



CITY OF TROY
**POPULAR ANNUAL
FINANCIAL REPORT
2020-2021**



POPULAR ANNUAL FINANCIAL REPORT (PAFR)

The information in this document has been drawn from selected segments of the City of Troy Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2021. Complete financial statements of the City of Troy with additional demographic and economic information are published in the ACFR.

For more detailed information where the totals are represented by function, you should review the Annual Comprehensive Financial Report (ACFR).

Both this summary and the ACFR are available on our website at troymi.gov/financial_documents. If necessary, call 248.524.3330 to request a copy.

CITY OF TROY INTERNATIONAL DAY



CITY OF TROY

The City of Troy was formed June 13, 1955, and is the largest city in Oakland County. Troy is a council-manager form of Government. The Mayor and six Council Members are elected to staggered, four-year terms. The City Council appoints a City Manager to oversee daily operations and administrative functions.





KRESGE FOUNDATION LOCATED IN TROY

QUALITY OF LIFE

Troy's quality of life is enhanced by recreation and leisure facilities including the Troy Public Library, Community Center, Family Aquatic Center, Sylvan Glen, and Sanctuary Lake Golf Courses, and 1,000 acres of parkland.

EDUCATION

Top-rated school systems reinforce Troy's community strength and property values. Troy School District (TSD) serves the majority of households with an enrollment of 13,140. Six other school districts also serve Troy citizens: Avondale, Birmingham, Bloomfield Hills, Lamphere, Royal Oak, and Warren Consolidated. Higher education is available through local community colleges, four-year colleges, and universities.

ECONOMY

Troy's diversified business community, strong residential market, and conservative financial management perpetuate a stable economy through regional and national market fluctuations. A wide range of industries in the business community, well-maintained neighborhoods, excellent schools, and continued investment into roads and infrastructure all contribute to Troy's resilience.

Demographics



CITY RESIDENTS

- › Residential Population: 87,294
- › Number of Households: 32,961
- › Median Household Income: \$101,882
- › Median Age: 42.4
- › Unemployment: 2.9%
- › Voter turnout: 77% (Nov. 2020 Presidential Election)



CITY OF TROY ECONOMY

- › Building and Construction permits issued: 2,490 (valued at \$152M)
- › Businesses: 6,200
- › Workday Population: 170,000
- › Fortune 500 Companies: 2
- › North American/U.S. headquarters: 5

City Departments



TROY POLICE DEPARTMENT

- › Sworn officers: 106
- › Service Calls: 36,384
- › Police Dogs: 3
- › Police Cat: 1



TROY FIRE DEPARTMENT

- › Instances: 1,045
- › Fire Stations: 6
- › Volunteers: 150
- › Full-time Staff: 12



RECREATION AND CULTURE

- › Parks: 15
- › Dog park: 1
- › Golf Courses: 2



PUBLIC WORKS

- › Requests for Service: 1,320
- › Miles of Road: 364
- › Miles of Sidewalk: 500
- › Tons of Compost collected: 28,304

GENERAL FUND

The General Fund is the general operating fund of the City and the main focus of this report. It is used to account for all financial resources except those required to be accounted for in another fund. General Fund activities are financed by revenues from general property taxes, state shared revenues, and other sources. The General Fund uses the current financial resources measurement focus and the modified accrual basis of accounting.

The City of Troy collects funding from six major sources. Beyond property taxes, other revenues include licenses and permits, state shared revenue, charges for services, fines, and forfeitures, and miscellaneous receipts that include investment income, rental income, and administrative fees.



Where do my tax dollars go?

The City of Troy divides tax payments between 3 major funds. The City gets 28% of total taxes paid which account for 57% of City revenues. With those revenues Troy is able to things like parks, Public Works, and Public Safety.



