

CITY OF TROTWOOD, OHIO



Single Audit Reports

December 31, 2011

**PLATTENBURG**  
Certified Public Accountants





# Dave Yost • Auditor of State

Members of Council  
City of Trotwood  
3035 Olive Road  
Trotwood, Ohio 45426

We have reviewed the *Independent Auditor's Report* of the City of Trotwood, Montgomery County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2011 through December 31, 2011. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

November 14, 2012

**CITY OF TROTWOOD, OHIO**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

Federal Grantor/Pass - Through Grantor, Program Title	Pass Through Entity Number	CFDA	Disbursements
<u>United States Department of HUD</u>			
<i>Passed Through Montgomery County</i>			
Community Development Block Grant:			
Soccer	B-10-UC-39-0004	14.218	\$47,086
Main	B-09-UC-39-0004	14.218	45,347
Emergency Home Repair Assistance	B-09-UC-39-0004	14.218	29,297
NSP 1	B-08-UN-39-0006	14.218	525
			<u>122,255</u>
NSP 2	ARRA B-09-CN-OH-0029	14.256	268,466
Subtotal - Department of HUD			<u>390,721</u>
<u>United States Department of Transportation</u>			
<i>Passed through the Ohio Department of Public Safety-</i>			
Traffic Engineering	2011-TE-0228-00	20.600	6,000
Traffic Engineering	2011-TE-0229-00	20.600	6,000
Traffic Engineering	2011-TE-0220-00	20.600	6,000
Subtotal - Department of Transportation			<u>18,000</u>
<u>United States Department of Justice</u>			
<i>Direct award</i>			
Equitable Sharing Funds	N/A	16.XXX	38,726
<i>Passed through the Ohio Department of Public Safety-</i>			
Office of Criminal Justice Services	2008-DJ-BX-0411	16.738	28,315
<i>Direct award</i>			
COPS	ARRA 2009RKWX0684	16.710	64,171
Subtotal - Department of Justice			<u>131,212</u>
<u>United States Department of Homeland Security</u>			
<i>Passed through FEMA</i>			
Assistance to Firefighters	EMW-2008-FP-01227	97.044	28,455
Assistance to Firefighters	EMW-2009-FO-07557	97.044	74,254
Subtotal - Department of Homeland Security			<u>102,709</u>
TOTALS			<u><u>\$642,642</u></u>

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**NOTE A -- SIGNIFICANT ACCOUNTING POLICIES**

The accompanying schedule of federal awards expenditures is a summary of the activity of the City's federal award programs. The schedule has been prepared using the cash basis of accounting.

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

Honorable Mayor, City Council  
and City Manager  
City of Trotwood, Ohio

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Trotwood (the City), as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements and have issued our report thereon dated August 29, 2012 wherein we noted the City adopted GASB Statement No. 54 as disclosed in Note 17. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings as Finding 2011-1 to be a material weakness.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as finding 2011-2.

We noted certain matters that we reported to management of the City in a separate letter dated August 29, 2012.

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

This report is intended solely for the information and use of management, the Auditor of State, City Council, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Plattenburg & Associates, Inc.*  
Plattenburg & Associates, Inc.  
August 29, 2012

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH OMB CIRCULAR A-133**

Honorable Mayor, City Council  
and City Manager  
City of Trotwood, Ohio

Compliance

We have audited the City of Trotwood's (the City) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2011. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011.

Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

#### Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended December 31, 2011, and have issued our report thereon dated August 29, 2012, which contained unqualified opinions on those financial statements wherein we noted the City adopted GASB Statement No. 54 as disclosed in Note 17. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

This report is intended solely for the information and use of management, the Auditor of State, the City Council, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.  
August 29, 2012

**CITY OF TROTWOOD  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended December 31, 2011**

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

<i>(d)(1)(i) Type of Financial Statement Opinion</i>	Unqualified
<i>(d)(1)(ii) Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</i>	Yes
<i>(d)(1)(ii) Were there any other significant control deficiencies reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii) Was there any material reported non-compliance at the financial statement level (GAGAS)?</i>	Yes
<i>(d)(1)(iv) Were there any material internal control weakness conditions reported for major federal programs?</i>	No
<i>(d)(1)(iv) Were there any other significant control deficiencies reported for major federal programs?</i>	No
<i>(d)(1)(v) Type of Major Programs' Compliance Opinion</i>	Unqualified
<i>(d)(1)(vi) Are there any reportable findings under Section .510?</i>	No
<i>(d)(1)(vii) Major Programs (list):</i>	CFDA# 14.256 ARRA Neighborhood Stabilization Program 2 CFDA# 16.710 ARRA COPS
<i>(d)(1)(viii) Dollar Threshold: Type A/B Programs</i>	Type B: all others Type A: > \$300,000
<i>(d)(1)(ix) Low Risk Auditee?</i>	No

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

### **2011-1 Finding Type —Material Weakness—Controls Related to Financial Reporting**

During the course of our audit we identified a control deficiency that related to cash reconciliations. Although no material misstatements were noted as a result of this deficiency, such deficiencies represent a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis.

This deficiency was the result of improper operation of controls and related to:

- Cash reconciliations for several months during the year contained variance amounts that had been identified and posted to the year end GAAP financial statements but not corrected on the City's internal accounting records.

Although cash was reported correctly on the reconciliations and the financial statements, failure to record adjustments for identified variances adds ambiguity that can cloud subsequent reconciliations thereby increasing the likelihood material misstatements due to fraud or error.

The effect of the above issue is the existence of a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis.

#### *Recommendation*

Consider reviewing and updating the design and operation of the City's controls over financial reporting related to detail accounting records.

#### *Management Comments/Response*

Improvements in the design and operation of controls are being implemented during 2012 that are expected to effectively prevent, detect and correct future variances.

### **Finding 2011-2 Finding Type —Material Noncompliance—Appropriations in Excess of Estimated Resources**

Ohio Revised Code Section 5705.39 requires appropriations to be limited by estimated resources. Upon review of appropriations and estimated resources, it was noted that appropriations exceeded estimated resources during the year for the Fire Levy, Salem Mall Tax Increment, Grants, Redlight Enforcement, Debt Retirement, Park Acquisition & Development and Industrial Park Funds.

#### *Recommendation*

We recommend that the City comply with the Ohio Revised Code by limiting appropriations by estimated resources.

#### *Management Comments/Response*

The City amended 2011 estimated resources, however the paperwork was not sent to the County Auditor by the December 31, 2011 deadline. Thus, the City did not comply with that portion of Ohio Revised Code.

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

None

**CITY OF TROTWOOD  
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS  
DECEMBER 31, 2011**

**Summary of Prior Audit Findings and Questioned Costs:**

**2010-1 Finding Type —Material Weakness—Material Misstatements in Financial Statements**

During the course of our audit, material misstatements were identified requiring audit adjustments to the financial statements. The material misstatements were not prevented, or detected and corrected as the result of improper operation of controls and therefore constituted a material weakness in internal control related to financial reporting.

*Status:* Corrected.

**2010-2 Finding Type —Material Weakness—Controls Related to Financial Reporting**

During the course of our audit, certain control deficiencies were identified that related to various procedures. Although no material misstatements were noted as a result of these deficiencies, they represented a combination of deficiencies such that there was a reasonable possibility that a material misstatement of the City's financial statements would not be prevented, or detected and corrected on a timely basis.

*Status:* Partially corrected and reissued as Finding 2011-1.

**2010-03 —Material Noncompliance—Cash Management**

Ohio Revised Code 5705.10 prohibits negative budgetary basis actual ending fund balances. The City had funds with negative budgetary cash fund balances at December 31, 2010.

*Status:* Corrected.

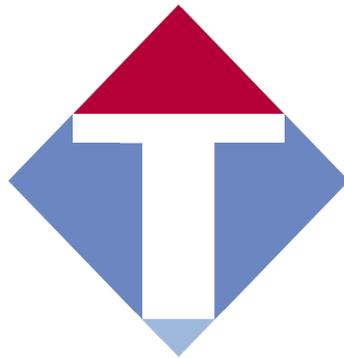
**2010-4 —Material Noncompliance—Appropriations in Excess of Estimated Resources**

Ohio Revised Code Section 5705.39 requires appropriations to be limited by estimated resources. The City had funds for which appropriations exceeded estimated resources during 2010.

*Status:* Not corrected —reissued as Finding 2011-2.

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# **CITY OF TROTWOOD, OHIO**



**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
For The Fiscal Year Ended December 31, 2011**

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**CITY OF TROTWOOD, OHIO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2011**

**PREPARED BY:  
DEPARTMENT OF FINANCE  
PATRICIA A. SHIVELY  
FINANCE DIRECTOR**

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City of Trotwood, Ohio  
 Comprehensive Annual Financial Report  
 For the Year Ended December 31, 2011

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# INTRODUCTORY SECTION



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Phone: (937) 837-7771 \* Fax: (937) 854-0574  
[www.trotwood.org](http://www.trotwood.org)

Michael J. Lucking, City Manager

Trotwood City Council  
Joyce Sutton Cameron, Mayor  
Ron Vaughn, Vice-Mayor - Ward 3  
Barbara J. Staggs - At Large  
Bettye L. Gales - At Large  
Nicole Johnson - Ward 1  
Rap Hankins - Ward 2  
Mary A. McDonald - Ward 4  
Lois Singleton - Clerk of Council

August 29, 2012

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, 2011. 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 operations of the various funds and account groups 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 27,420 residents (based on the 2000 Census) and its land area (over 28 square miles) is surpassed only by the City of Dayton.

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 stormwater management, code enforcement, planning and zoning and other administrative services.

The financial reporting entity includes all the funds and account groups 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 citizens 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 and the Dayton Veterans Administration Center are major employers within Dayton close to Trotwood. Although none of these facilities are physically located in Trotwood, the City benefits by having these employment opportunities 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, was acquired by the City in 2004 for redevelopment purposes and has been demolished. The adjacent Consumer Square shopping center is a major draw in the district, as are several "big box" retailers such as K-Mart, Lowe's, Target and Home Depot. Nearby, Hara Arena draws large crowds to its facilities for various shows, conferences and sporting activities.

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. An additional 30 acres adjacent to the Industrial Park were acquired in 2002 for future expansion. The O'Danny Boy ice cream distribution facility, the first occupant of the City's industrial park, was in full operation in 2006 with a 25 truck fleet based at this location. A major additional tenant was secured in late 2007 and additional land was acquired for further expansion (see MAJOR INITIATIVES for more details).

## **RELEVANT FINANCIAL POLICIES**

The State legislature passed House Bill 66 in June of 2006. House Bill 66 phases out the tax on tangible personal property of general business, telephone and telecommunications companies, and railroads. The tax on general business and railroad tangible personal property began being phased out in 2007 and will be eliminated by 2013. The State legislators did not gravely impact the City in 2011, but the evident State budget shortfall will impact the funding of the City for 2012 and beyond. The proposed 2011-12 budget by the State of Ohio contains reductions in local government funding and the elimination of the estate tax. The financial plans and forecasts of revenue for the City plan for the elimination of reliance upon estate tax to support the appropriations of the City.

## **MAJOR INITIATIVES**

2008 will be remembered as a significant period in the City of Trotwood's industrial development history. In August of 2008, the James Group of Ohio began operations in a newly constructed 380,000 square foot logistics distribution facility. This \$32.5 million dollar state of the art facility serves as a worldwide distribution point of origination for General Motors parts, engines and subassemblies

In November 2009, the James Group of Ohio sold the company to Syncreon America, Inc. It is anticipated that as a part of the General Motors restructuring that occurred during 2009, that Syncreon America, Incorporated facility will become a significant participant in the General Motors supply chain distribution network. Current employment at the Trotwood, Ohio based Syncreon America facility currently stands at 212 employees and is expected to continue steady growth in future years.

In December 2008, the City of Trotwood entered into a professional services agreement with the Stonehenge Group of Gahanna, Ohio to assist in the development of a market based development plan for the former Salem Mall property. Specifically, the Stonehenge Group had been engaged to assist the City of Trotwood in developing a market driven plan for the redevelopment of a 60 acre site that will provide retail opportunities, recreational experiences and public sector services for the Northwest Corridor of Montgomery County, Ohio. Due to market conditions, the agreement with Stonehenge Group was terminated. The comprehensive planning process has resulted in a new Comprehensive Economic Development Strategy.

Of equal importance is the new techconnection project. This project has established four (4) corner stones to the former Salem Mall site. 1. Creating business friendly environment, 2. Expanded business retention program, 3. Renewed emphasis on manufacturing and logistics recruitment, and 4. Redevelopment of the former Salem Mall site as a technological business park, renamed as techconnection. The collaborative agreement between the City of Trotwood and the Edison Materials Technology Center of Ohio (EMTEC). EMTEC is a non-profit, member based organization serving Ohio that develops business and technology strategies, sponsors, coordinates and manages collaborative technology projects and programs leading to commercialization or new business. As a result of the collaboration between the City of Trotwood and EMTEC, the comprehensive planning process is continuing and it is believed that the partnership will position the City of Trotwood as a center for technological innovation and location in the 21<sup>st</sup> century.

## **INTERNAL ACCOUNTING AND BUDGETARY CONTROLS**

City management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance

recognizes that: (1) the cost of control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. It is management's belief that the City's internal control structure adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions.

The City of Trotwood adopts an Annual Appropriation Ordinance in accordance with Ohio law on a cash basis to provide spending authority and set the legal level of budgetary control. In addition, the government maintains extensive budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by City Council. The level of budgetary for the General Fund is at the budget center or department level (e.g., Police Patrol, Street Maintenance, Fleet Maintenance). The legal level of budgetary control for other funds is at the fund level.

The City also maintains an encumbrance accounting system as one method of maintaining budgetary control. Purchase orders which result in overruns of appropriations are not processed until additional appropriations are made available either by ordinance of City Council or administrative transfer from another appropriation. Open encumbrances are reported as reservations of fund balance at year-end.

## **OTHER INFORMATION**

***Independent Audit.*** The State of Ohio requires an annual audit by either the Auditor of State or by an independent accounting firm. The general purpose financial statements of the City of Trotwood, Ohio for the fiscal year ended December 31, 2011 have been audited by Plattenburg and Associates, Inc. Their unqualified opinion has been included in this report.

***Awards.*** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Trotwood for its comprehensive annual financial report for the fiscal year ended December 31, 2010. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

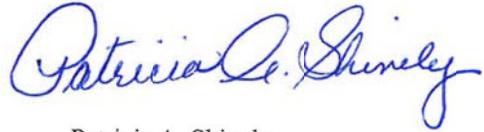
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

***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,

  
Michael J. Lucking  
City Manager



Patricia A. Shively  
Finance Director

**CITY OF TROTWOOD, OHIO**  
**List of Elected and Appointed Officials**  
**December 31, 2011**

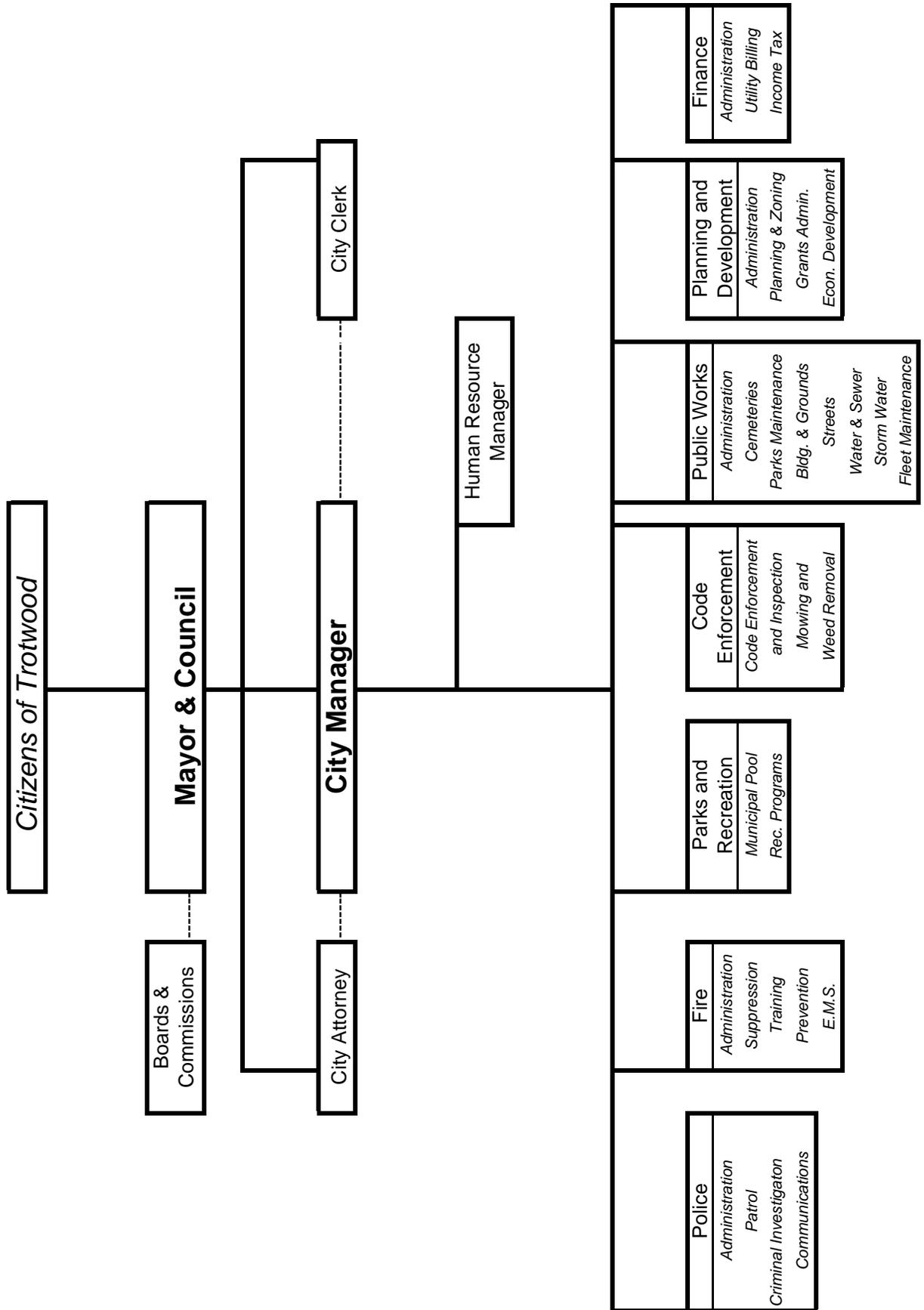
**ELECTED OFFICIALS**

Joyce Sutton-Cameron	Mayor
Nicole I. Johnson	Councilmember, Ward 1
Barbara J. Staggs	Councilmember At Large
Bettye L. Gales	Councilmember At Large
Rap (John C.) Hankins	Councilmember, Ward 2
Charles R. Vaughn	Councilmember, Ward 3
Mary A. McDonald	Councilmember, Ward 4

**APPOINTED OFFICIALS**

Michael J. Lucking	City Manager
Lois M. Singleton	Clerk of Council
Patricia A. Shively	Finance Director
Stephen H. Milliken	Fire Chief
Barbara B. Brooks	Human Resource Manager
Stephen M. McHugh	Law Director
Quincy E. Pope	Police Chief
Thomas N. Odenigbo	Public Works Director

CITY OF TROTWOOD, OHIO  
 Organization Chart  
 December 31, 2011



# 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, 2010

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



*Linda C. Danison*

President

*Jeffrey R. Emer*

Executive Director

# FINANCIAL SECTION



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## INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of City Council  
City of Trotwood, Ohio

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 (the City) as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2011, and the respective changes in financial position, and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 17 to the financial statements, during the year ended December 31, 2011, the City implemented Governmental Accounting Standards Board ("GASB") Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions".

