

# CITY OF TROY, OHIO



Yellow Book Report

December 31, 2016

**PLATTENBURG**  
Certified Public Accountants





# Dave Yost • Auditor of State

City Council  
City of Troy  
100 S. Market Street  
Troy, Ohio 45373

We have reviewed the *Independent Auditor's Report* of the City of Troy, Miami County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2016 through December 31, 2016. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost  
Auditor of State

August 29, 2017

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**INDEPENDENT AUDITOR'S 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 and City Council  
City of Troy

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Troy (the City), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 23, 2017.

**Internal Control over Financial Reporting**

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

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

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

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

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.

Dayton, Ohio

June 23, 2017



# Comprehensive Annual Financial Report For the Fiscal Year Ended December 31, 2016



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**CITY OF TROY, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**PREPARED BY:**  
**JOHN E. Frigge, CITY AUDITOR**



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## ***INTRODUCTORY SECTION***

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June 23, 2017

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

The Comprehensive Annual Financial Report of the City of Troy, Ohio for the fiscal year ended December 31, 2016 is submitted herewith. The Auditor's Office prepared the report. The responsibility for both the accuracy of the presented data and the completeness and the fairness of the presentation, including all disclosures, rests with the City of Troy, specifically with the Auditor's Office. We believe that the enclosed data is accurate in all material respects; and is presented in a manner designed to fairly set forth the financial payroll - bank statement and reconciliation as December 31, 2016 position and results of operations of the various funds of the City. We further believe that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been included.

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

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

### **City Overview**

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

The City of Troy is home to approximately 25,700 people, based on the estimate of the City's Development Department. While new residents move in at a slow, even pace, Troy continues to have a substantial number of long-time residents. People who move to Troy tend to continue to live here, even after they have raised their families. Troy has a reputation for community pride, friendliness and hospitality, along with respect for its past and great hopes for its future. The community offers a diverse mix of people, places and activities to enjoy. Destinations in the City are accessible without congestion or inconvenience.

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

## Projects and Priorities for the City

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

2016 saw the completion and celebration of two of the three interrelated projects that are part of the Riverfront Development Project – Treasure Island Park and the renovation (and lease) of the Boathouse Building. The Hobart Arena Renovation will be completed by the first quarter of 2017. Already, the Arena is being scheduled for a number of outstanding events.

Some of the other 2017 budget highlights and projects are:

### Economic Development:

- Working with the MKSK group in finalizing goals for riverfront redevelopment, especially those in the downtown area
- Consider a Land Bank to have land available for development purposes
- The construction of a new parking lot on Mulberry Street and finalizing a wayfaring program
- Review and implementation of the Traffic Study, especially of the downtown area to determine improvements to traffic flow
- Redevelopment of ITW/Hobart property, working with the owners and the Troy Development Council
- Evaluating and scheduling of Treasure Island Park events that will appeal to community demographics and provide a connectivity to the river corridor area and the downtown
- Continuing partnerships with Troy Main Street, Troy Chamber of Commerce, Troy Development Council
- Updating the Comprehensive Plan
- Finalizing the Complete Streets program

### Recreation/Parks:

- Working with the Operation Recreation partners in the development of Duke Park North to enhance recreational and park programming
- Design of the renovation of the Club House at the Miami Shores Golf Club
- Assessing buildings and the needs of the functions they address, including the Park Maintenance Facility, Lincoln Community Center and the Senior Citizens Center

### Utilities and Operations:

- Waterline improvements
- Completion of the new 0.75 Million Gallon Water Tower on West Stanfield Road that will stabilize water pressures and support growth within the Extra High Service Area
- Continue to evaluate the feasibility of creating a more regional utility for Troy and area customers
- Continuing the sidewalk improvement project and roadway paving project
- Constructing Phase II of the N. Market Street Improvement Project and designing Phase IV of the McKaig Road Improvement Project – both of which are partially funded by the Ohio Public Works Commission
- Facilitating the growing number of outdoor concerts and other events (including Tour DeDonut) to assist partners such as Troy Main Street, Troy Hayner Cultural Center, The Troy Foundation, the Mayors Concert Committee, and the Festival of Nations Committee in providing events and activities for citizens of all ages

- Updating the 5-year City-wide Capital Improvement Plan for all funds
- Continue to look at operating efficiencies, reorganizations, and work consolidations, and the elimination of operational redundancy for greater efficiency and cost effectiveness

## **Highlights and Accomplishments**

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### Economic Development and Investment:

- Examples of retention, growth, expansion, and reuse in our community
  - Construction was completed for Clopay, SEGNA, and Arc Abrasives; equipment expansions continue at each
  - ConAgra invested another \$15,000,000 in additional Slim Jim smokehouses and other new machinery
  - Stull Woodworks reopened in the former Arc Abrasives building on Marybill Drive
  - StoryPoint Senior Living nearing completion of 158-unit complex – now pre-leasing
  - Kroger replaced its 1991 Food & Drug Store with the new Kroger “Marketplace” concept
  - Meijer completely remodeled its 1992 vintage store to its new “Meijer Fresh” concept
  - Primary Eye Care Associates moved to the remodeled W. Main location
  - Tim Hortons opened a second Troy location
  - Circle K constructed a new gas station and convenience store on W. Main
  - A new commercial center in front of Meijer has Chick-fil-A, Starbucks, AT&T, and Mattress Firm stores
  - MAK Dental Group opened a Troy office on Towne Park Drive
  - Harbor Freight opened a Troy store using existing building space
  - New Troy Towne Place tenants include Kim’s Spa, Maximized Living Health Center and J’s Cuisine Restaurant
  - The Smith’s Boathouse Restaurant is a new success at Treasure Island Park
- We continue to utilize our business loan programs as an economic tool
- Troy continues to be attractive to small businesses and restaurants
- Capital investment was made to the Hobart Institute of Welding Technology
- Hobart Arena underwent expansions and renovation

### Tax incentives to help our manufacturers grow and create jobs:

- The four companies (American Honda, Arc Abrasives, Clopay, and ConAgra) are remaining in our Enterprise Zone Program and have surpassed their job creation goals by 52%

### Manufacturing continues to be the mainstay of the Troy economy:

- Of the estimated 23,800 jobs in Troy businesses, almost 4,900 (21%) are in the manufacturing sector. The next largest group is in Health Care/Social Services, at 14%
- Troy’s top six manufacturing employers
  - Clopay Building Products, 1,174 Employees
  - F&P America Mfg., 1,050 Employees
  - United Technologies, 950 Employees
  - ITW Hobart Brothers Co., 850 Employees
  - American Honda Motor Co., 731 Employees
  - ConAgra Foods, 729 Employees

### Water Quality:

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

### Recreation:

- Continued to achieve Tree City USA Status
- The Hobart Arena once again expanded their programming with a variety of events and activities, both recreational and cultural
- Currently reviewing branding and wayfinding ideas for the downtown/riverfront initiative

- Achieved Bronze status as a Bicycle Friendly Community
- Received the Trail Town Award from the North Country Trail Association and the Buckeye Trail Association

Cultural:

- Continued our positive relationship with our Sister City, Takahashi City, Japan
- Free concerts were held on Prouty Plaza as well as Treasure Island Park, made possible with generous donations by many people and organizations

A City of Volunteers:

- Operation Cloverleaf
- Troy Strawberry Festival
- Sculptures on the Square
- Festival of Nations
- Grand Illumination/Tree Lighting Celebration
- Downtown events, i.e.: Taste of Troy, Streets Alive, Farmers Market

Recognized Observances:

- All Veterans Programs
- Mayor's Prayer Gathering
- National Day of Prayer
- Peace Officers' Memorial Service

**Internal Accounting and Budgetary Controls**

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

Budgetary control is maintained at the fund level by the use of encumbrances for purchase order amounts to vendors. Open encumbrances are reported as an assignment of the fund balance for the governmental fund types at December 31, 2016.

**Other Items**

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Employee Assistance Plan (EAP) - Through EmployeeCare of Miami Valley Hospital in Dayton, the City provides employees and their families free 24-hour counseling services. In addition to counseling sessions, there is a 24-hour hotline. This counseling process is based upon and centered on complete confidentiality for the person using the program. The EAP also provides on-site counseling for situations such as the loss of a co-worker or the debriefing of safety employees following a critical event. If requested, the EAP is also available to provide other on-site seminars that may be helpful to employees.

Wellness Program - The City of Troy has provided a Wellness Program for twenty-five years. Since 2002, the City has contracted with the local Upper Valley Medical Center, Troy, Ohio for the service. The City is provided an on-site nurse for sixteen hours per month. Employees can establish base-line medical data with the nurse so that physical/medical problems/improvements can be measured. A Wellness Committee of employees has been formed to suggest possible programs and services. To date, some of the benefits provided by the Wellness Program include: cholesterol screening, blood pressure checks, statistics, hearing exams, TB screening, health fair, flu shots (when vaccine is available), stress management, diabetes screening, etc. and the opportunity to take advantage of various screenings at a reduced cost for the employee/spouse. As a result of screenings and discussions with the nurse, some employees have been referred for further medical evaluation. In addition, the wellness program encourages regular exercise and other recommendations for healthy life styles. The program elements were extended to include regular "flyers" distributed to employees that provide a variety of information in a single and simple one page format. Employees are encouraged to share the flyers with their families. The program emphasizes employees utilizing the expertise of the on-site nurse. During 2014 the program continued free flu shots



for employees, nurse visits that provided a blood sugar analysis, and distribution of flyers regarding health concerns. Also, through the health insurance provider, employees receive information particular to their own health care and to that of their family members. The health care provider also sends out on-line flyers and reminders to employees.

The City established an incentive program for those employees on the City's HSA group health insurance plan. By documenting information and/or participating in wellness efforts, those employees are able to earn additional funding into their HSA account.

### **Relevant Financial Policies**

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In 2015, the State of Ohio legislative branch passed House Bill 5, a municipal tax uniformity bill. This bill contains language modifying the income basis on which a municipal government can levy an income tax on and how the municipal government can collect that income tax. Municipal representatives worked closely with the bill's sponsors and proponents to reach a consensus on the bill, which seeks more uniformity amongst Ohio's cities and villages levying an income tax. Necessary legislative changes were made to the City's Codified Ordinance Section 181 to comply with the new State law. Most provisions of this bill will become effective in January 2017 for the 2016 tax year. At this time, the City is beginning to compile information on the financial impact these legislative changes have on income tax receipts.

In 2017, the State of Ohio's operating budget bill contains additional proposed changes to municipal income tax statute and revenue collection streams. At this time, there are fundamental differences in the proposed operating budget from the governor, the House of Representatives and the Senate, so the outcome is unknown at this time. The concerns revolve around the State Department of Taxation becoming a central filing and collection point for business profit returns, assessing the municipality a fee to process the returns and limiting access to tax information necessary for a municipal jurisdiction to review and audit returns as well as to enforce the local tax laws.

### **Independent Audit**

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

### **Certificate of Achievement**

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The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Troy, Ohio, for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2015. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, with contents conforming to program standards. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. The City of Troy, Ohio, received a Certificate of Achievement for the 26th time for the year ended December 31, 2015. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

### **Acknowledgements**

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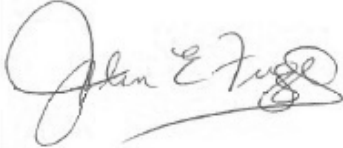
The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the City Auditor and other City departments. We express our sincere appreciation for the contributions made in the preparation of this report.

In closing, without the leadership and support of the Mayor and City Council of the City of Troy, preparation of this report would not have been possible.

Respectfully submitted,  
City of Troy, Ohio

A handwritten signature in black ink, appearing to read "Patrick E. J. Titterington". The signature is fluid and cursive, with a large initial "P" and "T".

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

A handwritten signature in black ink, appearing to read "John E. Frigge". The signature is cursive, with a large initial "J" and "F".

John E. Frigge  
City Auditor

# City of Troy, Ohio

## Listing of Principal City Officials

December 31, 2016

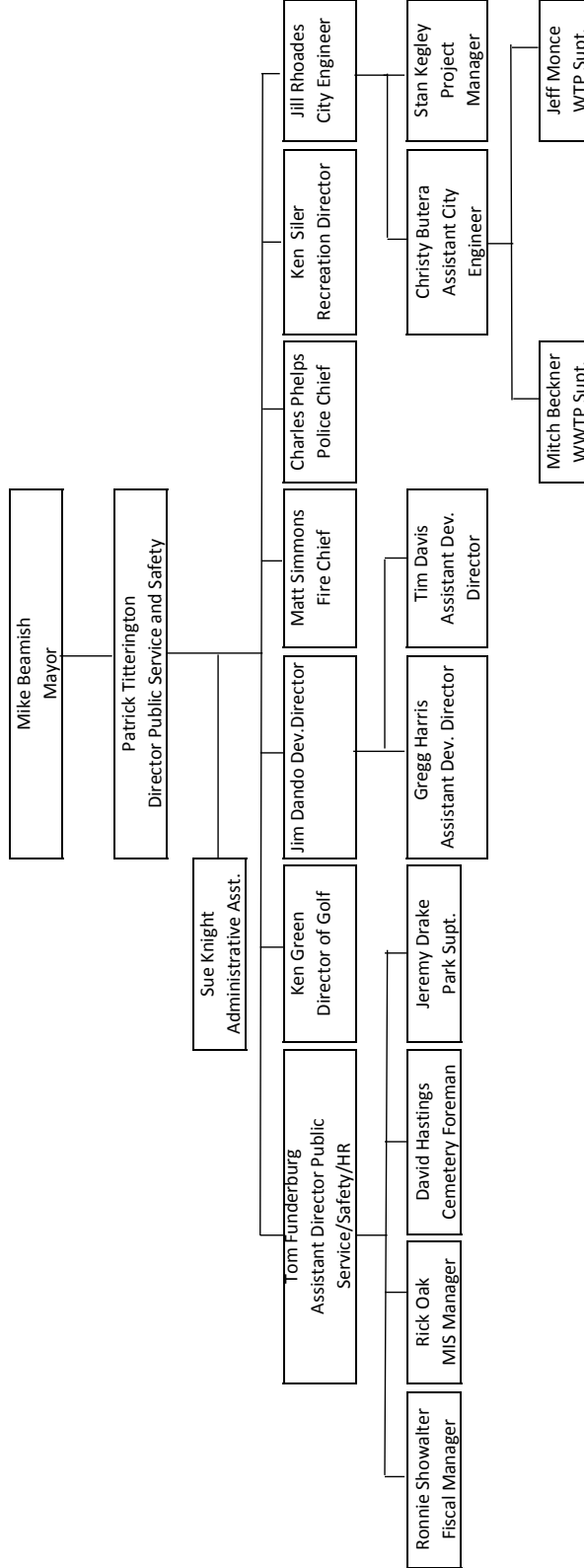
### Elected Officials

Mayor	Michael L. Beamish
President of Council	Martha A. Baker
Councilmember-at-Large	John L. Terwilliger
Councilmember-at-Large	Robin I. Oda
Councilmember-at-Large	Lynne B. Snee
Councilmember, First Ward	Thomas M. Kendall
Councilmember, Second Ward	Douglas W. Tremblay
Councilmember, Third Ward	John W. Schweser
Councilmember, Fourth Ward	Bobby W. Phillips
Councilmember, Fifth Ward	William C. Twiss
Councilmember, Sixth Ward	Brock A. Heath
Treasurer	Melvin R. Shane
Director of Law	Grant D. Kerber
Auditor	John E. Frigge

### Appointed Officials

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

# City of Troy Organizational Chart 2016







Government Finance Officers Association

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

Presented to

**City of Troy  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2015**

Executive Director/CEO



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## ***FINANCIAL SECTION***

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**INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor and City Council  
City of Troy

**Report on the Financial Statements**

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

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**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, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and schedules of net pension liabilities and pension contributions 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.

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The 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 basic 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic 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 them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2017, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.

Dayton, Ohio

June 23, 2017

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

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The City of Troy's discussion and analysis of the annual financial reports provides a review of the financial performance for the fiscal year ending December 31, 2016. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's performance.

**Financial Highlights**

- The City's total net position increased \$4,887,414.
- Net position of governmental activities increased \$2,920,258, net position of business-type activities increased by \$1,967,156.
- The General Fund reported a decrease in fund balance of \$1,798,604.
- Business-type operations reflected operating income of \$914,640.

**Overview of the Financial Statements**

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

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

**Government-wide Financial Statements**

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

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

**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
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**(Unaudited)**

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

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

**Fund Financial Statements**

Information about the City's major funds 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, TIF Retirement, Capital Improvement, Water, Sanitary Sewer and Stormwater Utility.

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

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

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

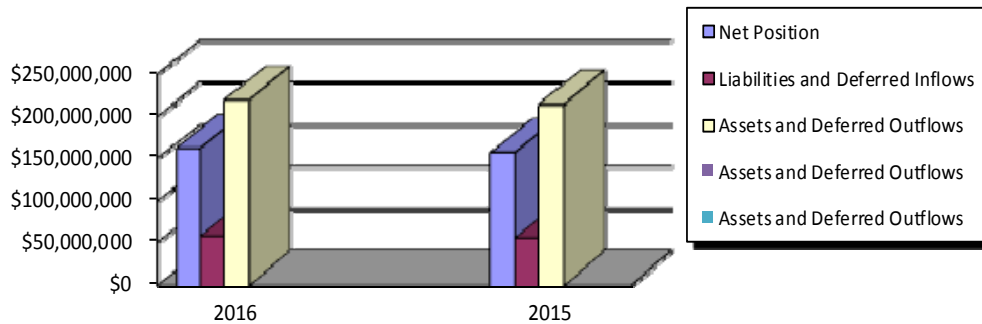
**City of Troy, Ohio**  
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**(Unaudited)**

**The City as a Whole**

As stated previously, the Statement of Net Position looks at the City as a whole. Table 1 provides a summary of the City's net position for 2016 compared to 2015.

**Table 1**  
**Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
<b>Assets:</b>						
Current and Other Assets	\$72,682,632	\$81,344,427	\$14,873,174	\$17,827,437	\$87,555,806	\$99,171,864
Capital Assets	64,203,765	53,131,263	60,101,429	57,153,964	124,305,194	110,285,227
<b>Total Assets</b>	<b>136,886,397</b>	<b>134,475,690</b>	<b>74,974,603</b>	<b>74,981,401</b>	<b>211,861,000</b>	<b>209,457,091</b>
Total Deferred Outflows of Resources	6,570,059	3,010,147	1,642,989	631,217	8,213,048	3,641,364
<b>Liabilities:</b>						
Long-Term Liabilities	40,638,939	36,603,678	13,235,358	14,130,395	53,874,297	50,734,073
Other Liabilities	1,555,114	2,964,891	383,874	521,601	1,938,988	3,486,492
<b>Total Liabilities</b>	<b>42,194,053</b>	<b>39,568,569</b>	<b>13,619,232</b>	<b>14,651,996</b>	<b>55,813,285</b>	<b>54,220,565</b>
Total Deferred Inflows of Resources	1,965,304	1,540,427	120,530	49,948	2,085,834	1,590,375
<b>Net Position:</b>						
Net Investment In Capital Assets	51,673,974	46,481,316	51,838,278	47,778,554	103,512,252	94,259,870
Restricted	10,601,444	8,665,294	0	0	10,601,444	8,665,294
Unrestricted	37,021,681	41,230,231	11,039,552	13,132,120	48,061,233	54,362,351
<b>Total Net Position</b>	<b>\$99,297,099</b>	<b>\$96,376,841</b>	<b>\$62,877,830</b>	<b>\$60,910,674</b>	<b>\$162,174,929</b>	<b>\$157,287,515</b>



Over time, net position can serve as a useful indicator of a government's financial position. Total net position of the City as a whole increased \$4,887,414.

Current and Other Assets decreased mainly due to an decrease in equity in pooled cash and investments from the City's continuous capital improvement efforts being made through-out the City. Long-Term Liabilities increased due to the increase in net pension liability.

Table 2 shows the changes in net position for the year ended December 31, 2016 as compared to the year ended December 31, 2015.