CITY OF TROY

28%



COUNTY-WIDE SERVICES

20%

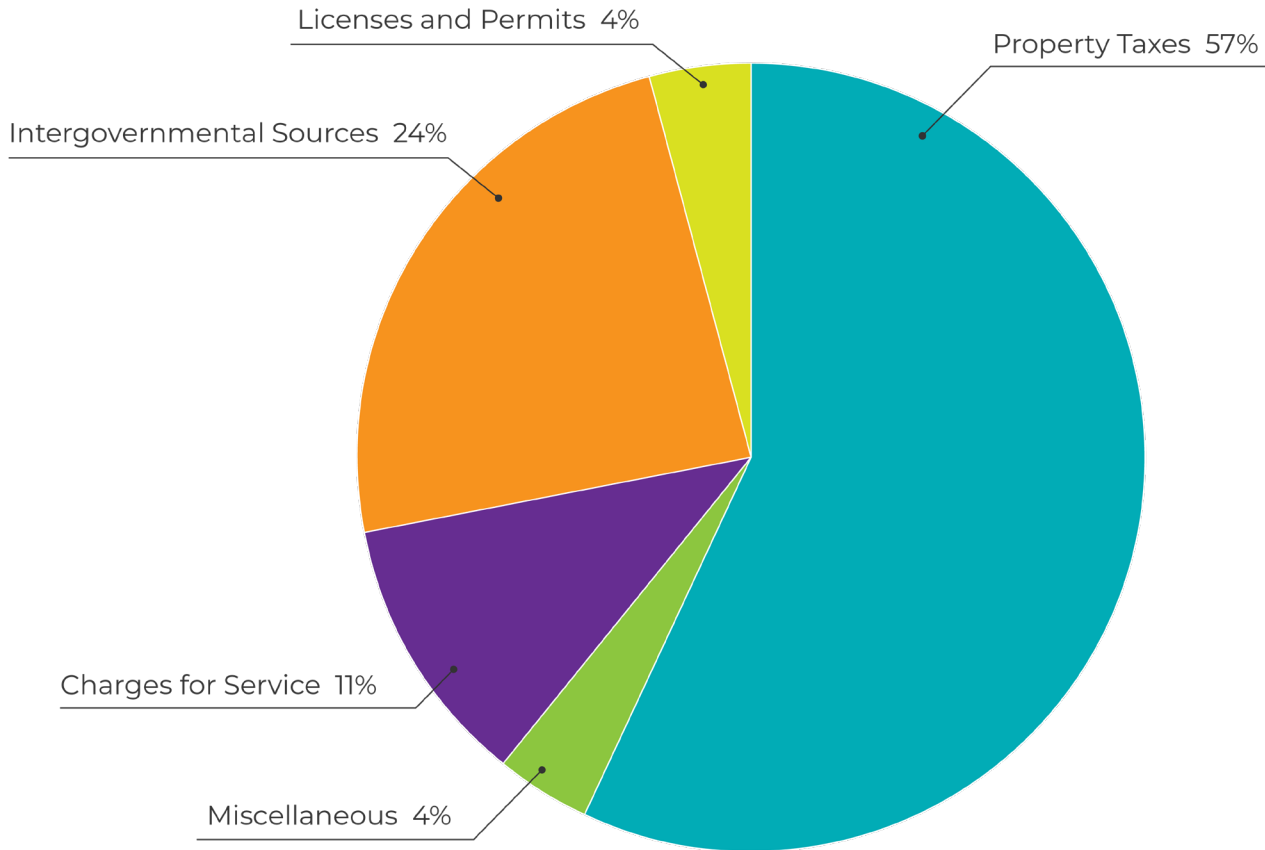
INCLUDES: COUNTY, OCC,
SMART BUS, DIA, AND ZOO



LOCAL SCHOOLS

52%

GENERAL FUND REVENUES



General Fund Revenues Fund Breakdown

PROPERTY TAXES: \$35.7 MILLION

The City's total tax rate of 10.00 mills includes the General Fund, Refuse Collection, Library Services, Debt Service, and Capital Projects activities. The General Fund tax levy is 6.50 mills of the total.

LICENSES AND PERMITS: \$2.6 MILLION

Are mainly made up of building permits and trade licenses and permits.

INTERGOVERNMENTAL SOURCES: \$14.8 MILLION

This revenue is mainly in the form of a return on sales tax dollars from the State of Michigan and CARES Act funding from the Federal Government.