In accordance with *Government Auditing Standards*, we have also issued our report dated August 29, 2012, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

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

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.  
August 29, 2012

**City of Trotwood, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2011**  
**(Unaudited)**

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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, 2011. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's performance.

**Financial Highlights**

- The City's total net assets increased \$77,894. Net assets of governmental activities increased \$464,229, net assets of business-type activities decreased by \$386,335.
- The General Fund reported a decrease in fund balance of (\$483,820).
- Business-type operations reflected an operating income (loss) of (\$326,464).

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

**Government-wide Financial Statements**

The analysis of the City as a whole begins with the Government-wide Financial Statements. These reports provide information that will help the reader to determine if the City of Trotwood 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.

**City of Trotwood, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2011**  
**(Unaudited)**

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

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

- **Governmental Activities** - Most of the City's services are reported here including police, fire, rescue, street maintenance, parks and recreation, and general administration. Income taxes, property taxes, intergovernmental revenue, charges for services, and interest finance most of these activities.
- **Business-Type Activities** - These services include 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; Grants; Fire Levy; Salem Mall Tax Increment; 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 Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

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

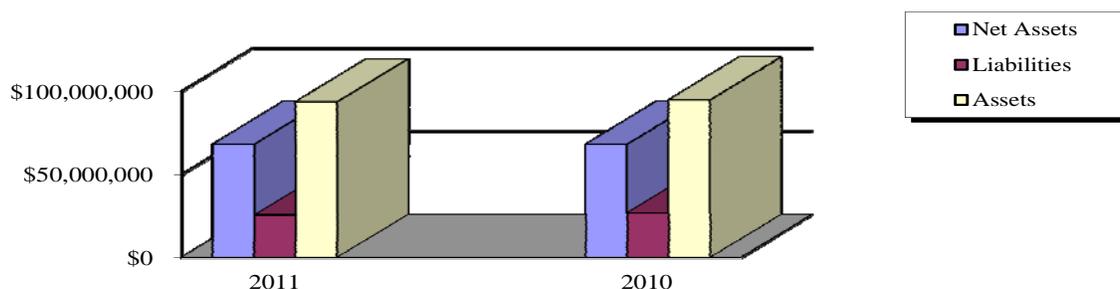
**City of Trotwood, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2011**  
**(Unaudited)**

**The City as a Whole**

As stated previously, the Statement of Net Assets looks at the City as a whole. Table 1 provides a summary of the City's net assets for 2011 compared to 2010.

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

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
<b>Assets:</b>						
Current and Other Assets	\$12,929,138	\$13,470,798	\$3,549,481	\$4,040,176	\$16,478,619	\$17,510,974
Capital Assets	59,439,650	59,658,152	17,489,341	17,316,660	76,928,991	76,974,812
<b>Total Assets</b>	<b>72,368,788</b>	<b>73,128,950</b>	<b>21,038,822</b>	<b>21,356,836</b>	<b>93,407,610</b>	<b>94,485,786</b>
<b>Liabilities:</b>						
Long-Term Liabilities	16,760,452	17,620,573	11,566	19,363	16,772,018	17,639,936
Other Liabilities	7,872,796	8,237,066	839,308	763,190	8,712,104	9,000,256
<b>Total Liabilities</b>	<b>24,633,248</b>	<b>25,857,639</b>	<b>850,874</b>	<b>782,553</b>	<b>25,484,122</b>	<b>26,640,192</b>
<b>Net Assets:</b>						
Invested in Capital Assets, Net of Related Debt	41,557,908	40,915,075	17,486,158	17,308,100	59,044,066	58,223,175
Restricted	2,872,633	2,465,871	0	0	2,872,633	2,465,871
Unrestricted	3,304,999	3,890,365	2,701,790	3,266,183	6,006,789	7,156,548
<b>Total Net Assets</b>	<b>\$47,735,540</b>	<b>\$47,271,311</b>	<b>\$20,187,948</b>	<b>\$20,574,283</b>	<b>\$67,923,488</b>	<b>\$67,845,594</b>



Total net assets of the City as a whole increased \$77,894. Net assets of the City's governmental activities increased \$464,229, while the net assets of the City's business-type activities decreased \$386,335 from 2010. The City had an unrestricted net assets balance of \$6,006,789 that may be used to meet the government's ongoing obligations to citizens and creditors.

Assets decreased mainly due to a decrease in equity in pooled cash and investments, which was mainly due to a decrease in bank balance. Long Term Liabilities decreased mainly due to the City continuing to make regularly schedule principal payments on its long term debt obligations.

**City of Trotwood, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2011**  
**(Unaudited)**

Table 2 shows the changes in net assets for the year ended December 31, 2011 and revenue and expense comparisons to 2010.

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

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
<b>Program Revenues:</b>						
Charges for Services	\$2,165,391	\$1,779,350	\$4,415,615	\$4,775,580	\$6,581,006	\$6,554,930
Operating Grants and Contributions	1,722,345	1,385,532	0	0	1,722,345	1,385,532
Capital Grants and Contributions	1,465,441	1,444,975	0	0	1,465,441	1,444,975
<b>Total Program Revenues</b>	<b>5,353,177</b>	<b>4,609,857</b>	<b>4,415,615</b>	<b>4,775,580</b>	<b>9,768,792</b>	<b>9,385,437</b>
<b>General Revenues:</b>						
Income Taxes	5,040,411	5,298,769	0	0	5,040,411	5,298,769
Property Taxes	5,381,391	5,235,900	0	0	5,381,391	5,235,900
Grants and Entitlements	625,816	1,883,135	0	0	625,816	1,883,135
Investment Earnings	1,628	2,765	550	867	2,178	3,632
Other Revenues	532,159	590,433	36	3,729	532,195	594,162
<b>Total General Revenues</b>	<b>11,581,405</b>	<b>13,011,002</b>	<b>586</b>	<b>4,596</b>	<b>11,581,991</b>	<b>13,015,598</b>
<b>Total Revenues</b>	<b>16,934,582</b>	<b>17,620,859</b>	<b>4,416,201</b>	<b>4,780,176</b>	<b>21,350,783</b>	<b>22,401,035</b>
<b>Program Expenses:</b>						
General Government	3,062,455	2,232,408	0	0	3,062,455	2,232,408
Public Safety	8,583,577	8,338,531	0	0	8,583,577	8,338,531
Leisure Time Activities	383,732	364,636	0	0	383,732	364,636
Community Development	1,029,674	885,151	0	0	1,029,674	885,151
Transportation and Street Repair	2,754,010	2,473,363	0	0	2,754,010	2,473,363
Interest and Fiscal Charges	679,405	603,972	0	0	679,405	603,972
Water	0	0	1,338,543	1,032,248	1,338,543	1,032,248
Sewer	0	0	982,998	771,290	982,998	771,290
Refuse	0	0	1,432,650	1,075,134	1,432,650	1,075,134
Stormwater	0	0	1,025,845	817,277	1,025,845	817,277
<b>Total Program Expenses</b>	<b>16,492,853</b>	<b>14,898,061</b>	<b>4,780,036</b>	<b>3,695,949</b>	<b>21,272,889</b>	<b>18,594,010</b>
<b>Increase (Decrease) in Net Assets</b>						
before Transfers	441,729	2,722,798	(363,835)	1,084,227	77,894	3,807,025
Transfers - Internal Activities	22,500	(7,077)	(22,500)	77,500	0	70,423
<b>Change in Net Assets</b>	<b>464,229</b>	<b>2,715,721</b>	<b>(386,335)</b>	<b>1,161,727</b>	<b>77,894</b>	<b>3,877,448</b>
Net Assets Beginning of Year	47,271,311	44,555,590	20,574,283	19,412,556	67,845,594	63,968,146
<b>Net Assets End of Year</b>	<b>\$47,735,540</b>	<b>\$47,271,311</b>	<b>\$20,187,948</b>	<b>\$20,574,283</b>	<b>\$67,923,488</b>	<b>\$67,845,594</b>

***Governmental Activities***

The City of Trotwood's income taxes and property taxes are the largest source of revenue. These revenues represent 90% of the City's governmental activities total general revenue.

Grants and Entitlements decreased mainly due to a decrease in estate taxes received. Income taxes decreased mainly due to a decrease in income tax collections. Total expenses increased mainly due to increases in various repairs and maintenance expenses as well as increases in personnel costs and general inflationary factors.

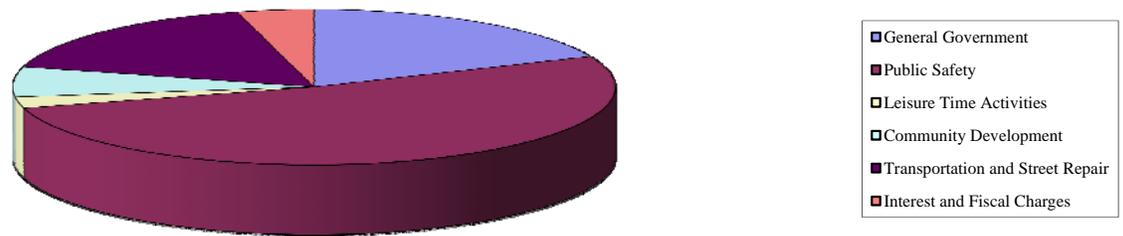
**City of Trotwood, Ohio  
Management’s Discussion and Analysis  
For The Year Ended December 31, 2011  
(Unaudited)**

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Governmental Activities  
Program Expenses for 2011

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	<u>Percentage</u>
General Government	18.57%
Public Safety	52.04%
Leisure Time Activities	2.33%
Community Development	6.24%
Transportation and Street Repair	16.70%
Interest and Fiscal Charges	4.12%
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 \$4,415,651 and expenses of \$4,742,115 for fiscal year 2011. Business activities receive no support from tax revenues. The business activities net assets at the end of the year was \$20,187,948, which decreased \$386,335 from 2011.

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 31 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 \$119,339 in 2011. The sewer fund had operating income of \$71,948 in 2011. The refuse fund had an operating loss of \$156,237 in 2011. The stormwater fund had an operating loss of \$361,514 in 2011.

**City of Trotwood, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2011**  
**(Unaudited)**

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**The City's Funds**

The City has four major governmental funds: the General Fund, Grants Fund, Fire Levy Fund, and Salem Mall Tax Increment Fund. Assets of the General Fund comprised \$5,907,273 (46%), the Grants fund comprised \$485,188 (4%), the Fire Levy fund comprised \$2,950,013 (23%), and the Salem Mall Tax Increment fund comprised \$314,966 (2%) of the total \$12,963,307 governmental funds assets.

**General Fund:** Fund balance at December 31, 2011 was \$1,699,945, a decrease in fund balance of \$483,820 from 2010. The General fund balance decreased mainly due to a decrease in taxes revenue, which was mainly due to a decrease in property tax receipts and due to an increase in general government expenditures, which was mainly due to general inflationary factors.

**Grants Fund:** Fund balance at December 31, 2011 was \$454,954, an increase in fund balance of \$72,755 from 2010. The Grants fund balance increased mainly due to a decrease in capital outlay expenditures.

**Fire Levy Fund:** Fund balance at December 31, 2011 was (\$283,606), a decrease in fund balance of \$48,963 from 2010. The Fire Levy fund balance decreased mainly due to a decrease in property tax receipts.

**Salem Mall Tax Increment Fund:** Fund balance at December 31, 2011 was (\$1,915,836), a decrease in fund balance of \$216,964 from 2010. The decrease in fund balance is due to the issuance of \$6,150,000 in long term debt in 2010.

**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 \$1,304,625, on a Non-GAAP Budgetary Basis.

There were no variations between final budget and actual revenues. Variations between the original 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.

**City of Trotwood, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2011**  
**(Unaudited)**

**Capital Assets and Debt Administration**

*Capital Assets*

At year end, the City had \$76,928,991 invested in land, buildings and improvements, equipment and infrastructure. Table 3 shows 2011 balances compared to 2010:

**Table 3**  
**Capital Assets**

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	\$26,360,322	\$26,360,322	\$12,026	\$12,026	\$26,372,348	\$26,372,348
Buildings and Improvements	8,315,004	8,315,004	0	0	8,315,004	8,315,004
Equipment	9,433,917	9,470,485	302,920	302,920	9,736,837	9,773,405
Infrastructure	47,526,685	46,480,713	38,505,382	37,843,159	86,032,067	84,323,872
Accumulated Depreciation	(32,196,278)	(30,968,372)	(21,330,987)	(20,841,445)	(53,527,265)	(51,809,817)
Total Net Capital Assets	<u>\$59,439,650</u>	<u>\$59,658,152</u>	<u>\$17,489,341</u>	<u>\$17,316,660</u>	<u>\$76,928,991</u>	<u>\$76,974,812</u>

The decrease in capital assets was mainly due to the 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.

*Debt*

The City had \$15,026,940 in general obligation bonds for Governmental Activities and \$2,983 in Business-Type Activities long-term debt.

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

		2011	2010
Governmental Activities			
General Obligation Bonds			
2003 Various Purpose Bonds	5.11%	\$2,385,000	\$2,595,000
2007 Various Purpose Bonds	4.21%	4,355,000	4,530,000
2010 Various Purpose Bonds	3.00 - 4.25%	7,865,000	8,000,000
Premium on 2010 Bonds		421,940	439,706
Total General Obligation Bonds		<u>15,026,940</u>	<u>15,564,706</u>
Business Type Activities:			
Loans			
2001 OPWC Loan	3.00%	<u>2,983</u>	<u>8,560</u>
Total Debt		<u>\$15,029,923</u>	<u>\$15,573,266</u>

**City of Trotwood, Ohio  
Management's Discussion and Analysis  
For The Year Ended December 31, 2011  
(Unaudited)**

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The Various Purpose Improvement general obligation bonds will be paid with available revenue in the General Fund, Street Construction, Repair and Maintenance Fund, Debt Service Fund, Industrial Park Fund, and Salem Mall Tax Increment Fund.

The City had General Obligation Notes Payable of \$1,905,000 for the year ended 2011 and 2010, respectively.

See Note 9 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.

City of Trotwood, Ohio  
Statement of Net Assets  
December 31, 2011

	Governmental Activities	Business-Type Activities	Total
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$3,176,381	\$1,276,688	\$4,453,069
<b>Receivables:</b>			
Taxes	7,627,387	0	7,627,387
Accounts	74,914	1,772,844	1,847,758
Intergovernmental	1,711,947	0	1,711,947
Special Assessments	109,891	499,949	609,840
Deferred Bond Issuance Costs	228,618	0	228,618
Nondepreciable Capital Assets	26,360,322	12,026	26,372,348
Depreciable Capital Assets, Net	33,079,328	17,477,315	50,556,643
<b>Total Assets</b>	<b>72,368,788</b>	<b>21,038,822</b>	<b>93,407,610</b>
<b>Liabilities:</b>			
Accounts Payable	213,925	822,226	1,036,151
Accrued Wages and Benefits	808,150	17,082	825,232
Accrued Interest Payable	133,175	0	133,175
Unearned Revenue	4,812,546	0	4,812,546
General Obligation Notes Payable	1,905,000	0	1,905,000
<b>Long-Term Liabilities:</b>			
Due Within One Year	1,379,437	9,199	1,388,636
Due In More Than One Year	15,381,015	2,367	15,383,382
<b>Total Liabilities</b>	<b>24,633,248</b>	<b>850,874</b>	<b>25,484,122</b>
<b>Net Assets:</b>			
Invested in Capital Assets, Net of Related Debt	41,557,908	17,486,158	59,044,066
<b>Restricted for:</b>			
Capital Projects	16,236	0	16,236
Street Construction Maintenance and Repair	928,358	0	928,358
State Highway	209,901	0	209,901
Fire Levy	660,358	0	660,358
Rescue Levy	274,567	0	274,567
Federal and State Grants	454,954	0	454,954
Other Purposes	328,259	0	328,259
Unrestricted	3,304,999	2,701,790	6,006,789
<b>Total Net Assets</b>	<b>\$47,735,540</b>	<b>\$20,187,948</b>	<b>\$67,923,488</b>

See accompanying notes to the basic financial statements.