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

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

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
<b>Program Revenues:</b>						
Charges for Services	\$4,253,956	\$4,157,821	\$12,298,680	\$12,300,318	\$16,552,636	\$16,458,139
Operating Grants and Contributions	1,126,535	1,142,413	0	0	1,126,535	1,142,413
Capital Grants and Contributions	789,430	10,843,935	826,087	2,760,737	1,615,517	13,604,672
<b>Total Program Revenues</b>	<b>6,169,921</b>	<b>16,144,169</b>	<b>13,124,767</b>	<b>15,061,055</b>	<b>19,294,688</b>	<b>31,205,224</b>
<b>General Revenues:</b>						
Income Taxes	19,049,745	18,014,295	0	0	19,049,745	18,014,295
Property Taxes	1,716,466	1,674,986	0	0	1,716,466	1,674,986
Grants and Entitlements	908,292	890,548	0	0	908,292	890,548
Investment Earnings	66,295	526,342	24,833	49,306	91,128	575,648
Other Revenues	1,165,409	1,625,346	550,157	821,043	1,715,566	2,446,389
<b>Total General Revenues</b>	<b>22,906,207</b>	<b>22,731,517</b>	<b>574,990</b>	<b>870,349</b>	<b>23,481,197</b>	<b>23,601,866</b>
<b>Total Revenues</b>	<b>29,076,128</b>	<b>38,875,686</b>	<b>13,699,757</b>	<b>15,931,404</b>	<b>42,775,885</b>	<b>54,807,090</b>
<b>Program Expenses:</b>						
General Government	5,243,647	4,611,175	0	0	5,243,647	4,611,175
Public Safety	12,221,291	10,865,508	0	0	12,221,291	10,865,508
Community Development	1,186,949	1,011,689	0	0	1,186,949	1,011,689
Leisure Time Activities	2,013,072	1,537,027	0	0	2,013,072	1,537,027
Transportation and Street Repair	2,736,725	3,127,547	0	0	2,736,725	3,127,547
Basic Utility Service	1,161,658	1,149,146	0	0	1,161,658	1,149,146
Public Health and Welfare	203,392	567,888	0	0	203,392	567,888
Interest and Other Charges	614,136	393,785	0	0	614,136	393,785
Bond Issuance Cost	0	250,357	0	0	0	250,357
Water	0	0	4,942,051	5,260,863	4,942,051	5,260,863
Sanitary Sewer	0	0	3,773,386	4,752,848	3,773,386	4,752,848
Hobart Arena	0	0	1,168,240	1,683,676	1,168,240	1,683,676
Swimming Pool	0	0	370,397	347,637	370,397	347,637
Parking Meter	0	0	14,128	62,077	14,128	62,077
Miami Shores	0	0	825,538	905,516	825,538	905,516
Stormwater Utility	0	0	1,413,861	1,048,739	1,413,861	1,048,739
<b>Total Program Expenses</b>	<b>25,380,870</b>	<b>23,514,122</b>	<b>12,507,601</b>	<b>14,061,356</b>	<b>37,888,471</b>	<b>37,575,478</b>
Increase (Decrease) in Net Position before Transfers	3,695,258	15,361,564	1,192,156	1,870,048	4,887,414	17,231,612
Transfers - Internal Activities	(775,000)	(775,000)	775,000	775,000	0	0
<b>Change in Net Position</b>	<b>2,920,258</b>	<b>14,586,564</b>	<b>1,967,156</b>	<b>2,645,048</b>	<b>4,887,414</b>	<b>17,231,612</b>
<b>Net Position - Beginning of Year</b>	<b>96,376,841</b>	<b>81,790,277</b>	<b>60,910,674</b>	<b>58,265,626</b>	<b>157,287,515</b>	<b>140,055,903</b>
<b>Net Position - End of Year</b>	<b>\$99,297,099</b>	<b>\$96,376,841</b>	<b>\$62,877,830</b>	<b>\$60,910,674</b>	<b>\$162,174,929</b>	<b>\$157,287,515</b>

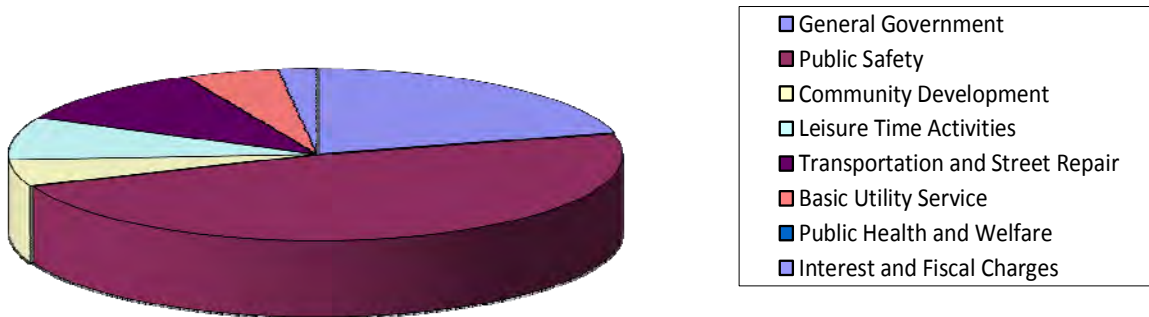
**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2016**  
(Unaudited)

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**Governmental Activities**

The City has made continued efforts to attract large-scale employers for the year 2016, thereby injecting the local economy with jobs and increasing the City's commercial tax base. The 1.75% income tax is the largest source of revenue for the City. Revenues generated by the earnings tax represent approximately 83% of the City's governmental activities general revenues.

General Government	21%
Public Safety	48%
Community Development	5%
Leisure Time Activities	8%
Transportation and Street Repair	11%
Basic Utility Service	5%
Public Health and Welfare	less than 1%
Interest and Fiscal Charges	2%
Total	<u>100%</u>



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

Capital grants and contributions decreased in 2016 as compared to 2015 mainly due to the City having less infrastructure (streets) being completed and donated to the City in 2016. Income Tax revenue increased in 2016 as compared to 2015 mainly due to an increase in income tax collections. Public Safety expenses increased mainly due to the City's efforts to keep the City safe to all.

**Business-Type Activities**

Business-type activities include water, sewer, stormwater utilities, Hobart Arena, swimming pool, parking meter and Miami Shores. These programs had operating revenues of \$12,848,837 and operating expenses of \$11,934,197 for fiscal year 2016. Business-type activities receive no support from tax revenues. The Business-type activities net position at the end of the year was \$62,877,830, which increased \$1,967,156 from 2015. The City had three business-type (enterprise) funds that were major funds: the Water fund, the Sanitary Sewer fund and Stormwater Utilities fund.

**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
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The City of Troy's Water Department serves approximately 9,918 customers; this represents a population base of nearly 25,058 people. The average daily consumption for the city is 3.56 million gallons and 157.16 miles of water mains in its distribution system. The water fund had operating income of \$1,225,649 for 2016.

The City of Troy's Sewer Department includes 127.29 miles of sanitary sewer main, which provide the collection and treatment of public wastewater. The Sewer fund had an operating income of \$682,727 for 2016.

The City of Troy's Stormwater Utility Department provides for the collection and treatment of public stormwater. The stormwater utility fund had an operating loss of \$(87,279) in 2016. Charges for Services remained very consistent from 2016 to 2015, while total expenses increased due to the increase in the amount of materials and supplies the City used for various projects through-out the City.

**The City's Funds**

The City has three major governmental funds: the General Fund, the TIF Retirement Fund and the capital improvement fund. Assets of these funds comprised (87%) of the total \$74,433,632 governmental funds' assets.

**General Fund:** Fund balance at December 31, 2016 was \$55,045,786 which was a decrease in fund balance of \$1,798,604 from 2015.

**TIF Retirement Fund:** Fund balance at December 31, 2016 was \$(985,134) which was an increase in fund balance of \$120,228 from 2015. The increase in fund balance is mainly due to a decrease in capital outlay expenditures.

**Capital Improvement Fund:** Fund balance at December 31, 2016 was \$1,752,940 which was a decrease in fund balance of \$5,166,750 from 2015. The decrease is mainly due to the increase in capital outlay for the improvements throughout the City.

**General Fund Budgeting Highlights**

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

For the General Fund, the final budgeted revenue was \$7,126,583 and the original budgeted revenue was \$7,151,057. The difference was \$24,474. Of this difference, most was due to an underestimate of tax and intergovernmental revenue.

Variations from the final budget amounts to the actual amounts are primarily due to the following reasons: The City overestimated public safety expenditures for 2016. As the City completed the year, its General Fund balance reported an actual fund balance of \$7,471,886, on a Non-GAAP Budgetary Basis.



**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
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(Unaudited)

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**Capital Assets and Debt Administration**

**Capital Assets**

At year end, the City had \$124,305,194 invested in land, construction in progress, buildings and improvements, equipment and infrastructure. Table 3 shows 2016 balances compared to 2015:

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

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$14,329,994	\$14,240,949	\$616,026	\$616,026	\$14,946,020	\$14,856,975
Construction in Progress	10,346,243	2,125,375	3,661,600	2,222,156	14,007,843	4,347,531
Buildings and Improvements	8,087,942	6,735,900	17,853,689	18,823,866	25,941,631	25,559,766
Equipment	2,945,081	2,678,317	7,764,478	7,937,214	10,709,559	10,615,531
Infrastructure	28,494,505	27,350,722	30,205,636	27,554,702	58,700,141	54,905,424
Total Net Capital Assets	<u>\$64,203,765</u>	<u>\$53,131,263</u>	<u>\$60,101,429</u>	<u>\$57,153,964</u>	<u>\$124,305,194</u>	<u>\$110,285,227</u>

The increase in net capital assets is mainly due to current year additions being greater than current year depreciation expense.

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

**Debt**

The City had \$22,868,663 in general obligation bonds and loan.

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

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

		2016	2015
<b>Governmental Activities</b>			
<u>General Obligation Bonds</u>			
2015 Capital Facilities Bonds	0.00%	8,770,000	9,000,000
Premium on Capital Facilities Bonds	0.00%	242,940	251,938
Refunding Limited Tax	1.00-2.625%	1,245,000	1,430,000
Premium on Refunding Bonds	n/a	7,386	8,617
Discount on Refunding Bonds	n/a	(10,935)	(12,758)
Refunding Bonds - Elm Street Improvements	1.00-2.375%	309,068	344,661
Refunding Bonds - Aquatic Center	1.00-2.375%	2,049,197	2,285,189
Refunding Bonds - Cemetery Maintenance Building	1.00-2.375%	236,346	263,564
Refunding Bonds - Fire Station	1.00-2.375%	1,306,395	1,456,844
Premium on Refunding Bonds	n/a	42,787	48,728
Discount on Refunding Bonds	n/a	(30,204)	(34,397)
Total General Obligation Bonds		<u>14,167,980</u>	<u>15,042,386</u>
<b>Business Type Activities</b>			
<u>General Obligation Bonds</u>			
Refunding Limited Tax	1.00-3.00%	705,000	925,000
Premium on Refunding		7,901	11,062
Discount on Refunding		(6,940)	(9,715)
Wastewater Improvement IIC&VA	0.00%	100,000	125,000
Sewer System Bonds - \$2,830,000		2,585,000	2,645,000
Premium on Sewer System Bonds		31,961	33,145
Water System Bonds - \$3,930,000		3,580,000	3,670,000
Premium on Water System Bonds		44,499	46,147
Refunding Waterplant Expansion I	5.00%	0	375,000
Refunding Waterplant Expansion II	4.00-5.00%	0	1,040,000
Refunding Bonds - Southeast Area Sewer	1.00-2.375%	680,468	758,833
Refunding Bonds - Generators	1.00-2.375%	628,525	700,908
Premium on Refunding Bonds		14,360	16,353
Discount on Refunding Bonds		(10,132)	(11,539)
Total General Obligation Bonds		<u>8,360,642</u>	<u>10,325,194</u>
OWDA Loan	3.25%	<u>340,041</u>	<u>361,778</u>
Total Debt		<u>\$22,868,663</u>	<u>\$25,729,358</u>

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

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

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

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**Economic Factors**

The City of Troy is currently in a strong financial position, but it must be stated that the City is not immune to economic conditions that have negatively affected many public and private entities. The City of Troy's systems of budgeting and internal controls are well regarded, and the City is well prepared to meet the challenges of the future. In addition, management has been committed to providing its residents with full disclosure of the financial position of the City.

**Contacting the City's Financial Department**

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

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

	Governmental Activities	Business-Type Activities	Total
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$60,961,498	\$13,738,554	\$74,700,052
Restricted Cash	240,989	104,904	345,893
Cash and Cash Equivalents with Fiscal Agent	85,000	0	85,000
<b>Receivables (Net):</b>			
Taxes	6,343,869	0	6,343,869
Accounts	897,039	572,230	1,469,269
Interest	167,379	19,307	186,686
Intergovernmental	1,276,609	0	1,276,609
Notes	2,371,978	0	2,371,978
Special Assessments	338,271	0	338,271
Inventory	0	438,179	438,179
Nondepreciable Capital Assets	24,676,237	4,277,626	28,953,863
Depreciable Capital Assets, Net	39,527,528	55,823,803	95,351,331
<b>Total Assets</b>	<b>136,886,397</b>	<b>74,974,603</b>	<b>211,861,000</b>
<b>Deferred Outflows of Resources:</b>			
Deferred Charge on Refunding Pension	396,738	112,815	509,553
	6,173,321	1,530,174	7,703,495
<b>Total Deferred Outflows of Resources</b>	<b>6,570,059</b>	<b>1,642,989</b>	<b>8,213,048</b>
<b>Liabilities:</b>			
Accounts Payable	668,648	177,706	846,354
Accrued Wages and Benefits	579,819	78,622	658,441
Retainage Payable	240,989	104,904	345,893
Accrued Interest Payable	65,658	22,642	88,300
<b>Long-Term Liabilities:</b>			
Due Within One Year	1,495,628	807,875	2,303,503
Due In More Than One Year			
Net Pension Liability	23,937,076	3,968,711	27,905,787
Other Amounts	15,206,235	8,458,772	23,665,007
<b>Total Liabilities</b>	<b>42,194,053</b>	<b>13,619,232</b>	<b>55,813,285</b>
<b>Deferred Inflows of Resources:</b>			
Property and Income Taxes	1,449,490	0	1,449,490
Revenue In Lieu of Taxes	223,673	0	223,673
Pension	292,141	120,530	412,671
<b>Total Deferred Inflows of Resources</b>	<b>1,965,304</b>	<b>120,530</b>	<b>2,085,834</b>
<b>Net Position:</b>			
Net Investment in Capital Assets	51,673,974	51,838,278	103,512,252
<b>Restricted for:</b>			
Capital Projects	3,003,374	0	3,003,374
Street Improvements	2,105,995	0	2,105,995
Public Safety	42,941	0	42,941
Community Development	3,663,190	0	3,663,190
Park Improvements	207,253	0	207,253
Cemetery Services	1,247,156	0	1,247,156
Other Purposes	331,535	0	331,535
Unrestricted	37,021,681	11,039,552	48,061,233
<b>Total Net Position</b>	<b>\$99,297,099</b>	<b>\$62,877,830</b>	<b>\$162,174,929</b>

See accompanying notes to the basic financial statements.

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

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General Government	\$5,243,647	\$214,466	\$7,787	\$0
Public Safety	12,221,291	1,785,765	0	0
Community Development	1,186,949	2,871	0	645,211
Leisure Time Activities	2,013,072	134,753	0	0
Transportation and Street Repair	2,736,725	16,722	1,118,748	144,219
Basic Utility Service	1,161,658	1,891,363	0	0
Public Health and Welfare	203,392	208,016	0	0
Interest and Other Charges	614,136	0	0	0
<b>Total Governmental Activities</b>	<b>25,380,870</b>	<b>4,253,956</b>	<b>1,126,535</b>	<b>789,430</b>
<b>Business-Type Activities:</b>				
Water	4,942,051	5,737,577	0	352,072
Sanitary Sewer	3,773,386	4,260,303	0	348,220
Hobart Arena	1,168,240	115,693	0	125,795
Swimming Pool	370,397	233,265	0	0
Parking Meter	14,128	22,186	0	0
Miami Shores	825,538	604,725	0	0
Stormwater Utility	1,413,861	1,324,931	0	0
<b>Total Business-Type Activities</b>	<b>12,507,601</b>	<b>12,298,680</b>	<b>0</b>	<b>826,087</b>
<b>Totals</b>	<b>\$37,888,471</b>	<b>\$16,552,636</b>	<b>\$1,126,535</b>	<b>\$1,615,517</b>

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

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
(\$5,021,394)	\$0	(\$5,021,394)
(10,435,526)	0	(10,435,526)
(538,867)	0	(538,867)
(1,878,319)	0	(1,878,319)
(1,457,036)	0	(1,457,036)
729,705	0	729,705
4,624	0	4,624
(614,136)	0	(614,136)
(19,210,949)	0	(19,210,949)
0	1,147,598	1,147,598
0	835,137	835,137
0	(926,752)	(926,752)
0	(137,132)	(137,132)
0	8,058	8,058
0	(220,813)	(220,813)
0	(88,930)	(88,930)
0	617,166	617,166
(19,210,949)	617,166	(18,593,783)
19,049,745	0	19,049,745
1,658,628	0	1,658,628
57,838	0	57,838
908,292	0	908,292
210,682	0	210,682
42,050	0	42,050
66,295	24,833	91,128
912,677	550,157	1,462,834
(775,000)	775,000	0
22,131,207	1,349,990	23,481,197
2,920,258	1,967,156	4,887,414
96,376,841	60,910,674	157,287,515
<u>\$99,297,099</u>	<u>\$62,877,830</u>	<u>\$162,174,929</u>

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

	General	TIF Retirement	Capital Improvement	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>					
Equity in Pooled Cash and Investments	\$51,601,333	\$429,866	\$2,471,648	\$6,458,651	\$60,961,498
Restricted Cash	0	0	217,868	23,121	240,989
Cash and Cash Equivalents with Fiscal Agent	85,000	0	0	0	85,000
<b>Receivables (Net):</b>					
Taxes	6,212,291	0	0	131,578	6,343,869
Accounts	869,853	0	0	27,186	897,039
Interest	162,203	0	0	5,176	167,379
Intergovernmental	384,242	223,673	153,100	515,594	1,276,609
Notes	0	0	0	2,371,978	2,371,978
Special Assessments	12,917	0	295,650	29,704	338,271
Interfund	1,751,000	0	0	0	1,751,000
<b>Total Assets</b>	<b>61,078,839</b>	<b>653,539</b>	<b>3,138,266</b>	<b>9,562,988</b>	<b>74,433,632</b>
<b>Liabilities:</b>					
Accounts Payable	181,761	0	405,849	81,038	668,648
Accrued Wages and Benefits	550,058	0	0	29,761	579,819
Retainage Payable	0	0	217,868	23,121	240,989
Interfund Payable	0	1,415,000	336,000	0	1,751,000
<b>Total Liabilities</b>	<b>731,819</b>	<b>1,415,000</b>	<b>959,717</b>	<b>133,920</b>	<b>3,240,456</b>
<b>Deferred Inflows of Resources:</b>					
Property and Income Taxes	4,776,902	0	0	122,025	4,898,927
Grants and Other Taxes	327,007	0	129,959	433,883	890,849
Special Assessments	12,917	0	295,650	29,704	338,271
Accounts	184,408	0	0	0	184,408
Revenue In Lieu of Taxes	0	223,673	0	0	223,673
<b>Total Deferred Inflows of Resources</b>	<b>5,301,234</b>	<b>223,673</b>	<b>425,609</b>	<b>585,612</b>	<b>6,536,128</b>
<b>Fund Balances:</b>					
Restricted	998,315	0	1,752,940	8,101,183	10,852,438
Committed	33,299,005	0	0	0	33,299,005
Assigned	3,339,176	0	0	742,273	4,081,449
Unassigned	17,409,290	(985,134)	0	0	16,424,156
<b>Total Fund Balances</b>	<b>55,045,786</b>	<b>(985,134)</b>	<b>1,752,940</b>	<b>8,843,456</b>	<b>64,657,048</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$61,078,839</b>	<b>\$653,539</b>	<b>\$3,138,266</b>	<b>\$9,562,988</b>	<b>\$74,433,632</b>

See accompanying notes to the basic financial statements.



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

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Total Governmental Fund Balance		\$64,657,048
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets used in the operation of Governmental Funds		64,203,765
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		
Income Taxes	3,403,877	
Delinquent Property Taxes	45,560	
Intergovernmental	890,849	
Other Receivables	522,679	
		4,862,965
In the statement of net position interest payable is accrued when incurred; whereas, in the governmental funds interest is reported as a liability only when it will require the use of current financial resources.		
		(65,658)
Some liabilities reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds.		
Compensated Absences		(2,533,883)
Deferred outflow of resources associated with long-term liabilities are not reported in the funds.		
		396,738
Deferred outflows and inflows or resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	6,173,321	
Deferred inflows of resources related to pensions	(292,141)	
		5,881,180
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Net Pension Liability	(23,937,076)	
Other Amounts	(14,167,980)	
		(38,105,056)
Net Position of Governmental Activities		<u>\$99,297,099</u>

See accompanying notes to the basic financial statements.

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

	General	TIF Retirement	Capital Improvement	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Property and Other Taxes	\$1,655,881	\$0	\$0	\$58,541	\$1,714,422
Income Taxes	18,662,954	0	0	0	18,662,954
Charges for Services	3,680,124	0	0	239,291	3,919,415
Investment Earnings	23,349	0	0	42,946	66,295
Intergovernmental	951,195	0	636,855	1,560,643	3,148,693
Special Assessments	2,584	0	88,521	0	91,105
Fines, Licenses & Permits	74,173	0	0	117,440	191,613
Revenue in Lieu of Taxes	0	210,682	0	0	210,682
Other Revenues	927,295	0	110,467	82,878	1,120,640
<b>Total Revenues</b>	<b>25,977,555</b>	<b>210,682</b>	<b>835,843</b>	<b>2,101,739</b>	<b>29,125,819</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General Government	4,531,384	0	0	76,408	4,607,792
Public Safety	10,405,236	0	0	1,081	10,406,317
Community Development	983,454	0	69,719	35,023	1,088,196
Leisure Time Activities	1,412,097	0	0	11,400	1,423,497
Transportation and Street Repair	0	0	0	1,451,258	1,451,258
Basic Utility Service	1,085,412	0	0	0	1,085,412
Public Health and Welfare	0	0	0	387,002	387,002
Capital Outlay	558,151	2,854	11,125,249	1,035,195	12,721,449
<b>Debt Service:</b>					
Principal	0	0	0	864,252	864,252
Interest and Other Charges	0	87,600	19,125	463,337	570,062
<b>Total Expenditures</b>	<b>18,975,734</b>	<b>90,454</b>	<b>11,214,093</b>	<b>4,324,956</b>	<b>34,605,237</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>7,001,821</b>	<b>120,228</b>	<b>(10,378,250)</b>	<b>(2,223,217)</b>	<b>(5,479,418)</b>
<b>Other Financing Sources (Uses):</b>					
Proceeds from Sale of Capital Assets	35,663	0	0	0	35,663
Transfers In	0	0	5,211,500	4,375,088	9,586,588
Transfers (Out)	(8,836,088)	0	0	(1,525,500)	(10,361,588)
<b>Total Other Financing Sources (Uses)</b>	<b>(8,800,425)</b>	<b>0</b>	<b>5,211,500</b>	<b>2,849,588</b>	<b>(739,337)</b>
<b>Net Change in Fund Balance</b>	<b>(1,798,604)</b>	<b>120,228</b>	<b>(5,166,750)</b>	<b>626,371</b>	<b>(6,218,755)</b>
<b>Fund Balance - Beginning of Year</b>	<b>56,844,390</b>	<b>(1,105,362)</b>	<b>6,919,690</b>	<b>8,217,085</b>	<b>70,875,803</b>
<b>Fund Balance - End of Year</b>	<b>\$55,045,786</b>	<b>(\$985,134)</b>	<b>\$1,752,940</b>	<b>\$8,843,456</b>	<b>\$64,657,048</b>

See accompanying notes to the basic financial statements.

