



Dave Yost • Auditor of State

CITY OF TROTWOOD
MONTGOMERY COUNTY

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Dave Yost • Auditor of State

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

City of Trotwood
Montgomery County
3035 Olive Road
Trotwood, Ohio 45426

To the City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Trotwood, Montgomery County, (the City) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated August 31, 2017. Wherein we noted the City restated beginning net position / fund balance in the Governmental Activities, Business-Type Activities, Water Fund, Sewer Fund, and Storm Water Fund related to errors in previously reported capital assets, and the General Fund, Fire Levy Fund, and Other Governmental Funds (Park Acquisition and Development Fund, Industrial Park, and Salem Mall Tax Increment Fund) to eliminate an interfund payable and receivable. We did not modify our opinion regarding this matter.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings that we consider material weaknesses. We consider findings 2016-001 and 2016-002 to be material weaknesses.

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matter we must report under *Government Auditing Standards*, which is described in the accompanying schedule of findings as item 2016-002.

City's Response to Findings

The City's responses to the findings identified in our audit is described in the accompanying schedule of findings. We did not audit the City's responses and, accordingly, we express no opinion on it.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Dave Yost
Auditor of State
Columbus, Ohio

August 31, 2017

**CITY OF TROTWOOD
MONTGOMERY COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2016**

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

FINDING NUMBER 2016-001

MATERIAL WEAKNESS – FINANCIAL STATEMENT MISSTATEMENTS

The City prepared its annual financial statements in accordance with generally accepted accounting principles (GAAP). The City's Financial Report for 2016 contained the following errors:

The following differences were determined to be material and were adjusted on the financial statements:

- In Governmental Activities, Unrestricted Net Position, Total Ending Net Position, General Income Tax Revenue, and Taxes Receivable were each overstated by \$126,215, respectively.
- In the General Fund, Income Tax Receivable was overstated by \$126,215, Tax Revenues were understated by \$320,014, and Deferred Inflows-Income Tax was overstated by \$446,229.
- **Auditor of State Bulletin 97-003** provides, in part, to advance cash from one fund to another, there must be statutory authority to use the money in the fund advancing the cash (the "creditor" fund) for the same purpose for which the fund receiving the cash (the "debtor" fund) was established; the reimbursement from the debtor fund to the creditor fund must not violate any restrictions on the use of the money to be used to make the reimbursement; and advances must be approved by a formal resolution of the taxing authority of the subdivision. The City made advances during prior years that totaled \$187,900 from the General Fund to the Salem Mall Tax Increment Fund (\$117,000), to the Trotwood Industrial Park Fund (\$3,000), to the Parkland Acquisition and Development Fund (\$67,700), and the Fire Protection Fund (\$200). The City Council approved the advances as part of the appropriations approved during those prior years. The appropriations showed a line item for "transfers/advances", with no distinction between the two types. Any advance must be clearly labeled as such, and must be distinguished from a transfer. Transfers are intended to reallocate money permanently from one fund to another and may be made only as authorized in Ohio Rev. Code §5705.14 to 5705.16. Advances, on the other hand, temporarily reallocate cash from one fund to another and involve an expectation of repayment. The related interfund receivable and interfund payable was eliminated on the financial statements because the City does not intend to repay these prior year outstanding advances, as City management believed the transactions were intended to be transfers. This resulted in the General Fund beginning balance and interfund receivable being overstated by \$187,900, respectively; Fire Levy Fund beginning balance being understated and interfund payable being overstated by \$200, respectively; and the Other Governmental Funds beginning balance being understated and interfund payable being overstated by \$187,700, respectively.
- The City did not properly classify the amounts related to delinquent property taxes as deferred inflows of resources - unavailable revenue on the balance sheet (the City classified these amounts as deferred inflows of resources - property taxes). Because those amounts are not available to liquidate liabilities of the current period, they should be classified as unavailable revenue. The delinquent property taxes totaled \$659,052 for the General Fund, \$168,518 for the Street Construction and Maintenance Fund, \$1,006,185 for the Fire Levy Fund, \$192,424 for the Rescue Levy Fund, and \$239,760 for Other Governmental Funds.
- In Business Type Activities, Accounts Payable and Contractual Services expenditures were overstated by \$394,293, respectively.
- In the Water Fund, Accounts Payable and Contractual Services expenditures were overstated by \$229,021, respectively.
- In the Sewer Fund, Accounts Payable and Contractual Services expenditures were overstated by \$165,272, respectively.

**Finding 2016-001
(Continued)**

The following differences are immaterial and were not adjusted on the financial statements:

- **Ohio Rev. Code § 4504.15** provides, in part, any county may levy an annual license tax upon the operation of motor vehicles on the public roads or highways. The tax shall be at the rate of five dollars per motor vehicle on all motor vehicles the district of registration of which is located in the county levying the tax. The permissive tax collected under Ohio Rev. Code § 4504.15 shall be distributed fifty percent to the municipality and fifty percent to the county. The City reported county levied motor vehicle license tax receipts in the amount of \$42,818 as Property and Other Taxes revenue rather than Intergovernmental revenue in the Motor Vehicle License Tax Fund. As such, in the Other Governmental Funds, Property and Other Taxes revenue was overstated by \$42,818 and Intergovernmental revenue was understated by \$42,818. Also, Property and Other Taxes revenue was overstated by \$42,818 and Intergovernmental receipts were understated by \$42,818 for Government Type Activities.
- Business Type-Activities, Water Fund and Sewer Fund accounts receivable and charges for services were overstated in the amount of \$8,101, \$4,609, and \$3,492, respectively.
- The City reported Special Assessment Receivables at the net collection amount (net of related fees); however, the City should have reported these assessments at the gross amount. This resulted in receivables and related revenues being understated in the Business Type Activities, Water Fund, Storm Water Fund, and Refuse Fund by \$30,982, \$2,907, \$8,494, and \$19,581, respectively.
- During 2016, the City issued \$1,815,000 in Governmental Activities General Obligation Bonds and received related bond proceeds of \$1,853,126. Due to the nature of the gain received, the difference of \$38,126 should have been reported as Other Financing Sources; however, the City reported this amount as miscellaneous receipts. Therefore, Other Revenue was overstated and Other Financing Sources was understated by \$38,126, respectively, for Other Governmental Funds.
- **Governmental Accounting Standards Board Statement No. 54, paragraph 10**, (GASB codification 1800.170) provides, in part, that amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority should be reported as committed fund balance. During 2016, the City created a capital projects fund for general capital projects in Other Governmental Funds. However, the City reported the fund balance as restricted rather than committed. Therefore, Other Governmental Funds restricted fund balance was overstated and committed fund balance was understated by \$100,000, respectively.
- The City improperly calculated the Government Type Activities Pension Expense and Deferred Outflows related to the Net Pension Liability for the Ohio Public Employees Retirement System (OPERS). Pension Expense was overstated and Deferred Outflow was understated by \$32,910, respectively.
- The City improperly calculated Pension Expense and Deferred Outflows related to the Net Pension Liability for the Ohio Public Employees Retirement System (OPERS). Pension Expense was overstated and Deferred Outflow was understated for Business-Type Activities, Water Fund, Sewer Fund, and Storm Water Fund by \$7,896, \$1,938, \$1,906, and \$4,052, respectively.

To improve the accuracy and completeness of the City's basic financial statements and to provide for comparative financial statements from year to year, the City should implement procedures to verify the basic financial statements are reviewed for accuracy and completeness. The failure to review the City's annual financial report could result in materially misstated financial statements and misleading financial information.

Official's Response: The City will implement procedures to review and verify the accuracy and completeness of its financial statements.

FINDING NUMBER 2016-002

NONCOMPLIANCE AND MATERIAL WEAKNESS

Ohio Admin. Code § 117-2-02(A) states, in part, that all local public offices shall maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets (and liabilities, if generally accepted accounting principles apply), document compliance with finance-related legal and contractual requirements and prepare financial statements required by rule 117-2-03 of the Administrative Code.

Ohio Admin. Code § 117-2-02(B) states, in part, the management of each local public office is responsible for the assertions underlying the information in the public office's financial statements. The accounting system should assure that the following assertions are achieved for all transaction types and account balances applicable to the local public office's operations.

Ohio Admin. Code § 117-2-02(E) states, in part, that each local public office should establish a capitalization threshold so that, unless the local public office establishes a capitalization threshold for any individual item of five thousand dollars or more, at a minimum, eighty percent of the local public office's non-infrastructure assets are identified, classified, and recorded on the local public office's financial records. Capitalization thresholds are best applied to individual items rather than to group of similar items such as desks and tables.

The City did not have approved formal capital asset or depreciation policies. During 2016, the City changed useful lives in their accounting system and restated the financial statements. However, the restatement included depreciation amounts that were not consistent with the useful life schedule that was being utilized by the City and the useful lives of assets were not applied consistently to all assets in each asset class.

During July 2017 while the City was under audit, the City Council formally approved a Capital Assets Policy and Useful Life Schedule that was consistent with past practice. As a result, the following differences in Beginning Net Position, Beginning Capital Assets, Current Year Program Expenses, Depreciable Capital Assets Additions, Net Investment in Capital Assets and ending Net Position were determined to be material and were adjusted on the financial statements:

- Governmental Activities Beginning Net Position and Beginning Capital Assets were understated by \$4,959,348, Current Year Depreciation Expenses was overstated by \$1,463,153, Depreciable Capital Assets Additions were understated by \$1,463,153, Net Investment in Capital Assets was understated by \$6,422,501, and ending Net Position was understated by \$6,422,501.
- Business Type-Activities Beginning Net Position and Beginning Capital Assets were understated by \$7,274,540, Current Year Depreciation Expenses was overstated by \$435,739, Depreciable Capital Assets Additions were understated by \$435,739, Net Investment in Capital Assets was understated by \$7,710,279, and ending Net Position was understated by \$7,710,279.
- Water Fund Beginning Net Position and Beginning Capital Assets were overstated by \$434,181, Current Year Depreciation Expenses was overstated by \$71,783, Depreciable Capital Assets Additions were understated by \$71,783, Net Investment in Capital Assets was overstated by \$362,398, and ending Net Position was overstated by \$362,398
- Sewer Fund Beginning Net Position and Beginning Capital Assets were overstated by \$464,778, Current Year Depreciation Expenses was overstated by \$91,518, Depreciable Capital Assets Additions were understated by \$91,518, Net Investment in Capital Assets was overstated by \$373,260, and ending Net Position was overstated by \$373,260.
- Storm Water Fund Beginning Net Position and Beginning Capital Assets were understated by \$8,173,499, Current Year Depreciation Expenses was overstated by \$272,438, Depreciable Capital Assets Additions were understated by \$272,438, Net Investment in Capital Assets was understated by \$8,445,937, and ending Net Position was understated by \$8,445,937.

**Finding 2016-002
(Continued)**

The City should develop and approve a comprehensive capital asset policy that would include useful lives and depreciation methods for all applicable assets. The City should also maintain an up-to-date asset inventory listing which includes the original purchase check number; asset tag number; and the description and location of each asset. Finally, the City should verify its accounting system is properly recording and classifying assets at the correct useful lives and assets are being accurately depreciated. The failure to review the City's capital asset listing could result in materially misstated financial statements and misleading financial information as well as the potential for the misappropriation of City assets.

Official's Response:

In that the State Auditors have reworked and provided corrected capital asset beginning net position, beginning capital assets, current year program expenses, depreciable capital assets, additions, deletions, net investment in capital asset and ending net position for the governmental and business type activities, the City will maintain the capital asset system according to the adopted capital asset policy and useful life schedule.

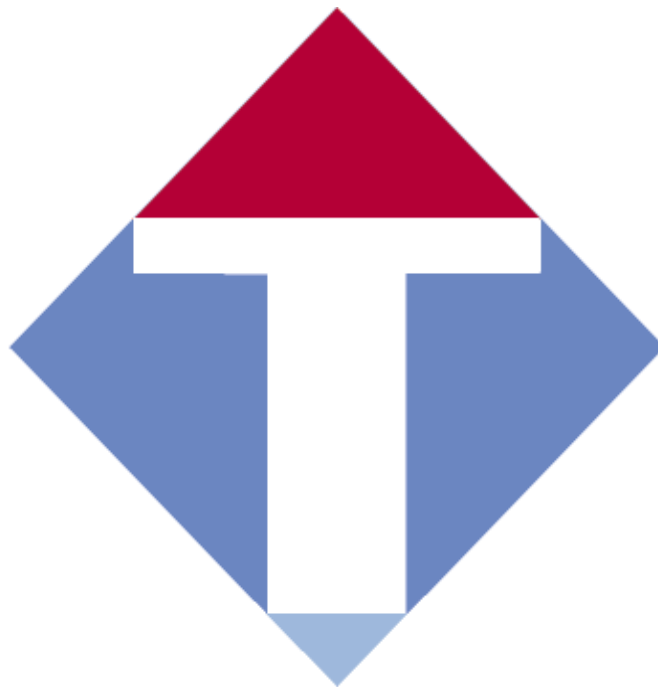
**CITY OF TROTWOOD
MONTGOMERY COUNTY**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2016**

Finding Number	Finding Summary	Status	Additional Information
2015-001	Material Weakness and Ohio Rev. Code § 5705.10(c) - Financial Statement Misstatements	Not Corrected	Repeated as finding 2016-001.

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CITY OF TROTWOOD OHIO



**COMPREHENSIVE ANNUAL FINANCIAL REPORT
For The Fiscal Year Ended December 31, 2016**

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CITY OF TROTWOOD, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2016

**PREPARED BY:
DEPARTMENT OF FINANCE
Chris A. Peebles
FINANCE DIRECTOR**

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Phone: (937) 837-7771 ♦ Fax: (937) 854-0574
www.trotwood.org

Quincy E. Pope, Sr., M.P.A., CLEE, CPM, City Manager
Stephanie L. Kellum, Human Resource Director/Deputy City Manager
Brenda K. Blauser, Assistant to the City Manager

Trotwood City Council
Mary A. McDonald, Mayor
Bettye L. Gales, Vice-Mayor, Ward 1
Rap Hankins, Ward 2
Charles Ron Vaughn, Ward 3
J. D. Williams, Ward 4
Rhonda C. Finley, At-Large
Robert L. Kelley, Jr., At-Large
David Young, Deputy Clerk of Council

August 31, 2017

To the Mayor, Members of
City Council and Citizens of
City of Trotwood, Ohio

We are pleased to present the comprehensive annual financial report of the City of Trotwood, Ohio, for the year ended December 31, 2016. Responsibility for both the accuracy of the data and the completeness and fairness of presentation, including all disclosures, rests with City management. To the best of our knowledge and belief, the information presented is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

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

THE REPORTING ENTITY AND ITS SERVICES

The City of Trotwood is located in Montgomery County on the western limits of the City of Dayton, Ohio. It is approximately seventy miles west of the state capitol, Columbus, and sixty miles north of Cincinnati. Interstate 70 and 75 intersect each other approximately five miles northeast of Trotwood.

The City is a political subdivision of the State of Ohio, incorporated as a village in 1901 and as a city in 1971. It is a home rule municipal corporation under Article XVIII of the Ohio Constitution utilizing the council-manager form of government. Governing direction is provided by the home rule charter first adopted in 1964 and subsequently amended.

On January 1, 1996, the City merged with Madison Township more than tripling its population and land area. The resulting community is the fourth most populous city in Montgomery County with 27,431 residents (based on the 2010 Census) and its land area (over 28 square miles) is surpassed only by the City of Dayton.

Department Directors & Managers

Erik L. Wilson, Police Chief ♦ Richard A. Haacke, Fire Chief ♦ Thomas B. Barnett, Deputy Fire Chief ♦ Chris A. Peebles, Finance Director
Jeannie Peyton, Planning & Zoning Administrator ♦ Ruth Birdsong, Code Enforcement Supervisor ♦ Eric G. Baxter, Public Works
Project Manager ♦ Johnny McCluskey, Public Works Operations Supervisor ♦ Shawn Tucker, Parks & Recreation Program Manager

Overall policy direction is the responsibility of the City Council which is composed of the Mayor and six Councilpersons, four elected from geographic districts and two elected at-large. The Mayor is directly elected at-large. The Mayor and all members of council are elected to staggered four-year terms, with elections every two years.

City Council is responsible, among other things, for passing ordinances, adopting the budget and hiring the City Manager, Law Director and Clerk of Council. The City Manager is responsible for carrying out the policies and ordinances of the City Council, overseeing the day-to-day operations of the City and appointing the directors of City departments.

The City provides many services for the benefit of its citizens including police protection, fire protection, emergency medical service, street maintenance and repair, parks maintenance, recreation programs, water and sewer utilities within a portion of the city, refuse collection, drainage and storm water management, code enforcement, planning and zoning and other administrative services.

The financial reporting entity includes all the funds of the primary government (i.e., the City of Trotwood as legally defined). No other entities operating in the City and/or for the benefit of its citizen's meet the criteria for inclusion in the reporting entity and are, thus, not included in this report.

ECONOMIC CONDITION AND OUTLOOK

The City of Trotwood is a major suburb within a diversified metropolitan economy characterized by above-average unemployment, modest job growth and a diversity of major employers. Nearby Wright Patterson Air Force Base employs approximately 22,000 making it the largest single-site employer in the State of Ohio. Good Samaritan Hospital, Samaritan Health Center and the Dayton Veterans Administration Center are major employers proximate to Trotwood.

Located just 4.5 miles from the City of Trotwood, Fuyao Glass America Incorporated purchased the former GM plant and is hiring 1,550 workers and plan to invest a total of \$ 360 million in the site. Fuyao is recruiting for job openings and many Trotwood residents will be employed at the plant. Furthermore, the company plans to generate an average annual payroll of \$ 32.5 million and have committed to stay in the area for at least 18 years.

In addition to the above, Caterpillar built a new logistics services distribution center 2 miles north of Trotwood in the City of Clayton, Ohio. The plant employees 500 to 600 employees and maintains an annual average payroll of \$12 million to \$14 million.

Although none of these facilities are physically located in Trotwood, the City benefits by having these employment opportunities available for the numerous Trotwood residents who work for these enterprises.

The City's Salem Avenue shopping district served as the commercial hub of northwest Montgomery County for many years. The former Salem Mall had previously been the anchor of the district, but due to rapidly declining occupancy, it was acquired by the City in 2004 for redevelopment purposes and has been demolished. The adjacent shopping centers serve as retail attractions in the district, as are several "big box" retailers such as Burlington, GFS, Lowe's, and Home Depot.

The "Trotwood Connector," a limited access highway on a north-south axis through the center of the City was completed in 2000 and provides access for potential development of several large adjacent tracts.

The City in 2001 completed the installation of streets and utilities to make a 38-acre site west of the Connector with railroad access available as a light industrial park. In addition, 30 plus acres adjacent to the Industrial Park are available for future expansion.

RELEVANT FINANCIAL POLICIES

In December 2014, the State Legislature passed and Governor Kasich, signed into law, House Bill 5 and Senate Bill 342. House Bill 5 will reform Municipal Income Tax Collections. The implementation of House Bill 5 will have negative impacts on tax collections in the coming years. Senate Bill 342 phased out the use of Traffic Enforcement Cameras in 2015 resulting in a decrease of revenue from \$107,233 in 2015 to \$996 in 2016.

MAJOR INITIATIVES

Job Growth Initiative

In 2014 the City began to focus on the reutilization of vacant big box retail facilities. Since the closing of the Salem Mall and the great recession of 2008, many of the traditional retailers along the Salem Avenue corridor have struggled both locally and nationally. Companies including K-Mart, Sears, Best Buy and Target have closed stores across the country and unfortunately in Trotwood. Due to the rise of non-traditional retailers and online retail, the trend away from bricks and mortar stores, toward online distribution is expected to continue.

The City of Trotwood commissioned a study conducted by Market Metrics LLC of Dayton to analyze the current retail environment and offer forward looking strategies and analysis. The conclusions, while not unexpected were startling. The study concluded that big box retail will continue to decline not only in Trotwood but in the entire northwest Montgomery County region. The area is "over-retailed" based on metrics used by the retail industry and lacks the dynamic population growth needed to spur additional retail. Most all retail needs of consumers in this area can be met by existing malls and shopping centers as well as online shopping.

This study bolstered the City's new strategy to re-occupy existing vacant big box retail stores with alternative uses. The City's analysis indicated that the reuse of retail boxes as light manufacturing centers and as small distribution centers is both economically feasible and from a land use perspective, often less impactful on surrounding uses. The City began working with big box building owners to re-market their buildings for these additional uses. Thus far, the effort has met with some success. The former K-Mart building has been purchased and renovated by a carbon steel tube manufacturer, Epix Tube, while the old Elder Beerman Warehouse has been converted to a light manufacturing operation by Specialty Manufacturing Solutions bringing 52 jobs to the City, with an average salary of \$ 47,800. Additionally Storage America, a provider of climate controlled self- storage units, has acquired the Former Target big box location. They have plans to convert the existing building into leasable, consumer storage units in late 2017.

Furthermore, Korrekt Plumbing Heating & Air Conditioning moved into their new corporate headquarters within the City of Trotwood. The company brought over a dozen new jobs to the City. In 2016, Korrekt was recognized as the 23rd fastest growing company, 8th largest mechanical company and the 21st largest woman owned business in the Dayton Area.

Stratacache, a global industry leading provider of scalable, high-performance digital signage, media distribution and enterprise video acceleration technologies, purchased the vacant 300,000 square foot state of the art manufacturing facility located in the Trotwood Industrial Park. This acquisition creates the world's largest and most advanced manufacturing and configuration facility for digital signage and digital interactive solutions.

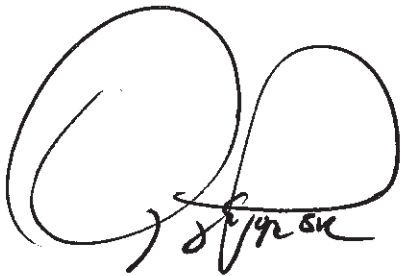
Housing Initiative

As a result of the housing crisis of 2008 and the subsequent recession, the City of Trotwood was particularly hard hit with both mortgage foreclosures and tax delinquencies. In 2013, the city, through the Trotwood Community Improvement Corporation (TCIC) began a housing program redesigned to renovate and re-occupy troubled residential real estate. The TCIC has been working with the National Community Stabilization Trust, the County Treasurer and County Corp (local public financing agency) on this project. The TCIC has continued to acquire and rehabilitate distressed houses in targeted "tipping point" neighborhoods. The TCIC has thus far acquired over 60 properties and has overseen the renovation on numerous houses.

