Sources (Uses):			
Transfers In	30,000	30,000	0
Total Other Financing Sources (Uses)	30,000	30,000	0
Net Change in Fund Balance	(2,030)	25,498	27,528
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	168,357	168,357	0
Fund Balance End of Year	\$166,327	\$193,855	\$27,528

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, 2022

	One Ohio Opiod Settlement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
General Government	7,777	0	7,777
Total Expenditures	7,777	0	7,777
Excess of Revenues Over (Under) Expenditures	(7,777)	0	7,777
Other Financing Sources (Uses):			
Transfers In	7,777	7,777	0
Total Other Financing Sources (Uses)	7,777	7,777	0
Net Change in Fund Balance	0	7,777	7,777
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$7,777	\$7,777

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, 2022

	Bond Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Property and Other Taxes	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Debt Service:			
Principal Retirement	2,029,945	2,029,945	0
Interest and Fiscal Charges	241,747	241,747	0
Total Expenditures	2,271,692	2,271,692	0
Excess of Revenues Over (Under) Expenditures	(2,271,692)	(2,271,692)	0
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	(771,692)	(771,692)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	863,675	863,675	0
Fund Balance End of Year	\$91,983	\$91,983	\$0

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, 2022

	OPWC Project Fund	Technology Fund	Total Nonmajor Capital Projects Funds
Assets:			
Equity in Pooled Cash and Investments	\$1,004,097	\$332,838	\$1,336,935
Restricted Cash	34,519	0	34,519
Receivables (Net):			
Accounts	0	27,627	27,627
Intergovernmental	600,000	0	600,000
Total Assets	1,638,616	360,465	1,999,081
Liabilities:			
Accounts Payable	0	2,401	2,401
Contracts Payable	17,875	0	17,875
Retainage Payable	34,519	0	34,519
Total Liabilities	52,394	2,401	54,795
Deferred Inflows of Resources:			
Grants and Other Taxes	600,000	0	600,000
Total Deferred Inflows of Resources	600,000	0	600,000
Fund Balances:			
Restricted	986,222	0	986,222
Assigned	0	358,064	358,064
Total Fund Balances	986,222	358,064	1,344,286
Total Liabilities, Deferred Inflows and Fund Balances	\$1,638,616	\$360,465	\$1,999,081

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, 2022

	OPWC Project Fund	Technology Fund	Total Nonmajor Capital Projects Funds
Revenues:			
Intergovernmental	\$800,964	\$0	\$800,964
Fines, Licenses & Permits	\$0	\$111,437	\$111,437
Total Revenues	<u>800,964</u>	<u>111,437</u>	<u>912,401</u>
Expenditures:			
Current:			
Basic Utility Service	0	8,076	8,076
Capital Outlay	576,390	67,245	643,635
Total Expenditures	<u>576,390</u>	<u>75,321</u>	<u>651,711</u>
Net Change in Fund Balance	224,574	36,116	260,690
Fund Balance - Beginning of Year	<u>761,648</u>	<u>321,948</u>	<u>1,083,596</u>
Fund Balance - End of Year	<u><u>\$986,222</u></u>	<u><u>\$358,064</u></u>	<u><u>\$1,344,286</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, 2022

	OPWC Project Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$800,960	\$800,964	\$4
Total Revenues	800,960	800,964	4
Expenditures:			
Current:			
Capital Outlay	1,091,163	1,042,012	49,151
Total Expenditures	1,091,163	1,042,012	49,151
Net Change in Fund Balance	(290,203)	(241,048)	49,155
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	830,373	830,373	0
Fund Balance End of Year	\$540,170	\$589,325	\$49,155

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, 2022

	Technology Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$112,310	\$112,310	\$0
Total Revenues	<u>112,310</u>	<u>112,310</u>	<u>0</u>
Expenditures:			
Current:			
Basic Utility	0	8,076	(8,076)
Capital Outlay	80,000	68,814	11,186
Total Expenditures	<u>80,000</u>	<u>76,890</u>	<u>3,110</u>
Net Change in Fund Balance	32,310	35,420	3,110
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>297,417</u>	<u>297,417</u>	<u>0</u>
Fund Balance End of Year	<u>\$329,727</u>	<u>\$332,837</u>	<u>\$3,110</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, 2022

	Income Tax Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Income Taxes	\$21,645,025	\$21,730,532	\$85,507
Investment Earnings	43,620	48,352	4,732
Other Revenues	610	613	3
Total Revenues	<u>21,689,255</u>	<u>21,779,497</u>	<u>90,242</u>
Expenditures:			
Current:			
General Government	1,337,209	948,110	389,099
Capital Outlay	48,575	49,440	(865)
Debt Service:			
Interest and Fiscal Charges	3,787	1,787	2,000
Total Expenditures	<u>1,389,571</u>	<u>999,337</u>	<u>390,234</u>
Excess of Revenues Over (Under) Expenditures	<u>20,299,684</u>	<u>20,780,160</u>	<u>480,476</u>
Other Financing Sources (Uses):			
Transfers (Out)	<u>(20,000,000)</u>	<u>(20,000,000)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(20,000,000)</u>	<u>(20,000,000)</u>	<u>0</u>
Net Change in Fund Balance	299,684	780,160	480,476
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>8,075,587</u>	<u>8,075,587</u>	<u>0</u>
Fund Balance End of Year	<u>\$8,375,271</u>	<u>\$8,855,747</u>	<u>\$480,476</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, 2022

	Investment Fund for Capital Improvement Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$261,914	\$279,020	\$17,106
Total Revenues	<u>261,914</u>	<u>279,020</u>	<u>17,106</u>
Expenditures:			
Current:			
Other	4,500	0	4,500
Total Expenditures	<u>4,500</u>	<u>0</u>	<u>4,500</u>
Excess of Revenues Over (Under) Expenditures	<u>257,414</u>	<u>279,020</u>	<u>21,606</u>
Other Financing Sources (Uses):			
Transfers (Out)	<u>(225,000)</u>	<u>(208,965)</u>	<u>16,035</u>
Total Other Financing Sources (Uses)	<u>(225,000)</u>	<u>(208,965)</u>	<u>16,035</u>
Net Change in Fund Balance	32,414	70,055	37,641
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>33,950,852</u>	<u>33,950,852</u>	<u>0</u>
Fund Balance End of Year	<u>\$33,983,266</u>	<u>\$34,020,907</u>	<u>\$37,641</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, 2022