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

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Net Change in Fund Balance - Total Governmental Funds (\$6,218,755)

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	12,835,788	
Depreciation Expense	<u>(1,700,807)</u>	
		11,134,981

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. (62,479)

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

City pension contributions	1,327,293	
Cost of benefits earned net of employee contributions	<u>(2,886,912)</u>	
		(1,559,619)

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

Income Taxes	386,791	
Delinquent Property Taxes	2,043	
Intergovernmental	(1,639,042)	
Other	<u>28,874</u>	
		(1,221,334)

Repayment of bond principal is an expenditure in the  
 governmental funds, but the repayment reduces long-term  
 liabilities in the statement of net position. 864,252

In the statement of activities interest expense is accrued when incurred;  
 whereas, in governmental funds an interest expenditure is reported  
 when due. 2,153

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	27,286	
Amortization of Bond Premium	10,154	
Amortization of Deferred Charge on Refunding	<u>(56,381)</u>	
		<u>(18,941)</u>

Change in Net Position of Governmental Activities \$2,920,258

See accompanying notes to the basic financial statements.

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

	Business-Type Activities -Enterprise Funds				Total Business-Type Activities
	Water	Sanitary Sewer	Stormwater Utility	Other Enterprise Funds	
<b>Current Assets:</b>					
Equity in Pooled Cash and Investments	\$5,420,225	\$5,030,123	\$1,704,785	\$1,583,421	\$13,738,554
Restricted Cash	52,679	38,577	13,648	0	104,904
<b>Receivables (Net):</b>					
Accounts	277,063	217,811	77,058	298	572,230
Interest	8,430	7,807	2,647	423	19,307
Inventory	438,179	0	0	0	438,179
<b>Total Current Assets</b>	<b>6,196,576</b>	<b>5,294,318</b>	<b>1,798,138</b>	<b>1,584,142</b>	<b>14,873,174</b>
<b>Noncurrent Assets:</b>					
<b>Capital Assets:</b>					
Nondepreciable Capital Assets	1,933,107	1,049,403	299,850	995,266	4,277,626
Depreciable Capital Assets, Net	21,870,565	19,593,900	10,003,880	4,355,458	55,823,803
<b>Total Noncurrent Assets</b>	<b>23,803,672</b>	<b>20,643,303</b>	<b>10,303,730</b>	<b>5,350,724</b>	<b>60,101,429</b>
<b>Total Assets</b>	<b>30,000,248</b>	<b>25,937,621</b>	<b>12,101,868</b>	<b>6,934,866</b>	<b>74,974,603</b>
<b>Deferred Outflows of Resources:</b>					
Deferred Charge on Refunding Pension	0	112,815	0	0	112,815
	547,957	431,497	227,301	323,419	1,530,174
<b>Total Deferred Outflows of Resources</b>	<b>547,957</b>	<b>544,312</b>	<b>227,301</b>	<b>323,419</b>	<b>1,642,989</b>
<b>Liabilities:</b>					
<b>Current Liabilities:</b>					
Accounts Payable	46,483	92,502	1,491	37,230	177,706
Accrued Wages and Benefits	31,811	27,656	0	19,155	78,622
Compensated Absences	110,386	77,490	0	39,282	227,158
Retainage Payable	52,679	38,577	13,648	0	104,904
Accrued Interest Payable	10,869	11,773	0	0	22,642
Long-Term Liabilities Due Within One Year	90,000	490,717	0	0	580,717
<b>Total Current Liabilities</b>	<b>342,228</b>	<b>738,715</b>	<b>15,139</b>	<b>95,667</b>	<b>1,191,749</b>
<b>Long-Term Liabilities:</b>					
Compensated Absences	99,303	212,764	0	26,739	338,806
Bonds, Notes & Loans Payable	3,534,499	4,585,467	0	0	8,119,966
Net Pension Liability	1,421,201	1,119,144	589,535	838,831	3,968,711
<b>Total Noncurrent Liabilities</b>	<b>5,055,003</b>	<b>5,917,375</b>	<b>589,535</b>	<b>865,570</b>	<b>12,427,483</b>
<b>Total Liabilities</b>	<b>5,397,231</b>	<b>6,656,090</b>	<b>604,674</b>	<b>961,237</b>	<b>13,619,232</b>
<b>Deferred Inflows of Resources:</b>					
Pension	43,162	33,989	17,904	25,475	120,530
<b>Total Deferred Inflows of Resources</b>	<b>43,162</b>	<b>33,989</b>	<b>17,904</b>	<b>25,475</b>	<b>120,530</b>
<b>Net Position:</b>					
Net Investment in Capital Assets	20,503,890	15,679,934	10,303,730	5,350,724	51,838,278
Unrestricted	4,603,922	4,111,920	1,402,861	920,849	11,039,552
<b>Total Net Position</b>	<b>\$25,107,812</b>	<b>\$19,791,854</b>	<b>\$11,706,591</b>	<b>\$6,271,573</b>	<b>\$62,877,830</b>

See accompanying notes to the basic financial statements.

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

	Business-Type Activities -Enterprise Funds				Total Business-Type Activities
	Water	Sanitary Sewer	Stormwater Utility	Other Enterprise Funds	
Operating Revenues:					
Charges for Services	\$5,737,577	\$4,260,303	\$1,324,931	\$975,869	\$12,298,680
Other Revenues	36,651	15,878	1,651	495,977	550,157
<b>Total Operating Revenues</b>	<b>5,774,228</b>	<b>4,276,181</b>	<b>1,326,582</b>	<b>1,471,846</b>	<b>12,848,837</b>
Operating Expenses:					
Personal Services	1,695,764	1,282,381	711,369	917,745	4,607,259
Contactual Services	543,787	419,376	51,158	420,542	1,434,863
Materials and Supplies	989,114	128,614	274,211	402,517	1,794,456
Depreciation	1,030,847	1,267,665	318,169	302,101	2,918,782
Other Expense	289,067	495,418	58,954	335,398	1,178,837
<b>Total Operating Expenses</b>	<b>4,548,579</b>	<b>3,593,454</b>	<b>1,413,861</b>	<b>2,378,303</b>	<b>11,934,197</b>
<b>Operating Income (Loss)</b>	<b>1,225,649</b>	<b>682,727</b>	<b>(87,279)</b>	<b>(906,457)</b>	<b>914,640</b>
Non-Operating Revenues (Expenses):					
Investment Earnings	14,964	8,670	1,575	(376)	24,833
Interest and Fiscal Charges	(245,254)	(80,359)	0	0	(325,613)
(Loss) on Disposal of Capital Assets	(148,218)	(99,573)	0	0	(247,791)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>(378,508)</b>	<b>(171,262)</b>	<b>1,575</b>	<b>(376)</b>	<b>(548,571)</b>
<b>Income (Loss) Before Contributions and Transfers</b>	<b>847,141</b>	<b>511,465</b>	<b>(85,704)</b>	<b>(906,833)</b>	<b>366,069</b>
Capital Grants and Contributions	352,072	348,220	0	125,795	826,087
Transfers In	0	60,000	0	775,000	835,000
Transfers (Out)	(60,000)	0	0	0	(60,000)
<b>Change in Net Position</b>	<b>1,139,213</b>	<b>919,685</b>	<b>(85,704)</b>	<b>(6,038)</b>	<b>1,967,156</b>
<b>Net Position - Beginning of Year</b>	<b>23,968,599</b>	<b>18,872,169</b>	<b>11,792,295</b>	<b>6,277,611</b>	<b>60,910,674</b>
<b>Net Position - End of Year</b>	<b>\$25,107,812</b>	<b>\$19,791,854</b>	<b>\$11,706,591</b>	<b>\$6,271,573</b>	<b>\$62,877,830</b>

See accompanying notes to the basic financial statements.

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

	Business-Type Activities - Enterprise Funds				
	Water	Sanitary Sewer	Stormwater Utility	Other Enterprise Funds	Total Business-Type Activities
<b>Cash Flows from Operating Activities:</b>					
Cash Received from Customers	\$5,891,332	\$4,390,680	\$1,361,133	\$1,475,289	\$13,118,434
Cash Payments to Employees	(1,628,526)	(1,316,449)	(676,072)	(919,420)	(4,540,467)
Cash Payments to Suppliers	(1,836,064)	(1,087,599)	(401,315)	(1,133,691)	(4,458,669)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>2,426,742</b>	<b>1,986,632</b>	<b>283,746</b>	<b>(577,822)</b>	<b>4,119,298</b>
<b>Cash Flows from Noncapital Financing Activities:</b>					
Payments from Other Funds	0	60,000	0	775,000	835,000
Payments to Other Funds	(60,000)	0	0	0	(60,000)
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<b>(60,000)</b>	<b>60,000</b>	<b>0</b>	<b>775,000</b>	<b>775,000</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>					
Payments for Capital Acquisitions	(2,627,867)	(1,952,268)	(354,277)	(50,500)	(4,984,912)
Debt Principal Payments	(1,505,000)	(477,485)	0	0	(1,982,485)
Debt Interest Payments	(252,465)	(64,047)	0	0	(316,512)
Capital Contributions Received	0	47,338	86,828	0	134,166
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(4,385,332)</b>	<b>(2,446,462)</b>	<b>(267,449)</b>	<b>(50,500)</b>	<b>(7,149,743)</b>
<b>Cash Flows from Investing Activities:</b>					
Earnings (Loss) on Investments	12,396	5,145	262	(649)	17,154
<b>Net Cash Provided (Used) by Cash Flows from Investing Activities</b>	<b>12,396</b>	<b>5,145</b>	<b>262</b>	<b>(649)</b>	<b>17,154</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(2,006,194)</b>	<b>(394,685)</b>	<b>16,559</b>	<b>146,029</b>	<b>(2,238,291)</b>
Cash and Cash Equivalents - Beginning of Year	7,479,098	5,463,385	1,701,874	1,437,392	16,081,749
Cash and Cash Equivalents - End of Year	5,472,904	5,068,700	1,718,433	1,583,421	13,843,458
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b>					
Operating Income (Loss)	1,225,649	682,727	(87,279)	(906,457)	914,640
<b>Adjustments:</b>					
Depreciation	1,030,847	1,267,665	318,169	302,101	2,918,782
<b>Changes in Assets &amp; Liabilities:</b>					
(Increase) Decrease in Receivables	117,104	114,499	34,551	3,443	269,597
(Increase) Decrease in Inventory	16,849	0	0	0	16,849
(Increase) Decrease in Deferred Outflows of Resources	(374,225)	(287,681)	(155,375)	(213,596)	(1,030,877)
Increase (Decrease) in Retainage Payable	12,081	(30,358)	(4,455)	0	(22,732)
Increase (Decrease) in Payables	(43,026)	(13,833)	(12,537)	24,766	(44,630)
Increase (Decrease) in Accrued Liabilities	(16,235)	(66,202)	0	(16,028)	(98,465)
Increase (Decrease) in Deferred Inflows of Resources	25,782	19,602	10,709	14,489	70,582
Increase (Decrease) in Net Pension Liability	431,916	300,213	179,963	213,460	1,125,552
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$2,426,742</b>	<b>\$1,986,632</b>	<b>\$283,746</b>	<b>(\$577,822)</b>	<b>\$4,119,298</b>
<b>Schedule of Noncash Capital Activities:</b>					
During the fiscal year, these amounts were received representing noncash contributions of:					
Capital Assets	\$473,521	\$348,220	\$86,828	\$125,795	\$1,034,364

See accompanying notes to the basic financial statements.

City of Troy, Ohio  
Statement of Fiduciary Net Position  
Fiduciary Funds  
December 31, 2016

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	Private Purpose Trust	Agency
	<u>          </u>	<u>          </u>
Assets:		
Equity in Pooled Cash and Investments	\$289,101	\$312,218
Receivables (Net):		
Interest	<u>445</u>	<u>421</u>
Total Assets	<u>289,546</u>	<u>312,639</u>
Liabilities:		
Undistributed Monies	<u>0</u>	<u>312,639</u>
Total Liabilities	<u>0</u>	<u>\$312,639</u>
Net Position:		
Restricted for Endowment - Expendable	157,514	
Restricted for Endowment - Nonexpendable	<u>132,032</u>	
Total Net Position	<u>\$289,546</u>	

See accompanying notes to the basic financial statements.

City of Troy, Ohio  
Statement of Changes in Fiduciary Net Position  
Fiduciary Fund  
For the Fiscal Year Ended December 31, 2016

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	Private Purpose Trust
Additions:	
Investment Earnings	\$287
Other	9
Total Additions	<u>296</u>
Deductions:	
Public Health and Welfare	<u>3,056</u>
Total Deductions	<u>3,056</u>
Change in Net Position	(2,760)
Net Position - Beginning of Year	<u>292,306</u>
Net Position - End of Year	<u><u>\$289,546</u></u>

See accompanying notes to the basic financial statements.



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

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

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

**Reporting Entity**

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

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

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

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

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

**Measurement Focus**

Government-wide Financial Statements

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

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

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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, liabilities, deferred outflows and deferred inflows associated with the operation of these funds are included on the statement of net position. The statement of revenues, expenses and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

**Basis of Presentation**

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

Government-wide Financial Statements

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

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

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

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Fund Financial Statements

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

**Fund Accounting**

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

Governmental Funds

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

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

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

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

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

Proprietary Funds

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

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

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

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

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

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

Fiduciary Funds

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

**Basis of Accounting**

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

Revenues - Exchange and Non-exchange Transactions

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

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

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

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources include a deferral on refunding and pension are reported in the government-wide statement of net position. A deferral on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension are explained in Note 10.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property and income taxes, grants and other taxes, special assessments, accounts, revenue in lieu of taxes, and pension. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2016, but which were levied to finance year 2017 operations. Revenue in lieu of taxes are deferred and recognized as inflows of resources in the period the amounts become available. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Deferred inflows of resources related to pension are reported on the governmental-wide statement of net position. (See Note 10)

Expenses/Expenditures

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

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

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

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**Equity in Pooled Cash and Investments**

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

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

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

During 2016, the City invested in certificates of deposit, federal agency securities, a money market fund, and STAR Ohio. Investments are reported at cost, except for the money market fund and STAR Ohio. The City's money market fund investment is recorded at the amount reported by financial institutions on December 31, 2016.

STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The City also implemented GASB Statement No. 79 for 2016. The implementation of this GASB pronouncement had no effect on beginning net position/fund balance. The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

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

Following the Ohio Revised Code, the City has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during fiscal year 2016 amounted to \$23,349, and \$42,946 was credited to other governmental funds.

**Inventory**

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

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

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

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**Capital Assets**

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City's infrastructure consists of curbs, sidewalks, storm sewers, streets, and water and sewer lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. The City will capitalize capital assets with a cost of \$5,000 or more.

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

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

**Compensated Absences**

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

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

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

### **Accrued Liabilities and Long-Term Obligations**

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments, and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds and long-term loans are recognized as a liability on the fund financial statements when due.

### **Pensions**

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

### **Fund Balance**

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

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

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

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

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

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



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

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The City considers committed, assigned, and unassigned fund balances, respectively, to be spent when expenditures are incurred for purposes for which any of the unrestricted fund balance classifications could be used.

**Net Position**

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

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Of the City's \$10,601,444 in restricted net position, none was restricted by enabling legislation.

**Operating Revenues and Expenses**

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

**Contributions of Capital**

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

**Interfund Activity**

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

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

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

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

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**Restricted Assets**

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

**Gain/Loss on Refunding**

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

**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.

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

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

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

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

**Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's policy for deposits is any balance not covered by depository insurance will be collateralized by the financial institutions with pledged securities. As of December 31, 2016, \$15,590,403 of the City's bank balance of \$16,841,403 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 Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2016**

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**Investments**

As of December 31, 2016, the City had the following investments:

<u>Investment Type</u>	<u>Value</u>	<u>Fair Value Hierarchy</u>	<u>Weighted Average Maturity (Years)</u>
Federal Home Loan Bank	\$14,290,540	Level 2	3.91
Federal Home Loan Mortgage Corporation	20,331,798	Level 2	4.25
Federal National Mortgage Association	18,624,435	Level 2	3.10
Certificates of Deposit	5,434,514	Level 2	1.61
Money Market Funds	2,685,028	N/A	0.00
STAR Ohio	310,475	N/A	0.14
Total Fair Value	<u>\$61,676,790</u>		
Portfolio Weighted Average Maturity			3.38

The City categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The Hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above table identifies the City's recurring fair value measurements as of December 31, 2016. STAR Ohio is reported at its share price (Net Asset value per share).

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

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

**Concentration of Credit Risk** – The City's investment policy allows investments in Federal Government Securities or Instrumentalities. The City has invested 23% in Federal Home Loan Bank, 33% in Federal Home Loan Mortgage Corporation, 30% in Federal National Mortgage Association, 9% in Certificates of Deposit, 4% in money market funds, and 1% in STAR Ohio.

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

**Note 4 – Receivables**

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

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

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

Special assessments expected to be collected in more than one year amounts to approximately \$338,271 of which, \$11,702 is considered delinquent.

**Property Taxes**

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the City. Real property taxes (other than public utility) collected during 2016 were levied after October 1, 2015 on assessed values as of January 1, 2015, the lien date. Assessed values were established by the County Auditor at 35% of appraised market value. All property is required to be revalued every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due January 31; if paid semiannually, the first payment is due February and the remainder payable in July. Under certain circumstances, state statute permits later payment dates to be established.

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

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

Real Property	\$479,708,290
Public Utility	<u>13,442,150</u>
Total Valuation	<u><u>\$493,150,440</u></u>

Real property taxes are payable annually or semi-annually. If paid annually, the payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

The City receives property taxes from Miami County. The County Treasurer collects property taxes on behalf of all taxing districts in the counties, including the City of Troy. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2016, and for which there is an enforceable legal claim. In the funds, the entire receivable has been offset by deferred inflows of resources since the current taxes were not levied to finance 2016 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On an accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

**Income Taxes**

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

**City of Troy, Ohio**  
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rate of 1.75%. Additional increases in the income tax rate require voter approval.

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

**Note 5 - Risk Management**

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

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

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

Liability:

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

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

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

Property:

- \$1,000,000,000/occurrence
- MVRMA Self-Insured Retention (SIR): \$250,000/occurrence

Coverage excess of SIR provided by Alliant Property Insurance Program (APIP). List of carriers underwriting the coverage provided upon request.

Flood – included in Property Policy

- \$25 million/occurrence and annual aggregate
- Sublimit: Flood Zone A & V - \$5 million/occurrence and annual aggregate
- MVRMA SIR: \$100,000/occurrence excluding Flood Zones A & V

**City of Troy, Ohio**  
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MVRMA SIR: \$250,000/occurrence Flood Zones A & V  
Earthquake – included in Property Policy  
\$25 million/occurrence and annual aggregate  
MVRMA SIR: \$100,000/occurrence

Boiler & Machinery – included in Property Policy  
\$100,000,000/occurrence  
MVRMA SIR: \$10,000-\$350,000/occurrence

Cyber Liability – included in Property Policy  
MVRMA SIR: \$100,000/occurrence  
Coverage excess of SIR provided by Lloyd’s of London – Beazley Syndicate

Third Party Liability:

\$2 million/occurrence and annual aggregate per member, but sublimited to:  
\$1,000,000/occurrence and annual aggregate for Privacy Notification Costs

First Party Computer Liability

\$2 million/occurrence and annual aggregate subject to policy sublimits  
MVRMA SIR: \$100,000/occurrence  
Coverage excess of SIR provided by Lloyd’s of London – Beazley Syndicate

Pollution Liability – Claims made and Reported Policy  
\$1 million/pollution condition and aggregate  
Retroactive Date: Policy inception  
MVRMA SIR: \$75,000/pollution condition;  
\$750,000 underground storage tanks specific  
Coverage excess SIR provided by Illinois Union Insurance Company

Member Deductible/occurrence - \$2,500

The Audit of MVRMA’s 2016 financial statements has not been completed yet. Data from the December 31, 2015 financial statements are as follows:

Current Assets	\$3,142,010
Total Assets	\$18,854,191
Current Liabilities	\$8,033,713
Non-current Liabilities	\$289,865
Net Position	\$10,583,893

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

The City manages employee health benefits on a self-insured basis. The employee health benefit plan provides basic health coverage through Anthem, the third party administrator (TPA) of the program, which reviews and processes or disallows the claims. Jefferson Health Plan (JHP) releases the claims

**City of Troy, Ohio**  
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payments to the providers as a consortium outside Anthem. JHP is a jointly governed organization established as a joint insurance pool. A specific excess loss coverage (stoploss) insurance policy covers claims in excess of \$200,000 per year. The 2016 monthly family and single premiums for the PPO plan were \$1,686.66 and \$565.86. The TPA charges the City an administration fee of \$53.03 per employee per month. The 2016 monthly family and single premiums for the HSA Standard plan were \$1,304.59 and \$437.15. The TPA charges the City an administration fee of \$57.63 per employee per month. The 2016 monthly family and single premiums for the HSA Low plan were \$1,226.88 and \$411.11. The TPA charges the City an administration fee of \$57.63 per employee per month.

