

**CITY OF TROY  
MIAMI COUNTY**



**SINGLE AUDIT**

**FOR THE YEAR ENDED DECEMBER 31, 2023**



OHIO AUDITOR OF STATE  
KEITH FABER



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Columbus, Ohio 43215  
ContactUs@ohioauditor.gov  
800-282-0370

City Council  
City of Troy  
100 South Market Street  
Troy, Ohio 45373

We have reviewed the *Independent Auditor's Report* of the City of Troy, Miami County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2023 through December 31, 2023. 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 "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

August 23, 2024

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**CITY OF TROY  
MIAMI COUNTY  
FOR THE YEAR ENDED DECEMBER 31, 2023**

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CITY OF TROY, OHIO  
Schedule of Expenditures of Federal Awards  
For the year ended December 31, 2023

Federal Grantor/Pass Through Grantor/Program Title	Grant or Pass-Through Number	Federal AL Number	Total Federal Expenditures
<u>U.S. Department of Housing and Urban Development</u>			
Passed through the Ohio Development Services Agency:			
Community Development Block Grants/State	A-D-21-2EB-4	14.228	\$81,710
Community Development Block Grants/State	A-F-22-2EB-1	14.228	77,132
Community Development Block Grants/State	A-F-20-2EB-1	14.228	65,466
Community Development Block Grants/State	A-X-20-2EB-1	14.228	500,000
Total U.S. Department of Housing and Urban Development			724,308
<u>U.S. Department of Transportation</u>			
Passed through the State of Ohio Department of Transportation:			
Highway Planning and Construction - MIA-41-9.49	PID 108662	20.205	1,546,117
Highway Planning and Construction - MIA-SR41-12.25	PID 113446	20.205	9,167
Total Highway Planning and Construction			1,555,284
Total U.S. Department of Transportation			1,555,284
<u>U.S. Department of Justice</u>			
Direct:			
Equitable Sharing Program	N/A	16.922	36,861
Total U.S. Department of Justice			36,861
<u>U.S. Department of the Treasury</u>			
Pass through the Ohio Office of Budget and Management:			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	5CV4	21.027	313,856
Total U.S. Department of the Treasury			313,856
TOTAL - ALL FEDERAL PROGRAMS			\$2,630,309

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE A -- SIGNIFICANT ACCOUNTING POLICIES

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

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

Honorable Mayor and City Council  
City of Troy, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Troy, Ohio (the City), as of and for the year ended December 31, 2023, 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 28, 2024.

**Report on Internal Control over Financial Reporting**

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

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

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

**Report on Compliance and Other Matters**

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



## Purpose of This Report

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

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.

Dayton, Ohio

June 28, 2024

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

Honorable Mayor and City Council,  
City of Troy, Ohio

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

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

We have audited the City of Troy, Ohio's (the City) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2023. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

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

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

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

***Responsibilities of Management for Compliance***

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

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

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

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

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

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

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

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

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 28, 2024, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Plattensburg & Associates, Inc.*

Plattensburg & Associates, Inc.  
Dayton, Ohio  
June 28, 2024

**CITY OF TROY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ended December 31, 2023**

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

**Financial Statements**

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

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? No

**Federal Awards**

Internal control over major federal programs:

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

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

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

Identification of major federal programs:

COVID-19 Coronavirus State and Local Fiscal Recovery Funds AL # 21.027  
Highway Planning and Construction AL # 20.205

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

Auditee qualified as low-risk auditee? Yes

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

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

**CITY OF TROY**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
2 CFR 200.511(b)  
Year Ended December 31, 2023**

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

# TROY

## Annual Comprehensive Financial Report City of Troy, Ohio For the Year Ended December 31, 2023



West Main Street, 2022



West Main Street, 2023

*Make it yours.*

# CITY OF TROY, OHIO

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## ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2023

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Prepared by:  
John E. Frigge  
City Auditor



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# INTRODUCTORY SECTION

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June 28, 2024

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

The Annual Comprehensive Financial Report of the City of Troy, Ohio for the fiscal year ended December 31, 2023 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, 2023 position and results of operations of the various funds of the City. We further believe that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been included.

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

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

### **CITY OVERVIEW**

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

The City of Troy is home to approximately 26,305 people, based on the 2022 U.S. Census. While new residents move in at a steady 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 home rule municipal corporation under the laws of the State of Ohio. The City operates under a Council-Mayor form of government and provides the following services: police, fire, emergency medical service, parks, recreation, health, development, street repair and snow plowing, water and wastewater, refuse and recycling collections, municipal cemetery, planning, zoning, and property maintenance.

## **ECONOMIC CONDITIONS AND OUTLOOK**

Economic Development remains Troy's number one priority, for without a robust, thriving, diverse and sustainable residential, commercial and industrial economy, the City cannot protect the health, welfare and safety of our stakeholders, nor can we continue the high level, unique quality of life we enjoy. Communities continue to be pressured by higher legislative authorities that support a lesser local tax revenue. However, Troy officials recognize that, through our close alliance with our business community, attracting and retaining young workers and families to Troy will be absolutely essential to sustaining and growing our community resources.

We continue to see investments by local industries through expansion projects. In 2023, we were fortunate to have companies such as Crown, Freudenberg-NOK and Hobart Brothers start expansion projects. These expansion projects resulted with \$35MM in capital investments and created 65 new jobs.

The Mayor led a trade mission to Tokyo, Japan in May, along with the City Director and Troy Development Council CEO. There were business visits with Honda Logistics, Lintec Corp., F-Tech Inc., and Honda Motor to discuss their operations in Troy and explore opportunities to expand staffing and production.

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

### **Economic Development**

- Obtained \$6MM in grant funds for the expansion of the Wastewater Treatment plant to increase treatment capacity by 2.6 million gallons to account for future growth and comply with EPA mandates.
- Secured Targeted Brownsfield Assessment Grants and Abandoned Gas Station Grants to allow demolition of an abandoned structure and assist with environmental cleanup of contaminated sites.
- Revamped the residential exterior loan program which provides funding to repair owner-occupied single-family homes to improve the housing stock and increase home values.
- Finalized the \$150K *Revitalize Troy* façade improvement and building renovation grant program for downtown businesses which resulted with approximately \$400K of private investments.
- Returned \$1.2 M to the Troy Community Improvement Corporation (CIC) from the sale of 66 acres of vacant land owned by the Troy Development Council to establish a future campus for the Hobart Institute of Welding Technology.

### **Recreation/Parks**

- Worked with the Recreation Department and Park Department Staff to continue to promote the very popular Float Troy Program (floating Shoal Tents on the Great Miami River), renting the tents, and finding ways to enhance the overnight experience of on-river camping.
- Worked with the Park Department to further develop the new Robinson Reserve at Duke Park, which is a natural area of 40 acres.
- Worked with the Recreation Department staff to continue the operation of the Troy Aquatic Park, and began planning for the renovation/expansion of the TAP.
- Worked with Miami Shores Golf Course staff to finalize the construction of a cold storage facility for equipment; purchased and installed a second golf simulator to enhance the golf experience and encourage play.



- Continued to assess buildings and the needs of the functions they address, including Park Department buildings.
- Finalized a second roof replacement project for the Hobart Arena.
- Maintained Tree City USA status for 37 consecutive years.
- Worked with the Hobart Arena to continue to offer programming with a variety of events and activities, both recreational and cultural.
- Finalized the installation of new and additional park signage.
- Continued working with Ohio EPA, US Fish & Wildlife Services, and other entities on the removal of the low head dam to start the design process in 2024 on this project, which will provide future recreational opportunities.
- Continued to meet with school representatives, City officials, and interested parties for the improvement of the N. Market Street Ball Field.
- Developed and authorized a Memorandum of Understanding between the City, Board of Park Commissioners, and the Troy City School District related to the future exchange of properties between the City and the Schools that will result from the approved Troy City Schools Bond Levy.
- Along with representatives of the Miami Conservancy District, the Miami Valley Regional Planning Commission, and the Miami County Park District, celebrated the 50<sup>th</sup> Anniversary that Troy was the location of the very first section of the multi-County Recreation Trail along the Great Miami River.

### **Utilities/Operations**

- Continued to replace and update water mains that are aging and undersized and to reline sewers to extend their life-cycles.
- Secured additional funding for the expansion of the Wastewater Treatment Plant to accommodate growth and meet EPA requirements.
- Conducted the next phase of sidewalk improvement program.
- Coordinated the annual road repaving project, and the ODOT paving project of E. Main Street from the downtown east to the Board Bridge corporate boundary.
- Completed Phase I of the West Main Street Improvement Project (except for one block) and contracted for Phase II of the project.
- Completed Phase I of the S. Stanfield Road Improvement Project; authorized the design for the next phase (which will include a roundabout); and authorized funding applications for Phase II.
- Completed the reconstruction of the Kidder Ditch, the highest priority project of the long-range Stormwater Master Plan.
- Completed the reconstruction of the Madison Street Sewer Lift Station.
- Updated the 5-year City-wide Capital Improvement Plan for all funds.

### **Safety**

- Continued to provide our citizens with professional and well-trained safety departments and forces.
- Continued to look at operating efficiencies, reorganizations, and work consolidations; and the elimination of operational redundancy for greater efficiency and cost effectiveness.
- Continued the Fire Department apprentice program, and noted the success of the program with apprentices being hired as full-time Firefighters/EMS Technicians.
- Instituted the Police Recruit Program, which sent three officer candidates to training in return for their commitment to join the Troy Police Department upon receiving certification.

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

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

- Construction projects completed during the year included: a \$6MM one-stop center for the Miami County BMV and other county departments; Casey's gas station; Aldi grocery store; Greenville Federal Bank.
- Investments by local industries through expansion projects that resulted with \$35MM in capital investments and created 65 new jobs.
- Expanded the downtown Designated Outdoor Refreshment Area (DORA) to increase business participation.
- Troy continues to be attractive to small businesses in the downtown and all-around town, with opening of new establishments of Miso, Crafted & Cured, Jersey Mike's Subs, Provisions Company, A. M. Distillery, Casey's Gas Station, and Aldi.

### **Residential Construction**

- Halifax Estates continued to develop with section 6 being built with 7 new single-family housing starts.
- Redwood continued construction over 22 acres with 138 proposed units (50% completed).
- Halifax Villas continued construction (101 patio homes, 159 townhome condos over 107 acres, with 65% completed).
- Approved Addison Landing subdivision which will result with 208 new single-family housing starts.
- Permitted a Planned Development called Somerset which is a private subdivision which will result with 189 new single-family lots.

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

- Troy has 14 industrial operations for international companies. The parent companies for these operations are headquartered in Sweden, France, Germany, and Japan.
- Visited the headquarters of four international companies located in Japan.
- Increased the Retention and Expansion program to include visits to three Troy companies in with domestic headquarters located outside of Ohio.
- Troy's top five employers are:
  1. Clopay Building Products (1,500 employees).
  2. ConAgra Foods (1,000 employees).
  3. F&P America MFG (800 employees).
  4. Collins Aerospace (720 employees).
  5. American Honda Motor Company (650 employees).

### **Water Quality**

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

## **Cultural**

- As a part of the Trade Mission to Japan in May, there was a visit to Troy's Sister City – Takahashi City, Japan. In July of 2023, 11 junior high age students and three adults from Takahashi City visited Troy. As a part of this student exchange program, the students and adults stayed in the homes of Troy families and experienced life in Troy for nearly a week.
- In cooperation with JASCO (Japan America Society of Central Ohio), and along with other communities in Ohio, coordinated and participated in a visit to Troy by three Japanese citizens in September.
- Continued to provide a variety of free concerts at Prouty Plaza and Treasure Island Park, made possible with generous donations by many persons and organizations, and working with the community partners of Troy Main Street, the Troy Area Chamber of Commerce, Hayner Cultural Center, and The Troy Foundation.
- A collaborative effort of the Human Relations Commission, the Troy Local History Library, and staff developed a Troy, Ohio African-American Historical Sites brochure and map.
- Continued to work with volunteers to hold a July 4 Parade and Fireworks.
- The annual Grand Illumination of the community Christmas Tree and other lighting.
- In coordination with Troy Main Street, Inc./Sculptures on the Square Committee, a number of sculptures were on display in the downtown area June - September.

## **A Community of Volunteers**

The City continues to be able to appreciate a number of volunteers for events. Volunteers participated in the following:

- Operation Cloverleaf (consisting of the local companies of Evergreen Turf & Landscape, Mercer Group, Inc., Groundskeeper Landscape Group, Greentech, Quality Lawn, Landscape & Fence, and Tree Care, Inc.) continued to maintain the SR41/I-75 Interchange.
- Sculptures on the Square event.
- Waco 100th Anniversary Celebration.
- Christmas Tree Lighting Celebration.
- Downtown Farmers Market.
- A committee held the annual celebration honoring Dr. Martin Luther King, Jr.
- Annual Juneteenth Celebration.
- Strawberry Festival and Tour de Donut.
- Started the planning process for the 2024 Total Solar Eclipse.

## **Recognized Observances**

- Veterans Programs including Memorial Day and Veterans Day were held at Riverside Cemetery with abbreviated ceremonies.
- MLK Walk/Service.
- Peace Officers' Memorial Service.

## **OTHER INFORMATION ABOUT THE CITY**

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

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

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

### **Wellness Program**

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

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

In cooperation with Lincoln Community Center, the City is paying for City employees to use the wellness and health facilities at the center at no cost to the employee commencing in 2024.

### **FINANCIAL INFORMATION**

#### **Internal Accounting, Budgetary Controls and Budgetary Process**

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

Budgetary control is maintained at the fund level by the use of encumbrances for purchase order amounts to vendors. Open encumbrances are reported as an assignment of the fund balance for the governmental fund types at December 31, 2023.

The City adopts an annual budget before December 31 for the upcoming fiscal year. This annual budget serves as the foundation for the City's financial planning and control. All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations legislation, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations ordinance is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the 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 ordinance is subject

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

### **Relevant Financial Policies**

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

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

In February 2018, the Franklin County Judge ruled in favor of the State of Ohio. Though an appeal has been filed on behalf of the municipalities, the municipalities have adopted the statute changes.

### **Independent Audit**

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

## **AWARDS AND ACKNOWLEDGMENTS**

### **Certificate of Achievement**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Troy, Ohio, for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2022. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

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

A Certificate of Achievement is valid for a period of one year. The City of Troy, Ohio, received a Certificate of Achievement for the 34<sup>th</sup> time for the year ended December 31, 2022. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

## Acknowledgements

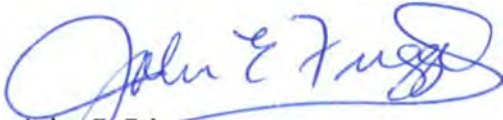
The preparation of the Annual Comprehensive Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the City Auditor and other City departments. We express our sincere appreciation for the contributions made in the preparation of this report.

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

Respectfully submitted,



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



John E. Frigge  
City Auditor

# **City of Troy, Ohio**

## **Listing of Principal City Officials**

### **December 31, 2023**

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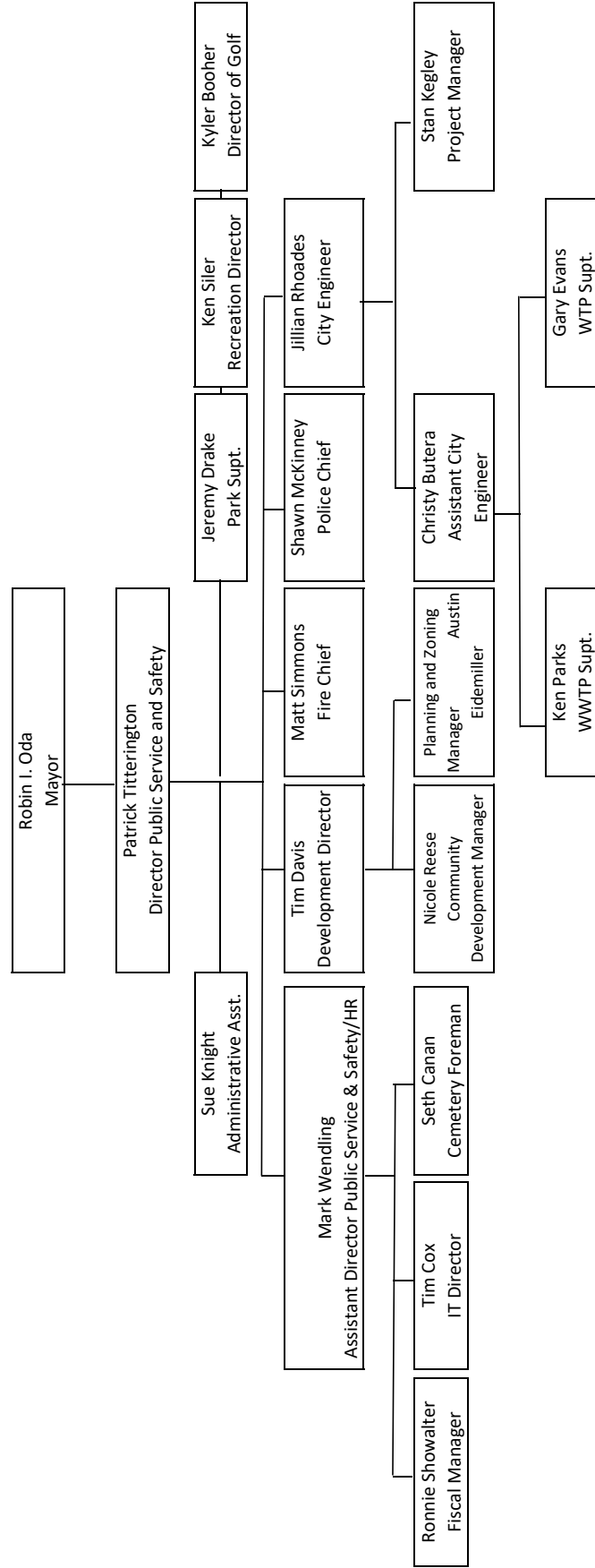
### **Elected Officials**

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

### **Appointed Officials**

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

# City of Troy Organizational Chart 2023







Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Troy  
Ohio**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2022

*Christopher P. Morrill*

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, Ohio

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

***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Troy, Ohio (the City) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

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

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

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

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

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

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

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

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

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

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

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

### **Supplementary Information**

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

### **Other Information**

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2024, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.  
Dayton, Ohio  
June 28, 2024

**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2023**  
**(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, 2023. 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 \$23,971,056.
- Net position of governmental activities increased \$19,452,775, net position of business-type activities increased by \$4,518,281.
- The General Fund reported a increase in fund balance of \$9,639,291.
- Business-type operations reflected operating income of \$634,315.

**Overview of the Financial Statements**

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

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

**Government-wide Financial Statements**

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

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

**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2023**  
**(Unaudited)**

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

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

**Fund Financial Statements**

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

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

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

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

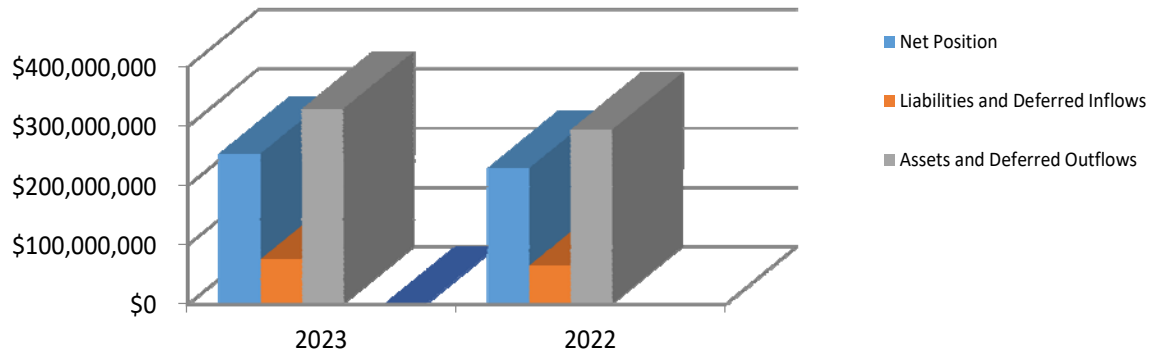


**City of Troy, Ohio**  
**Management’s Discussion and Analysis**  
**For The Year Ended December 31, 2023**  
(Unaudited)

**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 2023 compared to 2022.

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Assets:</b>						
Current and Other Assets	\$104,401,422	\$95,049,777	\$28,451,957	\$25,939,140	\$132,853,379	\$120,988,917
Capital Assets	94,396,588	84,238,532	85,324,479	77,761,520	179,721,067	162,000,052
Net OPEB Asset	0	814,862	0	736,587	0	1,551,449
<b>Total Assets</b>	<b>198,798,010</b>	<b>180,103,171</b>	<b>113,776,436</b>	<b>104,437,247</b>	<b>312,574,446</b>	<b>284,540,418</b>
Deferred Outflows of Resources	12,597,181	7,988,195	3,195,088	888,021	15,792,269	8,876,216
<b>Liabilities:</b>						
Long-Term Liabilities	44,091,429	32,911,949	18,983,090	10,215,138	63,074,519	43,127,087
Other Liabilities	2,844,604	3,766,996	1,847,689	413,787	4,692,293	4,180,783
<b>Total Liabilities</b>	<b>46,936,033</b>	<b>36,678,945</b>	<b>20,830,779</b>	<b>10,628,925</b>	<b>67,766,812</b>	<b>47,307,870</b>
Deferred Inflows of Resources	7,767,923	14,173,961	125,020	3,198,899	7,892,943	17,372,860
<b>Net Position:</b>						
Net Investment In Capital Assets	87,242,330	76,762,553	73,770,915	70,030,281	161,013,245	146,792,834
Restricted	24,162,176	26,311,754	0	736,587	24,162,176	27,048,341
Unrestricted	45,286,729	34,164,153	22,244,810	20,730,576	67,531,539	54,894,729
<b>Total Net Position</b>	<b>\$156,691,235</b>	<b>\$137,238,460</b>	<b>\$96,015,725</b>	<b>\$91,497,444</b>	<b>\$252,706,960</b>	<b>\$228,735,904</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 \$23,971,056. Total assets for the City increased mainly due to an increase in the amount of taxes receivable and capital assets at year end. Long-term liabilities increased from the prior year primarily due to the increase in net pension and OPEB liabilities.

Table 2 shows the changes in net position for the year ended December 31, 2023 as compared to the year ended December 31, 2022.