Acknowledgements. The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all members of the Department, and other City departments as well, who assisted and contributed to the preparation of this report.

Finally, special acknowledgement is given to the Mayor and City Council for their continuing support and commitment to responsible fiscal reporting.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Quincy E. Pope, Sr.", with a large, stylized initial "Q" and "P".

Quincy E. Pope, Sr.
City Manager

A handwritten signature in black ink, appearing to read "Chris A. Peeples", with a large, stylized initial "C" and "P".

Chris A. Peeples
Finance Director

CITY OF TROTWOOD, OHIO
List of Elected and Appointed Officials
December 31, 2016

ELECTED OFFICIALS

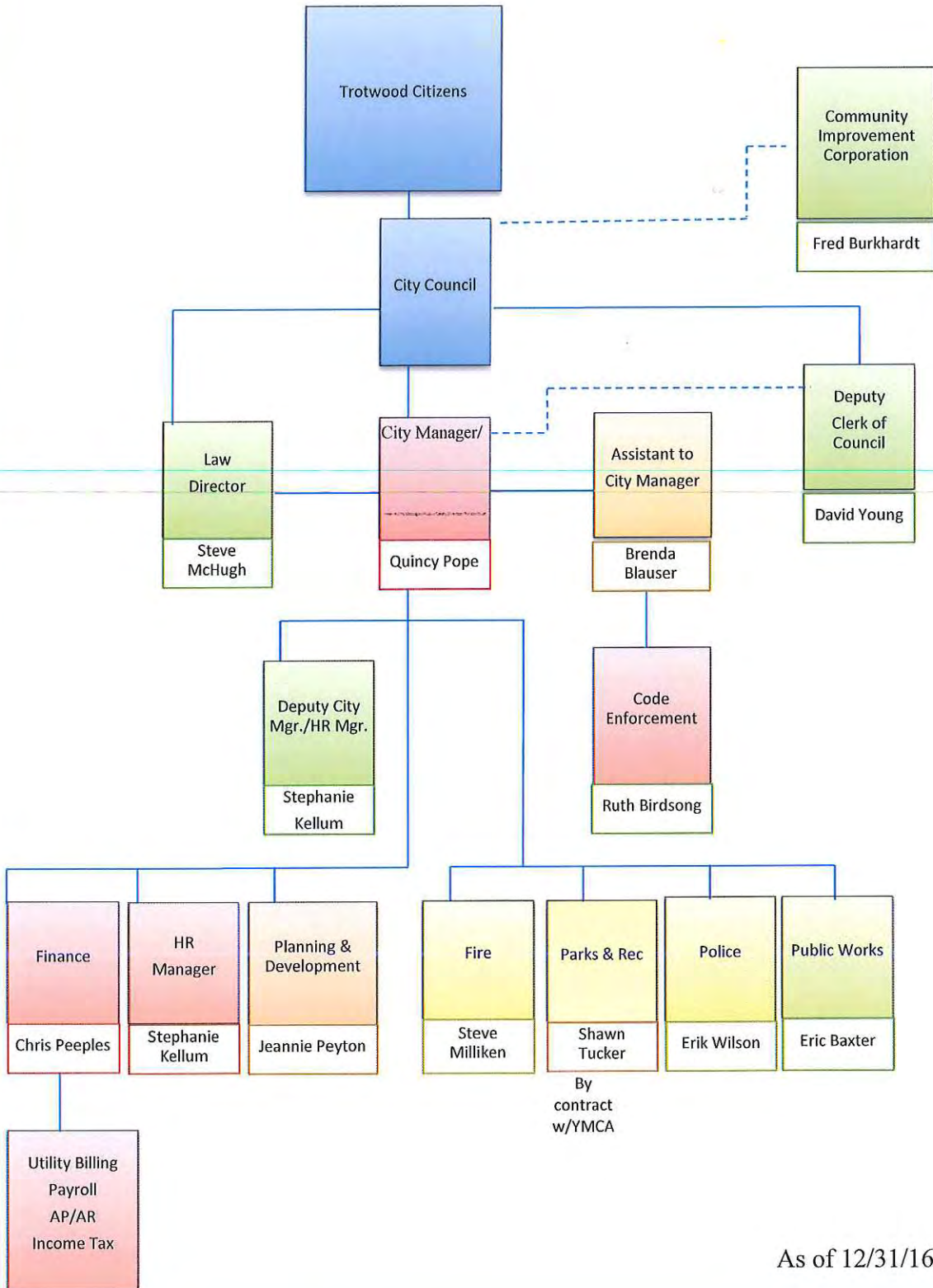
Mary A. McDonald	Mayor
Bettye L. Gales	Vice Mayor, Ward 1
Rhonda C. Finley	Councilmember, At Large
Robert L. Kelley Jr.	Councilmember, At Large
Rap (John C.) Hankins	Councilmember, Ward 2
Charles R. Vaughn	Councilmember, Ward 3
James Williams II	Councilmember, Ward 4

APPOINTED OFFICIALS

Quincy E. Pope	City Manager
Stephanie L. Kellum	Deputy City Manager/HR
Sandra L. Riege	Clerk of Council
David E. Young	Deputy Clerk of Council
Chris A. Peeples	Finance Director
Erik L. Wilson	Police Chief
Stephen H. Milliken	Fire Chief
Stephen M. McHugh	Law Director



Organizational Chart



As of 12/31/16



Government Finance Officers Association

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

Presented to

**City of Trotwood
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

Executive Director/CEO

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FINANCIAL SECTION

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

City of Trotwood
Montgomery County
3035 Olive Road
Trotwood, Ohio 45426

To the City Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Trotwood, Montgomery County, Ohio (the City), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Trotwood, Montgomery County, Ohio, as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 19 to the financial statements, the City restated beginning net position / fund balance in the Governmental Activities, Business-Type Activities, Water Fund, Sewer Fund, and Storm Water Fund related to errors in previously reported capital assets, and the General Fund, Fire Levy Fund, and Other Governmental Funds (Park Acquisition and Development Fund, Industrial Park, and Salem Mall Tax Increment Fund) to eliminate an interfund payable and receivable. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis, required budgetary comparison schedules*, and schedules of net pension liabilities and pension contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the City's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling the statements and schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2017, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State
Columbus, Ohio

August 31, 2017

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City of Trotwood, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)

The City of Trotwood's discussion and analysis of the annual financial reports provides a review of the financial performance for the fiscal year ending December 31, 2016. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, 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 \$1,947,429. Net position of governmental activities increased \$746,591, and net position of business-type activities increased by \$1,200,838.
- The General Fund reported an increase in fund balance of \$594,948.
- Business-type operations reflected an operating income of \$1,248,439.

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 to 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 liabilities using the accrual basis of accounting similar to the accounting used by private sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

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

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City of Trotwood, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(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, rescue, street maintenance, parks and recreation, and general administration. Revenues received from Income taxes, property taxes, intergovernmental revenue, charges for services, and investment earnings are used to finance most of these services provided by the City.
- **Business-Type Activities** - These services include Water, Sewer, Refuse Collection and Stormwater. Service fees for these operations are charged based upon the amount of usage or a usage fee. The intent is that the fees charged recoup operational costs.

Fund Financial Statements

Information about the City's major funds is presented in the Fund Financial Statements (see table of contents). Fund financial statements provide detailed information about the City's major funds - not the City as a whole. Some funds are required by State law and bond covenants. Other funds may be established by the City, with approval of Council, to help control, manage and report money received for a particular purpose or to show that the City is meeting legal responsibilities for use of grants. The City's major funds are General; Street Construction Maintenance and Repair; Fire Levy; Rescue Levy Fund; Water; Sewer; Refuse; and Stormwater.

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 is the fiscal agent for one agency fund. All of the City's fiduciary activities are reported in separate Statements of 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.

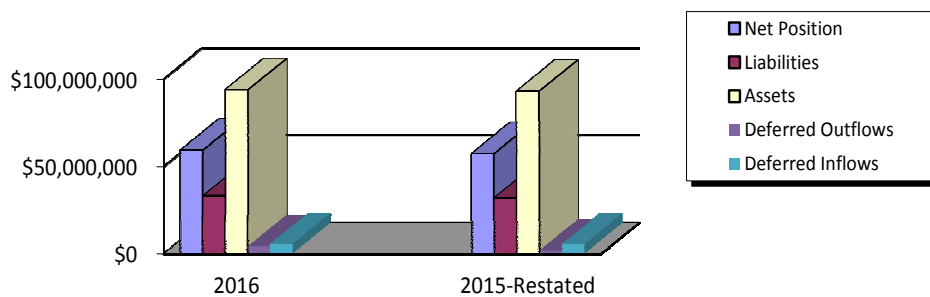
**City of Trotwood, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)**

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 2016 compared to 2015.

**Table 1
Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2016	2015 Restated	2016	2015 Restated	2016	2015 Restated
Assets:						
Current and Other Assets	\$16,285,517	\$14,796,286	\$7,843,026	\$7,102,035	\$24,128,543	\$21,898,321
Capital Assets	52,666,573	53,488,455	17,143,027	17,660,466	69,809,600	71,148,921
Total Assets	68,952,090	68,284,741	24,986,053	24,762,501	93,938,143	93,047,242
Deferred Outflows of Resources:						
Deferred Charge on Refunding Pension	208,973	0	0	0	208,973	0
	3,684,687	1,664,682	199,544	96,527	3,884,231	1,761,209
Total Deferred Outflows of Resources	3,893,660	1,664,682	199,544	96,527	4,093,204	1,761,209
Liabilities:						
Long-Term Liabilities	30,249,309	26,080,124	2,084,827	1,951,335	32,334,136	28,031,459
Other Liabilities	418,589	2,494,150	451,372	1,492,388	869,961	3,986,538
Total Liabilities	30,667,898	28,574,274	2,536,199	3,443,723	33,204,097	32,017,997
Deferred Inflows of Resources:						
Property Taxes	4,683,468	4,689,858	0	0	4,683,468	4,689,858
Revenue in Lieu of Taxes	494,805	761,287	0	0	494,805	761,287
Pension	358,489	29,505	41,276	8,021	399,765	37,526
Total Deferred Inflows of Resources	5,536,762	5,480,650	41,276	8,021	5,578,038	5,488,671
Net Position:						
Net Investment In Capital Assets	38,079,036	38,174,194	15,637,455	16,064,172	53,716,491	54,238,366
Restricted	5,935,624	4,790,869	0	0	5,935,624	4,790,869
Unrestricted	(7,373,570)	(7,070,564)	6,970,667	5,343,112	(402,903)	(1,727,452)
Total Net Position	\$36,641,090	\$35,894,499	\$22,608,122	\$21,407,284	\$59,249,212	\$57,301,783



Total net position of the City as a whole increased \$1,947,429. Net position of governmental activities increased \$746,591 while net position of business-type activities increased by \$1,200,838. The City had an unrestricted net position balance of (\$402,903).

Capital assets decreased mainly due to current year depreciation expense exceeding current year additions. Long Term Liabilities increased mainly due to the City issuing new long-term debt and an increase in net pension liability.

**City of Trotwood, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)**

Table 2 shows the changes in net position for the year ended December 31, 2016 and revenue and expense comparisons to 2015.

**Table 2
Changes in Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2016	2015 Restated	2016	2015 Restated	2016	2015 Restated
Program Revenues:						
Charges for Services	\$1,925,068	\$2,007,015	\$5,389,621	\$4,924,485	\$7,314,689	\$6,931,500
Operating Grants and Contributions	1,600,558	1,836,233	0	0	1,600,558	1,836,233
Capital Grants and Contributions	181,130	59,572	0	0	181,130	59,572
Total Program Revenues	3,706,756	3,902,820	5,389,621	4,924,485	9,096,377	8,827,305
General Revenues:						
Income Taxes	5,110,289	5,020,072	0	0	5,110,289	5,020,072
Property Taxes	5,049,513	4,818,175	0	0	5,049,513	4,818,175
Grants and Entitlements	616,185	668,157	0	0	616,185	668,157
Investment Earnings	8,930	4,836	0	0	8,930	4,836
Other Revenues	1,300,330	1,040,198	18,125	10,827	1,318,455	1,051,025
Total General Revenues	12,085,247	11,551,438	18,125	10,827	12,103,372	11,562,265
Total Revenues	15,792,003	15,454,258	5,407,746	4,935,312	21,199,749	20,389,570
Program Expenses:						
General Government	2,687,146	2,556,659	0	0	2,687,146	2,556,659
Public Safety	9,184,331	8,631,605	0	0	9,184,331	8,631,605
Community Development	501,769	732,670	0	0	501,769	732,670
Leisure Time	246,292	274,096	0	0	246,292	274,096
Transportation and Street Repair	1,753,586	2,303,614	0	0	1,753,586	2,303,614
Interest and Other Charges	672,288	582,626	0	0	672,288	582,626
Water	0	0	1,090,098	1,553,195	1,090,098	1,553,195
Sewer	0	0	792,109	1,157,858	792,109	1,157,858
Refuse	0	0	1,308,254	1,365,870	1,308,254	1,365,870
Stormwater	0	0	1,016,447	930,608	1,016,447	930,608
Total Program Expenses	15,045,412	15,081,270	4,206,908	5,007,531	19,252,320	20,088,801
Change in Net Position	746,591	372,988	1,200,838	(72,219)	1,947,429	300,769
Net Position - Beginning of Year	35,894,499	35,521,511	21,407,284	21,479,503	57,301,783	57,001,014
Net Position - End of Year	\$36,641,090	\$35,894,499	\$22,608,122	\$21,407,284	\$59,249,212	\$57,301,783

Governmental Activities

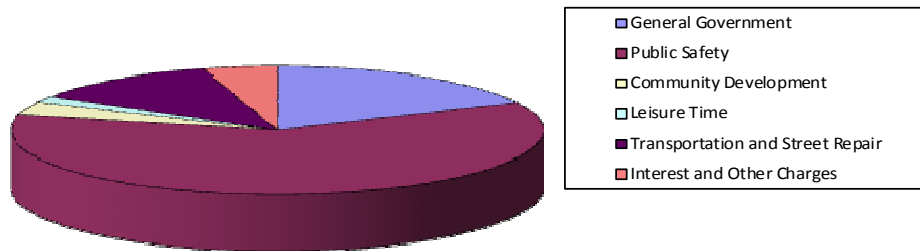
The City of Trotwood's income taxes and property taxes are the largest source of revenue. These revenues represent 84% of the City's governmental activities total general revenue.

Charges for services revenue decreased from 2015 due to a decrease in EMS transportation services revenue. Operating grants and contributions decreased from 2015 due to a decrease in EDGE grants. Total expenses decreased mainly due to a decrease in Transportation and Street Repair expenses related to a decrease in usage of road salt and other operating supplies for 2016 as compared to 2015.

**City of Trotwood, Ohio
Management’s Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)**

Governmental Activities
Program Expenses for 2016

	<u>Percentage</u>
General Government	17.86%
Public Safety	61.04%
Community Development	3.34%
Leisure Time	1.64%
Transportation and Street Repair	11.66%
Interest and Other Charges	4.46%
Total	<u>100.00%</u>



General Government includes legislative and administration expenses, including City Council, the City Manager’s office, the Law Director, Finance, Human Resources, Building Maintenance, Fleet Maintenance, Public Works Administration and various non-department charges.

Business-Type Activities

Business-type activities include Water, Sewer, Refuse Collection and Stormwater. These programs had operating revenues of \$5,407,746 and operating expenses of \$4,159,307 for fiscal year 2016. Business activities receive no support from tax revenues. The business activities net position at the end of the year was \$22,608,122, which increased \$1,200,838 from 2015.

The City of Trotwood’s water and sewer maintenance division services approximately 2,800 accounts within the territory which was part of the City prior to the 1996 merger with Madison Township. The City operates approximately 37.5 miles of water lines and 32 miles of sanitary sewer lines within the territory, to distribute water supplied by the City of Dayton and collect sewerage returned to Dayton for treatment at their facilities. The water fund had operating income of \$779,475 in 2016. The sewer fund had operating income of \$562,320 in 2016. The refuse fund had an operating income of \$119,935 in 2016. The stormwater fund had an operating loss of \$213,291 in 2016.

The City’s Funds

The City has four major governmental funds: the General Fund, Street Construction Maintenance and Repair Fund, Fire Levy Fund, and Rescue Levy Fund. Assets of these funds comprised \$13,350,153 (82%) of the total \$16,273,958 governmental funds’ assets.

General Fund: Fund balance at December 31, 2016 was \$1,361,963, an increase in fund balance of \$594,948 from 2015. The General fund balance increased mainly due to decreases in public safety expenditures related to a reduction in personnel costs as a result of less overtime, reduced severance payments, fewer part-time workers and the elimination of crime lab costs. Also, general government and community development expenditures decreased as the result of reduced severance payments and elimination of subsidies to the Trotwood Community Improvement Corporation respectively.

City of Trotwood, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)

Street Construction Maintenance and Repair Fund: Fund balance at December 31, 2016 was \$1,500,884, an increase in fund balance of \$297,466 from 2015. The street construction maintenance and repair fund balance increased mainly due to reductions in Transportation and Street Repair expenditures related to a decrease in usage of road salt and other operating supplies for 2016 as compared to 2015.

Fire Levy Fund: Fund balance at December 31, 2016 was \$217,245 an increase in fund balance of \$375,146 from 2015. The Fire Levy fund balance increased mainly due to reductions in salary, benefits and severance costs.

Rescue Levy Fund: Fund balance at December 31, 2016 was \$664,841, an increase in fund balance of \$147,249. The increase in fund balance was mainly due to reductions in salary and benefits.

General Fund Budgeting Highlights

The City's General Fund budget is formally adopted at the program or budget center level. Financial reports, which compare actual performance with the budget, are prepared monthly and presented to the Council so the Council is able to review the financial status and measure the effectiveness of the budgetary controls. As the City completed the year, its General Fund balance reported an actual fund balance of \$1,064,193, on a Non-GAAP Budgetary Basis.

There were little variations between final budget and original budget revenues. Variations between the actual and final budget revenues were mainly due to the City overestimating taxes revenue. Variations between fund budget and actual expenditures were mainly due to the City overestimating general government expenditures. Variations between original and final budget expenditures were mainly due to the City's conservative estimate for general government and public safety expenditures.

Capital Assets and Debt Administration

Capital Assets

At year end, the City had \$69,809,600 invested in land, buildings and improvements, equipment and infrastructure. Table 3 shows 2016 balances compared to 2015:

Table 3
Capital Assets

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$26,763,209	\$26,763,209	\$12,026	\$12,026	\$26,775,235	\$26,775,235
Buildings and Improvements	9,352,232	9,352,232	0	0	9,352,232	9,352,232
Equipment	9,611,784	9,407,291	418,473	418,473	10,030,257	9,825,764
Infrastructure	47,607,950	47,607,950	41,035,693	41,035,693	88,643,643	88,643,643
Accumulated Depreciation	(40,668,602)	(39,642,227)	(24,323,165)	(23,805,726)	(64,991,767)	(63,447,953)
Total Net Capital Assets	<u>\$52,666,573</u>	<u>\$53,488,455</u>	<u>\$17,143,027</u>	<u>\$17,660,466</u>	<u>\$69,809,600</u>	<u>\$71,148,921</u>

The decrease in capital assets was mainly due current year depreciation expense exceeding current year additions. See Note 6 to the basic financial statements for further details on the City's capital assets.

City of Trotwood, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)

Debt

At year end, the City had \$16,302,083 in long-term debt and \$859,340 due within one year.

Table 4
Outstanding Debt at Year End

		<u>2016</u>	<u>2015</u>
Governmental Activities			
General Obligation Bonds			
2003 Various Purpose Bonds	5.11%	\$965,832	\$1,110,832
2007 Various Purpose Bonds	4.21%	305,000	3,605,000
2010 Various Purpose Bonds	3.00 - 4.25%	6,709,951	6,932,138
Premium on 2010 Bonds		333,113	350,876
2012 OAQDA Tax Exempt Energy Bonds	2.02%	507,526	620,926
2012 OAQDA Energy Conservation Bonds	4.28%	883,361	883,361
2016 Various Purpose Refunding	2.90%	3,325,000	0
2016 Various Purpose Improvements	2.90%	<u>1,749,000</u>	<u>0</u>
Total General Obligation Bonds		<u>14,778,783</u>	<u>13,503,133</u>
Capital Leases		<u>17,728</u>	<u>26,128</u>
Total Governmental Activities Long-Term Debt		<u>14,796,511</u>	<u>13,529,261</u>
Business Type Activities:			
General Obligation Bonds			
2003 Various Purpose Bonds - Water Portion	5.11%	184,584	204,584
2003 Various Purpose Bonds - Sewer Portion	5.11%	184,584	204,584
2010 Various Purpose Bonds - Water Portion	3.00 - 4.25%	85,049	87,862
2016 Various Purpose Improvements	2.90%	<u>241,000</u>	<u>0</u>
Total General Obligation Bonds		<u>695,217</u>	<u>497,030</u>
Loans			
2007 OPWC Loan - Sanitary Sewer	0.00%	218,821	230,821
2012 OPWC Loan - Water	0.00%	305,699	317,021
2012 OPWC Loan - Water	0.00%	<u>285,835</u>	<u>296,422</u>
Total Loans		<u>810,355</u>	<u>844,264</u>
Total Business-Type Activities Long-Term Debt		<u>1,505,572</u>	<u>1,341,294</u>
Total Debt		<u>\$16,302,083</u>	<u>\$14,870,555</u>

The City had General Obligation Notes Payable of \$2,040,000 for the year ended 2015 and \$0 for the year ended 2016. See Note 8, 9 and 10 to the basic financial statements for further details on the City's long-term debt.

Contacting the City's Finance 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 Finance Director, City of Trotwood, 3035 Olive Road, Trotwood, Ohio 45426-2600.