	Safety - Income Tax Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Income Taxes	\$3,606,835	\$3,621,755	\$14,920
Total Revenues	<u>3,606,835</u>	<u>3,621,755</u>	<u>14,920</u>
Expenditures:			
Current:			
General Government	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>3,606,835</u>	<u>3,621,755</u>	<u>14,920</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	806,835	821,755	14,920
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>2,572,840</u>	<u>2,572,840</u>	<u>0</u>
Fund Balance End of Year	<u>\$3,379,675</u>	<u>\$3,394,595</u>	<u>\$14,920</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, 2022

	Recreational Programs Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$202,417	\$202,418	\$1
Investment Earnings	1,200	1,368	168
Other Revenues	20,025	20,029	4
Total Revenues	223,642	223,815	173
Expenditures:			
Current:			
Recreation	223,043	209,265	13,778
Capital Outlay	0	5,007	(5,007)
Total Expenditures	223,043	214,272	8,771
Net Change in Fund Balance	599	9,543	8,944
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	369,679	369,679	0
Fund Balance End of Year	\$370,278	\$379,222	\$8,944

(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, 2022

	Parks and Recreation Improvement Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$845	\$956	\$111
Other Revenues	53,545	55,831	2,286
Total Revenues	54,390	56,787	2,397
Expenditures:			
Current:			
Recreation	55,050	50,173	4,877
Capital Outlay	392,591	58,628	333,963
Total Expenditures	447,641	108,801	338,840
Excess of Revenues Over (Under) Expenditures	(393,251)	(52,014)	341,237
Other Financing Sources (Uses):			
Transfers In	95,000	95,000	0
Total Other Financing Sources (Uses)	95,000	95,000	0
Net Change in Fund Balance	(298,251)	42,986	341,237
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	300,748	300,748	0
Fund Balance End of Year	\$2,497	\$343,734	\$341,237

(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, 2022

	Swimming Pool	Parking Meter	Miami Shores	Total Nonmajor Enterprise Funds
Assets:				
Equity in Pooled Cash and Investments	\$155,842	\$25,562	\$290,332	\$471,736
Restricted Cash	0	0	1,200	1,200
Receivables (Net):				
Interest	0	99	1,125	1,224
Prepaid Items	1,635	628	4,988	7,251
Total Current Assets	157,477	26,289	297,645	481,411
Noncurrent Assets:				
Net OPEB Asset	25,698	8,572	69,747	104,017
Capital Assets:				
Nondepreciable Capital Assets	10,450	189,961	46,997	247,408
Depreciable Capital Assets, Net	2,279,006	0	1,269,700	3,548,706
Total Noncurrent Assets	2,315,154	198,533	1,386,444	3,900,131
Total Assets	2,472,631	224,822	1,684,089	4,381,542
Deferred Outflows of Resources:				
Pension	30,682	10,234	83,274	124,190
OPEB	300	100	813	1,213
Total Deferred Outflows of Resources	30,982	10,334	84,087	125,403
Liabilities:				
Current Liabilities:				
Accounts Payable	928	5,130	11,923	17,981
Accrued Wages and Benefits	0	1,124	7,746	8,870
Compensated Absences	0	915	15,775	16,690
Retainage Payable	0	0	1,200	1,200
Total Current Liabilities	928	7,169	36,644	44,741
Long-Term Liabilities:				
Compensated Absences	0	610	30,398	31,008
Net Pension Liability	69,304	23,116	188,098	280,518
Total Long-Term Liabilities	69,304	23,726	218,496	311,526
Total Liabilities	70,232	30,895	255,140	356,267
Deferred Inflows of Resources:				
Pension	84,694	28,250	229,871	342,815
OPEB	26,909	8,975	73,033	108,917
Total Deferred Inflows of Resources	111,603	37,225	302,904	451,732
Net Position:				
Net Investment in Capital Assets	2,289,456	189,961	1,316,697	3,796,114
Restricted for:				
Net OPEB Assets	25,698	8,572	69,747	104,017
Unrestricted	6,624	(31,497)	(176,312)	(201,185)
Total Net Position	\$2,321,778	\$167,036	\$1,210,132	\$3,698,946

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, 2022

	Swimming Pool	Parking Meter	Miami Shores	Total Nonmajor Enterprise Funds
Operating Revenues:				
Charges for Services	\$343,934	\$0	\$1,184,382	\$1,528,316
Other Revenues	12,264	24,197	40,856	77,317
Total Operating Revenues	<u>356,198</u>	<u>24,197</u>	<u>1,225,238</u>	<u>1,605,633</u>
Operating Expenses:				
Personal Services	133,745	42,909	426,409	603,063
Contactual Services	54,736	0	297,634	352,370
Materials and Supplies	92,079	6,479	528,754	627,312
Depreciation	116,120	0	93,027	209,147
Other Expense	8,168	4,498	52,114	64,780
Total Operating Expenses	<u>404,848</u>	<u>53,886</u>	<u>1,397,938</u>	<u>1,856,672</u>
Operating Income (Loss)	<u>(48,650)</u>	<u>(29,689)</u>	<u>(172,700)</u>	<u>(251,039)</u>
Non-Operating Revenues (Expenses):				
Investment Earnings	0	(999)	(8,425)	(9,424)
Total Non-Operating Revenues (Expenses)	<u>0</u>	<u>(999)</u>	<u>(8,425)</u>	<u>(9,424)</u>
Income (Loss) Before Contributions	(48,650)	(30,688)	(181,125)	(260,463)
Transfers In	0	50,000	0	50,000
Change in Net Position	(48,650)	19,312	(181,125)	(210,463)
Net Position - Beginning of Year	<u>2,370,428</u>	<u>147,724</u>	<u>1,391,257</u>	<u>3,909,409</u>
Net Position - End of Year	<u>\$2,321,778</u>	<u>\$167,036</u>	<u>\$1,210,132</u>	<u>\$3,698,946</u>

City of Troy, Ohio
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Fiscal Year Ended December 31, 2022