**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2023**  
**(Unaudited)**

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

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Program Revenues:</b>						
Charges for Services	\$5,426,153	\$5,368,113	\$15,654,905	\$15,430,129	\$21,081,058	\$20,798,242
Operating Grants and Contributions	1,807,394	1,886,883	0	0	1,807,394	1,886,883
Capital Grants and Contributions	6,991,032	3,417,260	3,054,714	259,446	10,045,746	3,676,706
<b>Total Program Revenues</b>	<b>14,224,579</b>	<b>10,672,256</b>	<b>18,709,619</b>	<b>15,689,575</b>	<b>32,934,198</b>	<b>26,361,831</b>
<b>General Revenues:</b>						
Income Taxes	28,422,124	24,793,126	0	0	28,422,124	24,793,126
Property Taxes	2,602,292	2,271,552	0	0	2,602,292	2,271,552
Grants and Entitlements	1,514,754	1,378,583	0	0	1,514,754	1,378,583
Investment Earnings	3,738,624	(4,535,213)	738,469	(867,654)	4,477,093	(5,402,867)
Other Revenues	1,530,920	1,755,407	500,872	664,243	2,031,792	2,419,650
<b>Total General Revenues</b>	<b>37,808,714</b>	<b>25,663,455</b>	<b>1,239,341</b>	<b>(203,411)</b>	<b>39,048,055</b>	<b>25,460,044</b>
<b>Total Revenues</b>	<b>52,033,293</b>	<b>36,335,711</b>	<b>19,948,960</b>	<b>15,486,164</b>	<b>71,982,253</b>	<b>51,821,875</b>
<b>Program Expenses:</b>						
General Government	8,141,925	6,656,883	0	0	8,141,925	6,656,883
Public Safety	14,148,465	11,494,371	0	0	14,148,465	11,494,371
Community Development	2,711,361	1,381,394	0	0	2,711,361	1,381,394
Leisure Time Activities	2,693,228	2,413,416	0	0	2,693,228	2,413,416
Transportation and Street Repair	2,384,296	4,729,630	0	0	2,384,296	4,729,630
Basic Utility Service	1,450,471	1,315,848	0	0	1,450,471	1,315,848
Public Health and Welfare	483,211	457,436	0	0	483,211	457,436
Interest and Other Charges	262,561	396,531	0	0	262,561	396,531
Water	0	0	6,047,396	5,171,358	6,047,396	5,171,358
Sanitary Sewer	0	0	4,895,635	4,239,449	4,895,635	4,239,449
Hobart Arena	0	0	1,414,870	2,921,146	1,414,870	2,921,146
Swimming Pool	0	0	474,349	404,848	474,349	404,848
Parking Meter	0	0	71,069	53,886	71,069	53,886
Miami Shores	0	0	1,384,199	1,397,938	1,384,199	1,397,938
Stormwater Utility	0	0	1,448,161	1,230,454	1,448,161	1,230,454
<b>Total Program Expenses</b>	<b>32,275,518</b>	<b>28,845,509</b>	<b>15,735,679</b>	<b>15,419,079</b>	<b>48,011,197</b>	<b>44,264,588</b>
Increase (Decrease) in Net Position before Transfers	19,757,775	7,490,202	4,213,281	67,085	23,971,056	7,557,287
Transfers - Internal Activities	(305,000)	(50,000)	305,000	50,000	0	0
<b>Change in Net Position</b>	<b>19,452,775</b>	<b>7,440,202</b>	<b>4,518,281</b>	<b>117,085</b>	<b>23,971,056</b>	<b>7,557,287</b>
Net Position - Beginning of Year	137,238,460	129,798,258	91,497,444	91,380,359	228,735,904	221,178,617
<b>Net Position - End of Year</b>	<b>\$156,691,235</b>	<b>\$137,238,460</b>	<b>\$96,015,725</b>	<b>\$91,497,444</b>	<b>\$252,706,960</b>	<b>\$228,735,904</b>

**Governmental Activities**

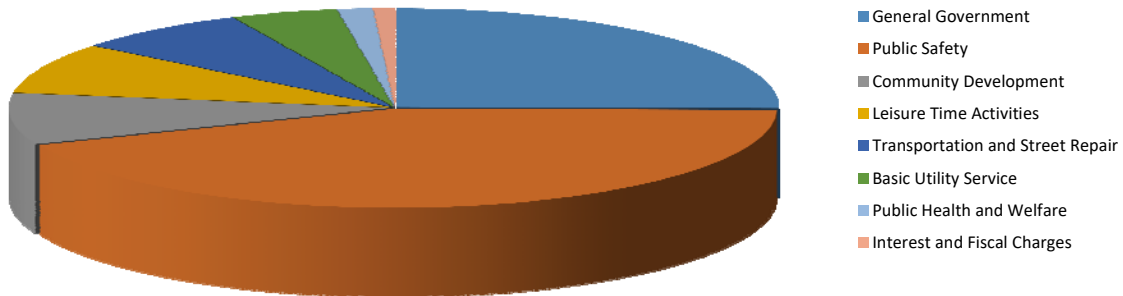
The City has made continued efforts to attract large-scale employers for the year 2023, thereby injecting the local economy with jobs and increasing the City's commercial tax base. The 1.75% income tax is the largest source of revenue for the City. Revenues generated by the earnings tax represent approximately 75% of the City's governmental activities general revenues.

**City of Troy, Ohio**  
**Management’s Discussion and Analysis**  
**For The Year Ended December 31, 2023**  
**(Unaudited)**

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Governmental Activities  
 Program Expenses for 2023

	Percentage
General Government	25.2%
Public Safety	43.8%
Community Development	8.4%
Leisure Time Activities	8.3%
Transportation and Street Repair	7.4%
Basic Utility Service	4.5%
Public Health and Welfare	1.5%
Interest and Fiscal Charges	0.9%
<b>Total</b>	<b>100.0%</b>



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

Capital grants and contributions increased in 2023 as compared to 2022 mainly due to an increase in capital grants related to transportation and street repair projects. Income Tax revenue increased in 2023 as compared to 2022 mainly due to an increase in income tax collections. Public safety expenses increased mainly due to changes related to net pension and OPEB liabilities.

***Business-Type Activities***

Business-type activities include water, sewer, stormwater utilities, Hobart Arena, swimming pool, parking meter and Miami Shores. These programs had operating revenues of \$16,155,777 and operating expenses of \$15,521,462 for fiscal year 2023. Business-type activities receive no support from tax revenues. The Business-type activities net position at the end of the year was \$96,015,725, which increased \$4,518,281 from 2022. The City had four business-type (enterprise) funds that were major funds: the Water fund, the Sanitary Sewer fund, Hobart Arena fund and Stormwater Utility fund.

The City of Troy’s Water Department serves approximately 11,900 customers; this represents a population base of nearly 25,058 people. The average daily consumption for the city is 3.58 million gallons and 165.64 miles of water mains in its distribution system. The water fund had operating income of \$68,265 for 2023.

**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2023**  
**(Unaudited)**

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The City of Troy's Sewer Department includes over 135 miles of sanitary sewer main, which provides the collection and treatment of public wastewater. The Sewer fund had an operating income of \$273,087 for 2023.

The City of Troy's Hobart Arena accounts for arena facilities provided by the City. The Hobart Arena fund had an operating income of \$223,429 in 2023.

The City of Troy's Stormwater Utility Department provides for the collection and treatment of public stormwater. The Stormwater utility fund had an operating income of \$281,836 in 2023. Charges for Services increased slightly from 2022 to 2023, while total expenses increased due to the increase in Personal Services expense.

### **The City's Funds**

The City has three major governmental funds: the General Fund, American Rescue Plan Act Fund, and the Capital Improvement Fund. Assets of these funds comprised (87%) of the total \$105,431,422 governmental funds' assets.

**General Fund:** Fund balance at December 31, 2023 was \$68,454,402 which was an increase in fund balance of \$9,639,291 from 2022. The increase in fund balance was mainly due to an increase in the amount of income taxes received and investment earnings.

**American Rescue Plan Act Fund:** Fund balance at December 31, 2023 was \$0 and the fund had an unearned revenues of balances of \$1,882,510.

**Capital Improvement Fund:** Fund balance at December 31, 2023 was \$11,735,793 which was a decrease in fund balance of \$2,451,690 from 2022. The decrease in fund balance is mainly due to an increase in the amount of capital outlay expense related to capital improvements and projects within 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 \$10,115,890 the original budgeted revenue was \$10,046,319. The difference was \$69,571. Of this difference, most was due to an overestimate charges for service.

Variations from the final amended budget amounts to the actual amounts are primarily due to the following reasons: The City overestimated public safety (\$900,592 variance) and general government (\$311,662 variance) expenditures for 2023 when comparing the final amended budget to actual amounts.

As the City completed the year, its General Fund balance reported an actual fund balance of \$16,623,703 on a Non-GAAP Budgetary Basis.

**City of Troy, Ohio**  
**Management’s Discussion and Analysis**  
**For The Year Ended December 31, 2023**  
(Unaudited)

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**Capital Assets and Debt Administration**

***Capital Assets***

At year end, the City had \$179,721,067 invested in land, construction in progress, buildings and improvements, equipment and infrastructure. Table 3 shows 2023 balances compared to 2022:

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

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$15,432,474	\$14,833,195	\$780,372	\$780,372	\$16,212,846	\$15,613,567
Construction in Progress	7,748,580	8,308,652	7,861,479	1,549,048	15,610,059	9,857,700
Buildings and Improvements	12,298,459	6,958,461	26,937,329	27,507,457	39,235,788	34,465,918
Equipment	5,390,923	5,138,789	5,739,539	5,384,379	11,130,462	10,523,168
Infrastructure	53,526,152	48,999,435	44,005,760	42,540,264	97,531,912	91,539,699
Total Net Capital Assets	<u>\$94,396,588</u>	<u>\$84,238,532</u>	<u>\$85,324,479</u>	<u>\$77,761,520</u>	<u>\$179,721,067</u>	<u>\$162,000,052</u>

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

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**City of Troy, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2023**  
(Unaudited)

**Debt**

The City had \$18,707,822 in general obligation bonds and OWDA loans from direct borrowings. There have been no changes in credit ratings during 2023.

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

	2023	2022
<b>Governmental Activities</b>		
<u>General Obligation Bonds</u>		
2020 Refunding of 2015 Capital Facilities Bonds	\$6,700,000	\$6,995,000
Premium on 2020 Refunding of 2015 Capital Facilities Bonds	454,258	480,979
Total General Obligation Bonds	<u>7,154,258</u>	<u>7,475,979</u>
<b>Business Type Activities</b>		
<u>General Obligation Bonds</u>		
2020 Refunding of Water System Bonds	2,840,000	2,955,000
Premium on Refunding	178,570	188,491
2020 Refunding of 2014 Sewer System Bonds	2,050,000	2,130,000
Premium on Refunding	128,486	135,624
Total General Obligation Bonds	<u>5,197,056</u>	<u>5,409,115</u>
<u>OWDA Loans from Direct Borrowings:</u>		
2010 OWDA Water Pollution Control Loan	166,579	193,819
2018 OWDA Fresh Water Loan	2,009,430	2,128,305
2023 OWDA Water Pollution	4,180,499	0
Total OWDA Loans from Direct Borrowings	<u>6,356,508</u>	<u>2,322,124</u>
Total Debt	<u>\$18,707,822</u>	<u>\$15,207,218</u>

The City did not See Note 8 to the basic financial statements for further details on the City's long-term obligations.

**Economic Factors**

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

**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, 2023

	Governmental Activities	Business-Type Activities	Total
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$86,653,460	\$27,026,837	\$113,680,297
Restricted Cash	3,717	0	3,717
Cash and Cash Equivalents with Fiscal Agent	470,000	0	470,000
<b>Receivables (Net):</b>			
Taxes	8,874,969	0	8,874,969
Accounts	1,118,358	615,087	1,733,445
Interest	207,242	58,152	265,394
Intergovernmental	2,198,305	0	2,198,305
Notes	3,209,107	0	3,209,107
Special Assessments	1,082,172	0	1,082,172
Leases	431,768	0	431,768
Inventory	0	701,008	701,008
Prepaid Items	152,324	50,873	203,197
Nondepreciable Capital Assets	23,181,054	8,641,851	31,822,905
Depreciable Capital Assets, Net	71,215,534	76,682,628	147,898,162
<b>Total Assets</b>	<b>198,798,010</b>	<b>113,776,436</b>	<b>312,574,446</b>
<b>Deferred Outflows of Resources:</b>			
Pension	10,789,594	2,749,645	13,539,239
OPEB	1,807,587	445,443	2,253,030
<b>Total Deferred Outflows of Resources</b>	<b>12,597,181</b>	<b>3,195,088</b>	<b>15,792,269</b>
<b>Liabilities:</b>			
Accounts Payable	188,976	259,406	448,382
Accrued Wages and Benefits	520,119	98,109	618,228
Contracts Payable	177,610	1,477,599	1,655,209
Retainage Payable	3,717	0	3,717
Accrued Interest Payable	39,167	12,575	51,742
Deposits held and due to others	32,505	0	32,505
Unearned Revenue	1,882,510	0	1,882,510
<b>Long-Term Liabilities:</b>			
Due Within One Year	916,426	501,154	1,417,580
Due In More Than One Year			
Net Pension Liability	32,396,781	6,770,871	39,167,652
Net OPEB Liability	2,057,589	149,315	2,206,904
Other Amounts	8,720,633	11,561,750	20,282,383
<b>Total Liabilities</b>	<b>46,936,033</b>	<b>20,830,779</b>	<b>67,766,812</b>
<b>Deferred Inflows of Resources:</b>			
Property and Income Taxes	2,174,909	0	2,174,909
Revenue In Lieu of Taxes	320,085	0	320,085
Leases	422,296	0	422,296
Pension	2,612,406	75,350	2,687,756
OPEB	2,238,227	49,670	2,287,897
<b>Total Deferred Inflows of Resources</b>	<b>7,767,923</b>	<b>125,020</b>	<b>7,892,943</b>
<b>Net Position:</b>			
Net Investment in Capital Assets	87,242,330	73,770,915	161,013,245
<b>Restricted for:</b>			
Debt Service	1,666,656	0	1,666,656
Capital Projects	13,912,113	0	13,912,113
Street Improvements	3,459,459	0	3,459,459
Public Safety	12,656	0	12,656
Community Development	3,476,429	0	3,476,429
Park Improvements	66,825	0	66,825
Cemetery Maintenance and Improvements	1,022,673	0	1,022,673
Other Purposes	545,365	0	545,365
Unrestricted	45,286,729	22,244,810	67,531,539
<b>Total Net Position</b>	<b>\$156,691,235</b>	<b>\$96,015,725</b>	<b>\$252,706,960</b>

See accompanying notes to the basic financial statements.



City of Troy, Ohio  
Statement of Activities  
For the Fiscal Year Ended December 31, 2023

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General Government	\$8,141,925	\$408,005	\$45,859	\$0
Public Safety	14,148,465	2,135,634	0	71,790
Community Development	2,711,361	0	58,795	3,980,074
Leisure Time Activities	2,693,228	202,025	0	0
Transportation and Street Repair	2,384,296	19,728	1,702,740	2,939,168
Basic Utility Service	1,450,471	2,426,614	0	0
Public Health and Welfare	483,211	234,147	0	0
Interest and Other Charges	262,561	0	0	0
<b>Total Governmental Activities</b>	<b>32,275,518</b>	<b>5,426,153</b>	<b>1,807,394</b>	<b>6,991,032</b>
<b>Business-Type Activities:</b>				
Water	6,047,396	5,921,865	0	0
Sanitary Sewer	4,895,635	5,082,258	0	1,565,209
Hobart Arena	1,414,870	1,307,803	0	0
Swimming Pool	474,349	347,111	0	0
Parking Meter	71,069	0	0	0
Miami Shores	1,384,199	1,290,759	0	0
Stormwater Utility	1,448,161	1,705,109	0	1,489,505
<b>Total Business-Type Activities</b>	<b>15,735,679</b>	<b>15,654,905</b>	<b>0</b>	<b>3,054,714</b>
<b>Totals</b>	<b>\$48,011,197</b>	<b>\$21,081,058</b>	<b>\$1,807,394</b>	<b>\$10,045,746</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
(\$7,688,061)	\$0	(\$7,688,061)
(11,941,041)	0	(11,941,041)
1,327,508	0	1,327,508
(2,491,203)	0	(2,491,203)
2,277,340	0	2,277,340
976,143	0	976,143
(249,064)	0	(249,064)
(262,561)	0	(262,561)
<u>(18,050,939)</u>	<u>0</u>	<u>(18,050,939)</u>
0	(125,531)	(125,531)
0	1,751,832	1,751,832
0	(107,067)	(107,067)
0	(127,238)	(127,238)
0	(71,069)	(71,069)
0	(93,440)	(93,440)
0	1,746,453	1,746,453
<u>0</u>	<u>2,973,940</u>	<u>2,973,940</u>
<u>(18,050,939)</u>	<u>2,973,940</u>	<u>(15,076,999)</u>
28,422,124	0	28,422,124
2,475,370	0	2,475,370
126,922	0	126,922
1,514,754	0	1,514,754
644,573	0	644,573
52,060	0	52,060
3,738,624	738,469	4,477,093
834,287	500,872	1,335,159
(305,000)	305,000	0
<u>37,503,714</u>	<u>1,544,341</u>	<u>39,048,055</u>
19,452,775	4,518,281	23,971,056
<u>137,238,460</u>	<u>91,497,444</u>	<u>228,735,904</u>
<u>\$156,691,235</u>	<u>\$96,015,725</u>	<u>\$252,706,960</u>

City of Troy, Ohio  
Balance Sheet  
Governmental Funds  
December 31, 2023

	General	American Rescue Plan Act	Capital Improvement	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>					
Equity in Pooled Cash and Investments	\$62,920,218	\$1,882,510	\$11,768,782	\$10,081,950	\$86,653,460
Restricted Cash	1,875	0	1,842	0	3,717
Cash and Cash Equivalents with Fiscal Agent	470,000	0	0	0	470,000
<b>Receivables (Net):</b>					
Taxes	8,784,373	0	0	90,596	8,874,969
Accounts	1,093,327	0	0	25,031	1,118,358
Interest	201,091	0	0	6,151	207,242
Intergovernmental	700,070	0	352,012	1,146,223	2,198,305
Notes	800,000	0	0	2,409,107	3,209,107
Special Assessments	584,848	0	443,328	53,996	1,082,172
Interfund	1,030,000	0	0	0	1,030,000
Leases	431,768	0	0	0	431,768
Prepaid Items	141,823	0	0	10,501	152,324
<b>Total Assets</b>	<b>77,159,393</b>	<b>1,882,510</b>	<b>12,565,964</b>	<b>13,823,555</b>	<b>105,431,422</b>
<b>Liabilities:</b>					
Accounts Payable	167,317	0	0	21,659	188,976
Accrued Wages and Benefits	492,588	0	0	27,531	520,119
Compensated Absences	6,795	0	0	0	6,795
Contracts Payable	73,599	0	63,073	40,938	177,610
Retainage Payable	1,875	0	1,842	0	3,717
Deposits held and due to others	32,505	0	0	0	32,505
Interfund Payable	0	0	0	1,030,000	1,030,000
Unearned Revenue	0	1,882,510	0	0	1,882,510
<b>Total Liabilities</b>	<b>774,679</b>	<b>1,882,510</b>	<b>64,915</b>	<b>1,120,128</b>	<b>3,842,232</b>
<b>Deferred Inflows of Resources:</b>					
Property and Income Taxes	6,113,329	0	0	88,523	6,201,852
Grants and Other Taxes	594,416	0	321,928	688,839	1,605,183
Special Assessments	584,848	0	443,328	53,996	1,082,172
Accounts	215,423	0	0	0	215,423
Revenue In Lieu of Taxes	0	0	0	320,085	320,085
Leases	422,296	0	0	0	422,296
<b>Total Deferred Inflows of Resources</b>	<b>7,930,312</b>	<b>0</b>	<b>765,256</b>	<b>1,151,443</b>	<b>9,847,011</b>
<b>Fund Balances:</b>					
Nonspendable	166,015	0	0	10,501	176,516
Restricted	4,429,172	0	11,735,793	11,073,725	27,238,690
Committed	30,973,492	0	0	0	30,973,492
Assigned	1,544,964	0	0	467,758	2,012,722
Unassigned	31,340,759	0	0	0	31,340,759
<b>Total Fund Balances</b>	<b>68,454,402</b>	<b>0</b>	<b>11,735,793</b>	<b>11,551,984</b>	<b>91,742,179</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$77,159,393</b>	<b>\$1,882,510</b>	<b>\$12,565,964</b>	<b>\$13,823,555</b>	<b>\$105,431,422</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, 2023

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Total Governmental Fund Balance \$91,742,179

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 94,396,588

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

Income Taxes	3,999,537	
Delinquent Property Taxes	27,406	
Intergovernmental	1,605,183	
Other Receivables	1,297,595	
		6,929,721

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.

(39,167)

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 (2,476,006)

Deferred outflows and inflows or resources related to pension  
 and OPEB are applicable to future periods and, therefore, are not  
 reported in the funds.

Deferred outflows of resources related to pensions	10,789,594	
Deferred inflows of resources related to pensions	(2,612,406)	
Deferred outflows of resources related to OPEB	1,807,587	
Deferred inflows of resources related to OPEB	(2,238,227)	
		7,746,548

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

Net Pension Liability	(32,396,781)	
Net OPEB Liability	(2,057,589)	
Other Amounts	(7,154,258)	
		(41,608,628)

Net Position of Governmental Activities \$156,691,235

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, 2023

	General	American Rescue Plan Act	Capital Improvement	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Property and Other Taxes	\$2,505,514	\$0	\$0	\$129,283	\$2,634,797
Income Taxes	26,968,015	0	0	0	26,968,015
Charges for Services	4,447,470	0	0	219,768	4,667,238
Investment Earnings	3,592,003	0	0	146,621	3,738,624
Intergovernmental	1,506,696	13,875	3,312,504	2,380,313	7,213,388
Special Assessments	33,853	0	203,300	0	237,153
Fines, Licenses, Permits and Settlements	64,661	0	0	129,229	193,890
Revenue in Lieu of Taxes	0	0	0	640,823	640,823
Other Revenues	1,026,668	0	0	371,823	1,398,491
<b>Total Revenues</b>	<b>40,144,880</b>	<b>13,875</b>	<b>3,515,804</b>	<b>4,017,860</b>	<b>47,692,419</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General Government	7,048,258	94	0	102,426	7,150,778
Public Safety	12,300,865	0	0	23,507	12,324,372
Community Development	1,612,447	0	905,405	58,819	2,576,671
Leisure Time Activities	2,084,006	0	0	7,601	2,091,607
Transportation and Street Repair	0	0	0	1,609,239	1,609,239
Basic Utility Service	1,340,999	0	0	56,665	1,397,664
Public Health and Welfare	0	0	0	467,919	467,919
Capital Outlay	1,112,753	13,781	9,062,089	296,253	10,484,876
<b>Debt Service:</b>					
Principal	0	0	0	295,000	295,000
Interest and Other Charges	6,765	0	0	284,700	291,465
<b>Total Expenditures</b>	<b>25,506,093</b>	<b>13,875</b>	<b>9,967,494</b>	<b>3,202,129</b>	<b>38,689,591</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>14,638,787</b>	<b>0</b>	<b>(6,451,690)</b>	<b>815,731</b>	<b>9,002,828</b>
<b>Other Financing Sources (Uses):</b>					
Proceeds from Sale of Capital Assets	30,504	0	0	0	30,504
Transfers In	0	0	4,000,000	725,000	4,725,000
Transfers (Out)	(5,030,000)	0	0	0	(5,030,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(4,999,496)</b>	<b>0</b>	<b>4,000,000</b>	<b>725,000</b>	<b>(274,496)</b>
<b>Net Change in Fund Balance</b>	<b>9,639,291</b>	<b>0</b>	<b>(2,451,690)</b>	<b>1,540,731</b>	<b>8,728,332</b>
<b>Fund Balance - Beginning of Year</b>	<b>58,815,111</b>	<b>0</b>	<b>14,187,483</b>	<b>10,011,253</b>	<b>83,013,847</b>
<b>Fund Balance - End of Year</b>	<b>\$68,454,402</b>	<b>\$0</b>	<b>\$11,735,793</b>	<b>\$11,551,984</b>	<b>\$91,742,179</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, 2023

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Net Change in Fund Balance - Total Governmental Funds \$8,728,332

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

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

Capital Assets used in governmental activities	13,144,387	
Depreciation Expense	<u>(2,986,331)</u>	
		10,158,056

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

Pension Contributions	2,092,790	
Pension Expense	(3,659,109)	
OPEB Contributions	36,804	
OPEB Expense	<u>147,882</u>	
		(1,381,633)

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

Income Taxes	1,454,109	
Delinquent Property Taxes	(32,505)	
Intergovernmental	(346,841)	
Other	<u>580,357</u>	
		1,655,120

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 295,000

In the statement of activities interest expense is accrued when incurred; whereas, in governmental funds an interest expenditure is reported when due. 2,183

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	(31,004)	
Amortization of Bond Premium	<u>26,721</u>	
		<u>(4,283)</u>

Change in Net Position of Governmental Activities \$19,452,775

See accompanying notes to the basic financial statements.