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City of Trotwood, Ohio
Statement of Net Position
December 31, 2016

	Governmental Activities	Business-Type Activities	Total
Assets:			
Equity in Pooled Cash and Investments	\$4,951,340	\$5,614,091	\$10,565,431
Receivables (Net):			
Taxes	9,715,966	0	9,715,966
Accounts	87,851	1,270,383	1,358,234
Intergovernmental	1,121,917	0	1,121,917
Special Assessments	408,443	958,552	1,366,995
Nondepreciable Capital Assets	26,763,209	12,026	26,775,235
Depreciable Capital Assets, Net	<u>25,903,364</u>	<u>17,131,001</u>	<u>43,034,365</u>
Total Assets	<u>68,952,090</u>	<u>24,986,053</u>	<u>93,938,143</u>
Deferred Outflows of Resources:			
Deferred Charge on Refunding Pension	208,973	0	208,973
	<u>3,684,687</u>	<u>199,544</u>	<u>3,884,231</u>
Total Deferred Outflows of Resources	<u>3,893,660</u>	<u>199,544</u>	<u>4,093,204</u>
Liabilities:			
Accounts Payable	125,620	435,900	561,520
Accrued Wages and Benefits	205,991	11,948	217,939
Contracts Payable	20,508	0	20,508
Accrued Interest Payable	66,470	3,524	69,994
Long-Term Liabilities:			
Due Within One Year	1,005,574	92,914	1,098,488
Due In More Than One Year			
Net Pension Liability	14,870,298	525,787	15,396,085
Other Amounts	<u>14,373,437</u>	<u>1,466,126</u>	<u>15,839,563</u>
Total Liabilities	<u>30,667,898</u>	<u>2,536,199</u>	<u>33,204,097</u>
Deferred Inflows of Resources:			
Property Taxes	4,683,468	0	4,683,468
Revenue in Lieu of Taxes	494,805	0	494,805
Pension	<u>358,489</u>	<u>41,276</u>	<u>399,765</u>
Total Deferred Inflows of Resources	<u>5,536,762</u>	<u>41,276</u>	<u>5,578,038</u>
Net Position:			
Net Investment in Capital Assets	38,079,036	15,637,455	53,716,491
Restricted for:			
Debt Service	32,106	0	32,106
Capital Projects	602,245	0	602,245
Street Construction Maintenance and Repairs	2,019,782	0	2,019,782
State Highway	206,048	0	206,048
Permissive Use Tax	99,104	0	99,104
Grants	433,438	0	433,438
Law Enforcement Trust	52,175	0	52,175
Fire Levy	1,262,991	0	1,262,991
Rescue Levy	794,776	0	794,776
Other Purposes	432,959	0	432,959
Unrestricted	<u>(7,373,570)</u>	<u>6,970,667</u>	<u>(402,903)</u>
Total Net Position	<u>\$36,641,090</u>	<u>\$22,608,122</u>	<u>\$59,249,212</u>

See accompanying notes to the basic financial statements.

City of Trotwood, Ohio
Statement of Activities
For the Fiscal Year Ended December 31, 2016

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$2,687,146	\$490,693	\$8,400	\$0
Public Safety	9,184,331	1,172,137	399,686	0
Community Development	501,769	226,772	138,125	80,000
Leisure Time Activities	246,292	34,853	0	0
Transportation and Street Repair	1,753,586	613	1,054,347	101,130
Interest and Other Charges	624,961	0	0	0
Bond Issuance Cost	47,327	0	0	0
Total Governmental Activities	15,045,412	1,925,068	1,600,558	181,130
Business-Type Activities:				
Water	1,090,098	1,821,748	0	0
Sewer	792,109	1,337,573	0	0
Refuse	1,308,254	1,427,739	0	0
Stormwater	1,016,447	802,561	0	0
Total Business-Type Activities	4,206,908	5,389,621	0	0
Totals	\$19,252,320	\$7,314,689	\$1,600,558	\$181,130

General Revenues:
Income Taxes
Property Taxes Levied for:
 General Purposes
 Special Revenue Purposes
 Debt Service Purposes
 Capital Projects Purposes
Grants and Entitlements, Not Restricted
Revenue in Lieu of Taxes
Investment Earnings
Other Revenues

Total General Revenues

Change in Net Position

Net Position - Beginning of Year, Restated

Net Position - End of Year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
(\$2,188,053)	\$0	(\$2,188,053)
(7,612,508)	0	(7,612,508)
(56,872)	0	(56,872)
(211,439)	0	(211,439)
(597,496)	0	(597,496)
(624,961)	0	(624,961)
(47,327)	0	(47,327)
<u>(11,338,656)</u>	<u>0</u>	<u>(11,338,656)</u>
0	731,650	731,650
0	545,464	545,464
0	119,485	119,485
0	(213,886)	(213,886)
<u>0</u>	<u>1,182,713</u>	<u>1,182,713</u>
<u>(11,338,656)</u>	<u>1,182,713</u>	<u>(10,155,943)</u>
5,110,289	0	5,110,289
1,392,878	0	1,392,878
2,954,674	0	2,954,674
101,996	0	101,996
599,965	0	599,965
616,185	0	616,185
764,068	0	764,068
8,930	0	8,930
536,262	18,125	554,387
<u>12,085,247</u>	<u>18,125</u>	<u>12,103,372</u>
746,591	1,200,838	1,947,429
<u>35,894,499</u>	<u>21,407,284</u>	<u>57,301,783</u>
<u>\$36,641,090</u>	<u>\$22,608,122</u>	<u>\$59,249,212</u>

City of Trotwood, Ohio
Balance Sheet
Governmental Funds
December 31, 2016

	General	Street Construction Maintenance and Repair	Fire Levy	Rescue Levy	Other Governmental Funds
Assets:					
Equity in Pooled Cash and Investments	\$1,191,194	\$1,463,056	\$278,546	\$621,719	\$1,385,266
Receivables (Net):					
Taxes	4,208,492	522,353	3,083,217	589,638	1,312,266
Accounts	0	0	0	87,851	0
Intergovernmental	264,454	445,991	159,523	40,130	211,819
Special Assessments	393,989	0	0	0	14,454
Total Assets	6,058,129	2,431,400	3,521,286	1,339,338	2,923,805
Liabilities:					
Accounts Payable	85,005	17,724	4,258	12,470	6,163
Accrued Wages and Benefits	115,885	7,570	45,461	35,009	2,066
Compensated Absences	12,375	0	11,582	0	0
Contracts Payable	0	0	0	0	20,508
Total Liabilities	213,265	25,294	61,301	47,479	28,737
Deferred Inflows of Resources:					
Property Taxes	1,360,458	353,835	2,077,032	397,214	494,929
Income Taxes	1,829,694	0	0	0	0
Grants and Other Taxes	239,708	382,869	159,523	37,380	276,668
Special Assessments	393,989	0	0	0	14,454
Unavailable amounts	659,052	168,518	1,006,185	192,424	239,760
Revenue in Lieu of Taxes	0	0	0	0	494,805
Total Deferred Inflows of Resources	4,482,901	905,222	3,242,740	627,018	1,520,616
Fund Balances:					
Restricted	0	1,500,884	217,245	664,841	1,374,452
Assigned	50,066	0	0	0	0
Unassigned	1,311,897	0	0	0	0
Total Fund Balances	1,361,963	1,500,884	217,245	664,841	1,374,452
Total Liabilities, Deferred Inflows and Fund Balances	\$6,058,129	\$2,431,400	\$3,521,286	\$1,339,338	\$2,923,805

See accompanying notes to the basic financial statements.

Total
Governmental
Funds

\$4,939,781

9,715,966

87,851

1,121,917

408,443

16,273,958

125,620

205,991

23,957

20,508

376,076

4,683,468

1,829,694

1,096,148

408,443

2,265,939

494,805

10,778,497

3,757,422

50,066

1,311,897

5,119,385

\$16,273,958

City of Trotwood, Ohio
 Reconciliation of Total Governmental Fund Balance to
 Net Position of Governmental Activities
 December 31, 2016

Total Governmental Fund Balance		\$5,119,385
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		52,666,573
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		
Income Taxes	\$1,829,694	
Delinquent Property Taxes	2,265,939	
Intergovernmental	1,096,148	
Special Assessments	<u>408,443</u>	
		5,600,224
An internal service fund is used by management to charge back costs to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		
Internal Service Net Position		11,559
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.		
		(66,470)
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		(558,543)
Deferred outflow of resources associated with long-term liabilities are not reported in the funds.		
		208,973
Deferred outflows and inflows or resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	3,684,687	
Deferred inflows of resources related to pensions	<u>(358,489)</u>	
		3,326,198
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Net Pension Liability	(14,870,298)	
Other Amounts	<u>(14,796,511)</u>	
		<u>(29,666,809)</u>
Net Position of Governmental Activities		<u>\$36,641,090</u>

See accompanying notes to the basic financial statements.

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City of Trotwood, Ohio
Statement of Revenues, Expenditures
and Changes in Fund Balance
Governmental Funds
For the Fiscal Year Ended December 31, 2016

	General	Street Construction Maintenance and Repair	Fire Levy	Rescue Levy	Other Governmental Funds
Revenues:					
Property and Other Taxes	\$1,362,588	\$356,792	\$2,143,631	\$397,835	\$684,426
Income Taxes	4,921,209	0	0	0	0
Charges for Services	370,261	0	10	1,120,467	348
Investment Earnings	8,930	0	0	0	0
Intergovernmental	548,305	904,780	319,877	77,663	357,755
Special Assessments	92,783	0	0	0	265
Fines, Licenses & Permits	292,205	0	0	0	48,729
Revenue in Lieu of Taxes	82,496	0	0	0	681,572
Other Revenues	327,708	8,792	17,921	13,602	168,238
Total Revenues	8,006,485	1,270,364	2,481,439	1,609,567	1,941,333
Expenditures:					
Current:					
General Government	2,316,211	0	0	0	7,793
Public Safety	3,932,464	0	2,106,772	1,465,297	395,241
Community Development	348,953	0	0	0	128,149
Leisure Time Activities	201,743	0	0	0	0
Transportation and Street Repair	212,365	938,334	0	0	293,398
Capital Outlay	0	0	2,501	0	20,508
Debt Service:					
Principal	121,800	20,000	0	0	658,187
Interest and Other Charges	51,201	14,564	0	0	563,951
Bond Issuance Cost	0	0	0	0	47,327
Total Expenditures	7,184,737	972,898	2,109,273	1,465,297	2,114,554
Excess of Revenues Over (Under) Expenditures	821,748	297,466	372,166	144,270	(173,221)
Other Financing Sources (Uses):					
Proceeds from Sale of Capital Assets	3,200	0	2,980	2,979	0
Issuance of Long-Term Capital-Related Debt	0	0	0	0	1,815,000
Sale of Refunding Bonds	0	0	0	0	3,370,000
Payments to Refunded Bond Escrow Agent	0	0	0	0	(3,322,034)
Transfers In	0	0	0	0	230,000
Transfers (Out)	(230,000)	0	0	0	0
Total Other Financing Sources (Uses)	(226,800)	0	2,980	2,979	2,092,966
Net Change in Fund Balance	594,948	297,466	375,146	147,249	1,919,745
Fund Balance - Beginning of Year, Restated	767,015	1,203,418	(157,901)	517,592	(545,293)
Fund Balance - End of Year	\$1,361,963	\$1,500,884	\$217,245	\$664,841	\$1,374,452

See accompanying notes to the basic financial statements.

Total
Governmental
Funds

\$4,945,272
4,921,209
1,491,086
8,930
2,208,380
93,048
340,934
764,068
536,261

15,309,188

2,324,004
7,899,774
477,102
201,743
1,444,097
23,009

799,987
629,716
47,327

13,846,759

1,462,429

9,159
1,815,000
3,370,000
(3,322,034)
230,000
(230,000)

1,872,125

3,334,554

1,784,831

\$5,119,385

City of Trotwood, 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, 2016

Net Change in Fund Balance - Total Governmental Funds \$3,334,554

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

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

Capital assets used in governmental activities	\$458,925	
Depreciation Expense	<u>(1,280,807)</u>	(821,882)

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

City pension contributions	976,868	
Cost of benefits earned net of employee contributions	<u>(2,187,555)</u>	(1,210,687)

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

Income Taxes	189,080	
Delinquent Property Taxes	104,242	
Intergovernmental	88,363	
Special Assessments	<u>101,130</u>	482,815

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

Deferred Amount on Refunding	222,034	
Refunding Bonds	(3,370,000)	
Bonds Refunded	<u>3,100,000</u>	(47,966)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 799,987

In the statement of activities interest expense is accrued when incurred; whereas, in governmental funds an interest expenditure is reported when due. 53

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	18,657	
Amortization of Bond Premium	17,766	
Amortization of Deferred Charge on Refunding	<u>(13,061)</u>	23,362

Continued

The internal service fund used by management to charge back costs to individual funds is not reported in the entity-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.

Change in Net Position - Internal Service Funds 1,355

Proceeds from debt issues are an other financing source in the funds, but a debt issue increases long-term liabilities in the statement of net position.

(1,815,000)

Change in Net Position of Governmental Activities

\$746,591

See accompanying notes to the basic financial statements.

City of Trotwood, Ohio
Statement of Net Position
Proprietary Funds
December 31, 2016

	Business-Type Activities-Enterprise Funds					Governmental Activities- Internal Service Funds
	Water	Sewer	Refuse	Stormwater	Total Business-Type Activities	
Current Assets:						
Equity in Pooled Cash and Investments	\$1,974,523	\$1,189,082	\$136,766	\$2,313,720	\$5,614,091	\$11,559
Receivables (Net):						
Accounts	486,101	375,536	263,611	145,135	1,270,383	0
Special Assessments	88,796	54,202	550,479	265,075	958,552	0
Total Current Assets	2,549,420	1,618,820	950,856	2,723,930	7,843,026	11,559
Noncurrent Assets:						
Capital Assets:						
Nondepreciable Capital Assets	0	12,026	0	0	12,026	0
Depreciable Capital Assets, Net	1,681,293	593,498	0	14,856,210	17,131,001	0
Total Noncurrent Assets	1,681,293	605,524	0	14,856,210	17,143,027	0
Total Assets	4,230,713	2,224,344	950,856	17,580,140	24,986,053	11,559
Deferred Outflows of Resources:						
Pension	49,013	48,095	0	102,436	199,544	0
Total Deferred Outflows of Resources	49,013	48,095	0	102,436	199,544	0
Liabilities:						
Current Liabilities:						
Accounts Payable	182,621	116,190	106,291	30,798	435,900	0
Accrued Wages and Benefits	3,327	2,821	0	5,800	11,948	0
Compensated Absences	4,774	4,774	0	10,519	20,067	0
Accrued Interest Payable	1,988	1,536	0	0	3,524	0
Long-Term Liabilities Due Within One Year	39,847	33,000	0	0	72,847	0
Total Current Liabilities	232,557	158,321	106,291	47,117	544,286	0
Long-Term Liabilities:						
Compensated Absences	9,190	9,190	0	15,021	33,401	0
Bonds, Notes & Loans Payable	1,062,320	370,405	0	0	1,432,725	0
Net Pension Liability	129,147	126,727	0	269,913	525,787	0
Total Noncurrent Liabilities	1,200,657	506,322	0	284,934	1,991,913	0
Total Liabilities	1,433,214	664,643	106,291	332,051	2,536,199	0
Deferred Inflows of Resources:						
Pension	10,138	9,949	0	21,189	41,276	0
Total Deferred Inflows of Resources	10,138	9,949	0	21,189	41,276	0
Net Position:						
Net Investment in Capital Assets	579,126	202,119	0	14,856,210	15,637,455	0
Unrestricted	2,257,248	1,395,728	844,565	2,473,126	6,970,667	11,559
Total Net Position	\$2,836,374	\$1,597,847	\$844,565	\$17,329,336	\$22,608,122	\$11,559

See accompanying notes to the basic financial statements.

City of Trotwood, Ohio
Statement of Revenues, Expenses
and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended December 31, 2016

	Business-Type Activities-Enterprise Funds				Total Business-Type Activities	Governmental Activities- Internal Service Funds
	Water	Sewer	Refuse	Stormwater		
Operating Revenues:						
Charges for Services	\$1,821,748	\$1,337,573	\$1,427,739	\$802,561	\$5,389,621	\$0
Other Revenues	15,862	1,218	450	595	18,125	1,355
Total Operating Revenues	1,837,610	1,338,791	1,428,189	803,156	5,407,746	1,355
Operating Expenses:						
Personal Services	122,935	114,761	0	321,210	558,906	0
Contractual Services	844,401	604,107	1,308,254	196,054	2,952,816	0
Supplies and Materials	40,156	32,395	0	45,845	118,396	0
Depreciation	43,341	21,244	0	452,854	517,439	0
Other Expense	7,302	3,964	0	484	11,750	0
Total Operating Expenses	1,058,135	776,471	1,308,254	1,016,447	4,159,307	0
Operating Income (Loss)	779,475	562,320	119,935	(213,291)	1,248,439	1,355
Non-Operating Revenues (Expenses):						
Interest (Expense)	(31,963)	(15,638)	0	0	(47,601)	0
Total Non-Operating Revenues (Expenses)	(31,963)	(15,638)	0	0	(47,601)	0
Change in Net Position	747,512	546,682	119,935	(213,291)	1,200,838	1,355
Net Position - Beginning of Year, Restated	2,088,862	1,051,165	724,630	17,542,627	21,407,284	10,204
Net Position - End of Year	\$2,836,374	\$1,597,847	\$844,565	\$17,329,336	\$22,608,122	\$11,559

See accompanying notes to the basic financial statements.

City of Trotwood, Ohio
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended December 31, 2016

	Business-Type Activities-Enterprise Funds				Total Business-Type Activities	Governmental Activities- Internal Service Funds
	Water	Sewer	Refuse	Stormwater		
Cash Flows from Operating Activities:						
Cash Received from Customers	\$1,758,585	\$1,287,402	\$1,393,953	\$769,155	\$5,209,095	\$1,355
Cash Payments to Employees	(170,733)	(161,067)	(25,969)	(308,492)	(666,261)	0
Cash Payments to Suppliers	(1,350,817)	(978,779)	(1,309,059)	(220,344)	(3,858,999)	0
Net Cash Provided (Used) by Operating Activities	237,035	147,556	58,925	240,319	683,835	1,355
Cash Flows from Capital and Related Financing Activities:						
Payments for Capital Acquisitions	0	0	0	0	0	0
Debt Proceeds	250,000	0	0	0	250,000	0
Debt Principal Payments	(308,722)	(32,000)	0	0	(340,722)	0
Debt Interest Payments	(34,457)	(16,316)	0	0	(50,773)	0
Net Cash Provided (Used) by Capital and Related Financing Activities	(93,179)	(48,316)	0	0	(141,495)	0
Net Increase (Decrease) in Cash and Cash Equivalents	143,856	99,240	58,925	240,319	542,340	1,355
Cash and Cash Equivalents - Beginning of Year	1,830,667	1,089,842	77,841	2,073,401	5,071,751	10,204
Cash and Cash Equivalents - End of Year	1,974,523	1,189,082	136,766	2,313,720	5,614,091	11,559
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities						
Operating Income (Loss)	779,475	562,320	119,935	(213,291)	1,248,439	1,355
Adjustments:						
Depreciation	43,341	21,244	0	452,854	517,439	0
Changes in Assets & Liabilities:						
(Increase) Decrease in Receivables	(79,025)	(51,389)	(34,236)	(34,001)	(198,651)	0
(Increase) Decrease in Deferred Outflows of Resou	(21,973)	(21,866)	4,463	(63,641)	(103,017)	0
Increase (Decrease) in Payables	(458,958)	(338,313)	(805)	19,865	(778,211)	0
Increase (Decrease) in Accrued Liabilities	42	(515)	(5,387)	5,131	(729)	0
Increase (Decrease) in Deferred Inflows of Resourc	8,184	8,073	(432)	17,430	33,255	0
Increase (Decrease) in Net Pension Liability	(34,051)	(31,998)	(24,613)	55,972	(34,690)	0
Net Cash Provided (Used) by Operating Activities	\$237,035	\$147,556	\$58,925	\$240,319	\$683,835	\$1,355

See accompanying notes to the basic financial statements.

City of Trotwood, Ohio
Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2016

	<u>Agency</u>
Assets:	
Equity in Pooled Cash and Investments	<u>\$12,400</u>
Total Assets	<u>12,400</u>
Liabilities:	
Undistributed Monies	<u>12,400</u>
Total Liabilities	<u>\$12,400</u>

See accompanying notes to the basic financial statements.

City of Trotwood, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended December 31, 2016

Note 1 – Description of the City and Reporting Entity

The City of Trotwood is a political subdivision incorporated in 1901 under the laws and constitution of the State of Ohio. The City is a suburb of Dayton located in Montgomery County in the southwestern portion of the state. Trotwood is located approximately 70 miles west of Columbus and sixty miles north of Cincinnati. Interstates 70 and 75 intersect approximately five miles northeast of the City.

Reporting Entity

The City is a home rule municipal corporation under Article XVIII of the Ohio Constitution utilizing the council-manager form of government. Governing direction is provided by the city charter first adopted in 1964 and subsequently amended. Overall policy direction is the responsibility of the City Council, which is composed of the Mayor and six Councilpersons, four elected from geographic districts and two at-large. The City provides many services for the benefit of its citizens including police protection, fire protection, emergency medical service, street maintenance and repair, parks maintenance, recreation programs, water distribution, sewage collection and refuse collection. On January 1, 1996, the City merged with Madison Township more than tripling its population and land area. The resulting community is the fourth most populous city in Montgomery County and is surpassed in land area only by the City of Dayton.

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 participates in three jointly governed organizations: The Miami Valley Regional Planning Commission, the Miami Valley Fire/EMS Alliance and the Economic Development/Government Equity Program are discussed in the Jointly Governed Organization footnote.

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 applicable to governmental and proprietary funds. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

Measurement Focus

Government-Wide Financial Statements

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

City of Trotwood, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended December 31, 2016

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of 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. Eliminations have been made to minimize double counting of internal activities, but the interfund services provided and used are not eliminated in the process of consolidation. 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.

City of Trotwood, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended December 31, 2016

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. The internal service fund is presented in a single column on the face of the proprietary fund statements.

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. The City has three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds

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

Street Construction Maintenance and Repair – To account for the portion of the state gasoline taxes and motor vehicle registration fees designated for upkeep and maintenance of streets within the City, as well as property taxes likewise designated.