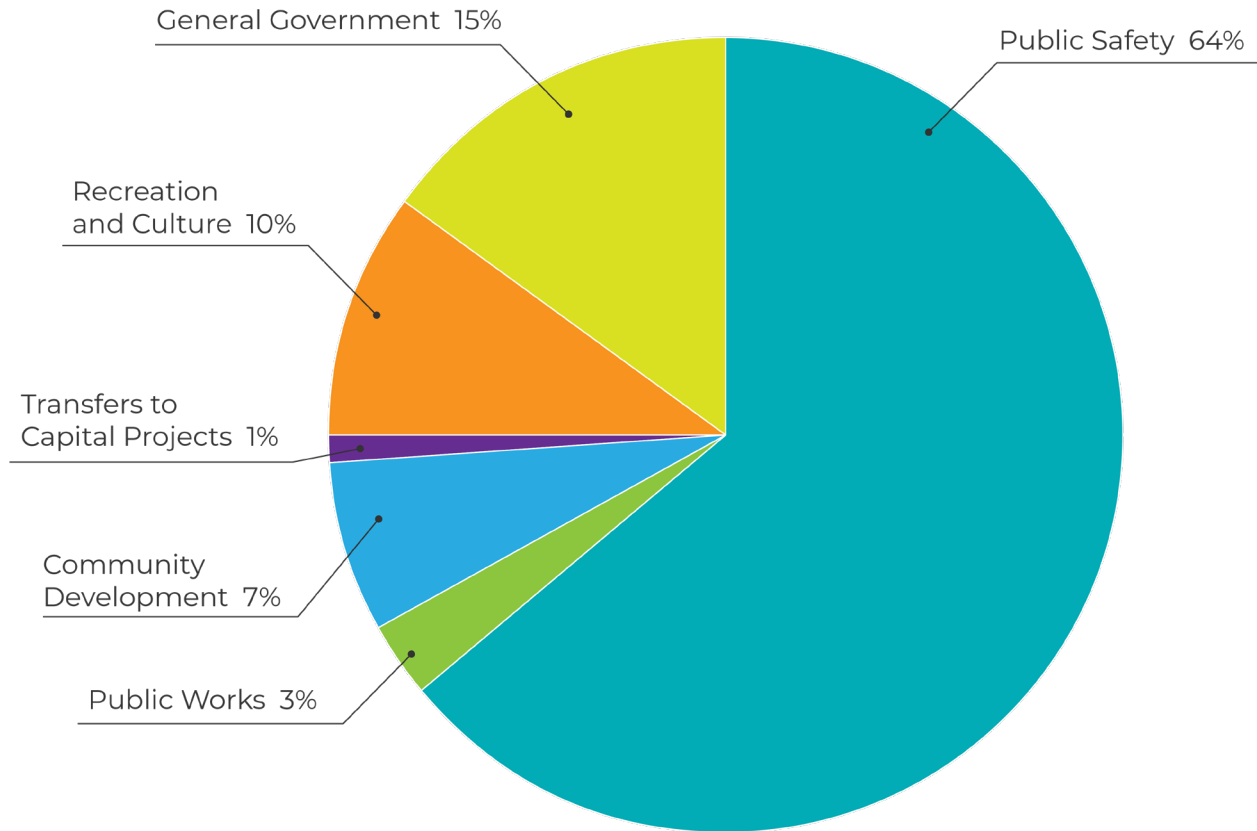
CHARGES FOR SERVICES: \$6.8 MILLION

Fees charged for services and sales. Some examples of charges for services include Community Center fees, cable franchise fees, and county reimbursements.

MISCELLANEOUS: \$3.0 MILLION

Generated primarily by administrative fees, investment income, and rental income.

GENERAL FUND EXPENDITURES



General Fund Expenditures Fund Breakdown

GENERAL GOVERNMENT: \$8.8 MILLION

The General Government group of expenditures is broken down into the following areas: City Council, City Manager, City Attorney, City Assessor, City Clerk, Elections, Accounting, Human Resources, Purchasing, Treasurer, Community Affairs, Economic & Community Development, City Hall and services.

PUBLIC SAFETY: \$35.4 MILLION

Police, Fire Protection and Building Inspection

PUBLIC WORKS: \$1.8 MILLION

Maintenance costs for major, local, and county roads, storm drains, and retention ponds.

COMMUNITY

DEVELOPMENT: \$3.5 MILLION

Includes cost for the Planning and Engineering Departments.

RECREATION & CULTURE: \$5.5 MILLION

Costs to provide Parks, Recreation activities, Historic Village and Nature Center programs.

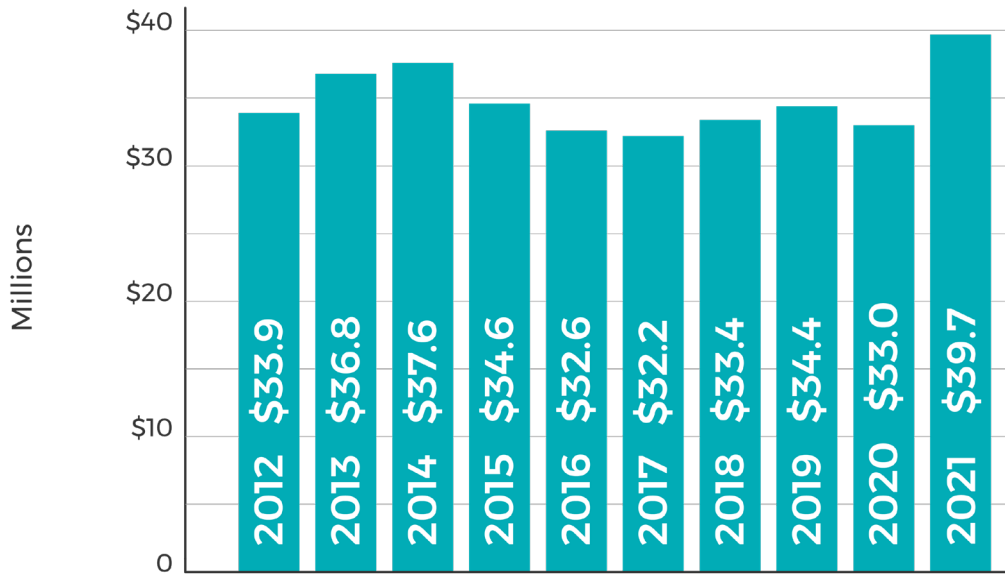
TRANSFERS: \$1.0 MILLION

Includes transfers to Capital projects for major road repairs.