**Workers' Compensation Group Rating Program**

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

**Note 6 – Capital Assets**

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

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities</b>				
<b>Capital Assets, not being depreciated:</b>				
Land	\$14,240,949	\$89,045	\$0	\$14,329,994
Construction in Progress	2,125,375	10,958,243	2,737,375	10,346,243
<b>Capital Assets, being depreciated:</b>				
Buildings and Improvements	15,131,106	1,864,701	63,747	16,932,060
Equipment	10,881,157	636,189	1,694,697	9,822,649
Infrastructure	41,943,521	2,024,985	62,479	43,906,027
Totals at Historical Cost	<u>84,322,108</u>	<u>15,573,163</u>	<u>4,558,298</u>	<u>95,336,973</u>
Less Accumulated Depreciation:				
Buildings and Improvements	8,395,206	512,659	63,747	8,844,118
Equipment	8,202,840	369,425	1,694,697	6,877,568
Infrastructure	14,592,799	818,723	0	15,411,522
Total Accumulated Depreciation	<u>31,190,845</u>	<u>1,700,807</u>	<u>1,758,444</u>	<u>31,133,208</u>
Governmental Activities Capital Assets, Net	<u>\$53,131,263</u>	<u>\$13,872,356</u>	<u>\$2,799,854</u>	<u>\$64,203,765</u>



**City of Troy, Ohio**  
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Depreciation expense was charged to governmental functions as follows:

General Government	\$443,685
Public Safety	470,523
Leisure Time	309,090
Transportation	396,828
Basic Utility Service	52,441
Community Development	28,240
Total Depreciation Expense	<u>\$1,700,807</u>

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Business-Type Activities</b>				
<b>Capital Assets, not being depreciated:</b>				
Land	\$616,026	\$0	\$0	\$616,026
Construction in Progress	2,222,156	3,556,735	2,117,291	3,661,600
<b>Capital Assets, being depreciated:</b>				
Buildings and Improvements	41,586,941	7,500	0	41,594,441
Equipment	16,889,881	809,699	372,789	17,326,791
Infrastructure	52,880,836	3,857,395	198,000	56,540,231
Totals at Historical Cost	<u>114,195,840</u>	<u>8,231,329</u>	<u>2,688,080</u>	<u>119,739,089</u>
Less Accumulated Depreciation:				
Buildings and Improvements	22,763,075	977,677	0	23,740,752
Equipment	8,952,667	932,644	322,998	9,562,313
Infrastructure	25,326,134	1,008,461	0	26,334,595
Total Accumulated Depreciation	<u>57,041,876</u>	<u>2,918,782</u>	<u>322,998</u>	<u>59,637,660</u>
Business-Type Activities Capital Assets, Net	<u>\$57,153,964</u>	<u>\$5,312,547</u>	<u>\$2,365,082</u>	<u>\$60,101,429</u>

**Note 7 – Compensated Absences**

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Compensated absences are accrued as they are earned by employees if both of the following conditions are met:

1. The employee's rights to receive compensation are attributable to services already rendered.
2. It is probable that the employer will compensate the employee for the benefits through paid time off or cash payment.

For Governmental Funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and a fund liability of the respective Governmental Fund. Compensated absences are reported in governmental funds only if they have matured. Amounts that are not expected to be liquidated with expendable available financial resources are reported in the Governmental Activities Long-Term Liabilities. Compensated absences of Proprietary

**City of Troy, Ohio**  
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Funds are recorded as an expense and liability of the respective proprietary fund.

**Note 8 - Long-Term Obligations**

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

	Maturity Date	Interest Rate	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
<b>Governmental Activities</b>							
<u>General Obligation Bonds</u>							
2015 Capital Facilities Bonds - \$9,000,000	12/1/40	0.00%	9,000,000	0	(230,000)	8,770,000	230,000
Premium on Capital Facilities Bonds	12/1/40	0.00%	251,938	0	(8,998)	242,940	0
Refunding Limited Tax General Obligation Capital Facilities Bonds - \$2,005,000*	12/1/22	1.00-2.625%	1,430,000	0	(185,000)	1,245,000	195,000
Premium on Refunding*	12/1/22	n/a	8,617	0	(1,231)	7,386	0
Discount on Refunding*	12/1/22	n/a	(12,758)	0	1,823	(10,935)	0
Refunding Bonds - Elm Street Improvements -	12/1/24	1.00-2.375%	344,661	0	(35,593)	309,068	36,186
Refunding Bonds - Aquatic Center - \$2,643,111	12/1/24	1.00-2.375%	2,285,189	0	(235,992)	2,049,197	239,925
Refunding Bonds - Cemetery Maintenance Building - \$304,845	12/1/24	1.00-2.375%	263,564	0	(27,218)	236,346	27,672
Refunding Bonds - Fire Station - \$1,685,025	12/1/24	1.00-2.375%	1,456,844	0	(150,449)	1,306,395	152,956
Premium on Refunding	12/1/24	n/a	48,728	0	(5,941)	42,787	0
Discount on Refunding	12/1/24	n/a	(34,397)	0	4,193	(30,204)	0
Total Long-Term Liabilities - Bonds			<u>15,042,386</u>	<u>0</u>	<u>(874,406)</u>	<u>14,167,980</u>	<u>881,739</u>
Net Pension Liability:							
OPERS			3,027,229	1,236,683	0	4,263,912	0
OP&F			15,972,894	3,700,270	0	19,673,164	0
Total Net Pension Liability			<u>19,000,123</u>	<u>4,936,953</u>	<u>0</u>	<u>23,937,076</u>	<u>0</u>
Compensated Absences		N/A	2,561,169	577,529	(604,815)	2,533,883	613,889
Total Governmental Activities			<u>\$36,603,678</u>	<u>\$5,514,482</u>	<u>(\$1,479,221)</u>	<u>\$40,638,939</u>	<u>\$1,495,628</u>

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

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**City of Troy, Ohio**  
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**For The Year Ended December 31, 2016**

	Maturity Date	Interest Rate	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
<b>Business-Type Activities</b>							
Refunding Limited Tax General Obligation Bonds - \$1,955,000	12/1/19	1.00-3.00%	\$925,000	\$0	(\$220,000)	\$705,000	\$230,000
Premium on Refunding	12/1/19	n/a	11,062	0	(3,161)	7,901	0
Discount on Refunding	12/1/19	n/a	(9,715)	0	2,775	(6,940)	0
Wastewater Improvement IIIc & Va - \$500,000	12/31/20	0.00%	125,000	0	(25,000)	100,000	25,000
Sewer System Bonds - \$2,830,000	12/1/43	1.00-4.00%	2,645,000	0	(60,000)	2,585,000	60,000
Premium on Sewer System Bonds	12/1/43	n/a	33,145	0	(1,184)	31,961	0
Water System Bonds - \$3,930,000	12/1/43	1.00-4.00%	3,670,000	0	(90,000)	3,580,000	90,000
Premium on Water System Bonds	12/1/43	n/a	46,147	0	(1,648)	44,499	0
Refunding Waterplant Expansion I - \$1,705,000	12/1/16	5.00%	375,000	0	(375,000)	0	0
Refunding Waterplant Expansion II - \$4,330,000	12/1/17	4.00-5.00%	1,040,000	0	(1,040,000)	0	0
Refunding Bonds - Southeast Area Sewer - \$877,687	12/1/24	1.00-2.375%	758,833	0	(78,365)	680,468	79,679
Refunding Bonds - Generators - \$810,688	12/1/24	1.00-2.375%	700,908	0	(72,383)	628,525	73,589
Premium on Refunding	12/1/24	n/a	16,353	0	(1,993)	14,360	0
Discount on Refunding	12/1/24	n/a	(11,539)	0	1,407	(10,132)	0
Total General Obligation Bonds			<u>10,325,194</u>	<u>0</u>	<u>(1,964,552)</u>	<u>8,360,642</u>	<u>558,268</u>
OWDA Loan - \$1,451,384	7/1/29	3.25%	<u>361,778</u>	<u>0</u>	<u>(21,737)</u>	<u>340,041</u>	<u>22,449</u>
Net Pension Liability - OPERS:							
Water			989,285	431,916	0	1,421,201	0
Sanitation/Sewer			818,931	300,213	0	1,119,144	0
Stormwater Utility			409,572	179,963	0	589,535	0
Other Enterprise			625,371	213,460	0	838,831	0
Total Net Pension Liability			<u>2,843,159</u>	<u>1,125,552</u>	<u>0</u>	<u>3,968,711</u>	<u>0</u>
Total Long Term Liabilities - Bonds and Loans			<u>13,530,131</u>	<u>1,125,552</u>	<u>(1,986,289)</u>	<u>12,669,394</u>	<u>580,717</u>
Compensated Absences			<u>600,264</u>	<u>213,606</u>	<u>(247,906)</u>	<u>565,964</u>	<u>227,158</u>
Total Business-Type Activities			<u>\$14,130,395</u>	<u>\$1,339,158</u>	<u>(\$2,234,195)</u>	<u>\$13,235,358</u>	<u>\$807,875</u>

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

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**City of Troy, Ohio**  
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**For The Year Ended December 31, 2016**

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

Year Ending December 31	Governmental Activities		Business-Type Activities			
	General		General		OWDA	
	Obligation Bonds		Obligation Bonds		Loan	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$881,739	\$448,298	\$558,268	\$271,694	\$22,449	\$10,870
2018	907,970	429,506	567,029	261,012	23,185	10,134
2019	926,715	405,547	573,284	248,410	23,945	9,374
2020	942,946	385,251	337,054	235,044	24,729	8,590
2021	961,690	364,352	323,310	228,804	136,342	30,253
2022-2026	3,224,946	1,452,126	1,380,048	1,019,645	109,391	7,224
2027-2031	1,780,000	1,134,576	1,035,000	828,600	0	0
2032-2036	2,205,000	725,602	1,255,000	605,000	0	0
2037-2041	2,085,000	787,494	1,545,000	331,400	0	0
2042-2043	0	0	705,000	42,600	0	0
Total	<u>\$13,916,006</u>	<u>\$6,132,752</u>	<u>\$8,278,993</u>	<u>\$4,072,209</u>	<u>\$340,041</u>	<u>\$76,445</u>

**Note 9 – Short-Term Obligations**

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

	Rate	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities</b>					
2015 Land Acquisition BAN	1.70%	1,500,000	0	1,500,000	0
Total Governmental Activities		<u>\$1,500,000</u>	<u>\$0</u>	<u>\$1,500,000</u>	<u>\$0</u>

On September 30, 2015, the Land Acquisition Ban was issued at an interest rate of 1.70% in the amount of \$1,500,000.

**Note 10 - Defined Benefit Pension Plans**

**Net Pension Liability**

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

The net pension liability represents the City proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each

**City of Troy, Ohio**  
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**For The Year Ended December 31, 2016**

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pension plan's fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

\* This rate is determined by OPERS' Board and has no maximum rate established by ORC.

\*\* This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City contractually required contribution was \$754,289 for 2016. Of this amount \$108,512 is reported as an accrued wage and benefits.

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

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

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

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

**City of Troy, Ohio**  
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The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit.

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

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

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

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

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,327,293 for 2016. Of this amount \$197,146 is reported as an accrued wage and benefits.

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

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



**City of Troy, Ohio**  
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	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportionate share of the net pension liability	\$8,232,622	\$19,673,165	\$27,905,787
Proportion of the net pension liability	0.047529%	0.305813%	
Pension expense	\$1,120,175	\$2,686,283	\$3,806,458

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

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Deferred Outflows of Resources:			
Net difference between projected and actual earnings on pension plan investments	\$2,419,877	\$3,202,036	\$5,621,913
City contributions subsequent to the measurement date	<u>754,289</u>	<u>1,327,293</u>	<u>2,081,582</u>
Total Deferred Outflows of Resources	<u>\$3,174,166</u>	<u>\$4,529,329</u>	<u>\$7,703,495</u>

Deferred Inflows of Resources:			
Differences between expected and actual experience	\$159,070	\$55,241	\$214,311
Changes in employer proportion and differences between contributions and proportionate share of contributions	<u>90,957</u>	<u>107,403</u>	<u>198,360</u>
Total Deferred Inflows of Resources	<u>\$250,027</u>	<u>\$162,644</u>	<u>\$412,671</u>

\$2,081,582 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
2017	\$487,282	\$811,846	\$1,299,128
2018	525,976	811,846	1,337,822
2019	608,973	811,846	1,420,819
2020	547,619	641,148	1,188,767
2021	0	(31,338)	(31,338)
Thereafter	<u>0</u>	<u>(5,956)</u>	<u>(5,956)</u>
Total	<u>\$2,169,850</u>	<u>\$3,039,392</u>	<u>\$5,209,242</u>

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

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2015, using the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuations are presented below:

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

Mortality rates are the RP-2000 mortality table projected 20 years using Projection Scale AA. For males, 105% of the combined healthy male mortality rates were used. For females, 100% of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males, 120% of the disabled female mortality rates were used, set forward two years. For females, 100% of the disabled female mortality rates were used.

The long term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

OPERS manages investments in four investment portfolios: the Defined Benefit portfolio, the 401(h) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan, and

**City of Troy, Ohio**  
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**For The Year Ended December 31, 2016**

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the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money-weighted rate of return, net of investment expense, for the Defined Benefit portfolio is 0.4% for 2015.

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The following table displays the Board-approved asset allocation policy for 2015 and the long-term expected real rates of return:

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

***Discount Rate***

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

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**City of Troy, Ohio**  
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***Sensitivity of the City Proportionate Share of the Net Pension Liability to Changes in the Discount Rate***

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

	1% Decrease 7.00%	Current Discount Rate 8.00%	1% Increase 9.00%
City's proportionate share of the net pension liability:			
OPERS	\$13,116,578	\$8,232,622	\$4,113,160

***Actuarial Assumptions – OP&F***

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

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

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

Rates of death are based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

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

**City of Troy, Ohio**  
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The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2015 are summarized below:

Asset Class	Target Allocation	10 Year Expected Real Rate of Return**	30 Year Expected Real Rate of Return**
Domestic Equity	16.00 %	4.47 %	7.80 %
Non-US Equity	16.00	4.47	8.00
Core Fixed Income*	20.00	1.62	5.35
Global Inflation Protected Securities*	20.00	1.33	4.73
High Yield	15.00	3.39	7.21
Real Estate	12.00	3.93	7.43
Private Markets	8.00	6.98	10.73
Timber	5.00	4.92	7.35
Master Limited Partnerships	8.00	7.03	10.75
Total	120.00 %		

Note: Assumptions are geometric

\* levered 2x

\*\* Numbers include inflation

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

**Discount Rate**

The total pension liability was calculated using the discount rate of 8.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.25 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

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

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability :			
OP&F	\$25,946,269	\$19,673,165	\$14,359,228

**Note 11 – Post Employment Benefits**

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**Ohio Public Employees Retirement System**

Plan Description

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

In order to qualify for health care coverage, age-and-service retirees under the Traditional Pension and Combined plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. Please see the Plan Statement in the OPERS 2015 CAFR for details. The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the OPERS Board of Trustees (OPERS Board) in Chapter 145 of the Ohio Revised Code.

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

Funding Policy

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2016, State and Local employers contributed at a rate of 14.0% of earnable salary and Public Safety and Law Enforcement employers contributed at 18.1%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2.0% during calendar year 2016. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2017 decreased to 1.0% for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2016 was 4.0%.

Information from City's Records

The rates stated in Funding Policy, above, are the contractually required contribution rates for OPERS. The City's actual contributions for the current year, which were used to fund postemployment benefits, were \$137,770 for 2016, \$129,335 for 2015, and \$128,017 for 2014. The full amount has been contributed for 2016, 2015 and 2014.

**Ohio Police and Fire Pension Fund**

Plan Description

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

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

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

**City of Troy, Ohio**  
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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. The portion of employer contributions allocated to health care was .5% of covered payroll from January 1, 2016 thru December 31, 2016. The amount of employer contributions allocated to the healthcare plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

Information from City's Records

The City's contributions to OP&F for the year ending December 31, 2016 was \$31,765, December 31, 2015 was \$31,320; and December 31, 2014 was \$30,830. The actual contributions for 2016, 2015 and were 100%.

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**City of Troy, Ohio**  
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**Note 12 – Construction and Other Commitments**

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The City had the following outstanding commitments at year end:

<u>Projects</u>	<u>Amount</u>
Building Maintenance and Improvements	\$1,299,111
Sewer Maintenance and Improvements	422,804
Water Maintenance and Improvements	1,314,139
Stormwater Maintenance and Improvements	81,223
Street Improvements	794,222
Downtown Building Repair Loan	872,218
Rock Salt for Streets	43,788
Refuse Collection	51,317
Vehicles	104,220
Other Construction and Commitments	<u>211,242</u>
Total Outstanding Commitments	<u>\$5,194,284</u>

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

<u>Fund</u>	<u>Amount</u>
General	\$606,543
Capital Improvements	2,023,192
Water	1,696,542
Sanitary Sewer	484,427
Stormwater Utility	145,549
Nonmajor Funds	<u>1,541,515</u>
Total	<u>\$6,497,768</u>

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**City of Troy, Ohio**  
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**Note 13 – Interfund Transfers and Interfund Receivable/Payable**

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Interfund transfers for the year ended December 31, 2016 consisted of the following:

	Transfers	
	In	Out
General Fund	\$0	\$8,836,088
Capital Improvement	5,211,500	0
Other Governmental Funds	4,375,088	1,525,500
Water	0	60,000
Sanitary Sewer	60,000	0
Other Enterprise Funds	775,000	0
Total All Funds	<u>\$10,421,588</u>	<u>\$10,421,588</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service.

The transfers made out of Other Governmental and Other Enterprise funds were for debt payments made from other funds.

Certain interfund receivable/payable of a longer term repayment schedule also exists. The General Fund has provided interfund loans to the TIF Retirement Fund. The TIF Retirement Fund will make repayments on the loan from the portions of their revenue.

	Interfund Receivable	Interfund Payable
General Fund	\$1,751,000	\$0
TIF Retirement Fund	0	1,415,000
Capital Improvements	0	336,000
	<u>\$1,751,000</u>	<u>\$1,751,000</u>

**Note 14 - Donor-Restricted Endowment**

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The City administers an endowment fund, which is restricted by the donor for the purposes of cemetery maintenance and improvement. Donor-restricted endowments are reported at fair value. The amount of net appreciation on investments of donor-restricted endowments that is available for authorization for expenditure by the City is \$157,514. The City authorizes expenditures from donor-restricted endowment in compliance with the wishes expressed by the donor and the Ohio Revised Code.

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

**Note 15 – Fund Balance**

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

Fund Balances	General	TIF Retirement	Capital Improvement	Other Governmental Funds	Total
Restricted for:					
Safety Income Tax	\$998,315	\$0	\$0	\$0	\$998,315
Street Construction, Maintenance and Repair	0	0	0	1,570,537	1,570,537
State Highway Improvement	0	0	0	161,882	161,882
Cemetery	0	0	0	330,092	330,092
Municipal Real Property	0	0	0	190,656	190,656
Miami Conservatory District	0	0	0	28,557	28,557
Community Development Block Grant	0	0	0	2,585,482	2,585,482
Parking Improvement	0	0	0	207,253	207,253
Drug Law Enforcement	0	0	0	18,930	18,930
Law Enforcement	0	0	0	24,011	24,011
Cemetery Endowment	0	0	0	979,067	979,067
Small Business Development R-Loan	0	0	0	1,077,708	1,077,708
Equitable Sharing	0	0	0	102,183	102,183
Capital Improvement	0	0	1,752,940	0	1,752,940
OPWC Project	0	0	0	824,825	824,825
<b>Total Restricted</b>	<b>998,315</b>	<b>0</b>	<b>1,752,940</b>	<b>8,101,183</b>	<b>10,852,438</b>
Committed to:					
Capital Improvements	33,299,005	0	0	0	33,299,005
<b>Total Committed</b>	<b>33,299,005</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>33,299,005</b>
Assigned to:					
Bond Retirement	0	0	0	529,002	529,002
Technology	0	0	0	213,271	213,271
Future Encumbrances	462,150	0	0	0	462,150
Budgetary Variance	2,877,026	0	0	0	2,877,026
<b>Total Assigned</b>	<b>3,339,176</b>	<b>0</b>	<b>0</b>	<b>742,273</b>	<b>4,081,449</b>
Unassigned (Deficit)	17,409,290	(985,134)	0	0	16,424,156
<b>Total Fund Balance</b>	<b>\$55,045,786</b>	<b>(\$985,134)</b>	<b>\$1,752,940</b>	<b>\$8,843,456</b>	<b>\$64,657,048</b>

**Note 16 –Accountability**

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

Fund	Deficit
Major Fund:	
TIF Retirement	\$985,134

The fund deficit at December 31, 2016 arises from the recognition of certain liabilities under the modified accrual basis of accounting. Under the budgetary basis of accounting the deficit does not exist. The General Fund provides transfers when cash is required, not when accruals occur.

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

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**Note 17 – Contingent Liabilities**

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**Litigation**

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

**Note 18 – Tax Abatements**

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As of December 31, 2016, the City provides tax abatements through the Community Reinvestment Area (CRA) and Ohio Enterprise Zone Area (EZA) Program:

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

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

Tax Abatement Programs	City's Share of Taxes Abated
Community Reinvestment Area	\$4,465
Enterprise Zone Area	36,364

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

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

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**Note 19 – Implementation of New Accounting Principles**

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

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

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

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

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

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

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***REQUIRED SUPPLEMENTARY INFORMATION***

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

	2016	2015	2014
City's Proportion of the Net Pension Liability	0.0475290%	0.0486720%	0.0486720%
City's Proportionate Share of the Net Pension Liability	\$8,232,622	\$5,870,387	\$5,737,795
City's Covered-Employee Payroll	\$5,980,800	\$5,986,958	\$6,565,754
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	137.65%	98.05%	87.39%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.08%	86.45%	86.36%

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

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



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

	2016	2015	2014
City's Proportion of the Net Pension Liability	0.3058130%	0.3083322%	0.3083322%
City's Proportionate Share of the Net Pension Liability	\$19,673,165	\$15,972,893	\$15,016,746
City's Covered-Employee Payroll	\$6,654,988	\$6,337,672	\$7,482,014
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	295.62%	252.03%	200.70%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.77%	72.20%	73.00%

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

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

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

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$754,289	\$717,696	\$718,435
Contributions in Relation to the Contractually Required Contribution	<u>(754,289)</u>	<u>(717,696)</u>	<u>(718,435)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered-Employee Payroll	\$6,285,742	\$5,980,800	\$5,986,958
Contributions as a Percentage of Covered-Employee Payroll	12.00%	12.00%	12.00%

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

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

	2016	2015	2014
Contractually Required Contribution	\$1,327,293	\$1,336,987	\$1,290,350
Contributions in Relation to the Contractually Required Contribution	<u>(1,327,293)</u>	<u>(1,336,987)</u>	<u>(1,290,350)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered-Employee Payroll	\$6,985,753	\$6,654,988	\$6,337,672
Contributions as a Percentage of Covered-Employee Payroll	19.00%	20.09%	20.36%

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

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

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Revenues:</b>				
Property and Other Taxes	\$1,623,339	\$1,655,487	\$1,659,199	\$3,712
Charges for Services	3,489,813	3,398,665	3,566,905	168,240
Investment Earnings	175,754	178,760	179,636	876
Intergovernmental	928,224	948,685	948,729	44
Special Assessments	2,528	2,580	2,584	4
Fines, Licenses & Permits	72,566	74,160	74,169	9
Other Revenues	858,833	868,246	877,805	9,559
<b>Total Revenues</b>	<b>7,151,057</b>	<b>7,126,583</b>	<b>7,309,027</b>	<b>182,444</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	3,448,876	4,060,894	3,630,291	430,603
Public Safety	9,998,286	10,987,399	10,524,208	463,191
Community Environment	935,350	875,556	984,551	(108,995)
Recreation	1,244,288	1,331,799	1,309,739	22,060
Basic Utility	1,131,273	1,301,728	1,190,779	110,949
Capital Outlay	530,682	544,879	558,597	(13,718)
<b>Total Expenditures</b>	<b>17,288,755</b>	<b>19,102,255</b>	<b>18,198,165</b>	<b>904,090</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(10,137,698)</b>	<b>(11,975,672)</b>	<b>(10,889,138)</b>	<b>1,086,534</b>
<b>Other Financing Sources (Uses):</b>				
Proceeds from Sale of Capital Assets	34,892	35,660	35,663	3
Transfers In	16,031,519	16,385,664	16,385,664	0
Transfers (Out)	(8,395,001)	(9,242,500)	(8,836,588)	405,912
<b>Total Other Financing Sources (Uses)</b>	<b>7,671,410</b>	<b>7,178,824</b>	<b>7,584,739</b>	<b>405,915</b>
<b>Net Change in Fund Balance</b>	<b>(2,466,288)</b>	<b>(4,796,848)</b>	<b>(3,304,399)</b>	<b>1,492,449</b>
<b>Fund Balance Beginning of Year (includes prior year encumbrances appropriated)</b>	<b>10,776,285</b>	<b>10,776,285</b>	<b>10,776,285</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$8,309,997</b>	<b>\$5,979,437</b>	<b>\$7,471,886</b>	<b>\$1,492,449</b>

See accompanying notes to the required supplementary information.