Fire Levy Fund – This special revenue fund accounts for property taxes levied for the provision of fire protection and prevention services within the City.

Rescue Levy Fund – This special revenue fund accounts for property taxes levied for the provision of emergency medical services provided within the City by the Trotwood Rescue Unit.

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.

City of Trotwood, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended December 31, 2016

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 – To account for the provision of water services including maintenance of City-owned water lines. The City's water distribution system does not serve the entire City; Montgomery County provides water service to that portion of the City formerly known as Madison Township.

Sewer Fund – To account for the provision of sewer services including maintenance of City-owned sewer lines.

Refuse Fund – To account for the provision of refuse and recycling collection services for all residents in the City.

Stormwater Fund – To account for the provision of stormwater services.

Internal Service Funds - Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service fund reports on City vehicle repair services.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: agency funds, pension trust funds, investment trust funds and private-purpose trust funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Trust funds are used to account for assets held under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City currently has no private purpose trust funds and one agency fund. The Fire Insurance Escrow agency fund is used to account for receipts and disbursements on monies related to fire insurance escrow.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary 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 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-one days of year-end.

City of Trotwood, Ohio
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For The Fiscal Year Ended December 31, 2016

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, revenue in lieu of 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, charges for services, interest, grants and fees.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for deferred charge on refunding and pension. The deferred outflows of resources related to pension are explained in Note 12.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, income taxes, pension, grants and other taxes, special assessments and revenue in lieu of taxes. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2016, but which were levied to finance year 2017 operations. Revenue in lieu of taxes are deferred and recognized as inflows of resources in the period the amounts become available. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Deferred outflows of resources related to pension are reported on the government-wide statement of net position. (See Note 12.)

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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

City of Trotwood, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended December 31, 2016

Equity in Pooled Cash and Investments

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

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

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 also implemented GASB Statement No. 79 for 2016. The implementation of this GASB pronouncement had no effect on beginning net position/fund balance. The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio, which is the price the investment could be sold for on December 31, 2016. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

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

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

Interest revenues during 2016 amounted to \$8,930.

Capital Assets

In 2006, the City of Trotwood applied the transition provisions for General Infrastructure Assets (streets, curbs, sidewalks, and culverts). The City reports current year additions and deletions for General Infrastructure Assets. The City has elected not to use the modified approach for reporting General Infrastructure Assets.

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

City of Trotwood, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended December 31, 2016

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City's infrastructure consists of culverts, 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 uses a \$5,000 capitalization threshold.

All reported capital assets are depreciated except for land. 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>Estimated Lives</u>
Buildings and Improvements	20-50 years
Equipment	3-20 years
Infrastructure	20-75 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 fund financial statements a liability is recorded only for the portion of unpaid compensated absences that have matured. The noncurrent portion of the liability is not reported. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

Accrued Liabilities and Long-Term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims, 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, capital leases and long-term loans are recognized as a liability on the fund financial statements when due.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined

City of Trotwood, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended December 31, 2016

on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

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 – resources that are intended to be used for specific purposes as approved through the City's formal purchasing procedure by the Finance Director, as established by the council approved purchasing policy.

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

The City applies restricted resources first when an expenditure is incurred for purposes, which both restricted and unassigned fund balances are available. The City considers committed, assigned, and unassigned fund balances, respectively, to be spent when expenditures are incurred for purposes for which any of the unassigned fund balance classifications could be used.

Net Position

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

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Of the City's \$5,935,624 in restricted net position, none was restricted by enabling legislation.

City of Trotwood, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended December 31, 2016

Operating Revenues and Expenses

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

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 internal services provided and used are not eliminated through the process of consolidation.

Estimates

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

Note 3 – Equity in Pooled Cash and Investments

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.

City of Trotwood, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended December 31, 2016

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

- (1) Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.
- (2) Bonds, notes, debentures, or other obligations or securities issued by any federal governmental agency.
- (3) No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.
- (4) Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than one year from date of deposit, or by savings or deposit accounts, including, but limited to, passbook accounts.
- (5) Bonds and other obligations of the State of Ohio.
- (6) The Ohio State Treasurer's investment pool (STAR Ohio).
- (7) Commercial paper and banker's acceptances, which meet the requirements established by Ohio Revised Code, Sec. 135.142.
- (8) Under limited circumstances, corporate debt interests in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

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

City of Trotwood, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended December 31, 2016

Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. The City’s policy for deposits is any balance not covered by depository insurance will be collateralized by the financial institutions with pledged securities. As of December 31, 2016, \$8,602,526 of the City’s bank balance of \$11,331,993 was exposed to custodial risk because it was uninsured and collateralized with securities held by the pledging financial institution’s trust department or agent, but not in the City’s name. At year end, the carrying amount of the City’s deposits was \$10,577,831.

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

Investments

As of December 31, 2016, the City had no investments.

Note 4 – Receivables

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

With the exception of certain special assessment receivables, no allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant. The City’s evaluation of the collectability of special assessments receivables indicated that the recent downturn in the economy requires allowances for doubtful accounts as follows:

	As of December 31, 2016					
	General	Other	Water	Sewer	Refuse	Stormwater
	Fund	Governmental	Fund	Fund	Fund	Fund
		Funds				
Special Assessments Receivable	\$3,185,829	\$40,876	\$191,006	\$111,808	\$1,117,858	\$548,701
Allowance for Doubtful Accounts	(2,791,840)	(26,422)	(102,210)	(57,606)	(567,379)	(283,626)
Special Assessments Receivable, Net	\$393,989	\$14,454	\$88,796	\$54,202	\$550,479	\$265,075

Property Taxes

Property taxes include amounts levied against all real and public utility, located in the City. Property tax revenue received during 2016 for real and public utility property taxes represents collections of the 2015 taxes.

The 2016 real property taxes are levied after October 1, 2016, on the assessed value as of January 1, 2016, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2016 real property taxes are collected in and intended to finance 2017 operations.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. The 2016 public utility property taxes

City of Trotwood, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended December 31, 2016

became a lien December 31, 2015, are levied after October 1, 2016, and are collected in 2016 with real property taxes.

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

	<u>Amount</u>
Real Property	\$226,483,400
Public Utility	<u>12,779,880</u>
Total	<u><u>\$239,263,280</u></u>

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

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

Income Taxes

The City levies a 2.25% income tax on substantially all income earned within the City. In addition, residents are required to pay City income tax on income earned outside the City with a credit up to 2.25% allowed for income taxes paid to other municipalities. 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

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. Since October 2003, the City has been a member in the Public Entities Pool of Ohio (PEP), established as a risk sharing self-insurance pool for the purpose of enabling the subscribing political subdivisions to obtain liability insurance and providing a formalized, jointly administered self-insurance program for its members. PEP is a corporation governed by a seven member board of directors, consisting of representatives elected by the 230 participating governments.

The City pays an annual premium to the PEP. The agreement provides that the PEP will be self-sustaining through member premiums and excess insurance. The types of coverages and deductibles per occurrences as follows:

City of Trotwood, Ohio
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For The Fiscal Year Ended December 31, 2016

<u>Type of Coverage</u>	<u>Coverage</u>	<u>Deductible</u>
Legal Liability for Third Party Claims	\$2,000,000	\$10,000
Automobile Liability	2,000,000	5,000
Law Enforcement Operations	2,000,000	25,000
Wrongful Acts (Public Officials)	2,000,000	10,000
Real and Personal Property	14,331,511	5,000
Equipment Breakdown	16,011,274	10,000
Miscellaneous Property	1,401,291	5,000
Data Processing	298,365	5,000

The Pool retains general, automobile, police professional and public official's liability risks up to \$250,000 per claim. Claims exceeding \$250,000 are reinsured in an amount not to exceed \$2,000,000 per claim and \$2,000,000 in aggregate per year.

Automobile physical damage risks are retained by the Pool up to \$25,000 for each accident and location. Reinsurance coverage is provided at different levels depending on the type of vehicle.

All property risks, which include physical damage coverage on specialized-use vehicles (fire trucks and emergency vehicles), are fully reinsured. Property risks up to \$25,000 are reinsured on an individual member basis.

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

Note 6 – Capital Assets

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

	<u>Restated Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
Capital Assets, not being depreciated:				
Land	\$26,763,209	\$0	\$0	\$26,763,209
Capital Assets, being depreciated:				
Buildings and Improvements	9,352,232	0	0	9,352,232
Equipment	9,407,291	458,925	254,432	9,611,784
Infrastructure	47,607,950	0	0	47,607,950
Totals at Historical Cost	<u>93,130,682</u>	<u>458,925</u>	<u>254,432</u>	<u>93,335,175</u>
Less Accumulated Depreciation:				
Buildings and Improvements	4,499,993	200,119	0	4,700,112
Equipment	7,191,028	190,688	254,432	7,127,284
Infrastructure	27,951,206	890,000	0	28,841,206
Total Accumulated Depreciation	<u>\$39,642,227</u>	<u>\$1,280,807</u>	<u>\$254,432</u>	<u>\$40,668,602</u>
Governmental Activities Capital Assets, Net	<u>\$53,488,455</u>	<u>(\$821,882)</u>	<u>\$0</u>	<u>\$52,666,573</u>

City of Trotwood, Ohio
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For The Fiscal Year Ended December 31, 2016

	Restated Beginning Balance	Additions	Deletion	Ending Balance
Business-Type Activities				
Capital Assets, not being depreciated:				
Land	\$12,026	\$0	\$0	\$12,026
Capital Assets, being depreciated:				
Equipment	418,473	0	0	418,473
Infrastructure	41,035,693	0	0	41,035,693
Totals at Historical Cost	<u>41,466,192</u>	<u>0</u>	<u>0</u>	<u>41,466,192</u>
Less Accumulated Depreciation:				
Equipment	382,847	5,168	0	388,015
Infrastructure	23,422,879	512,271	0	23,935,150
Total Accumulated Depreciation	<u>23,805,726</u>	<u>517,439</u>	<u>0</u>	<u>24,323,165</u>
Business-Type Activities Capital Assets, Net	<u>\$17,660,466</u>	<u>(\$517,439)</u>	<u>\$0</u>	<u>\$17,143,027</u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$205,501
Public Safety	363,651
Leisure Time	32,215
Community Development	2,419
Transportation	677,021
Total Depreciation Expense	<u>\$1,280,807</u>

Depreciation expense was charged to business-type activities as follows:

Water	\$43,341
Sewer	21,244
Stormwater	452,854
Total Depreciation Expense	<u>\$517,439</u>

Note 7 – Compensated Absences

Employees earn vacation leave ranging from 5 to 25 days per year based on length of service, except for firefighters who earn vacation leave on a pro-rated basis utilizing a 2,912-hour work year. The maximum accrual, which can be carried forward in a year, is 160 hours or one year's accumulation, whichever is greater. The City is liable for all accrued vacation upon separation or retirement.

Sick leave is accrued at the rate of 1-1/4 days for each month of service completed; firefighters accrue sick leave at the rate of 1-3/4 days per month. Accumulated sick leave in excess of 600 hours may be converted to vacation time on a 3-to-1 basis with a maximum of 10 days in any calendar year or to pay on a 3-to-1 basis with a maximum of 10 days in any calendar year. Upon retirement from active service with the City, employees with 10 to 20 years of service may convert one-third of unused sick leave (maximum 125 days) to pay; employees retiring with over 20 years of active service may convert one-half unused sick leave (maximum 130 days).

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Five personal days are granted to each full-time employee of the City. Personal days must be taken within the calendar year and may not be carried forward. Additional personal time may be earned by employees who do not use any sick leave.

Note 8 – Notes Payable

A summary of the note transactions for the current year end are as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Bond Anticipation Notes:				
Governmental Activities:				
Town Center Redevelopment, Series 2015, 1.00%	\$1,785,000	\$0	(\$1,785,000)	\$0
Total Governmental Activities Bond Anticipation Notes	<u>\$1,785,000</u>	<u>\$0</u>	<u>(\$1,785,000)</u>	<u>\$0</u>
Business-Type Activities:				
Town Center Redevelopment, Series 2015, 1.00%	255,000	0	(255,000)	0
Total Business-Type Activities Bond Anticipation Notes	<u>\$255,000</u>	<u>\$0</u>	<u>(\$255,000)</u>	<u>\$0</u>

All of the notes are bond anticipation notes, are backed by the full faith and credit of the City, and mature within one year. The note liability is reflected in the fund, which received the proceeds.

Note 9 – Long-Term Debt

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

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities					
<u>Bonds Payable</u>					
2003 Various Purpose Bonds, 5.11%	\$1,110,832	\$0	(\$145,000)	\$965,832	\$100,000
2007 Various Purpose Bonds, 4.21%	3,605,000	0	(3,300,000)	305,000	205,000
2016 Various Purpose Refunding	0	3,370,000	(45,000)	3,325,000	25,000
2016 Various Purpose Improvements	0	1,815,000	(66,000)	1,749,000	88,000
2010 Various Purpose Bonds, 3.00-4.25%	6,932,138	0	(222,187)	6,709,951	232,062
Premium on 2010 Bonds	350,879	0	(17,766)	333,113	0
2012 OAQDA Tax Exempt Energy Bonds, 2.02%	620,926	0	(113,400)	507,526	115,690
2012 OAQDA Energy Conservation Bonds, 4.28%	883,361	0	0	883,361	0
Total Bonds Payable	<u>13,503,136</u>	<u>5,185,000</u>	<u>(3,909,353)</u>	<u>14,778,783</u>	<u>765,752</u>
Capital Leases	26,128	0	(8,400)	17,728	8,741
Total Long-Term Debt	13,529,264	5,185,000	(3,917,753)	14,796,511	774,493
Net Pension Liability:					
OPERS	1,679,473	512,273	0	2,191,746	0
OP&F	10,289,120	2,389,432	0	12,678,552	0
Total Net Pension Liability	<u>11,968,593</u>	<u>2,901,705</u>	<u>0</u>	<u>14,870,298</u>	<u>0</u>
Compensated Absences	582,270	280,277	(280,047)	582,500	231,081
Total Governmental Activities	<u>\$26,080,127</u>	<u>\$8,366,982</u>	<u>(\$4,197,800)</u>	<u>\$30,249,309</u>	<u>\$1,005,574</u>

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	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Business Type Activities					
<u>Bonds Payable</u>					
2003 Various Purpose Water Bonds, 5.11%	\$204,584	\$0	(\$20,000)	\$184,584	\$15,000
2003 Various Purpose Sewer Bonds, 5.11%	204,584	0	(20,000)	184,584	15,000
2010 Various Purpose Water Bonds, 3.00-4.25%	87,862	0	(2,813)	85,049	2,938
2016 Various Purpose Improvements	0	250,000	(9,000)	241,000	12,000
Total Bonds Payable	497,030	250,000	(51,813)	695,217	44,938
Net Pension Liability:					
OPERS	560,477	0	(34,690)	525,787	0
Total Net Pension Liability	560,477	0	(34,690)	525,787	0
<u>Loans Payable</u>					
2007 OPWC Loan - Sanitary Sewer - 0.00%	230,821	0	(12,000)	218,821	18,000
2012 OPWC Loan - Water - 0.00%	317,021	0	(11,322)	305,699	11,322
2012 OPWC Loan - Water - 0.00%	296,422	0	(10,587)	285,835	10,587
Total Loans Payable	844,264	0	(33,909)	810,355	39,909
Compensated Absences	49,564	31,746	(27,842)	53,468	20,067
Total Business-Type Activities	\$1,951,335	\$281,746	(\$148,254)	\$2,084,827	\$104,914

Principal payments for the 2003 Various Purpose Bonds are paid from the General Fund, the Street Maintenance and Repair Fund, the Debt Retirement Fund, the Industrial Park Fund, the Water Fund and the Sewer Fund. Principal payments for the 2007 Various Purposes Bonds are paid from the General Fund and the Industrial Park Fund. The 2010 Various Purpose Bonds are paid from the Industrial Park Fund, the Salem Mall Tax Increment Fund and the Water Fund. 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.

In August 2003, the City issued \$3,790,000 in Various Purpose General Obligation Bonds with an interest rate of 5.11%. A portion of the bond proceeds were used to advance refund \$585,000 of outstanding 1992 Government Center renovation general obligation bonds with an interest rate of 6.70% and \$615,000 of outstanding 1994 Oakview Estates street improvement special assessment bonds with an interest rate of 6.35%.

On September 9, 2010, the City refinanced \$8,155,000 in short term bond anticipation notes into \$8,000,000 in long term various purpose bonds with an interest rate between 3.00-4.25%. The bonds were issued with a premium of \$444,147 and bond issuance costs of \$240,650 and will be amortized over 25 years.

On April 10, 2012, the City issued \$948,363 in Ohio Air Quality Development Authority Tax Exempt Energy Bonds at an interest rate of 2.02% throughout the life of the bonds. The bonds will mature on December 1, 2021. Principal payments will be made out of the General Fund.

On June 8, 2012, the City issued \$883,361 in Ohio Air Quality Development Authority Energy

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Conservation Bonds at an interest rate of 4.28% throughout the life of the bonds. The bonds will mature on December 1, 2027. Principal payments will be made out of the General Fund.

In 2012, the City issued two OPWC loans to finance the Olde Towne Waterman improvements. The City received a total of \$657,260 (during 2012 and 2013) in loan proceeds to fund these projects.

On February 17, 2016, the City issued \$2,065,000 in Various Purpose Improvement Bonds at an interest rate of 2.92% throughout the life of the Bonds. The Bonds will mature on December 1, 2032. Principal payments will be made out of the Water Fund and Salem Mall Tax Increment Fund.

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

Year Ending December 31	Governmental Activities		Business-Type Activities			
	General		General		OPWC Loans	
	Obligation Bonds		Obligation Bonds		OPWC Loans	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$765,752	\$558,419	\$44,938	\$31,108	\$39,909	\$0
2018	775,527	533,797	47,500	29,024	39,908	0
2019	804,687	509,240	50,725	26,923	39,909	0
2020	771,456	483,682	51,388	24,672	40,908	0
2021	796,313	459,649	54,013	22,403	41,909	0
2022-2026	4,181,405	1,795,143	291,432	71,998	235,363	0
2027-2031	3,966,563	974,208	109,188	19,681	109,543	0
2032-2036	2,383,967	221,023	46,033	3,192	109,542	0
2037-2041	0	0	0	0	109,543	0
2042-2043	0	0	0	0	43,821	0
Total	<u>\$14,445,670</u>	<u>\$5,535,161</u>	<u>\$695,217</u>	<u>\$229,001</u>	<u>\$810,355</u>	<u>\$0</u>

Note 10 – Advance Refunding

On February 17, 2016 the City issued \$3,370,000 in Current Interest Bonds with an interest rate of 2.92% which was used to advance refund \$3,100,000 of the outstanding 2007 General Obligation Bonds with an interest rate between 4.00% and 4.25%. The net proceeds of \$3,322,034 (after payment of underwriting fees, insurance and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust and an escrow agent to provide all future debt service payments on the three bond issues. As a result, \$3,100,000 of the 2007 General Obligation Bonds are considered to be defeased and the related liability for those bonds have been removed from the Statement of Net Position.

The City advance refunded 2007 General Obligation Bonds to reduce its total debt service payment by \$139,597 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$111,428.

Note 11 – Capital Leases

The City has entered into capital leases for three John Deere mowers. The City's lease obligations meet the criteria of a capital asset and has been recorded on the government-wide statements. The leased assets have been capitalized for the amount of the present value of the minimum lease payments at the

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inception of the lease. The following is a schedule of the future long-term minimum lease payments required under the capital lease, and the present value of the minimum lease payments is as follows:

Fiscal Year Ending December 31,	Long-Term Debt
2017	\$9,250
2018	9,250
Total Minimum Lease Payments	18,500
Less: Amount Representing Interest	(772)
Present Value of Minimum Lease Payments	<u>\$17,728</u>

Capital assets acquired under the capital leases are as follows, \$42,766 in equipment.

Note 12 - Defined Benefit Pension Plans

Net Pension Liability

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the City proportionate share of each pension plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan’s fiduciary net position. The net pension liability 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 obligation for this liability to annually required payments. The City cannot control benefit terms or the manner in which pensions are financed; however, the City does receive the benefit of employees’ services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan’s unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension 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.

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Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

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

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

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

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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

	<u>State and Local</u>	<u>Public Safety</u>	<u>Law Enforcement</u>
2016 Statutory Maximum Contribution Rates			
Employer	14.0 %	18.1 %	18.1 %
Employee	10.0 %	*	**
2016 Actual Contribution Rates			
Employer:			
Pension	12.0 %	16.1 %	16.1 %
Post-employment Health Care Benefits	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>
Total Employer	<u><u>14.0 %</u></u>	<u><u>18.1 %</u></u>	<u><u>18.1 %</u></u>
Employee	<u><u>10.0 %</u></u>	<u><u>12.0 %</u></u>	<u><u>13.0 %</u></u>

* 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.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City contractually required contribution was \$232,561 for 2016. Of this amount \$22,451 is reported as an accrued wage and benefits.

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

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State

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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 <https://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.

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 and statutory survivors.

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

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

	<u>Police</u>	<u>Firefighters</u>
2016 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
2016 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50</u>	<u>0.50</u>
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	12.25 %	12.25 %

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Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$789,303 for 2016. Of this amount \$57,440 is reported as an accrued wage and benefits.