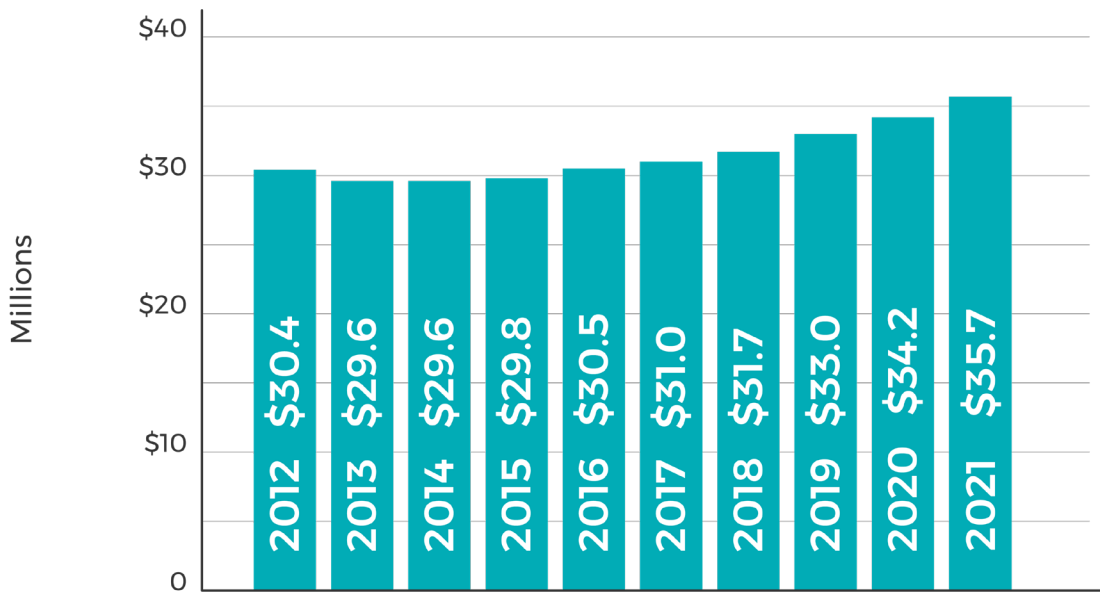
GENERAL FUND

ADDITIONAL FUNDS & INFORMATION

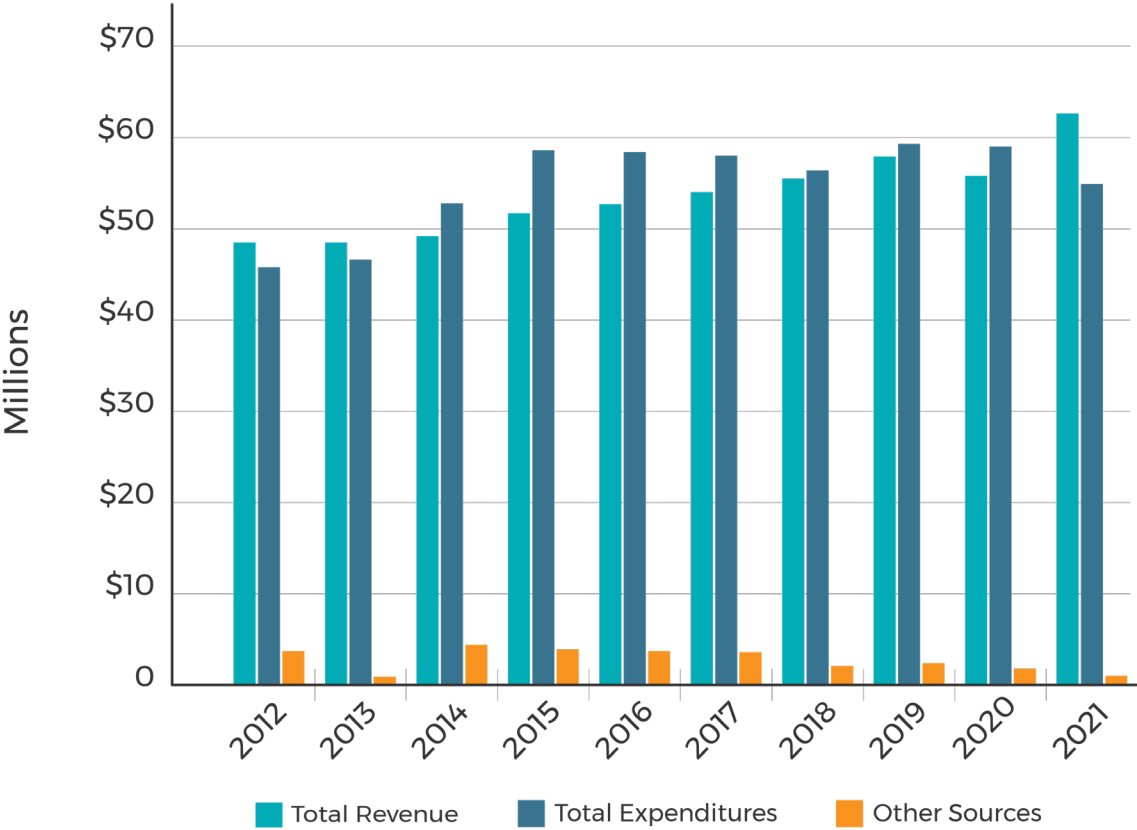
GENERAL FUND | FUND BALANCE



GENERAL FUND | TAX REVENUE

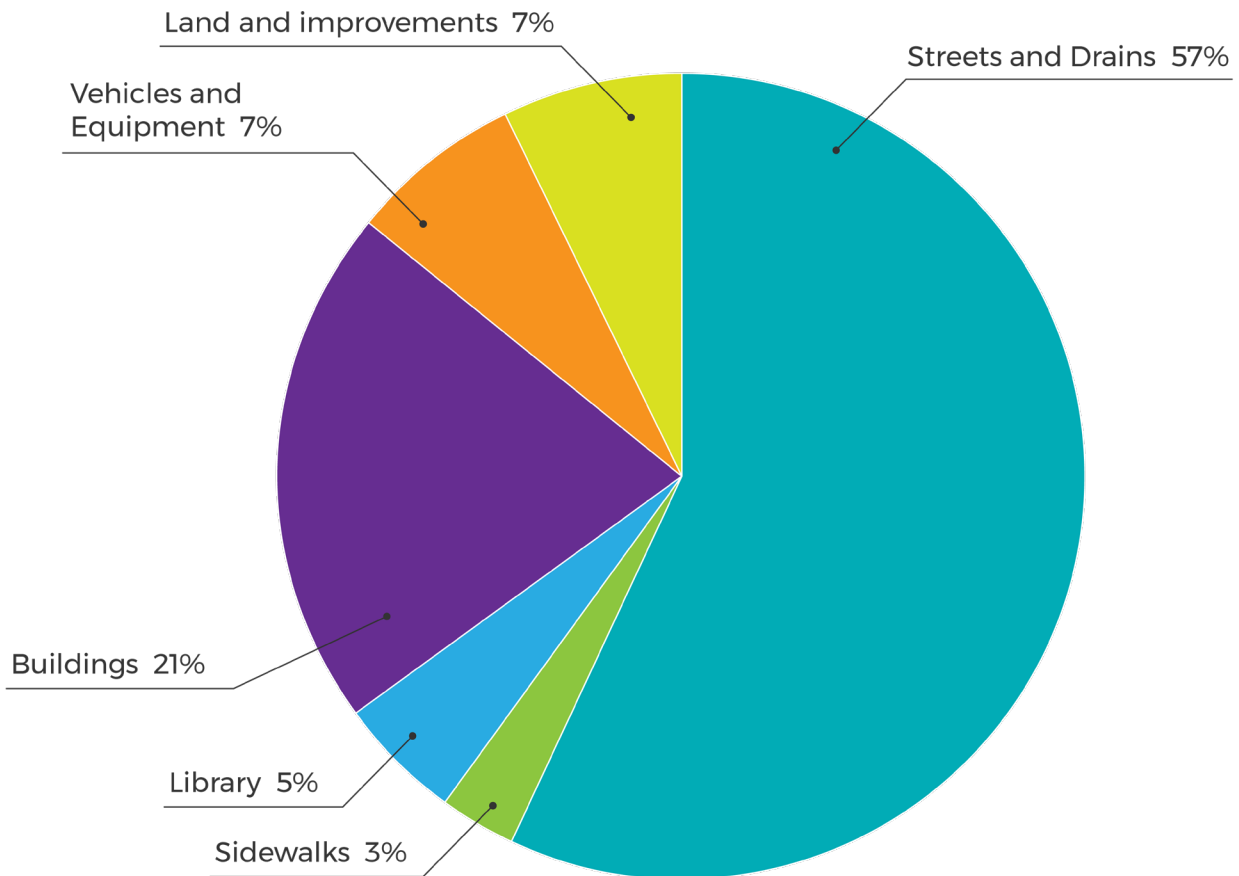


GENERAL FUND REVENUES, EXPENDITURES, AND OTHER SOURCES EXPENDITURES



CAPITAL EXPENDITURES

Capital expenditures are disbursements that result in the acquisition of or addition to capital assets. Does not include enterprise funds such as water, sewer, and golf courses.



Capital Expenditures Fund Breakdown

STREETS & DRAINS: \$6.9 MILLION

Street expenditures consisted of improvements to major streets \$4.0 million and local streets \$2.9 million.

BUILDINGS: \$2.6 MILLION

Building expenditures consisted of improvements to the recreation center roof and HVAC.