City of Troy, Ohio  
Statement of Net Position  
Proprietary Funds  
December 31, 2023

	Business-Type Activities					Total Business-Type Activities
	Enterprise Funds					
	Water	Sanitary Sewer	Hobart Arena	Stormwater Utility	Other Enterprise Funds	
<b>Current Assets:</b>						
Equity in Pooled Cash and Investments	\$14,982,916	\$7,801,150	\$1,016,577	\$2,782,186	\$444,008	\$27,026,837
Receivables (Net):						
Accounts	253,913	270,188	0	90,986	0	615,087
Interest	33,669	17,531	0	6,252	700	58,152
Inventory	701,008	0	0	0	0	701,008
Prepaid Items	17,173	13,422	6,063	6,946	7,269	50,873
<b>Total Current Assets</b>	<b>15,988,679</b>	<b>8,102,291</b>	<b>1,022,640</b>	<b>2,886,370</b>	<b>451,977</b>	<b>28,451,957</b>
<b>Noncurrent Assets:</b>						
Capital Assets:						
Nondepreciable Capital Assets	823,419	7,179,323	20,900	370,801	247,408	8,641,851
Depreciable Capital Assets, Net	24,221,570	22,745,429	10,749,592	15,488,459	3,477,578	76,682,628
<b>Total Noncurrent Assets</b>	<b>25,044,989</b>	<b>29,924,752</b>	<b>10,770,492</b>	<b>15,859,260</b>	<b>3,724,986</b>	<b>85,324,479</b>
<b>Total Assets</b>	<b>41,033,668</b>	<b>38,027,043</b>	<b>11,793,132</b>	<b>18,745,630</b>	<b>4,176,963</b>	<b>113,776,436</b>
<b>Deferred Outflows of Resources:</b>						
Pension	962,563	747,472	280,790	368,887	389,933	2,749,645
OPEB	155,935	121,091	45,488	59,760	63,169	445,443
<b>Total Deferred Outflows of Resources</b>	<b>1,118,498</b>	<b>868,563</b>	<b>326,278</b>	<b>428,647</b>	<b>453,102</b>	<b>3,195,088</b>
<b>Liabilities:</b>						
Current Liabilities:						
Accounts Payable	161,152	45,361	22,458	12,635	17,800	259,406
Accrued Wages and Benefits	34,858	37,028	15,071	0	11,152	98,109
Compensated Absences	48,896	60,627	14,428	3,950	17,617	145,518
Contracts Payable	88,714	1,388,885	0	0	0	1,477,599
Accrued Interest Payable	7,304	5,271	0	0	0	12,575
Long-Term Liabilities Due Within One Year	242,503	113,133	0	0	0	355,636
<b>Total Current Liabilities</b>	<b>583,427</b>	<b>1,650,305</b>	<b>51,957</b>	<b>16,585</b>	<b>46,569</b>	<b>2,348,843</b>
Long-Term Liabilities:						
Compensated Absences	119,873	187,453	22,571	2,633	31,292	363,822
Bonds, Notes & Loans Payable	4,785,497	6,412,431	0	0	0	11,197,928
Net Pension Liability	2,370,267	1,840,614	691,431	908,368	960,191	6,770,871
Net OPEB Liability	52,270	40,590	15,248	20,032	21,175	149,315
<b>Total Long-Term Liabilities</b>	<b>7,327,907</b>	<b>8,481,088</b>	<b>729,250</b>	<b>931,033</b>	<b>1,012,658</b>	<b>18,481,936</b>
<b>Total Liabilities</b>	<b>7,911,334</b>	<b>10,131,393</b>	<b>781,207</b>	<b>947,618</b>	<b>1,059,227</b>	<b>20,830,779</b>
<b>Deferred Inflows of Resources:</b>						
Pension	26,378	20,483	7,695	10,109	10,685	75,350
OPEB	17,388	13,502	5,072	6,664	7,044	49,670
<b>Total Deferred Inflows of Resources</b>	<b>43,766</b>	<b>33,985</b>	<b>12,767</b>	<b>16,773</b>	<b>17,729</b>	<b>125,020</b>
<b>Net Position:</b>						
Net Investment in Capital Assets	20,016,989	23,399,188	10,770,492	15,859,260	3,724,986	73,770,915
Unrestricted	14,180,077	5,331,040	554,944	2,350,626	(171,877)	22,244,810
<b>Total Net Position</b>	<b>\$34,197,066</b>	<b>\$28,730,228</b>	<b>\$11,325,436</b>	<b>\$18,209,886</b>	<b>\$3,553,109</b>	<b>\$96,015,725</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, 2023

	Business-Type Activities Enterprise Funds					Total Business-Type Activities
	Water	Sanitary Sewer	Hobart Arena	Stormwater Utility	Other Enterprise Funds	
Operating Revenues:						
Charges for Services	\$5,921,865	\$5,082,258	\$1,307,803	\$1,705,109	\$1,637,870	\$15,654,905
Other Revenues	45,545	20,498	330,496	24,888	79,445	500,872
Total Operating Revenues	<u>5,967,410</u>	<u>5,102,756</u>	<u>1,638,299</u>	<u>1,729,997</u>	<u>1,717,315</u>	<u>16,155,777</u>
Operating Expenses:						
Personal Services	2,156,242	1,642,969	455,031	803,762	832,336	5,890,340
Contactual Services	1,001,364	673,744	171,141	74,206	310,075	2,230,530
Materials and Supplies	1,274,661	169,649	76,199	57,189	507,248	2,084,946
Depreciation	1,249,871	1,164,737	427,764	505,340	214,423	3,562,135
Other Expense	217,007	1,178,570	284,735	7,664	65,535	1,753,511
Total Operating Expenses	<u>5,899,145</u>	<u>4,829,669</u>	<u>1,414,870</u>	<u>1,448,161</u>	<u>1,929,617</u>	<u>15,521,462</u>
Operating Income (Loss)	<u>68,265</u>	<u>273,087</u>	<u>223,429</u>	<u>281,836</u>	<u>(212,302)</u>	<u>634,315</u>
Non-Operating Revenues (Expenses):						
Investment Earnings	456,044	183,973	0	86,987	11,465	738,469
Interest and Fiscal Charges	(148,251)	(65,966)	0	0	0	(214,217)
Total Non-Operating Revenues (Expenses)	<u>307,793</u>	<u>118,007</u>	<u>0</u>	<u>86,987</u>	<u>11,465</u>	<u>524,252</u>
Income (Loss) Before Contributions and Transfers	376,058	391,094	223,429	368,823	(200,837)	1,158,567
Capital Grants and Contributions	0	1,565,209	0	1,489,505	0	3,054,714
Transfers In	0	0	250,000	0	55,000	305,000
Change in Net Position	376,058	1,956,303	473,429	1,858,328	(145,837)	4,518,281
Net Position - Beginning of Year	33,821,008	26,773,925	10,852,007	16,351,558	3,698,946	91,497,444
Net Position - End of Year	<u>\$34,197,066</u>	<u>\$28,730,228</u>	<u>\$11,325,436</u>	<u>\$18,209,886</u>	<u>\$3,553,109</u>	<u>\$96,015,725</u>

See accompanying notes to the basic financial statements.



City of Troy, Ohio  
Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year Ended December 31, 2023

	Business-Type Activities Enterprise Funds					Total Business-Type Activities
	Water	Sanitary Sewer	Hobart Arena	Stormwater Utility	Other Enterprise Funds	
<b>Cash Flows from Operating Activities:</b>						
Cash Received from Customers	\$5,977,287	\$5,077,406	\$1,638,299	\$1,726,903	\$1,717,315	\$16,137,210
Cash Payments to Employees	(1,993,926)	(1,540,181)	(565,162)	(803,013)	(785,698)	(5,687,980)
Cash Payments to Suppliers	(2,413,873)	(702,539)	(434,671)	(163,109)	(884,239)	(4,598,431)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>1,569,488</b>	<b>2,834,686</b>	<b>638,466</b>	<b>760,781</b>	<b>47,378</b>	<b>5,850,799</b>
<b>Cash Flows from Noncapital Financing Activities:</b>						
Payments from Other Funds	0	0	250,000	0	55,000	305,000
<b>Net Cash Provided by Noncapital Financing Activities</b>	<b>0</b>	<b>0</b>	<b>250,000</b>	<b>0</b>	<b>55,000</b>	<b>305,000</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>						
Payments for Capital Acquisitions	(690,273)	(7,070,075)	(914,652)	(1,076,858)	(143,295)	(9,895,153)
Debt Proceeds	0	4,180,499	0	0	0	4,180,499
Debt Principal Payments	(233,875)	(107,240)	0	0	0	(341,115)
Debt Interest Payments	(158,556)	(73,371)	0	0	0	(231,927)
Proceeds of Grants Received	0	1,494,528	0	330,245	0	1,824,773
<b>Net Cash (Used) by Capital and Related Financing Activities</b>	<b>(1,082,704)</b>	<b>(1,575,659)</b>	<b>(914,652)</b>	<b>(746,613)</b>	<b>(143,295)</b>	<b>(4,462,923)</b>
<b>Cash Flows from Investing Activities:</b>						
Earnings (Loss) on Investments	476,498	190,961	0	91,069	11,989	770,517
<b>Net Cash Provided (Used) by Cash Flows from Investing Activities</b>	<b>476,498</b>	<b>190,961</b>	<b>0</b>	<b>91,069</b>	<b>11,989</b>	<b>770,517</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>963,282</b>	<b>1,449,988</b>	<b>(26,186)</b>	<b>105,237</b>	<b>(28,928)</b>	<b>2,463,393</b>
Cash and Cash Equivalents - Beginning of Year	14,019,634	6,351,162	1,042,763	2,676,949	472,936	24,563,444
Cash and Cash Equivalents - End of Year	14,982,916	7,801,150	1,016,577	2,782,186	444,008	27,026,837
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b>						
Operating Income (Loss)	68,265	273,087	223,429	281,836	(212,302)	634,315
<b>Adjustments:</b>						
Depreciation	1,249,871	1,164,737	427,764	505,340	214,423	3,562,135
<b>Changes in Assets &amp; Liabilities:</b>						
(Increase) Decrease in Receivables	9,877	(25,350)	0	(3,094)	0	(18,567)
(Increase) Decrease in Inventory	(67,056)	0	0	0	0	(67,056)
(Increase) Decrease in Deferred Outflows of Resources	(818,065)	(629,332)	(232,122)	(299,849)	(327,699)	(2,307,067)
(Increase) Decrease in Net OPEB Asset	249,201	198,435	78,100	106,834	104,017	736,587
(Increase) Decrease in Prepaids	2,060	859	294	956	(18)	4,151
Increase (Decrease) in Retainage Payable	0	0	(15,122)	(16,677)	(1,200)	(32,999)
Increase (Decrease) in Payables	146,215	1,319,424	(7,474)	(7,373)	(181)	1,450,611
Increase (Decrease) in Accrued Liabilities	17,119	14,565	(6,047)	(283)	3,493	28,847
Increase (Decrease) in Deferred Inflows of Resources	(1,038,479)	(827,793)	(326,411)	(447,193)	(434,003)	(3,073,879)
Increase (Decrease) in Net Pension Liability	1,698,210	1,305,464	480,807	620,252	679,673	4,784,406
Increase (Decrease) in Net OPEB Liability	52,270	40,590	15,248	20,032	21,175	149,315
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$1,569,488</b>	<b>\$2,834,686</b>	<b>\$638,466</b>	<b>\$760,781</b>	<b>\$47,378</b>	<b>\$5,850,799</b>
<b>Schedule of Noncash Capital Activities:</b>						
During the fiscal year, these amounts were received representing noncash contributions of:						
Capital Assets	\$0	\$70,681	\$0	\$1,159,260	\$0	\$1,229,941

See accompanying notes to the basic financial statements.

City of Troy, Ohio  
Statement of Fiduciary Net Position  
Fiduciary Fund  
December 31, 2023

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	Private Purpose Trust
Assets:	
Equity in Pooled Cash and Investments	\$291,248
Receivables (Net):	
Interest	<u>654</u>
Total Assets	<u>291,902</u>
Net Position:	
Restricted for Endowment - Expendable	155,370
Restricted for Endowment - Nonexpendable	<u>136,532</u>
Total Net Position	<u>\$291,902</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, 2023

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	Private Purpose Trust
Additions:	
Investment Earnings	\$9,431
Other	668
Total Additions	<u>10,099</u>
Deductions:	
Public Health and Welfare	<u>2,679</u>
Total Deductions	<u>2,679</u>
Change in Net Position	7,420
Net Position - Beginning of Year	<u>284,482</u>
Net Position - End of Year	<u><u>\$291,902</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, 2023**

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

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

**Reporting Entity**

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

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

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

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

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

**Measurement Focus**

Government-wide Financial Statements

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

Fund Financial Statements

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

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2023**

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

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

**Basis of Presentation**

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

Government-wide Financial Statements

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

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

Fund Financial Statements

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

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2023**

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**Fund Accounting**

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

Governmental Funds

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

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

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

Capital Improvement Fund – This capital projects fund accounts for various capital projects financed by governmental funds.

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

Proprietary Funds

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

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

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

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

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

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

Fiduciary Funds - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2023**

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purpose trust funds, and custodial funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are not available to support the City's own programs. The City currently has one private purpose trust fund. The Cemetery private purpose trust fund is used to account for the receipt of monies (investment earnings) to be used for (support of) general care and maintenance of the City's two cemeteries (Riverside and Rosehill). It also accounts for donations received where the donor desires the principal amount donated to remain intact and investment earnings to be used for (support of) the general care and maintenance of the City's two cemeteries (Riverside and Rosehill).

**Basis of Accounting**

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

Revenues - Exchange and Non-exchange Transactions

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

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

Deferred Outflows/Inflows of Resources

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

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2023**

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OPEB, which are reported in the government-wide statement of net position. The deferred outflows of resources related to pension and OPEB are explained in Notes 9 and 10.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future periods and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property and income taxes, grants and other taxes, special assessments, accounts, leases, revenue in lieu of taxes, OPEB, and pension. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2023, but which were levied to finance year 2024 operations. Revenue in lieu of taxes are deferred and recognized as inflows of resources in the period the amounts become available. These amounts along with leases have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Grants and other taxes, and accounts have been recorded as deferred inflows on the governmental fund financial statements. Deferred inflows of resources related to pension and OPEB are reported on the governmental-wide statement of net position. For more pension and OPEB related information, see Notes 9 and 10.

Expenses/Expenditures

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

**Equity in Pooled Cash and Investments**

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

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

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

During 2023, the City invested in negotiable certificates of deposit, federal agency securities, a money market fund, and STAR Ohio. Investments are reported at cost, except for the money market fund and STAR Ohio. The City's money market fund investment is recorded at the amount reported by financial institutions on December 31, 2023.

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.



**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2023**

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STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2023, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Following the Ohio Revised Code, the City has, by resolution, specified the funds to receive an allocation of interest earnings.

**Inventory**

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

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

**Prepaid Items**

Payments made for services that will benefit periods beyond December 31, 2022, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense in the year in which services are consumed.

**Lease Receivable**

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

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

**Capital Assets**

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are 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

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2023**

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both in the business-type activities column of the government-wide statement of net position and in the respective proprietary funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value. The City's infrastructure consists of curbs, sidewalks, storm sewers, streets, and water and sewer lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. The City will capitalize capital assets with a cost of \$5,000 or more.

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

<u>Description</u>	Governmental Activities <u>Estimated Lives</u>	Business-Type Activities <u>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,

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2023**

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

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

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

**Fund Balance**

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

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

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

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

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

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

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

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2023**

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**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 \$24,162,176 in restricted net position, none was restricted by enabling legislation.

**Operating Revenues and Expenses**

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

**Contributions of Capital**

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

**Interfund Activity**

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

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

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

**Restricted Assets**

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

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2023**

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**Estimates**

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

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

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

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

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

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

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

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

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2023**

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

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

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

**Deposits**

Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. As of December 31, 2023, \$6,983,173 of the City's bank balance of \$8,122,721 was exposed to custodial credit risk because it was uninsured and collateralized.

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

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

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

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2023**

**Investments**

The following is a summary of the fair value hierarchy of the fair value of investments of the City as of December 31, 2023:

Investment Type	Fair Value Measurements Using			Net Asset Value*	Weighted Average Maturity (Years)
	Net Asset Value* / Fair Value	Quoted Prices in			
		Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2		
Federal Home Loan Bank	\$37,010,141		\$37,010,141		2.17
Federal National Mortgage Association	15,278,693		15,278,693		2.02
Federal Farm Credit Bank	15,528,949		15,528,949		1.51
Federal Home Loan Mortgage Corporation	15,897,660		15,897,660		1.78
Money Market Funds	538,430	\$538,430			0.00
US Treasury Bills	295,971		295,971		0.26
Negotiable Certificate of Deposits	963,407		963,407		1.44
Star Ohio*	21,618,309			\$21,618,309	0.13
	<u>\$107,131,560</u>	<u>\$538,430</u>	<u>\$84,974,821</u>	<u>\$21,618,309</u>	
Portfolio Weighted Average Maturity					1.56

The City categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The Hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Inputs to the valuation techniques used in fair the measurement for Level 2 include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data by correlation or other means. Level 3 inputs are significant unobservable inputs. The above table identifies the City's recurring fair value measurements as of December 31, 2023, in which, the U.S. Agencies are valued using a matrix pricing model (Level 2 inputs) and pooled investment funds (STAR Ohio) are measured at net asset value (NAV).

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

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

**Concentration of Credit Risk** – The City's investment policy allows investments in Federal Government Securities or Instrumentalities. The City has invested 34.5% in Federal Home Loan Bank, 14.3% in Federal National Mortgage Association, 14.5% in Federal Farm Credit Bank, 14.8% in Federal Home Loan Mortgage Corporation, 0.3% in US Treasury Bills, 0.9% in Negotiable Certificates of Deposit, 20.2% in Star Ohio, and 0.5% in money market funds.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2023**

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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, accounts receivable, accrued interest on investments, intergovernmental receivables arising from entitlements and shared revenues, notes receivable, special assessments receivable, interfund receivable and leases receivable.

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

Special assessments expected to be collected amount to \$1,082,172 of which, \$129,264 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 2023 were levied after October 1, 2022 on assessed values as of January 1, 2022, 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	\$766,959,990
Public Utility	24,682,310
Total Valuation	<u><u>\$791,642,300</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, 2023, and for which there is an



**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2023**

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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 2023 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On an accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

**Income Taxes**

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

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

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

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

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

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

Liability:

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

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

MVRMA Self-Insured Retention: \$500,000 per occurrence and obtained reinsurance from Government Entities Mutual Inc. (GEM) for \$6.5 million excess of \$500,000, and from Genesis for \$5 million excess of \$7 million.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2023**

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Property:

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

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

Flood Damage:

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

Earthquake Shock:

Limits: \$25 million/occurrence and annual aggregate  
MVRMA Self-Insured Retention: \$250,000/occurrence

Boiler & Machinery:

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

Cyber Liability:

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

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

First Party Loss (Limits per Occurrence):

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

Liability:

\$5,000,000 each for Data & Network Liability; Regulatory Defense & Penalties; Payment Card Liabilities & Costs; Media Liability

E-Crime:

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

Breach Response Costs:

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

Pollution Liability – (claims made and reported policy):

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

Limits:

\$25,000,000 Policy Aggregate for all insureds combined

**City of Troy, Ohio**  
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\$2,000,000 Per Pollution Incident  
 \$2,000,000 Per Named Insured  
 \$2,000,000 MVRMA Pool-wide Aggregate  
 Retroactive Date: Policy inception  
 MVRMA Self-Insured Retention (SIR): \$250,000/pollution condition; \$250,000 Mold;  
 \$500,000 Sewage Backups; \$750,000-\$1,000,000 underground storage tanks

**Crime Coverage:**

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

**Limits per Occurrence:**

\$2,000,000 Employee Theft Per Loss; Forgery or Alteration  
 \$100,000 Inside & Outside Premises—Theft of Money & Securities, Robbery, Safe Burglary  
 \$2,000,000 Computer Fraud  
 \$2,000,000 Funds Transfer Fraud  
 \$5,000 Money Orders and Counterfeit Paper Currency  
 MVRMA self-insured retention: up to \$50,000 per loss

Member Deductible per occurrence - \$2,500

The Audit of MVRMA’s 2023 financial statements has not been completed yet. Data from the December 31, 2022 financial statements are as follows:

Current Assets	\$4,441,242
Non-current Assets	<u>13,091,357</u>
Total Assets	<u>17,532,599</u>
Deferred Outflows of Resources	73,146
Current Liabilities	5,917,650
Non-current Liabilities	<u>2,097,838</u>
Total Liabilities	<u>8,015,488</u>
Deferred Inflows of Resources	311,582
Net Position	<u>\$9,278,675</u>

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

**Ohio Benefits Cooperative (OBC)**

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

The employee health benefit plan provides basic health coverage through Anthem, the third party administrator (TPA) of the program, which reviews and processes or disallows the claims. Jefferson Health Plan (JHP) releases the claims payments to the TPA as a consortium outside Anthem. JHP is a jointly governed organization established as a joint insurance pool. A specific excess loss coverage (stoploss) insurance policy covers claims in excess of \$250,000 per year.

**City of Troy, Ohio**  
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The 2023 monthly family and single premiums for the PPO plan were \$2,560.45 and \$949.69. The TPA charges the City an administration fee of \$68.29 per employee per month (including commission to McGohan Brabender), while also providing a pharmacy rebate credit in the amount of \$68.29, so the net cost is \$0 per employee per month. JHP charges an administration fee of \$18.50 per employee per month. The 2023 monthly family and single premiums for the HSA Standard plan were \$1,875.15 and \$695.50. The TPA no longer charges the city PEPM.

The 2023 monthly family and single premiums for the HSA Low plan were \$1,745.17 and \$647.30. The TPA fee paid to Anthem for the period January 1, 2023 to August 31, 2023 was \$0.00 PEPM. The TPA fee paid to Anthem for the period September 1, 2023 to December 31, 2023 was \$0.00 PEPM.