	Swimming Pool	Parking Meter	Miami Shores	Total Nonmajor Enterprise Funds
Cash Flows from Operating Activities:				
Cash Received from Customers	\$356,198	\$24,197	\$1,225,238	\$1,605,633
Cash Payments to Employees	(154,714)	(60,356)	(525,922)	(740,992)
Cash Payments to Suppliers	(155,631)	(10,977)	(874,208)	(1,040,816)
Net Cash Provided (Used) by Operating Activities	45,853	(47,136)	(174,892)	(176,175)
Cash Flows from Noncapital Financing Activities:				
Payments from Other Funds	0	50,000	0	50,000
Net Cash Provided (Used) by Noncapital Financing Activities	0	50,000	0	50,000
Cash Flows from Capital and Related Financing Activities:				
Payments for Capital Acquisitions	0	0	(41,645)	(41,645)
Net Cash Provided (Used) by Capital and Related Financing Activities	0	0	(41,645)	(41,645)
Cash Flows from Investing Activities:				
Earnings (Loss) on Investments	0	(1,078)	(9,121)	(10,199)
Net Cash Provided (Used) by Cash Flows from Investing Activities	0	(1,078)	(9,121)	(10,199)
Net Increase (Decrease) in Cash and Cash Equivalents	45,853	1,786	(225,658)	(178,019)
Cash and Cash Equivalents - Beginning of Year	109,989	23,776	517,190	650,955
Cash and Cash Equivalents - End of Year	155,842	25,562	291,532	472,936
Reconciliation of Operating Income (Loss) to				
Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	(48,650)	(29,689)	(172,700)	(251,039)
Adjustments:				
Depreciation	116,120	0	93,027	209,147
Changes in Assets & Liabilities:				
(Increase) Decrease in Deferred Outflows of Resources	(10,794)	(2,175)	(20,793)	(33,762)
(Increase) Decrease in Net OPEB Asset	(13,788)	(3,758)	(32,409)	(49,955)
(Increase) Decrease in Prepays	(123)	(66)	(1,811)	(2,000)
Increase (Decrease) in Retainage Payable	0	0	1,200	1,200
Increase (Decrease) in Payables	(648)	284	3,094	2,730
Increase (Decrease) in Accrued Liabilities	0	(463)	19,958	19,495
Increase (Decrease) in Deferred Inflows of Resources	30,957	4,629	50,064	85,650
Increase (Decrease) in Net Pension Liability	(27,221)	(15,898)	(114,522)	(157,641)
Net Cash Provided (Used) by Operating Activities	\$45,853	(\$47,136)	(\$174,892)	(\$176,175)

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STATISTICAL SECTION

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

	2013	2014	2015	2016
Governmental Activities				
Net Investment in Capital Assets	\$37,627,539	\$34,945,389	\$46,481,316	\$51,673,974
Restricted	9,427,534	11,411,958	8,665,294	10,601,444
Unrestricted	48,367,971	35,432,930	41,230,231	37,021,681
Total Governmental Activities Net Position	\$95,423,044	\$81,790,277	\$96,376,841	\$99,297,099
Business-Type Activities				
Net Investment in Capital Assets	\$37,306,703	\$45,817,933	\$47,778,554	\$51,838,278
Restricted	0	0	0	0
Unrestricted	14,520,575	12,447,693	13,132,120	11,039,552
Total Business-Type Activities Net Position	\$51,827,278	\$58,265,626	\$60,910,674	\$62,877,830
Total Primary Government				
Net Investment in Capital Assets	\$74,934,242	\$80,763,322	\$94,259,870	\$103,512,252
Restricted	9,427,534	11,411,958	8,665,294	10,601,444
Unrestricted	62,888,546	47,880,623	54,362,351	48,061,233
Total Primary Government Net Position	\$147,250,322	\$140,055,903	\$157,287,515	\$162,174,929

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

Source: City Records

2017 (1)	2018	2019	2020	2021	2022
\$45,906,299	\$47,314,669	\$49,206,166	\$57,085,164	\$70,525,041	\$76,762,553
11,239,643	14,522,194	13,638,775	15,193,425	20,892,149	26,311,754
22,703,850	18,139,158	32,673,030	35,469,872	38,381,068	34,164,153
\$79,849,792	\$79,976,021	\$95,517,971	\$107,748,461	\$129,798,258	\$137,238,460
\$62,137,834	\$60,163,790	\$65,687,495	\$68,118,870	\$70,386,408	\$70,030,281
0	0	0	0	0	736,587
10,039,646	13,777,023	13,143,770	15,586,152	20,993,951	20,730,576
\$72,177,480	\$73,940,813	\$78,831,265	\$83,705,022	\$91,380,359	\$91,497,444
\$108,044,133	\$107,478,459	\$114,893,661	\$125,204,034	\$140,911,449	\$146,792,834
11,239,643	14,522,194	13,638,775	15,193,425	20,892,149	27,048,341
32,743,496	31,916,181	45,816,800	51,056,024	59,375,019	54,894,729
\$152,027,272	\$153,916,834	\$174,349,236	\$191,453,483	\$221,178,617	\$228,735,904

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

	2013	2014	2015	2016
Expenses				
Governmental Activities:				
General Government	\$4,886,884	\$4,690,026	\$4,611,175	\$5,243,647
Public Safety	11,085,786	10,835,093	10,865,508	12,221,291
Community Development	1,132,281	920,312	1,011,689	1,186,949
Leisure Time Activities	1,586,678	1,657,996	1,537,027	2,013,072
Transportation and Street Repair	1,662,887	2,166,857	3,127,547	2,736,725
Basic Utility Service	1,338,126	1,462,403	1,149,146	1,161,658
Public Health and Welfare	312,993	377,222	567,888	203,392
Other	0	0	0	0
Interest and Fiscal Charges	318,508	301,410	644,142	614,136
Bond Issuance Cost	0	0	0	0
Total Governmental Activities Expenses	22,324,143	22,411,319	23,514,122	25,380,870
Business-Type Activities:				
Water	4,321,114	4,647,346	5,260,863	4,942,051
Sanitary Sewer	4,266,132	4,688,542	4,752,848	3,773,386
Hobart Arena	1,435,067	1,336,596	1,683,676	1,168,240
Swimming Pool	340,789	356,570	347,637	370,397
Parking Meter	25,920	7,485	62,077	14,128
Miami Shores	801,615	851,236	905,516	825,538
Stormwater Utility	750,127	1,132,783	1,048,739	1,413,861
Total Business-Type Activities Expenses	11,940,764	13,020,558	14,061,356	12,507,601
Total Primary Government Expenses	\$34,264,907	\$35,431,877	\$37,575,478	\$37,888,471
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$277,995	\$230,229	\$280,000	\$214,466
Public Safety	1,435,582	1,548,977	1,680,073	1,785,765
Community Development	53,024	68,546	864	2,871
Leisure Time Activities	120,639	140,193	126,981	134,753
Transportation and Street Repair	28,727	8,245	30,151	16,722
Basic Utility Service	1,998,963	2,036,694	1,817,212	1,891,363
Public Health and Welfare	137,154	87,960	222,540	208,016
Operating Grants and Contributions	1,539,798	871,085	1,142,413	1,126,535
Capital Grants and Contributions	409,844	1,741,471	10,843,935	789,430
Total Governmental Activities Program Revenues	6,001,726	6,733,400	16,144,169	6,169,921
Business-Type Activities:				
Charges for Services:				
Water	4,999,136	5,032,906	5,474,879	5,737,577
Sanitary Sewer	4,123,845	4,231,193	4,421,229	4,260,303
Hobart Arena	146,322	142,263	197,014	115,693
Swimming Pool	202,949	201,438	208,640	233,265
Parking Meter	16,356	9,657	26,097	22,186
Miami Shores	620,147	592,073	628,574	604,725
Stormwater Utility	1,246,514	1,272,132	1,343,885	1,324,931
Operating Grants and Contributions	13,997	0	0	0
Capital Grants and Contributions	287,130	0	2,760,737	826,087
Total business-Type Activities Program Revenues	11,656,396	11,481,662	15,061,055	13,124,767
Total Primary Government Program Revenues	\$17,658,122	\$18,215,062	\$31,205,224	\$19,294,688