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

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**Budgetary Process**

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

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

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

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

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

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

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

**Net Change in Fund Balance**

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	<u>General</u>
GAAP Basis	(\$1,798,604)
Revenue Accruals	(2,282,864)
Expenditure Accruals	1,341,256
Transfers Out	(500)
Encumbrances	<u>(563,687)</u>
Budget Basis	<u><u>(\$3,304,399)</u></u>

***COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES***

## **MAJOR GOVERNMENTAL FUNDS**

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

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



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

	TIF Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Revenue in Lieu of Taxes	\$210,682	\$210,682	\$0
Total Revenues	<u>210,682</u>	<u>210,682</u>	<u>0</u>
Expenditures:			
Current:			
Capital Outlay	15,000	2,854	12,146
Debt Service:			
Principal Retirement	45,000	45,000	0
Interest and Fiscal Charges	<u>87,600</u>	<u>87,600</u>	<u>0</u>
Total Expenditures	<u>147,600</u>	<u>135,454</u>	<u>12,146</u>
Net Change in Fund Balance	63,082	75,228	12,146
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>354,639</u>	<u>354,639</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$417,721</u></u>	<u><u>\$429,867</u></u>	<u><u>\$12,146</u></u>

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

	Capital Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$639,220	\$639,224	\$4
Special Assessments	88,515	88,521	6
Other Revenues	110,465	110,467	2
		0	
Total Revenues	<u>838,200</u>	<u>838,212</u>	<u>12</u>
Expenditures:			
Current:			
Community Environment	83,545	75,219	8,326
Capital Outlay	<u>13,377,988</u>	<u>13,034,194</u>	<u>343,794</u>
Total Expenditures	<u>13,461,533</u>	<u>13,109,413</u>	<u>352,120</u>
Excess of Revenues Over (Under) Expenditures	<u>(12,623,333)</u>	<u>(12,271,201)</u>	<u>352,132</u>
Other Financing Sources (Uses):			
Transfers In	<u>3,686,000</u>	<u>3,686,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>3,686,000</u>	<u>3,686,000</u>	<u>0</u>
Net Change in Fund Balance	(8,937,333)	(8,585,201)	352,132
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>9,251,521</u>	<u>9,251,521</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$314,188</u></u>	<u><u>\$666,320</u></u>	<u><u>\$352,132</u></u>

## **NONMAJOR GOVERNMENTAL FUNDS**

### **Special Revenue Funds**

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

### **Debt Service Funds**

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

### **Capital Projects Funds**

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

City of Troy, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2016

	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	\$4,884,505	\$528,188	\$1,045,958	\$6,458,651
Restricted Cash	0	0	23,121	23,121
<b>Receivables (Net):</b>				
Taxes	131,578	0	0	131,578
Accounts	760	0	26,426	27,186
Interest	4,362	814	0	5,176
Intergovernmental	515,594	0	0	515,594
Notes	2,371,978	0	0	2,371,978
Special Assessments	29,704	0	0	29,704
<b>Total Assets</b>	<b>7,938,481</b>	<b>529,002</b>	<b>1,095,505</b>	<b>9,562,988</b>
<b>Liabilities:</b>				
Accounts Payable	46,750	0	34,288	81,038
Accrued Wages and Benefits	29,761	0	0	29,761
Retainage Payable	0	0	23,121	23,121
<b>Total Liabilities</b>	<b>76,511</b>	<b>0</b>	<b>57,409</b>	<b>133,920</b>
<b>Deferred Inflows of Resources:</b>				
Property and Income Taxes	122,025	0	0	122,025
Grants and Other Taxes	433,883	0	0	433,883
Special Assessments	29,704	0	0	29,704
<b>Total Deferred Inflows of Resources</b>	<b>585,612</b>	<b>0</b>	<b>0</b>	<b>585,612</b>
<b>Fund Balances:</b>				
Restricted	7,276,358	0	824,825	8,101,183
Assigned	0	529,002	213,271	742,273
<b>Total Fund Balances</b>	<b>7,276,358</b>	<b>529,002</b>	<b>1,038,096</b>	<b>8,843,456</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$7,938,481</b>	<b>\$529,002</b>	<b>\$1,095,505</b>	<b>\$9,562,988</b>

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Property and Other Taxes	\$58,541	\$0	\$0	\$58,541
Charges for Services	239,291	0	0	239,291
Investment Earnings	46,080	(3,134)	0	42,946
Intergovernmental	1,113,482	0	447,161	1,560,643
Fines, Licenses & Permits	9,740	0	107,700	117,440
Other Revenues	81,378	0	1,500	82,878
<b>Total Revenues</b>	<b>1,548,512</b>	<b>(3,134)</b>	<b>556,361</b>	<b>2,101,739</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	76,408	0	0	76,408
Public Safety	1,081	0	0	1,081
Community Development	35,023	0	0	35,023
Leisure Time Activities	11,400	0	0	11,400
Transportation and Street Repair	1,451,258	0	0	1,451,258
Public Health and Welfare	387,002	0	0	387,002
Capital Outlay	129,064	0	906,131	1,035,195
<b>Debt Service:</b>				
Principal	0	864,252	0	864,252
Interest and Other Charges	0	463,337	0	463,337
<b>Total Expenditures</b>	<b>2,091,236</b>	<b>1,327,589</b>	<b>906,131</b>	<b>4,324,956</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(542,724)</b>	<b>(1,330,723)</b>	<b>(349,770)</b>	<b>(2,223,217)</b>
<b>Other Financing Sources (Uses):</b>				
Transfers In	875,088	3,000,000	500,000	4,375,088
Transfers (Out)	0	(1,525,500)	0	(1,525,500)
<b>Total Other Financing Sources (Uses)</b>	<b>875,088</b>	<b>1,474,500</b>	<b>500,000</b>	<b>2,849,588</b>
<b>Net Change in Fund Balance</b>	<b>332,364</b>	<b>143,777</b>	<b>150,230</b>	<b>626,371</b>
<b>Fund Balance - Beginning of Year</b>	<b>6,943,994</b>	<b>385,225</b>	<b>887,866</b>	<b>8,217,085</b>
<b>Fund Balance - End of Year</b>	<b>\$7,276,358</b>	<b>\$529,002</b>	<b>\$1,038,096</b>	<b>\$8,843,456</b>

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## **NONMAJOR SPECIAL REVENUE FUNDS**

### **Fund Descriptions**

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

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

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

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

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

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

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

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

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

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

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

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

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

	Street Construction, Maintenance and Repair	State Highway Improvement	Cemetery	Municipal Real Property
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$1,552,389	\$155,629	\$337,086	\$188,608
<b>Receivables (Net):</b>				
Taxes	0	0	0	0
Accounts	219	17	0	0
Interest	0	240	0	291
Intergovernmental	474,758	38,493	0	2,343
Notes	0	0	0	0
Special Assessments	29,704	0	0	0
<b>Total Assets</b>	<b>2,057,070</b>	<b>194,379</b>	<b>337,086</b>	<b>191,242</b>
<b>Liabilities:</b>				
Accounts Payable	30,373	0	2,889	0
Accrued Wages and Benefits	25,656	0	4,105	0
<b>Total Liabilities</b>	<b>56,029</b>	<b>0</b>	<b>6,994</b>	<b>0</b>
<b>Deferred Inflows of Resources:</b>				
Property and Income Taxes	0	0	0	0
Grants and Other Taxes	400,800	32,497	0	586
Special Assessments	29,704	0	0	0
<b>Total Deferred Inflows of Resources</b>	<b>430,504</b>	<b>32,497</b>	<b>0</b>	<b>586</b>
<b>Fund Balances:</b>				
Restricted	1,570,537	161,882	330,092	190,656
<b>Total Fund Balances</b>	<b>1,570,537</b>	<b>161,882</b>	<b>330,092</b>	<b>190,656</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$2,057,070</b>	<b>\$194,379</b>	<b>\$337,086</b>	<b>\$191,242</b>



Miami Conservancy District	Community Development Block Grant	Parking Improvement	Drug Law Enforcement	Law Enforcement	Cemetery Endowment	Small Business Development R-Loan
\$19,004	\$879,822	\$206,934	\$18,930	\$23,487	\$977,561	\$422,872
131,578	0	0	0	0	0	0
0	0	0	0	524	0	0
0	1,355	319	0	0	1,506	651
0	0	0	0	0	0	0
0	1,717,793	0	0	0	0	654,185
0	0	0	0	0	0	0
<u>150,582</u>	<u>2,598,970</u>	<u>207,253</u>	<u>18,930</u>	<u>24,011</u>	<u>979,067</u>	<u>1,077,708</u>
0	13,488	0	0	0	0	0
0	0	0	0	0	0	0
0	13,488	0	0	0	0	0
122,025	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>122,025</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>28,557</u>	<u>2,585,482</u>	<u>207,253</u>	<u>18,930</u>	<u>24,011</u>	<u>979,067</u>	<u>1,077,708</u>
<u>28,557</u>	<u>2,585,482</u>	<u>207,253</u>	<u>18,930</u>	<u>24,011</u>	<u>979,067</u>	<u>1,077,708</u>
<u>\$150,582</u>	<u>\$2,598,970</u>	<u>\$207,253</u>	<u>\$18,930</u>	<u>\$24,011</u>	<u>\$979,067</u>	<u>\$1,077,708</u>

Continued

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

	Equitable Sharing	Total Nonmajor Special Revenue Funds
Assets:		
Equity in Pooled Cash and Investments	\$102,183	\$4,884,505
Receivables (Net):		
Taxes	0	131,578
Accounts	0	760
Interest	0	4,362
Intergovernmental	0	515,594
Notes	0	2,371,978
Special Assessments	0	29,704
<b>Total Assets</b>	<b>102,183</b>	<b>7,938,481</b>
Liabilities:		
Accounts Payable	0	46,750
Accrued Wages and Benefits	0	29,761
<b>Total Liabilities</b>	<b>0</b>	<b>76,511</b>
Deferred Inflows of Resources:		
Property and Income Taxes	0	122,025
Grants and Other Taxes	0	433,883
Special Assessments	0	29,704
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>585,612</b>
Fund Balances:		
Restricted	102,183	7,276,358
<b>Total Fund Balances</b>	<b>102,183</b>	<b>7,276,358</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$102,183</b>	<b>\$7,938,481</b>

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

	Street Construction, Maintenance and Repair	State Highway Improvement	Cemetery	Municipal Real Property
Revenues:				
Property and Other Taxes	\$0	\$0	\$0	\$0
Charges for Services	7,522	0	185,003	0
Investment Earnings	0	(904)	0	(1,064)
Intergovernmental	1,022,769	82,926	0	1,527
Fines, Licenses & Permits	0	0	0	0
Other Revenues	7,727	174	2,489	1,490
<b>Total Revenues</b>	<b>1,038,018</b>	<b>82,196</b>	<b>187,492</b>	<b>1,953</b>
Expenditures:				
Current:				
General Government	0	0	0	0
Public Safety	0	0	0	0
Community Development	0	0	0	0
Leisure Time Activities	0	0	0	0
Transportation and Street Repair	1,323,509	74,835	0	0
Public Health and Welfare	0	0	357,897	0
Capital Outlay	73,076	0	2,294	43,939
<b>Total Expenditures</b>	<b>1,396,585</b>	<b>74,835</b>	<b>360,191</b>	<b>43,939</b>
Excess of Revenues Over (Under) Expenditures	(358,567)	7,361	(172,699)	(41,986)
Other Financing Sources (Uses):				
Transfers In	600,000	0	200,000	0
<b>Total Other Financing Sources (Uses)</b>	<b>600,000</b>	<b>0</b>	<b>200,000</b>	<b>0</b>
Net Change in Fund Balance	241,433	7,361	27,301	(41,986)
Fund Balance - Beginning of Year	1,329,104	154,521	302,791	232,642
<b>Fund Balance - End of Year</b>	<b>\$1,570,537</b>	<b>\$161,882</b>	<b>\$330,092</b>	<b>\$190,656</b>

Miami Conservancy District	Community Development Block Grant	Parking Improvement	Drug Law Enforcement	Law Enforcement	Cemetery Endowment	Small Business Development R-Loan
\$58,541	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	43,895	2,871
0	32,832	478	0	0	859	13,879
6,260	0	0	0	0	0	0
0	0	9,200	415	125	0	0
0	113	28	2,943	524	31	0
<u>64,801</u>	<u>32,945</u>	<u>9,706</u>	<u>3,358</u>	<u>649</u>	<u>44,785</u>	<u>16,750</u>
76,408	0	0	0	0	0	0
0	0	0	181	900	0	0
0	34,951	0	0	0	0	72
0	11,400	0	0	0	0	0
0	2,088	50,826	0	0	0	0
0	0	0	0	0	29,105	0
0	0	0	9,755	0	0	0
<u>76,408</u>	<u>48,439</u>	<u>50,826</u>	<u>9,936</u>	<u>900</u>	<u>29,105</u>	<u>72</u>
<u>(11,607)</u>	<u>(15,494)</u>	<u>(41,120)</u>	<u>(6,578)</u>	<u>(251)</u>	<u>15,680</u>	<u>16,678</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>75,088</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>75,088</u>
<u>(11,607)</u>	<u>(15,494)</u>	<u>(41,120)</u>	<u>(6,578)</u>	<u>(251)</u>	<u>15,680</u>	<u>91,766</u>
<u>40,164</u>	<u>2,600,976</u>	<u>248,373</u>	<u>25,508</u>	<u>24,262</u>	<u>963,387</u>	<u>985,942</u>
<u>\$28,557</u>	<u>\$2,585,482</u>	<u>\$207,253</u>	<u>\$18,930</u>	<u>\$24,011</u>	<u>\$979,067</u>	<u>\$1,077,708</u>

Continued

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

	Equitable Sharing	Total Nonmajor Special Revenue Funds
Revenues:		
Property and Other Taxes	\$0	\$58,541
Charges for Services	0	239,291
Investment Earnings	0	46,080
Intergovernmental	0	1,113,482
Fines, Licenses & Permits	0	9,740
Other Revenues	65,859	81,378
<b>Total Revenues</b>	<b>65,859</b>	<b>1,548,512</b>
Expenditures:		
Current:		
General Government	0	76,408
Public Safety	0	1,081
Community Development	0	35,023
Leisure Time Activities	0	11,400
Transportation and Street Repair	0	1,451,258
Public Health and Welfare	0	387,002
Capital Outlay	0	129,064
<b>Total Expenditures</b>	<b>0</b>	<b>2,091,236</b>
Excess of Revenues Over (Under) Expenditures	65,859	(542,724)
Other Financing Sources (Uses):		
Transfers In	0	875,088
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>875,088</b>
Net Change in Fund Balance	65,859	332,364
Fund Balance - Beginning of Year	36,324	6,943,994
<b>Fund Balance - End of Year</b>	<b>\$102,183</b>	<b>\$7,276,358</b>

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

	Street Construction. Maintenance and Repair Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$7,520	\$7,522	\$2
Intergovernmental	1,030,075	1,030,081	6
Other Revenues	7,540	7,545	5
<b>Total Revenues</b>	<b>1,045,135</b>	<b>1,045,148</b>	<b>13</b>
Expenditures:			
Current:			
Transportation	1,553,866	1,432,048	121,818
Capital Outlay	75,076	75,076	0
<b>Total Expenditures</b>	<b>1,628,942</b>	<b>1,507,124</b>	<b>121,818</b>
Excess of Revenues Over (Under) Expenditures	(583,807)	(461,976)	121,831
Other Financing Sources (Uses):			
Transfers In	600,000	600,000	0
<b>Total Other Financing Sources (Uses)</b>	<b>600,000</b>	<b>600,000</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>16,193</b>	<b>138,024</b>	<b>121,831</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,313,375	1,313,375	0
<b>Fund Balance End of Year</b>	<b>\$1,329,568</b>	<b>\$1,451,399</b>	<b>\$121,831</b>

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

	State Highway Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$83,515	\$83,520	\$5
Other Revenues	155	157	2
Total Revenues	<u>83,670</u>	<u>83,677</u>	<u>7</u>
Expenditures:			
Current:			
Transportation	<u>108,578</u>	<u>92,350</u>	<u>16,228</u>
Total Expenditures	<u>108,578</u>	<u>92,350</u>	<u>16,228</u>
Net Change in Fund Balance	(24,908)	(8,673)	16,235
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>148,015</u>	<u>148,015</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$123,107</u></u>	<u><u>\$139,342</u></u>	<u><u>\$16,235</u></u>



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

	Cemetery Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$165,615	\$185,003	\$19,388
Other Revenues	2,485	2,489	4
Total Revenues	<u>168,100</u>	<u>187,492</u>	<u>19,392</u>
Expenditures:			
Current:			
Public Health and Welfare	408,399	372,869	35,530
Capital Outlay	10,900	10,860	40
Total Expenditures	<u>419,299</u>	<u>383,729</u>	<u>35,570</u>
Excess of Revenues Over (Under) Expenditures	<u>(251,199)</u>	<u>(196,237)</u>	<u>54,962</u>
Other Financing Sources (Uses):			
Transfers In	200,000	200,000	0
Total Other Financing Sources (Uses)	<u>200,000</u>	<u>200,000</u>	<u>0</u>
Net Change in Fund Balance	(51,199)	3,763	54,962
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>311,530</u>	<u>311,530</u>	<u>0</u>
Fund Balance End of Year	<u>\$260,331</u>	<u>\$315,293</u>	<u>\$54,962</u>

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

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	Municipal Real Property Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$1,480	\$1,490	\$10
Total Revenues	1,480	1,490	10
Expenditures:			
Current:			
Capital Outlay	72,023	52,750	19,273
Total Expenditures	72,023	52,750	19,273
Net Change in Fund Balance	(70,543)	(51,260)	19,283
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	233,766	233,766	0
Fund Balance End of Year	\$163,223	\$182,506	\$19,283

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

	Miami Conservancy District Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Property and Other Taxes	\$53,340	\$53,342	\$2
Intergovernmental	6,255	6,260	5
Total Revenues	<u>59,595</u>	<u>59,602</u>	<u>7</u>
Expenditures:			
Current:			
General Government	80,600	76,408	4,192
Total Expenditures	<u>80,600</u>	<u>76,408</u>	<u>4,192</u>
Net Change in Fund Balance	(21,005)	(16,806)	4,199
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>35,816</u>	<u>35,816</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$14,811</u></u>	<u><u>\$19,010</u></u>	<u><u>\$4,199</u></u>

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

	Community Development Block Grant Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$37,760	\$38,005	\$245
Other Revenues	175,685	176,683	998
Total Revenues	<u>213,445</u>	<u>214,688</u>	<u>1,243</u>
Expenditures:			
Current:			
Community Environment	881,604	676,062	205,542
Total Expenditures	<u>881,604</u>	<u>676,062</u>	<u>205,542</u>
Net Change in Fund Balance	(668,159)	(461,374)	206,785
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>725,916</u>	<u>725,916</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$57,757</u></u>	<u><u>\$264,542</u></u>	<u><u>\$206,785</u></u>

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

	Parking Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$1,640	\$1,650	\$10
Fines, Licenses & Permits	9,200	9,200	0
Other Revenues	28	28	0
<b>Total Revenues</b>	<b>10,868</b>	<b>10,878</b>	<b>10</b>
Expenditures:			
Current:			
Transportation	60,430	87,350	(26,920)
Capital Outlay	85,000	0	85,000
<b>Total Expenditures</b>	<b>145,430</b>	<b>87,350</b>	<b>58,080</b>
<b>Net Change in Fund Balance</b>	<b>(134,562)</b>	<b>(76,472)</b>	<b>58,090</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	248,516	248,516	0
<b>Fund Balance End of Year</b>	<b>\$113,954</b>	<b>\$172,044</b>	<b>\$58,090</b>

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

	Drug Law Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$410	\$415	\$5
Other Revenues	2,940	2,943	3
Total Revenues	<u>3,350</u>	<u>3,358</u>	<u>8</u>
Expenditures:			
Current:			
Public Safety	4,081	4,081	0
Capital Outlay	15,169	12,499	2,670
Total Expenditures	<u>19,250</u>	<u>16,580</u>	<u>2,670</u>
Net Change in Fund Balance	(15,900)	(13,222)	2,678
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>25,507</u>	<u>25,507</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$9,607</u></u>	<u><u>\$12,285</u></u>	<u><u>\$2,678</u></u>

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

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	Law Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$125	\$125	\$0
Total Revenues	125	125	0
Expenditures:			
Current:			
Public Safety	11,900	4,800	7,100
Total Expenditures	11,900	4,800	7,100
Net Change in Fund Balance	(11,775)	(4,675)	7,100
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	24,262	24,262	0
Fund Balance End of Year	<u>\$12,487</u>	<u>\$19,587</u>	<u>\$7,100</u>