City of Trotwood, Ohio  
Statement of Activities  
For the Fiscal Year Ended December 31, 2011

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General Government	\$3,062,455	\$586,951	\$0	\$0
Public Safety	8,583,577	1,456,169	672,837	0
Leisure Time Activities	383,732	17,598	9,841	0
Community Development	1,029,674	95,490	120,239	0
Transportation and Street Repair	2,754,010	9,183	919,428	1,465,441
Interest and Fiscal Charges	679,405	0	0	0
<b>Total Governmental Activities</b>	<b>16,492,853</b>	<b>2,165,391</b>	<b>1,722,345</b>	<b>1,465,441</b>
<b>Business-Type Activities:</b>				
Water	1,338,543	1,440,360	0	0
Sewer	982,998	1,034,511	0	0
Refuse	1,432,650	1,276,413	0	0
Stormwater	1,025,845	664,331	0	0
<b>Total Business-Type Activities</b>	<b>4,780,036</b>	<b>4,415,615</b>	<b>0</b>	<b>0</b>
<b>Totals</b>	<b>\$21,272,889</b>	<b>\$6,581,006</b>	<b>\$1,722,345</b>	<b>\$1,465,441</b>

General Revenues:

Income Taxes

Property Taxes Levied for:

General Purposes

Special Revenue Purposes

Debt Service Purposes

Grants and Entitlements not Restricted to Specific Programs - Unrestricted Revenue in Lieu of Taxes

Investment Earnings

Other Revenues

Transfers-Internal Activities

Total General Revenues and Transfers

Change in Net Assets

Net Assets Beginning of Year

Net Assets End of Year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
(\$2,475,504)	\$0	(\$2,475,504)
(6,454,571)	0	(6,454,571)
(356,293)	0	(356,293)
(813,945)	0	(813,945)
(359,958)	0	(359,958)
(679,405)	0	(679,405)
(11,139,676)	0	(11,139,676)
0	101,817	101,817
0	51,513	51,513
0	(156,237)	(156,237)
0	(361,514)	(361,514)
0	(364,421)	(364,421)
(\$11,139,676)	(\$364,421)	(\$11,504,097)
5,040,411	0	5,040,411
1,852,469	0	1,852,469
3,451,260	0	3,451,260
77,662	0	77,662
625,816	0	625,816
266,173	0	266,173
1,628	550	2,178
265,986	36	266,022
22,500	(22,500)	0
11,603,905	(21,914)	11,581,991
464,229	(386,335)	77,894
47,271,311	20,574,283	67,845,594
\$47,735,540	\$20,187,948	\$67,923,488

City of Trotwood, Ohio  
Balance Sheet  
Governmental Funds  
December 31, 2011

	General	Grants	Fire Levy	Salem Mall Tax Increment
Assets:				
Equity in Pooled Cash and Investments	\$1,512,591	\$485,188	\$0	\$16,112
Receivables:				
Taxes	3,541,847	0	2,758,019	0
Accounts	0	0	0	0
Intergovernmental	480,157	0	191,994	298,854
Special Assessments	109,891	0	0	0
Interfund	262,787	0	0	0
<b>Total Assets</b>	<b>5,907,273</b>	<b>485,188</b>	<b>2,950,013</b>	<b>314,966</b>
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	98,103	23,456	37,893	0
Accrued Wages and Benefits	463,406	6,778	162,764	0
Compensated Absences	26,065	0	0	0
Accrued Interest Payable	0	0	0	26,948
Interfund Payable	0	0	82,949	0
Deferred Revenue	3,619,754	0	2,950,013	298,854
General Obligation Notes Payable	0	0	0	1,905,000
<b>Total Liabilities</b>	<b>4,207,328</b>	<b>30,234</b>	<b>3,233,619</b>	<b>2,230,802</b>
Fund Balances:				
Restricted	0	454,954	0	0
Assigned	327,879	0	0	0
Unassigned	1,372,066	0	(283,606)	(1,915,836)
<b>Total Fund Balances</b>	<b>1,699,945</b>	<b>454,954</b>	<b>(283,606)</b>	<b>(1,915,836)</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$5,907,273</b>	<b>485,188</b>	<b>2,950,013</b>	<b>\$314,966</b>

See accompanying notes to the basic financial statements.

Other Governmental Funds	Total Governmental Funds
\$1,162,490	\$3,176,381
1,327,521	7,627,387
74,914	74,914
740,942	1,711,947
0	109,891
0	262,787
<u>3,305,867</u>	<u>12,963,307</u>
51,299	210,751
175,202	808,150
0	26,065
0	26,948
122,651	205,600
1,995,413	8,864,034
0	1,905,000
<u>2,344,565</u>	<u>12,046,548</u>
1,083,354	1,538,308
0	327,879
<u>(122,052)</u>	<u>(949,428)</u>
961,302	916,759
<u>\$3,305,867</u>	<u>\$12,963,307</u>

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City of Trotwood, Ohio  
 Reconciliation of Total Governmental Fund Balance to  
 Net Assets of Governmental Activities  
 December 31, 2011

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Total Governmental Fund Balance \$916,759

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

Capital assets used in governmental activities are not financial  
 resources and therefore are not reported in the funds. 59,439,650

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

Income Taxes	904,355	
Delinquent Property Taxes	1,943,982	
Intergovernmental	1,093,260	
Other	<u>109,891</u>	
		4,051,488

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 assets. (60,361)

In the statement of net assets interest payable is accrued when  
 incurred, whereas in the governmental funds interest is  
 reported as a liability only when it will require the use of  
 current financial resources. (106,227)

Some liabilities reported in the statement of net assets do not  
 require the use of current financial resources and therefore  
 are not reported as liabilities in governmental funds.  
 Compensated Absences (757,645)

Deferred bond issuance cost associated with long-term liabilities  
 are not reported in the funds. 228,618

Long-term liabilities, are not due and payable in the current  
 period and therefore are not reported in the funds. (15,976,742)

Net Assets of Governmental Activities \$47,735,540

See accompanying notes to the basic financial statements.

City of Trotwood, Ohio  
Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Governmental Funds  
For the Fiscal Year Ended December 31, 2011

	General	Grants	Fire Levy	Salem Mall Tax Increment
<b>Revenues:</b>				
Taxes	\$6,401,869	\$0	\$2,069,255	\$0
Fines, Licenses & Permits	532,837	0	0	0
Charges for Services	306,146	0	1,037	0
Investment Earnings	817	0	60	111
Intergovernmental	776,485	1,642,482	371,747	0
Special Assessments	46,184	0	0	0
Revenue in Lieu of Taxes	0	0	0	272,108
Other Revenues	224,885	0	3,541	0
<b>Total Revenues</b>	<b>8,289,223</b>	<b>1,642,482</b>	<b>2,445,640</b>	<b>272,219</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	2,939,192	0	0	0
Public Safety	4,113,531	106,842	2,229,750	0
Leisure Time Activities	337,582	2,828	0	0
Community Development	510,152	380,699	0	46,247
Transportation and Street Repair	214,562	0	0	0
Capital Outlay	20,908	1,079,358	161,971	0
<b>Debt Service:</b>				
Principal Retirement	198,750	0	298,749	135,000
Interest and Fiscal Charges	224,956	0	36,583	307,936
<b>Total Expenditures</b>	<b>8,559,633</b>	<b>1,569,727</b>	<b>2,727,053</b>	<b>489,183</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(270,410)</b>	<b>72,755</b>	<b>(281,413)</b>	<b>(216,964)</b>
<b>Other Financing Sources (Uses):</b>				
Transfers In	22,500	0	232,450	0
Transfers (Out)	(235,910)	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>(213,410)</b>	<b>0</b>	<b>232,450</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>(483,820)</b>	<b>72,755</b>	<b>(48,963)</b>	<b>(216,964)</b>
<b>Fund Balance Beginning of Year</b>	<b>2,183,765</b>	<b>382,199</b>	<b>(234,643)</b>	<b>(1,698,872)</b>
<b>Fund Balance End of Year</b>	<b>\$1,699,945</b>	<b>\$454,954</b>	<b>(\$283,606)</b>	<b>(\$1,915,836)</b>

See accompanying notes to the basic financial statements.

Other Governmental Funds	Total Governmental Funds
\$999,779	\$9,470,903
195,150	727,987
1,078,704	1,385,887
640	1,628
1,298,870	4,089,584
1,177	47,361
12,938	285,046
33,059	261,485
3,620,317	16,269,881
0	2,939,192
1,706,807	8,156,930
0	340,410
90,576	1,027,674
1,582,496	1,797,058
79,688	1,341,925
211,070	843,569
127,788	697,263
3,798,425	17,144,021
(178,108)	(874,140)
3,460	258,410
0	(235,910)
3,460	22,500
(174,648)	(851,640)
1,135,950	1,768,399
\$961,302	\$916,759

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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, 2011

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Net Change in Fund Balance - Total Governmental Funds (851,640)

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	1,144,503	
Depreciation Expense	<u>(1,356,972)</u>	(212,469)

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. The amount of the proceeds must be removed and the gain or loss on the disposal of capital assets must be recognized. This is the amount of the difference between the proceeds and the gain or loss. (6,033)

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

Income Taxes	254,425	
Delinquent Property Taxes	696,474	
Intergovernmental	(258,152)	
Other	<u>(28,046)</u>	664,701

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 843,569

In the statement of activities interest expense is accrued when incurred, whereas in governmental funds an interest expenditure is reported when due. 9,718

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	22,770	
Amortization of Bond Issuance Cost	(9,626)	
Amortization of Bond Premium	<u>17,766</u>	30,910

The internal service fund used by management to charge back costs to individual funds is not reported in the district-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. (14,527)

Change in Net Assets of Governmental Activities \$464,229

See accompanying notes to the basic financial statements.

City of Trotwood, Ohio  
Statement of Net Assets  
Proprietary Funds  
December 31, 2011

	Business-Type Activities -Enterprise Funds			
	Water	Sewer	Refuse	Stormwater
Current Assets:				
Equity in Pooled Cash and Investments	\$437,426	\$212,816	\$84,133	\$542,313
Receivables:				
Accounts	720,276	508,328	362,492	181,748
Special Assessments	97,438	41,880	248,799	111,832
Total Current Assets	<u>1,255,140</u>	<u>763,024</u>	<u>695,424</u>	<u>835,893</u>
Nondepreciable Capital Assets	0	12,026	0	0
Depreciable Capital Assets, Net	356,174	369,289	0	16,751,852
Total Assets	<u>1,611,314</u>	<u>1,144,339</u>	<u>695,424</u>	<u>17,587,745</u>
Liabilities:				
Accounts Payable	408,769	293,174	109,697	10,586
Accrued Wages and Benefits	5,411	6,456	2,043	3,172
Compensated Absences	2,774	2,774	668	0
Interfund Payable	0	0	0	0
Long-Term Liabilities Due Within One Year	0	2,983	0	0
Total Current Liabilities	<u>416,954</u>	<u>305,387</u>	<u>112,408</u>	<u>13,758</u>
Long-Term Liabilities:				
Compensated Absences	1,069	1,069	229	0
Total Liabilities	<u>418,023</u>	<u>306,456</u>	<u>112,637</u>	<u>13,758</u>
Net Assets:				
Invested in Capital Assets, Net of Related Debt	356,174	378,332	0	16,751,652
Unrestricted	837,117	459,551	582,787	822,335
Total Net Assets	<u>\$1,193,291</u>	<u>\$837,883</u>	<u>\$582,787</u>	<u>\$17,573,987</u>

See accompanying notes to the basic financial statements.

Total Business-Type Activities	Governmental Activities- Internal Service Fund
\$1,276,688	\$0
1,772,844	0
499,949	0
3,549,481	0
12,026	0
17,477,315	0
21,038,822	0
822,226	3,174
17,082	0
6,216	0
0	57,187
2,983	0
848,507	60,361
2,367	0
850,874	60,361
17,486,158	0
2,701,790	(60,361)
\$20,187,948	(\$60,361)

City of Trotwood, Ohio  
Statement of Revenues, Expenses  
and Changes in Fund Net Assets  
Proprietary Funds  
For the Fiscal Year Ended December 31, 2011

	Business-Type Activities -Enterprise Funds			
	Water	Sewer	Refuse	Stormwater
Operating Revenues:				
Charges for Services	\$1,440,360	\$1,034,511	\$1,276,413	\$664,331
Other Revenues	18	18	0	0
Total Operating Revenues	<u>1,440,378</u>	<u>1,034,529</u>	<u>1,276,413</u>	<u>664,331</u>
Operating Expenses:				
Personal Services	63,356	80,140	26,788	63,635
Contractual Services	1,153,047	826,509	1,405,426	506,706
Depreciation	11,089	23,033	0	455,420
Other Expenses	93,547	32,899	436	84
Total Operating Expenses	<u>1,321,039</u>	<u>962,581</u>	<u>1,432,650</u>	<u>1,025,845</u>
Operating Income (Loss)	<u>119,339</u>	<u>71,948</u>	<u>(156,237)</u>	<u>(361,514)</u>
Non-Operating Revenues (Expenses):				
Investment Earnings	135	47	23	345
Interest (Expense)	(17,504)	(20,417)	0	0
Total Non-Operating Revenues (Expenses)	<u>(17,369)</u>	<u>(20,370)</u>	<u>23</u>	<u>345</u>
Income (Loss) Before Contributions and Transfers	101,970	51,578	(156,214)	(361,169)
Transfers (Out)	<u>(11,250)</u>	<u>(11,250)</u>	<u>0</u>	<u>0</u>
Change in Net Assets	90,720	40,328	(156,214)	(361,169)
Net Assets Beginning of Year	<u>1,102,571</u>	<u>797,555</u>	<u>739,001</u>	<u>17,935,156</u>
Net Assets End of Year	<u>\$1,193,291</u>	<u>\$837,883</u>	<u>\$582,787</u>	<u>\$17,573,987</u>

See accompanying notes to the basic financial statements.

Total Business-Type Activities	Governmental Activities- Internal Service Fund
\$4,415,615	\$40,979
36	2,828
<u>4,415,651</u>	<u>43,807</u>
233,919	0
3,891,688	58,335
489,542	0
<u>126,966</u>	<u>0</u>
<u>4,742,115</u>	<u>58,335</u>
<u>(326,464)</u>	<u>(14,528)</u>
550	1
<u>(37,921)</u>	<u>0</u>
<u>(37,371)</u>	<u>1</u>
(363,835)	(14,527)
<u>(22,500)</u>	<u>0</u>
(386,335)	(14,527)
<u>20,574,283</u>	<u>(45,834)</u>
<u>\$20,187,948</u>	<u>(\$60,361)</u>

City of Trotwood, Ohio  
Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year Ended December 31, 2011

	Business-Type Activities -Enterprise Funds			
	Water	Sewer	Refuse	Stormwater
<b>Cash Flows from Operating Activities:</b>				
Cash Received from Customers	\$1,512,352	\$1,089,901	\$1,591,303	\$788,317
Cash Payments to Employees	(65,277)	(78,621)	(28,860)	(63,606)
Cash Payments to Suppliers	(1,208,427)	(822,753)	(1,407,597)	(504,470)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>238,648</b>	<b>188,527</b>	<b>154,846</b>	<b>220,241</b>
<b>Cash Flows from Noncapital Financing Activities:</b>				
Payments to Other Funds	0	0	(70,736)	0
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<b>0</b>	<b>0</b>	<b>(70,736)</b>	<b>0</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Payments for Capital Acquisitions	0	0	0	(662,223)
Debt Principal Payments	0	(5,577)	0	0
Debt Interest Payments	(28,754)	(31,733)	0	0
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(28,754)</b>	<b>(37,310)</b>	<b>0</b>	<b>(662,223)</b>
<b>Cash Flows from Investing Activities:</b>				
Earnings on Investments	135	47	23	345
<b>Net Cash Provided (Used) by Cash Flows from Investing Activities</b>	<b>135</b>	<b>47</b>	<b>23</b>	<b>345</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>210,029</b>	<b>151,264</b>	<b>84,133</b>	<b>(441,637)</b>
Cash and Cash Equivalents Beginning of Year	227,397	61,552	0	983,950
Cash and Cash Equivalents End of Year	437,426	212,816	84,133	542,313
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b>				
Operating Income (Loss)	119,339	71,948	(156,237)	(361,514)
Adjustments:				
Depreciation	11,089	23,033	0	455,420
Changes in Assets & Liabilities:				
(Increase) Decrease in Receivables	70,972	55,372	314,890	123,986
Increase (Decrease) in Payables	38,167	36,655	(1,735)	2,320
Increase (Decrease) in Accrued Liabilities	(919)	1,519	(2,072)	29
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$238,648</b>	<b>\$188,527</b>	<b>\$154,846</b>	<b>\$220,241</b>

See accompanying notes to the basic financial statements.

Total Business-Type Activities	Governmental Activities- Internal Service Fund
\$4,981,873	\$139,133
(236,364)	0
<u>(3,943,247)</u>	<u>(59,615)</u>
802,262	79,518
<u>(70,736)</u>	<u>(79,519)</u>
<u>(70,736)</u>	<u>(79,519)</u>
(662,223)	0
(5,577)	0
<u>(60,487)</u>	<u>0</u>
<u>(728,287)</u>	<u>0</u>
550	1
<u>550</u>	<u>1</u>
3,789	0
<u>1,272,899</u>	<u>0</u>
<u>1,276,688</u>	<u>0</u>
(326,464)	(14,528)
489,542	0
565,220	95,326
75,407	(1,280)
<u>(1,443)</u>	<u>0</u>
<u>\$802,262</u>	<u>\$79,518</u>

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**City of Trotwood, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

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

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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.