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

The net pension liability for OPERS was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2015, and was determined by rolling forward the total pension liability as of January 1, 2015, to December 31, 2015. The City proportion of the net pension liability was based on the City share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$2,717,533	\$12,678,552	\$15,396,085
Proportion of the Net Pension Liability	0.015689%	0.197084%	
Pension Expense	\$405,328	\$1,782,225	\$2,187,553

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources:			
Net difference between projected and actual earnings on pension plan investments	\$798,785	\$2,063,582	\$2,862,367
City contributions subsequent to the measurement date	<u>232,561</u>	<u>789,303</u>	<u>\$1,021,864</u>
Total Deferred Outflows of Resources	<u>\$1,031,346</u>	<u>\$2,852,885</u>	<u>\$3,884,231</u>
Deferred Inflows of Resources:			
Differences between expected and actual experience	\$52,508	\$35,601	\$88,109
Changes in employer proportion and differences between contributions and proportionate share of contributions	<u>160,826</u>	<u>150,830</u>	<u>311,656</u>
Total Deferred Inflows of Resources	<u>\$213,334</u>	<u>\$186,431</u>	<u>\$399,765</u>

\$1,021,864 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

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Year Ending December 31:	OPERS	OP&F	Total
2017	\$100,496	\$507,476	\$607,972
2018	113,269	507,476	620,745
2019	190,921	507,476	698,397
2020	180,765	397,468	578,233
2021	0	(35,921)	(35,921)
Thereafter	0	(6,825)	(6,825)
Total	<u>\$585,451</u>	<u>\$1,877,150</u>	<u>\$2,462,601</u>

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of the 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, 2015, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuations are presented below:

Key Methods and Assumptions Used in Valuation of Total Pension Liability	
Actuarial Information	Traditional Pension Plan
Valuation Date	December 31, 2015
Experience Study	5 year period ending December 31, 2010
Actuarial Cost Method	Individual Entry Age
Actuarial Assumptions:	
Investment Rate of Return	8.00%
Wage Inflation	3.75%
Projected Salary Increases	4.25% - 10.05% (includes wage inflation at 3.75%)
Cost-of-Living Adjustments:	
Pre 1/7/2013 Retirees	3.00% Simple,
Post 1/7/2013 Retirees	3.00% Simple,
Through 2018, then	2.80% Simple.

Mortality rates are the RP-2000 mortality table projected 20 years using Projection Scale AA. For males, 105% of the combined healthy male mortality rates were used. For females, 100% of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances

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were based on the RP-2000 mortality table with no projections. For males, 120% of the disabled female mortality rates were used, set forward two years. For females, 100% of the disabled female mortality rates were used.

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.

OPERS manages investments in four investment portfolios: the Defined Benefit portfolio, the 401(h) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan, and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money-weighted rate of return, net of investment expense, for the Defined Benefit portfolio is 0.4% for 2015.

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board 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 following table displays the Board-approved asset allocation policy for 2015 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.31 %
Domestic Equities	20.70	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	18.30	7.40
Other investments	18.00	4.59
Total	100.00 %	5.27 %

Discount Rate

The discount rate used to measure the total pension liability was 8.0% for the Traditional Pension Plan, Combined Plan and Member-Directed Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments

City of Trotwood, Ohio
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for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following table presents the net pension liability or asset calculated using the discount rate of 8.0%, and the expected net pension liability or asset if it were calculated using a discount rate that is 1.0% lower or 1.0% higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	7.00%	8.00%	9.00%
City's proportionate share of the net pension liability:			
OPERS	\$4,329,693	\$2,717,533	\$1,357,726

Changes Between Measurement Date and Report Date

In October 2016, the OPERS Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of December 31, 2016. The most significant change is a reduction in the discount rate from 8.0 percent to 7.5 percent. Although the exact amount of these changes is not known, the impact to the City's net pension liability is expected to be significant.

Actuarial Assumptions – OP&F

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

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

Valuation Date	January 1, 2015
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25%
Projected Salary Increases	4.25% through 11% percent
Payroll Increases	3.75%
Inflation Assumptions	3.25%
Cost of Living Adjustments	2.60% and 3.00%, simple

Rates of death are based on the RP2000 Combined Table, age-adjusted as follows. For active members,

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set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

The most recent experience study was completed January 1, 2012.

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 expectation. 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, 2015 are summarized below:

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

Note: Assumptions are geometric

* levered 2x

** Numbers are net of expected inflation

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 1.2 times due to the application of leverage in certain fixed income asset classes.

Discount Rate

The total pension liability was calculated using the discount rate of 8.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment

City of Trotwood, Ohio
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rate of return 8.25 percent. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.25 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.25 percent), or one percentage point higher (9.25 percent) than the current rate.

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability :			
OP&F	\$16,721,312	\$12,678,552	\$9,253,936

Note 13 – Post Employment Benefits

Ohio Public Employees Retirement System

Plan Description

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan—a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan—a defined contribution plan; and the Combined Plan—a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan. In March 2016, OPERS received two favorable rulings from the Internal Revenue Service (IRS) allowing OPERS to consolidate all health care assets into the OPERS 115 Health Care Trust. Transition to the new health care trust structure was completed July 1, 2016. As of December 31, 2016, 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 to qualifying benefit recipients of both the Traditional Pension and the Combined plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage. OPERS funds a Retiree Medical Account (RMA) for participants in the Member-Directed Plan. At retirement or refund, participants can be reimbursed for qualified medical expenses from their vested RMA balance.

In order to qualify for health care coverage, age-and-service retirees under the Traditional Pension and Combined plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. Please see the Plan Statement in the OPERS 2015 CAFR for details.

City of Trotwood, Ohio
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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 OPERS Board of Trustees (OPERS Board) in Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml#CAFR>, by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2016, State and Local employers contributed at a rate of 14.0% of earnable salary and Public Safety and Law Enforcement employers contributed at 18.1%. 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. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2.0% during calendar year 2016. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2017 decreased to 1.0% for both plans. 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 2016 was 4.0%.

Information from City's Records

The rates stated in Funding Policy, above, are the contractually required contribution rates for OPERS. The City's actual contributions for the current year, which were used to fund postemployment benefits, were \$38,760 for 2016, \$41,266 for 2015, and \$45,871 for 2014. The full amount has been contributed for 2016, 2015 and 2014.

Ohio Police and Fire Pension Fund

Plan Description

The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost sharing, multiple-employer defined post-employment healthcare plan administered by OP&F. OP&F provides healthcare benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

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

City of Trotwood, Ohio
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The Ohio Revised Code allows, but does not mandate, OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide healthcare 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. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164, or by visiting the OP&F website at <https://www.op-f.org>.

Funding Policy

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and Section 401(h) account as the employer contribution for retiree healthcare benefits. The portion of employer contributions allocated to health care was .5% of covered payroll from January 1, 2016 thru December 31, 2016. The amount of employer contributions allocated to the healthcare plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

Information from City's Records

The City's contributions to OP&F for the year ending December 31, 2016 was \$18,884, December 31, 2015 was \$20,247; and December 31, 2014 was \$21,772. The actual contributions for 2016, 2015 and 2014 were 100%.

Note 14 – Jointly Governed Organizations

The Miami Valley Regional Planning Commission (the Commission) is a jointly governed organization between Preble, Clark, Clinton, Darke, Greene, Miami and Montgomery Counties, the City of Dayton and the City of Huber Heights. The Commission prepares plans, including studies, maps, recommendations and reports concerning the physical, environmental, social, economic and governmental characteristics, functions and services of the region. These reports show recommendations for systems of

City of Trotwood, Ohio
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transportation, highways, parks and recreation facilities, water supply, sewage disposal, garbage disposal, civic centers and other public improvements and land uses which affect the development of the region. The degree of control exercised by any participating government is limited to its representation on the Board. Members of the Board are as follows: the officers of the Commission (elected by member representatives), the immediate past Chair of the Commission, the Commission member representing the City of Dayton, the Commission member representing each of the respective counties, the representatives selected by each county caucus, a nongovernmental member and two at-large representatives. Payments to the Commission are made from the General Fund. The City contributed \$11,238 to this organization in 2016.

The Miami Valley Fire/EMS Alliance (the Alliance) is a jointly governed organization between municipal corporations and townships in Montgomery, Greene and Warren Counties. The purpose of the Alliance is to foster cooperation among the political subdivisions by promoting programs and recommending matters, which will result in more efficient methods of delivering fire and emergency medical services in the region. The Board of the Alliance is made up of a representative appointed by the City of Dayton, a representative appointed by the members who are provided Fire/EMS services by volunteers, two representatives appointed by the members who are provided Fire/EMS services by a combination of full-time employees and volunteers and a representative appointed by members who are provided Fire/EMS services by full-time employees. Payments to the Alliance are made from the Fire Levy Fund. The City contributed \$11,727 to this organization in 2016.

The Economic Development/Government Equity Program (ED/GE) was established pursuant to Ohio Revised Code Chapter 307 for the purpose of developing and promoting plans and programs designed to assure that County resources are efficiently used, economic growth is properly balanced and that County economic development is coordinated with that of the State of Ohio and other local governments. Members include villages, townships and cities within Montgomery County and the County itself. Cooperation and coordination between the members is intended to promote economic health and improve the economic opportunities of the people in Montgomery County by assisting in the establishment or expansion within the County of industrial, commercial or research facilities and by creating and preserving job and employment opportunities for the people of the County. The ED/GE Advisory Committee, made up of alternating member entities' representatives, decides which proposed projects will be granted each year. Sales tax revenues, set aside by Montgomery County, are used to fund the projects. Members annually contribute or receive benefits based on an elaborate zero-based formula designed to distribute growth in contributing communities to those in communities experiencing less economic growth. In 2011, the City agreed to be a member for an additional 10 years, ending December 31, 2021. Any member in default of paying its contributions will be liable for the amount of the contribution, any interest accrued and penalties. During this time, the member will not be entitled to any allocations from ED/GE. Payments to ED/GE are made from the General Fund. The City did not contribute any money to this organization in 2016.

Note 15 – Fund Balances

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

City of Trotwood, Ohio
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For The Fiscal Year Ended December 31, 2016

Fund Balances	Street Construction Maintenance and Repair				Other Governmental Funds		Total
	General	and Repair	Fire Levy	Rescue Levy	Funds		
Restricted for:							
Street Construction	\$0	\$1,500,884	\$0	\$0	\$0	\$1,500,884	
Fire Levy	0	0	217,245	0	0	217,245	
Rescue Levy	0	0	0	664,841	0	664,841	
State Highway	0	0	0	0	180,624	180,624	
Motor Vehicle License Tax	0	0	0	0	266,570	266,570	
Permissive Use Tax	0	0	0	0	99,104	99,104	
Drug Law Enforcement	0	0	0	0	6,884	6,884	
Curbs/Gutters/Sidewalks Assessment	0	0	0	0	46,220	46,220	
Grants	0	0	0	0	297,188	297,188	
Local Law Enforcement Block	0	0	0	0	75	75	
Park Acquisition and Development	0	0	0	0	2,801	2,801	
Salem Mall Tax Increment	0	0	0	0	1,887	1,887	
Enforcement and Education	0	0	0	0	12,709	12,709	
Law Enforcement Trust	0	0	0	0	52,175	52,175	
Redlight Enforcement	0	0	0	0	13,823	13,823	
Government Equity Program	0	0	0	0	219	219	
Police Levy	0	0	0	0	2,039	2,039	
Debt Service	0	0	0	0	4,374	4,374	
Fire Facility Improvements	0	0	0	0	5,162	5,162	
Fire Capital Levy	0	0	0	0	59,910	59,910	
General Capital Improvement	0	0	0	0	100,000	100,000	
Industrial Park	0	0	0	0	222,688	222,688	
Total Restricted	0	1,500,884	217,245	664,841	1,374,452	3,757,422	
Assigned to:							
Purchases on Order	50,066	0	0	0	0	50,066	
Total Assigned	50,066	0	0	0	0	50,066	
Unassigned (Deficit)	1,311,897	0	0	0	0	1,311,897	
Total Fund Balance	\$1,361,963	\$1,500,884	\$217,245	\$664,841	\$1,374,452	\$5,119,385	

Note 16 – Other Commitments

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

Fund	Amount
General	\$69,664
Street Construction Maintenance and Repair	110,112
Fire Levy	8,176
Rescue Levy	27,318
Water	13,269
Sewer	15,980
Stormwater	100,442
Nonmajor Funds	142,523
Total	\$487,484

City of Trotwood, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended December 31, 2016

Note 17 – Implementation of New Accounting Principles

For the fiscal year ended December 31, 2016, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and *Amendments to Certain Provisions of GASB Statements 67 and 68*, GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, GASB Statement No. 77, *Tax Abatement Disclosures* and GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*.

GASB Statement No. 72 clarifies the definition of fair value for financial reporting purposes, establishes general principles for measuring fair value, provides additional fair value application guidance, and enhances disclosures about fair value measurements. These changes were incorporated in the City's note disclosures.

GASB Statement No. 73 establishes requirements for defined benefit pensions that are not within the scope of GASB Statement No. 68 as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also clarifies the application of certain provisions of GASB Statements 67 and 68. The implementation of GASB Statement No. 73 did not have an effect on the financial statements of the City.

GASB Statement No. 76 reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The implementation of GASB Statement No. 76 did not have an effect on the financial statements of the City.

GASB Statement No. 77 establishes improved financial reporting by giving users of financial statements essential information that is not consistently or comprehensively reported to the public at present. Disclosure of information about the nature and magnitude of tax abatements will make these transactions more transparent to financial statement users. As a result, users will be better equipped to understand (1) how tax abatements affect a government's future ability to raise resources and meet its financial obligations and (2) the impact those abatements have on a government's financial position and economic condition. The implementation of GASB Statement No 77 was incorporated into the City' notes disclosures.

GASB Statement No. 79 addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The implementation of GASB Statement No. 79 did not have an effect on the financial statements of the City.

Note 18 – Tax Abatements

As of December 31, 2016, the City provides tax abatements through the Community Reinvestment Area (CRA):

The Ohio Community Reinvestment Area program (established by Ordinance 66-98) with 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

City of Trotwood, Ohio
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For The Fiscal Year Ended December 31, 2016

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.

Tax Abatement Programs	City's Share of Taxes Abated
Community Reinvestment Area:	
Salem Avenue	\$3,479

Note 19 – Restatement of Net Position/Fund Balance

During 2016, the City corrected previously reported capital assets which resulted in the restatement of net position as reported December 31, 2015.

	Governmental Activities	Business -Type Activities
Net position December 31, 2015	\$39,014,722	\$21,570,609
Adjustments:		
Capital Asset Restatement	<u>(3,120,223)</u>	<u>(163,325)</u>
Restated Net Position December 31, 2015	<u>\$35,894,499</u>	<u>\$21,407,284</u>

	Water Fund	Sewer Fund	Refuse Fund	Stormwater Fund	Total Enterprise
Net position December 31, 2015	\$2,099,982	\$1,020,220	\$724,630	\$17,725,777	\$21,570,609
Adjustments:					
Capital Asset Restatement	<u>(11,120)</u>	<u>30,945</u>	<u>0</u>	<u>(183,150)</u>	<u>(163,325)</u>
Restated Net Position December 31, 2015	<u>\$2,088,862</u>	<u>\$1,051,165</u>	<u>\$724,630</u>	<u>\$17,542,627</u>	<u>\$21,407,284</u>

Elimination of Interfund Payable/Receivable restatement as follows:

	General Fund	Fire Levy Fund	Park Acquisition and Development*	Industrial Park*	Salem Mall Tax Increment*
Fund Balance December 31, 2015	\$954,915	(\$158,101)	(\$64,899)	\$141,851	(\$1,880,772)
Adjustments:					
Interfund Payable/Receivable	<u>(187,900)</u>	<u>200</u>	<u>67,700</u>	<u>3,000</u>	<u>117,000</u>
Restated Fund Balance	<u>\$767,015</u>	<u>(\$157,901)</u>	<u>\$2,801</u>	<u>\$144,851</u>	<u>(\$1,763,772)</u>

*Fund is reported as Other Governmental Funds on the Fund Financial Statements discussed in Note 1.

City of Trotwood, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended December 31, 2016

Note 20 – Subsequent Events

In May 2017, the city issued bonds in the amount of \$770,000. There are three projects being funded from this various purpose bond. \$255,000 will be utilized to develop a Splash Pad at John Wolfe Park. \$410,000 will be utilized to renovate the Trotwood Community and Cultural Arts Centers located in Sycamore Woods. \$105,000 will be utilized in the purchase of a new Medic for the Fire Department.

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REQUIRED SUPPLEMENTARY INFORMATION

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

	2015	2014	2013
City's Proportion of the Net Pension Liability	0.01568900%	0.01771000%	0.01771000%
City's Proportionate Share of the Net Pension Liability	\$2,717,533	\$2,136,024	\$2,087,778
City's Covered-Employee Payroll	\$2,278,058	\$2,171,288	\$2,145,988
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	119.29%	98.38%	97.29%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.08%	86.45%	86.36%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2013 is not available.

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

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

	2015	2014	2013
City's Proportion of the Net Pension Liability - 0619P	0.1068510%	0.1077814%	0.1077814%
Liability - 0619F	0.0902330%	0.0928404%	0.0928404%
City's Proportionate Share of the Net Pension Liability - Total	\$12,678,552	\$10,393,046	\$9,770,911
City's Covered-Employee Payroll	\$4,608,955	\$4,027,313	\$4,303,890
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	275.09%	258.06%	227.03%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.77%	72.20%	73.00%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2013 is not available.

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

City of Trotwood, Ohio
 Required Supplementary Information
 Schedule of City Contributions
 Ohio Public Employees Retirement System - Traditional Plan
 Last Three Fiscal Years (1)

	2016	2015	2014
Contractually Required Contribution	\$232,561	\$273,367	\$260,555
Contributions in Relation to the Contractually Required Contribution	<u>(232,561)</u>	<u>(273,367)</u>	<u>(260,555)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered-Employee Payroll	\$1,938,008	\$2,278,058	\$2,171,288
Contributions as a Percentage of Covered-Employee Payroll	12.00%	12.00%	12.00%

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

City of Trotwood, Ohio
 Required Supplementary Information
 Schedule of City Contributions
 Ohio Police and Fire Pension Fund
 Last Three Fiscal Years (1)

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution - Total	\$789,303	\$925,939	\$839,589
Contributions in Relation to the Contractually Required Contribution	<u>(789,303)</u>	<u>(925,939)</u>	<u>(839,589)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered-Employee Payroll	\$4,154,226	\$4,608,955	\$4,027,313
Contributions as a Percentage of Covered-Employee Payroll	19.00%	20.09%	20.36%

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

City of Trotwood, Ohio
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Property and Other Local Taxes	\$1,350,854	\$1,350,050	\$1,362,588	\$12,538
Income Taxes	4,921,628	4,918,697	4,964,378	45,681
Charges for Services	367,073	366,854	370,261	3,407
Investment Earnings	8,853	8,848	8,930	82
Intergovernmental	544,690	544,365	549,421	5,056
Special Assessments	91,984	91,929	92,783	854
Fines, Licenses & Permits	289,689	289,516	292,205	2,689
Other Revenues	209,140	209,016	210,957	1,941
Total Revenues	7,783,911	7,779,275	7,851,523	72,248
Expenditures:				
Current:				
<u>General Government</u>				
Mayor and Council	229,563	228,102	216,677	11,425
City Manager	226,780	225,336	214,050	11,286
Finance	392,979	390,477	370,920	19,557
Utility Billing	235,787	234,286	222,552	11,734
Income Tax	411,153	408,536	388,074	20,462
Law Director	176,231	175,109	166,339	8,770
Public Works Administration	19,497	19,373	18,403	970
Building and Grounds	257,022	255,386	242,595	12,791
Fleet Maintenance	46,690	46,393	44,069	2,324
Personnel	125,856	125,054	118,791	6,263
Strategic Initiatives	15,942	15,840	15,047	793
Non-Departmental	321,595	319,548	303,543	16,005
Total General Government	2,459,095	2,443,440	2,321,060	122,380
<u>Public Safety</u>				
Police Administration	353,018	350,771	333,202	17,569
Police Patrol	2,669,505	2,652,510	2,519,658	132,852
Criminal Investigation	739,623	734,915	698,106	36,809
Police Communications	432,297	429,545	408,031	21,514
Total Public Safety	4,194,443	4,167,741	3,958,997	208,744
<u>Leisure Time Activities</u>				
Parks Maintenance	97,260	96,641	91,801	4,840
Cemeteries	40,688	40,429	38,404	2,025
Recreation Programs	87,744	87,186	82,819	4,367
Total Leisure Time Activities	225,692	224,256	213,024	11,232
<u>Community Development</u>				
Planning and Zoning	96,647	96,032	91,222	4,810
Code Enforcement and Inspection	129,063	128,241	121,818	6,423
Mowing and Weed Removal	75,302	74,823	71,075	3,748
Total Community Development	301,012	299,096	284,115	14,981

Continued

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<u>Transportation & Street Repair</u>				
Street Lighting	224,995	223,562	212,365	11,197
Total Transportation & Street Repair	224,995	223,562	212,365	11,197
Debt Service:				
Principal Retirement	120,144	119,379	113,400	5,979
Interest and Fiscal Charges	53,345	53,006	50,351	2,655
Total Expenditures	7,578,726	7,530,480	7,153,312	377,168
Excess of Revenues Over (Under) Expenditures	205,185	248,795	698,211	449,416
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	3,172	3,171	3,200	29
Transfers (Out)	(243,678)	(242,127)	(230,000)	12,127
Total Other Financing Sources (Uses)	(240,506)	(238,956)	(226,800)	12,156
Net Change in Fund Balance	(35,321)	9,839	471,411	461,572
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	592,782	592,782	592,782	0
Fund Balance End of Year	\$557,461	\$602,621	\$1,064,193	\$461,572

See accompanying notes to the required supplementary information.

City of Trotwood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Fire Levy Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Property and Other Local Taxes	\$2,599,496	\$2,441,326	\$2,143,629	(\$297,697)
Charges for Services	12	11	10	(1)
Intergovernmental	387,902	364,300	319,877	(44,423)
Other Revenues	21,732	20,410	17,921	(2,489)
Total Revenues	3,009,142	2,826,047	2,481,437	(344,610)
Expenditures:				
Current:				
Public Safety	2,805,246	2,355,312	2,150,561	204,751
Capital Outlay	131,736	110,607	100,992	9,615
Total Expenditures	2,936,982	2,465,919	2,251,553	214,366
Excess of Revenues Over (Under) Expenditures	72,160	360,128	229,884	(130,244)
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	3,614	3,394	2,980	(414)
Total Other Financing Sources (Uses)	3,614	3,394	2,980	(414)
Net Change in Fund Balance	75,774	363,522	232,864	(130,658)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,607	1,607	1,607	0
Fund Balance End of Year	\$77,381	\$365,129	\$234,471	(\$130,658)

See accompanying notes to the required supplementary information.