VEHICLES & EQUIPMENT: \$0.8 MILLION

SIDEWALKS: \$0.4 MILLION

LAND & IMPROVEMENTS: \$0.8 MILLION

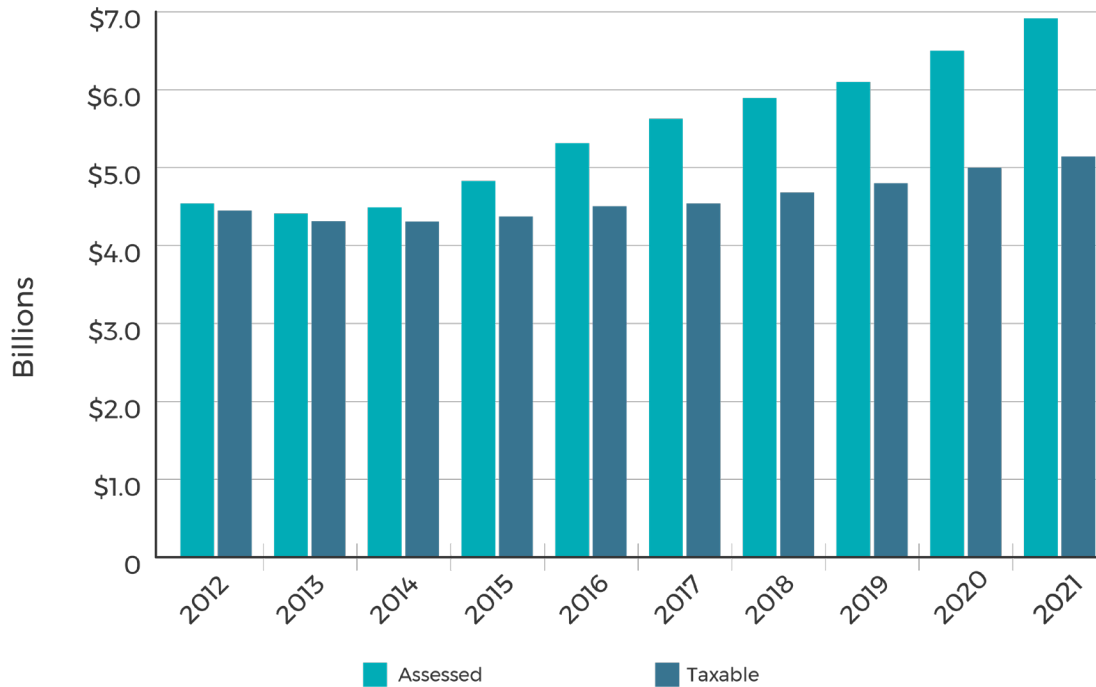
LIBRARY: \$0.6 MILLION

2021 REVENUES AND EXPENDITURES

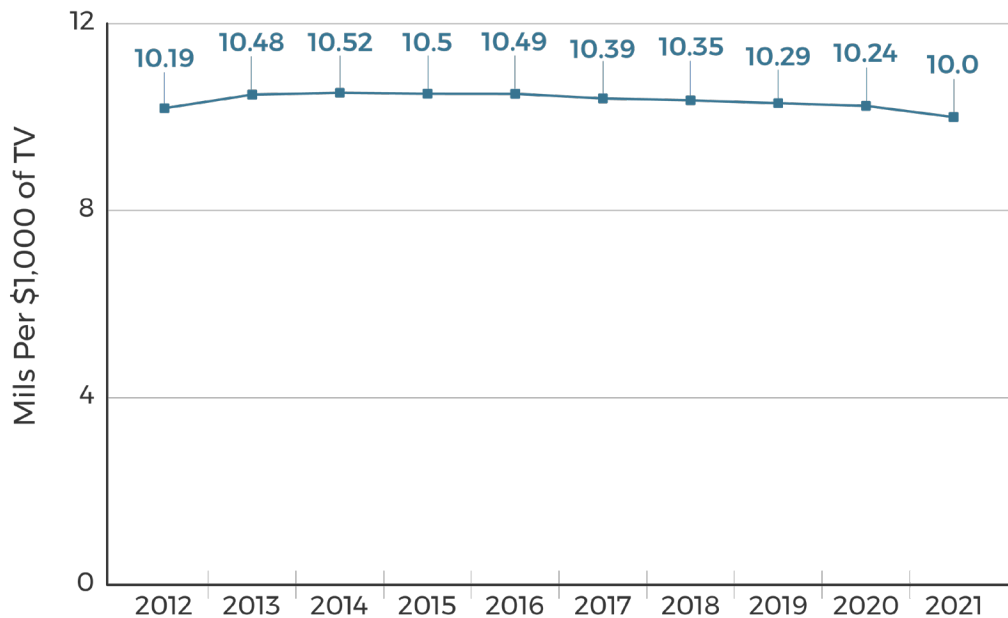
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues	\$48.5	\$48.5	\$49.2	\$52.7	52.7	\$54.0	\$55.5	\$57.9	\$55.8	\$62.6
Expenditures	(45.8)	(46.6)	(52.8)	(58.6)	(58.4)	(58.0)	(56.4)	(59.3)	(59.0)	(55.0)
Other Sources	3.7	1	4.4	3.9	3.7	3.6	2.1	2.4	1.8	(1.0)
Net Change	6.4	2.9	0.8	(3.0)	(2.0)	(0.4)	1.2	1	(1.4)	6.6
Beg. Equity	27.5	33.9	36.8	37.6	34.6	32.6	32.2	33.4	34.4	33.0
End Equity	\$33.9	\$36.8	\$37.6	\$34.6	\$32.6	\$32.2	\$33.4	\$34.4	\$33.0	\$39.6
% of Expenditures	74.0%	79.0%	71.2%	59.0%	55.8%	55.5%	59.2%	58.0%	56.0%	72.0%

ASSESSED VS. TAXABLE

The community's taxable value was \$5.1 billion for fiscal 2021. This compares to \$5.0 billion for fiscal 2020 values and indicates a modest recovery from the significant declines incurred from the 2008 great recession. Taxes are computed by multiplying the taxable value by the millage rate per thousand.