**City of Trotwood, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

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

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The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its enterprise funds provided they do not conflict with or contradict GASB pronouncements. For enterprise funds, the City has elected not to follow subsequent private-sector guidance. The most significant of the City's accounting policies are described below.

**Measurement Focus**

Government-Wide Financial Statements

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

Fund Financial Statements

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

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

**Basis of Presentation**

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

**City of Trotwood, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

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Government-Wide Financial Statements

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

Fund Financial Statements

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

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:

**City of Trotwood, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

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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.

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.

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

Salem Mall Tax Increment Fund – This capital projects fund accounts for resources related to the Salem Mall Tax Increment.

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

Proprietary Funds

Proprietary fund reporting focuses on changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

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.

**City of Trotwood, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

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**Basis of Accounting**

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

Revenues - Exchange and Non-exchange Transactions

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

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income tax, state-levied locally shared taxes (including gasoline tax), fines and forfeitures, interest, grants and fees.

Deferred Revenue

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

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

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

**City of Trotwood, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

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Unearned Revenue

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

Expenses/Expenditures

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

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

**Equity in Pooled Cash and Investments**

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

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

During the year, the City has invested funds in the State Treasury Asset Reserve of Ohio (STAROhio). STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for at year-end.

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

Following Ohio Revised Code, the City has specified the funds to receive an allocation of interest earnings. Interest revenues during 2011 amounted to \$2,178. Interest revenue amounted to \$817 in the General fund, \$60 in the Fire Levy fund, \$111 in the Salem Mall Tax Increment fund, \$640 in Other Governmental funds, \$135 in the Water fund, \$47 in the Sewer Fund, \$23 in the Refuse fund, \$345 in the Stormwater fund, and \$1 in the Internal Revenue Service fund.

**City of Trotwood, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

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**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 assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective proprietary funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City's infrastructure consists of 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	20-45 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.

**City of Trotwood, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

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**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.

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

Committed – resources that are constrained for specific purposes that are internally imposed by the government at its highest level of decision making authority, 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.

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.

**City of Trotwood, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

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**Net Assets**

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

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. Of the City's \$2,872,633 in restricted net assets, none were restricted by enabling legislation.

**Operating Revenues and Expenses**

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

**Contributions of Capital**

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

**Interfund Activity**

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

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

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

**City of Trotwood, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

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**Estimates**

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

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

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

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

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

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

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

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

**City of Trotwood, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

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

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

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

### **Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's policy for deposits is any balance not covered by depository insurance will be collateralized by the financial institutions with pledged securities. As of December 31, 2011, \$776,976 of the City's bank balance of \$2,318,065 was exposed to custodial risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name.

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

**City of Trotwood, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

**Investments**

As of December 31, 2011, the City had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (Years)
STAROhio	\$2,345,623	0.16

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

**Credit Risk** – It is the City’s policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have the highest credit quality rating issued by nationally recognized statistical rating organizations. Investments in STAROhio were rated AAAM by Standard & Poors. Repurchase Agreements which are unrated shall be transacted only through banks located within the State of Ohio with which the Finance Director has signed a master repurchase agreement as required by Ohio Revised Code 135.

**Concentration of Credit Risk** – The City’s investment policy allows investments in Federal Government Securities or Instrumentalities. The City has invested 100% of the City’s investments in STAROhio.

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

**Note 4 – Receivables**

Receivables at year end consisted primarily of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements, shared revenues, special assessments, interfund receivables 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, 2011					
	General Fund	Curbs, Gutters & Streets Fun	Water Fund	Sewer Fund	Refuse Fund	Stormwater Fund
Special Assessments Receivable	\$625,908	\$9,812	\$201,605	\$108,002	\$280,057	\$128,849
Allowance for Doubtful Accounts	(516,017)	(9,812)	(104,167)	(66,122)	(31,258)	(17,017)
Special Assessments Receivable, Ne	\$109,891	\$0	\$97,438	\$41,880	\$248,799	\$111,832

**City of Trotwood, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

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**Property Taxes**

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Property tax revenue received during 2011 for real and public utility property taxes represents collections of the 2010 taxes. Property tax payments received during 2011 for tangible personal property (other than public utility property) is for 2011 taxes.

The 2011 real property taxes are levied after October 1, 2011, on the assessed value as of January 1, 2011, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2011 real property taxes are collected in and intended to finance 2012 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 2011 public utility property taxes became a lien December 31, 2010, are levied after October 1, 2011, and are collected in 2011 with real property taxes.

The tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. House Bill No. 66 was to hold governments harmless by replacing a portion of the revenue lost by the City due to the phasing out of the tax. In calendar years 2006-2012, the City will be fully reimbursed for the lost revenue. In calendar years 2013-2017, the reimbursements will be phased out.

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

	<u>Amount</u>
Real Property	\$313,729,310
Public Utility	<u>9,477,670</u>
Total	<u><u>\$323,206,980</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.

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

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

**City of Trotwood, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

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**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**

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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:

<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	15,263,600	10,000
Vehicles	4,338,380	1,000
Miscellaneous Property	1,306,746	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 \$1,750,000 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.

**City of Trotwood, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

**Note 6 – Capital Assets**

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

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$26,360,322	\$0	\$0	\$26,360,322
Total Capital Assets, not being depreciated	<u>26,360,322</u>	<u>0</u>	<u>0</u>	<u>26,360,322</u>
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	8,315,004	0	0	8,315,004
Equipment	9,470,485	98,531	135,099	9,433,917
Infrastructure	46,480,713	1,045,972	0	47,526,685
Totals at Historical Cost	<u>90,626,524</u>	<u>1,144,503</u>	<u>135,099</u>	<u>91,635,928</u>
Less Accumulated Depreciation:				
Buildings and Improvements	2,675,458	194,828	0	2,870,286
Equipment	6,622,859	544,892	129,066	7,038,685
Infrastructure	21,670,055	617,252	0	22,287,307
Total Accumulated Depreciation	<u>\$30,968,372</u>	<u>\$1,356,972</u>	<u>\$129,066</u>	<u>\$32,196,278</u>
Governmental Activities Capital Assets, Net	<u>\$59,658,152</u>	<u>(\$212,469)</u>	<u>\$6,033</u>	<u>\$59,439,650</u>
<b>Business-Type Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$12,026	\$0	\$0	\$12,026
<i>Capital Assets, being depreciated:</i>				
Equipment	302,920	0	0	302,920
Infrastructure	37,843,159	662,223	0	38,505,382
Totals at Historical Cost	<u>38,158,105</u>	<u>662,223</u>	<u>0</u>	<u>38,820,328</u>
Less Accumulated Depreciation:				
Equipment	274,658	13,271	0	287,929
Infrastructure	20,566,787	476,271	0	21,043,058
Total Accumulated Depreciation	<u>\$20,841,445</u>	<u>\$489,542</u>	<u>\$0</u>	<u>\$21,330,987</u>
Business-Type Activities Capital Assets, Net	<u>\$17,316,660</u>	<u>\$172,681</u>	<u>\$0</u>	<u>\$17,489,341</u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$104,440
Public Safety	454,020
Leisure Time	38,586
Community Development	1,467
Transportation	758,459
Total Depreciation Expense	<u>\$1,356,972</u>

**City of Trotwood, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

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**Note 7 – Compensated Absences**

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Employees earn vacation leave ranging from 10 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, which ever 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).

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**

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Bond Anticipation Notes:				
<b>Governmental Activities:</b>				
Town Center Redevelopment, Series 2010, 2.00%	1,905,000	0	(1,905,000)	0
Town Center Redevelopment, Series 2011, 1.75%	<u>0</u>	<u>1,905,000</u>	<u>0</u>	<u>1,905,000</u>
Total Governmental Activities Bond Anticipation Notes	<u>\$1,905,000</u>	<u>\$1,905,000</u>	<u>(\$1,905,000)</u>	<u>\$1,905,000</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.

**City of Trotwood, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

**Note 9 – Long-Term Debt**

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

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
<b>Governmental Activities</b>					
<u>Bonds Payable</u>					
2003 Various Purpose Bonds, 5.11%	\$2,595,000	\$0	(\$210,000)	\$2,385,000	\$220,000
2007 Various Purpose Bonds, 4.21%	4,530,000	0	(175,000)	4,355,000	180,000
2010 Various Purpose Bonds, 3.00-4.25%	8,000,000	0	(135,000)	7,865,000	200,000
Premium on 2010 Bonds	439,706	0	(17,766)	421,940	0
Capital Leases	1,273,371	0	(323,569)	949,802	307,503
Total Long-Term Debt	16,838,077	0	(861,335)	15,976,742	907,503
Compensated Absences	782,496	479,425	(478,211)	783,710	471,934
Total Governmental Activities	<u>\$17,620,573</u>	<u>\$479,425</u>	<u>(\$1,339,546)</u>	<u>\$16,760,452</u>	<u>\$1,379,437</u>
	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
<b>Business Type Activities</b>					
<u>Loans</u>					
2001 OPWC Loan, 3.00%	\$8,560	\$0	(\$5,577)	\$2,983	\$2,983
Compensated Absences	10,803	5,757	(7,977)	8,583	6,216
Total Business-Type Activities	<u>\$19,363</u>	<u>\$5,757</u>	<u>(\$13,554)</u>	<u>\$11,566</u>	<u>\$9,199</u>

Compensated Absences will be paid from the fund from which the person is paid. Historically, this is the General Fund, Special Revenue Fund or Enterprise Fund.

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.

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

**City of Trotwood, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

Year Ending December 31	General Obligation Bonds		OPWC Loan	
	Principal	Interest	Principal	Interest
2012	\$600,000	\$638,111	\$2,983	\$89
2013	625,000	613,669	0	0
2014	645,000	588,216	0	0
2015	590,000	562,977	0	0
2016	610,000	542,385	0	0
2017-2021	2,915,000	2,361,609	0	0
2022-2026	3,125,000	1,701,594	0	0
2027-2031	3,215,000	969,250	0	0
2032-2035	2,280,000	223,426	0	0
Total	<u>\$14,605,000</u>	<u>\$8,201,237</u>	<u>\$2,983</u>	<u>\$89</u>

**Note 10 – Leases**

A. Capital Leases

The City has entered into capital leases for one medic unit and three fire trucks.

The City’s lease obligations meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13 “Accounting for Leases”, and have 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 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
2012	\$335,332
2013	335,332
2014	335,332
Total Minimum Lease Payments	1,005,996
Less: Amount Representing Interest	(56,194)
Present Value of Minimum Lease Payments	<u>\$949,802</u>

Capital assets acquired under capital leases in accordance with Statement of Financial Accounting Standards No. 13 are as follows:

Equipment	\$1,703,211
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**City of Trotwood, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

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**Note 11 – Pension Plans**

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**Ohio Public Employees Retirement System**

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

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

The Ohio Revised Code provides statutory authority for member and employer contributions. Plan members and employer contributions rates were consistent across all three plans. Plan members are required to contribute 10% of their annual covered salary to fund pension obligations. The employer pension contribution rate for the City is 14% of covered payroll. The contribution rates are determined actuarially. The City's required contributions to OPERS for the years ended December 31, 2011, 2010 and 2009 were \$319,951, \$288,035 and \$354,876, respectively. The full amount has been contributed for 2009 and 2010 and 88% has been contributed for 2011. The City's unpaid contractually required OPERS contributions (including post employment benefits) at year end (the liability) were recorded in the accrued wages and benefits line item of the government-wide and fund financial statements along with various corresponding expenses/expenditures.

**Ohio Police and Fire Pension Fund**

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

**City of Trotwood, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

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Plan members are required to contribute 10.0% of their annual covered salary, while employers (the City) are required to contribute 19.5% for police officers and 24.0% for firefighters. The City's contributions to OP&F for the years ending December 31, 2011, 2010 and 2009 were \$798,556, \$824,471, and \$912,143, respectively. The full amount has been contributed for 2009 and 2010 and 70% has been contributed for 2011. The City's unpaid contractually required OP&F contributions (including post employment benefits) at year end (the liability) were recorded in the accrued wages and benefits line item of the government-wide and fund financial statements along with various corresponding expenses/expenditures.

**Note 12 – Post Employment Benefits**

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**Ohio Public Employees Retirement System**

Plan Description

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

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

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

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

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

Funding Policy

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

**City of Trotwood, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

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Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2010, the City contributed at 14% of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14% of covered payroll. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care Plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determined the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. The portion of employer contributions allocated to the health care for members in the Traditional Plan was 4.0% during calendar year 2011. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05% during calendar year 2011. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care coverage by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

Information from City's Records

The City's required contributions for the current year, which were used to fund postemployment benefits were \$91,410 in 2011, \$20,986 for the period January 1 through February 28, 2010, and \$83,783 for the period March 1 through December 31, 2010 and \$43,718 for the period of January 1 through March 31, 2009 and \$105,078 for the period of April 1 through December 31, 2009. The full amount (actual) has been contributed for 2009 and 2010 and 88% has been contributed for 2011.

OPERS Retirement Board Implements its Health Care Preservation Plan

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

**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**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

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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 are codified in Chapter 742 of the Ohio Revised Code.

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

Funding Policy

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and Section 401(h) account as the employer contribution for retiree healthcare benefits. For the year ended December 31, 2011, the employer contribution allocated to the health care plan was 6.75% of covered payroll. The amount of employer contributions allocated to the healthcare plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

Information from City's Records

The City's required contributions to OP&F were \$155,552 for police and \$98,065 for fire for the year ending December 31, 2011; \$159,883 for police and \$101,829 for fire for the year ending December 31, 2010 and \$180,800 for police and \$109,478 for fire for the year ending December 31, 2009, respectively, was allocated to the healthcare plan. The actual contributions for 2009 and 2010 were 71% and 68% has been contributed for 2011.

**City of Trotwood, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

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**Note 13 – Jointly Governed Organizations**

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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 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 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 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 2000, the City agreed to be a member for an additional 10 years, ending December 31, 2011. 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.

**City of Trotwood, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

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**Note 14 – Interfund Transactions**

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Interfund receivables, interfund payables, transfers in and transfers out are as follows for the current year:

	Interfund		Transfers	
	Receivable	Payable	In	Out
General Fund	\$262,787	\$0	\$22,500	\$235,910
Fire Levy	0	82,949	232,450	0
Other Governmental Funds	0	122,651	3,460	0
Water Fund	0	0	0	11,250
Sewer Fund	0	0	0	11,250
Internal Service Fund	0	57,187	0	0
Total All Funds	<u>\$262,787</u>	<u>\$262,787</u>	<u>\$258,410</u>	<u>\$258,410</u>

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

**Note 15 –Accountability and Compliance**

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**Accountability**

The following individual funds had deficit fund balances/net assets at year end:

Fund	Deficit
Special Revenue:	
Fire Levy	\$283,606
Capital Projects:	
Salem Mall Tax Increment	1,915,836
Debt Retirement	54,951
Park Acquisition and Development	67,101
Internal Service	60,361

**Compliance**

**Noncompliance—Appropriations in Excess of Estimated Resources**

Ohio Revised Code Section 5705.39 requires appropriations to be limited by estimated resources. Upon review of appropriations and estimated resources, it was noted that appropriations exceeded estimated resources during the year for the Fire Levy Fund, Grants Fund, Salem Mall Tax Increment Fund, Redlight Enforcement Fund, Debt Retirement Fund, Park Acquisition & Development Fund and Industrial Park Fund.

**City of Trotwood, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

**Note 16 – 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:

Fund Balances	General	Grants	Fire Levy	Salem Mall Tax Increment	Other Governmental Funds	Total
<b>Restricted for:</b>						
Grants	0	454,954	0	0	0	454,954
Street Construction	0	0	0	0	395,937	395,937
State Highway	0	0	0	0	183,135	183,135
Motor Vehicle License Tax	0	0	0	0	78,328	78,328
Permissive Use Tax	0	0	0	0	19,113	19,113
Drug Law Enforcement	0	0	0	0	17,513	17,513
Curbs/Gutters/Sidewalks Assessment	0	0	0	0	117,773	117,773
Local Law Enforcement Block	0	0	0	0	75	75
Enforcement and Education	0	0	0	0	10,503	10,503
Law Enforcement Trust	0	0	0	0	48,788	48,788
Government Equity Program	0	0	0	0	213	213
Rescue Levy	0	0	0	0	159,787	159,787
Police Levy	0	0	0	0	2,037	2,037
Redlight Enforcement	0	0	0	0	33,916	33,916
Park Acquisition and Development	0	0	0	0	10,249	10,249
Industrial Park	0	0	0	0	5,987	5,987
<b>Total Restricted</b>	<b>0</b>	<b>454,954</b>	<b>0</b>	<b>0</b>	<b>1,083,354</b>	<b>1,538,308</b>
<b>Assigned to:</b>						
Debt Service	0	0	0	0	0	0
Encumbrances	327,879	0	0	0	0	327,879
<b>Total Assigned</b>	<b>327,879</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>327,879</b>
<b>Unassigned (Deficit)</b>	<b>1,372,066</b>	<b>0</b>	<b>(283,606)</b>	<b>(1,915,836)</b>	<b>(122,052)</b>	<b>(949,428)</b>
<b>Total Fund Balance</b>	<b>1,699,945</b>	<b>454,954</b>	<b>(283,606)</b>	<b>(1,915,836)</b>	<b>961,302</b>	<b>916,759</b>

**Note 17 – Change in Accounting Principles and Restatement of Fund Balance**

**Change in Accounting Principles**

For fiscal year 2011, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions.” GASB 54 shifts the focus of fund balance reporting from the availability of fund resources for budgeting to the extent to which the City is bound to honor constraints on the specific purposes for which amounts in funds can be spent.