City of Trotwood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Rescue Levy Fund			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Property and Other Local Taxes	\$397,224	\$397,224	\$397,835	\$611
Charges for Services	1,144,022	1,144,022	1,145,782	1,760
Intergovernmental	74,798	74,798	74,913	115
Other Revenues	13,581	13,581	13,602	21
Total Revenues	1,629,625	1,629,625	1,632,132	2,507
Expenditures:				
Current:				
Public Safety	1,634,837	1,584,837	1,514,804	70,033
Total Expenditures	1,634,837	1,584,837	1,514,804	70,033
Excess of Revenues Over (Under) Expenditures	(5,212)	44,788	117,328	72,540
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	2,974	2,974	2,979	5
Total Other Financing Sources (Uses)	2,974	2,974	2,979	5
Net Change in Fund Balance	(2,238)	47,762	120,307	72,545
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	474,093	474,093	474,093	0
Fund Balance End of Year	\$471,855	\$521,855	\$594,400	\$72,545

See accompanying notes to the required supplementary information.

City of Trotwood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Street Construction Maintenance and Repair Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Property and Other Local Taxes	\$353,835	\$353,835	\$356,792	\$2,957
Intergovernmental	900,533	900,533	908,058	7,525
Other Revenues	8,718	8,718	8,791	73
Total Revenues	1,263,086	1,263,086	1,273,641	10,555
Expenditures:				
Current:				
Transportation & Street Repair	1,372,853	1,181,745	1,048,183	133,562
Debt Service:				
Principal Retirement	26,195	22,548	20,000	2,548
Interest and Fiscal Charges	19,075	16,420	14,564	1,856
Total Expenditures	1,418,123	1,220,713	1,082,747	137,966
Net Change in Fund Balance	(155,037)	42,373	190,894	148,521
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,162,048	1,162,048	1,162,048	0
Fund Balance End of Year	\$1,007,011	\$1,204,421	\$1,352,942	\$148,521

See accompanying notes to the required supplementary information.

City of Trotwood, Ohio
Notes to the Required Supplementary Information
For The Year Ended December 31, 2016

Note 1 – Budgetary Process

The City's 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 ordinance, 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 ordinance 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 program or budget center level for the General fund and the function level for all other budgeted funds.

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

The appropriation ordinance 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 ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council during the year.

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

City of Trotwood, Ohio
Notes to the Required Supplementary Information
For The Year Ended December 31, 2016

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general, fire levy, rescue levy and street construction maintenance and repair funds.

Net Change in Fund Balance

	<u>General</u>	<u>Fire Levy</u>	<u>Rescue Levy</u>	<u>Street Construction Maintenance and Repair</u>
GAAP Basis	\$594,948	\$375,146	\$147,249	\$297,466
Revenue Accruals	(154,962)	(2)	22,565	3,277
Expenditure Accruals	101,089	(134,104)	(22,189)	263
Encumbrances	(69,664)	(8,176)	(27,318)	(110,112)
Budget Basis	<u>\$471,411</u>	<u>\$232,864</u>	<u>\$120,307</u>	<u>\$190,894</u>

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COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES

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 establish 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 Trotwood, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2016

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$988,444	\$4,374	\$392,448	\$1,385,266
Receivables (Net):				
Taxes	82,772	147,410	1,082,084	1,312,266
Intergovernmental	171,438	9,996	30,385	211,819
Special Assessments	14,454	0	0	14,454
Total Assets	1,257,108	161,780	1,504,917	2,923,805
Liabilities:				
Accounts Payable	6,163	0	0	6,163
Accrued Wages and Benefits	2,066	0	0	2,066
Contracts Payable	20,508	0	0	20,508
Total Liabilities	28,737	0	0	28,737
Deferred Inflows of Resources:				
Property Taxes	0	99,304	395,625	494,929
Grants and Other Taxes	236,287	9,996	30,385	276,668
Special Assessments	14,454	0	0	14,454
Unavailable amounts	0	48,106	191,654	239,760
Revenue in Lieu of Taxes	0	0	494,805	494,805
Total Deferred Inflows of Resources	250,741	157,406	1,112,469	1,520,616
Fund Balances:				
Restricted	977,630	4,374	392,448	1,374,452
Total Fund Balances	977,630	4,374	392,448	1,374,452
Total Liabilities, Deferred Inflows and Fund Balances	\$1,257,108	\$161,780	\$1,504,917	\$2,923,805

City of Trotwood, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2016

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Property and Other Taxes	\$176,330	\$99,785	\$408,311	\$684,426
Charges for Services	348	0	0	348
Intergovernmental	266,870	28,602	62,283	357,755
Special Assessments	265	0	0	265
Fines, Licenses & Permits	48,729	0	0	48,729
Revenue in Lieu of Taxes	0	0	681,572	681,572
Other Revenues	34,809	0	133,429	168,238
Total Revenues	527,351	128,387	1,285,595	1,941,333
Expenditures:				
Current:				
General Government	7,793	0	0	7,793
Public Safety	142,439	0	252,802	395,241
Community Development	128,149	0	0	128,149
Transportation and Street Repair	293,398	0	0	293,398
Capital Outlay	20,508	0	0	20,508
Debt Service:				
Principal	0	120,000	538,187	658,187
Interest and Other Charges	0	5,552	558,399	563,951
Bond Issuance Cost	0	47,327	0	47,327
Total Expenditures	592,287	172,879	1,349,388	2,114,554
Excess of Revenues Over (Under) Expenditures	(64,936)	(44,492)	(63,793)	(173,221)
Other Financing Sources (Uses):				
Issuance of Long-Term Capital-Related Debt	0	0	1,815,000	1,815,000
Sale of Refunding Bonds	0	3,370,000	0	3,370,000
Payments to Refunded Bond Escrow Agent	0	(3,322,034)	0	(3,322,034)
Transfers In	0	0	230,000	230,000
Total Other Financing Sources (Uses)	0	47,966	2,045,000	2,092,966
Net Change in Fund Balance	(64,936)	3,474	1,981,207	1,919,745
Fund Balance - Beginning of Year, Restated	1,042,566	900	(1,588,759)	(545,293)
Fund Balance - End of Year	\$977,630	\$4,374	\$392,448	\$1,374,452

NONMAJOR SPECIAL REVENUE FUNDS

Fund Descriptions

State Highway - To account for the remaining 7.5% of the City's share of state gasoline taxes and motor vehicle license fees. State law requires that such monies be spent on state highways construction and improvements.

Motor Vehicle License Tax - To account for the \$5 license tax levied by the City. This money is used for street construction, maintenance and repair.

Permissive Use Tax - To account for the funding allocated by the County to the City for specific projects qualified by the County. State law requires that such funding be spent on street construction, maintenance and repair of the specified projects.

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

Curbs/Gutters/Sidewalks Assessment - To account for monies designated to be used for curb, gutter and sidewalk assessments.

Grants - To account for revenues received from federal, state and local grants such as Community Development Block Grants, State Issue II grants and grants from Montgomery County.

Local Law Enforcement Block - To account for grant payments from the Federal Local Law Enforcement Block Grant program required to be used for specified law enforcement purposes.

Enforcement and Education - To account for monies received from fines for operating a motor vehicle under the influence of alcohol or other mind altering substances. State law requires that these proceeds be used to enforce such laws or to educate the public about such laws.

Law Enforcement Trust - To account for the fines generated in the prosecution of those in possession of contraband and the proceeds gained from the sale of confiscated contraband. This money may be spent for any law enforcement activity.

Redlight Enforcement - To account for the fines generated from any traffic light violations.

Government Equity Program - To account for Montgomery County shared revenues from its Government Equity formula allocation program which is to be used for economic development activities.

Police Levy - To account for property taxes previously levied for the partial provision of police protection services within the City.

City of Trotwood, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2016

	State Highway	Motor Vehicle License Tax	Permissive Use Tax	Drug Law Enforcement	Curbs/Gutters/ Sidewalks Assessment	Grants
Assets:						
Equity in Pooled Cash and Investments	\$182,806	\$253,764	\$99,104	\$6,884	\$46,220	\$317,696
Receivables (Net):						
Taxes	0	82,772	0	0	0	0
Intergovernmental	35,188	0	0	0	0	136,250
Special Assessments	0	0	0	0	14,454	0
Total Assets	217,994	336,536	99,104	6,884	60,674	453,946
Liabilities:						
Accounts Payable	6,163	0	0	0	0	0
Accrued Wages and Benefits	1,136	0	0	0	0	0
Contracts Payable	0	0	0	0	0	20,508
Total Liabilities	7,299	0	0	0	0	20,508
Deferred Inflows of Resources:						
Grants and Other Taxes	30,071	69,966	0	0	0	136,250
Special Assessments	0	0	0	0	14,454	0
Total Deferred Inflows of Resources	30,071	69,966	0	0	14,454	136,250
Fund Balances:						
Restricted	180,624	266,570	99,104	6,884	46,220	297,188
Total Fund Balances	180,624	266,570	99,104	6,884	46,220	297,188
Total Liabilities, Deferred Inflows and Fund Balances	\$217,994	\$336,536	\$99,104	\$6,884	\$60,674	\$453,946

Local Law Enforcement Block	Enforcement and Education	Law Enforcement Trust	Redlight Enforcement	Government Equity Program	Police Levy	Total Nonmajor Special Revenue Funds
\$75	\$12,709	\$52,175	\$14,753	\$219	\$2,039	\$988,444
0	0	0	0	0	0	82,772
0	0	0	0	0	0	171,438
0	0	0	0	0	0	14,454
<u>75</u>	<u>12,709</u>	<u>52,175</u>	<u>14,753</u>	<u>219</u>	<u>2,039</u>	<u>1,257,108</u>
0	0	0	0	0	0	6,163
0	0	0	930	0	0	2,066
0	0	0	0	0	0	20,508
<u>0</u>	<u>0</u>	<u>0</u>	<u>930</u>	<u>0</u>	<u>0</u>	<u>28,737</u>
0	0	0	0	0	0	236,287
0	0	0	0	0	0	14,454
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>250,741</u>
<u>75</u>	<u>12,709</u>	<u>52,175</u>	<u>13,823</u>	<u>219</u>	<u>2,039</u>	<u>977,630</u>
<u>75</u>	<u>12,709</u>	<u>52,175</u>	<u>13,823</u>	<u>219</u>	<u>2,039</u>	<u>977,630</u>
<u>\$75</u>	<u>\$12,709</u>	<u>\$52,175</u>	<u>\$14,753</u>	<u>\$219</u>	<u>\$2,039</u>	<u>\$1,257,108</u>

City of Trotwood, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended December 31, 2016

	State Highway	Motor Vehicle License Tax	Permissive Use Tax	Drug Law Enforcement	Curbs/Gutters/ Sidewalks Assessment
Revenues:					
Property and Other Taxes	\$0	\$176,330	\$0	\$0	\$0
Charges for Services	0	0	0	0	348
Intergovernmental	68,199	0	50,000	0	0
Special Assessments	0	0	0	0	265
Fines, Licenses & Permits	0	0	0	281	0
Other Revenues	960	0	889	0	125
Total Revenues	69,159	176,330	50,889	281	738
Expenditures:					
Current:					
General Government	0	0	0	0	0
Public Safety	0	0	0	10,370	0
Community Development	0	0	0	0	0
Transportation and Street Repair	109,756	91,000	52,603	0	40,039
Capital Outlay	0	0	0	0	0
Total Expenditures	109,756	91,000	52,603	10,370	40,039
Net Change in Fund Balance	(40,597)	85,330	(1,714)	(10,089)	(39,301)
Fund Balance - Beginning of Year	221,221	181,240	100,818	16,973	85,521
Fund Balance - End of Year	\$180,624	\$266,570	\$99,104	\$6,884	\$46,220

Grants	Local Law Enforcement Block	Enforcement and Education	Law Enforcement Trust	Redlight Enforcement	Government Equity Program	Police Levy	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$176,330
0	0	0	0	0	0	0	348
148,671	0	0	0	0	0	0	266,870
0	0	0	0	0	0	0	265
0	0	660	46,746	1,042	0	0	48,729
0	0	0	31,667	1,168	0	0	34,809
<u>148,671</u>	<u>0</u>	<u>660</u>	<u>78,413</u>	<u>2,210</u>	<u>0</u>	<u>0</u>	<u>527,351</u>
7,793	0	0	0	0	0	0	7,793
1,991	0	84	127,285	2,709	0	0	142,439
128,149	0	0	0	0	0	0	128,149
0	0	0	0	0	0	0	293,398
<u>20,508</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>20,508</u>
158,441	0	84	127,285	2,709	0	0	592,287
(9,770)	0	576	(48,872)	(499)	0	0	(64,936)
306,958	75	12,133	101,047	14,322	219	2,039	1,042,566
<u>\$297,188</u>	<u>\$75</u>	<u>\$12,709</u>	<u>\$52,175</u>	<u>\$13,823</u>	<u>\$219</u>	<u>\$2,039</u>	<u>\$977,630</u>

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	State Highway Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$65,087	\$68,465	\$3,378
Other Revenues	913	960	47
Total Revenues	<u>66,000</u>	<u>69,425</u>	<u>3,425</u>
Expenditures:			
Current:			
Transportation & Street Repair	155,635	139,402	16,233
Total Expenditures	<u>155,635</u>	<u>139,402</u>	<u>16,233</u>
Net Change in Fund Balance	(89,635)	(69,977)	19,658
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>221,804</u>	<u>221,804</u>	<u>0</u>
Fund Balance End of Year	<u>\$132,169</u>	<u>\$151,827</u>	<u>\$19,658</u>

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Motor Vehicle License Tax Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$156,000	\$164,372	\$8,372
Total Revenues	156,000	164,372	8,372
Expenditures:			
Current:			
Transportation & Street Repair	91,100	91,000	100
Total Expenditures	91,100	91,000	100
Net Change in Fund Balance	64,900	73,372	8,472
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	180,392	180,392	0
Fund Balance End of Year	\$245,292	\$253,764	\$8,472

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Permissive Use Tax Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$49,127	\$50,000	\$873
Other Revenues	873	889	16
Total Revenues	50,000	50,889	889
Expenditures:			
Current:			
Transportation & Street Repair	78,000	58,596	19,404
Total Expenditures	78,000	58,596	19,404
Net Change in Fund Balance	(28,000)	(7,707)	20,293
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	105,819	105,819	0
Fund Balance End of Year	\$77,819	\$98,112	\$20,293

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Drug Law Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$500	\$281	(\$219)
Total Revenues	500	281	(219)
Expenditures:			
Current:			
Public Safety	10,891	10,370	521
Total Expenditures	10,891	10,370	521
Net Change in Fund Balance	(10,391)	(10,089)	302
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	16,973	16,973	0
Fund Balance End of Year	\$6,582	\$6,884	\$302

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Curbs/Gutters/ Sidewalks Assessment Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	189	348	159
Special Assessments	\$144	\$265	\$121
Other Revenues	68	125	57
Total Revenues	401	738	337
Expenditures:			
Current:			
Transportation & Street Repair	40,100	40,039	61
Total Expenditures	40,100	40,039	61
Net Change in Fund Balance	(39,699)	(39,301)	398
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	85,522	85,522	0
Fund Balance End of Year	\$45,823	\$46,221	\$398

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$285,000	\$317,421	\$32,421
Total Revenues	285,000	317,421	32,421
Expenditures:			
Current:			
General Government	122,561	122,423	138
Public Safety	1,993	1,991	2
Community Development	67,869	67,793	76
Total Expenditures	192,423	192,207	216
Net Change in Fund Balance	92,577	125,214	32,637
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	138,209	138,209	0
Fund Balance End of Year	\$230,786	\$263,423	\$32,637

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Local Law Enforcement Block Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$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)	75	75	0
Fund Balance End of Year	\$75	\$75	\$0

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Enforcement and Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$500	\$660	\$160
Total Revenues	500	660	160
Expenditures:			
Current:			
Public Safety	970	115	855
Total Expenditures	970	115	855
Net Change in Fund Balance	(470)	545	1,015
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	12,164	12,164	0
Fund Balance End of Year	\$11,694	\$12,709	\$1,015

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Law Enforcement Trust Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	29,034	29,187	153
Fines, Licenses & Permits	\$46,499	\$46,745	\$246
Other Revenues	2,467	2,480	13
Total Revenues	78,000	78,412	412
Expenditures:			
Current:			
Public Safety	166,360	151,489	14,871
Total Expenditures	166,360	151,489	14,871
Net Change in Fund Balance	(88,360)	(73,077)	15,283
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	110,037	110,037	0
Fund Balance End of Year	\$21,677	\$36,960	\$15,283

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Redlight Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$943	\$1,042	\$99
Other Revenues	1,057	1,169	112
Total Revenues	2,000	2,211	211
Expenditures:			
Current:			
Public Safety	4,075	2,714	1,361
Total Expenditures	4,075	2,714	1,361
Net Change in Fund Balance	(2,075)	(503)	1,572
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	15,258	15,258	0
Fund Balance End of Year	<u>\$13,183</u>	<u>\$14,755</u>	<u>\$1,572</u>

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Government Equity Program Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Community Development	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)	220	220	0
Fund Balance End of Year	\$220	\$220	\$0

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Police Levy Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Public Safety	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)	2,039	2,039	0
Fund Balance End of Year	<u>\$2,039</u>	<u>\$2,039</u>	<u>\$0</u>

NONMAJOR DEBT SERVICE FUND

Fund Description

Debt Retirement Fund - To account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessments levies when the government is obligated in some manner for payment. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance for the Debt Retirement Fund has been included in the Nonmajor Governmental Funds Combining Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balance. The Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follow this page.

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Debt Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Property and Other Local Taxes	\$101,273	\$99,785	(\$1,488)
Intergovernmental	29,029	28,603	(426)
Total Revenues	<u>130,302</u>	<u>128,388</u>	<u>(1,914)</u>
Expenditures:			
Debt Service:			
Principal Retirement	120,491	120,000	491
Interest and Fiscal Charges	5,575	5,552	23
Total Expenditures	<u>126,066</u>	<u>125,552</u>	<u>514</u>
Excess of Revenues Over (Under) Expenditures	<u>4,236</u>	<u>2,836</u>	<u>(1,400)</u>
Other Financing Sources (Uses):			
Issuance of Debt	648	638	(10)
Total Other Financing Sources (Uses)	<u>648</u>	<u>638</u>	<u>(10)</u>
Net Change in Fund Balance	4,884	3,474	(1,410)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>900</u>	<u>900</u>	<u>0</u>
Fund Balance End of Year	<u>\$5,784</u>	<u>\$4,374</u>	<u>(\$1,410)</u>

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NONMAJOR CAPITAL PROJECT FUNDS

Fund Descriptions

Park Acquisition and Development - To account for residential subdivision fees paid in lieu of parkland dedication to be used for the acquisition and development of city parks, and for other resources designated for the same purposes.

Industrial Park - To account for site acquisition and infrastructure installation for an industrial park development project on Olive Road.

Fire Facility Improvements – To account for resources related to the Fire Facility Improvements.

Fire Capital Levy – To account for property taxes levied for the provision to buy capital items for the fire protection and prevention services within the City.

Salem Mall Tax Increment – To account for resources related to the Salem Mall.

General Capital Improvements – To account for resources related to general capital improvements.

City of Trotwood, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2016

	Park Acquisition and Development	Industrial Park	Fire Facility Improvements	Salem Mall Tax Increment	Fire Capital Levy
Assets:					
Equity in Pooled Cash and Investments	\$2,801	\$222,688	\$5,162	\$1,887	\$59,910
Receivables (Net):					
Taxes	0	360,354	0	134,451	587,279
Intergovernmental	0	0	0	0	30,385
Total Assets	2,801	583,042	5,162	136,338	677,574
Deferred Inflows of Resources:					
Property Taxes	0	0	0	0	395,625
Grants and Other Taxes	0	0	0	0	30,385
Unavailable amounts	0	0	0	0	191,654
Pension	0	360,354	0	134,451	0
Total Deferred Inflows of Resources	0	360,354	0	134,451	617,664
Fund Balances:					
Restricted	2,801	222,688	5,162	1,887	59,910
Total Fund Balances	2,801	222,688	5,162	1,887	59,910
Total Liabilities, Deferred Inflows and Fund Balances	\$2,801	\$583,042	\$5,162	\$136,338	\$677,574

General Capital Improvement	Total Nonmajor Capital Projects Funds
\$100,000	\$392,448
0	1,082,084
0	30,385
<u>100,000</u>	<u>1,504,917</u>
0	395,625
0	30,385
0	191,654
0	494,805
<u>0</u>	<u>1,112,469</u>
<u>100,000</u>	<u>392,448</u>
<u>100,000</u>	<u>392,448</u>
<u>\$100,000</u>	<u>\$1,504,917</u>

City of Trotwood, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Fiscal Year Ended December 31, 2016

	Park Acquisition and Development	Industrial Park	Fire Facility Improvements	Salem Mall Tax Increment	Fire Capital Levy
Revenues:					
Property and Other Taxes	\$0	\$0	\$0	\$0	\$408,311
Intergovernmental	0	0	0	1,354	60,929
Revenue in Lieu of Taxes	0	363,839	0	317,733	0
Other Revenues	0	0	0	38,126	95,303
Total Revenues	0	363,839	0	357,213	564,543
Expenditures:					
Current:					
Public Safety	0	0	0	0	252,802
Debt Service:					
Principal	0	174,219	0	178,968	185,000
Interest and Other Charges	0	111,783	0	357,586	89,030
Total Expenditures	0	286,002	0	536,554	526,832
Excess of Revenues Over (Under) Expenditures	0	77,837	0	(179,341)	37,711
Other Financing Sources (Uses):					
Issuance of Long-Term Capital-Related Debt	0	0	0	1,815,000	0
Transfers In	0	0	0	130,000	0
Total Other Financing Sources (Uses)	0	0	0	1,945,000	0
Net Change in Fund Balance	0	77,837	0	1,765,659	37,711
Fund Balance - Beginning of Year, Restated	2,801	144,851	5,162	(1,763,772)	22,199
Fund Balance - End of Year	\$2,801	\$222,688	\$5,162	\$1,887	\$59,910

General Capital Improvement	Total Nonmajor Capital Projects Funds
\$0	\$408,311
0	62,283
0	681,572
0	133,429
0	1,285,595
0	252,802
0	538,187
0	558,399
0	1,349,388
0	(63,793)
0	1,815,000
100,000	230,000
100,000	2,045,000
100,000	1,981,207
0	(1,588,759)
<u>\$100,000</u>	<u>\$392,448</u>

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Park Acquisition and Development Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Leisure Time Activities	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)	2,801	2,801	0
Fund Balance End of Year	<u>\$2,801</u>	<u>\$2,801</u>	<u>\$0</u>

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Industrial Park Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Revenue in Lieu of Taxes	\$350,000	\$363,839	\$13,839
Total Revenues	350,000	363,839	13,839
Expenditures:			
Debt Service:			
Principal Retirement	174,827	174,219	608
Interest and Fiscal Charges	112,173	111,783	390
Total Expenditures	287,000	286,002	998
Net Change in Fund Balance	63,000	77,837	14,837
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	144,852	144,852	0
Fund Balance End of Year	\$207,852	\$222,689	\$14,837

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Fire Facility Improvements Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Capital Outlay	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)	5,162	5,162	0
Fund Balance End of Year	\$5,162	\$5,162	\$0

City of Trotwood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Salem Mall Tax Increment Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	1,354	1,354	0
Revenue in Lieu of Taxes	\$317,704	\$317,733	\$29
Total Revenues	319,058	319,087	29
Expenditures:			
Debt Service:			
Principal Retirement	1,968,977	1,968,648	329
Interest and Fiscal Charges	367,693	367,632	61
Total Expenditures	2,336,670	2,336,280	390
Excess of Revenues Over (Under) Expenditures	(2,017,612)	(2,017,193)	419
Other Financing Sources (Uses):			
Issuance of Short Term Debt	1,852,955	1,853,126	171
Transfers In	129,988	130,000	12
Total Other Financing Sources (Uses)	1,982,943	1,983,126	183
Net Change in Fund Balance	(34,669)	(34,067)	602
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	35,953	35,953	0
Fund Balance End of Year	\$1,284	\$1,886	\$602

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Fire Capital Levy Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Property and Other Local Taxes	\$408,310	\$408,311	\$1
Intergovernmental	60,929	60,929	0
Other Revenues	95,303	95,303	0
Total Revenues	564,542	564,543	1
Expenditures:			
Current:			
Capital Outlay	273,996	252,802	21,194
Debt Service:			
Principal Retirement	200,510	185,000	15,510
Interest and Fiscal Charges	96,494	89,030	7,464
Total Expenditures	571,000	526,832	44,168
Net Change in Fund Balance	(6,458)	37,711	44,169
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	22,199	22,199	0
Fund Balance End of Year	\$15,741	\$59,910	\$44,169

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	General Capital Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Property and Other Local Taxes	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
General Government	0	0	0
Total Expenditures	0	0	0
Excess of Revenues Over (Under) Expenditures	0	(0)	0
Other Financing Sources (Uses):			
Transfers In	0	100,000	100,000
Total Other Financing Sources (Uses)	0	100,000	100,000
Net Change in Fund Balance	0	100,000	100,000
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$100,000	\$100,000

NONMAJOR FUNDS

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

Fund Description

Agency Fund - Fire Loss - To account for receipts and disbursements on monies related to fire insurance.