2017	2018	2019	2020	2021	2022
\$4,897,368	\$6,844,661	\$4,257,293	\$5,830,318	\$5,288,126	\$6,656,883
12,382,350	13,483,334	4,089,310	12,658,013	10,004,640	11,494,371
1,373,191	1,501,328	1,483,046	2,336,784	1,326,166	1,381,394
2,081,037	2,221,685	1,585,328	2,314,257	2,254,414	2,413,416
2,585,007	3,663,358	2,926,523	2,039,555	3,533,258	4,729,630
1,157,661	1,340,901	1,115,622	1,286,878	1,280,947	1,315,848
477,533	420,401	419,414	470,452	451,633	457,436
0	0	0	4,828	0	0
576,961	554,938	528,415	341,271	400,949	396,531
0	0	0	115,846	0	0
25,531,108	30,030,606	16,404,951	27,398,202	24,540,133	28,845,509
4,998,656	4,539,890	4,867,435	4,997,191	3,911,082	5,171,358
4,180,771	4,620,157	4,552,301	4,189,776	3,782,391	4,239,449
1,987,928	2,433,942	2,806,004	1,698,587	1,858,442	2,921,146
375,635	390,029	418,786	312,350	375,158	404,848
81,973	74,916	77,146	89,861	32,286	53,886
932,166	862,830	1,222,127	1,203,274	1,001,917	1,397,938
1,486,102	1,497,924	1,706,060	1,278,211	964,361	1,230,454
14,043,231	14,419,688	15,649,859	13,769,250	11,925,637	15,419,079
\$39,574,339	\$44,450,294	\$32,054,810	\$41,167,452	\$36,465,770	\$44,264,588
\$280,148	\$278,575	\$262,869	\$216,768	\$356,913	\$353,500
1,736,647	1,719,330	1,693,379	1,845,129	1,988,329	2,167,866
2,062	6,678	11,270	16,872	0	0
130,852	142,853	172,361	171,414	242,114	229,418
52,011	49,154	46,933	21,836	31,247	11,874
1,931,589	2,015,155	2,021,205	2,328,913	2,348,761	2,392,424
196,029	212,752	273,335	189,730	311,551	213,031
1,168,294	1,217,354	1,609,041	4,179,673	2,738,782	1,886,883
3,093,912	1,631,943	1,402,328	4,636,334	10,649,090	3,417,260
8,591,544	7,273,794	7,492,721	13,606,669	18,666,787	10,672,256
5,727,326	5,798,521	5,916,914	6,012,657	6,101,089	5,964,896
4,407,668	4,526,936	4,731,392	4,640,877	5,068,188	5,139,023
1,234,889	1,282,471	1,325,402	162,069	859,881	1,112,530
245,158	251,097	279,020	104,415	277,053	343,934
23,499	17,321	55	0	0	0
627,655	580,103	667,891	924,388	1,123,779	1,184,382
1,520,311	1,531,989	1,562,822	1,638,214	1,663,234	1,685,364
0	0	0	0	1,075,208	0
1,348,578	986,500	1,671,288	3,005,489	2,971,315	259,446
15,135,084	14,974,938	16,154,784	16,488,109	19,139,747	15,689,575
\$23,726,628	\$22,248,732	\$23,647,505	\$30,094,778	\$37,806,534	\$26,361,831

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

	2013	2014	2015	2016
Net (Expense)/Revenue				
Governmental Activities	(\$16,322,417)	(\$15,677,919)	(\$7,369,953)	(\$19,210,949)
Business-Type Activities	(284,368)	(1,538,896)	999,699	617,166
Total Primary Government Net Expenses	<u>(\$16,606,785)</u>	<u>(\$17,216,815)</u>	<u>(\$6,370,254)</u>	<u>(\$18,593,783)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Income Taxes	\$15,973,203	\$19,067,978	\$18,014,295	\$19,049,745
Property Taxes Levied for:				
General Purposes	1,705,413	1,618,964	1,630,039	1,658,628
Special Revenue Purposes	6,520	32,665	44,947	57,838
Grants and Entitlements not Restricted	1,490,142	292,024	890,548	908,292
Payments in Lieu of Taxes	235,542	248,790	198,388	210,682
Unrestricted Contributions	71,262	57,170	474,088	42,050
Investment Earnings	(91,481)	1,153,754	526,342	66,295
Other Revenues	616,141	497,275	952,870	912,677
Transfers-Internal Activities	(600,391)	(757,733)	(775,000)	(775,000)
Total Governmental Activities	<u>19,406,351</u>	<u>22,210,887</u>	<u>21,956,517</u>	<u>22,131,207</u>
Business-Type Activities:				
Investment Earnings	7,877	166,647	49,306	24,833
Other Revenues	958,006	947,476	821,043	550,157
Transfers-Internal Activities	600,391	757,733	775,000	775,000
Total Business-Type Activities	<u>1,566,274</u>	<u>1,871,856</u>	<u>1,645,349</u>	<u>1,349,990</u>
Total Primary Government	<u>\$20,972,625</u>	<u>\$24,082,743</u>	<u>\$23,601,866</u>	<u>\$23,481,197</u>
Changes in Net Position				
Governmental Activities	\$3,083,934	\$6,532,968	\$14,586,564	\$2,920,258
Business-Type Activities	1,281,906	332,960	2,645,048	1,967,156
Total Primary Government	<u>\$4,365,840</u>	<u>\$6,865,928</u>	<u>\$17,231,612</u>	<u>\$4,887,414</u>