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

	Cemetery Endowment Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$40,860	\$43,895	\$3,035
Investment Earnings	6,485	6,517	32
Other Revenues	30	31	1
<b>Total Revenues</b>	<b>47,375</b>	<b>50,443</b>	<b>3,068</b>
Expenditures:			
Current:			
Public Health and Welfare	29,550	29,105	445
<b>Total Expenditures</b>	<b>29,550</b>	<b>29,105</b>	<b>445</b>
<b>Net Change in Fund Balance</b>	<b>17,825</b>	<b>21,338</b>	<b>3,513</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	963,932	963,932	0
<b>Fund Balance End of Year</b>	<b>\$981,757</b>	<b>\$985,270</b>	<b>\$3,513</b>



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

	Small Business Development R-Loan Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$2,870	\$2,871	\$1
Investment Earnings	16,290	16,308	18
Other Revenues	59,080	59,267	187
Total Revenues	<u>78,240</u>	<u>78,446</u>	<u>206</u>
Expenditures:			
Current:			
Community Environment	601,500	451,755	149,745
Total Expenditures	<u>601,500</u>	<u>451,755</u>	<u>149,745</u>
Excess of Revenues Over (Under) Expenditures	<u>(523,260)</u>	<u>(373,309)</u>	<u>149,951</u>
Other Financing Sources (Uses):			
Transfers In	74,837	75,088	251
Total Other Financing Sources (Uses)	<u>74,837</u>	<u>75,088</u>	<u>251</u>
Net Change in Fund Balance	(448,423)	(298,221)	150,202
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>448,426</u>	<u>448,426</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$3</u></u>	<u><u>\$150,205</u></u>	<u><u>\$150,202</u></u>

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

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	Equitable Sharing Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$65,855	\$65,859	\$4
Total Revenues	65,855	65,859	4
Expenditures:			
Current:			
General Government	0	0	(0)
Total Expenditures	0	0	0
Net Change in Fund Balance	65,855	65,859	4
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	36,324	36,324	0
Fund Balance End of Year	\$102,179	\$102,183	\$4

## **NONMAJOR DEBT SERVICE FUNDS**

### **Fund Descriptions**

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

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

	Bond Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Special Assessments	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Debt Service:			
Principal Retirement	2,364,252	2,364,252	0
Interest and Fiscal Charges	488,839	488,837	2
Total Expenditures	2,853,091	2,853,089	2
Excess of Revenues Over (Under) Expenditures	(2,853,091)	(2,853,089)	2
Other Financing Sources (Uses):			
Transfers In	3,000,000	3,000,000	0
Total Other Financing Sources (Uses)	3,000,000	3,000,000	0
Net Change in Fund Balance	146,909	146,911	2
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	385,440	385,440	0
Fund Balance End of Year	<u>\$532,349</u>	<u>\$532,351</u>	<u>\$2</u>

## **NONMAJOR CAPITAL PROJECTS FUNDS**

### **Fund Descriptions**

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

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

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

	OPWC Project Fund	Technology Fund	Total Nonmajor Capital Projects Funds
Assets:			
Equity in Pooled Cash and Investments	\$845,488	\$200,470	\$1,045,958
Restricted Cash	23,121	0	23,121
Receivables (Net):			
Accounts	0	26,426	26,426
<b>Total Assets</b>	<b>868,609</b>	<b>226,896</b>	<b>1,095,505</b>
Liabilities:			
Accounts Payable	20,663	13,625	34,288
Retainage Payable	23,121	0	23,121
<b>Total Liabilities</b>	<b>43,784</b>	<b>13,625</b>	<b>57,409</b>
Fund Balances:			
Restricted	824,825	0	824,825
Assigned	0	213,271	213,271
<b>Total Fund Balances</b>	<b>824,825</b>	<b>213,271</b>	<b>1,038,096</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$868,609</b>	<b>\$226,896</b>	<b>\$1,095,505</b>

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

	OPWC Project Fund	Technology Fund	Total Nonmajor Capital Projects Funds
Revenues:			
Intergovernmental	\$447,161	\$0	\$447,161
Fines, Licenses & Permits	0	107,700	107,700
Other Revenues	0	1,500	1,500
Total Revenues	<u>447,161</u>	<u>109,200</u>	<u>556,361</u>
Expenditures:			
Capital Outlay	<u>611,770</u>	<u>294,361</u>	<u>906,131</u>
Total Expenditures	<u>611,770</u>	<u>294,361</u>	<u>906,131</u>
Excess of Revenues Over (Under) Expenditures	<u>(164,609)</u>	<u>(185,161)</u>	<u>(349,770)</u>
Other Financing Sources (Uses):			
Transfers In	<u>500,000</u>	<u>0</u>	<u>500,000</u>
Total Other Financing Sources (Uses)	<u>500,000</u>	<u>0</u>	<u>500,000</u>
Net Change in Fund Balance	335,391	(185,161)	150,230
Fund Balance - Beginning of Year	<u>489,434</u>	<u>398,432</u>	<u>887,866</u>
Fund Balance - End of Year	<u>\$824,825</u>	<u>\$213,271</u>	<u>\$1,038,096</u>

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

	OPWC Project Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$447,160	\$447,161	\$1
Total Revenues	447,160	447,161	1
Expenditures:			
Current:			
Capital Outlay	1,016,341	748,141	268,200
Total Expenditures	1,016,341	748,141	268,200
Excess of Revenues Over (Under) Expenditures	(569,181)	(300,980)	268,201
Other Financing Sources (Uses):			
Transfers In	500,000	500,000	0
Total Other Financing Sources (Uses)	500,000	500,000	0
Net Change in Fund Balance	(69,181)	199,020	268,201
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	521,807	521,807	0
Fund Balance End of Year	\$452,626	\$720,827	\$268,201



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

	Technology Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$107,695	\$107,700	\$5
Other Revenues	1,500	1,500	0
Total Revenues	<u>109,195</u>	<u>109,200</u>	<u>5</u>
Expenditures:			
Current:			
Capital Outlay	<u>395,364</u>	<u>382,743</u>	<u>12,621</u>
Total Expenditures	<u>395,364</u>	<u>382,743</u>	<u>12,621</u>
Net Change in Fund Balance	(286,169)	(273,543)	12,626
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>372,006</u>	<u>372,006</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$85,837</u></u>	<u><u>\$98,463</u></u>	<u><u>\$12,626</u></u>

## **OTHER GENERAL FUNDS**

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

### **Fund Descriptions**

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

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

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

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

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

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

	Income Tax Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Income Taxes	\$15,863,770	\$15,997,334	\$133,564
Investment Earnings	68,530	68,585	55
Other Revenues	1,080	1,088	8
<b>Total Revenues</b>	<b>15,933,380</b>	<b>16,067,007</b>	<b>133,627</b>
Expenditures:			
Current:			
General Government	1,187,290	1,146,976	40,314
Capital Outlay	38,998	37,338	1,660
<b>Total Expenditures</b>	<b>1,226,288</b>	<b>1,184,314</b>	<b>41,974</b>
Excess of Revenues Over (Under) Expenditures	14,707,092	14,882,693	175,601
Other Financing Sources (Uses):			
Transfers (Out)	(13,550,000)	(13,550,000)	0
<b>Total Other Financing Sources (Uses)</b>	<b>(13,550,000)</b>	<b>(13,550,000)</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>1,157,092</b>	<b>1,332,693</b>	<b>175,601</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	9,862,021	9,862,021	0
<b>Fund Balance End of Year</b>	<b>\$11,019,113</b>	<b>\$11,194,714</b>	<b>\$175,601</b>

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

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

	Investment Fund For Capital Improvement Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$428,365	\$445,703	\$17,338
Other Revenues	8,445	8,450	5
Total Revenues	436,810	454,153	17,343
Expenditures:			
Current:			
General Government	0	0	0
Total Expenditures	0	0	0
Excess of Revenues Over (Under) Expenditures	436,810	454,153	17,343
Other Financing Sources (Uses):			
Transfers (Out)	(362,500)	(335,232)	27,268
Total Other Financing Sources (Uses)	(362,500)	(335,232)	27,268
Net Change in Fund Balance	74,310	118,921	44,611
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	33,180,085	33,180,085	0
Fund Balance End of Year	\$33,254,395	\$33,299,006	\$44,611

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

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

	Safety - Income Tax Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Income Taxes	\$2,643,445	\$2,666,207	\$22,762
Total Revenues	<u>2,643,445</u>	<u>2,666,207</u>	<u>22,762</u>
Expenditures:			
Current:			
General Government	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>2,643,445</u>	<u>2,666,207</u>	<u>22,762</u>
Other Financing Sources (Uses):			
Transfers (Out)	(2,500,000)	(2,500,000)	0
Total Other Financing Sources (Uses)	<u>(2,500,000)</u>	<u>(2,500,000)</u>	<u>0</u>
Net Change in Fund Balance	143,445	166,207	22,762
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>832,108</u>	<u>832,108</u>	<u>0</u>
Fund Balance End of Year	<u>\$975,553</u>	<u>\$998,315</u>	<u>\$22,762</u>

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

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

	Recreational Programs Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$131,490	\$131,753	\$263
Investment Earnings	1,825	1,835	10
Other Revenues	45	45	0
<b>Total Revenues</b>	<b>133,360</b>	<b>133,633</b>	<b>273</b>
Expenditures:			
Current:			
Recreation	145,196	120,375	24,821
Capital Outlay	12,000	7,137	4,863
<b>Total Expenditures</b>	<b>157,196</b>	<b>127,512</b>	<b>29,684</b>
Net Change in Fund Balance	(23,836)	6,121	29,957
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	276,716	276,716	0
<b>Fund Balance End of Year</b>	<b>\$252,880</b>	<b>\$282,837</b>	<b>\$29,957</b>

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

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

	Parks and Recreation Improvement Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$730	\$735	\$5
Other Revenues	34,288	34,290	2
Total Revenues	35,018	35,025	7
Expenditures:			
Current:			
Recreation	55,070	24,177	30,893
Total Expenditures	55,070	24,177	30,893
Net Change in Fund Balance	(20,052)	10,848	30,900
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	101,131	101,131	0
Fund Balance End of Year	\$81,079	\$111,979	\$30,900

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

## **NONMAJOR FUNDS**

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

### **Fund Descriptions**

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

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

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

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



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City of Troy, Ohio  
Combining Statement of Net Position  
Nonmajor Enterprise Funds  
December 31, 2016

	Hobart Arena	Swimming Pool	Parking Meter	Miami Shores
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$1,192,837	\$115,745	\$98,276	\$176,563
<b>Receivables (Net):</b>				
Accounts	140	41	16	101
Interest	0	0	151	272
<b>Total Current Assets</b>	<b>1,192,977</b>	<b>115,786</b>	<b>98,443</b>	<b>176,936</b>
<b>Noncurrent Assets:</b>				
<b>Capital Assets:</b>				
Nondepreciable Capital Assets	747,858	10,450	189,961	46,997
Depreciable Capital Assets, Net	1,217,946	2,947,354	12,500	177,658
<b>Total Assets</b>	<b>3,158,781</b>	<b>3,073,590</b>	<b>300,904</b>	<b>401,591</b>
<b>Deferred Outflows of Resources:</b>				
Pension	162,777	46,770	7,014	106,858
<b>Total Deferred Outflows of Resources</b>	<b>162,777</b>	<b>46,770</b>	<b>7,014</b>	<b>106,858</b>
<b>Liabilities:</b>				
<b>Current Liabilities:</b>				
Accounts Payable	35,644	708	0	878
Accrued Wages and Benefits	12,353	0	0	6,802
Compensated Absences	28,805	0	0	10,477
<b>Total Current Liabilities</b>	<b>76,802</b>	<b>708</b>	<b>0</b>	<b>18,157</b>
<b>Long-Term Liabilities:</b>				
Compensated Absences	19,608	0	0	7,131
Net Pension Liability	422,183	121,305	18,192	277,151
<b>Total Liabilities</b>	<b>518,593</b>	<b>122,013</b>	<b>18,192</b>	<b>302,439</b>
<b>Deferred Inflows of Resources:</b>				
Pension	12,822	3,684	552	8,417
<b>Total Deferred Inflows of Resources</b>	<b>12,822</b>	<b>3,684</b>	<b>552</b>	<b>8,417</b>
<b>Net Position:</b>				
Net Investment in Capital Assets	1,965,804	2,957,804	202,461	224,655
Unrestricted	824,339	36,859	86,713	(27,062)
<b>Total Net Position</b>	<b>\$2,790,143</b>	<b>\$2,994,663</b>	<b>\$289,174</b>	<b>\$197,593</b>

Total Nonmajor Enterprise Funds
\$1,583,421
298
423
<u>1,584,142</u>
995,266
<u>4,355,458</u>
<u>6,934,866</u>
<u>323,419</u>
<u>323,419</u>
37,230
19,155
<u>39,282</u>
<u>95,667</u>
26,739
<u>838,831</u>
<u>961,237</u>
<u>25,475</u>
<u>25,475</u>
5,350,724
<u>920,849</u>
<u><u>\$6,271,573</u></u>

City of Troy, Ohio  
Combining Statement of Revenues, Expenses  
and Changes in Fund Net Position  
Nonmajor Enterprise Funds  
For the Fiscal Year Ended December 31, 2016

	Hobart Arena	Swimming Pool	Parking Meter	Miami Shores
Operating Revenues:				
Charges for Services	\$115,693	\$233,265	\$22,186	\$604,725
Other Revenues	452,394	13,819	6,408	23,356
Total Operating Revenues	568,087	247,084	28,594	628,081
Operating Expenses:				
Personal Services	474,603	121,631	289	321,222
Contactual Services	184,660	53,386	57	182,439
Materials and Supplies	111,068	73,555	4,291	213,603
Depreciation	132,402	112,949	5,000	51,750
Other Expense	265,507	8,876	4,491	56,524
Total Operating Expenses	1,168,240	370,397	14,128	825,538
Operating Income (Loss)	(600,153)	(123,313)	14,466	(197,457)
Non-Operating Revenues (Expenses):				
Investment Earnings	0	0	(130)	(246)
Total Non-Operating Revenues (Expenses)	0	0	(130)	(246)
Income (Loss) Before Contributions and Transfers	(600,153)	(123,313)	14,336	(197,703)
Capital Grants and Contributions	125,795	0	0	0
Transfers In	500,000	0	25,000	250,000
Change in Net Position	25,642	(123,313)	39,336	52,297
Net Position - Beginning of Year	2,764,501	3,117,976	249,838	145,296
Net Position - End of Year	\$2,790,143	\$2,994,663	\$289,174	\$197,593

<hr/> <hr/>	
Total Nonmajor Enterprise Funds	
	<hr/>
\$975,869	
495,977	<hr/>
1,471,846	<hr/>
917,745	
420,542	
402,517	
302,101	
335,398	<hr/>
2,378,303	<hr/>
(906,457)	<hr/>
(376)	<hr/>
(376)	<hr/>
(906,833)	
125,795	
775,000	<hr/>
(6,038)	
6,277,611	<hr/>
\$6,271,573	<hr/> <hr/>

City of Troy, Ohio  
Combining Statement of Cash Flows  
Nonmajor Enterprise Funds  
For the Fiscal Year Ended December 31, 2016

	Hobart Arena	Swimming Pool	Parking Meter	Miami Shores
<b>Cash Flows from Operating Activities:</b>				
Cash Received from Customers	\$567,947	\$250,784	\$28,578	\$627,980
Cash Payments to Employees	(459,915)	(114,786)	(16,869)	(327,850)
Cash Payments to Suppliers	(536,706)	(135,485)	(8,839)	(452,661)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>(428,674)</b>	<b>513</b>	<b>2,870</b>	<b>(152,531)</b>
<b>Cash Flows from Noncapital Financing Activities:</b>				
Payments from Other Funds	500,000	0	25,000	250,000
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<b>500,000</b>	<b>0</b>	<b>25,000</b>	<b>250,000</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Payments for Capital Acquisitions	(9,000)	0	0	(41,500)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(9,000)</b>	<b>0</b>	<b>0</b>	<b>(41,500)</b>
<b>Cash Flows from Investing Activities:</b>				
Earnings (Loss) on Investments	0	0	(226)	(423)
<b>Net Cash Provided (Used) by Cash Flows from Investing Activities</b>	<b>0</b>	<b>0</b>	<b>(226)</b>	<b>(423)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>62,326</b>	<b>513</b>	<b>27,644</b>	<b>55,546</b>
Cash and Cash Equivalents - Beginning of Year	1,130,511	115,232	70,632	121,017
Cash and Cash Equivalents - End of Year	1,192,837	115,745	98,276	176,563
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b>				
Operating Income (Loss)	(600,153)	(123,313)	14,466	(197,457)
<b>Adjustments:</b>				
Depreciation	132,402	112,949	5,000	51,750
<b>Changes in Assets &amp; Liabilities:</b>				
(Increase) Decrease in Receivables	(140)	3,700	(16)	(101)
(Increase) Decrease in Deferred Outflows of Resources	(110,659)	(31,883)	(1,685)	(69,369)
Increase (Decrease) in Payables	24,529	332	0	(95)
Increase (Decrease) in Accrued Liabilities	(7,668)	0	(2,760)	(5,600)
Increase (Decrease) in Deferred Inflows of Resources	7,608	2,195	19	4,667
Increase (Decrease) in Net Pension Liability	125,407	36,533	(12,154)	63,674
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>(\$428,674)</b>	<b>\$513</b>	<b>\$2,870</b>	<b>(\$152,531)</b>
<b>Schedule of Noncash Capital Activities:</b>				
During the fiscal year, these amounts were received representing noncash contributions of:				
Capital Assets	\$125,795	\$0	\$0	\$0

<hr/> <hr/>	
Total Nonmajor Enterprise Funds	
	<hr/>
\$1,475,289	
(919,420)	
(1,133,691)	<hr/>
(577,822)	<hr/>
775,000	<hr/>
775,000	<hr/>
(50,500)	<hr/>
(50,500)	<hr/>
(649)	<hr/>
(649)	
146,029	
1,437,392	<hr/>
1,583,421	<hr/> <hr/>
(906,457)	
302,101	
3,443	
(213,596)	
24,766	
(16,028)	
14,489	
213,460	<hr/>
(\$577,822)	<hr/> <hr/>
\$125,795	<hr/> <hr/>

## **NONMAJOR FUNDS**

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

### **Fund Descriptions**

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

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

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

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

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

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

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



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

	Stouder Playground			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$13,945	\$113	\$110	\$13,948
Receivables (Net):				
Interest	11	21	11	21
Total Assets	<u>13,956</u>	<u>134</u>	<u>121</u>	<u>13,969</u>
Liabilities:				
Undistributed Monies	13,956	134	121	13,969
Total Liabilities	<u>\$13,956</u>	<u>\$134</u>	<u>\$121</u>	<u>\$13,969</u>

	Paul G. Duke			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$111,690	\$150,151	\$2,049	\$259,792
Receivables (Net):				
Interest	88	400	88	400
Total Assets	<u>111,778</u>	<u>150,551</u>	<u>2,137</u>	<u>260,192</u>
Liabilities:				
Undistributed Monies	111,778	150,551	2,137	260,192
Total Liabilities	<u>\$111,778</u>	<u>\$150,551</u>	<u>\$2,137</u>	<u>\$260,192</u>

	Unclaimed Funds			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$4,453	\$433	\$431	\$4,455
Total Assets	<u>4,453</u>	<u>433</u>	<u>431</u>	<u>4,455</u>
Liabilities:				
Undistributed Monies	4,453	433	431	4,455
Total Liabilities	<u>\$4,453</u>	<u>\$433</u>	<u>\$431</u>	<u>\$4,455</u>

Continued

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

	Tri-Centennial			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$1,104	\$7	\$0	\$1,111
Total Assets	<u>1,104</u>	<u>7</u>	<u>0</u>	<u>1,111</u>
Liabilities:				
Undistributed Monies	1,104	7	0	1,111
Total Liabilities	<u>\$1,104</u>	<u>\$7</u>	<u>\$0</u>	<u>\$1,111</u>

	Imprest Cash			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$3,000	\$0	\$0	\$3,000
Total Assets	<u>3,000</u>	<u>0</u>	<u>0</u>	<u>3,000</u>
Liabilities:				
Undistributed Monies	3,000	0	0	3,000
Total Liabilities	<u>\$3,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$3,000</u>

	Enterprise Zone			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$1,765	\$6,750	\$8,000	\$515
Total Assets	<u>1,765</u>	<u>6,750</u>	<u>8,000</u>	<u>515</u>
Liabilities:				
Undistributed Monies	1,765	6,750	8,000	515
Total Liabilities	<u>\$1,765</u>	<u>\$6,750</u>	<u>\$8,000</u>	<u>\$515</u>

Continued

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

	Fire Insurance Escrow			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$8,000	\$32,639	\$11,242	\$29,397
<b>Total Assets</b>	<b>8,000</b>	<b>32,639</b>	<b>11,242</b>	<b>29,397</b>
Liabilities:				
Undistributed Monies	8,000	32,639	11,242	29,397
<b>Total Liabilities</b>	<b>\$8,000</b>	<b>\$32,639</b>	<b>\$11,242</b>	<b>\$29,397</b>

	Total All Agency Funds			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$143,957	\$190,093	\$21,832	\$312,218
Receivables (Net):				
Interest	99	421	99	421
<b>Total Assets</b>	<b>144,056</b>	<b>190,514</b>	<b>21,931</b>	<b>312,639</b>
Liabilities:				
Undistributed Monies	144,056	190,514	21,931	312,639
<b>Total Liabilities</b>	<b>\$144,056</b>	<b>\$190,514</b>	<b>\$21,931</b>	<b>\$312,639</b>

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***STATISTICAL SECTION***

## STATISTICAL SECTION

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

### **Contents**

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

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

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

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

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

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

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

	Calendar Year									
	2007	2008	2009	2010	2011	2012 (1)	2013 (1)	2014 (1)	2015 (1)	2016 (1)
<b>Governmental Activities</b>										
Net investment in Capital Assets	\$30,704,516	\$31,419,257	\$34,675,398	\$34,225,459	\$34,639,518	\$32,060,415	\$37,627,539	\$34,945,389	\$46,481,316	\$51,673,974
Restricted	8,547,364	9,103,361	9,958,828	10,582,438	8,539,110	8,487,756	9,427,534	11,411,958	8,665,294	10,601,444
Unrestricted	38,068,043	40,083,298	39,451,677	41,162,496	45,244,719	51,876,747	48,367,971	35,432,930	41,230,231	37,021,681
<b>Total Governmental Activities Net Position</b>	<b>\$77,319,923</b>	<b>\$80,605,916</b>	<b>\$84,085,903</b>	<b>\$85,970,393</b>	<b>\$88,423,347</b>	<b>\$92,424,918</b>	<b>\$95,423,044</b>	<b>\$81,790,277</b>	<b>\$96,376,841</b>	<b>\$99,297,099</b>
<b>Business-Type Activities</b>										
Net investment in Capital Assets	\$35,452,837	\$35,991,417	\$35,342,051	\$35,915,079	\$36,142,585	\$36,053,061	\$37,306,703	\$45,817,933	\$47,778,554	\$51,838,278
Unrestricted	16,982,495	15,482,264	13,775,201	13,387,117	13,596,466	14,543,866	14,520,575	12,447,693	13,132,120	11,039,552
<b>Total Business-Type Activities Net Position</b>	<b>\$52,435,332</b>	<b>\$51,473,681</b>	<b>\$49,117,252</b>	<b>\$49,302,196</b>	<b>\$49,739,051</b>	<b>\$50,596,927</b>	<b>\$51,827,278</b>	<b>\$58,265,626</b>	<b>\$60,910,674</b>	<b>\$62,877,830</b>
<b>Total Primary Government</b>										
Net investment in Capital Assets	\$66,157,353	\$67,410,674	\$70,017,449	\$70,140,538	\$70,782,103	\$68,113,476	\$74,934,242	\$80,763,322	\$94,259,870	\$103,512,252
Restricted	8,547,364	9,103,361	9,958,828	10,582,438	8,539,110	8,487,756	9,427,534	11,411,958	8,665,294	10,601,444
Unrestricted	55,050,538	55,565,562	53,226,878	54,549,613	58,841,185	66,420,613	62,888,546	47,880,623	54,362,351	48,061,233
<b>Total Primary Government Net Position</b>	<b>\$129,755,255</b>	<b>\$132,079,597</b>	<b>\$133,203,155</b>	<b>\$135,272,589</b>	<b>\$138,162,398</b>	<b>\$143,021,845</b>	<b>\$147,250,322</b>	<b>\$140,055,903</b>	<b>\$157,287,515</b>	<b>\$162,174,929</b>

(1) - Due to the implementation of GASB63 in 2012, Net Assets will now be referred to as Net Position.