City of Trotwood, Ohio
Statement of Changes In Assets and Liabilities
Agency Funds
For the Fiscal Year Ended December 31, 2016

	Fire Loss			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$50,115	\$12,000	\$49,715	\$12,400
Receivables (Net):				
Total Assets	<u>50,115</u>	<u>12,000</u>	<u>49,715</u>	<u>12,400</u>
Liabilities:				
Accounts Payable	0	0	0	0
Undistributed Monies	<u>50,115</u>	<u>12,000</u>	<u>49,715</u>	<u>12,400</u>
Total Liabilities	<u>\$50,115</u>	<u>\$12,000</u>	<u>\$49,715</u>	<u>\$12,400</u>

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STATISTICAL SECTION

STATISTICAL SECTION

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

Contents

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

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

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

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

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

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

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

	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013 (1)	2014 (1)	2015 (1)	2016
Governmental Activities										
Net Investment in Capital Assets	\$38,871,297	\$38,614,884	\$39,438,652	\$40,915,075	\$41,557,908	\$41,722,668	\$41,628,553	\$38,381,366	\$38,174,194	\$38,079,036
Restricted	1,272,167	1,544,593	2,293,955	2,465,871	2,872,633	3,079,582	3,904,525	4,580,526	4,790,869	5,935,624
Unrestricted	3,017,751	2,388,264	2,822,983	3,890,365	3,304,999	2,364,978	2,755,160	(7,440,881)	(7,070,564)	(7,373,570)
Total governmental activities net position	\$43,161,215	\$42,547,741	\$44,555,590	\$47,271,311	\$47,735,540	\$47,167,228	\$48,288,238	\$35,521,011	\$35,894,499	\$36,641,090
Business-type activities										
Net Investment in Capital Assets	\$17,316,334	\$18,004,296	\$17,525,298	\$17,308,100	\$17,486,158	\$16,951,303	\$17,567,758	\$16,335,168	\$16,064,172	\$15,637,455
Unrestricted	1,339,867	1,502,010	1,887,258	3,266,183	2,701,790	2,814,752	4,776,408	4,999,800	5,343,112	6,970,667
Total business-type activities net position	\$18,656,201	\$19,506,306	\$19,412,556	\$20,574,283	\$20,187,948	\$19,766,055	\$22,344,166	\$21,334,968	\$21,407,284	\$22,608,122
Total Primary Government										
Net Investment in Capital Assets	\$56,187,631	\$56,619,180	\$56,963,950	\$58,223,175	\$59,044,066	\$58,673,971	\$59,196,311	\$54,716,534	\$54,238,366	\$53,716,491
Restricted	1,272,167	1,544,593	2,293,955	2,465,871	2,872,633	3,079,582	3,904,525	4,580,526	4,790,869	5,935,624
Unrestricted	4,357,618	3,890,274	4,710,241	7,156,548	6,006,789	5,179,730	7,531,568	(2,441,081)	(1,727,452)	(402,903)
Total primary government net position	\$61,817,416	\$62,054,047	\$63,968,146	\$67,845,594	\$67,923,488	\$66,933,283	\$70,632,404	\$56,855,979	\$57,301,783	\$59,249,212

(1) - Amounts reflect a prior period adjustment

Source: City Records

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

	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental Activities:										
General Government	\$2,861,598	\$3,503,943	\$3,172,930	\$2,232,408	\$3,062,455	\$3,210,313	\$3,220,714	\$3,444,386	\$2,556,659	\$2,687,146
Public Safety	9,158,585	10,146,961	8,603,664	8,338,531	8,583,577	8,713,796	8,499,414	9,526,215	8,631,605	9,184,331
Community Development	1,288,856	1,604,067	600,620	885,151	1,029,674	1,352,215	1,310,140	699,877	732,670	501,769
Leisure Time Activities	514,178	452,003	362,824	364,636	383,732	463,194	377,420	401,685	274,096	246,292
Transportation & Street Repair	2,335,807	3,077,816	2,630,672	2,473,363	2,754,010	3,035,008	2,191,630	2,439,518	2,303,614	1,753,586
Interest and Fiscal Charges	833,690	780,516	629,723	603,972	679,405	677,856	650,130	597,691	582,626	624,961
Bond Issuance Cost	0	0	0	0	0	0	0	0	0	47,327
Total Governmental Activities Expenses	16,992,714	19,565,306	16,000,433	14,898,061	16,492,853	17,452,382	16,249,448	17,109,372	15,081,270	15,045,412
Business-Type Activities:										
Water	1,659,355	1,417,933	1,576,732	1,032,248	1,338,543	1,509,516	1,286,474	1,380,311	1,553,195	1,090,098
Sewer	1,063,804	1,012,659	986,256	771,290	982,998	927,308	968,372	1,016,239	1,157,858	792,109
Refuse	1,280,068	1,448,058	1,493,178	1,075,134	1,432,650	1,420,131	1,450,538	1,417,130	1,365,870	1,308,254
Stormwater	612,570	777,578	603,839	817,277	1,025,845	821,225	735,306	801,034	930,608	1,016,447
Total Business-Type Activities Expenses	4,615,797	4,656,228	4,660,005	3,695,949	4,780,036	4,678,180	4,440,690	4,614,714	5,007,531	4,206,908
Total Primary Government Expenses	\$21,608,511	\$24,221,534	\$20,660,438	\$18,594,010	\$21,272,889	\$22,130,562	\$20,690,138	\$21,724,086	\$20,088,801	\$19,252,320
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	\$374,435	\$459,251	\$688,724	\$320,538	\$586,951	\$518,244	\$510,089	\$509,235	\$464,920	\$490,693
Public Safety	1,299,752	1,370,157	1,421,970	1,313,859	1,456,169	1,841,053	1,402,282	1,822,791	1,388,996	1,172,137
Community Development	97,669	71,059	85,627	105,285	95,490	136,821	178,106	145,151	122,850	226,772
Leisure Time Activities	28,049	27,070	25,242	26,048	17,598	19,783	34,329	29,480	29,890	34,853
Transportation and Street Repair	0	36,736	19,219	13,620	9,183	473	0	502	359	613
Interest and Fiscal Charges	55,457	0	0	0	0	0	0	0	0	0
Operating Grants and Contributions	2,143,830	3,323,285	2,512,349	1,385,532	1,722,345	1,431,386	1,733,156	2,337,780	1,836,233	1,600,558
Capital Grants and Contributions	550,503	2,279,206	1,832,990	1,444,975	1,465,441	1,769,666	416,073	1,122,5	59,572	181,130
Total Governmental Activities Program Revenues	4,549,695	7,566,764	6,586,121	4,609,857	5,353,177	5,717,426	4,274,035	4,856,164	3,902,820	3,706,756
Business-Type Activities:										
Charges for Services:										
Water	1,753,586	1,593,335	1,407,494	1,473,421	1,440,360	1,138,393	2,109,507	1,544,234	1,616,886	1,821,748
Sewer	897,670	984,239	962,845	1,134,721	1,034,511	842,995	1,439,045	1,146,375	1,229,674	1,337,573
Refuse	1,165,640	1,474,799	1,513,051	1,297,453	1,276,413	1,562,730	1,477,665	1,407,946	1,366,618	1,427,739
Stormwater	664,582	766,726	701,665	869,985	664,331	632,778	1,066,961	746,107	711,307	802,561
Capital Grants and Contributions	0	0	0	0	0	714,225	0	0	0	0
Total Business-Type Activities Program Revenues	4,481,478	4,819,099	4,585,055	4,775,580	4,415,615	4,891,121	6,093,178	4,844,662	4,924,485	5,389,621
Total Primary Government Program Revenues	\$9,031,173	\$12,385,863	\$11,171,176	\$9,385,437	\$9,768,792	\$10,608,547	\$10,367,213	\$9,700,826	\$8,827,305	\$9,096,377

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

	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Net (Expense)/Revenue										
Governmental Activities	(\$12,443,019)	(\$11,998,542)	(\$9,414,312)	(\$10,288,204)	(\$11,139,676)	(\$11,734,956)	(\$11,975,413)	(\$12,253,208)	(\$11,178,450)	(\$11,338,656)
Business-Type Activities	(134,319)	162,871	(74,950)	1,079,631	(364,421)	212,941	1,652,488	229,948	(83,046)	1,182,713
Total Primary Government Net Expenses	(\$12,577,338)	(\$11,835,671)	(\$9,489,262)	(\$9,208,573)	(\$11,504,097)	(\$11,522,015)	(\$10,322,925)	(\$12,023,260)	(\$11,261,496)	(\$10,155,943)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Income Taxes	\$5,088,924	\$5,058,111	\$4,785,979	\$5,298,769	\$5,040,411	\$4,911,790	\$5,666,888	\$4,672,734	\$5,020,072	\$5,110,289
Property Taxes	4,841,944	4,851,708	4,459,999	5,235,900	5,381,391	3,902,277	4,443,580	6,261,231	4,818,175	5,049,513
Grants and Entitlements not Restricted	1,615,694	1,421,021	1,328,460	1,883,135	625,816	1,194,125	856,478	666,337	668,157	616,185
Revenue in Lieu of Taxes	213,029	320,584	243,735	285,209	266,173	314,945	1,796,840	730,615	752,528	764,068
Investment Earnings	261,499	78,738	5,950	2,765	1,628	1,985	1,339	3,636	4,836	8,930
Other Revenues	286,073	335,746	578,038	305,224	265,986	432,197	853,239	550,164	287,670	536,262
Transfers-Internal Activities	0	(680,840)	20,000	(7,077)	22,500	25,000	(450,747)	0	0	0
Total Governmental Activities	12,307,163	11,385,068	11,422,161	13,003,925	11,603,905	10,782,319	13,167,617	12,884,717	11,551,438	12,085,247
Business-type activities:										
Investment Earnings	7,086	6,362	1,166	867	550	1,102	627	0	0	0
Other Revenues	62	32	34	3,729	36	128	4,773	5,906	10,827	18,125
Transfers-Internal Activities	0	680,840	(20,000)	77,500	(22,500)	(25,000)	450,747	0	0	0
Total Business-Type Activities	7,148	687,234	(18,800)	82,096	(21,914)	(23,770)	456,147	5,906	10,827	18,125
Total Primary Government	\$12,314,311	\$12,072,302	\$11,403,361	\$13,086,021	\$11,581,991	\$10,758,549	\$13,623,764	\$12,890,623	\$11,562,265	\$12,103,372
Change in Net Position										
Governmental Activities	(\$135,856)	(\$613,474)	\$2,007,849	\$2,715,721	\$464,229	(\$952,637)	\$1,192,204	\$631,509	\$372,988	\$746,591
Business-Type Activities	(127,171)	850,105	(93,750)	1,161,727	(386,335)	189,171	2,108,635	235,854	(72,219)	1,200,838
Total Primary Government	(\$263,027)	\$236,631	\$1,914,099	\$3,877,448	\$77,894	(\$763,466)	\$3,300,839	\$867,363	\$300,769	\$1,947,429

Source: City Records

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

	Calendar Year									
	2007	2008	2009	2010	2011 (1)	2012	2013	2014	2015 (2)	2016
General Fund										
Reserved	\$160,153	\$32,781	\$170,941	\$323,338						
Unreserved	1,890,919	899,472	768,523	1,860,427						
Assigned					\$327,879	\$678,551	\$269,342	\$164,115	\$124,804	\$50,066
Unassigned					1,372,066	183,290	435,828	594,737	642,211	1,311,897
Total General Fund	2,051,072	932,253	939,464	2,183,765	1,699,945	861,841	705,170	758,852	767,015	1,361,963
All Other Governmental Funds										
Reserved	356,958	621,121	2,712,223	2,492,175						
Unreserved, Reported in:										
Special Revenue Funds	313,731	425,726	(1,373,686)	(1,172,862)						
Debt Service Funds	67,189	75,507	68,819	4,656						
Capital Projects Funds	(9,049,502)	(10,745,183)	(9,758,212)	(1,739,335)						
Restricted					1,538,308	1,749,174	2,312,433	2,829,704	2,933,688	3,757,422
Unassigned					(2,321,494)	(2,132,793)	(2,372,170)	(2,117,730)	(1,915,872)	0
Total all Other Governmental Funds	(\$8,311,624)	(\$9,622,829)	(\$8,350,856)	(\$415,366)	(\$783,186)	(\$383,619)	(\$59,737)	\$711,974	\$1,017,816	\$3,757,422

Source: City Records

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

(2) - Restated

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

	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Taxes	\$10,036,000	\$9,442,375	\$9,296,348	\$10,236,302	\$9,470,903	\$9,221,597	\$8,661,385	\$11,132,384	\$9,727,407	\$9,865,481
Charges for Services	1,194,610	1,291,014	1,709,363	1,169,280	1,385,887	1,448,384	1,351,569	1,568,134	1,563,548	1,491,086
Investment Earnings	261,499	78,737	5,950	2,765	1,628	1,985	1,341	3,636	4,836	8,930
Intergovernmental	4,410,278	6,765,127	5,719,250	4,973,269	4,089,584	3,696,921	3,618,810	3,037,163	2,515,346	2,208,380
Special Assessments	90,415	56,400	49,752	61,125	47,361	75,378	117,304	98,072	47,241	95,048
Fines, Licenses & Permits	575,306	616,859	481,668	548,145	727,987	992,612	655,933	840,957	396,226	340,934
Revenue in Lieu of Taxes	213,029	320,584	243,735	266,986	285,046	314,945	1,796,840	730,615	752,528	764,068
Other Revenues	279,887	335,746	578,037	305,223	261,485	432,196	853,237	550,161	287,671	536,261
Total Revenues	\$17,061,024	\$18,906,842	\$18,084,103	\$17,563,095	\$16,269,881	\$16,184,018	\$17,056,419	\$17,961,122	\$15,294,803	\$15,309,188
Expenditures										
Current:										
General Government	\$2,818,858	\$2,768,203	\$2,985,350	\$2,146,466	\$2,939,192	\$3,043,505	\$2,869,875	\$3,082,600	\$2,473,711	\$2,324,004
Public Safety	9,147,913	9,656,271	8,233,223	8,060,103	8,156,930	8,144,645	7,952,880	9,204,008	8,261,875	7,899,774
Community Development	1,255,235	1,598,660	588,409	883,977	1,027,674	1,351,751	1,296,813	735,593	731,551	477,102
Leisure Time Activities	463,841	396,378	295,161	328,681	340,410	416,767	338,705	366,683	248,634	201,743
Transportation and Street Repair	1,423,293	1,775,955	1,062,396	1,721,843	1,797,058	1,639,448	1,370,506	1,882,417	1,587,466	1,444,097
Capital Outlay	4,827,180	3,508,994	2,505,113	3,596,228	1,341,925	2,465,112	1,295,827	73,921	323,675	23,009
Debt Service										
Principal	340,423	492,860	520,366	862,114	843,569	902,503	1,101,506	1,126,425	749,413	799,987
Interest	861,877	858,384	636,247	568,610	697,263	690,605	678,188	636,179	604,473	629,716
Bond Issuance Costs	0	0	0	0	0	0	0	0	0	47,327
Total Expenditures	\$21,138,620	\$21,055,705	\$16,826,265	\$18,408,672	\$17,144,021	\$18,654,336	\$16,904,300	\$17,107,826	\$14,980,798	\$13,846,757

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

	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Excess of revenues over (under) expenditures	(\$4,077,596)	(\$2,148,863)	\$1,257,838	(\$845,577)	(\$874,140)	(\$2,470,318)	\$152,119	\$853,296	\$314,005	\$1,462,429
Other Financing Sources (Uses)										
Proceeds From Sale of Capital Assets	\$1,633	\$399,679	\$1,346	\$74,838	\$0	\$0	\$15,092	\$525	\$0	\$9,159
Issuance of Long-Term Capital-Related Debt	5,015,000	0	0	8,000,000	0	1,831,724	0	0	0	1,815,000
Sale of Refunding Bonds	0	0	0	0	0	0	0	0	0	3,370,000
Payments to Refunded Bond Escrow Agent	0	0	0	0	0	0	0	0	0	(3,322,034)
Premium on Bonds Sold	0	0	0	444,147	0	0	0	0	0	0
Inception of Capital Lease	119,328	0	0	1,583,883	0	232,257	0	42,766	0	0
Transfers In	551,000	386,750	531,000	22,500	258,410	744,800	187,000	0	65,000	230,000
Transfers (Out)	(551,000)	(1,067,590)	(511,000)	(100,000)	(235,910)	(777,000)	(187,000)	0	(65,000)	(230,000)
Total Other Financing Sources (Uses)	5,135,961	(281,161)	21,346	10,025,368	22,500	2,031,781	15,092	43,291	0	1,872,125
Net Change in Fund Balances	\$1,058,365	(\$2,430,024)	\$1,279,184	\$9,179,791	(\$851,640)	(\$438,537)	\$167,211	\$896,587	\$314,005	\$3,334,554
Debt service as a percentage of noncapital expenditures	5.1%	7.5%	7.4%	7.7%	9.8%	9.6%	9.7%	10.6%	9.2%	10.7%

Source: City Records

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

Calendar Year (1)	Real Property	Tangible Personal Property and Utilities Personal	Total	Total	Total
	Assessed Value	Assessed Value	Assessed Value	Estimated Actual Value	Direct Rate
2007	\$329,508,630	\$21,887,257	\$351,395,887	\$1,054,046,213	17.39
2008	329,072,430	16,603,522	345,675,952	1,083,409,574	17.39
2009	327,506,030	10,757,430	338,263,460	975,075,555	16.65
2010	318,888,480	9,317,140	328,205,620	939,390,777	19.65
2011	313,729,310	9,477,670	323,206,980	905,847,127	19.65
2012	262,916,010	9,738,930	272,654,940	776,199,943	19.65
2013	256,295,220	10,405,180	266,700,400	758,994,451	19.65
2014	254,675,910	11,473,980	266,149,890	757,112,724	23.80
2015	227,869,200	12,386,660	240,255,860	682,866,052	23.80
2016	226,483,400	12,779,880	239,263,280	679,916,484	23.80

Source: County Auditor

(1) - Both Tangible Personal Property and Public Utility Personal Property are expected to further decrease over the next three years due to a change made by the State of Ohio in its tax structure. Currently the State is reimbursing the City for these lost revenues and plans to reimburse 100% of these losses through 2010 at which time the reimbursement is expected to be reduced until 2017.

Note: The assessed value of real property (including public utility real property) is 35 percent of estimated true value. 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. The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue to be received in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed.