**Workers' Compensation Group Rating Program**

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

**Note 6 – Capital Assets**

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

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**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
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	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities</b>				
<b>Capital Assets, not being depreciated:</b>				
Land	\$14,833,195	\$599,279	\$0	\$15,432,474
Construction in Progress	8,308,652	7,665,493	8,225,565	7,748,580
<b>Capital Assets, being depreciated:</b>				
Buildings and Improvements	19,477,057	6,006,418	0	25,483,475
Equipment	16,380,050	1,147,747	90,086	17,437,711
Infrastructure	70,264,947	5,951,015	0	76,215,962
Totals at Historical Cost	<u>129,263,901</u>	<u>21,369,952</u>	<u>8,315,651</u>	<u>142,318,202</u>
Less Accumulated Depreciation:				
Buildings and Improvements	12,518,596	666,420	0	13,185,016
Equipment	11,241,261	895,613	90,086	12,046,788
Infrastructure	21,265,512	1,424,298	0	22,689,810
Total Accumulated Depreciation	<u>45,025,369</u>	<u>2,986,331</u>	<u>90,086</u>	<u>47,921,614</u>
Governmental Activities Capital Assets, Net	<u>\$84,238,532</u>	<u>\$18,383,621</u>	<u>\$8,225,565</u>	<u>\$94,396,588</u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$779,035
Public Safety	826,159
Leisure Time	542,710
Transportation	696,762
Basic Utility Service	92,080
Community Development	49,585
Total Depreciation Expense	<u>\$2,986,331</u>

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**City of Troy, Ohio**  
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	Beginning Balance	Additions	Deletions	Ending Balance
<b>Business-Type Activities</b>				
<b>Capital Assets, not being depreciated:</b>				
Land	\$780,372	\$0	\$0	\$780,372
Construction in Progress	1,549,048	7,927,039	1,614,608	7,861,479
<b>Capital Assets, being depreciated:</b>				
Buildings and Improvements	58,544,860	732,648	0	59,277,508
Equipment	20,251,536	1,052,523	0	21,304,059
Infrastructure	76,259,557	3,027,492	9,227	79,277,822
Totals at Historical Cost	<u>157,385,373</u>	<u>12,739,702</u>	<u>1,623,835</u>	<u>168,501,240</u>
Less Accumulated Depreciation:				
Buildings and Improvements	31,037,403	1,302,776	0	32,340,179
Equipment	14,867,157	697,363	0	15,564,520
Infrastructure	33,719,293	1,561,996	9,227	35,272,062
Total Accumulated Depreciation	<u>79,623,853</u>	<u>3,562,135</u>	<u>9,227</u>	<u>83,176,761</u>
Business-Type Activities Capital Assets, Net	<u>\$77,761,520</u>	<u>\$9,177,567</u>	<u>\$1,614,608</u>	<u>\$85,324,479</u>

**Note 7 – Compensated Absences**

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

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

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

**Note 8 - Long-Term Obligations**

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

**City of Troy, Ohio**  
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	Maturity Date	Interest Rate	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
<b>Governmental Activities</b>							
<u>General Obligation Bonds</u>							
Refunding Bonds:							
Refunding of Capital Facilities-							
\$7,535,000	12/1/40	3.00-4.00%	\$6,995,000	\$0	(\$295,000)	\$6,700,000	\$310,000
Premium			480,979	0	(26,721)	454,258	0
Total Bonds			<u>7,475,979</u>	<u>0</u>	<u>(321,721)</u>	<u>7,154,258</u>	<u>310,000</u>
Net Pension Liability			19,809,116	12,587,665	0	32,396,781	0
Net OPEB Liability			3,089,880	0	(1,032,291)	2,057,589	0
Compensated Absences			2,536,974	684,534	(738,707)	2,482,801	606,426
Total Governmental Activities			<u>\$32,911,949</u>	<u>\$13,272,199</u>	<u>(\$2,092,719)</u>	<u>\$44,091,429</u>	<u>\$916,426</u>

	Maturity Date	Interest Rate	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
<b>Business-Type Activities</b>							
Refunding Bonds:							
Water Systems Bonds-\$3,200,000		3.0-4.0%	\$2,955,000	\$0	(\$115,000)	\$2,840,000	\$120,000
Premium	12/1/19		188,491	0	(9,921)	178,570	0
Sewer System Bonds-\$2,310,000		3.0-4.0%	2,130,000	0	(80,000)	2,050,000	85,000
Premium	12/1/19		135,624	0	(7,138)	128,486	0
Total Bonds			<u>5,409,115</u>	<u>0</u>	<u>(212,059)</u>	<u>5,197,056</u>	<u>205,000</u>
OWDA Loans from Direct Borrowings:							
Water Pollution Control-\$1,451,384	7/1/29	3.25%	193,819	0	(27,240)	166,579	28,133
Fresh Water-\$2,721,892	7/1/29	3.25%	2,128,305	0	(118,875)	2,009,430	122,503
Water Pollution Control-\$12,882,360	7/1/54	2.52%	0	4,180,499	0	4,180,499	0
Total OWDA Loans from Direct Borrowings			<u>2,322,124</u>	<u>4,180,499</u>	<u>(146,115)</u>	<u>6,356,508</u>	<u>150,636</u>
Net Pension Liability			1,986,465	4,784,406	0	6,770,871	0
Net OPEB Liability			0	149,315	0	149,315	0
Compensated Absences			497,434	138,957	(127,051)	509,340	145,518
Total Business-Type Activities			<u>\$10,215,138</u>	<u>\$9,253,177</u>	<u>(\$485,225)</u>	<u>\$18,983,090</u>	<u>\$501,154</u>

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

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

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**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2023**

Year Ending December 31	Governmental Activities		Business-Type Activities			
	General		General		OWDA Loans	
	Obligation Bonds		Obligation Bonds		from Direct Borrowings	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$310,000	\$207,200	\$205,000	\$150,900	\$150,636	\$65,152
2025	310,000	194,800	215,000	142,700	155,297	60,491
2026	325,000	182,400	215,000	134,100	160,104	55,684
2027	340,000	172,650	225,000	127,650	165,059	50,729
2028	345,000	162,450	235,000	120,900	170,167	45,621
2029-2033	1,900,000	649,800	1,290,000	494,400	773,112	155,890
2034-2038	2,195,000	347,700	1,490,000	289,800	601,634	37,006
2039-2043	975,000	44,100	1,015,000	61,500	0	0
Total	<u>\$6,700,000</u>	<u>\$1,961,100</u>	<u>\$4,890,000</u>	<u>\$1,521,950</u>	<u>\$2,176,009</u>	<u>\$470,570</u>

**OWDA Loans from Direct Borrowings**

During 2023, the City received disbursements from an Ohio Water Development Authority (OWDA) loan for water pollution control. The disbursements received during 2023 were in the amount of \$4,180,499. The loan bears a fixed rate of 2.52% and has a final maturity date of July 1, 2054. The full amount for this loan has not been disbursed as of year end and does not appear in the table above.

The City's outstanding OWDA loans from direct borrowings of \$6,356,508 contain a provision that in an event of default, the amount of such default shall bear interest thereafter at the rate equal to the Contract Interest Rate plus three percentage points annum until the date of payment, and outstanding amounts become immediately due.

**Note 9 – Defined Benefit Pension Plans**

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

**Net Pension Liability/Net OPEB Liability**

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

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

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



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

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

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

***Ohio Public Employees Retirement System (OPERS)***

**Plan Description**

City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Effective January 1, 2022, new members may no longer select the Combined Plan, and current members may no longer make a plan change to this plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <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 in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (see

**City of Troy, Ohio**  
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OPERS Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

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

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

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

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

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility

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

**Funding Policy**

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

	<u>State and Local</u>	<u>Public Safety</u>	<u>Law Enforcement</u>
<b>2023 Statutory Maximum Contribution Rates</b>			
Employer	14.0 %	18.1 %	18.1 %
Employee *	10.0 %	**	***
<b>2023 Actual Contribution Rates</b>			
Employer:			
Pension ****	14.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits *****	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total Employer	<u>14.0 %</u>	<u>18.1 %</u>	<u>18.1 %</u>
Employee	<u>10.0 %</u>	<u>12.0 %</u>	<u>13.0 %</u>

- \* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.
- \*\* This rate is determined by OPERS' Board and has no maximum rate established by ORC.
- \*\*\* This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.
- \*\*\*\* These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension; however, effective July 1, 2022, a portion of the health care rate is funded with reserves.

Employer contribution rates are actuarially determined within the constraints of statutory limits for each division and expressed as a percentage of covered payroll.

**City of Troy, Ohio**  
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For 2023, the City's contractually required contribution was \$1,035,040, of this amount \$87,732 is reported in accrued wages and benefits.

***Ohio Police & Fire Pension Fund (OP&F)***

**Plan Description**

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

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

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

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

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

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

The COLA amount for members who have less than 15 years of service credit as of July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will be equal to a percentage of the member's base pension benefit where the percentage is the lesser of 3.0 percent or the percentage

**City of Troy, Ohio**  
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**For The Year Ended December 31, 2023**

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increase in the consumer price index, if any, over the twelve-month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

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

**Funding Policy**

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

	<u>Police</u>	<u>Firefighters</u>
<b>2023 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
 <b>2023 Actual Contribution Rates</b>		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50</u>	<u>0.50</u>
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	<u>12.25 %</u>	<u>12.25 %</u>

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution to OP&F was \$1,566,437 for 2023, of this amount \$176,705 is reported as accrued wages and benefits.

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

The net pension liability for OPERS was measured as of December 31, 2022, 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, 2022, and was determined by rolling forward the total pension liability as of January 1, 2022, to December 31, 2022. The City’s proportion of the net pension liability was based on the City’s share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share of the City’s defined benefit pension plans:

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**City of Troy, Ohio**  
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	OPERS		Total
	Traditional Plan	OPF	
Proportionate Share of the:			
Net Pension Liability	\$13,776,886	\$25,390,766	\$39,167,652
Proportion of the Net Pension Liability:			
Current Measurement Date	0.04663800%	0.26729850%	
Prior Measurement Date	0.04809000%	0.28190120%	
Change in Proportionate Share	<u>-0.00145200%</u>	<u>-0.01460270%</u>	
Pension Expense	\$1,925,556	\$2,804,172	\$4,729,728

At December 31 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS		Total
	Traditional Plan	OPF	
<u>Deferred Outflows of Resources</u>			
Differences between expected and actual experience	\$457,610	\$380,850	\$838,460
Changes in assumptions	145,543	2,290,160	2,435,703
Net difference between projected and actual earnings on pension plan investments	3,926,845	3,696,584	7,623,429
Changes in employer proportionate share of net pension liability	29,743	10,427	40,170
Contributions subsequent to the measurement date	1,035,040	1,566,437	2,601,477
Total Deferred Outflows of Resources	<u>\$5,594,781</u>	<u>\$7,944,458</u>	<u>\$13,539,239</u>
<u>Deferred Inflows of Resources</u>			
Differences between expected and actual experience	\$0	\$578,476	\$578,476
Changes in assumptions	0	495,112	495,112
Changes in employer proportionate share of net pension liability	153,318	1,460,850	1,614,168
Total Deferred Inflows of Resources	<u>\$153,318</u>	<u>\$2,534,438</u>	<u>\$2,687,756</u>

\$2,601,477 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending	OPERS		Total
	Traditional Plan	OPF	
December 31:			
2024	\$459,079	\$132,464	\$591,543
2025	867,841	933,026	1,800,867
2026	1,155,862	1,117,930	2,273,792
2027	1,923,641	1,853,673	3,777,314
2028	0	(193,510)	(193,510)
Total	<u>\$4,406,423</u>	<u>\$3,843,583</u>	<u>\$8,250,006</u>

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
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***Actuarial Assumptions – OPERS***

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2022, using the following key actuarial assumptions and methods applied to all periods included in the measurement in accordance with the requirements of GASB 67:

	<u>OPERS Traditional Plan</u>
Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA:	
Pre-January 7, 2013 Retirees	3.0 percent, simple
Post-January 7, 2013 Retirees	3.0 percent, simple through 2023, then 2.05 percent, simple
Investment Rate of Return	6.9 percent
Actuarial Cost Method	Individual Entry Age

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

The most recent experience study was completed for the five year period ended December 31, 2020.

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 12.1 percent for 2022.

**City of Troy, Ohio**  
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The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board’s investment consultant. For each major class that is included in the Defined Benefit portfolio’s target asset allocation as of December 31, 2022, these best estimates are summarized below:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	22.00%	2.62%
Domestic Equities	22.00	4.60
Real Estate	13.00	3.27
Private Equity	15.00	7.53
International Equities	21.00	5.51
Risk Parity	2.00	4.37
Other investments	5.00	3.27
Total	100.00%	

**Discount Rate**

The discount rate used to measure the total pension liability for the current year was 6.9 percent for the traditional plan and the combined plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the traditional pension plan, combined plan and member-directed plan was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following table presents the City’s proportionate share of the net pension liability calculated using the current period discount rate assumption of 6.9 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (5.9 percent) or one-percentage-point higher (7.9 percent) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Proportionate share of the net pension liability	\$20,637,315	\$13,776,886	\$8,070,240



**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2023**

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**Actuarial Assumptions – OP&F**

OP&F’s total pension liability as of December 31, 2022, is based on the results of an actuarial valuation date of January 1, 2022, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered are: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2022, are presented below.

Valuation Date	January 1, 2022, with actuarial liabilities rolled forward to December 31, 2022
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.5 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	3.25 percent per annum, compounded annually, consisting of Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	2.2 percent simple per year

For 2022, mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2 percent for males and 98.7 percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, mortality for contingent annuitants is based on the Pub-2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP- 2021 Improvement Scale.

For 2021, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

**City of Troy, Ohio**  
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Age	Police	Fire
67 or less	77 %	68 %
68-77	105	87
78 and up	115	120

For 2021, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

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

The most recent experience study was completed for the five-year period ended December 31, 2021.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The assumption is intended to be a long-term assumption (30 to 50 years) and is not expected to change absent a significant change in the asset allocation, a change in the underlying inflation assumption, or a fundamental change in the market that alters expected returns in future years.

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, 2022, are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	18.60 %	4.80 %
Non-US Equity	12.40	5.50
Private Markets	10.00	7.90
Core Fixed Income *	25.00	2.50
High Yield Fixed Income	7.00	4.40
Private Credit	5.00	5.90
U.S. Inflation Linked Bonds*	15.00	2.00
Midstream Energy Infrastructure	5.00	5.90
Real Assets	8.00	5.90
Gold	5.00	3.60
Private Real Estate	12.00	5.30
Commodities	2.00	3.60
Total	<u>125.00 %</u>	

Note: Assumptions are geometric.

\* levered 2.5x

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

**Discount Rate**

For 2022, the total pension liability was calculated using the discount rate of 7.50 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return of 7.50 percent. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact, the following table presents the net pension liability calculated using the discount rate of 7.50 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of the net pension liability	\$33,495,320	\$25,390,766	\$18,653,450

**Note 10 – Postemployment Benefits**

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**Net OPEB Liability**

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

**Ohio Public Employees Retirement System (OPERS)**

**Plan Description**

The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined and Member-Directed plans. Medicare-enrolled retirees in the Traditional Pension and Combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice selected with the assistance of an OPERS vendor. Non-Medicare retirees have converted to an arrangement similar to the Medicare-enrolled retirees, and are no longer participating in OPERS provided self-insured group plans.

**City of Troy, Ohio**  
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With one exception, OPERS-provided health care coverage is neither guaranteed nor statutorily required. Ohio law currently requires Medicare Part A equivalent coverage or Medicare Part A premium reimbursement for eligible retirees and their eligible dependents.

OPERS offers a health reimbursement arrangement (HRA) allowance to traditional pension plan and combined plan benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents.

OPERS members enrolled in the Traditional Pension Plan or Combined Plan retiring with an effective date of January 1, 2022, or after must meet the following health care eligibility requirements to receive an HRA allowance:

**Medicare Retirees** - Medicare-eligible with a minimum of 20 years of qualifying service credit

**Non-Medicare Retirees** - Non-Medicare retirees qualify based on the following age-and-service criteria:

**Group A** - 30 years of qualifying service credit at any age;

**Group B** - 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;

**Group C** - 32 years of qualifying service credit and minimum age 55; or,

A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit.

Retirees who don't meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service.

Members with a retirement date prior to January 1, 2022, who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022.

Eligible retirees may receive a monthly HRA allowance for reimbursement of health care coverage premiums and other qualified medical expenses. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are provided to eligible retirees, and are deposited into their HRA account.

Retirees will have access to the OPERS Connector, which is a relationship with a vendor selected by OPERS to assist retirees participating in the health care program. The OPERS Connector may assist retirees in selecting and enrolling in the appropriate health care plan.

When members become Medicare-eligible, recipients enrolled in OPERS health care programs must enroll in Medicare Part A (hospitalization) and Medicare Part B (medical).

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50 percent of the Medicare Part A premium and

**City of Troy, Ohio**  
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any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

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

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

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

**Funding Policy**

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2023, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and beginning July 1, 2022, there was a two percent allocation to health care for the Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2022 was 4.0 percent; however, effective July 1, 2022, a portion of the health care rate was funded with reserves.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$0 for 2023.

***Ohio Police & Fire Pension Fund (OP&F)***

**Plan Description**

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

**City of Troy, Ohio**  
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OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements.

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

Regardless of a benefit recipient's participation in the health care program, OP&F is required by law to pay eligible recipients of a service pension, disability benefit and spousal survivor benefit for their Medicare Part B insurance premium, up to the statutory maximum provided the benefit recipient is not eligible to receive reimbursement from any other source. Once OP&F receives the necessary documentation, a monthly reimbursement is included as part of the recipient's next benefit payment. The stipend provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75.

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

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

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

**Funding Policy**

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2023, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

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

**City of Troy, Ohio**  
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The City's contractually required contribution to OP&F was \$36,804 for 2023.

**Net OPEB Liability**

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2022, and was determined by rolling forward the total OPEB liability as of January 1, 2022, to December 31, 2022. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share:

	OPERS		
	Traditional Plan	OPF	Total
Proportionate Share of the:			
Net OPEB Liability	\$303,816	\$1,903,088	\$2,206,904
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.04818500%	0.26729850%	
Prior Measurement Date	0.04953300%	0.28190120%	
Change in Proportionate Share	-0.00134800%	-0.01460270%	
OPEB Expense	(\$556,474)	\$136,022	(\$420,452)

At December 31 2023, reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS		
	Traditional Plan	OPF	Total
<u>Deferred Outflows of Resources</u>			
Differences between expected and actual experience	\$0	\$113,565	\$113,565
Changes in assumptions	296,744	948,394	1,245,138
Net difference between projected and actual earnings on pension plan investments	603,389	163,228	766,617
Changes in employer proportionate share of net OPEB liability	6,223	84,683	90,906
Contributions subsequent to the measurement date	0	36,804	36,804
Total Deferred Outflows of Resources	\$906,356	\$1,346,674	\$2,253,030
<u>Deferred Inflows of Resources</u>			
Differences between expected and actual experience	\$75,783	\$375,251	\$451,034
Changes in assumptions	24,417	1,556,571	1,580,988
Changes in employer proportionate share of net OPEB liability	864	255,011	255,875
Total Deferred Inflows of Resources	\$101,064	\$2,186,833	\$2,287,897

\$36,804 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the

**City of Troy, Ohio**  
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year ending December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS Traditional Plan	OPF	Total
2024	\$105,308	(\$48,215)	\$57,093
2025	220,340	(30,334)	190,006
2026	188,156	(115,133)	73,023
2027	291,488	(75,399)	216,089
2028	0	(184,909)	(184,909)
Thereafter	0	(422,973)	(422,973)
<b>Total</b>	<b>\$805,292</b>	<b>(\$876,963)</b>	<b>(\$71,671)</b>

**Actuarial Assumptions – OPERS**

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

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022. The actuarial valuation used the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	2.75 percent
Projected Salary Increases,	2.75 to 10.75 percent including wage inflation
Single Discount Rate	5.22 percent
Prior Year Single Discount Rate	6.00 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	4.05 percent
Prior Year Municipal Bond Rate	1.84 percent
Health Care Cost Trend Rate	5.5 percent, initial 3.50 percent, ultimate in 2036
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the



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previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five year period ended December 31, 2020.

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, if any contribution are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was 15.6 percent for 2022.

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00%	2.56%
Domestic Equities	26.00	4.60
Real Estate Investment Trust	7.00	4.70
International Equities	25.00	5.51
Risk Parity	2.00	4.37
Other investments	6.00	1.84
Total	100.00%	

***Discount Rate***

A single discount rate of 5.22 percent was used to measure the OPEB liability on the measurement date of December 31, 2022; however, the single discount rate used at the beginning of the year was 6 percent. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay

**City of Troy, Ohio**  
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benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 4.05 percent (Fidelity Index’s “20-Year Municipal GO AA Index”). The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2054. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

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

The following table presents the City’s proportionate share of the net OPEB liability calculated using the single discount rate of 5.22 percent, as well as what the City’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (4.22 percent) or one-percentage-point higher (6.22 percent) than the current rate:

	1% Decrease <u>(4.22%)</u>	Current Discount Rate <u>(5.22%)</u>	1% Increase <u>(6.22%)</u>
Proportionate share of the net OPEB Liability	\$1,034,050	\$303,816	(\$298,747)

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

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

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Proportionate share of the net OPEB liability	\$284,773	\$303,816	\$325,249

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2023**

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**Actuarial Assumptions – OP&F**

OP&F’s total OPEB liability as of December 31, 2022, is based on the results of an actuarial valuation date of January 1, 2022, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

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

Valuation Date	January 1, 2022, with actuarial liabilities rolled forward to December 31, 2022
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.5 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	3.25 percent
Blended discount rate:	
Current measurement date	4.27 percent
Prior measurement date	2.84 percent
Cost of Living Adjustments	2.2 percent simple per year
Projected Depletion Year of OPEB Assets	2036

For 2022, mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2 percent for males and 98.7 percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent for females. All rates are projected using the MP-2021 Improvement Scale.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
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For 2022, mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP- 2021 Improvement Scale.

For 2021, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

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

For 2021, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

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

The most recent experience study was completed for the five year period ended December 31, 2021.

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

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F’s target asset allocation as of December 31, 2022, are summarized below:

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2023**

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	18.60 %	4.80 %
Non-US Equity	12.40	5.50
Private Markets	10.00	7.90
Core Fixed Income *	25.00	2.50
High Yield Fixed Income	7.00	4.40
Private Credit	5.00	5.90
U.S. Inflation Linked Bonds*	15.00	2.00
Midstream Energy Infrastructure	5.00	5.90
Real Assets	8.00	5.90
Gold	5.00	3.60
Private Real Estate	12.00	5.30
Commodities	2.00	3.60
Total	125.00 %	

Note: Assumptions are geometric.

\* Levered 2.5x

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

**Discount Rate**

For 2022, the total OPEB liability was calculated using the discount rate of 4.27 percent. For 2021, the total OPEB liability was calculated using the discount rate of 2.84 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 7.5 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, for 2022, the long-term assumed rate of return on investments of 7.50 percent was applied to periods before December 31, 2035, and the Municipal Bond Index Rate of 3.65 percent was applied to periods on and after December 31, 2035, resulting in a discount rate of 4.27 percent. For 2021, a municipal bond rate of 2.05 percent at December 31, 2021, was blended with the long-term rate of 7.5 which resulted in a blended discount rate of 2.84. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate.