Source: City Records



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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Calendar Year										
<b>Expenses</b>										
<b>Governmental Activities:</b>										
General Government	\$5,345,922	\$5,103,878	\$4,703,316	\$4,582,293	\$4,811,024	\$4,347,195	\$4,886,884	\$4,690,026	\$4,611,175	\$5,243,647
Public Safety	9,501,076	9,746,678	9,602,958	10,007,502	9,788,994	9,758,352	11,085,786	10,835,093	10,865,508	12,221,291
Community Development	959,438	695,455	778,762	1,017,450	969,092	1,071,345	1,132,281	920,312	1,011,689	1,186,949
Leisure Time Activities	1,821,894	1,821,739	1,800,337	1,765,285	1,963,883	1,759,009	1,586,678	1,657,996	1,537,027	2,013,072
Transportation and Street Repair	2,473,911	2,206,531	2,181,607	2,404,692	3,955,665	2,278,552	1,662,887	2,166,857	3,127,547	2,736,725
Basic Utility Service	1,229,838	1,195,413	1,285,995	1,329,668	1,197,495	1,264,386	1,338,126	1,462,403	1,149,146	1,161,658
Public Health and Welfare	533,385	469,365	455,342	378,736	349,444	353,417	312,993	377,222	567,888	203,392
Interest and Fiscal Charges	530,750	512,045	490,667	470,078	453,931	207,620	318,508	301,410	644,142	614,136
<b>Total Governmental Activities Expenses</b>	<b>22,396,214</b>	<b>21,751,104</b>	<b>21,298,984</b>	<b>21,955,704</b>	<b>23,489,528</b>	<b>21,039,876</b>	<b>22,324,143</b>	<b>22,411,319</b>	<b>23,514,122</b>	<b>25,380,870</b>
<b>Business-Type Activities:</b>										
Water	4,718,693	5,062,771	4,656,843	4,292,357	4,017,767	4,447,884	4,321,114	4,647,346	5,260,863	4,942,051
Sanitary Sewer	4,082,607	4,609,529	4,059,903	4,127,389	4,086,762	4,130,725	4,266,132	4,688,542	4,752,848	3,773,386
Hobart Arena	912,204	1,053,354	1,127,694	1,122,147	1,324,887	1,486,347	1,435,067	1,336,596	1,683,676	1,168,240
Swimming Pool	343,074	343,970	315,939	346,867	359,687	360,881	340,789	356,570	347,637	370,397
Parking Meter	38,354	46,869	45,003	45,670	46,292	47,419	25,920	7,485	62,077	14,128
Miami Shores	866,238	785,734	752,247	791,761	820,170	863,678	801,615	851,236	905,516	825,538
Stormwater Utility	0	209,518	736,277	894,589	925,378	801,990	750,127	1,132,783	1,048,739	1,413,861
Stadium Facilities (1)	173,264	169,517	2,914,173	0	0	0	0	0	0	0
<b>Total Business-Type Activities Expenses</b>	<b>11,134,434</b>	<b>12,281,262</b>	<b>14,608,079</b>	<b>11,620,780</b>	<b>11,580,943</b>	<b>12,138,924</b>	<b>11,940,764</b>	<b>13,020,558</b>	<b>14,061,356</b>	<b>12,507,601</b>
<b>Total Primary Government Expenses</b>	<b>\$33,530,648</b>	<b>\$34,032,366</b>	<b>\$35,907,063</b>	<b>\$33,576,484</b>	<b>\$35,070,471</b>	<b>\$33,178,800</b>	<b>\$34,264,907</b>	<b>\$35,431,877</b>	<b>\$37,575,478</b>	<b>\$37,888,471</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges for Services:										
General Government	\$141,270	\$133,700	\$245,612	\$238,871	\$209,420	\$184,969	\$277,995	\$230,229	\$280,000	214,466
Public Safety	1,123,179	1,259,802	1,335,644	1,275,937	1,476,420	1,436,008	1,435,582	1,548,977	1,680,073	1,785,765
Community Development	261,874	57,239	88,534	90,623	128,721	133,661	53,024	68,546	864	2,871
Leisure Time Activities	181,784	172,565	156,521	163,156	148,126	132,752	120,639	140,193	126,981	134,753
Transportation and Street Repair	14,605	34,793	53,888	39,698	45,147	27,430	28,727	8,245	30,151	16,722
Basic Utility Service	618,812	697,232	1,209,115	1,814,395	1,863,435	1,937,636	1,998,963	2,036,694	1,817,212	1,891,363
Public Health and Welfare	219,022	17,273	204,179	186,317	175,105	257,082	137,154	87,960	222,540	208,016
Operating Grants and Contributions	1,180,525	1,332,705	1,930,659	1,454,945	1,140,154	1,077,177	1,539,798	871,085	1,142,413	1,126,535
Capital Grants and Contributions	1,401,939	1,056,487	1,506,391	613,524	1,951,040	405,309	409,844	1,741,471	10,843,935	789,430
<b>Total Governmental Activities Program Revenues</b>	<b>5,143,010</b>	<b>4,761,796</b>	<b>6,730,543</b>	<b>5,877,466</b>	<b>7,137,568</b>	<b>5,592,024</b>	<b>6,001,726</b>	<b>6,733,400</b>	<b>16,144,169</b>	<b>6,169,921</b>

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Business-Type Activities:</b>										
<b>Charges for Services:</b>										
Water	4,244,932	4,110,581	4,105,433	4,652,239	4,567,748	5,108,969	4,999,136	5,032,906	5,474,879	5,737,577
Sanitary Sewer	3,332,482	3,355,106	3,220,430	3,390,515	3,463,415	3,639,617	4,123,845	4,231,193	4,421,229	4,260,303
Hobart Arena	104,661	23,501	114,584	137,692	130,425	124,329	146,322	142,263	197,014	115,693
Swimming Pool	223,289	231,798	209,716	242,840	253,765	222,790	202,949	201,438	208,640	233,265
Parking Meter	19,318	21,246	23,265	23,731	23,987	18,074	16,356	9,657	26,097	22,186
Miami Shores	690,093	696,368	696,102	666,908	613,956	669,172	620,147	592,073	628,574	604,725
Stormwater Utility	0	843,823	1,037,004	1,174,156	1,213,311	1,200,532	1,246,514	1,272,132	1,343,885	1,324,931
Operating Grants and Contributions	583,485	400,594	1,869,683	162,542	173,440	277,928	287,130	0	0	0
Capital Grants and Contributions	9,198,260	9,683,017	11,276,217	10,453,781	10,440,047	11,261,411	11,656,396	11,481,662	15,061,055	13,124,767
Total business-Type Activities Program Revenues	\$14,341,270	\$14,444,813	\$18,006,760	\$16,331,247	\$17,577,615	\$16,853,435	\$17,658,122	\$18,215,062	\$31,205,224	\$19,294,688
<b>Net (Expense)/Revenue</b>	(\$17,253,204)	(\$16,989,308)	(\$14,568,441)	(\$16,078,238)	(\$16,351,960)	(\$15,447,852)	(\$16,322,417)	(\$15,677,919)	(\$7,369,953)	(\$19,210,949)
<b>Governmental Activities</b>	(1,936,174)	(2,598,245)	(3,331,862)	(1,166,999)	(1,140,896)	(877,513)	(284,368)	(1,538,896)	999,699	617,166
<b>Business-Type Activities</b>	(\$19,189,378)	(\$19,587,553)	(\$17,900,303)	(\$17,245,237)	(\$17,492,856)	(\$16,325,365)	(\$16,606,785)	(\$17,216,815)	(\$6,370,254)	(\$18,593,783)

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Calendar Year										
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Income Taxes	\$12,882,229	\$13,294,831	\$10,947,510	\$10,942,392	\$14,186,343	\$15,913,230	\$15,973,203	\$19,067,978	\$18,014,295	\$19,049,745
Property Taxes Levied for:										
General Purposes	1,858,851	1,772,552	1,889,150	1,912,221	1,760,509	1,860,106	1,705,413	1,618,964	1,630,039	1,658,628
Special Revenue Purposes	822,177	870,088	1,888,060	1,899,601	47,119	30,929	6,520	32,665	44,947	57,838
Grants and Entitlements not Restricted	1,673,098	2,235,974	1,739,288	1,918,673	1,886,775	1,161,462	1,490,142	292,024	890,548	908,292
Payments in Lieu of Taxes	162,376	186,224	194,775	205,798	208,268	224,299	235,542	248,790	198,388	210,682
Unrestricted Contributions	97,535	50,847	48,268	71,000	95,051	72,989	71,262	57,170	474,088	42,050
Investment Earnings	2,826,639	2,115,536	1,035,398	1,192,176	975,686	607,412	(91,481)	1,153,754	526,342	66,295
Other Revenues	285,090	291,351	280,779	330,667	290,969	308,996	616,141	497,275	952,870	912,677
Transfers-Internal Activities	(575,000)	(542,102)	25,200	(509,800)	(645,806)	(730,000)	(600,391)	(757,733)	(775,000)	(775,000)
Total Governmental Activities	20,032,995	20,275,301	18,048,428	17,962,728	18,804,914	19,449,423	19,406,351	22,210,887	21,956,517	22,131,207
Business-Type Activities:										
Investment Earnings	848,742	596,975	319,289	207,922	149,260	114,967	7,877	166,647	49,306	24,833
Other Revenues	370,048	497,517	681,344	634,221	782,685	890,422	958,006	947,476	821,043	550,157
Transfers-Internal Activities	575,000	542,102	(25,200)	509,800	645,806	730,000	600,391	757,733	775,000	775,000
Total Business-Type Activities	1,793,790	1,636,594	975,433	1,351,943	1,577,751	1,735,389	1,566,274	1,871,856	1,645,349	1,349,990
Total Primary Government	\$21,826,785	\$21,911,895	\$19,023,861	\$19,314,671	\$20,382,665	\$21,184,812	\$20,972,625	\$24,082,743	\$23,601,866	\$23,481,197
Changes in Net Position										
Governmental Activities	\$2,779,791	\$3,285,993	\$3,479,987	\$1,884,490	\$2,452,954	\$4,001,571	\$3,083,934	\$6,532,968	\$14,586,564	\$2,920,258
Business-Type Activities	(142,384)	(961,651)	(2,356,429)	184,944	436,855	857,876	1,281,906	332,960	2,645,048	1,967,156
Total Primary Government	\$2,637,407	\$2,324,342	\$1,123,558	\$2,069,434	\$2,889,809	\$4,859,447	\$4,365,840	\$6,865,928	\$17,231,612	\$4,887,414

Source: City Records

(1) - The City sold the Stadium to Troy City School District in calendar year 2009

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

	2007	2008	2009	2010	2011 (1)	2012	2013	2014	2015	2016
General Fund										
Reserved	\$223,214	\$378,809	\$431,345	\$356,805						
Unreserved	38,220,243	40,269,770	42,053,913	43,868,112	\$1,573,675	\$1,177,323	\$991,248	\$794,501	\$832,108	\$998,315
Restricted					0	0	32,981,626	33,508,812	33,180,085	33,299,005
Committed					212,633	530,678	456,887	1,939,443	2,437,037	3,339,176
Assigned					46,268,525	50,053,558	17,838,673	16,808,887	20,395,160	17,409,290
Unassigned										
Total General Fund	38,443,457	40,648,579	42,485,258	44,224,917	48,054,833	51,761,559	52,268,434	53,051,643	56,844,390	55,045,786
All Other Governmental Funds										
Reserved	2,371,022	2,144,285	3,034,723	3,827,372						
Unreserved, Reported in:										
Special Revenue Funds	4,202,902	5,272,144	5,243,384	5,341,963						
Debt Service Funds	110,261	160,154	232,506	274,612						
Capital Project Funds	760,315	649,451	733,014	561,516						
Restricted					7,761,596	7,931,844	8,557,723	10,132,288	14,353,118	9,854,123
Assigned					283,564	404,431	461,157	460,950	783,657	742,273
Unassigned					0	(1,428,095)	(1,310,578)	(1,159,095)	(1,105,362)	(985,134)
Total all Other Governmental Funds	\$7,444,500	\$8,226,034	\$9,243,627	\$10,005,463	\$8,045,160	\$6,908,180	\$7,708,302	\$9,434,143	\$14,031,413	\$9,611,262

Source: City Records

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

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

	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Revenues</b>										
Taxes	\$15,556,609	\$15,951,626	\$14,703,665	\$14,748,543	\$15,993,488	\$17,807,971	\$17,685,933	\$18,003,217	\$19,424,788	\$20,377,376
Charges for Services	2,251,504	2,202,251	2,926,793	3,509,000	3,745,558	3,769,716	3,991,137	3,777,696	4,079,231	3,919,415
Investment Earnings	2,826,639	2,115,536	1,035,398	1,192,176	975,686	607,413	(84,471)	1,153,755	526,342	66,295
Intergovernmental	3,125,811	4,150,674	4,435,499	3,853,125	4,242,916	2,511,480	2,939,465	2,399,866	3,032,459	3,148,693
Special Assessments	239,099	227,058	298,786	123,178	80,669	41,495	51,702	91,946	55,570	91,105
Fines, Licenses and Permits	110,183	123,486	117,596	93,858	93,590	89,644	74,149	415,384	362,907	191,613
Revenue in Lieu of Taxes	162,376	186,224	194,775	205,798	208,268	224,299	235,542	248,790	198,388	210,682
Other Revenues	525,371	491,651	493,893	532,065	575,152	521,905	699,986	538,199	1,032,024	1,120,640
<b>Total Revenues</b>	<b>24,797,592</b>	<b>25,448,506</b>	<b>24,206,405</b>	<b>24,257,743</b>	<b>25,915,327</b>	<b>25,573,923</b>	<b>25,593,443</b>	<b>26,628,853</b>	<b>28,711,709</b>	<b>29,125,819</b>
<b>Expenditures</b>										
<b>Current:</b>										
General Government	4,772,246	4,676,746	4,159,322	4,044,847	4,394,047	3,920,295	4,358,675	4,313,792	4,156,432	4,607,792
Public Safety	9,234,356	9,245,869	9,140,317	9,478,312	9,553,157	9,372,255	10,530,314	10,217,092	10,219,901	10,406,317
Community Development	918,513	660,303	721,362	984,252	943,809	1,022,148	1,083,725	914,865	947,345	1,088,196
Leisure Time Activities	1,546,806	1,516,300	1,508,342	1,470,324	1,682,768	1,568,078	1,307,669	1,409,945	1,401,449	1,423,497
Transportation and Street Repair	2,263,423	1,994,218	1,834,053	2,077,805	2,893,547	1,545,172	1,513,367	1,474,539	1,483,514	1,451,258
Basic Utility Service	1,224,791	1,146,691	1,225,369	1,099,540	1,062,114	1,109,850	1,158,762	1,408,069	1,100,215	1,085,412
Public Health and Welfare	494,383	433,203	432,254	428,737	361,014	360,495	332,317	377,198	368,056	387,002
Capital Outlay	2,196,944	1,424,698	887,499	743,293	1,662,805	975,032	2,331,832	2,426,089	7,996,747	12,721,449
Debt Service:										
Principal Retirement	534,000	554,000	510,000	485,000	495,000	604,826	587,388	609,875	619,278	864,252
Interest and Fiscal Charges	532,646	514,124	492,630	471,922	459,813	254,132	265,211	248,373	312,359	570,062
Bond Issuance Costs	0	0	0	0	38,355	54,565	0	0	250,357	0
<b>Total Expenditures</b>	<b>\$23,718,108</b>	<b>\$22,166,152</b>	<b>\$20,911,148</b>	<b>\$21,284,032</b>	<b>\$23,546,429</b>	<b>\$20,786,848</b>	<b>\$23,469,260</b>	<b>\$23,399,837</b>	<b>\$28,855,653</b>	<b>\$34,605,237</b>

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

	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Excess of revenues over (under) expenditures	\$1,079,484	\$3,282,354	\$3,295,257	\$2,973,711	\$2,368,898	\$4,787,075	\$2,124,183	\$3,229,016	(\$143,944)	(\$5,479,418)
Other Financing Sources (Uses)										
Issuance of Long-Term Capital-Related Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,000,000	\$0
Premium of Issuance	0	0	0	0	0	0	0	0	251,938	0
Sale of Refunding Bonds	0	0	0	0	\$2,005,000	\$5,031,625	0	0	0	0
Payments to Refunded Bond Escrow Agent	0	0	0	0	(1,955,639)	(4,994,725)	0	0	0	0
Premium on Sale of Refunded Bonds	0	0	0	0	13,541	71,287	0	0	0	0
(Discourt) on Sale of Refunded Bonds	0	0	0	0	(20,050)	(50,319)	0	0	0	0
Proceeds from Sale of Capital Assets	0	204,302	18,615	57,784	12,863	64,803	179,210	37,767	57,023	35,663
Transfers In	4,511,874	2,465,589	3,804,704	4,587,000	3,068,270	2,626,819	3,688,623	4,392,814	2,421,729	9,586,588
Transfers (Out)	(5,086,874)	(2,965,589)	(4,264,304)	(5,117,000)	(3,623,270)	(3,356,819)	(4,685,019)	(5,150,547)	(3,196,729)	(10,361,588)
Total Other Financing Sources (Uses)	(575,000)	(295,698)	(440,985)	(472,216)	(499,285)	(607,329)	(817,186)	(719,966)	8,533,961	(739,337)
Net Change in Fund Balances	\$504,484	\$2,986,656	\$2,854,272	\$2,501,495	\$1,869,613	\$4,179,746	\$1,306,997	\$2,509,050	\$8,390,017	(\$6,218,755)
Debt service as a percentage of noncapital expenditures (1)	5.3%	5.2%	5.3%	4.7%	4.3%	4.3%	4.2%	4.0%	6.9%	6.6%

Source: City Records

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

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

Calendar Year	Real Property Assessed Value	Tangible Personal Property (1)		Public Utilities Personal		Total Assessed Value	Total Estimated Actual Value	Total Direct Rate (2)		Total Direct Rate (3)		Total Direct Rate (4)		Total Direct Rate (5)
		Assessed Value	Value	Assessed Value	Value			Direct Rate	Rate	Direct Rate	Rate	Direct Rate	Rate	
2007	\$432,828,960	\$82,696,590	\$11,374,070	\$526,899,620	\$1,505,427,486	3:10	1:10	3:10	1:10	3:10	1:10	3:10	1:10	0.00
2008	476,759,560	48,088,660	9,799,060	534,647,280	1,527,563,657	3:10	1:10	3:10	1:10	3:10	1:10	3:10	1:10	0.00
2009	485,838,200	24,111,720	10,003,980	519,953,900	1,485,582,571	3:10	1:10	3:10	1:10	3:10	1:10	3:10	1:10	0.00
2010	496,671,020	790,250	9,929,350	507,390,620	1,449,687,486	3:10	1:10	3:10	1:10	3:10	1:10	3:10	1:10	0.00
2011	489,082,260	382,320	10,409,340	499,873,920	1,428,211,200	3:10	1:10	3:10	1:10	3:10	1:10	3:10	1:10	0.00
2012	491,652,910	0	10,786,650	502,439,560	1,435,541,600	3:10	1:10	3:10	1:10	3:10	1:10	3:10	1:10	0.00
2013	497,566,570	0	13,116,620	510,683,190	1,459,094,829	3:10	1:10	3:10	1:10	3:10	1:10	3:10	1:10	0.00
2014	471,863,070	0	12,778,280	484,641,350	1,384,689,571	3:10	1:10	3:10	1:10	3:10	1:10	3:10	1:10	0.00
2015	479,708,290	0	13,442,150	493,150,440	1,409,001,257	3:10	1:10	3:10	1:10	3:10	1:10	3:10	1:10	0.00
2016	484,535,010	0	14,172,530	498,707,540	1,424,878,686	3:10	1:10	3:10	1:10	3:10	1:10	3:10	1:10	1.55

Source: County Auditor

(1) - House Bill 66 eliminated all current Tangible Personal Property filings except for the telecommunication companies.

(2) - For Tax District D08

(3) - For Tax District D45

(4) - For Tax District R50

(5) - For Tax District S51

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

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

Calendar Year	Total Direct Rate (1)	Overlapping Rates				
		Miami Conservancy City (3)	Troy City School District	Upper Valley Joint Vocational	Miami County	Troy-Miami County Library (4)
2007	3.10	0.14	56.59	5.45	8.81	N/A
2008	3.10	0.14	52.09	5.35	8.80	N/A
2009	3.10	0.14	52.09	5.18	8.81	N/A
2010	3.10	0.14	52.28	5.36	8.81	0.60
2011	3.10	0.09	52.40	5.32	8.81	0.60
2012	3.10	0.07	52.61	5.32	8.81	0.60
2013	3.10	0.00	52.66	5.30	8.75	0.60
2014	3.10	0.07	52.69	5.32	8.81	0.60
2015	3.10	0.09	52.69	5.30	8.81	0.60
2016	3.10	0.12	52.67	5.30	8.81	0.60

Calendar Year	Total Direct Rate (2)	Overlapping Rates			
		Miami Conservancy City (3)	Miami East School District	Miami Valley Career Technology Center	Troy-Miami County Library (4)
2007	1.10	0.14	46.80	2.58	8.81
2008	1.10	0.14	46.50	2.58	8.80
2009	1.10	0.14	49.46	2.58	8.81
2010	1.10	0.14	49.46	2.58	8.81
2011	1.10	0.09	46.71	2.58	8.81
2012	1.10	0.07	46.70	2.58	8.81
2013	1.10	0.07	46.59	2.58	8.75
2014	1.10	0.07	46.30	2.58	8.81
2015	1.10	0.09	46.18	2.58	8.81
2016	1.10	0.12	43.99	2.58	8.81

Source: County Auditor

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

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



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

Taxpayer	2016	
	Assessed Value	Percentage of Total Assessed Value
Dayton Power and Light Company	\$9,817,080	1.97%
American Honda Motor	6,970,250	1.40%
Vectren Energy Delivery of Ohio Inc.	6,053,390	1.21%
F&P America Manufacturing, Inc.	5,252,040	1.05%
Hobart Corporation	3,145,370	0.63%
Health Care Reit Inc.	3,125,050	0.63%
Dayton Montgomery County Port Authority	3,025,860	0.61%
TPAP IV Town Park Delaware LLC	2,948,750	0.59%
Troy Investment Group LLC	2,894,300	0.58%
Ramco Properties Associates LP	2,630,360	0.53%
<b>Total Principal Property Tax Payers</b>	<b>\$45,862,450</b>	<b>9.20%</b>

Taxpayer	2007	
	Assessed Value	Percentage of Total Assessed Value
Dayton Power and Light Company	\$7,344,570	1.39%
American Honda Motor	6,408,920	1.22%
Towne Park Apartments, LLC	5,175,530	0.98%
Hobart Corporation	4,103,930	0.78%
DW28 Mornoe, LLC	3,655,150	0.69%
Meijer Stores Limited	2,707,220	0.51%
Ramco Properities	2,511,080	0.48%
Vectren Energy Delivery	2,497,620	0.47%
Health Care REIT, Inc.	2,471,960	0.47%
Lowes Home Centers, Inc.	2,392,330	0.45%
<b>Total Principal Property Tax Payers</b>	<b>\$39,268,310</b>	<b>7.44%</b>

Source: County Auditor

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

Calendar Year	Taxes Levied for the Calendar Year (2)	Collected, including Delinquencies, within the Calendar Year of the Levy		Accumulated Delinquency (1)	Total Collections to Date	
		Amount (3)	Percentage of Levy		Amount	Percentage of Levy
2007	\$1,558,388	\$1,499,522	96.22%	\$58,866	\$1,558,388	100.00%
2008	1,716,982	1,640,749	95.56%	76,233	1,716,982	100.00%
2009	1,757,384	1,690,146	96.17%	67,238	1,757,384	100.00%
2010	1,792,808	1,732,453	96.63%	41,410	1,773,863	98.94%
2011 (4)	1,731,500	1,680,088	97.03%	51,412	1,731,500	100.00%
2012 (5)	1,728,675	1,684,400	97.44%	44,275	1,728,675	100.00%
2013 (5)	1,714,325	1,677,487	97.85%	36,838	1,714,325	100.00%
2014 (5)	1,679,317	1,646,258	98.03%	33,059	1,679,317	100.00%
2015 (5)	1,738,440	1,714,882	98.64%	23,558	1,738,440	100.00%
2016 (5)	1,760,169	1,690,096	96.02%	70,073	1,760,169	100.00%

Source: County Auditor

- (1) - Delinquent Collections by levy year are not available. Only Delinquent Collections by collection year are available and presented.
- (2) - Taxes levied and collected are presented on a cash basis.
- (3) - State reimbursements of rollback and homestead exemptions are included.
- (4) - Includes City of Troy TIF Parcels.
- (5) - No tangible personal property included.

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

Calendar Year	Withholding Accounts	Business Accounts	Residential Accounts	Total	Income Tax Rate
2007	\$10,516,937	\$2,183,885	\$764,159	\$13,464,981	1.75%
2008	11,075,668	1,963,644	1,071,371	14,110,683	1.75%
2009	10,245,095	1,251,838	1,258,095	12,755,028	1.75%
2010	10,334,799	1,257,584	1,171,897	12,764,280	1.75%
2011	10,941,314	1,943,457	1,301,572	14,186,343	1.75%
2012	11,947,402	2,598,675	1,361,993	15,908,070	1.75%
2013	12,055,419	2,728,488	1,413,919	16,197,826	1.75%
2014	12,427,660	2,510,592	1,311,989	16,250,241	1.75%
2015	12,936,325	3,226,982	1,473,099	17,636,406	1.75%
2016	14,248,752	2,945,020	1,469,880	18,663,652	1.75%

Source: City Records

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

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

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

City of Troy, Ohio  
Ratios of Outstanding Debt by Type  
Last Ten Calendar Years  
Schedule 1.1

Calendar Year	Governmental Activities			Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Special Assessment Bonds	General Obligation Bonds	Notes Payable	OWDA Loan					
2007 (1)	\$9,330,000	\$134,000	\$15,845,000	\$50,864	\$0		\$25,359,864	0.76%	\$764	
2008 (1)	8,865,000	70,000	14,425,000	36,396	0		23,396,396	0.66%	668	
2009 (1)	8,435,000	20,000	12,920,000	21,264	712,670		22,108,934	0.64%	656	
2010 (1)	7,990,000	10,000	11,345,000	5,438	685,987		20,036,425	0.56%	572	
2011 (1)	7,577,852	0	9,728,362	0	419,940		17,726,154	0.47%	479	
2012	6,988,195	0	8,268,045	0	408,452		15,664,692	0.39%	400	
2013	7,021,913	0	7,008,695	0	388,719		14,419,327	0.35%	357	
2014	6,410,882	0	12,044,721	0	382,825		18,838,428	0.45%	467	
2015	15,042,386	0	10,325,194	0	361,778		25,729,358	N/A	N/A	
2016	14,167,980	0	8,360,642	0	340,041		22,868,663	N/A	N/A	

Source: City Records

(1) - Governmental Activities General Obligations Bonds were restated to exclude the manuscript bonds. See note 17 in the notes to the basic financial statements for further information.

N/A - Information not available

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

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

Calendar Year	General Bonded Debt Outstanding Total General Obligation Bonds	Debt Service Fund Balance (1)	General Bonded Debt Outstanding Net General Obligation Bonds	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2007	\$25,175,000	\$0	\$25,175,000	1.67%	\$1,144
2008	23,290,000	0	23,290,000	1.52%	1,059
2009	21,355,000	0	21,355,000	1.44%	971
2010	19,335,000	0	19,335,000	1.33%	772
2011	17,306,214	0	17,306,214	1.21%	691
2012	15,256,240	0	15,256,240	1.06%	609
2013	14,030,608	0	14,030,608	0.96%	560
2014	18,455,603	0	18,455,603	1.33%	737
2015	25,367,580	0	25,367,580	1.80%	1,012
2016	22,528,622	0	22,528,622	1.58%	899

(1) - The effect of the restatement of the manuscript bonds would have made the total debt service balance negative since it would be classified as an interfund payable.

Source: City Records

City of Troy, Ohio  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2016  
 Schedule 13

Governmental Unit	Net Debt Outstanding	Estimated Percentage Applicable (1)	Amount Applicable to City of Troy
Miami County	\$19,485,000	23.40%	\$4,559,490
Troy City School District	14,170,000	73.99%	10,484,383
Miami East Local School District	14,168,648	9.89%	1,401,279
Miami Valley Career Center Joint Vocational School District	5,537,994	0.33%	18,275
Upper Valley Career Center Joint Vocational School District	<u>1,745,000</u>	20.71%	<u>361,390</u>
Subtotal Overlapping Debt	<u>55,106,642</u>		<u>16,824,817</u>
City of Troy - Direct Debt	<u>14,167,980</u>	100.00%	<u>14,167,980</u>
Total Direct and Overlapping Debt	<u><u>\$69,274,622</u></u>		<u><u>\$30,992,797</u></u>

Source: Ohio Municipal Advisory Council

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

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

Legal Debt Margin Calculation for the Calendar Year	
Assessed Value	\$498,707,540
Statutory Legal Debt Limitation (1)	10.5%
Total Debt Limitation	52,364,292
Debt Applicable to Limit:	
Gross Indebtedness	22,868,663
Less: Debt Outside Limitations (2)	8,700,683
Less: Bond Retirement Fund Balance	0
Total Net Debt Applicable to Limit	14,167,980
Legal Debt Margin	\$38,196,312

	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total Debt Limit (1)										
Debt Limit (10.5%)	\$55,324,460	\$56,137,964	\$54,595,160	\$53,276,015	\$52,486,762	\$52,756,154	\$53,621,735	\$50,887,342	\$51,780,796	\$52,364,292
Total Net Debt Applicable to Limit	10,900,046	10,551,194	10,797,038	10,315,987	9,187,852	6,988,195	7,021,913	6,410,882	15,042,386	14,167,980
Legal Debt Margin	\$44,424,414	\$45,586,770	\$43,798,122	\$42,960,028	\$43,298,910	\$45,767,959	\$46,599,822	\$44,476,460	\$36,738,410	\$38,196,312
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	19.7%	18.8%	19.8%	19.4%	17.5%	13.2%	13.1%	12.6%	29.1%	27.1%

	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total Unvoted Debt Limit (1)										
Debt Limit (5.5%)	\$28,979,479	\$29,405,600	\$28,597,465	\$27,906,484	\$27,493,066	\$27,634,176	\$28,087,575	\$26,655,274	\$27,123,274	\$27,428,915
Total Net Debt Applicable to Limit	10,900,046	10,551,194	10,797,038	10,315,987	9,187,852	6,988,195	7,021,913	6,410,882	15,042,386	14,167,980
Legal Debt Margin	\$18,079,433	\$18,854,406	\$17,800,427	\$17,590,497	\$18,305,214	\$20,645,981	\$21,065,662	\$20,244,392	\$12,080,888	\$13,260,935
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	37.6%	35.9%	37.8%	37.0%	33.4%	25.3%	25.0%	24.1%	55.5%	51.7%

Source: City Records

(1) - Direct debt limitation based upon Section 133, the Uniform Bond Act of the Ohio Revised Code. Total debt limit should not exceed 10.5% of net assessed property value.

Total unvoted debt limit should not exceed 5.5% of net assessed property value.

(2) - General obligation bonds and notes in the enterprise funds, special assessment debt with government commitment and bond anticipation notes have been included.



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

Calendar Year	Special Assessment Bonds			
	Special Assessment Collections (1)	Debt Service		Coverage
		Principal	Interest	
2007	\$241,912	\$134,000	\$14,748	1.63
2008	242,672	70,000	5,915	3.20
2009	274,568	20,000	1,495	12.77
2010	130,503	10,000	995	11.87
2011	89,812	0	0	0.00
2012	48,150	0	0	0.00
2013	56,277	0	0	0.00
2014	47,724	0	0	0.00
2015	74,260	0	0	0.00
2016	73,945	0	0	0.00

Source: County Auditor

(1) - Total special assessment collections including delinquencies

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

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

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2007	21,999	\$3,347,023	\$33,189	5.40%
2008	21,999	3,539,795	35,003	7.00%
2009	21,999	3,455,094	33,700	12.20%
2010	25,058	3,592,525	35,052	9.60%
2011	25,058	3,807,886	37,021	7.50%
2012	25,058	4,037,971	39,181	6.10%
2013	25,058	4,178,641	40,397	7.00%
2014	25,058	4,187,325	40,301	4.30%
2015	25,058	N/A	N/A	4.40%
2016	25,058	N/A	N/A	4.30%

- 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 Economic Accounts
  - (4) - Ohio Department of Job and Family Services for Miami County

N/A - Information not available

City of Troy, Ohio  
Major Employers (1)  
Current Year and Seven Years Ago (2)  
Schedule 17

2016			
Major Employers (3)	Type	Number of Employees	Employer's Percentage of Total Employment
Upper Valley Medical Center	Health	(4)	(5)
Clopay Building Products	Mfg	(4)	(5)
F & P American Mfg.	Mfg	(4)	(5)
UTC Aerospace Systems	Mfg	(4)	(5)
ConAgra Foods	Mfg	(4)	(5)
ITW Food Equipment Group	Mfg	(4)	(5)
Hobart Brothers	Mfg	(4)	(5)
Industry Products	Mfg	(4)	(5)
American Honda	Logistics	(4)	(5)
Meijer Distribution Center	Logistics	(4)	(5)

2009			
Major Employers (3)	Type	Number of Employees	Employer's Percentage of Total Population
A.O. Smith Corp.	Mfg	(4)	(5)
Crane Co.	Mfg	(4)	(5)
Evenflo Company, Inc.	Mfg	(4)	(5)
Faurecia SA	Mfg	(4)	(5)
F-Tech, Inc./F&P America	Mfg	(4)	(5)
Goodrich Corp.	Mfg	(4)	(5)
Illinois Tool Works, Inc./Hobart	Mfg	(4)	(5)
Jackson Tube Service	Mfg	(4)	(5)
Meijer, Inc.	Ret	(4)	(5)
Troy City Board of Education	Govt	(4)	(5)
Upper Valley Medical Center	Health	(4)	(5)

Source: Ohio Department of Development

(1) - For all of Miami County

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

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

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

(5) - The employer's percentage of total employment for each major employer was not available.

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

Function/Program	Full-Time Equivalent Employees as of December 31									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Information Systems	0	3	2	2	2	2	3	3	3	3
General Government	1	0	0	0	0	0	0	0	0	0
Council	1	1	1	1	1	1	1	1	1	1
Mayor	1	1	1	1	1	1	1	1	1	1
Audit	4	4	4	4	4	4	4	3	4	4
Law	2	2	2	2	2	2	2	2	2	2
Service	4	4	4	4	4	4	4	4	4	4
Human Resources	2	2	2	2	2	2	2	2	2	2
Fire	39	41	41	40	38	35	39	39	39	39
Police	45	46	46	44	40	39	39	41	40	43
Parks	9	9	8	8	7	7	6	7	7	7
Recreation	4	4	4	3	3	3	3	3	3	4
Electric	3	3	3	3	3	3	3	3	3	3
Development	6	5	2	2	2	2	2	2	2	5
Street	17	16	16	15	14	13	12	13	13	13
Tax	4	5	5	4	4	5	5	6	6	6
Cemetery	4	4	4	3	2	2	2	2	2	2
Refuse	6	4	3	4	2	2	2	2	2	2
Hobart Arena	5	5	5	5	5	5	5	5	6	6
Water Administration	5	2	2	2	2	2	0	0	0	0
Water Plant	9	9	9	9	9	8	9	8	9	9
Water Distribution	8	7	5	5	5	5	5	4	5	4
Sewer B&C	4	3	2	2	2	2	3	2	2	2
Sewer Plant	11	11	11	10	10	9	9	8	8	7
Sewer Maintenance	2	4	5	5	5	5	5	5	5	5
Parking	1	1	1	1	1	1	0	1	1	1
Miami Shores	5	5	5	5	5	5	5	5	4	4
Engineering	6	6	8	8	8	7	10	9	10	7
<b>Total</b>	<b>208</b>	<b>207</b>	<b>201</b>	<b>194</b>	<b>183</b>	<b>176</b>	<b>181</b>	<b>181</b>	<b>184</b>	<b>186</b>

Source: Various City Departments

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

Function/Program	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General government										
Commercial Construction										
Building permits issued	97	150	133	138	108	173	131	142	178	180
Value	\$42,270,987	\$25,002,977	\$28,976,372	\$8,792,068	\$18,425,170	\$20,858,627	\$16,785,655	\$12,395,774	\$13,551,130	\$20,775,296
Residential Construction (5)										
Building permits issued	136	77	74	49	47	48	49	67	54	54
Value	\$28,394,390	\$16,160,962	\$15,184,126	\$8,315,391	\$10,762,366	\$12,745,948	\$13,341,957	\$16,077,815	\$14,675,067	\$15,217,543
Police department										
Physical arrests	3,073	2,959	2,688	2,724	2,577	2,169	2,195	2,119	1,916	1,854
Parking violations (3)	2,867	2,592	3,074	3,093	2,490	2,152	1,501	521	1,865	669
Traffic violations	0	0	0	0	0	0	2,530	2,478	2,178	2,664
Fire department										
Fire responses	1,181	1,371	1,480	1,266	1,439	1,560	1,575	1,636	1,574	1,589
EMS responses	3,536	3,625	3,646	3,725	3,966	4,019	4,064	4,387	4,816	4,945
Fires extinguished	104	106	88	132	111	108	107	49	52	85
Inspections	718	682	418	700	700	851	861	688	979	993
Refuse collection department										
Refuse collected (tons)	6,584	6,484	5,611	5,191	5,265	5,184	6,213	6,177	6,335	6,099
Recyclables collected (tons)	1,840	1,864	1,473	1,640	1,659	1,704	1,706	1,647	1,765	1,924
Other public works departments										
Street resurfacing (cubic yards) (1)	2,483	2,486	344	4,182	0	2,353	3,446	3,406	4,925	6,143
Parks and recreation department										
Community Center Admissions (2)	\$88,035	\$87,087	\$89,711	\$75,510	\$99,581	\$88,341	\$73,317	\$72,968	\$82,146	\$89,148
Community Center Attendance	43,476	40,493	41,983	35,269	40,325	33,812	31,160	29,009	28,420	33,276
Water department										
New connections (each)	132	63	129	62	15	36	48	43	65	112
Water main breaks (each)	26	33	29	45	38	10	20	26	31	24
Average daily consumption (millions of gallon per day)	4.10	4.16	3.97	3.85	3.94	4.22	4.00	3.68	3.56	3.54
Peak daily consumption (millions of gallon per day)	5.4	5.8	5.6	5.7	5.8	8.1	5.6	5.3	4.8	5.1
Wastewater department										
Average daily sewage treatment (millions of gallon per day)	5.73	5.79	5.51	4.85	4.43	4.55	5.08	5.60	5.03	4.64

Source: Various City Departments

- (1) - The City did not have the street paving (resurfacing) program in 2010
- (2) - Cash basis
- (3) - The City did not have a parking control officer from June, 2013 through December, 2013
- (4) - The City did not have the information available until 2015
- (5) - Represents residential dwellings only

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

Function/Program	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	8	9	10	11	11	11	11	11	11	11
Fire Stations	3	3	3	3	3	3	3	3	3	3
Other Public Works										
Area of City (square miles)	12,345	12,345	12,345	12,345	12,345	12,345	12,345	12,345	11,800	12,040
Streets (miles)	111.84	111.96	112.59	112.75	112.75	113.04	113.04	128.00	132.07	132.74
Streetlights	2,601	2,615	2,622	2,624	2,624	2,568	2,568	2,598	25,987	2,661
Traffic signals	43	43	43	43	43	43	44	44	44	47
Parks and Recreation										
Number of Parks	26	25	25	25	25	25	25	25	25	25
Acreage	303.90	303.40	303.40	303.00	303.00	303.00	303.00	321.00	321.00	321.00
Playgrounds	18	17	17	17	17	17	17	17	17	17
Baseball/Softball Diamonds	15	15	15	15	15	15	15	15	15	15
Soccer/Football Fields	14	14	14	15	15	15	15	15	15	15
Community Centers										
Kings Chapel Community Center	1	1	1	1	1	1	1	1	1	1
Troy Aquatic Park	1	1	1	1	1	1	1	1	1	1
Senior Citizen Center	0	0	0	0	0	0	0	1	1	1
Municipal Water Department										
Treatment Capacity (millions of gallons per day)	16	16	16	16	16	16	16	16	16	16
Water Mains (miles)	136.44	136.92	137.78	138.39	139.65	139.94	139.96	155.83	157.16	159.26
Fire hydrants	1,244	1,254	1,268	1,278	1,284	1,292	1,288	1,373	1,356	1,325
Sewers										
Treatment Capacity (millions of gallons per day)	7	7	7	7	7	7	7	7	7	7
Storm Sewers (miles)	78.67	79.42	80.29	80.52	81.00	81.29	81.18	124.51	127.55	128.86
Sanitary Sewers (miles)	126.22	126.54	127.25	127.88	127.95	128.24	128.24	126.85	127.29	128.36
Hobart Arena										
Attendance	13,664	30,153	24,347	27,251	24,963	28,442	26,181	21,159	23,325	15,191
Ticket Sold (1)	7,901	13,547	16,194	20,110	20,844	24,068	22,032	20,168	22,690	14,533

Source: Various City Departments

(1) - Tickets sold by Hobart Arena only

(2) - Information was not available from the City

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# Dave Yost • Auditor of State

CITY OF TROY

MIAMI COUNTY

## CLERK'S CERTIFICATION

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

*Susan Babbitt*

CLERK OF THE BUREAU

CERTIFIED  
SEPTEMBER 12, 2017