Source: City Records

2017	2018	2019	2020	2021	2022
(\$16,939,564)	(\$22,756,812)	(\$8,912,230)	(\$13,791,533)	(\$5,873,346)	(\$18,173,253)
1,091,853	555,250	504,925	2,718,859	7,214,110	270,496
<u>(\$15,847,711)</u>	<u>(\$22,201,562)</u>	<u>(\$8,407,305)</u>	<u>(\$11,072,674)</u>	<u>\$1,340,764</u>	<u>(\$17,902,757)</u>
\$19,420,325	\$18,698,514	\$21,541,455	\$20,403,139	\$23,557,082	\$24,793,126
1,764,609	1,782,923	1,835,267	1,773,007	2,102,732	2,143,820
128,929	127,588	128,962	129,360	142,890	127,732
827,617	897,896	978,491	945,614	1,531,217	1,378,583
209,947	339,638	443,915	558,801	637,384	613,550
95,450	65,845	48,047	59,711	142,033	98,011
1,285,077	834,421	2,083,021	942,824	(728,942)	(4,535,213)
875,760	911,216	964,395	2,106,902	703,747	1,043,846
<u>(10,253,539)</u>	<u>(775,000)</u>	<u>(3,569,373)</u>	<u>(1,092,408)</u>	<u>(165,000)</u>	<u>(50,000)</u>
<u>14,354,175</u>	<u>22,883,041</u>	<u>24,454,180</u>	<u>25,826,950</u>	<u>27,923,143</u>	<u>25,613,455</u>
104,224	152,676	361,387	181,257	(137,940)	(867,654)
230,009	280,407	454,767	881,233	434,167	664,243
<u>10,253,539</u>	<u>775,000</u>	<u>3,569,373</u>	<u>1,092,408</u>	<u>165,000</u>	<u>50,000</u>
<u>10,587,772</u>	<u>1,208,083</u>	<u>4,385,527</u>	<u>2,154,898</u>	<u>461,227</u>	<u>(153,411)</u>
<u>\$24,941,947</u>	<u>\$24,091,124</u>	<u>\$28,839,707</u>	<u>\$27,981,848</u>	<u>\$28,384,370</u>	<u>\$25,460,044</u>
(\$2,585,389)	\$126,229	\$15,541,950	\$12,035,417	\$22,049,797	\$7,440,202
<u>11,679,625</u>	<u>1,763,333</u>	<u>4,890,452</u>	<u>4,873,757</u>	<u>7,675,337</u>	<u>117,085</u>
<u>\$9,094,236</u>	<u>\$1,889,562</u>	<u>\$20,432,402</u>	<u>\$16,909,174</u>	<u>\$29,725,134</u>	<u>\$7,557,287</u>

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Fund				
Nonspendable	\$0	\$0	\$0	\$0
Restricted	991,248	794,501	832,108	998,315
Committed	32,981,626	33,508,812	33,180,085	33,299,005
Assigned	456,887	1,939,443	2,437,037	3,339,176
Unassigned	<u>17,838,673</u>	<u>16,808,887</u>	<u>20,395,160</u>	<u>17,409,290</u>
Total General Fund	<u>52,268,434</u>	<u>53,051,643</u>	<u>56,844,390</u>	<u>55,045,786</u>
All Other Governmental Funds				
Nonspendable	0	0	0	0
Restricted	8,557,723	10,132,288	14,353,118	9,854,123
Assigned	461,157	460,950	783,657	742,273
Unassigned	<u>(1,310,578)</u>	<u>(1,159,095)</u>	<u>(1,105,362)</u>	<u>(985,134)</u>
Total all Other Governmental Funds	<u>\$7,708,302</u>	<u>\$9,434,143</u>	<u>\$14,031,413</u>	<u>\$9,611,262</u>

Source: City Records

2017	2018	2019	2020	2021	2022
\$0	\$0	\$0	\$22,573	\$152,579	\$174,336
1,285,892	1,444,592	1,869,823	2,194,956	2,572,840	3,558,317
33,452,517	32,854,302	33,810,433	33,968,351	33,025,155	28,974,423
672,148	643,414	646,379	5,283,345	2,102,019	898,388
23,997,089	22,055,462	23,573,247	22,288,962	24,041,949	25,209,647
<u>59,407,646</u>	<u>56,997,770</u>	<u>59,899,882</u>	<u>63,758,187</u>	<u>61,894,542</u>	<u>58,815,111</u>
0	0	0	0	8,402	9,790
10,399,462	13,104,957	11,315,679	14,281,242	19,046,811	23,743,153
712,139	320,474	521,097	883,897	1,178,830	445,793
(862,897)	(610,336)	(254,508)	0	0	0
<u>\$10,248,704</u>	<u>\$12,815,095</u>	<u>\$11,582,268</u>	<u>\$15,165,139</u>	<u>\$20,234,043</u>	<u>\$24,198,736</u>

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

	2013	2014	2015	2016
Revenues				
Taxes	\$17,685,933	\$18,003,217	\$19,424,788	\$20,377,376
Charges for Services	3,991,137	3,777,696	4,079,231	3,919,415
Investment Earnings	(84,471)	1,153,755	526,342	66,295
Intergovernmental	2,939,465	2,399,866	3,032,459	3,148,693
Special Assessments	51,702	91,946	55,570	91,105
Fines, Licenses and Permits	74,149	415,384	362,907	191,613
Revenue in Lieu of Taxes	235,542	248,790	198,388	210,682
Other Revenues	699,986	538,199	1,032,024	1,120,640
Total Revenues	25,593,443	26,628,853	28,711,709	29,125,819
Expenditures				
Current:				
General Government	4,358,675	4,313,792	4,156,432	4,607,792
Public Safety	10,530,314	10,217,092	10,219,901	10,406,317
Community Development	1,083,725	914,865	947,345	1,088,196
Leisure Time Activities	1,307,669	1,409,945	1,401,449	1,423,497
Transportation and Street Repair	1,513,367	1,474,539	1,483,514	1,451,258
Basic Utility Service	1,158,762	1,408,069	1,100,215	1,085,412
Public Health and Welfare	332,317	377,198	368,056	387,002
Other	0	0	0	0
Capital Outlay	2,331,832	2,426,089	7,996,747	12,721,449
Debt Service:				
Principal Retirement	587,388	609,875	619,278	864,252
Interest and Fiscal Charges	265,211	248,373	312,359	570,062
Bond Issuance Costs	0	0	250,357	0
Total Expenditures	\$23,469,260	\$23,399,837	\$28,855,653	\$34,605,237