City of Trotwood, Ohio
Special Assessment Billings and Collections
Last Ten Calendar Years
Schedule 6

Calendar Year	Current Assessments Due		Current Assessment Collections		Percent of Current Assessments Collected		Delinquent Assessment Collections (2)		Total Assessment Collections		Ratio of Total Collections to Current		Ratio of Outstanding Delinquent Assessments (1) to Current Due	
	Assessments Due	Current Assessment Collections	Current Assessment Collections	Current Assessment Collections	Assessments Collected	Assessments Collected	Delinquent Assessment Collections (2)	Delinquent Assessment Collections (2)	Total Assessment Collections	Total Assessment Collections	Ratio of Total Collections to Current	Ratio of Total Collections to Current	Outstanding Delinquent Assessments (1)	Outstanding Delinquent Assessments (1) to Current Due
2007	\$523,130	\$408,702	\$408,702	\$408,702	78.13%	78.13%	\$112,673	\$112,673	\$521,375	\$521,375	99.66%	99.66%	429,156	82.04%
2008	748,345	569,480	569,480	569,480	76.10%	76.10%	81,666	81,666	651,146	651,146	87.01%	87.01%	590,314	78.88%
2009	1,150,732	768,811	768,811	768,811	66.81%	66.81%	114,711	114,711	883,522	883,522	76.78%	76.78%	929,888	80.81%
2010	920,708	717,180	717,180	717,180	77.89%	77.89%	121,217	121,217	838,397	838,397	91.06%	91.06%	1,376,386	149.49%
2011	928,696	821,525	821,525	821,525	88.46%	88.46%	0	0	821,525	821,525	88.46%	88.46%	1,362,665	146.73%
2012	2,092,939	411,889	411,889	411,889	19.68%	19.68%	0	0	411,889	411,889	19.68%	19.68%	1,801,083	86.06%
2013	3,447,738	741,474	741,474	741,474	21.51%	21.51%	521,171	521,171	1,262,646	1,262,646	36.62%	36.62%	2,620,297	78.00%
2014	3,698,172	407,314	407,314	407,314	11.01%	11.01%	172,841	172,841	580,155	580,155	15.69%	15.69%	3,195,736	86.41%
2015	876,892	302,047	302,047	302,047	34.45%	34.45%	165,930	165,930	467,977	467,977	53.37%	53.37%	3,568,558	406.96%
2016	1,093,871	380,678	380,678	380,678	34.80%	34.80%	159,353	159,353	540,031	540,031	49.37%	49.37%	4,170,891	381.30%

Source: County Auditor

(1) - Includes penalties and interest assessed on delinquent accounts.

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

City of Trotwood, Ohio
 Direct and Overlapping Property Tax Rates
 Last Ten Calendar Years
 Schedule 7

Calendar Year	Direct Rates						Overlapping Rates					
	General Fund	Inside Bond	Fire Fund	Street Fund	Ambulance and EMS	Total Direct Rate	Trotwood-		Miami Valley		Dayton-	
							Madison City School District	Center	Career Technology Center	Montgomery County Library	Montgomery County	
2007	6.85	0.50	6.30	1.74	2.00	17.39	60.06	2.58	2.58	1.25	18.24	
2008	6.85	0.50	6.30	1.74	2.00	17.39	60.06	2.58	2.58	1.25	20.24	
2009	6.85	0.50	6.30	1.00	2.00	16.65	60.06	2.58	2.58	1.25	20.94	
2010	6.85	0.50	8.30	2.00	2.00	19.65	60.06	2.58	2.58	1.75	20.94	
2011	6.85	0.50	8.30	2.00	2.00	19.65	60.06	2.58	2.58	1.75	20.94	
2012	6.85	0.50	8.30	2.00	2.00	19.65	60.06	2.58	2.58	1.75	20.94	
2013	6.85	0.50	8.30	2.00	2.00	19.65	60.06	2.58	2.58	3.31	20.94	
2014	6.85	0.50	12.45	2.00	2.00	23.80	61.06	2.58	2.58	3.31	20.94	
2015	6.85	0.50	12.45	2.00	2.00	23.80	61.56	2.58	2.58	3.31	21.94	
2016	6.85	0.50	12.45	2.00	2.00	23.80	62.06	2.58	2.58	3.31	22.94	

Source: County Auditor

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

City of Trotwood, Ohio
Principal Property Tax Payers
Current Year and Ten Years Ago
Schedule 8

Taxpayer	2016	
	Assessed Value	Percentage of Total Assessed Value
Dayton Healthcare	\$4,220,350	1.77%
Maria Joseph Properties, LLC	1,950,730	0.82%
Woodland Hills Associates	1,944,010	0.81%
Gated Properties VII LLC	1,760,820	0.74%
Shiloh Springs LP	1,507,330	0.63%
Bell Meadows Associates LLC	1,359,750	0.57%
Octagon Holdings LLC	1,239,800	0.52%
Shilo Apartments Limited	1,178,960	0.49%
CK-HP Salem Woods LLC ET AL 3	1,132,980	0.47%
Cardinal One	1,026,570	0.43%
All Others	221,941,980	92.75%
Total Assessed Valuation	\$239,263,280	100.00%

Taxpayer	2007	
	Assessed Value	Percentage of Total Assessed Value
Dayton Power & Light Company	\$6,807,590	1.94%
Salem Square Improvement	4,689,730	1.33%
Castlebrook Capital Company	2,686,740	0.76%
Verizon (GTE)	2,358,620	0.67%
Tramlaw LLC	2,112,990	0.60%
Belle Meadows	1,912,930	0.54%
Groach Associates	1,889,980	0.54%
Lowes Companies, Inc	1,862,520	0.53%
Sears Roebuck & Co.	1,607,060	0.45%
Fieldstone Limited	1,681,300	0.48%
All Others	323,786,427	92.16%
Total Assessed Valuation	\$351,395,887	100.00%

Source: County Auditor

City of Trotwood, Ohio
Property Tax Levies and Collections
Last Ten Calendar Years
Schedule 9

Calendar Year	Taxes Levied for the Calendar Year (1)	Collected within the Calendar Year of the Levy		Delinquent Levied in Subsequent Years	Total Collections to Date	
		Amount (2)	Percentage of Levy		Amount	Percentage of Levy
2007	\$5,198,756	\$4,756,627	91.50%	\$442,129	\$5,198,756	100.00%
2008	5,114,181	4,473,466	87.47%	381,246	4,854,712	94.93%
2009	4,825,545	4,118,788	85.35%	397,166	4,515,954	93.58%
2010	5,798,953	5,191,344	89.52%	447,938	5,639,282	97.25%
2011	5,768,525	5,168,579	89.60%	216,908	5,385,487	93.36%
2012	5,213,861	4,682,117	89.80%	434,140	5,116,257	98.13%
2013	5,108,189	4,554,602	89.16%	137,026	4,691,628	91.85%
2014	6,210,526	5,584,912	89.93%	625,614	6,210,526	100.00%
2015	5,664,786	5,109,468	90.20%	378,455	5,487,923	96.88%
2016	5,641,936	5,110,838	90.59%	451,675	5,562,513	98.59%

Source: County Auditor

- (1) - Taxes levied and collected are presented on a cash basis.
- (2) - State reimbursements of rollback and homestead exemptions are included.

City of Trotwood
Income Tax Collections
Last Ten Calendar Years
(cash basis of accounting)
Schedule 10

Calendar Year	Tax Rate	Withholding Collections	Non-Withholding Collections	Gross Collections	Refunds	Net Collections
2007	2.25%	\$4,261,915	\$996,216	\$5,258,131	\$101,262	\$5,156,869
2008	2.25%	3,900,691	1,038,996	4,939,687	106,836	4,832,851
2009	2.25%	3,849,645	1,058,833	4,908,478	87,154	4,821,324
2010	2.25%	3,982,157	1,209,641	5,191,798	65,756	5,126,042
2011	2.25%	3,691,940	1,017,084	4,709,024	78,830	4,630,194
2012	2.25%	3,902,259	1,040,093	4,942,352	63,438	4,878,914
2013	2.25%	3,696,030	1,078,265	4,774,295	53,113	4,721,182
2014	2.25%	3,714,817	1,113,293	4,828,110	59,594	4,768,516
2015	2.25%	3,713,792	1,193,983	4,907,775	49,247	4,858,528
2016	2.25%	3,757,534	1,212,991	4,970,525	77,175	4,893,350

Source: City of Dayton, Ohio; Division of Revenue and Taxation; and City of Trotwood Income Tax Division.

City of Trotwood
Principal Income Taxpayers
Current Year
(Cash basis of accounting)
Schedule 11

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

City of Trotwood, Ohio
Ratios of Outstanding Debt by Type
Last Ten Calendar Years
Schedule 12

Calendar Year	Governmental Activities		Business-type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Capital Leases	General Obligation Bonds (1)	OPWC Loans					
2007	\$8,170,000	\$519,828	\$0	\$22,007	\$8,711,835	0.05%	\$247		
2008	7,850,000	346,968	0	16,748	8,213,716	0.04%	229		
2009	7,490,000	186,602	0	14,059	7,690,661	0.04%	219		
2010	15,564,706	1,273,371	0	8,560	16,846,637	0.09%	467		
2011	15,026,940	949,802	0	2,983	15,979,725	0.08%	424		
2012	15,642,581	874,556	603,317	308,636	17,429,090	0.08%	438		
2013	14,915,112	482,753	575,692	912,081	16,885,638	0.08%	421		
2014	14,182,638	113,802	536,446	878,173	15,711,059	0.07%	385		
2015	13,505,133	26,128	497,050	844,264	14,870,555	0.07%	352		
2016	14,778,783	17,728	695,217	810,355	16,302,083	N/A	N/A		

Source: City Records

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

(1) - A portion of the General Obligation Bonds were reclassified in 2012.

N/A - Information not available due to a lag in data availability

City of Trotwood, Ohio
Ratios of General Bonded Debt Outstanding
Last Ten Calendar Years
Schedule 13

Calendar Year	General Bonded Debt Outstanding		General Bonded Debt Outstanding		Percentage of Actual Taxable Value of Property	Per Capita
	Total General		Net General			
	Obligation Bonds	Debt Service Fund Balance (1)	Obligation Bonds			
2007	\$8,170,000	\$67,189	\$8,237,189	0.78%	\$233	
2008	7,850,000	75,507	7,925,507	0.73%	221	
2009	7,490,000	68,819	7,558,819	0.78%	215	
2010	15,125,000	4,656	15,129,656	1.61%	419	
2011	14,605,000	0	14,605,000	1.61%	388	
2012	16,245,898	95	15,841,819	2.04%	398	
2013	15,490,804	186,306	15,677,110	2.07%	390	
2014	14,719,084	18,264	14,737,348	1.95%	361	
2015	14,000,163	900	14,001,063	2.05%	332	
2016	15,474,000	4,374	15,478,374	N/A	N/A	

Source: City Records

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements
(1) - If Debt Service Fund Balance is negative, amount will be \$0

City of Trotwood, Ohio
Direct and Overlapping Governmental Activities Debt
As of December 31, 2016
Schedule 14

Governmental Unit	Net Debt Outstanding	Estimated Percentage Applicable (1)	Amount Applicable to City of Trotwood
Dayton City School District	\$153,235,000	2.70%	\$4,137,345
Northmont City School District	52,771,703	0.45%	237,473
Trotwood-Madison City School District	25,710,000	91.82%	23,606,922
Brookville Local School District	17,087,630	0.63%	107,652
New Lebanon Local School District	1,895,000	2.11%	39,985
Miami Valley Career Center Joint Vocational School District	5,537,994	2.91%	161,156
Dayton Metro Library District Miscellaneous	164,050,000	3.34%	5,479,270
Subtotal Overlapping Debt	420,287,327		33,769,803
City of Trotwood - Direct Debt	16,302,083	100.00%	16,302,083
Total Direct and Overlapping Debt	\$436,589,410		\$50,071,886

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 Trotwood, Ohio
 Legal Debt Margin Information
 Last Ten Calendar Years
 Schedule 15

Legal Debt Margin Calculation for Calendar Year 2016

Assessed Value	\$239,263,280	\$239,263,280
Statutory Legal Debt Limitation (1)	10.5%	5.5%
Total Debt Limitation	25,122,644	13,159,480
Debt Applicable to Limit:		
Gross Indebtedness	13,529,261	13,529,261
Less: Debt Retirement Fund Balance	4,374	4,374
Total Net Debt Applicable to Limit	13,524,887	13,524,887
Legal Debt Margin	\$11,597,757	(\$365,407)

	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total Debt Limit (1)	\$36,896,568	\$36,295,975	\$35,517,663	\$34,461,590	\$33,936,733	\$28,628,769	\$28,003,542	\$27,945,738	\$25,226,865	\$25,122,644
Total Net Debt Applicable to Limit	12,489,646	13,308,209	12,766,842	13,292,275	12,447,785	14,169,821	13,580,102	13,083,378	12,494,976	13,524,887
Legal Debt Margin	\$24,406,922	\$22,987,766	\$22,750,821	\$21,169,315	\$21,488,948	\$14,458,948	\$14,423,440	\$14,862,360	\$12,731,889	\$11,597,757

Total Net Debt Applicable to the Limit as a Percentage of Debt Limit

2007	33.9%	36.7%	35.9%	38.6%	36.7%	49.5%	48.5%	46.8%	49.5%	53.8%
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	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total Unvoted Debt Limit (1)	\$19,326,774	\$19,012,177	\$18,604,490	\$18,051,309	\$17,776,384	\$14,996,022	\$14,668,522	\$14,638,244	\$13,214,072	\$13,159,480
Total Net Debt Applicable to Limit	12,489,646	13,308,209	12,766,842	13,292,275	12,447,785	14,169,821	13,580,102	13,083,378	12,494,976	13,524,887
Legal Debt Margin	\$6,837,128	\$5,703,968	\$5,837,648	\$4,759,034	\$5,328,599	\$826,201	\$1,088,420	\$1,554,866	\$719,096	(\$365,407)

Total Net Debt Applicable to the Limit as a Percentage of Debt Limit

2007	64.6%	70.0%	68.6%	73.6%	70.0%	94.5%	92.6%	89.4%	94.6%	102.8%
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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.

City of Trotwood, Ohio
Pledged-Revenue Coverage
Last Ten Calendar Years
Schedule 16

Note: The City has not had Pledged-Revenue Coverage during the last ten calendar years.

Source: City Records

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

City of Trotwood, Ohio
Demographic and Economic Statistics - Montgomery County
Last Ten Calendar Years
Schedule 17

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2007	27,420	\$18,996,515	\$35,301	6.20%
2008	27,420	19,161,715	35,823	7.40%
2009	27,420	18,829,675	35,176	11.40%
2010	27,431	19,347,596	36,108	10.10%
2011	27,431	20,258,807	37,684	8.60%
2012	27,431	21,263,616	39,795	7.00%
2013	27,431	21,514,166	40,150	7.50%
2014	27,431	21,778,263	40,851	4.80%
2015	27,431	22,743,513	42,223	4.70%
2016	27,431	N/A	N/A	4.60%

Sources:

- (1) - Population estimates provided by U.S. Census Bureau (2000 Census for years 2003 - 2009 and 2010 Census for years 2010 - 2012)
- (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 Montgomery County
- N/A - Information not available due to a lag in data availability

City of Trotwood, Ohio
 Major Employers (1)
 Current Fiscal Year and Five Fiscal Years Ago (2)
 Schedule 18

2016	
Major Employers (3)	Type (4)
AES Corp./Dayton Power & Light Co.	Utility
Behr Dayton Thermal Products, LLC	Mfg
Dayton City Schools	Govt
DMAX Ltd.	Mfg
GE Capital	Fin
Green Tokai CO	Mfg
Kettering Health Network	Serv
PNC Financial Services Group	Fin
Premier Health Partners, Inc.	Serv
Reed Elsevier LexisNexis	Serv
Reynolds & Reynolds Co., Inc.	Mfg
University of Dayton	Serv
U.S. Federal Government	Govt

2011	
Major Employers (3)	Type (4)
Behr Dayton Thermal Products, LLC	Mfg
Dayton City Board of Education	Govt
DPL, Inc./Dayton Power & Light Co.	Util
DMAX LTD	Mfg
Kettering Medical Center	Health
NCR Corp.	Mfg
Premier Health Partners, Inc.	Health
Reed Elsevier LexisNexis	Pub
Reynolds & Reynolds Co., Inc.	Mfg
University of Dayton	Edu
U.S. Federal Government	Govt

Source: Ohio Department of Development

- (1) - For all of Montgomery County
- (2) - Only current fiscal year and fiscal period five years ago information available
- (3) - In alphabetical order only
- (4) - Number of employees and percentage of population employed not available

City of Trotwood, Ohio
 Full-Time Equivalent City Government Employees by Function/Program
 Last Ten Calendar Years
 Schedule 19

Function/Program	Full-Time Equivalent Employees as of December 31									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government										
City Administration	4.0	4.0	3.0	3.0	3.0	3.5	3.5	3.5	2.5	2.0
City Council	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.5
Public Works Administration	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.0	1.0	1.0
Buildings and Grounds	1.0	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Finance	9.4	8.7	8.0	8.0	8.8	8.8	8.8	9.5	10.0	9.5
Fleet Maintenance	2.1	2.1	2.1	2.1	0.0	3.0	3.0	3.0	3.0	2.0
Public Safety										
Police										
Officers	45.3	41.3	34.0	33.0	35.0	34.0	34.0	34.0	29.2	29.0
Non-Sworn	5.0	4.5	3.0	4.0	4.0	4.0	4.0	4.0	4.0	3.0
Fire	42.7	47.5	47.2	42.0	41.0	52.0	40.3	41.0	40.7	40.8
Leisure Time Activities										
Cemeteries	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	1.0	2.0
Parks and recreation	6.9	3.9	4.2	3.3	2.0	1.0	1.0	0.5	0.5	1.5
Community Development										
Planning and Zoning	4.0	3.3	3.0	3.0	2.5	2.0	2.0	1.5	0.8	1.5
Building Inspection/Code Enforcement	4.3	2.8	3.0	3.0	3.0	3.6	3.0	1.5	1.8	1.0
Economic Development	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Basic Utility Service										
Water	2.7	2.7	2.7	1.7	1.7	1.2	1.2	1.2	2.2	1.5
Sanitary Sewers	2.7	2.7	2.7	1.7	1.7	1.2	1.2	1.2	2.2	1.5
Refuse Collection	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	1.0	0.0
Transportation and Street Repair	7.7	6.9	6.9	6.5	6.5	6.5	6.5	6.5	6.7	5.5
Total	143.4	136.4	125.4	116.9	114.8	126.4	114.1	112.0	107.6	103.3

Source: Various City Departments

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City of Trotwood, Ohio
 Operating Indicators by Function/Program
 Last Ten Calendar Years
 Schedule 20

Function/Program	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government										
Building permits issued	40	41	43	37	37	43	37	0	0	0
Zoning permits issued	108	95	126	99	121	146	95	62	41	110
Checks issued	3,431	3,411	3,122	2,835	2,666	2,631	2,393	1,784	1,786	2,255
Ordinances adopted	30	48	29	15	13	29	95	17	22	22
Resolutions adopted	75	94	91	88	87	73	14	89	80	91
Police										
Calls for service	34,982	35,227	33,161	31,617	32,599	30,288	30,987	31,726	30,939	30,944
Cases assigned	1,408	1,219	854	1,255	1,371	1,316	1,205	1,062	1,044	1,114
Suspects charged	421	306	274	260	362	247	194	198	127	169
Percent cases closed by arrest	30%	25%	32%	21%	26%	19%	16%	19%	19%	12%
Traffic accidents	389	406	401	364	358	378	366	447	476	527
Traffic stops	4,463	3,903	4,306	3,236	3,353	2,409	2,980	3,418	2,833	2,746
Fire										
Calls for service	1,181	1,405	1,052	1,362	1,324	1,200	1,342	1,294	1,274	140
Average response time (minutes)	7.5	7.3	6.9	6.3	6.5	6.5	6.4	6.6	6.5	6.67
Average calls per day	3.2	3.8	2.8	3.7	3.6	3.3	3.7	3.5	3.5	0.38
Average call duration (minutes)	94.3	98.4	76.2	68.0	0.0	53.9	114.2	100.8	99.5	64.51
EMS										
Calls for service	4,202	4,361	3,864	4,200	4,245	4,440	4,572	5,026	5,120	5,090
Average response time (minutes)	6.1	6.3	6.2	6.6	5.9	5.2	5.9	6.0	6.3	6.79
Average calls per day	11.5	12.5	10.5	11.5	11.6	12.2	12.5	13.8	14.0	13.95
Average call duration (minutes)	62	60	58	71	0	67	72	96	92	61.64
Fire/EMS - all other										
Calls for service	0	0	0	0	0	0	0	0	0	1343
Average response time (minutes)	0	0	0	0	0	0	0	0	0	6.09
Average calls per day	0	0	0	0	0	0	0	0	0	3.68
Average call duration (minutes)	0	0	0	0	0	0	0	0	0	28.53

Source: Various City Departments
 N/A - Information not available

City of Trotwood, Ohio
 Operating Indicators by Function/Program
 Last Ten Calendar Years
 Schedule 20 (Continued)

Function/Program	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Public Works										
Street resurfacing (square yards)	50,022	50,000	0	123,200	0	93,848	25,500	25,000	27,000	29,500
Potholes repaired	3,800	7,200	8,000	9,000	9,000	9,000	9,000	9,800	11,191	11,685
Street cleaning (lane miles)	1,640	500	480	500	500	500	250	350	205	150
Street striping (miles)	20	10	20	10	20	20	12	35	30	30
Parks and recreation										
Shelter rentals	80	102	80	37	36	48	49	53	63	63
Pavilion rentals	21	16	9	2	0	2	2	0	4	3
Water										
Water main breaks	13	15	13	15	11	18	20	32	11	18
Wastewater										
Sewer main cleaning (miles)	10	12	10	12	12	11	12	15	8	20

Source: Various City Departments

N/A - Information not available

City of Trotwood, Ohio
 Capital Asset Statistics by Function/Program
 Last Ten Calendar Years
 Schedule 21

Function/Program	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	3	3	3	3	3	3	3	3	3	3
Public Works										
Streets (lane-miles)	362	411	411	411	411	411	411	411	411	411
Streetlights	1,285	1,285	1,285	1,285	1,285	1,285	1,285	1,285	1,285	1,285
Traffic signaled intersections	41	41	41	41	41	41	41	41	41	41
Parks and Recreation										
Number of Parks	7	7	7	7	7	7	7	7	7	7
Acreage	150	150	150	150	150	150	150	150	150	150
Utilities										
Water Mains (miles)	38	38	38	38	38	38	38	38	38	38
Fire hydrants	1,096	1,096	1,096	1,096	1,096	1,096	1,225	1,235	1,235	1,235
Storm Sewers (miles)	39	40	40	40	40	40	40	40	40	40
Sanitary Sewers (miles)	31	32	32	32	32	32	32	32	32	32

Source: Various City Departments
 N/A - Information not available

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Dave Yost • Auditor of State

CITY OF TROTWOOD

MONTGOMERY COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
OCTOBER 19, 2017**