The implementation of GASB54 had no effect on the fund balances of the major and non-major (other governmental) funds of the City as they were previously reported.

**City of Trotwood, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2011**

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**Note 18 – Subsequent Events**

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In June 2012, the City issued a \$1,831,724 Air Quality Control Loan through the Ohio Air Quality Development Authority to finance various improvements to City of Trotwood owned facilities at an interest rate between 2.02% and 4.28%. This loan will be paid off in 2027.

In March 2012 the City issued \$255,000 in Bond Anticipation Notes to pay costs of constructing and replacing water lines with new water mains on Union Road and West Sunrise Avenue for an interest rate not to exceed 6%.

# **REQUIRED SUPPLEMENTARY INFORMATION**

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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, 2011

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Revenues:</b>				
Taxes	\$6,936,137	\$6,936,137	\$6,351,303	(\$584,834)
Fines, Licenses & Permits	581,901	581,901	532,837	(49,064)
Intergovernmental	1,000,569	1,000,569	916,204	(84,365)
Special Assessments	50,437	50,437	46,184	(4,253)
Charges for Services	334,336	334,336	306,146	(28,190)
Investment Earnings	892	892	817	(75)
Other Revenues	8,389	8,389	7,682	(707)
<b>Total Revenues</b>	<b>8,912,661</b>	<b>8,912,661</b>	<b>8,161,173</b>	<b>(751,488)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<u>General Government</u>				
Mayor and Council	189,008	204,973	192,865	12,108
City Manager	239,305	259,518	244,188	15,330
Finance	334,458	362,709	341,283	21,426
Utility Billing	179,053	194,177	182,707	11,470
Income Tax	331,885	359,918	338,657	21,261
Law Director	199,008	215,818	203,069	12,749
Public Works Administration	289,010	313,421	294,907	18,514
Building and Grounds	291,719	316,360	297,672	18,688
Fleet Maintenance	152,314	165,179	155,422	9,757
Personnel	122,308	132,639	124,804	7,835
Strategic Initiatives	22,754	24,676	23,218	1,458
Non-Departmental	461,804	500,811	471,227	29,584
<b>Total General Government</b>	<b>2,812,626</b>	<b>3,050,199</b>	<b>2,870,019</b>	<b>180,180</b>
<u>Public Safety</u>				
Police Administration	406,165	440,473	414,453	26,020
Police Patrol	2,577,347	2,795,046	2,629,938	165,108
Criminal Investigation	831,264	901,478	848,226	53,252
Police Communications	323,489	350,813	330,090	20,723
<b>Total Public Safety</b>	<b>4,138,265</b>	<b>4,487,810</b>	<b>4,222,707</b>	<b>265,103</b>
<u>Leisure Time Activities</u>				
Parks and Recreation Administration	4	4	4	0
Parks Maintenance	149,863	162,521	152,921	9,600
Municipal Pool	42,194	45,758	43,055	2,703
Cemeteries	67,568	73,276	68,947	4,329
Recreation Programs	74,030	80,283	75,541	4,742
<b>Total Leisure Time Activities</b>	<b>333,659</b>	<b>361,842</b>	<b>340,468</b>	<b>21,374</b>
<u>Community Development</u>				
Planning and Development Administration	178,317	193,379	181,956	11,423
Planning and Zoning	104,879	113,738	107,019	6,719
Code Enforcement and Inspection	201,288	218,290	205,395	12,895
Mowing and Weed Removal	48,003	52,058	48,983	3,075
<b>Total Community Development</b>	<b>532,487</b>	<b>577,465</b>	<b>543,353</b>	<b>34,112</b>

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, 2011

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<u>Transportation &amp; Street Repair</u>				
Street Lighting	210,291	228,054	214,582	13,472
Total Transportation & Street Repair	210,291	228,054	214,582	13,472
Capital Outlay	20,580	22,318	21,000	1,318
Debt Service:				
Principal Retirement	172,726	187,315	176,250	11,065
Interest and Fiscal Charges	220,458	239,079	224,956	14,123
Total Expenditures	8,441,092	9,154,082	8,613,335	540,747
Excess of Revenues Over (Under) Expenditures	471,569	(241,421)	(452,162)	(210,741)
Other Financing Sources (Uses):				
Advances (Out)	(66,346)	(71,950)	(67,700)	4,250
Transfers (Out)	(231,193)	(250,721)	(235,910)	14,811
Total Other Financing Sources (Uses)	(297,539)	(322,671)	(303,610)	19,061
Net Change in Fund Balance	174,030	(564,092)	(755,772)	(191,680)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,060,397	2,060,397	2,060,397	0
Fund Balance End of Year	\$2,234,427	\$1,496,305	\$1,304,625	(\$191,680)

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, 2011

	Grants Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$2,756,668	\$2,756,668	\$2,514,059	(\$242,609)
Total Revenues	<u>2,756,668</u>	<u>2,756,668</u>	<u>2,514,059</u>	<u>(242,609)</u>
Expenditures:				
Current:				
Public Safety	119,820	133,552	108,207	25,345
Leisure Time Activities	3,131	3,490	2,828	662
Community Development	457,838	510,312	413,466	96,846
Capital Outlay	<u>2,279,195</u>	<u>2,540,420</u>	<u>2,058,302</u>	<u>482,118</u>
Total Expenditures	<u>2,859,984</u>	<u>3,187,774</u>	<u>2,582,803</u>	<u>604,971</u>
Net Change in Fund Balance	(103,316)	(431,106)	(68,744)	362,362
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>399,048</u>	<u>399,048</u>	<u>399,048</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$295,732</u></u>	<u><u>(\$32,058)</u></u>	<u><u>\$330,304</u></u>	<u><u>\$362,362</u></u>

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, 2011

	Fire Levy Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$2,054,952	\$2,054,952	\$2,069,255	\$14,303
Intergovernmental	369,177	369,177	371,747	2,570
Charges for Services	1,030	1,030	1,037	7
Investment Earnings	60	60	60	0
Other Revenues	3,517	3,517	3,541	24
<b>Total Revenues</b>	<b>2,428,736</b>	<b>2,428,736</b>	<b>2,445,640</b>	<b>16,904</b>
Expenditures:				
Current:				
Public Safety	2,778,597	2,881,845	2,705,013	176,832
Capital Outlay	166,377	172,559	161,971	10,588
<b>Total Expenditures</b>	<b>2,944,974</b>	<b>3,054,404</b>	<b>2,866,984</b>	<b>187,420</b>
Excess of Revenues Over (Under) Expenditures	(516,238)	(625,668)	(421,344)	204,324
Other Financing Sources (Uses):				
Transfers In	230,843	230,843	232,450	1,607
<b>Total Other Financing Sources (Uses)</b>	<b>230,843</b>	<b>230,843</b>	<b>232,450</b>	<b>1,607</b>
Net Change in Fund Balance	(285,395)	(394,825)	(188,894)	205,931
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	6,698	6,698	6,698	0
<b>Fund Balance End of Year</b>	<b>(\$278,697)</b>	<b>(\$388,127)</b>	<b>(\$182,196)</b>	<b>\$205,931</b>

See accompanying notes to the required supplementary information.

**City of Trotwood, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Year Ended December 31, 2011**

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**NOTE 1 – BUDGETARY PROCESS**

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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 fund 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 fund and fire levy fund 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 a reservation of fund balance (GAAP).

**City of Trotwood, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Year Ended December 31, 2011**

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4. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund, grants fund and fire levy fund.

**Net Change in Fund Balance**

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	<u>General</u>	<u>Grants</u>	<u>Fire Levy</u>
GAAP Basis	(\$483,820)	\$72,755	(\$48,963)
Revenue Accruals	(128,050)	871,577	0
Expenditure Accruals	267,886	(823,993)	(87,713)
Transfers In	(22,500)	0	0
Advances (Out)	(67,700)	0	0
Encumbrances	<u>(321,588)</u>	<u>(189,083)</u>	<u>(52,218)</u>
Budget Basis	<u><u>(\$755,772)</u></u>	<u><u>(\$68,744)</u></u>	<u><u>(\$188,894)</u></u>

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# COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES



## **MAJOR GOVERNMENTAL FUND**

**Salem Mall Tax Increment** - To account for resources related to the Salem Mall Tax Increment. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance are included in the Basic Financial Statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.

City of 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, 2011

	Salem Mall Tax Increment Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$109	\$111	\$2
Revenue in Lieu of Taxes	268,069	272,108	4,039
Total Revenues	268,178	272,219	4,041
Expenditures:			
Current:			
Capital Outlay	59,162	58,859	303
Debt Service:			
Principal Retirement	2,050,488	2,040,000	10,488
Interest and Fiscal Charges	313,176	311,574	1,602
Total Expenditures	2,422,826	2,410,433	12,393
Excess of Revenues Over (Under) Expenditures	(2,154,648)	(2,138,214)	16,434
Other Financing Sources (Uses):			
Issuance of Short Term Debt	1,876,722	1,905,000	28,278
Total Other Financing Sources (Uses)	1,876,722	1,905,000	28,278
Net Change in Fund Balance	(277,926)	(233,214)	44,712
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	241,373	241,373	0
Fund Balance End of Year	(\$36,553)	\$8,159	\$44,712

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## **NONMAJOR GOVERNMENTAL FUNDS**

### **Special Revenue Funds**

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

### **Debt Service Fund**

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

### **Capital Projects Funds**

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

City of Trotwood, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2011

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$1,145,655	\$0	\$16,835	\$1,162,490
<b>Receivables:</b>				
Taxes	1,159,626	167,895	0	1,327,521
Accounts	74,914	0	0	74,914
Intergovernmental	549,357	11,915	179,670	740,942
<b>Total Assets</b>	<b>2,929,552</b>	<b>179,810</b>	<b>196,505</b>	<b>3,305,867</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts Payable	51,299	0	0	51,299
Accrued Wages and Benefits	175,202	0	0	175,202
Interfund Payable	0	54,951	67,700	122,651
Deferred Revenue	1,635,933	179,810	179,670	1,995,413
<b>Total Liabilities</b>	<b>1,862,434</b>	<b>234,761</b>	<b>247,370</b>	<b>2,344,565</b>
<b>Fund Balances:</b>				
Restricted	1,067,118	0	16,236	1,083,354
Unassigned	0	(54,951)	(67,101)	(122,052)
<b>Total Fund Balances</b>	<b>1,067,118</b>	<b>(54,951)</b>	<b>(50,865)</b>	<b>961,302</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$2,929,552</b>	<b>\$179,810</b>	<b>\$196,505</b>	<b>\$3,305,867</b>

City of Trotwood, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Fiscal Year Ended December 31, 2011

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Taxes	\$863,777	\$136,002	\$0	\$999,779
Fines, Licenses & Permits	195,150	0	0	195,150
Charges for Services	1,074,204	0	4,500	1,078,704
Investment Earnings	588	15	37	640
Intergovernmental	1,266,354	24,510	8,006	1,298,870
Special Assessments	1,177	0	0	1,177
Revenue in Lieu of Taxes	0	0	12,938	12,938
Other Revenues	1,203	8,522	23,334	33,059
<b>Total Revenues</b>	<b>3,402,453</b>	<b>169,049</b>	<b>48,815</b>	<b>3,620,317</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Public Safety	1,706,807	0	0	1,706,807
Community Development	90,576	0	0	90,576
Transportation and Street Repair	1,582,496	0	0	1,582,496
Capital Outlay	41,723	0	37,965	79,688
<b>Debt Service:</b>				
Principal Retirement	36,070	175,000	0	211,070
Interest and Fiscal Charges	15,216	53,656	58,916	127,788
<b>Total Expenditures</b>	<b>3,472,888</b>	<b>228,656</b>	<b>96,881</b>	<b>3,798,425</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(70,435)</b>	<b>(59,607)</b>	<b>(48,066)</b>	<b>(178,108)</b>
<b>Other Financing Sources (Uses):</b>				
Transfers In	3,460	0	0	3,460
<b>Total Other Financing Sources (Uses)</b>	<b>3,460</b>	<b>0</b>	<b>0</b>	<b>3,460</b>
<b>Net Change in Fund Balance</b>	<b>(66,975)</b>	<b>(59,607)</b>	<b>(48,066)</b>	<b>(174,648)</b>
<b>Fund Balance Beginning of Year</b>	<b>1,134,093</b>	<b>4,656</b>	<b>(2,799)</b>	<b>1,135,950</b>
<b>Fund Balance End of Year</b>	<b>\$1,067,118</b>	<b>(\$54,951)</b>	<b>(\$50,865)</b>	<b>\$961,302</b>

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## **NONMAJOR SPECIAL REVENUE FUNDS**

### **Fund Descriptions**

**Street Construction, Maintenance and Repair Fund** - 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.

**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.

**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 of 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.

**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.

**Rescue Levy** - To account for property taxes levied for the provision of emergency medical services provided within the City by the Trotwood Rescue Unit.

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

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

City of Trotwood, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2011

	Street Construction Maintenance and Repair	State Highway	Motor Vehicle License Tax	Permissive Use Tax
Assets:				
Equity in Pooled Cash and Investments	\$388,956	\$180,853	\$78,328	\$19,113
Receivables:				
Taxes	566,023	0	0	0
Accounts	0	0	0	0
Intergovernmental	475,838	35,524	0	0
Total Assets	<u>1,430,817</u>	<u>216,377</u>	<u>78,328</u>	<u>19,113</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	21,549	1,166	0	0
Accrued Wages and Benefits	39,041	2,031	0	0
Deferred Revenue	974,290	30,045	0	0
Total Liabilities	<u>1,034,880</u>	<u>33,242</u>	<u>0</u>	<u>0</u>
Fund Balances:				
Restricted	<u>395,937</u>	<u>183,135</u>	<u>78,328</u>	<u>19,113</u>
Total Fund Balances	<u>395,937</u>	<u>183,135</u>	<u>78,328</u>	<u>19,113</u>
Total Liabilities and Fund Balances	<u>\$1,430,817</u>	<u>\$216,377</u>	<u>\$78,328</u>	<u>\$19,113</u>

Drug Law Enforcement	Curbs/Gutters/Sidewalks Assessment	Local Law Enforcement Block	Enforcement and Education	Law Enforcement Trust	Government Equity Program	Rescue Levy
\$17,513	\$117,773	\$75	\$10,503	\$49,111	\$213	\$247,101
0	0	0	0	0	0	593,603
0	0	0	0	0	0	74,914
0	0	0	0	0	0	37,995
<u>17,513</u>	<u>117,773</u>	<u>75</u>	<u>10,503</u>	<u>49,111</u>	<u>213</u>	<u>953,613</u>
0	0	0	0	323	0	28,098
0	0	0	0	0	0	134,130
0	0	0	0	0	0	631,598
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>323</u>	<u>0</u>	<u>793,826</u>
<u>17,513</u>	<u>117,773</u>	<u>75</u>	<u>10,503</u>	<u>48,788</u>	<u>213</u>	<u>159,787</u>
<u>17,513</u>	<u>117,773</u>	<u>75</u>	<u>10,503</u>	<u>48,788</u>	<u>213</u>	<u>159,787</u>
<u>\$17,513</u>	<u>\$117,773</u>	<u>\$75</u>	<u>\$10,503</u>	<u>\$49,111</u>	<u>\$213</u>	<u>\$953,613</u>

City of Trotwood, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2011

	Police Levy	Redlight Enforcement	Total Nonmajor Special Revenue Funds
Assets:			
Equity in Pooled Cash and Investments	\$2,037	\$34,079	\$1,145,655
Receivables:			
Taxes	0	0	1,159,626
Accounts	0	0	74,914
Intergovernmental	0	0	549,357
Total Assets	<u>2,037</u>	<u>34,079</u>	<u>2,929,552</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	0	163	51,299
Accrued Wages and Benefits	0	0	175,202
Deferred Revenue	0	0	1,635,933
Total Liabilities	<u>0</u>	<u>163</u>	<u>1,862,434</u>
Fund Balances:			
Restricted	<u>2,037</u>	<u>33,916</u>	<u>1,067,118</u>
Total Fund Balances	<u>2,037</u>	<u>33,916</u>	<u>1,067,118</u>
Total Liabilities and Fund Balances	<u>\$2,037</u>	<u>\$34,079</u>	<u>\$2,929,552</u>

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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, 2011

	Street Construction Maintenance and Repair	State Highway	Motor Vehicle License Tax	Permissive Use Tax
Revenues:				
Taxes	\$443,677	\$0	\$0	\$0
Fines, Licenses & Permits	0	0	0	0
Charges for Services	0	0	0	0
Investment Earnings	186	71	89	8
Intergovernmental	963,936	71,941	154,455	0
Special Assessments	0	0	0	0
Other Revenues	439	0	0	0
<b>Total Revenues</b>	<b>1,408,238</b>	<b>72,012</b>	<b>154,544</b>	<b>8</b>
Expenditures:				
Current:				
Public Safety	0	0	0	0
Community Development	0	0	0	0
Transportation and Street Repair	1,228,449	59,986	294,061	0
Capital Outlay	0	0	0	0
Debt Service:				
Principal Retirement	11,250	0	0	0
Interest and Fiscal Charges	14,180	0	0	0
<b>Total Expenditures</b>	<b>1,253,879</b>	<b>59,986</b>	<b>294,061</b>	<b>0</b>
Excess of Revenues Over (Under) Expenditures	154,359	12,026	(139,517)	8
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Net Change in Fund Balance	154,359	12,026	(139,517)	8
Fund Balance Beginning of Year	241,578	171,109	217,845	19,105
<b>Fund Balance End of Year</b>	<b>\$395,937</b>	<b>\$183,135</b>	<b>\$78,328</b>	<b>\$19,113</b>

Drug Law Enforcement	Curbs/Gutters/ Sidewalks Assessment	Local Law Enforcement Block	Enforcement and Education	Law Enforcement Trust	Government Equity Program	Rescue Levy
\$0	\$0	\$0	\$0	\$0	\$0	\$420,100
1,140	0	0	354	40,186	0	0
0	0	0	0	0	0	1,074,204
9	46	0	4	40	27	98
0	0	0	0	0	0	76,022
0	1,177	0	0	0	0	0
246	0	0	0	0	0	518
1,395	1,223	0	358	40,226	27	1,570,942
1,500	0	0	0	8,541	0	1,577,203
0	0	0	0	0	90,576	0
0	0	0	0	0	0	0
11,250	0	0	0	30,473	0	0
0	0	0	0	0	0	24,820
0	0	0	0	0	0	1,036
12,750	0	0	0	39,014	90,576	1,603,059
(11,355)	1,223	0	358	1,212	(90,549)	(32,117)
0	0	0	0	0	0	3,460
0	0	0	0	0	0	3,460
(11,355)	1,223	0	358	1,212	(90,549)	(28,657)
28,868	116,550	75	10,145	47,576	90,762	188,444
\$17,513	\$117,773	\$75	\$10,503	\$48,788	\$213	\$159,787

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, 2011

	Police Levy	Redlight Enforcement	Total Nonmajor Special Revenue Funds
Revenues:			
Taxes	\$0	\$0	\$863,777
Fines, Licenses & Permits	0	153,470	195,150
Charges for Services	0	0	1,074,204
Investment Earnings	1	9	588
Intergovernmental	0	0	1,266,354
Special Assessments	0	0	1,177
Other Revenues	0	0	1,203
<b>Total Revenues</b>	<b>1</b>	<b>153,479</b>	<b>3,402,453</b>
Expenditures:			
Current:			
Public Safety	0	119,563	1,706,807
Community Development	0	0	90,576
Transportation and Street Repair	0	0	1,582,496
Capital Outlay	0	0	41,723
Debt Service:			
Principal Retirement	0	0	36,070
Interest and Fiscal Charges	0	0	15,216
<b>Total Expenditures</b>	<b>0</b>	<b>119,563</b>	<b>3,472,888</b>
Excess of Revenues Over (Under) Expenditures	1	33,916	(70,435)
Other Financing Sources (Uses):			
Transfers In	0	0	3,460
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>3,460</b>
Net Change in Fund Balance	1	33,916	(66,975)
Fund Balance Beginning of Year	2,036	0	1,134,093
<b>Fund Balance End of Year</b>	<b>\$2,037</b>	<b>\$33,916</b>	<b>\$1,067,118</b>

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, 2011

	Street Construction Maintenance and Repair Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$437,707	\$443,677	\$5,970
Intergovernmental	953,791	966,801	13,010
Investment Earnings	183	186	3
Other Revenues	433	439	6
Total Revenues	<u>1,392,114</u>	<u>1,411,103</u>	<u>18,989</u>
Expenditures:			
Current:			
Transportation & Street Repair	1,509,184	1,377,984	131,200
Capital Outlay	139,889	127,728	12,161
Debt Service:			
Principal Retirement	12,321	11,250	1,071
Interest and Fiscal Charges	15,530	14,180	1,350
Total Expenditures	<u>1,676,924</u>	<u>1,531,142</u>	<u>145,782</u>
Net Change in Fund Balance	(284,810)	(120,039)	164,771
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>398,255</u>	<u>398,255</u>	<u>0</u>
Fund Balance End of Year	<u>\$113,445</u>	<u>\$278,216</u>	<u>\$164,771</u>

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, 2011

	State Highway Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$72,129	\$72,174	\$45
Investment Earnings	71	71	0
Total Revenues	<u>72,200</u>	<u>72,245</u>	<u>45</u>
Expenditures:			
Current:			
Transportation & Street Repair	<u>81,176</u>	<u>59,719</u>	<u>21,457</u>
Total Expenditures	<u>81,176</u>	<u>59,719</u>	<u>21,457</u>
Net Change in Fund Balance	(8,976)	12,526	21,502
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>167,477</u>	<u>167,477</u>	<u>0</u>
Fund Balance End of Year	<u>\$158,501</u>	<u>\$180,003</u>	<u>\$21,502</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, 2011

	Motor Vehicle License Tax Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$156,070	\$154,455	(\$1,615)
Investment Earnings	90	89	(1)
Total Revenues	<u>156,160</u>	<u>154,544</u>	<u>(1,616)</u>
Expenditures:			
Current:			
Transportation & Street Repair	<u>312,000</u>	<u>294,061</u>	<u>17,939</u>
Total Expenditures	<u>312,000</u>	<u>294,061</u>	<u>17,939</u>
Net Change in Fund Balance	(155,840)	(139,517)	16,323
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>217,844</u>	<u>217,844</u>	<u>0</u>
Fund Balance End of Year	<u>\$62,004</u>	<u>\$78,327</u>	<u>\$16,323</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, 2011

	Permissive Use Tax Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$299,670	\$8	(\$299,662)
Total Revenues	300,045	8	(300,037)
Expenditures:			
Current:			
Capital Outlay	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	300,045	8	(300,037)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	19,106	19,106	0
Fund Balance End of Year	\$319,151	\$19,114	(\$300,037)

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, 2011

	Drug Law Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$850	\$1,140	\$290
Investment Earnings	7	9	2
Other Revenues	183	246	63
Total Revenues	1,040	1,395	355
Expenditures:			
Current:			
Public Safety	1,500	1,500	0
Capital Outlay	11,500	11,500	0
Total Expenditures	13,000	13,000	0
Net Change in Fund Balance	(11,960)	(11,605)	355
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	28,868	28,868	0
Fund Balance End of Year	\$16,908	\$17,263	\$355

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, 2011

	Curbs/Gutters/ Sidewalks Assessment Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Special Assessments	\$11,693	\$1,177	(\$10,516)
Investment Earnings	457	46	(411)
Total Revenues	<u>12,150</u>	<u>1,223</u>	<u>(10,927)</u>
Expenditures:			
Current:			
General Government	<u>100,000</u>	<u>0</u>	<u>100,000</u>
Total Expenditures	<u>100,000</u>	<u>0</u>	<u>100,000</u>
Net Change in Fund Balance	(87,850)	1,223	89,073
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>116,551</u>	<u>116,551</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$28,701</u></u>	<u><u>\$117,774</u></u>	<u><u>\$89,073</u></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, 2011

	Local Law Enforcement Block Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$10	\$0	(\$10)
Total Revenues	10	0	(10)
Expenditures:			
Current:			
General Government	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	10	0	(10)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	75	75	0
Fund Balance End of Year	\$85	\$75	(\$10)

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, 2011

	Enforcement and Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$1,009	\$354	(\$655)
Investment Earnings	11	4	(7)
Total Revenues	<u>1,020</u>	<u>358</u>	<u>(662)</u>
Expenditures:			
Current:			
Public Safety	<u>550</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>550</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	470	358	(662)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>10,145</u>	<u>10,145</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$10,615</u></u>	<u><u>\$10,503</u></u>	<u><u>(\$662)</u></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, 2011

	Law Enforcement Trust Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$12,238	\$40,186	\$27,948
Investment Earnings	12	40	28
Total Revenues	<u>12,250</u>	<u>40,226</u>	<u>27,976</u>
Expenditures:			
Current:			
Public Safety	15,077	15,056	21
Capital Outlay	32,195	32,150	45
Total Expenditures	<u>47,272</u>	<u>47,206</u>	<u>66</u>
Net Change in Fund Balance	(35,022)	(6,980)	28,042
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>47,610</u>	<u>47,610</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$12,588</u></u>	<u><u>\$40,630</u></u>	<u><u>\$28,042</u></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, 2011

	Government Equity Program Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$0	\$27	\$27
Total Revenues	0	27	27
Expenditures:			
Current:			
Community Development	113,597	113,597	0
Total Expenditures	113,597	113,597	0
Net Change in Fund Balance	(113,597)	(113,570)	27
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	113,783	113,783	0
Fund Balance End of Year	\$186	\$213	\$27

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, 2011

	Rescue Levy Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$389,736	\$420,100	\$30,364
Intergovernmental	70,527	76,022	5,495
Charges for Services	1,003,996	1,082,217	78,221
Investment Earnings	91	98	7
Other Revenues	481	518	37
<b>Total Revenues</b>	<b>1,464,831</b>	<b>1,578,955</b>	<b>114,124</b>
Expenditures:			
Current:			
Public Safety	1,585,193	1,566,498	18,695
<b>Total Expenditures</b>	<b>1,585,193</b>	<b>1,566,498</b>	<b>18,695</b>
Excess of Revenues Over (Under) Expenditures	(120,362)	12,457	132,819
Other Financing Sources (Uses):			
Transfers In	3,210	3,460	250
<b>Total Other Financing Sources (Uses)</b>	<b>3,210</b>	<b>3,460</b>	<b>250</b>
Net Change in Fund Balance	(117,152)	15,917	133,069
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	189,855	189,855	0
<b>Fund Balance End of Year</b>	<b>\$72,703</b>	<b>\$205,772</b>	<b>\$133,069</b>

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, 2011

	Police Levy Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$0	\$1	\$1
Total Revenues	0	1	1
Expenditures:			
Current:			
Public Safety	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	1	1
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,036	2,036	0
Fund Balance End of Year	\$2,036	\$2,037	\$1

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, 2011

	Redlight Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$0	\$153,470	\$153,470
Investment Earnings	0	9	9
Total Revenues	0	153,479	153,479
Expenditures:			
Current:			
Public Safety	169,480	125,035	44,445
Total Expenditures	169,480	125,035	44,445
Net Change in Fund Balance	(169,480)	28,444	197,924
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	(\$169,480)	\$28,444	\$197,924

## **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, 2011

	Debt Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$126,126	\$136,002	\$9,876
Intergovernmental	22,730	24,510	1,780
Investment Earnings	14	15	1
Other Revenues	7,903	8,522	619
Total Revenues	<u>156,773</u>	<u>169,049</u>	<u>12,276</u>
Expenditures:			
Current:			
Debt Service:			
Principal Retirement	175,854	175,000	854
Interest and Fiscal Charges	53,917	53,655	262
Total Expenditures	<u>229,771</u>	<u>228,655</u>	<u>1,116</u>
Net Change in Fund Balance	(72,998)	(59,606)	13,392
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>4,655</u>	<u>4,655</u>	<u>0</u>
Fund Balance End of Year	<u><u>(\$68,343)</u></u>	<u><u>(\$54,951)</u></u>	<u><u>\$13,392</u></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.

**West Third Street Improvement** - To account for improvements to West Third Street.

City of Trotwood, Ohio  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2011

	Park Acquisition and Development	Industrial Park	Fire Facility Improvements	West Third Street Improvement
Assets:				
Equity in Pooled Cash and Investments	\$599	\$10,249	\$5,987	\$0
Receivables:				
Intergovernmental	0	179,670	0	0
Total Assets	599	189,919	5,987	0
Liabilities and Fund Balances:				
Liabilities:				
Interfund Payable	67,700	0	0	0
Deferred Revenue	0	179,670	0	0
Total Liabilities	67,700	179,670	0	0
Fund Balances:				
Restricted	0	10,249	5,987	0
Unassigned	(67,101)	0	0	0
Total Fund Balances	(67,101)	10,249	5,987	0
Total Liabilities and Fund Balances	\$599	\$189,919	\$5,987	\$0

<u> <u>Total</u>  Nonmajor  Capital Projects  Funds </u>
\$16,835
<u>179,670</u>
<u> <u>196,505</u> </u>
67,700
<u>179,670</u>
<u>247,370</u>
16,236
<u>(67,101)</u>
<u>(50,865)</u>
<u> <u>\$196,505</u> </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, 2011

	<u>Park Acquisition and Development</u>	<u>Industrial Park</u>	<u>Fire Facility Improvements</u>	<u>West Third Street Improvement</u>
Revenues:				
Charges for Services	\$0	\$4,500	\$0	\$0
Investment Earnings	0	35	2	0
Intergovernmental	0	8,006	0	0
Revenue in Lieu of Taxes	650	12,288	0	0
Other Revenues	0	0	0	23,334
Total Revenues	<u>650</u>	<u>24,829</u>	<u>2</u>	<u>23,334</u>
Expenditures:				
Current:				
Capital Outlay	0	37,965	0	0
Debt Service:				
Interest and Fiscal Charges	0	58,916	0	0
Total Expenditures	<u>0</u>	<u>96,881</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	650	(72,052)	2	23,334
Fund Balance Beginning of Year	<u>(67,751)</u>	<u>82,301</u>	<u>5,985</u>	<u>(23,334)</u>
Fund Balance End of Year	<u>(\$67,101)</u>	<u>\$10,249</u>	<u>\$5,987</u>	<u>\$0</u>

<u> <u> Total  Nonmajor  Capital Projects  Funds </u> </u>
\$4,500
37
8,006
12,938
<u>23,334</u>
<u>48,815</u>
37,965
<u>58,916</u>
<u>96,881</u>
(48,066)
<u>(2,799)</u>
<u><u>(\$50,865)</u></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, 2011

	Park Acquisition and Development Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Revenue in Lieu of Taxes	\$10	\$650	\$640
Total Revenues	10	650	640
Expenditures:			
Current:			
Leisure Time Activities	350	350	0
Total Expenditures	350	350	0
Excess of Revenues Over (Under) Expenditures	(340)	300	640
Other Financing Sources (Uses):			
Advances In	990	67,700	66,710
Total Other Financing Sources (Uses)	990	67,700	66,710
Net Change in Fund Balance	650	68,000	67,350
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	(67,751)	(67,751)	0
Fund Balance End of Year	(\$67,101)	\$249	\$67,350

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, 2011

	Industrial Park Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$455	\$8,006	\$7,551
Charges for Services	256	4,500	4,244
Investment Earnings	2	35	33
Revenue in Lieu of Taxes	698	12,288	11,590
Total Revenues	<u>1,411</u>	<u>24,829</u>	<u>23,418</u>
Expenditures:			
Current:			
Capital Outlay	199,298	55,345	143,953
Debt Service:			
Interest and Fiscal Charges	207,859	58,916	148,943
Total Expenditures	<u>407,157</u>	<u>114,261</u>	<u>292,896</u>
Net Change in Fund Balance	(405,746)	(89,432)	316,314
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>82,300</u>	<u>82,300</u>	<u>0</u>
Fund Balance End of Year	<u><u>(\$323,446)</u></u>	<u><u>(\$7,132)</u></u>	<u><u>\$316,314</u></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, 2011

	Fire Facility Improvements Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$0	\$2	\$2
Total Revenues	0	2	2
Expenditures:			
Current:			
Capital Outlay	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	2	2
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	5,984	5,984	0
Fund Balance End of Year	\$5,984	\$5,986	\$2

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, 2011

	West Third Street Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$23,334	\$23,334	\$0
Total Revenues	23,334	23,334	0
Expenditures:			
Current:			
Capital Outlay	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	23,334	23,334	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	(23,334)	(23,334)	0
Fund Balance End of Year	\$0	\$0	\$0

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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 source, the income tax.

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

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

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

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in fiscal year 2003; schedules presenting government-wide information include information beginning in that fiscal year.

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City of Trotwood, Ohio  
 Net Assets by Component  
 Last Nine Calendar Years (1)  
 (accrual basis of accounting)  
 Schedule I

	Calendar Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Governmental Activities</b>									
Invested in Capital Assets, Net of Related Debt	\$2,223,206	\$1,676,251	\$4,160,573	\$36,682,729	\$38,871,297	\$38,614,884	\$39,438,652	\$40,915,075	\$41,557,908
Restricted	2,070,279	1,887,487	1,655,451	1,013,408	1,272,167	1,544,593	2,293,955	2,465,871	2,872,633
Unrestricted	2,911,362	3,632,843	4,256,902	5,600,934	3,017,751	2,388,264	2,822,983	3,890,365	3,304,999
Total governmental activities net assets	\$7,204,847	\$7,196,581	\$10,072,926	\$43,297,071	\$43,161,215	\$42,547,741	\$44,555,590	\$47,271,311	\$47,735,540
<b>Business-type activities</b>									
Invested in Capital Assets, Net of Related Debt	\$670,979	\$589,122	\$700,308	\$17,794,473	\$17,316,334	\$18,004,296	\$17,525,298	\$17,308,100	\$17,486,158
Unrestricted	164,558	244,501	109,298	988,899	1,339,867	1,502,010	1,887,258	3,266,183	2,701,790
Total business-type activities net assets	\$835,537	\$833,623	\$809,606	\$18,783,372	\$18,656,201	\$19,506,306	\$19,412,556	\$20,574,283	\$20,187,948
<b>Total Primary Government</b>									
Invested in Capital Assets, Net of Related Debt	\$2,894,185	\$2,265,373	\$4,860,881	\$54,477,202	\$56,187,631	\$56,619,180	\$56,963,950	\$58,223,175	\$59,044,066
Restricted	2,070,279	1,887,487	1,655,451	1,013,408	1,272,167	1,544,593	2,293,955	2,465,871	2,872,633
Unrestricted	3,075,920	3,877,344	4,366,200	6,589,833	4,357,618	3,890,274	4,710,241	7,156,548	6,006,789
Total primary government net assets	\$8,040,384	\$8,030,204	\$10,882,532	\$62,080,443	\$61,817,416	\$62,054,047	\$63,968,146	\$67,845,594	\$67,923,488

Source: City Records

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

City of Trotwood, Ohio  
Changes in Net Assets  
Last Nine Calendar Years (1)  
(accrual basis of accounting)  
Schedule 2

	Calendar Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Expenses</b>									
<b>Governmental Activities:</b>									
General Government	\$3,269,998	\$2,424,667	\$2,521,463	\$2,691,268	\$2,861,598	\$3,503,943	\$3,172,930	\$2,232,408	\$3,062,455
Public Safety	9,100,949	8,712,931	9,749,517	9,745,013	9,158,585	10,146,961	8,603,664	8,338,531	8,583,577
Leisure Time Activities	443,832	468,158	601,949	538,424	514,178	452,003	362,824	364,636	383,732
Community Development	1,379,794	2,478,991	2,258,759	2,043,598	1,288,856	1,604,067	600,620	885,151	1,029,674
Transportation & Street Repair	1,565,807	2,603,908	1,693,198	2,801,135	2,335,807	3,077,816	2,630,672	2,473,363	2,754,010
Interest and Fiscal Charges	236,000	264,371	333,652	551,113	833,690	780,516	629,723	603,972	679,405
<b>Total Governmental Activities Expenses</b>	<b>15,996,380</b>	<b>16,953,026</b>	<b>17,158,538</b>	<b>18,370,551</b>	<b>16,992,714</b>	<b>19,565,306</b>	<b>16,000,433</b>	<b>14,898,061</b>	<b>16,492,853</b>
<b>Business-Type Activities:</b>									
Water	1,077,621	1,050,022	1,078,263	1,222,874	1,659,355	1,417,933	1,576,732	1,032,248	1,338,543
Sewer	858,921	883,254	854,856	933,622	1,063,804	1,012,659	986,256	771,290	982,998
Refuse	1,057,825	986,635	1,122,749	1,155,773	1,280,068	1,448,058	1,493,178	1,075,134	1,432,650
Stormwater	0	2,570	18,514	508,984	612,570	777,578	603,839	817,277	1,025,845
<b>Total Business-Type Activities Expenses</b>	<b>2,994,367</b>	<b>2,922,481</b>	<b>3,074,382</b>	<b>3,821,253</b>	<b>4,615,797</b>	<b>4,656,228</b>	<b>4,660,005</b>	<b>3,695,949</b>	<b>4,780,036</b>
<b>Total Primary Government Expenses</b>	<b>\$18,990,747</b>	<b>\$19,875,507</b>	<b>\$20,232,920</b>	<b>\$22,191,804</b>	<b>\$21,608,511</b>	<b>\$24,221,534</b>	<b>\$20,660,438</b>	<b>\$18,594,010</b>	<b>\$21,272,889</b>
<b>Program Revenues</b>									
<b>Governmental Activities:</b>									
Charges for Services:									
General Government	\$332,856	\$248,314	\$357,370	\$276,140	\$374,435	\$459,251	\$688,724	\$320,538	\$586,951
Public Safety	615,507	1,002,634	1,051,086	1,241,261	1,299,752	1,370,157	1,421,970	1,313,859	1,456,169
Leisure Time Activities	13,372	20,444	20,709	5,024	28,049	27,070	25,242	26,048	17,598
Community Development	133,884	268,738	398,139	170,698	97,669	71,059	85,627	105,285	95,490
Transportation and Street Repair	21,832	19,084	17,104	19,147	0	36,736	19,219	13,620	9,183
Interest and Fiscal Charges	0	0	24,312	27,217	55,457	0	0	0	0
Operating Grants and Contributions	2,159,298	1,980,059	1,738,257	2,148,982	2,143,830	3,323,285	2,512,349	1,385,532	1,722,345
Capital Grants and Contributions	106,428	841,261	2,188,017	1,050,263	550,503	2,279,206	1,832,990	1,444,975	1,465,441
<b>Total Governmental Activities Program Revenues</b>	<b>3,383,177</b>	<b>4,380,534</b>	<b>5,794,994</b>	<b>4,938,732</b>	<b>4,549,695</b>	<b>7,566,764</b>	<b>6,586,121</b>	<b>4,609,857</b>	<b>5,353,177</b>
<b>Business-Type Activities:</b>									
Charges for Services:									
Water	972,345	922,730	922,392	1,490,307	1,753,586	1,593,335	1,407,494	1,473,421	1,440,360
Sewer	891,692	876,218	894,980	924,526	897,670	984,239	962,845	1,134,721	1,034,511
Refuse	1,125,001	834,199	1,067,735	1,415,993	1,165,640	1,474,799	1,513,051	1,297,453	1,276,413
Stormwater	0	0	0	116,724	664,582	766,726	701,665	869,985	664,331
Capital Grants and Contributions	0	0	180,257	0	0	0	0	0	0
<b>Total Business-Type Activities Program Revenues</b>	<b>2,989,038</b>	<b>2,633,147</b>	<b>3,065,364</b>	<b>3,947,550</b>	<b>4,481,478</b>	<b>4,819,099</b>	<b>4,585,055</b>	<b>4,775,580</b>	<b>4,415,615</b>
<b>Total Primary Government Program Revenues</b>	<b>\$6,372,215</b>	<b>\$7,013,681</b>	<b>\$8,860,358</b>	<b>\$8,886,282</b>	<b>\$9,031,173</b>	<b>\$12,385,863</b>	<b>\$11,171,176</b>	<b>\$9,385,437</b>	<b>\$9,768,792</b>

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

	Calendar Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Net (Expense)/Revenue									
Governmental Activities	(\$12,613,203)	(\$12,572,492)	(\$11,363,544)	(\$13,431,819)	(\$12,443,019)	(\$11,998,542)	(\$9,414,312)	(\$10,288,204)	(\$11,139,676)
Business-Type Activities	(5,329)	(289,334)	(9,018)	126,297	(134,319)	162,871	(74,950)	1,079,631	(364,421)
Total Primary Government Net Expenses	(\$12,618,532)	(\$12,861,826)	(\$11,372,562)	(\$13,305,522)	(\$12,577,338)	(\$11,835,671)	(\$9,489,262)	(\$9,208,573)	(\$11,504,097)
General Revenues and Other Changes in Net Assets									
Governmental Activities:									
Income Taxes	\$5,554,897	\$5,640,632	\$5,899,378	\$5,500,282	\$5,088,924	\$5,058,111	\$4,785,979	\$5,298,769	\$5,040,411
Property Taxes Levied for:									
General Purposes	1,766,275	1,752,966	1,831,789	1,741,372	1,860,377	1,846,296	1,896,060	1,629,886	1,852,469
Special Revenue Purposes	2,040,773	2,758,703	3,101,473	2,512,531	2,816,738	2,842,302	2,422,963	3,383,798	3,451,260
Debt Service Purposes	7,290	127,239	176,348	145,086	164,829	163,110	140,976	222,216	77,662
Grants and Entitlements not Restricted	2,490,076	1,567,345	1,630,941	1,245,265	1,615,694	1,421,021	1,328,460	1,883,135	625,816
Revenue in Lieu of Taxes	164,298	170,064	188,685	201,886	213,029	320,584	243,735	285,209	266,173
Unrestricted Contributions	5,355	0	0	0	0	0	0	0	0
Investment Earnings	47,089	43,794	103,728	300,610	261,499	78,738	5,950	2,765	1,628
Refunds & Reimbursements	41,490	0	344,726	0	0	0	0	0	0
Other Revenues	270,908	503,482	945,321	261,214	286,073	335,746	578,038	305,224	265,986
Transfers-Internal Activities	0	0	17,500	0	0	(680,840)	20,000	(7,077)	22,500
Total Governmental Activities	12,388,451	12,564,225	14,239,889	11,908,246	12,307,163	11,385,068	11,422,161	13,003,925	11,603,905
Business-type activities:									
Investment Earnings	1,121	1,258	2,471	3,063	7,086	6,362	1,166	867	550
Other Revenues	0	286,162	30	30	62	32	34	3,729	36
Transfers-Internal Activities	0	0	(17,500)	0	0	680,840	(20,000)	77,500	(22,500)
Total Business-Type Activities	1,121	287,420	(14,999)	3,093	7,148	687,234	(18,800)	82,096	(21,914)
Total Primary Government	\$12,389,572	\$12,851,645	\$14,224,890	\$11,911,339	\$12,314,311	\$12,072,302	\$11,403,361	\$13,086,021	\$11,581,991
Change in Net Assets									
Governmental Activities	(\$224,752)	(\$8,267)	\$2,876,345	(\$1,523,573)	(\$135,856)	(\$613,474)	\$2,007,849	\$2,715,721	\$464,229
Business-Type Activities	(4,208)	(1,914)	(24,017)	129,390	(127,171)	850,105	(93,750)	1,161,727	(386,335)
Total Primary Government	(\$228,960)	(\$10,181)	\$2,852,328	(\$1,394,183)	(\$263,027)	\$236,631	\$1,914,099	\$3,877,448	\$77,894

Source: City Records

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

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

	Calendar Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011 (1)
<b>General Fund</b>										
Reserved	\$149,930	\$144,489	\$129,249	\$375,847	\$197,716	\$160,153	\$32,781	\$170,941	\$323,338	\$0
Unreserved	1,280,850	1,497,790	1,350,792	1,995,065	2,156,943	1,890,919	899,472	768,523	1,860,427	0
Assigned										327,879
Unassigned										1,372,066
<b>Total General Fund</b>	<b>1,430,780</b>	<b>1,642,279</b>	<b>1,480,041</b>	<b>2,370,912</b>	<b>2,354,659</b>	<b>2,051,072</b>	<b>932,253</b>	<b>939,464</b>	<b>2,183,765</b>	<b>1,699,945</b>
<b>All Other Governmental Funds</b>										
Reserved	1,434,091	387,496	1,510,001	1,570,182	3,319,992	356,958	621,121	2,712,223	2,492,175	0
Unreserved, Reported in:										
Special Revenue Funds	988,821	935,063	(102,390)	(105,092)	(482,482)	313,731	425,726	(1,373,686)	(1,172,862)	0
Debt Service Funds	8,589	53,108	78,043	104,474	144,237	67,189	75,507	68,819	4,656	0
Capital Projects Funds	(3,141,954)	(932,928)	(5,783,497)	(8,959,817)	(12,579,423)	(9,049,502)	(10,745,183)	(9,758,212)	(1,739,335)	0
Restricted										1,538,308
Unassigned										(2,321,494)
<b>Total all Other Governmental Funds</b>	<b>(\$710,453)</b>	<b>\$442,739</b>	<b>(\$4,297,843)</b>	<b>(\$7,390,253)</b>	<b>(\$9,597,676)</b>	<b>(\$8,311,624)</b>	<b>(\$9,622,829)</b>	<b>(\$8,350,856)</b>	<b>(\$415,366)</b>	<b>(\$783,186)</b>

Source: City Records

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

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

	Calendar Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Revenues</b>										
Taxes	\$8,896,998	\$9,281,384	\$10,115,617	\$10,740,107	\$10,062,944	\$10,036,000	\$9,442,375	\$9,296,348	\$10,236,302	\$9,470,903
Fines, Licenses & Permits	326,212	407,837	342,430	480,358	677,621	575,306	616,859	481,668	548,145	727,987
Charges for Services	1,198,249	974,728	1,152,644	1,351,932	1,091,174	1,194,610	1,291,014	1,709,363	1,169,280	1,385,887
Investment Earnings	89,372	47,090	43,794	103,728	160,367	261,499	78,737	5,950	2,765	1,628
Intergovernmental	3,000,994	3,783,903	4,073,076	4,719,916	4,591,098	4,410,278	6,765,127	5,719,250	4,973,269	4,089,584
Special Assessments	67,633	81,916	85,086	69,630	153,553	90,415	56,400	49,752	61,125	47,361
Revenue in Lieu of Taxes	0	0	0	0	0	213,029	320,584	243,735	266,986	285,046
Other Revenues	109,328	455,562	622,598	1,382,456	412,626	279,887	335,746	578,037	305,223	261,485
<b>Total Revenues</b>	<b>\$13,688,786</b>	<b>\$15,032,420</b>	<b>\$16,435,245</b>	<b>\$18,848,127</b>	<b>\$17,149,383</b>	<b>\$17,061,024</b>	<b>\$18,906,842</b>	<b>\$18,084,103</b>	<b>\$17,563,095</b>	<b>\$16,269,881</b>
<b>Expenditures</b>										
Current:										
General Government	\$2,264,896	\$2,405,893	\$2,312,200	\$2,373,557	\$2,592,549	\$2,818,858	\$2,768,203	\$2,985,350	\$2,146,466	\$2,939,192
Public Safety	7,777,073	8,391,237	8,302,497	9,485,513	8,624,274	9,147,913	9,656,271	8,233,223	8,060,103	8,156,930
Leisure Time Activities	472,069	386,804	390,252	540,983	476,915	463,841	396,378	295,161	328,681	340,410
Community Development	903,893	1,354,251	1,727,732	2,289,567	1,632,056	1,255,235	1,598,660	588,409	883,977	1,027,674
Transportation and Street Repair	1,079,879	1,250,411	2,334,873	1,568,494	1,089,451	1,423,293	1,775,955	1,062,396	1,721,843	1,797,058
Capital Outlay	2,740,330	2,222,513	5,778,866	4,858,385	4,175,627	4,827,180	3,508,994	2,505,113	3,596,228	1,341,925
Debt Service										
Principal	219,053	1,418,485	422,402	244,466	369,207	340,423	492,860	520,366	862,114	843,569
Interest	181,623	206,648	210,017	272,846	504,498	861,877	858,384	636,247	568,610	697,263
Bond Issuance Costs	0	0	0	0	0	0	0	0	240,650	0
<b>Total Expenditures</b>	<b>\$15,638,816</b>	<b>\$17,636,242</b>	<b>\$21,478,839</b>	<b>\$21,633,811</b>	<b>\$19,464,577</b>	<b>\$21,138,620</b>	<b>\$21,055,705</b>	<b>\$16,826,265</b>	<b>\$18,408,672</b>	<b>\$17,144,021</b>

Source: City Records

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

	Calendar Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Excess of revenues over (under) expenditures	(\$1,950,030)	(\$2,603,822)	(\$5,043,594)	(\$2,785,684)	(\$2,315,194)	(\$4,077,596)	(\$2,148,863)	\$1,257,838	(\$845,577)	(\$874,140)
Other Financing Sources (Uses)										
Issuance of Notes and Bonds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Proceeds From Sale of Capital Assets	21,211	2,953	65,389	61,774	7,858	1,633	399,679	1,346	74,838	0
Issuance of Long-Term Capital-Related Debt	0	3,790,000	0	0	0	5,015,000	0	0	8,000,000	0
Proceeds of Refunding Bonds	0	1,231,186	0	0	0	0	0	0	0	0
Payments to Refunded Bond Escrow Agent	0	(1,231,186)	0	0	0	0	0	0	0	0
Premium on Bonds Sold	0	0	0	0	0	0	0	0	444,147	0
Inception of Capital Lease	268,782	155,763	37,400	471,298	108,696	119,328	0	0	1,583,883	0
Transfers In	912,500	618,600	664,100	62,500	25,000	551,000	386,750	531,000	22,500	258,410
Transfers (Out)	(912,500)	(618,600)	(664,100)	(45,000)	(25,000)	(551,000)	(1,067,590)	(511,000)	(100,000)	(235,910)
Total Other Financing Sources (Uses)	289,993	3,948,716	102,789	550,572	116,554	5,135,961	(281,161)	21,346	10,025,368	22,500
Net Change in Fund Balances	(\$1,660,037)	\$1,344,894	(\$4,940,805)	(\$2,235,112)	(\$2,198,640)	\$1,058,365	(\$2,430,024)	\$1,279,184	\$9,179,791	(\$851,640)
Debt service as a percentage of noncapital expenditures	3.1%	9.7%	3.8%	3.3%	5.1%	7.5%	7.4%	7.7%	9.8%	9.6%

Source: City Records

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

Calendar Year	Real Property Assessed Value	Tangible Personal Property and Utilities Personal Assessed Value	Total Assessed Value	Total Estimated Actual Value	Total Direct Rate
2002	\$253,910,830	\$37,320,990	\$291,231,820	\$832,090,914	11.64
2003	290,982,840	34,182,924	325,165,764	929,045,040	17.39
2004	290,157,130	32,003,608	322,160,738	920,459,251	17.39
2005 (1)	290,127,620	30,158,312	320,285,932	915,102,663	17.39
2006 (1)	320,939,050	24,675,433	345,614,483	1,003,565,161	17.39
2007 (1)	329,508,630	21,887,257	351,395,887	1,054,046,213	17.39
2008 (1)	329,072,430	16,603,522	345,675,952	1,083,409,574	17.39
2009 (1)	327,506,030	10,757,430	338,263,460	975,075,555	16.65
2010 (1)	318,888,480	9,317,140	328,205,620	939,390,777	19.65
2011 (1)	313,729,310	9,477,670	323,206,980	905,847,127	19.65

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 Assesments Collected	Delinquent Assessment Collections (2)	Total Assessment Collections	Ratio of Total Collections to Current	Outstanding Delinquent Assessments (1)	Ratio of Delinquent Assessments to Current Due
2002	350,595	N/A	N/A	N/A	284,262	81.08%	708,533	202.09%
2003	366,845	N/A	N/A	N/A	366,845	100.00%	816,139	222.48%
2004	567,231	N/A	N/A	N/A	402,911	71.03%	745,556	131.44%
2005	491,739	479,111	97.43%	12,628	491,739	100.00%	424,402	86.31%
2006	728,663	532,532	73.08%	196,131	728,663	100.00%	421,174	57.80%
2007	523,130	408,702	78.13%	112,673	521,375	99.66%	429,156	82.04%
2008	748,345	569,480	76.10%	81,666	651,146	87.01%	590,314	78.88%
2009	1,150,732	768,811	66.81%	114,711	883,522	76.78%	929,888	80.81%
2010	920,708	717,180	77.89%	121,217	838,397	91.06%	1,376,386	149.49%
2011	928,696	821,525	88.46%	0	821,525	88.46%	1,362,665	146.73%

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.