2017	2018	2019	2020	2021	2022
\$21,765,139	\$20,891,159	\$23,330,512	\$22,727,345	\$24,510,799	\$27,894,290
3,918,322	3,925,563	3,932,386	4,107,433	4,417,476	4,604,646
1,285,076	834,421	2,083,020	942,824	(728,938)	(4,535,209)
3,072,150	3,394,659	2,864,437	8,913,300	4,608,328	6,422,874
86,516	108,558	125,940	104,479	121,861	167,543
215,831	148,018	238,617	93,836	226,543	201,505
209,947	339,638	443,915	558,801	633,634	608,198
1,183,213	1,245,676	1,224,987	1,458,639	1,277,425	1,280,631
31,736,194	30,887,692	34,243,814	38,906,657	35,067,128	36,644,478
4,151,288	5,938,441	4,715,910	6,173,501	4,972,194	5,277,631
10,617,674	10,948,662	11,443,756	10,964,329	11,682,648	12,035,608
1,254,273	1,360,441	1,969,245	2,269,615	1,389,066	1,470,604
1,652,471	1,576,884	1,707,986	1,708,306	1,871,984	1,997,567
1,438,950	2,494,163	2,720,533	1,387,773	2,648,866	4,170,680
1,069,084	1,108,700	1,170,351	1,226,651	1,227,535	1,254,431
462,831	393,912	538,030	492,400	485,437	546,668
0	0	0	4,828	0	0
4,210,157	4,753,117	6,037,302	5,041,959	6,291,648	7,078,260
881,739	907,970	926,715	942,946	966,690	2,029,946
533,200	511,707	484,746	355,838	375,728	317,257
0	0	0	115,846	0	0
\$26,271,667	\$29,993,997	\$31,714,574	\$30,683,992	\$31,911,796	\$36,178,652

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

	2013	2014	2015	2016
Excess of revenues over (under) expenditures	\$2,124,183	\$3,229,016	(\$143,944)	(\$5,479,418)
Other Financing Sources (Uses)				
Issuance of Long-Term Capital-Related Debt	\$0	\$0	\$9,000,000	\$0
Premium of Issuance	0	0	251,938	0
Sale of Refunding Bonds	0	0	0	0
Payments to Refunded Bond Escrow Agent	0	0	0	0
Premium on Sale of Refunded Bonds	0	0	0	0
Proceeds from Sale of Capital Assets	179,210	37,767	57,023	35,663
Transfers In	3,688,623	4,392,814	2,421,729	9,586,588
Transfers (Out)	(4,685,019)	(5,150,547)	(3,196,729)	(10,361,588)
Total Other Financing Sources (Uses)	(817,186)	(719,966)	8,533,961	(739,337)
Net Change in Fund Balances	<u>\$1,306,997</u>	<u>\$2,509,050</u>	<u>\$8,390,017</u>	<u>(\$6,218,755)</u>
Debt service as a percentage of noncapital expenditures (1)	4.2%	4.0%	9.0%	6.6%

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"

2017	2018	2019	2020	2021	2022
\$5,464,527	\$893,695	\$2,529,240	\$8,222,665	\$3,155,332	\$465,826
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	0	0	7,535,000	0	0
0	0	0	(7,953,575)	0	0
0	0	0	534,421	0	0
284,775	37,820	15,045	0	214,927	469,436
3,741,482	7,479,060	6,763,264	7,939,203	11,810,000	12,075,209
(4,491,482)	(8,254,060)	(7,638,264)	(9,031,611)	(11,975,000)	(12,125,209)
(465,225)	(737,180)	(859,955)	(976,562)	49,927	419,436
\$4,999,302	\$156,515	\$1,669,285	\$7,246,103	\$3,205,259	\$885,262
6.7%	5.4%	5.0%	6.7%	7.9%	8.1%

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

Calendar Year	Real Property	Public Utilities Personal	Total Assessed Value	Total Estimated Actual Value
	Assessed Value	Assessed Value		
2013	\$497,566,570	\$13,116,620	\$510,683,190	\$1,459,094,829
2014	471,863,070	12,778,280	484,641,350	1,384,689,571
2015	479,708,290	13,442,150	493,150,440	1,409,001,257
2016	484,535,010	14,172,530	498,707,540	1,424,878,686
2017	517,577,100	15,518,370	533,095,470	1,523,129,914
2018	527,390,480	16,311,050	543,701,530	1,553,432,943
2019	544,995,420	18,388,810	563,384,230	1,609,669,229
2020	599,807,390	20,208,490	620,015,880	1,771,473,943
2021	634,019,030	21,269,760	655,288,790	1,872,253,686
2022	650,719,480	22,959,660	673,679,140	1,924,797,543

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.

<u>Total Direct Rate (1)</u>	<u>Total Direct Rate (2)</u>	<u>Total Direct Rate (3)</u>	<u>Total Direct Rate (4)</u>
3.10	1.10	0.00	0.00
3.10	1.10	0.00	0.00
3.10	1.10	0.00	0.00
3.10	1.10	0.55	1.55
3.10	1.10	0.55	1.55
3.10	1.10	0.55	1.55
3.10	1.10	0.55	1.55
3.10	1.10	0.55	1.55
3.10	1.10	0.55	1.55
3.10	1.10	0.55	1.55

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)	Troy City School District	Upper Valley Joint Vocational	Miami County	Troy-Miami County Library
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
2022	3.10	0.23	48.35	6.40	9.20	0.60

Calendar Year	Total Direct Rate (2)	Overlapping Rates				
		Miami Conservancy City (3)	Miami East School District	Miami Valley Career Technology Center	Miami County	Troy-Miami County Library
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
2022	1.10	0.23	44.05	3.96	9.20	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

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	2022	
	Assessed Value	Percentage of Total Assessed Value
Kettering Medical Center	\$18,002,500	2.67%
American Honda Motor	14,086,190	2.09%
Vectren Energy Delivery of Ohio Inc.	11,884,010	1.76%
Dayton Power and Light Company	11,352,490	1.69%
Kroger Company	3,614,950	0.54%
Hobart Corporation	3,114,990	0.46%
TPAF IV Towne Park Delaware LLC	2,986,830	0.44%
F&P America Mfg, Inc.	2,924,570	0.43%
First Troy Corp.	2,754,040	0.41%
MO Troy LLC	2,635,160	0.39%
Oakmont Creek Apartments LLC	2,491,200	0.37%
Total Principal Property Tax Payers	\$75,846,930	11.25%

Taxpayer	2013	
	Assessed Value	Percentage of Total Assessed Value
Dayton Power and Light Company	\$9,066,890	1.80%
American Honda Motor	6,954,400	1.38%
F&P America Mfg, Inc.	4,342,580	0.86%
Vectren Energy Delivery	3,684,870	0.73%
Hobart Corporation	3,145,370	0.63%
Health Care REIT Inc.	2,977,110	0.59%
Dayton Montgomery County Port Authority	2,948,340	0.59%
TPAC IV Towne Park LLC	2,894,300	0.58%
DW28 Monroe, LLC	2,718,270	0.54%
Troy Investment Group LLC	2,418,010	0.48%
Total Principal Property Tax Payers	\$41,150,140	8.20%

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
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%
2022	2,439,063	2,429,169	99.59%	64,064	2,493,233	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

Calendar Year	Withholding Accounts	Business Accounts	Residential Accounts	Total	Income Tax Rate
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%
2022	18,085,833	5,514,639	1,752,190	25,352,662	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

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			
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	0.30%	330
2022	7,475,979	5,409,115	2,322,124	15,207,218	N/A	N/A

Source: City Records

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
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
2022	12,885,094	1,128,524	11,756,570	0.61%	447

(1) - Amount from Statement of Net Position

Source: City Records

City of Troy, Ohio
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2022
 Schedule 13

Governmental Unit	Net Debt Outstanding	Estimated Percentage Applicable (1)	Amount Applicable to City of Troy
Miami County	\$15,017,996	25.14%	\$3,775,524
Troy City School District	10,308,964	73.73%	7,600,799
Miami East Local School District	9,675,000	18.00%	1,741,500
Miami Valley Career Center Joint Vocational School District	119,886,095	0.61%	731,305
Upper Valley Career Center Joint Vocational School District	785,000	22.29%	174,977
Subtotal Overlapping Debt	155,673,055		14,024,105
City of Troy - Direct Debt	7,475,979	100.00%	7,475,979
Total Direct and Overlapping Debt	\$163,149,034		\$21,500,084

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	\$673,679,140	\$673,679,140
Statutory Legal Debt Limitation (1)	10.5%	5.5%
Total Debt Limitation	70,736,310	37,052,353
Debt Applicable to Limit:		
Gross Indebtedness	15,207,218	15,207,218
Less: Debt Outside Limitations (2)	7,731,239	7,731,239
Less: Restricted for Debt Service (3)	1,128,524	1,128,524
Total Net Debt Applicable to Limit	6,347,455	6,347,455
Legal Debt Margin	\$64,388,855	\$30,704,898

	2013	2014	2015	2016
Total Debt Limit (1)				
Debt Limit (10.5%)	\$53,621,735	\$50,887,342	\$51,780,796	\$52,364,292
Total Net Debt Applicable to Limit	7,021,913	6,410,882	15,042,386	14,167,980
Legal Debt Margin	\$46,599,822	\$44,476,460	\$36,738,410	\$38,196,312
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	13.1%	12.6%	29.1%	27.1%

	2013	2014	2015	2016
Total Unvoted Debt Limit (1)				
Debt Limit (5.5%)	\$28,087,575	\$26,655,274	\$27,123,274	\$27,428,915
Total Net Debt Applicable to Limit	7,021,913	6,410,882	15,042,386	14,167,980
Legal Debt Margin	\$21,065,662	\$20,244,392	\$12,080,888	\$13,260,935
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	25.0%	24.1%	24.1%	51.7%

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 Position

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$55,975,024	\$57,088,661	\$65,101,667	65,101,667	68,805,323	70,736,310
<u>13,276,087</u>	<u>12,357,963</u>	<u>11,421,094</u>	<u>10,368,621</u>	<u>8,938,966</u>	<u>6,347,455</u>
<u>\$42,698,937</u>	<u>\$44,730,698</u>	<u>\$53,680,573</u>	<u>\$54,733,046</u>	<u>\$59,866,357</u>	<u>\$64,388,855</u>
23.7%	21.6%	17.5%	15.9%	13.0%	9.0%

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$29,320,251	\$29,903,584	\$34,100,873	34,100,873	36,040,883	37,052,353
<u>13,276,087</u>	<u>12,357,963</u>	<u>11,421,094</u>	<u>10,368,621</u>	<u>8,938,966</u>	<u>6,347,455</u>
<u>\$16,044,164</u>	<u>\$17,545,621</u>	<u>\$22,679,779</u>	<u>\$23,732,252</u>	<u>\$27,101,917</u>	<u>\$30,704,898</u>
45.3%	41.3%	33.5%	30.4%	24.8%	17.1%

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

Calendar Year	Special Assessment Bonds			
	Special Assessment Collections (1)	Debt Service		Coverage
		Principal	Interest	
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
2022	166,920	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)
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	6,003,694	54,947	4.30%
2022	26,305	N/A	N/A	3.60%

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

2022			
Major Employers (2)	Type	Number of Employees (5)	Employer's Percentage of Total Employment
Upper Valley Medical Center	Health	1,600	(4)
Clopay Building Products	Mfg	935	(4)
F & P American Mfg.	Mfg	920	(4)
UTC Aerospace Systems	Mfg	814	(4)
Meijer Distribution Center	Logistics	800	(4)
ConAgra Foods	Mfg	734	(4)
American Honda	Logistics	631	(4)
Hobart Brothers	Mfg	568	(4)
Industry Products	Mfg	440	(4)
ITW Food Equipment Group	Mfg	320	(4)

2013			
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: Miami County, Ohio Department of Development and 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.
- (5) - Estimated Employment

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City of Troy, Ohio
 Full-Time Equivalent City Government Employees by Function/Program (1)
 Last Ten Calendar Years
 Schedule 18

Function/Program	2013	2014	2015	2016
Information Systems	3	3	3	3
Council	1	1	1	1
Mayor	1	1	1	1
Audit	4	3	4	4
Law	2	2	2	2
Service	4	4	4	4
Human Resources	2	2	2	2
Fire	39	39	39	39
Police	39	41	40	43
Parks	6	7	7	7
Recreation	3	3	3	4
Electric	3	3	3	3
Development	2	2	2	5
Street	12	13	13	13
Tax	5	6	6	6
Cemetery	2	2	2	2
Refuse	2	2	2	2
Hobart Arena	5	5	6	6
Water Administration	0	0	0	0
Water Plant	9	8	9	9
Water Distribution	5	4	5	4
Sewer B&C	3	2	2	2
Sewer Plant	9	8	8	7
Sewer Maintenance	5	5	5	5
Parking	0	1	1	1
Miami Shores	5	5	4	4
Engineering	10	9	10	7
Total	181	181	184	186

Source: Various City Departments

(1) - Full-Time Equivalent Employees as of December 31

2017	2018	2019	2020	2021	2022
3	3	3	3	3	3
1	1	1	1	1	1
1	1	1	1	1	1
4	4	4	4	4	4
2	2	2	2	2	2
4	4	6	5	5	5
3	3	2	2	2	2
40	40	40	44	44	42
44	44	42	43	41	42
7	8	8	9	9	8
4	4	4	4	4	3
3	3	3	2	3	2
5	5	5	5	4	6
11	11	11	11	11	11
5	5	5	5	4	4
2	2	2	2	2	2
2	2	2	2	2	2
6	7	8	8	7	5
0	0	2	2	2	2
9	9	9	9	9	9
5	5	5	5	4	5
2	2	2	2	2	3
8	7	7	7	6	7
5	5	6	6	6	7
1	1	1	1	1	1
4	4	4	4	5	5
7	7	7	7	8	8
<u>188</u>	<u>189</u>	<u>192</u>	<u>196</u>	<u>192</u>	<u>192</u>

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

Function/Program	2013	2014	2015	2016
General government				
Commercial Construction				
Building permits issued	131	142	178	180
Value	\$16,785,655	\$12,395,774	\$13,551,130	\$20,775,296
Residential Construction (3)				
Building permits issued	49	67	54	54
Value	\$13,341,957	\$16,077,815	\$14,675,067	\$15,217,543
Police department				
Physical arrests	2,195	2,119	1,916	1,854
Parking violations (2)	1,501	521	1,865	669
Traffic violations	2,530	2,478	2,178	2,664
Fire department				
Fire responses	1,575	1,636	1,574	1,589
EMS responses	4,064	4,387	4,816	4,945
Fires extinguished	107	49	52	85
Inspections	861	688	979	993
Refuse collection department				
Refuse collected (tons)	6,213	6,177	6,335	6,099
Recyclables collected (tons)	1,706	1,647	1,765	1,924
Other public works departments				
Street resurfacing (cubic yards)	3,446	3,406	4,925	6,143
Parks and recreation department				
Community Center Admissions (1)	\$73,317	\$72,968	\$82,146	\$89,148
Community Center Attendance	31,160	29,009	28,420	33,276
Water department				
New connections (each)	48	43	65	112
Water main breaks (each)	20	26	31	24
Average daily consumption				
(millions of gallon per day)	4.00	3.68	3.56	3.54
Peak daily consumption				
(millions of gallon per day)	5.6	5.3	4.8	5.1
Wastewater department				
Average daily sewage treatment				
(millions of gallon per day)	5.08	5.60	5.03	4.64

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

2017	2018	2019	2020	2021	2022
161	188	159	114	128	176
\$53,461,060	\$24,739,752	\$52,239,282	\$33,671,182	\$33,175,212	\$40,044,876
79	196	91	115	165	99
\$23,977,228	\$23,483,403	\$26,675,859	\$22,072,688	\$37,416,297	\$36,649,303
N/A	2,091	N/A	553	548	558
N/A	1,683	N/A	1,060	1,164	1,380
N/A	2,599	N/A	1,232	1,786	1,855
1,796	1,970	1,989	1,732	1,941	1,823
4,704	4,630	4,619	4,673	5,215	5,328
87	67	86	58	52	125
933	820	813	705	722	758
6,215	6,346	6,536	7,068	7,158	6,944
1,936	1,917	1,878	2,103	2,043	1,852
4,492	10,309	7,890	4,009	4,416	5,000
\$91,653	\$96,959	\$116,833	\$60,451	\$117,254	\$151,035
33,212	34,116	37,514	11,726	33,618	36,781
67	80	99	112	173	100
16	35	32	33	28	33
3.44	3.45	3.50	3.58	3.60	3.83
5.1	5.0	4.9	5.2	4.7	5.98
5.46	7.36	6.66	5.72	5.47	5.68

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

Function/Program	2013	2014	2015	2016
Police				
Stations	1	1	1	1
Patrol units	11	11	11	11
Fire Stations	3	3	3	3
Other Public Works				
Area of City (square miles)	12.345	12.345	11.800	12.040
Streets (miles)	113.04	128.00	132.07	132.74
Streetlights	2,568	2,598	25,987	2,661
Traffic signals	44	44	44	47
Parks and Recreation				
Number of Parks	25	25	25	25
Acreage	303	321	321	321
Playgrounds	17	17	17	17
Baseball/Softball Diamonds	15	15	15	15
Soccer/Football Fields	15	15	15	15
Community Centers				
Kings Chapel Community Center	1	1	1	1
Troy Aquatic Park	1	1	1	1
Senior Citizen Center	0	1	1	1
Municipal Water Department				
Treatment Capacity (millions of gallons per day)	16	16	16	16
Water Mains (miles)	139.96	155.83	157.16	159.26
Fire hydrants	1,288	1,373	1,356	1,325
Sewers				
Treatment Capacity (millions of gallons per day)	7	7	7	7
Storm Sewers (miles)	81.18	124.51	127.55	128.86
Sanitary Sewers (miles)	128.24	126.85	127.29	128.36
Hobart Arena				
Attendance	26,181	21,159	23,325	15,191
Ticket Sold (1)	22,032	20,168	22,690	14,533

Source: Various City Departments

(1) - Tickets sold by Hobart Arena only

2017	2018	2019	2020	2021	2022
1	1	1	1	1	1
11	11	11	12	12	12
3	3	3	3	3	3
12.050	12.100	12.150	12.252	12.488	12.563
132.74	133.20	133.65	135.50	136.33	139.98
2,590	2,714	2,629	2,630	2,637	2,604
46	47	43	43	43	42
25	25	25	25	25	27
321	321	321	321	321	365
17	17	17	17	17	17
15	15	15	15	15	15
15	15	15	15	15	15
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
16	16	16	16	16	16
160.14	160.98	163.00	165.64	167.85	168.19
1,356	1,357	1,390	1,424	1,441	1,444
7	7	7	7	7	7
130.14	132.35	132.30	136.38	137.49	137.98
130.22	131.01	133.20	135.73	137.20	137.36
29,935	25,275	27,143	6,141	11,349	16,943
24,239	24,092	23,018	5,508	11,810	16,009

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OHIO AUDITOR OF STATE KEITH FABER



CITY OF TROY

MIAMI COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 7/11/2023

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

This report is a matter of public record and is available online at
www.ohioauditor.gov