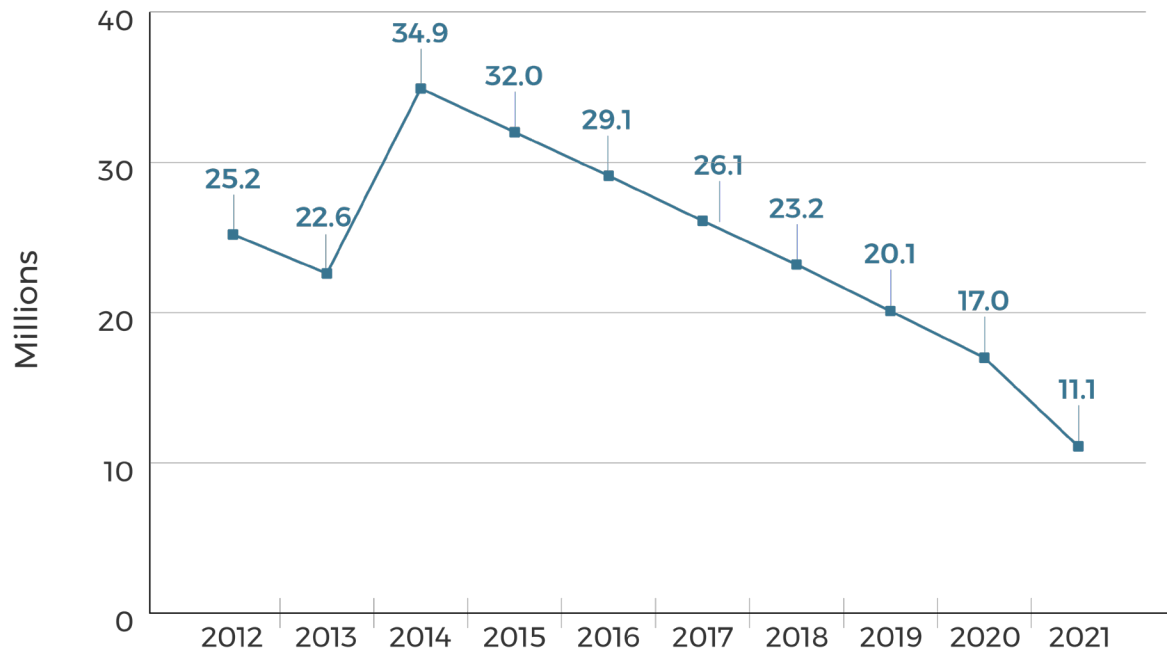
MILLAGE RATE



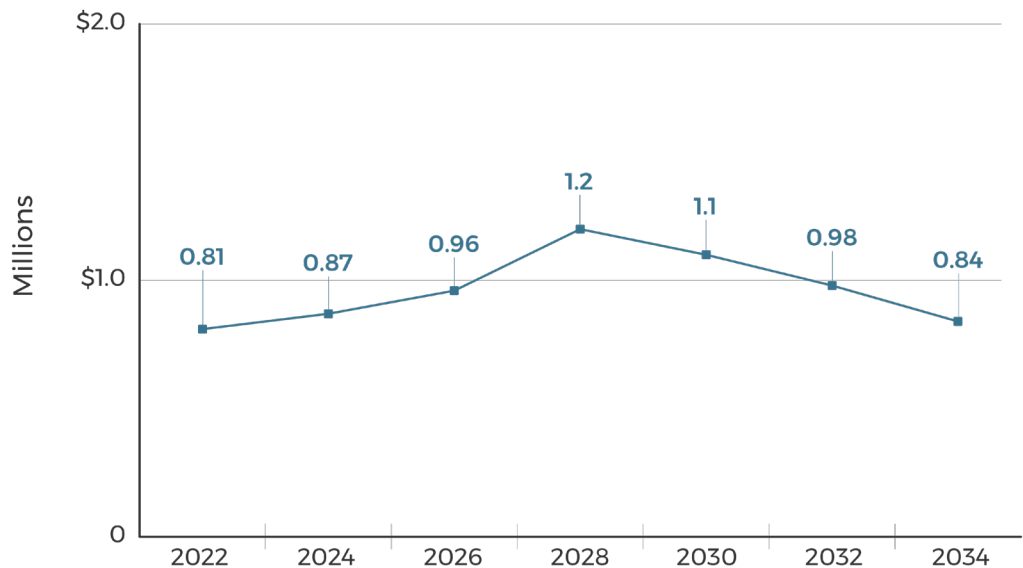
BOND INFORMATION

General Obligation (GO) Bonds are municipal bonds backed by the credit and taxing power of the issuing jurisdiction rather than the revenue from a given project. General obligation bonds are issued with the belief that a municipality will be able to repay its debt obligation through taxation or revenue from projects. No assets are used as collateral. The majority of the bonds outstanding are for the Downtown Development Authority (DDA) and are backed by the full faith and credit of the City of Troy. Does not include enterprise funds.