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

Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 4.27 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.27 percent), or one percentage point higher (5.27 percent) than the current rate.

	1% Decrease (3.27%)	Current Discount Rate (4.27%)	1% Increase (5.27%)
Proportionate share of the net OPEB liability	\$2,343,474	\$1,903,088	\$1,531,289

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2023**

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

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

**Note 11 – Lease – Lessor Disclosure**

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

Details of each lease are presented below:

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

<u>Lease Year</u>	<u>Principal*</u>	<u>Interest</u>	<u>Total</u>
2024	\$28,203	\$5,370	\$33,573
2025	28,927	4,646	33,573
2026	29,670	3,903	33,573
2027	30,432	3,141	33,573
2028	31,213	2,359	33,572
2029-2031	75,983	2,353	78,336
	<u>\$224,428</u>	<u>\$21,772</u>	<u>\$246,200</u>

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

<u>Lease Year</u>	<u>Principal*</u>	<u>Interest</u>	<u>Annual Rent</u>
2024	\$17,298	\$5,063	\$22,361
2025	17,743	4,618	22,361
2026	18,198	4,163	22,361
2027	18,666	3,695	22,361
2028	19,145	3,216	22,361
2029-2033	103,357	8,448	111,805
2034	12,933	110	13,043
	<u>\$207,340</u>	<u>\$29,313</u>	<u>\$236,653</u>

\*-lease receivable

The City recognized \$44,363 in lease revenues and \$11,571 interest revenues from lease activity for 2023.

**Note 12 – Construction and Other Commitments**

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

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**City of Troy, Ohio**  
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**For The Year Ended December 31, 2023**

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Projects	Amount
Sewer Maintenance and Improvements	\$10,103,986
Street Maintenance and Improvements	10,300,980
Storm Water Maintenance and Improvements	204,606
Other Construction and Commitments	463,455
Emergency Services	442,341
Water Maintenance and Improvements	1,103,897
Sidewalk Improvements	222,076
Vehicles	184,789
River Design Improvements	1,216,634
Hobart Arena Events	\$37,889
Leisure Time Activities	\$79,000
HVAC Replacement Improvements	\$336,446
Street Lights	67,724
Refuse Maintenance and Improvements	42,627
Total Outstanding Commitments	\$24,806,450

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

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

Fund	Amount
General	\$1,712,281
American Rescue Plan Act	1,332,494
Capital Improvements	9,361,526
Water	1,757,895
Sanitary Sewer	10,283,290
Hobart Arena	116,326
Stormwater Utility	595,713
Nonmajor Funds	922,113
Total	\$26,081,638

**Note 13 – Interfund Transfers and Interfund Receivable/Payable**

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

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**City of Troy, Ohio**  
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**For The Year Ended December 31, 2023**

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	Interfund		Transfers	
	Receivable	Payable	In	Out
General Fund	\$1,030,000	\$0	\$0	\$5,030,000
Capital Improvement	0	0	4,000,000	0
Other Governmental Funds	0	1,030,000	725,000	0
Hobart Arena	0	0	250,000	0
Other Enterprise Funds	0	0	55,000	0
Total All Funds	<u>\$1,030,000</u>	<u>\$1,030,000</u>	<u>\$5,030,000</u>	<u>\$5,030,000</u>

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

**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 \$155,370. The City authorizes expenditures from donor-restricted endowment in compliance with the wishes expressed by the donor and the Ohio Revised Code.

**Note 15 – Fund Balance**

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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:

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**City of Troy, Ohio**  
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**For The Year Ended December 31, 2023**

Fund Balances	General	American Rescue Plan Act	Capital Improvement	Other Governmental Funds	Total
Nonspendable:					
Unclaimed Monies	\$24,192	\$0	\$0	\$0	\$24,192
Prepaid Items	<u>141,823</u>	<u>0</u>	<u>0</u>	<u>10,501</u>	<u>152,324</u>
Total Nonspendable	166,015	0	0	10,501	176,516
Restricted for:					
Safety Income Tax	4,429,172	0	0	0	4,429,172
TIF Retirement	0	0	0	1,688,556	1,688,556
Capital Improvement	0	0	11,735,793	0	11,735,793
Street Construction, Maintenance and Repair	0	0	0	2,443,118	2,443,118
State Highway Improvement	0	0	0	408,191	408,191
Cemetery	0	0	0	90,757	90,757
Municipal Real Property	0	0	0	4,625	4,625
Miami Conservatory District	0	0	0	232,781	232,781
Community Development	0	0	0	1,689,568	1,689,568
Parking Improvement	0	0	0	66,825	66,825
Drug Law Enforcement	0	0	0	3,453	3,453
Law Enforcement	0	0	0	9,203	9,203
Cemetery Endowment	0	0	0	931,864	931,864
Small Business Development R-Loan	0	0	0	1,786,861	1,786,861
FEMA Grants	0	0	0	5,654	5,654
Equitable Sharing	0	0	0	75,273	75,273
Park and Playground	0	0	0	183,267	183,267
OneOhio Opioid Settlement	0	0	0	42,665	42,665
OPWC Project	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,411,064</u>	<u>1,411,064</u>
Total Restricted	4,429,172	0	11,735,793	11,073,725	27,238,690
Committed to:					
Capital Improvements	<u>30,973,492</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>30,973,492</u>
Total Committed	30,973,492	0	0	0	30,973,492
Assigned to:					
Bond Retirement	0	0	0	75,874	75,874
Technology	0	0	0	391,884	391,884
Purchases on Order	<u>1,544,964</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,544,964</u>
Total Assigned	1,544,964	0	0	467,758	2,012,722
Unassigned (Deficit)	<u>31,340,759</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>31,340,759</u>
Total Fund Balance	<u>\$68,454,402</u>	<u>\$0</u>	<u>\$11,735,793</u>	<u>\$11,551,984</u>	<u>\$91,742,179</u>

Purchases on order will be used for functions of the general government, safety of residences, recreational activities, economic development projects, and purchases of capital items for the City.

**Note 16 – Contingent Liabilities**

**Litigation**

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

**Note 17 – Tax Abatements**

As of December 31, 2023, the City provides tax abatements through the Community Reinvestment Area (CRA) and Ohio Enterprise Zone Area (EZA) Program:

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2023**

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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.

<u>Tax Abatement Programs</u>	<u>City's Share of Taxes Abated</u>
Community Reinvestment Area	\$23,886
Enterprise Zone Area	15,062

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

**Note 18 – Asset Retirement Obligations (ARO)**

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

**Note 19 – Implementations of new Accounting Principles**

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For fiscal year 2023, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, GASB Statement No. 96, Subscription-Based Information Technology Arrangements.

**City of Troy, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2023**

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GASB Statement No. 94 sets out to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. The implementation of GASB Statement No. 94 did not have an effect on the financial statements of the City.

GASB Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The implementation of GASB Statement No. 96 did not have an effect on the financial statements of the City.

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# Required Supplementary Information

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

	2023	2022	2021	2020	2019
City's Proportion of the Net Pension Liability	0.04663800%	0.04809000%	0.04725200%	0.04821600%	0.04741800%
City's Proportionate Share of the Net Pension Liability	\$13,776,886	\$4,184,025	\$6,996,993	\$9,530,219	\$12,986,830
City's Covered Payroll	\$7,229,457	\$6,979,250	\$6,655,150	\$6,783,914	\$6,404,636
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	190.57%	59.95%	105.14%	140.48%	202.77%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.74%	92.62%	86.88%	82.17%	74.70%

Note:

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

2018	2017	2016	2015	2014
0.04711500%	0.04862500%	0.04752900%	0.04867200%	0.04867200%
\$7,391,430	\$11,041,911	\$8,232,622	\$5,870,387	\$5,737,795
\$6,226,246	\$6,285,742	\$5,980,800	\$5,986,958	\$6,565,754
118.71%	175.67%	137.65%	98.05%	87.39%
84.66%	77.25%	81.08%	86.45%	86.36%

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

	2023	2022	2021	2020	2019
City's Proportion of the Net Pension Liability	0.26729850%	0.28190120%	0.29018510%	0.29126580%	0.30378400%
City's Proportionate Share of the Net Pension Liability	\$25,390,766	\$17,611,556	\$19,782,180	\$19,621,220	\$24,796,801
City's Covered Payroll	\$7,216,285	\$7,178,155	\$7,893,784	\$7,166,834	\$7,501,553
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	351.85%	245.35%	250.60%	273.78%	330.56%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.90%	75.03%	70.65%	69.89%	63.07%

Note:

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

2018	2017	2016	2015	2014
0.29818000%	0.30156700%	0.30581300%	0.30833220%	0.30833220%
\$18,300,653	\$19,100,951	\$19,673,165	\$15,972,893	\$15,016,746
\$7,169,253	\$6,985,753	\$6,654,988	\$6,337,672	\$7,482,014
255.27%	273.43%	295.62%	252.03%	200.70%
70.91%	68.36%	66.77%	72.20%	73.00%



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

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually Required Contribution	\$1,035,040	\$1,012,124	\$977,095	\$931,721	\$949,748
Contributions in Relation to the Contractually Required Contribution	<u>(1,035,040)</u>	<u>(1,012,124)</u>	<u>(977,095)</u>	<u>(931,721)</u>	<u>(949,748)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered Payroll	\$7,393,143	\$7,229,457	\$6,979,250	\$6,655,150	\$6,783,914
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	14.00%

Note:  
 See accompanying notes to the required supplementary information.

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$896,649	\$809,412	\$754,289	\$717,696	\$718,435
<u>(896,649)</u>	<u>(809,412)</u>	<u>(754,289)</u>	<u>(717,696)</u>	<u>(718,435)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$6,404,636	\$6,226,246	\$6,285,742	\$5,980,800	\$5,986,958
14.00%	13.00%	12.00%	12.00%	12.00%

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually Required Contribution	\$1,566,437	\$1,533,655	\$1,521,051	\$1,499,819	\$1,514,352
Contributions in Relation to the Contractually Required Contribution	<u>(1,566,437)</u>	<u>(1,533,655)</u>	<u>(1,521,051)</u>	<u>(1,499,819)</u>	<u>(1,514,352)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered Payroll	\$7,360,962	\$7,216,285	\$7,178,155	\$7,893,784	\$7,166,834
Contributions as a Percentage of Covered Payroll	21.28%	21.25%	21.19%	19.00%	21.13%

Note:  
 See accompanying notes to the required supplementary information.

2018	2017	2016	2015	2014
\$1,425,295	\$1,362,158	\$1,327,293	\$1,336,987	\$1,290,350
<u>(1,425,295)</u>	<u>(1,362,158)</u>	<u>(1,327,293)</u>	<u>(1,336,987)</u>	<u>(1,290,350)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$7,501,553	\$7,169,253	\$6,985,753	\$6,654,988	\$6,337,672
19.00%	19.00%	19.00%	20.09%	20.36%

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

	2023	2022	2021	2020	2019
City's Proportion of the Net OPEB Liability (Asset)	0.04818500%	0.04953300%	0.04845800%	0.04911700%	0.04834100%
City's Proportionate Share of the Net OPEB Liability (Asset)	\$303,816	(\$1,551,449)	(\$863,318)	\$6,784,334	\$6,302,525
City's Covered Payroll	\$7,229,457	\$6,979,250	\$6,655,150	\$6,783,914	\$6,404,636
City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	4.20%	-22.23%	-12.97%	100.01%	98.41%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	94.79%	128.23%	115.57%	47.80%	46.33%

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

Note:

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

See accompanying notes to the required supplementary information.

2018	2017
0.04794000%	0.04986580%
\$5,205,931	\$5,036,615
\$6,226,246	\$6,285,742
83.61%	80.13%
54.14%	54.04%

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

	2023	2022	2021	2020	2019
City's Proportion of the Net OPEB Liability	0.26729850%	0.28190120%	0.29018510%	0.29126580%	0.30378400%
City's Proportionate Share of the Net OPEB Liability	\$1,903,088	\$3,089,880	\$3,074,559	\$2,877,045	\$2,766,419
City's Covered Payroll	\$7,216,285	\$7,178,155	\$7,893,784	\$7,166,834	\$7,501,553
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	26.37%	43.05%	38.95%	40.14%	36.88%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	52.60%	46.90%	45.42%	47.10%	46.57%

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

Note:

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

See accompanying notes to the required supplementary information.

2018	2017
0.29818000%	0.30156700%
\$16,894,461	\$14,314,707
\$7,169,253	\$6,985,753
235.65%	204.91%
14.13%	15.96%



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

	2023	2022	2021	2020	2019
Contractually Required Contribution to OPEB	\$0	\$0	\$0	\$0	\$0
Contributions to OPEB in Relation to the Contractually Required Contribution	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered Payroll	\$7,393,143	\$7,229,457	\$6,979,250	\$6,655,150	\$6,783,914
Contributions to OPEB as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%

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

Note:

See accompanying notes to the required supplementary information.

2018	2017	2016
\$0	\$77,541	\$137,770
0	(77,541)	(137,770)
\$0	\$0	\$0
\$6,404,636	\$6,226,246	\$6,285,742
0.00%	1.25%	2.19%

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

	2023	2022	2021	2020	2019
Contractually Required Contribution to OPEB	\$36,804	\$36,081	\$35,852	\$35,437	\$35,850
Contributions to OPEB in Relation to the Contractually Required Contribution	<u>(36,804)</u>	<u>(36,081)</u>	<u>(35,852)</u>	<u>(35,437)</u>	<u>(35,850)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered Payroll	\$7,360,962	\$7,216,285	\$7,178,155	\$7,893,784	\$7,166,834
Contributions to OPEB as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.45%	0.50%

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

Note:

See accompanying notes to the required supplementary information.

2018	2017	2016
\$33,751	\$31,888	\$31,765
(33,751)	(31,888)	(31,765)
\$0	\$0	\$0
\$7,501,553	\$7,169,253	\$6,985,753
0.45%	0.44%	0.45%

City of Troy, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2023

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Property and Other Taxes	\$2,479,149	\$2,496,317	\$2,521,236	\$24,919
Charges for Services	4,080,373	4,108,630	4,149,643	41,013
Investment Earnings	933,898	940,365	949,752	9,387
Intergovernmental	1,450,452	1,460,497	1,475,076	14,579
Special Assessments	33,288	33,518	33,853	335
Fines, Licenses & Permits	63,723	64,164	64,805	641
Other Revenues	1,005,436	1,012,399	1,022,505	10,106
<b>Total Revenues</b>	<b>10,046,319</b>	<b>10,115,890</b>	<b>10,216,870</b>	<b>100,980</b>
Expenditures:				
Current:				
General Government	4,752,028	4,752,028	4,440,366	311,662
Public Safety	13,731,683	13,731,683	12,831,091	900,592
Community Environment	1,987,266	1,987,266	1,856,931	130,335
Recreation	2,072,758	2,072,758	1,936,816	135,942
Basic Utility	1,493,674	1,493,674	1,395,711	97,963
Capital Outlay	1,741,143	1,741,143	1,626,950	114,193
Debt Service:				
Interest and Fiscal Charges	4,532	4,532	4,532	0
<b>Total Expenditures</b>	<b>25,783,084</b>	<b>25,783,084</b>	<b>24,092,397</b>	<b>1,690,687</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(15,736,765)</b>	<b>(15,667,194)</b>	<b>(13,875,527)</b>	<b>1,791,667</b>
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	12,246	12,331	12,454	123
Transfers In	21,128,807	21,275,127	21,487,500	212,373
Transfers (Out)	(5,490,066)	(5,490,066)	(5,130,000)	360,066
<b>Total Other Financing Sources (Uses)</b>	<b>15,650,987</b>	<b>15,797,392</b>	<b>16,369,954</b>	<b>572,562</b>
<b>Net Change in Fund Balance</b>	<b>(85,778)</b>	<b>130,198</b>	<b>2,494,427</b>	<b>2,364,229</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	14,129,276	14,129,276	14,129,276	0
<b>Fund Balance End of Year</b>	<b>\$14,043,498</b>	<b>\$14,259,474</b>	<b>\$16,623,703</b>	<b>\$2,364,229</b>

See accompanying notes to the required supplementary information.

City of Troy, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

	American Rescue Plan Act Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$46,000	\$0	\$0	\$0
Total Revenues	46,000	0	0	0
Expenditures:				
Current:				
Capital Outlay	1,938,818	1,846,871	1,346,275	500,596
Total Expenditures	1,938,953	1,847,000	1,346,369	500,631
Net Change in Fund Balance	(1,892,953)	(1,847,000)	(1,346,369)	500,631
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,896,385	1,896,385	1,896,385	0
Fund Balance End of Year	\$3,432	\$49,385	\$550,016	\$500,631

See accompanying notes to the required supplementary information.

**City of Troy, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Fiscal Year Ended December 31, 2023**

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**Note 1 – Budgetary Process**

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

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

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

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

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

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General fund and the American Rescue Plan Act fund.

**City of Troy, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Fiscal Year Ended December 31, 2023**

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**Net Change in Fund Balance**

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	General	American Rescue Plan Act
GAAP Basis	\$9,639,291	\$0
Revenue Accruals	(29,928,010)	(13,875)
Expenditure Accruals	3,068,181	(1,332,494)
Proceeds of Capital Assets	(18,050)	0
Transfers In	21,487,500	0
Transfers Out	(100,000)	0
Encumbrances	(1,654,485)	0
Budget Basis	<u>\$2,494,427</u>	<u>(\$1,346,369)</u>

**Note 2 – Net Pension Liability**

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

**Changes in assumptions:**

2023: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for this period.

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

- Reduction in actuarial assumed rate of return from 7.20% to 6.90%
- Decrease in wage inflation from 3.25% to 2.75%
- Change in future salary increases from a range of 3.25%-10.75% to 2.75%-10.75%

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

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

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

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

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

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



**City of Troy, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Fiscal Year Ended December 31, 2023**

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**Changes in benefit terms:**

2023-2014: There were no changes in benefit terms for this period.

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

**Changes in assumptions:**

2023: Mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2 percent for males and 98.7 percent for females. All rates are projected using the MP-2021 Improvement Scale. Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent for females. All rates are projected using the MP-2021 Improvement Scale. Mortality for contingent annuitants is based on the Pub-2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale. Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP- 2021 Improvement Scale.

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

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

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

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

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

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

**Changes in benefit terms:**

2023-2014: There were no changes in benefit terms for the period.

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

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

**Changes in assumptions:**

2023: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate decreased from 6.00% to 5.22%.
- The municipal bond rate increased from 1.84% to 4.05%.

**City of Troy, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Fiscal Year Ended December 31, 2023**

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

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

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

- The single discount rate increased from 3.16% to 6.00%.
- The municipal bond rate decreased from 2.75% to 2.00%.
- The initial health care cost trend rate decreased from 10.50% to 8.50%.

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

- The single discount rate decreased from 3.96% to 3.16%.
- The municipal bond rate decreased from 3.71% to 2.75%.
- The initial health care cost trend rate increased from 10.00% to 10.50%.

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

- The single discount rate increased from 3.85% to 3.96%.
- The investment rate of return decreased from 6.50% to 6.00%.
- The municipal bond rate increased from 3.31% to 3.71%.
- The initial health care cost trend rate increased from 7.50% to 10.00%.

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

**Changes in Benefit Terms:**

2023: There were no changes in benefit terms for the period.

2022: Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.

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

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

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

**City of Troy, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Fiscal Year Ended December 31, 2023**

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

**Changes in assumptions:**

2023: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 2.84% to 4.27%
- The depletion year of OPEB assets is projected in year 2036
- Mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2 percent for males and 98.7 percent for females. All rates are projected using the MP-2021 Improvement Scale. Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent for females. All rates are projected using the MP-2021 Improvement Scale. Mortality for contingent annuitants is based on the Pub-2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale. Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP- 2021 Improvement Scale.

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

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

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

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

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

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

**Changes in benefit terms:**

2023-2020: There were no changes in benefit terms for the period.

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

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

# Combining Statements and Individual Fund Schedules

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## **MAJOR GOVERNMENTAL FUNDS**

**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, 2023

	Capital Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$3,306,081	\$3,306,087	\$6
Special Assessments	203,295	203,300	5
Total Revenues	<u>3,509,376</u>	<u>3,509,387</u>	<u>11</u>
Expenditures:			
Current:			
Community Environment	959,615	956,689	2,926
Other	6,500	6,463	37
Capital Outlay	<u>24,112,618</u>	<u>19,245,042</u>	<u>4,867,576</u>
Total Expenditures	<u>25,078,733</u>	<u>20,208,194</u>	<u>4,870,539</u>
Excess of Revenues Over (Under) Expenditures	<u>(21,569,357)</u>	<u>(16,698,807)</u>	<u>4,870,550</u>
Other Financing Sources (Uses):			
Transfers In	<u>4,000,000</u>	<u>4,000,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>4,000,000</u>	<u>4,000,000</u>	<u>0</u>
Net Change in Fund Balance	(17,569,357)	(12,698,807)	4,870,550
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>15,107,906</u>	<u>15,107,906</u>	<u>0</u>
Fund Balance End of Year	<u><u>(\$2,461,451)</u></u>	<u><u>\$2,409,099</u></u>	<u><u>\$4,870,550</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 Fund**

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

### **Capital Projects Funds**

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

City of Troy, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2023

	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	\$5,508,985	\$2,794,260	\$1,778,705	\$10,081,950
<b>Receivables (Net):</b>				
Taxes	90,596	0	0	90,596
Accounts	0	0	25,031	25,031
Interest	5,981	170	0	6,151
Intergovernmental	826,138	320,085	0	1,146,223
Notes	2,409,107	0	0	2,409,107
Special Assessments	53,996	0	0	53,996
Prepaid Items	10,501	0	0	10,501
<b>Total Assets</b>	<b>8,905,304</b>	<b>3,114,515</b>	<b>1,803,736</b>	<b>13,823,555</b>
<b>Liabilities:</b>				
Accounts Payable	20,871	0	788	21,659
Accrued Wages and Benefits	27,531	0	0	27,531
Contracts Payable	40,938	0	0	40,938
Interfund Payable	0	1,030,000	0	1,030,000
<b>Total Liabilities</b>	<b>89,340</b>	<b>1,030,000</b>	<b>788</b>	<b>1,120,128</b>
<b>Deferred Inflows of Resources:</b>				
Property and Income Taxes	88,523	0	0	88,523
Grants and Other Taxes	688,839	0	0	688,839
Special Assessments	53,996	0	0	53,996
Revenue In Lieu of Taxes	0	320,085	0	320,085
<b>Total Deferred Inflows of Resources</b>	<b>831,358</b>	<b>320,085</b>	<b>0</b>	<b>1,151,443</b>
<b>Fund Balances:</b>				
Nonspendable	10,501	0	0	10,501
Restricted	7,974,105	1,688,556	1,411,064	11,073,725
Assigned	0	75,874	391,884	467,758
<b>Total Fund Balances</b>	<b>7,984,606</b>	<b>1,764,430</b>	<b>1,802,948</b>	<b>11,551,984</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$8,905,304</b>	<b>\$3,114,515</b>	<b>\$1,803,736</b>	<b>\$13,823,555</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, 2023

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Property and Other Taxes	\$129,283	\$0	\$0	\$129,283
Charges for Services	219,768	0	0	219,768
Investment Earnings	144,476	2,145	0	146,621
Intergovernmental	1,780,313	0	600,000	2,380,313
Fines, Licenses, Permits and Settlements	24,803	0	104,426	129,229
Revenue in Lieu of Taxes	0	640,823	0	640,823
Other Revenues	371,823	0	0	371,823
<b>Total Revenues</b>	<b>2,670,466</b>	<b>642,968</b>	<b>704,426</b>	<b>4,017,860</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	102,426	0	0	102,426
Public Safety	23,507	0	0	23,507
Community Development	58,819	0	0	58,819
Leisure Time Activities	7,601	0	0	7,601
Transportation and Street Repair	1,609,239	0	0	1,609,239
Basic Utility Service	0	0	56,665	56,665
Public Health and Welfare	467,919	0	0	467,919
Capital Outlay	68,963	38,191	189,099	296,253
<b>Debt Service:</b>				
Principal	0	295,000	0	295,000
Interest and Other Charges	0	284,700	0	284,700
<b>Total Expenditures</b>	<b>2,338,474</b>	<b>617,891</b>	<b>245,764</b>	<b>3,202,129</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>331,992</b>	<b>25,077</b>	<b>458,662</b>	<b>815,731</b>
<b>Other Financing Sources (Uses):</b>				
Transfers In	225,000	500,000	0	725,000
<b>Total Other Financing Sources (Uses)</b>	<b>225,000</b>	<b>500,000</b>	<b>0</b>	<b>725,000</b>
<b>Net Change in Fund Balance</b>	<b>556,992</b>	<b>525,077</b>	<b>458,662</b>	<b>1,540,731</b>
<b>Fund Balance - Beginning of Year</b>	<b>7,427,614</b>	<b>1,239,353</b>	<b>1,344,286</b>	<b>10,011,253</b>
<b>Fund Balance - End of Year</b>	<b>\$7,984,606</b>	<b>\$1,764,430</b>	<b>\$1,802,948</b>	<b>\$11,551,984</b>

## **NONMAJOR SPECIAL REVENUE FUNDS**

### **Fund Descriptions**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

City of Troy, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2023

	Street Construction, Maintenance and Repair	State Highway Improvement	Cemetery	Municipal Real Property	Miami Conservancy District	Community Development Block Grant
<b>Assets:</b>						
Equity in Pooled Cash and Investments	\$2,372,423	\$397,002	\$106,470	\$4,615	\$230,708	\$313,076
Receivables (Net):						
Taxes	0	0	0	0	90,596	0
Interest	0	892	0	10	0	704
Intergovernmental	764,177	61,961	0	0	0	0
Notes	0	0	0	0	0	1,375,788
Special Assessments	53,996	0	0	0	0	0
Prepaid Items	6,517	619	3,365	0	0	0
<b>Total Assets</b>	<b>3,197,113</b>	<b>460,474</b>	<b>109,835</b>	<b>4,625</b>	<b>321,304</b>	<b>1,689,568</b>
<b>Liabilities:</b>						
Accounts Payable	5,918	0	10,183	0	0	0
Accrued Wages and Benefits	22,001	0	5,530	0	0	0
Contracts Payable	28,388	0	0	0	0	0
<b>Total Liabilities</b>	<b>56,307</b>	<b>0</b>	<b>15,713</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Deferred Inflows of Resources:</b>						
Property and Income Taxes	0	0	0	0	88,523	0
Grants and Other Taxes	637,175	51,664	0	0	0	0
Special Assessments	53,996	0	0	0	0	0
<b>Total Deferred Inflows of Resources</b>	<b>691,171</b>	<b>51,664</b>	<b>0</b>	<b>0</b>	<b>88,523</b>	<b>0</b>
<b>Fund Balances:</b>						
Nonspendable	6,517	619	3,365	0	0	0
Restricted	2,443,118	408,191	90,757	4,625	232,781	1,689,568
<b>Total Fund Balances</b>	<b>2,449,635</b>	<b>408,810</b>	<b>94,122</b>	<b>4,625</b>	<b>232,781</b>	<b>1,689,568</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$3,197,113</b>	<b>\$460,474</b>	<b>\$109,835</b>	<b>\$4,625</b>	<b>\$321,304</b>	<b>\$1,689,568</b>

Parking Improvement	Drug Law Enforcement	Law Enforcement	Cemetery Endowment	Small Business Development R-Loan	FEMA	Equitable Sharing	Park and Playground	One Ohio Opioid Settlement	Total Nonmajor Special Revenue Funds
\$66,675	\$3,453	\$9,203	\$945,160	\$751,852	\$5,654	\$77,173	\$182,856	\$42,665	\$5,508,985
0	0	0	0	0	0	0	0	0	90,596
150	0	0	2,124	1,690	0	0	411	0	5,981
0	0	0	0	0	0	0	0	0	826,138
0	0	0	0	1,033,319	0	0	0	0	2,409,107
0	0	0	0	0	0	0	0	0	53,996
0	0	0	0	0	0	0	0	0	10,501
<u>66,825</u>	<u>3,453</u>	<u>9,203</u>	<u>947,284</u>	<u>1,786,861</u>	<u>5,654</u>	<u>77,173</u>	<u>183,267</u>	<u>42,665</u>	<u>8,905,304</u>
0	0	0	2,870	0	0	1,900	0	0	20,871
0	0	0	0	0	0	0	0	0	27,531
0	0	0	12,550	0	0	0	0	0	40,938
<u>0</u>	<u>0</u>	<u>0</u>	<u>15,420</u>	<u>0</u>	<u>0</u>	<u>1,900</u>	<u>0</u>	<u>0</u>	<u>89,340</u>
0	0	0	0	0	0	0	0	0	88,523
0	0	0	0	0	0	0	0	0	688,839
0	0	0	0	0	0	0	0	0	53,996
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>831,358</u>
0	0	0	0	0	0	0	0	0	10,501
<u>66,825</u>	<u>3,453</u>	<u>9,203</u>	<u>931,864</u>	<u>1,786,861</u>	<u>5,654</u>	<u>75,273</u>	<u>183,267</u>	<u>42,665</u>	<u>7,974,105</u>
<u>66,825</u>	<u>3,453</u>	<u>9,203</u>	<u>931,864</u>	<u>1,786,861</u>	<u>5,654</u>	<u>75,273</u>	<u>183,267</u>	<u>42,665</u>	<u>7,984,606</u>
<u>\$66,825</u>	<u>\$3,453</u>	<u>\$9,203</u>	<u>\$947,284</u>	<u>\$1,786,861</u>	<u>\$5,654</u>	<u>\$77,173</u>	<u>\$183,267</u>	<u>\$42,665</u>	<u>\$8,905,304</u>

City of Troy, Ohio  
Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended December 31, 2023

	Street Construction, Maintenance and Repair	State Highway Improvement	Cemetery	Municipal Real Property	Miami Conservancy District	Community Development Block Grant
Revenues:						
Property and Other Taxes	\$0	\$0	\$0	\$0	\$129,283	\$0
Charges for Services	12,855	0	181,800	0	0	0
Investment Earnings	0	5,124	0	91	0	53,751
Intergovernmental	1,562,819	126,715	0	0	14,582	58,795
Fines, Licenses, Permits and Settlements	0	0	0	0	0	0
Other Revenues	13,651	131	2,961	0	0	319,208
Total Revenues	1,589,325	131,970	184,761	91	143,865	431,754
Expenditures:						
Current:						
General Government	0	0	0	0	102,426	0
Public Safety	0	0	0	0	0	0
Community Development	0	0	0	0	0	58,819
Leisure Time Activities	0	0	0	0	0	0
Transportation and Street Repair	1,391,600	67,560	0	0	0	0
Public Health and Welfare	0	0	445,121	0	0	0
Capital Outlay	0	0	0	0	0	0
Total Expenditures	1,391,600	67,560	445,121	0	102,426	58,819
Excess of Revenues Over (Under) Expenditures	197,725	64,410	(260,360)	91	41,439	372,935
Other Financing Sources (Uses):						
Transfers In	0	0	225,000	0	0	0
Total Other Financing Sources (Uses)	0	0	225,000	0	0	0
Net Change in Fund Balance	197,725	64,410	(35,360)	91	41,439	372,935
Fund Balance - Beginning of Year	2,251,910	344,400	129,482	4,534	191,342	1,316,633
Fund Balance - End of Year	\$2,449,635	\$408,810	\$94,122	\$4,625	\$232,781	\$1,689,568

Parking Improvement	Drug Law Enforcement	Law Enforcement	Cemetery Endowment	Small Business Development R-Loan	FEMA	Equitable Sharing	Park and Playground	One Ohio Opioid Settlement	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$129,283
0	0	0	25,113	0	0	0	0	0	219,768
9,376	0	0	30,758	41,054	0	0	4,322	0	144,476
0	0	0	0	0	0	0	0	17,402	1,780,313
6,873	293	151	0	0	0	0	0	17,486	24,803
475	0	0	2,191	22,383	0	10,811	12	0	371,823
16,724	293	151	58,062	63,437	0	10,811	4,334	34,888	2,670,466
0	0	0	0	0	0	0	0	0	102,426
0	9,286	14,221	0	0	0	0	0	0	23,507
0	0	0	0	0	0	0	0	0	58,819
0	0	0	0	0	0	0	7,601	0	7,601
150,079	0	0	0	0	0	0	0	0	1,609,239
0	0	0	22,798	0	0	0	0	0	467,919
0	0	0	30,202	0	0	38,761	0	0	68,963
150,079	9,286	14,221	53,000	0	0	38,761	7,601	0	2,338,474
(133,355)	(8,993)	(14,070)	5,062	63,437	0	(27,950)	(3,267)	34,888	331,992
0	0	0	0	0	0	0	0	0	225,000
0	0	0	0	0	0	0	0	0	225,000
(133,355)	(8,993)	(14,070)	5,062	63,437	0	(27,950)	(3,267)	34,888	556,992
200,180	12,446	23,273	926,802	1,723,424	5,654	103,223	186,534	7,777	7,427,614
\$66,825	\$3,453	\$9,203	\$931,864	\$1,786,861	\$5,654	\$75,273	\$183,267	\$42,665	\$7,984,606

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, 2023

	Street Construction, Maintenance and Repair Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$12,855	\$12,855	\$0
Intergovernmental	1,543,240	1,557,255	14,015
Other Revenues	8,535	13,651	5,116
Total Revenues	<u>1,564,630</u>	<u>1,583,761</u>	<u>19,131</u>
Expenditures:			
Current:			
Transportation	1,699,514	1,476,265	223,249
Capital Outlay	<u>0</u>	<u>6,258</u>	<u>(6,258)</u>
Total Expenditures	<u>1,699,514</u>	<u>1,482,523</u>	<u>216,991</u>
Net Change in Fund Balance	(134,884)	101,238	236,122
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>2,179,621</u>	<u>2,179,621</u>	<u>0</u>
Fund Balance End of Year	<u>\$2,044,737</u>	<u>\$2,280,859</u>	<u>\$236,122</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, 2023

	State Highway Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$125,125	\$126,264	\$1,139
Other Revenues	130	131	1
Total Revenues	<u>125,255</u>	<u>126,395</u>	<u>1,140</u>
Expenditures:			
Current:			
Transportation	<u>84,218</u>	<u>77,863</u>	<u>6,355</u>
Total Expenditures	<u>84,218</u>	<u>77,863</u>	<u>6,355</u>
Net Change in Fund Balance	41,037	48,532	7,495
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>350,075</u>	<u>350,075</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$391,112</u></u>	<u><u>\$398,607</u></u>	<u><u>\$7,495</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, 2023

	Cemetery Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$165,115	\$181,800	\$16,685
Other Revenues	2,955	2,961	6
Total Revenues	<u>168,070</u>	<u>184,761</u>	<u>16,691</u>
Expenditures:			
Current:			
Public Health and Welfare	515,517	464,938	50,579
Total Expenditures	<u>515,517</u>	<u>464,938</u>	<u>50,579</u>
Excess of Revenues Over (Under) Expenditures	<u>(347,447)</u>	<u>(280,177)</u>	<u>67,270</u>
Other Financing Sources (Uses):			
Transfers In	225,000	225,000	0
Total Other Financing Sources (Uses)	<u>225,000</u>	<u>225,000</u>	<u>0</u>
Net Change in Fund Balance	(122,447)	(55,177)	67,270
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>141,057</u>	<u>141,057</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$18,610</u></u>	<u><u>\$85,880</u></u>	<u><u>\$67,270</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, 2023

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	Municipal Real Property Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Capital Outlay	1,500	0	1,500
Total Expenditures	1,500	0	1,500
Net Change in Fund Balance	(1,500)	0	1,500
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	4,753	4,753	0
Fund Balance End of Year	<u>\$3,253</u>	<u>\$4,753</u>	<u>\$1,500</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, 2023

	Miami Conservancy District Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Property and Other Taxes	\$129,282	\$129,283	\$1
Intergovernmental	14,582	14,582	0
<b>Total Revenues</b>	<b>143,864</b>	<b>143,865</b>	<b>1</b>
Expenditures:			
Current:			
General Government	107,500	102,426	5,074
<b>Total Expenditures</b>	<b>107,500</b>	<b>102,426</b>	<b>5,074</b>
<b>Net Change in Fund Balance</b>	<b>36,364</b>	<b>41,439</b>	<b>5,075</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	189,270	189,270	0
<b>Fund Balance End of Year</b>	<b>\$225,634</b>	<b>\$230,709</b>	<b>\$5,075</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, 2023

	Community Development Block Grant Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$42,375	\$42,402	\$27
Intergovernmental	58,791	58,795	4
Other Revenues	122,100	146,251	24,151
<b>Total Revenues</b>	<b>223,266</b>	<b>247,448</b>	<b>24,182</b>
Expenditures:			
Current:			
Community Environment	531,500	358,819	172,681
<b>Total Expenditures</b>	<b>531,500</b>	<b>358,819</b>	<b>172,681</b>
<b>Net Change in Fund Balance</b>	<b>(308,234)</b>	<b>(111,371)</b>	<b>196,863</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	433,889	433,889	0
<b>Fund Balance End of Year</b>	<b>\$125,655</b>	<b>\$322,518</b>	<b>\$196,863</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, 2023

	Parking Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$1,415	\$1,519	\$104
Fines, Licenses & Permits	6,725	6,873	148
Other Revenues	475	475	0
Total Revenues	<u>8,615</u>	<u>8,867</u>	<u>252</u>
Expenditures:			
Current:			
Transportation	<u>160,150</u>	<u>150,079</u>	<u>10,071</u>
Total Expenditures	<u>160,150</u>	<u>150,079</u>	<u>10,071</u>
Net Change in Fund Balance	(151,535)	(141,212)	10,323
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>209,902</u>	<u>209,902</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$58,367</u></u>	<u><u>\$68,690</u></u>	<u><u>\$10,323</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, 2023

	Drug Law Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$290	\$293	\$3
Total Revenues	290	293	3
Expenditures:			
Current:			
Public Safety	12,000	11,286	714
Total Expenditures	12,000	11,286	714
Net Change in Fund Balance	(11,710)	(10,993)	717
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	12,444	12,444	0
Fund Balance End of Year	<u>\$734</u>	<u>\$1,451</u>	<u>\$717</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, 2023

	Law Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$150	\$151	\$1
Total Revenues	150	151	1
Expenditures:			
Current:			
Public Safety	18,170	14,221	3,949
Total Expenditures	18,170	14,221	3,949
Net Change in Fund Balance	(18,020)	(14,070)	3,950
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	23,271	23,271	0
Fund Balance End of Year	<u>\$5,251</u>	<u>\$9,201</u>	<u>\$3,950</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, 2023

	Cemetery Endowment Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$23,885	\$25,113	\$1,228
Investment Earnings	10,745	12,153	1,408
Other Revenues	2,190	2,191	1
Total Revenues	<u>36,820</u>	<u>39,457</u>	<u>2,637</u>
Expenditures:			
Current:			
Public Health and Welfare	30,000	32,928	(2,928)
Capital Outlay	23,550	17,652	5,898
Total Expenditures	<u>53,550</u>	<u>50,580</u>	<u>2,970</u>
Net Change in Fund Balance	(16,730)	(11,123)	5,607
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>971,791</u>	<u>971,791</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$955,061</u></u>	<u><u>\$960,668</u></u>	<u><u>\$5,607</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, 2023

	Small Business Development R-Loan Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$35,540	\$35,541	\$1
Other Revenues	\$171,958	\$171,960	\$2
Total Revenues	207,498	207,501	3
Expenditures:			
Current:			
Community Environment	706,500	5,409	701,091
Total Expenditures	706,500	5,409	701,091
Net Change in Fund Balance	(499,002)	202,092	701,094
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	572,437	572,437	0
Fund Balance End of Year	\$73,435	\$774,529	\$701,094

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, 2023

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	FEMA Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
General Government	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	5,654	5,654	0
Fund Balance End of Year	<u>\$5,654</u>	<u>\$5,654</u>	<u>\$0</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, 2023

	Equitable Sharing Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$10,811	\$10,811	\$0
Total Revenues	10,811	10,811	0
Expenditures:			
Current:			
Capital Outlay	88,549	88,060	489
Total Expenditures	88,549	88,060	489
Net Change in Fund Balance	(77,738)	(77,249)	489
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	103,219	103,219	0
Fund Balance End of Year	\$25,481	\$25,970	\$489

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, 2023

	Park and Playground Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$330	\$371	\$41
Other Revenues	12	12	0
Total Revenues	342	383	41
Expenditures:			
Current:			
Recreation	31,242	7,601	23,641
Total Expenditures	31,242	7,601	23,641
Excess of Revenues Over (Under) Expenditures	(30,900)	(7,218)	23,682
Net Change in Fund Balance	(30,900)	(7,218)	23,682
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	195,590	195,590	0
Fund Balance End of Year	\$164,690	\$188,372	\$23,682

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, 2023

	One Ohio Opiod Settlement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$17,402	\$17,402	\$0
Other Revenues	17,485	17,486	1
Total Revenues	<u>34,887</u>	<u>34,888</u>	<u>1</u>
Expenditures:			
Current:			
Public Safety	15,554	0	15,554
Total Expenditures	<u>15,554</u>	<u>0</u>	<u>15,554</u>
Net Change in Fund Balance	19,333	34,888	15,555
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>7,777</u>	<u>7,777</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$27,110</u></u>	<u><u>\$42,665</u></u>	<u><u>\$15,555</u></u>

## **NONMAJOR DEBT SERVICE FUND**

### **Fund Description**

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

**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.

City of Troy, Ohio  
Combining Balance Sheet  
Nonmajor Debt Service Funds  
December 31, 2023

	Bond Retirement	TIF Retirement	Total Nonmajor Debt Service Funds
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$75,704	\$2,718,556	\$2,794,260
<b>Receivables (Net):</b>			
Interest	170	0	170
Intergovernmental	0	320,085	320,085
<b>Total Assets</b>	<b>75,874</b>	<b>3,038,641</b>	<b>3,114,515</b>
<b>Liabilities:</b>			
Interfund Payable	0	1,030,000	1,030,000
<b>Total Liabilities</b>	<b>0</b>	<b>1,030,000</b>	<b>1,030,000</b>
<b>Deferred Inflows of Resources:</b>			
Revenue In Lieu of Taxes	0	320,085	320,085
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>320,085</b>	<b>320,085</b>
<b>Fund Balances:</b>			
Restricted	0	1,688,556	1,688,556
Assigned	75,874	0	75,874
<b>Total Fund Balances</b>	<b>75,874</b>	<b>1,688,556</b>	<b>1,764,430</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$75,874</b>	<b>\$3,038,641</b>	<b>\$3,114,515</b>

City of Troy, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Debt Service Funds  
For the Fiscal Year Ended December 31, 2023

	Bond Retirement	TIF Retirement	Total Nonmajor Debt Service Funds
Revenues:			
Investment Earnings	\$2,145	\$0	\$2,145
Revenue in Lieu of Taxes	0	640,823	640,823
Total Revenues	<u>2,145</u>	<u>640,823</u>	<u>642,968</u>
Expenditures:			
Current:			
Capital Outlay	0	38,191	38,191
Debt Service:			
Principal	295,000	0	295,000
Interest and Other Charges	219,000	65,700	284,700
Total Expenditures	<u>514,000</u>	<u>103,891</u>	<u>617,891</u>
Excess of Revenues Over (Under) Expenditures	<u>(511,855)</u>	<u>536,932</u>	<u>25,077</u>
Other Financing Sources (Uses):			
Transfers In	500,000	0	500,000
Total Other Financing Sources (Uses)	<u>500,000</u>	<u>0</u>	<u>500,000</u>
Net Change in Fund Balance	(11,855)	536,932	525,077
Fund Balance - Beginning of Year	<u>87,729</u>	<u>1,151,624</u>	<u>1,239,353</u>
Fund Balance - End of Year	<u>\$75,874</u>	<u>\$1,688,556</u>	<u>\$1,764,430</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, 2023

	Bond Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Property and Other Taxes	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Debt Service:			
Principal Retirement	295,000	295,000	0
Interest and Fiscal Charges	219,000	219,000	0
Total Expenditures	514,000	514,000	0
Excess of Revenues Over (Under) Expenditures	(514,000)	(514,000)	0
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	(14,000)	(14,000)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	91,983	91,983	0
Fund Balance End of Year	<u>\$77,983</u>	<u>\$77,983</u>	<u>\$0</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, 2023

	TIF Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Revenue in Lieu of Taxes	\$640,820	\$640,823	\$3
Total Revenues	640,820	640,823	3
Expenditures:			
Current:			
Capital Outlay	174,525	57,341	117,184
Debt Service:			
Principal Retirement	65,000	65,000	0
Interest and Fiscal Charges	65,700	65,700	0
Total Expenditures	305,225	188,041	117,184
Net Change in Fund Balance	335,595	452,782	117,187
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,246,628	2,246,628	0
Fund Balance End of Year	\$2,582,223	\$2,699,410	\$117,187

## **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, 2023

	OPWC Project Fund	Technology Fund	Total Nonmajor Capital Projects Funds
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$1,411,064	\$367,641	\$1,778,705
Receivables (Net):			
Accounts	<u>0</u>	<u>25,031</u>	<u>25,031</u>
<b>Total Assets</b>	<u><u>1,411,064</u></u>	<u><u>392,672</u></u>	<u><u>1,803,736</u></u>
<b>Liabilities:</b>			
Accounts Payable	<u>0</u>	<u>788</u>	<u>788</u>
<b>Total Liabilities</b>	<u>0</u>	<u>788</u>	<u>788</u>
<b>Fund Balances:</b>			
Restricted	1,411,064	0	1,411,064
Assigned	<u>0</u>	<u>391,884</u>	<u>391,884</u>
<b>Total Fund Balances</b>	<u><u>1,411,064</u></u>	<u><u>391,884</u></u>	<u><u>1,802,948</u></u>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<u><u>\$1,411,064</u></u>	<u><u>\$392,672</u></u>	<u><u>\$1,803,736</u></u>

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, 2023

	OPWC Project Fund	Technology Fund	Total Nonmajor Capital Projects Funds
Revenues:			
Intergovernmental	\$600,000	\$0	\$600,000
Fines, Licenses, Permits and Settlements	0	104,426	104,426
Total Revenues	600,000	104,426	704,426
Expenditures:			
Current:			
Basic Utility Service	0	56,665	56,665
Capital Outlay	175,158	13,941	189,099
Total Expenditures	175,158	70,606	245,764
Net Change in Fund Balance	424,842	33,820	458,662
Fund Balance - Beginning of Year	986,222	358,064	1,344,286
Fund Balance - End of Year	\$1,411,064	\$391,884	\$1,802,948

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, 2023

	OPWC Project Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$600,000	\$600,000	\$0
Total Revenues	600,000	600,000	0
Expenditures:			
Current:			
Capital Outlay	1,127,291	889,151	238,140
Total Expenditures	1,127,291	889,151	238,140
Net Change in Fund Balance	(527,291)	(289,151)	238,140
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,038,617	1,038,617	0
Fund Balance End of Year	\$511,326	\$749,466	\$238,140

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, 2023

	Technology Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$107,020	\$107,022	\$2
Total Revenues	107,020	107,022	2
Expenditures:			
Current:			
Basic Utility	53,250	69,409	(16,159)
Capital Outlay	32,375	15,554	16,821
Total Expenditures	85,625	84,963	662
Net Change in Fund Balance	21,395	22,059	664
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	332,837	332,837	0
Fund Balance End of Year	\$354,232	\$354,896	\$664

## **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, 2023

	Income Tax Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Income Taxes	\$22,769,565	\$23,007,460	\$237,895
Investment Earnings	166,576	168,316	1,740
Other Revenues	31,974	32,308	334
Total Revenues	22,968,115	23,208,084	239,969
Expenditures:			
Current:			
General Government	2,954,409	2,947,389	7,020
Capital Outlay	56,975	56,840	135
Debt Service:			
Interest and Fiscal Charges	1,985	1,985	0
Total Expenditures	3,013,369	3,006,214	7,155
Excess of Revenues Over (Under) Expenditures	19,954,746	20,201,870	247,124
Other Financing Sources (Uses):			
Transfers (Out)	(18,544,061)	(18,500,000)	44,061
Total Other Financing Sources (Uses)	(18,544,061)	(18,500,000)	44,061
Net Change in Fund Balance	1,410,685	1,701,870	291,185
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	8,925,187	8,925,187	0
Fund Balance End of Year	\$10,335,872	\$10,627,057	\$291,185

(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, 2023

	Investment Fund for Capital Improvement Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$279,071	\$286,291	\$7,220
Other Revenues	8,649	8,873	224
<b>Total Revenues</b>	<b>287,720</b>	<b>295,164</b>	<b>7,444</b>
Expenditures:			
Current:			
Other	0	0	0
<b>Total Expenditures</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>287,720</b>	<b>295,164</b>	<b>7,444</b>
Other Financing Sources (Uses):			
Transfers (Out)	(189,500)	(187,500)	2,000
<b>Total Other Financing Sources (Uses)</b>	<b>(189,500)</b>	<b>(187,500)</b>	<b>2,000</b>
<b>Net Change in Fund Balance</b>	<b>98,220</b>	<b>107,664</b>	<b>9,444</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	34,020,907	34,020,907	0
<b>Fund Balance End of Year</b>	<b>\$34,119,127</b>	<b>\$34,128,571</b>	<b>\$9,444</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, 2023

	Safety - Income Tax Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Income Taxes	\$3,806,130	\$3,834,577	\$28,447
Total Revenues	3,806,130	3,834,577	28,447
Expenditures:			
Current:			
General Government	0	0	0
Total Expenditures	0	0	0
Excess of Revenues Over (Under) Expenditures	3,806,130	3,834,577	28,447
Other Financing Sources (Uses):			
Transfers (Out)	(2,800,000)	(2,800,000)	0
Total Other Financing Sources (Uses)	(2,800,000)	(2,800,000)	0
Net Change in Fund Balance	1,006,130	1,034,577	28,447
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	3,394,596	3,394,596	0
Fund Balance End of Year	\$4,400,726	\$4,429,173	\$28,447

(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, 2023

	Recreational Programs Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$191,546	\$192,525	\$979
Investment Earnings	4,405	5,008	603
Other Revenues	885	886	1
Total Revenues	<u>196,836</u>	<u>198,419</u>	<u>1,583</u>
Expenditures:			
Current:			
Recreation	<u>208,675</u>	<u>193,513</u>	<u>15,162</u>
Total Expenditures	<u>208,675</u>	<u>193,513</u>	<u>15,162</u>
Net Change in Fund Balance	(11,839)	4,906	16,745
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>386,731</u>	<u>386,731</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$374,892</u></u>	<u><u>\$391,637</u></u>	<u><u>\$16,745</u></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, 2023

	Parks and Recreation Improvement Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$4,270	\$4,960	\$690
Other Revenues	12,930	14,438	1,508
<b>Total Revenues</b>	<b>17,200</b>	<b>19,398</b>	<b>2,198</b>
Expenditures:			
Current:			
Recreation	18,159	16,994	1,165
Capital Outlay	435,123	30,161	404,962
<b>Total Expenditures</b>	<b>453,282</b>	<b>47,155</b>	<b>406,127</b>
Excess of Revenues Over (Under) Expenditures	(436,082)	(27,757)	408,325
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	18,050	18,050	0
Transfers In	99,998	100,000	2
<b>Total Other Financing Sources (Uses)</b>	<b>118,048</b>	<b>118,050</b>	<b>2</b>
<b>Net Change in Fund Balance</b>	<b>(318,034)</b>	<b>90,293</b>	<b>408,327</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	361,865	361,865	0
<b>Fund Balance End of Year</b>	<b>\$43,831</b>	<b>\$452,158</b>	<b>\$408,327</b>

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

## **NONMAJOR FUNDS**

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

### **Fund Descriptions**

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

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

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

City of Troy, Ohio  
Combining Statement of Net Position  
Nonmajor Enterprise Funds  
December 31, 2023

	Swimming Pool	Parking Meter	Miami Shores	Total Nonmajor Enterprise Funds
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$132,577	\$33,025	\$278,406	\$444,008
<b>Receivables (Net):</b>				
Interest	0	74	626	700
Prepaid Items	1,843	581	4,845	7,269
<b>Total Current Assets</b>	<b>134,420</b>	<b>33,680</b>	<b>283,877</b>	<b>451,977</b>
<b>Noncurrent Assets:</b>				
<b>Capital Assets:</b>				
Nondepreciable Capital Assets	10,450	189,961	46,997	247,408
Depreciable Capital Assets, Net	2,205,268	0	1,272,310	3,477,578
<b>Total Noncurrent Assets</b>	<b>2,215,718</b>	<b>189,961</b>	<b>1,319,307</b>	<b>3,724,986</b>
<b>Total Assets</b>	<b>2,350,138</b>	<b>223,641</b>	<b>1,603,184</b>	<b>4,176,963</b>
<b>Deferred Outflows of Resources:</b>				
Pension	98,107	31,473	260,353	389,933
OPEB	15,893	5,099	42,177	63,169
<b>Total Deferred Outflows of Resources</b>	<b>114,000</b>	<b>36,572</b>	<b>302,530</b>	<b>453,102</b>
<b>Liabilities:</b>				
<b>Current Liabilities:</b>				
Accounts Payable	312	5,130	12,358	17,800
Accrued Wages and Benefits	0	1,343	9,809	11,152
Compensated Absences	0	404	17,213	17,617
<b>Total Current Liabilities</b>	<b>312</b>	<b>6,877</b>	<b>39,380</b>	<b>46,569</b>
<b>Long-Term Liabilities:</b>				
Compensated Absences	0	270	31,022	31,292
Net Pension Liability	241,583	77,501	641,107	960,191
Net OPEB Liability	5,328	1,709	14,138	21,175
<b>Total Long-Term Liabilities</b>	<b>246,911</b>	<b>79,480</b>	<b>686,267</b>	<b>1,012,658</b>
<b>Total Liabilities</b>	<b>247,223</b>	<b>86,357</b>	<b>725,647</b>	<b>1,059,227</b>
<b>Deferred Inflows of Resources:</b>				
Pension	2,688	862	7,135	10,685
OPEB	1,772	569	4,703	7,044
<b>Total Deferred Inflows of Resources</b>	<b>4,460</b>	<b>1,431</b>	<b>11,838</b>	<b>17,729</b>
<b>Net Position:</b>				
Net Investment in Capital Assets	2,215,718	189,961	1,319,307	3,724,986
Unrestricted	(3,263)	(17,536)	(151,078)	(171,877)
<b>Total Net Position</b>	<b>\$2,212,455</b>	<b>\$172,425</b>	<b>\$1,168,229</b>	<b>\$3,553,109</b>

City of Troy, Ohio  
Combining Statement of Revenues, Expenses and Changes in Fund Net Position  
Nonmajor Enterprise Funds  
For the Fiscal Year Ended December 31, 2023

	Swimming Pool	Parking Meter	Miami Shores	Total Nonmajor Enterprise Funds
Operating Revenues:				
Charges for Services	\$347,111	\$0	\$1,290,759	\$1,637,870
Other Revenues	17,915	20,775	40,755	79,445
Total Operating Revenues	365,026	20,775	1,331,514	1,717,315
Operating Expenses:				
Personal Services	183,710	61,594	587,032	832,336
Contactual Services	58,007	0	252,068	310,075
Materials and Supplies	104,102	6,463	396,683	507,248
Depreciation	118,528	0	95,895	214,423
Other Expense	10,002	3,012	52,521	65,535
Total Operating Expenses	474,349	71,069	1,384,199	1,929,617
Operating Income (Loss)	(109,323)	(50,294)	(52,685)	(212,302)
Non-Operating Revenues (Expenses):				
Investment Earnings	0	683	10,782	11,465
Total Non-Operating Revenues (Expenses)	0	683	10,782	11,465
Income (Loss) Before Contributions	(109,323)	(49,611)	(41,903)	(200,837)
Transfers In	0	55,000	0	55,000
Change in Net Position	(109,323)	5,389	(41,903)	(145,837)
Net Position - Beginning of Year	2,321,778	167,036	1,210,132	3,698,946
Net Position - End of Year	\$2,212,455	\$172,425	\$1,168,229	\$3,553,109



City of Troy, Ohio  
Combining Statement of Cash Flows  
Nonmajor Enterprise Funds  
For the Fiscal Year Ended December 31, 2023

	Swimming Pool	Parking Meter	Miami Shores	Total Nonmajor Enterprise Funds
<b>Cash Flows from Operating Activities:</b>				
Cash Received from Customers	\$365,026	\$20,775	\$1,331,514	\$1,717,315
Cash Payments to Employees	(170,774)	(59,545)	(555,379)	(785,698)
Cash Payments to Suppliers	(172,727)	(9,475)	(702,037)	(884,239)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>21,525</b>	<b>(48,245)</b>	<b>74,098</b>	<b>47,378</b>
<b>Cash Flows from Noncapital Financing Activities:</b>				
Payments from Other Funds	0	55,000	0	55,000
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<b>0</b>	<b>55,000</b>	<b>0</b>	<b>55,000</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Payments for Capital Acquisitions	(44,790)	0	(98,505)	(143,295)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(44,790)</b>	<b>0</b>	<b>(98,505)</b>	<b>(143,295)</b>
<b>Cash Flows from Investing Activities:</b>				
Earnings (Loss) on Investments	0	708	11,281	11,989
<b>Net Cash Provided (Used) by Cash Flows from Investing Activities</b>	<b>0</b>	<b>708</b>	<b>11,281</b>	<b>11,989</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(23,265)</b>	<b>7,463</b>	<b>(13,126)</b>	<b>(28,928)</b>
Cash and Cash Equivalents - Beginning of Year	155,842	25,562	291,532	472,936
Cash and Cash Equivalents - End of Year	132,577	33,025	278,406	444,008
<b>Reconciliation of Operating Income (Loss) to</b>				
<b>Net Cash Provided (Used) by Operating Activities</b>				
Operating Income (Loss)	(109,323)	(50,294)	(52,685)	(212,302)
<b>Adjustments:</b>				
Depreciation	118,528	0	95,895	214,423
<b>Changes in Assets &amp; Liabilities:</b>				
(Increase) Decrease in Deferred Outflows of Resources	(83,018)	(26,238)	(218,443)	(327,699)
(Increase) Decrease in Net OPEB Asset	25,698	8,572	69,747	104,017
(Increase) Decrease in Prepays	(208)	47	143	(18)
Increase (Decrease) in Retainage Payable	0	0	(1,200)	(1,200)
Increase (Decrease) in Payables	(616)	0	435	(181)
Increase (Decrease) in Accrued Liabilities	0	(632)	4,125	3,493
Increase (Decrease) in Deferred Inflows of Resources	(107,143)	(35,794)	(291,066)	(434,003)
Increase (Decrease) in Net Pension Liability	172,279	54,385	453,009	679,673
Increase (Decrease) in Net OPEB Liability	5,328	1,709	14,138	21,175
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$21,525</b>	<b>(\$48,245)</b>	<b>\$74,098</b>	<b>\$47,378</b>

# STATISTICAL SECTION

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## STATISTICAL SECTION

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

### Contents

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

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

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

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

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

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

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

	2014	2015	2016
Governmental Activities			
Net Investment in Capital Assets	\$34,945,389	\$46,481,316	\$51,673,974
Restricted	11,411,958	8,665,294	10,601,444
Unrestricted	35,432,930	41,230,231	37,021,681
Total Governmental Activities Net Position	<u>\$81,790,277</u>	<u>\$96,376,841</u>	<u>\$99,297,099</u>
Business-Type Activities			
Net Investment in Capital Assets	\$45,817,933	\$47,778,554	\$51,838,278
Restricted	0	0	0
Unrestricted	12,447,693	13,132,120	11,039,552
Total Business-Type Activities Net Position	<u>\$58,265,626</u>	<u>\$60,910,674</u>	<u>\$62,877,830</u>
Total Primary Government			
Net Investment in Capital Assets	\$80,763,322	\$94,259,870	\$103,512,252
Restricted	11,411,958	8,665,294	10,601,444
Unrestricted	47,880,623	54,362,351	48,061,233
Total Primary Government Net Position	<u>\$140,055,903</u>	<u>\$157,287,515</u>	<u>\$162,174,929</u>

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

Source: City Records

2017 (1)	2018	2019	2020	2021	2022	2023
\$45,906,299	\$47,314,669	\$49,206,166	\$57,085,164	\$70,525,041	\$76,762,553	\$87,242,330
11,239,643	14,522,194	13,638,775	15,193,425	20,892,149	26,311,754	24,162,176
22,703,850	18,139,158	32,673,030	35,469,872	38,381,068	34,164,153	45,286,729
\$79,849,792	\$79,976,021	\$95,517,971	\$107,748,461	\$129,798,258	\$137,238,460	\$156,691,235
\$62,137,834	\$60,163,790	\$65,687,495	\$68,118,870	\$70,386,408	\$70,030,281	\$73,770,915
0	0	0	0	0	736,587	0
10,039,646	13,777,023	13,143,770	15,586,152	20,993,951	20,730,576	22,244,810
\$72,177,480	\$73,940,813	\$78,831,265	\$83,705,022	\$91,380,359	\$91,497,444	\$96,015,725
\$108,044,133	\$107,478,459	\$114,893,661	\$125,204,034	\$140,911,449	\$146,792,834	\$161,013,245
11,239,643	14,522,194	13,638,775	15,193,425	20,892,149	27,048,341	24,162,176
32,743,496	31,916,181	45,816,800	51,056,024	59,375,019	54,894,729	67,531,539
\$152,027,272	\$153,916,834	\$174,349,236	\$191,453,483	\$221,178,617	\$228,735,904	\$252,706,960

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

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

2017	2018	2019	2020	2021	2022	2023
\$4,897,368	\$6,844,661	\$4,257,293	\$5,830,318	\$5,288,126	\$6,656,883	\$8,141,925
12,382,350	13,483,334	4,089,310	12,658,013	10,004,640	11,494,371	14,148,465
1,373,191	1,501,328	1,483,046	2,336,784	1,326,166	1,381,394	2,711,361
2,081,037	2,221,685	1,585,328	2,314,257	2,254,414	2,413,416	2,693,228
2,585,007	3,663,358	2,926,523	2,039,555	3,533,258	4,729,630	2,384,296
1,157,661	1,340,901	1,115,622	1,286,878	1,280,947	1,315,848	1,450,471
477,533	420,401	419,414	470,452	451,633	457,436	483,211
0	0	0	4,828	0	0	0
576,961	554,938	528,415	341,271	400,949	396,531	262,561
0	0	0	115,846	0	0	0
<u>25,531,108</u>	<u>30,030,606</u>	<u>16,404,951</u>	<u>27,398,202</u>	<u>24,540,133</u>	<u>28,845,509</u>	<u>32,275,518</u>
4,998,656	4,539,890	4,867,435	4,997,191	3,911,082	5,171,358	6,047,396
4,180,771	4,620,157	4,552,301	4,189,776	3,782,391	4,239,449	4,895,635
1,987,928	2,433,942	2,806,004	1,698,587	1,858,442	2,921,146	1,414,870
375,635	390,029	418,786	312,350	375,158	404,848	474,349
81,973	74,916	77,146	89,861	32,286	53,886	71,069
932,166	862,830	1,222,127	1,203,274	1,001,917	1,397,938	1,384,199
1,486,102	1,497,924	1,706,060	1,278,211	964,361	1,230,454	1,448,161
<u>14,043,231</u>	<u>14,419,688</u>	<u>15,649,859</u>	<u>13,769,250</u>	<u>11,925,637</u>	<u>15,419,079</u>	<u>15,735,679</u>
<u>\$39,574,339</u>	<u>\$44,450,294</u>	<u>\$32,054,810</u>	<u>\$41,167,452</u>	<u>\$36,465,770</u>	<u>\$44,264,588</u>	<u>\$48,011,197</u>
\$280,148	\$278,575	\$262,869	\$216,768	\$356,913	\$353,500	\$408,005
1,736,647	1,719,330	1,693,379	1,845,129	1,988,329	2,167,866	2,135,634
2,062	6,678	11,270	16,872	0	0	0
130,852	142,853	172,361	171,414	242,114	229,418	202,025
52,011	49,154	46,933	21,836	31,247	11,874	19,728
1,931,589	2,015,155	2,021,205	2,328,913	2,348,761	2,392,424	2,426,614
196,029	212,752	273,335	189,730	311,551	213,031	234,147
1,168,294	1,217,354	1,609,041	4,179,673	2,738,782	1,886,883	1,807,394
3,093,912	1,631,943	1,402,328	4,636,334	10,649,090	3,417,260	6,991,032
<u>8,591,544</u>	<u>7,273,794</u>	<u>7,492,721</u>	<u>13,606,669</u>	<u>18,666,787</u>	<u>10,672,256</u>	<u>14,224,579</u>
5,727,326	5,798,521	5,916,914	6,012,657	6,101,089	5,964,896	5,921,865
4,407,668	4,526,936	4,731,392	4,640,877	5,068,188	5,139,023	5,082,258
1,234,889	1,282,471	1,325,402	162,069	859,881	1,112,530	1,307,803
245,158	251,097	279,020	104,415	277,053	343,934	347,111
23,499	17,321	55	0	0	0	0
627,655	580,103	667,891	924,388	1,123,779	1,184,382	1,290,759
1,520,311	1,531,989	1,562,822	1,638,214	1,663,234	1,685,364	1,705,109
0	0	0	0	1,075,208	0	0
1,348,578	986,500	1,671,288	3,005,489	2,971,315	259,446	3,054,714
<u>15,135,084</u>	<u>14,974,938</u>	<u>16,154,784</u>	<u>16,488,109</u>	<u>19,139,747</u>	<u>15,689,575</u>	<u>18,709,619</u>
<u>\$23,726,628</u>	<u>\$22,248,732</u>	<u>\$23,647,505</u>	<u>\$30,094,778</u>	<u>\$37,806,534</u>	<u>\$26,361,831</u>	<u>\$32,934,198</u>

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

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

Source: City Records



2017	2018	2019	2020	2021	2022	2023
(\$16,939,564)	(\$22,756,812)	(\$8,912,230)	(\$13,791,533)	(\$5,873,346)	(\$18,173,253)	(\$18,050,939)
1,091,853	555,250	504,925	2,718,859	7,214,110	270,496	2,973,940
<u>(\$15,847,711)</u>	<u>(\$22,201,562)</u>	<u>(\$8,407,305)</u>	<u>(\$11,072,674)</u>	<u>\$1,340,764</u>	<u>(\$17,902,757)</u>	<u>(\$15,076,999)</u>
\$19,420,325	\$18,698,514	\$21,541,455	\$20,403,139	\$23,557,082	\$24,793,126	\$28,422,124
1,764,609	1,782,923	1,835,267	1,773,007	2,102,732	2,143,820	2,475,370
128,929	127,588	128,962	129,360	142,890	127,732	126,922
827,617	897,896	978,491	945,614	1,531,217	1,378,583	1,514,754
209,947	339,638	443,915	558,801	637,384	613,550	644,573
95,450	65,845	48,047	59,711	142,033	98,011	52,060
1,285,077	834,421	2,083,021	942,824	(728,942)	(4,535,213)	3,738,624
875,760	911,216	964,395	2,106,902	703,747	1,043,846	834,287
<u>(10,253,539)</u>	<u>(775,000)</u>	<u>(3,569,373)</u>	<u>(1,092,408)</u>	<u>(165,000)</u>	<u>(50,000)</u>	<u>(305,000)</u>
<u>14,354,175</u>	<u>22,883,041</u>	<u>24,454,180</u>	<u>25,826,950</u>	<u>27,923,143</u>	<u>25,613,455</u>	<u>37,503,714</u>
104,224	152,676	361,387	181,257	(137,940)	(867,654)	738,469
230,009	280,407	454,767	881,233	434,167	664,243	500,872
<u>10,253,539</u>	<u>775,000</u>	<u>3,569,373</u>	<u>1,092,408</u>	<u>165,000</u>	<u>50,000</u>	<u>305,000</u>
<u>10,587,772</u>	<u>1,208,083</u>	<u>4,385,527</u>	<u>2,154,898</u>	<u>461,227</u>	<u>(153,411)</u>	<u>1,544,341</u>
<u>\$24,941,947</u>	<u>\$24,091,124</u>	<u>\$28,839,707</u>	<u>\$27,981,848</u>	<u>\$28,384,370</u>	<u>\$25,460,044</u>	<u>\$39,048,055</u>
(\$2,585,389)	\$126,229	\$15,541,950	\$12,035,417	\$22,049,797	\$7,440,202	\$19,452,775
11,679,625	1,763,333	4,890,452	4,873,757	7,675,337	117,085	4,518,281
<u>\$9,094,236</u>	<u>\$1,889,562</u>	<u>\$20,432,402</u>	<u>\$16,909,174</u>	<u>\$29,725,134</u>	<u>\$7,557,287</u>	<u>\$23,971,056</u>

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

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

Source: City Records

2017	2018	2019	2020	2021	2022	2023
\$0	\$0	\$0	\$22,573	\$152,579	\$174,336	\$166,015
1,285,892	1,444,592	1,869,823	2,194,956	2,572,840	3,558,317	4,429,172
33,452,517	32,854,302	33,810,433	33,968,351	33,025,155	28,974,423	30,973,492
672,148	643,414	646,379	5,283,345	2,102,019	898,388	1,544,964
23,997,089	22,055,462	23,573,247	22,288,962	24,041,949	25,209,647	31,340,759
<u>59,407,646</u>	<u>56,997,770</u>	<u>59,899,882</u>	<u>63,758,187</u>	<u>61,894,542</u>	<u>58,815,111</u>	<u>68,454,402</u>
0	0	0	0	8,402	9,790	10,501
10,399,462	13,104,957	11,315,679	14,281,242	19,046,811	23,743,153	22,809,518
712,139	320,474	521,097	883,897	1,178,830	445,793	467,758
(862,897)	(610,336)	(254,508)	0	0	0	0
<u>\$10,248,704</u>	<u>\$12,815,095</u>	<u>\$11,582,268</u>	<u>\$15,165,139</u>	<u>\$20,234,043</u>	<u>\$24,198,736</u>	<u>\$23,287,777</u>

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

	2014	2015	2016
Revenues			
Taxes	\$18,003,217	\$19,424,788	\$20,377,376
Charges for Services	3,777,696	4,079,231	3,919,415
Investment Earnings	1,153,755	526,342	66,295
Intergovernmental	2,399,866	3,032,459	3,148,693
Special Assessments	91,946	55,570	91,105
Fines, Licenses and Permits	415,384	362,907	191,613
Revenue in Lieu of Taxes	248,790	198,388	210,682
Other Revenues	538,199	1,032,024	1,120,640
Total Revenues	<u>26,628,853</u>	<u>28,711,709</u>	<u>29,125,819</u>
Expenditures			
Current:			
General Government	4,313,792	4,156,432	4,607,792
Public Safety	10,217,092	10,219,901	10,406,317
Community Development	914,865	947,345	1,088,196
Leisure Time Activities	1,409,945	1,401,449	1,423,497
Transportation and Street Repair	1,474,539	1,483,514	1,451,258
Basic Utility Service	1,408,069	1,100,215	1,085,412
Public Health and Welfare	377,198	368,056	387,002
Other	0	0	0
Capital Outlay	2,426,089	7,996,747	12,721,449
Debt Service:			
Principal Retirement	609,875	619,278	864,252
Interest and Fiscal Charges	248,373	312,359	570,062
Bond Issuance Costs	0	250,357	0
Total Expenditures	<u>\$23,399,837</u>	<u>\$28,855,653</u>	<u>\$34,605,237</u>

2017	2018	2019	2020	2021	2022	2023
\$21,765,139	\$20,891,159	\$23,330,512	\$22,727,345	\$24,510,799	\$27,894,290	\$29,602,812
3,918,322	3,925,563	3,932,386	4,107,433	4,417,476	4,604,646	4,667,238
1,285,076	834,421	2,083,020	942,824	(728,938)	(4,535,209)	3,738,624
3,072,150	3,394,659	2,864,437	8,913,300	4,608,328	6,422,874	7,213,388
86,516	108,558	125,940	104,479	121,861	167,543	237,153
215,831	148,018	238,617	93,836	226,543	201,505	193,890
209,947	339,638	443,915	558,801	633,634	608,198	640,823
1,183,213	1,245,676	1,224,987	1,458,639	1,277,425	1,280,631	1,398,491
<u>31,736,194</u>	<u>30,887,692</u>	<u>34,243,814</u>	<u>38,906,657</u>	<u>35,067,128</u>	<u>36,644,478</u>	<u>47,692,419</u>
4,151,288	5,938,441	4,715,910	6,173,501	4,972,194	5,277,631	7,150,778
10,617,674	10,948,662	11,443,756	10,964,329	11,682,648	12,035,608	12,324,372
1,254,273	1,360,441	1,969,245	2,269,615	1,389,066	1,470,604	2,576,671
1,652,471	1,576,884	1,707,986	1,708,306	1,871,984	1,997,567	2,091,607
1,438,950	2,494,163	2,720,533	1,387,773	2,648,866	4,170,680	1,609,239
1,069,084	1,108,700	1,170,351	1,226,651	1,227,535	1,254,431	1,397,664
462,831	393,912	538,030	492,400	485,437	546,668	467,919
0	0	0	4,828	0	0	0
4,210,157	4,753,117	6,037,302	5,041,959	6,291,648	7,078,260	10,484,876
881,739	907,970	926,715	942,946	966,690	2,029,946	295,000
533,200	511,707	484,746	355,838	375,728	317,257	291,465
0	0	0	115,846	0	0	0
<u>\$26,271,667</u>	<u>\$29,993,997</u>	<u>\$31,714,574</u>	<u>\$30,683,992</u>	<u>\$31,911,796</u>	<u>\$36,178,652</u>	<u>\$38,689,591</u>

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

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

Source: City Records

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

2017	2018	2019	2020	2021	2022	2023
\$5,464,527	\$893,695	\$2,529,240	\$8,222,665	\$3,155,332	\$465,826	\$9,002,828
\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0
0	0	0	7,535,000	0	0	0
0	0	0	(7,953,575)	0	0	0
0	0	0	534,421	0	0	0
284,775	37,820	15,045	0	214,927	469,436	30,504
3,741,482	7,479,060	6,763,264	7,939,203	11,810,000	12,075,209	4,725,000
(4,491,482)	(8,254,060)	(7,638,264)	(9,031,611)	(11,975,000)	(12,125,209)	(5,030,000)
(465,225)	(737,180)	(859,955)	(976,562)	49,927	419,436	(274,496)
\$4,999,302	\$156,515	\$1,669,285	\$7,246,103	\$3,205,259	\$885,262	\$8,728,332
6.7%	5.4%	5.0%	6.7%	7.9%	8.1%	2.3%

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

Calendar Year	Real Property	Public Utilities Personal	Total Assessed Value	Total Estimated Actual Value
	Assessed Value	Assessed Value		
2014	\$471,863,070	\$12,778,280	\$484,641,350	\$1,384,689,571
2015	479,708,290	13,442,150	493,150,440	1,409,001,257
2016	484,535,010	14,172,530	498,707,540	1,424,878,686
2017	517,577,100	15,518,370	533,095,470	1,523,129,914
2018	527,390,480	16,311,050	543,701,530	1,553,432,943
2019	544,995,420	18,388,810	563,384,230	1,609,669,229
2020	599,807,390	20,208,490	620,015,880	1,771,473,943
2021	634,019,030	21,269,760	655,288,790	1,872,253,686
2022	650,719,480	22,959,660	673,679,140	1,924,797,543
2023	766,959,990	24,682,310	791,642,300	2,261,835,143

Source: County Auditor

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

Note:

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



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Total Direct Rate (1)	Total Direct Rate (2)	Total Direct Rate (3)	Total Direct Rate (4)
3.10	1.10	0.00	0.00
3.10	1.10	0.00	0.00
3.10	1.10	0.55	1.55
3.10	1.10	0.55	1.55
3.10	1.10	0.55	1.55
3.10	1.10	0.55	1.55
3.10	1.10	0.55	1.55
3.10	1.10	0.55	1.55
3.10	1.10	0.55	1.55
3.10	1.10	0.55	1.55

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

Calendar Year	Total Direct Rate (1)	Overlapping Rates				
		Miami Conservancy City (3)	Troy City School District	Upper Valley Joint Vocational	Miami County	Troy-Miami County Library
2014	3.10	0.07	52.69	5.32	8.81	0.60
2015	3.10	0.09	52.69	5.30	8.81	0.60
2016	3.10	0.12	52.67	5.30	8.81	0.60
2017	3.10	0.27	52.62	5.26	8.82	0.60
2018	3.10	0.27	52.60	5.22	9.22	0.60
2019	3.10	0.26	52.55	4.90	9.22	0.60
2020	3.10	0.25	51.80	6.40	9.21	0.60
2021	3.10	0.25	51.60	6.40	9.21	0.60
2022	3.10	0.23	48.35	6.40	9.20	0.60
2023	3.10	0.19	51.45	6.40	9.20	0.60

Calendar Year	Total Direct Rate (2)	Overlapping Rates				
		Miami Conservancy City (3)	Miami East School District	Miami Valley Career Technology Center	Miami County	Troy-Miami County Library
2014	1.10	0.07	46.30	2.58	8.81	0.60
2015	1.10	0.09	46.18	2.58	8.81	0.60
2016	1.10	0.12	43.99	2.58	8.81	0.60
2017	1.10	0.27	44.40	2.58	8.82	0.60
2018	1.10	0.27	44.80	4.01	9.22	0.60
2019	1.10	0.26	44.60	4.01	9.21	0.60
2020	1.10	0.25	44.60	4.01	9.21	0.60
2021	1.10	0.25	44.20	3.96	9.21	0.60
2022	1.10	0.23	44.05	3.96	9.20	0.60
2023	1.10	0.19	43.40	3.93	9.20	0.60

Source: County Auditor

(1) - For Tax District D08. The components that make up the Total Direct Rate were not available from the County Auditor, only the Total Direct Rate is available.

(2) - For Tax District D45. The components that make up the Total Direct Rate were not available from the County Auditor, only the Total Direct Rate is available.

(3) - Levied by the City for the benefit of the Miami Conservancy District

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

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

Taxpayer	2023	
	Assessed Value	Percentage of Total Assessed Value
American Honda Motor	\$14,086,190	1.78%
Vectren Energy Delivery of Ohio Inc.	12,868,800	1.63%
Dayton Power and Light Company	12,081,850	1.53%
MO Troy LLC	3,695,730	0.47%
Kroger Company	3,614,950	0.46%
First Troy Corp.	3,382,530	0.43%
Hobart Corporation	3,114,990	0.39%
Plymouth 1520 Experiment Farm Foad OH LLC	3,047,670	0.38%
Clopay Corporation	3,044,340	0.38%
TPAF IV Towne Park Delaware LLC	2,986,830	0.38%
F&P America Mfg, Inc.	2,924,570	0.37%
<b>Total Principal Property Tax Payers</b>	<b>\$64,848,450</b>	<b>8.19%</b>

Taxpayer	2014	
	Assessed Value	Percentage of Total Assessed Value
Dayton Power and Light Company	\$9,293,210	1.92%
American Honda Motor	6,955,690	1.44%
F&P America Manufacturing, Inc.	4,342,580	0.90%
Vectren Energy Delivery of Ohio Inc.	4,104,610	0.85%
Health Care Reit Inc.	3,472,990	0.72%
Hobart Corporation	3,145,370	0.65%
Dayton Montgomery County Port Authority	2,948,340	0.61%
TPAP IV Town Park Delaware LLC	2,894,300	0.60%
DW28 Monroe LLC & WW28 Monroe LLC	2,718,270	0.56%
Troy Investment Group LLC	2,609,330	0.54%
<b>Total Principal Property Tax Payers</b>	<b>\$42,484,690</b>	<b>8.77%</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
2014 (4)	\$1,679,317	\$1,646,258	98.03%	\$33,059	\$1,679,317	100.00%
2015 (4)	1,738,440	1,714,882	98.64%	23,558	1,738,440	100.00%
2016 (4)	1,760,169	1,690,096	96.02%	70,073	1,760,169	100.00%
2017 (4)	2,003,514	1,992,375	99.44%	11,139	2,003,514	100.00%
2018 (4)	2,041,223	2,032,755	99.59%	8,468	2,041,223	100.00%
2019	2,127,146	2,092,925	98.39%	34,221	2,127,146	100.00%
2020	2,373,501	2,302,391	97.00%	93,591	2,395,982	100.00%
2021	2,485,574	2,456,316	98.82%	50,949	2,507,265	100.00%
2022	2,439,063	2,429,169	99.59%	64,064	2,493,233	100.00%
2023	2,818,126	2,837,021	100.67%	55,738	2,892,759	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) - 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
2014	\$12,427,660	\$2,510,592	\$1,311,989	\$16,250,241	1.75%
2015	12,936,325	3,226,982	1,473,099	17,636,406	1.75%
2016	14,248,752	2,945,020	1,469,880	18,663,652	1.75%
2017	14,142,510	3,996,784	1,374,173	19,513,467	1.75%
2018	14,860,616	3,221,721	1,228,787	19,311,124	1.75%
2019	15,386,770	4,414,710	1,375,888	21,177,368	1.75%
2020	15,560,774	3,402,564	1,512,770	20,476,108	1.75%
2021	16,613,304	4,068,749	1,563,288	22,245,341	1.75%
2022	18,085,833	5,514,639	1,752,190	25,352,662	1.75%
2023	18,942,422	6,116,701	1,783,339	26,842,462	1.75%

Source: City Records

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

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

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

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

Calendar Year	Governmental	Business-Type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	Activities	General	OWDA			
	General	General	OWDA			
	Obligation	Obligation	Loans			
	Bonds	Bonds				
2014	\$6,410,882	\$12,044,721	\$382,825	\$18,838,428	0.45%	\$467
2015	15,042,386	10,325,194	361,778	25,729,358	0.58%	606
2016	14,167,980	8,360,642	340,041	22,868,663	0.50%	524
2017	13,276,087	7,798,578	317,592	21,392,257	0.45%	472
2018	12,357,963	7,227,745	2,842,939	22,428,647	0.44%	472
2019	11,421,094	6,650,853	2,699,000	20,770,947	0.40%	194
2020	10,530,467	6,498,482	2,601,327	19,630,276	0.35%	374
2021	9,535,900	6,132,527	2,463,853	18,132,280	0.30%	330
2022	7,475,979	5,409,115	2,322,124	15,207,218	0.25%	271
2023	7,154,258	5,197,056	6,356,508	18,707,822	N/A	N/A

Source: City Records

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

N/A - Information not available

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

Calendar Year	General Bonded Debt Outstanding Total General Obligation Bonds	Less: Restricted for Debt Service (1)	General Bonded Debt Outstanding Net General Obligation Bonds	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2014	\$18,455,603	\$0	\$18,455,603	1.33%	\$737
2015	25,367,580	0	25,367,580	1.80%	1,012
2016	22,528,622	0	22,528,622	1.58%	899
2017	21,074,665	0	21,074,665	1.38%	841
2018	19,585,708	0	19,585,708	1.26%	782
2019	18,071,947	0	18,071,947	1.12%	721
2020	17,028,949	161,846	16,867,103	0.95%	673
2021	15,668,427	596,934	15,071,493	0.80%	573
2022	12,885,094	1,128,524	11,756,570	0.61%	447
2023	12,351,314	1,666,656	10,684,658	0.47%	406

(1) - Amount from Statement of Net Position

Source: City Records



City of Troy, Ohio  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2023  
 Schedule 13

Governmental Unit	Net Debt Outstanding	Estimated Percentage Applicable (1)	Amount Applicable to City of Troy
Miami County	\$9,395,037	24.81%	\$2,330,909
Troy City School District	9,538,964	72.95%	6,958,674
Miami East Local School District	8,785,000	20.67%	1,815,860
Miami Valley Career Center Joint Vocational School District	116,770,000	0.67%	782,359
Upper Valley Career Center Joint Vocational School District	635,000	20.68%	131,318
Subtotal Overlapping Debt	145,124,001		12,019,120
City of Troy - Direct Debt	7,154,258	100.00%	7,154,258
Total Direct and Overlapping Debt	\$152,278,259		\$19,173,378

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	\$791,642,300	\$791,642,300
Statutory Legal Debt Limitation (1)	10.5%	5.5%
Total Debt Limitation	83,122,442	43,540,327
Debt Applicable to Limit:		
Gross Indebtedness	18,707,822	18,707,822
Less: Debt Outside Limitations (2)	11,553,564	11,553,564
Less: Restricted for Debt Service (3)	1,666,656	1,666,656
Total Net Debt Applicable to Limit	5,487,602	5,487,602
Legal Debt Margin	\$77,634,840	\$38,052,725

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

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

Source: City Records

(1) - Direct debt limitation based upon Section 133, the Uniform Bond Act of the Ohio Revised Code. Total debt limit should not exceed 10.5% of net assessed property value. Total unvoted debt limit should not exceed 5.5% of net assessed property value.

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

(3) - Amount from Statement of Net Position

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$55,975,024	\$57,088,661	\$65,101,667	65,101,667	68,805,323	70,736,310	83,122,442
<u>13,276,087</u>	<u>12,357,963</u>	<u>11,421,094</u>	<u>10,368,621</u>	<u>8,938,966</u>	<u>6,347,455</u>	<u>5,487,602</u>
<u>\$42,698,937</u>	<u>\$44,730,698</u>	<u>\$53,680,573</u>	<u>\$54,733,046</u>	<u>\$59,866,357</u>	<u>\$64,388,855</u>	<u>\$77,634,840</u>
23.7%	21.6%	17.5%	15.9%	13.0%	9.0%	6.6%
<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$29,320,251	\$29,903,584	\$34,100,873	34,100,873	36,040,883	37,052,353	43,540,327
<u>13,276,087</u>	<u>12,357,963</u>	<u>11,421,094</u>	<u>10,368,621</u>	<u>8,938,966</u>	<u>6,347,455</u>	<u>5,487,602</u>
<u>\$16,044,164</u>	<u>\$17,545,621</u>	<u>\$22,679,779</u>	<u>\$23,732,252</u>	<u>\$27,101,917</u>	<u>\$30,704,898</u>	<u>\$38,052,725</u>
45.3%	41.3%	33.5%	30.4%	24.8%	17.1%	12.6%

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	
2014	\$47,724	\$0	\$0	0.00
2015	74,260	0	0	0.00
2016	73,945	0	0	0.00
2017	102,123	0	0	0.00
2018	110,216	0	0	0.00
2019	158,740	0	0	0.00
2020	227,979	0	0	0.00
2021	110,001	0	0	0.00
2022	166,920	0	0	0.00
2023	191,217	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)
2014	25,058	\$4,187,325	\$40,301	4.30%
2015	25,058	4,416,221	42,483	4.40%
2016	25,058	4,556,230	43,650	4.30%
2017	25,058	4,766,277	45,340	4.70%
2018	25,058	5,051,061	47,552	4.30%
2019	25,058	5,242,089	106,987	3.40%
2020	25,058	5,641,229	52,469	4.00%
2021	26,305	6,003,694	54,947	4.30%
2022	26,305	6,182,462	56,078	3.60%
2023	26,305	N/A	N/A	3.20%

Sources:

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

N/A - Information not available

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

2023			
Major Employers (2)	Type	Number of Employees (5)	Employer's Percentage of Total Employment
American Honda	Logistics	631	(4)
Clopay Building Products	Mfg	935	(4)
ConAgra Foods	Mfg	734	(4)
F & P American Mfg.	Mfg	920	(4)
Hobart Brothers	Mfg	568	(4)
Industry Products	Mfg	440	(4)
ITW Food Equipment Group	Mfg	320	(4)
Meijer Distribution Center	Logistics	800	(4)
Upper Valley Medical Center	Health	1,600	(4)
UTC Aerospace Systems	Mfg	814	(4)

2014			
Major Employers (2)	Type	Number of Employees	Employer's Percentage of Total Population
A.O. Smith Corp.	Mfg	(3)	(4)
ConAgra Inc	Mfg	(3)	(4)
Crane Co.	Mfg	(3)	(4)
Evenflo Company, Inc.	Mfg	(3)	(4)
F-Tech, Inc./F&P America	Mfg	(3)	(4)
Goodrich Corp.	Mfg	(3)	(4)
Hartzell	Mfg	(3)	(4)
Illinois Tool Works, Inc./Hobart	Mfg	(3)	(4)
Meijer, Inc.	Trade	(3)	(4)
Piqua City Schools	Govt	(3)	(4)
Troy City Schools	Govt	(3)	(4)
Upper Valley Medical Center	Serv	(3)	(4)

Source: Miami County, Ohio Department of Development and Ohio Department of Development

(1) - For all of Miami County

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

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

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

(5) - Estimated Employment

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

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

Source: Various City Departments

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



2017	2018	2019	2020	2021	2022	2023
3	3	3	3	3	3	3
1	1	1	1	1	1	1
1	1	1	1	1	1	1
4	4	4	4	4	4	3
2	2	2	2	2	2	2
4	4	6	5	5	5	5
3	3	2	2	2	2	2
40	40	40	44	44	42	43
44	44	42	43	41	42	43
7	8	8	9	9	8	8
4	4	4	4	4	3	3
3	3	3	2	3	2	2
5	5	5	5	4	6	6
11	11	11	11	11	11	11
5	5	5	5	4	4	4
2	2	2	2	2	2	3
2	2	2	2	2	2	2
6	7	8	8	7	5	5
0	0	2	2	2	2	2
9	9	9	9	9	9	9
5	5	5	5	4	5	5
2	2	2	2	2	3	3
8	7	7	7	6	7	7
5	5	6	6	6	7	7
1	1	1	1	1	1	1
4	4	4	4	5	5	6
7	7	7	7	8	8	8
<u>188</u>	<u>189</u>	<u>192</u>	<u>196</u>	<u>192</u>	<u>192</u>	<u>195</u>

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

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

Source: Various City Departments

(1) - Cash basis

(2) - Represents residential dwellings only

2017	2018	2019	2020	2021	2022	2023
161	188	159	114	128	176	185
\$53,461,060	\$24,739,752	\$52,239,282	\$33,671,182	\$33,175,212	\$40,044,876	\$63,753,540
79	196	91	115	165	99	49
\$23,977,228	\$23,483,403	\$26,675,859	\$22,072,688	\$37,416,297	\$36,649,303	\$18,636,447
N/A	2,091	N/A	553	548	558	569
N/A	1,683	N/A	1,060	1,164	1,380	1,493
N/A	2,599	N/A	1,232	1,786	1,855	1,769
1,796	1,970	1,989	1,732	1,941	1,823	1,553
4,704	4,630	4,619	4,673	5,215	5,328	4,789
87	67	86	58	52	125	85
933	820	813	705	722	758	1,003
6,215	6,346	6,536	7,068	7,158	6,944	7,120
1,936	1,917	1,878	2,103	2,043	1,852	1,788
4,492	10,309	7,890	4,009	4,416	5,000	5,979
\$91,653	\$96,959	\$116,833	\$60,451	\$117,254	\$151,035	\$148,906
33,212	34,116	37,514	11,726	33,618	36,781	35,362
67	80	99	112	173	100	54
16	35	32	33	28	33	18
3.44	3.45	3.50	3.58	3.60	3.83	3.79
5.1	5.0	4.9	5.2	4.7	5.98	6.20
5.46	7.36	6.66	5.72	5.47	5.68	5.08

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

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

Source: Various City Departments

(1) - Tickets sold by Hobart Arena only

2017	2018	2019	2020	2021	2022	2023
1	1	1	1	1	1	1
11	11	11	12	12	12	12
3	3	3	3	3	3	3
12.050	12.100	12.150	12.252	12.488	12.563	12.910
132.74	133.20	133.65	135.50	136.33	139.98	148.80
2,590	2,714	2,629	2,630	2,637	2,604	2,738
46	47	43	43	43	42	40
25	25	25	25	25	27	27
321	321	321	321	321	365	365
17	17	17	17	17	17	17
15	15	15	15	15	15	15
15	15	15	15	15	15	15
1	1	1	1	1	1	1
1	1	1	1	1	1	1
1	1	1	1	1	1	1
16	16	16	16	16	16	16
160.14	160.98	163.00	165.64	167.85	168.19	168.33
1,356	1,357	1,390	1,424	1,441	1,444	1,456
7	7	7	7	7	7	7
130.14	132.35	132.30	136.38	137.49	137.98	139.49
130.22	131.01	133.20	135.73	137.20	137.36	137.81
29,935	25,275	27,143	6,141	11,349	16,943	13,217
24,239	24,092	23,018	5,508	11,810	16,009	13,422

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# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF TROY**

**MIAMI COUNTY**

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

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



**Certified for Release 9/5/2024**

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

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)