N/A - Information not available

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-Madison City School District	Miami Valley Career Technology Center	Dayton-Montgomery County Library	Montgomery County
2002	6.85	0.50	6.30	1.74	2.00	17.39	52.91	2.58	0.26	17.24
2003	6.85	0.50	6.30	1.74	2.00	17.39	61.05	2.58	0.26	17.24
2004	6.85	0.50	6.30	1.74	2.00	17.39	60.85	2.58	0.26	18.24
2005	6.85	0.50	6.30	1.74	2.00	17.39	60.70	2.58	1.25	18.24
2006	6.85	0.50	6.30	1.74	2.00	17.39	60.06	2.58	1.25	18.24
2007	6.85	0.50	6.30	1.74	2.00	17.39	60.06	2.58	1.25	18.24
2008	6.85	0.50	6.30	1.74	2.00	17.39	60.06	2.58	1.25	20.24
2009	6.85	0.50	6.30	1.00	2.00	16.65	60.06	2.58	1.25	20.94
2010	6.85	0.50	8.30	2.00	2.00	19.65	60.06	2.58	1.75	20.94
2011	6.85	0.50	8.30	2.00	2.00	19.65	60.06	2.58	1.75	20.94

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 Nine Years Ago  
Schedule 8

Taxpayer	2011	
	Assessed Value	Percentage of Total Assessed Value
Dayton Power & Light Company	\$7,939,040	2.46%
Dayton Healthcare	5,001,620	1.55%
Salem Square Improvements, LLC	4,337,890	1.34%
Corvus Trotwood LLC	4,136,500	1.28%
Woodland Hills Associates. LLC	2,842,400	0.88%
Westbrooke Village	2,264,550	0.70%
Dayton Hudson Corp.	2,074,710	0.64%
Shiloh Springs, LP	2,003,530	0.62%
Lowe's Home Center Inc.	1,957,620	0.61%
Belle Meadows Associates LLC	1,904,200	0.59%
Total Principal Property Tax Payers	<u>\$34,462,060</u>	<u>10.67%</u>

Taxpayer	2002	
	Assessed Value	Percentage of Total Assessed Value
Dayton Power & Light Company	\$6,933,820	2.38%
Bradley Operating Company	4,689,730	1.61%
Lowe's Companies, Inc.	4,075,930	1.40%
Verizon (GTE)	3,552,520	1.22%
Wal-Mart Stores, Inc.	3,486,730	1.20%
Belle Meadows	3,040,860	1.04%
Kmart Corporation	2,952,950	1.01%
Castlebrook Capital Company	2,940,200	1.01%
Sears Roebuck & Co.	2,535,660	0.87%
Graoch Associates Ltd.	1,889,980	0.65%
Total Principal Property Tax Payers	<u>\$36,098,380</u>	<u>12.39%</u>

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
2002	\$4,283,899	\$3,946,140	92.12%	\$240,612	\$4,186,752	97.73%
2003	4,352,675	4,228,200	97.14%	124,475	4,352,675	100.00%
2004	5,140,731	4,956,250	96.41%	184,481	5,140,731	100.00%
2005	5,081,945	4,876,089	95.95%	205,856	5,081,945	100.00%
2006	5,037,263	4,900,563	97.29%	136,700	5,037,263	100.00%
2007	5,198,756	4,872,389	93.72%	326,367	5,198,756	100.00%
2008	5,001,771	4,793,181	95.83%	208,590	5,001,771	100.00%
2009	4,825,545	4,354,905	90.25%	397,166	4,752,071	98.48%
2010	5,798,953	5,458,123	94.12%	340,830	5,798,953	100.00%
2011	5,768,525	5,168,579	89.60%	216,939	5,385,518	93.36%

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
2002	2.25%	\$3,805,335	\$1,049,399	\$4,854,734	\$97,184	\$4,757,550
2003	2.25%	4,480,516	1,021,549	5,502,065	62,092	5,439,973
2004	2.25%	4,249,749	956,303	5,206,052	102,219	5,103,833
2005	2.25%	4,267,281	1,191,652	5,458,933	89,570	5,369,363
2006	2.25%	4,098,072	1,114,668	5,212,740	71,309	5,141,431
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

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

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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	Bond Anticipation Notes	Special Assessment Bonds	Capital Leases	Loans	Bond Anticipation Notes	Capital Leases				
2002	\$610,000	\$3,355,000	\$655,000	\$522,326	\$46,077	\$275,000	\$74,800	\$5,538,203	0.03%	\$182	
2003 (1)	3,790,000	1,885,000	0	524,604	43,828	250,000	35,101	6,528,533	0.04%	212	
2004	3,645,000	5,945,000	0	284,602	36,876	225,000	22,003	10,158,481	0.06%	320	
2005	3,490,000	8,730,000	0	666,434	32,066	200,000	11,303	13,129,803	0.07%	404	
2006	3,330,000	12,085,000	0	570,923	27,111	175,000	0	16,188,034	0.09%	471	
2007	8,170,000	8,710,000	0	519,828	22,007	150,000	0	17,571,835	0.09%	498	
2008	7,850,000	10,060,000	0	346,968	16,748	125,000	0	18,398,716	0.10%	514	
2009	7,490,000	10,060,000	0	186,602	14,059	100,000	0	17,850,661	0.09%	500	
2010	15,125,000	1,905,000	0	1,273,371	8,560	0	0	18,311,931	0.09%	504	
2011	14,605,000	1,905,000	0	949,802	2,983	0	0	17,462,785	N/A	N/A	

Source: City Records

(1) - In 2003 the City issued \$3,790,000 in General Obligation Bonds, which included advance refunding the remaining \$610,000 balance in Special Assessment Bonds into General Obligation Bonds

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

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 Total General Obligation Bonds	Debt Service Fund Balance (2)	General Bonded Debt Outstanding Net General Obligation Bonds	Percentage of Actual Taxable Value of Property	Per Capita
2002	\$610,000	\$8,589	\$601,411	0.07%	\$22
2003 (1)	3,790,000	53,108	3,843,108	0.41%	140
2004	3,645,000	78,043	3,723,043	0.40%	136
2005	3,490,000	124,039	3,614,039	0.39%	132
2006	3,330,000	213,752	3,543,752	0.35%	129
2007	8,170,000	67,189	8,237,189	0.78%	300
2008	7,850,000	75,507	7,925,507	0.73%	289
2009	7,490,000	68,819	7,558,819	0.78%	276
2010	15,125,000	4,656	15,129,656	1.61%	552
2011	14,605,000	0	14,605,000	1.61%	532

Source: City Records

(1) - In 2003 the City issued \$3,790,000 in General Obligation Bonds, which included advance refunding the remaining \$610,000 balance in Special Assessment Bonds into General Obligation Bonds

(2) - If Debt Service Fund Balance is negative, amount will be \$0

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

City of Trotwood, Ohio  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2011  
 Schedule 14

Governmental Unit	Net Debt Outstanding	Estimated Percentage Applicable (1)	Amount Applicable to City of Trotwood
Montgomery County	\$3,549,923	3.18%	\$112,888
Dayton City School District	199,310,000	3.06%	6,098,886
Northmont City School District	10,000,000	0.46%	46,000
Trotwood-Madison City School District	29,969,987	93.33%	27,970,989
Brookville Local School District	19,409,978	0.57%	110,637
New Lebanon Local School District	2,960,000	2.12%	62,752
Miami Valley Career Center Joint Vocational School District	6,635,000	3.87%	256,775
Miami Valley Regional Transit Authority Miscellaneous	920,000	3.18%	29,256
Subtotal Overlapping Debt	272,754,888		34,688,183
City of Trotwood - Direct Debt	15,554,802	100.00%	15,554,802
Total Direct and Overlapping Debt	\$288,309,690		\$50,242,985

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 2011

Assessed Value	\$323,206,980	\$323,206,980
Statutory Legal Debt Limitation (1)	10.5%	5.5%
Total Debt Limitation	33,936,733	17,776,384
Debt Applicable to Limit:		
Gross Indebtedness	12,447,785	12,447,785
Less: Debt Retirement Fund Balance	0	0
Total Net Debt Applicable to Limit	12,447,785	12,447,785
Legal Debt Margin	\$21,488,948	\$5,328,599

	Calendar Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total Debt Limit (1)										
Debt Limit (10.5%)	\$30,579,341	\$34,142,405	\$33,826,877	\$33,630,023	\$36,289,521	\$36,896,568	\$36,295,975	\$35,517,663	\$34,461,590	\$33,936,733
Total Net Debt Applicable to Limit	4,895,000	5,925,000	9,815,000	12,420,000	15,944,512	12,489,646	13,308,209	12,766,842	13,292,275	12,447,785
Legal Debt Margin	\$25,684,341	\$28,217,405	\$24,011,877	\$21,210,023	\$20,345,009	\$24,406,922	\$22,987,766	\$22,750,821	\$21,169,315	\$21,488,948

Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	16.0%	17.4%	29.0%	36.9%	43.9%	33.9%	36.7%	35.9%	38.6%	36.7%
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	Calendar Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total Unvoted Debt Limit (1)										
Debt Limit (5.5%)	\$16,017,750	\$17,884,117	\$17,718,841	\$17,615,726	\$19,008,797	\$19,326,774	\$19,012,177	\$18,604,490	\$18,051,309	\$17,776,384
Total Net Debt Applicable to Limit	4,895,000	5,925,000	9,815,000	12,420,000	15,944,512	12,489,646	13,308,209	12,766,842	13,292,275	12,447,785
Legal Debt Margin	\$11,122,750	\$11,959,117	\$7,903,841	\$5,195,726	\$3,064,285	\$6,837,128	\$5,703,968	\$5,837,648	\$4,759,034	\$5,328,599

Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	30.6%	33.1%	55.4%	70.5%	83.9%	64.6%	70.0%	68.6%	73.6%	70.0%
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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

Calendar Year	Special Assessment Bonds			
	Special Assessment Collections (2)	Debt Service		Coverage
		Principal	Interest	
2002	\$1,800	\$655,000	\$299,087	0.0019
2003 (1)	4,152	0	0	0.0000
2004	1,462	0	0	0.0000
2005	1,294	0	0	0.0000
2006	0	0	0	0.0000
2007	0	0	0	0.0000
2008	0	0	0	0.0000
2009	0	0	0	0.0000
2010	0	0	0	0.0000
2011	0	0	0	0.0000

Source: City Records

(1) - In 2003 the City issued \$3,790,000 in General Obligation Bonds, which included advance refunding the remaining \$610,000 balance in Special Assessment Bonds into General Obligation Bonds

(2) - Only includes special assessment collections in Fund 301

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)
2002	27,420	16,810,295	30,404	5.60%
2003	27,420	16,954,405	30,784	6.30%
2004	27,420	17,461,179	31,773	6.20%
2005	27,420	17,717,911	32,520	6.40%
2006	27,420	18,606,241	34,387	6.00%
2007	27,420	18,996,515	35,301	6.20%
2008	27,420	19,161,715	35,823	7.40%
2009	27,420	18,995,875	35,669	11.40%
2010	27,431	19,451,335	36,302	10.10%
2011	27,431	N/A	N/A	8.60%

- Sources:
- (1) - Population estimates provided by U.S. Census Bureau (2000 Census for years 2002 - 2009 and 2010 Census for years 2010 - 2011)
  - (2) - Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts
  - (3) - Per Capita Personal Income information provided by Bureau of Economic Analysis: Regional EconomicAccounts
  - (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 Two Fiscal Years Ago (2)  
 Schedule 18

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2011	
Major Employers (3)	Type (4)
Behr Dayton Thermal Products, LLC	Mfg
Dayton City Schools	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

2009	
Major Employers (3)	Type (4)
Behr Dayton Thermal Products, LLC	Mfg
Dayton City Board of Education	Govt
DPL, Inc./Dayton Power & Light Co.	Util
General Motors Corp.	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 two 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									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Government										
City Administration	5.0	4.7	4.0	4.0	4.0	4.0	4.0	3.0	3.0	3.0
City Council	1.3	1.3	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Public Works Administration	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Buildings and Grounds	1.0	1.0	1.0	1.0	1.0	1.0	0.5	0.0	0.0	0.0
Finance	7.8	7.2	8.0	9.3	9.4	9.4	8.7	8.0	8.0	8.8
Fleet Maintenance	3.0	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	0.0
Public Safety										
Police										
Officers	53.0	54.0	51.0	49.0	47.0	45.3	41.3	34.0	33.0	35.0
Non-Sworn	5.0	5.0	5.0	5.0	5.0	5.0	4.5	3.0	4.0	4.0
Fire	53.3	52.3	54.9	54.9	45.6	42.7	47.5	47.2	42.0	41.0
Leisure Time Activities										
Cemeteries	0.9	0.9	0.9	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Parks and recreation	6.0	7.5	7.2	5.4	5.4	6.9	3.9	4.2	3.3	2.0
Community Development										
Planning and Zoning	6.5	6.0	6.0	6.0	4.3	4.0	3.3	3.0	3.0	2.5
Building Inspection/Code Enforcement	4.0	4.0	1.3	1.3	1.3	4.3	2.8	3.0	3.0	3.0
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	2.3	2.7	2.7	2.7	2.7	2.7	2.7	2.7	1.7	1.7
Sanitary Sewers	2.3	2.7	2.7	2.7	2.7	2.7	2.7	2.7	1.7	1.7
Refuse Collection	0.0	0.0	0.0	0.5	0.8	0.8	0.8	0.8	0.8	0.8
Transportation and Street Repair	11.3	11.7	10.4	9.0	9.6	7.7	6.9	6.9	6.5	6.5
<b>Total</b>	<b>165.7</b>	<b>166.1</b>	<b>161.2</b>	<b>157.7</b>	<b>145.7</b>	<b>143.4</b>	<b>136.4</b>	<b>125.4</b>	<b>116.9</b>	<b>114.8</b>

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									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>General Government</b>										
Building permits issued	354	399	154	239	71	40	41	43	37	37
Zoning permits issued	N/A	N/A	N/A	106	116	108	95	126	99	121
Checks issued	4,086	3,761	3,983	3,775	3,544	3,431	3,411	3,122	2,835	2,666
Ordinances adopted	28	31	30	45	39	30	48	29	15	13
Resolutions adopted	78	109	117	95	94	75	94	91	88	87
<b>Police</b>										
Calls for service	36,338	36,108	36,782	35,143	32,049	34,982	35,227	33,161	31,617	32,599
Cases assigned	N/A	N/A	1,303	1,094	1,078	1,408	1,219	854	1,255	1,371
Suspects charged	N/A	N/A	359	406	314	421	306	274	260	362
Percent cases closed by arrest	N/A	N/A	28%	37%	29%	30%	25%	32%	21%	26%
Traffic accidents	N/A	N/A	N/A	544	479	389	406	401	364	358
Traffic stops	N/A	N/A	4,047	3,744	2,779	4,463	3,903	4,306	3,236	3,353
<b>Fire</b>										
Calls for service	669	860	962	1,050	1,054	1,181	1,405	1,052	1,362	1,324
Average response time (minutes)	4.5	4.5	6.6	6.3	7.3	7.5	7.3	6.9	6.3	6.5
Average calls per day	1.8	2.4	2.6	2.9	2.9	3.2	3.8	2.8	3.7	3.6
Average call duration (minutes)	N/A	N/A	62	60	96.5	94.3	98.4	76.2	68.0	0.0
<b>EMS</b>										
Calls for service	3,651	3,966	3,739	3,789	3,743	4,202	4,361	3,864	4,200	4,245
Average response time (minutes)	4.5	4.5	6.0	6.0	6.2	6.1	6.3	6.2	6.6	5.9
Average calls per day	10.0	10.9	10.2	10.4	10.3	11.5	12.5	10.5	11.5	11.6
Average call duration (minutes)	64	62	62	60	60	62	60	58	71	0

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									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Public Works										
Street resurfacing (square yards)	N/A	N/A	N/A	N/A	47,585	50,022	50,000	0	123,200	0
Potholes repaired	N/A	N/A	N/A	N/A	1,500	3,800	7,200	8,000	9,000	9,000
Street cleaning (lane miles)	N/A	N/A	N/A	N/A	1,640	1,640	500	480	500	500
Street striping (miles)	N/A	N/A	N/A	N/A	12	20	10	20	10	20
Parks and recreation										
Shelter rentals	N/A	N/A	N/A	64	63	80	102	80	37	36
Pavilion rentals	N/A	N/A	N/A	23	11	21	16	9	2	0
Water										
Water main breaks	N/A	N/A	N/A	N/A	17	13	15	13	15	11
Wastewater										
Sewer main cleaning (miles)	N/A	N/A	N/A	N/A	9.5	10.0	12.0	10.0	12.0	12.0

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									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	4	3	3	3	3	3	3	3	3	3
Public Works										
Streets (lane-miles)	362	362	362	362	362	362	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										
Community centers	1	1	0	0	0	0	0	0	0	0
Number of Parks	10	7	9	7	7	7	7	7	7	7
Acreage	152	152	169	150	150	150	150	150	150	150
Swimming pools	1	1	0	0	0	0	0	0	0	0
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	1,096	1,096	1,096	1,096
Storm Sewers (miles)	39	39	39	39	39	39	40	40	40	40
Sanitary Sewers (miles)	31	31	31	31	31	31	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  
NOVEMBER 27, 2012**