BOND DEBT AND OBLIGATION



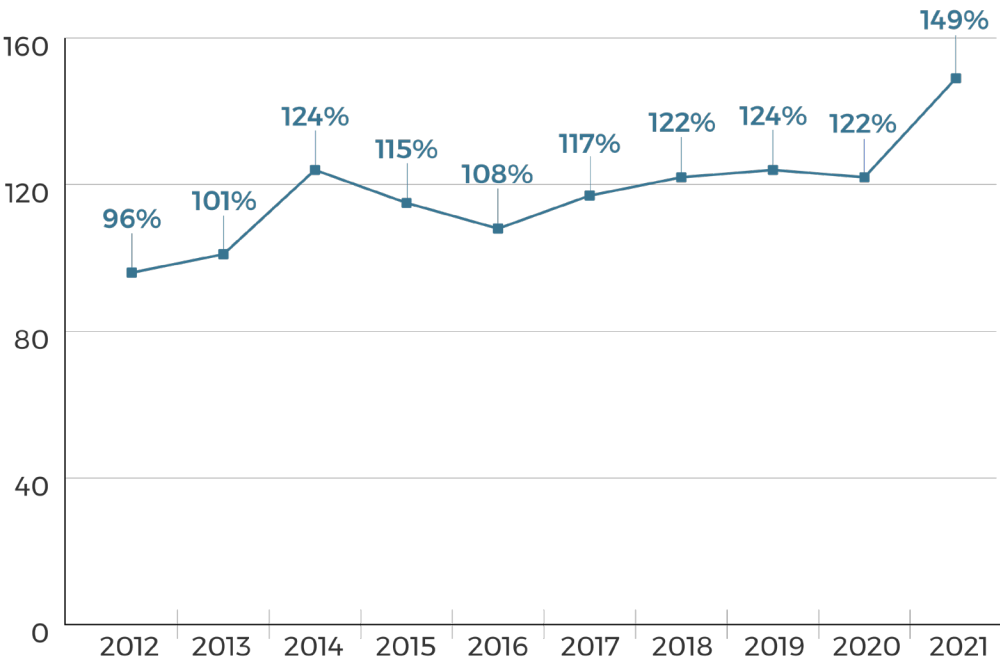
BOND OBLIGATION PAYMENT REQUIREMENTS



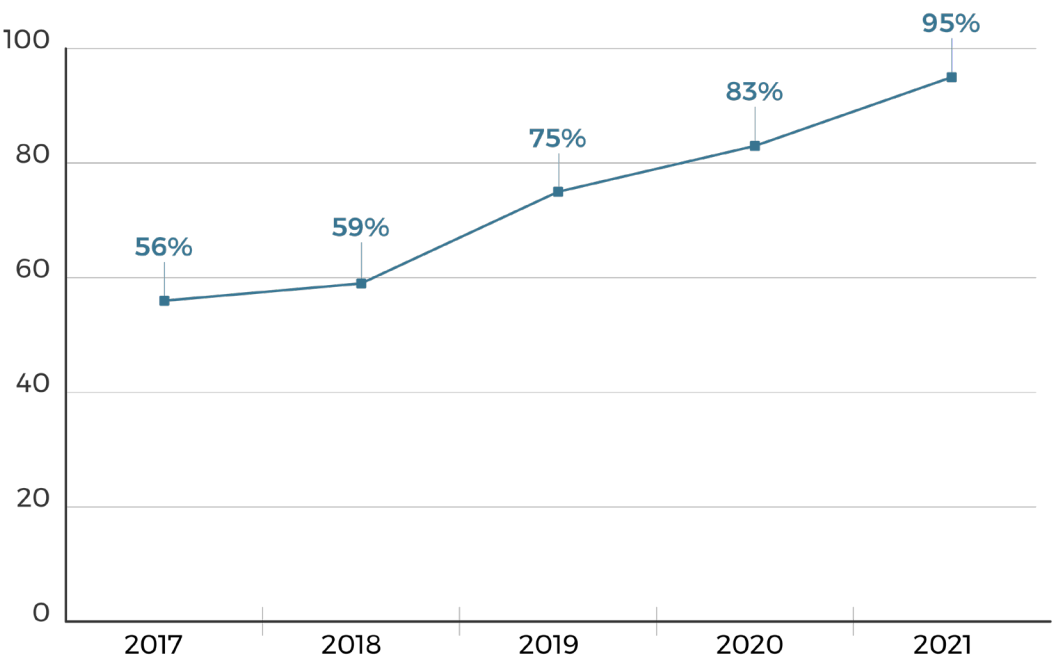
TROY EMPLOYEE RETIREMENT SYSTEM

These charts express the actuarial value of assets as a percentage of the actuarial accrued liability, which provides one indication of the system’s funded status on an ongoing concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker.

TROY EMPLOYEE RETIREMENT SYSTEM PENSION BENEFIT



TROY EMPLOYEE HEALTHCARE SYSTEM PENSION BENEFIT



OTHER FUNDS USED TO MANAGE CITY DOLLARS

In accordance with Generally Accepted Accounting Principles (GAAP), the City's financial activities are accounted for in a variety of funds other than the General Fund.

- › **Special Revenue Funds** such as the Major Street, Local Street, Refuse, Drug Forfeiture, Library, and Community Development Block Grant Funds are used to account for proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for those specific purposes.
- › **Debt Service Funds** account for the accumulation of resources for the annual payment of principal, interest, and fees in connection with certain long-term debt other than the debt of proprietary fund types.
- › **Capital Projects Fund** tracks financial resources for the acquisition or construction of major capital facilities other than those financed by the operations of a proprietary fund.
- › **Enterprise Funds** like Water, Sanitary Sewer, Aquatic Center, and Golf Course Funds are used to account for operations that are similar to private business. The concept includes user fees that are designed to pay for the services provided.
- › **Internal Service Funds** are used to account for the financing of goods and services provided by one department to other departments of the government on a cost-reimbursement basis.

PREVIOUS AWARDS

The Government Finance Officers Association (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) to the City of Troy for its PAFR for the fiscal year ended June 30, 2020. An award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. The award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.



Government Finance Officers Association

Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

City of Troy

Michigan

For its Annual Financial Report
for the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO